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Evaluating the Readiness Level of Iranian Container Port for the Implementation of Customer Relationship Management

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ABSTRACT

Customer relationship management in addition to its general sense, it is also refers to a hardware - software system that takes the time and cost of deployment and it will be relatively high. On the other hand, the extremely high failure rate of CRM projects (customer relationship management). The aim of this study to Evaluating the Readiness Level of Iranian Container Port for the Implementation of Customer Relationship Management, this assay measured the readiness to implement customer relationship management of the studied port. The results obtained from testing the first, second and third hypotheses stats that studied port isn't ready to use in any new customer relationship management of a technology, social and Intellectual dimension. The results of the fourth hypothesis suggests that readiness Port of study in use of customer relationship management systems, with respect to technological, social and intellectual, and each component has different redness level.

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INTRODUCTION

Given the increasing importance of customers to the organization and management of effective and efficient communication with our customers and it has become a major issue for enterprises or companies. Customer relationship management is a business strategy on the one hand, to increase profitability and revenue for the organization and on the other hand, it presents to increasing customer satisfaction and loyalty .Customer relationship management is extensive set of tools, technologies and processes and to improve the level of relationship with customers and to increase sales . Any organization that deals with customer it also has to be some level of relationship management customer but some organizations are moving ahead in this area. These organizations utilize a variety of concepts, methods and tools such as systems based on IT to make much more relationship with their customers [1, 2].

Customer relationship management in addition to its general sense, it also refers to a hardware - software system that takes the time and cost of deployment and it will be relatively high. On the other hand, the extremely high failure rate of CRM projects (customer relationship management). The aim of this study to assess the readiness of the organization to use the customer relationship management, this assay measured the readiness to implement customer relationship management of the organization. The measurement basis for the adoption of customer relationship management readiness that it emphasizes in many researches. Any organization before applying the CRM (customer relationship management) should be evaluated on the basis and in the context of improper use of customer relationship management in an organization that would be doomed to failure. For assessing the organization's readiness to adopt customer relationship management and CRM (customer relationship management application should be to identify and measure after that. The aim of this study to assess the readiness of the port to use the customer relationship management [1].

Importance of the research:

Nowadays no business including manufacturing , services or etc... cannot be sustained without satisfied customers and failed to continue unless in a public organizations it means in a public organizations isn't the

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same and there don't take a lot care to the concept of customer relationship management. More importantly, the demands and expectations of customers are growing day by day, and this growing trend will be continue. The ports are required to look for solutions that go beyond the demands and expectations of customers, Accordingly, the loyalty and trust of the port (i.e., port services) on the basis of mutually beneficial long term relationship (between port and customers) should be replaced by the concept and purpose of satisfying customers . More transparent market and global competition to attract and retain the customers of the ports made customer relationship management more difficult to do [2].

The ports should be based on increased target intelligent function for attracting and retaining customers and at the same time are reducing the related costs. In recent years the emergence of a new attitude in this area and the attitude of the new method is called customer relationship management. If CRM has been successfully implemented and managed correctly all parts of a port will cause changes that are directly related to customer satisfaction. Finally, the future and destiny of the port will undergo a major transformation. In recent years the importance of customer relationship management as business strategy takes a high importance [3].

Interest in customer relationship management began to grow in 1990s [4]. In recent few years, this term has attracted a great attention in marketing IT etc. [5, 6]. In today economy, CRM has been turned into a superior priority for firms seeking competitive advantage [7]. While serving customers was of low priority for organizations in the past, it is in the center of all their activities and revises marketing and sales strategies [8].

CRM, in addition to its general meaning also points to a software-hardware system where it needs significant amount of investment for its establishment. On the other hand, failure rate of CRM projects is so high [9]. Unfortunately, in addition to spending a great amount of money in order to design and implement CRM systems in organizations, more than 75% of these projects dealt with failure [10]. For instance, a study by CSO Forum (2002) showed that 69.3% of CRM projects failed to achieve their aims [11, 13, 14]. In this respect, much research was done to find out the important reasons for failure of CRM projects and each research study examined some factors depending their research questions and field; for example, over-emphasis on systems and technology, lack of accordance between CRM strategy and organizational structure, organizational culture etc. were among these reasons [15, 16, 17]. Therefore, it is important to have a good assessment of CRM implementation for taking any action. Every organization should evaluate platforms of CRM before employing it and if these platforms are not appropriate, employing CRM is doomed to failure. To evaluate the degree of readiness of organization for acceptance of CRM platforms for employing CRM should be identified and assessed [18, 19, 20]. In the present study, it is tried to evaluate the degree of readiness of studied port for implementation of CRM system through identifying and assessing the measures of implementation of this system in organization [20].

Definition of CRM:

Definition of CRM from departmental view point from IT and marketing perspective by employing in one limited department or unit [21].

- 1) CRM is a term for describing a set of methodologies, processes software and systems helping institutions and firms in effective and organized management of relationship with their customers [22].
- 2) CRM is integrating IT with business processes in order to meet customer needs [23].
- 3) CRM is the strategic process of selecting profitable customers and defining the infraction between these customers and firm with the aim of optimizing present and future value of customers for the firm [8].

Definition of CRM from supra –departmental viewpoint (including all functions of a business e.g. production, R&D, marketing, IT, finance and human resource [14].

- 1) CRM is a comprehensive strategy of business and marketing which integrates technology processes and all business [25].
- 2) Establishment of relationship with all valuable customers via effective use of customer account information [26].
- 3) CRM is a comprehensive and multi-facet phenomenon including strategic aspects, customer-oriented processes and organizational changes through projects and also performance appraisal [8].

CRM can be considered as a strategy for obtaining more insights about needs and trading behaviors of customers for establishing more frequent and stronger relationships with them. In CRM technique, many theories can be defined and employed; but it is completely incorrect to have only a technological picture in CRM. Thus in order to understand CRM in a better way, it should be considered as a process being used for gathering various information on customers ,sales department, efficacy of marketing activities, rapid responding to customers and also market desires [12].

Models for customer relationship:

Swift's model [27], Based on this model, an organization should focus on 4 key elements in primary process of CRM in order to facilitate, augment and realize CRM goals and those 4 key elements are interaction, connection, recognition, and establishment of relationship [27].

Gartner model [28] CRM designs require a framework, which ensures that organization plans are considered on a strategic and integrated base. Gartner designed such an approach consisting of 8 steps (Gartner, 2001).

- 1) formulation of organizational perspective
- 2) formulation of strategies for CRM
- 3) designing customer experience
- 4) enabling organizational cooperation
- 5) redesigning business processes
- 6) strategy formulation
- 7) using technology in order to managing data and
- 8) information
- 9) Measures for assessing internal and external indicators for failure and success of system [28].

Ocker & mudambi model [29], Ocker and Mudambi point to common factors among readiness factors being used in order to assess readiness extent of organizations in each 9 groups [29]. Includes 3 following dimensions:

- intellectual dimension including: strategy structure and planning
- social dimension including culture interaction with stakeholder and knowledge of work domain
- Technological dimension including: CRM application program, capacity of IT in organization and knowledge management [29].

Research model:

There are various models for assessing the readiness degree of organization for establishment of CRM system [6]. But Ocker and Mudambi designed a model consisting of 3 dimensions of intellectual, social and technological ones which is more comprehensive than other models [4] and is chosen as research model in the present study.

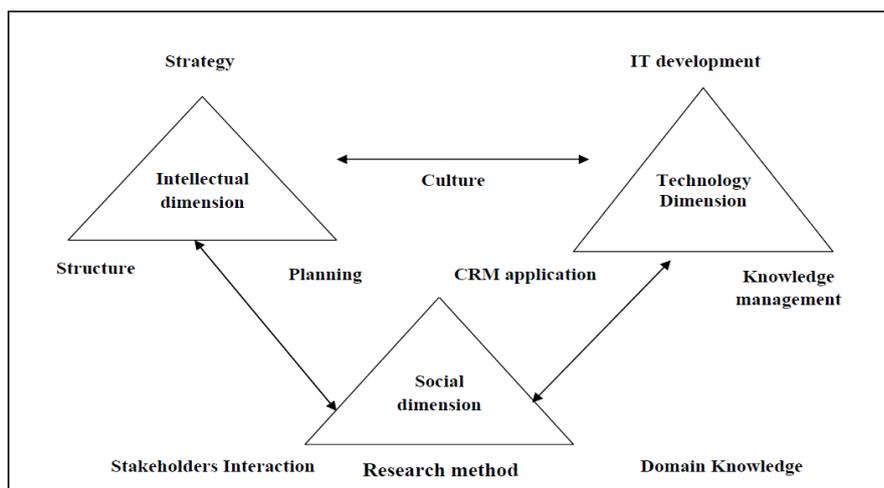


Fig. 1: Ocker & Mudambi model [29]

Research Method:

For the purposes of this research study is a part of practical researches. Therefore, the purpose of this research to demonstrate a particular area and is the classification applied researches. The aim of this study to assess the readiness of the port to use the customer relationship management, this assay measured the readiness to implement customer relationship management of the port. Therefore, this research is completely true. The nature of this research is descriptive and inferential, the aim of Descriptive study to describe the aspects of the phenomenon for the researcher and the aim of the analytical study to generalization of the results.

The population of this study consisted of all experts in the port that they were over 800 people. Cochran¹'s sample size formula used to determine the calculation of sample size and sample size was estimated 150. Thus, after 170 questionnaires distributed, only 150 questionnaires were returned which indicates that the rate of return is 88 percent.

In this study, data collected from the questionnaire items were designed based on the research model used. To answer these questions was used on a scale of 1 to 5 and finally, were calculated the mean score for each of the main points of the variables. In this study, the questionnaire is suitable reliability, and they also used a preliminary sample. Thus, after designed the initial questionnaire, they were distributed 20 experimental questionnaires, the reputation through the SPSS software and from using the formula for Cronbach's alpha they were obtained the values of 0.92 which shows the validity of the questionnaire.

Research hypotheses:

- 1) Studied Port has the required readiness for implementing a customer relationship management system with respect to Intellectual dimension.
- 2) Studied Port has the required readiness for implementing a customer relationship management system with respect to Social dimension.
- 3) Studied Port has the required readiness for implementing a customer relationship management system with respect to Technological dimension.
- 4) Studied Port has the same readiness degree for implementing a customer relationship management system with respect to Technological, Social and Technological dimensions.

Results:

First, based on the results of the research questionnaire scores were calculated for each of the items, the calculation of average final score variables were calculated for each of the items. Then To compare the mean, they look the normality of the data. Then, if the data were distributed normally, can (one sample T test) to Use for statistical comparisons. In this manner with KOLMOGROF-ESMIRNOF test they checked that the cases were normal. Results show that the cases have a normal distribution. ($p < 0.05$) also to testing forth and fifth hypothesizes they used the FRIDMAN test.

*Hypothesis test:**First hypothesis test:*

As the first main hypothesis, Studied Port has the required readiness for implementing a customer relationship management system with respect to Intellectual dimension, the obtained average compared with the 3.5 by using t-test.

H₀: Studied Port has the required readiness for implementing a customer relationship management system with respect to Intellectual dimension

H₁: Studied Port has not the required readiness for implementing a customer relationship management system with respect to Intellectual dimension.

Table 1: Results of one-sample t test, for the first hypothesis

result	Test Value = 3/5 - First Secondary Hypothesis					
	95% Confidence Interval of the Difference		Mean difference	Sig.	df	t
	Lower	Upper				
H ₁ Confirmed	-2.69	-2.33	-0.50	0.000	149	-0.03

According to Table 1, we can conclude that Studied Port has not the required readiness for implementing a customer relationship management system with respect to Intellectual dimension.

Second hypothesis:

As the second hypothesis: Studied Port has the required readiness for implementing a customer relationship management system with respect to Social dimension. The obtained average compared with the 3.5 by using t-test.

H₀: Studied Port has the required readiness for implementing a customer relationship management system with respect to Social dimension

H₁: Studied Port has not the required readiness for implementing a customer relationship management system with respect to Social dimension.

Table 2: Results of one-sample t test, for the second hypothesis

result	Test Value = 3/5					
	95% Confidence Interval of the Difference		Mean difference	Sig.	df	t
	Lower	Upper				
H ₁ Confirmed	2.22	-3.50	-0.95	0.000	149	0.04

According to Table 2, we can conclude that Studied Port has not the required readiness for implementing a customer relationship management system with respect to Social dimension.

Third hypothesis:

As the third main hypothesis: Studied Port has the required readiness for implementing a customer relationship management system with respect to Technological dimension, The obtained average compared with the 3.5 by using t-test.

H₀: Studied Port has the required readiness for implementing a customer relationship management system with respect to Technological dimension

H₁: Studied Port has not the required readiness for implementing a customer relationship management system with respect to Technological dimension.

Table 3: Results of one-sample t test, for the third hypothesis

Result	Test Value = 3/5					
	95% Confidence Interval of the Difference		Mean difference	Sig.	df	t
	Lower	Upper				
H ₁ Confirmed	2.05	-1.57	-.075	0.00	149	0.02

According to Table 3, we can conclude that Studied Port has not the required readiness for implementing a customer relationship management system with respect to Technological dimension.

Forth main hypothesis:

As the forth main hypothesis: Studied Port has the same readiness degree for implementing a customer relationship management system with respect to Technological, Social and Technological dimensions. To testing this hypothesis we use the Friedman test.

H₀: Studied Port has the same readiness degree for implementing a customer relationship management system with respect to Technological, Social and Technological dimensions.

H₁: Studied Port has the different readiness degree for implementing a customer relationship management system with respect to Technological, Social and Technological dimensions.

Table 4A: Results of Friedman test for the fourth hypothesis

Sig	Ranks	Rank means	Dimensions
0.000	3	1.98	Intellectual
0.000	2	2	Social
0.000	1	2.1	Technological

Table 4B: Results of Friedman test for the fourth hypothesis

Dimensions	Elements	Rank means	Ranks	Sig
Intellectual	Strategy	2	2	0.000
	Structure	2.1	1	0.002
	Planning	1.5	3	0.000
Social	Culture	1.99	2	0.000
	Stakeholder Interactions	1.87	3	0.001
	Domain Knowledge	2.1	1	0.000
Technological	CRM Application	1.5	3	0.000
	IT Capability	2.3	1	0.002
	Knowledge Management	2.1	2	0.001

As the results show (**Table 4 A, B**). Hence we can say that at 95 percent Studied Port has the different readiness degree for implementing a customer relationship management system with respect to Technological, Social and Technological dimensions. Also according to the average of grades that has obtained priorities are regular agreed in highest component of readiness in technology, social, and Intellectual dimension.

Discussion and conclusions:

In modern instruction of management of customer and providing customers' needs is attend able more than any time. One of the results of this subject is management of connection to customer. Implementation of customer relationship management, as well as many organizational phenomena may be due to lack of, capabilities, and infrastructure or desirable functions is not expected to follow. The negative consequences of tax expenditures and an increase in resistance is inevitable. The atmosphere in a rational choice seems to be necessary before implementing this system, Organizations should be prepared to review. Different models have been proposed for this study .in this research some of most important models that has in introduced and at the end for testing the readiness of the port that we study has used of OWKER model and MODAMBI model result that mission from the testing. The results obtained from testing the first, second and third hypotheses stats that port isn't ready to use in any new customer relationship management of a technology, social and Intellectual dimension .the obtained result of testing the forth main hypothesis showed that the component of readiness of port that we study is different on premised dimensioned to using the management of connection to customer. Also according to the obtained average grades is agreed regularly from highest component of readiness on the technology, social and the Intellectual dimension. The obtained result of testing the fifth main hypothesis showed that the component of readiness of port that we study in each dimension of component s that we study are not similar to using the management of connection to the customer. Also according to the obtained grades average, between components of Intellectual dimension is agreed regularly from highest component readiness in

the structure, strategy and planning. Also according to the mean rank obtained in the following components of the highest priority component that it needs to structure, strategy and planning. Among the highest components, the highest priority preparedness component is of infrastructure capacity, knowledge management.

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