

Commercial Management

Lecturer : Dr. Leul Girma



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Course & Class Information

Course: Commercial Management

Program: Bachelors in Business Administration and Management (BBAM)

Credits: 6 ECTS

Mode: Onsite / Blended

Class 6: CRM – Technology and Tools for Managing Customers

Lecturer : Dr. Leul Girma

Main Teaching & Learning Materials

Core textbook

- Principles of Management
- Principles of Marketing
- Case studies and real-world examples
- Academic articles and selected readings



Objective and Learning Outcomes

Objective:

To equip students with a structured, practical understanding of Customer Relationship Management (CRM) systems, enabling them to select, implement, and use CRM tools to manage customer interactions, sales pipelines, and service processes effectively.

By the end of this class, students will be able to:

- Define CRM and its three core components (operational, analytical, collaborative)
- Compare different types of CRM systems (on-premise, cloud, hybrid)
- Map the CRM lifecycle: acquisition, retention, expansion
- Use a CRM dashboard to track sales pipeline and customer data
- Avoid common CRM pitfalls such as poor data hygiene or low user adoption

What Is a CRM System?

A **Customer Relationship Management (CRM) system** is a **technology platform** that **centralizes, automates, and manages all customer-related interactions**, from first contact to post-sale support, enabling businesses to **build stronger relationships and drive growth** (Bright et al., 2019).

Key characteristics:

- **Stores all customer data** in one unified database
- **Tracks sales pipeline** from lead to closed deal
- **Automates marketing communications** and follow-ups
- **Manages customer service tickets** and support history
- **Provides analytics and reporting** on customer behavior



The Evolution of CRM: From Rolodex to Cloud Platforms?

CRM has evolved from **simple contact management tools** to **sophisticated cloud-based platforms** that integrate sales, marketing, and service functions across an entire organization (Bright et al., 2019).

Key characteristics:

1980s : Basic contact storage: No automation

2000s : Web-based CRM: Browser access, but still limited automation

2020s : AI-powered CRM: Predictive analytics, automation, and customer insights



Key Components of CRM

A modern CRM system consists of **three core components** that work together to manage customer relationships across **sales, marketing, and service functions** (Bright et al., 2019).

Key tools:

- 1. Operational CRM:** Automates sales, marketing, and service processes (e.g., lead tracking, campaign management, ticket routing)
- 2. Analytical CRM:** Analyzes customer data to generate insights (e.g., segmentation, forecasting, churn prediction)
- 3. Collaborative CRM:** Manages customer interactions across multiple channels (e.g., email, phone, chat, social media)

Types of CRM Systems

CRM systems are deployed in three main configurations: **on premise, cloud-based, or hybrid** (Bright et al., 2019).

Key characteristics:

1. **On-premise CRM:** Installed on company servers – **full control and customization** but **higher upfront cost and IT maintenance**
2. **Cloud CRM:** Hosted by a vendor (e.g., Salesforce, HubSpot) – **lower upfront cost, automatic updates, accessible anywhere** but **less control over data**
3. **Hybrid CRM:** Combines on-premise and cloud – **sensitive data kept internally** while **other functions use cloud flexibility**

Steps to Effective CRM Implementation

Implementing a CRM system successfully requires **following a logical sequence of actions**. The following **eight steps** provide a **practical framework** for getting maximum value from any CRM platform (Bright et al., 2019)

Key characteristics:

- **Steps are sequential:** skipping steps leads to poor adoption and data problems
- **Each step produces a specific output** (e.g., cleaned database, trained users)
- **Steps can be adapted** for cloud, on-premise, or hybrid CRM systems
- **Involve end users' early** sales, service, and marketing teams must guide
- **Revisit steps periodically** – CRM is never “one and done”

Step 1 – CRM Implementation Roadmap

A CRM implementation roadmap is a **step-by-step plan** that guides an organization from **system selection through full deployment** ensuring **smooth adoption and measurable results** (Bright et al., 2019).



Key characteristics:

- **Define objectives:** What problems will CRM solve? (e.g., lost leads, poor follow-up)
- **Form a project team:** Include IT, sales, marketing, and service representatives
- **Clean existing data:** Remove duplicates, outdated contacts...
- **Configure the system:** Customize fields, pipelines, dashboards...
- **Train users and launch:** Provide hands-on training, then roll out in phases

Step 2 – Customer Data Management Dashboard

A customer data management dashboard is a centralized visual interface within a CRM that displays key customer information, activity history, and real-time updates (Bright et al., 2019).



Key characteristics:

- **Unified customer view:** Combines contacts, history, purchases, and tickets
- **Real-time sync:** Updates across all teams automatically
- **Data quality controls:** Deduplication, validation, and required fields
- **Customizable views:** Each role sees only relevant data
- **Search and filter:** Find any customer or transaction quickly

Step 3 – Sales Pipeline Tracking with CRM

Sales pipeline tracking uses CRM tools to visualize each deal's progress from lead to closed sale helping sales teams **prioritize activities, forecast revenue, and identify bottlenecks** (Bright et al., 2019).

Key characteristics:

- **Pipeline stages:** Lead → Qualified → Proposal → Negotiation → Closed
- **Drag-and-drop updates:** Move deals easily between stages
- **Automated reminders:** Never miss a follow-up or task
- **Revenue forecasting:** Predict future sales based on pipeline value
- **Bottleneck alerts:** Spot stages where deals get stuck

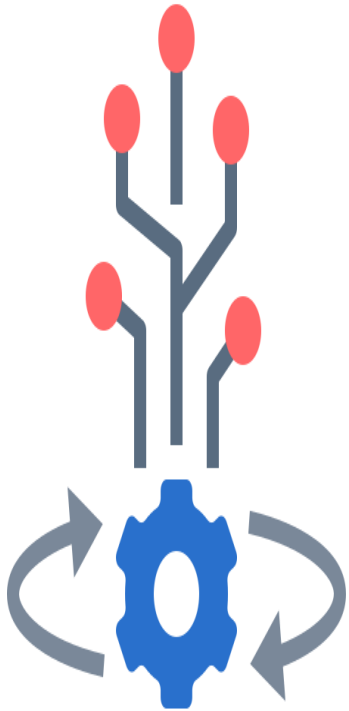


Step 4 – Marketing Automation Integration

Marketing automation integration connects your CRM to marketing tools that automatically capture leads, track engagement, and trigger follow-up campaigns ensuring seamless handoff from marketing to sales (Bright et al., 2019).

Key characteristics:

- **Lead capture:** Web forms, chats, and emails go directly to CRM
- **Behavior tracking:** See which emails, links, or pages each lead opened
- **Automated workflows:** Send follow-ups based on lead actions
- **Lead scoring:** Rank leads by interest level for sales prioritization
- **Campaign ROI:** Measure which campaigns generate the most revenue



Step 5 – Customer Service & Support Modules

Customer service modules within a CRM centralize **support tickets**, **automate responses**, and **track issue resolution** enabling teams to **resolve problems faster** and improve customer satisfaction (Bright et al., 2019).

Key characteristics:

- **Ticket management:** Log, assign, and track every customer issue
- **Automated routing:** Send tickets to the right agent automatically
- **Knowledge base:** Link common solutions to reduce repeat questions
- **Service history:** View all past issues alongside purchase history
- **Satisfaction tracking:** Measure CSAT or NPS after resolution



Step 6 – Reporting & Analytics Scorecard

A reporting and analytics scorecard within a CRM **converts raw customer data into visual dashboards and metrics** – helping managers **track performance, spot trends, and make data-driven decisions** (Bright et al., 2019).

Key characteristics:

Sales reports: Revenue, win rates, and sales cycle length

Marketing reports: Campaign ROI, conversion rates, and lead sources

Service reports: Response time, resolution rate, customer satisfaction

Custom dashboards: Role-specific views for managers, and agents

Real-time updates: Data refreshes automatically as deals progress

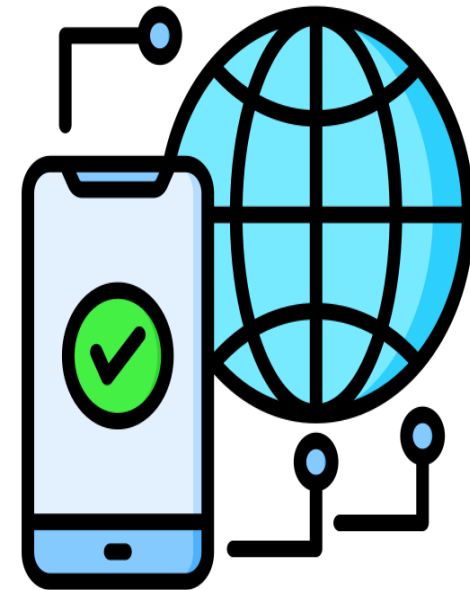


Step 7 – Mobile CRM & Field Access

Mobile CRM allows **sales and service teams to access customer data**, update records, and manage tasks from smartphones or tablets – **enabling productivity anywhere, especially for field teams** (Bright et al., 2019)

Key characteristics:

- **Real-time sync:** Updates reflect instantly on desktop and mobile
- **Offline access:** Work without internet; sync later when connected
- **GPS integration:** Check-in at customer locations automatically
- **Mobile tasks:** Create follow-ups, log calls, send quotes
- **Role-based access:** Field staff see only what they need



Step 8 – CRM Selection Checklist

A CRM selection checklist is a **structured evaluation tool** that helps organizations **compare vendors, match features to needs, and avoid costly mistakes** before purchasing any CRM system (Bright et al., 2019).

Key characteristics:

- **Define budget:** Upfront license costs plus implementation and training
- **List must-have features:** Pipeline tracking, automation, reporting, mobile access
- **Check integration:** Works with existing email, calendar, and accounting tools
- **Evaluate ease of use:** Test drive with actual sales and service users
- **Review security & support:** Uptime guarantees, and customer service



Key Takeaways

- CRM centralizes all customer data: sales, marketing, and service in one place
- Follow the eight steps: from roadmap to implementation
- Mobile access and clean data are essential for user adoption
- Avoid common pitfalls: train users, get executive support, and start simple

Further Reading

Bright, D. S. et al. (2019). *Principles of Management*. OpenStax, Rice University.

Buttle, F., & Maklan, S. (2019). *Customer Relationship Management: Concepts and Technologies*. Routledge.

Greenberg, P. (2010). *CRM at the Speed of Light*. McGraw-Hill.

HubSpot (2024). *CRM Implementation Guide*. HubSpot Academy.

Salesforce (2024). *The Small Business CRM Handbook*. Salesforce Press.

Thank you



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