Study on the Influence of Enterprise
Culture's Reform on CRM Implementation

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Abstract

Customer Relationship Management (CRM) has been seen as a major trend during the recent years in Chinese companies. It is undoubted that technique plays an important role in CRM, but it is only a way and one of the factors which make CRM work normally. The keys to implementation CRM successfully are the person who uses CRM system and the proper enterprise culture. This paper analyses the reform of enterprise culture's effect on the implementation of CRM, and put forward a new customer-centered enterprise culture.

Keywords: Enterprise culture, CRM

1. Introduction

CRM has become known and be accepted by the companies in china with the popularization of internet and the occurrence of the E-business. It makes use of many modern methods to collect and analyze customer resources, which leads to the companies have better ability to communicate with customers and get maximum rate of customer profit. CRM puts scientific management theory of marketing into the use of software through the way of information technique. It is also used in the customer-related departments in companies, such as market, sales, and technique supporting. It attracts and keeps more customers through offering fast, considerate and good quality service and reduces the cost of collecting and keeping customers through optimizing the work flow of facing customers.

When considered from the point of technique, since CRM abides by the basic marketing theory, it should achieve expected marketing effect, but in fact the rate of failure of the operation of CRM is high, which takes huge loss to companies. To resolve this problem, this paper tries to revolve that enterprise culture is a key factor to lead the success of CRM implementation. And put forward how to build a proper enterprise culture's to effect the implementation of CRM.

2. The influence effect on CRM implementation by traditional enterprise culture

When companies develop to a certain level, enterprise culture's influence on the development of companies will become more important. Under a certain political background and economic environment, our traditional companies have already formed a kind of enterprise culture with Chinese characteristics, which used to play an active role in the company's development. And it is accepted by most of the staff. However, with the coming of knowledge economy era, what the traditional companies face are new economy with the characteristic of high technology and quickly developing IT technology, new management technology and management ideas. All of these have been attacked the old enterprise culture continually, which results to the occurrence of a completely new reform of enterprise culture, that is paying attention to the ability of using the customer resource-centered outside resources of the company. With these management technology and management ideas which take great influence on enterprise culture, CRM, a completely new strategy idea and work method, becomes one of the main powers to reform the traditional enterprise culture system with its unique charm and huge wallop. It makes the company from paying attention to the company's inside value and ability to the company's outside resources' ability of adoption. Many other reforms about enterprise culture originate from this one.

In order to carry out and adopt CRM system successfully, there must be some corresponding enterprise culture to support it, or there will be some obstacle. Even though the improvement of the staff can help the CRM system to succeed, there will still have some problems during the progress of adoption. The new cultural should be compatible with old ones, and it would be inclined to be helpful to the use of customer relationship resource. However, when the introduction of CRM theory brings contradiction between the old and new culture, company's old culture should give place to the new one, only those who have courage to reform the old culture of the company can carry out CRM theory completely and raise whole company's sense of culture to fit the new economic environment to make it have more powerful vitality.

3. The enterprise culture matched with CRM

The implementation and adoption of CRM needs corresponding new type enterprise culture. At the same time, as a

powerful tool supporting, the new type enterprise culture offers security for the implementation of enterprise culture. The key characteristic of the new type enterprise culture which is fit for the need of the new economic era is that "considering the customer as the center", especially paying attention to maintaining the customers who have already existed.

Customers are the base of the company's existence and development. And the essence of market competition is customer resource competition. Competition raises the difficulty and cost of attracting new customers and impels more and more companies to pay more attention to maintaining old customers. The companies can reach most of their profiting if they put their marketing key on the customers, even though they don't invest on the new customers. Therefore, the aim of CRM strategy is customer retention, but not customer acquisition.

The enterprise culture which helps CRM work well also contains other characteristics which originate from "considering customers as the center". The characteristics of the enterprise culture which matched with CRM are showed as follows:

3.1 Realizing that customers are external asserts of enterprises'

During the process of business model transformed from product-centered to customer-centered, lots of companies, especially companies abroad, begin to consider customers as their important asserts and adopt many methods to show their consideration to customers to raise their satisfaction and loyalty to the companies. Just as what we see, more and more companies put forward these ideas, such as "customers first" and etc. Considering a company's development in a long term, it is a very important key to advocate and set up a idea that customers are company's external asserts.

3.2 The first aim of enterprise management is making customers satisfaction

Customers' satisfaction degree means that customers feel happy or disappointed with the comparison between their expectation and their real feeling to the product and service. Customers' satisfaction is the parametric between the perceived effect and the expectation. If the perceived effect is lower than the expectation, it shows that customers are not satisfactory; if they matched each other, it shows that customers are satisfactory; if the former is higher than the latter, it shows that customers are highly satisfactory. These judgments are very important to us, for they make us realize clearly the importance of the management of customer relationships. The reason why companies continually pursuit customers' high satisfaction is that customers who are a little satisfactory will change their suppliers if they find better and cheaper products. Only those who are very satisfactory with the products will not change their suppliers. It is this physical resonance resulted from satisfaction that creates customers' highly loyalty to the products. These customers will often buy the company's products afterwards and accept other products and service of the company.

3.3 Paying attention to the utilization ability of the customer resources

CRM provides a system which can make use of every kind of method to collect and analyze customer resource. It is an expert management idea and technology to manage companies' foreground, it also can help companies to make good use of customer-centered external resources and expand new market and business channels. At the same time it also raises customers' satisfaction and companies' ability of profiting in order to increase companies' integrated value.

3.4 Realizing customers' individualized consumption demand

In the information era, the market has from the seller's market to buyer's market. At this time, company's management structure is in a flat situation, there are multipoint connections between customers and company and the market has turned into a market environment which is lead by customers. In this situation, customers become harsher and harsher and their requirement to the products and service would also become higher and higher.

The global economic integration make products can move freely in the whole world, and the expansion of the seller's market make customers have a huge right to choose. The companies' operation strategy should be close to market and customers. They should not only understand what the customers say, but also offer different operation strategies according to customers' preference. Only in this way, they can get their market share. The new economic model resulted from the rise of internet begins to take the first step, as the companies become globalization, the boundary between industry become vague, a business environment which considers customers as the center and emphasizes on individual service begins to take its way.

4. Problems during the transformation of enterprise culture

4.1 Deepening the understanding of the customer care

The activity of caring about customers should be contained in the whole process, including the pre-chasing, chasing

and pro-chasing customers' experience. It also runs through the whole links of business marketing, including customer service, the quality of products, the quality of service and after service. Considering through the angle of customers and companies, although the degree of customer care is difficult to measure and evaluate, it can be quantifiable. On the whole, the evaluation can be divided into three angles, that is search property, experience property and credence property.

Every property variable can be divides into two parts: the variables with search property can manage and distinguish customers' expectation through different ration methods to design out proper disciplines, rules and procedures; the variables with experience property and credence property can be improved through training and examining the workers have connections with customers. All of these depend on the worker's disciplines during their work. The companies standardize workers' acts according to making strict business operation procedures and disciplines to increase the staff's level of service.

CRM software's customer care module attracts related marketing variables into it, which make the abstract question of customer care can be measured through a series of related standard. This method can make companies adjust their strategies immediately to increase customers' loyalty to the companies.

4.2 The confirmation of "the one-to-one customer view" in the internal of the company

CRM is a synthesis of science and technology and human nature, when dealing with customer related problems, we should be people oriented and consider customers as the center. The staff in the internal of the company should confirm "the one-to-one customer view" and have a deep understanding of that customers are "company's external treasure" and "company's external asserts", but not "the company's one deal".

Every contact between the company and customers is a process the former learning and understanding the latter, and it's also a chance the latter experiencing the former. According to repeated visitations and interactive, the company can know the customer's preference and need to offer proper products and service to proper people in proper time and through proper methods. Only though this way, the company can care about customers sincerely, design proper, individual suggestions for every customer and make the customers feel the value of the company. The degree of satisfaction and loyalty will be increased naturally and the company's interest will be increased correspondingly.

4.3 Increasing the vigor in the aspect of the training of worker's sense of enterprise culture

In order to construct "customer-centered" enterprise culture and corresponding organization structure, it needs every worker's understanding and conjugation. As long as every worker understands the company's new enterprise logos, the logos can be carried out. As long as every worker can work freely in the new structure, the company can get the maximum interest, and training is the effective way to make workers avoid the contradiction of logos and make profit in the new structure quickly.

The company should consider the training of the enterprise culture which matches with CRM as a long plan and the training emphasizes on the introduction of logos, new organization structure's operation methods and the skills of communication with customers and so on. The workers should rotate among the departments of customer-supporting, sales and information and so on, for it can make them be familiar with the whole procedure, know every department's operation situation and resources and reduce the obstacles resulted from inter-departments communication. What should be paid the most attention is the integration problem of the internal of the company and customer-related departments, that is, the consistency between customers and different departments, sharing of information from different ways and the interactive rules abided by and so on.

4.4 Paying attention to customers' loyalty often

Just as company's products have lifecycle, customers also have lifecycle. The longer customers' lifecycle is, the company's relative mercantile rate of return is higher and the profit brought to the company will bigger. The famous "two eight discipline" thinks that 20% customers create 80% interest of the company. Someone modifies it as the following according to statistics 80/20/30, that is to say, 20% customers create 80% interest, but half of it is offset by 30% non-profit customers. Therefore, the company should "eliminate" the weakest customers to improve its level of profiting. Those who bring the most interest to the company are not the biggest customers, because the biggest customers often require considerable service and discount which results to the reduction of the company's integrate profiting level.

Customer resource has become the origin of the company's interest. If a company can keep 5% of its customers, its interest can be improved remarkably. Keeping customers' loyalty can make competitors can not contest the market share and maintain the stability of the workers and reduce the cost. CRM software gets the achievement of the research of customers' loyalty and qualifies it to the rules which can be measured and revaluated. It makes the company can exam its customers' loyalty easily to carry out effective strategies.

5. Conclusion

In summary, with the reform of culture, the companies can pave the way for the implementation of CRM system and make the implementation and adoption of CRM go normally. At the same time, as a powerful tool which supports the new type enterprise culture, CRM will offer safeguard to the implementation and operation of the enterprise culture. However, the companies should realize that if they want the reform of enterprise culture to achieve the goal CRM requires, the companies will experience a miserable time, which is a very tough time. The companies' leaders should be the firm supporters of the implementation of cultural reform and make each worker contribute to the success of the reform. This is a very important step for the CRM implementation of company.

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