

## CUSTOMER RELATIONSHIP MANAGEMENT IN MACEDONIAN TELECOMMUNICATIONS

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**Abstract:**

*CRM (Customer Relationship Management) simply defined, is the process of acquiring, retaining and growing profitable customers. It is a methodology used to learn more about customers' needs and behaviours in order to develop stronger relationships with them. There are many technological components to CRM, but the more useful way to think about CRM is as a process that will help bring together lots of pieces of information about customers, sales, marketing effectiveness, responsiveness and market trends.*

*Macedonian telecommunications is one of the biggest retail companies in Macedonia providing telecommunication services. The CRM in the Macedonian Telecommunications can be viewed from three different perspectives:*

1. Department
2. Philosophy
3. IT system

*This paper elaborates these three perspectives of the CRM in the Macedonian Telecommunications.*

**Keywords:** Customer Relationship Management, Macedonian telecommunications, system

### 1. INTRODUCTION

CRM integrates sales, marketing and service strategies, which are based on the aim to optimize the customer benefit and relationship at long sight (see Figure 1).



**Figure no. 1. Customer Relationship Management**

The primary goal of a CRM is to develop customer loyalty and generate more business that is more profitable. Insight Technology estimates that a 5% increase in customer loyalty can translate into an increase in profits of 60–80%. CRM provides several advantages:

- Provide better customer service;
- Increase customer revenues;
- Discover and win new customers;
- Cross sell/Up Sell products more effectively;
- Help sales staff close deals faster;
- Make call centres more efficient;
- Simplify marketing and sales processes;
- Reduces advertising costs;

- Makes it easier to target specific customers by focusing on their needs ;
- Makes it easier to track the effectiveness of a given campaign ;
- Allows organizations to compete for customers based on service, not on prices ;
- Prevents spending on low-value clients or un spending on high-value ones;
- Speeds the time it takes to develop and market a product ;
- Improves use of the customer channel, thus making the most of each contact with a customer.

## 2. ABOUT THE COMPANY

*AD Macedonian Telecommunications* is a national telecom operator providing public telecommunication services in the Republic of Macedonia. As a modern company it consistently keeps pace with the latest worldwide trends in order to offer its customers a comprehensive range of up-to-date telecommunication services: telephony services, telegraph and telex services, public payphone services, leased lines services, mobile telephony services, data transmission services, directory services, VSAT and other satellite services, value added services and more.

*MT* constantly seeks out and puts into action new ways of improving development and meeting market competition. To ensure maximum flexibility and the closest possible understanding of customers' needs and demands, the company is dedicated to the implementation of new technology and building customer confidence.

*MT* is wholly committed to providing its customers with services and solutions designed to meet all their individual communication needs and requirements. It is this crucial commitment that has led the development of *MT* into a company that is truly close to its customers. *AD Macedonian Telecommunications* divides its customers into two main general categories:

- Residential Customers
- Business Customers

As a result of this, *MT* provides different products and services to each category, including Domestic Carriers also.

*AD Macedonian Telecommunications* provides full support to its customers through several telephone numbers. Call centre operators are available from Monday to Saturday from 8 AM to 8 PM.

- 171 - Free phone call for all information of *MT*'s services
- 177 – Contact telephone for reporting faults in the telephone line
- 182 Announcement of international calls
- 188 – Information
- 0800 12345 – Contact telephone for *MT*'s Internet users
- Number Telegrams

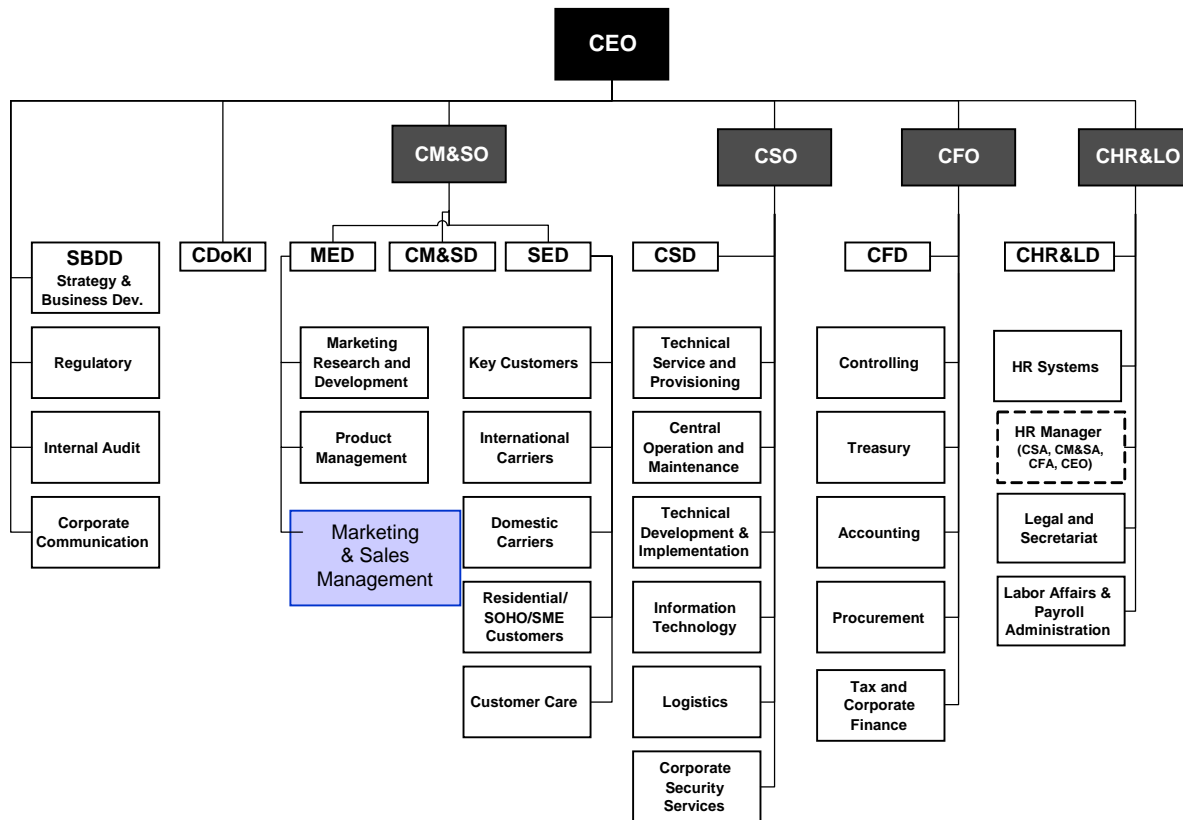
## 3. CRM IN MACEDONIAN TELECOMMUNICATIONS (*MT*)

### CRM AS A DEPARTMENT IN *MT*

As a department CRM can be viewed as a bridge between sales channels and product management. It is being responsible for:

- Strategic segmentation
- Customer value model
- Customer satisfaction improvement
- Customer bonus programs
- Analysis of customer behaviour
- Preparation of targets lists etc.

In *Macedonian Telecommunications* the CRM area is located in the Marketing and Sales Management department. The figure below presents the Marketing and Sales Management department, along with the other functions and departments which are part of the structure of the company



**Figure no. 2. CRM department in Macedonian Telecommunications**

Some of the recent examples relating to the segment oriented actions that CRM area takes to satisfy and meet its customers needs include:

- Retention of heavy international users – direct mail
- Retention of ADSL Max users – contact center campaign
- Sales of ISDN2 for business market – contact center and direct agents campaign
- Sales of ADSL for business market – direct agents and KAMs campaign

### CRM AS PHILOSOPHY

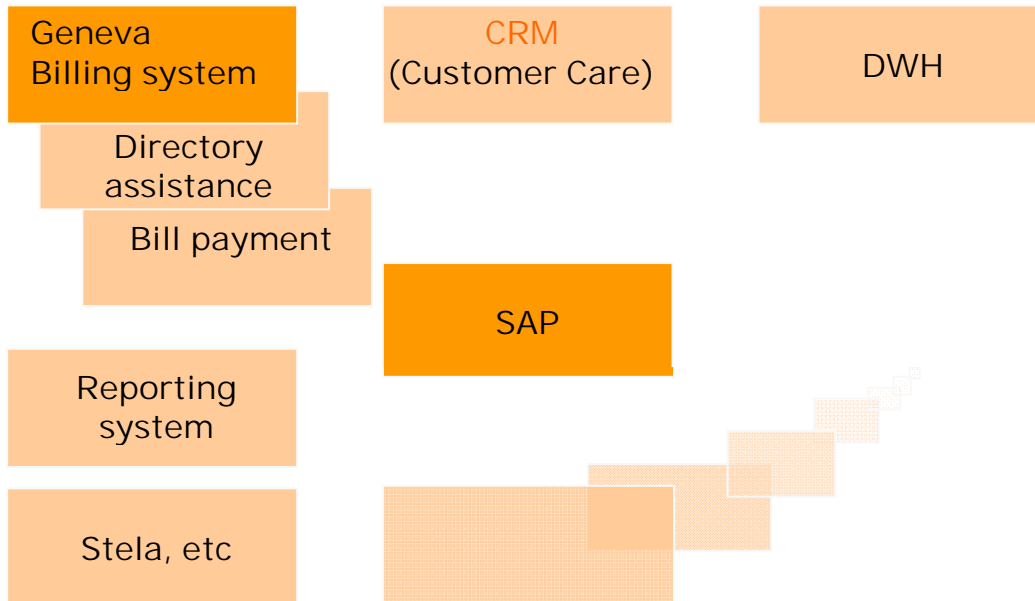
CRM regarded as a philosophy is responsible for:

- supporting the relationship marketing vs. brand or product oriented marketing
- can be observed as a state of organizational development in certain stage of development of the companies
- it can be related to customer power and customer value on the competitive market
- and finally it can be related to customer awareness

### CRM AS AN IT SYSTEM

The company has build high tech IT system which consists of software and hardware needed and essential for building strong customer relationship management, and appropriate integration of

all the functions in the company, providing performance of the system as a whole. Some of the applications and software's are: Geneva Billing system, Directory assistance, Bill payment, reporting system, Stela application for technical considerations and at the core of all the functions the SAP system.



**Figure no. 3. CRM as an IT System**

Figure 3 represents a short presentation of the CRM viewed as an IT system in *Macedonian Telecommunications*. Figure 4 presents the Geneva application. The Geneva application is the most "exploitable" application in *Macedonian Telecommunications*, meaning that each employee of the CRM department uses it many times every day to find the needed customer, to add a new one, to edit or set up the given information about the particular customer, to view the account billing or account details and so on.

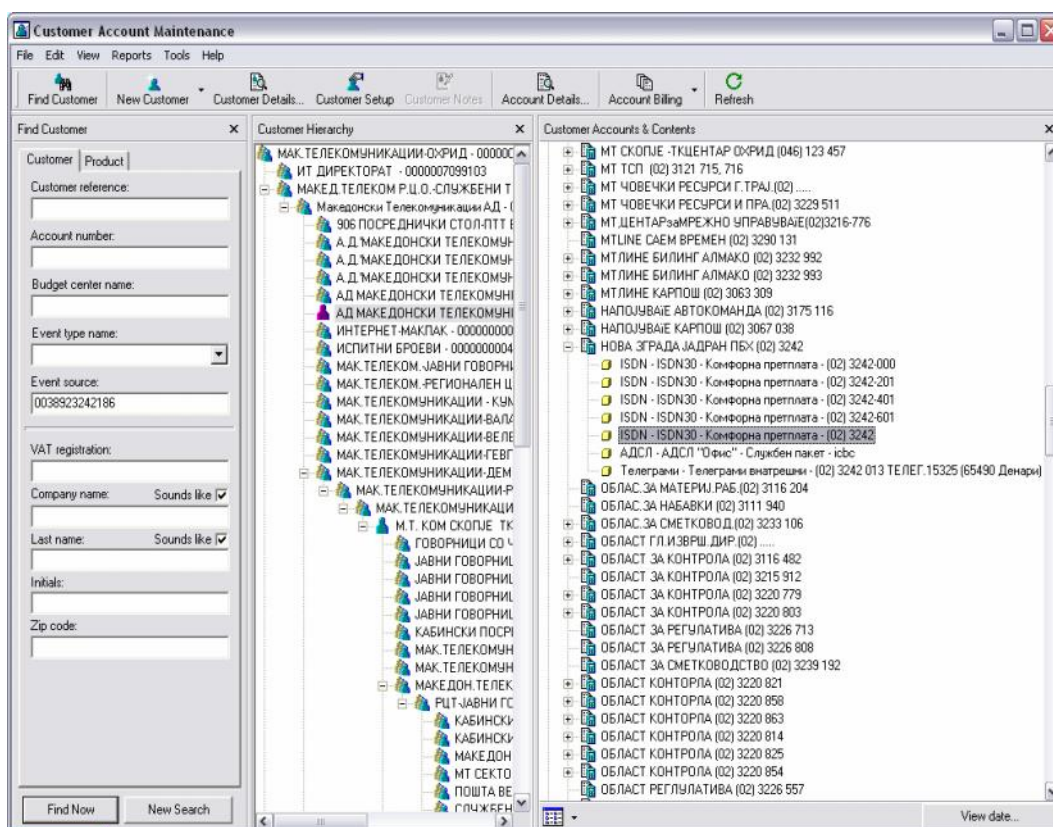


Figure no. 4. Geneva application

### Implementation of CRM in Macedonian Telecommunications

The analytical data needed for CRM is being collected from three different sources:

- Sales processes data:
  - Contact center
  - Online sales
  - Agents & KAMs visits
  - POS interactions
- Marketing data:
  - Campaigns & promotions
  - Loyalty programs
  - Customer behavior (product usage, transactions)
- Customer Care data:
  - Customer complains
  - Customer requests
  - Customer demographic and lifestyle info

The benefits that Macedonian telecommunications company gains by the use of CRM are multiple: Better customer service, faster contract processing, fault clearance, etc – more satisfied customers, Increased effectiveness of the contact center, Cross sell – up sell management, Shorter time to market, Operational improvements, Cost savings on marketing, sales, maintenance, Retention of the most valuable customers, Different segment strategy (acquire, grow or retain)

Key Performance Indicators that the company has for CRM implementation are:

- Cost per sales transactions
- Number of customers who repeat the sales transactions
- Cost per customer complain
- Churn decrease

- Increased customer satisfaction
- Contracting ratio
- Increased total Customer Value

At the end it must be stated that many aspects should be taken in account regarding the successful performance of CRM in a company.

-First of all it is the company strategy and its focus shifted from a product to a customer

-Whether yes or not the customer retention is a priority – organizational change, process change & shift of mind

-The integration of marketing, sales and service – at least strong cross functional communication

-It is expensive sport which is hard to justify with ROI

-It must be understood that the technology can not do the job because data input and customer relations are primarily done by humans

The operational requirements for the CRM implementation are:

- ❖ Customer Care, M&S Processes management
  - Customer account definition and maintenance
  - Customer contact management
  - Trouble ticket management
  - Billing account management
  - Order management
  - Invoice, traffic, balance and adjustments inquiries
  - Product and service configuration
  - Discount configuration
  - Contracting process
  - Debt escalation
  - Workflow management
- ❖ Sales force automation
  - Sales force management
  - Sales and service negotiations
  - Product catalogue
- ❖ Work force management
  - Service provisioning
  - Fault clearance
  - Maintenance

#### 4. INTEGRATION WITH *MT* SYSTEMS

CRM system must be integrated with other systems that exist in *Macedonian Telecommunications*:

- CTI
- Geneva Billing system
- Credit Cards
- SAP
- Technical inventory & Service provisioning
- Workflow/Workforce Management system
- ABC
- eARB archiving system
- GIS

Figure 5 gives a detailed explanation about the relationship and integration of the CRM department with the Customer Financial Management and the Order and Service Management. We

can note that the customer is always in the focus and in the centre of the integration among all departments.

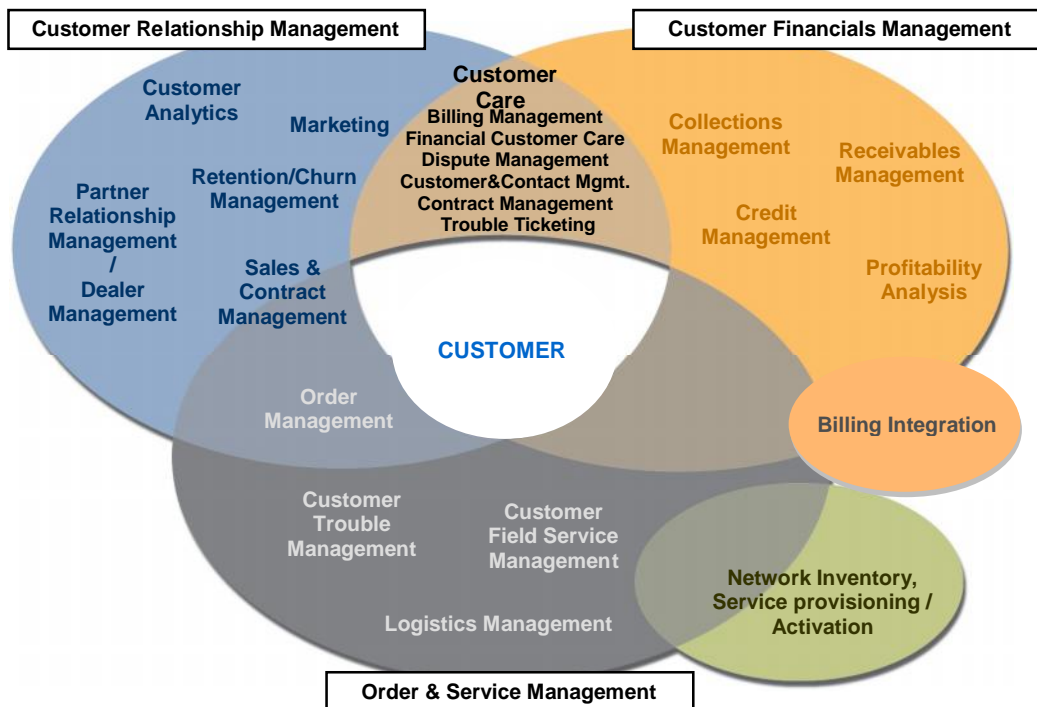


Figure no. 5. Integration with MT systems

## 5. CONCLUSION

*Macedonian Telecommunications* is a customer driven company, always keeping focus on their customers, in order to provide better approach and to satisfy customers' wants and needs more efficiently and more effectively.

The potential benefits of CRM are obvious and yet many of the obvious applications of computerization have yet to be embraced by users.

The success in CRM space isn't much a function of technology as it is a clear vision of the future of corporation, an understanding of the needs of the key stakeholders, a clear definition of the expected outcome of the CRM initiative and leadership.

Through the success of its operations, *MT* contributes significantly to an improvement in the quality of life of its customers and business partners. Moreover, the company also actively participates in the creation of a better environment by the assistance it offers to the community. Through its numerous sponsorship schemes, *MT* provides support to cultural life, sports activities, and general health of the society. In short, *Macedonian Telecommunications* is committed to proving itself an exemplary corporate citizen.

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