



## Identifying the Dominant Perspective on Customer Relationship Management in the Last Decade 2000 – 2010

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### Abstract

Customer relationship management (CRM) is a popular field of research at the intersection of a number of disciplines such as marketing, business management, information technologies and computer sciences, closely followed by scholars, company executives, and consultant firms. The current global competitive environment leads firms to develop and strengthen their relations with their customers, their most valuable assets. Long-term, mutually beneficial relations that businesses build with their customers provide an important competitive advantage against competitors. An effective and efficient customer relationship management would turn into customer satisfaction and loyalty, lower costs, and higher shareholder value for the firms. The aim of this study is to identify the dominant perspective and its sub-concepts used on scholars' conceptualization of CRM employed in customer relationship management literature. With this purpose, a literature review was conducted for the period of 2000-2010. The results of the study show that customer relationship management was mostly conceptualized as a strategy by the scholars.

**Keywords:** Customer relationship management (CRM), CRM strategy, relationship marketing

### Introduction

As a popular field of research closely followed by many researchers, scholars, company employees and practitioners, the roots of CRM lies in the practice of small shop owners such as grocers and butchers who knew their customers by name, and knew about customers' preferred products and preferred methods of payment. However, the number of customers business deal with today, and the profiles of these customers are not comparable to at that times. Customers today, who have higher levels of awareness, who do not have permanent loyalty for a specific product or brand, and who simply, have more choice, are a scarce and overly valuable resource for businesses that are in fierce competition with one another over consumers, costs and quality. Thus, the

global nature of the competition today forces businesses to further develop and strengthen their relations with customers, who are their most valuable assets. Long-term, mutually beneficial relations that businesses build with their customers are a strategic weapon that provides competitive advantage against competitors and that is difficult to imitate. With the progress from a product- or brand-centric approach in marketing to a customer-centric one, customer relationship management also adopted a customer-centric approach instead of a product- or brand-centric one (Reinartz, Krafft and Hoyer, 2004, p. 293). Thus, customer relationship management achieved a fundamental shift in the way many firms operated (Tamosiuniene and Jasilioniene, 2007, p. 72) and relationship marketing came to the fore. Considering that acquiring new customers is five times more costly than retaining existing ones, an effective and efficient customer relationship management would turn into customer satisfaction and loyalty, lower costs and higher shareholder value for the firms.

Customer relationship management began in the early 1990s as a marketer's term for a group of ideas and technologies created to help improve customer-related business practices (Bligh and Turk, 2004, p. 7). Customer relationship management is the outcome of the continuing evolution and integration of marketing ideas, and newly available data, technologies, and organizational forms (Boulding et al., 2005, p. 156). Over time, the interest shown by scholars and practitioners for the subject has increased. In 1989, there were only few books on customer relationship management, but in 2000, this number is more than 14.000 (Plouffe, Williams and Leigh, 2004, p. 324). In the 2000s, the literature abounded with articles on CRM and e-CRM written by scholars, and hundreds of studies were shared in conferences/symposiums with the participants and the public. In addition, leading marketing journals published special issues on the subject such as *Journal of Marketing* in 2005 (Boulding et al., 2005), *Industrial Marketing Management* (LaPlaca, 2004) and *Journal of Personal Selling & Sales Management* in 2004 (Leigh and Tanner, 2004). With regards to the practitioners, managers plowed millions of dollars into information systems in late 1990s meant to track and strengthen their relations with customers (Rigby and Ledingham, 2004, p. 118), and firms that provided international consulting and software services in the field of CRM thrived. According to a technological research and consulting firm Gartner's report on the CRM software sector for the 2007-2012, the market is poised for healthy growth through 2012 when revenue is forecast to reach \$13.3 billion (Gartner, 2008).

Developments in information technologies and information systems, database marketing and data mining offer ample resources for firms to use in their customer relationship management practices. CRM technology applications link front office (e.g. sales, marketing and customer services) and back office (e.g. financial, operations, logistics and human resources) functions with the company's customer contact points (such as internet, e-mail, fax and call centers) (Chen and Popovich, 2003, p. 672). Software's, on the other hand, allow companies to gather customer data swiftly, identify the most valuable customers over time, and increase customer loyalty by providing customized products and services (Rigby, Reichheld and Schefter, 2002, p. 101-102). Thus, these technological developments help companies to shape their decisions concerning customer portfolio using current data. However, the efforts made and costs incurred for a better customer relationship management may become futile if CRM is taken as a popular technological solution or as a savior. Approaches that take CRM as consisting solely of technology, information systems, software or internet applications

fail to grasp customer relationship management in its totality. Customer relationship management is not just a project or a bundle of software solutions, but the role of technological tools has a functionality that cannot be ignored as realizing the processes and strategies.

Because customer relationship management is a multidisciplinary field, the literature on the subject contains many studies written from the perspectives of diverse disciplines such as marketing, business management, information technologies and information systems. In these studies, there is no consensus on how to conceptualize CRM, and no single disciplinary framework emerges as the dominant one. Even within the discipline of marketing, there are a number of different approaches to CRM: Morgan and Hunt (1994) take CRM as a form of relationship marketing, Gummerson (2004) argues CRM is an example of one-to-one marketing, and Peppers, Rogers and Dorf (1999) use the concepts of relationship marketing, customer relationship management and one-to-one marketing interchangeably. Sin, Tse and Yim (2005), on the other hand, argue that at the strategic level CRM is customer retention or customer partnership with customers, at the tactical level, database marketing, and at the theoretical level, an emerging research paradigm in marketing.

Some authors take customer relationship managements as a strategy and as a philosophy, whereas others take it as an application, process, or technological solution. When it is taken as a strategy, concepts such as being customer-oriented, customer value, and customer loyalty are used, and when it is taken as a technology, concepts such as ERP, database, and data mining are frequently used. The existing literature review studies (e.g. Das, 2009; Ngai, 2005) also show that CRM is discussed around wide range of subject headings (e.g. marketing, sales, information technology, information systems, service and support) in 90's and 2000's. Unlike Das (2009) and Ngai (2005), this study takes the panoramic view solely on SSCI based studies that were cited by other studies, within the last decade. By doing so, more deeper and holistic view of CRM literature at the present time will be representing to scholars and practitioners.

This study aims to identify the dominant perspective and its sub-concepts used on scholars' conceptualization of CRM employed in customer relationship management literature. With this purpose, articles that were cited by at least five other studies and that were published in the last decade (from 2000 to 2010) in the journals indexed by the SSCI (Social Science Citation Index), which is part of the Web of Knowledge database that indexes many leading journals such as *Journal of Marketing*, *Journal of Business Economics and Management* and *Industrial Marketing Management*, were examined. In what follows, first, the concepts of relationship marketing and customer relationship management and some definitional issues will be discussed. Then, the method and the scope of the study, the articles examined and the tables created will be presented. The last section is reserved for conclusions and suggestions.

### **Relationship Marketing**

According to Berry (1983), who was the first to use the term relationship marketing in the literature, relationship marketing refers to attracting, maintaining and enhancing customer relationships (cited by Zablah, Bellenger and Johnston, 2004, p. 480). According to Morgan and Hunt (1994, p. 22), in their landmark study on relationship marketing, relationship marketing refers to all marketing activities directed

toward establishing, developing, and maintaining successful relational exchanges. Differently from the traditional approach to marketing, which had a singular focus on sales and ignored customer needs and preferences, relationship marketing employs a customer-oriented approach and focuses on creating sustainable and long-term customer relations, not discontinuous and discrete transactions. Thus, the focus in relationship marketing and in customer relationship management is on creating long-term, mutually beneficial relations between sellers and individual buyers, retaining existing customers and creating customer loyalty (Parvatiyar and Sheth, 2001; Sin, Tse and Yim, 2005).

There is a close, direct and comprehensive relationship between the concepts of customer relationship management and relationship marketing. Both concepts borrow from one another and follow the same trajectory using similar frameworks. It has been observed that any discussion of relationship marketing would be incomplete without referring customer relationship management (Das, 2009, p. 329), and that the terms customer relationship management and relationship marketing are used interchangeably in marketing literature (Parvatiyar and Sheth, 2001, p. 3). The close relationship between these two concepts arises from the fact that the literature on relationship marketing forms the conceptual underpinning of customer relationship management. Customer relationship management operates on the basis of the principles of relationship marketing.

Customer relationship management is based on four basic principles of relationship marketing. The first one is that customers should be managed as important assets. The second one is that customer profitability varies; not all customers are equally desirable. The third principle is that customers vary in needs, preferences, buying behavior and price sensitivities. The final principle is that by understanding customer drivers and customer profitability companies can tailor their offerings to maximize the overall value of their customer portfolio (Kutner and Cripps, 1997; cited by Ryals and Knox, 2001, p. 535). Although customer relationship management operates on the basis of the principles of relationship marketing, there are differences between the two in terms of scope and structure. Relationship marketing is more comprehensive and strategic, whereas customer relationship management has a more tactical nature; customer relationship management focuses on key customers, whereas relational management develops relations with all shareholders (including suppliers, employees and customers) (Das, 2009; Sin, Tse and Yim, 2005). In conclusion, relational management and customer relationship management are subsets of marketing (Parvatiyar and Sheth, 2001, p. 23), and customer relationship management is a subset of relational management (Das, 2009, p. 330).

### **Customer Relationship Management (Crm)**

Customer relationship management, which has its roots in relationship marketing, is a relatively new field (Payne and Frow, 2006, p. 138). In general terms, customer relationship management can be defined as a business strategy combined with technology to effectively manage the complete customer life-cycle (Smith, 2001; cited by Payne and Frow, 2004, p. 528). This strategy requires the use of information, process, technology and people to manage customers' relations (marketing, sales, service and support) with the company (Knaid, 2003; cited by Ngai, 2005, p. 583). The overall purpose of customer relationship management is to improve marketing efficiency and to enhance mutual value for the parties involved in the relationship

(Parvatiyar and Sheth, 2001, p. 9-10). Thus, customers, management, relations, employees, processes and technology constitute different dimensions of customer relationship management.

Effective and efficient management of customer relations brings various benefits to firms. According to Verhoef (2003), a successful CRM improves customer satisfaction and loyalty. Chen and Popovich (2003) argue that CRM facilitates cross-sell and improves customer services and call centers. According to Leigh and Tanner (2004), it improves the efficiency of the sales personnel and makes information management possible. Agrawal (2003) argues that the benefits of CRM can be examined under two headings: strategic benefits such as improving customer satisfaction, providing competitive advantage and measuring customer value, and financial benefits such as increased sales and lower costs. The author also argues that CRM decreases the cost of acquiring new customers, the cost of sales, service cost and service life, and increases customer satisfaction, number of customers, loyalty rate, and the efficiency of returns and call centers.

Ineffective and non-efficient customer relationship management, on the other hand, brings failures. Previous studies show that failure rates concerning customer relationship management applications vary between 55% and 75% (Kotorov, 2003, p. 567), and a key reason for CRM failure is viewing CRM as a technology initiative (Kale, 2004, cited by Payne and Frow 2005, p. 168). Rigby, Reichheld and Scheffter (2002) identify four main reasons for the failure of customer relationship management. The first of these reasons is implementing CRM before creating a customer strategy, the second is starting to use software without changing the organizational structure, the third is assuming that more CRM technology is better, and the fourth is to form relations with the wrong customers. The most important stage in the implementation of customer relationship management, then, is the conceptualization of CRM as a strategy, not as a solution (Kotorov, 2003, p. 567). For a successful CRM initiative a cross-functional integration of processes, people, operations, and marketing capabilities that is enabled through information, technology and applications required (Payne and Frow, 2006, p. 168). The general marketing strategy of the firm is another factor that affects the success or failure of the CRM. In their study based on the results of a previous study conducted with the participation of 101 US firms, Bohling et al. (2006) found that the implementation of the CRM is more efficient when CRM strategy and practices are closely aligned with the general marketing strategy of the firm.

### **Definitional Issues in Customer Relationship Management**

Although it is a widely accepted business approach, there is no consensus on the definition of customer relationship management (Ko et al., 2008, p. 65; Ngai, 2005, p. 583; Payne and Frow, 2005, p. 167-168; Zablah, Bellenger and Johnston, 2004, p. 476). Authors with different perspectives come up with different definitions of CRM. This diversity is also present among the practitioners, software vendors, industry analysts and management consultants; they hold myriad views on CRM. According to Tamosiuniene and Jasilioniene (2007), these differences are each shaped by their given position, situation, experience and motives of the people who define the concept. Payne and Flow (2005, p. 167) found a wide range of views about what CRM means to executives. To some, it meant direct mail, a loyalty card scheme or a database, whereas others envisioned it as a help desk or a call center.

Plouffe, Williams and Leigh (2004, p. 324), who has point a critical perspective to CRM definitions, suggest that the attempt to create a single, widely accepted definition of CRM will be both futile and illogical because each firm is unique, as are its customers, markets, and business objectives. According to Richards and Jones (2008, p. 120) we suffer under multiple definitions of CRM. Adoption of a clear and consistent definition of CRM will make it easy for firms to implement CRM and use it for performance evaluation. The presence of so many different definitions of CRM in the literature led some authors to classify these definitions. Table 1 presents classifications made by different authors.

**Table 1. Classification of CRM Definitions**

<b>Authors</b>	<b>Classification</b>	<b>Definitions</b>
1. Payne and Frow (2005)	<b>A.Perspective 1:</b> CRM is defined narrowly and tactically and considered solely as a technology solution.	Khanna (2001), Kutner and Cripps (1997).
	<b>B.Perspective 2:</b> CRM is used to refer to a wide range of customer-oriented information technology.	Couldwell (1999), Stone and Woodcock (2001).
	<b>C.Perspective 3:</b> More strategic and holistic CRM approach in order to create shareholder value	Buttle (2001), Payne and Frow (2005).
2. Richard and Jones (2008)	<b>A.Operational Definitions:</b> Closely related to the processes and technologies	Reinartz et al. (2004), Rigby et al. (2002).
	<b>B.Strategic Definitions:</b> Considers CRM as a relational strategy.	Parvitiyar and Sheth (2001).
3. Tamosiuniene and Jasilioniene (2007)	<b>A.Technology Centric Definitions:</b> Make connection between preceding technologies and CRM.	Burghard and Galimi (2000).
	<b>B.Customer Lifecycle Definitions:</b> Focuses on customer lifecycle not the product lifecycle.	Kellen (2002).
	<b>C.Strategy Centric Definitons:</b> Views CRM as a technique to compete in the market and build shareholder value.	Brown and Gravely (2003), Gartner (2004).

Table 1 shows that most authors classified existing definitions into two general categories: definitions that emphasize technology, and definitions that emphasize strategy. Definitions that fall in between are in the intersection region. In a similar way Payne and Frow (2005, p. 168) place all perspectives in the CRM literature on the CRM continuum ranging from narrowly and tactically defined to broadly and strategically defined. On one end of the continuum the application of a technology settled, while customer relationship management with a holistic perspective to create shareholder value settled on the other end. Customer-centered technological solutions are placed in the middle.

The classification of CRM definitions are not limited to the studies mentioned above. For example, Zablah, Bellenger and Johnston (2004) examined a total of 45 definitions from web portals on CRM (e.g. CRM Guru, CRMWxhange) and the definitions of CRM software developers (e.g. Siebel, Pracle, SAS), other than academic studies, in order to get the real meaning of CRM. They found that CRM definitions were conceptualized as five main perspectives: process, strategy, philosophy, capability, and technology. Similarly to Richards and Jones (2008), Leigh and Tanner (2004) classified existing definitions into the two categories of analytical and operational, and Agrawal (2003, p. 151) argued that most definitions agreed on relationship and information technologies. Differently from these classifications, Kamakura et al. (2005) classified CRM into: analytical CRM that aims to turn customer data into longitudinal models of choice, and behavioral CRM that focuses on the managerial structure using surveys and experiments.

On the other hand, relationship marketing, processes and strategies has emphasized in some of the definitions. CRM has been conceptualized as a philosophy (Adhikari and Adhikari, 2009; Dumblekar, 2001), as a process (Lambert, 2010; Payne and Frow, 2004; 2005; 2006; Reinartz, Krafft and Hoyer, 2004; Srivastava, Shervani and Fahey, 1999) and as a strategy (Ryals, 2003; 2005; Ryals and Payne, 2001; Verhoef, 2003). As a philosophy, CRM aims to achieve customer loyalty by proactively seeking to build and maintain long-term relationships with customers. This perspective forms a bridge between marketing and relationship marketing (Zablah, Bellenger and Johnston, 2004, p. 478). From the perspective of CRM as strategy, customers have different values (Ryals, 2003) and the firm's profitability can be increased by identifying and focusing on customer lifetime value and desired customer segments (Ryals and Payne, 2001). As a process, CRM is a macro level business process that consists of a multitude of sub-processes (Lambert, 2010). Payne and Frow (2005) defined five CRM processes: strategy development, value creation, multi-channel integration and performance assessment. Lambert (2010), on the other hand, classifies the CRM process into strategic and operational process categories.

By identifying common elements these classification efforts have definitely made an important contribution to the literature. However, the need to have an agreed and widely accepted CRM definition still remains. Boulding et al. (2005) observe that currently there seems to be a movement towards convergence on a common definition. A CRM definition that would reflect the consensus of the actors would contribute to the further development of the literature on CRM.

### **Identification of the Dominant Perspective**

This study aims to identify the dominant perspective and its sub-concepts used on scholars' conceptualization of CRM employed in customer relationship management literature. With this purpose, the research method of literature review was chosen. For the literature review, the SSCI (Social Sciences Citation Index) was used, which is part of the Web of Knowledge database which indexes leading journals in social sciences. For an extensive review of the literature, "Customer Relationship Management" and "CRM" key words were searched, separately and in combination, in the titles of articles that were published between 2000 and 2010. The document type was article, and the categories of management and business management were selected. Using these search criteria, a total of 108 articles were found (as of August 2011). Of these, articles that

were cited by at least five other studies were selected, in order to focus on studies that gained acceptance and had a larger impact on the literature. A total of 47 full-text articles met these criteria, and the study was conducted on using these articles.

Although the year 2000 was included in the search, no article met the search criteria in this year. There was 1 article in 2001, 6 articles in 2002, 3 articles in 2003, 4 articles in 2004, 13 articles in 2005, 5 articles in 2006 and 2007 each, 4 articles in 2008 and 2009 each, and 2 articles published in 2010, making a total of 47 articles. In this sense, 2005 is the most fertile year as 27% of all articles published in this period appeared. A possible explanation for this is that the *Journal of Marketing* published a special issue on CRM in 2005. *Industrial Marketing Management* was another journal that published a special issue on the subject, in 2004, and two articles from this special issue turned up in the search. The articles under study were published in a total of 22 different journals, 10 of them on marketing (e.g. *Journal of Marketing*, *Industrial Marketing Management*), 6 on business (e.g. *Journal of Business Economics and Management*, *Harvard Business Review*), 4 on management (e.g. the *Omega-International Journal of Management Science*, *California Management Review*), and 2 on production management (e.g. *Long Range Planning*, *Journal of Operations Management*).

Peter C. Verhoef was the author with the greatest number of contributions, with 1 solo article (Verhoef, 2003) and 3 joint articles (Kamakura et al. 2005; Rust and Verhoef, 2005; Verhoef et al., 2010). Most authors had only one article in the set of articles examined, whereas some had (e.g. Russell S. Winer and Timothy Bohling) two articles. Reinartz, Krafft and Hoyer (2004), who developed a scale for CRM applications in their study on the three stages of the CRM, received the greatest number of citations from articles covered in the same database (Web of Science), with 138 citations. Next came Verhoef's (2003) study on the effects of CRM on improving customer share and customer retentions, which received 117 citations, and the third was Winer's (2001) study in which the CRM was examined from a conceptual point of view, with 99 citations.

Clues as to the CRM conceptualization used by the authors are usually found in the introduction or literature review sections of the articles, and sometimes even in the key words for conceptual papers. The authors make references to the CRM definitions in the literature that fit their own perspectives in the introduction sections of their articles, and use these definitions as a basis in the rest of their articles. In some studies (e.g. Chang, 2007; Kim and Kim, 2009; Payne and Frow, 2004; 2005), authors discuss CRM in detail and state their approach to CRM used in the article, or provide their own definitions. The definitions made, the way the subject matter was taken up, and the concepts employed were used to classify the perspectives of the authors on CRM. For each article under study, first, the way CRM was defined and the main concept used (e.g. strategy, process, application, performance, etc.) were identified. Then, subtexts/concepts that are related to this main concept and that are repeated throughout the article (e.g. customer satisfaction, customer value, database, data mining, etc.) were identified. This analysis showed that CRM conceptualizations used in the 47 articles with full-text access could be classified into 3 main categories and 15 sub-categories. For each article, at least one and at most three subtexts were identified depending on the way the subject matter was taken because all classifications made could not be fitted into a single table; two separate tables were prepared on the basis of years of publication

and in alphabetical order. Studies employed a strategy-based approach were reported in Table 2, and studies that employed process- and technology-based approaches were reported in Table 3

**Table 2. CRM Studies Conceptualized as Strategy in Social Sciences Citation Index(SSCI)**

Study and Citation	Loyalty	Satisfaction	Acquisition	Retention	Profitability	C.Share	C. Value	S. Value	C. Lifetime Value
Dowling (2002)#27#	*				*				
Feinberg ve Kadam (2002)#22#	*				*				
Lemon et al. (2002)#80#		*		*					
Rigby et al. (2002)#76#	*				*				
Taylor and Hunter(2002)#9#	*	*							*
Croteau and Li (2003)#19#	*	*							
Verhoef (2003) #117#				*		*			
Ehret (2004) #14#					*				*
Rigby and Ledingham (2004)#27#				*					
Payne and Frow (2004)#27#					*		*		
Boulding et al. (2005)#74#							*		
Cao and Gruca (2005)#17#			*						
Cooper et al.(2005)#7#	*			*					
Karakostas et al.(2005) #15#			*	*					
Maklan et al. (2005)#6#				*	*				
Mithas et al. (2005)#63#		*							
Payne and Frow (2005)#86#								*	
Rust and Verhoef (2005)#31#					*				*
Ryals (2005)#38#					*				*
Srinivasan and Morman(2005)#26#		*	*	*					
Bohling et al. (2006) #14#	*			*					
Mitussis et al. (2006) #7#						*			
Ramaseshan et al.(2006)#6#					*	*			
Chang (2007) #6#	*	*							
Nambisan and Baron (2007)#22#						*			
Tseng and Huang (2007) #18#									
Venkatesan et al. (2007)#11#									*
Ko et al. (2008) #17#	*			*					
Krasnikov et al. (2009)#5#					*				
Zvireliene et al. (2009)#10#				*					

Abbreviations: C: Customer, S: Shareholder

**Tablo 3. CRM Studies Conceptualized as Process and Technology in Social Sciences Citation Index (SSCI)**

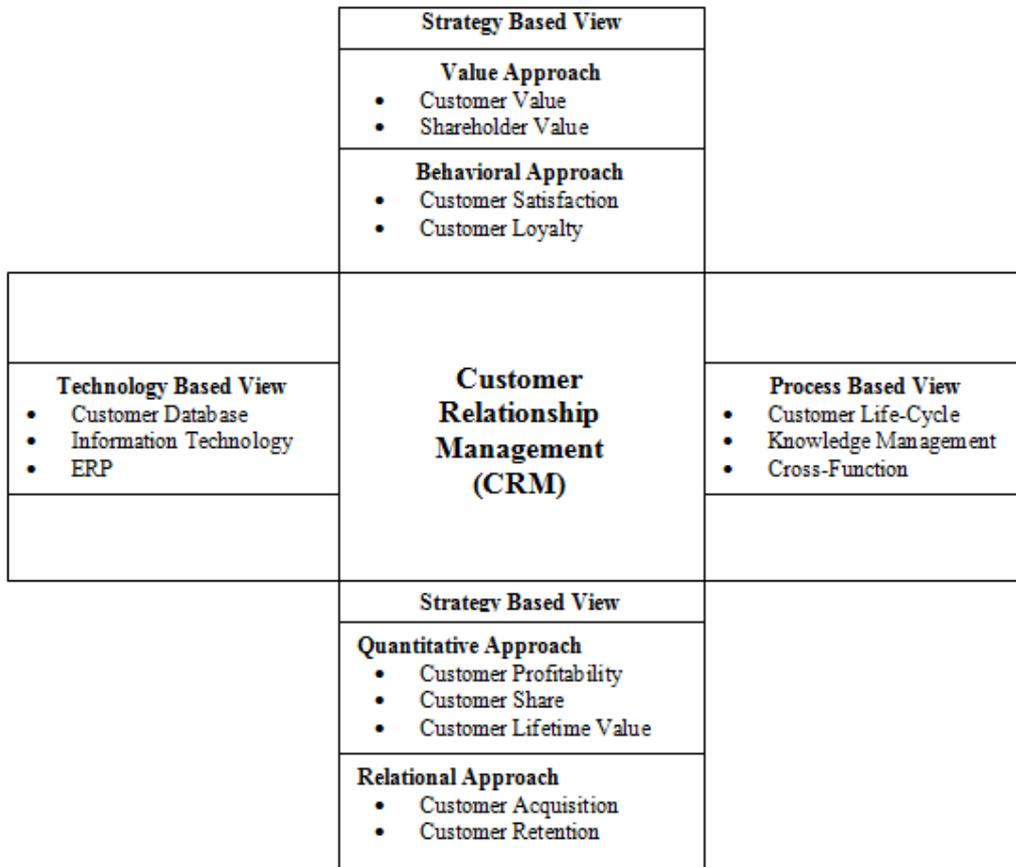
Study and Citation	Process Based View			Technology Based View		
	Customer Life-Cycle	Knowledge Management/Share	Cross-Function	Customer Database	Information Technology	ERP
Wimer (2001)#99#				*	*	
Gefen and Ridings(2002)#35#					*	*
Campbell (2003 #52#		*				
Reinartz et al.(2004)#138#	*					
Avlonitis and Panagopoulos (2005)#26#					*	
Jayachandran et al. (2005) #64#	*					
Kamakura et al. (2005)#17#	*					
Chen and Li (2006)#15#		*				
Lin et al.(2006)#17#		*				
Hendricks et al.(2007)#55#						*
Cooper et al. (2008)#5#			*			
King and Burgess (2008)#15#					*	
Richards and Jones (2008) #13#					*	
Becker et al. (2009)#5#	*		*			
Kim and Kim (2009) #6#					*	
Fan and Ku (2010) #5#		*				
Verhoef et al. (2010)#7#				*		

Abbreviations: ERP: Enterprise Resource Planning

Table 2 shows that 64% of the articles (n=20) conceptualized CRM as a (firm/marketing) strategy employed by firms. The strategy-oriented perspective is based on building the right connection with the right customer at the right time under the supervision of the top management or marketing managers. This perspective does not overlook the role of technology but uses it as an instrument to reach organizational goals. In this perspective, customer relationship management practices aim to increase customer value, shareholder value, and ultimately firm profitability. Important criteria that are to be used as indicators are defined by concepts such as customer satisfaction and customer loyalty. Sub-concepts of this perspective are customer profitability, customer retention, customer loyalty and customer satisfaction.

Table 3 shows that 19% of the articles under study (n=9) conceptualize CRM as a process and 17% (n=8) conceptualize it as technology. The process-oriented perspective emphasizes efforts related to customer life cycle and its stages, and requires the cross-functional integration of activities. Sharing of the information gained at each stage needs to be efficiently managed. The aim in customer relationship management is to engage in right activities at each stage and to facilitate communication. The technology-oriented perspective on customer relationship management focuses on information systems that help collect and analyze customer data. A multitude of options ranging from sales force automation to data mining and to modeling aims to help the firm make the right decisions concerning the customers. In the process-oriented perspective, frequently used concepts are customer life cycle, customer knowledge and cross-functional, whereas the concepts of customer database, information management and ERP (enterprise resource planning) are frequently used in the technology-oriented perspective. According to this review study CRM literature is supported by strategy, technology and process based views in a holistic marketing setting. Figure 1 shows this three views and classification of their sub-segments. Strategy based view consist of four different approaches. In the value approach customer and shareholder value are in the first place. Behavioral variables are such as satisfaction and loyalty with/to a product or brand. In the quantitative approach CRM effectiveness calculated and considered on

customer profitability, share and lifetime value. Finally, in the relational approach customer acquisition, retention are among the foremost ones.



**Figure 1. A Holistic Approach to Customer Relationship Management**

### Conclusion and Suggestions

This study aimed to identify the dominant perspective among scholars' on the concept of customer relationship management, and it was found that the strategic perspective was the more dominant one in the period 2000 to 2010. The strategic conceptualization of customer relationship management is supported by the use of concepts such as customer value, customer loyalty and customer satisfaction. Relationship marketing, which forms the basis of customer relationship management, is not rejected in this perspective because the main goal is the development of long-term and mutually beneficial relations with customers. The technology-oriented perspective, on the other hand, views customer relationship management as a software, program or application to be used, which amounts to rejecting the roots of customer relationship management. The strategy-oriented perspective on customer relationship management does not require overlooking the role of technology because technology helps implement strategies and can be used as an instrument to reach goals. Thus, considering customer relationship management as a strategy would be in keeping with the nature of the concept and with the dominant perspective in the literature.

This study has some method-related limitations. First, the key word “customer relationship management” was searched in titles, not in subject area. When the same phrase is searched as a subject area and other criteria’s (e.g. time period, fields of study) are kept the same, about three times the current number of articles (300) come up. However, this proves to be too wide a focus because CRM is a multidisciplinary field with a huge literature. These considerations were taken into account in the decision to search for the phrases “customer relationship management” and “CRM” in titles only. Thus, it was possible to have a more homogeneous distribution in terms of the subjects covered. Another limitation was that only articles that received at least five citations were included in the study. The number of citations received was used as a threshold, which resulted in the exclusion of many recent articles, published in 2009 and 2010, which did not have the time to receive citations. Another limitation was that the fields of management and business management were selected to the exclusion of related fields such as production management and computer sciences, which resulted in a limited number of technology oriented articles.

The literature on customer relationship management keeps growing by the day. CRM has attracted significant research interest by scholars and practitioners. Use of a multidisciplinary approach, creation of a consensus on conceptual definitions, and the development of valid and reliable scales and measurement tools to measure success and failure would be useful both for scholars and for practitioners. Thus, future studies should be integrating diverse fields such as business management, marketing, information technologies, statistics and production management. It can be expected that research in this area will further develop in the near future.

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