

CRM STRATEGIES FOR DIGITAL TRANSFORMATION: ANALYSIS OF POTENTIAL AND INNOVATIVE STRATEGIES AND TRENDS IN BIG DATA MANAGEMENT AND CUSTOMER LOYALTY?

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ABSTRACT

The digital transformation of businesses has led to an increased use of big data, which has been shown to positively impact customer loyalty and business results. However, the implementation of digital transformation and the use of big data also pose significant challenges. This article aims to explore the effects of digital transformation on the use of big data, e-loyalty, and business results, and to discuss the challenges and opportunities associated with these trends. Drawing on a review of the academic literature, this article highlights the importance of digital transformation in enabling businesses to effectively collect, store, and analyze vast amounts of data, leading to improved decision-making and increased operational efficiency. Furthermore,

KEYWORDS: CRM, e-loyalty, digital transformation, big data, CRM trends

ABSTRAKT

Die digitale Transformation von Unternehmen hat zu einer verstärkten Nutzung von Big Data geführt, die sich nachweislich positiv auf die Kundentreue und die Geschäftsergebnisse auswirkt. Die Umsetzung der digitalen Transformation und die Nutzung von Big Data bringen jedoch auch erhebliche Herausforderungen mit sich. Ziel dieses Artikels ist es, die Auswirkungen der digitalen Transformation auf die Nutzung von Big Data, E-Loyalty und Geschäftsergebnisse zu untersuchen und die mit diesen Trends verbundenen Herausforderungen und Chancen zu erörtern. Auf der Grundlage eines Überblicks über die akademische Literatur unterstreicht dieser Artikel die Bedeutung der digitalen Transformation, die es Unternehmen ermöglicht, große Datenmengen effektiv zu sammeln, zu speichern und zu analysieren, was zu einer verbesserten Entscheidungsfindung und einer höheren betrieblichen Effizienz führt. Darüber hinaus,

STICHWORTE: CRM, e-loyalty, digitale Transformation, Big Data, CRM-Trends

RÉSUMÉ

La transformation numérique des entreprises a conduit à une utilisation accrue des big data, dont il a été démontré qu'elle avait un impact positif sur la fidélité des clients et les résultats des entreprises. Toutefois, la mise en œuvre de la transformation numérique et l'utilisation du big data posent également des défis importants. Cet article vise à explorer les effets de la transformation numérique sur l'utilisation des big data, l'e-fidélité et les résultats commerciaux, et à discuter des défis et des opportunités associés à ces tendances. S'appuyant sur une revue de la littérature académique, cet article souligne l'importance de la transformation numérique pour permettre aux entreprises de collecter, de stocker et d'analyser efficacement de grandes quantités de données, ce qui permet d'améliorer la prise de décision et d'accroître l'efficacité opérationnelle. En outre,

MOTS-CLÉS: CRM, fidélisation électronique, transformation numérique, big data, tendances CRM.

INTRODUCTION

In addition to all the factors that are important for the implementation of digital transformation in a company - digital culture of employees, technological prerequisites for the implementation of e-business and others, there is also the need to know customer behavior. This can be ensured by collecting, storing, managing and analyzing large data sets (big data). Depending on the level of detail and development of the company's online CRM strategies, we can even talk about building electronic loyalty (e-loyalty).



Figure 1. The 5 Vs of Big Data. Source: Gillis A., revised by Ruskov, 2022

E-Loyalty - electronic loyalty. Many researches in the field of marketing try to discuss the factors and reasons for the formation of consumer loyalty to the company. Customer loyalty can be shown through repeat purchases of products. On the other hand, the company gains customer loyalty by building good communication between suppliers and consumers through direct contact. However, with the development of online businesses, such as e-commerce, creating customer loyalty is more difficult and complex, as all interactions and relationships between consumers and companies are done through technology. In online-based transactions, loyalty is called e-loyalty, which refers to the willingness of virtual consumers to intensively or continuously visit certain online shopping websites due to several favorable factors. It is the commitment of a user to use a website, e-commerce or a particular brand when there are many alternative options available. Additionally, e-loyalty is shown by the consistency of users using website features and is also defined as the behavior of customers to repeatedly purchase products or services at the same store. According to Carlos Favian (2006, p. 43), e-loyalty refers to consumers' willingness to buy something on a particular website without wanting to turn to another website. In addition, e-loyalty can be an indicator of the achievement of e-CRM goals for the company and consumers.

The relationship between Big Data and CRM. Big Data is everywhere. Whether it comes from the web, the business applications users use, or deep within the logs of various types of machinery, Big Data helps all businesses grow. By doing so, they become more strategic and profitable.

What is Big Data? Big Data refers to the vast amount of information that businesses collect from online and offline sources. These sources include websites, social networks, mobile applications, software,

documents, computer logs, sensor networks, and many others. However, this explosion of data is not necessarily significant because of its sheer volume, but because of what it can do. Although it's often described in terms of the "three Vs"—volume, velocity, and variety—there's much more value in big data that makes it so important to all types of businesses. So we can add two more V's - credibility and value.

The benefit of moving and using big data has a lot to do with extracting value from the data with the right actions. For this purpose, algorithms and prediction models are applied, through which significantly more specific business problems can be solved. Simply put, Big Data delivers all kinds of intelligence that helps businesses make better decisions.

How exactly does big data work? Data analysts, data scientists, predictive modelers, statisticians, and other analytics professionals collect, process, clean, and analyze growing volumes of structured transaction data, as well as any other forms of data that are not used by conventional Business Intelligence (BI) and analytics programs. Here is an overview of the four steps that make the big data analytics process work:

Data collection- data scientists collect data from various sources. Often this is a combination of semi-structured and unstructured data. Every organization uses different data streams, but some common sources include: internet click data; web server log files; cloud applications; mobile apps; content on social networks; text from customer emails and survey responses; cell phone records; machine data captured by sensors connected to the Internet of Things (IoT).

Preparation and processing- once data is collected and stored in a data warehouse or data lake, data scientists must properly organize, configure, and partition the data for analytical queries. Thorough data preparation and processing leads to higher productivity.

Cleaning- to improve their quality. Data scientist's clean data using scripting tools or data quality software. They look for any errors or inconsistencies, such as duplication or formatting errors, and organize and sort the data.

Analysis and visualization- the collected, processed and cleaned data are analyzed with analytical software. This includes tools to:

- data mining, which sifts through data sets in search of patterns and relationships;
- predictive analytics, which builds models to predict customer behavior and other future actions, scenarios and trends;
- machine learning, which uses various algorithms to analyze large data sets;
- deep learning, which is a more advanced branch of machine learning;
- text mining and statistical analysis software
- artificial intelligence (AI);
- mainstream business intelligence software;
- data visualization tools.

Big Data and CRM. Not too long ago, available CRM systems often failed to meet business expectations because, in fact, CRM was largely used only for customer relationship management. Now, Big Data CRM goes much further and is related to the overall customer service from all sides. Accordingly, the intrusion of large data sets coming from all sorts of sources leads to the need to consider "customer service" through the lens of Big Data. Dr Mark van Rijmenam describes four main types of customer interactions:

Management of the customer with structured data such as address, contact information and last moments of contact is only one part. Customer management is primarily an inside-out approach where the company "manages" the customer by sending messages and storing basic information about them. To do this, it uses pre-defined channels at pre-defined working hours. This company-defined process lacks flexibility. However, it is important for companies to have these types of interactions as it is the basis for understanding the customer.

Interaction with the customer with unstructured data such as emails, tweets, Facebook posts, comments, etc.

The interaction is customer-driven or outside-in. There is a two-way communication process and the customer decides when to contact the organization and expects a quick response, even outside of business hours. Everyone in the company needs to be involved in these processes, and this includes customer-driven channels such as social networks or different types of online communities.

Analyzing of customer actions with structured data such as online visits, clicks, bounce rates, etc. is a company-driven process primarily performed by analysts. These analysts typically perform an action when asked for information or provide standardized reports to traders on a regular basis. With big data techniques involved, the role of the analyst will change significantly as they will be required to more proactively deliver results on a more regular, preferably real-time, basis.

Knowing the customer. Big data engineers develop an approach to read and process mixed data to perform analytics that allow an organization to understand each customer individually in real time. They can provide referral traffic forecasts to develop/deliver the right product, at the right spend, at the right price, and through the right channel. The result will be an increased conversion rate and better revenue.

RESULTS AND DISCUSSION

Within the framework of the research, I found the following trends:

Strategy 1. Businesses can condense and optimize their sales and marketing technology stack. As CRM systems and core technology tools become increasingly sophisticated, sales and marketing teams can use fewer tools than a few years ago. As a technology trend for 2022, teams will increasingly need to analyze why they are paying for App A when App B can already do the same job, even more, at a lower cost. For best results, teams will create more integrations and two-way syncs to ensure that contact data is always updated across all apps.

Strategy 2. Chat and conversation systems will start connecting to CRM systems. Voice-based conversational technology is critical to the evolution of SaaS tools. This is a key factor in accessibility, but it also just makes the technology easier and more enjoyable to use. The technology makes it easy for marketers to track, message, update and notify their teams about customer data. More and more businesses can use voice assistant and supporting hardware in operational processes and interfaces.

Strategy 3. The customer experience of CRM platforms will be as important as its features. 85% of customers say that the experience a company provides is as important as its products and services. There are several ways CRM technology can be used to help a company meet the expectations of today's customers: (1) Live chat for quick support; (2) Enriched data to show the complete customer journey and previous support tickets; (3) Access to customer data for most departments; (4) Automated bases; (5) Synchronize customer data between applications to display a 360-degree view. As more organizations evolve their customer experience strategy, others must follow suit. 79% of customers say that an exceptional experience with a company would raise their expectations of other companies.

Strategy 4. Younger generations insist on using CRM platforms. In 2022, even a one-employee company is big enough to need a CRM. If it manages contact data, manages a contact line, and has customer data to track, the company can benefit from using a CRM. These are familiar pain points for freelancers. They provide a strong market segment for CRM platforms.

Strategy 5. Analytics capabilities will need to be the strong point of CRM platforms. With more and more advanced analytics at their fingertips, organizations are in the best position to identify problems, solutions and opportunities. Companies recognize this, and more and more of them are looking to powerful analytics tools to process and report on their data in real time. CRMs should also offer this type of analytics because organizations want the most accurate view of how their sales pipeline is performing, how satisfied customers are, and what is driving churn. While not all organizations are ready for complex stand-alone analytics platforms, more and more SMBs are viewing CRM analytics as a must-have rather than a nice-to-have.

Strategy 6. SaaS - everything as a service. SaaS – software as a service – is well known. XaaS stands for “everything as a service” and adopts the concept of SaaS. It extends it to cover every form of product and service. With XaaS, any IT function can be transformed into a service for enterprise consumption — from Platform as a Service (PaaS) to Infrastructure as a Service (IaaS), among many others. XaaS includes any computing service delivered over the Internet and paid for by subscription rather than a fixed one-time price. As a technology trend for 2022, more and more organizations will look to cloud solutions for new corners of their business, whether as part of their CRM, a stand-alone system or a connected tool.

Strategy 7. CRM should be connected to every other part of the business. Every year, more and more organizations look to their CRM as an essential organ for their company's well-being. For this to happen and to reap the benefits, CRM must be connected to all other tools and processes in the organization. From email marketing tools to an invoicing system. It is important that two-way synchronizations between the tools that store customer data and the CRM system are available and fine-tuned. Keeping data in sync is the best way to avoid human error, solve the problem of traditional data silos, save time on manual data entry, and present the clearest picture for each team. In the 2020s, there should be no reason for businesses not to trust their customer data,

CONCLUSION

For the transformation to e-CRM to occur, it is necessary for companies to focus more and more on the "digital customer", which requires the use of e-CRM, which in turn requires an adaptive change of the overall culture and strategy of the corporation/organization. as well as investing funds in the use of modern software solutions for processing large data sets. The implementation of digital transformation and the use of big data, however, also pose significant challenges, such as concerns about data privacy and security, as well as the need for skilled personnel for effective data management and analysis.

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