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**Article**

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## **Addressing the Challenge of Customer Management for SMEs**

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### **Abstract**

Customer Management Softwares have become a critical strategy in business, since it became prominent that they improve a company's probability to achieve superior business results. Yet, for a company to be able to deliver superior portfolio management solutions, Technology, Data Analysis and Commercialization should smoothly work together. This study aims to create a solution that better serves the goals of SMEs while satisfying the end consumers' needs. SMEs in Greece and worldwide, due to lack in resources and access on the required expertise, are lacking significantly in the implementation of Customer Relationship Management technologies and Data Analysis in their operating model. As a result, they face a genuine competitive disadvantage in the race of knowing and effectively managing their customer base.

As a preliminary stage, qualitative research was conducted through personal interviews with 30 SME managers from ten different market sectors, around their understanding and proper handling of data analytics, as well as the extent of the financial investment they are would be willing to make. At a following stage quantitative research was conducted to a representative sample of 600 residential area inhabitants utilizing the Computer Assisted Web Interview methodology. The research focused on identifying the consumers' expectations around the provision of personalized services and rewards through the capitalization of knowledge derived by loyalty programs.

Amplify<sup>TM</sup> Customer Management Platform was developed to help specifically SMEs to address the challenge of Customer Management, consolidating in one application the 3 fundamental pillars for database management that drives business results: customer data collection, customer analytics and personalized marketing, building upon SMEs existing resources, skillset and infrastructure.

**JEL Classification:** M31

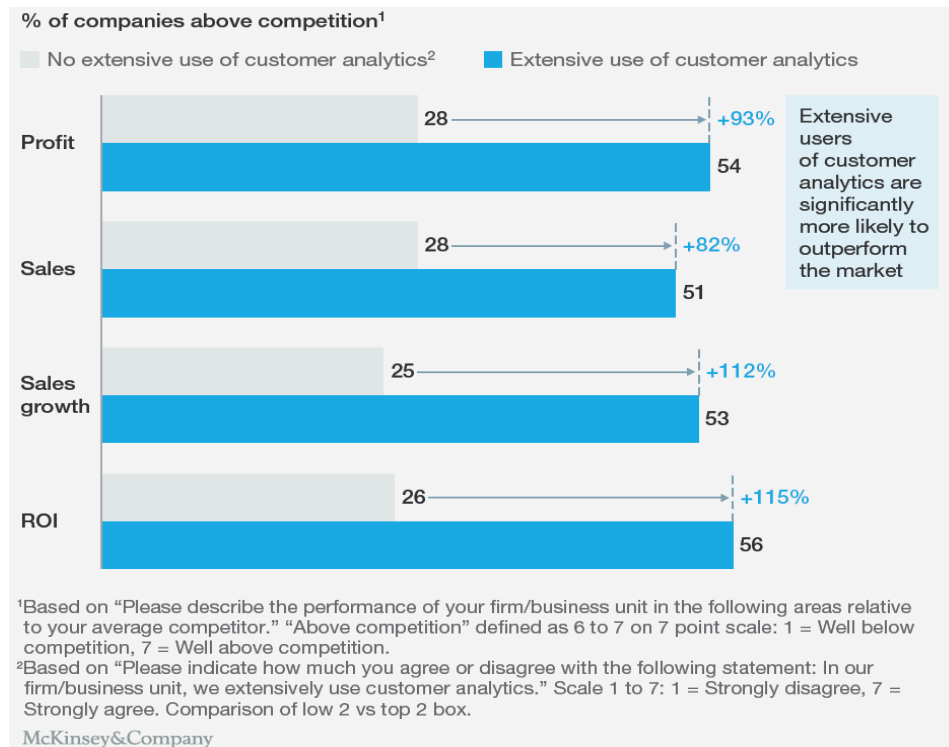
**Keywords:** Customer management, SMEs innovation, customer retention, multi-channel marketing, marketing technology, personalization.

### **1. Introduction**

A company's ability to know and effectively address at any time its customers' needs is a determinant factor in delivering business sustainability, superior business results and a long-term competitive advantage. According to research published by McKinsey, collecting and

effectively analysing customer data delivers considerable impact on key performance metrics, whether profit, sales, sales growth, or return on investment. Companies that make extensive use of customer data, outperform competitors by 93% in terms of profit, by 82% in terms of sales and by 112% in sales growth (McKinsey, 2016).

**Figure 1.** Percentage of companies outperforming competition as a result of the extensive use of customer analytics (McKinsey, 2016)



Though all companies acknowledge this statement and are familiar with the above statistics, very few in practice manage to deliver data-based customer strategies, since they are constrained by inefficiencies or lack of the proper infrastructure in collecting and effectively managing customer data that will provide to companies' powerful business insights on customer patterns and needs.

Effective customer data management is a combination of 3 pillars, that should actively and smoothly work together, Customer Management Technology, Customer Data Analysis and Customer Data Commercialization, with Technology being the first and fundamental pillar companies need to invest in, to help them collecting and consolidating customer data and customer intelligence. Yet, companies' performance in absorbing the necessary technology that will allow them to implement a data-based customer management strategy still remains poor in Greece.

SMEs consist the cornerstone of the Greek economy, with Greek SMEs representing 63.5% of total value added (vs. EU average 56.4%) and an employment share of 87.9% (vs. EU average 66.6%) (source: Greece - 2019 SBA Fact Sheet - Europa EU). Helping SMEs to adopt innovative business solutions and business model in Customer Management, could help SMEs not only to compete on equal terms compared to large companies locally and abroad, but also excel in performance, creating value for themselves and the whole economy.

Through this research an attempt will be made to analyse the way and extent of implementation of Customer Relationship Management (CRM) software in Greece and the potential it holds in Greek SMEs. Also, an attempt will be made to assess the market maturity around its utilization.

The final objective of the research is the development of a Customer Management Platform made specifically to address SMEs needs in Greece. The Platform that was developed offers valuable insights to the business in order to better assess their clienteles' dynamics, patterns and needs, help the company deliver data-based customer services and overall upgrade the company's portfolio management solutions.

## **2. Literature Review**

Since the early 1997, CRM systems begun to draw significant attention within the business world, technology, media, and academic communities (Fayerman, 2002). During the same year as Faverman, Wilson et al. (2002) point out that Reichheld and Sasser (1990) put the first cornerstone with their study directing the marketing community's' interest towards the importance to manage customer relationships in the long term as well as prior to the first sale.

CRM is a concept that allows a company to direct specific products and services to each individual customer. CRM in its essence may be used to create a personalized, one-to-one experience creating new marketing opportunities according to the preferences and history of the customer. (Wilson, et al., 2002). Better customer management has the potential to lower sales and service costs, raise buyer retention, and lower customer replacement expenditures. (Romano 2003, Jayachandran et al 2005, Dalla Pozza et al, 2018,).

Investments in such forms as Supply Chain Management (SCM), Enterprise Resource Planning (ERP) and CRM is the key to success in business competition. (Winarno et al. 2017). Companies in the modern world, taking advantage of the technological leap and benefiting from its potential, improve their ability to attract and retain customers, retain more information through the online channels than through any other customer point, and have overall strategic and practical advantage through the adoption of CRM practices (Fayerman, 2002). More than a decade later, Verhoef et al. (2015) also point out that the retail world has altered its perspective from multichannel to omni-channel marketing. New devices, and channels, including mobile phones, tablets and social media have an impact on both the physical and virtual shopping environments.

In this new reality, omni-channel management forms the synergetic management of the numerous available channels and customer touchpoints, in such a way that the customer experience throughout channels and the performance over channels is optimized (Verhoef, et al. 2015).

By analysing the consumers purchase journey through different channels, a manufacturer can determine the appropriate content, as well as emphasis in each channel and device-based promotion. Opportunities for cooperative promotions with retailers can also be better evaluated (Berman et al 2018).

The ability to strengthen customer relationships is viewed as a likely source of competitive advantage (Santouridis, I. et al., 2017, Thakur, R et al., 2016). In addition, as technology does not cease evolving, it has been possible to increase firms' knowledge of customers and to strengthen their investment in personalized actions by offering products that match consumer needs (Berman et al 2018), making the determination of the correct desires of the customer

easier through various tools that help the company gain necessary insights (Keiningham et al., 2020).

Shaw et al. (2001) identified customer profiling as one of the major areas of knowledge-based marketing. Most common information included in the construction of customer profiles are, e.g., frequency, size and recency of purchases. Park and Kim (2003) suggest that through this method, typical customer groups or prospective customers can be identified and as a result marketers can decide on the proper fitting strategies and tactics to meet the needs of their customers.

Multiple available customer touch points (Verhoef et al., 2015), and a seamless shopping experience across the various purchase channels (Guillot, 2015), seems to be the consumers main demands when it comes to a smooth omni-channel experience. Modern technological advances have created a plethora of new channels and devices that have allowed the customer's shopping journey to be both longer and more varied (Hofacker & Belanche, 2016). Another useful insight comes from the research of indicating that omnichannel shoppers are found to be more loyal compared to the rest of the customers (Sopadjieva et al., 2017). Through addressing the "synergetic management of the numerous channels and points of contact with the customer" (Verhoef et al., 2015) companies gain the mean to improve the perceived quality of their services (Herhausen et al., 2015). Taking advantage of all multiple possible contact points is an important step to create valuable relationships with customers by directly interacting with them, acquire information about them and competitors, and coordinate successfully between the various functional areas of the company (Peco et al., 2021)

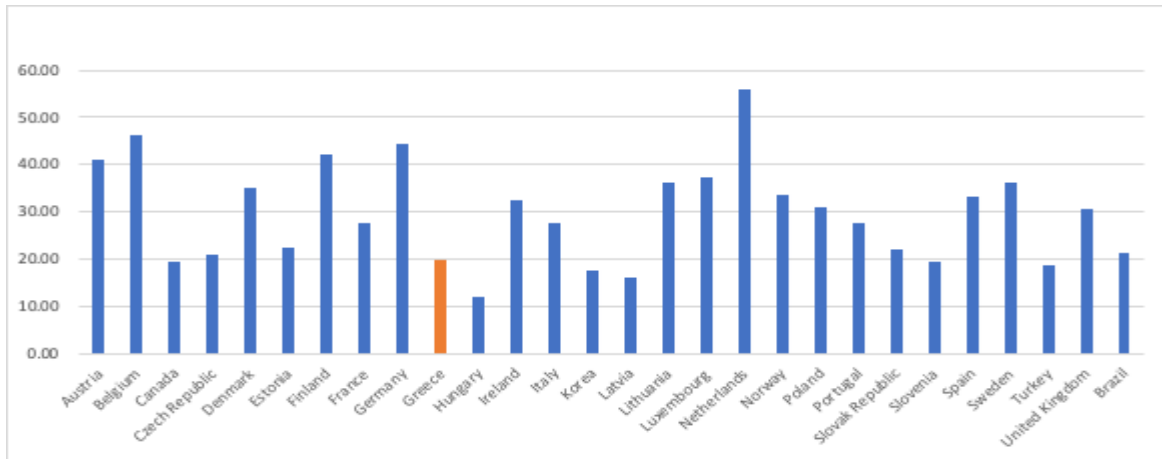
According to Bucklin (1966) the core function of multiple distribution channels is to provide services that add value to the main product. In order to address the range of demands for such services (Coughlan et al., 2006) it is important to introduce a multi-channel strategy to the company's strategy (Kim and Chun, 2018). Firms that achieve to establish reciprocal and successful relationships with their clients can obtain greater profitability in their relationship marketing inversions. (V. Guerola-Navarro, et. al., 2021).

Understanding impediments or barriers to omnichannel marketing adoption is a critical step in implementing change. Some barriers can be removed via outsourcing (such as upgrading a firm's online capability); others require hiring personnel with different education backgrounds, levels of training and experiences (Berman et al 2018). Training resources, especially if invested in online learning, ensure that employees develop the skills necessary for using CRM systems and provide employees with a clear image of the way the software benefits them in their work roles (Chatterjee et al. 2020, Navimipour, et al., 2015)

Possible benefits to an omnichannel marketing include incremental sales due to new channels and devices, higher average sales to existing customers, a higher proportion of consumers making a purchase, promotional synergies across channels, lower inventory costs, reduced shipping costs due to in-store pickup and lower product returns (Berman et al., 2018).

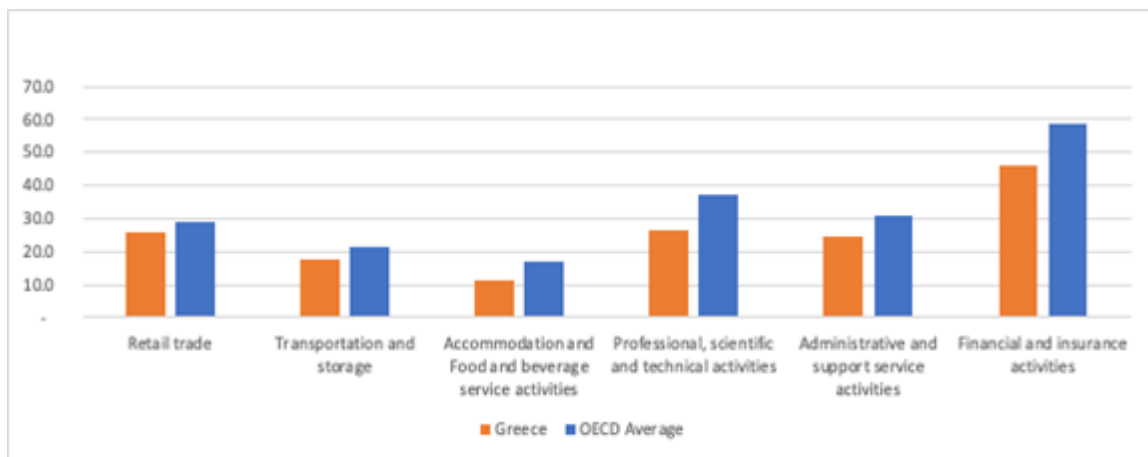
According to ICT Access and Usage Statistics published by OECD, the CRM software absorption by businesses in Greece is at only 20%, lacking by 33% compared to 28 OECD countries average and lacking by 65% compared to the top performing market (Netherland), as displayed in Figure 2 (OECD, 2020).

**Figure 2.** Percentage of businesses using CRM software.



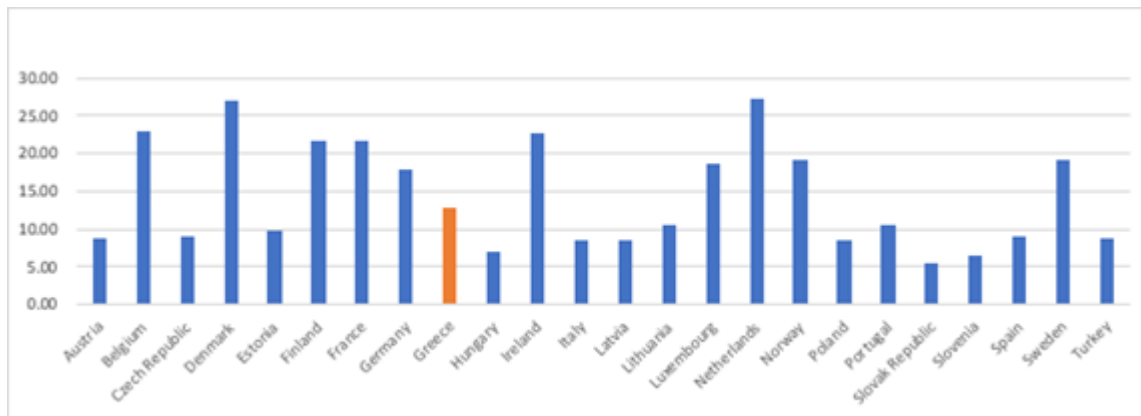
The sector with the higher absorption of CRM Technologies in Greece is the financial and insurance sector with 46% of businesses using a CRM Software, and the sector with the lowest absorption of CRM Technologies in Greece is Accommodation and Food & Beverages services, where only 11% of companies use a CRM software (Figure 3). The same trend is observed across all 28 OECD countries, yet Greek companies underperform in CRM software absorption vs. OECD average, across sectors, with the highest gap being observed in the Accommodation and Food and beverages services, which is lacking compared to OECD average by 33% and the lowest gap observed in the Retail trade, where Greek companies underperform the OECD average by 10% (OECD, 2020).

**Figure 3.** Percentage of businesses using CRM software by sector.



A similar and even worse condition is observed when looking at the absorption of data analysis capabilities by the Greek companies, since only 12% of businesses in Greece have managed to perform big data analysis, lacking by 10% compared to 24 OECD countries average and lacking by 53% compared to top performing market (Netherlands), as displayed in Figure 4 (OECD 2020).

**Figure 4.** Percentage of businesses benefiting from Big data analysis.



Researchers of small firm marketing so far seem to strongly agree, that marketing in small enterprises differs in many ways from that in big companies (Fillis, 2002, Gilmore et al., 2001; Hill, 2001; Coviello et al., 2000). Small firm marketing is often described as haphazard, informal, loose, unstructured, spontaneous, reactive, built upon as well as conforming to industry norms (Gilmore et al., 2001). Stokes (2000) also points out that in small enterprises, marketing is used for the needs of the moment and only little attention is paid to plans, strategies and analysis.

One reason for the difference between marketing in large and small enterprises as Gilmore et al. (2001) point out is, that the smaller companies usually have certain limitations mostly including two factors. Limited resources related, e.g., to finance, time, marketing knowledge as well as expertise opposed larger powerful companies. On an individual level research shows that the employees' willingness to use CRM technology is a function of a plethora of different variables (Navimipour et al, 2016). It became obvious early on that complex theories and sophisticated processes tend to be inappropriate for small companies (Hogarth-Scott et al., 1996). In addition, it has been brought under attention that owner-managers of small firms tend to view the role and potential of marketing from a narrow operative perspective that is close to sales management (Moller and Anttila, 1987).

Overall, the results suggest that size may have a greater influence on the marketing efforts carried out in SMEs than does, for example, whether it offers goods or services.

The owner-manager usually plays an important role as a searcher and a gatherer of vital information (Lybaert, 1998), but they do not necessarily acknowledge the importance for information through data gathering or analysis (Fuelhart and Glasmeier, 2003). Thus, SMEs often behave in an opportunistic way when it comes to information seeking strategies and information is gathered from sources, such as trade journals, customers and members of the supply chain that can be assessed with little additional effort outside the scope of normal business activities (Fuelhart and Glasmeier, 2003). Also, recent results show that CRM implementations do not equally address the areas of customer acquisition, growth, and loyalty, since this clearly depends on company objectives and also on geographical, environmental, and cultural differences (Pozza, et al., 2018).

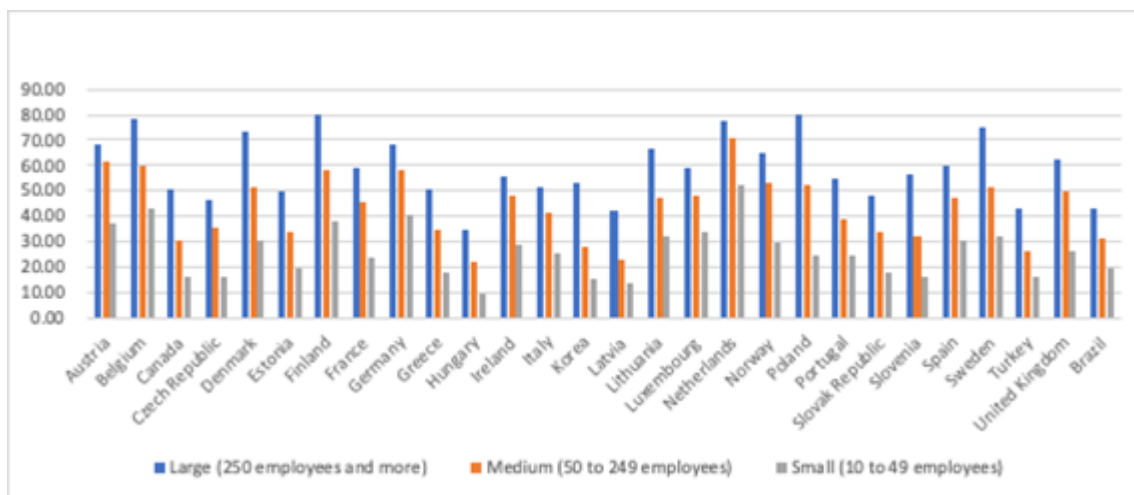
In their latest study (Suoniemi et al, 2021) point out that while CRM technology implementation initiatives frequently end up as failures, most research has focused on user related reasons for understanding low success rates.

The latest study of (V. Guerola-Navarro et al., 2021) also confirms that the technological competence of the company (infra- structure and available technological knowledge) is key for perceiving benefits derived from the implementation of an CRM strategy. Taking into consideration all the studies and data mentioned above, the importance of further analysing the way and extent of implementation of CRM software specifically tailored for Greek SMEs needs becomes evident, as well as assessing the markets’ maturity around its utilization.

Looking at SMEs capabilities on Customer management, it is evident that the challenge is even higher compared to large companies. From small companies (10-49 employees) and medium

companies (50-249 employees) in Greece, only 17% and 34% of them use a Customer Relationship Management (CRM) software, accordingly, compared to 50% of large companies (OECD, 2020). The trend is universal across 28 OECD markets, where small and medium companies lag compared to large companies in the absorption of CRM technologies by 56% and 27% respectively (Figure 5). Also, although Greek companies underperform the 28 countries average across all business sizes, the gap compared to the average OECD performance grows as the size of the business reduces, being at 15% for large companies, 20% for medium companies and 33% for small companies.

**Figure 5.** Percentage of companies using CRM software by size.



Similarly, absorption of data analysis is much lower on SMEs compared to large companies. Of the small and medium size companies' universe in Greece, only 11% and 17% have managed to introduce big data analysis in their operating model, compared to 29% of large companies. Comparing this performance to rest OECD markets, we monitor that small Greek companies' big data analysis absorption underperforms by only 4% compared to OECD average, yet there is a gap of 50% in the usage of big data analysis from Greek small companies compared to the top performing market. On the contrary, medium companies in Greece underperform significantly in data analysis absorption compared both to the OECD Average and the top performing country, where observed gap is at 17% and 55% accordingly.



### **3. The Research**

Aiming to create a solution that better serves the goals of the SMEs while satisfying the end consumers' needs, both qualitative and quantitative research were executed.

The qualitative research was executed through direct interviews with 30 SME managers from 10 market sectors and aimed to identify (a) their level of understanding around the usage of data analysis for their everyday operations (b) their business' current status in regard to data analysis availability and usage for the accomplishment of specific business goals and (iii) the level of financial investment they would be willing to make on this subject.

The research's findings highlighted the need for a CRM software as 6 out of 10 interviewed managers believe that such an application would benefit their business by providing access to important customer information and the ability to offer personalized service and products according to their profile, increasing loyalty and providing them with a competitive advantage. At the same time, the lack of technology expertise was mentioned by 4 out of 10 managers as a major implementation barrier, which in accordance with the companies' low profit margin rates, increase managers' uncertainty regarding the bottom-line impact that can be achieved. An additional point of scepticism towards the CRM adoption is derived by the more traditional nature of the Greek SMEs and the lack of familiarity with basic customer management practices, as 40% of them believe that "they already know their customers well enough to provide higher quality service".

Overall, the research verified both the need for CRM software adoption as well as the low market maturity around its utilization. An investment is required to be made for training this part of the Greek market in order to acquire the basic operating principles of customer relationship management and reinforce the companies' ability to effectively compete in their sector. So, the ideal software would be an application easy to use, providing basic data collection, communication and rewarding capabilities. The entire set of services would need to be provided with low entrance fees, which could increase based on usage and the gradual addition of incremental capabilities, as business knowledge and CRM usage increase through time.

The end consumer's need and sentiment was collected through a quantitative research to a representative sample of 600 residential area inhabitants. The research was performed utilizing the Computer Assisted Web Interview (CAWI) methodology and it consisted of "closed format" questions. Demographic information of the participants was also collected. The sample included both male and female participants, between the age of 18 and 54, who reside in residential areas and are internet users.

The scope of the research was to identify the consumers' expectations around the provision of personalized services and rewards through the capitalization of knowledge derived by loyalty programs. The picture above (Figure 6) presents a questionnaire sample with questions aiming to identify the customers' least favourite channel to be informed around offers/privileges as well as their preferences regarding their rewards offered by their loyalty programs.

The outcome revealed the large familiarity of the Greek consumers with the loyalty programs as 97% of the participants are enrolled in at least one program and 80% of them says that it makes use of it in a regular basis. Also, the research validated the impact that a loyalty program can have on the transactional pattern of consumers, as 61% of them said that they

buy more frequently from companies that offer rewards and 55% mentioned that they have increased their spending in these companies compared to the past.

**Figure 6.** Questionnaire sample (in Greek).

12. Και με ποιο από τα παρακάτω κανάλια επικοινωνίας **δεν σας αρέσει καθόλου να ενημερώνεστε** για προσφορές / προνόμια;
1. Με SMS στο κινητό
  2. Με newsletters στο Email μου
  3. Μέσω ταχυδρομείου
  4. Μέσα από τα κοινωνικά δίκτυα (π.χ. Facebook)
  5. Με μήνυμα στο Viber
  6. Μέσω τηλεφώνου
  7. Με mobile app, με την οποία μπορώ να ελέγχω και να εξαργυρώνω τους πόντους μου, να ενημερώνομαι για προσφορές και προνόμια
  8. Κανένας από αυτούς
13. Γενικότερα σκεπτόμενος/η τα προγράμματα επιβράβευσης που έχετε, τι άλλο θα θέλατε για να χρησιμοποιείτε συχνότερα ένα πρόγραμμα επιβράβευσης; Για κάθε μια φράση που ακολουθεί, παρακαλούμε να σημειώσετε, κατά πόσο θα σας έκανε να χρησιμοποιείτε συχνότερα ή όχι το πρόγραμμα. Μπορείτε να χρησιμοποιήσετε την κλίμακα 1 έως 5, όπου 5 = «Πάρα πολύ» και 1 = «Καθόλου».
1. Να προσφέρει προσωποποιημένη εξυπηρέτηση σε όλα τα σημεία (κατάστημα, e-shop, τηλέφωνο)
  2. Να έχει πιο πολλές και καλές προσφορές
  3. Να αναγνωρίζει / κατανοεί τις ανάγκες μου και να προτείνει προϊόντα και υπηρεσίες που ταιριάζουν σε αυτές
  4. Να έχει σωστά προγραμματισμένη επικοινωνία και ενημέρωση μόνο με προσφορές που με ενδιαφέρουν
  5. Να με κάνει να νιώθω «πολύτιμος» και μοναδικός ως πελάτης
  6. Να είναι δίκαια απέναντί μου: όσο περισσότερο αγοράζω, τόσο περισσότερο να κερδίζω
  7. Να έχω άμεση ενημέρωση με όλους τους τρόπους (mobile app, online, τηλέφωνο, email, κατάλογοι, κλπ.)
  8. Οι προσφορές που μου προσφέρει να διαμορφώνονται σύμφωνα με τις πρόσφατες συναλλαγές μου με την εταιρία
  9. Να προσφέρει συνδυασμό εταιριών για να μπορεί να γίνεται η εξαργύρωση σε πολλά καταστήματα

1	2	3	4	5
Καθόλου				Πάρα πολύ

On the other hand, due to the increased market maturity, consumers have become more alert and demanding. 64% of the participants mentioned that they would change companies they do business with, to gain more and 8 out of 10 participants stated that they would increase the loyalty program usage and their overall interaction with the company if they felt that they were offered personalized products, services and communication according to their needs and preferences. Therefore, it is evident that the existence of a loyalty program is a must in today's market, allowing companies to collect customer data and the CRM software constitute the means that will enable them to better understand their clientele's dynamics bringing them one step ahead of competitors.

#### 4. The Solution

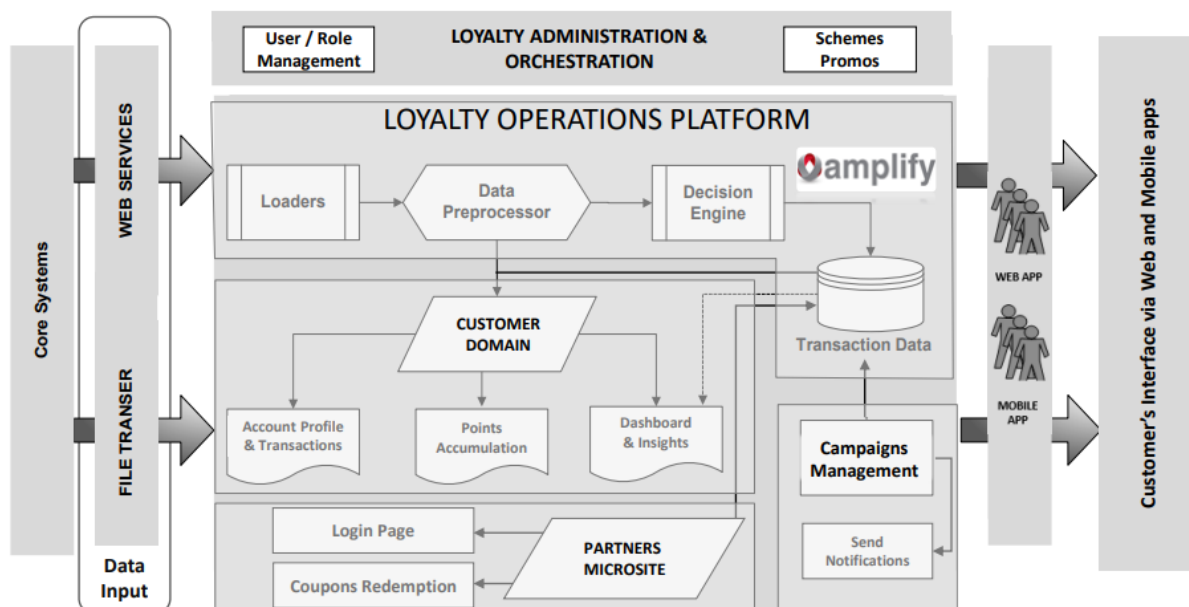
Amplify™ Customer Management Platform is developed to address SMEs' need to get to know their customers better and enable them to perform personalized marketing activities to its portfolio in a simple, user-friendly way, to increase their revenues. The platform is designed in a way to allow SMEs to create an enriched customer database, storing a variety of identification and contact information as well as multi-channel transactional and

behavioural customer data, and deliver based on that marketing strategies that drive value and revenues.

Amplify™ Customer Management Platform is a web-based solution developed using the latest Microsoft technologies (e.g., SQL Server database, .NET framework, Javascript), operates based on a 3-tier methodology and supports both On-Premise and Cloud installations. The application is fully web responsive in order to enable the accessibility from any device (PC, laptop, tablet, smartphone) and is available also in native mobile version for iOS and Android devices.

Considering the increased usage of the internet and all the social media as basic marketing channels, the Amplify™ Customer Management Platform can be easily integrated with the company's e-shop, e-services portal and social media accounts. That way, the company can have access to both the customers' transactions, from physical & digital sales points and all their interactions with the business, creating a 360° profile. Having available the complete customer profile, the business can segment its portfolio based on qualitative (ex. company promoter/detractor – seasonal visitor – ad-hoc visitor, etc) and quantitative (product penetration, customer value, etc.) criteria, that can be used for strategic and operational purposes considering any new data input. All this information is stored at the customer's unique record and can be easily accessible through any contact point, the store, or the call centre, to respond to requests or complaints, provide high quality customer service and personalized experiences to the business clientele. Multiple layers within the platform are responsible for each and every new entry of data to be accordingly processed in combination (for example processing a customer's loyalty through customer detailed data, partners data, transaction data, campaign data) through the core system, producing the optimum result presented to the customers chosen interface, as shown by the figure below presenting the loyalty operation platform (Figure 7).

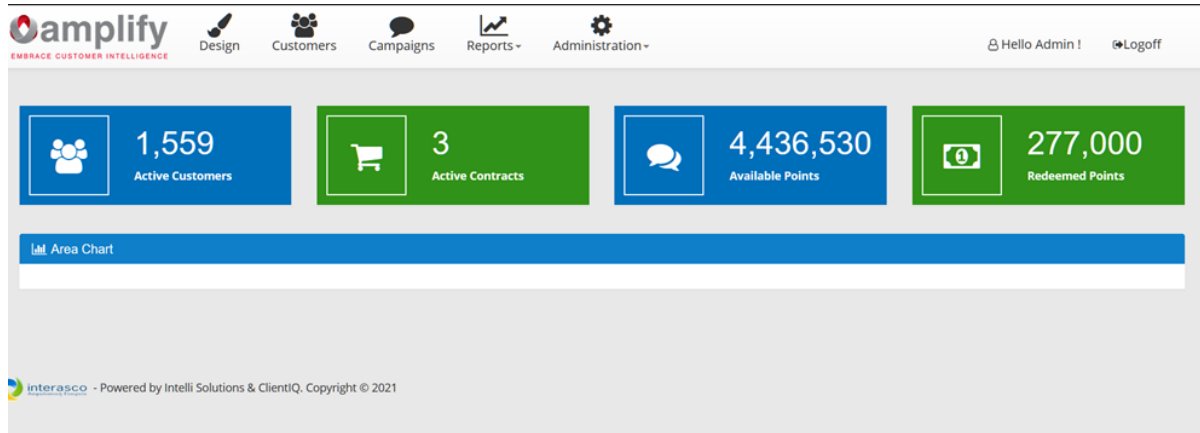
**Figure 7.** Loyalty operations platform



The solution also provides a consolidated overview of the entire customer portfolio performance. The number of registered customers, number of active customers within a specific period, qualitative & quantitative portfolio segmentation and of course, sales,

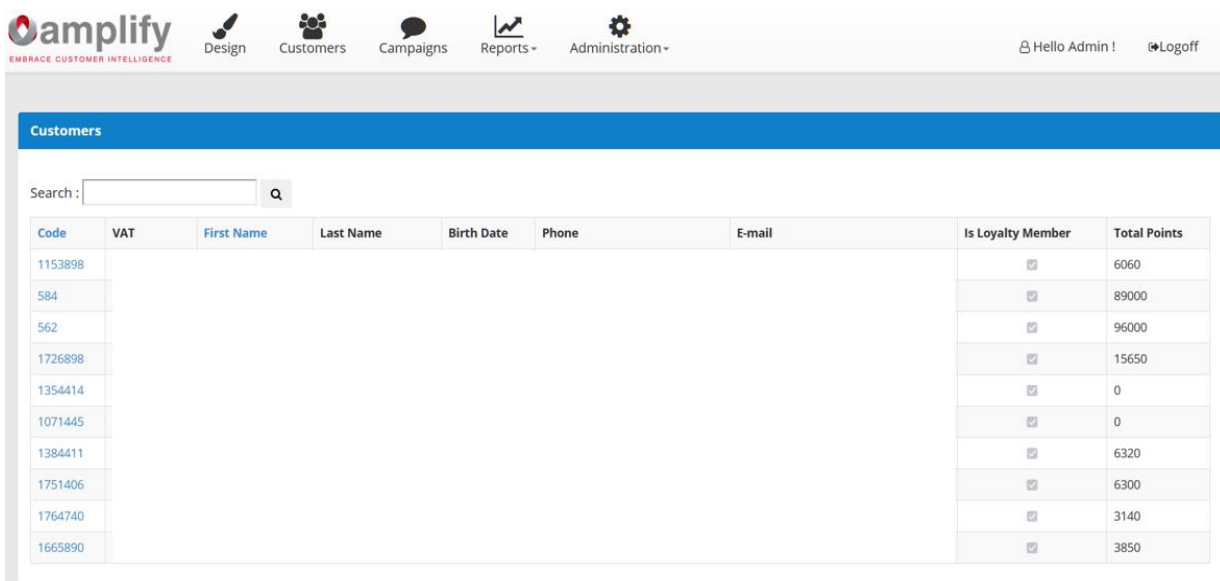
transactions & interactions per channel, geography and customer are only a few of the readily available KPIs and reports that anyone can have through the platform, providing essential insights for the business performance (Figure 8).

**Figure 8.** Home page of Amplify platform



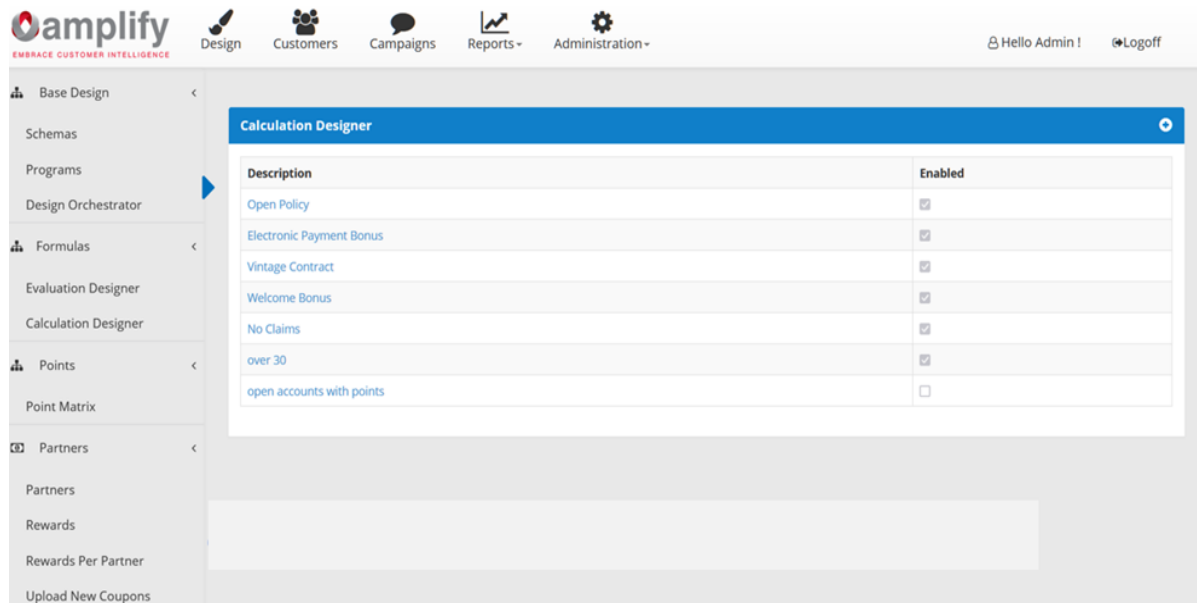
As stated in the prior chapters, there is an increased need for SMEs to perform basic data analysis in order to be able to make data driven decisions and design more efficient marketing and sales strategies. Recognising this need, in conjunction with the lack of analytical skills expertise that has been recorded in the SME ecosystem, the Amplify™ Customer Management Platform provides a user-friendly, drag-and-drop environment for the end user that allows to run queries on the customer database. So, sales & marketing employees with basic computer skills and a short training session will be able to retrieve significant information with minimum effort, setting the base for creating competitive advantages. A visual example is presented in the picture bellow (Figure 9).

**Figure 9.** Applications' Customer Base with ability to adjust the visible information per customer for easier operations execution.



The Amplify platform aims to fully cover the needs of a company around its CRM strategy. To that end, it offers a multi-dimensional, flexible customer rewarding mechanism & marketing automation capabilities (Figure 10).

**Figure 10.** Program/Campaign Creation Menu



The rewarding mechanism can support any loyalty program in the form of reward points, cash back or discount. In line with both international & local market trends, the specific module has been enriched to enable reward offering that can be related to either the business offering or to services and products offered by 3<sup>rd</sup> party participating vendors, minimizing the relevant cost.

The marketing automation module completes the platform's offering, providing capabilities that allow any SME to easily perform mass or targeted campaigns to its customer base, with minimum effort and expertise requirements. Such capabilities include:

- A large variety of customer selection criteria, based on behaviours, transactions, or interactions, providing increased flexibility to the business to target selected audiences for personalized campaigning based on specific customer needs.
- Ability to create ongoing, automated campaigns triggered by any event, as well as ad-hoc ones to accommodate seasonal or occasional needs and goals.
- Integrations with any communication channel (SMS, Viber, email provider) for easy & fast execution and
- Ability to create automated control group populations for each campaign, to ensure correct impact evaluation. Many companies face a difficulty in measuring the impact of their campaigns or activities and as a result, their decisions are based on rough estimates and the executives' market experience. The control group creation logic available through the platform is a unique and innovative feature included in the solution that allows the business to accurately evaluate the impact of any promotional or communication campaign versus the business-as-usual strategy and thus, provide data-driven insights for the decision-making process, ensuring a more efficient use of the available resources.

- Creation of a log file at customer level, recording the campaigns-promotions-activities that each customer participates in and
- A set of predefined reports monitoring the overall performance of each campaign, delivering easy access to performance metrics.

With the Amplify™ Customer Management Platform any business, regardless its size & expertise level, can easily monitor the performance of its portfolio, retrieve and manage customer information, reward its customers, design and execute marketing campaigns with minimum effort and monitor the results real-time, enabling quick decision making and corrective activities, where needed.

## **5. Use case and results**

Amplify™ Customer Management Platform, was selected by a medium sized insurance company, aiming to address a series of company's customer management challenges. The insurance company is operating under a sales model heavily dependent on indirect sales channels, with its customer acquisition strategy being driven by the sales activity of insurance agents and brokers. Also, company's main product proposition was on commodity insurance products, facing intense competition that resulted to a high annual attrition rate of its portfolio. The insurance company was looking for a 360° Customer management solution to help the business (a) address the need to gain direct access to its end customers – who are managed by 3rd party agents, collecting direct customer communication data in a way that would not put at risk the relationship with its agents and would help the business establish a direct relationship with its customers (b) contain customer attrition, (c) address the need to have a single customer view across all company's sales and servicing channels and (d) support its digital transformation strategy. With lack on expertise in data analysis and technology, the company was looking for a user-friendly application that would be managed by existing marketing employees based on available skillset, without having to invest in hiring subject matter experts.

Aiming to address the multidimensional challenges faced by the company, Amplify™ Customer Management Platform was customized to support a fully digital partner-based reward program, aiming to differentiate the insurance company's proposition compared to its competitors and offer to its customers a powerful incentive to provide their personal contact details, essential in establishing a direct relationship between the company and the end consumer. Also, the solution was integrated with all customer touch points available in the company, including the call centre CRM, the mobile app, the online web accounts platform and the agents' sales platform, providing to the company a consolidated view of enrolled customers' activity and assisting the company consolidate, reward and manage customer behaviours across channels. Last, the company was provided with Amplify™ marketing automation module, helping the marketing team to execute, in a user-friendly way, personalized marketing campaigns, addressing the various customer typologies included in its portfolio as defined by the platform filtering criteria. Capitalizing on the automated, target vs. control group functionality empowered by the solution, the marketing team is in the position to measure real time the performance of their marketing actions and take corrective actions when needed.

One year since the solution installation, the company has managed to achieve:

- 20% penetration of the solution to its customer portfolio.
- Enrolled members display a 10% improvement in the annual customer attrition rate, resulting to 6.5% increase in Gross premiums.
- 4% reduction in claims
- 7.5% increase in enrolled customers' net profit.

With only one fifth of the portfolio enrolled in the solution, the company already experiences

- 1.3% increase in the overall Gross premiums, 0.8% decrease in the overall claims' costs and
- 1.5% increase in the overall net profit.

The above results were delivered, building upon the existing resources available in the company, who although had basic knowledge on Customer Management practices, capitalized upon the application capabilities to enrich the company's marketing strategy to deliver practical and tangible results.

It would be beneficial to compare these results of our newest case study, to data we already have as the impact of CRM systems to businesses vary across industries. It also may vary in businesses operating within the same industry, since CRM systems are coming to address the challenges of each business individually.

Comparing the experience customers received in the retail sector through the use of the application there are significant differences around the perspective impact was achieved. In retail, impact observed was related to basket increase per visitor (by 40%), higher number of repeating customers (by 38%) and overall higher spending per customer at maturity (by 44%), while the results observed in the current study were mainly focused on churn reduction. Yet in all cases, underlying impact observed is the same, since - irrespective if delivered through higher engagement and sales or through lower churn- in all CRM applications analysed in our customers, profitability per customer increases by more than 40%.

## **6. Conclusions**

This research aimed to identify the way and extent CRM software is used in Greece and the potential it holds within Greek SMEs. Also, an attempt was made to assess the market maturity around its utilization alongside the identification of the means that will make a CRM software appealing for both the company and the consumer. The final goal of the overall project was the creation of a customer management application, tailored to fulfil SMEs and their customers' needs in the Greek market.

There has been extensive research so far when it comes to the benefits that a CRM software may hold, on both large and small scale companies worldwide. The current literature up until now though, when it comes to the reality of the Greek market, as long as the incites they offer are still fairly limited. Furthermore, although the overall topic has already appeared in the literature, as yet the application of such CRM software, specifically tailored to fit SMEs in Greece, has not been adequately explored. In order to develop the ideal CRM software, fit for Greek SMEs needs, further analysis was deemed necessary, given that the characteristics of

SMEs are different from small and large enterprises, the adoption of a CRM software might follow patterns which differ from the models and theories put forward so far.

Based on the quantitative and qualitative analysis of the research that was conveyed, the results indicate the following conclusions: Although the correct implementation of CRM software holds a high potential to offer a clear competitive advantage to the company, the overall maturity of the Greek market around its utilization as well as the proficiency or experience of the personnel that will be operating it, is insufficient. Overall, the optimum development of a quality customer management application fitting to fulfil Greek SMEs needs, would be an application easy to use, providing basic data collection, communication and rewarding capabilities.

Taking into consideration all the above factors, the team developed the Amplify™ Customer Management Platform. An easy-to-use customer management application, capable to fulfil the SMEs needs in the current Greek market reality. Its most important aspects include monitoring the performance of the business portfolio, retrieving and managing customer information, proper rewarding of the customers, designing and executing marketing campaigns with minimum effort and monitor the results real-time and enabling quick decision making and corrective activities, where needed.

The first results about the potential the platform may hold in Greek market are very promising. Amplify™ Customer Management Platform was customized to support a medium sized insurance company's needs to test its efficiency. Even if only one fifth of the portfolio was enrolled in the final solution, the company achieved a 1.3% increase in the overall Gross premiums, 0.8% decrease in the overall claims' costs and 1.5% increase in the overall net profit. These consist very promising results for the future if taking into consideration the full benefit the application of the platform will hold, when its potential is fully exploited.

## **7. Future Steps**

After concluding this research, it would be beneficial to address some future steps that could potentially upgrade the current platform as well as further expanding its potential on the Greek market.

Taking as a given that the volume of customers' data will increase in the future, as well as the employees' ability to handle their analysis through a CRM system, it would be useful to further integrate artificial intelligence (AI) tools in the already existing application. AI integrated within CRM seems to present the key around intelligent and impactful experiences for customers. While CRM systems use customer data to understand customers better on a surface level, AI can discover their needs or desires to offer a personalized experience through information like age, gender, region, as well as their sales history and online interactions. Companies on the other hand can carry out the performance measurement of AI tools based on e.g., productivity enhancement, increased market opportunities, saving of expenses. An upgraded AI based CRM software will be able to detect patterns and provide vital insights for businesses improving their overall planning and strategy.

Opposed to the above future goal that suggested a more complicated upgrade, another future step that would potentially hold great profit, is the development of a simplified version to address the needs of micro companies. During the third chapter of this research, it has been depicted that small Greek companies underperform only by 4% when it comes to big data analysis absorption compared to OECD average, although there was a gap of 50% in the



usage of big data analysis from Greek small companies compared to the top performing market ones. This indicates the opportunity this part of the market may hold if a different version of the current CRM software, adjusted to their needs and way of function, will be developed.

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**ΕΣΠΑ**  
Partnership  
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### Abbreviations List

AI:	Artificial Intelligence
CAWI:	Computer Assisted Web Interview
CRM:	Customer relationship management
ERP:	Enterprise Resource Planning
ICT:	Information and Communication Technologies
KPIs:	Key Performance Indicators
OECD:	Organisation for Economic Co-operation and Development
SMEs:	Small and medium-sized enterprises.
SCM:	Supply Chain Management

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