Investigating the Impact of Technology Based CRM on ROMI

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Abstract

Competition had shifted in the last couple of decades to a focus on inventing new ways of providing value to customers. One of the consequences of this trend has been the emergence of the Customer Relationship Management (CRM) which evolved into a topic of major importance among academics and practitioners in marketing. A common issue to most new technology implementations is that of the drive to minimize costs. Among the new established examples of such minimizing costs exercise are: Sales Force Automation (SFA) and more efficient call-center management which can be easily achieved through CRM while improving quality of service in order to gain customer loyalty. In this study we are investigating the impact of call center management and sales force automation on return of marketing in Telekom Malaysia Company. Findings suggest that CRM technologies in general and SFA in particular contributed in enhancing communication between customers and sales representatives and reducing marketing costs and enhancing customer loyalty. However, sales representatives’ training is crucial in enhancing companies’ productivity and permits avoiding erroneous implementation of CRM technologies.

Keywords: Customer relationship management, Sales force automation, Call center management, Return on marketing investment, Customer loyalty.

Introduction

As the competitive Business environment becomes more fierce and turbulent, providing excellent good quality products or services is no longer sufficient, we need also and above all to keep loyal customers who will contribute long-term profit to organizations Tseng, (2007). Thus, competition had shifted in the last couple of decades to a focus on inventing new ways of providing value to customers. One of the consequences of this trend has been the emergence of the Customer Relationship Management (CRM) which evolved into a topic of major importance among academics and practitioners in marketing. CRM can be defined as “an ongoing process which provides seamless integration of every area of business that touches the customer for the purpose of building and maintaining a profit maximizing portfolio of customer relationship” (Sinisalo, J., Salo, J., Leppäniemi, M., & Karjaluoto, 2005).

However, in this research we are focusing on technology based CRM as a dominant aspect of CRM process, and as Everett mentioned “Customers complain that more than 50% of their CRM projects have failed—and the majority will underestimate costs by between 40% and 75%, according to Gartner” (Everett, 2002.). A common issue to most new technology implementations is the drive to minimize costs.

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Among the now established examples of such minimizing costs exercise are: Sales force automation, and more efficient call-center management which can be easily achieved through CRM while improving quality of service in order to gain customer loyalty.

Therefore, it is significant to consider that in order to implement a CRM strategy within the context of systems, organizations usually have information about the customer, but that information exists within isolated systems. One of the major challenges that organizations face today, understands the need to integrate the applications in order to be able to gather all the available information related to the customer (Mendoza, Marius, Pérez, & Grimán, 2007).

**Problem statement:**

It is difficult and contentious to measure the payoff of a CRM system, especially in its early stages, which can lead to poor judgments by management. According to a recent study by Accenture (2001), as many as 75 % of American organizations are unable to measure the Return on Investment (ROI) of their CRM implementations. Core to the discipline of customer centricity, CRM requires a return measurement component. After all, you can't improve what you can't measure. But with three out of four organizations unable to demonstrate accountability, its little wonder there is doubt about technology based CRM’s effectiveness (Richard Hochhauser, 2003).

In addition, some consulting organizations point out that up to 70 per cent of CRM projects don’t produce measurable business benefits though it is not clear if this is because CRM approaches were inappropriate, badly implemented, or badly measured. And as we mentioned before, organizations tend to use CRM technologies which are expensive in order to maximize profits through achieving customer loyalty.

However, it is the researcher intention to Investigate the impact of technology based customer relationship management with focus on call centre management and sales force automation as CRM tools impacting the return on marketing investment. Therefore the main research problematic resides into trying to investigate whether the using of call centre management and sales force automation technologies are enhancing customer loyalty and increasing ROMI, the explanation for concentrating on these two components of technology based CRM among other tools is that the majority of organizations have call centre and recruiting sales force as essential tactics to serve the customers and because they are concerned with customer interaction which is the core of CRM implementations.

Likewise, we intended to understand how can sales force automation and call center management empower organizations in order to focus on face - to - face interaction which builds long term relationship with customers, and leads to a predisposition of salespeople to adopt these technologies which in turn means training and recruiting people with specialized skills and making a commitment to keep current with what's available in call center and sales force automation technologies.

**Study contributions:**

In view of that, we trust that our contribution to the practice field will be beneficiary by enabling organizations to effectively apply CRM technologies in which way to enhance customer loyalty and to provide accurate measurement for return on marketing investment to justify the marketing expenditures. Though little research has been conducted describing return on marketing investments as well as sales force automation and researchers are not keen to explore more about this area, hopefully we can add useful contribution to the knowledge field.

**Literature Review:**

1. **Technology based CRM**

   Galbreath and Rogers (1999) explain that CRM is about “the management of technology, processes, information resources and people needed to create an environment that allows a business to take a 360-degree view of the customer”. By the end of the 1990s, expensive CRM applications had emerged as the hottest growth area in IT both in term of Units and budgets. This rapid growth has had a significant impact on organizations and their bourgeoning networks. The primary objective of CRM is to gain better understanding of customers’ preferences and thus offering higher quality of services which may lead to customer loyalty. The use of CRM systems such as data warehousing and mining, call centres, sales force automation, online order tracking, personalized services, multi-channel ordering system and so forth would seem to be the right tools to deliver the expected results.
For example, apart from collecting massive customer’s data, the technology-based CRM should be able to analyse customer behaviour, identify customers segments and analyse trends which will provide meaningful information for planning the marketing campaigns.

In addition, the CRM system is also applicable in the sales function where customers can conveniently place orders 24/7 through the self-service online features. Likewise, CRM technologies are wide systems which could be integrated into various other systems like organization research planning systems etc, and both academic researchers and practitioners agreed to the benefit inherent in CRM integration (Nguyen et al, 2007).

2. Call Centre Management

Although it has been established that customers complained about the time and efforts they required to have their individual questions answered or their problems resolved whenever they interact with contact centers (SQM, 2007). Evidence from existing call center literatures shows that several authors have argued in favor of First Call Resolution (as the percentage of customers that do not need to call back in order to address their initial primary reason of calling the organization). Technology enablers through intelligent skill based routing is a good means of achieving First Call Resolution, perceived service quality and customer satisfaction (Callcentre.net, 2003). This is because through the application of CRM technologies such as first call resolution enablers, contact center scan match their customers and/or their call types with the appropriate customer service representatives knowledge and skills. In relation to the above, the extent of a company's CRM integration will strengthen its ability to resolving customer's request in the first call and also give opportunity for achieving customer loyalty. (Aliyu Olayemi, et al, 2011).

3. Sales Force Automation

Sales Force Automation (SFA) was primarily designed to support salespersons in handling their touch points and to offer them event calendars about their customers. SFA's meaning extended to comprise opportunity management that is supporting sales methodologies and interconnection with other functions of the organization such as production (Gray & Jongbok, 2001).

However, SFA which means the conversion of manual sales activities into electronic processes via the use of software and/or hardware (Rivers and Dart 1999), is one way a sales organization can better manage their customers and facilitate relationship marketing. Therefore, SFA is a subset of CRM technology and CRM technology is a subset of CRM. Practitioner evidences suggests that a sales organization's use of SFA can facilitate sales managers communication with sales people and the maintenance of customer histories, increases the ability of sales managers to track the activities of sales people, helps attract new reps to the firm, provides faster feedback about customer problems, increases the timeliness of information dissemination, increases the accuracy of pricing and ordering processes, increases the sales manager's ability to produce sales forecasts, and analyze reasons for won and lost opportunities (Ingram, LaForge, and Leigh, 2002).

4. Customer Loyalty:

Organizations that want to form strong customer bonds need to contemplate a number of different considerations. One set of researchers sees retention-building activities as adding financial benefits, social benefits, or structural ties. Interacting with customers, developing loyalty programs, personalizing marketing, and creating institutional ties are four key marketing activities that organizations are using to build customer loyalty.

Moreover, CRM applications enable organizations to assess customer loyalty and profitability on measures such as repeat purchases, dollars spent, and longevity (Chen & Popovich, 2003). Not surprisingly, the right technology is an increasingly essential ingredient for this purpose. Organizations are using e-mail, Web sites, call centers, sales force automation, and database software to foster continuous contact with customers. E-commerce organizations need to understand which customers are profitable and calculate each customer's lifetime value. They must also determine how to increase the value of the customer base. Losing profitable customers can dramatically affect a firm's profits. The key to retention is customer relationship marketing (CRM), the process of managing detailed information about individual customers and managing all customer touch points to maximize loyalty (Philip Kotler, Kevin Lane Keller, 2009).
5. Return on Marketing Investment:

It was postulated that marketers are more likely to spend money, but dislike to assess results of that spending. Marketers have been indicted of not being held accountable for showing how marketing expenditures add to shareholder value and the resulting lack of accountability has undermined marketing's credibility (Rust et al., 2004).

As result It wasn’t until the early 2000s that ROMI (return on marketing investment), concepts began to appear in research articles and was defined as the incremental margin generated by a marketing program, divided by the cost of that program at a given risk level (Powell 2002). The typical formula is displayed in the following equation:

\[
\text{Return on Marketing Investment} = \frac{\text{Incremental Margin} - \text{Marketing Investment}}{\text{Marketing Investment}}
\]

(Koen Pauwels, Dave Reibstein, 2010).

The key input for determining return is to have an understanding of how much each customer adds the value to the organization. Further, it is a measure that can be used to assess the effectiveness of alternative marketing strategies. Marketers are finally able to quantify bottom-line returns on their marketing investments, whether it is an expansion in the number of sales reps or customer contact personnel (Roger J. Braran & Robert Galka, 2013).

Research objectives:

In this research, we will try to achieve those objectives aiming to conduct a significant contribution to the knowledge field as well as to the practice realm:

1. Identify the role of technology based CRM and its applications.
2. Analyse the impact of call centre management and sales force automation on customer loyalty.
3. Investigate the relationship between CRM technologies usage and ROMI.

Research Questions:

The main questions that this research will be trying to elucidate can be summed up in the following:

1. What is the role of technology based CRM and its applications?
2. What is the impact of call centre management and sales force automation on customer loyalty?
3. Does CRM technologies usage affect positively ROMI?

Research assumptions:

CRM technologies for the call center were once a critical tool for any organization seeking to build better customer relationships. These call center CRM applications enabled organization to improve customer service and gain certain efficiencies in call center operations that enable organizations to manage their costs, drive to measurable outcomes, and deliver exceptional customer experiences. Where, sales force automation play important role in helping organizations achieve the benefits of CRM through better contact management and lead tracking. SFA applications also provide rich and positive interaction between buyer and salespeople, which shape the strength and longevity of their business relationship (Agnihotri Raj, Rapp Adem.a, 2010). For the same reasons as mentioned previously, and according to the research questions which were developed previously, we propose the following assumptions:

Assumption1. Call centre management and sales force automation have positive effect on CRM development.

The call centre can be judged simply by how effectively they communicate with customers, communication is not only about numbers of transactions in context of CRM, it’s about quality of transactions and the resulting customer loyalty (Peel Jeffrey, 2002). Moreover as the aim of sales force automation is to reduce the time spent on routing support activities, and thereby free the sales force to develop relationship with customers, which will enable salespeople to concentrate on high profit potential accounts, seeking to gain those customers loyalty (Rosann Spiro, Gregory A. Rich, 2003). Therefore, we propose the following assumption:

Assumption2. Call centre management and sales force automation play a role in achieving customer loyalty.

In order to build a linkage model that shows quantitatively how the loyalty index relates to one or more measures of business performance (revenues, market share, customer profitability, and market capitalization with a degree of sophistication, the best approach is the one that has enough rigors to be accepted by senior management as credible.
This linkage analysis gives marketing an important tool in establishing ROMI: One can actually forecast the change in a business results measure based on investment in improving performance in an underlying factor (like brand image. Customer satisfaction) that drives loyalty (Lawrence A. Crosby, Brian S. Lunde, 2007). Thus we propose the following assumption:

**Assumption 3.** Customer loyalty as result of using CRM and SFA has positive impact on increasing ROMI.

**Theoretical Background:**

1. **Relationship Marketing (RM) Theory:**

   There is no agreement on a definition of relationship marketing, even if most definitions have many common denominators. There are, however, differences in scope. A rather comprehensive definition states that: —Relationship marketing is to identify and establish, maintain, and enhance relationships with customers and other stakeholders, at a profit, so that the objectives of all parties involved are met!; and —that this is done by a mutual exchange and fulfilment of promises (Grönroos, 1996).

1.1 **Relationship Marketing Topology:**

   - **Social RM programs** offering social engagements (e.g., meals, sporting events) or frequent, customized communication to personalize the customer relationship and transmit the buyer's special status.
   - **Structural RM programs,** such as an electronic order-processing interface or customized packaging, improve customer efficiency and/or productivity; result in a hard-to-quantify but considerable customer benefit. Because such programs typically require significant setup and offer unique benefits, structural RM investments have impact on profit too; they do so to some extent in different manner that depends on interaction frequency.
   - **Financial RM programs** provide economic benefits, such as special discounts, giveaways, free shipping, or extended payment terms, in exchange for customer loyalty (Palmatier, Gopalakrishna, & Houston, 2006).

   However, a recent definition of customer relationship management from the *Journal of Marketing* proposes that customer relationship management is a *subcomponent* of RM with the following additional points (Payne and Frow 2005):

   1. Constructs the relationship target to —key customers and customer segments.
   2. Focuses more on the operational through an —integration of processes, people, operations, and marketing capabilities that is enabled through information, technology, and applications.

   In such way, customer relationship management (CRM) is the managerially relevant application of relationship marketing according to an organization focused on customers, which uses IT tools to achieve performance objectives. If RM is the science or physics of relationships, then CRM represents its application or engineering.

   In explaining how CRM technologies (CRM and SFA) are working to achieve customer loyalty, Relationship Marketing Theory has explained this relationship by illustrating how to apply **Structural RM programs.** Thus, this theory enables us to explain assumption 2.

   In addition, CRM indicates support for relationship marketing because access to integrated customer data should empower organizations to target their efforts more effectively, thereby increasing customer-specific profits (Mithas et al. 2005, Reinartz et al. 2004).

   Finally, the purpose of relationship marketing is, to increase marketing productivity by achieving efficiency and effectiveness (Sheth and Sisodia, 1995).

   The impact of RM on performance can be demonstrated through four stages (Grönroos, C. (2007) : RM activities (social, structural, financial) + relational assets (relational quality of the customer's bonds with the seller such as trust, commitment, reciprocity norms, gratitude, the dynamics of the relationship such as relational velocity, relationship age, or lifecycle stage) + relational behaviours (customer loyalty) + financial outcomes (increase in return on marketing investments).
Finally, the information technology explanation of RM based strategy success motives marketers to develop interorganizational information systems, integrate their information and communication infrastructures, and implement CRM programs to manage efficiently and effectively their customer relationships based on relationship marketing (Ehret, 2004).

In explaining how CRM technologies (CRM and SFA) are working to enhance CRM efficiency through controlling internal communication as well as external communication, Relationship Marketing Theory enables us to explain assumption1.

2. Technology Acceptance Model (TAM):

The technology acceptance model (TAM) proposed by Fred Davis (1989) is the classical information systems model developed to illustrate computer usage behaviour and factors associated with acceptance of technology. According to this theory, information system usage behaviour is fundamentally explained by behavioural intention that is formed as a result of conscious decision-making processes. Behavioural intention, in turn, is determined by two belief factors, namely, Perceived Usefulness (PU) and Perceived Ease of Use (PEOU).

By manipulating these two factors, system developers can have great control over users' beliefs about the system, and subsequently, their behavioural intention and usage of the system. (Shroff, et al., 2011). Perceived Usefulness (PU) is defined as "the degree to which a person believes that using a particular system would enhance his or her performance" (Davis, 1989). Perceived Ease of Use (PEOU) refers to "the degree to which a person believes that using a particular system would be free of effort" (Davis, 1989). Perceived usefulness and perceived ease of use can be considered as cognitive factors. Attitude towards Usage (ATU) refers to the —the degree to which an individual evaluates and associates the target system with his or her job (Davis, 1993).

However, in order to understand the relationships between actual usage of information technology and objective outcome measures (e.g. performance, productivity, quality) it is essential that the issue be examined. Thus assumption3 which states that there is a relationship between actual usage of information technology (SFA and CRM) and measure outcome (ROMI) as perceived usefulness is relevant.

In addition TAM theory is relevant to our research in which way to better understand the willingness of sales people and call center representatives to use CRM programs effectively and how it can influence return on marketing investment (perceived usefulness).

Research Methodology

There are two helpful research methodologies: quantitative and qualitative. Bryman and Bell (2003) pointed out that the connection between theory and research, epistemological considerations and ontological considerations, quantitative and qualitative research can be considered as two distinctive clusters of research strategy.

In order to answer research questions we will follow qualitative approach which is case study, the case study method is a specific field research method. Field studies are investigations of phenomena as they occur without any significant intervention of the investigator(s). Becker (1970) explained that case study refers to a detailed analysis of an individual case supposing that —one can properly acquire knowledge of the phenomenon from intensive exploration of a single case. The case study attempts, on the one hand, to arrive at a comprehensive understanding of the event under study but at the same time to develop more general theoretical statements about regularities in the observed phenomena (Raya Fidel, 1984). In our research, we will consider Telekom Malaysia which is one of the leading organizations in Malaysia as case study.

Telekom Malaysia (TM):

Telekom Malaysia Berhad (TM) established as a government organization and privatized in 1987, Telekom Malaysia is one of the biggest telecommunications service providers in Malaysia, offers a comprehensive range of in fixed-line, mobile, data and broadband communication services. As one of the principal listed organizations on the Bursa Malaysia stock exchange, TM boasts a customer base of 12.5 million subscribers (fixed, mobile and Internet) and annual operating revenues of nearly US$4 billion (excluding overseas ventures). In its mission to become the communications organization of choice for all of Malaysia, TM is dedicated to being a customer-focused organization that provides a full range of communications services for its subscribers. As such, the organization places a strong emphasis on innovative initiatives to improve customer service.
However, since TM’s customer relationship management (CRM) systems were siloed and outdated, cost-effective delivery of exemplary customer service was increasingly difficult. In order to achieve its goal of becoming more customer-focused, TM looked for radically renovate its CRM systems. Not only have that, but Liew Hon Nknew, project director of the CRM iCARE project, said, —To meet the challenges of the new telecommunications marketplace, we needed to revamp our entire customer service approach. We wanted to get to know our customers more closely, learn how to best serve them and offer them the right products at the right time and price. This transformation required us to reengineer our customer service organization along with the back-end CRM systems that support the agents.1 Thus, TM decided to introduce TM Online, Malaysia’s first-ever dynamic customer self-service portal.

In addition, the powerful combination of eServer, p5 servers and Siebel software has enabled TM to radically consolidate its call centers from 18 locations to only 4. Apart from the immediate reduction in real estate, energy and personnel expenses, this streamlined CRM environment has contributed to substantially reduced management costs.

Through the self-service capabilities of TM online which offers better customer service to attract more customers? In fact, several new services could become competitive differentiators for TM. For instance, subscribers can search, sort, filter and download their bills. Paperless billing can help lower printing costs. And subscribers can also use the portal to view their payment history, place orders for products and services and even receive billing notices by e-mail or text message. Therefore, by helping to reduce congestion at TM retail outlets, TM Online will help counter staff to provide higher quality service as well as perform higher-value tasks. And the powerful new CRM system, which places up-to-date customer information at agent fingertips, will help streamline operations and employee productivity even further (IBM, 2006).

In addition, according to annual sustainability report (2009), TM challenge is to ensuring excellent experience across the full spectrum of its delivery environments, services and interaction channels. This requires integration. The integrated approach comes in the form of iCARE, which stands for Integrated Customer Allied Relationship System. iCARE is a holistic concept that anchors TM’s customer relationship management (CRM).

Introduced in 2005, it is in the process of being upgraded to iCARE Prime, with the main objective of implementing the end-to-end process of TM’s core products more efficiently. For example, appointments and service activation now leverage on an Integrated Fulfillment Order Management System (INFÖRMS) and Streamyx Activation Management System (SAMS), which contribute towards better customer experience and operational efficiency.

In Wholesale, system enhancement for Digital Subscriber Line Service Provisioning (DCS 1 click) will be extended to customers for faster provisioning and fulfillment. Already, the order tracking system, known as Point Of Delivery tracking system (POD), has been upgraded. All these initiatives have been established and executed in year 2009 to build strong and enduring customer relationships, which are top priority in TM (TM, 2009).

Furthermore, in 2014, TM launched a long-term Customer Experience Transformation programme to further promote the customer-centric culture in the organisation. Focusing on the end-to-end customer journey, the idea is to ensure quality interaction at all touch points, from sales channels to customer service, network operations and even authorised partners. Thus, the programme seeks to bring about a mind-set shift among TM staff to put the customer at the centre of everything the organisation does. This entails everyone at TM to re-think the way the organisation works, and to re-engineer processes to drive greater operational productivity, efficiency and effectiveness and hence deliver the best value to customers.

A key case of how TM has taken the next step-change to increase operational efficiencies is through automation and optimisation. A workforce management system (WFMS) codenamed SWIFT has been introduced to automate most service delivery processes to respond more rapidly to requests for installation or restoration, as well as to achieve —first-time-right— in the execution of various tasks. As result, this system has improved the productivity of field staff by 25.0% (TM, 2014).
Findings

As we observed from TM case that in order to satisfy customer request or inquiry, TM Company applied several technologies used by sales representatives which unfortunately resulted in slow response time and inconsistent levels of services. Deficiency of integrated customer information where in peak times sales representatives tend to respond to customers’ requests without using those systems or technologies and this is due to the lack of effective training of how to practice CRM technologies. Therefore, sales representatives’ training is critical issue in order to achieve targeted objectives.

Therefore, based on literature on CRM technologies and TM case we can conclude that sales force automation and call center management as CRM technologies are significant in developing CRM. In telecommunication service providing, call centers are important to response to all customer requests which contribute in enhancing service quality and customer loyalty. In addition sales force automation enables sales representatives to concentrate on achieving added value services in state of being overwhelmed by routine tasks. Nonetheless, organizations usually expect, when implementing CRM programs that CRM programs help in reducing operating 24 Costs/ increased efficiency (e.g., reduced call-centre talk time), increased spending/visit activity of the customer base and increased loyalty. Thus, in TM case, and in order to avoid CRM technologies shortage, they lunched TM Online, Malaysia’s first-ever dynamic customer self-service portal. The self-service capabilities of TM online enable TM to providing better customer service so as to attract more customers.

For instance, customers can search, sort, filter and download their bills. As a result, the number of inquiries to its call centers will drop. And by encouraging customers to interact with the company through the Web, customer service costs are dropped while customer service representatives will have more time to perform value-added tasks. Moreover, as we mentioned in literature, one of CRM objectives is to enhance interpersonal communication between customer and sales representative through online self-service features in order to generate strong and long term relationship.

Furthermore, Integrated Customer Allied Relationship System, Integrated Customer Allied Relationship System Order Management System (INFORMS), Streamyx Activation Management System (SAMS), order tracking system (POD) and other CRM technologies empowered TM to consolidate its call centers form 18 to only 4 through the ability to resolving customer request in first call. All those technologies enabled the company to achieving customer loyalty through boosting the number of subscribers. According to financial annual report (2009) we observe that marketing costs were 290.7 Million RM in 2008 and reduced to 272.8 Million RM in 2009.

On the other hand, a long-term Customer Experience Transformation programme was followed to further encourage the customer-centric culture in the organisation. An obvious example is workforce management system (WFMS) which is equivalent to sales force automation. Apparently, TM decided to increase operational efficiencies through automation and optimisation and reducing costs in order to enhance interaction and communication, customer feedback, sales forecasts which enable company to maintaining long term relationships with customers.

According to financial annual report (2014), we observe that marketing costs were 321.8 Million RM in 2013 and reduced to 297.6 Million RM in 2014. Furthermore, TRI*M index customer satisfaction score was increased in 2014 of more than 72 - higher than the global Telco average score of 68. Those findings corroborate our assumption which stated that CRM technologies contribute in enhancing customer loyalty.

In conclusion, we can observe that TM attempted to develop CRM technologies year by year in order to enhance customer relationship over long time period. On the other hand, unfortunately through all annual financial reports there is no evidence that TM Company is applying return on marketing investment or how marketing expenditures add to shareholder value, they strictly apply return on investments as measurement of financial performance. Apparently the marketing costs are reduced after lunching CRM technologies such as SFA, in order to ensure effectiveness of those technologies.

Conclusion

Companies use CRM technologies such as call centers to provide customers with after-sales support, cross sell and upsell, improve customer retention rates, gather and disseminate information with amazing effectiveness and generate higher levels of customer loyalty.
Moreover, sales force automation tools provide managers with the ability to measure, monitor, and compensate selling activity through facilitating customer information gathering and communications and software to track customer appointments, conversations, and order information to assist the salesperson in delivery of sales to customers to gain customer loyalty and enhance return on investment. Another important issue is sales force training and their perception of CRM technologies in general in order to avoid incorrect implementation which might affect financial performance of the company.

**Research Recommendation:**

CRM should not be merely about technology, many organizations fail to recognize the power of the basics. CRM should be a business philosophy that permits companies to enhance their customers’ loyalty by understanding and anticipating their needs. Additionally, technology based CRM requires employee's trainings in order to effectively use those technologies in order to enhance the overall business performance.

And finally, CRM should be a philosophy insisting that only by retaining customers and by increasing customer loyalty can a business maximize its ROMI. However, further researchers may investigate other CRM technologies, or conducting questionnaire in order to determine the percentage of return of CRM technologies for different organizations.

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