
Competition Forum

Vol. 14, Number 2, 2016

ISSN# 1545-2581



**American Society for Competitiveness
Publication**

Editor in Chief:
Managing Editor:
Editors:

Abbas J. Ali, Indiana University of Pennsylvania
Helen Bailie, Penn State University - Altoona
Robert C. Camp, Indiana University of Pennsylvania
Prashanth Bharadwaj, Indiana University of Pennsylvania
Anna Reuther, Indiana University of Pennsylvania
Rita Sprenger, Indiana University of Pennsylvania

Assistant Editor:

Editorial Board

Sami Abbasi
Suhail Abboushi
Felix Abeson
Helen Bailie
Phillip W. Balsmeier
Jayanti Bandyopadhyay
Madan Batra
Hooshang Beheshti
Farmerz Byramjee
Raymond Cox
Frank Duserick
G. Scott Erickson
Kamal Fatehi
William Fitzpatrick
Margaret Goralski
Balaji Janamanchi
Ali Kanso
Roger Kashlak
Hamid Khan
Stephen Knouse
Carl Malinowski
Ananda Mukherji
Nadia Abgrab Noormohamed
Shakil Rahman
David Ramsey
Sharaf Rehman
Ramesh Soni
Robert Stone
Ziad Swaidan
Carl Tong
Abu N.M. Waheeduzzaman
Nikolai Wasilewski

Norfolk State University
Duquesne University
Coppin State University
Pennsylvania State University
Nicholls State University
Salem State University
Indiana University of Pennsylvania
Radford University
Indiana University of Pennsylvania
University of Northern British Columbia
Alfred University
Ithaca College
Kennesaw State University
Villanova University
Quinnipiac University
Texas A&M University
The University of Texas at San Antonio
Loyola University Maryland
Our Lady of the Lake University
University of Louisiana at Lafayette
Pace University
Texas A&M International University
Salve Regina University
Frostburg State University
Southeastern Louisiana University
The University of Texas at Brownsville
Indiana University of Pennsylvania
RNS Management Group
University of Houston – Victoria
Radford University
Texas A&M University Corpus Christi
Pepperdine University

The Competition Forum (CF) is the Research Publication of the American Society for Competitiveness. It is listed in the Cabell's Directory, Ulrich's International Periodicals Directory, Gale Group, Oxbridge Communications, EBSCO and ProQuest. All Rights Reserved.

COMPETITION FORUM

Volume 14(2)

2016

COMPETITION FORUM

Volume 14 (2)

2016

TABLE OF CONTENTS

Social Calculus Missing from Decisions on Immigration and International Trade	187
Robert C. Camp, Indiana University of Pennsylvania Prashanth N. Bharadwaj, Indiana University of Pennsylvania	
Defining the Organizational Culture that Drives Strategic Innovation in Micro, Small and Medium Enterprises in Egypt	190
Sayed Elsayed ElKhouly, Ain Shams University Rania Marwan, Ain Shams University	
Human Sigma: What, Why and Why Not	200
Madan Mohan Batra, Indiana University of Pennsylvania	
The Impact of Organizational Culture on Work Quality	210
Sayed El Khouly, Ain Shams University Noha Fadl, Ain Shams University	
Financial and Environmental Issues of Public-Private Waste Management Strategy	216
Frank Duserick, Alfred University Theresa Gunn, Alfred University Mark Lewis, Alfred University	
Misgivings of Misclassification of Workers: Tax Gaps	222
Paul F. McGee, Salem State University David A. Goodof, Salem State University Jayanti Bandyopadhyay, Salem State University Andrew Christensen, Salem State University	
Global Virtual Currency – Brief Overview	230
Suhail Abboushi, Duquesne University	
Financial Inclusion and the Payments Industry	237
Michael Zucarro, Pace University Larry Bridwell, Pace University	
Long Term Memory in Foreign Exchange Market Returns: International Evidence	243
Anuradha Jain, Vivekananda Institute of Professional Studies	
Comparative Analyses of Philosophical Foundations of Kakistocratic Leadership and Timocratic Management Theories in Colleges and Universities	253
Kamal Dean Parhizgar, Texas A&M International University, Texas Suzan S. Parhizgar, Hemet Medical Center, California	
Enhancing Maslow's Hierarchy of Needs for Effective Leadership	259
Bina Soni, Indiana University of Pennsylvania Ramesh Soni, Indiana University of Pennsylvania	

Competitiveness Council and Development of Public Policies	264
Laura Mesquita Barbosa, Investment and Competitiveness Promotion Agency of São Paulo State - Investe São Paulo Luciano Santos Tavares de Almeida – FIND	
America and The Asia-Pacific: The Geopolitical Vision of General Douglas Macarthur	270
Francis P. Sempa, Wilkes University	
Mixed Signals: Do College Graduates Have the Soft Skills That Employers Want?	276
Carol Stewart, Southern Connecticut State University Alison Wall, Southern Connecticut State University Sheryl Marciniac, Southern Connecticut State University	
Academic Entrepreneurialism: Originating, Commercializing and Sustaining Intellectual Property Development	282
William M. Fitzpatrick, Villanova University Samuel A. Dilullo, Villanova University	
Organizations' Investment in Education	307
Omid Nodoushani, Southern Connecticut State University Carol Stewart, Southern Connecticut State University Jessica Escobar, Southern Connecticut State University	
The Relationship between Undergraduate Student Attitudes about Hypothetical Marketing Moral Dilemmas and Two Variables: Strength of Religious Identity and Strength of Spiritual/Religious Beliefs	313
Carl Malinowski, Pace University	
Faculty Handbooks -- An Analysis of Human Resource Management Policies and Practices: A Case Study	322
Douglas M. McCabe, Georgetown University	
What Makes Business Students Participate in College Study Abroad Programs?	325
Soumava Bandyopadhyay, Lamar University Kakoli Bandyopadhyay, Lamar University	
Piloting a Networked Curriculum	333
Chad Raymond – Salve Regina University Traci Warrington – Salve Regina University	
CRM as an Outreach and Communication Strategy with Graduates of the Master's Degree in Marketing Management	339
Jose Sanchez-Gutierrez, CUCEA, University of Guadalajara, Mexico Elsa Georgina Gonzalez-Uribe, CUCEA, University of Guadalajara, Mexico Karla Paola Ramirez-Delgadillo, CUCEA, University of Guadalajara, Mexico Tania Elena Gonzalez-Alvarado, CUCEA, University of Guadalajara, Mexico	
Leveraging Industry Experience to Enhance a Professor's Ability to Teach Applications of Theory	346
John Lipinski, Indiana University of Pennsylvania P. Michael Kosicek, Indiana University of Pennsylvania	
Toward Understanding the Importance of the Different Aspects of Oral Communication: An Exploratory Study of MBA Students in Portugal	351
Carlos F. Gomes, University of Coimbra Mahmoud M. Yasin, East Tennessee State University	

CRM as an Outreach and Communication Strategy with Graduates of the Master's Degree in Marketing Management

Jose Sanchez-Gutierrez, CUCEA, University of Guadalajara, Mexico
Elsa Georgina Gonzalez-Uribe, CUCEA, University of Guadalajara, Mexico
Karla Paola Ramirez-Delgadillo, CUCEA, University of Guadalajara, Mexico
Tania Elena Gonzalez-Alvarado, CUCEA, University of Guadalajara, Mexico

EXECUTIVE SUMMARY

This research aims to propose a strategic Customer Relationship Management (CRM) model as a key element for outreach and communication, in order to create relevant benefits and improve the decision making process as well as strengthen, enhance, and manage relationships with graduates of the Master's Degree in Marketing Management. A strategic CRM model will be the means through which, regardless of the type of technology employed, it will be possible to establish close relationships with the graduates and remain informed of their current situation. This research was carried out by correlation variables using the statistical tool of multivariate analysis by means of the SPSS (Statistics Product and Service Solutions.) The research concludes with the proposal of a strategic CRM model.

Keywords: Strategic model, technology, decision making, contact management.

INTRODUCTION

The Master's Degree in Marketing Management was founded in 2000 and was established with the main objective of preparing highly qualified marketing professionals. The Master's Degree has been recognized by the CONACYT's National Program of Quality Postgraduate Degrees since 2008 and has a professionalizing focus. One of the main remarks made by CONACYT in 2012 expressed that there needed to be a follow-up program for the Master's Degree graduates. Currently, such a program does not exist in a fully developed or suitable form independently of new technologies, such as those used for social networking. A strategic model of Customer Relationship Management is needed to develop close relationships with customers –in this case, the graduates of the Master's Degree in Marketing Management of the University Center of Economical and Administrative Sciences of the University of Guadalajara.

Maroofi, Aliabadi, Fakhri, and Hadikolivand (2013) state that due to changes and innovation in technology, CRM has evolved in such way that it must be considered a strategy to keep a long-term relationship with customers. CRM acknowledges that each one of the customers is a person with needs, aspirations, and wishes of their own. Thinking of graduates as customers, the Master's Degree in Marketing Management will start treating them as they would want to be treated, not just as another graduate. This will be particularly useful for keeping in touch even if graduates move far away.

LITERATURE REVIEW

Customer Relationship Management (CRM)

CRM began to gain prominence in the 1990s and the early years of the 2000s. It was initially focused on commercialization, however, it is a broad term. Zablah, Bellenger and Johnston (2004) have identified up to 45 definitions for CRM due to the wide range of CRM facets, such as process, strategy, technological tool, ability or even philosophy (Ahearne, Rapp, Mariadoss, & Ganesan, 2012). Some authors like Rigby and Bilodeau (2009) have observed the results of some reports in

which CRM was the most widely used tool (not strategy) in 2008. Therefore, even today, many researchers see CRM as a technological application only. Public institutions face greater risks than private companies when implementing CRM, since they have limited resources and are financed by requesting federal subsidies (Lawson-Body, Willoughby, Mukankusi, & Logossah, 2011).

According to Kale (2004), as cited by Mukerjee and Singh (2009), CRM research shows that 60% to 80% of CRM projects end in failure. Nevertheless, Mukerjee and Singh (2009) also state that, despite failure, CRM is used to keeping existing customers and increasing the quantity of customers, therefore becoming an influence in the development of new products and services.

CRM is defined as a strategic approach that enables organizations to use internal resources (i.e., Technology, people, and processes) to manage relationships with customers for the whole of their life cycles in order to create a competitive advantage and improve an organization's performance. (Mohammed & Rashid, 2012). For Darvish, Kafashzadeh, and Ahmadnia, (2012), CRM is defined as a customer focused management strategy, with the objective of establishing long-term relationships with profitable customers, by using an exhaustive knowledge of the customer. CRM is not a product or a service but a business strategy designed to optimize profitability, income, and customer satisfaction. It is an integrated business strategy that places the customer at the center of entrepreneurial awareness (Kavitha & Palanivelu, 2012).

New CRM concept

The new emerging point of view on CRM establishes a more collaborative approach and a network focused on customer relationship management. Tags such as "Social CRM" or "CRM 2.0" have been used to describe this new way of developing and keeping relationships with the customers in the current business and information technology landscape (Trainor, 2012).

Dimensions and levels of CRM

According to Mohammed and Rashid (2012), CRM consists of four overall behavioral dimensions. These behavioral dimensions are: *customer orientation*, *CRM organizations*, *knowledge management*, and *technology based CRM*. Authors say that it is essential that all of these dimensions are systematically working within an organization in order to guarantee its best performance. The applications of CRM systems can be categorized in two levels: *Operational or Analytic*, as suggested by Razvan (2010), cited by Foss, Stone, and Ekinici (2008).

Operational CRM aims to reduce operating costs while enabling these functional areas to provide a higher level of value to customers. The operational part of the system includes CRM software, as well as all of the information technology applications that are in charge of the integration between databases and communication channels (Lorenzon & Pilotti, 2008.)

On the other hand, Foss, Stone, and Ekinici (2008) state that *Analytical CRM* concerns the technologies that aggregate customer information and provide analysis of the customer data to improve managerial decision-making and actions. They also state that *Analytical CRM* is based on technologies such as data warehousing and data mining. Ideally, the customer database should be accessible from all relevant departments, such as sales, customer service, and marketing.

Benefits of CRM

Richard, Thirkell, and Huff, (2007) regard the benefits of CRM when properly implemented, which include a focus on profitable customers, the integration of every channel, the improvement of customer service, the efficiency and effectiveness of the sales force, the coordination of individualized marketing messages, motivation that is greater every time for employees, improving the decision-making process, as well as the customization of products and services.

Customer satisfaction

For Athanassopoulos and Iliakopoulos (2003), customer service has been a core topic for entrepreneurial decision-making around the world for the last 20 years. Dissatisfied customers are more prone to deserting from commercial relationships and from relationships with potential customers as a result of negative word-to-mouth.

Quality of service

Quality of service was one of the most critical topics regarding maintenance of a sustainable relationship with customers, according to Arup and Bivraj (2012), as a consequence of its impact on customer satisfaction, customer retention, cost reduction, profitability, and in the overall sustainable entrepreneurial performance (Parida & Baksi, 2013).

Loyalty and customer retention

Customer loyalty is also taken into account, as a result of affective commitment, as asserted by Richard, Thirkell, and Huff (2007). Lee and Cunningham (2001) believe that customer loyalty is the customer's intention to frequently return to the company that provides existing services based on the customer's previous experiences and their future expectations.

According to Syeda (2012), customer retention is imminently important for the success of the organization, given that the cost of acquiring new customers is greater than holding onto old customers. It is highlighted as well that it is obvious that the most profitable customers of any organization represent close to 30% of the company's profitability.

Implementation of CRM

The implementation of CRM is a difficult and complex initiative that demands the participants' full commitment and support. Its true essence is centered around the initial and clear definition of business strategies, objectives, and priorities, as well as the selection of adequate technologies to accomplish the goals and adapt to the organizational culture that CRM entails. Some of the difficulties of CRM implementation are the inability to generate a profitable growth and, in some cases, even hurting the relationships established with existing customers (Reinartz, Krafft, & Hoyer, 2004).

CRM and Information Technology (IT)

For Wang, Dugan, and Sojka (2013), a CRM system is defined by bringing together the potential of relationship marketing strategies and IT to create profitable, long-term relationships with customers and other key stakeholders. However, for Saini, Grewal, and Johnson (2010), simply purchasing and adopting CRM technology does not guarantee better marketing performance. Additionally, social networking has become deeply important and is generally used by young people on a daily basis – not only to connect with others, but also to professionally collaborate with a CRM system (Wang, Dugan, & Sojka, 2013).

CRM and Higher Education

Lavanya (2011) mentions that education institutions around the world are undergoing radical changes in how they operate and interact with their "customers" (i.e., students, faculty members, and staff members) by resorting to technology – such as CRM technology – in which the focus is on process automation and improvement are focused, although the important aspect is the personnel who serve each one of them, providing customer service and managerial support, both academically and administratively.

Competitiveness

Competitiveness is a way of measuring economy in comparison to others; it is like a race where it is important to know how well one is doing in comparison to others. In other words, competitiveness is the capacity to attract and maintain both talent and investment, which is what the Mexican Institute of Competitiveness mentions on its webpage (IMCO, 2015.) In the case of education, IMCO proposes public policies such as competing for talent with a flexible university system and other subjects online – which are referenced, among others, to competitiveness indicators (IMCO, 2015.)

Marketing

The term Marketing has changed with time. For the American Marketing Association (2014), it is defined as the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

Relationship Marketing

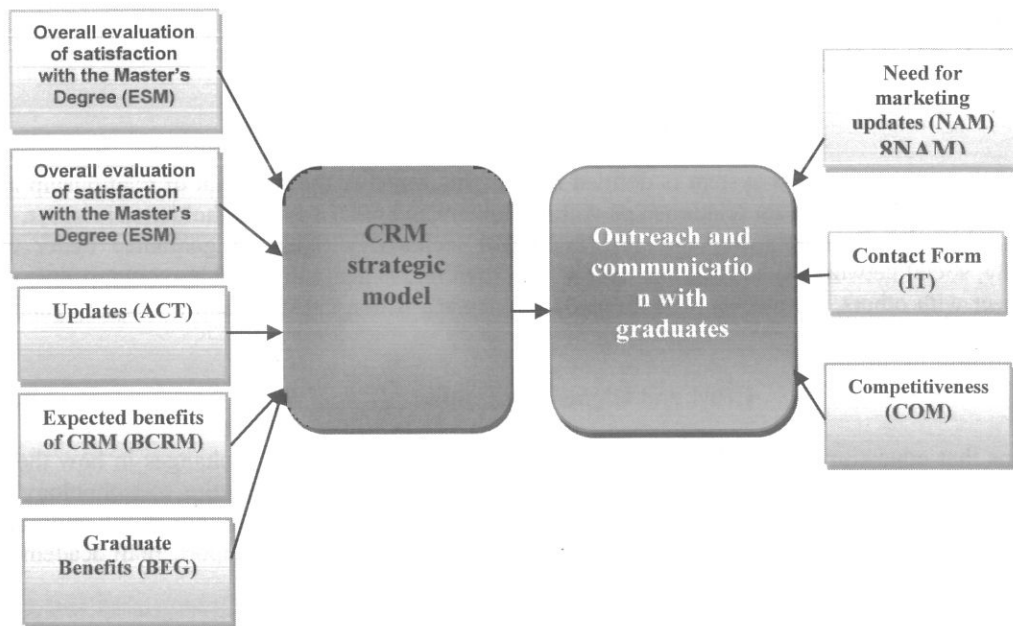
CRM is closely related to relationship marketing. Bennett (1996) defines relationship Marketing as the organizational development and maintenance of mutually rewarding relationships with customers achieved via the total integration of information and quality management systems, service support, business strategy, and organizational mission in order to delight the customer and secure a profitable lasting business.

For Alavi, Ahuja, and Medury (2011), in academic communities the terms “relationship marketing” and CRM are used interchangeably. The heart of commercialization is relationships, and the establishment of long-term relationships must be the objective of the marketing practice.

METHODOLOGY

Taking into consideration the contributions of the analyzed concepts, the construct of this research is shown in figure 1.

FIGURE 1: THEORETICAL CONSTRUCT



HYPOTHESIS

- H1. CRM's implementation increases the level of satisfaction of Master's Degree graduates.
- H2. CRM's implementation improves the graduate follow up system.

ANALYSIS OF RESULTS

159 graduates of the Master's Degree in Marketing Management program were surveyed; 90 were women and 69 were men. Most of them (116) live in the state of Jalisco. According to the Cronbach's alpha test, the result was 88%, meaning that both the survey and the sample are highly representative and reliable. KMO and Barley's Sphericity test showed a good

correlation with 0.764 or 76.4%, which is higher than normal. The significance level obtained was 0.000, i.e., the research is 99% reliable; the freedom degrees, 1770, are excellent for working with the research.

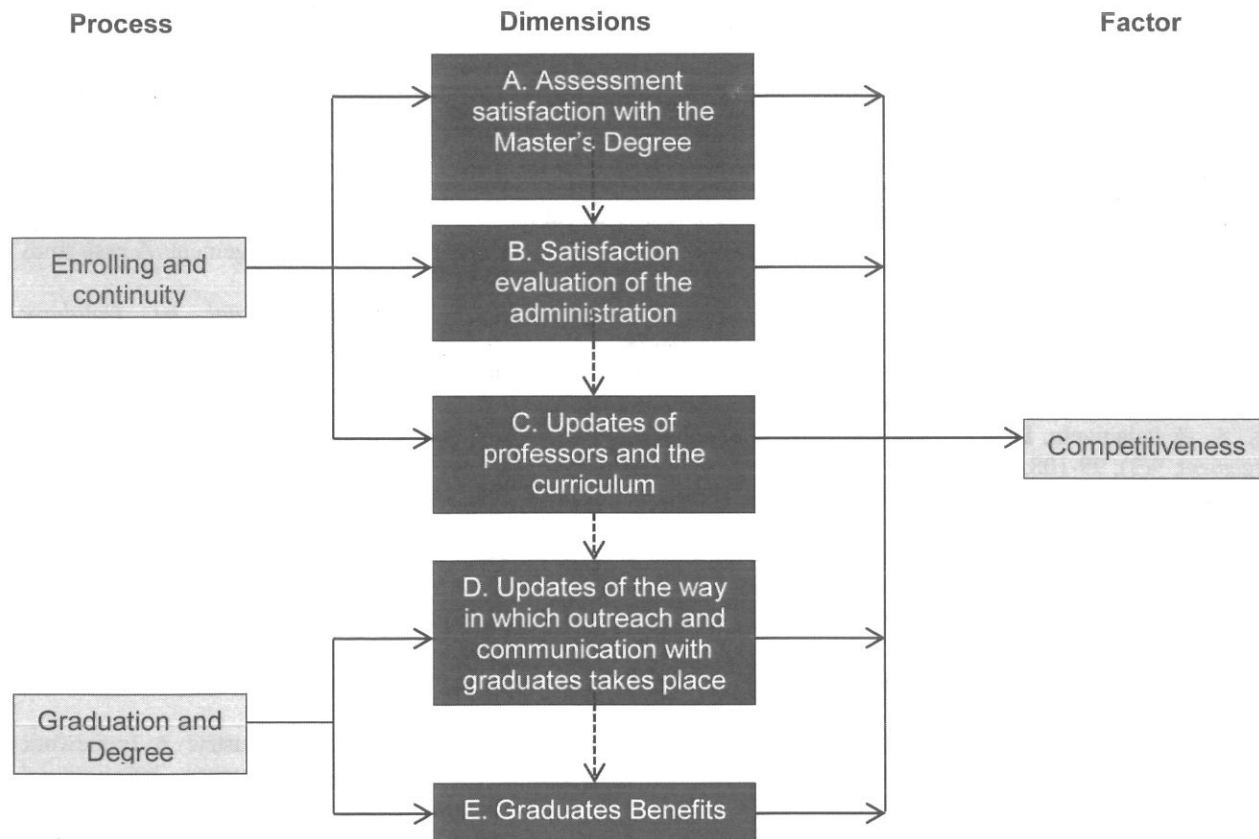
When performing an analysis of the correlation of the dimensions of the independent variable, the dimension that stood out the most in the ANOVA, with a score 0.863, was the Evaluation of Satisfaction of the Administration. It shows that attention and service from the Master's Degree are significant. However, with regard to this correlation of dimensions, hypothesis 1 – on graduate satisfaction – is rejected, since the significance level does not tend to be 0. Also, hypothesis 2 is rejected, thus meaning that it is necessary to first emphasize student satisfaction while they are still students actively studying at the institution, and then as graduates. After this point, when following up on their situation, the strategic CRM model proposed in this research will be applicable.

CONCLUSIONS AND LIMITATIONS

The results of the research show that implementing CRM at this point is not the solution for the problems presented by the Master's Degree in Marketing Management. First of all, constant evaluation is required for the Master's Degree program; professors and students need to be assessed constantly so that, in the medium-term process, the proposed can be implemented.

Before CRM is implemented, it is important to assess satisfaction levels to know which areas have been improved and to carry out corrective measures in the proper way.

FIGURE 2: PROPOSAL OF CRM STRATEGIC MODEL



Source: Own.

The model in Figure 2 is based both on the theoretical framework of the research and on the results obtained from the survey answered by the graduates of the Master's Degree in Marketing Management. It is important to mention that CRM has become an evolution and integration of marketing ideas with the help of technology. That does not make it a paradigm shift, but it is a way of organization that improves entrepreneurial results.

The coordination of the MMM could implement the aforementioned strategic model, with the objective of performing an optimal follow up process of the graduates and keeping the recognition it has at a local, national, and international level. Some important progress achieved thanks to this research include having contacted graduates from the first classes of the program. This aims to establish fidelity relationships, creating personalized service in which effective, assertive, and timely communication is found.

Even though the hypotheses that were proposed at the beginning of the research were rejected, it is possible to implement the strategic model, since it is based on the constant assessment that will be performed by students, professors, and staff members to achieve better service and recognition as a quality program by a prestigious institution.

REFERENCES

- Ahearne, M., Rapp, A., Mariadoss, B. J., & Ganesan, S. (2012). Challenges of CRM implementation in business-to-business markets: A contingency perspective. *Journal of Personal Selling & Sales Management*, 32(1), 117-129.
- Alavi, S., Ahuja, V., & Medury, Y. (2011). ECRM using online communities. *IUP Journal of Marketing Management*, 10(1), 35-44.
- American Marketing Association (2014). *Common language marketing dictionary*. Retrieved November 7 2014 from Marketing Dictionary: <https://www.ama.org/AboutAMA/Pages/Definition-of-Marketing.aspx>
- Arup Kumar, B., & Bivraj Bhusan, P. (2012). Automated service quality as an antecedent to behavioural consequences in a CRM environment: A study using structural equation modeling and causal loop diagramming approach. *Journal of Contemporary Management Research*, 6(1), 15-41.
- Athanassopoulos, A. D., & Iliakopoulos, A. (2003). Modeling customer satisfaction in telecommunications: Assessing the effects of multiple transaction points on the perceived overall performance of the provider. *Production & Operations Management*, 12(2), 224-245.
- Bennett, R. (1996). Relationship formation and governance in consumer markets: Transactional analysis versus the behaviourist approach. *Journal of Marketing Management*, 12(5), 417-436.
- Darvish, H., Kafashzadeh, A., & Ahmadian, H. (2012). Studying the customer relationship management: A case study at Persian technology firm. *Word & Text: A Journal of Literary Studies & Linguistics*, 2(2), 1-18.
- Foss, B., Stone, M., & Ekinci, Y. (2008). What makes for CRM system success — or failure? *Journal of Database Marketing & Customer Strategy Management*, 15(2), 68-78.
- IMCO (2015). *Instituto Mexicano para la competitividad, A. C.* Retrieved December 10 2014 from http://imco.org.mx/videos_es/que_es_competitividad_-_imco/
- Kavitha, K. S., & Palanivelu, P. P. (2012). Customer satisfaction: CRM in Canara Bank. *SCMS Journal of Indian Management*, 9(3), 99-108.
- Lavanya, T. (2011). Customer relationship management and higher education--a vision. *Advances in Management*, 4(3), 18-20.
- Lawson-Body, A., Willoughby, L., Mukankusi, L., & Logossah, K. (2011). The critical success factors for public sector CRM implementation. *Journal of Computer Information Systems*, 52(2), 42-50.
- Lee, M., & Cunningham, L. F. (2001). A cost/benefit approach to understanding service loyalty. *Journal of Services Marketing*, 15(2), 113-130.
- Maroofi, F., Aliabadi, B. M., & Fakhri, H. Hadikolivand. (2013). Effective factors of CRM development. *Asian Journal of Business Management*, 5(1), 52-59.
- Mohammed, A., & Rashid, B. (2012). Customer relationship management (CRM) in hotel industry: A framework proposal on the relationship among CRM dimensions, marketing capabilities and hotel performance. *International Review of Management & Marketing (IRMM)*, 2(4), 220-230.
- Mukerjee, K., & Singh, K. (2009). CRM: A strategic approach. *ICFAI Journal of Management Research*, 8(2), 65-82.
- Parida, B., & Bakshi, A. (2013). CRM performance: Indexing approach. *SCMS Journal of Indian Management*, 10(2), 56-77.
- Razvan, B. (2010). CRM applications - components. *Young Economists Journal / Tinerilor Economisti*, 8(15), 129-134.