Towards Developing a Customer Relationship Management (CRM) Strategy for Supporting Pre-implementation Activities in Business

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Abstract: Effectively preparing and planning for Customer Relationship Management (CRM) strategy is critical to CRM implementation success. A lack of a common and systematic way to implement CRM means that focus must be placed on the pre-implementation stage to ensure chance of success. Although existing CRM implementation approaches evidence the need to concentrate mostly on the pre-implementation stage, they fail to address some key issues, which raises the need for a generic framework that address CRM strategy analysis. This paper proposes a framework to support effective CRM pre-implementation strategy development. In section 1 we provide a brief background concerning CRM implementation. In section 2 we justify the need to ensure a strategic focus during CRM implementation. In section 3 we describe a range of existing CRM implementation frameworks, and consider the relative advantages and deficiencies of each. In section 4 we justify the need for an adopted approach, which we describe in section 5; focusing primarily on the issues of strategy. In section 6, we provide a conclusion to our work, summarising the contributions of proposed framework.

1. INTRODUCTION

In the face of mounting competition, businesses now realising that "customer relationship" is crucial to enterprise success. Accordingly, businesses are seeking to differentiate themselves by providing services to meet their customers' expectations. Customer Relationship Management (CRM) enables enterprises identify, attract and retain lucrative customers, by analysing customer data in order to recognise and meeting their requirements and needs (Doole and Lowe, 2008). Organisations that implement CRM that aligns with the business strategy, are more able to gain continued profit by strengthening their competitive advantage (Bligh and Turk, 2004). Effective CRM implementation, however, relied on having a well-defined strategy (Rigby et al., 2002). Organisations often consider CRM to be a technology solution, which ultimately limits the institution's ability to adopt the full benefits of CRM within the whole enterprise. In the following section we describe and discuss in more detail the advantages and deficiencies of existing CRM implementation frameworks.

2. STRATEGY CENTRIC CRM

Zablah et al. (2004) suggested that the first stage in achieving an effective CRM implementation is to identify the strategy of relationships. Gartner (2001), Payne and Frow (2005) and Thakur et al. (2006) all highlighted the need to adopt the strategic orientation of CRM, with numerous studies (e.g. Chan, 2005; Leigh and Tanner, 2004; Payne and Frow, 2005; Zablah et al., 2004; Ryals and Payne, 2001) all agreeing that failing to design and create a clear CRM strategy is likely to result in CRM implementation failure. Rigby et al., (2002) claimed that a major, yet common, mistake when implementing CRM is either giving a software vendor the responsibility for defining the organisations relationship strategy, or shaping the organisations customer strategy around CRM software tools. Coltman (2007) stated that companies with a proactive CRM strategy are more likely to experience CRM implementation success, however few organisations have developed a CRM strategy that considers customer relationships in a consistent and methodical way (Payne, 2005). By focusing on strategy, our theoretical framework aims to ensure that CRM strategy is well defined in advance of establishing project foundations. Selland and Pockard (2003) mentioned that companies, before thinking about software vendor selection, must firstly understand what is wanted and why it is needed; in order that the path to successful implementation becomes clearer.

3. CRM CATEGORISATION AND IMPLEMENTATION

3.1 CRM solution definitions

There are several CRM definitions that consider customer relationship from different perspectives. Gummesson (2009) and Bligh and Turk (2004) defined CRM as a business strategy. Nancarrow et al. (2003) believed CRM is a process of managing Customer life cycle activities. Although many view CRM as information technology (Shoemaker, 2001), others claimed that CRM is a synthesis between: philosophy and IT (Magaña and Whitehead, 2010; Saren, 2006); IT and strategy (Payne, 2005); strategy and process (Parvatiyar and Sheth, 2001); process and IT and people (Greenberg, 2010); or business strategy, IT, and process (Buttle, 2009). METAGroup (2001) stated that there are three different types of CRM implementation solutions, i.e. operational, collaborative and analytical; however Lin and Su (2003) and Buttle (2009) both distinguished a fourth category: strategic CRM. Operational CRM relates to business processes created to execute the firm's preferred customer relationship model in the areas of customer access and interaction (Tanner et al., 2005). Collaborative CRM employs collaborative services and infrastructure to ensure that an interaction via multiple channels can be achieved (Payne, 2006). Analytical CRM relates to acquiring, warehousing, managing, understanding, and disseminating customer-related data to enhance value (Buttle, 2009). Strategic CRM relates to the establishing of value to customers (Plakoyiannaki and Tzokas, 2002). Lin and Su (2003) stated that strategic CRM provides the chance to influence customer knowledge and produce value for customers, therefore aiding organisations understand and satisfying customers' needs.

3.2 CRM Implementation frameworks

Due to the historically high rates of failure during CRM implementation, and because of the lack of understanding concerning CRM, a number of CRM frameworks have been developed. In 2001, Gartner introduced a CRM model called 'The Eight Building Blocks of CRM', which considers eight steps towards success (Radcliffe, 2001). The Gartner framework emphasised the need to focus on the strategic role of CRM, however although Gartner's framework sheds light on the development of the CRM vision and use of internal education, it fails to consider: critical success and failure factors that link to CRM elements (Almotairi, 2010); the process of systematically analysing the current CRM situation; how customer information can be gathered and analysed; and the role of external stakeholders. To this end Payne and Frow (2005) proposed a strategic CRM framework that emphasised the importance of strategy as the starting point, in order to overcome the shortfall of considering CRM as simply a narrow technological solution. Payne and Frow developed five key cross-functional processes: a strategy development process, a value creation process, a multichannel integration process, an information management process, and a performance assessment process. This framework helped companies to plan key CRM strategy components, however the framework does not indicate methods of assessing either business strategy or customer strategy, and does not specify the success and failure factors for each process. The framework also failed to mention how the business strategy could be analysed and how the stakeholder's requirements could be elicited and analysed. Magaña and Whitehead (2010) described the follow CRM implementation stages**:** Planning the implementation; Setting the project goals; Selecting a CRM development partner; Developing system process; Migrating data; and finally Piloting the system. Within the 'Planning for implementation' phase, Magaña and Whitehead (2010) defined numerous steps that related to identifying people requirements, ensuring provision of resources, and encouragement to all of the parts of organisation culture that play a critical role in implementing CRM, yet they emphasised on management issues. Although Magaña and Whitehead (2010) positively focused on the pre-implementation phase, they did not provide a method of identifying the shortcomings within the business processes respecting customers, and did not describe how the CRM business requirements could be gathered. Thakur et al. (2006) investigated reasons of approaching CRM as a strategy, providing a rationale for operationalisation and structuring CRM strategies. Thakur et al. (2006) identified seven steps to implementing CRM strategy which are: Make customers the essential focus of CRM strategy; Categorise customers on the basis of their perceived importance; Deliver value to prioritised customers; Concentrate on strategic capabilities; Create strategies that are customer centric; Select CRM technology; and implement the CRM strategy. Thakur et al. (2006) defined a diverse range of critical success factors in his model, yet his model does not explain how customer's requirements could be captured, or how customer value and satisfaction might be measured. Moreover, Thakur et al. failed to link the model to the customer's needs. Buttle (2009) defined five iterative high-level phases, namely: Developing CRM strategy; Building the CRM project foundation; Needs specification and partner selection; implementing the project; and evaluating performance. Buttle placed attention on planning CRM implementation, and aimed to minimise errors and consider training needs; while concurrently maximizing benefits for all stakeholders when rolling out successful CRM. His approach highlighted the significance of change, and project and risk management, when transforming and delivering customer's needs into desired products and services, and proposes specific methods for use when identifying weaknesses in the current CRM strategy. Existing CRM implementation frameworks have been developed (see table 1), however problems have been identified. The limitations of existing framework, and the lack of a set of defined methods, motivated us to develop a detailed framework to support CRM pre-implementation stages. Although, Buttle's model addressed a number of drawbacks raised in other frameworks, his framework only briefly considers methods used to identify the weaknesses in existing CRM strategies. Moreover it did not link customer/system requirements to CRM components (i.e. people, technology and processes). In this paper, we describe an alternative implementation framework, based on Buttle's theory, to avoid current limitations.

4. ADAPTING BUTTLE

Phase one of Buttle's implementation framework, entitled 'Develop CRM Strategy', consists of seven steps, which were: i) situation analysis; ii) commence CRM education; iii) develop the CRM vision; iv) set priorities; v) establish goals and objectives; vi) identify people, process and technology requirements; and vii) develop the business case. In our research, steps were used as a theoretical grounding for the alternative solution. The following section describes the adapted steps in more detail, providing justification for how and why each step has been reordered, added and/or modified.

Table 1: Existing CRM implementation frameworks

Approach	Strategic orientation	Structured Stages	CSFs	Current CRM situation Analysis	Methods of analysis and capturing requirements	Most implementation stage focus	Vendor Selection based requirements
Gartner (2001)	✓			✓	✓	Pre-implementation	
Payne and Frow (2005)	✓	✓				Pre-implementation	
Greenberg (2010)	✓	✓		✓		Pre-implementation	
Magaña and Whitehead (2010)	✓	✓	✓			Pre-implementation	
Thakur et al (2006)	✓	✓	✓			Pre-implementation	
Buttle (2009)	✓	✓	✓	✓	✓	Pre-implementation	✓

i) Identify stakeholders / CRM education plan

As Buttle did not consider stakeholder identification during phase one, this was added to our framework. Moreover, once the CRM stakeholders have been identified, it is important that these people are appropriately educated about CRM to avoid any confusion concerning CRM implementation steps and expected CRM benefits. Although CRM education has been joined into the first step, this education should continue throughout all steps.

ii) Identify CRM business problem and marketing situation

No CRM solution can be proposed, unless the current activity and/or problems are properly understood. Situational Analysis and problem analysis is, therefore, important to CRM strategy definition (Chen and Popovich, 2003). Performing situation analysis enables the organisation to make an informed decision concerning the type of CRM that needed. Buttle's existing situational analysis approach focused on three criteria: i) company's served market segments; ii) market offerings; and iii) channels. Although these criteria support sales and marketing at the segmented level, they are not able to justify the root reasons of why current CRM activity is in place; or define the cause of any problems or gaps that exist. Buttle's situation analysis posed high level and general questions without indicating how these questions could be answered. For example, one question is' Which channels are most effective?', but he does not define effective, and what tools help to analyse the effectiveness of these channels. If done correctly, the setting of priorities should be included within this step by defining requirement gaps in the areas of processes, people, technologies and channels, and grouping each gap based on gap size and CRM implementation type (i.e. operational, analytical, strategic and collaborative).

iii) Formulate Goals and Objectives, and recognise Problems

Buttle stated that goals and objectives emerge from the prioritising of processes and vision statements that been set as business needs not the customer needs; however he didn't provide a way to establish those goals. Moreover, he didn't define how these goals could be measured against the real performance. Our framework proposed that goals and objectives should emerge from the situational and gap analysis; since it allows us to define areas where value can be gained for key stakeholder. When all gaps have been prioritised, and allocated, CRM goals and objectives can be formulated defining what CRM implementation type is required and where CRM change should focus. In light of this, relevant critical success factors and CRM value statement (i.e. the CRM vision) can be formulated.

iv) Identify Critical Success and Failure Factors (CSFFs)

Buttle, didn't mention to failure factors within his framework, however in order to consider critical success factors impacting objectives, and before defining requirements, it was decided to place a step to understand limitations and assumptions before defining the CRM value statement.

v) Develop the CRM value statement

An organisation's CRM value statement should shape and guide CRM strategies (Buttle, 2009). In this work, we suggest definition of statement in terms of: people, process, technology and channels; moreover each value statement should be made in context of the most prioritised objectives. 'Identify people, process and technology requirements' and 'Develop the business case', which although present in Buttle's original phase one, have been moved to CRM foundation stage.

5. DEVELOPING A CRM STRATEGY

In the following sections, we describe each adapted steps in more detail; providing a more complete picture of the methods we propose at each step.

5.1 Identify stakeholders

Greenberg (2010) showed that a major factor of failure in CRM is lack of user involvement within the pre-implementation phase. Stakeholder identification helps the organisation figure out the key individuals that influence, or are influenced, by system outcomes. In our framework we proposed the use of Organisational Semiotics (OS) for stakeholder capture and categorisation. Semiotics, the science of signs, is considered as an important discipline for understanding information and communication (Stamper, 1994). According to Liu (2000) OS is a sub-branch of semiotics applied to the study of the information used for communication and coordinated activities. OS is the study of organisations using semiotic concepts and methods, and considers an organisation as an information system that is able to process and manage information with the help of people (actors) and supporting information technology. The organisational semiotic community developed a range of methods called MEASUR (Stamper et al., 2000), which relates primarily to Social, Pragmatic and Semantic information; and consists of five methodologies: Problem Articulation Method (PAM); Semantic Analysis Method (SAM), which elicits and represents knowledge about the organisations, and formalises requirements; Norm Analysis Method (NAM), which allows the capture of general behaviour patterns; Communication and Control Analysis (CCA), which assists in analysing the communications between agents and systems; and Meta-Systems Analysis, which considers the meta-problem in planning and project management. In this work, we propose the use of PAM in the capture of stakeholders. Liu et al. (2007) described PAM as comprising of: i) Unit systems definition; ii) Stakeholder Analysis; iii) Collateral structuring; iv) Valuation framing; and v) Organisational containment. In this paper, however, we suggest use of unit systems definition and stakeholder analysis.

Unit Systems Definition: Liu et al. (2007) describes how unit systems within a complex project can be described and organised by listing and indenting all sub-systems, i.e. the complexity of analysing CRM activities can be greatly reduced by first breaking the interaction of systems down into unit systems.

Stakeholder Analysis: Organisations that have stakeholders with clearly defined characteristics tend to be easier to manage (Liu et al., 2006). Therefore, identifying stakeholders and describing their roles, needs and responsibilities is important. The six recognised roles of stakeholders in PAM are: Actors, which have direct influence on the particular business system; Client, which is a user who benefits from the outcome of business system; Provider, who is responsible for providing the conditions and resources to facilitate the predefined deliverable of the business system; Facilitators, who are the initiators and enablers of a unit system, and are responsible for directing the team towards objectives and resolving issues of conflict; Governing Bodies, who take part in the project planning and management planning of systems; and Bystanders, who are participants who do not have to be part of the project but can influence unit system outcome (Liu et al., 2007). The results from the stakeholder analysis can be tabulated for each unit system, allowing us to capture information about each stakeholder's roles and responsibilities. This can assist in identifying the activities that each stakeholder is responsible for, and allows prioritisation of requirements.

5.2 Diagnose Current CRM strategy

Buttle (2009) defined CRM strategy as 'a high-level plan of action that aligns people, processes and technology to achieve customer-related goals'. A considerable amount of literature stated that people, processes and technology dimensions are critical to CRM implementation success (Anton and Petouhoff, 2002; Chen and Popovich, 2003; Goldenberg, 2003; Bligh and Turk, 2004; Stone and Jacobs, 2008; Almotairi, 2010). Payne and Frow (2005), Dibb and Meadows (2004), and Boulding et al. (2005) all claim that the interoperability between customers, employees, channels, technologies, and integrated processes is key to successful CRM implementation. Accordingly, we must diagnose the current CRM strategy in order to identify shortfalls and strengths in order to deliver key services. This diagnosis will allow us to create a bottom up CRM strategy that aligns the three cores CRM components (people, process and technology). The following proposed sub-steps focus on analysing the internal environment of the organisation, taking into account both the weaknesses and strengths of current CRM components.

i) Define customers' life-cycle needs

The "customer lifecycle" concept refers to the relationships between a business and a customer, and is critical to understanding customer current needs. Rygielski et al. (2002) described four customer life cycles: Prospects - who are not yet customers but are anticipated to be targeted; Responders - who are interested in the company's product or service; Active Customers - who are consumers of products and / or services; Former Customers - who no longer need or want to use company services / products.

ii) Produce Process, People, Technology and Channels (PPTC) list

Once stakeholder's analysis is performed, and customer lifecycle is defined, a list of the relative processes, people (including customers), technology and channels should be defined for each specific lifecycle group, as shown in table 2.

iii) Define customer / company perspectives

Payne and Frow (2005) claimed that the value creation process is a substantial element of CRM, since it translates customer and business strategies into specified value statements that represent values that customers should receive from a company, and the value that a company should expect from customers. Juran (1964) indicated that customers are responsible for judging whether service quality is right, not the company (cited in Buttle, 2009). Moreover, Chalmeta (2006) claimed that the value must be placed on what customers perceive to exist. Many researchers (Vargo and Lusch, 2004; Prahalad and Ramaswamy, 2004; Bendapudi and Leone, 2003) view customers as value co-creators; with the value highlighting the extent to which a value proposition will lead to increased customer experience (Payne and Frow, 2005). Thus, the perceptions of the defined lifecycle CRM stakeholders (concerning process, technology and channel) should be quantified to understand the expectations, importance and satisfaction levels of processes, channels and technology from the customer perspective. The following three sub-steps are required for each customer lifecycle stage:

1. Identify the customer's expectations, needs, problems and preferences in terms of PPTC qualitatively through focus groups or interviews.
2. Quantify customer's expectations, satisfaction and importance of the defined needs for the same four CRM components.
3. Assess quantitatively the perceived needs and their expectation of the importance respecting the same PPTC from the company perspective.

iv) Customer segmentation

Once customer's importance and satisfaction are defined, further customer segmentation should be performed. We propose using Thakur et al.'s (2006) segmentation categorisation, which defines separation of top, middle, and low value customers.

v) Gap Analysis mechanism

To bridge the defined gaps, it is important to conduct gap analysis that help to define the shortfalls within current CRM strategy; i.e. by determine the most important needs, and represent the potential value that could be identified from resource reallocation. The aim is to compare customer and company perspectives, in order to target the potential areas of value, i.e. the areas where the biggest dissonance exists. For identifying and prioritising customer expectation gaps, we suggest adopting Cheng et al.'s (1998) method for defining the difference between the customer's expectations and their perception concerning current provision of services. The proposed adapted equation is: Customer Expectation level (CEL) = (Customer Expectations – Customer Satisfaction) * Customer Expectations; where customer expectation and satisfaction relates to a specific factor or service. CEL measures the expectations of customers, and allows us to define areas where expectation is not being satisfied. To understand the importance of these areas we use the following equation: Customer Importance Value (CIV) = (Customer Importance – Customer Satisfaction) * Customer Importance.

Table 2: Forming the PPTC - CRM elements defining for each customer lifecycle

Identified Customer lifecycale	Processes	People (i.e. Customers)	Channels	Technology
Prospective . .	Processes for prospective customers (i.e. Marketing division)	- Staff that handle prospective customers .	Channels of interaction with those prospective customers	Technology used to interact with those prospective customers or processes delivery

CIV allows us to identify which PPTC factors are deemed of key importance to customers. Consideration of importance allows the company to concentrate on prioritised gaps, and provides a solid basis for establishing strategies and tactics to bridge these service/expectation gaps. To identifying how the organisation's expectation links to the customer's expectations we use the following equation: Business Value Potential (BVP) = (Customer Expectations – Organisation's expectations) * Customer Expectations. Difference between customer's expectations and organisational expectation highlights alignment problem between CRM and business strategy. An organisation, for example, may offer a service over two channels (channel A and channel B). Results from sub-step 2 should provide information concerning the customer and company perspective of channel importance. If, for the sake of this example, we defined effectiveness using a 7-point Likert scale, company expectation of the importance rating may be defined as (i.e. A=5 and B=6). Using the same 7-point Likert scale, the customer ranking of the importance may be A=7 and B=2, and ranking its current satisfaction of the current provision for A=3 and B=5. While customers ranking their expectations for A= 6 and B=4. Using the defined value equation we can define the CEL for A is 18 {i.e. (6-3)*6}. The CEL for B is -6 {i.e. (3-5)*3}. CEL (A) is a positive number implying that current activity in channel A is less than customer expectation. Moreover, the greater the number the greater the potential value that could be gained from resource allocation in this area. Managing and reacting to those expectations is essential, since they are key factors impacting customer satisfaction. CEL (B) is a negative number, which implies that company provision on channel B is currently greater than customer expectation; and that investment of additional resource in this area would be a waste. Additionally, CIV (A) is 28 {i.e. (7-3)*7}, which indicates that channel A is not receiving enough attention to date; as perceived importance of this channel is high, yet satisfaction is low. Exploring the problems impacting channel A is required to augment customer satisfaction. CIV (B) is - 6 {i.e. (2-5)*2} indicating that the organisation is over focusing on this channel, which is far less important to the customer; thus, resource reallocation might be needed. Furthermore, the BVP for A is 6 {i.e. (6-5)*6}, whilst the BVP for B is -8{i.e. (4-6)*4}. BVP (A) is a positive number implying that more attention and investments in channel A is required or fit the strategy and resources into the customer's requirements. BVP (B) is a negative number indicating that channel B service is currently better than expectation; so additional investment will be wasted if applied in this area.

vi) Internal analysis

Once all gaps are defined, documented weaknesses / strengths relating to each specified lifecycle, relating to people (top and middle segmented customers), processes, technology and channels can be identified. Inclusion of 'channel' allows us to consider how customer satisfaction varies across channels and delivery processes. A 5Ws+2H approach will be adapted to investigate the root causes of the problems to answer questions like 'what is the problem?' and' why is there a problem? An adapted 5Ws+2H technique was developed to split down the general problem statement into sub problems (Harrington and Lomax, 1999), which allows us to investigate the problems at a high level; after which a root cause analysis will be used through repeated questioning to define the root cause of the problem (Mancuso and Chabrier, 1992). Harrington and Lomax (1999) defined the 5Ws and 2H approach as 'a rigid, structured approach that probes into and defines a problem by asking a specific set of questions related to a previously prepared or problem statement.' To support the definition of areas of strengths / weakness, focus will be placed on effectiveness, efficiency and satisfaction; the three usability criteria as defined by the International Organisation for Standardisation (ISO**)** (Scholtz, 2006). These criteria will be used to identify whether something is done well (effectiveness), whether something is done quickly (efficiency), and whether customers are happy (satisfaction). The final adapted 5Ws and 2H's approach is shown in table 3.

vii) Gap prioritisation

When CEL and CIV and BVP gap analysis has been calculated for all key processes, people, technologies and channels, gaps should be prioritised to identify how gaps align with CRM implementation types. To do this effectively, we encourage the analyst to assign each gap to at least one type of CRM solution type. The aim of this step is to give the company an understanding of how specific CRM commercial solutions meet the defined gaps. This should support decision makers when implementing the best appropriate solution in line with the available capabilities, and ensure that high-level CRM vision aligns with gaps.

Table 3: Strategy weaknesses/strengths analysis

Weaknesses/ Strengths				
CRM key elements / Usability Criteria	Processes ( )	People (i.e. Customers)	Channels ( )	Technology( )
Efficiency ( ) Effectiveness( )				
What When Where Who Why Possible suggestions /solutions(How could be solved?)				

5.3 Formulate goals and objectives

Once each gap has been linked to one type of CRM solution, CRM goals and objectives should be defined and formulated indicating what CRM must accomplish and where it should be focusing. Goals are expressed using qualitative statements. These goals are then broken down into small quantifiable objectives, which may subsequently represent separate implementations. Each objective will be created using SMART criteria, which are (Specific, Measurable, Achievable, Realistic and Relevant, and Time of completion). SMART criteria enable an organisation to establish, follow, asses and modify goals and objectives in an iterative cycle (Smith, 1999).For categorising the objectives and defining their Key Performance Indicators (KPI), the balanced Scorecard technique is suggested. Ward and Peppard (2002) argued that the balanced Scorecard is considered one of the best, and most frequently used, techniques to formulate and classify objectives. These KPI will be used in later phases to assess how changes have impacted performance.

5.4 Identify critical success and failure factors (CSFFs)

The aim of this step is to define the essential success and failure factors potentially blocking the company meeting the defined objective. It is important to consider CSFFs to fully understand the business, and help to prioritise the most important activities against a particular objective and potential investments (Ward and Peppard, 2002). Moreover, identifying failure factors will help the company to avoid unexpected risks. Critical success and failure factors is one of the common techniques used for analysing IS/IT strategies, and should be integrated with the balanced scorecard tool to link performance measurement to objectives and define what is vital for attaining that objective (Ward and Peppard, 2002).

5.5 Develop the CRM value statement

Due to some being confused by the difference between the corporate vision of the business and the CRM vision, CRM vision should be named 'the CRM value statement'; which will emerge from stakeholder's feedback and prioritised gaps. Furthermore, for scoping purpose, in this research it is suggested to define four value statements in terms of people, process, technology and channels. Each should emerge from the prioritised objectives, with focus being placed on CRM solutions that provide the most value. A survey of Fortune 1000 organisations showed that 75 percent of the executives defined the lack of a long-term CRM vision, as a key issue impacting CRM implementation failure (Cottrill, 2002). Galbreath and Rogers (1999) claimed that, in order to create a sense of public consensus within an organisation, the CRM vision should be clearly produced and dispensed across the organisation.

The value statement will be defined at a high-level CRM from aims and objectives. Development of the CRM value statement must include key stakeholder feedback on expectations for company, and should clarify at a strategic level where an organisation would like to be in the future; taking into account the CRM strategy elements (i.e. process, people, technology and channels). We propose that the value statement is defined using either: i) the value discipline model, as suggested by Treacy and Wiersema (1993), which allows key goals and objectives to be stated in terms of operational excellence, or product leadership, or customer Intimacy; or ii) Langerak and Verhoef's model (2003), which defines CRM strategies using: CRM operational excellence, CRM customer intimacy and Tactical CRM. Operational excellence enhances productiveness in relation to cost, serviceableness, and strengthens positioning (Langerak and Verhoef, 2003). Customer intimacy, via tailored solutions, has been shown to obtain maximum value from customers (Treacy and Wiersema, 1997). Tactical CRM relates to using existing customer information to drive short-term profitability enhancement, e.g. cost-effective customer acquisition programs. Ideally all dimensions should be considered. As a result of situational analysis, the customer value, which the company produces as a result of the CRM implementation, should be defined in terms of strengths and weakness areas in respect of customer strategy. This analysis will allow the organisation to focus more on their strengths as competitive advantages, and define goals and objectives in terms of the three value discipline (i.e. Operational excellence, Product leadership and Customer Intimacy) to meet critical weaknesses and avoid waste of resources.

6. CONCLUSION

Lack of a clear and systematic way to implement CRM, and the lack of focus upon pre-implementation planning, inspired the development of the proposed CRM framework. The need to consider CRM from a strategy perspective motivated this paper to concentrate on Buttle's phase one, which considered in detail the five proposed steps required to an effective CRM strategy; in context of three main components (people, process and technology) within an organisation. Although existing CRM implementation frameworks evidence the need to focus mostly on pre-implementation stage, they fail to address some key issues such as critical success and failure factors, CRM strategy analysis, and consideration of methods for identifying strengths and weaknesses of the current CRM strategy. In this paper, five steps were discussed that aim to guide the analyst during phase one (strategy definition) of a CRM implementation. By ensuring systematic strategy definition, and avoiding software vendor before strategy, should significantly improve requirements elicitation, and reduce change of failure. The proposed steps address the importance of understanding the requirements of different organisation stakeholder's, and the need to business and customer centric strategies before choosing a suitable CRM solution.

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