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STRATEGIC ANALYSIS OF THE IMPLEMENTATION OF A CRM TECHNOLOGY IN A TELECOMMUNICATIONS COMPANY

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Abstract

Customer relationship management has emerged as a practice that brings together diverse pieces of information about customers and has been increasingly used as a major business strategy. However, there is a low success rate of CRM implementation in companies; businesses are finding it hard to realize benefits from this strategy. Implementing a new technology in a company requires changes elsewhere in the organization if it is to be integrated and used effectively; change is difficult and is likely to be resisted. The current business environment on the other hand is pushing organizations towards approaching a holistic perspective concerning their customers.

The studied company implemented a CRM technology in one of the Business Units as part of their customer relationship management strategy. The work takes a strategic analysis to the project implementation founded on the potential of more customer-focused, process-based strategies to achieve the goals of adopting customer management strategies: create, develop and enhance relationships in order to improve customer value and corporate profitability and thereby maximize shareholder value. The analysis is divided on three main parts:

- Based on the premise that processes are what deliver value to the customer, takes a process-oriented perspective to analyze the sales process involved in the business unit where the CRM implementation project takes place.
- Applies a strategic framework founded by understanding CRM as a holistic approach to managing customer relationships in order to create value to shareholders; that requires a cross-functional approach that involves the integration of key processes oriented towards customers. The processes are managed as an integrated and iterative set of activities that deal with strategy formulation, value creation, information management, multi-channel integration and performance assessment.
- Concludes by developing a measurement system on improvement in business results and increased shareholder value.

1 INTRODUCTION

Contains an insight to the development of the project and research. Initially, a background of the research subject is presented followed by the discussion of the specific problem to be treated during the project. It is then specified the purpose of the research as well as the scope it will broaden and the methodology that was used according to the structure of the project.

1.1 Background

Quick changes in technologies, globalization, accelerating pace of life and the growth importance of information to the society has increased the global investments in information technology (1), in addition, factors like increasing forces from competition, maturing markets, demanding customers and industry convergence, is making businesses to treat customers as a critical source of profitability and sustainable growth. Firms are pushed to develop more efficient and effective customer-focused strategies. Increased investments enterprises are doing on CRM systems are an evidence of the approach companies are taking, CRM technologies are used as a mean to manage efficiently customer relationships, especially in business-to-business relationships where the firm's extended working relationship is frequently crucial for the maintenance of a healthy business (2).

CRM data is among the most important and comprehensive information available to management in many organizations (3) and it has led to an increase of the use of CRM systems in companies of all sizes and sectors. The consistent application of CRM data for managerial decision-making can transform the firm's value creation process from initial customer prospecting right through contract renewal negotiations. However, recent investigations have shown that the implementation of CRM systems are not always successful, the Gartner Group for example has found that approximately 70% of CRM projects resulted in either losses or no bottom-line improvements in firm performance (4) and that CRM customer complaint than more than 50% of their CRM projects failed (5).

According to Accenture's B2B Customer Experience Research, for more than half of B2B companies around the world and across industries, nearly half of their Customer Experience investments are ineffective. The problem becomes bigger considering that of more than 1450 executives at B2B companies around the world, 88% indicated they are investing more in this area year-on-year, which means half of this invested money is ineffective. Different sources of literature review (1), (2), (3), (4) have identified the main failure reasons or success factors that affected accomplishment of CRM, a joint list of them is mentioned as follows:

- Assuming that CRM is a technology issue
- Losing vision of customer-centricity
- Inadequate support of top management
- Lack of frontline training
- Inappropriate use of metrics
- Undervaluing data analysis
- Inflexible business process
- Underestimating the importance of change management
- Underestimating customer lifetime value

Therefore, companies need a way to reduce CRM strategy execution failure and to maximize CRM performance.

As first issue, there is a big amount of literature and academic articles about CRM but there are many different approaches given to its meaning and no common agreement about what CRM is. A review of CRM definitions was done in (5) and suggests that CRM can be considered at three levels: CRM is about the implementation of a specific technology solution project; CRM is the implementation of an integrated series of customer-oriented technology solutions; and CRM is a holistic strategic approach to managing customer relationships to create shareholder value. Its definition has an impact on how CRM is accepted and practiced by the organization and in consequence its success or failure on the implementation. The study is based on assuming the meaning of a holistic strategic approach and the followed approach starts on it.

1.2 Problem Discussion

CRM projects call for both organizational and technological changes. Few empirical researches have dealt with these management issues and an integrated and balanced approach is required (6). CRM is important for organizations; an insight of this is the amounts than are being invested on CRM projects. Even with the increase of expenditures on CRM projects, statistics (7) show that 60 to 80% of CRM projects fail to achieve their objectives. The success rate of CRM implementation is low and many organizations are finding it hard to realize business benefits from it (8). A recent study (1) concluded that more than two-thirds of CRM projects end up in failure, however the successful third could obtain up to 75% return on investment. Failures could be avoided if the CRM's strategies are correctly linked to its employees, customers, channels, strategies and IT infrastructure; a CRM strategy involves the entire enterprise.

Encouraged by the implementation of a CRM technology system in the studied Company, a strategic perspective is addressed believing it would broaden the understanding of the CRM concept and its role to enhance customer value and in consequence, shareholder value. To support the strategic perspective, a framework for Customer Relationship Management is used (1). It is a process-oriented conceptual framework that places CRM at a strategic level by recognizing the key cross-functional processes involved in the development of CRM strategy.

Companies in general, have invested or plan to invest huge amounts to implement CRM strategies, tools and infrastructure in order to attract and retain profitable customers in today´s increasingly competitive market (3), it is then reasonable, to have a measurement system to assess its effectiveness. Consistently with this, a CRM Scorecard is developed to propose an effective performance measurement method. The method is based on the adaptation of the traditional BSC to a CRM Scorecard developed by (3).

Founded on the failure problems and statistics regarding customer management strategies and motivated by the CRM project carried out by the studied company who has taken a customer-centric strategy, it was developed an analysis on the business case taking
two approaches that were considered success factors on CRM projects:

1. Considering CRM as a holistic strategic approach to managing customer relationships to create shareholder value.
2. Developing a measurement system of CRM performance using the balanced scorecard approach.

Previous statements have focused of the problems that CRM strategies and projects are having in companies and how to avoid them, but there must be something that supports the importance that has been given to CRM. Today's environment is very competitive, Thompson (9), states that product/price-based differentiation is waning because of maturing markets, global trade, efficient manufacturing and internet. Successful CRM becomes then in a differentiator, if competitors are doing more or less the same in product and price terms, making a difference on how customers feel is a much sustainable relationship over the long haul. This supports the fact that CRM has a major role and efforts towards its successful application must be done.

1.3   Purpose

Based on the presented reasoning, and the importance of companies being customer-oriented, the purpose of the research is to analyze the implementation of a CRM system towards a strategic CRM approach including a performance measurement system according to the company's strategy. In conclusion, the present project has four main objectives of research:

1) To analyze the main business process affected by the implementation of the CRM technology motivated by adopting a process-based strategy that is oriented on delivering value to customer.
2) To apply a conceptual framework (a model) for CRM strategy assessment to a Business Unit division of a company operating in the telecommunications Italian industry and identify the role of the CRM implemented technology in the strategic processes.
3) To develop a strategic measurement system oriented towards CRM that allows monitoring its performance at different levels and broadening different perspectives to ensure that by enhancing customer experience, shareholder value is increased. The result is to select CRM measures to assess CRM strategy.

For confidentiality reasons, nor the name of the company or the implemented CRM technology will be specified. A general context, which is big enough to understand the environment and business case situation will be presented. When referring to the studied organization, it is mentioned in a generic way as the Company or a fictitious name "Italcom" and the same way when referring to the CRM technology or a non existing one denominated Sas CRM.

1.4   Scope definition

The analyzed enterprise is a telecommunication Italian company, which is part of a multinational Group. It is a big enterprise with more than 6.000 employees and a complex structure made of different business units. Considering CRM strategy in a large Telecommunications company implies including a different business divisions and departments; which would be an approach developed from top management position. This research, is developed in the Enterprise division of the company and in specific in the "corporate channel", which is explained in detail is segment 3.1.2. Even though

during the whole research the accepted perspective about a CRM is a strategic one that involves all the organization and a cross-functional integration of processes, the analysis focuses on the Corporate Sales Channel Department but always in line with the corporate strategy. The motivation of the focus is the implementation of a CRM technology in the business area. The used framework, sees CRM management as involving the whole organization and avoiding functional divides, during all the analysis CRM's interaction and influence on the company's performance is taken into consideration.

The analysis to be performed uses a conceptual Framework for CRM developed by Payne and Frow (1) that goes through five generic cross-functional processes to develop a CRM strategy. It starts from validating the alignment between the implemented CRM system and the business strategy. It allows the orientation of the IT system towards organization's goals and system's context and positively influences its effectiveness. The analysis involves system requirements and business strategy. Another important factor considered was the use of CRM data in order to draw meaningful conclusions for driving business decisions. Therefore, as part of the study, the type of information that can be gotten from the CRM is analyzed in order to make a better use of valuable historical data and build competitive strategies. Analysis continues with the assessment of CRM performance taking into consideration the competitive advantage developed to ensure that strategic aims in terms of CRM are being delivered and that a basis for future improvement is established. Finally, a CRM Scorecard is developed to support the performance assessment. A process-based framework provides insights to help companies achieve success with CRM strategy development and implementation (1).

The approach that was taken focuses on the implemented CRM system, Company's strategy is always taken into consideration but the analysis is motivated from the CRM employment and how it is in line with company's customer strategy. The premise of considering CRM from a strategic perspective to create shareholder value guides the work. The motivation of a new CRM technology in the company does not means that CRM is considered as simply an IT solution; on the contrary, it is avoided as it has been identified as a key reason for CRM failure.

1.5 Methodology

In order to perform the described analysis, the first thing to do was to understand the problem and motivation of the study in order to understand the direction of the investigation. Next step was to review the existing information and academic literature in CRM considering strategic frameworks, implementation of CRM projects, and performance measurement models for CRM. With this, the model to use and approach to follow was chosen combining different researches and developed model to fit the existing problem. Knowing the complete tactic to follow, the scope and purpose of the project was defined

The complete bibliographical review was done to make up the theoretical framework, concerning the different topics and backgrounds included in the work in order to build a conceptual base to support the analysis done. The conceptual framework was then presented to contextualize the environment where the analysis takes place, including a general description about the company and business unit where the project and the case study takes places.

Having both the complete theoretical and conceptual framework, the analysis could be started. The application of the chosen methodologies and models starts with the analysis of the specific business

process and then followed by a strategic approach. Ending with the development of a measurement system.

Finally, conclusions on the analysis are done adding also recommendations and proposed improvements.

The present work is divided in the chapters listed below:

Chapter 1: INTRODUCTION
Consists on the outline of the project, including the background, discussion of the problem, its purpose, scope and the methodology used.

Chapter 2: THEORETICAL REVIEW
Literature review of the study broadening all the necessary concepts to know for the development of the analysis

Chapter 3: CONCEPTUAL FRAMEWORK
Presents the frame of reference of the study, including a presentation of the company-s situation, the business unit involved, the project and the benefits the company expects to get from the CRM strategy and initiatives.

Chapter 4: ANALYSIS
The analysis of the study is developed

Chapter 5: CONCLUSIONS AND RECOMMENDATIONS
Presents the found deductions as result of the performed analysis as well as recommendations for the business unit.

2 THEORETICAL REVIEW

The theoretical review consists on examining the different concepts that were broaden in the study. It provides the reader with the necessary information about concepts and literature related to it. The order to do it starts from the CRM concept

2.1 Customer and Customer Relationships

In general terms, customers are those that purchase the goods or services produced by a business. They can be defined as the company's source of revenue, profitability and sustainable growth (10) and are considered as the most important asset; if there are no customers, there is no business. Therefore, the efforts of every organization should be oriented towards getting, keeping and growing customers.

Recent theories of business strategy recognize the importance of involving the customer relationships and customer centricity into earlier stages of the business strategy development and as is underlined in (11). Business strategies themselves should be customer centered and not just the implementation of them. At the end, all business strategic objectives are about maintaining, strengthening and growing company's customer base that will result on achieving good organizational economic performance.

A relationship between a customer and an enterprise can be beneficial when the customer teaches the company providing information about his/her wants and expectations. In return, companies are more capable to offer personalized products and services that meet customer's individual needs. Then, satisfied clients will be willing to invest more in the company. In this collaborative process, the customer tells the enterprise how he/she will like to be served and the enterprise modifies its behavior according the needs of this particular customer. According to (10), this type of relationship is called "Learning Relationship" and it establishes the framework for understanding how to build customer value.

In (10), Peppers and Rogers refer to the customer - strategy driven approach in which competitive advantage is created by exploiting the information to generate growth and profit. Through the establishment of individual relationships with customers, enabled by the right usage of information and the personalized treatment among customers, competition is focused in customer's differentiation and the goal is to keep customers longer and grow them bigger. In the same way (11), focuses the development of a customer based business strategy on the concept of business-market strategy establishing what the business will do and how it will operate within its environment and by doing so, processes and activities will become clearer for implementation.

Customers' behavior is always changing due to different causes; through the years, cultural and social changes have been enabled by the development of new technologies. As these changes in customers' behavior are happening even quicker as time passes, enterprises must figure out ways to foresee them and to identify root causes to manage their customer relationships and used them as source of potential business growth.

During the last century, the main goal of the companies was to increase the market share using mass media. The idea was to increase awareness and reach as much customers as possible, who were seen as a single unit. Products and services were offered through standardized processes reaching commoditization and economies of scale (10).

Now, customers had revolutionized in an interactive era in which interactive media predominates in the way of doing business and growth is related with the beneficial customer - enterprise relationships encouraged by customer's feedback and social networking, that facilitates a two - way dialogue between organizations and customers.

This century is recognized by an individualization approach where customers are more informed, empowered and sophisticated during their shopping experience and want to be treated as individuals that know what they want and how they want it. At the same time, new technologies are helping enterprises to conduct business at a more intimate and individual customer level allowing the creation of a stable customer base instead of just concentrating on single sales.

Moreover, globalization created new challenges for companies for managing customer relationships that are developed in a more complex environment involving different cultural, social, political, economic and environmental factors that influence the organization's performance in a multinational level.

According to (12), the competitive advantage in a global economy arises from three main goals:

- Global efficiency taking advantage from the presence in different locations
- Multi market flexibility achieved by understanding customer needs in different markets
- Worldwide learning supported by the understanding of internal customers and the implementation of measurement performance systems

Under this point view, companies' success is focused in the achievement of economies of scale and the establishment of profitable customer relationships, enhanced and supported by the use of CRM practices. In today's global economy, those firms that can reduce cost while at the same time realizing and anticipating the needs and desires of their target customers, will be the most successful (12).

Following the traditional approaches used in the marketing processes for acquiring, retain, and increase profit from customers, companies are able to implement segmentation and targeting methods and achieve mass customization. Nevertheless, a growth in the customer base value can be achieved through changes in the organization's structure. In particular, new strategies supported by new technologies focused on growing the value of the company by growing its customer base, are used nowadays to help companies to manage its customer relationships.

In (12), Raab explains customer orientation as an effect of implementing CRM and is related to the speed and effectiveness of reaction to market opportunities and threats where companies' activities are focused towards the achievement of customer satisfaction.

This analysis proposes three pillars of CRM: personnel, technology and structure of the organization, and underlies the need of combining the technological and human perspectives with the company's

structure. Therefore, customer satisfaction is based on suitable structures, modern technological solutions, management and employees, all performing tasks towards the customer (12).

In this context, organizational structure refers to the balance between the specialization and support aiming high coordination and avoidance of intermediaries. Examples of this are cross - functional teams and the introduction of ICT.

Including the management of customer relationships as part of the strategy of the organization can increase the efficiency and effectiveness of the business processes by using the concepts of individualization and personalization. An increment on customers' satisfaction can lead to more customers that are loyal and with them, a growth in the individual customer's profit margin.

In order to establish strong customer relationships, customer strategies should involve the overall enterprise and must have a high level of integration among functions and processes. Employees should have access to real time information and must deliver the same message to the customer throughout the whole process, making it a seamless and optimal customer experience. In addition, from the internal point of view, enterprises seek to create a unique and centralized view of each customer across all business units (10).

As one of the three pillars proposed by (12), the success of a customer - driven strategy is strongly related with the level of customer orientation among its employees. Besides the inclusion of the concept into the goals and principles of the company, employees can be motivated and encouraged to deliver a better customer experience through the use of rewards and incentives that will facilitate the internal cooperation and support within the processes. Hence, more satisfied employees, convinced about the importance of the customer for the business, are willing to deliver a better service.

Within this context, technology is a mean to treat different customers individually and to increase the value of each one to the firm. By the use of technology, companies try to understand customer's point of view and act as its competitive advantage (10). Technology serves as a catalyst of CRM, making companies more intelligent about customers' needs. As the second pillar of CRM proposed in (12), technology allows the coordination of the activities in a global market where knowledge regarding the market and customers is a prerequisite for success rather than an exception. Technological tools within a customer - driven strategy is a mean to collect and analyze information in appropriate ways.

2.2   B2B Customer Relationships

There are different ways to classify types of customers; one is according to the type of customer that has the relationship with the business, if it is a Business-to-Consumer or Business-to-Business relationship (B2C and B2B respectively). Whom the company sells to makes a difference in the way they are coped.

B2B interactions tend to be more complex and extended than B2C exchanges (4), and it means they need to be treated different from B2C customers. Needs, characteristics and behaviors are different and so is the way relationships are managed. Business to business relationships are developed and ongoing, and the sales processes involved takes longer than business-to-consumer relationships. B2B decision making may take place at more than one level. For instance, the salesperson meets with the departmental manager, who then has to get approval from the business owner before the sale is closed.

B2B customer bases are smaller than those of B2C are, but they need solutions for their entire division or company, which means a bigger budget, a longer buying cycle, a bigger transaction, and for instance, each customer has a bigger impact on the company, so customer service plays an even more important role in keeping customers happy. Furthermore, rarely is there a single decision maker and it means it is necessary to find a way to balance the needs and wants of several parties.

In general terms B2B are characterized by being relationship-driven which means a need to maximize the value of the relationship, also because the brand identity is created on personal relationship. Mckinsey's study (13) *The Basics of B2B Sales Success* found that there is a big difference between what customers said was important and what actually drove their behavior and that what really determined how customers rated a vendor's overall performance, the most important factors were product or service features and the overall sales experience.

For B2B customers the brand is important but will only help you be considered, not necessarily chosen, the business buyer is sophisticated, understands the product or service more than the company and wants to buy it to help their company stay profitable, competitive and successful, so customer experience is fundamental, it is critical to growth. Accenture, on their B2B Customer's experience Research[1], identified what master customer experience companies were doing to generate higher-than-average revenue growth; the answer was developing strong customer experience strategies and executing them well. The definition given to customer experience was "how business customers and their stakeholders perceive the entirety of interactions they have with a supplier company across all marketing, sales and service touch points", and includes: marketing and sales campaigns, lead follow-up, account management, quote/order management, solution shaping, contracting customer support, preventive maintenance, SLA definition and monitoring, planning and performance management, sales effectiveness and multi-channel customer interaction.

Providing the most satisfying customer experience is a competitive differentiator. For B2B companies, providing a satisfying customer experience is a lead generation and acquisition enhancement vehicle. B2B-facing firms can no longer remain competitive by simply presenting a workable but basic "industrial strength" customer experience. The best performing B2B companies are paying attention to the customer experience on a daily basis, because they know it is what their customers and prospective customers expect.

2.3   The Telecommunications Industry

The communications industry is composed by four main areas: TICs, radio and TV, postal services, and publishing and Internet. By 2013, the Italian telecommunications sector represented the 61% of the whole market and about 4% of the national GDP. As will be described later, the reduction in the expenditure of users and businesses and the subsequent decrement in revenues is a generalized phenomenon of the industry. However, the most important decrease was perceived in the telecommunications sector.

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[1] http://www.accenture.com/microsite/SiteCollectionDocuments/b2b-customer-experience-research/Accenture-B2B-Customer-Experience-Report.pdf

In (14), Strouse presents a wide analysis of the telecommunication industry within a global market. Although it was made during the beginning of the last decade, it is a good approximation of the sector and provides a general perspective of the factors influencing the overall market behavior. In general, the telecommunication industry is characterized by the presence of monopolies operating in a multinational context with high investments in infrastructure and networks. Furthermore, with the global economic crisis, the appearance of smaller new competitors in the market was constrained protecting it from the pressure of competition. However, the diversification of services enabled by technological development and the combination between telephony services together with entertainment has opened the doors for more companies to compete in the industry with a larger portfolio of services that suits customers' needs that, at the same time, are becoming more educated and demanding, as explained before.

From this point of view, customer orientation strategy in the telecommunication industry is a way a survival more than a source of differentiation. With the technology present in both sides of the market, customers drive the demand and companies make it possible for them to access to their services and information with end-to-end information systems.

The Porter's analysis of the five forces reveals that the telecommunications market is high concentrated within a few number of main competitors. However, diversification of the services provided has intensified the internal rivalry of the market increasing the level of competition. In relation to the threat of new entrants, the high price of the infrastructure, existing patents and trademarks keep potential new entrants out of the market lowering the level of competition. Suppliers are represented by the equipment manufacturers, facilities - based service providers, and intermediaries hence, the limited number of equipment suppliers increase the suppliers power. The convergence of the industry results in a high threat of substitute services as satellite TV, broadband among others. In addition, substitution can be generated by other services provided by the industry and enabled by the continuous technological development that can replace the old ways of communication. Regarding the bargaining power of buyers, it can be recognized as one of the most important forces that can influence the competitive intensity of the industry. In particular, the framework of the customer - oriented strategy is based on the recognition of the evolution of the customers into more informed, sophisticated and empowered buyers who demand each time better services at lower prices. In this context, with low switching costs and an undifferentiated strategy, churn rate increases and the level of competition rises while companies try to take customers away from their competitors. Therefore, the challenge for the telecommunication service provider is to "differentiate its services from those of its competitors as pursue a low - price strategy for undifferentiated services" (14).

Telecommunication services include voice and broadband operations that can be fixed or mobile. According to the EU Commission report of 2011, with the global economic crisis, revenues in both have decreased. In particular, in the mobile sector the low revenues per user explained this behavior while fixed broadband penetration had slowed down. Things did not change during the last two years. As shown in the AGCOM Annual Report of 2014, between 2012 and 2013 the revenues of fixed and mobile networks decreased 7,43% and 13,87% respectively, resulting in an overall contraction of 10,77%. In the same way, the contribution in the GDP decreased from 2.46% to 2.21%. The overall reduction in the value of services in both the retail and wholesale levels has affected the households'

consumption (Table 1). Together with decrement in total investments, show the negative performance of the sector during this period.

	2012	2013
Revenues (All telecoms services/GDP)	2.46	2.21
Household expenditures (Telecoms/Total expenditure)	2.21	2.05
Investments (Telecoms/Total investments)	5.84	5.80

Table 1. Telecommunications in the industry 2012-2013[2]

During recent years, the constant increment of mobile traffic data, supported by an increasing use of Smartphones and tablets, together with the reduction of investments in the fixed sector (in 2013 investments in infrastructure decreased by 5%) have helped the migration of revenues towards the mobile sector, consistent with the increment of the mobile penetration trend and increasing investment level of the last few years. As can be seen in the figures below, the fixed broadband penetration was of 22.2% compared to the 31.3% of the mobile broadband. In both cases, the penetration levels were below the EU rate (15).

Despite the efforts for responding to the slump in revenues, during 2013, the mobile network services presented the highest decrease and, unlike previous years, it almost doubled the reduction of the fixed network rate and involving data services. Specifically, the reduction in revenues of 11.2% in mobile services, compared to the 6% presented in fixed networks, generates the 28.1% of the wholesale revenues reduction (18.6%) and is the strongest source of the contraction in the revenues rate.

On one hand, this behavior of the fixed market is consequence of the decrease of income in the complete sales process (origination, termination and transit services), the regulation unit price and the average reduction in total volumes. On the other hand, unit price reduction of voice calls is the main reason of the contraction of the mobile sector (16).
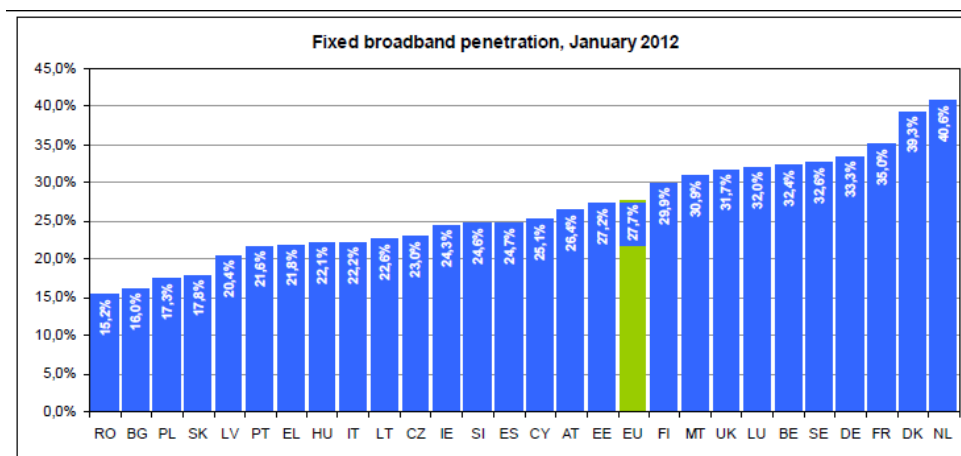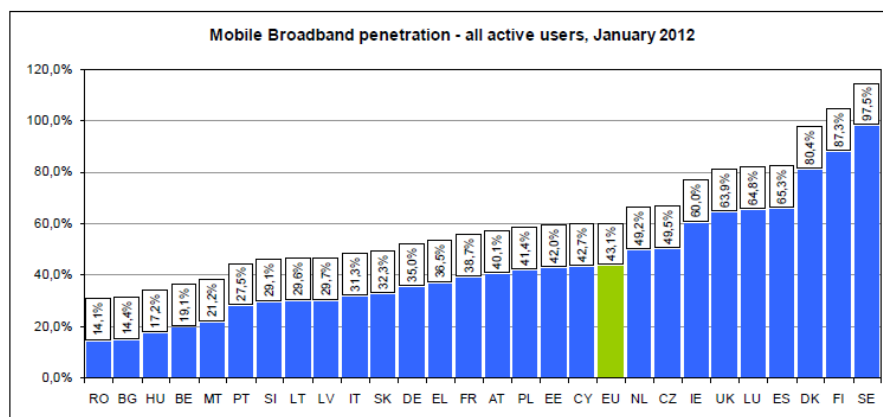

Source: Communications Committee

Figure 1. Fixed broadband penetration 2012[3]

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[2] www.agcom.it/annual-report
[3] www.agcom.it/annual-report.

Figure 2. Mobile broadband penetration 2012[4]

Following the idea presented by (14) and according to (15), the Italian telecommunication market is characterized by the high level of concentration. In particular, by 2011 the mobile market share was concentrated in four main companies: Telecom Italia, Vodafone, Wind and H3GItalia, being the first two, owners of ⅓ of the market share, each. By 2011, the penetration rate was second in the EU with a large predominance of pre-paid cards representing 83% of the overall subscriptions. Nowadays, with the extensive coverage of the technology, 3G and the introduction of 4G, investments have increased and, accordingly to the analysis presented above, provision of additional services has become more important than prices. On the other hand, the fixed sector is characterized by the substitution of revenues by mobile services and by the increasing importance of packages where fixed voice is seen as a commodity.

The reduction in the prices of telecommunications services is consequence of regulations and high technology development that enables companies to provide better services at lower prices. This behavior benefits consumers, especially in the mobile sector where telephony and data services are frequently sold together and presented an average decreased in prices of 15.9% in 2013. As can be seen in the following figure, the telecommunications sector is the only service sector that presents this trend that can be explained by the high rate of technological innovation. Moreover, Italy is the country with the highest reduction in prices in Europe, which fell by 24.5%, more than twice the European average (16).

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[4] www.agcom.it/annual-report
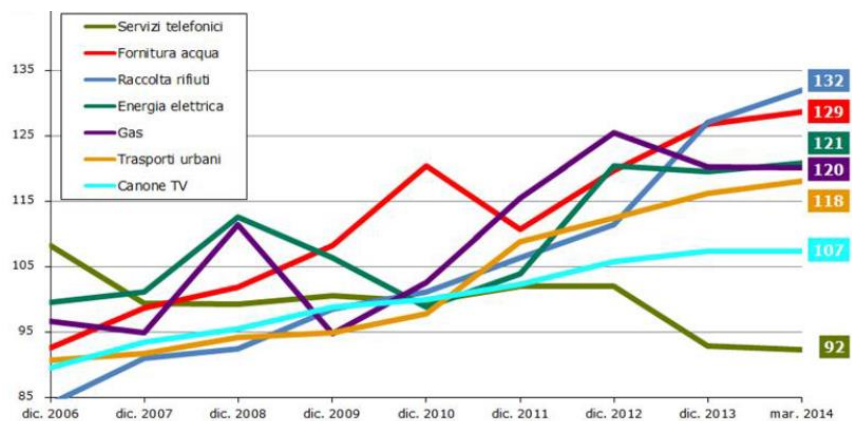
Source: processed by the Authority using Istat data
Figure 3. Telecommunications main public tariff trends[5]

Referring back to the decreasing trend of revenues in the Italian telecommunications industry, the total expenditure of customers decreased 8.8% in 2013 compared to the 4.1% of the previous year. It is important to notice that the reduction in the spending was more relevant among the business consumers who contributed with the 7.2%.

Regarding the consumers, the main goal of the industry is the enhancement and transparency towards the clients. With a well-defined measurement system, the relationship between communication services and networks on one hand and applications and contents running over them on the other, can help in the evaluation and improvement of the services provided. Limitations in the services can lead to sources of differentiation among competitors (15).

In summary and according to (16), the telecommunications industry in Italy in 2013 was characterized by:
- Contraction in services and corporate spending compared to 2012
- Constant decrease in unit revenues and, for the first time, income reduction from data services
- Decreasing trend in the consumption rate of fixed network services
- Stable and full maturity in the fixed broadband sector and expansion in mobile broadband
- Decreasing investments in fixed and mobile infrastructure

Telecommunications market is characterized for being a very competitive one. The economic recession has caused higher customer churn rates and customer costs and has pushed industries towards value-added services where the market is growing. The Italian Mobile Telecommunications industry is one of the most advanced in Europe as it has the highest penetration rate, 3G connections and mobile broadband connections among EU5 countries (UK, France, Germany and Spain). The Italian telecommunications market, composed by four main mobile operators, TIM, Vodafone, Wind and H3G (Tre) and is a competitive mature one characterized by high penetration rate of SIM cards and high percentage of 3G connections, heavy mobile phone users for voice services, high rate of Mobile Broadband connections, high social networks users and high penetration of smartphone devices which presents a challenging environment for companies operating in it.

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[5] www.agcom.it/annual-report

2.4   CRM Theory

The concept of Customer Relationship Management is generally used to describe technology-based customer solutions, but the definitions to the term are very broad. They go from wide concepts that consider direct mail as CRM to those that focus on managing costumer databases or performing data mining on customer's information. Definitions and descriptions of CRM vary considerably, which means there are different points of view and approaches. The variety on the definition means not only a variety on its concept but the way an organization accepts and practices it.

2.4.1   Definition and Objectives

As mentioned before, business success within the global market depends on the speed of reaction and anticipation of customers' needs by lowering costs at the same time. Therefore, success is related to the accurate and timely feedback that let business to anticipate the future needs and desires of their customers. CRM is defined by (8) as a process that aims to bring together diverse pieces of information about customers, sales, marketing effectiveness and responsiveness and marketing trends. It is a management philosophy that places the customer at the center of the organization and focalizes efforts towards existing and potential, durable and profitable customer relationships (12). This definition is extended in (10) to the managerial decisions oriented towards the preservation and increment of the customer base value by gathering information about customers and delivering a superior value and satisfaction by targeting the right customers, offering the right service, through the right channel and at the right time (3).
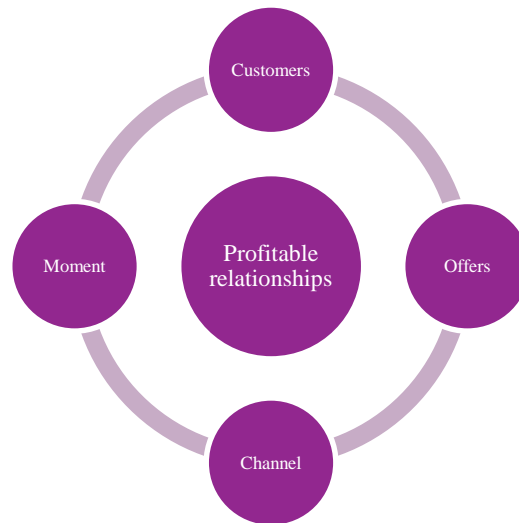
Figure 4. Enablers for long-term profitable customer relationships

Although at the beginning the term Customer Relationship Management was introduced to refer to the set of tools used for the automation of the functions related to the maximization of the customer base, in reality the term includes a bigger context and, as it will be explained later, CRM projects are not only about technology but require the involvement of the whole organization in both operative and managerial perspectives. As a matter of fact, (17) defines CRM as an organizational capability

with the potential of becoming a source of competitive advantage that can result in the positioning improvement and therefore, in business performance enhancement.

The business case presented in (18) is an example of how the implementation of a CRM project involves much more than just the technological aspects of the tool, but the combination between technology, process and people, through which the company aimed to redesign its customer management processes in such a way that customer satisfaction is increased. "CRM is an approach that integrates channels, products, and infrastructure strategies to understand and influence customer behavior through meaningful communications"[6] and its goal is to improve customer acquisition, retention and profitability. Its approach is based on maintaining positive relationships with customers, increasing their loyalty and expanding lifetime value by collecting, sorting and integrating customer data.

After having a broad and complete definition of a CRM, what it involves and that its goal is to enhance customer relationships, is important also to define what "customer relationships" involve. Enhancing customer relationships is achieved by targeting it on different ways. On one side, there is the lifetime value, that refers to the net present value of the potential revenue stream for any particular customer over a number of years, starts with current purchase activity then extrapolates to include potential additions from cross-selling, upgrades, ownership, etc. On the other hand, we have customer ownership that attempts to own the customer spending, build brand equity, maintain customer contact and keep current with the market trends.

A list of the potential benefits that might be obtained by well implementing a CRM is proposed by (19):

- Develop better communication channels
- Collect customer related data
- Create detailed profiles of individual customers
- Increased customer satisfaction
- Access to customer account history, order information, and customer information at all touch points
- Identify new selling opportunities
- Increased market share and profit margin
- Increased revenues
- More effective reach and marketing
- Improved customer service and support
- Improved response time to customer requests for information
- Enhanced customer loyalty
- Improved ability to meet customer requirements
- Improved quality communication and networking
- Reduced costs of buying and using product and services
- Better stand against global competition

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[6] (3)

Kim, Suh and Hwang (2003) divided the strategies and objectives initiatives in four categories:

1. Customer knowledge: appropriate customer information collection, analyzing customer data, acquiring new customers, employee training and skills improvement, CRM technique improvement and secure service.
2. Customer interaction: responding appropriately to customer request, business process integration, channels management improvement, maximizing the efficiency of organizational operations and customizing products and services.
3. Customer value: improving customer retention, increasing profits, customer service and support improvement and building an attractive virtual community.
4. Customer satisfaction: improving service quality and establishing relationships with customers.
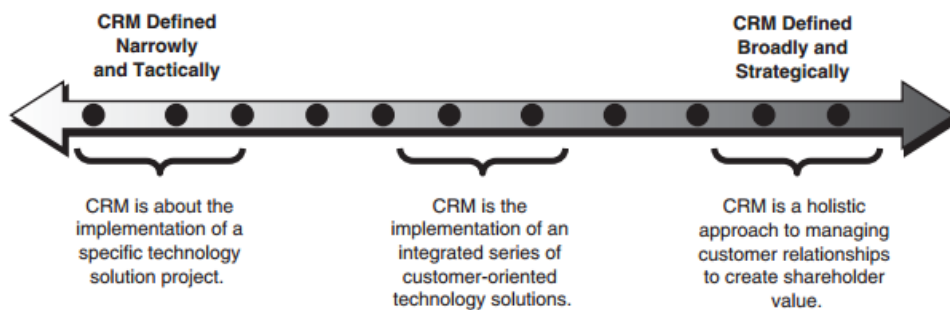
2.4.2   CRM and Business Strategy

While customer satisfaction is becoming the center of organizational activities, CRM is emerging as a business strategy at the top of the agenda due to the importance of managing customer relationships as a factor of success and the high investments required for the implementation of this type of projects.

For this reason, it is important to understand how the engagement of a customer oriented strategy influences in business activities and outcomes. Also, is necessary to analyze how the implementation of a CRM system influences the strategic objectives and performance of the organization, and the processes to achieve them, how customer driven practices can become a competitive advantage in the market by managing customers as strategic assets.

The analysis made in (20) shows how the alignment between business strategy and IT has been studied under different frameworks and perspectives and, after accepting the fact that alignment contributes to organization's success and realizing that it is one of top management main concerns, possible problems, as misalignment, IT stagnation and globalization, can be assumed as challenges rather than limitations for implementing information systems.

In this sense, the question is not whether IT alignment will benefit the organization but how this process is done. In general, theory regarding this topic can fail in capturing the real picture and it is difficult to analyze alignment when company's strategy is not well known. Even further, a complete alignment may not be desired taking into account that organization's environment can be under constant market changes. These can be considered as the main issues that companies have to deal with, when implementing their IT strategy.

In the literature (20) , the term alignment refers to the congruence, integration, and/or fit of the IT strategy with the business strategy and how the first one is able to reflect company's mission and goals in the strategic, structural, social and cultural dimensions, referring to how business strategy and IT strategy complements each other, how company's structure support both strategies, the level of understanding and commitment towards this approach, and the degree of alignment between both plans and the way of working, respectively.

In particular, recent studies have tried to explain the real impact of CRM into business strategy and, although there is not enough evidence from business practices that can support the direct relation between CRM and business performance, (17) shows how the effect of implementing CRM is indirect and conditional, depending in both, the strategic approach and the type of industry. In particular, it states that CRM can help positioning the company under either, differentiation or cost leadership strategies. In the first case, a differentiated position is achieved thanks to the increment of the knowledge base, helping the company to adapt to customers' needs in a better way compared to competitors hence, driving the overall business performance. In the second case, CRM can affect both, operational and managerial costs; on one hand, the integration of the operative processes can increase the efficiency and productivity, reducing sales and services costs. On the other hand, customer management expenditures may be reduced due to the focalization of activities on profitable customers.

In the same way, the use of a CRM system in industries with high commoditization level has a greater impact in strategies of differentiation than those based in cost leadership. Within this type of industries, customers tend to have more experience with the product offerings so it is better for companies to have a deeper understanding about customers' needs in order have customer relationships as a competitive advantage. Therefore, CRM efforts should be focused in the enhancement of business strategies reflected in business performance.

Besides understanding the effect of CRM in business strategy, it is important to analyze how the right integration of organizational resources can contribute for encouraging the CRM initiative and generate a competitive advantage. The case of study analyzed in (18) depicts how under the right balance, information systems can become a core competency thanks to the coordination between business processes and organizational structure represented by three components: business, technology and people's behavior attitude.

2.4.3   Advantages and Disadvantages

(21) Indicates that CRM is an integration of technologies and business processes that are adopted to satisfy the needs of a customer during any given interaction. Whilst the potential benefits of a CRM might be attractive, the implementation must be carefully managed in order to receive good results. Statistics from Gartner indicate, "Customers complain that more than 50% of their CRM projects have failed and the majority will underestimate costs by between 40% and 75%". Advantages can be all if the implementation and management of the system is appropriate, but the risks will always exist and might convert what could be a great success in a complete failure.

The main advantage of a CRM according to (17) lies in its potential to support and leverage the establishment of customer relationships by understanding customers' needs in more detail. By

gathering and processing information along the lifecycle of every customer relationship, CRM enables companies to offer appropriate responses to customer changes and helps in forecasting the demand in a more accurate way.

Although the list of benefits that an organization can have after implementing CRM is huge, (22) summarizes it in five key points:

- Cost reduction: CRM technological tools improve the productivity of the overall enterprise by helping in the fulfillment of the main activities related to the client service.
- Profit increase: CRM allows the control and management of the processes, the agreement of a service level and the minimization of errors and defects.
- Customer satisfaction and loyalty: the improvement in the customer-oriented functionalities signifies building stronger relationships with potential and existing customers due to the appearance of self - service processes, more efficiency, possibility of customization and the ability to meet better customers' needs and desires. At the same time, more satisfied customers result in profit increase and cost reduction while loyal customers buy more and are less expensive to manage.
- Employees' satisfaction: when the correct tools are well used, CRM system can facilitate employees work. More satisfied employees improve productivity, performance and are willing to deliver a better customer service. The introduction of a new system and different procedures imply a cultural change in the overall organization to adopt the new methodologies.
- Better business intelligence: is achieved when there is a better understanding of the customers because of the gathering and analysis of the right information.

A broaden, detailed list of tangible and intangible benefits of CRM is presented in (23) and, as shown in the following figure, can be classified within the main areas of influence.
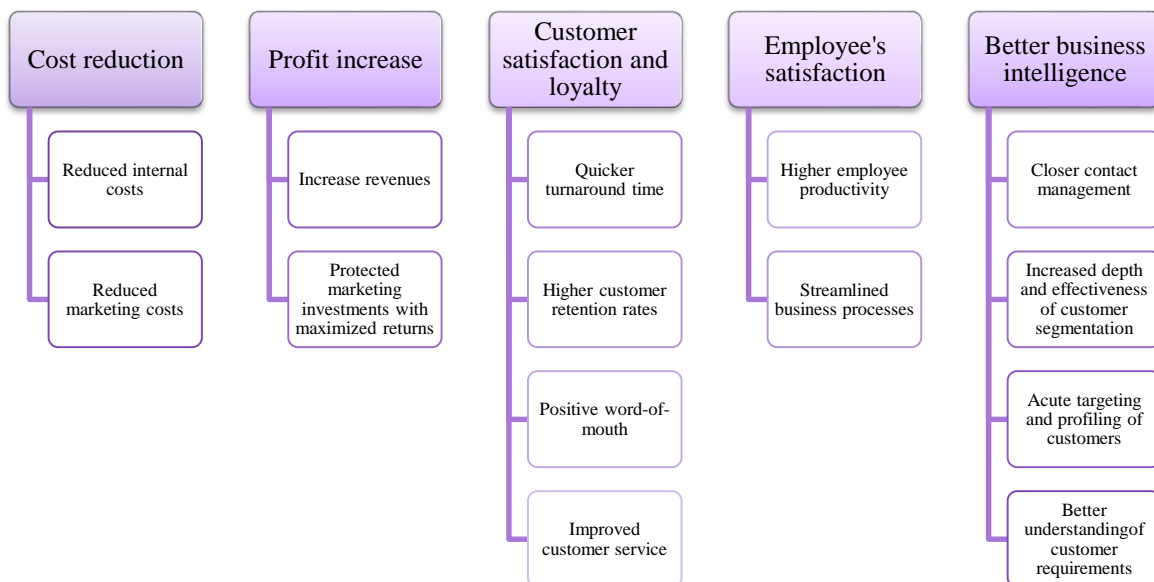
Figure 5. Benefits of CRM

There are diverse advantages that, although are important for the organization's performance, are difficult to measure and most the effects are evident in the long term. Moreover, when customer's satisfaction is not placed at the center of the processes, is more difficult to perceive them in the short term. Effects on profit, sales, and costs require patience and time to let them appear. For these reasons, in order to understand the advantages and effects of CRM systems is necessary to establish the right performance measurement system and a baseline to be able to compare future results. However, CRM is not a product; it is a discipline, a framework, an integrated approach to managing relationships with customers, which requires continuous improvement. It is a strategy, not a tactic, and in most cases involves changing the focus and culture of the organization from a product- to a customer-orientation.

As said before, benefits can became harms in a company when implementing a CRM and it can be due to many reasons. The company could not be prepared for example of could lead incorrectly the implementation project. Additional to this before implementing a CRM and making the investment, the possible disadvantage must be taken into consideration and strategies to avoid them to affect the company must be designed.

Literature about CRM disadvantages is not as broad as for advantages; nevertheless, author have mention them on their studies. A set of disadvantages is listed below because of putting together and complementing the disadvantages found in different studies and pointed out by different authors:

- Staff resistance: employees might not see the immediate advantages in using a CRM system in their business interactions. Managers and business owners might have to deal with moments of staff resistance as they attempt to get the entire team on board with the process.
- Resentment: CRM software's biggest disadvantage is the resentment employees may feel toward the software. Often, implementing new systems indicate growth or the need for cutbacks to save the company money. Older employees who have used older systems or their own methods may feel offended as though they are not competent in doing their jobs. Once a new system is brought around, it is important for an organization to keep employees in the loop.
- Training: comes by the hand with the staff resistance and is helpful to mitigate it. A training to the staff must be provided and should contain real, live case studies that show the benefits of CRM, business owners and managers can demonstrate the features of the system and adequately outline how it will benefit customers, daily work flow, employees and the business overall. Training is considered as a disadvantage because takes time and money and becomes another uncertainty factor during the project implementation because is another issue that if is not properly done can harm the CRM success.
- Record Loss: adopting a new system in a company means that a sort of data must be migrated to the new system of depending on the type of change, inserted from zero to the new CRM. Any case means that the information about the customers that the company already has, will change the way it is used and this transformation implies that some records will be lost. It can be mitigated and controlled with a right management of the data and data migration, but the company must be conscious that some data will be lost. The best way to prepare for it is to make sure that the most important information is saved and that the loosed data are not critical.

- Require additional work inputting data: in order to make the system work, an initial set of data must be entered, and because the company is dealing with a new systems, means an extraordinary activity that at the beginning can be challenging and might need the need of people from outside the company, consultants for instance that already know the system.
- Require continuous maintenance, information updating, and system upgrading costly: are all additional costs and time requiring activities that the company did not had to perform before. All these costs must be taken into account when deciding if implement or not a CRM for the company.
- Difficult to integrate with other management information systems: CRM software or system may not integrate well with other email and accounting systems. If this is the case, a CRM could prove costly for a company because it is utilizing more resources than originally thought. This disadvantage has a big weight for the company, it will make it a critical issue the ability to integrate and "talk" with other systems that the company uses. It is important to take into consideration the possibility to integrate the CRM with other information systems and will make a big difference for the company in order to take advantage on the investment. Companies must evaluate all departments that will be involved in its use before the purchase
- A Learning Curve: either implementing a CRM for the first time or upgrading an older version will require employees to take the time out to learn the system. People fear what they do not know. This may reduce productivity as they become familiar with the new system.

The idea of CRM mainly concerned with the retention of existing customers comes from the fact that they represent the primary source of information on which building a CRM strategy. With CRM technologies and techniques, organizations focus on the active involvement of customers rather than on the manipulation of their perceptions in regards of their needs and behaviors (McKenna qtd. in Parvatiar et al. 2001). Then, a CRM represents a marketing approach to build solid and long lasting relationships with individual customers (Jackson qtd. in Parvatiyar, 2001). However, CRM along with the application of marketing techniques can also serve to attract new customers.

CRM tools are meant to supplement a company's strategy for building effective customer relationships. Appropriate strategy and excellent implementation are both needed for obtaining successful results. Building relationships with customers is a fundamental business of every enterprise, and it requires a holistic strategy and process to make it successful.

2.4.4 Factors of Success and Failure

As sawn implementing a CRM comes with advantages and disadvantages and all decision taken during this process will have an impact on its failure or success. Statistics pointed out by Mendoza (2005) tell us facts about CRM projects that deserve to be taken into consideration when thinking that implementing a CRM in a company will be successful: "A survey of 202 CRM projects found that only 30.7% of the organizations recognized that they had achieved improvements in the way they sell to and serve customers. A broader survey estimates that 70% of companies will fail eventually. The Giga survey revealed that (1) companies generally underestimate the complexity of CRM, (2) they lack clear business objectives, and (3) tend to invest inadequately in the provision of CRM software". Due to the complexity of starting a CRM strategy encountered by several companies, some counseling companies and companies handling statistic data have observed the mistakes incurred in the past.

They recommend some practices and considerations to be taken into account and for this; the possible factors of success and failure must be analyzed.

Main critics are related to the excessive time required, high costs, disruptions of the implementation, and possible limitation on future benefits. There are many causes why this type of enterprise can end or appear to end with unsuccessful results. Literature approaches the causes of failures or success on different ways: identifying the causes of failure (24) (22) or identifying the critical success factors on the implementation of a CRM, for example (23).

Mendoza (2005), calls four main causes of failure from a research performed by Forsyth where they took 700 companies and the main causes of failure were organizational change, company policies/inertia, little understanding of CRM and poor CRM skills.

According to (22), conclusions of failure can be consequence of an inappropriate or absence of well-defined objectives during the earlier phases of the project development that prevents to measure and compare future results. He point out that causes of a real defeat may not depend on the adoption of a CRM strategy itself but can be summarized in the 3Ps: politics, people and process, referring to the managerial support and involvement, acceptance of the change and project implementation process, respectively. In addition, when managers see CRM as an isolate support-marketing tool, efforts towards the business performance are limited and the outcomes may not be as expected.

This idea is supported by (23) in which a conceptual model is proposed, that classifies the main CSFs of CRM systems among three organizational areas: context, supporters and project organization. The context refers to the factors inside the organization that may be achieved in order to support a CRM system; supporters represent the managerial support necessary to initiate and develop the project, and project organization takes into account performance of the processes of development and implementation. The following figure presents the list of CSFs considered as the main factors necessary to have a successful project under a dynamic business environment.

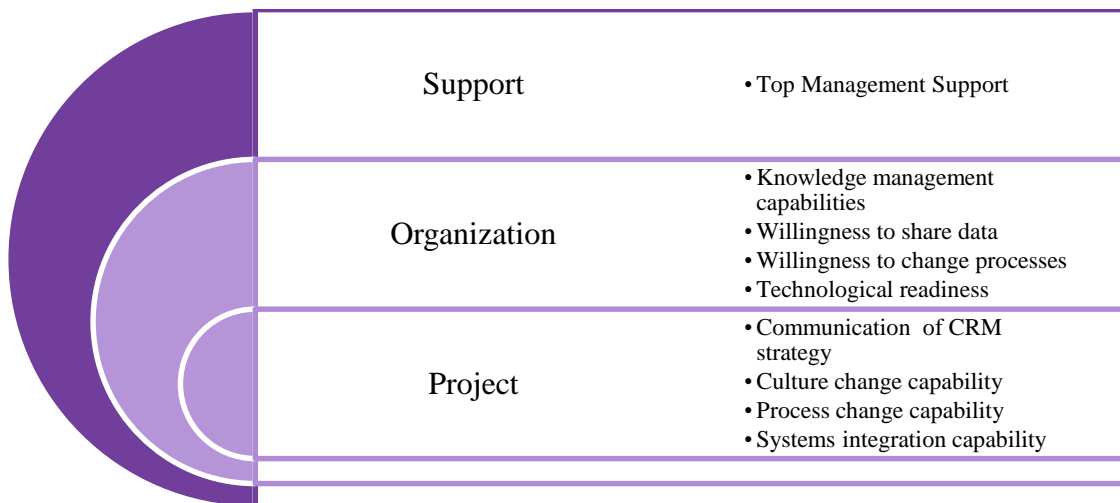| Support | • Top Management Support |
| Organization | • Knowledge management capabilities
• Willingness to share data
• Willingness to change processes
• Technological readiness |
| Project | • Communication of CRM strategy
• Culture change capability
• Process change capability
• Systems integration capability |

Figure 6. CRM CSFs[7]

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[7] (23)

The model is intended as a framework that can help to understand the dynamics of the implementation of an innovative technological solution for the management of customer relationships, underlying possible causes of success and failure by considering the critical success factors and the interrelation between them.

A different study shows the importance of the integration of organizational resources and capabilities necessary to run CRM as a corporate business strategy. Based on a resource-based view, (18) highlights the limitations of CRM implementation taking into account the integration of information systems with the human resources and capabilities involved in the CRM process implementation. Thus, a company should align IT resources, including technical and human, with non-IT resources, culture, policies and rules. In this way, the resource- based view provides a framework for achieving a balance between technology, process, and people, considered as key components for information systems implementation. Assuming a different approach, in (18), instead of analyzing the factors of success of CRM in relation to the project evolution, the case of study identifies the CSFs according to the integration of these resource organizational components:

Technology
- Customer information integration
- Data/IS quality
- Width and depth of CRM functions
- Integration with legacy/other IS

Business Process
- Support for customer life cycle
- Functional CRM process
- Decision making process
- CRM performance measurement

Human Resource
- Employee satisfaction
- Customer-oriented attitude
- Skills and experience
- Management supports

Figure 7. Resource-based CSFs[8]

Mendoza (2005) has a similar approach considering that CRM systems must be taken as, potentially, a key component of the operation of a CRM strategy, not the only component, and that to achieve the CRM objective there is a series of aspects involved, which divides on processes, human factor (people) and technology. Moreover, establishes that CRM is not merely technology applications for marketing, sales and service but rather a cross-functional, customer-driven, technology-integrated business strategy that maximized relationships and encompasses the entire organization.

In this context, success depends on the enterprise's ability to recognize technology as a mean and support of the logical processes. Success factors are defined according to the scope, the internal and external customer oriented approach, and the use of right performance measurements. Accordingly, any attempt of neglecting human resources along the whole project will result in its failure, since

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[8] (18)

CRM as a business strategy is driven by people and not by technology, or said in a different way, is people who drive technology.

It is important to notice that there is not a perfect CRM system for every enterprise, but commercial systems that may be the best choice for specific companies and that might not be the best solution within a different environment (22). In fact, the conditional success of CRM depends on the environmental circumstances under which it operates. Additionally, a successful implementation of CRM does not imply the success of the strategy because, as was described before, its success is not associated to isolate factors. A project of this type should involve the identification of the needs, the selection of relevant resources and the integration processes with the business and since, CRM is a continuous learning process, it should evolve constantly to be able to respond to quick changes of customer needs (18).

2.4.5   Types, Characteristics and Functionalities of a CRM

There is a big variety of CRM available nowadays in the market. They all offer lists of striking benefits for the companies and one a manager decides to implement the use of a CRM on his business he finds himself in front of a big offer that need to understand in order to better decide what is beneficent for his company according to the functionalities that will have the CRM.

There are different classifications of the types of CRM, it was considered Payne's classification where three types are defined: collaborative, operational and analytical, a company, might require one or several of the three types.

- Analytical: focuses on the intelligent mining of customer related data for strategic and tactical purposes. Analytical CRM is concerned with capturing, storing, extracting, integrating, processing, interpreting, distributing, using and reporting customer-related data to enhance both customer and company value.
- Collaborative CRM: involves the use of collaborative services and infrastructure to make interaction between a company and its multiple channels possible. This enables interaction between customers, the enterprise and its employees.
- Operational CRM: focuses on the automation of customer-facing and customer-supporting processes such as selling, marketing and customer service. Most of them enable marketing automation, sales-force automation and customer service automation.

Integrated systems, as ERPs and CRMs are complex and difficult to implement, but are likely to integrate the organization in both, internally and externally contexts with more efficient communication processes and transactions, and in particular, for CRM, greater insight into customer needs and sales processes performance. In general, these systems involve the integration of different technologies offered, in most of the cases, in packages provided by commercial vendors, which aim to improve front-end tasks like sales, call center, and marketing.

From a process approach and as is mentioned in (25), CRM comprises the following processes:

Strategy development

Performance assessment

CRM

Value creation

Information management

Multichannel integration
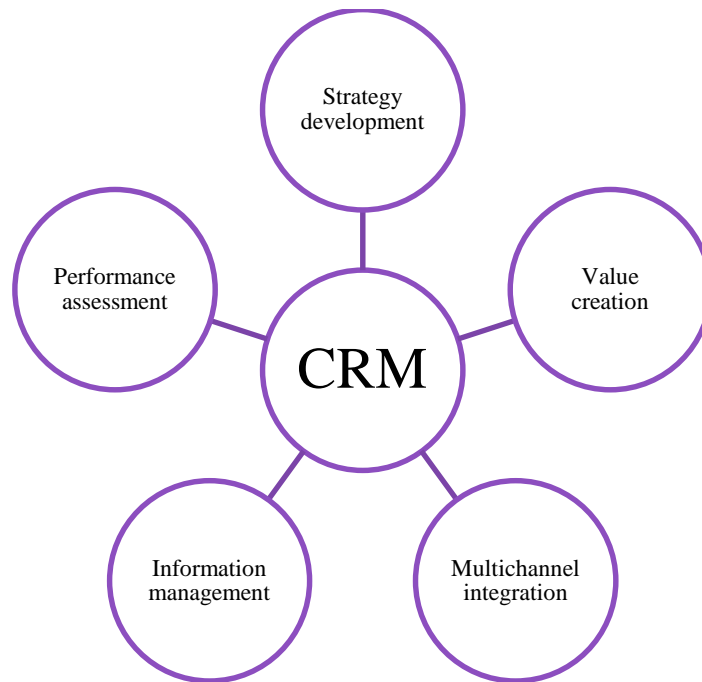
From the functional perspective, CRM is constituted by operational and analytical functions that include the software and business processes that support daily operations, and the strategic planning, measurement and changes required to build customer value, respectively (10). The main functionalities of a classic CRM system are described in (22) as follows:

- Sales force automation (SFA): follows the path of the customer, the contract and the activities during the sales process. Can also include additional functionalities like settlement of prices and possible offers. It has direct relation with the revenues of the company.
- Telemarketing tracking: allows the use of Computer Telephony Integration systems for the customization of the service delivered to the customer.
- Marketing automation: include the automation of the main marketing tasks as campaign management, planning, communication channels and segmentation tools.
- Assistance tracking: follows the process of assistance from the reception of the case until its solution. It includes the storage of the information related to the service provided.
- Field service: tools for the support of the mobile workforce.
- Product configuration module: immediate functionalities online for customers to customize product according to their needs and desires.
- Knowledge base management: serves to establish the knowledge base across the organization and supports the generation and maintenance of the documentation for both, internal and external customers.
- Web portal: allows customers to access the knowledge base and online functionalities. Includes services of online assistance, chat, e-commerce among others.
- Analytic: one of the main advantages of a CRM system. It allows the visualization and analysis of the activities related to the customer service.

Besides these, CRM systems can have additional modules that support tasks like planning, estimation and human resources management.

The implementation of a CRM strategy supported by a CRM system requires changes within business processes and technology that results in the interconnection between knowledge and interaction management, remarking the use of marketing intelligence to generate and maintain profitable customer relationships, leveraging the quality of communications among parties (Zablah, Bellenger, Johnston 2004) (23). Thus, when adopting a CRM philosophy, companies assume customer relationships as constantly evolving assets that go through three stages during their lifecycle: initiation, maintenance, and termination (17). At the end, customer management processes are designed according to the customer's needs and CRM is a support tool.

2.4.6   CRM Implementation

There have been different cases of study that try to understand how CRM projects are implemented and why this process is important in reaching successful results.

From one point of view, acquiring a CRM can be seen as an evolutionary process where phases are identified depending on the level of penetration of the innovative customer-driven practices (23). Following a different approach, the project development can be described in two phases according to the degree of integration with the business strategy (18).

In this way, CRM implementation process can be depicted in two integration phases: the integration of functional resources and innovative capabilities, and the integration of human resources and transforming capabilities while the project introduces and establish the new CRM practices.

Accordingly, a CRM system passes through three processes; during the initial stage, it is undertaken by the project team who takes into account the needs and requirements of end users. The starting point is the analysis of the as-is situation of the company considering the channels, systems integration, source of information and problems that should be faced when deciding to implement a CRM. As a result, the ultimate objective is understood, settling the ground for starting the implementation process.

As it enters into the deployment phase, the innovative technology practices start diffusing through the business processes and, at the same time, functional resources and capabilities are integrated within customer-oriented activities using the information resources together with the internal resources and capabilities; improving the operational performance of the company. Information resources refer to the knowledge and processes that support customer management strategies while the innovative capabilities are both, analytical and operational customer-oriented competences. It is expected that the new operational CRM capabilities reduce operational costs and improve customer relationships.

The second integration phase focuses in the engagement of the human capital into the company's strategy through a cultural transformation and acceptance of change by demonstrating the benefits in both, customers' and employees' satisfaction reflected more efficient operational and financial performance.

During stages, constant control and supervision is provided by the supporters, who evaluate the project according to their experience and expectations. The outcomes of a CRM system during the different phases may affect the accomplishment of its strategic objectives. Particularly, top management support depends on overall costs. On the contrary, departmental management and staff are more related to the work quality impacts.

In a broader context, CRM can be considered in three levels: implementation of a specific technology solution, implementation of integrated customer-oriented technology solutions, and a general approach to manage customer relationships (25).

2.5   CRM Performance Measurement

In (26), Kaplan and Norton propose the Balanced Scored Card as a useful tool for measuring the performance and effectiveness of organizations' business strategies in their intent to create value for its stakeholders. It presents an integrated view of strategic measurement that describes the implementation of the strategy according to the critical factors that enable company's value generation. It serves at planning and managing business performance by providing a powerful way for aligning and balancing the business activities with its vision and strategy, and facilitating their monitoring from four interrelated perspectives: financial, customer, internal processes and learning and growth. As mentioned in (27), the BSC links long-term strategic goals to specific short-term tactics, measures and actions that drive the strategic performance.

A clear graphical way for representing the relation between the perspectives, the goals, and their measures is the strategy map. It provides a translation of the general statements from the strategic level into specific and measurable objectives and the link between them shows how these goals are supported across each performance area of the organization. These basic perspectives are:

- *Financial:* gives the final definition for organization's success and profit maximization. It evaluates how business' strategy implementation and execution succeeds in achieving its final goal. Right segmentation and targeting and the success with targeted customers can be considered as the main factor of financial performance improvement.
- *Customers:* identifies the value proposition of the organization and customers' segments in which it will compete. The identified critical success factors ensure that the target revenues will be generated. Common value propositions include differentiation through price, products and services offering, and customer intimacy.
- *Internal:* describes how the strategy will be accomplished. It evaluates daily business activities according to how they produce and deliver the value proposition and how efficient they are in doing so. (26), Kaplan and Norton propose four groups or organizational processes:
  o Operation management;
  o Customer management;
  o Innovation;
  o Regulatory and social.
- *Learning and growth*: describes the organization's intangible assets and their role in the strategy, making it possible to describe, measure and align them with its business strategy. This performance area allows focusing on the specific capabilities and attributes of the

human, information and organizational capital, required by the critical internal processes of the strategy.

Using the same concept of the BSC, (27) presents different approaches in which this performance system can be used to evaluate and control the CRM strategy. Some variations of the original framework are used to go deeper into CRM performance drivers in such a way that the measurement system focuses specifically on the CRM maximizing its potential and impact in CRM performance.

Specifically, the CRM scorecard proposed in (27) establishes the following three main modifications to the original BSC:

- Establish a scorecard for each customer segment targeted for CRM
- Focus the internal processes perspective in the CRM functions and processes
- Monitor performance for all customers' contact channels

As a result, the Balanced CRM Scorecard is obtained to identify the targets of the company's CRM strategy and to evaluate how well it is achieving the CRM goals for each market segment. Within the same analysis, Brewton proposes five key steps to implement a successful Balanced CRM Scorecard:

1. Define CRM strategy: clear definition of the CRM strategy and creation of the strategy map.
2. Select strategic CRM measures: selection of the key measures for each critical success factor outlined in the strategy map and the related target.
3. Cascade strategic CRM measures: link the KPIs to departments, team and individual employees.
4. Implement CRM performance intelligence system: generate the right reports according to who is directed to.
5. Entrench CRM measurement in organizational culture: integrate the management control system into the culture of the organization by the extension towards the core management systems of the business.

It evaluates the performance according to the amount of work being accomplished, measured as the number of new or improved CRM processes introduced in the organization and respecting the requirements of time, budget and quality. Under this study, the benefits or drawbacks of a CRM project are measured in relation to the average work quality - key variable for indicating the rate of progress and diffusion of the CRM innovation. Specifically, the model shows how variations in the inputs of the system can affect the development and operational outcomes, referring to the activities during the project organization and during the use of the system, respectively (23).

3 CONCEPTUAL FRAMEWORK

The conceptual framework contextualizes the frame of reference for the study. Includes the main matters included in the study and provides a general explanation of the context where the study was developed.

3.1 Description of the company

The company where the analysis is developed, is he Italian branch of a telecommunications multinational company. It provides voice, messaging, data, fixed broadband and other services combined with innovative technological ideas for different business areas. The business is divided in one global division and across different countries around the world. Italy is one of the countries the company operates.

3.1.1 General Overview

The company offers solutions for customers' communication needs by adapting to business requirements and changes of the market.

In Italy, it has a functional organizational structure divided by Business Units; the Enterprise Business Unit is dedicated to the commercialization of telecommunication products and services to Italian companies, which is the business units where the analysis takes part. The business division operates in the B2B segment and when referring to it during the project, will be called as the Enterprise Business Unit. It offers personalized telecommunications solutions to its customers according to businesses' needs.

3.1.2 Enterprise Business Unit

The Enterprise segment (B2B), represents an important source of revenues for the company. In general, B2B customers are classified according to their size and therefore, business needs. Starts from providing solutions to freelancers, artisans or merchants to small and medium businesses and multinational organizations. According to the company's size, an according channel attends it.

The Enterprise Unit is divided in two channels: direct and indirect. The indirect channel is divided itself in two segments, agencies and dealers. The direct channel is composed by Italcom's corporate dependents. A clearer view of the structure is shown in Figure 8.
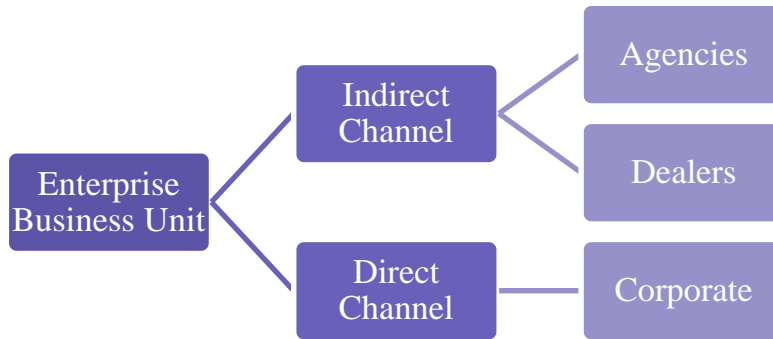
Figure 8. Enterprise Business Unit Structure

The indirect channel does not belong to Italcom but still sells its products and services and receives commissions for it, is divided in:

- Dealers: persons selling the products and services to independent workers or micro-enterprises from one to nine dependents.
- Agencies: independent organizations that occupy of small to medium enterprises from 10 to 100 dependents.

The direct channel belongs to Italcom and occupies of corporations made of more than 100 dependents, when making reference to it during the work, will be referred as Corporate Channel. Is composed by direct corporate agents that sells Italcom's products and services. Additionally when the customer is a multinational company, depending on its complexity or structure, could be managed by the Global Enterprise. The CRM system was implemented in the Corporate Channel division to support the sales process and then, the analysis will be focused on it.

The Corporate division is itself divided in different areas, but for work purposes, the focus is done in the sales unit that is where the CRM system was implemented. The two divisions to be considered are:

- Corporate sales channel strategy: management team in charge of providing support and guiding the corporate sales channel through processes, tools, information and analysis. Was the group in charge if the development of the implementation project of the CRM.
- Corporate sales channel: in charge of selling activity. As previously said, consists on direct agents that sell company´s products and serviced. There are four geographic areas and some central functions that guarantee homogeneity and coherence in the company's performance. Figure 9 shows the sales team's organization: leaded by a sales director, there are six areas. Each area is leaded by an area manager and divided in regions. Each region is managed by a regional director that guides the sales agents.
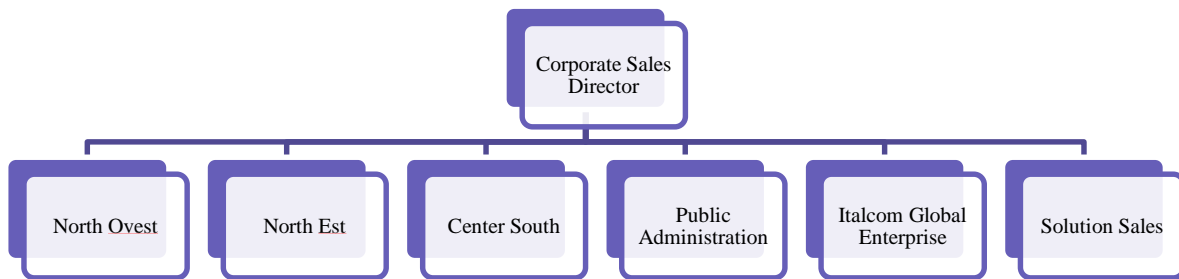
Figure 9. Corporate Sales Channel Structure

3.1.2.1   Sales Process Description

The Enterprise Sales Process represents the interaction between a potential buyer and a vendor (Corporate Sales Professional) that intends to sell Italcom's products and services to it. Takes place in the Enterprise Business Unit, and in the corporate division. Selling to business customers implies complex sales process and interaction of many different actors that collaborate together to perform the sale. The actors involved in the process are described as follows:

- Sales Professionals/vendors: are the direct sales force, vendors from the company and are the owners of the sales process. They have the responsibility of its performance and must carry it out as good as possible. They have certain degree of freedom on taking decisions about sales price, offers, products and benefits.
- Administration team: group in charge of the functioning of the CRM and providing support to the users. Sales professionals refer to this team in case of having any trouble with the system or needing support.
- Sales Regional Director: there is one director for each region and is in charge of a group of vendors. Sales professionals must refer to their director in case of any help needed regarding a sale or any authorization required. Intervene in the sales process in complex solutions sold and when vendors require extraordinary authorizations regarding a customer.
- Sales Support: is a team in charge of providing support to the sales professionals during the sales process. They manage information about customers, contracts, teams involved in a sale, etc. There is a designated sales support team for each area and/or region.
- Marketing Team: Marketing team takes part in the sales process by planning and executing events, managing customer databases, and issuing and distributing marketing collateral
- Solution Specialist: Is a team defined to bring support to the sales professional on designing special solutions for the customers.
- Commercial Division: This division verifies that the deals and offers given by the Sales Professionals are feasible from an economic point of view. They provide also support in some more complex deals.
- Technology Department: Team in charge of designing and analyzing technical specifications and requirements about a deal. It must organize the resources once the service has to be implemented.
- Customer: It is the enterprise who will purchase the services and the actor that establishes the requirements of the service.

The corporate sales process did not had a formal structure and each sales professional carried it out accordingly to his own perception following the directives from the company by on its own "selling way".

Starts by identifying a possible customer and goes through different phases until the deal is closed. It can end at different points of the process if the possible customer decides not to continue with it and refuses to buy company's services. The process is supported by a CRM system that allows sales professionals to profile their client portfolio and trace sale opportunities. The general flow of the process is described as follows:

Starts with the identification of a possible customer, called prospects. It is done by an activity called lead tracking that could be as a result of marketing events, campaigns, databases, people the vendor already knows, partners, clients or consultants from current clients and consists on searching companies that might have an interest on acquiring products and services. The tracked lists must be registered in the CRM system and are part of Marketing Contact Databases; the vendor must register basic information about the customer.

Next step is to analyze lead's situation in order to identify a sale opportunity and once it is done the lead is converted into a prospect in the CRM, which means that further information about the customer is known and the sale can be taken to a further level. If it shows that another vendor has already had interest on that company, the vendor requires the approval from his superior to change Prospect ownership and request it to the CRM Adm. Team. The process continues with developing an offer to make to the customer, called an Opportunity. If needed, depending on the complexity, it could be done with the support of other teams that the vendor must contact, i.e. technology department and solution specialist.

Once the vendor has an offer designed, he/she proceeds on presenting it to the customer. The offer is reviewed by the customer and is contacted by the vendor to know his opinion about it. At this point, the customer could refuse to continue in the sales process. If the vendor sees a positive interest from the customer, he takes into consideration the feedback, needs about it, and continues to develop a sales proposal. The requirements are defined and at this point, the vendor formally presents the project.

After presenting the offer to the customer, a feedback is requested and analyzed. The vendor must take it into consideration possible factors that could affect the sales process like competitors actions and prepare a strategy to face them, which is developing a negotiation strategy.

With the developed strategy, the vendor presents it to the customer and negotiate the contract together; a decision on whether the customer stays or leave is taken. The owner of the decision is the customer and must take it in this phase.

If the process continuous, the customer signs the contract and the formal closing of the deal is carried out. The vendor must create an internal document related to the project handover containing requirements and specifications about it. He must work jointly, head to head with the customer to verify the delivery of the services accordingly and that the project is profitable for both customer and company. The process end by making the delivery of the solution.

3.1.2.2   CRM Implementation Project

As part of the global strategy, the company decided to unify the sales process by implementing a CRM on the B2B segment. The Group division decided to carry out a project on the different operational countries including Italy. It meant to apply some changes on the way operations were carried out on the B2B segment and more importantly, to manage a project of the implementation of a new IT system in the business unit to have a global view of the Company's operations. To contextualize the role of the CRM in the previously describe business structure; Figure 10 highlights the part of the company where the project takes place.
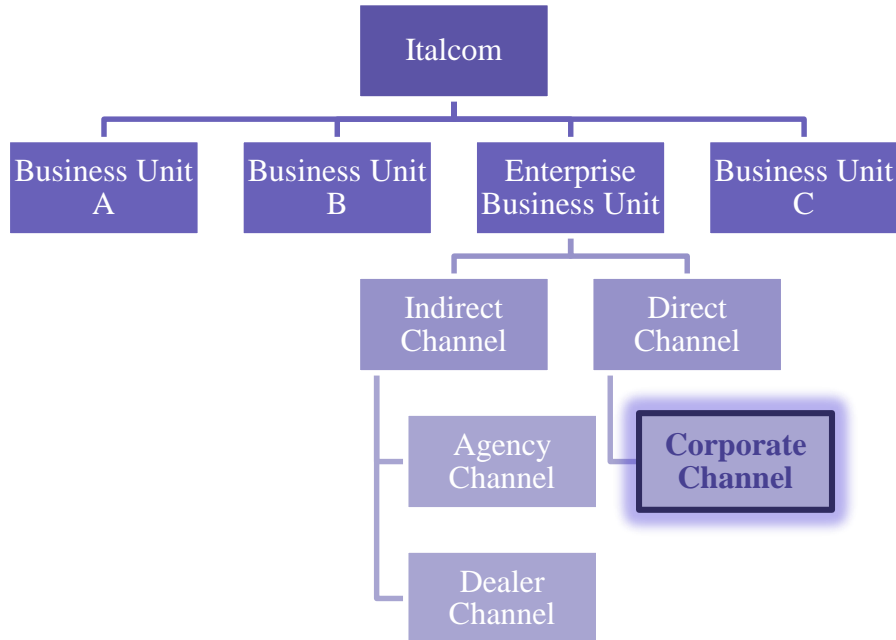
Figure 10. CRM Project's position in the Company

The project started on 2013 and the CRM was launched on December 2014. It involved the participation of the whole corporate sales team and channel strategy team whom took different roles as stakeholders of the system.

3.1.3   Business Strategy

Considering the recent behavior of the European telecommunications industry -characterized by the growing use of data and its crescent importance in the revenue stream, the increasing demand for integrated communication solutions, and the rising demand from new emerging markets – Italcom's efforts aim at transforming and improving people's life by providing innovative products and services in the mobile and fixed telecommunications sectors and growing its business by taking advantage of its position in the stable markets and exploiting opportunities in the emerging ones. Although the slow but significant improvement of the European economic situation represents an opportunity for expanding this market with new products and services, the high level of competition, the regulations, and the macroeconomic pressures are challenges that should be overtaken to recover the European key markets.

Followed by its social responsibility philosophy, Company's strategy drives towards the global development and profit growth, by "developing commercially viable and scalable services that support the sustainable development" of the firm.

Supported by the global vision of the company, in Italy, the business strategy pursues the balance between the company's interests and those from its stakeholders. Technological and social innovation is placed in the highest level of importance for both actors, and provides a source of differentiation for achieving a competitive advantage, while environmental issues are considered as "must do" activities most relevant for the stakeholders. Human resources factors are positioned in the middle of the matrix, having an equal and crucial importance for both parts.

In answer to the current trends and considering the behavior of the industry explained before, the strategy of the company is focused in becoming the leading mobile data provider in Europe by entering into the 4G era, improving its network infrastructure, and enhancing customer experience, supporting all process and activities on high quality network experience and more efficient business operations.

In particular, the Company aims at becoming the best sales company in the world by "addressing all customers, using the best process and technology throughout its sales cycle" by the standardization of its sales process under one tool, bringing consistency across the whole enterprise and towards its clients.

Its customer-oriented strategy focuses in the provision of differentiated services, better and consistent customer experience across markets and channels, and integrated innovative solutions for customers and enterprises. The key strategic goals under this context are summarized in the following figure with its respective expected benefits, which, as showed below, are supported by the improvement of internal processes in terms of its productivity and collaboration.
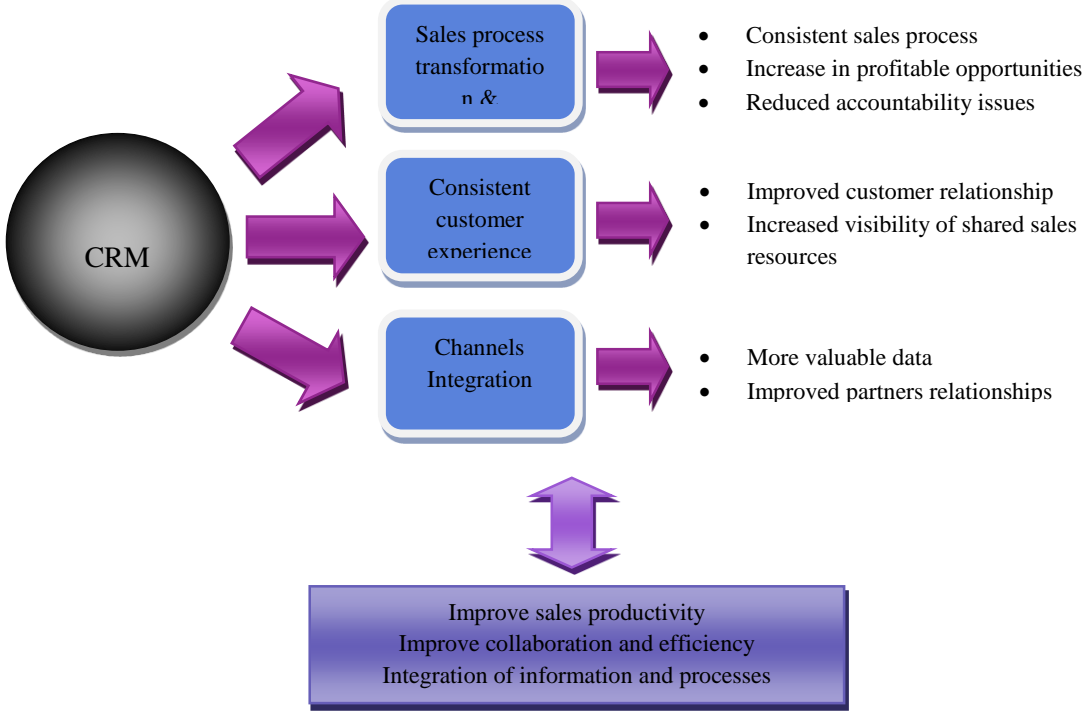
In the B2B sector, the strategic objectives are translated into solutions for business needs considering the importance of mobility and how it affects productivity and the interaction with customers, suppliers and partners. Enterprises are demanding for more than just mobile solutions but a complete portfolio of integrated products and services that facilitates the way of doing business. Innovation is characterized by the unification of communication services, clouding and M2M for small and medium size enterprise, large and multinational corporate, and carriers.

3.1.3.1   Standard Sales Framework

As part of the business strategy, the company is implementing in the different countries an educational program to implement a standard sales process. With this, they aim to sell the value of the brand joined to the telecommunications solutions, to transmit the customer-oriented strategy and to standardize sales process based on an only sales automation system. It includes different programs and strategies considering different factor that affect the success of the sale and together configure a sales philosophy. As part of this sales philosophy, there is an "ideal sales process" framework.

The ideal sales process is a planning guide, a method for measuring a sales progress in the sales cycle, a guide for identifying risks and a tool for avowing to waste resources on wrong sale opportunities. It is made of six phases:

1. Identification
2. Qualification
3. Proposal
4. Negotiation
5. Closing
6. Implementation

The implemented CRM supports this framework and its functionalities allow the vendor to develop the sales process following this phases. The implementation project is part of the aim of standardizing sales process using a standard tool. It aims to bring consistency across the organization and simplify sales team activities addressing the key goals of the company's strategy.

3.2   CRM System Description

The implemented CRM platform is the CRM with high user adoption rate and the Internet's leading cloud technology provider[9]. It is a CRM platform that brings together different services into one family of cloud services: Sales Cloud, Service Cloud, Data Cloud, Collaboration Cloud, Analytics Cloud and Custom Cloud.

According to the vendor, it has the following main capabilities: decision support (prioritizing customer issues, training for new sales people, forecasting, and providing on-demand reports), dashboards, trending analysis and benchmarking, lead/opportunity management analysis, and activity management analysis. They guarantee to offer a "comprehensive suite of tools, complete with impressive customization options, which are guaranteed to support any sales process" and to help

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[9] CRM's website

their customers to transform themselves into "customer companies" by empowering them to connect with their customers in entirely new ways.

In (28), Wong and Kao define the CRM as an Internet-based CRM system that provides services for the management of the relationships and lifecycles of partners and customers in organizations of every industry. Its main difference with other commercial CRM systems in the market is the fact that it does not require the installation of any software but just the acquisition of the license and the creation of an account that allows login using specific roles. Therefore, it is considered as a fast, easy to use, and effective system that allows simple navigation and customization to suit individual preferences and needs of businesses.

It offers six editions: Personal, Group, Professional, Enterprise, Unlimited and Developer. The first one is designed for small businesses were one user account is enough for managing customers' relationships and the former one is used to develop applications aimed to extent the functionalities of the system. The differences among the remaining four versions are focused on the size of the business and additional functionalities that require extra fees (28).
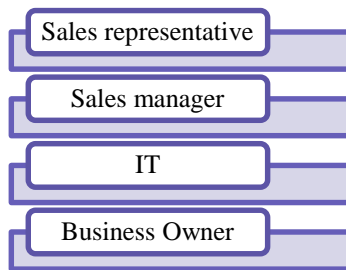
Figure 11. CRM Roles

According to the main functionalities of CRM systems described before and enabled by the functionalities and roles of the CRM, the principal users of the systems are:

Sales Responsible	•Management of leads, accounts, contacts, and opportunities
Sales Manager	•Track team activities, realign territories, efficiency
Channel Sales	•Track relationships with current and potential partners
Partner	•Improve channels management and relationship with vendors
Marketing	•Impact of the sales and ROI measurement •Campaigns management
Customer Service	•Management of customer issues •Improve team productivity and self-sufficiency
Executive Team	•Measurement of the overall business
CRM Initiative Team	•Customization, configuration, maintenance and implementation

In the same way that (12) proposes three pillars of the CRM, (28) identifies three pillars as the base of the CRM: Sales, Marketing and Customer Service. With this in mind, the main features of the system are classified according to the functions related to the solution and improvement of CRM processes and the factors that allow its integration with other tools and system used by organizations. In the following table are summarized the basic features of the CRM system at high level.

Feature	Function	Description
Solve Business Challenges	Understand the customer	Use customer data to develop valuable solutions for customers
	Centralization of contacts	Centralize and organize information about accounts and contacts
	Expansion of channels	Plan, manage, measure, and improve lead generation
	Reports consolidation	Forecasting with coherent and updated data
	Team work	Standardization of processes, definition of roles, responsibilities, and teams
	Collaboration with partners	Better insight of current and potential partners. More visibility of marketing efforts
	Competitive analysis	Track competitors and develop action plans
	Customer service improvement	Efficiently capture, manage, and resolve customer issues
	Accessibility and availability	Access and manage critical information everywhere, at any time
	Measurement	Make informed decision at all level of the organization
Extension of the value chain	Synchronization with Outlook	Synchronize Microsoft Outlook information into system's records
	Integration with the web site	Capture leads and cases and route to the right place. Enable customer self-service options
	Connection with external web sites	Customization of external links
	Integration with other applications	Integration other current business applications
	Business processes management	Customization of applications for specific business needs through AppexChange platform. Beyond CRM

Table 2. Description of CRM's high level features[10]

In order to understand how this system works, (29) describes the main operations involved in the execution of the functions mentioned in the previous table. Each operation is defined as a task that can be performed depending on the type of user and security permits.

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[10] Beldi, Cheffi, Dey. Managing customer relationship management projects: The case of a large French telecommunications company. December 2009

Accounts Management	Contacts Management	Leads Management	Opportunites and Products Management
• Add, delete, view, search, share, teams	• Create, edit, view, search, request	• Create, delete, find, share	• Management of products, prices, forecasting

List views	Activities Management	Email	Letters and Mail Merge
• Identify, create, edit, delete, print	• Scheduling, control	• Send email, send mass email, templates	• Templates, standard, extended

Documents Management	Campaigns Management	Reports and Dashboards	PDAs
• Update, view, search, create, delete	• Set up, Google AdWords		

Integration with Outlook	Extending with AppExchange	Database Management

Figure 12. CRM's main functionalities

3.2.1 CRM Capabilities

The consistency among the different business units of the organization permits the improvement of the main activities involved in the sales process. The project was focused in the implementation and deployment of the implemented CRM that, as explained before, supports the relationships between the enterprise and customers and partners within the diverse areas of the sales process. Specifically, it was oriented towards the tasks of lead management, opportunity management, account management, pipeline management and forecasting and chatter.

"Accounts are the companies that organizations do business with, including customers, prospects, partners and competitors"[11]. In this context, they are the highest level of classification of the customers, and can be linked to contacts, opportunities, tasks, contracts, among others. Account management means the addition, deletion, edition, and consultation of accounts. Sas.com offers also tasks for creating sub accounts, referring to a division of a main account, and account lists. Furthermore, information of every account can be shared among different users in case the business is split by territories or segments, providing authentication procedures, and allowing multiple users to access by the establishment of account teams.

On one hand, leads are defined in (28) as suspects or potential customers that includes people and companies; are the people and/or entities that have an interest in the organization's products or services. Therefore, lead management refers to the registration, search, cloning, consultation, deletion, and sharing of prospective customers. When leads become actual customers, they can be converted to contacts and being associated to account or opportunity management tasks. The options provided by the CRM platform facilitate the tasks by providing faster and more integrated processes.

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[11] (28)

For example, one of the main characteristics of lead management services is the possibility to retrieve, fast and easy, the search list of leads. In addition, it allows the collaboration among the tasks letting to share leads among different users of the work - group, and lets the management of duplicated records by operations of search and merge (29).

On the other hand, opportunities are the "deals that are pursued to drive revenue for the company. In other words, correspond to potential revenue-generation event related to an account. Open opportunities constitute the pipeline and opportunities can contribute for forecasting"[12]. In other words, opportunities are the possible stars of businesses and represent the future of every enterprise. Being able to track them, is one of the most powerful functions offered by the CRM since they pursue the future profit of the organization and can help to successful close a sale. They can be associated with activities, contacts, partners, competitors, marketing campaigns and their effectiveness in the ROI. The creation of a new opportunity should comply with the requirements set by the system configured according to its needs and the characteristics of the industry. Once created, it is possible to link it to one or more products that are related, at the same time, to the price books of the enterprise and to the specific players involved in the sales process.

Therefore, pipelines are "the sum of all open opportunities in a forecast period", and list the deals that will help the company to achieve the sales targets (28). Since not all them in the pipeline can be closed, it is important to have enough deals to be able to achieve and/or exceed goals in a given period. Following this idea, pipelines include the complete set of opportunities that are not yet closed and create the base for performing forecasting insomuch as forecasts are generated from the opportunities. By managing company's opportunities, automatically is being contributing to the forecast and by doing this in a regular base, better measures on individual revenues, targets and goals can be achieved. Sas.com associates every opportunity to a forecast category as can be seen in the following figure, where opportunities can be classified in five groups: closed, commit amount, best case amount, pipeline, and omitted from forecast; referring to the opportunities won, the ones that will be generated, the opportunities that can be bring in if everything works fine, the sum of all, and those that are outside the forecasting process. Moving through the sales process, opportunities can be updated according to their lifecycle.
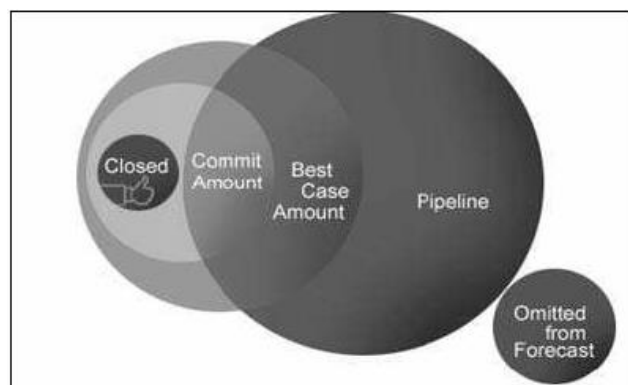
Figure 13. Forecast categories[13]

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[12] (28)

[13] (28)

Finally, cross function capabilities include those functionalities provided by the system that are used horizontally along the whole organization as the calendar or email synchronization with other platforms as Outlook. The collaboration among cross-functional teams is facilitated by the use of social media, which serves also as a customer insight tool.

The following figure shows the generalization of the main capabilities implemented by Sas.com within the sales process, divided in three types according to its function:

Sales Execution	Sales Execution Support	Cross Function
Lead Management	Account Management	Calendar
	Pipeline Management & Forecasting	
Opportunity Management	Marketing Management	Team Collaboration
	Reporting	Email Synchronization
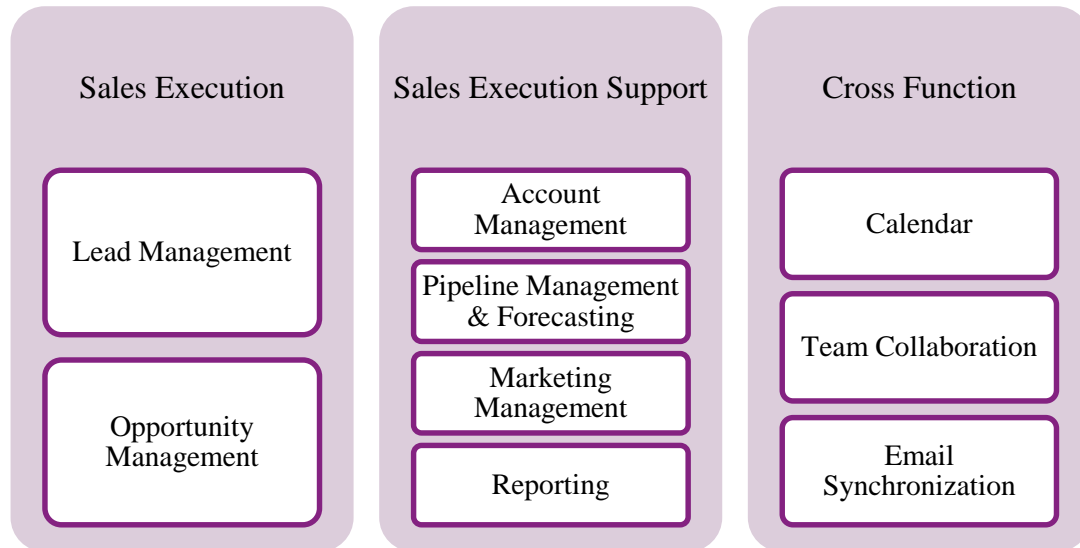
Figure 14. CRM's Capabilities

3.3   Project Implementation

The project began on Italy on the last trimester of 2013 on the B2B segment. The decision was made as a requisite from the Enterprise Group to use the same system on their different Operational Countries and was launched on Italy on December 2014.

As the program is funded by the Group Enterprise, it has to be aligned in every single country with some general requirements established by the Group and followed by a transition phase to apply local requirements that consists on integrating the local systems towards the global system. It caused a change for Sales and Channel Strategy team, who had to change their day-to-day operations in order to adapt to the new system.

The project implementation development structure consisted on four main phases from defining the scope of the project to the onboarding and transition and are described as follows:

1. Baseline definition: comprised the definition of the scope of the system and involved a group for the technical design and a group to guarantee the system's goals where covered (Demand Authority Board).
2. Scope CRPs: consisted on the confirmation of the defined scope and the review of proposed high effort solutions followed by a local review. The local review makes adjustments and identifies integration needs that will be implemented. The Demand Authority Board issues an escalated issue resolution that will guide the implementation.

3. Project Initiation Development: is the analysis that identified the critical requirements and the planning of the system's roll out. It includes the assessment of the launch readiness and the critical business legal, tax and regulatory requirements.

4. Local Market Onboarding & Transition: Critical business and tax/legal/regulatory requirements are submitted to the global Demand Management Authority (DMA) team with justification. They were reviewed to ensure alignment with CRM's design principles. The on-boarding team supports the market in adjusting local process and organization to accommodate other needs using the global solution provided. The local demand management team will manage impact to local systems and organization. This process is supported by the project manager and is the more critical phase for the Company. The Global Group Enterprise assigned each market to an on-boarding wave, which is followed by an operational market-owned transition phase.

    4.1 On-boarding wave: uses a global template, funded by the Group and with the support of a consultancy company (to facilitate the project) and a market leader plus key representatives, jointly participate and bring the system "Ready for Service".

    4.2 Transition: starts with the integration of local systems towards predefined integration points of the CRM, the market is in charge of scoping and driving the integration effort. The duration of the transition phase depends on the complexity and volume of local requirements, the local market funds its own integration activities.

At the beginning of the project, it was necessary to communicate and agree the change with the stakeholders and workers to be affected by it. It started from the top, with the integration and awareness from key executives and a commitment from their side to go-live data. Followed by fully briefing sales senior managers and sales professionals to understand the impact and be aware of the go-live date; at this point began the handover from engagement and preparation to Project Initiation Document (PID) creation. After the document was ready, the next step was the signed-off, it included to complete workshops and the approval by Group and different affected departments from the company (marketing, business and technology) and end with the handover from planning and discovery to build and launch preparation. The system is considered ready for service when having the CRM platform deployed to all Sales Professionals and Sales Managers, handover to launch team.

3.3.1　Project Objectives

Generally, the project aims to implement the CRM's Global Template while meeting local requirements. The objectives of the project where defined by the Group in order to assume their responsibility as Group Enterprise to best-manage the implementation of the launch:

- On-board Italian market on the CRM's Global Template with minimal impact on day-to-day sales operations.
- Maintain standard functionality with minimal customization.
- Identify and mitigate all downstream system/process impacts as a result of CRM's deployment.
- Ensure that the data migration strategy and execution provides a single view of the global customer account which is accessible by the Company's sales organization
- Creation of a combined sales pipeline among the different countries.

- Adoption of the new instance of CRM across the sales teams to realize the business benefits
- Clear model defined and implemented for in-life support and maintenance

The CRM's program aims to standardize the sales process for all customers using a standard tool and as the implementation of a new IT in a company is a complex and challenging process, the project was defined carefully by the Group in order to make it an easier and successful job. They took in consideration not only the system's requirements but also the market exigencies and characteristics to adapt it accordingly.

3.3.2 Project Scope

The implementation of the CRM in the company aims to standardize the sales process for all customers using a standard tool and "to transform the Company to the best sales company in the world addressing all customers, using best process and technology throughout the sales cycle14". The project was developed in Italy in the Corporate Sales Channel in direct sales.

CRM's project addresses the key goals of the Company's strategy by bringing a consistent customer experience across Operational Countries, addressing the sales cycle from lead to cash across all channels, implementing global processes for a unified sales operation and transforming how the company sales. The offered solution by the CRM company and is based on three main principles:

- One sales process: based on one global framework able to sustain local variations due to different environments.
- One tool: with one platform and one data model that allows the consolidation of the information and processes, and their integration with other information systems.
- One team: working in cross-functional processes, within the same business and supported by the same technology.

As it is a strategy adopted by the Group Company and to be expanded to the different countries, it will standardize sales and tools and by bringing consistency across the Enterprise, aims to simplify sales team activities embedding the Company's Way of Selling across all channels and markets giving customers a "signature" experience.

The benefits that targets to accomplish for Business Units are:

- Increasing reputation of the Company and relationship with their customers by improving customer relationship and increasing access and visibility of shared sales resources.
- Reduced accountability issues with better management of accounts and decreasing effort required.
- Improved partner relationships with reduced channel conflict and margin improvement.
- Increase in profitable opportunities by having a greater ability to sell intelligently to meet customers' needs.
- Increase the ability to better plan customer interaction by having more valuable data.

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[14] Company's Presentation

- Decreasing time spent following up post-meeting by using a consistent sales process for customer interaction.

The system supports sales people through day-to-day sales activities and allows them to collaborate and share best practice and guide sales management by providing early and accurate visibility of sales activities.

By improving productivity and collaboration for end users improves sales productivity, boost win rates and therefore increase revenue.

By improving collaboration, makes that different actors stay informed about processes and then become more efficient.

Moreover, by being an internet platform, allows to quickly connect with everything they need in one location: opportunities, marketing, accounts, contacts, leads, files and libraries

3.3.3 Stakeholders

A stakeholder is anyone who has any relation or interest with an organization, product, service or a specific business issue (4) and that can affect or is affected by the achievement of the organization's objectives. Since the definition can be very broad, stakeholders' management evaluates and identifies those stakeholders that require attention according to their impact or influence in the project or business, in both, their short and long-term relationships. It measures their influence in organization's performance and in the relationship between them and manages these linkages. In this sense, customers, employees and shareholders are recognized as the key stakeholders of an organization and, in particular, a business will succeed only when it is able to satisfy customers' needs and expectations. Therefore, businesses must connect with and serve a complex set of internal and external stakeholders and their software systems must help to support the interactions between them.

In order to foresee the impact and influence of the stakeholders, they can be evaluated according to their power, legitimacy and urgency; referring to their ability to drive the company towards their own desires and interests, the assumption of their actions according to the justice and moral precepts, and their importance in relation to the time and criticality for the business, respectively. Hence, "power gains authority through legitimacy and it gains exercise through urgency; legitimacy gains rights through power and voice through urgency"[15].

In general, stakeholders' management is considered as a complex process in which communication among parties plays a crucial role and decisions are subjected to the balance between the different stakeholders' goals and interests and the business performance. From the operational perspective, the organization should create connections between its stakeholders and the business' objectives through a strategic synergy in which the shared goals are identified and solutions are proposed taking into account the different perspectives (4).

The use of a CRM for managing stakeholder's relationships is an approach used by companies that have achieved a stable business level and that manage their stakeholders' relationships in a consistent way throughout the organization. Its ultimate objective is to increase the shareholder value by exploiting their customers' relationships. By doing so, internal actors are involved in an integrated

system that allows employees to work under a same and consistent, customer centered strategy supported by technology. Every interaction with a customer is perceived as an opportunity to deliver a better customer experience and the use of a CRM helps to understand stakeholders' values and issues and identify the trends and opportunities to address them. There are many interactions between the different stakeholders of a company, and extending the CRM model to support these additional interactions and relationships becomes an essential ingredient for success.[16]

The implemented CRM affects different stakeholders inside the Company, the following and their interaction with the system are described as follows:

- Administration team: provides support to the different users of the system and are the direct connection with the CRM provider. They are in charge of solving administrative problems regarding management of information, new users, deactivating users, new functionalities, etc.
- Sales managers and directors: includes the regional directors and area managers that supervise vendors' operations. They use the system mainly to monitor sales performance of their teams and customer bases even though contained information inside the system is useful to perform different kind of analysis.
- Services teams: diverse teams inside the company that interact with vendors during the sales process to support and collaborate in the development. An example of a service team is the app development team. They use the system to be informed when a sale that needs their involvement is being developed. Different process carried out during the sales process are now being integrated with the CRM, which implies the involvement of more service teams.
- Sales people: direct users of the CRM. They are the main source of information of the system as they must enter information regarding the customers and their interaction with the company. Must use the CRM as planning tool for their sales operations.
- Marketing and campaign management users: are in charge of incorporating the on going campaigns in the system so that vendors can relate them to the sales. Marketing department uses the information contained in the system to perform different analysis.
- Sales support: team in charge of supporting vendors during the sales process regarding operational functions and transactions.
- Solution specialist: team that supports sales process when the sale involves a more complex solutions. Provides support to the vendor on its design and development and are added in the system to the team of the "opportunity" in order to collaborate with it.

3.3.4 Project Development

As said before, the project started on 2013 and consisted on four big phases established by the Group for each local market. The implementation takes place mainly during phases 3 and 4 (Project Initiation Development and Local Market Onboarding and Transitions), and are the ones where the main actors are the local markets. Due to this, are going to be the ones to be analyzed and explained more in detail.

The implementation of a CRM in a company depends on many different factors, and is difficult because call for organizational and technological changes and means on different type of changes

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[16] Extended CRM, xRM and Microsoft Dynamics CRM. P5

inside a company, the effectiveness of techno-change depends on project team performance, technology efficiency and close coordination with stakeholders (6).

During phases 1 and 2, Baseline Definition and Scope CRP, the tasks to be done where Group's responsibilities. Which include defining the scope of the system. Local market took part on it, by reviewing and identified adjustments to be done and integration needs.

On the onboarding phase, the Italian market was assigned on an on-boarding wave, which had to follow with a transition phase. During this it, legal, tax and regulatory requirements where gathered during workshops to articulate the core solutions and capture requirements to include in a formal document defined Project Initiation Document (PID). This was followed by a demand analysis and resolution where the team identified possible issues regarding integration and data migration and resolved them to develop a local market plan. This led to complete the PID template and receive the approval from Italcom Group. The PID will inform and release scope and be signed off by both Market and Group project teams. The needs to be identified included the following subjects:

- Business Processes: to identify whether a local handoff is required or local processes/organization need to be amended to align with Sas capabilities.
- Capabilities: to understand the CRM capabilities provided
- Local system impact: to assess the impact of connecting the different used systems to the defined Sas integrations points and document needs
- Data security: to identify national or contractual data privacy and data security issues to be addressed including storage, privacy, transfer and classification. It also includes reviewing legal, tax and regulatory requirements on top of business critical needs.
- Data migration: identify the data migration strategy. Local application tams will extract, convert, cleanse and enrich data to a globally defined format, whilst data stewards will be responsible for decisions on data de-duplication, validation and cleansing.
- Engagement and change readiness: to identify activities required to engage sales community and perform market readiness assessment.

Considering (6) break down of the phases of a CRM implementation project, there would be three phases, planning, piloting and rolling-out. So far, just the planning has been done, which is where the functional architecture of the IT infrastructure is defined. Next phase would be piloting, where project team, designers and users communicate in order to implement a user-friendly system. On the analyzed project, it would correspond to "Design, Build & Test Interface & Migration" period, were the steps and tasks and the actors implicated in the deployment of the CRM were identified. It meant the longest and more critical phase for the local market.

Specifically for the Italian market, they already had a CRM on use, so they had to adapt the new one to the processes that were done previously. The design, build, test and migration part, consisted on defining how the system is going to be used, the activities and processes that will support, test that works accordingly, fixing or changing eventual requirements and the migration of the existing data. In specific, some of the activities carried out were: collection of end user's expectations, technical design, customization of the CRM, controlling and ensuring the quality of systems functionalities, test on a reduced environment of the functionalities of the tool, project piloting and controlling, supporting change, training programs for sales persons, training programs for sales and services

personnel and communication with top and local managers as well as with support teams to work jointly in the piloting phase.

The next phase performed by the local team was the integration test, which consisted on incorporating the developed requirements, functionalities and migrated data into a test environment; it was done in order to assess the future deployment of the tool. The result leads to the next phase, which is a test environment deployed to be tested. The local team started a testing phase to de-bug and check the right functioning of the specifications of the system. Some of the performed activities where: improving technical characteristics of the CRM, evaluations and improvement of end users' experience, translating issues, developing training strategy and material, evaluation and stabilization of the functionalities of the tool.

Between the testing phase and the go-live, the training was held. It included training sessions for all the sales force, which was done by the project team and providing training material as well as future support in case of having any issues.

When the testing phase was over, and the system was ready to be launched, the steps to follow where similar to the integration test ones but with the difference of having errors improved and all main functionalities working correctly. The final data migration was done (and it included a data extraction, validation and cleaning processes), followed by the general communication of the launch of the system to the stakeholders and finally the go-live day at the beginning of December 2014, the official launch of the CRM.

It caused a change for sales professionals, who had to change their day-to-day operations in order to adapt to the new system, so it was necessary to take mitigation strategies to manage change and provide on-time support so that sales professional, which are the most affected stakeholders, became familiar to the system.

3.3.5 Project Team

The project development involved three different teams, each of them with different roles and responsibilities in order to make it coherent with Group strategy but also to meet Local requirements and to manage the different challenges that the implementation of a new system in a company can bring:

Group Enterprise and Group Technology

Refers to the participants from the Group Enterprise division, they are the link to global program team. The CRM implementation was done as a requirement from the Group Enterprise, so they are in charge of setting the parameters that the project must have in order to be aligned with Company's strategy. They are in charge of developing the CRM's global template, managing the change requests of the system and must provide leadership, governance and alignment of the market program with the Group program. When the local market develops the approach and requirements to take, it has to be approved by this group and they lead environment planning for integration test phase. The key members of the global team are:

- Sell Demand Management Team: works with the Company's Markets on all of their change requests. They then translate those small or big requests into a delivery via monthly Fast Tracks or Quarterly Releases.
- Global Business Support Team: The Global Business Support Team is there to support the Local Business Support Teams with any issues or changes that the Company wishes to have.
- Business Change Team: The Business Change Team assess requirements from all releases to ensure that the support processes and end user training materials are kept up to date and that markets are kept informed via communications.
- Data Quality Management Team: The Data Quality Management team is responsible for the development, documentation and maintenance of data quality goals and standards.

Local Market

Are in charge of leading all local market on-boarding activities and manage impact to local systems and organization, is responsible for the implementation of the CRM. Since the management of the Local Market Project, plan to own and sign off local functional, technical and integration design and align it to global templates until the built of the implementation. For the right implementation, it is necessary to do manage and execute testing activities and data cleaning within the migration phase. Local Market must also manage budget for any local deployment costs (training materials and costs, local system changes, resources, etc.). The members of the local team are:

- Corporate Sales Channel Strategy Manager
- Project Manager
- Project Manager Support Team

On-boarding Team

It is the external company whose function is to support day-to-day operations and facilitate the project initiation. They are in charge on guiding required activities to ensure alignment with global plan and provide IT input for adoption activities, manage local market engagement during design phase and ensure liaison between local markets and global team. On the Global Market's side, are in charge of sponsoring the program, leading business enablement, supporting business readiness and leading the Company's way of selling strategy, and on the Local Market's side, they are in charge of leading the business readiness for the project and the business unit, this includes to onboard local markets and drive PID completion.

4 ANALYSIS

Contains the examination of the business case according to the proposed structure. Starts by explaining the methodology of the analysis to contextualize how it is performed and continues with the business process analysis and the application of the strategic CRM framework. Closes with the development of a CRM Balance Scorecard to monitor performance.

4.1 Methodology

The analysis to be performed aims to identify possible improvements and issues in order to implement effectively the CRM in the company, to understand its potential benefits, how it fits with relationship marketing, customer management and how it behaves within organization's structure.

The analysis is structured following a strategic framework developed by Payne, Adrian on his paper "A Strategic Framework for Customer Relationship Management". CRM is positioned at a strategic level and involves five key generic cross-functional processes: strategy development, value creation, multichannel integration, information management, and performance assessment. Each of these processes is tackled in order to develop an evaluation and analysis towards achieving success with CRM strategy and implementation as well as key elements within each process. Different literature was reviewed and used to complement Payne's framework and to approach the different processes. Not all processes are approached with the same depth due to the limited scope of the project, but recommendations for the company are made in order to continue with it.

Before applying the strategic framework, the business process involved in the implementation of the project is analyzed following a business process mapping approach. It helps to contextualize how the CRM technology affects the organization and vendors' day-to-day operations, which are the main user and stakeholder of the system.

In line to make the most of CRM systems, there must be cross-functional integration of people, operations and marketing capabilities and must be led from the top, it drives and delivers a customer orientation.

The research of the framework was done based on large industrial companies, which fits the type of company of the study. To date, as mentioned in the paper, this framework has already been used by companies to "address several issues, including surfacing problematic CRM issues, planning the key components of a CRM strategy, identifying which process components of CRM should receive priority, creating a platform for change, and benchmarking other companies' CRM activities" by working in a logical, coherent and strategic mode to unlock the potential of a CRM.
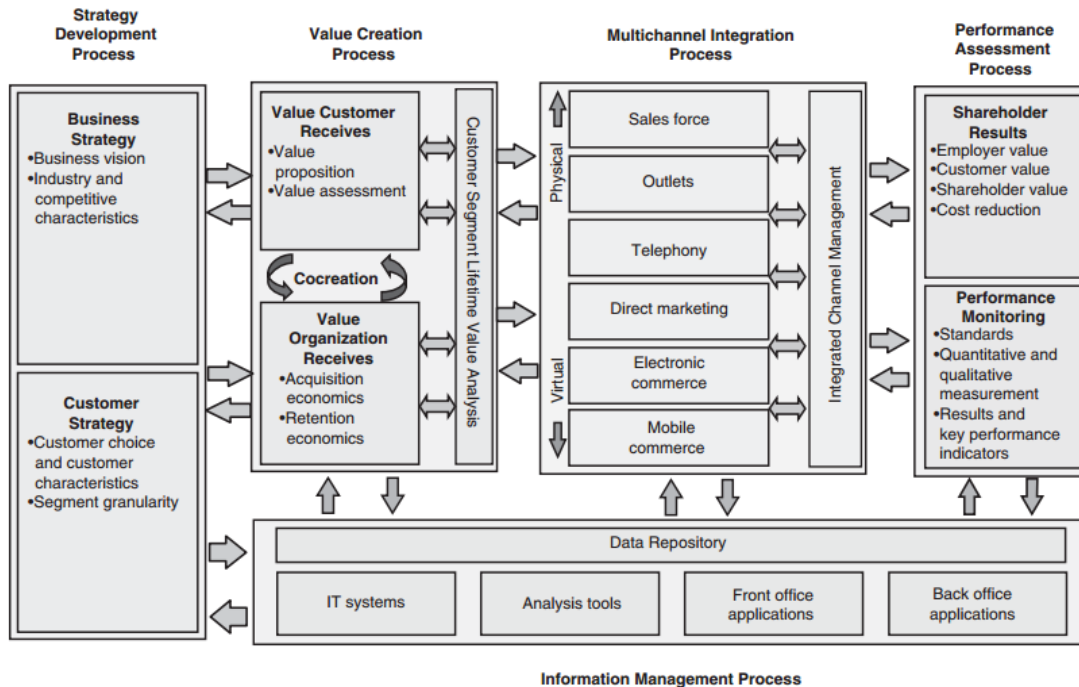
Strategy Development Process

Value Creation Process

Multichannel Integration Process

Performance Assessment Process

Business Strategy
- Business vision
- Industry and competitive characteristics

Customer Strategy
- Customer choice and customer characteristics
- Segment granularity

Value Customer Receives
- Value proposition
- Value assessment

Cocreation

Value Organization Receives
- Acquisition economics
- Retention economics

Customer Segment Lifetime Value Analysis

Physical

Sales force

Outlets

Telephony

Direct marketing

Virtual

Electronic commerce

Mobile commerce

Integrated Channel Management

Shareholder Results
- Employer value
- Customer value
- Shareholder value
- Cost reduction

Performance Monitoring
- Standards
- Quantitative and qualitative measurement
- Results and key performance indicators

Data Repository

IT systems | Analysis tools | Front office applications | Back office applications

Information Management Process

Figure 15. Conceptual framework for CRM strategy (30)

"Specifically, CRM relates to strategy, managing the dual-creation or value, the intelligent use of data and technology, the acquisition of customer knowledge and the diffusion of this knowledge to the appropriate stakeholders, the development of appropriate (long-term) relationships with specific customers and/or customer groups, and the *integration of processes across the many areas of the firm* and across the network of firms that collaborate to generate customer value" (p. 6).

The framework was developed using an interaction research program including: a group of 34 experienced executives independently selected by the director of a leading European research and development institute specializing in the CRM and IT sectors; interviews with 20 executives working in CRM, marketing and IT roles in companies in the financial services sector; interviews with six executives from large CRM vendors and with five executives from three CRM and strategy consultancies; 35 workshops with 18 CRM vendors, analysts and their clients; piloting the framework as a planning tool in two global organizations in the financial services and automotive sectors; and using the framework as a planning tool in two companies – in global telecommunications and global logistics - six workshops were held in each of the latter companies. Considering this, the context and development of the framework fits the analysis done in the research and is taken as a model to be applied on the implementation of the CRM technology.

As final analysis, it is developed a CRM scorecard to measure CRM performance. The last process of the conceptual framework is the Performance Assessment and includes assessing shareholders results and performance monitoring. It was applied on the analyzed division, a model developed by (31) that takes the traditional balance scorecard and adapts it to measuring the performance of CRM. It is developed a CRM scorecard to evaluate the performance of CRM system.

4.2   Sales Process Analysis

The sales process carried out by vendors has to follow certain procedures during its development. It is a complex process due to the type of customers (B2B) and involves interaction of many actors that take different roles on it. It did not had a standard structure and it led to inefficiencies in the development of the sale. The company decided to establish a standardized framework in order to improve it and make it efficient. The framework established by the company and its purposes are explained in detail in chapter 3.1.3.1.

The implemented CRM technology supports the application of the framework and directly affects the sales development process. The not-standardized sales process was analyzed to identify criticalities and improvement possibilities. The analysis was done taking into consideration the strategy of the company, the new implemented CRM technology and the established framework. The identified criticalities are listed below:

- Unstructured process: the company did not use a defined sales process. Research conducted by Vantage Point Performance and the Sales Management Association revealed that companies with a formal sales process generate more revenues (31). The article (31), lists as one of the three best practices to achieve a high level of success in sales to clearly define the sales process. The sales process was very flexible and there was almost total freedom for the vendor on the approach to take with the customer, which could led to transmit incoherent messages to the customers and affects the quality of the service. As it is not standard, there were great divergences in the sales process quality depending on the ability of the vendor to do his/her job.
- No process measures: there was not a structured set of measures to monitor process' performance. Existing measures were just oriented at measuring goals and results of sales (related also to remuneration and incentive system). Remuneration and incentive system should be aligned to business process measures.
- Lack of medium-long term perspective: the information registered in the previous CRM is not enough to track and plan effectively future events. This criticality creates several problems especially when the sales process lasts some months, losing important hints on the way and reducing the effectiveness in closing important deals. The average lasting of a sales process is one or a pair of months and time increases with the complexity of the deal, more complex deals are regularly more profitable.
- Unclear governance routes: There are between zero and four major checkpoints on deals where approval is required depending on the size of the deal but they are not clearly established and there are multiple approvers, which leads to inefficiencies in the process.
- Unclear designation of customer's actors: even though the customer has been identified as a single actor, it is a Customer Company (B2B) and different people from its side intervene during the sales process. Normally, not much attention is paid to this part although the importance of knowing the different actors while, for example, defining the negotiation and closing strategy.
- Inexistent profit analysis for the customer: After the implementation of the service, the process ends here without giving to the customer an analysis of the benefits that will get from

the offer acquired. This would be interesting to engage and build loyalty between the customer and the company, improves customer experience and probably retention.

- Lack of internal coordination and planning: Sales Professionals need support from other departments to design the offered solution to the customer, especially in complex projects and there is not a defined process for this coordination, which leads to bottlenecks in the internal processes and inefficient sales process.

4.2.1 Process Mapping

Corporate sales process changed to a standardized outline designed by the group company. It aims at establishing a sales framework supported by the implemented CRM across all different countries to become Mode of Operation for sales. The new CRM aims to support the process and is an instrument for the vendor to track and guide its sales according to the framework.

The Company must adapt this general configuration to its current business and sales structure. The process mapping was done according to how a regular sales process must be carried out following both the framework and Italy's corporate sales processes and operations. It is a proposed model to view how a sales opportunity must be developed and its interaction with the CRM system. The complete sales process involves more steps, departments and the use of other information systems and the mapped process corresponds just to the development of the sale. Additional steps like configuring the commercial offer in operative systems, submitting and managing the order and other back-office activities are not included.

The mapping is divided in the six developed phases in the framework, the process flow and map was developed for each of them. The description of the process is explained below, followed by the activities included in each of the phases and the BPM.

1. **Identifying:**

Consists on identifying possible customers and performing a set of activities in order to identify the potential opportunities at the right level. This takes the vendor to perform an analysis of the client, identify value areas, identify the ideal first contact in the company, and grow a strategy to perform, organize the initial appropriate meeting and evaluate the customer requirements.

Starts with the identification of a possible customer. It is done by an activity called Lead Tracking and can be as result of marketing events, campaigns, databases, people the sales professional already knows, partners, clients or consultants from current clients. The tracked leads, become part of marketing contacts databases and must be registered in the CRM system. This is the Lead Registration and consists on getting into the system the basic information about the Lead; each lead is automatically assigned an owner, the vendor that entered it on the system. Sometimes, the vendor requires the approval from their superior in case another colleague has already had an interest in the same customer.

Sales professional must analyze their situations in order to identify a possible contact inside the company and develop an approach to take. If a contact inside the company is made, the lead turns in a Prospect account. The prospect information is also registered in the CRM. Next step is to contact the customer to develop a sale strategy. A sale can be done to two types of customers: new customers

or could be the renewal of the contract of an existing customer, which also has to be looked after in order to avoid the competitors to take out the client from company's customer base.

Activities:

- Lead Tracking: the sales professional identifies a potential customer. It is done by searching companies that might have an interest on acquiring company's services.
- Lead Registration: basic information about the lead is registered in the CRM system by the sales professional.
- Lead Analysis: research about the potential customer to develop an approach to follow. In some cases if no sale opportunity is identified, the process ends here.
- Lead conversion: if an opportunity is identified, the lead becomes a prospect account. It is identified in the CRM system with company's VAT number and assigned to the sales professional that gets it into the system. If it is already registered in the system and belongs to a different sales professional, authorization must be required from director.
- Basic requirements definition: first contact with customer happens and this has exposed its necessities.
- Prospect Analysis: sales professional identifies if there is a possible offer to make to the company by identifying an opportunity.
- Deal Registration: once a possible deal is identified, it must be registered in the CRM system as an identified opportunity. If the vendor identifies a possible sale in an existing customer by renewing a contract or offering new services, then the sales process starts here (for new clients the process starts with the Lead tracking).

2. Qualify:

Is about undertaking a commitment to a Joint Action Plan and making a suitable solution for the customer. More analysis are carried with the customer out to move forward in the status of the opportunity and develop an attractive offer. Along with other actors and the customer, a Joint action plan is elaborated.

The process continues with the qualification of the sale, which is called an Opportunity. An Opportunity is the activity related to the customer with a commercial intention aiming at finding the best commercial offer for the customer. The opportunity must be registered in the CRM system once the vendor has recognized it in order to keep track of the on-going sale process.

If it is an existing customer that will renew the contract, the vendor must qualify the opportunity for the new contract. This activity is carried out jointly with the help of sales support, which helps the sales professional during it. As part of the qualification phase, the vendor has to develop a value strategy for the customer, it is done with the support of other teams involved and all the people who will work on it became the "Opportunity Team".

Next step is to design a solution and check out its feasibility for the technology department. The vendor may need support from other areas of the company depending on the type and complexity of the solution, i.e. technology department and solution specialist. Once the vendor has a feasible customer order designed, he/she can elaborate the Joint Action Plan along with the customer and in some cases members of the "opportunity team".

Activities:

- Opportunity qualification: Is the activity that turns an identified opportunity into a qualified one, which means that it is valid for the customer interests. For this change, the vendor adds more information about the customer in the CRM system.
- Value Strategy and solution development: Sales professional might need in some cases support from solution specialists and sales support, which are added to an Opportunity Team in the CRM so that they can participate in the development of the offer. This activity consists on developing an attractive offer for the customer and introducing it in the CRM system. The value strategy is the approach to take with the customer to offer what he needs based on predefined specifications of the solution and including technicalities, in order to start the conceptualization.
- Determine Customer Order Feasibility: Once the solution is designed with the requested set of services, it is studied by the tech. department and becomes a customer order. If the designed order is feasible for the Technology department in terms of time and costs, the next step is unblocked; otherwise, the technology department proposes a feasible alternative that will be presented to the customer. The customer order must be registered in the CRM system. The vendor sends the solution to the customer for a first evaluation.
- Joint Action Plan Elaboration: the vendor designs and define the joint action plan (upcoming steps to follow) along with the customer and reach a commitment with this plan. The customer must clearly define the actors from the buying center (customer company) and their level of influence in the decision making process. Solution specialists and technology department might be required in cases of complex solutions.

3. **Proposal:**

Is the formal presentation of the offer to the customer. The vendor must prepare a proposal based on the identified requirements on the previous phases; this includes setting a price. After more revisions of the proposal, a specific business case for the customer is created. There must be involvement of the teams that would be part of the order.

It includes the arrangement of a price for the offer (that must be approved by the commercial division) and the definition of the final competitive strategy to use. The vendor should explain the possible risks to the customer and sign a risk registration document.

Along with the solution specialist team, the final proposal is reviewed and modified if necessary. Then the solution is explained to the customer and jointly define the business case. Once it is clear, the delivery Team is involved in order to analyze the requirements of the project and identify the next steps   to   follow.
All the requirements and project being defined, the vendor makes the formal offer to the customer.

Activities:

- Sales Proposal Development and price definition: the sales professional creates a sales proposal taking into account the requirements and according to the different factors that affect the success of the project and the goals of the stakeholders. The price of the offer is defined here; the commercial division must approve it. In case, the commercial division does not agree with the

price, they will answer with a suitable price and with it, the vendor develops the approach to follow. Concurrently sales support team starts drafting the contract.

- Risk Registration signature: presentation to the customer about the existing risks of the project (delivery time and technicalities).
- Proposal review and modification: the vendor has already develop a sales proposal and solution, it is reviewed with solution specialists and modified if necessary and then updated in the CRM system. Solution specialist has a bigger knowledge on technical specifications and is able to guide the vendor to make a better proposal. Modifications should be captured as well in the contract.
- Business Case definition: the reviewed proposal is presented to the customer and they define together the business case according to the customer requirements and expectations, presenting the benefits for the customer of the solution chosen.
- Delivery Team Involvement: the vendor involves the rest of the teams that will deliver the solution. They must have knowledge of: the offer, timings and requirements, to analyze them and prepare the upcoming steps
- Presentation of formal offer: presentation of the business case to the buying center actors as a formal offer.

4. Negotiate:

Refers to agreeing with the customer on what the contract will state. The vendor receives a feedback from the presented proposal and develops a negotiation strategy. In complex negotiations the price can be modified but respecting its approval process. This is the phase where the closing tactics must be defined.

After presenting the offer to the customer, a feedback is requested and analyzed. The vendor must take into consideration, monitor the competitors' actions, and prepare a strategy to face them. Collaboration with other actors might be needed depending on the complexity of the sale.

The vendor presents the contract to the customer and the output of the macro process is an agreement on whether the customer stays or leave. The owner of the decision is the customer and must take it in this phase.

Activities:

- Analysis of the formal offer: the customer sends a feedback about the formal offer presented. The feedback allows to know customer's opinion and concerns about the offer and therefore the vendor is able to evaluate the weaknesses of the offer or possible changes and applies them.
- Competitors actions monitoring: the sales professional must also consider that the customer might be evaluating other alternatives and offers from competitors, so he must take them into account
- Negotiation strategy and closing method development: consists on developing a way to negotiate the proposal with the customer referring to the strengths. This step is accomplished considering the previous requirements received and the goal is to close the offer. In some cases, if the desired strategy includes reducing price or adding benefits, the vendor must receive the approval from the director. Modifications in the price or other specifications should be captured as well in the contract.

- Sales Contract negotiation: using the developed strategy, the vendor exposes the contract to the customer and they negotiate it. The customer might decide to continue with the sale or not.

1. **Closing:**

Final contract negotiations are done and a win/loss analysis is developed along with the customer. The final specifications and agreement must be communicated to the involved teams and the corresponding resources are assigned for the handover. The output is the written contract signed with the customer.

Activities:

- Win/loss Analysis: in the negotiation, both customer and company have probably given up in some points to reach an agreement that was beneficial for both. Then, along with the customer, a win/loss analysis is done. This gives a sense of transparency and confidence to the customer and allows him to have a complete knowledge of the project for the closing phase.
- Sale specifications communication to involved teams: once all final specifications are known, the final decisions are presented to the delivery team.
- Assignation of technical resources and handover: the technology department assigns the necessary resources from the different parts of its department that will be involved in the project
- Written Contract signature: the customer signs the final contract and the deal is officially closed.

2. **Implementation:**

Is about having a satisfied customer, the vendor must monitor continuously the implementation phase to guarantee that the delivered products and services are accurate. The responsibility in the contract of both sides must be clear at the end of this phase. Some profitability analysis are done for both, customer and VF-IT.

During this phase, the corresponding responsibilities are cleared up with the customer. The KAM must create an internal document related to the project handover containing requirements and specifications about it and must be continuously monitoring the implementation to guarantee that is executed according to what stipulated in the contract.

He must work jointly, head to head with the customer to verify the delivery of the services accordingly. Finally, the vendor verifies that the revenues and profitability expected from Italcom's side are congruent with the objectives. The KAM along with the costumer carries out a ROI analysis in which the customer will find out the benefits arisen from the solution chosen. The output is a satisfied customer.

Activities:

- Clarification of responsibilities: during the implementation phase, the vendor must let the customer know the different roles and responsibilities of each part, which must be understood properly for the success of the implementation
- Internal Document creation for Handover: the vendor creates an official document containing the specifications of the project for the customer

- Implementation monitoring: the implementation is not a process that the vendor performs directly, but must monitor the process of implementing to guarantee a good customer satisfaction.
- Delivery of the service verification: once the implementation is finished, the vendor verifies that all services were correctly implemented and properly delivered
- Profitability analysis: not only the services must be properly implemented but also the sale must be profitable for both customer and company. The vendor develops a ROI analysis to show him the potential benefits that will get from the acquired solution. The output is a satisfied customer.

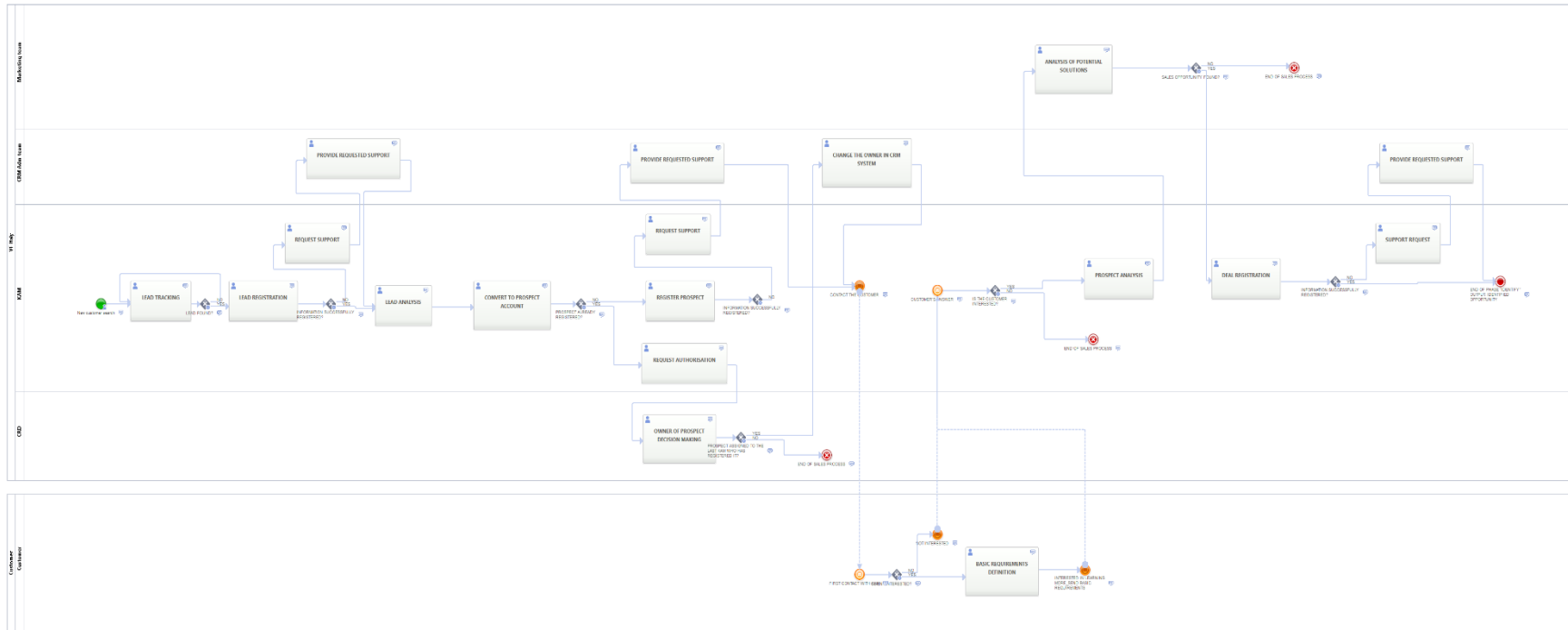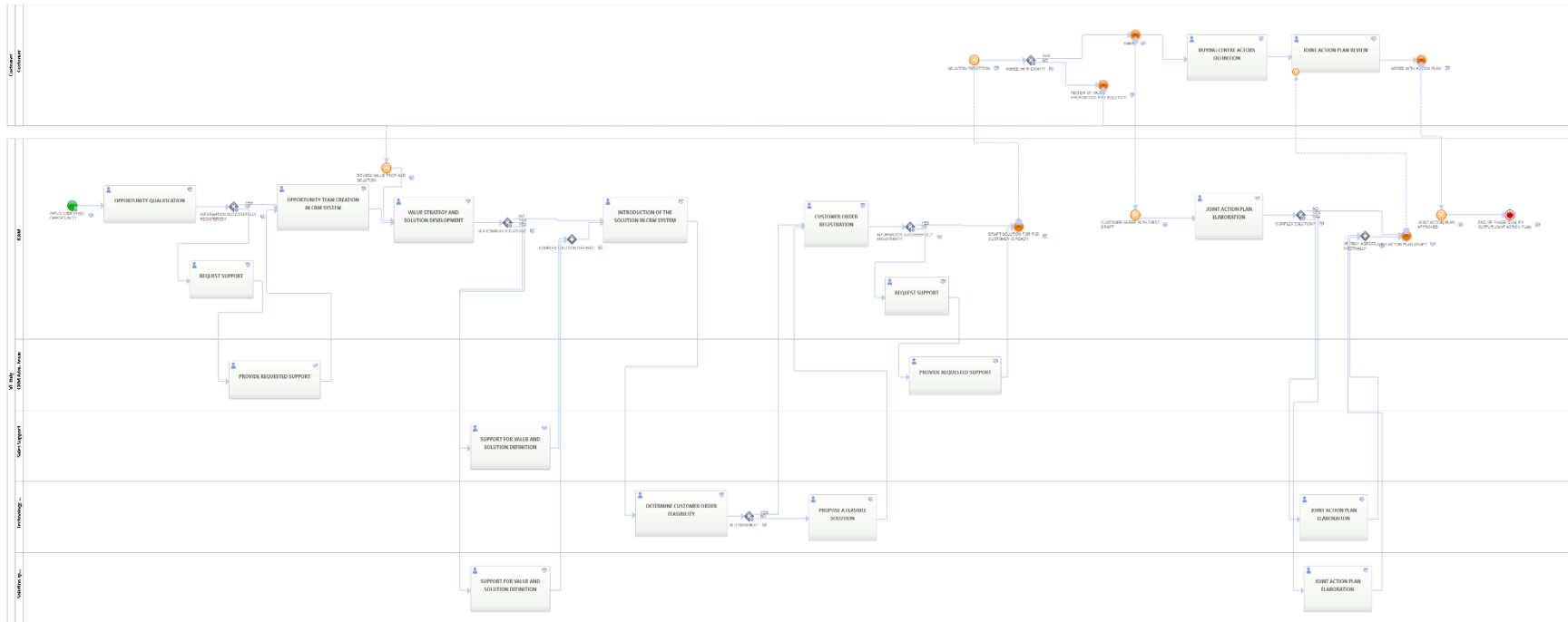**Figure 16. Identifying Process Mapping**
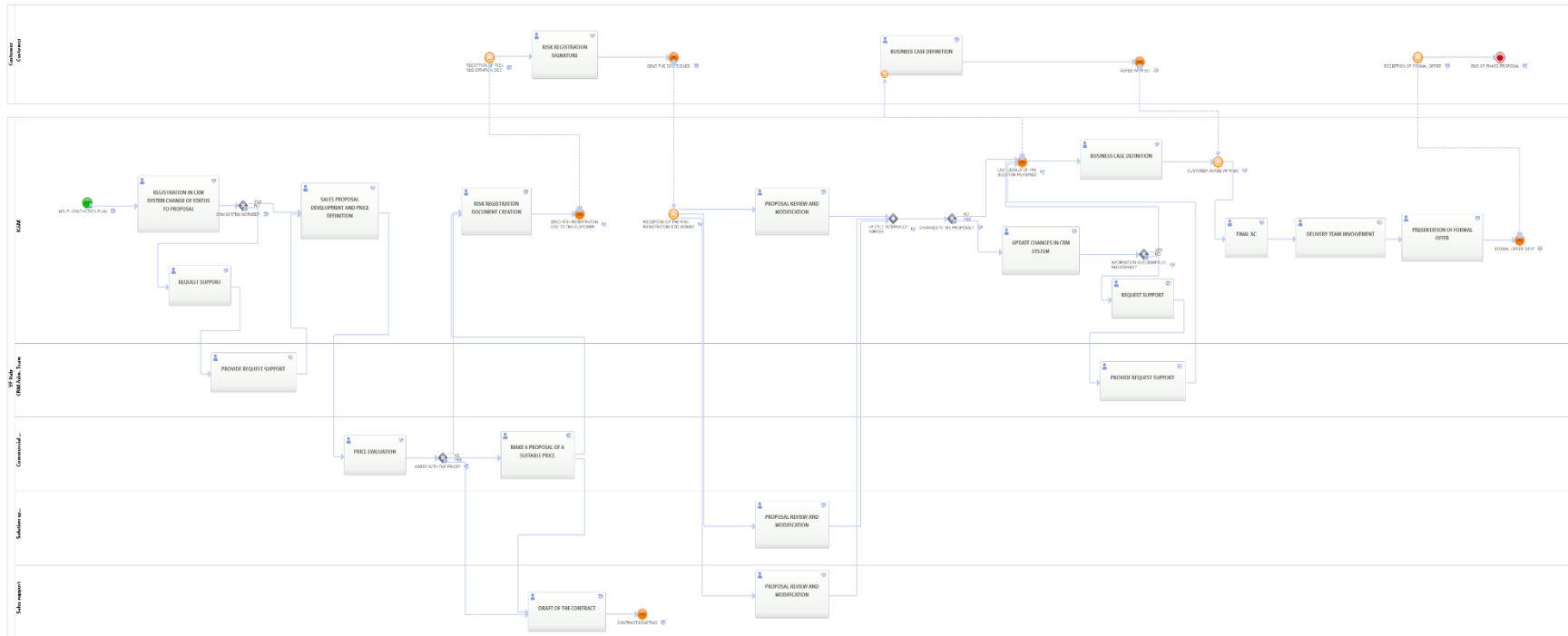
Figure 17. Qualifying Process Mapping

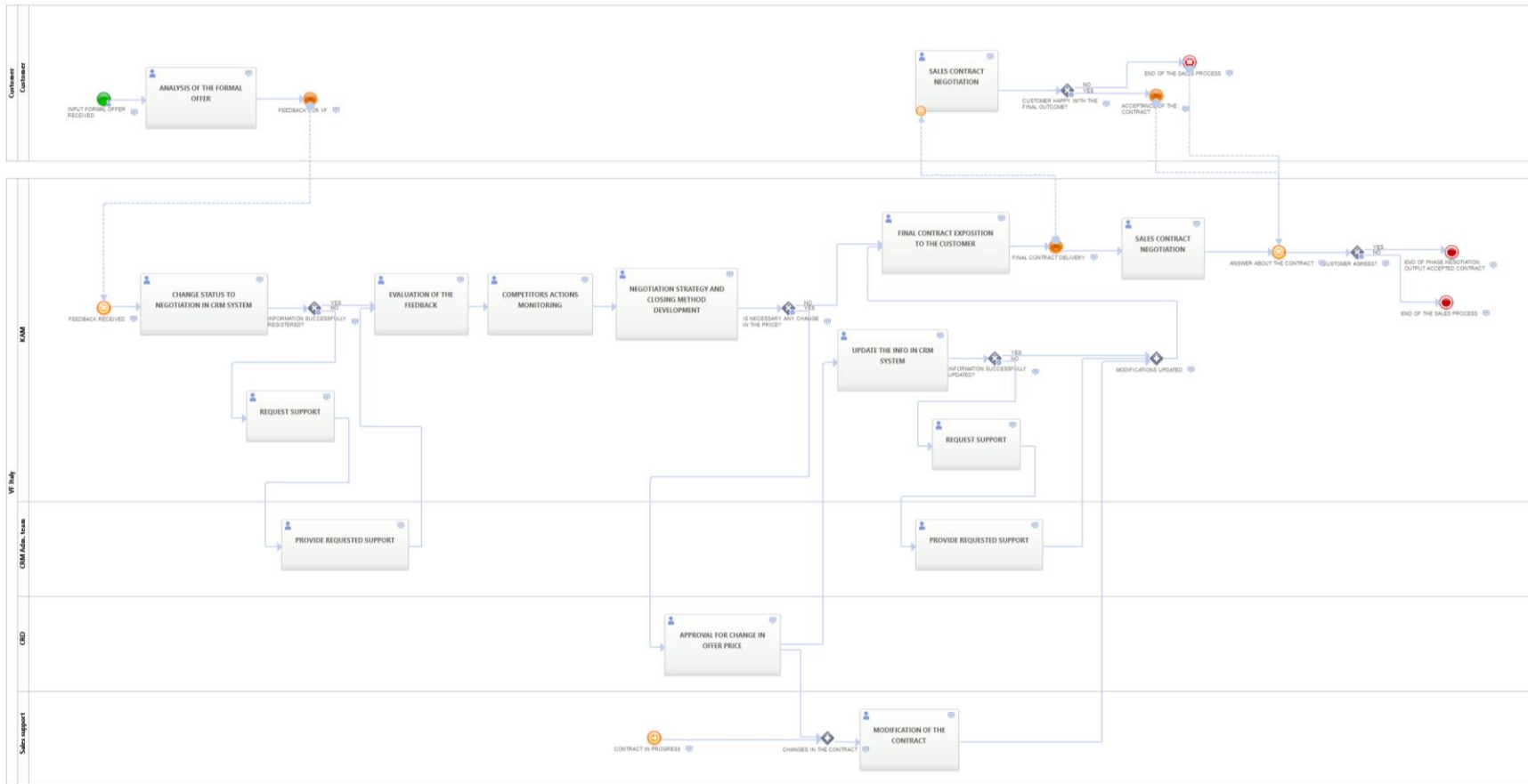**Figure 18. Proposal Process Mapping**

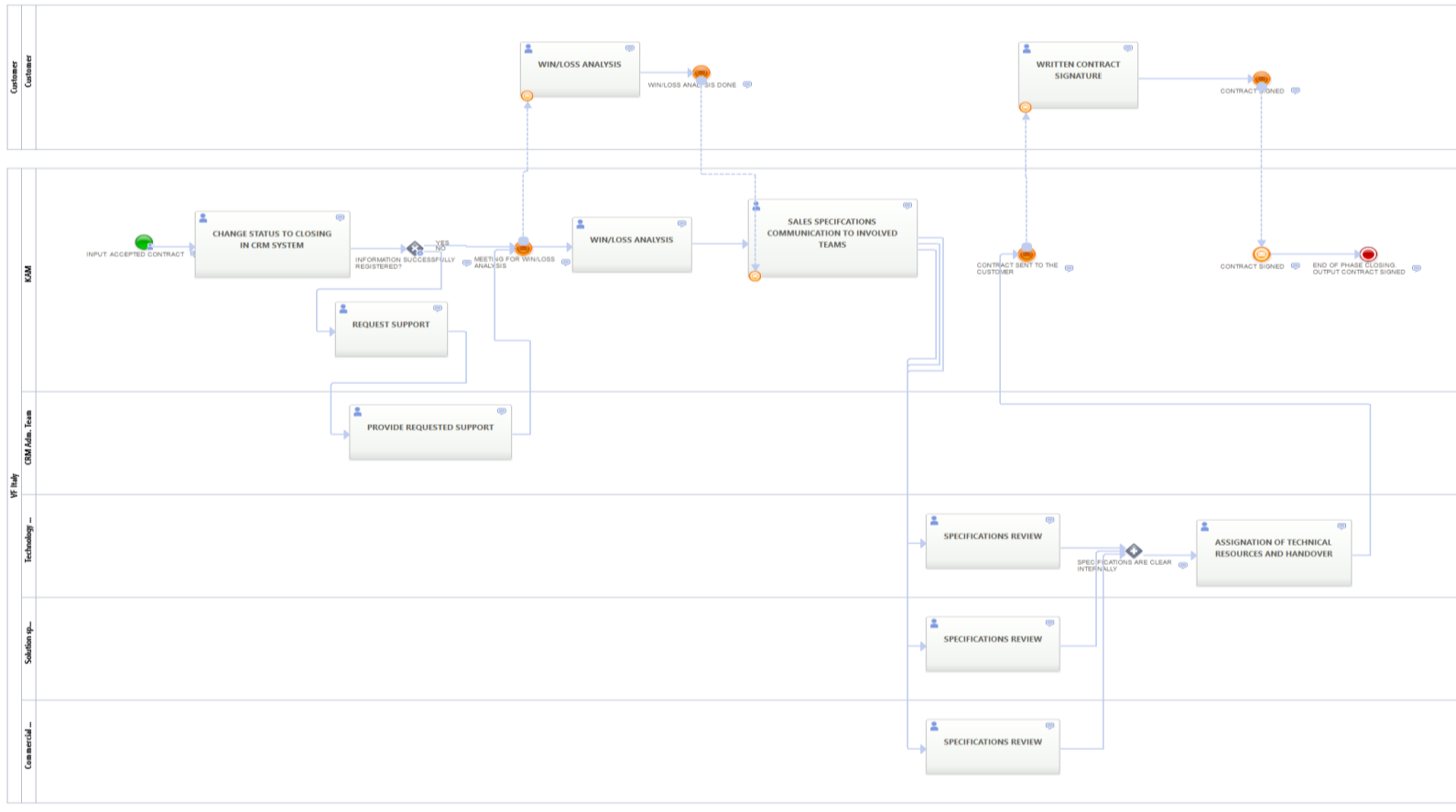**Figure 19. Negotiation Process Mapping**
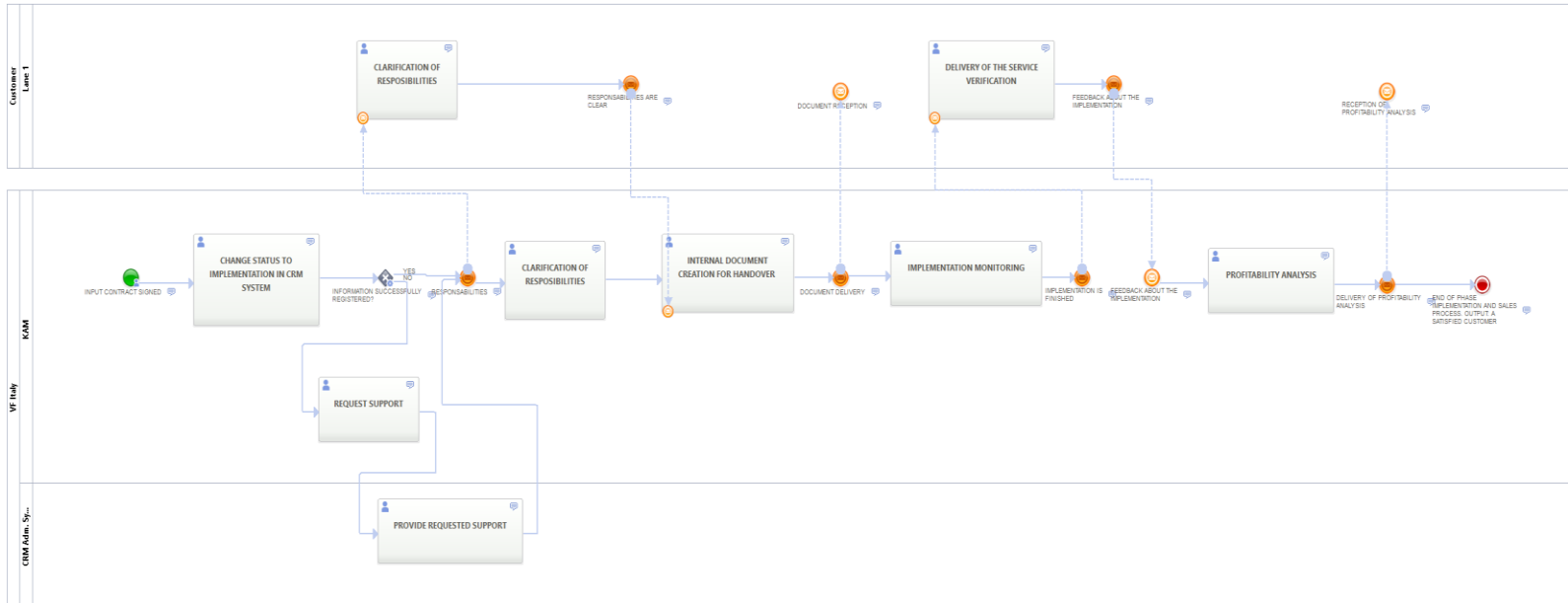
Figure 20. Closing Process Mapping

Figure 21. Implementation Process Mapping

4.3   Strategy Development

One of the main reasons of CRM projects failure is the lack of understanding and clarity of the business strategy and confusion about the role of the CRM system in its implementation. CRM systems need to be considered in the context of the organization's business and customer strategy. Business strategy must provide the enterprise a clear platform on which to develop and implement its CRM activities. Initially, it is important to analyze if the company's efforts and activities are aligned towards the same direction and at which level is this orientation known by all the employees inside the company and then, identify the key processes in which the organization, the employees and technology work together to achieve the strategic goals.

The first process stated in Payne's framework is the strategy development as a key generic CRM process. It aims at establishing the direction that the company should follow to reach its final purpose, taking into account its own capabilities and the environment in which it operates. Referring specifically to the CRM, it is necessary to understand the role of customers within the overall perspective, the goals settled according to their importance, and the actions needed to achieve these goals. In other words, organizations should understand the CRM within its business and customer strategy and which CRM activities have to be developed and implemented.

When approaching to the CRM and the enterprise sales process framework, the analysis can be narrowed to a smaller target in which the company aims to increase its offering to large and medium sized businesses, through a dedicated enterprise operational structure. The main objective is to provide integrated solutions that allow enterprise customers to have a flexible and remote way for working where convergence is facilitated by the telecommunications products and services offered. In particular, Company's CRM strategy considers the segmentation among the five segments of B2B customers mentioned in section 3.1.2: small-office-home-office, small to medium-sized, large domestic and multi-national corporate, and public sector companies but the CRM activities are oriented only towards the fulfillment of the enterprise corporate and public sector organizations. According to the type of enterprise customer, the company has developed its own sales process, taking into account the size, the requirements, the solutions provided and the whole customer experience for each particular segment, giving the flexibility asked by the market.

In this study, the VMOST (Vision, Mission, Objectives, Strategies, and Tactics) analysis is used as the methodology for analyzing Company's business strategy by identifying its main elements and setting the starting point for understanding the performance of its CRM. As it is presented in (9), through the VMOST analysis and the BRG-Model, the main elements of the company's strategy are put together under the same framework in which the relation between all them are defined according to the concepts of "means" and "ends", as shown in the following figure.

Figure 22. BRG Model[17]

When using the same approach, the main elements of the company's strategy were identified and aligned together through the links presented in both frameworks as the base of the proposed strategy map and the respective analysis among both, business' strategy and CRM process requirements. This section presents an analysis of the strategy described in section 3.1.3 and an insight of how the CRM practices are aligned with it through the understanding of the business strategy and how the activities involved within the sales process support it.

4.4.1. VMOST Analysis

The definition of the Company's *vision* is analyzed taking into account its general perspective as a global multinational enterprise that aims at "empowering its customers by providing confident connection, wherever and however they choose, allowing customer to always have access to the content and information they want"[18]. In the enterprise sector, the purpose is to become the major enterprise provider with full service offering, supported by an excellent network experience and a simplified and cost efficient business model and operations.

Becoming the best sales company in the world means to provide the best customers experience to both, consumers and enterprises, in every touch point and through every channel, enabled by high efficient and effective internal sales processes and activities. By doing this, the Company can be able to provide integrated solutions in both, fixed and mobile sectors, that surpasses the challenges of globalization and constant changes of the industry.

Because this analysis is focused in understanding the CRM function within the enterprise sales process, it is important to analyze how this vision is consistent with the overall vision of the company and its final goal. In this sense, the CRM aims at improving the enterprise sales cycle becoming a mean for enhancing customer experience and therefore, its customer relationships, by ensuring an excellent sales experience through which customers can found a solution to their communication requirements taking into account the constant technological and social changes of the market.

This situation represents the perfect scenario in which the business, its employees and technology can be combined together to achieve the expected results. On one hand, business processes design, implementation, and integration should provide coherent, consistent and accurate solutions to

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[17] (32)
[18] Company's Annual report 2014

customers' needs and requirements; improving the sales experience towards the customer while increasing cost efficiency, by exploiting better practices. On the other hand, human resources should be oriented towards the same goal and specifically, its sales force must be trained under the same customer oriented perspective. In this way, every business process enhancement can be reflected in the final step of the sales process with more satisfied customers and therefore, more profitable and stronger relationships. Finally, technology, and in particular the CRM system, must be seen as a supportive tool for both, business and employees, that allows the standardization and integration of processes, facilitating the work of the sales force team thanks to the specific benefits that it provides; everything combined under the same customer relationship management philosophy in which the ultimate goal is the maximization of the company's customer base.

This vision is sustained by the *mission* of the organization of transforming its sales processes into "one global way of selling" extended along the world, where the Company has presence. This transformation involves "all the customers, using the best processes and technology, throughout the whole sales cycle". With this statement, the Company defines its mission and explicitly emphasizes the theory of a customer-oriented strategy presented in (10) and (12) and explained in section 2.1, where the organization, the personnel and the technology are described as the three main pillars of the strategy.
The idea of addressing all customers can be seen under two perspectives. From one point of view, it refers to the expansion of the business in emerging markets and its growth in the existing ones that, as mentioned before, is one of the main strategic goals of the company. However, in the context of the enterprise sales process, this goal is supported by the enhancement and integration of the sales channels, allowing reaching more clients in a better and more efficient way. Hence, market growth is boost by both, investments in network infrastructure for physical expansion, and engagement of current and potential customers by the provision of better customer services.

According to its vision and mission, Company's *strategy* establishes its competitive advantage in the differentiation through the provision of the "best customer experience, integrated solutions and best networks, aiming at delivering to both, individuals and companies, the seamless connection experience that they will demand". This strategy is driven towards the achievement of the following key *goals*:

- Maximization of the cost efficiency;
- Maximization of the customer base;
- Improvement of customer experience;
- Network infrastructure improvement;
- Integrated solutions offering.

In line with the whole business strategy and taking into account the overall vision of the company, providing integrated solutions to its customers is one of the main factors that will allow their empowerment with the possibility of being connected wherever and however they want. Accordingly, a consistent sales process throughout all the channels and even further, in every country, is necessary to assure this service, even more if the market is constantly changing and expanding with globalization. From this point of view, a better customer experience is directly related with the integration of the solutions provided by the company.

Once the goals are settled and the strategy that drives towards them is defined, the next step proposed by the VMOST analysis considers the establishment of the main objectives that allows the quantification of its strategic goals. This step gives the bases for the designing of a management control system consistent with the business. Following the same idea, the performance measurements used for evaluating CRM success must reflect the overall objectives of the company in order to avoid the misperception of the ineffectiveness and ultimate failure of the CRM system.

4.4.1.1. Strategy Map

As has been mentioned from the beginning of this analysis, the implementation of a successful CRM model requires the establishment of a customer oriented strategy in which the company defines how it will generate and deliver value to its shareholders, customers and society; always positioning customer interests at the center, as the most important asset and as the main generator of organization's profit and sustainability. Additionally, this strategy should be aligned and be consistent with business' vision, mission and goals, establishing the framework that will drive every process, activity and task within the company.

The previous analysis helped in understanding how Company's vision, mission, goals and strategy are aligned together and give support between each other. Although this is not the main purpose of this work, is a required step when analyzing the role that the CRM model plays in this strategy and how the implementation of the CRM system is able to support it. Now, from the decomposition of the business strategy into its core elements follows the final identification of the objectives that will allow the evaluation of the performance of the system according to the overall business strategic goals.

The definition of the strategic objectives is a fundamental aspect of this analysis because it defines the basis for selecting the KPIs that will control and manage the CRM strategy and constitutes the starting point to understand at what extent are the activities performed by the CRM system aligned with the CRM strategy.

The strategy map proposed in this work aims at identifying the critical success factors for a successful CRM strategy. Its designed is based on the model described in and presented in section 2.5 and includes the changes proposed in order to implement a CRM Scorecard through which is possible to focus the analysis at the Company's CRM and specifically, in the enterprise sales process, avoiding to miss the initial scope of this work. Although the final purpose of the strategy map is the implementation of a management control system, the objectives identified in this chapter will help to understand the level of alignment between the CRM strategy and its CRM information system. Therefore, it will be the starting point for the performance assessment process that completes the framework.

One of the variations of the original BSC proposed in (27) refers to the division of the CRM strategic analysis among the segments targeted. This implies to establish a scorecard for each customer segment, because the Company's value proposition is for all the segments and the analysis takes place in the corporate division, it is only needed to develop one scorecard. The inclusion of the *segment perspective* is an additional performance area that establishes the strategy's bottom-line performance success. This perspective allows to focus in a specific target and its respective value proposition. The

second change is that the process perspective focuses specifically on core CRM functions and processes, and finally, another important modification to the traditional BSC is the definition of the *people/IT* perspective instead of the learning and growth. It focuses in the CRM strategic people and technology success factors for achieving the desired customer outcome. The following is the identification and analysis of the objectives of each performance area included in the design of a Balanced CRM Scorecard for the enterprise customer segment.

Overriding objective	Achieve operational excellence
Value proposition	Leading communications provider of fixed and mobile products services, simple to use, worry-free, and cost effective; across the world, for small and large businesses
Segment	• *Optimize sales process operations*: increase customer value with outstanding business performance through more efficient and effective sales processes • *Maintain quality excellence*: the high quality standards of products and services should not be affected by the reduction of the operative costs. On the contrary, the improvement of customer value should be supported by the offering of reliable products and services that responds to customers' demands • *Maximize innovative integrated solutions*: increase the number of innovative integrated solutions that satisfy customers' changing needs, supported by the best technology and processes
Financial	• *Maximize profitable opportunities*: increase the number of high profit return sales • *Maximize customer lifetime value*: increase the customer value of each customer relationship established • *Maximize sales productivity*: increase the margin of each sale completed
Customer	• *Maximize market share*: increase the number of customers the company serves in the market • *Maximize retention rate*: grow the business in relation to the increment of customer retention, ensuring long-term success • *Maximize positioning*: improve organization's position in the market compared to competitors • *Better meet customer requirements*: improve the capability to suit customers' needs and requirements • *Maximize customer experience:* improve customer perception about the products and services provided and the overall customer experience during the sales process
Internal processes	• *Reduce sales process cycle time*: reduce the average sales cycle understood as the period between the customer's first encounter and the final purchase decision • *Maximize sales process flexibility*: increase process capability to respond to the constant changes of customers' demands and

	technological improvement, balancing with processes standardization and implementation of best practices. • *Maximize internal collaboration*: increase collaboration between teams and functional areas to increase process efficiency and effectiveness • *Maximize channel effectiveness*: increase sales productivity by maximizing channels potential with better marketing performance and optimization of the tools and procedures.

<div align="center">Table 3. B2B CRM Strategic Objectives</div>

The following table shows how each of these strategic objectives is related between them through each of the four performance areas described before and in following sections will be explained the performance measurement system designed to control CRM performance in relation to the strategic objectives of the company.

Process analysis and requirements

Under the model used in (32) to validate the alignment between the business strategy and the system's requirements, the objectives of the strategy map are considered as hard goals and are achieved through the implementation of the tactics, understood as the activities performed by the company, required to achieve those objectives and that are included also in the VMOST analysis. Therefore, as the final step for analyzing the alignment between Enterprise strategy and the respective CRM activities, is to find the relation between each process activity described in section 4.2 and the strategic goals mentioned above. It is important to notice that although the proposed analysis follows the same approach presented in (32), it is implemented in a higher level avoiding getting deeper with the technical system requirements of the B2B sales processes.

In general, the enterprise sales process considers both, the acquisition of new customers and the renewing of existing clients. The complete analysis of this work and the description of the process in section 4.2 consider only the direct channel and the corporate division, taking into account that other channels use different processes and because of the magnitude of the company, is out of the scope of this work.

The process starts with the identification of possible customers and is completed when the deal is closed. It follows a standardized framework developed by the Group Company. During this process, there are six sequential phases that involve all the activities required to close a deal following the standardized practices for improving the overall sales process. In this sense, the CRM system serves as a tool to support the whole process and facilitates vendors' activities by providing a better experience to their customers. The six phases identified are:

- Identification
- Qualification
- Proposal
- Negotiation
- Closing
- Implementation

Each phase is part of the main three capabilities of the system mentioned in section 3.2.1: sales execution, sales execution support and cross function. For each phase, the activities and sub activities were identified and in the following tables, the relation between each activity and the respective objectives is analyzed following the model presented in (32).

The main idea of this section is to understand how the activities performed in the sales process analyzed in this work support the strategic objectives identified as drivers of customer-oriented strategy. Initially, it is important to know that the whole process is based on an already established corporate international model that aims to standardize the global way of selling and that constitutes the framework under which each activity performed aims to be compliant with the business strategy. In this context, the CRM system serves as the supportive technological tool through which some of the activities can be integrated and better performed while some others are still either in phase of implementation or are out the boundaries of the system functionalities. Following the same idea, it should be taken into account that the CRM implementation is a project under development, as was describe in section 3.3, and that is now during the phase of stabilization in which users are learning how to use it and getting used to it. This is an important factor because, as was mentioned before, the expected results of the success of the CRM system depend partly in the capability of the human capital to understand and exploit the system's benefits and integrate it into the organizational culture.

With this in mind, in the following tables is shown the relation between each process activity and the respective strategic objective. According to the theoretical research, the methodology followed for doing this work and different interviews to the company's employees, helped to analyze how these activities support the business process giving particular attention to those that can be implemented in the CRM system.

Strategic Objective	Activity/Tactic	Phase
Improve information consistency	Lead registration	Identification
	Deal registration	Identification
	Sale specifications communication to involve teams	Closing
	Internal document creation handover	Implementation
Increase high skill competences	Value strategy and solution development	Qualification
	Joint action plan elaboration	Qualification
Improve employees' performance	Determine customer order feasibility	Qualification
	Proposal review and modification	Proposal
	Assignation of technical resources and handover	Closing
	Clarification of responsibilities	Implementation
	Implementation monitoring	Implementation
Improve employees' satisfaction	Clarification of responsibilities	Implementation
	Win/loss analysis	Closing

Objectives of the people and IT perspective are supported by activities related to most of the phases of the sales process. Negotiation phase is not completely related to this perspective mainly because it deals more with activities oriented towards the client, which reinforced customer requirements. Information consistency is improved by the centralized database provided by the CRM in which all the information can be registered, stored and updated by the users in one unique record. This allows the possibility to see the coherent and consistent values from the different activities that utilize the same record for different purposes. Employees' performance and the acquisition of high skill competences are interrelated in the sense that the individual vendor's tasks and the final closure of the deal are facilitated and enhanced by the support of experts in different areas that can share their knowledge and help improve personal competences while facilitating the sales process. At the same time, personnel performance is improved by the refinement of business proposal and the assignation of responsibilities and monitoring, in order to designate tasks in feasible solutions and manage the individual and team performance during the implementation phase, towards the customer. Individual training in both, the sales philosophy and the operational use of the system, is not covered in this particular process but is important to analyze the efforts the company is doing towards the achievement of better-qualified employees capable of supporting better processes and technology. If the benefits of the better process and the use of the CRM system are well exploited, employees' work can be improved without additional effort. Employees' satisfaction is increased when the tasks and responsibilities are clear for every employee and, although this is an important factor for the motivation and individual expectations, is important to see in further analysis how is the perception of the process and the system among the users, for future improvements.

Strategic Objective	Activity/Tactic	Phase
Increase channel effectiveness	Delivery team involvement	Proposal
	Lead conversion	Identification
	Proposal review and modification	Proposal
	Sale specifications communication to involve teams	Closing
	Internal document creation handover	Implementation
	Win/loss analysis	Closing
Increase sales process flexibility	Sales proposal development and price definition	Proposal
	Negotiation strategy and closing method development	Negotiation
Increase internal collaboration	Value strategy and solution development	Qualification
	Determine customer order feasibility	Qualification
	Proposal review and modification	Proposal
	Delivery team involvement	Proposal
	Sale specifications communication to involve teams	Closing

Reduce sales process cycle time	Lead analysis	Identification
	Prospects analysis	
	Assignation of technical resources and handover	Closing
	Win/loss analysis	

Table 5. Process activities within the internal performance area.

A particular characteristic of the enhancement of channel effectiveness is the involvement of all the phases of the sales process. This is consequence of the influence of different activities into the channel's ability to exploit channel's potential in relation to both, the acquisition of new sales and the overall organization's internal performance which, at the same time, is facilitated by the increment of internal collaboration that helps in the development of the activities among different areas. This particular aspect is achieved through the establishment of cross-functional teams in charge of the analysis of the solutions proposed during different stages of the process. At the end, all together helps to reduce the time sales process cycle, including the identification and elimination of the non-value added activities through the implementation of strict analysis of the solutions proposed and the effective assignation of resources.

Sales process flexibility is the result of the company's efforts for providing the best solution that fits customer's requirements but at the same time takes into account company's interests and, in particular, can be improved when decision about the sale are being evaluated and balanced by both parties.

Strategic Objective	Activity/Tactic	Phase
Improve positioning	Sales proposal development and price definition	Proposal
	Competitors actions monitoring	Negotiation
Increase market share	Presentation of formal offer	Proposal
	Competitors actions monitoring	Negotiation
	Written contact signature	Closing
Increase retention rate	Presentation of formal offer	Proposal
	Win/loss analysis	Closing
	Implementation monitoring	Implementation
	Delivery of the service verification	Implementation
Better meet customer requirements	Basic requirement definition	Identification
	Joint action plan elaboration	Qualification
	Sales proposal development and price definition	Proposal
	Business case definition	Proposal
	Analysis of the formal offer	Negotiation
Improve customer satisfaction	Risk registration signature	Proposal
	Clarification of responsibilities	Implementation

	Internal document creation handover	Implementation
	Implementation monitoring	Implementation
	Delivery of the service verification	Implementation

Table 6. Process activities within the Customer performance area.

On one side, customer perspective's objectives are related with company's performance in the market. In this context, process activities are related with the monitoring and analysis of the position of the company with respect a specific proposal and the ability to finally close the deal and increase the revenues. On the other side, customer satisfaction and retention rate are sustained mainly by the activities required during the implementation phase in which the customer can have a final evaluation of the service provided and the solution delivered, that will affect repurchase decisions in the future.

A different but not unrelated case is the business' capability to meet customer requirements. According to the rationales made during this work, the achievement of this objective is reinforced during every phase of the process because every customer touch point represents an opportunity for the company to compliant with customers' requirements and expectations. Form the point of view of the sale, every activity of analysis and negotiation is used to better understand the customer and try finding the best decision for both, the company and the customer.

Strategic Objective	Activity/Tactic	Phase
Expand lifetime value	Delivery of the service verification	Implementation
	Profitability analysis	Implementation
Increase sales productivity	Win/loss analysis	Closing
	Profitability analysis	Implementation
Increase profitable opportunities	Lead tracking	Identification
	Profitability analysis	Implementation
	Win/loss analysis	Closing
	Implementation monitoring	Implementation

Table 7. Process activities within the financial performance area

Customer lifetime value directly depends in the customer retention rate and the ability of the company to offer better and more profitable solutions, attractive for the clients. In this sense, the main activities performed in the sales process focus in the post sales services verification and profitability analysis, done once the sale is completed in order to understand how valuable was the sale, the customer and the solution and how well is implemented to assure a better customer experience. The increment of profitable opportunities and sales productivity are related with the same factors but are mainly supported by the expansion within the market to search for new potential opportunities and the corresponding feedback, respectively. The tasks for related to the achievement of these financial objectives belong to the finals stages of the process, when the contract is already established and the solution is implemented. Is during the final phases the can be understood the performance of the overall process and the comparison of the final result with the customer's and business' expectations.

The final perspective – segmentation- contains the overriding objectives that serve to evaluate until which level was the company able to deliver its value proposition to the targeted customers. They are

achieved through the combination of all the activities and the final operational improvement of the enterprise sales process.

4.4 Value Creation

The Value creation process includes three elements: the value the customer receives from the company, the value the company receives from its customers and by managing this value exchange, the maximization of lifetime value of desirable customer segments. When thinking as a customer-centric company is important to understand that customers are not buying goods or services itself but the benefits they offer. On considering value for customers, a business is not buying an internet modem or voice-sim because of the product but because of the solution that product provides, and will value the offer according to their perception of its ability to solve the problem of not having internet, for example. On the other side, the value the organization receives depends on customer acquisition and retention and includes how much it costs for a company to acquire customers and the expected profitability of the average customer, considering also that acquisition costs vary across different channels and media. To perform this analysis, allows the company to define how to acquire different and more attractive customers.

In line with the scope of the analysis, the assessment of the Value Creation process will be approached by evaluating how the implemented CRM is aligned to the value creation process. It would be considered both the value the customers receive and the organization receives as well as the economics of customer retention and acquisition in relation to CRM's implementation to understand how it contributes to deliver value to customers and to maximize the lifetime value of desirable customers.

4.4.1 Value Customer Receives

The value the customer receives is the total package of benefits derived from the 'core product' and the benefits that enhance the basic features such as service and support. Value customers receives starts from the value proposition that the company is offering them; businesses must be aware that the value proposition established is superior to and more profitable than those of competitors and is important to consider price/benefit opportunities that exist within the market.

As previously said, Italcom's strategy is strongly established and is not part of the scope to define its value proposition; instead, the approach to follow is to identify and analyze the value proposition adopted by the Company according to the framework and how it relates to CRM's implementation project.

Company's strategy, as mentioned in the previous process, is to "Empower everybody to be confidentially connected" and by everybody, refers to their different customer segments. As the CRM was implemented in the Enterprise division, the value proposition for corporate customers is the one to be taken into consideration.

Company's Enterprise division aims at being the major enterprise provider with full service offering: "We want to build on our core strength in mobile to become the leading communications provider for businesses across the world, whether large or small. We are focused on providing a range of mobile,

fixed, hosting, cloud and other business services that are simple to use, worry-free and cost-effective". A defined value proposition contains three elements: target customers, benefits offered and relative price, Table 8 shows the identified elements for the Enterprise division.

Company/Product	Target Customers	Benefits	Price
Italcom (Telecommunication products and services)	Businesses across the world, whether large or small	Range of mobile, fixed, hosting, cloud and other business services that are simple to use, worry-free	Cost-effective

Table 8. Elements of Enterprise's Value Proposition

The framework recommends a sequence of three steps to follow for defining the value proposition, the approach will be to analyze it in each of them to clarify first, the chosen value, then how they provide it and finally how they communicate it and the role and coherence of the CRM system with it.

1. Analyze the market based on value

The first step is to understand opportunities within the market in relation to price and benefits and as useful tool to do it, is suggested the Value map to provide a graphical representation of the relative positions off companies operating in the market in terms of price/benefit attributes.

To elaborate the value map, the main companies competing in the Italian Telecommunication market were taken into consideration and more specifically, those operating in the B2B business. Information from quarter reports provided by AGCOM (Autorità per le Garanzie nelle Comunicazioni) containing data about Telecommunication Market in Italy was taken into consideration in order to perform the Value Map (15), as well as information provided by the Company about its position in relation to competitors and is shown in Figure 23, represented by the darkest circle. The other circles represent competitors, different telecommunications companies operating in Italy in the B2B market. Sizes represent size of competitors in relation to market share.
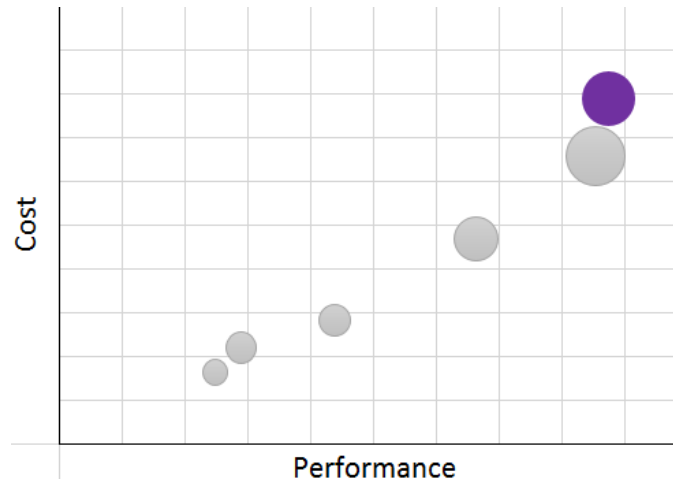
The framework proposes three generic strategies to take on the value map: extend the value frontier towards the low end of the value map, extend the value frontier towards the high end of the value map or shift the value frontier. As a high-performance company, it focuses on a superior value proposition and performs the second strategy, extending towards the high end of the value map. Company´s strategy aims at offering the best service with complete commercial proposals and best coverage rather than assuming a low-cost strategy. By understanding price/benefit opportunities in the Italian telecommunications market, it can be said that the company targets customers that are interested on acquired complete worry-free solutions for their business with good service and that their priority is not a low-cost offer. Customers that would rather pay a higher price but want to acquire a trusting high quality telecommunication service.

2. Assessing opportunities in each segment to deliver superior value

Not only must the market value be taken into consideration but also according to different market segments. All markets are made up of market segments, reaching the most profitable and suitable market segments is a matter of evaluating the opportunities in each segment for delivering superior customer value. The company takes this in consideration and has a different approach according to the targeted segment but with the same value proposition.

The Enterprise division is divided according to size of company and as mentioned before range from small and medium companies to multinationals. Off course, small businesses have different telecommunication needs than big companies and that is why different propositions according to it are made: different services and solutions are offered always in line with the Company's value proposition and being the "Major enterprise provider with full service offering".

The company has developed different offers and packages for each segment and they are in line with the benefits they promise on the value proposition: "range of mobile, fixed, hosting, cloud and other business services that are simple to use, worry-free" they just change according to the size of the business, the customer segmentation.

The implemented software is aligned with it as it is used for all type of customers and according to the complexity of the sale and type of customer different functionalities are used. Different

types of solutions are made by joining different products; the company manages a standard product portfolio, and according to the complexity, involve the interaction of more or less actors. The system is thought on supporting sales accordingly making it easier for the vendor and the other participants to develop the solution efficiently. The company's sales framework is designed for all type of customers to use one tool, the CRM, which supports the complete sales process in the corporate division.

3. Explicitly choosing the value proposition

For some companies it is necessary to vary different value propositions for different segments as needs and preferences of customers are clearly distinct, but this is not the case and the generic value proposition applies for all segments. Offers and products vary according to the type of solutions developed for each of the segments but the value offered is the same: complete worry-free commercial proposals with best service that are cost-efficient.

The Company has a clear value delivery system established on their strategy and the implemented CRM system is a mean that contributes on the way value communicated to the customer. The value delivery system starts with choosing value according to customer needs and value positioning, continues with providing value and finally communicating it.

Value is provided with Company's products and services which are included in their strategy on having the best mobile and data network as well as fixed line best converged experience. It is communicated by sales force message, sales promotion, advertising, PR, and media; on their strategy is mentioned as being number one in customer experience. Additionally, CRM system supports the sales force on the sales process to standardize sales method to bring a consistent customer experience and address the sales cycle. It is consistent with the value proposition as aims to establish a selling method that will transmit to customers the same message by the sales people. By establishing a sales process, will bring consistency across Enterprise organization and will simplify sales team activities.

With this analysis, it is now a clear value proposition that includes the targeted customers, explicit distinctive benefits, price and it is in line with what the company has to deliver it. Additionally, the CRM technology is aligned with it as is based on a network of excellence leaded from the enterprise level to support sales operational activities to communicate the value it aims to deliver to their customers.

The next step on considering the value customer receives is to assess if the company and the customer attach the same importance to the product and service attributes. There are different ways of assessing this value, the most common one is to ask a representative sample of customers to rank or weight the different attributes. However, this method could be inefficient or problematic in cases where respondents do not know the importance of some features, are not willing to express opinion, are not objective, or are influenced by peer pressure. Additional to these issues, it is out of the scope and time of this work to perform a survey to a representative sample for the Italian Telecommunications industry. An alternative approach proposed is to perform a trade-off analysis based on the concept of trading off one attribute against another.

It is left as a recommendation to perform a "full profile trade-off analysis" in order to assess the value. It must be done by presenting a description of an offer and ask a representative sample of customers to rate the attributes in order of importance. Data could be analyzed applying a weighting system to discover the weight given to different levels of each attribute to identify the most important ones.

Company performs market research to understand how its customers perceive it considering different values, this information could be used to perform the analysis and not only to know the ranking they give to the company on those values but which of them are more important. It is also useful to identify customers that share common preferences in terms of product attributes, and may reveal substantial market segments with service needs that are not fully catered for by existing offers. The value assessment is to be considered to determine if the value proposition is likely to result in a superior customer experience and to provide an insight to the company on the alignment of the value they are proposing and what customer value.

4.4.2 Value the Organization Receives

This is the reciprocal value received by providing superior value to the customer and to recognize it, it is useful to understand the economics of customer acquisition and retention. The Company is an established telecommunications company operating in a market characterized by the presence of monopolies but as mentioned on the theoretical review, the diversification and combination of services has opened the doors for more companies to compete in the industry. It makes that both customer acquisition and retention take an important role in customer economics.

As part of the customer, economics' analysis is necessary to take into consideration the acquisition costs within the utilized channels and how these costs vary across different segments. It is out of the scope of the thesis to perform a customer base segmentation to analyze profit per customer per segment. Hence, it is left as a recommendation as an interesting analysis to be performed by the marketing department. It would need to include the number of customer within each segment; annual customer acquisition targets with reference to the total Italian customer base; the cost of acquisition per customer; and estimates of profit per customer per annum for each segment. It would also be necessary to include likely annual retention rates considering different levels of retention for each segment.[19] This analysis is helpful on determining and guiding sales professionals on sales activities. A proposed segmentation is done by company's size and to give a meaning to a comparison of acquisition costs, the expected profitability of the average customer in each segment and overall profit potential of each segment must be considered. The analysis results would be to identify which segments are more attractive in terms of acquisition and retention economics. A model of results' presentation is displayed in Table 9 taken from the example presented in (33).

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[19] The Value creation process in CRM p.8

Segment Number	Segment Name	N° existing customers	Acquisition target for year	Cost of acquisition	Annual Retention Rate	Profit per customer per Year
Segment 1						
Segment 2						
Segment 3						
Segment 4						

<center>**Table 9. Customer Segment Data Template**</center>

The implemented CRM is a useful tool to perform this analysis as it contains valuable information about customers like number of employees, annual revenues, offers value, contract dates, etc. Marketing department could use contained information in the system to perform it and it will allow the company to identify how use differentiate CRM activities at the segment level and apply a level of effort consistent with the cost of acquisition and profit potential and avoid wasted investment.

Having determined the acquisition costs for different segments, next step would be to consider how this cost might vary across different channels and seek to acquire more attractive customers at lower costs.

The company has already identified that complex sales brings the bigger profits and by establishing an standard way of selling, the company aims to be able to sell more complex solutions and selling better quality deals. Analyzing this process from CRM system's implementation perspective, is relevant to take into consideration that the system supports Enterprise sales process from lead to cash across all channels and is a planning tool to use a methodology to support complex sales processes so is in line with the customer strategy.

Investigations have demonstrated that it costs around five times more to get a new customer than it does to keep an existing one. (34) Affirms that customers generate increasingly more profits each year they stay with company if served correctly, in addition happy customers become a free advertising source. Profits from existing customers include base profit, profit from increased purchases, profit from reduced operating costs and profits from referrals (34), so companies must not reduce the importance of customer retention. A segmentation approach could be performed to understand the profit potential in each segment and selectively manage the CRM strategies to maximize profits in terms of customer retention.

There are many reasons why retention have such a great effect on profitability, despite these findings, recent research suggest that companies have been slow to implement changes in marketing activities to emphasize customer retention. It is out of the scope to analyze Company's marketing expenditures on acquiring and retaining customers but is left as a recommendation to review how the company is doing it. A balance is needed between marketing efforts directed towards existing and new customers.

The Value Creation Process in CRM study proposes a framework for customer retention improvement given the dramatic impact that its improvement can have on business profitability. It is left, as a

suggestion to perform this type of analysis using existing information in Sas, the steps to follow would be:

1. Measure customer retention: in terms of rates over time, by market segments and in terms of products and services offered followed by a profitability analysis by segment.
2. Identification of causes of defection and key service issues.
3. Corrective action to improve retention: plans to improve retention according to the market, the causes of defection and the context.

Sas tool is aimed to support sales process for both new and renewal sales, it allows to map both new customers' sales opportunities as well as renewing services on existing customers. In addition, the system includes the registration of the contract-end-date to alert the vendor so he/she can develop a strategy on time to propose the renewal.

Finally, to carry on the assessment on how much emphasis needs to be placed on acquisition or retention economics, it is necessary to evaluate the customer segment lifetime value. The metric to be used is the customer lifetime value and is defined as the present value of the future profit flow over customer's lifetime.

A more complete program to increase profitability is to apply the ACURA model, which approaches different profit opportunities. ACURA stands for acquire, cross-sell, up-sell, retain and advocacy. Rarely companies build CRM strategies focusing on all elements, it is therefore a useful approach to be considered by the company, specially in the context it competes. Telecommunications market is a mature one, then more strategies focused on retention, cross-selling, and up-selling could importantly have an impact on profits for the company rather than just focusing on acquisition.

To align Sas CRM implementation to the suggested CRM strategy, the company must take advantage of it functionalities and stored information as support tool. The CRM is aligned with the value proposition established by the company, but it is useless if it is not used for right purposes. Information is valuable when correctly used, therefore, the role in plays in the value creation process must be exploited. There are many analysis that can be done with the stored information that will provide the company with a broader and more complete view of their customers that contains insight information. Understanding and undertaking this process is crucial to transform the strategy development process into programs that extract and deliver value that allows both parties to enjoy a good return on investment, leading to long-term profitable relationships. It is important to satisfy and anticipate the needs of current and potential customers and it is done by adopting an analytical approach. The implemented CRM tool supports it providing a dynamic real-time knowledge of customers, competitors and opportunities always attached to the vital role that employees play to provide an excellent customer care and on-time and complete source of information.

4.5 Channel and Media Integration

Customers today have an increased range of channel options, technology trends have increased the opportunities for companies to develop closer and broader relationships with customers but it has also represent a challenge as customer experience is affected in all of them. Payne's framework, on considering the Channel and Media Integration process, aims to manage customer's experience at

each point of contact they have with the company taking the outputs of the business strategy and value-creation processes and translating them into value-adding interactions with customers, corporate profitability and thus, shareholder value. The multitude of channels creates enormous opportunities for improving the scope and strength of business-to-business customer relationships but creates great challenges in managing the complexity of channels in a successful and cost-effective manner (32).

The first thing to do when considering channel and media integration process is to review the existing structure of them, and when analyzing how products or services flow to the final customer it is necessary to consider the nature of the industry channel structure and how it is likely to alter in the future. The framework proposes the market map tool to show how products or services flow to the final customer. Figure 24 outlines the market map of the studied Company in the enterprise division. It shows how the different channels are in charge of the different customer segments. As mentioned before, the CRM was implemented only in the direct channel, which refers to the Corporate Agents.
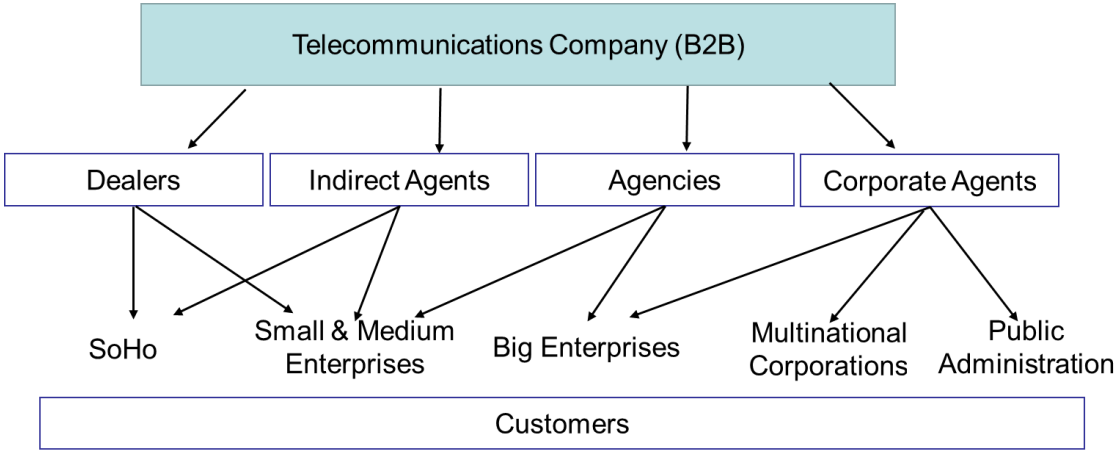
Figure 24. Company's B2B Market Map

There are many channel options available that should be considered by managers when deciding which ones to use, they fall into six main categories (sales force, outlets, telephony, direct marketing, e-commerce and m-commerce) and can be represented as continuum forms of customer contact. Managers must decide which channels use and in what combination. In order to do it, they must first be aware of its members and options available. B2B markets, involve complex account management and a large product portfolio, so they need a detailed evaluation of a wider range of channels.

Generally, customer's needs must be considered consequently, to decide the channel strategy to choose; how it can better satisfy customer's demands. An integrated multichannel strategy means to use the full range of commercially viable channels to serve customers and integrating them. Telecommunications market is more demanding as time passes, the mobile industry is highly competitive and the Company is aware of this and has seek to adopt an integrated multichannel strategy through branded stores including direct sales force, franchises, distribution partners, third party retailers, Internet for both sales and after sales service and 24 hour call centers. Adopting a CRM strategy implies not only to make use of the different channels but to capture all customer

information across all channels and integrate it to recognize all interactions and enhance customer experience.

Customer experience is enhanced by understanding the processes that customers engage in and identifying opportunities to create value in them (by making them better, more effective or more efficient and doing them cheaply) (32). The customer experience commences with the communications activities as part of acquisition program and continues through all forms of customer interaction, it is important that the message the company wants to transmit is consistent within all interactions.

Developing a multichannel strategy starts on defining strategic objectives, understand touch points to leverage competitive advantage, review industry structure and channel options and economics and develop the strategy. The complete multichannel strategy of Company's Enterprise division is out of the scope of the project, the analysis is focused on the role that the CRM technology plays on it.

An overview of the Company's multichannel strategy was done in order to contextualize the analysis of the CRM system in the different channels and the interactions between it. The Company is aware that customer experience is affected through all the used channels and as part of their strategy considered to provide an unmatched customer experience "in store, online, on the phone and with consistent execution across markets". On the B2B segment, different types of direct and indirect channels are used as previously described. The selection of the channel to use is done depending on the customer segment, different channels are developed according to customer segmentation, additionally, different types of advertising and promotion is done on all segments.

- Big corporations: attended by the corporate channel. Consists on direct sales agents which are employed by the Company that sell products and services to corporations of more than 100 employees.
- Small and medium enterprises: covered by distribution partners and correspond to enterprises with 10 to 100 employees.
- Micro and small office-home companies: attended by two different channels, inbound by a dealer, direct agent and outbound by stores and franchises that attend customers from the consumer segment.

The CRM technology is used by the Sales Professionals operating on the direct channel and was implemented as tool for supporting sales process, activities like prospecting and lead generation and opportunity development are performed, and all of them are part of the acquisition stage. Aims to transform Enterprise Sales by standardizing sales processes and tools, its purpose is to embed a standardized sales process across all channels and markets and support sales people through day-to-day sales activities. Having developed a standard process for selling is in line with wanting to transmit the same message to customer across different sales people and is itself a customer relationship management strategy. The indirect channels use different CRM tools supported by different IT systems. As a remark, it is necessary to have consistency among the different channels used in the company to transmit the same message to the company and to have congruency in the information. Even though analyzing indirect channels in deep is out of the scope of the work, as part of the strategic approach followed is recommended to use the same CRM systems in them. By CRM systems making reference to both the CRM IT tool and the standardized selling process.

A channel strategy design must let different actors and stakeholders' interaction across different channels and media, a close work with strategic partner suppliers allows to build a robust network. The system permits collaboration of different actors that work together during the sales' development, giving the company a broader visibility of the ongoing sales processes and to the different actors a real-time view and the possibility to directly interact through it.

The customer does not directly interacts with the platform and the Company uses other channels to do it, but affects customer experience because directly affects the way Sales Professionals interact with customers and perform the sale. A standard framework allows them to transmit a clear message and to communicate how the company wants to be seen.

The channel strategies used by the Company include a broad network, so according to the thesis's scope, it was considered focusing on the CRM tool and making general recommendations about broader channel strategies for the company accordingly to the CRM strategies:

- When evaluating customer experience, it must be taken into consideration what constitutes an outstanding and a typical customer experience amongst customer segments and channels and how to improve it across all channel interactions.
- Improved customer experience must be achieved at an affordable cost.
- The transmitted message must be consistent across and within different channels, if it is not, the customer could get disappointed or confused at some point of the communication process.
- Each element of customer interaction needs to be analyzed to ensure the appropriate channel is being engaged for that activity.
- The effectiveness and efficiency of marketing activity must be monitored in order to maximize the return on marketing expenditure.
- Gather all information in all points and integrate it. In order to assure that the information is complete and true, is important that the sources feeding the system are correctly providing this information, this referring principally to the sales force. The project implementation also included a training to the Sales Professionals and some policies were changed in order to promote its usage.

Developing a multichannel strategy that delivers an appropriate customer experience for a company's key customer segments is essential to effective CRM. The company must consider media and market modes, which includes the modes of communication between customer and supplier and the routes to market. CRM unites the potential of new technologies and new marketing thinking to deliver profitable, long-term relationships so is important to get profit of new technologies' advantages to maximize customer experience taking into consideration: improve media quality within existing channel structure, extend media to improve customer experience and design a well-integrated multi-channel, multi-media strategy to innovate in the market place and create a new customer value proposition.

4.6 Information Management

Information plays an important role because supports the CRM processes and integrates them to enable decision making about strategic decisions. Information comes from both internal and external sources and the amount of information is rapidly increasing due to the growth of communication

sources, so the role of managing that information has also take a major importance. It is among all the other four processes and then leads to decide how to organize and manage it as they depend on it.

The central role of information and the increased number of channels has forced organizations on moving towards deployment of information technology for collecting, processing, transmitting and storing all the data but in today's competitive environment; but as mentioned by Payne (30), when assuming a customer-centric approach, it is not enough. It is necessary to add to this processes the decision on how to use this information to enhance the quality of the customer experience, which translates in replicating the mind of the customer and to use information technology as a management tool. Companies find themselves with a fragmented huge body of information upon which to make crucial management decisions, which makes it necessary to integrate all customers' interactions among different communication channels and business functions. The key elements that allow managing information are: data repository, IT systems, analytical processes and front-office and back-office systems; and a good information management process must be purposefully designed to bring together data, procedures, computers and people as an engine that drives CRM activities.

On considering the first element, data repository, Payne affirms that it is necessary to have an integrated enterprise-wide data store, which is an Enterprise Data warehouse integrated in a CRM solution. Drowning information from a single database is limited in value because provides an incomplete view of the customer activity, instead, a collection of related databases provides "one single version of truth" about customers in one repository to extract the maximum value. Achieving this kind of approach can be quite complex for a company as individual information systems are acquired during time, as they are needed and its integration could be difficult. On Figure 25, Payne shows an outline of the final stage of CRM, which is what a company must aim to achieve.
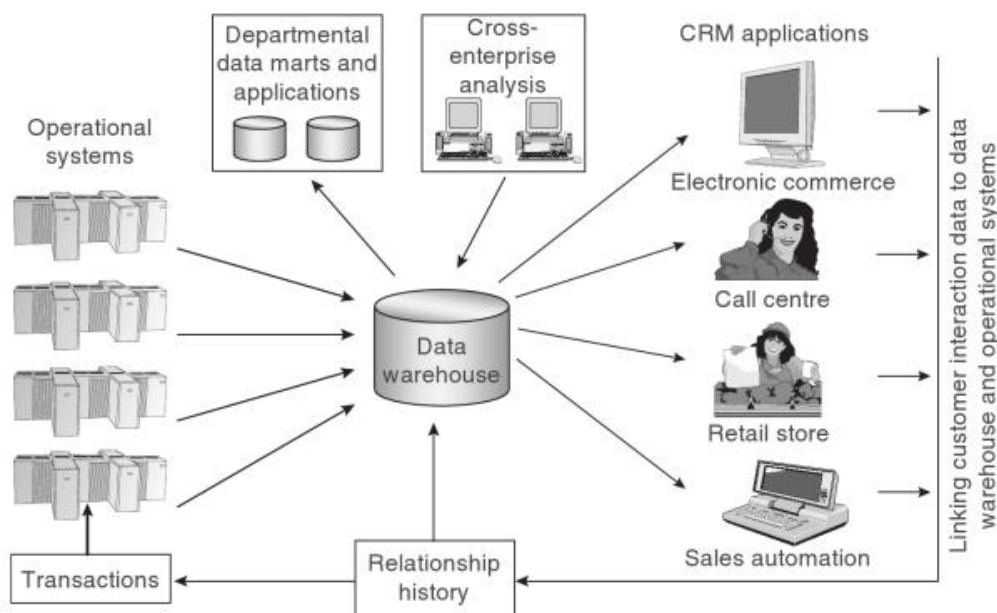

Figure 25. Integrated CRM solutions[20]

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[20] Payne, Adrian. Handbook of CRM (2012). Routledge. P.244.

The analysis of this process will be done by detailing the key elements that allow managing information used in the corporate division and their interaction with the CRM system. The analysis aims to conclude on how to use information in a proactive way to develop enhanced relationships and to increase shareholder's profitability.

The implementation of the CRM technology, considered the use of a company´s data warehouse that contains information from different systems of the company including billing information, registry information about clients contained in external databases, technical details about customers, order entry information and now, sales development process information. It is a complete data repository containing information from different systems used inside the company, providing feedback, and allowing communication among different technologies.

Before the implementation of the CRM, some of the integration among different systems used during the sales process were considered but each system was initially designed to support individual processes or channels and media and were built on different technologies. It was necessary to develop integration strategies during the implementation considering that the most complete source of information existing in the company was the data warehouse and that in order to be consistent with it, the CRM tool had to be fed and provide information back to it. The CRM technology was not designed as customer master and only minimum customer information required for markets is contained on it, thus it is connected with other IT systems of the company that provide additional useful information.

The system is fed by information from three different sources:

- Manually inserted information from sales professionals: regarding sale opportunities, customer data, contact persons and products from competitor that customers owns.
- DWH: company´s data warehouse containing billing and other information that using an integration operation enriches the CRM with personal data about customers, associates customers to vendors and adds product information about bought products.
- External database: contains information on million companies worldwide and improves the information about customers contained in the system.

This information supports analysis at a customer level as well as strategic planning levels. The implementation program designed by Group included a transition phase for integrating local systems with the new CRM. The company is approaching to integrate more and more the different processes that use different IT systems or that are carried out in the department and use no IT system and to integrate the managed information in order to have consistency inside all processes.

The actual state of the information systems used in the department in relation to the implemented CRM is shown in Figure 26. Additional relationships with other company's systems exist and involve a complex structure that would be the complete integrated solution but are not shown because do not concern with the analysis of the work.
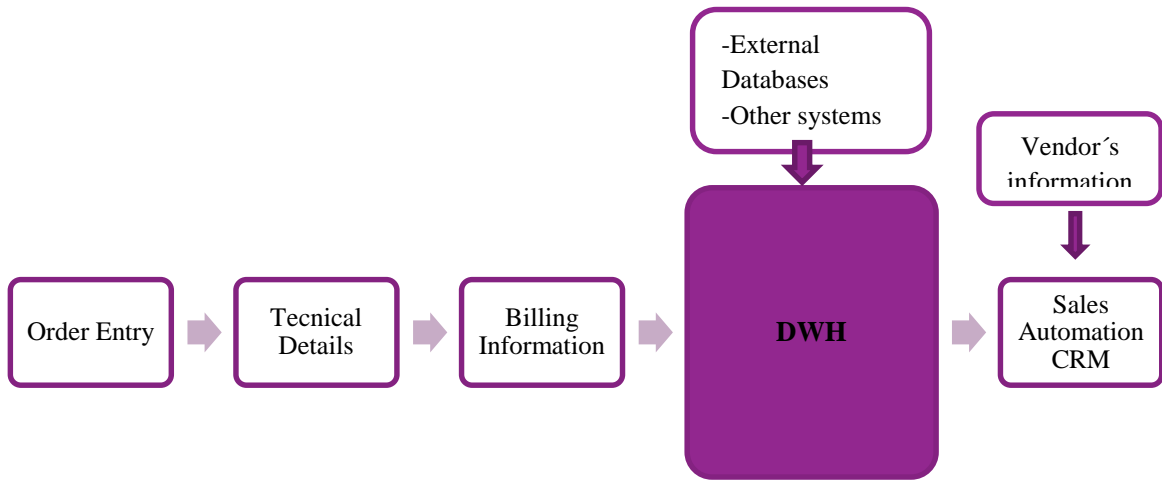
Figure 26. CRM system relationship in Italcom's Corporate division

The first three items in the diagram (order entry, technical details and billing information), refer to operational systems used in the department, and are fed by the sale transactions that take place. On the right side of the diagram, the CRM applications take place, for the works scope, just Sales Automation CRM system is included but on this side, there are the other channels' CRM systems used. This structure allows to link customer interaction, data-to-data warehouse and operational systems. Analyzing it according to the suggested scheme, it would be missing a feedback or connection that builds relationship history.
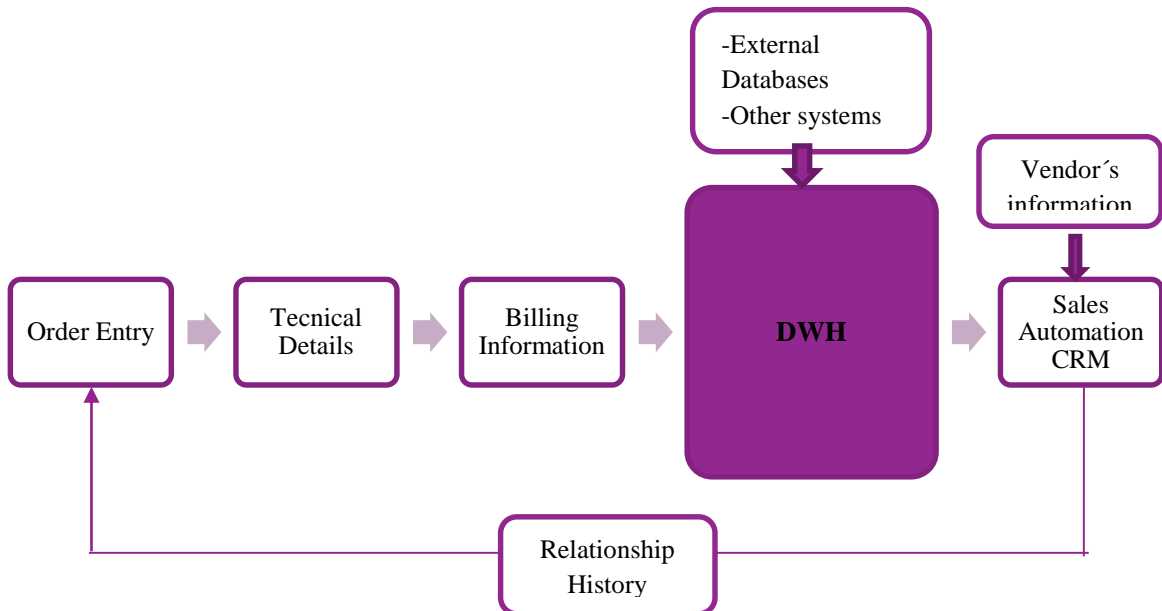
Figure 27. Suggested CRM system relationship in Italcom's corporate division

Nowadays, the system allows to add the products the company has, but part of the straegy of the company is to sell complete solutions and not single products. The services are packages of configuration of different products and then in operational systems of the company are trated as that.

The company plans to link this configuration in order to align CRM's functionalities to other functionalities used in operation systems and allow to build a relationships history about customers.

On the information management process, it is important to consider the analysis of all available information. Analytical tools like data mining and specific software application packages are being used by different companies to perform tasks as: campaign management analysis, churn management, credit scoring, customer profiling, market segmentation analysis and profitability analysis. The implemented CRM, as one of its functionalities allows doing reports and dashboards using the contained information. Reports are a very straight forwarded tool to analyze information either taking real-time snapshots or period summaries, it returns a set of records that meet certain criteria and displays them in a way that allows to be analyzed. Reports help to manage sales and marketing or track organization performance and are useful for different type of users of the system since top-level management to sales professionals, and partners as well as other departments like marketing and operations.

An additional analytical tool is provided directly by the data warehouse, which has a portal and analysis environments that allow performing SQL queries. This analytical tool is top-level oriented; the amount of information contained is big and complex and is used to perform top-level analysis. Considering a strategic framework, is very useful for the company to have an analytical tool that involves different systems and databases to provide a single view of the information of the company. On the other side, it is also necessary to have a simpler tool that allows performing analysis at lower levels and with higher frequency. Being able to perform regular analysis, allows leveraging the data the organization has accumulated over time.

On considering hardware, it was reviewed the hardware used by the Corporate Sales department and to manage the implemented system. Each sales professional is provided with a personal laptop, tablet and smartphone to support their day-to-day activities. They can access the CRM platform from their devices using a secure browser sign-in to the company's network, which allows them to access the system anywhere they are. The type of work developed by sales professional involves visiting customers, and then it is important for them to have access to the system remotely so the information could be easily provided.

The last element to be considered on information management process is front-office and back-office applications. Front-office refers to technologies that support activities of direct interface with customers and back-office includes internal administration activities and supplier relationships. The implemented CRM is a back-office tool; customers do not interact with it and is used as support tool for vendors.

CRM activities are substantial for companies, and will involve collecting and intelligently utilizing customer and other relevant data (the information management process) to build a superior customer experience in each touch point where the customer and supplier interact (the multichannel integration process). It is important to find the right information at the right time in terms of quantity, quality, relevance, timing and ownership. The company must always consider that information is useful not only by having it by also by using it, and it implies making analysis. Tools can be very well structured and can store many information but it is useless if the company does not do anything without it.

4.7   Performance Assessment

Finally, the framework attempts to ensure that the organization's strategic aims in terms of CRM are being delivered and that there is established a basis for future improvements. The performance is assessed on two dimensions: shareholder results (macro view) and performance monitoring (micro view). As the framework is designed for managing customer relationships among the whole organization and is a cross-functional activity, performance measurement must use a range of metrics that span all processes and channels used to deliver CRM. It is out of the scope of the analysis that was performed to design a system that involves all the organization's customer relationship management, then the framework will be applied for the Enterprise division and the sales process emphasizing in the implementation of CRM System and the processes it involves.

From the micro-view perspective, the company has recently established a set con indicators born from a performance management and coaching initiative to monitor sales performance. The indicators are going to be calculated using the implemented CRM technology and are in adoption phase by the sales team. The initiative aims to establish a common set of indicators against which all direct sales professionals are tracked.

From the macro-view perspective, there was identified a top-level set of indicators directly sent to the global enterprise as a requested measure from all the operational countries concerning sales pipelines. Ideally, customer relationship management forms part of the job of each employee in every department, and the sharing of customer responsibility makes it difficult to accurately reflect CRM performance and strategic progress. Cross-functional metrics must be used to monitor CRM performance. The balanced scorecard enables a wide range of metrics designs. Different research has be done onto developing measurement systems that allows to monitor CRM performance. A CRM Scorecard model developed by (35) bases on the traditional BSC model and adapts it to measure effectiveness of CRM. The model is incorporated to the applied framework as part of the performance assessment process taking into consideration the previously analyzed processes.

The steps followed to develop the CRM scorecard were first, to define the CRM strategy and then select strategic CRM measures, and this became the division's strategic CRM scorecard. The CRM strategy is done by creating the organization's CRM Strategy Map that starts linking the value proposition with the key drivers of shareholder results and is completed by identifying the critical success factors in the different perspectives drawn on the balanced scorecard.

As part of the strategy development process the strategy map was developed, now, in the performance assessment, the linkage the between the cross-functional processes is more evidenced. The development of a CRM balanced scorecard establishes indicators to measure performance standards across the five major processes to ensure that CRM activities are effectively practiced and creates a feedback loop towards strategy.

Starting from the Strategy Map, one or two KPIs are defined to measure the performance of the goals established in each one of the perspectives.
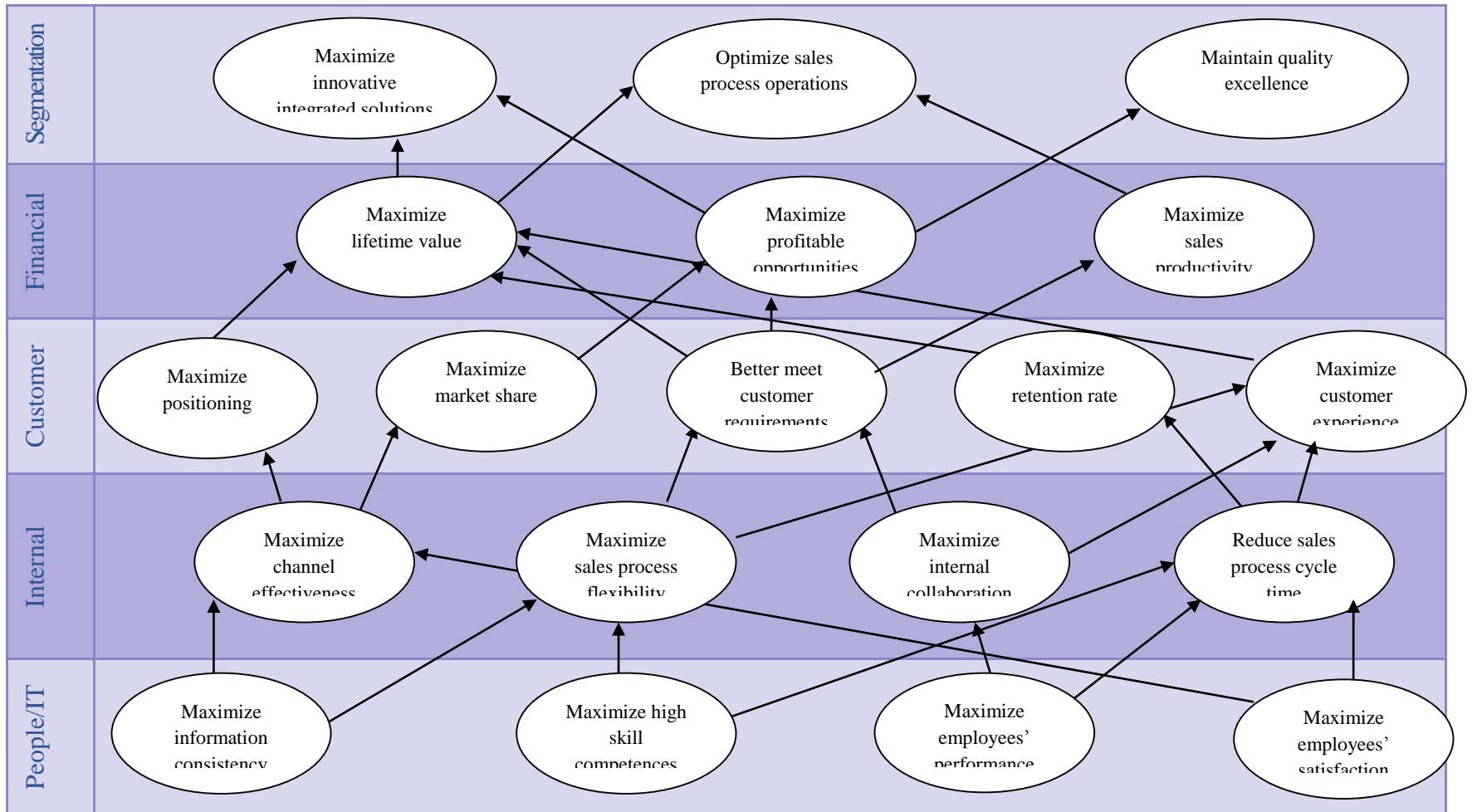
Table 10. Strategy Map

Optimize sales process operations

Return on investments: *measures the efficiency of the investments done in the division. The investments are done to optimize operations and results must be reflected on the return they are giving back. To calculate ROI, the benefit (return) of an investment is divided by the cost of the investment; the result is expressed as a percentage or a ratio.*

Formula	$\dfrac{Gain\ from\ Investment - Cost\ of\ Investment}{Cost\ of\ investment} x100\%$
Unit of measure	Percentage
Frequency	On done investments
Target	Higher

Maintain quality excellence

Technical services cost: *Measures the costs that are generating the assistance services that were required in the corporate division. It provides a sense of the impact they are having not only economically but also affect quality image.*

Formula	*Costs of technical services assistance*
Unit of measure	€
Frequency	Monthly
Target	Lower

Increase innovative integrated solutions

Revenues percentage of integrated solutions: *Measures the impact that integrated solutions are having in the revenues of the division.*

Formula	$\dfrac{Corporate\ sales\ revenue(€)}{Total\ market\ sales\ revenue(€)} x\ 100\%$
Unit of measure	Percentage
Frequency	Semester
Target	Higher than previous period

Maximize profitable opportunities

Customer profit margin: *Looking at the earnings often does not tell the entire story. An increase in revenues does not mean that the profit margin is improving. If costs have increased at a greater rate than sales, it leads to a lower profit margin. Helps to understand if customers are profitable for the company or if the efforts and costs where high compare to the received benefits.*

Formula	$$\dfrac{Revenues - Cost}{Revenues}$$
Unit of measure	Percentage
Frequency	Per customer
Target	Higher

Maximize customer lifetime value:

Customer Lifetime Value (CLV): *is a prediction of all the value a business will derive from their entire relationship with a customer. An estimate is done with the contract duration time, regularly 24-month.*

Formula	*CLV*
Unit of measure	€
Frequency	Per customer
Target	Higher

Maximize sales productivity

Return on sales: *provides a more complete measure on the sales productivity. Return on sales refers to all the sales of the division.*

Formula	$$ROS = \dfrac{Net\ income}{Sales} x100\%$$
Unit of measure	Percentage
Frequency	Quarterly
Target	Higher

CUSTOMER PERSPECTIVE

Maximize market share

Market share: *The percentage of market's total sales that is earned by the division. The company measure yearly the market share owned, the indicator measures if the division is contributing to it by measuring the market share of the Italian corporate division. As it is done on a smaller scale, the measure is done twice a year instead of once. Is calculated by taking the division's sales over the period and dividing it by the total sales of the corporate industry over the same period. This metric gives a general idea of the size of the company to its market and its competitors.*

Formula	$$\dfrac{Corporate\ sales\ revenue(€)}{Total\ market\ sales\ revenue(€)} x\ 100\%$$
Unit of measure	Percentage
Frequency	Semester
Target	Higher than previous period

Maximize retention rate

Churn rate: *Measures the percentage of customers that discontinue their service in a given time period. Churn rate is an important consideration in the telephone and cell phone services industry21 as several companies are competing for customers, making it easy for customers to transfer from one provider to another.*

Formula	$\dfrac{\#\ clients\ at\ the\ end\ of\ period - \#new\ clients\ in\ period}{Total\ \#\ clients} \times 100\%$
Unit of measure	Percentage
Frequency	Quarterly
Target	Lower

Maximize positioning

Market research positioning: *The company does a quarterly inform from a marketing research that evaluates how customers perceive the company on evaluating it in distinguishing features. The measurement is done to match if the company is being perceived as strong in the values that wants to communicate. The results on the corporate division are a KPI on the positioning compared to its main competitor.*

Formula	# features with a stronger position compared to competitor
Unit of measure	#
Frequency	Quarterly
Target	Higher than previous period

Better meet customer requirements:

Win rate: *is a metric established by the company to monitor sales performance. The metric is used at each vendor's level. The total win rate makes the KPI to see the overall performance through each month. Tracks the ability of sales person to convert possible sales to won sales.*

Formula	$\dfrac{N°\ of\ won\ opportunities}{\sum Won\ \&\ Lost\ opportunities} \times 100\%$
Unit of measure	Percentage
Frequency	Monthly
Target	>33%

Maximize customer experience:

Percentage of solved claims: *The indicator makes reference not only to service claims but all kinds. All concerns, problems, claims or inconsistencies that arrive from corporate customers regardless the impact are taken into consideration as they all affect customer experience.*

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[21] http://www.investopedia.com/terms/c/churnrate.asp#ixzz3fJpcBMMV

Formula	$\dfrac{\sum solved\ claims}{Total\ N°\ of\ claims} x\ 100\%$
Unit of measure	Percentage
Frequency	Monthly
Target	100%

INTERNAL PROCESSES PERSPECTIVE

Reduce sales process cycle time:

Average time to close deal: *Measures the time that takes the sales process and allows management to keep track on sales process performance. The time to close a deal must be consistent with the complexity of the deal and to better-understand the KPI's performance it can be divided in segments according to the type of customer. Bigger customers' sales process is longer.*

Formula	$\dfrac{\sum D_i}{Total\ number\ of\ sales}\ D_i = days\ that\ lasted\ sale\ i$
Unit of measure	Days
Frequency	Monthly
Target	To lower it according to customer segment without giving up quality

Delayed approval processes: *Supports the KPI of the average time to close deal on providing information on whether the time was affected by possible delays or not. Measures if during the different activities where approval is needed in order to continue with the sales process there was a delay. Approval processes include the development of the offer for the customer, the development of the proposal and the solution.*

Formula	$\dfrac{Delayed\ approval\ processes}{On\ time + delayed\ approval\ processes} x\ 100\%$
Unit of measure	Percentage
Frequency	Monthly
Target	Lower, the better targeting to 0% delays

Maximize sales process flexibility:

Time to implement new requirements: *As business and customer requirements changes, it is necessary to adapt systems to it. Integration of systems and process might be required in the division in order to adapt to the changes. The time it takes to implement new requirements that will support changes must be measure to ensure that the division is responding accordingly.*

Formula	*Time to implement requirement*
Unit of measure	Days
Frequency	Every time a new system requirement is presented

Target	Lower, the better.

Increase internal collaboration:

Percentage of sold business solutions: *complete business solutions involve joining different products and services and working together with partners and business areas to deliver them. Selling business solutions is more profitable for the company and implies developing a stronger relationship with the customer. Vendors should be oriented on selling them instead of single products.*

Formula	$\dfrac{\textit{\#business solutions sales}}{\textit{Total \# of sales}}$
Unit of measure	Percentage
Frequency	Monthly
Target	Higher, the better.

Maximize channel effectiveness:

Revenues from marketing campaign: *Measures the effectiveness of marketing campaigns. Sales can be associated to a marketing campaign if they were done as result of it. Identifying which campaigns generate higher revenues orients management on decision-making.*

Formula	*Revenues from sales associated to campaign*
Unit of measure	Revenues (€)
Frequency	At the end of each campaign
Target	Compare results

Number of sales from marketing campaign: *Supports the indication of the revenues of a marketing campaign on providing information about the amount of sales that it produced independently from the size of the sale. Helps to understand the effectiveness and results of a campaign.*

Formula	*Number sales associated to campaign*
Unit of measure	#
Frequency	At the end of each campaign
Target	Compare results

PEOPLE/IT PERSPECTIVE

Maximize employee's satisfaction:

Employee engagement: *Performance measure established in the company to measure engagement levels, by engagement includes pride, loyalty and motivation. Employee engagement index measures how committed employees are, their desire to continue working for the company and their willingness to recommend the company as an employer. The index will be measured specifically for the employees working on the division in order to assess its contribution to company's overall index.*

Formula	Results from the survey's answers
Unit of measure	Index
Frequency	Yearly
Target	Higher than average of the company: >77

Employee turnover: *Is the percentage of employees that leave during a certain period of time. The company measures their turnover rate during a fiscal year or calendar year. The turnover rate inside the corporate division must be measured at a bigger frequency as it makes reference to a smaller group of employees and changes of it could be more easily assessed to identify possible causes and take actions.*

Formula	$\frac{\text{\# employees who left during the quarter}}{(\text{\# employees at the beginning} + \text{\#employees at the end})} x100\%$
Unit of measure	Percentage
Frequency	Quarterly
Target	Below 15%

Maximize employee's performance:

Sales Target Achievement: *Measures if the corporate division managed to reach the monthly target. Targets are established for products, then, there is an indicator for each products. This strategic KPI is supported by its measurement at a lower level to each of the company's areas, regions and to each sales professional. This lower level measure is also supported by other established indicators inside the company to measure sales performance.*

Formula	$\frac{\text{Product sales in the month}}{\text{Product sales target for the month}} x100\%$
Unit of measure	Percentage
Frequency	Monthly
Target	>100%

Maximize high skill competences:

Graduates in sales academy: *The company has design a program for the sales people to certify on acquiring required sales competences. This guarantees that customer experience is consistent with the strategy of the company. The indicator measures the percentage of vendors in the division that had acquired the competences included in the program and are certified on it.*

Formula	$\frac{\text{\# vendors graduated in sales academy}}{\text{Total \# of vendors}} x100\%$
Unit of measure	Percentage
Frequency	Quarterly
Target	100%

Improve information consistency:

Number of information consistency problems: *The problems in information consistency also affect the normal flow of the sales process and can be reflected on delays and inefficiencies. It is evidenced when vendors requires support to the administration team of the division because different information is visualized of the different systems they use and then they cannot have a single view of customer's information. Measuring it allows the manager to identify if information consistency problems could be affecting the sales process performance and in consequence the customer experience.*

Formula	Number of times vendors requires support for information inconsistencies.
Unit of measure	#
Frequency	Monthly
Target	Lower is better - 0

Being defined the KPIs for the goals in each one of the perspectives completes the CRM Scorecard, which is presented in Table 11. It broadens the key drivers of shareholder results which starts from an appropriate leadership and management behavior that builds employees values and reflects in employees attitudes. Employees' attitudes are then transmitted to customers and reflect on customer satisfaction according to the value customers receive. Satisfied customers reflect on financial performance, which is shareholder value. This is the linkage model presented in (5).

When choosing the indicators, it was considered the value that each of the stakeholder groups gives to the organization and the value the organization gives to the stakeholders (employees, customers and shareholders).

When considering employees' value, the company needs to make sure that people, processes, organization, culture and leadership actively support CRM. The value employees deliver is measured with performance objectives and the value the organization delivers with the benefits workforce receives. Specific KPIs designed to measure both values are included in the CRM scorecard.

Customer value is also measured in two sides. From one side, the value organization receives is measured with profits over lifetime and customer retention and acquisition. On the other, the value customer receives is measured with the benefits of the services, the customer relationship, customer service, positioning, ROI analysis, etc.

Shareholder value is measured with indicators like return on investments and return on sales. Additionally, is important to consider cost reduction as part of the CRM strategy without decreasing customer value and considering effects on it.

The assessment process was developed by understanding drivers of shareholder results, defining KPIs to measure CRM activities and finally establishing a CRM performance-monitoring system presented in the CRM Scorecard.

CRM Scorecard Perspective	CRM Success Factors	CRM Measures, performance indicators
Segment	Optimize sales process operations Maintain quality excellence Maximize innovative integrated solutions	Return on investment (%) Technical service cost (€) Revenues percentage of integrated solutions (%)
Financial	Maximize profitable opportunities Maximize customer lifetime value Maximize sales productivity	Customer profit margin (%) Customer lifetime value (€) Return on sales (%)
Customer	Maximize market share Maximize retention rate Maximize positioning Better meet customer requirements Maximize customer experience	Market share (%) Churn rate (%) Market research positioning Win rate On-time delivered solutions (%) Solved claims (%)
Internal Processes	Reduce sales process cycle time Maximize sales process flexibility Maximize internal collaboration Maximize channel effectiveness	Average time to close deal Delayed approval processes (%) Time to implement new requirements Percentage of sold business solutions (%) Revenues from marketing campaign (€) Number of sales from marketing campaign
People /IT	Maximize employee's satisfaction Maximize employee's performance Maximize high skill competences Maximize information consistency	Employee engagement Employee turnover (%) Sales target achievement (%) Graduates in sales academy (%) Number of information problems

Table 11. CRM Scorecard

5 CONCLUSIONS AND RECOMMENDATIONS

This chapter summarizes the results of the study in reference to the purpose of the analysis. Aims to join the developed analysis with the presented problem, theory and background. Attempts to provide the conclusions as result of the applied framework as well as implications and recommendations.

The purpose of the investigation was to analyze the implementation of a customer relationship management strategy inside the corporate division of the analyzed Italian telecommunication Company. Motivated by the implementation of a CRM technology, the study aimed to align the notion given to the system inside the company with the strategy in order to take advantage of it and reach the strategic objectives of the company. Different conclusions were obtained in each of the steps of the analysis resulting on approaches and tactics that the organization must develop to be coherent with the strategy and assume the customer relationship management from a strategic approach and not merely as a technology.

The business process analysis allowed to relate the CRM technology to the directly affected business process and to link that interaction to the business strategy. Vendors must understand and be conscious of the functionalities of the system and that by using them will optimize their operations and way of selling, resulting in better performance. Dedicating time to use the CRM as planning tool register as much information of customers as possible will provide them and the company a broader view of customers and then make it easier them to develop and carry out a better sales strategy and approach towards them. It is a managerial issue cultivate it in the sales people team.

Generally, it was concluded that the value the CRM can provide to the company and to the division has been underestimated by assuming it more like a technological issue and a sales automation tool than a management tool. Is very important to see the implementation of the technology from a strategic point of view and consider the value it can provide to the different processes, activities, information it affects.

The possibly exploited value depends in great part to the use that sales people give to the tool. Change must be carefully managed inside an organization, and the fact of implementing a new CRM tool implies technological, operative changes and the sales people's operations being directly affected, so it requires time to completely adapt to it. It necessary to keep it in constant progress to achieve a bigger employment and adaption of the tool.

5.1 Sales Process

The sales process analysis did not had an established structure, mapping it according to Company's framework aligns sales operations with the CRM strategy. A defined business process give clarity on the message that sales people transmit to customers and decreases divergences in the service quality. A general process structure was settled including the different activities that must be carried out during the development of a sale opportunity, it includes how different actors interact and the tasks that each of them must develop. It makes a clear process that avoids problems arisen from a bad internal coordination and inefficiencies.

The mapping was done taking into consideration the new implemented technology inside the company in order to take advantage of it. The process is oriented towards the use of a planning tool

The company has implemented as one of their CRM strategies a framework towards standardizing sales process, it is a sales force automation strategy and is important to make it clear to the sales force the importance of using it. A way to it is providing training to the sales force, a KPI to measure the training skills is proposed as a measure to guarantee that it managerially considered.

The flow of the sales process in the customer division is a complex one due to its nature. Involves interaction of different actors and departments of the company. The process owner is the vendor and depends on him to carry it out according to the strategy of the company to enhance customer experience.

Putting together the sales process with the telecommunications market situation shows a reality of a decreasing number of clients for vendors, so is important to be covered with creating more profitable deals and higher margins, what can be sustained with higher customer satisfaction and providing an unique service to the customer.

5.2   Strategic Framework

By applying the strategic framework, we aimed to broaden the understanding of CRM and its role in the analysed division of the company in enhancing customer value. CRM was positioned at a strategic level to avoid the mistake of assuming it as just the implementation of a technology solution project as it is one of the reasons that cause CRM implementation failure. Its role in the key cross-functional processes involved was identified to deliver an effective CRM strategy. As conclusion of the analysis it is presented the role the CRM plays in each process and how the company can take advantage of it in each of the processes to deliver value to the company and in line with the CRM strategy.

There are two main CRM strategies that the corporate division has recently implemented, the one that motivated the analysis was the implementation of the sales automation platform, but the standard sales framework is also another CRM strategy, what confirms and strengthens Company's customer-orientation.

5.2.1   Strategy Development

Customers are the most important asset of any enterprise and the source of profit of profitable organizations. As much evident as this statement is, not every company's strategy pursues the creation of profitable and sustainable customer relationships but follow an approach in which all efforts are focused towards the increment of the revenues, the reduction of costs or the achievement of economies of scale, for example.

After completing the respective theoretical research and analyzing the business strategy, it can be established that the Company has been implementing a customer driven strategy in all of its locations in which the main objective is to provide, to every customer, better products and services that respond to the changes of the market, the constant technological innovation and social and cultural changes that can influence in customers' behavior. In particular, the company has been implementing processes for understanding better the customers' requirements and has changed some of its internal operations to improve the overall customer experience.

When trying to analyze how this strategy is implemented from a general point of view, it was necessary to analyze the environment in which the company operates and the main characteristics of the industry that set the starting point in understanding how the market behaves. One of the main factors found is the recent decrease of income and contribution over the Italian GDP. While recent market regulations have been affecting over the revenues and margins, the recent economic crisis has influence, in a negative way, people's level of expenditure. Another interesting characteristic is the growth of the industry in terms of the appearance of new competitors, competing in terms of services and innovative solutions rather than the traditional network services offerings. In this sense, a better understanding of the customer becomes a requirement of the industry instead of a source of differentiation, and company's growth is directly related to the increase of the company's customer base with strong and long-term customer relationships.

With this in mind, the CRM system appears as the supportive tool that enables the company to have a customer-oriented approach and even further, the CRM in general establishes the philosophy in which the customer is the center of company' activities. Although it comprises all the process in the organization, in this work was analyzed only the CRM functionalities in the context of the sales process and specifically, in the enterprise direct channel sales. From this point of view the system's capabilities are focused in the way of initialization, development and finalization of a sale, looking forward to the establishment of a longer business relationship in which the new customers become loyal customers in the future and current customers keep acquiring Company's services and solutions. Under this perspective, we analyzed company's business strategy identifying its main elements and the activities undertake to achieve the strategic objectives.

Although it was understood that the CRM project is the result of an international strategy implemented to improve sales processes based on the strategically objectives of the company, we analyzed how this alignment is done and how the individual activities help in the overall process according to each of the objectives identified.

This analysis was made using the four perspectives proposed in the design of the balanced score card and as was seen, financial, customer and internal operations are the principal areas that are directly improved by the implementation of the CRM system. Important factors as employee's satisfaction and employee's performance require a further analysis to understand how the company is satisfying these goals, since they are critical success factors for the CRM success and for the organizations overall performance and need additional efforts outside the sales process itself.

5.2.2   Value Creation

Company must deliver value to customer by providing an excellent customer experience during all the relationship, including service and support. The company has chosen to position as offering high performance and worry-free services and that is the value that must be transmitted. The CRM tool has to be oriented towards transmitting this value. It has been analysed that the system was implemented taking it in to consideration and that is aligned with the sales standardization strategy of the company but it is useless if sales people does not use it for it. Moreover, the type of customers the company want are those that want to acquire a complete telecommunication solution for their company and that wants the Company to become a partner for them and in this way maximize lifetime value. It implies that sales people must take this approach for them.

From the CRM tool perspective, the value must be delivered using it as support tool for the sales activities that are aligned with the delivery of the value proposition plus on developing appropriate sale solutions according to the it. The specific activities and functionalities to perform in order deliver value to customers and maximize lifetime value are:

- Planning: mentioned studies have demonstrated the importance of dedicating enough time and resources to plan sales activities with the different accounts to have a solid process in place, to carry it out well.
- Collaboration tool: reduces channel conflict by allowing collaboration of different actors in the sales process, makes it easier, faster and more efficient to collaborate and to better-perform the sales process, which translates in better customer experience.
- Identifying buying center members: different people from the customer company involved in the sales process must be considered to identify the right approach to follow with them, map them in the CRM system is as important as well.
- Integrated solutions development: it allows to sell intelligently to meet customer's needs enhancing ability to both cross and us-sell for selling more complex solutions and better quality deals.
- Contract Renewal: retaining existing customers have a big impact on profitability. Sales people must take advantage of the possibility of registering the contract end date of existing customer to take actions towards renewing them.
- Adding services to existing customers: not only existing customer must be renewed but as planning tool, vendors should develop in advance strategies towards making them to acquire additional products and services both to buy other products (cross-sell) or more of an existing product (up-sell).
- Opportunity Management: correctly managing opportunities and stages allows vendors to perform planning on their sales activities and to really know how opportunities are developing.
- Pipeline Management: Track pipeline deals using stage levels and reports and support opportunity management. Spend at least three hours a month on pipeline management has been identified as strategy to grow sales.

Using the different presented functionalities would effectively make the CRM system a tool to deliver the proposed value to its customers. It was verified that the implemented sales automation tool contributes to the value creation process of the company, but it is not possible to do it itself. It the system is not properly used the expected results would not be evident. If so, the benefits that could achieve the company are to bring a consistent customer experience, to address the sales cycle and to transform the way of selling of the company.

Considering the value creation, it is left as a recommendation to use the information stored in the CRM to perform a customer base segmentation to identify key market segments. The data needed includes the number of existing customers within each segment; annual customer acquisition targets with reference to the total Italian customer base; the cost of acquisition (per customer); and estimates of profit per customer per annum for each segment, and estimated annual retention rates.

The implemented CRM is also useful on considering customer retention and is an issue that must not be underestimated. It stores information about contract ending dates, that if managed properly (if vendors correctly register this information) will be very helpful for renewing contracts, up-selling and cross-selling additional services. The same happens with customer acquisition when registering information about competitor's contract end date. Vendors can be aware of when the contract of a non-customer is going to end to make a valuable offer that can turn it into a new sale. The value of this two registers is being underestimated and is very helpful for if being used by vendors as planning element to increase sales.

5.2.3   Channel and Media Integration

The multitude of channels create more opportunities for improving customer relationships but can also be a risk if they are not properly managed. At the moment, the implemented CRM is just working on the corporate division of the Enterprise business unit of the company. It has been analyzed that the tool is aligned with company's strategy and value proposition, it is then important to use it accordingly in the other channels where the company operates. Implementing a CRM tool is not simple and implies a high level of complexity in the management of the project, then it is not an immediate strategy that can be implemented. Meanwhile, the used sale strategies in the indirect channels must be aligned with the company way of selling as well in order to guarantee consistency in the transmitted message to customers.

For a future, it would be useful to implement the tool on all channels to have a single integrated view of customers and a standard customer management strategy in the company. It allows also to capture customer information in the same place. Channels are divided according to the used customer segmentation which is appropriate to define different approaches and strategies but is useful to have also an integration point between them and consistency in the transmitted message to customers.

The CRM tool must also be used as a tool for vendors to correctly manage relationships with customers, refers to the account management functionality. The tool allows them to register different kind of information about customers in order to have a broader view that permits to understand and contact them better. Also, when customers contact them, allows recognizing them and providing a more personalized answer, which will enhance customer experience. To deliver an outstanding customer experience is possible by considering details that are important for the customer, the vendor is the direct channel that is used to communicate with them and then depends not only on the company to provide the vendor with the tools but to the vendor to be aware of it and have in mind that customer experience will be affected by the relationship they build with them.

Even though it is not on the scope of the project, as part of the issues broaden by the framework model, as a general recommendation it is left to explore additional B2B channels and to monitor competitor's strategy constantly (benchmarking), especially considering the maturity and competitiveness of the market.

5.2.4   Information Management

Information management plays a major role on decision making from low to a high strategic level. The conclusion of the analysis takes us to define how to organize the information of customers to

enhance customer experience and enable decision making. First of all there was identified a missing linkage between CRM applications and operational transactions systems to build a relationship history of customers. It is normal not to have a total integration due to the recent new system, to achieve a completely integrated information system that joins all registered information in the different ITs used by the division requires time. But is important to take it into consideration and to have present to implement actions towards achieving it. The greater view the company has of the customer, the better the analysis that could be done and as a results, better decisions and strategies can be taken.

The analysis of the information contained in the systems is crucial to make it useful for the systems. It must be done at different levels and by different types of users of the company to take advantage of all the information that is stored in the system. The type of information stored in the system is being underestimated and as it was born in the corporate sales channel division, the value to other divisions and departments has not been considered. After analyzing the CRM's role in five cross-functional processes, it was identified its relation with other company's areas that were not still considered in the Company. To ensure that the value of the stored information is appreciated, it is recommended to perform an analysis of the type of information that the system stores. There are different models that have been developed to do it, a proposed one is presented in (4), where the authors present a method for effectively classifying CRM information in ways that may help guide management decisions to have a better use of worthwhile information.

5.2.5 Performance Assessment

As part of a CRM strategy, there must exist a measurement system that guarantees that CRM delivers results to the shareholders. As result of the analysis a set of KPIs was established to be used inside the corporate division to monitor CRM performance. It must be used as broad picture of overall CRM activity but also is done to be focused in more detailed way on the most critical areas of the company. It is important that these are communicated clearly and in a visually engaging manner to management.

The company does not have a measurement system implemented that evaluates customer experience, then, it is necessary to define it and adopt it to assess its performance. The set of KPIs already exposed will improve the track in the performance of the different stages of the process and KAM's performance. With a defined measurement system processes are monitored and vendor's performance is equally measured orienting to an efficient and efficacy performance. Measures are also oriented towards top-level management since they are aligned with the business strategy.

The performance measurement system proposed describes the set of key measurements for evaluating the enterprise sales process specifically but at the same time, it controls the process from a strategic perspective. Each KPI was defined according to the strategic objectives identified through the analysis of the business strategy, always focusing in the enterprise sales process. Therefore, some of the measurements proposed are KPI's already identified by the company as performance measurements for the overall performance of the organization. In this way, the CRM system can be evaluated from its requirements and functionalities until its impact in the company's strategy.

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Dibujos	Pinturas	Tablas, gráficos y diagramas	Planos	Mapas	Fotografías	Partituras
		X				

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MATERIAL ACOMPAÑANTE					
TIPO	**DURACIÓN (minutos)**	**CANTIDAD**	**FORMATO**		
			CD	DVD	Otro ¿Cuál?
Vídeo					
Audio					
Multimedia					
Producción electrónica					
Otro Cuál?					

DESCRIPTORES O PALABRAS CLAVE EN ESPAÑOL E INGLÉS

Son los términos que definen los temas que identifican el contenido. (*En caso de duda para designar estos descriptores, se recomienda consultar con la Sección de Desarrollo de Colecciones de la Biblioteca Alfonso Borrero Cabal S.J en el correo biblioteca@javeriana.edu.co, donde se les orientará*).

ESPAÑOL	INGLÉS
CRM	**CRM. CRM Implementation**
Gestión de Proyectos	**Project management**
Telecomunicaciones	**Strategic Analysis**
Sistema de Información	**Telecommunications**
Análisis Estratégico	

RESUMEN DEL CONTENIDO EN ESPAÑOL E INGLÉS
(Máximo 250 palabras - 1530 caracteres)

Después de desarrollar una práctica de 6 meses el proyecto de implementación de una plataforma CRM en una empresa Italiana de telecomunicaciones, se identificaron los principales factores que afectan el éxito del proyecto y se desarrolló un análisis a nivel estratégico.
La investigación parte del análisis del proceso de ventas (proceso directamente afectado por la plataforma implementada) y su interacción con el sistema; seguido de la aplicación de un modelo que posiciona el CRM de la empresa a un nivel estratégico y finaliza con el desarrollo de un sistema de medición para evaluar el rendimiento del sistema CRM.

After a 6-month internship in an Italian Telecommunications Company, in the project management of the implementation of a CRM system, the main issues regarding it were identified and a strategic analysis was developed. The study begins with the analysis of the business process affected by the CRM, then a theoretical framework that positions the company's CRM at a strategic level is applied, and finally, a measurement system to evaluate CRM performance is developed.