

A COMPETITIVE STUDY OF CAR SALES IN BUSINESS AND E- BUSINESS

¹Johar, MGM, Mohd Shukri Ab Yajid

***Abstract---**The research in this study can be considered as both exploratory and descriptive, but mainly explorative. Three case studies have been conducted, where both secondary and primary data were used. The analysis is based on the empirical findings, as well as on the theoretical Frame Work for this study. The conditions for doing business are rapidly changing. Consumptions patterns are different, there are new technologies for distributing and collecting information, and the competition on the market is increasing domestically as well as globally. In order for companies to survive and grow they must find new ways of thinking, which has led to that new approaches has emerged in marketing research. First, Relationship Marketing appeared and now Customer Relationship Management, CRM, is in the center of interest. CRM highlights the importance of using Information Technology in creating, maintaining and enhancing customer relationships. However, there is a need to develop a better understanding of CRM and of how companies can use IT, a CRM system. Thereby, the purpose of this study is to describe CRM and the realization of CRM in companies by using a CRM system. The analysis show that the goal with CRM is to maximize company profits by maximizing the value of interaction with the customers. In order to do this, companies need a business strategy that focuses on the customers and that generates a process-oriented view of the organization. The business processes needs to be supported by a CRM system, comprising CRM functionality that makes it possible to create a single view of the customer as well as of the company. The CRM system also facilitates collection and analysis of customer data, which results in more effective managed customer interactions. The analysis also shows that the stage in the CRM development process affects a company's view on CRM.*

***Keywords---**Car Business, Customer Relationship Management, E-Business*

I. Introduction

Today's conditions for doing business are changing rapidly. There are some aspects that are of great importance for the new situation that companies are facing. First of all the lifestyle of people are changing and consequently the patterns of consumption would change too. Nowadays, more women are working, the number of elderly people is increasing and often nuclear families are broken up, which result in more single homes. The changes in society has also led to that the needs of the customers being increasingly sophisticated. This is confirmed past studies who states that customers desire to be served in a personal manner with direct communication. Past studies explains it with the trend in our society to focus on the individual. Each customer would often like unique solutions where their individual needs are taken into account (Tang, 2005).

Another change is due to the rapid development of technology. New technologies for distributing and collecting information have affected both companies and customers. Customers are continuously informed through different communication media. Sometimes they are drowning in too much information from different companies but on the whole

¹Management and Science University
shukri@msu.edu.my

the customer knowledge is increased substantially. As the knowledge increases the customers discover new options, thus the customers' fidelity is decreased. With the new medium of communication companies can change their way of marketing as well as improve the possibility of gathering customer data. Finally, the competition on the market is increasing domestically as well as globally. In order to reach success, companies must find new long-term competitive advantages. It is not enough to rely on advanced technology and high quality, because soon your competitors will have reached the same level. The solutions must be tailored after the customers' specific needs and wants, with the purpose to increase the customers' experienced value of the product or service. All these changes imply that there is an increasing need for new ways of thinking within this area (Amit & Zott, 2001).

The precise meaning of relationship marketing is not always clear in the literature and the attempts to define it have been many and varied. A rather comprehensive definition is offered by past studies, where relationship marketing is defined as "to establish, maintain and enhance relationships with customers and other partners, at a profit, so that the objectives of the parties involved are met. This is done by a mutual exchange and fulfillment of promises". As stated above the rapid and radical changes resulted in a focus on relationship marketing. Now, the importance of information technology (IT) in creating, maintaining and enhancing business relationships should be stressed. The knowledge explosion in technology has had a large impact on the development of marketing and management. This trend is confirmed by past studies who states that relationship marketing will not be established without IT-based relationships using advanced technical tools (Drew, 2003). Companies must learn and adapt to changing technology if they would like to stay successful in the future. Throughout history, the marketplace has never been static; hence, there has always been a must to respond to changes in order to survive.

II. Customer Relationship Management

One of the most current IT topics is customer relationship management (CRM). The goal of CRM is, according to past studies to improve a customer's experienced value of how they interact with companies, which will, with a bit of luck, create satisfaction, which in turn builds loyalty, which, ideally, yields more sales. The value of interaction will be improved by increasing companies' capacity to understand a customer's specific need. CRM it involves acquisition, analysis and use of knowledge about the customer in order to better understand their needs and wishes. The term customer is in fact a broad definition that includes vendors, channel partners or anyone who needs information from the company . Consequently, by using customer information wisely to deliver what the customer needs, companies will create long-term, collaborative relationships with the customers. This will bring many advantages since long-term customers are less costly to serve and smooth-running relationships are less resource intensive. CRM emerged for the reason that customer differ in their preferences and purchasing habits. Understandably, if the customers' needs and wishes were identical, there would be little use of CRM. Companies could continue to use mass marketing and mass communication without any risk of failure. Actually, customized marketing has been a reality for a long time, realized by niche firms positioning towards certain customers. However, it is only recent that mass customization of product and services has been a realistic objective. The enabling factor is of course IT.

III. CRM failures

The industries that first tried to use CRM technologies were primarily direct marketing firms, users of large sales forces or a combination of the two. However, the number of failures when trying to integrate IT and marketing functions have been numerous. In the 1980s, when the IT drive started, the proceedings were intuitive, rushed and, unfortunately, generally badly planned. Thus, it resulted in many failures. Often companies made poor choices regarding CRM technology because the

users' needs were not really understood, resulting in poor system performance (Swaminathan & Tayur, 2003). Another problem was to convince the users that the technology would bring many advantages. Furthermore, companies often had no clear focus and therefore tried to cover all requirements, with the consequence that only few requirements were met completely. A company investing in developing a large customer database that costs much more than the likely benefits or remains unused after implemented was the most common failure.

Today, companies invest a lot in CRM systems. However many of these hardware/software systems still fail to meet management expectations on return on investment. One reason is that companies apply the technology with the absence of a holistic and coherent business strategy focused on the customer. CRM technology is basically an enabler. Along with people and processes, IT needs to be aligned with business goals and strategies for establishing long-term, collaborative relationships with customers. Past studies also claims the importance of CRM technologies to be implemented in order to support business projects aimed at improving customer management rather than being a technical experiment (Bohnsack, Pinkse, & Kolk, 2014). Consequently, CRM must begin with a business strategy, which drives the organization and the business processes that in turn are enabled by using Information Technology, figure 1.

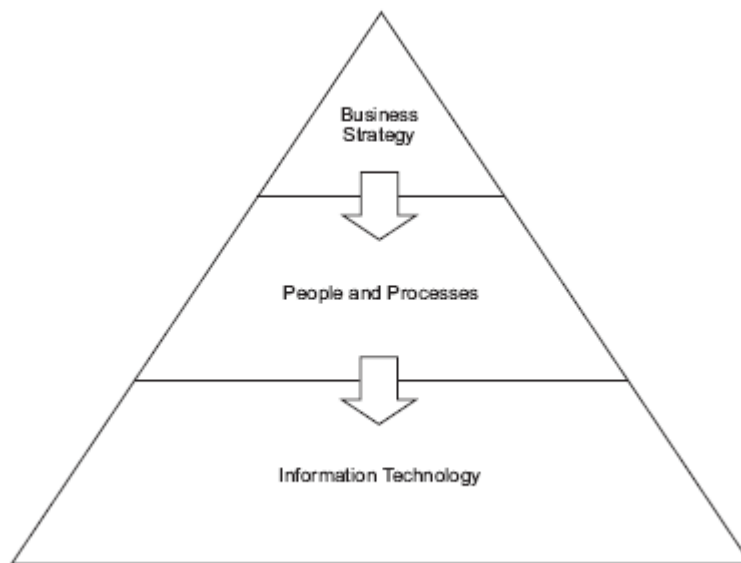


Figure 1: CRM Evolvement

Another reason why companies still have difficulties in using CRM technology is due to slow and cumbersome business processes. Many companies are still very “command and control” oriented, which means controlling the customers impact on the organization rather than aiming to give better service to the customers. Nevertheless, some companies are well on the way to find out how to use technology in a successful manner. There has been great improvement regarding usage of CRM technology at the customer interaction points. Companies are better at providing customers with the data they need, such as information about an offer or their previous or current transactions. Companies are also better at collecting data about the customers. Unfortunately, companies often have difficulties in using the data in order to make customer management improvements. One reason can be the tendency of overcomplicating the issue, from both system and process perspective. This involves processes that are too long and systems that are too specified .

A company can be divided into front-office and back-office. Customer-facing tasks are performed by the front-office, with the purpose to serve customers cost effectively. Company-facing tasks are performed by the back-office, with the prime

objective of cost-effective processing of tasks concerning operations, financials, logistics and human resources. ERP systems, is a system highly integrated with back-office functions, conversely to CRM, which is considered as a front-office integration. The two systems have many similarities. However, ERP can be implemented without CRM while CRM usually requires access to the data from the back-office. Without a connection to the ERP system the customer-facing function would not be able to present details regarding things like order status and delivery date. Nevertheless, to gain a competitive advantage enterprise system, developers have begun to provide solutions that link the front-office and the back-office. It has become evident that ERP systems also gain advantages by using market and customer information. It enables long-term thinking and predicting capacity that enables more efficient operations in the back-office (Sanders, 2007).

IV. Literature Review

In this chapter, theories that may be relevant when answering the research problem will be presented. The theories included are mainly written for readers that are familiar with marketing, but the intention is also that people without prior knowledge in marketing should find it understandable. The chapter will start by further looking into companies' marketing approach. Then, theories regarding CRM and CRM technologies will be presented. Continuously, theories concerning the development of CRM in companies will be included, and finally, theories about business processes will be provided.

Past studies has made an attempt to show that there are different marketing approaches or strategies that fit different circumstances. He has created a marketing strategy continuum, where relationship marketing is placed at one end of the continuum and transaction marketing is placed at the other end. In the relationship marketing approach the focus is on building relationships with customers, while in transaction marketing the focus is no creating single transactions with customers. As visualized in figure 3, different types of cars can be positioned along the continuum. The precise location of the cars cannot be found, which is shown by the arrows in figure 3, but depending on what kind of cars that are sold companies tend to profit more of one of the marketing approaches. These companies usually do not have direct contact with the customers and therefore do not have to focus on the customer relationship. In contrast, service companies almost always have close customer contacts and for that reason have to focus on customer interactions. The marketing continuum also presents some characteristics that normally differ between the two marketing approaches (Delhi, 2016). The first difference is the time perspective. In transaction marketing the time perspective is quite short compared to when applying relationship marketing, where the company plan for long-term relationships. Secondly, companies having a transaction-type of strategy probably will profit more from basing their marketing on the four Ps. There are also differences in price sensitivity among the customers to consumer packed goods and the customers to service companies. Customers to companies selling consumer packed goods, and who performs transaction marketing, are generally more price sensitive.

Customers will also perceive quality different depending on what marketing strategy a company uses. Customers to companies performing transaction marketing often consider what they receive, called the "quality of output", as the dominating source of quality. In contrast, the customers to companies having a relationship focus naturally value how the interactions with the company have worked out, called the "quality of interactions". Another difference between the two types of strategies is the approach to monitor customer satisfaction. Transaction focused companies are indirectly monitoring customer satisfaction by performing ad, while relationship focused companies can monitor customer satisfaction directly by having immediate and continuous contact with the customers and by building a database with updated information about each customer.

In transaction-oriented companies the marketing function performs most of the marketing, the internal interface between the departments is of limited strategic importance to the company. In companies performing relationship marketing, all

departments are responsible for creating good customer relationships, consequently the need for collaboration between the different departments are crucial for success. In order for the employees to create good relationships with the customers they have to be prepared, motivated and informed (Verstrepen, Deschoolmeester, & Van den Berg, 1999). To achieve this, the company should have a high degree of internal marketing. According to past studies while the first wave of organizational Internet sites were little more than online brochures, it is now crucial that Websites give customers options for interacting with the organization. Internet access gives customers three new ways to get in contact with organizations: Web chat, Web callback, and e-mail. Web chat allows a Web site visitor and organizational representative to have a text-based “conversation” in near real-time, by alternately typing sentences in the window provided by a chat program. This allows organizations to offer customers one-to-one contact with a representative without them having to disconnect from the Web, which is important for households that use the same telephone line for Web access and voice calls. As representatives can often conduct more than one chat session simultaneously, providing chat can also save businesses money in comparison with staffing a conventional call center.

A Web callback facility allows customers to enter their telephone numbers and be called by a representative from the organization. Furthermore, organizations can use a callback form to establish the customer’s interests, and ensure that a representative with relevant product knowledge telephones the customer. This contrasts with customers being repeatedly transferred after contacting a conventional call center until someone who can answer the inquiry is reached. Web users who access the Internet using their one and only telephone line cannot accept the call until they have disconnected their Web connection. They should therefore be able to specify when they would like to be called. However, it should also be possible for those who have separate connections to be called immediately (Garicano & Kaplan, 2001).

The case for allowing e-mail to be sent by customers is elementary to make: customers like it because they do not have to wait for an available representative, as is often the case with a call center, and organizations like it because agents can typically turn around more e-mails per hour than they can handle telephone interactions. There are two approaches Web sites can take to inviting written correspondence electronically: a feedback form or a hyperlinked e-mail address which launches the customer’s own e-mail client.

While feedback forms offer organizations a tempting opportunity to gather personal data about their customers, making them too long or intrusive will deter some customers, and therefore be counter-productive. Moreover, the approach of launching the user’s own e-mail client allows customers to be as brief or detailed as they like, but does not let the organization collect specific data, which could be used either to route the current enquiry or for marketing purposes in the future. Although they are convenient in many circumstances, callback, e-mail, and chat are not appropriate for every interaction – a customer in a hurry will often prefer direct telephoning and to be connected with an agent immediately. Many organizations look to the Web as a means to reduce the number of live agents they need to employ. While this should be achieved by providing a high-quality Web experience which means few customers need to call for more information, some organizations adopt the tactic of making it virtually impossible for customers to telephone them – clearly unwise, for example when a customer is just about to order several hundred dollars’ worth of goods and just has a small query on the delivery arrangements (Devaraj, Krajewski, & Wei, 2007).

Past studies claim that very few major organizations can expect to survive while supporting only one channel to the customer. In today’s world, customers increasingly expect to be able to choose which channel they use for after-sales support. People whose work or family commitments make it difficult for them to telephone a call center during its opening hours value efficient e-mail support very highly, as do people who are infuriated by long on-hold waits for an available call center representative. These competitive pressures and customer demands mean that supports a range of channels is not an option,

it is a necessity. Furthermore, customers want to be able to deal with companies as single entities: if they have already provided a piece of information on the Web, why should they be made to waste their time by giving it again when speaking to a call center agent.

Many dot coms were founded with the belief that they could service their customers exclusively online. Their problem is that they have paid little attention to telephone and mail support, in the hope that offering low prices will compensate for their restricted customer support facilities. The effect of this stovepipe approach on the customer experience can be disastrous. If a customer has started a transaction on the Web and telephones the call center to clarify something, there is nothing more frustrating than having to repeat all the information already entered on the Web to the representative who has no access to details of customer interactions on the Web (Ulaga, 2003). Common symptoms of poor integration with fulfillment include delays in shipment and incorrect data in order tracking sections of Web sites.

This kind of inconsistency of information and of service is very unlikely to lead to the long-lived, profitable relationships, which are the central goal of a CRM strategy. Even a highly experienced and knowledgeable agent in the call center cannot compensate for incomplete information – just after a dissatisfied customer returns a faulty product is not a good time to make a telemarketing call, but without a single view of the customer accessible to all, this is exactly what can happen. Achieving the single view is a substantial and difficult task, as many organizations have software for different business functions and different channels from separate vendors, each of which has its own data model. However, it is also a very necessary project if a company is to compete in all the markets that the expanding ranges of channels give them access to. A common misconception is that customer experience must be uniform regardless of channel: this is not the case. Rather, customer experience must have an actively managed consistency. For example, it is very practical for an online banking system to provide a large amount of historical account data and synchronization of account data with personal finance packages. The Web is very good at providing access to large volumes of data like this. On the other hand, it is very impractical to provide the same facilities via the call center, and also expensive to have the length of interaction required. For these reasons, the only time that such an interaction should take place in the call center is when there is a strong customer service reason for doing so. However, most organizations have not really grasped the issues around customer management across multiple channels, even those that have recognized the issue.

Defining CRM requirements

In order to define a company's CRM requirements, companies need to identify what CRM can do for their business. Consequently, a company needs to identify what business requirements CRM can address in each business area. The company's ability to define the business requirements will affect the choices of CRM products, the implementation activities as well as the planning of the CRM development (Hussain, Mosa, & Omran, 2017). According to past studies, companies usually intuitively know within which business area CRM can address a lot of business requirements. However, companies often need to improve their business process first in order to generate the biggest returns from CRM. The need for customer-focused business processes is described later in this chapter. That section also describes business process analysis, which is needed by companies who have not documented their current processes or need to view the current ones. After specifying the business requirements, the company must find the functional requirements, describing how to solve the business requirements. Past studies gives the following example of a CRM requirement and corresponding functionality. The CRM requirement was to have "the ability to track success of target marketing campaigns" and the CRM functionality needed was "campaign response modeling". Thus, the requirements define "what" and the "functionality defines "how" (Hussain, Mosa, & Omran, 2018).

Defining CRM functionality

In order to define the CRM functionality the company needs to map their business processes and identify the functions needed within the process. It means finding out what parts of the customer-focused business processes do they need to support with technology. When selecting CRM tool, it is important to consider which functions are most important to the business requirements. If the CRM tool does not provide all the needed functions the company need to know whether they will do without a certain function or not. The company also has to consider whether they are prepared to custom-build the function or if they can change their process to match the designed workflows of the CRM tool. Finally, the management has to think about the probability that the people involved will use the system (Hussain, Musa, & Omran, 2019).

CRM Evaluation

In this section theories that deal with evaluation tools, which can assess both tangible and intangible elements when organizations evaluate the effectiveness of their CRM are reviewed. Past studies propose an application framework for evaluating CRM effectiveness. Each perspective is evaluated by appropriate metrics. According to past studies there are some reasons why performance measurement is so powerful in enhancing business. First, measurement removes the ambiguity and disagreement that surround high-level strategic concepts. Second, measurement provides the precise language for clearly communicating at all levels what the organization wants to accomplish and how it intends to accomplish it (Hussain, Musa, & Omran, 2018). Third, measurement allows the continual evaluation of organizational alignment on strategic objectives. Last, measurement not only improves the probability but also speeds the pace at which change occurs. The four perspectives are customer knowledge, customer interaction, customer value, and customer satisfaction. But, how to improve the value of CRM?

V. Research Methodology

In this chapter, the frame of reference will be defined. Further, the relationship between the theories included in the theory chapter will be described, the research questions will be stated, and the demarcations of this study will be described. After that, the theories relevant for the research problem will be chosen and the emerged frame of reference will be presented. Finally, the conceptualization and operationalization will be described.

There are many ways to carry out research. Most types of research can be classified according to how much the researcher knows about the problem before starting the investigation. According to past studies there are three classifications of research available when dealing with a research problem: exploratory, descriptive, or explanatory. But, in a case study, all of this study only uses the exploratory method. As mentioned earlier, research can be categorized into different types, where the nature of the problem affects whether the research is exploratory, descriptive or casual. The research approach is often either quantitative or qualitative. Selectivity and distance to the object of research characterize a quantitative approach whereas a qualitative approach is characterized by nearness to the object of research. Both approaches have their strengths and weaknesses and neither one of the approaches can be held better than the other one. The best research method to use for a study depends on that study's research purpose and the accompanying research questions.

A quantitative approach implies the search for knowledge that will measure, describe, and explain the phenomena of our reality. Quantitative research is often formalized and well structured. Quantitative research is usually associated with the natural science mode of research, data is quantitative, obtained from samples and observations seeking for relationships and patterns that can be expressed in numbers rather than words. Qualitative research is the search for knowledge that is supposed to investigate, interpret, and understanding the phenomena by the means of an inside perspective. Furthermore, past studies states that qualitative methods are often related to case studies, where the aim is to receive thorough information and thereby

obtain a deep understanding of the research problem. When collecting information, either qualitative data or quantitative data can be collected. Qualitative data implies “soft” data, such as “atmosphere at work”, and is often presented as words and observations. Quantitative data implies “hard” data, like information on profits gained and order size, and is often presented as numbers that will determine the quantity or extent of some phenomena. When making an exploratory research the data collected is often qualitative.

In this study, a lot of data has been collected during the interviews performed. Primarily, qualitative data has been collected since the answers to the questions asked are in words and not just numerical findings. As a result of these explanations, we can decide that our research is qualitative. The research questions posed will provide answers that cannot be quantified or measured in numbers. Moreover, since the purpose of this thesis is to gain a better understanding of CRM in business and e-Business, a qualitative study is the method that suits us best. Here follows a description of how the theories in chapter 2 relate to each other, figure III-1. The connection between the different theories is described in order to create a better understanding for which theories that need to be included in the frame of reference.

The Strategy Continuum presented in the theory chapter is related to theory on who will benefit from applying CRM. Since a company’s marketing approach can be identified by using the Continuum and by making a comparison with the characteristics mentioned by Bose, the likeliness of benefiting from CRM can be estimated. The Strategy Continuum is also related to the theories treating CRM development, since the Continuum can be used when identifying a company’s CRM requirements. The characteristics presented in the Continuum create an overall understanding for a company’s marketing approach and customer relationships, which is necessary when investigating business requirements. The theories regarding CRM and CRM technology are related since they are both needed to describe CRM. The theories regarding CRM development include important information on the procedures necessary when developing CRM in companies. It incorporates theories on how to identify the CRM functionality. Consequently, the theories describing CRM development and CRM technology are also related. The identification of the CRM functionality needed is done by performing a business process analysis, where the companies CRM requirements are identified at first, followed by an identification of the needed CRM functionality. Thereby, the theories regarding business processes and business process analysis are related to the theories describing CRM development. They are also related to the theories describing CRM technology, since CRM technology is needed in the different steps in the business processes. Thereby, the sales process described in the theory is connected to the theories regarding CRM technology.

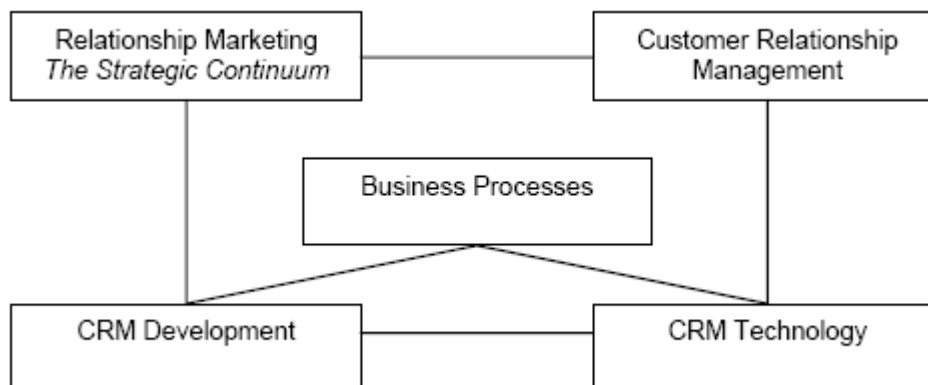


Figure 2: Visualization of the relationship between the theories presented in chapter 2.

Empirical Findings

This chapter includes the empirical findings from the interviews with the case study objects selected for this research. At first, the findings from ShangHai Volkswagen will be presented, and then the data collected from the retailers will be presented together. For Company ShangHai Volkswagen a brief introduction of the companies will be provided, then the data regarding the marketing approach will be presented and finally the presentation of the empirical data will follow the structure of the research questions. However, the companies CRM requirements and need for CRM functionality will be presented together. As mentioned in the frame of reference companies' sometimes prefer to express their CRM requirements by using terms of CRM functionality. The presentation of the requirements is also based on the categorization of the CRM functionality provided in the frame of reference. Company ShangHai Volkswagen is the subsidiary company in a Company Group of the First China Automobile that was founded in 1985 in China and make a Joint-Venture by fifty percent to fifty percent with a Germany company. Ever since, Company has produced and marketed cars including category of Santana, Santana3000, Passat, Polo, Gol and Touran. The sales region is China. At present, the Company Group comprise of Company ShangHai Volkswagen, is divided into seven functional departments, shown as figure V-1. Altogether the group employs about 22,000 employees. The core activities within the Company Group are design, development, manufacture, marketing and sales of cars consists of family and business cars.

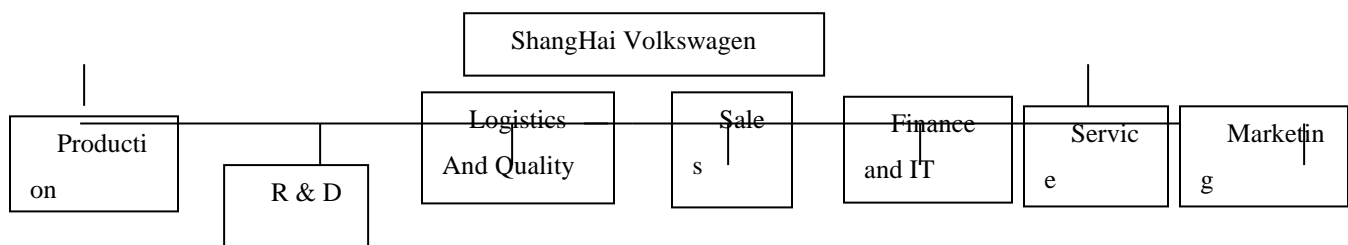


Figure 3: Organization chart for company ShangHai Volkswagen

In order to ensure the suitability of the study objects a few aspects will be analyzed. First, the companies marketing approach will be analyzed by using the strategy continuum developed. It is important to secure that the study objects apply relationship marketing. If the companies should perform transaction marketing they would have less use of applying CRM and therefore not be suitable as study objects. There are several characteristics that normally differ between the relationship marketing and the transaction marketing approach. In the analysis each characteristic will be evaluated in order to see the extent to which Company ShangHai Volkswagen apply relationship marketing. Secondly, Bose's theories will be used to analyze the companies' likeliness to benefit from applying CRM, since this is an important criteria for being a suitable study object. Finally, the CRM complexity of the CRM system will be analyzed by using theory regarding CRM complexity. The degree of complexity should be rather high in order for the study objects to be suitable for this study. This since high CRM complexity imply more extensive CRM requirements and thereby more information can be obtained from the study objects (Nawaz, Azam, & Bhatti, 2019).

The difference in how detailed the theory and the study object has described CRM functionality might be another cause of the discovered difference between the empirical findings and the theory. When comparing the information and functionality included it appears like sometimes the respondents at Company ShangHai Volkswagen is describing their needs more in detail than the theory does and sometimes it seems to be the opposite situation, where the functionality is more detailed described in theory. Here follows some examples on differences that are present due to differences in how detailed the descriptions of functionality and information are.

- Functionality described more in detailed in theory:

1. Direct Marketing: graphical templates are not specified in the empirical findings
2. Knowledge Management: Support of Web links, auto/video clips, presentations and graphical software
 - Functionality described more in detail in the empirical findings:
 1. Information regarding the customer business and contact persons
 2. Information needed when managing a service order and what analysis that are performed Examples on documents that need to be accessible when using “Document Handling” functionality

The characteristics of some functions included in theory are sometimes rather technical and this might be the reason to why they are not included in the empirical findings. Here follows some examples on functionality that might be left out because of that they are too technical.

1. Knowledge Management: “Search Engine that Allows Finding Documents by Searching on a specific Keyword”
2. Sales Process Activity Management: Alarm reminders
3. Contact Management: “Drag and Drop Files, Documents and e-mails from Windows Explorer and Microsoft Outlook into the CRM Document System” and “Storage of an e-mail directly as a task in the CRM system”.
4. Reporting Capabilities: Define Own Search Criteria and Save Them for Later Searches. This is not the same as saying that accessibility isn’t important, because it is, but how easy access is solved the users care less about.
5. Customer Satisfaction Measurement: Automated logging of ID when responding a questionnaire.

The respondents make inquiries about “Managing of Bonus & Commission” functionality that is focused on showing the advantages with selling. This implies that the functionality not only should focus on managing activities giving out bonuses and commissions, it should also be a mean to inspire the sales people. The functionality included in theory might not live up to this since it’s mostly aimed for supporting the managing of the activities concerning bonus & commission. This section consists of two main parts. The first part comprises a comparison between the sales process included in the frame of reference, and the sales process described by the study objects. It also includes a case analysis of the sales processes at Company ShangHai Volkswagen. The second part comprises an analysis of the design of a CRM system, implying that the CRM functionality needed by the study objects will be connected to the sales process. This section includes a comparison of the sales process included in the frame of reference and the sales processes described by Company ShangHai Volkswagen. The purpose with the comparison is to see whether the description in theory resemble with reality. This is interesting since the design of the CRM system will be based on that sales process. Consequently, the correctness of the sales process will affect how good the design of the CRM system will be.

VI. Discussion and Conclusions

In this chapter the research questions of this study will be answered by discussing the empirical findings. By answering the research questions the research problem will also be answered. Furthermore, this chapter includes an evaluation of the study. Finally, recommendations to the assigner company will be presented, and further research will be proposed. The aspects brought up in the theory describing CRM can be visualized in a picture that gives a good view of the meaning of the CRM approach (Nawaz, Afzal, & Shehzadi, 2013). The goal of CRM is to maximize the value of customer interaction, implying that companies can keep their most profitable customers, and by so doing reduce costs, at the same time as profits are maximized. To realize this company, first of all need a business strategy focused on the customer, a strategy that generates a process-oriented view of the organization with business processes that are designed around the customer perspective. In order to support the business processes a CRM system is needed. The CRM system will secure that a single view of the customer is obtained, as well as that the customers receives a single view of the company.

The CRM technology included in the CRM system can be divided into three functional categories, Operational CRM, Analytical CRM, and Collaborative CRM.

1. Operational CRM includes application that integrates front-, back-, and mobile offices and automates business operations, with the purpose to increase efficiency of customer interactions.
2. Analytical CRM involves applications that analyze customer data generated by operational tools. The data is stored in a centralized cross-functional database, called a data warehouse. The purpose with Analytical CRM is to enable the companies to take better decisions.
3. Collaborative CRM seeks to facilitate interaction between customers and companies by using different technologies, such as electronic communication.

VII. Further Research

This section includes suggestions on how the results from this thesis can be taken further by performing supplementary research. This study shows that certain CRM functionality described in theory is not needed by the case study objects selected for this research. This implies that a number of more studies would be interesting to perform, in order to see whether the same results will be obtained when using different study objects. To start with, this study shows that there is no need for Territory Management functionality. However, before concluding that Territory Management functionality is unnecessary it would be interesting to investigate the needs of a company having large sales force including lots of sales teams. Their likeliness of needing functionality to support the organizing of sales teams is rather high. It would also be of interest to study companies with a large Customer Service & Support Department, employing many customer service representatives and field service engineers. This is in order to see whether the findings is different regarding need for Field Service Automation, Workforce Management, Call Scripting and functionality for Managing Rental & Service Agreements. The empirical findings indicated that more was no need for Configuration Support functionality. This is due to the fact that the product offered by Company ShangHai Volkswagen does not have the characteristics what imply that a company would benefit from using Configuration Support. Thereby, it would be of interest to study if the need is different for a company offering products consisting of many different components that can be combined in many different ways. It would also be relevant to study a company what performs Telemarketing and Telesales activities. This in order to see whether the need for Telemarketing functionality is greater than showed in this study.

REFERENCES

- [1] Amit, R., & Zott, C. (2001). Value creation in e-business. *Strategic management journal*, 22(6-7), 493-520.
- [2] Bohnsack, R., Pinkse, J., & Kolk, A. (2014). Business models for sustainable technologies: Exploring business model evolution in the case of electric vehicles. *Research Policy*, 43(2), 284-300.
- [3] Delhi, S. I.-N. (2016). Automotive revolution & perspective towards 2030. *Auto Tech Review*, 5(4), 20-25.
- [4] Devaraj, S., Krajewski, L., & Wei, J. C. (2007). Impact of eBusiness technologies on operational performance: the role of production information integration in the supply chain. *Journal of operations management*, 25(6), 1199-1216.
- [5] Drew, S. (2003). Strategic uses of e-commerce by SMEs in the east of England. *European Management Journal*, 21(1), 79-88.
- [6] Garicano, L., & Kaplan, S. N. (2001). The effects of business-to-business e-commerce on transaction costs. *The Journal of Industrial Economics*, 49(4), 463-485.
- [7] Hussain, M. S., Mosa, M. M., & Omran, A. (2017). The Mediating Impact of Profitability on Capital Requirement and Risk Taking by Pakistani Banks. *Journal of Academic Research in Economics*, 9(3), 433-443.
- [8] Hussain, M. S., Mosa, M. M., & Omran, A. (2018). The impact of owners behaviour towards risk taking by Pakistani Banks: Mediating role of profitability *Journal of Academic Research in Economics*, 10(3), 455-465.

- [9] Hussain, M. S., Musa, M. M., & Omran, A. (2019). The Impact of Regulatory Capital on Risk Taking By Pakistani Banks. *SEISENSE Journal of Management*, 2(2), 94-103.
- [10] Hussain, M. S., Musa, M. M. B., & Omran, A. A. (2018). The Impact of Private Ownership Structure on Risk Taking by Pakistani Banks: An Empirical Study. *Pakistan Journal of Humanities and Social Sciences*, 6(3), 325-337.
- [11] Nawaz, M. A., Afzal, N., & Shehzadi, K. (2013). Problems of formally employed women: A case study of Bahawalnagar, Pakistan. *Asian Journal of Empirical Research*, 3(10), 1291-1299.
- [12] Nawaz, M. A., Azam, M. A., & Bhatti, M. A. (2019). Are Natural Resources, Mineral and Energy Depletions Damaging Economic Growth? Evidence from ASEAN Countries. *Pakistan Journal of Economic Studies*, 2(2), 15-28.
- [13] Sanders, N. R. (2007). An empirical study of the impact of e-business technologies on organizational collaboration and performance. *Journal of operations management*, 25(6), 1332-1347.
- [14] Swaminathan, J. M., & Tayur, S. R. (2003). Models for supply chains in e-business. *Management Science*, 49(10), 1387-1406.
- [15] Tang, M. Y. (2005). *A Competitive Study Of Car Sales In Business And E-Business*. Multimedia University.
- [16] Ulaga, W. (2003). Capturing value creation in business relationships: A customer perspective. *Industrial Marketing Management*, 32(8), 677-693.
- [17] Verstrepen, S., Deschoolmeester, D., & Van den Berg, R. J. (1999). Servitization in the automotive sector: creating value and competitive advantage through service after sales *Global production management* (pp. 538-545): Springer.