LABOUR ECONOMICS, PERSONNEL MANAGEMENT AND MARKETING

RESEARCH OF CUSTOMER RELATIONSHIP MANAGEMENT (CRM) SYSTEMS AND INDICATORS FOR TRACKING CUSTOMER LOYALTY

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Key words:
CRM, marketing, creative, digital marketing, advertising, proposal, offer.

The study is dedicated to finding ways to improve marketing business processes through the implementation and use of modern marketing approaches and tools, managing consumer attention, informing and motivating potential customers to interact. The article offers an author's approach to the formation of effective creativity. The customer relationship management (CRM) system was studied, a comprehensive approach to determining customer loyalty tracking indicators was proposed, the role and advantages of CRM in the development of modern business were determined.

ДОСЛІДЖЕННЯ CUSTOMER RELATIONSHIP MANAGEMENT (CRM) СИСТЕМИ ТА ПОКАЗНИКІВ ВІДСТЕЖЕННЯ ЛОЯЛЬНОСТІ КЛІЄНТІВ

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Ключові слова:
CRM, маркетинг, креатив, цифровий маркетинг, реклама, пропозиція.

Дослідження присвячено пошуку шляхів удосконалення маркетингових бізнес-процесів за рахунок впровадження і використання сучасних підходів і інструментів маркетингу, управління увагою споживача, інформування та мотивування потенційних клієнтів до взаємодії. В статті запропонований авторський підхід до формування ефективного креативу. Досліджено customer relationship management (CRM) систему, запропоновано комплексний підхід до визначення показники відстеження лояльності клієнтів, визначено роль та переваги CRM в розвитку сучасного бізнесу.

Problem statement

Studies prove that today digital competition is reaching its peak, because the Internet space is expanding the geography of purchasing goods and even services (which are also moving to a digital format). The client has become demanding, and winning over the client, managing his attention and building retention are becoming extremely relevant. This is especially relevant in the conditions of significant changes in the behavior of consumers, increased demands for products, weakening of loyalty to companies as a result of the discrepancy between the stated benefits and the real offer. Thus, the problem of keeping the consumer's attention is relevant for modern business.

Analysis of recent research and publications

The study of modern approaches to managing customer loyalty does not have time to take into account the relevance of events, because at the moment there is a very rapid digitalization, the customer has become demanding, and winning over the customer, managing his attention and building retention are becoming very relevant, this is especially relevant in the conditions of significant changes in consumer behavior, increasing demands for products, weakening of loyalty to companies as a result of inconsistency of the stated benefits with the real offer. Features of CRM and the above problems were investigated in their works: Karpenko, L., Zincio, Y., Stasiuk, S., Polishchuk, I., Hanushchak-Efimenko, L., Daut, T., Yakob,

Y., Miroshnikova, E., Oklander, M., Vikarchuk, O., Kalinichenko, O., Nikolenko, S., Poita Penn I., Marcinkovska S., Mozgova G., Ryabova T., Prymak T., Reinartz W. But taking into account the changing environment and changes in consumer behavior, the topic does not lose its relevance and requires systematic research.

Formulation of the goals of the article

The purpose of the article is to research approaches to the promotion of goods and services, features of consumer behavior and perception of advertising. Based on the research, create a comprehensive advertising creative. Research of the CRM system and customer loyalty tracking indicators.

Presentation of the main research material

The general flow of outdoor advertising is so large-scale that the client is capable of impulsive purchases or, on the contrary, systematically ignores advertisements, so the effectiveness of advertising is significantly reduced, and marketers, in order to obtain the necessary effect, need to find non-traditional approaches to studying the opinion and behavioral reactions of consumers, one of which is neuromarketing and the management system of attention, trust and customer loyalty to the perception of advertising and communications. Accordingly, the topic is gaining relevance, because currently there is no comprehensive approach to the formation of effective creatives and communications in order to retain the attention of customers.

Today, the Internet is characterized by a constant increase in the audience, which can be managed and motivated to buy with modern marketing tools, one of such tools is advertising creatives. In modern conditions of digital promotion, the formation of advertising creative is not a simple process, which should be based on three components. Marketers-practitioners emphasize the fact that in the absence of at least one component of the stage – advertising will not be effective and will not perform the main function – promotion and sale of goods and services (Form.1).

$$Comprehensive\ marketing\ creative =$$
$$= Offer + Deadline + Call\ to\ action, \quad (1)$$

created by the author

where, Offer is a strong offer:
– advantage (total sale, promotion, free delivery, «pay for one product and get two», etc;)
– an appeal to the target audience;
– addressing a problem (need).
Deadline – a time limit (size, quantity) that creates a sense of missed opportunity, not receiving a benefit, and motivates an urgent decision to purchase goods or order a service;
Call to action – a call to action, a mandatory component of an advertising message that indicates the customer's path to purchase a product (register, pay via a link, call, write to the direct, etc.).

The presented integrated marketing creative is a list of components of successful advertising that are of practical importance, as a number of marketing studies on consumer behaviour and neuromarketing prove that a strong offer (creative) influences the consumer's psychology, motivates them to respond to the advert, a limitation creates a sense of lost profit in a potential client, and a call to action stimulates interaction directly with the company.

Therefore, in order to gain leading positions in the period of rapid development of information technologies, enterprises need to perfectly know and study behavioral reactions to various types of their products. Neuromarketing today revolutionized the world of marketing and began to call for the use of various stimuli to influence the human brain to perform a certain action. Based on studies of brain activity, it has been proven that a person makes decisions not only on the basis of rational judgments, but also on the basis of emotional reactions that he cannot control, companies use this fact to maintain the competitiveness of their products in the modern market by inventing the right system of influence on the conscious and subconscious, therefore, the creation of advertising creatives taking into account certain rules is a guarantee of successful communication and promotion of goods and services as a whole. So, let's note that today the usual assessment of product properties has been replaced by the art of creating and selling impressions, emotions, and pleasure. Both the design of the product and its other properties, in order to appeal to people, must affect all senses and all levels of information perception: intuitive, sensory, behavioral, mental, emotional. At the same time, the chosen marketing mix should not only sell the product, but also reflect the values of the company (brand), and at the same time, cause a positive emotional experience in customers and the desire to use the product or service again [3].

Effective creative, affects the attention of the client, most often prompts to buy, but customer retention is also important in marketing, for this today leading specialists use CRM systems.

CRM systems are successfully used all over the world for the further development of relations with the client. Research has proven that today CRM systems (Customer Relationship Management) are an integral tool for the activities of many global enterprises, which allows them to establish and develop relationships with customers much more effectively. However, the implementation of CRM systems in Ukraine was slower than in the rest of the world. Currently, the backlog of Ukrainian companies – both suppliers and customers of solutions, in understanding and mastering technologies for managing interaction with customers is rapidly decreasing. But the achievement of global standards by representatives of the Ukrainian market of CRM technologies requires further study of aspects of the implementation of customer relationship management systems.

Transforming businesses to become customer-centric while continuing to increase revenue and profits is one of the most popular strategies in business today. This strategy is known as customer relationship management (CRM). To achieve CRM success, business and IT leaders must implement CRM processes and technologies and foster employee behaviours that support coordinated and more effective customer interactions across all customer

channels. We have grouped a system of indicators for tracking customer loyalty (Table 1).

Therefore, it should be noted that among modern marketing tools, to improve business processes and increase sales, it is important to implement and use a CRM system in business, such a management tool is aimed at building a sustainable business, the concept of which is a customer-oriented approach and allows

1. Store all the necessary information in one system. Contact details, orders, payments, documents, files, calls, notes and task history for each client are stored in a structured manner in the programme;

2. Orders from all sources. Automatic or manual order creation, quick generation of waybills and documents, sending notifications, process automation.

3. Full control of work. The system allows you to set up a sales funnel, payment, delivery, overdue orders, task completion, customer service, employee activity, etc. in real time.

4. Automation. The system makes it possible to program automatic actions, which allows you to optimise the work of employees (teams) and increase labour productivity.

5. Efficiency. Automation of processes, setting up the transition to payment, speeding up order processing, which

allows increasing customer loyalty and generating additional sales and improving the quality of service.

6. Data analysis. Demonstration of clear and understandable data on the performance of departments or employees. It allows you to evaluate the results and understand what needs to be adjusted and improved to improve the service, product or sales.

Conclusions

Thus, we can conclude that one of the most important CRM processes is extracting valid, previously unknown and understandable information from a large database and using it for profit. To work effectively, CRM deploys many decision-making technologies and applications, such as data mining and data warehousing. When researching CRM strategies, businesses realize that the costs and benefits of CRM initiatives are significant, and they seek to understand the financial implications and economic factors that contribute to their success. For businesses to achieve ROI (return on investment) from CRM, investments in CRM applications and technology must deliver tangible business benefits to the enterprise as well as intangible benefits. CRM effectiveness can be measured as the level of satisfaction achieved by CRM

Table 1 – System of indicators for tracking customer loyalty

Indicator	Formula	Short description of the indicators
Customer Churn Rate	*(Number of customers who stopped using your services during the period / Number of customers at the beginning of the period) x100 = Customer churn rate (%).*	A coefficient that shows the number of users who have stopped using the service. To determine this indicator, it is necessary to compare the number of customers at the beginning of the selected time period with the number of customers at the end of the same period.
Customer Retention Rate	*(Total number of customers at the end of the time period – Number of new customers during the time period)/Number of existing customers at the beginning of the time period]x100 = CRR*	Customer retention rate. If the previous indicator can determine how many customers stop using the services, then this metric shows the percentage of retention of new customers.
Active users per day, week and month (DAU, WAU, MAU)	$\frac{DAU}{MAU}x100\%$	These indicators will make it clear how many active customers interact with the company over a certain period of time, namely per day, week or month (Daily Active Users, Weekly Active Users, Monthly Active Users). Using the results of the calculations, you can compare the indicators and determine how important a product or service is to the customer. Also, this indicator makes it possible to forecast income.
Product Return Rate	*(Number of product units that were later returned/ Total number of product units sold) x100 = Product return rate (%).*	This ratio determines what percentage of sold goods are returned after purchase. This indicator is important for companies that sell goods. If the percentage of PRR is higher than the percentage of income, it is necessary to make decisions regarding changes in terms of sales, marketing activities or product quality, packaging, etc.
Time Between Purchase	*Number of orders (during the year) ÷ Number of unique customers (during the year) = PF Number of days in a period of time/(Number of orders in a period of time/Number of unique customers in a period of time) = TBP.*	Time Between Purchases (TBP) shows how much time usually passes between a customer's first and second purchase. First, let's calculate the frequency of purchase in your company (PF). Using the first formula as a basis, you can determine the time between purchases.
Repeat Purchase Rate	*(Number of regular customers / Total number of customers) x100 = Repeat purchase rate (%).*	This formula allows you to determine the percentage of customers who make repeat purchases of your product or service. To measure this indicator, you need to divide the number of repeat customers by the total number of customers.

Source: grouped by the authors

activities. Since CRM has become a core business strategy for e-commerce, evaluating its effectiveness is very important. However, few studies have been conducted to evaluate the effectiveness of CRM. In the world of CRM, there is a growing focus on developing measures that are customer-centric and give managers a better understanding of how their CRM policies and programs are performing.

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