E-BUSINESS RELATIONSHIP MANAGEMENT

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ABSTRACT

Information in e-business gain a qualitative guideline - capital (knowledge capital) and become just as important as financial capital. Global economy development and global network has made a breakthrough for E-Business as new way of modern business. New rising market, based on World Wide network brings new possibilities in business, but also demands dramatic changes to basic way of trade, with new name e-Commerce. Selling over the Internet is becoming highly important. Companies now see tremendous opportunities in using the Internet. They identify how revenue can be increased and how costs of sales can be reduced by using the power of new edge the Internet. Nowadays the Internet is not just an additional sales channel but even more; it is the strategic sales channel through which the companies can offer their products & services. E-Business Relationship Management is managing of all customers, business partners and third parties through the Internet. It is not nothing else but Customer Relationship Management which contains two scenarios, Business to Business Scenario and Business to Customer Scenario. The Customer Relationship Management is the way to put our customer in the center of our business world. It is the solution that will give us all necessary information for successful managing our customers.

Key words: E-business, Management, E-commerce, Customer Relationship Management

1. INTRODUCTION

Internet technologies are fully opened their doors to the concept of e-economy by allowing for the creation of innovative business approaches in the field of sales, buying and creating internal business processes. Orientation of modern business organizations to a global market means the integration of information and communication technologies, which ensure the flow of data without spatial limitations.

Field of business operations and access management, which significantly changes the development of the Web as it serves to support the implementation of the usual daily tasks, but also helps in making strategic decisions of the organization, reflecting the success of the organization in a business environment. More demanding consumers and stronger competition, result in the development of new features and changes in the domain of business processes. In gaining market advantages, application and use of electronic resources as a virtual channel, and in business has proved to be cost effective and efficient way to exchange products and services.

2. E-BUSINESS RELATIONSHIP MANAGEMENT

In contemporary conditions, one of the basic parameters of a successful business is the quality relationship with customers. Customer satisfaction a good business cooperation, as well as
knowledge of customer needs, habits and desires, are unavoidable factors increasing their loyalty in terms of dynamic competition. Research has shown that there are numerous reasons why they were loyal, and therefore the retention of existing customers very important. Some of these reasons are as follows:

- sell the product/service to new customers 5-8 times more expensive than to sell existing customers
- an average unhappy customer will inform their bad experience with another 8-10 people
- Companies can increase their profits by up to 85%, increasing its annual customer retention by 5%
- probability of selling a new customer is about 15%, while the probability of selling an existing customer 50%.

All these and similar studies led to the understanding of the importance of existing customers, who can no longer be taken for granted, but must constantly work to improve services and relations with them. The manner in which it is best to do is learn as much about them and that information and knowledge use to personalize their services. Real information about the customer, are available at the right time in the right place have always been the key to success. In contemporary conditions, collection, analysis and use information about customers, in most companies is done systematically. A popular term for the overall process is the Customer Relationship Management (CRM), or translated into our language - Customer relationship management. Customer Relationship Management can be defined as a business strategy and communications with customers aimed at collecting information on customers who are used to increase customer satisfaction and loyalty to a relationship with them was better, longer and more profitable. It is a continuous business process at all levels of organizations focused on finding and retaining customers. CRM is an old concept - often used in small companies that have enjoyed the relationships that are created with customers.

The Customer Relationship Management is the way to put our customer in the center of our business world. It is the solution that will give us all necessary information for successful managing our customers. And if we look more dippers in the structure of it, we can ask ourselves: What Customer Relationship Management solution has to have that we can provide good products & service to our customer? What it has to have that we can increase our sales and cut costs? What it has to have that our customer is satisfied with our offer? What it has to have that our employee who is working with it will be satisfied?

The answer is, the Customer Relation Management (CRM) solution has:

- to be open solutions that flexibly supports all customers-driven tasks,
- to be operational as well as analytical,
- to have all touch points – Internet, contact center and personal contact,
- to be integrated in entirely main Information System (ERP system),
- to give capabilities that link up e-Commerce, supply chain management and execution, financial management, human-resources, as well as business intelligence (Business Warehouse, Strategic Enterprise Management, Knowledge Management),
- to have user-friendly personal portal; Web-based work environment tailored to particular user roles (employee, customer, business partner) that gives fast, easy and fully customizable access to the internal and external applications, information and services.

Through integration with the main Information System (SAP or other) the CRM application gives us a complete view of relationship, and enables us to present one face to the customer. The Relationship Intelligence is based on the following components:

- Shared business objects, cover information such as business partners and contacts, product and services; relationship data such as activities, requests and opportunities, interaction history and content, as well as unstructured data. The shared business objects provide to every employee complete and consistent view of his customer.
Shared business rules and engines, include engines for pricing and configuration, availability checks, product catalog, problem resolution and Web flow (a workflow technology leveraging the Internet).

Comprehensive business knowledge. Thru the integration with main IS the CRM application has availability to use application and analytical tools, such is Knowledge Management and Business Warehouse. In that way we can do different kind of marketing analyses, for example: target group optimization, segmentation of target market, forecasting, shopping basket analyses, profitability analyses and so on.

Front - office and back - office integration by design gives the integration with whole IS of our organization and supports immediate and consistent interaction within organization.

Openness provides flexible links to all application, in main IS and in the other application which are not part of our IS.

Real-time Collaboration provides that we can collaborate with our customer, partners and suppliers and on in that way add value to our product & services.

Support for hand-held devices gives us that we extend the reach of our CRM solution to our employee on the field.

Personalization makes that all users of CRM solution tailor their personal needs thru easy user-friendly interface; e-Workplace.

Synchronization of all customer touch points enables that it does not important how our customer contact us. At any time he or she will get same up-to-date information and services.

Fully Web-enabled means that CRM solution is based on Internet Business Framework infrastructure.

Integration CRM with the others e-commerce applications.

Industry specific solution, provides support to different industry branches.

Scalability and robust technology, for trustworthiness.

The main objective of CRM is the integration of sales sector and sector relationships. Such integrated systems offer managers a complete picture of the customer, which includes all their needs, habits, desires, and thus ensure the provision of the highest possible service. CRM is sometimes called a "Precision Marketing", which gives quite a good picture of its aims and purposes. However, the approach to CRM is a very different approach than traditional forms of marketing. Traditional marketing, especially advertising, is based on organizing various promotional activities which are directed to a number of potential buyers, and as a result is likely someone from the audience to buy the product. On the other hand, CRM is based on the selection of a person, and based on its needs, interests, action should be implemented so that a high degree of certainty to achieve the desired goal. The CRM strategy has three essential steps for building successful and long-term partner relationship:

Convenient Access. Necessity of opening up to customers and give him or her the good starting-point for collaboration with us; focus on customer convenience & empowerment.

Synchronized Interaction. It is necessary to provide consistent view of the customer at any time because of creating one face to the Customer. Also the using of relationship knowledge to design our Business helps to make better customer relationship business processes.

Intelligent Collaboration. Collaboration is now on the higher level then ever before. The main activities for extend the subsistent collaboration are: creating customer value through intelligent, knowledge-based collaboration;

3. CUSTOMER RELATIONSHIP MANAGEMENT (CRM) KOMPONENTS

The main components of fully Customer Relationship Management solution are:

Internet Sales & Marketing (Sending mailing lists to mail, Flexible mailing forms, Customer self profiling, Product Catalog, Dynamic design, Personalized Web pages, Product Encyclopedia, Online Shopping, Multimedia presentation, Enrolment of new customer, Virtual shopping basket, Definition of payment method...).
• **Internet Customer Self Service** (Account information, Move-in and moveout, Bill payment, Customer data change, Customer enrolment…).

• **Field Sales & Field Service** (Product Catalog, Opportunities, Product Encyclopedia, Agreements, Services, Advertising, Campaigns, Contact persons, Activities, Customers, Monitoring and planning of field Sales, Download service requests, appointments and customer data, Register resources, Call stock information, Maintenance product orders…).

• **Service Center and Service Interaction Center** (Call Center, Contact Center for technical Problems, Access to all technical data, User Manual, Internet based solving data base, Creation of Service order, Q & A, Planning and distribution of service order, Planning and distribution of service notifications, All resource Information available, Planning of return calls…).

• **Business Partner Collaboration** (Tailored Product Catalog, Tailored products, prices, terms and conditions…).

• **Tele Sales & Tele Marketing** (Flexible Call Center Surface, Outbound campaigns, Inbound Calls, Access to all customer data, Dynamic scripting, Enrolment of new customer…).

• **Marketing Analyses and Product Brand Management** (Customer analysis, Market analysis, Potential analysis, Marketing planning/budgeting Target group selection, Campaign and event management, Product knowledge/product encyclopedia…).

• **Sales Management & Support** (Monitoring & Planning, Opportunity management, Performance analyses, Visit reporting, Sales forecasting, Commission management…).

• **Customer Development** (Evaluation and definition of customer segments, Evaluation of selling potential, Individual Product proposals…). **Tired Servicing and Relation Management** (Customer Value evaluation, Strategic customer segment definition, Loyalty programs due to customer value…).

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The Customer Relationship Management has three Internet Sales scenarios. First is for managing relations with business partners and third parties, Business to Business Scenario, second is for managing relationship with end customers, Business to Customer Scenario and third is Business to Reseller Scenario. These business scenarios are delivered through role-based portals to meet requirements of specific users.

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**Figure 1: The CRM Continuum**

The CRM Continuum is a model that illustrates the relationship between customers and organizations. It highlights the interaction between customers and businesses, showing how organizations can enhance customer value through intelligent collaboration. The model includes elements such as convenient access, synchronized interaction, and intelligent collaboration, each of which plays a crucial role in building and maintaining strong customer relationships.
4. SUPPLY CHAIN MANAGEMENT

Supply Chain Management (SCM) is a term used to describe the flow of materials, information and resources through the supply chain, from suppliers through manufacturers of individual components, the final merger and distribution (warehouses and retailers) to the final customer. This process often includes additional services that accompany the product after the sale and return the product for recycling. The value chain is a set of business processes that connect suppliers, manufacturers, retailers, businesses, and others involved in the creation, sale and delivery of goods to the final customer.

Value chain network suits companies that work together and coordinate their actions towards the delivery of products on the market. It is an additional activity that has become a necessary part of work to meet the demands of their customers. Delivery chains are imbued with the problems caused by incompatibilities between the material and information flows. Lack of visibility and information flow regarding the status of orders, the level of goods or time of delivery, for example, can cause uncertainty and volatility in the supply chain. This uncertainty leads to a surplus of goods and hoarding. To ensure availability of merchandise and customer satisfaction, it is necessary to minimize and if possible to completely remove the delay in delivery. As the main activities of the value chain, are:

- Internal logistics - receiving and storing raw materials, and their distribution to manufacturing site
- Operations - the processes of transformation of inputs into final products
- External logistics - storage and distribution of finished products
- Marketing and sales - to identify customer needs and increase sales
- Service - customer support after they sell their products

The stated primary activity should be supported by infrastructure companies, in terms of the organizational structure, control systems, company culture. Also, a successful value chain management requires adequate human resources and necessary training of employees. In order to realize the value chain automation, it is necessary that there is adequate technological infrastructure. There are many advantages of automation of the value chain, including:

- increase in operating activities
- a measurable increase in productivity
- reduced process time
- harmonious quality products thanks to a real process control
- Reduce costs by eliminating paperwork and the"hand"of the process
- direct the flow of information between employees and consumers
- Increase employee satisfaction and customer satisfaction.

Thanks to the Internet and other developments of information technology is defined and the concept of supply chain management. He is now based on the idea of sharing and exchange of information between participants in the chain. Information technologies have had a significant impact on the development of this concept systems are ERP (Enterprise Resource Planning) and APS (Advanced Planning and Scheduling), which include finance, forecasting, tracking orders, sales analysis, local and global distribution and quality control. They have very powerful tools for monitoring and reporting, but are quite rigid and their implementation requires a well-defined information.

5. CONCLUSION

Upon review of the literature in this field, this paper summarizes the existing and potential application of CRM in the era of e-business, with emphasis on modern management of relationships with clients as well as supply chains, whose exceptional importance in electronic business do not need further explanation.
The main objective of CRM is the integration of sales sector and sector relationships. Such integrated systems offer managers a complete picture of the customer, which includes all their needs, habits, desires, and thus ensure the provision of the highest possible service.

CRM solutions to match customer needs in accordance with our products and services in. In this way integrate our web service, and tools to work independently according to their customer requirements. This solution allows us to monitor and participate addressing the demands of our clients.

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