

# CUSTOMER RELATIONSHIP MANAGEMENT (CRM) ON THE INTERNET -EVIDENCE FROM THE FOOTBALL SECTOR

**Andreas Kotsovos**, University of Peloponnese, Sparta, Greece, [andreas kotsovos@yahoo.gr](mailto:andreas kotsovos@yahoo.gr)  
**Athanasios Kriemadis**, University of Peloponnese, Sparta, Greece

## INTRODUCTION

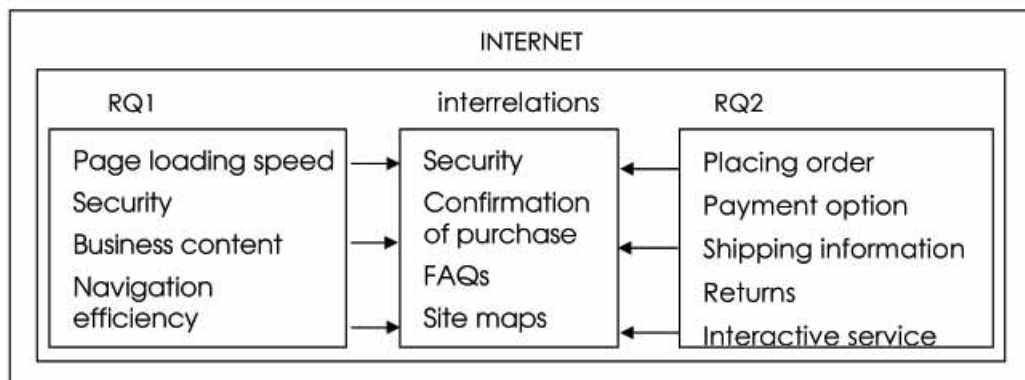
The e-CRM is defined as the application of information and communication technology to increase the scale and scope of customer services (Greenberg, 2001). With the involvement of Internet in CRM its functions become more interactive and customers are actually transacting with the companies. Furthermore, web-based CRM uses the Internet to integrate and simplify the customer business processes and reducing costs of customer facing operations (Swift, 2001). According to Web Associates (2000) the benefits of e-CRM are: a. E-services are always available, accommodating any schedule. b. Services take less time to render, adding to customers' convenience. c. Orders can usually be processed and delivered more quickly. d. Online self-service is immediate, private, relevant and easy to access. e. Customers' feedback to the company is immediate. f. Automated software delivery eliminates users having to monitor and update software applications. g. Shopping and purchasing is easier and more time effective. h. Electronic services are generally free or cost less for the customer.

Cox and Dale (2002) have developed a conceptual model for assessing how a website meets the needs of the customers. It must be characterized by: a. Ease of use (the design of the website). b. Customer confidence (how the website inspires trust by the customers). c. On-line resources (capability of the site to offer and deliver products/services). d. Relationship services (how the website inspires loyalty). The Key Quality Factors in a website design is: 1. Clarity of purpose. 2. Design. 3. Accessibility and Speed. 4. Content. Furthermore, Gehrke and Turban (1999) have indicated five major determinants of a successful web site design, which are page loading speed, business content, navigation efficiency, security, and marketing/customer focus.

The Internet can be used to provide consistent and comprehensive product and customer service information. Trepper (2000) have defined a framework of customer services that involves the following variables: 1. Placing order (number of order methods, order status, confirmation order by email). 2. Payment options (number of credit cards accepted, offline payments, pay later). 3. Shipping information (sales and tax information). 4. Returns (return methods, money back guarantee, convenient return information). 5. Interactive service (email, chat, site map, FAQs, toll-free number). 6. Web policy (privacy, security policy, company information)

The purpose of this study is to provide a better understanding of how the Internet is used as a strategic tool in e-CRM in the football sector. In particular the questions the research wants to address are: How can the online environment be described? How are the customers served in this online environment?

## CONCEPTUAL FRAMEWORK



## **METHODOLOGY**

The research is based on the use of double case study approach combining two data collection methods, participant observation and documentation. Primary data collected through an observation checklist, under 11 headings (see table above), with the help of browse target websites related to our study. In order to get additional information about the clubs specific data we used e-mails. Secondary data collected through documents from different sources to verify the collected data. In documentation were used official publications, newspapers, journals and brochures. The selected sample was the sites of two football clubs, which operate CRM software, Manchester United and Liverpool. Both clubs implement e-CRM due to the large number of fans worldwide and their economic status. The data were analyzed using the theoretical proposition that led to the case study. Data analysis consisted of three concurrent flows of activity: 1. Data reduction. 2. Data display. 3. Conclusion drawing/verification (Miles and Huberman, 1994). The data has been reduced within the case analysis when compared with the conceptualized framework. Moreover, data displayed through cross case analysis, where cases were compared against one another. Conclusions were drawn based on the similarities and differences, which were found in data reduction and data display.

## **RESULTS**

How can the online environment be described?

- The study describes that football clubs are designing simple websites; it not only makes the site appealing but also makes it faster to download.
- The study describes that multiple search options are used to targeting certain information. It is an effective way to clear whether the search facility refers to the whole site or one particular section.
- In accordance to website design, it makes website more memorable if the combination of background and text colors match with the website logo.
- Regarding website design, it is an effective way to use matching contents of website with business needs, it helps website to meet specific business goals.
- The study shows that minimum number of links should be used to find information.

How are the customers served in this on line environment?

- Privacy and security policy is described on each page of website for customer satisfaction.
- This study shows that in online environment consumers demand immediate response of their problem and easy interaction with the club's representatives.
- It is an effective way to provide different order placement options for increasing customer satisfaction.
- Customers are assured, they can easily return product without any hassle.
- Customers want personalize experience through communication channels, efficient interactive services not only decreases the frustration, but also increase customer loyalty.

## **DISCUSSION**

In what concerns implications for managers our study implies that the design of a web site needs to be viewed primarily as a business task (consistent with previous research), not a technical task. The web site design needs to be appropriate to the needs of the club and should focus supporting business goals. Furthermore, customer service is a multidimensional task and initially it's not possible for a club to cover all areas simultaneously so the club must start to work on most important tasks and get perfection in it rather than work on a multidimensional task and get nominal perfection in it. Managers need to increase website self-problem solving functions. It helps to decrease customer's interactivity with company's representatives. This study implies that frames should be avoided in website design because few browsers are not supporting frames. Chat and email functions must be

included in a website. It's a cheapest way to have one to one interaction between the club and the customer and finally, shipping or tax information must be accessible before proceeding to the purchasing process.

This study contributes in previous theory since it has investigated the use of Internet in CRM. However, due to the lack of research concerning the e-CRM in the football sector this study needs further consideration by collecting data through interviews with managers from the clubs and the fans. Finally, the same study can be conducted on a larger sample of websites.

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