

CHAPTER 6: CONCLUSION

An in-depth understanding of the CRM effect on the overall organizational behavior and processes is necessary for taking full advantage of this intellectual capital and managing all effects of the organizational transformation. Through literature review and content analysis, this study proposes a model for understanding the effects of CRM on organizational behaviors and value chain processes. This study then applied in-depth case study on five financial holding companies in Taiwan to test propositions about the effect of CRM on market-orientation and processes. Major finding is that different types of CRM use can have different impact on the organizational culture and processes. Companies use CRM for serving customers experience cultural change in the area of customer service processes while companies use CRM for serving and retaining customers experience further cultural and process changes in all areas relating to customer value generation activities. For companies that use CRM as an infrastructure for serving, retaining and inventing customers, low cultural and process changes are noted due to the already-built market-orientation practice. The most critical challenge of CRM use is to understand the type of CRM use, the possible effects of CRM on both organizational behavior and processes, and the appropriate management initiatives for best use of the CRM system.

This study establishes a framework with propositions about the chained effects of CRM on organizational performance based on literature review and content analysis in chapter two. Furthermore, this framework is verified through field interview, single case analysis, and cross case analysis. Interview results of each case provide evidences verifying propositions and the chained effects of this framework. Five main propositions are further discussed and confirmed by means of cross case analysis in the last section of chapter four. In order to provide industry more practical management insights, expert interview is applied to get richer understanding of CRM use. This study identifies three type of CRM use and provides different management focus in chapter five.

Literature review and content analysis are applied to develop a concrete measurement instrument of CRM effects on market-oriented behaviors and performance. This measurement instrument is further confirmed and verified through field interview, single case analysis, and cross case analysis. This measurement instrument is detailed in appendix A. Managers can employ this measurement instrument to measure market-orientation behaviors, process performance, and market performance affected by CRM use.

Through the cross case analysis three types of CRM use are identified. The three types of CRM use are: facility, analytical and infrastructure. They each have different management focuses and effects on organizational culture and processes. Organizations of the facility type of CRM use tend to gain productivity benefits in customer service while companies of the analytical use of CRM gain more benefits in customer retention and cross selling. For companies of the infrastructural use of CRM the established market-oriented processes can contribute greatly to the precision and flexibility of customer services.

This research consolidates findings of CRM use from cases studied and proposes useful recommendations on the management of CRM. Findings of CRM effects on market-orientation and the three types of CRM use clarify general understandings of CRM use and provide a base for enhanced understanding of the potential of CRM in different market situations. It is hoped that managers of CRM can benefit from the insights presented and be able to implement proper management plan of CRM use.

6.1 Limitation and future research

Although this study tried to interview two to five interviewees of each company there are possible missing points about the use of CRM in these cases. However, general findings of the CRM use have been verified with major interviewees of these companies and industry experts to assure the validity of the study. Further, the five selected firms may not represent a complete phenomenon of the CRM use. The findings presented in this study provide a preliminary base for further extension and verification.

This study result is expected to be extended into different industries to investigate the difference among industries. Future researches could further examine the management initiatives with different types of CRM use to build a complete guide for planning proper strategies of CRM use under different business environment.