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# A Comparative Study of Customer Relationship Management (CRM)

How Strategies and Applications Vary Across Industries

A Research Thesis Presented in Partial Fulfilment of the Requirements for the Degree of Master's in Logistics and Supply Chain Management, at Massey University, New Zealand

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#### **Abstract**

Over the past decade, there has been an explosion of interest in customer relationship management (CRM) by both academics and executives. However, despite an increasing amount of published material, most of which is practitioner oriented, there remains a lack of agreement about what CRM is, what CRM means to different industries and companies and how CRM strategy should be developed. The purpose of this article is to develop a process-oriented conceptual framework that positions CRM at a strategic level by identifying the key cross-functional processes involved in the development of CRM strategy in retail, manufacturing and service industries.

CRM is increasingly important to firms as they seek to improve their profits through longer-term relationships with customers. In recent years, many have invested heavily in information technology (IT) assets to better manage their interactions with customers before, during and after purchase (Bohling, Bowman, LaValle, Mittal, Narayandas, Ramani, & Varadarajan, R 2006). Yet, measurable returns from IT investment programs rarely arise from a narrow concentration on IT alone, with the most successful programs combining technology with the effective organisation of people and their skills (Bharadwaj, 2000; Piccoli & Ives, 2005). It follows that the greater the knowledge about how firms successfully build and combine their technological and organisational capabilities, the greater will be our understanding of how CRM influences performance.

We have found through the study that CRM is best performed if it is designed to meet the specific needs of each company. And we have also found that for any CRM strategy to be successful it needs the support from the management team, from the top to the bottom, a customer-centric culture has to be incorporated into one's daily operation.

### Acknowledgement

I would like to express my special appreciation and thanks to my supervisor Mr. Alan Win, you have been a tremendous mentor for me. I would like to thank you for encouraging my research and for providing guidance though my study. I thank the Massey University for helping out sending questionnaires, organising the online surveys and collecting data. I would also like to thank my co-workers from Nestle and Purina for the prompt response with the surveys.

A special thanks to my partner. Words cannot express how grateful I am to my partner for all of the sacrifices that you've made on my behalf. Your prayer for me was what sustained me thus far. I would also like to thank all of my friends who supported me in writing, and incented me to strive towards my goal.

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