



The Study of Success Factors of SME'S CRM Practice in China

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in China**

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Abstract

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Customer relationship management (CRM) means that companies from various point of view, the understanding and the difference between the customer organization within the enterprise economic activity, the development of the product or service meet customers' individual requirements of an enterprise application and the combination of information technology management mode, it will enterprise customers as important resources, strengthen the relationship between the customers and the enterprise, through the perfect customer service and overall customer analysis to meet customer needs, establish based on the learning relationship with customers on the basis of one to one marketing mode, improve customer satisfaction, and enable customers to achieve the highest loyalty, retention rate and profit contribution, and be able to select good customer.



Abstract

Customer relationship management (CRM) means that companies from various point of view, the understanding and the difference between the customer organization within the enterprise economic activity, the development of the product or service meet customers' individual requirements of an enterprise application and the combination of information technology management mode, it will enterprise customers as important resources, strengthen the relationship between the customers and the enterprise, through the perfect customer service and overall customer analysis to meet customer needs, establish based on the learning relationship with customers on the basis of one to one marketing mode, improve customer satisfaction, and enable customers to achieve the highest loyalty, retention rate and profit contribution, and be able to select good customer.

Under the current macro-economic environment, the market competition is increasing, the products are constantly updated, new products are emerging and the life cycle of products is getting shorter and shorter. With the improvement of production technology, the product differentiation between enterprises is becoming more and more difficult to distinguish, and the phenomenon of product homogenization is becoming more and more obvious. Therefore, it is becoming more and more difficult to create the competitive advantage of enterprises through product differentiation. Thirdly, as the market competition furniture, the customer resources becomes relatively scarce, the market initiative has been ceded to the customer, the customer's dominant position in the market has been established. Enterprises can win the market only if they win customers, but to win customers, they need to meet the individualized and diversified needs of customers. In this context, customer relationship management becomes a hot spot in the research and marketing system of enterprise strategy. China's small and

medium-sized enterprises are facing pressure of market competition, capital and technical strength is relatively weak, so strengthen and improve the SME customer relationship management is important. This study through the research of small and medium enterprises, analyzes the present situation and existing problems of CRM based on rationality, and success factors of SEMs CRM practice in China.

Keywords: SME, CRM, success factors



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Chapter 1: Introduction

1.1 Research background

The first country to develop customer relationship management was the United States, which was originally proposed by the Gartner Group, Gartner Group think that: customer relationship management is to provide enterprises with a full range of perspective; give the enterprise more perfect customer communication ability, maximize the customer's yield. (Shang, 2008) Hurwitz group believes that customer relationship management focuses on automating and improving business processes related to customer relationships in areas such as sales, marketing, customer service and support. Customer relationship management is not only a set of principles, but also a set of software and technology. It aims to reduce the sales cycle and cost of sales, increase revenue, find new markets and channels to expand the business, and improve customer value, satisfaction, profitability and loyalty. The customer relationship management application embodies the best practices and USES advanced technology to assist companies in achieving these goals. Customer relationship management centers on customers as the core of enterprise operation. (Liu, 2003)

IBM, the world's largest information technology and business solutions company, believes that customer relationship management should consist of two aspects, first of all, business objectives. The purpose of enterprise implementation of customer relationship management is to understand the needs of existing customers and potential customers through a series of technical means. (Chen 2006) In addition, the enterprise should integrate the information of various aspects, so that the enterprise can be make the information of a client as complete and consistent as possible; UFIDA company

proposed to customer relationship management is a customer as a clue, analysis, mining, development and retention of customers to implement all the associated. (Guo 2004)

Although the different companies on customer relationship management(CRM) awareness and interpretation are not the same, But synthesize understand of customer relationship management from various companies, from the perspective of the function of customer relationship management, it is through adopt information technology, make enterprise marketing, sales management, customer service and support management process informatization, realize customer resource efficient use of management software system. Is the enterprise to improve the core competitiveness, to the competition to win the purpose of rapid growth; Is the enterprise to customer relations as the focus, through the development of systematic customer research, optimize the organizational system and business processes, improve customer satisfaction and loyalty, improve business efficiency and profitability of the work practice, but also enterprises in continuous improvement and customer relations Related to all the business processes, the ultimate realization of the electronic, automated operation of the target process, the creation of the use of advanced information technology, hardware and software and optimized management methods, the sum of the solutions. The core idea is "customer-centric" to improve customer satisfaction, improve customer relationships, thereby improving the competitiveness of enterprises.

1.2 The objective of the study

China's small and medium-sized enterprise groups are mostly private-owned, with manufacturers and end-users in a relatively weak position. After joining the WTO, they are more likely to face market globalization. The key for SMEs to gain more initiative in the fierce commercial war lies in their ability to quickly and accurately grasp the

modern information transmission network tools and to use them effectively and reasonably as high and new technologies. (Yu, 2015)

In this study can know the philosophy of "customer relationship management (CRM), with customers to establish long-term, close relationship, achieve the long-term survival and development of the enterprise. CRM system has a strong information analysis and processing functions, it can be a full range of customer profiles, customer loyalty, customer profit, the performance of the customer, the customer for the future development trend is analyzed and the analysis of customer products, sales promotion, etc., so as to improve the efficiency of the enterprise, the enterprise's market make the enterprise keep more old customers, and attract new customers better, eventually improve the core competitiveness of the enterprise. The management of small and medium-sized enterprise CRM system is a complex system, includes sales, marketing, customer support and service database and supporting platform and other aspects. The research and application of CRM, to strengthen enterprise competition ability, improve the efficiency of enterprise operation, increase the economic benefit is significant. (Liu&Yu, 2002). To provide a guideline and highlight key success factors for CRM practice companies. (Limsarm, 2010). Hope this study can provide inspiration for the successful implementation of CRM in related industries in the future.

1.3 The scope of the study

The study will focus on customer relationship management(CRM) in small and medium-sized enterprise(SMEs). We will look at the present situation of CRM application in small and medium-sized enterprises in China, the main problems of the customer relationship management of small and medium-sized enterprises in China, and existing problems in the customer relationship management of small and medium-

sized enterprises in China. We through analysis a case study: Huayuan international travel co. LTD to find influential success factors for small and medium-sized enterprise CRM practice in China.

1.4 Research significance

The core of CRM is the customer value management, it makes customer value divided into established value, potential value and value model, through the one-to-one marketing principles, to meet the needs of the value of individual customers, improve customer loyalty and retention, realize customer value for contribution, and overall improve enterprise profitability. The significance of this research is make China's small and medium enterprises to better understand and use CRM, improve efficient, improve the ability of employees to enable enterprises to more efficient internal operation. Expand the market, grasp the new market opportunities, to occupy more market share. Customer retention and improve customer satisfaction, can help companies retain more customers, and to better attract new customers.

Chapter 2: Literature Review and Research Problem

2.1 The definition of CRM

Customer relationship management (CRM) is a way to manage the company interaction between current and future customers. The CRM approach attempts to analyze customer and company historical data in order to better improve business relationships with customers, particularly to retain customers, thereby driving sales growth. (Shohagh, 2015)

Figure 1. Customer Relationship Management



Source: www.collegecpr.com/should-every-callege-student-learn-a-crw1

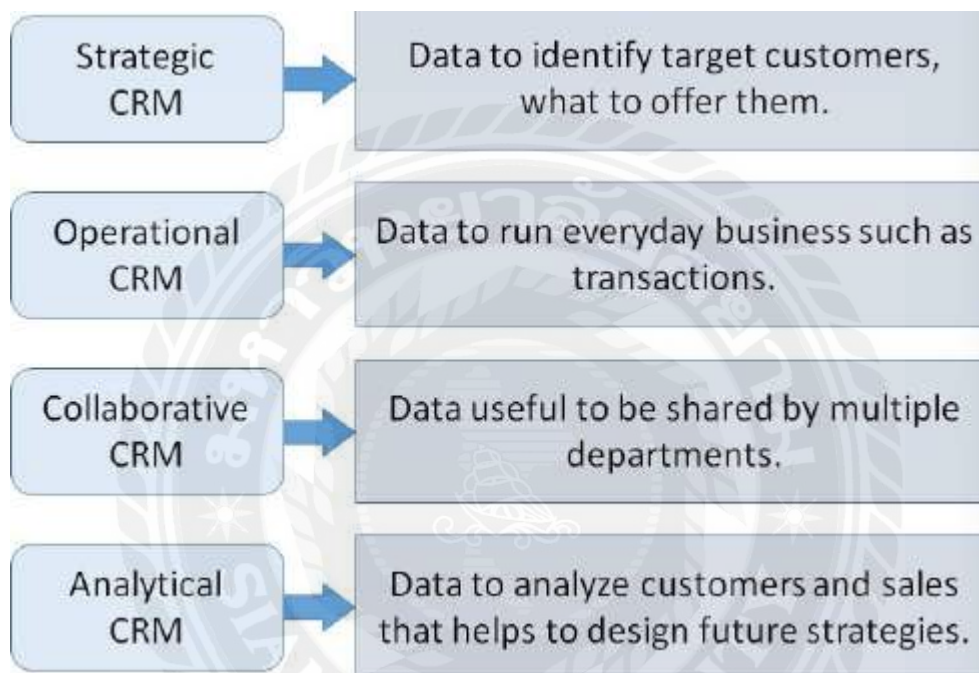
One important aspect of the CRM approach is the systems of CRM that compile information from a range of different channels, including a company's website, telephone, email, live chat, marketing materials, social media, and more. (Shaw, 1991) Through the CRM approach and the systems used to facilitate CRM, businesses learn more about their target audiences and how to best cater to their needs. However, the adoption of the CRM approach may also occasionally lead to favoritism within an audience of consumers, leading to dissatisfaction among customers and defeating the

purpose of CRM. (Sims, 2007)

2.2 The types of CRM

CRM including 4 types, there are operational, analytical, collaborative and strategic.

Figure 2. 4 types of customer relationship management



Source: www.tutorialspoint.com

1) Operational CRM.

Operational CRM is a branch of customer relationship management, which mainly refers to interaction with customers through call center, website, direct selling, pyramid selling and other forms. Operational CRM provides support for front-desk business processes such as sales, marketing and customer service. Each interaction with a customer is stored in a customer database that can be easily invoked later on. So, if not the first to deal with the customer's employees, particularly in those who adopt multi-channel marketing within the company), they can contact and deal with the customer's

business, rather than having to repeatedly asked about the customer's personal information data.

2) Analytical CRM

Analytical customer relationship management system (Analytical CRM), referred to as "ACRM system, on the basis of the data warehouse and data mining technology, through to the company's business data, transaction data, marketing services customer data, information, etc., establish various theme analysis model and prediction model, to achieve a comprehensive and in-depth analysis and mining the customer resources, to find clients in risk, profit, behavioral preference, erosion tendency, such as deep information, and make use of chart, curve and so on a variety of display methods, to the securities company customer management, customer service, product marketing to provide auxiliary decision support. (Qi & Li, 2002)

ACRM system in the business mainly for business management, customer service, product and service decision support. Therefore, ACRM system is mainly applied to the company's operations manager, business decision-making department, customer service department and technical director.

Collaborative CRM

Collaborative CRM is a way of customer relationship management (CRM) in which various parts of a company, such as sales, technical support, and marketing, share any information collected from customer interactions. For example, customer feedback collected from a technical support session can inform marketers of products and services that customers may be interested in. The purpose of the cooperation is to improve the quality of customer service, thereby enhancing customer satisfaction and loyalty. (Search Salesforce 2007)

3) Strategic CRM

Strategic CRM is focused upon the development of a customer-centric business culture. This culture is dedicated to winning and keeping customers by creating and delivering value better than competitors. The culture is reflected in leadership behaviors, the design of formal systems of the company, and the myths and stories that are created within the firm. (UKEssays, 2015)

2.3 The meaning and content of CRM

Customer relationship management breaks through Michael porter's thoughts on customers as competitors and as the most important resource for the company. This idea has three meanings:

First, customer relationship management is customer-centric business philosophy. Under the guidance of this philosophy, the enterprise must build a business model completely around customers, the enterprise should be in the integrated customer relationship management system, fully integrate the internal and external resources of the enterprise, aim at specific needs for customers, provide quality products and services, and continuously improve, thus, the loyalty of customers can be improved to ensure the long-term growth of corporate profits. (Ji, 2004)

Second, customer relationship management is a new enterprise management mode. It aims to improve the relationship between enterprises and customers, it is requirement market research, product development, production, sales, service and technical support to coordinate and coordinate with each other, thus can provide comprehensive personalized customer information, Strengthen the ability of tracking service and information analysis, improve the efficiency of enterprise marketing and service, and reduce the overall cost of the enterprise.

Third, customer relationship management is usually based on professional software and hardware systems. Customer relationship management involves a great deal of data collection and analysis; therefore, it is necessary to use computer software and hardware system to carry out information management of various business activities such as marketing, service and decision-making of enterprises. (Baik.com)

From the three aspects of customer relationship management can be seen, the main contents of customer relationship management, including the following aspects:

First, realize personalized service, increase customer satisfaction and loyalty. Should be based on detailed customer information, manage customer classification, provide targeted personalized service to improve service level, retain old customers and increase new customers.

The second is to integrate information and explore potential customers. Discover and strive for more potential customers through the collection and scientific analysis of information, and evaluate it and try to improve customer value.

Three is aid decision making, improve the core competitiveness of enterprises. Through the analysis of the data collection, help enterprise managers understand market demand, to make the right decisions, provide the most suitable products and services to the market, so as to improve the core competitiveness of enterprises.

2.4 The benefits of success CRM Practice

In recent years, CRM has developed rapidly in small and medium-sized enterprises, and more and more small and medium-sized enterprises have experienced the remarkable return of CRM. At the same time, CRM manufacturers are also aware of

the huge potential of this market. The benefits of implementing CRM to small and medium-sized enterprises are obvious, and that's a summary:

First, the obvious return of investment, it turns out that CRM has brought positive investment returns to SMEs. The communication, purchasing and interactive information collected by the system has deepened the understanding of customers and simplified knowledge management, and use that knowledge to boost sales and increase returns. (Zhang, Hu & Hu, 2005)

Second, greatly improved the sales process, CRM can have improved the sales process of SMEs, and ensured the success of sales activities. It can shorten the sales cycle and enhances the chance management of potential customers. Reduced losses due to improper management of potential customers. The information is more focused, making the sales person more targeted. By analyzing the transaction information of customers, the success rate of future transactions has been greatly improved enables small and medium-sized enterprises to forecast sales performance more easily and measure corporate performance. It can further find sales opportunities, create an evaluation for the enterprise sales process platform, to identify some problems and the latest trends, and the potential opportunities, directly or indirectly, to enhance the profitability of the enterprise.

Third, customer knowledge sharing, CRM provides an excellent way for SMEs to access Shared knowledge base. It provides customer information conveniently and effectively, and helps employees make the right decisions, and it also consolidates the relationship between the enterprise and the customer, identifies the future needs of the customer in time, and tries to meet these needs. With the customer history data in the

database, enterprises can better understand customer behavior, analyze customer preferences, and thus provide better products and services to customers.

Fourth, improve business revenue, CRM enables SMEs to know which channels will help them increase revenue, and how to integrate the various facilities, technologies, applications and markets in the company. In addition, CRM can help SMEs improve customer satisfaction, build more loyal customers and strengthen their competitive advantage. It helps SMEs optimize e-commerce, advertising strategy and other business activities, manages and analyzes customer portfolios, improving the effectiveness of market activities, improved market activity. Through the integration of orders, customer service, sales, payment, warehouse and inventory management, packaging, return goods and other processes are integration, CRM significantly reduces the operating costs of small and medium-sized enterprises and saves time and resources.

2.5 Definition of SME in China

With the SME Promotion Law of China effect in 2003, the new definition of small and medium-sized enterprises also appeared. The new guidelines are based on the number of employees, income and total assets. The definition of small and medium-sized enterprises in China is complicated. Specific standards for the total assets of the industrial sector, including mining, manufacturing, electricity, natural gas, water production, supply, construction, etc. However, there are no asset requirements in sectors such as transport, wholesale and retail, hotels and restaurants. The industrial sector guidelines require that small and medium-sized enterprises employ up to 2,000 people and earn less than 300 million yuan per year. Its total assets must not exceed 400 million yuan. Medium-sized businesses should employ at least 300 people. Its annual income and total assets should not exceed rmb30m and rmb40m. The rest are

classified as small businesses. As a result, China's small and medium-sized enterprises can be quite large relative to small and medium-sized enterprises in other countries.

(Zhou & Yang, 2004)

| Classification Standards for SMEs in China <i>(All revenue and asset figures are in RMB)</i> | | | | |
|---|---|---|---|--|
| Industry | Specific standard (upper limit) | Medium | Small | Mini |
| Agriculture, forestry, livestock farming, fishery | Operating revenue < 200 million | Operating revenue ≥ 5 million | Operating revenue ≥ 0.5 million | Operating revenue < 0.5 million |
| Heavy industry | Number of employees < 1,000 persons Or, Operating revenue < 400 million | Number of employees ≥ 300 persons And, Operating revenue ≥ 20 million | Number of employees ≥ 20 persons And, Operating revenue ≥ 3 million | Number of employees < 20 persons Or, Operating revenue < 3 million |
| Architecture | Operating revenue < 800 million Or, Total assets < 800 million | Operating revenue ≥ 60 million And, Total assets ≥ 50 million | Operating revenue ≥ 3 million And, Total assets ≥ 3 million | Operating revenue < 3 million Or, Total assets < 3 million |
| Wholesale trade | Number of employees < 200 persons Or, Operating revenue < 400 million | Number of employees ≥ 20 persons And, Operating revenue ≥ 50 million | Number of employees ≥ 5 persons And, Operating revenue ≥ 10 million | Number of employees < 5 persons Or, Operating revenue < 10 million |
| Retail industry | Number of employees < 300 persons Or, Operating revenue < 200 million | Number of employees ≥ 50 persons And, Operating revenue ≥ 5 million | Number of employees ≥ 10 persons And, Operating revenue ≥ 1 million | Number of employees < 10 persons Or, Operating revenue < 1 million |
| Transportation industry | Number of employees < 1,000 persons Or, Operating revenue < 300 million | Number of employees ≥ 300 persons And, Operating revenue ≥ 30 million | Number of employees ≥ 20 persons And, Operating revenue ≥ 2 million | Number of employees < 20 persons Or, Operating revenue < 2 million |

Figure 3-1 The classification Standards for SMEs in China

Source: <http://www.china-briefing.com/news/2011/07/07/china-issues-classification-standards-for-smes.html>

| | | | | |
|-----------------------------------|---|---|---|--|
| Warehousing industry | Number of employees < 200 persons Or, Operating revenue < 300 million | Number of employees ≥ 100 persons And, Operating revenue ≥ 10 million | Number of employees ≥ 20 persons And, Operating revenue ≥ 1 million | Number of employees < 20 persons Or, Operating revenue < 1 million |
| Postal industry | Number of employees < 1,000 persons Or, Operating revenue < 300 million | Number of employees ≥ 300 persons And, Operating revenue ≥ 20 million | Number of employees ≥ 20 persons And, Operating revenue ≥ 1 million | Number of employees < 20 persons Or, Operating revenue < 1 million |
| Accommodation industry | Number of employees < 300 persons Or, Operating revenue < 100 million | Number of employees ≥ 100 persons And, Operating revenue ≥ 20 million | Number of employees ≥ 10 persons And, Operating revenue ≥ 1 million | Number of employees < 10 persons Or, Operating revenue < 1 million |
| Restaurant and catering industry | Number of employees < 300 persons Or, Operating revenue < 100 million | Number of employees ≥ 100 persons And, Operating revenue ≥ 20 million | Number of employees ≥ 10 persons And, Operating revenue ≥ 1 million | Number of employees < 10 persons Or, Operating revenue < 1 million |
| Information transmission industry | Number of employees < 2,000 persons Or, Operating revenue < 1 billion | Number of employees ≥ 100 persons And, Operating revenue ≥ 10 million | Number of employees ≥ 10 persons And, Operating revenue ≥ 1 million | Number of employees < 10 persons Or, Operating revenue < 1 million |
| Software and IT service | Number of employees < 300 persons Or, Operating revenue < 100 million | Number of employees ≥ 100 persons And, Operating revenue ≥ 10 million | Number of employees ≥ 10 persons And, Operating revenue ≥ 0.5 million | Number of employees < 10 persons Or, Operating revenue < 0.5 million |

Figure 3-2 The classification Standards for SMEs in China

Source:<http://www.china-briefing.com/news/2011/07/07/china-issues-classification-standards-for-smes.html>

| | | | | |
|--|--|---|--|---|
| Real estate development industry | Operating revenue < 2 billion Or, Total assets < 100 million | Operating revenue ≥ 10 million And, Total assets ≥ 50 million | Operating revenue ≥ 1 million And, Total assets ≥ 20 million | Operating revenue < 1 million Or, Total assets < 20 million |
| Property management industry | Number of employees < 1,000 persons Or, Operating revenue < 50 million | Number of employees ≥ 300 persons And, Operating revenue ≥ 10 million | Number of employees ≥ 100 persons And, Operating revenue ≥ 5 million | Number of employees < 100 persons Or, Operating revenue < 5 million |
| Tenancy and business services industry | Number of employees < 300 persons Or, Operating revenue < 1.2 billion | Number of employees ≥ 100 persons And, Operating revenue ≥ 80 million | Number of employees ≥ 10 persons And, Operating revenue ≥ 1 million | Number of employees < 10 persons Or, Operating revenue < 1 million |
| Other unlisted industries | Number of employees < 300 persons | Number of employees ≥ 100 persons | Number of employees ≥ 10 persons | Number of employees < 10 persons |

Figure 3-3 The classification Standards for SMEs in China

Source:<http://www.china-briefing.com/news/2011/07/07/china-issues-classification-standards-for-smes.html>

2.6 The present situation of CRM application in small and medium-sized enterprises in China

China's small and medium-sized enterprises, due to fierce competition and rapid market changes, the importance of maintaining growth is more emphasis on the internal management of the regulatory adjustment and optimization, companies focus more on things that will bring their business growth in the short term. According to CCID report,

there are 57 percent of companies that are concerned about CRM and are want to learn about it, 14 percent of companies are working on implementation, and 29 percent of companies said they did not care, and some of them say they just don't have the time and energy yet, but they don't rule out the possibility of engaging and implementing CRM if the market changes or if there's a chance.

2.7 The main problems of the customer relationship management of small and medium-sized enterprises in China

China's small and medium-sized enterprise groups are mostly private system, facing more fierce competition environment, between manufacturers and end users in a relatively weak position. Desire is stronger at the same time, the development of small and medium-sized enterprises, implementation of the new management mode and faster. Inadequate resources of small and medium-sized enterprises, mainly embodied in many aspects, such as capital, technology and talents. This makes it hard for small and medium-sized enterprises lack of brand advantage, large-scale market, more passive when the customer to choose. At the same time, small and medium-sized enterprises lack of not only is the amount of resources, but also the quality of resources. Has introduced the advanced management mode and effective method to realize the automation and information of enterprise management and business operation, is the only way to solve this barrier. And CRM is the enterprise effective customer relationship management solutions. In order to be able to integrate customer resources, make each department coordination, become a strong team. (Li, 2009)

There are a few small and medium-sized enterprises in our country that are effective implementation of CRM, but most companies are still in the primary phase,

although many small and medium enterprises attach great importance to customers, however, there is still insufficient understanding of the concept and law of modern customer relationship management theory, there are also many problems with the practice of CRM, these problems are mainly manifested in the following aspects:

(1) There are a few small and medium-sized enterprises in our country that are effective implementation of CRM, but most companies are still in the primary phase, although many small and medium enterprises attach great importance to customers, however, there is still insufficient understanding of the concept and law of modern customer relationship management theory, there are also many problems with the practice of CRM, these problems are mainly manifested in the following aspects. (Su, 2016)

(2) the concept of leadership is backward. The leaders of many small and medium-sized enterprises distrust the customer relationship management theory and think it is of little use; Some leaders believe that the current difficulties of enterprises cannot be solved, and there is no time or resources to conduct customer relationship management; Other leaders want to introduce customer relationship management methods to enterprises, but they lack relevant knowledge and do not know how to start. (Yang, 2008)

(3) Existing customer relationship management is at a primary stage. (Sun, 2005) The majority of enterprises on customer relationship management means relatively low, and not for the customer's real needs, through the establishment of customer files, regular communication, adjust the enterprise organization form, implementation the modern supply chain management, improve efficiency and service levels to meet customer demand.

Chapter 3 Case study: Huayuan international travel co. LTD

3.1 Company background

Huayuan international travel co. LTD, is an e-commerce company that operates outbound travel service as its core business. With comprehensive, considerate professional services and system, accurate outbound travel information, provide a perfect "one-stop" service for outbound travel agents and travelers. As the first company in China to develop global tourism resources, Huayuan international travel co. LTD has established the global hotel reservation system (GHRS), global visa system (GVRS), the world tourism information system (GTIS), global system for city tour (GSRS), European train booking system (ETRS system), a global city car transport system (GTRS) and global international youth hotel reservation system (YMCA), to provide database information inquiry and booking service for many Chinese consumers and enterprises, it is the most complete and practical overseas travel service institution in China.

3.2 Business characteristics of enterprise marketing services

The business model of Huayuan international travel co. LTD is dominated by direct selling, and distribution is auxiliary. The customer source is based on the website and call in (the website <http://www.byecity.com> and call center have been docked with CRM),it is relatively small for business personnel to actively excavate customers. Huayuan international travel Co. LTD have a large number of customers, such as team customers, customers, corporate clients, corporate clients, etc., customers have higher requirements for travel products and services, since different customers have obvious differences in requirements, companies often demand to design products and services according to customers' requirements to meet the needs of different types of customers.

3.3 Informatization agent

With China's success in joining the WTO, the international tourism industry faces more business opportunities and more challenges, outbound tourism enterprises need to integrate advantageous resources to form their core competitiveness. Only make full use of the advanced information network technology, carry on the information construction, companies can improve their core competitiveness by holding their customers firmly in their hands, the senior leaders of Huayuan international travel Co. Ltd., have a clear understanding of this, the company organized the relevant personnel to conduct the various requirements for customer management, and focus on the following aspects:

- 1) Without fully understanding the customer information, the quotation and travel arrangements cannot meet the customers' demands, and the customer satisfaction is not high.
- 2) Some staff irresponsible departure, other employees within the enterprise is very difficult to take over to continue operation of the project team to arrange (for example: whether to arrange vehicles, hotels, mass balance and reservation, etc.)
- 3) The departure of some staff members, taking away a large amount of group resources, customer information and so on.
- 4) Constantly searching for new customer resources, it is difficult to continue to sign the cooperation agreement with the old customers on the outbound tourism service, and the customer's repeated consumption rate is low.
- 5) The profit of outbound group business is lower and lower, the internal costs of various costs are high.

6) Static page websites already cannot satisfy the development of the enterprise network (for example, the customer after the online payment, slow to artificial reply, influence customer trust, need to get the information, the staff promptly get in touch with customers, let customers feel the efficiency of the company and sincerity).

7) Because the whole company's main business process is more complicated, but the sales cycle is short, customers are sensitive to price and pay special attention to the feeling of service, the relatively high repurchase rate has made the management of Huayuan international travel co. LTD aware of the importance and urgency of building the customer management system in the enterprise.

3.4 The construction goal of enterprise CRM system

(1) Timely understand the customer's overall appearance, characteristics and requirements, and centralized management of the information through the CRM system, and design the solution for customers according to this information;

(2) Achieve two-way communication with customers, and provide suitable products and services to suitable customers at the right time and place, improve customer satisfaction;

(3) Integration of enterprise resources, the call center, business promotion, booking services, financial payment, different departments effective integration in

the same branch CRM platform, implement all kinds of information in the internal Shared fully;

(4) Unify customer service standard, use information technology to coordinate and improve the enterprise's original unreasonable business process, improve the operation efficiency of the enterprise, reduce the operation cost of the enterprise;

(5) Through CRM system platform to explore customer needs and targeted publicity and promotion, to attract customers accurately, improve the communication effect and reduce operating costs;

(6) Through the construction of CRM system platform, company should establish a learning relationship with each customer, every time communicate with customers, customers will reveal new information and new requirements to the enterprise, and promote the improvement of products and services, improve the understanding of customers, thus improving customer satisfaction and enterprise's core competitiveness.

3.5 CRM application solutions

3.5.1 Company business process

1. The customer can learn about the tourism projects offered by huayuan travel through the website, and can fill in the form online, after filling in the form, the system directly generates the customer's relevant information into the sales opportunities in the CRM system to facilitate the verification and distribution of the sales department;

2. Some customers submit travel requests to call centers by calling in the form of phone calls, the customer service staff is responsible for judging the authenticity and entering the real information into the CRM system.

3. The management personnel of the sales department shall judge the authenticity of the business opportunities according to relevant information, and submit it to the sales manager, who shall be responsible for the distribution of business opportunities.

4. In accordance with the information of the customers, the business personnel will follow up and confirm the travel plan, price, itinerary and other details with the customer.

5. Customer can pay the deposit through the online platform after confirmation.

6. The client shall provide identification card, asset certificate, passport and other documents within the agreed time, and prepare to apply for tourist visa.

7. The internal staff shall make the visa for the customer.

8. Customers pay full payment;

9. Sales staff and customers confirm the itinerary again, After confirmation, the relevant information will be transferred to the internal staff to prepare the plan (if the customer's problem affects the itinerary, the travel plan or partial refund can be changed);

10. The internal staff and customers make reservations and accommodation according to the customer's travel plan;

11. Upon completion of customer travel, the passport and registration card shall be given to the service personnel of the company, and the service personnel shall send the corresponding embassy sales signature;

12. Customer service staff by email form to conduct customer satisfaction survey, collect customer feedback information, and on the basis of the information to improve the internal business processes or forms, improve customer satisfaction.

3.5.2 Key business description

1. Tourist information and visitor value are fully integrated and the value of the customer is excavated.

Through the CRM system, a large number of different departments have been distributed, and the tourist information collected by excel statistics is managed to realize the enterprise management of tourist resources, at the same time, the salesman needs to input the potential, existing and existing customer information into the customer information archive, record contact information, service requirements, business information, quotation, order, and payment to facilitate the management of sales staff's work plan, sales target, project stage and success rate, etc., the sales manager analyzes all customer information, Sales manager to consult the analysis of all the customer information, master sales situation and sales plan, so as to realize the centralized control of enterprise information to customers, to avoid the loss of clients by a sales person to leave.

Because of the differences between tourists' economic situation and cultural background, tourists' psychological expectations of tourism products have their own focus, To achieve competitive advantage in a strong competitive environment, Huayuan international travel co. LTD must realize the importance of customer resources, take the customer as the center, establish brand new management idea, establish the business objective that the customer is oriented, thus realizes the victory in the competition.

2. Integrate with the integrated call center to enable customers to call in the auto-bomb screen

Through call center and CRM integrated application, company avoid repeated inquiries when customers call, and increase customer waiting time and influence customers' feelings. Automatic display of customer information through the screen of the phone screen, and the customer profile can be clear at a glance, and the personalized

service content can be provided to the customer. At the same time, the integrated knowledge management module, you can look at the knowledge directly, It provides data support for the staff to answer the accuracy, specialization and efficiency of customer consultation, and effectively improves the work efficiency and business quality of the staff.

3. Website registered members are directly in sync to the CRM system

Synchronize the site members is to obtain the website business opportunities, in the first place, business personnel can obtain the business opportunities through the unified CRM platform system, timely follow up the business opportunities transformation, improve the utilization rate and conversion rate, and then promote business promotion.

4. Marketing process automation management

Through the centralized management of the CRM system, every visitor has a detailed record, it also makes mufti-dimensional division of tourists and provide better service for tourists. The system will automatically generate the relevant records on the website of the corresponding task in the CRM system, after the staff gets the information, timely contact with the customer and let the customer feel the company's efficiency and sincerity. Also, it can simplify the operation of business personnel and improve work efficiency.

5. Tourism resource data management

In order to provide personalized services for passengers, it must be supported by a rich database of tourism resources. The tourist resources database includes the scenic spot, local customs and practices, the hotel and the catering, the traffic condition and so on. There is a full-featured database as a backup, the marketing personnel can undertake the task of design and development of tourism products at the same time,

quick response to passenger demand, and achieve "one-to-one" marketing. The sales personnel obtain timely information about tourism resources, product mix and pricing information through the system, shorten sales cycle and improve sales efficiency.

3.6 Project successful implementation experience

1. The successful implementation of Huayuan international travel co. LTD CRM system, it fully verifies a basic principle of customer relationship management software system implementation: CRM system implementation of the driving force is the attention and participation of senior management. The influence of company leadership and the extensive participation of senior executives, the project has been pushed forward quickly and has been effective in the short term.

2. The information work of Huayuan international travel co. LTD started early and started high. The CRM implementer are well connected with the CRM system based on the full understanding of tourism business, it not only integrates the business process of the enterprise facing the customer, but also helps the enterprise to excavate the customer value and prolong the life cycle of the final customer while providing clear operation flow and operation convenience.

3.7 The changes and values brought by the application of CRM system

1. By implementing CRM system to integrate the various resources within the enterprise, build core competitiveness and improve the operative efficiency. Integrating services, marketing, and management into a strong team centered on "customer needs", satisfies customers ' individual needs.

2. Through the implementation of CRM system, the enterprise culture has been transformed, enterprises pay more attention to the interests of customers, pay more attention to the customer personality demand, form the business idea that pays attention to emotional consumption;

3. Through training to identify the marketing concept of all employees, strengthen the technical training of employees, enables employees to use the CRM system to treat all types of visitors correctly;



Chapter 4 Recommendation

4.1 Existing problems in the customer relationship management of small and medium-sized enterprises in China

1. The system of customer relationship management is not perfect. Customer relationship management is introduced by foreign countries and is first produced in marketing, Formed the "customer-centric" ideology, then gradually formed the practice application with IT technology. Early corporate development in China focuses on product quality, and customer relationship management is very weak, Many small and medium-sized enterprises only rely on IT technology to achieve customer relationship management. To understand customer relationship management concepts and ideas, small and medium-sized enterprises should have customer relationship management as the basis, then the customer relationship management can be implemented successfully.

2. Competitive focus confusion, customer data acquisition link is weak. In China, most small and medium-sized enterprises also focus on the physical market, many companies have a weak awareness of collecting customer information. Some companies still use traditional methods, records of customer information cannot be stored, retained and updated in time, Unable to analyze the overall characteristics, preferences, consumption behavior, satisfaction and other trends of the customer market. So, understand customer is going to start getting customer data, through data acquisition, data mining and data analysis to understand customer consumption patterns and habits changes, combine the analysis of the customer's life cycle to cultivate the enterprise's insight into customers.

3. Low network level and lack of channel management. The network has its huge marketing advantage and potential, while most small and medium-sized enterprises do not have their own independent domain name website, there are few other online marketing campaigns, more use of telephone or direct contact. However, face-to-face communication can not timely and often understanding customer feedback. Therefore, it is not significant to obtain the customer's demand information through direct investigation, integrate the network into customer relationship management, the use of multiple sales methods is a necessary way to expand contact with users.

4. Restrictions on capital, talent and technology. For small and medium-sized enterprises with smaller funds, to build or purchase a customer relationship management system requires greater costs and risks. At the same time, due to the unsound financing system of Chinese enterprises, China's small and medium-sized enterprises have more inconveniences in financing. Small and medium-sized enterprises in addition to their own capital accumulation, talent recruitment, it's hard to get support from the outside. It is difficult to establish customer relationship management system, which is one of the limiting factors that causes small and medium-sized enterprises to broaden their clients' depth and breadth.

5. External environment restrictions on customer relationship management. First, in the construction and integration of the internal information system of small and medium-sized enterprises in China, there are few enterprises implementing computer aided design system, office automation and information management system, the data source, quantity and quality required by CRM are obviously insufficient. secondly, the leaders of enterprises lack trust in the advanced customer relationship management concept based on IT technology, this limits the implementation of CRM in small and medium sized enterprises.

4.2 Small and medium-sized enterprises to improve the customer relationship management countermeasures and Suggestions

1). Improve the management ability, pay attention to customer relationship management (CRM). An enterprise needs to survive, not only depend on the quality of the product, the most important is how to make customers know and accept your own products, and put the customer's requirements by the improvement of the product, and this method is mainly implemented by implementing customer relationship management (CRM). Therefore, small and medium-sized enterprises need to consider the implementation of customer relationship management (CRM) is a kind of cost, to implement customer relationship management (CRM) is a kind of investment, the short term, to long-term gains, for example, improve the competitiveness of the enterprise is not thing, want to make the enterprise obtain the advantage of sustainable development, must need through long-term customer relationship management. At the same time, pay attention to training specialized personnel in customer relationship management (CRM), and let all the employees directly or indirectly involved in the establishment of the customer relationship. Will and customers to establish good relations have been the focus of most, and communicate through the analysis of customer information and summary, and database records, establish a customer information platform.

2). To strengthen staff training, to provide customers personalized service. The implementation of customer relationship management (CRM) is a comprehensive and systematic project, IT is not only a kind of IT technology, is also a kind of management thought and marketing ideas. The core concept of customer relationship is to "take the customer demand as the center." Under electronic commerce environment customer m

management should strengthen the training of enterprise staff, will be "customer demand" business ideas into the enterprise every employee ideas, in order to improve the staff's service consciousness, forms the enterprise core competitiveness. In addition, the electronic commerce environment of customer relationship management system based on the combination of the browser, Web server, database server system, requires employees to master computer technology. Enterprises should strengthen the training of its employees computer technology, with the aid of customer relationship management system, companies can provide customers consumer behavior tracking, customer service and customer marketing data analysis, etc, is more advantageous to enterprises to better grasp the customer. At the same time, enterprises should attach importance to the maintenance of existing customers, to master the customer demand, timely handling of customer feedback information, which aimed at existing customers with personalized promotions, providing personalized products and services. Through data analysis of customer buying repeat rate and correlation for the sale of related products and services, strengthen the communication with customers and exchanges through the network. In addition, you can through online sales, SMS propaganda and characteristic service to expand contact with customers, strengthen communication with customers, synchronous update to the customer information.

3). According to the customer life cycle, doing customer data collection and management. Customer life cycle is divided into phases, phase, management and retention phase, the four stages embodies the four states of customers: potential customers to purchase, the intention client, customer, history. In view of the different characteristics of different stages of the customer life cycle, customer data collection and management also takes a different approach. Customer data information is generally by purchase, lease, or cooperation. Information identification form data, and then to classify informatio

n, the information stored in the database of the enterprise, after, you can through the enterprise web site to attract potential customers, for Internet users to access and update information. Customer data collection also should consider the needs of the enterprises, targeted to obtain. More important, not only for one-off marketing activities, and to establish a complete set of information collection mechanism, to obtain and update customer information, establish a long-term customer analysis ability to lay a solid foundation.



Chapter 5 Conclusion

The market has evolved from "product-centric" to "customer centric", follow changes in the market, the concept of CRM has penetrated into various fields. The implementation of CRM has become the most important part of enterprise management strategy. However, customer relationship management (CRM) market in China started late, when many companies overseas successful implementation of CRM, there are still a lot of Chinese companies, especially small and medium-sized enterprises still do not understand the CRM. It makes the development of CRM in China more slowly.

Factors influencing the enterprise successful implementation of customer relationship management (CRM) has a lot of, we through to the small and medium-sized enterprises—Huayuan international travel co. ltd research and analysis, the success factors for SME CRM practice can be divided into the following points:

5.1 Scientific development CRM strategy planning

Strategic planning is primarily for a complete description of some future state, such as system, process, structure, technology, value, role and environment and so on. It is

not only the guideline in the implementation of CRM, but also the necessary condition for success.

CRM is the responsibility of the marketing department, but also a common responsibility of all departments. To ensure that all departments work together to continuously improve the ability of enterprises to serve customers, we must scientifically formulate CRM strategic planning, clear rights and responsibilities of all departments. The implementation of CRM not only includes the integration of information and customer touch points, but also includes the training of staff, customer communication system automation, etc., to be involved in technology, processes, people, information and so on. The integration of these components also requires that strategic planning must be carefully formulated to provide a complete and effective solution. Therefore, in the process of establishing CRM strategy planning, especially for customer data model and process model.

5.2 Powerful core technology data warehouse

To be able to harmonize customer service, whether enterprise or customer, all of their interaction must be through the establishment of the system with the advanced

technology to support a set of general management platform, this system platform is the data warehouse.

The core of CRM is the data warehouse, which brings together all relevant data from the CRM process, can enable market analysts to analyze the data from the library sub-target market, determine the promotional activities; call center can get the customer's relevant information, purchase intent, transaction records, complaint records; sales staff in a timely manner to understand the customer's details as part of sales force automation system (SAF); enable decision-makers to make the right decisions based on customer segmentation to deliver the right product to the right people. That is to enable all users to obtain the analysis results from feedback, making the later analysis more accurate and more applicable.

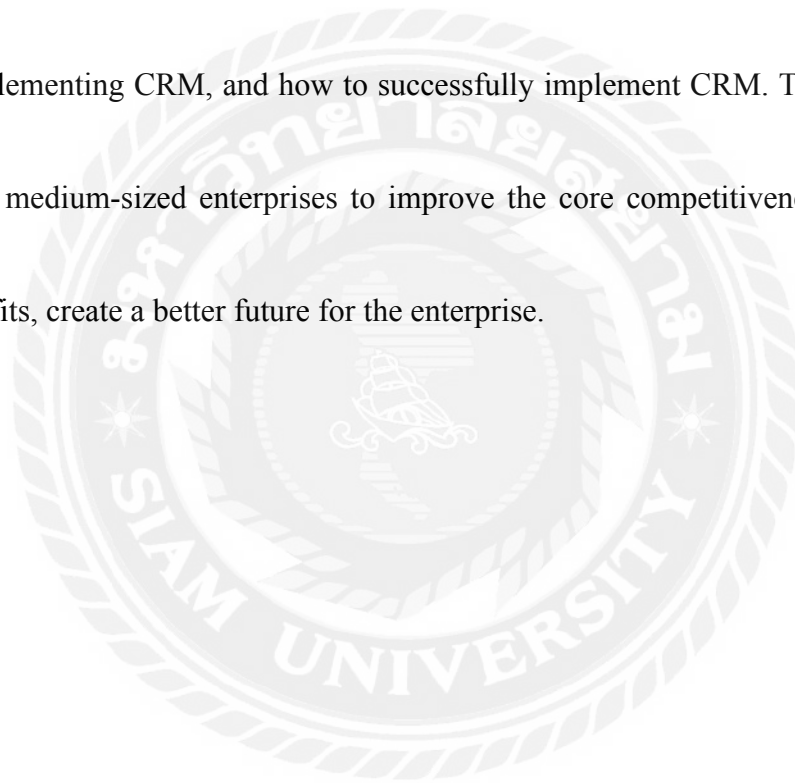
5.3 The necessary organizational system

The successful implementation of CRM macro environment is to ensure the scientific strategic planning, strong technical support. However, during the concrete implementation of CRM, it is often necessary to obtain the necessary organizational guarantee through several aspects, specific as follows:

- 1) Senior management must direct leadership, not only participate in or management. CRM requires a company-wide coordination, information communication, and responsibility, enterprise senior management only approve this concept of cross-sectoral, have the determination to implement CRM and provide strong and sustained support in order to obtain the necessary human, financial and material resources protection, overcome various obstacles and ensure the successful implementation of CRM.
- 2) Employees actively support and participate. Business ideas must be reflected in the CRM application, and communicate and implement in a timely manner between every employee who may be related to the customer. In order to successfully implement CRM strategy, it is necessary to make the employees fully understand and be able to actively participate in and support.
- 3) Organize and implement personnel close cooperation. CRM implementation process is a team work. It requires all departments of mutual cooperation, Shared enterprise-wide information, make sales personnel, marketing personnel, such as phone service, after-sale maintenance personnel real coordination,

become a strong team around the central theme of "meet customer needs", to improve the efficiency of enterprise operation, reduce enterprises operating costs.

Hope that through this study, can help Chinese SMEs more understanding of CRM, can learn more about what CRM is, what are the benefits of implementing CRM, and how to successfully implement CRM. To help small and medium-sized enterprises to improve the core competitiveness, increase profits, create a better future for the enterprise.



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