- Medium-Scale CRM: Used by mid-sized businesses; includes automation, • marketing, and customer service integration. (Example: Salesforce Essentials, *Microsoft Dynamics* 365 - SMB version)
- Large-Scale CRM: Used by enterprises; includes AI-driven analytics, omnichannel interactions, deep data integration. (Example: SAP CRM, Oracle CRM, Salesforce -*Enterprise Edition*)

2. Scope of CRM

- **Operational CRM**: Automates customer-facing processes (sales, marketing, service). (Example: Email marketing automation, tracking interactions)
- Analytical CRM: Uses data analysis for decision-making (segmentation, predictive analytics). (Example: Identifying high-value customers for personalized offers)
- Collaborative CRM: Enhances interdepartmental & external communication. *(Example: Shared database for marketing & customer service)*
- Strategic CRM: Focuses on long-term customer engagement. (Example: *Personalized experiences based on purchase history*)

3. CRM Metrics

Sales Metrics

- Lead Conversion Rate = (Converted Leads) Solal Leads) × 100
 Sales Cycle Length = (Total Days to Close Deals / Deals • Customer Acquisition Cost (CAC) = (Cles Marketing Cost / New Customers couir

Marketing Metrics

- **Customer Lifetime Value (CLV)** = Average Purchase Value × Purchase Frequency × Customer Lifespan
- Email Open Rate = (Emails Opened / Emails Sent) × 100
- **Return on Marketing Investment (ROMI)** = (Revenue Marketing Cost) / • Marketing Cost × 100

Customer Service Metrics

- Customer Satisfaction Score (CSAT) = (Satisfied Customers / Total Responses) × 100
- Net Promoter Score (NPS) = % Promoters % Detractors

Customer Engagement Metrics

- Churn Rate = (Customers Lost / Total Customers at Start) × 100
- **Retention Rate** = 100 Churn Rate

Social Media Engagement = Likes, shares, comments •

4. CRM Implementation Timeline

Phase 1: Planning (2-4 weeks)

• Define goals, identify stakeholders, analyse processes, select CRM software, outline key features.

Phase 2: System Design & Configuration (4-8 weeks)

Set up architecture, customize fields & workflows, integrate with other systems, plan data migration.

Phase 3: Data Migration & Testing (4-6 weeks)

• Clean & structure data, test imports, validate accuracy, conduct user acceptance testing (UAT).

Phase 4: Training & User Adoption (2-4 weeks)

Develop training materials, conduct training sessions, gather feedback promo adoption.
 Phase 5: Go-Live & Optimization (2-4 week) Otes

fix Launch CRM, mor de support, collect user sues. 1 or

Phase 6: Continuous Improvement (Ongoing)

• Analyse CRM adoption, optimize workflows, introduce new features, provide ongoing training.

Building a CRM Program – Challenges

Critical Success Factors (CSF) of CRM

Critical Success Factors refer to the key elements that contribute to the effective implementation of a CRM program. These include:

1. CEO and Top Management Involvement (Top-Down Approach)

- a. The leadership team must actively participate in CRM initiatives and decisionmaking.
- b. Their involvement ensures alignment with business objectives and drives organizational commitment.

Loyalty Programs

1. Concept of Loyalty Programs

• A Customer Loyalty Program is a marketing strategy designed to encourage customers to continue buying from or engaging with a brand by offering them rewards for their loyalty and repeated interactions.

• It is **not just about discounts**—it's a data-rich tool that provides insights into customer behavior, preferences, and lifecycle value.

• These programs are essential components of Customer Relationship Management (CRM) and contribute to long-term customer retention, advocacy, and profitability.

Types of Loyalty Programs:

- 1. **Point-Based** (e.g., Credit Card points)
- 2. Cashback Programs
- 3. Tiered/Level-Based Systems
- tesale.co.uk 4. Premium/Subscription-Based Programs (e.g., Amazon Prime)

Benefits:

- e need for extensive new customer acquisition Customer Retention: Reduces efforts.
- increases profinability through sustained brand interaction. Repeat Purchase
- **Prant Loyalty**: Custo Protection emotionally connected to the brand.
- **Impulse Buying**: Time-limited rewards trigger unplanned purchases.
- Customer Advocacy: Loyal customers become organic promoters. •
- Increased CLV: Loyalty increases the lifetime revenue from a single customer. •
- Reduced Churn Rate: Decreases drop-offs and enhances brand stickiness . •

2. Strategies to Build Loyalty

Loyalty isn't accidental—it must be **strategically cultivated** using the following methods:

Core Strategies:

- **Consistent Value Delivery**: The quality of service and product must be consistent to retain trust over time.
- Excellent Customer Service: Quick and efficient resolution of customer concerns shows respect for their time and business.
- **Customer-Centric Mindset**: Convenience through omnichannel platforms, ecommerce, and chatbots builds stronger relationships.

Advantages:

- Enhanced Engagement: Customers interact more often to reach goals or achieve rewards.
- **Repetitive Purchases**: Points, badges, and tier upgrades encourage continued buying.
- Sense of Belonging & Loyalty: Builds emotional connections to the brand.
- Social Recognition: Customer testimonials and public achievements act as motivators.
- Competitive Spirit: Leaderboards and contests drive deeper involvement and wordof-mouth marketing.

5. Latest Trends – Chatbots and Sustainability

Chatbots in Loyalty:

- Provide **24/7 support** across platforms.
- Offer personalized recommendations based on browsing and purchase behavior.
- Help manage loyalty accounts, tracking points and offering incentives.
- Engage customers via interactive content like quizzes or games.
- Collect real-time feedback for continuous improvement.
- CO • Handle queries without human agents, reducing cost and i ceasing efficiency.

łe lanages rewards, and communicates Example: Sephora's chatbot suggests product; namag discounts . Sustainabilite in Loyalty Programs OC

- Customers are increasingly attracted to eco-conscious brands.
- Brands combine loyalty with sustainability by rewarding:
 - **Recycling efforts** (e.g., Patagonia's used clothing program)
 - **Eco-friendly purchases** (e.g., Costa Coffee's edible cups)
 - **Refurbished product purchases** (e.g., IKEA)
- Some even extend loyalty benefits into government-linked eco-incentives, like EV tax exemptions.

Benefits:

- Enhances brand reputation
- Fulfills CSR objectives
- Appeals to **eco-conscious** customer segments

2. Banking Industry

CRM Applications in Banking

Digital Banking Services:

- Online account opening, statement downloads, loans, and investment options
- Home-based banking: Cash pickups, check collections, doorstep loan services
- SBI Yono-style cashless ATM withdrawals
- Weekend banking and in-bank token-based queuing systems
- Personal banking assistants for customer guidance

CRM-Supported Features:

- Personalization: Mutual fund or insurance suggestions based on profile
- Real-time access to customer history across departments
- Targeted upsell and cross-sell campaigns

Benefits:

- Full 360° customer view
- Enhanced convenience and user experience
- Increased retention and loyalty
- otesale.co.uk • Competitive advantage with call thiven personalization
- Better relationship anagement and hig eACL



- High CRM infrastructure and training costs
- Data privacy and cybersecurity risks
- Rising customer expectations due to tech-enabled convenience
- Legacy system integration difficulties

Additional Points:

- AI integration for fraud detection and credit risk profiling
- CRM chatbots for resolving basic customer queries instantly

3. Insurance Industry

CRM Applications in Insurance

Digital Insurance Services: