

# THE ROLE OF CUSTOMER RELATIONSHIP MANAGEMENT SYSTEMS IN THE DEVELOPMENT OF BUSINESS

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Such effects as increased sales productivity, customer satisfaction and retention determine the company's success in the long run. Therefore, managers perceive the effectiveness of implementing Customer Relationship Management at the level of common sense. Customer Relationship Management is a software that automates repetitive processes and helps businesses to build a dialogue with the customers effectively, to prevent mistakes in the work and, as a result, to sell more. The current work reveals the concept of Customer Relationship Management systems and focuses on the Customer Relationship Management functions, its pros and cons, as well as the effects of its use. The conclusions are drawn regarding the Customer Relationship Management potential in Belarus based on the empirical study of Belarusian startup development since the implementation of the system.

**Key words:** Customer Relationship Management; CRM; modern technologies; implementation.

The acronym CRM stands for Customer Relationship Management. This is the name of a popular business strategy that is entirely focused on the consumer. Its main goals are to attract new customers, turn them into loyal customers, subsequently – into regular business partners, to improve the services and goods, provided by the businesses.

In modern business, the need to automate various processes has become a familiar phenomenon. It is already becoming difficult to imagine warehouses or accountants without the use of specialized software.

Sales representatives use special applications to place and send orders to the office directly from a tablet or mobile phone, a fairly large part of orders come from the site already in the form of documents ready for processing. But at the same time, customer relationships, at least in medium and small businesses, for some reason, are very often conducted without the introduction of automation and sufficient attention to accounting [1].

Customer Relationship Management as a software helps businesses to automate repetitive processes for efficiency, to track customer data, to boost customer satisfaction, to increase sales and to simplify the work of sales, marketing and client service departments. The important functions of the Customer Relationship Management system are capturing leads, planning, setting responsibility, integration with mobile services, setting service pipeline, storing client's cards and history, integrating with messengers, making analytics and reports, monitoring.

One of the Customer Relationship Management market leaders, “Bitrix24” presented the results of the first independent Customer Relationship Management market research in Belarus in 2019. It turned out that 71 % of companies in our country use digital technology to automate their work. Of these, 55 % installed accounting programs (including accounting software), and only 10 % of respondents reported using Customer Relationship Management systems. 6 % use their own software.

As a result of the study, 938 representatives of non-state-owned companies from cities of Belarus with a population of 100,000+ were interviewed.

The survey showed that representatives of almost 2/3 of the companies (7 out of 10 directors, 2/3 of commercial directors, almost half of the heads of sales / marketing departments) do not know what Customer Relationship Management is.

They know best what Customer Relationship Management is in such business segments as IT, wholesale, distribution and real estate. Least of all – construction, retail and domestic services.

Two-thirds of companies have implemented Customer Relationship Management in the past three years. Regions are introducing systems for automation more slowly than Minsk. In the capital, more than half (53 %) of companies choose ready-made software.

Most of all, Customer Relationship Management systems from vendors are in demand among large companies. 53 % of companies that automate their work have a marketing department. This suggests that the initiators of the implementation of Customer Relationship Management are now not only sellers, but also marketers.

In large companies, awareness of what Customer Relationship Management is 1/4 higher, and in companies with large sales departments this probability is almost 2 times higher. Users of Customer Relationship Management-systems usually have a large client base – from 500 clients, but companies with a small number of clients use accounting programs or do not use automation at all [2].

Most often, companies implement Customer Relationship Management to collect and store information, increase the effectiveness of managers and automatically record calls. The study showed that after implementing Customer Relationship Management, companies solved their problems by 80-88 %. “Respondents noted an increase in efficiency for almost all of the goals set,” the authors of the study explained.

The most popular ready-made solution is Bitrix24, which occupies 40 % of the Belarusian market. In total, 4 % of all companies in the country use it. In the second place are solutions based on 1C and in the third – amoCRM.

Using the example of Bitrix24, the most expensive stage for companies is the system implementation stage. It is estimated at an average of 5000 BYN. The cost of acquiring the platform is about 2000 BYN, and the cost of renewing the license is about 400 BYN [3]. The average implementation period of the finished Customer Relationship Management is 2 months. Implementing your own system takes about 2 years.

During research of the Customer Relationship Management system implementation, the focus was on the Belarusian E-commerce company. In 2011, the Belarusian company “B4Agency” was opened. The company’s services include: websites development, launching products on Amazon, Shopify, and promotion of the products on the web for e-Commerce businesses.

The Customer Relationship Management system was implemented in January 2019. In that year the sales department increased to 10 sales managers. Their goal was to create a potential client base, to collect as many cold leads as possible and reach them by phone, email or messengers. The target leads include Chief Executive Officers and marketing directors of the developing companies which sell such goods as: apparel, groceries, household goods and others.

The chosen amoCRM solution tracked important customer contact information such as: full name, e-mail address, company name, country and region, job title, telephone number, social media accounts.

The Chief Executive Officer of the company spent 3000 BYN for the 1 year of subscription on Russian amoCustomer Relationship Management. The system was used by 11 people.

Since the implementation of the system, the staff satisfaction increased. The head of the company started putting tasks for employees within the system. Hot and cold leads are structured, and sorted according to the date of contact, source from which the lead came, companies, occupation, countries. The pipeline sorts the leads in accordance with their interest and solvency. The tasks are prioritized by the system. Customer Relationship Management sends push-notifications to the sales managers for them not to overdue the essential follow-ups. The following changes were observed in the efficiency of the work of marketing and sales department: number of cold calls increased by 21 %, number of mail sent increased by 56.7 %. Implementation of the system affected Customer Retention Rate that has increased by 7.5 % since 2018.

The only drawback of the system in the opinion of the Chief Executive Officer is that it takes 2 weeks for a sales manager to get to know and start using the system efficiently, because of the interface, which includes many features which take time to study.

Customer Relationship Management systems have a positive effect on automating processes such as: leads capture, mailing, hot/cold calling, amount of sales, staff satisfaction, customer retention. Implementation of the system is suitable for small and medium businesses. Various brands offered systems with different price levels and functions.

CRM is a business tool with many pros and a few cons, it can foster success of the company, which chooses the right solution and implements it correctly.

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