

## **Customer Relationship Management in Business: A Study on Bangladesh**

**Md. Tareq Hasan**

*Lecturer Department of Business Administration  
Sheikh Fazilatunnesa Mujib University, Jamalpur Bangladesh  
Corresponding Author: Md. Tareq Hasan*

---

**Abstract:** *Customer Relationship Management (CRM) consists with a company and its existing and potential customers through a systematic way for ensuring maximum customer satisfaction. Most of the organizations use specific software or enterprise resource planning (ERP) solution for better customer services. Main purposes of CRM are to improve provided customer services, to sustain customer within competitive market and to use customers' information for target marketing or post selling with future referral. CRM is included some philosophical policies and process of the organizations to deal with the customers. CRM is technology based business strategy which focused both business to business (B2B) and business to customer (B2C) sectors. This paper is focused on needs of customer relationship management in business and its relationship with marketing or sells performance from the perspective of Bangladesh showing some points of views.*

**Key Words:** *Customer Relationship Management or CRM, Customer and Organization*

---

Date of Submission: 14-12-2018

Date of acceptance: 29-12-2018

---

### **I. Introduction**

A time has been passed when customers' needs and wants had no value and market competition did not exist there in business. Now most of all organizations make a different unit as customer relationship management only for satisfying and sustaining the customer to run long term business. Organizations enhance CRM strategies with time and demand of customers over the world.

Concept of Customer Relationship Management (CRM) was introduced earlier 1970s but it was physical meeting for customer satisfaction survey. In 1982, Kate and Robert D. Kestnbaum introduced the concept of Database Marketing, namely applying statistical methods to analyze and gather customer data (Wikipedia, 2018) and after that it was started to use commercially as customer relationship management through using various contact tools and software. But it was popularized after 1996.

CRM is a best business strategy to learn more about wants, needs and behavior of customers in order to develop strongest relationships with them. A better business philosophy of CRM must use a technical solution to assist in dealing with customers effectively and efficiently. Most of all successful CRM in businesses rely on proper application of technology with time. To retain existing customers and expanding business the importance of CRM is paramount in the commercial world. An organization implements customer relationship management for selling products or services, after sales services, future sales, online services and so on within the country or across the border. Customer relationship management process impact on loyalty of customers to the organizations. Researcher found by study that CRM implementation process can be through seven-stages like collecting information, storing information, accessing information, analyzing customer behavior, effective marketing, enhancing customer experience and evaluation of CRM strategies. Customer relationship management process was shown by figuer-01 below;

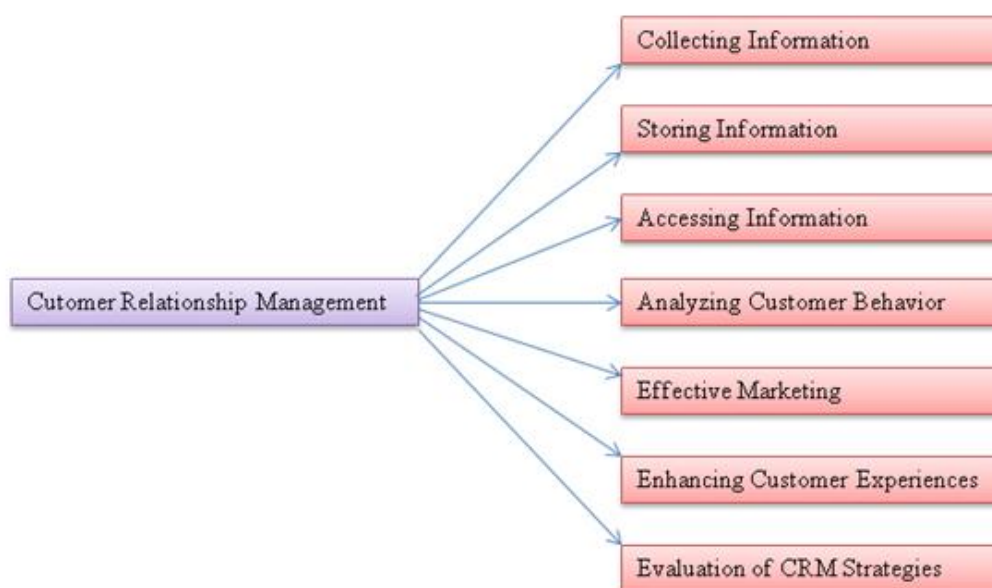


Figure-01: The Process of Customer Relationship Management

Marketing can be easier by collective information of customer relationship management and using CRM to gain a better understanding of customers' needs, desires and self-perception, it can be rewarded and targeted markets or customers effectively. A satisfied customer is great advertisement for an organization. To create customer and keep flow of products and services marketing is most important unit of an organization and through implementation of CRM strategy in business the organization may run for long time with fame.

## II. Literature Review

The overriding goals are to move customer up the leader that is along relationship continual from the point which they are stronger that need to be attracted. Appropriate intervention strategies are needed in order to make CRM implementation more effective and to bring sustainable changes in performances (Kebede and Tegegne, 2018).

KS (2018) mentioned in his article that the achievement of CRM close depends on the vigorous involvement of the employees in the organization themselves and the customer-orientation strategy is one of an organization's resources to increase customer satisfaction and business income as well as is also a very significant measurement.

Today, with the wide usages of electronic communication technologies, customer relationship management has undergone significant changes and it represents a system with includes all aspects of communication and interaction with customer and in other words, it determines how to work with customer, solve their problems and persuade them to purchase products and services (Cvijović, Kostić-Stanković, & Reljić, 2017)

Bin-Nashwan and Hassan (2017) stated that the importance of customer satisfaction cannot be denied as happy customers are like free advertising for the company. It is argued that preserving existing customers is easier than finding new ones. Hence, organizations are setting strategies to ensure customer retention and changing their employees to be more customer and service oriented. The organizations' aim is not only to satisfy the customers, but also to complete in the market place to attain their goals, they also added.

The relationship between organization and customer is a subject that emerges with market genesis. Since the end of the 90's a new "buzzword" or phrase, related to this topic has been present in organizations: Customer Relationship Management (CRM). This phrase is closely connected to Relational Marketing and Enterprise Information Systems. CRM results from the increase in competitiveness among companies, the advent of the information age, higher product quality, changing life styles, globalization, among other factors (Adikaram, Khatibi and Yajid, 2016).

Wali, Uduma and Wright (2016) tried to show in their study that the B2B sector in the Nigerian telecommunications industry has contributed to the growth in National GDP (from 0.1% in 2002 when Nigerians began to invest into the B2B sector to 3.2% in 2013)(NCC, 2013). The intervention of B2B firms in the sector is believed to have contributed to increasing the rate of service complaints' responses through CRM.

The principles and activities of CRM are implemented as a customer-focused and technology-oriented strategy could be adopted in the B2C sector, but there was less known about CRM within the university sector.

The impact of CRM is for effectiveness and service quality delivery on international students in the higher education sector (Wali and Wright, 2016).

Soliman (2011) stated that CRM is considered one of the most important targets in about 60% of the projects around the world. Great advance in technology helped in better dividing of the market territories, enhancing communications with customers, providing an environment rich with information so as to contribute in improving efficient strategies to deal with customers. In a modern study of De Paul University about the best practices of sales administration, only 50% of companies of which sales reached more than one million dollars admitted that they practice CRM and only 55% of these companies made it clear that their CRM programs greatly helped establish relationship with customers. While, 81% of the companies, which achieved sales of less than 100 million dollars and adopted ready-made CRM programs, admitted that these programs were useful, 75% mentioned that they helped establish customer relationship, he also added.

Chowdhury and Gábor (2010) described in their conference paper that customer relationship management is a combination of philosophies, policies and strategies connecting different players within an organization so as to coordinate their efforts in creating an overall valuable series of experiences, products and services for the customer.

Lambert (2010) stated that the CRM process has been divided into two parts, the strategic process, in which management establishes and strategically manages the process and the operational process in which implementation takes place. The strategic process is led by the chief executive officer and a management team that is comprised of executives from the typical business functions such as: marketing, sales, finance, production, purchasing, logistics and research and development. At the operational level, there will be a customer team for each key account and for each segment of other customers.

From above relevant articles, conference and study papers stipulate that customer relationship management is implementing many product or service based business organizations even at educational institutions over the world. Both profit and non-profit organizations are applying CRM for ensuring better customer satisfaction. Most of the relevant articles which have been mentioned here in literature review are from international articles or journal. There is no exclusive related article or journal found regarding the issue in Bangladesh to include.

#### **AIM OF THE STUDY**

The study aims to describe and investigate customer relationship management (CRM) from the perspective of Bangladesh in business. Though world has introduced CRM earlier 1970 but CRM implementation in the organization is fully new business strategy in Bangladesh. The goals of this study are;

- Illustrate the customer relationship management in business for customer satisfaction
- Relationship among marketing and CRM for long run business

### **III. Methodology Of The Study**

This study has been illustrated only through secondary data like internet, newsletter, relevant articles, magazine or book and real time scenario of customer relationship management in businesses. In this study data are analyzed in descriptive method.

#### **CURRENT TRENDS**

Current scenarios regarding customer relationship management in business over Bangladesh and across the border are given below;

- ✓ Customers are more conscious about support system of products or services provider.
- ✓ Competitive marketers are trying to serve the customers even at door step.
- ✓ Support centers are establishing at district or semi urban area also.
- ✓ Market survey has been started broadly for development of the organizations in Bangladesh like developed countries.
- ✓ Research and development department is being made in large organizations for better products or services in Bangladesh now a day.
- ✓ Products or services are being introduced by fair or symposium through newsletters or electronic medias.
- ✓ Advertising through all medias are increasing with time over the world
- ✓ Online market space has become unlimited and offers of products or services have become global
- ✓ Bangladesh has started online marketing even at semi urban level
- ✓ Some organizations are supporting the customers 24/7 round the year over phone or instant message system
- ✓ Small organizations are also trying to support customers within their capability

#### **IV. Findings**

The findings suggest that customer relationship management implementation in business for customer satisfaction include attractive activities which are quality service, commercial practice and loyalty programs such as personal contact, service in time, complaints handling for resolving and promotional offers for both existing and potential customers.

##### **Personal Contact**

Now a days, organizations are collecting all kinds of contact information of existing or potential customers for both business to business (B2B) or business to customer (B2C) commercial sectors to promote sales, post sales, after sales services, instant online support, physical support etc. Organizations conduct frequently with customers for promoting them and pursuing to purchase products or services through phone calls, emails, sms and physical contact. Personal contact is very strong marketing process for expanding market and makes customer loyal to the organization. Bangladesh is also practicing these strategies to make wide market with better customer satisfaction and most of the renowned organizations are doing well to implement CRM.

##### **Service in Time**

To provide service in time is very important for satisfying customers. The practice of service in time has started here in Bangladesh. It may be product or service delivery, phone call or feedback call, replying of email or sms, but it should be in time for both business to business and business to customer dealings. Some organizations are providing services over phone for 24hours/365days to make customers happy. All kinds of customers would like to get services in time for their continuous performance. In rural area, the customers also want quality service in time. Organizations are trying to provide service in time to the customers and it's improving with time.

Our social site like Facebook, twitter, LinkedIn etc. are being used as instant service provider tools through their messaging system. Many organizations are providing live service through these sites or their own instant messaging system throughout 24/7 only for satisfying the customers. Now, customers of our country are being habituated with all of these services.

##### **Complaints Handling**

To satisfy the customer, organization should handle the complaints with care. Complaints handling is one of the imperative task of CRM unit of the organizations. Every complaint should take care with cordially and also allege to concern department for future development of products or services. Some organizations like insurance and financial institutions are sending team physically to investigate complaint or any objection. The purpose of complaints handling should be to make satisfy the customers and a happy or satisfied customer is better than hundred times advertisement in any media. Many organizations of Bangladesh are escalating on customer relationship management day by day with time. Most of the organizations are holding one or more communication channels like hotline number, email ID, toll free number etc. to receive complaints from the customers to solve properly.

##### **Promotional Offers**

Business to business or businesses to customer, in both sectors CRM unit of the organizations promote all kinds of promotional offers to existing and potential customers rapidly to get a wide market. Promotional offers generally come through marketing department of the organizations. But yet, CRM unit play an imperative role here for the organizations as well as to create a better market for the products or services nationally and internationally. Now in a day, product and service based business centers of Bangladesh are also promoting them through CRM unit within the country and across the border strongly. Electronic and print media also keep a vital role to promote any offers of the organizations.

#### **SUGGESTIONS**

On the basis of this study some suggestions are given below for consideration of the organizations of Bangladesh in future development;

- ✓ Organizations should do survey quarterly in every year for organizational development as well as should bring customers' needs and wants in that report. Survey should cover market positioning also.
- ✓ Organizations should update all kinds of customers' and competitors' information with time.
- ✓ Organizations should do evaluation of CMR strategies in half yearly and should change if required.
- ✓ Personal contact should be handled politely and effectively for both existing and potential customers.
- ✓ Without permission CRM person will not start talk to customers whether it physically or over phone or through e-calls.

- ✓ In case of text communication, it should be maintained courtesy like time, salutation, text length, gender, age etc.
- ✓ Service in time should be maintained by the organization at any cost.
- ✓ Service time should be less and that should be within the mentioned or given time.
- ✓ Organization should take complaint as a gift to improve itself.
- ✓ Suggestions should be analyzed for consideration to implement in the organization.
- ✓ In some cases organization should send a physical team to investigate the critical complaint to customer end.
- ✓ CRM unit of the organization should emphasize on promotional activities for getting target market of its products or services.
- ✓ CRM unit of the organizations may get some incentive on their direct sales.

## V. Conclusion

Customer relationship management is not implemented properly over the country yet. But most of the large organization is doing well to sustain the existing customers and trying to get potential market through CRM. In some cases, medium and small enterprise have started CRM unit in their business for lasting in competitive market. Agricultures of Bangladesh should be covered under CRM policy by both public and private sectors as an agricultural country for better agro-outputs and strong economy. In the same time communication infrastructure should be developed over the country in every steps.

## References

- [1]. Adalikwu, C. (2012). Customer Relationship Management and Customer Satisfaction . *African Journal of Business Management* , 6 (22), 6682-6686. DOI: 10.5897/AJBM12.634
- [2]. Adikaram, C. N., Khatibi, A., & Yajid, M. A. (2016). The Relationship between Customer Relationship Management and Customer Satisfaction: A Study on Private Higher Education Institutions in Sri Lanka . *International Journal of Arts and Commerce* , 5 (2), 69-95. Retrieved from [https://www.ijac.org.uk/images/frontImages/gallery/Vol.\\_5\\_No.\\_2/8.\\_69-95.pdf](https://www.ijac.org.uk/images/frontImages/gallery/Vol._5_No._2/8._69-95.pdf)
- [3]. Aldaihani, F. M., & Ali, N. A. (2018). Impact of Electronic Customer Relationship Management on Customers Satisfaction of the Five Stars Hotels in Kuwait. *Global Journal of Management and Business Research* , 18 (5), 01-10. Retrieved from <https://www.researchgate.net/publication/326920758>
- [4]. Bin-Nashwan, S. A., & Hassan, H. (2017). Impact of Customer Relationship Management (CRM) on Customer Satisfaction and Loyalty: A Systematic Review. *Journal of Advanced Research in Business and Management Studies* , 6 (1), 86-107. Retrieved from <https://www.researchgate.net/publication/318206357>
- [5]. Chowdhury, N. H., & Gábor, A. (2010). Factorial Analysis of Customer Relationship Management In Bangladesh. *International Conference on Applied Informatics*. 2, pp. 83-91. Eger: University of Debrecen and the Eszterházy Károly College. Retrieved from <http://icai.ektf.hu/pdf/ICAI2010-vol2-pp83-91.pdf>
- [6]. Cvijović, J., Kostić-Stanković, M., & Reljić, M. (2017). Customer relationship management in banking industry: Modern approach. *Industrija* , 45 (3), 151-165. DOI: 10.5937/industrija45-15975
- [7]. Infoentrepreneurs (2009). *Customer Relationship Management*. (Business Link UK (Now GOV.UK/Business)) Retrieved November 05, 2018, from Info Entrepreneurs: <https://www.infoentrepreneurs.org/en/guides/customer-relationship-management/>
- [8]. Investopedia (2018). *Customer Relationship Management - CRM*. Retrieved November 05, 2018, from Investopedia: [https://www.investopedia.com/terms/c/customer\\_relation\\_management.asp](https://www.investopedia.com/terms/c/customer_relation_management.asp)
- [9]. Kebede, A. M., & Tegegne, Z. L. (2018, July 14). he effect of customer relationship management on bank performance: In context of commercial banks in Amhara Region, Ethiopia. *Cogent Business & Management* , 1-9. doi.org/10.1080/23311975.2018.1499183
- [10]. Khedkar, E. B. (2015). Effect of Customer Relationship Management on Customer Satisfaction and Loyalty. *International Journal of Management* , 6 (5), 1-7.
- [11]. KS, W. (2018). The Impact of Customer Relationship Management on Organization Profit in Somali. *J Entrepren Organiz Manag* , 7 (1), 1-4. doi: 10.4172/2169-026X.1000221
- [12]. Lambert, D. M. (2010). Customer Relationship Management as a Business Process. *Journal of Business and Industrial Marketing* , 25 (1), 4-17. DOI 10.1108/08858621011009119
- [13]. Salesforce (n.d). *CRM 101: What is CRM?* (Salesforce.com, inc) Retrieved November 05, 2018, from Sales Force: <https://www.salesforce.com/crm/what-is-crm/>
- [14]. Soliman, H. S. (2011, June). Customer Relationship Management and Its Relationship to the Marketing Performance. *International Journal of Business and Social Science* , 166-182. Retrieved from [http://ijbssnet.com/journals/Vol.%202\\_No.\\_10;\\_June\\_2011/18.pdf](http://ijbssnet.com/journals/Vol.%202_No._10;_June_2011/18.pdf)
- [15]. Trevir, N. (n.d). *How Salesforce CRM Works*. Retrieved November 05, 2018, from Investopedia: <https://www.investopedia.com/articles/professionals/012915/how-salesforce-crm-works.asp>
- [16]. Wali, A. F., & Wright, L. T. (2016). Customer Relationship Management and Service Quality: Influences in Higher Education. *Article in Journal of Customer Behaviour* , 15 (1), 67-79. DOI: 10.1362/147539216X14594362873532
- [17]. Wali, A. F., Uduma, I. A., & Wright, L. T. (2016, June 26). Customer Relationship Management (CRM) Experiences of Business-to-Business (B2B) Marketing Firms: A Qualitative Study. *Cogent Business & Management* , 1-22. <http://dx.doi.org/10.1080/23311975.2016.1183555>
- [18]. Wikipedia. (2018, November 29). *Customer-Relationship Management*. Retrieved November 30, 2018, from Wikipedia, The Free Encyclopedia: [https://en.wikipedia.org/wiki/Customer-relationship\\_management](https://en.wikipedia.org/wiki/Customer-relationship_management)

Md. Tareq Hasan. "Customer Relationship Management in Business: A Study on Bangladesh"  
IOSR Journal of Business and Management (IOSR-JBM), Vol. 20, No. 12, 2018, pp. -16-20