

The impact of customer relationship management on an organisation's performance: A case study from the Namibian cement industry

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Keywords

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Abstract

The Namibian cement industry is extremely customer centric and customer retention is considered key to business success and bottom line. This became even more important for Ohorong Cement with the opening of a new cement plant in the country providing direct competition.

In this research we look at customer relationship management and its impact on organisations' performance. We explore the relationship between CRM and new product development success, review customer satisfaction and customer profitability, and review the relationship between CRM and organisations' level of creativity and innovativeness. The researcher used an interpretivist research design to give meaning to the impact of CRM on business performance. Interpretivism is used when the research is ungrounded, and in this regard the researcher looks forward to creating new information. Information exists in people and should only be tapped into through research. The researcher used qualitative research to collect and analyse data in order to have a deeper understanding of people's thoughts, opinions, perceptions, beliefs and ideas on the subject matter. These were incorporated in the research in order to make conclusions and recommendations.

Introduction and Background

Customer relationship management (CRM) is a technological solution that emerged in the 1970s as a tool for companies to automate the management of their sales forces (Buttle, 2004). It has experienced an exponential growth since 2010 in its deployment in companies in all sectors and as a focus of scientific research (Gil-Gomez et al., 2020). CRM evolved into a crucial business strategy tool and is considered a global concept, with the goal of gaining customer loyalty and thus improving organisations' bottom line. Interest in CRM in different sectors is continually growing, which prompts the question as to what the impact of CRM is on organisations' performance, and if it's worth the implementation. The general theory is that it has a positive impact on performance, as it impacts critical strategic factors such as new product development, technology, customer knowledge management and innovation. We thus will look at the impact on these variables and then conclude whether the impact is positive.

Customer relationship management comprises a methodology, as well as practices, processes, and strategy. CRM is a constantly evolving process with the goal of continual improvement of performance, service delivery and bottom line. CRM is a valuable part of today's business management. "Customer relationship management" is defined as "the alignment of business strategy, organisational structure and culture, and customer information and technology so that all customer interactions are conducted for the customer's long-term satisfaction as well as the organisation's benefit and increased performance" (Osmana & Ghiran, 2019, pp. 148-50). CRM is one of the most recent achievements in customer service (Newell, 2000). CRM assists organisations and customers in finding resolutions for consumer complaints and concerns. This strategy comprises gathering data on customer and potential customers, enabling awareness of customer needs and demands. Organisations are then able to use this information to cater to customer demands, thus ensuring customer satisfaction, retention and new customer acquisition. It is the collection and delivery of all client data to various firm divisions. CRM is a concept that tries to increase a company's capacity to retain customers while also providing it with a strategic advantage over competitors. It concentrates on more effectively creating and managing customer relationships by analysing consumer data in depth and precisely using a variety of information technologies (Gosney & Thomas, 2000, p. 69). CRM supports the attainment of organisational goals as well as improving the customer experience (Thomas, Sondoh Jr, Mojolou & Tanakinjal, 2018).

Sorescu and Spanjol (2008) and Zhou et al. (2005) say that sustainable performance is signalled by the ability of a company to continually develop and discover new products. Despite the fact that new products designed and launched by a firm have a potential to bring new and exciting expansion opportunities, the risk that comes with new product launch can also not be underestimated. Crawford and DiBenedetto (2003) acknowledged that new products' failure rate on the market as shown by previous and current trends, remains high and companies could not stomach this risk, hence continual exploration of mechanisms to boost the probability of new product success, which helps to rally overall success of the whole company. Henard and Szymanski (2001) and Ernst (2002) posit that, in an attempt to reduce the risk of new product failure and increase the chances of new product success, there is a great need linked to new product development (NPD) and market needs. According to Ernst (2002), new products are designed to meet the ever-changing customer needs and in the same vein the process of NPD cannot be done in isolation from market requirements. Empirical evidence has consistently displayed a positive relationship between customer centricity or market orientation approach with new product success rate postulates (Josh & Sharma, 2004; Gruner & Homburg, 2000). According to Lilien et al. (2002), further studies have concentrated on the identification of specific aspects of customer integration such as integration of "lead users" as an antecedent of new product performance. These studies of course did well to inform us about the importance of customer orientation to propel the chances of new product success, which help the overall performance of the organisation. However they have not provided an integrated and systematic organisational framework to maximize customer knowledge and which can be used as a yardstick to create a successful new product (Joshi & Sharma, 2004). In this regard, Boulding et al. (2005) proposed customer relationship management (CRM) as an effective tool to systematically integrate customer knowledge and leverage it for successful new products creation and hence increased business sustainable performance. Boulding et al. (2005) defined CRM as the process that involves the evolution and integration of marketing ideas and newly available data, technologies, and organisational forms, and it concentrates on establishing, developing, and maintaining successful long-term relationships with well-chosen customers. In this regard, the CRM puts the customers at the centre of business value addition processes (Boulding et al., 2005). On a conceptual point of view, it can be argued that the CRM can be used as a tool to leverage on customer-related knowledge and use the information to better position NPD. It can reduce the chances of new product failure and improve organisational performance, as businesses would be permitted to meet customer satisfaction in a profitable manner and maintain competitive advantage (Reinartz et al., 2004). Boulding et al. (2005)

argued that the contribution of CRM should outweigh the previous ones which were about single aspects of customer orientation, as CRM provides a broader and integrated mechanism to leverage on market and customer information. Boulding et al. (2005) noted the available literature pertaining to CRM and singled out potential drawbacks as well as unknowns in the implementation of CRM. The majority of the empirical studies carried out on CRM, for example Reinartz et al. (2004), concentrated on assessing how acquisition, retention, cross-selling and loyalty programmes impact performance. According to Boulding et al. (2005), one of the pitfalls of the previous studies is their blindness to the function of CRM in NPD. The two are not paid attention to, or the assumptions at play denote that the business has already a known product portfolio, to which CRM is merely applied. Although CRM is a prominent tool that can collect, analyse, store and disseminate market and customer information to aid informed decision-making and therefore effective managerial actions, it was only viewed on the basis of existing product lines (Boulding et al., 2005). Boulding et al. (2005, pp. 56-60) put it as, “the main weakness in this previous use and thinking as enshrined in CRM literature is the potential creation of firm’s core rigidities which can accumulate into long term failure”. To cement the above narration, Xerox has been given as a case study in which the company commanded high rankings in CRM and at one point prides itself as the award winner for being the CRM pioneer and enjoying high customer satisfaction. However, it has been found that the company was applying CRM on its existing product portfolio and missed the use of CRM to further NPD. According to Boulding et al. (2005), while it might be true and interesting that the company scored high on managing and improving customer relationships on its existing offerings, the truth of the matter is that Xerox failed to realize and leverage the potential of new technologies and products. The result of the above scenario was diminishing market performance by once a thriving and promising enterprise (Boulding et al., 2005). In this regard, it reminds us about the importance of incorporating CRM into NPD to continually manage future value creation processes for sustainable success, which manifests through successful NPD. Given the void in this perspective, the question arises, “What is the relationship between the company’s level of CRM and its level of innovation?” This study therefore investigates these phenomena. The belief is that new product success will promote high business current and long-term performance (Boulding et al., 2005). According to Reinartz et al. (2004) and Boulding et al. (2005), empirical research provides no doubt on the impact of CRM on business performance. One possible reason for these ambiguous empirical findings is a lack of understanding of the mechanisms that link CRM with company performance. Zhou et al. (2005) suggested that the missing link could be new product performance, which cannot be ignored.

Having said this, the position is new product performance could be an immediate outcome that determines effective CRM, which eventually results in high business performance (Zhou et al., 2005). Han et al. (1998) and Zhou et al. (2005) maintained that sustainable competitiveness and success is largely anchored on new product success launched to meet changing consumer needs and wants. Zhou et al. (2005) further viewed CRM thus as an important tool in NPD, as it feeds the NDP process with rich information relating to customer and market information needs assessments hence propelling chances of new product success and boosting organisational performance. Boulding et al. (2005) agreed and point out that new product success as an output of CRM should then drive the whole organisation into great performance as it will be backed by customer satisfaction, loyalty, and creation of competitive advantage to shrug off competition.

Innovation capability and customer knowledge management are two of the critical areas for the success of business strategy in the current marketing context (Fidel et al., 2018). Measuring the impact of CRM on these two areas is critical, as these areas are key in business strategy. Innovation is defined as a set of ideas, practices or objects perceived as innovative by an individual or a group of people (Fruhling & Siau, 2007). Innovation is key for an organisation to ensure success and improve performance. Fierce competition in the cement industry enhances the importance of an organisation's innovative capability. Developing innovative products and cost-effective process improvements can be the difference between failure and success. CRM and the customer knowledge granted by the system allow organisations to have an in-depth understanding of their customer needs and give them the ability to adapt products and services to be more customer specific.

The ability to reach and manage general knowledge and customer knowledge management is one of the key factors to attain competitive advantage (Chua & Banerjee, 2013). Customer knowledge management is a key factor in competitive advantage. In modern business, being able to meet customer expectations is vital for success and retention of loyal customers. This can only be done by having in-depth knowledge and data available on all customers, enabling the organisation to produce products that cater for the customers' needs. CRM is the key technological tool to track and analyse customers' information and give the organisation access and the ability to produce products according to the customer's needs.

Conceptual framework

Payne and Frow (2005), after thorough investigation of extensive literature, understand CRM in relation to three dimensions on a continuum: narrowly and tactically as a particular technology solution, wide range technology, and customer centric. The coining of these three different perspectives along a continuum reflects the constantly evolving of understanding what CRM really entails. Originally, CRM was viewed as an information technology (IT) package with the main purpose of providing customer solutions, including sales force automation. More recently (Payne & Frow, 2005) CRM has come to be viewed as a “holistic approach to managing customer relationships to create shareholder value”. In this case, CRM is a technological solution that thrives on creating and solidifying robust relationships and understanding with business`s key customers as well as carefully selected customer segments (Payne & Frow, 2005). In a bid to achieve this fit, CRM integrates relationship marketing strategies and relevant technology to develop long lasting relationships with customers and enable a business to achieve sustainable competitive advantage and profitability as it establishes an edge in customer intimacy. The art of concentrating on CRM enables the business to gather and use customer information, which assist with development of mutual understanding as well as co-existing through joining forces with the business in co-creating value with them. Payne and Frow (2005) indicated that co-creating of value by businesses and customers is fundamental in filling the gap between business offering and customer requirements. Boulding et al. (2005) say that the failure of many new products and the businesses which give birth to them might not be due to poor quality products. It might be that the products have just failed to meet consumer needs. A high-quality product which does not take on board customer needs is bound to fail (Zhou et al., 2005). According to Parvatiyar and Sheth (2000) and Jayachandran et al. (2005), a key feature of CRM is its involvement of the entity and its customers in its strategic processes. Having said this, Peppers et al. (1999) and Parvatiyar and Sheth (2000), articulated that a strategic CRM framework is then established which concentrates on significant customer-specific processes which include: customer identification, customer differentiation and customer interaction. These three significant customer-specific processes are extended to align with the concept of NPD, bringing a new perspective to CRM (Boulding et al., 2005; Jayachandran et al., 2005). Previous research on CRM did not pick up this extended interpretation on CRM (Boulding et al., 2005).

The following relate processes to NPD:

- (1) Customer information management: the critical activity of customer identification and needs analysis can be facilitated by logically gathering and distributing customer information (Boulding et al., 2005). The rich information and knowledge gathered can be applied in the development of new products that incorporate concrete customer requirements and contribute to the further creation of more business value (Payne & Frow, 2005).
- (2) Customer segment value management: Ryals and Parvatiyar and Sheth (2005), say that, complementary to customer information management, the exercise of customer differentiation in relation to their preferences as well as the total customer value to the organisation are key CRM concepts. Payne and Frow (2005) say it includes all activities that assist with customer evaluation and consolidate customer information in organisational processes. This therefore relates to the process of segmenting customers according to the value they induce to the NDP process. The overall value attached to various customer segments differs (Jayachandran et al., 2005).
- (3) Multi-channel management: the provision of optional sources of communication and distribution channels are key processes of CRM. It consists of the interchangeable use of both the traditional and electronic communication mechanisms to maintain exchange of information with valuable business customers (Brown, 2000; Payne & Frow, 2005). In the perspective of NPD, various communication mechanisms provide a platform whereby the business can increase its interaction with customers, for example modern electronic touch points in order to benefit generation and launching of new products.

According to Boulding et al. (2005), for the achievement of effective CRM, multiple processes have to be integrated. The three identified processes of customer centric processes (customer information management, customer segment value management and multi-channel management), must be integrated in order to realize effective implementation of CRM strategy which is likely to improve the performance of new products, and consequently overall organisational performance. The first port of call is information gathering, analysing, storing and disseminating of customer valuable information and feed it to give effect to NPD which will be later translated in improved new product performance. It is then followed by segmentation of customers in proportion to the value they contribute to the organisation relative to NPD. According to Sawhney and Prandelli (2001), Grönroos (2000) and Gruner and Homburg (2000), value in NPD can translate to opinion leadership, economic benefit,

relationship quality, and value to the company. Thirdly and lastly in this segment, multiple communication channel permits firms to gather information and increase interaction with customers, thereby building the required symmetry and intimacy using many alternative communication platforms. Taking cognizance of these processes (Boulding et al., 2005), the CRM strategic implementation process is enhanced, which boost the performance of new product development.

Over and above three sub-dimensions which make the body of CRM customer-centric processes, the framework advocates for two more important moderators of CRM: new product performance link in the form of CRM technology, and CRM reward systems. Payne and Frow (2005) noted that, to develop an effective CRM system, technology is central as a broad enabling tool for effectiveness. In this framework, CRM technology is hinged on technical, IT-based solutions which enhance a firm`s interaction with its customers and allow information exchange for the purposes of NDP. Therefore CRM technology is a construct that moderates the relationship between CRM and new product performance. Previous research findings on the impact of CRM technology was mixed, for instance Jayachandran et al. (2005) and Reinartz et al. (2004). CRM technology is not deterred in performing the role of gathering and processing of valuable customer information.

Successful CRM, over and above the need to integrate processes and technologies, is also in dire need of holistic support from different organisational members. Putting it simply, CRM strategy may fail if it is supported by only a handful of individuals in an organisation. Successful implementation of the system requires all members buy in (Boulding et al., 2005). Employee engagement and incorporation thus is a significant element of successful CRM implementation (Payne & Frow, 2005). Reinartz et al. (2004) alluded to the notion that, in order to enhance and stimulate effective implementation of CRM activities, a reward system is an integral incentivizing tool. A reward system deemed fair is motivating to employees, as they feel their efforts are appreciated and they are induced to perform to expectation or to surpass expectations (equity theory) (Boulding et al., 2005). Having noted this, the CRM framework above thus encompasses both the essence of intrinsic and extrinsic rewards as another supporter in the CRM/NPD performance relationship. The implementation of the CRM may fail simply because the reward system is deemed unsatisfactory (Reinartz et al., 2004). According to the framework, the organisation`s overall performance is hinged on new products` performance as an output of effective CRM systems. According to Payne and Frow (2005), the general

assumption is that effective CRM should influence the business into high performing business (superior firm performance), thus evaluation of the overall performance implications of CRM is vital. Empirical studies have inconclusive findings, for instance the research by Jayachandran et al. (2005) and Reinartz et al. (2004). This might signify that CRM effectiveness and its implementation might be a substance of critical mediating effects. The yet to be fully explored relationship between CRM and business performance may be excellently linked by new product performance. According to Boulding et al. (2005), the mixed results of the effectiveness of CRM on firm performance can be attributed to the ignoring or deliberately leaving out the impact of successful new product development by the use of CRM to great firm performance, since many previous studies concentrated on the use of CRM to manage existing product portfolios. Bridging this research gap may help to clarify the proportion between CRM and firm performance. Boulding et al. (2005) say that, as a matter of fact, one of the key elements of successful CRM implementation is dual creation of value which the author interpreted as a win-win scenario for the business and customers due to NPD. In the same vein, the level of dual value creation attained by the organisation is measured through the level of success attained by its new products in the market, as high new product success indicates high customer satisfaction and high sales and profits for the creative and innovative enterprise.

The established conceptual framework has identified CRM processes as a higher order construct taking on board three subdimensions, namely customer information management, customer segment management and multi-channel management. Madhavan and Grover (1998) defined customer information management as a process of business's overall knowledge management as well as customer-related information processing. Jaworski and Kohli (1993) put it simply as the process that includes collection of customer-related information and its distribution within the vicinity of an entity as well as the organisation-wide responsiveness to it. CRM performance is widely agreed to be boosted by the existence of such customer-centric processes (Jayachandran et al., 2005). The process of NPD also encompasses the need for customer information management for two key reasons: the need to tailor make new products according to customer requirements as well as customer segmentation in line with their anticipated contribution towards NPD process. For the product to be widely accepted, it should resemble a prototype customers are looking for to solve their needs. The features and the nature of the product should be aligned to the ones customers are expecting, thus taking concrete realities of customer needs. According to Wiid et al (2016), firms ought not to produce what they want or what they think is best for customers, but customers should determine and tell the

business what they want and the business proactively respond to it. A customer-centric business is customer led. The customers are kings and new customer demands are swiftly responded to. According to Jooste (2017), in the modern business environment, firms are making use of technological progress and customer-centric technological tools to predict the future customer needs and proactively respond to them or devising the art of telling customers what they might need even before they know they need it. Henard and Szymanski (2001) and Ernst (2002) postulate that the incorporation of customer-related information in NPD provide the business with a giant step towards the diminishing the chances of new product failure, and at the same time increasing the probability of its success due to customer acceptance of the product, thus contributing to high returns and profitability. A business with thriving products has sound cash flows and financial position and has future prospects of continuing milking from its cash cow products and services which it can use to prolong its business lifecycle by reinvesting profits into new products research and development programmes (Fahy & Jobber, 2015).

The second element of the process is the segmentation process, which is preceded by customer information management. Reinartz et al. (2004) say that segmentation process in CRM intervenes to distinguish between customer segments and to tailor make marketing activities for these distinctive segments. Payne and Frow (2005) identified customer segmentation as a critical item of the dual creation process and an effective CRM process. Customer segmentation can be on the basis of customer-respective sales or profit potential in relation to existing products (Reinartz et al., 2004). Customer segments furnish the organisation with important information which provides a roadmap when embarking on NPD activities. One of the classic examples of such is lead users. These are a customer category with high information value. Von Hippel (1994) says that lead users identify the need for a new product to cater for their problems a little earlier than other related customers, and benefit from the creation of the product they have advocated for. On top of these characteristics, lead users are also enriched with unique knowledge concerning future market needs and trends (Von Hippel, 1994). In the context of NPD, lead users thus contribute valuable information needed to spearhead new product development. These customers can possess fresh and new ideas for the new products, can further the ideas and develop them into product prototype or full products as well as carrying out a feasibility of the marketability of a new product concept, including the new product's design features and its market potential (Morrison et al., 2004). Lilien et al. (2002) posit that the inclusion of lead users in the development of new products provides more satisfactory results than new products that are produced in the absence of lead users. The other

identified valuable segment encompasses customers that are economically valuable. It consists of that customer segment that will be ready to procure bulk units of the new product or ready to pay premium prices for the product. This segment helps the business to develop and targeting a segment with buying power would help the business to cover research and development costs and profits thereafter. Gruner and Homburg (2000) maintain that new product performance is increased by the alignment of valuable customer requirements with NPD process as reflected by empirical studies. Another valuable group in relation to NPD process is opinion leaders. King and Summers (2010) say that opinion leaders in a relevant social network occupy a central role as they are the first to herald their personal experiences with the new product to their social circles, which spreads consumer awareness of the new product. Sawhney and Prandelli (2001) say that it is one of the significant activities to a new product, as it acts as a catalyst and add pressure for product adoption by the entire market. Yli-Renko and Janakiraman (2008) also mention the importance of quality relationships between the business and its customers as key to the success of the NPD. According to Wiid et al. (2016), three critical sources of a firm's competitive advantage are operational excellence, differentiation and customer intimacy. It is customer intimacy and relationships in this case we are concerned about. Gronroos (2000) says that the manifestation of high quality, long-term customer relationships include commitment, high customer satisfaction and trust. Jayachandran et al. (2005) say that customers who are satisfied, loyal and committed are likely to share the knowledge about the product and increase the chances that the business will in future continue to work together with these customers to spearhead the development of new product ideas which helps to forge joint learning effects. The chemistry that has been created between the firm and the customer throughout the process would enable the firm to even share its confidential information with these customers in an attempt to benefit the NPD process as well as the outcome of the process. Parvatiyar and Sheth (2000) explored on the importance of multiple channel direct interaction on CRM. Gales and Mansour-Cole (2005) define the process that supports knowledge sharing between the firm and its customers as customer interaction and integration. Each chance to have a physical or virtual contact with customer is an opportunity for the business to acquire valuable information and to develop a robust customer relationship. The collection and sharing of information between customers and the firm will help both parties to determine the best communication that can be used for different purposes. The appropriateness of communication channel differs according to the nature of communication to be communicated, and hence the best channel for the given conditions should be chosen (Wiid et al., 2016). Regarding NPD process, Jooste (2017) says that various communication channels will help with the provision of alternatives to enable a

firm to contact its identified valuable segments to promote NPD tasks. In this regard, the availability of multi communication channels in NPD process greatly assist businesses to gather as much information as possible from its targeted customers to aid NPD (Fahy & Jobber, 2015). More detailed customer input is gathered and bounded into the process of NPD. This will eventually promote the development and launch of a successful new product. After all is said and done, the main argument in the literature in this regard is that the identified three sub-dimensions which make up CRM all contribute positively if well used in the attainment of highly performing new products which stimulate the ability of companies to remain competitive in future, and at the same time meeting customer needs, thus realizing a high performing business.

Research Design

Research approach

A qualitative approach was followed in this study.

Research procedure

This research procedure was followed: preparing of the data; defining the unit or theme of analysis; developing categories and coding scheme; pre-testing the coding scheme on sample; coding all the texts; assessing the consistency of coding employed; drawing inferences on the basis of coding or themes; and presenting the results.

Sampling

Instead of making use of the whole population under study, the researcher selected a few participants as a sample to represent the whole group. This was done to cut research costs and to save time. Schumacher and McMillan (2016) define sampling as a process of categorizing the whole population into a small manageable group that can help you to generate the needed information required to make conclusions and recommendations on the study. Saunders et al. (2013) identify two main sampling methods: probability and non-probability sampling. These main groups have their own specific elements. For the sake of this research, purposive sampling was used. This is where the researcher uses personal discretion to determine the participants of the sample representing the whole population (Saunders et al., 2013). In this regard, the researcher found it logical to select 11 representatives from the staff of Ohorongo Cement and four main customers. Purposive sampling was meant to improve the quality of the information collected.

Data collection methods

An interview guide was sent to selected participants followed by online interviews as well as a questionnaire, to obtain detailed information about personal feelings, perceptions and opinions about the contribution made by CRM to Ohorongo Cement. Kruger (2013, p. 119) posits that interviews are beneficial, as the respondents can quickly ask questions for clarification as well as the provision of physical or virtual conduct which helps the researcher to assess non-verbal cues. They also help as they improve response rate where one can forget or pay less attention to the importance of the collected data needed by the researcher. However, interviews consume much time, as the researcher has to find a common convenient time between the researcher and the respondent for the interview to take place. It is therefore challenging in this world of busy schedules to apportion time for interviews, though technology has eased the pressure as an interview can be carried out regardless of proximity of the researcher and the respondent.

Recording of data

Data analysis was done through a thematic approach. Data was collected from the respondents, classified into themes of related meaning. Later the researcher interpreted the collected data in an attempt to give meaning. Data was grouped into main themes and sub-themes and individual views quoted directly from the primary subject. However, interpretation was provided for by the researcher to reach to final conclusions.

Strategies employed to ensure quality data

A pilot study was done with two prepared interview guides administered to selected participants before the launch of full interview process in order to improve the final interview guide. A pilot study helped to accurately align the set questions so that they ask what they have to ask: short, precise, understandable questions.

Data analyses

A maximum of 11 employees were requested to participate and share their experience.

*Demographic information***Table 1: Gender**

Gender	Number of participants
Male	8
Female	3
Total	11

Table 2: ethnicity

Ethnicity	Number of participants
Black	5
White	2
Coloured	4
Total	11

Participants are from middle to top management in positions who came into contact with the customers a lot, giving them first-hand experience on how customer relationship management impact customer relations and buying patterns as well as the impact it has on the organisation's performance.

Table 3: Position

Position	Number of participants
Quality assurance manager	1
Production foremen	5
Production manager	2
Packing plant superintendent	1
Engineer quality assurance	1
Weighbridge supervisor	1
Total	11

The majority of participants are in the 36 – 45 year age group, with no participant under 25.

Table 4: Age groups

Age	Number of participants
Below 25	0
25 – 35	2
36 – 45	7
46 - 58	2
Total	11

A majority of participants have tertiary education that ranges from diploma to master’s degree.

Table 5: Education

Highest Qualification	Number of participants
Grade 10	1
Grade 12	4
Diploma	2
Degree	4
Total	11

Participants are well experienced with between 6 – 20 year ranges. Only 3 have less than 5 years’ experience.

Table 6: Work experience

Years in industry	No. of respondents
1 - 5 years	3
6 - 10 years	4
10 - 20 years	4
Total	11

The thematic approach has been incorporated in the presentation and analysis of the collected data. Main themes and sub themes have been created together with the number of reactions from respondents on subject matter represented by “F” for frequency as shown in Table 7.

Table 7: Themes deduced from participants

Themes	Frequency “F”
Impacts of CRM on organisational performance	21
Impacts of CRM on NPD success rate	16
Factors influencing successful implementation of CRM	12
Impacts of CRM on customer satisfaction	28

The above main themes were further categorized into sub-themes. This is presented in the table 8 below in our data analysis process.

Table 8: Main and Sub Themes

Main Themes	Sub-Themes	F	Total
❖ Impacts of CRM on organisational performance	❖ High sales levels	5	21
	❖ High profitability	6	
	❖ Increased market share	3	
	❖ High asset return	5	
	❖ High staff return	2	
❖ Impacts of CRM on NPD success rate	❖ Customized product features	9	16
	❖ Leveraging on new products	3	
	❖ New products creating competitive advantage	4	
❖ Factors affecting successful implementation of CRM	❖ Reward Systems	8	
	❖ Technologies	4	
❖ CRM and customer satisfaction	➤ High quality products	13	
	➤ Affordable products	9	
	➤ Environmentally friendly production methods	6	

Findings

Theme 1: Impacts of CRM on organisational performance

The first participant from the management team opined that:

“CRM has been our winning formula in the prospects of Ohorongo Cement. After Cheetah Cement came in, indeed we felt competition pressure but we managed to withstand and used our CRM technologies to produce new competitive products which enabled us to increase our sales levels.

The third participant noted that:

“Ohorongo Cement has seen itself drastically improving its performances as it was forced by competition to look beyond using CRM for the management of existing products rather the tool to bring to life new and exciting products. I can say new market entrant was a blessing in disguise as it increased our product lines and consequently sales levels”

The response by the sixth participant was as follows:

“I do not think that we would be able to cement our market dominance and increase market share as an organisation if it was not because of the use of new technologies like CRM. CRM became integral in integrating the business and its customers which aided the business to make informed decisions. These customer centric decisions helped to boost overall business performance as the business was able to maintain and even increase its market share”.

Participant two was of the view that:

“Since the effective use of CRM, the business has been able to increase its production scale, reducing its previous excess capacity and benefited from a high asset return”.

The fourth participant answered:

“Ohorongo Cement became an organisation of choice, not circumstances, to many employees and they have committed their occupational life to Ohorongo Cement. This has helped to keep labour turnover over 5 years to less than 5%.

The first participant also noted that:

“Organisational profits have jumped about 26.5% more than the previous year and we hope for a continuous increase in profit levels as our product brands have successfully accepted by

the market especially the new products which have managed to give customers the value for their money.”

Theme 2: Impacts of CRM on NPD success rate

Participant number 3 indicated that:

“The company after realizing the competition that has been induced by the new entrant, it contemplated on the need to produce new products for the market. However, the greatest fear was the probability of new product failure which would also automatically fail the organisation. The marketing manager and her team advised us to utilize the CRM which helped us to identify a product with recommended features by the market which led to our new products very high success rate”.

Another participant acknowledged:

“I would want to say, Ohorongo Cement benefited a lot from its new products as it managed to create a competitive advantage to its competitors by capturing the market with excellently crafted successful products”.

The fifth participant said:

“Customers asked for cement and its products which was durable, strong and cheap. The organisation just offered new products according to customer requirements as obtained from CRM system and the success of the new products on the market so far has been so amazing”.

Participant two said:

“Our new products took the market by surprise. Old offerings of the business would not be able to compete with the competitor`s products as there was no differentiation in quality levels. New products thus gave us a competitive advantage as they were unique in quality levels and very successful on the market as the customers embrace new products with joy”

Theme 3: Factors affecting successful implementation of CRM

Participant six stipulated that:

“There is no system that can thrive without the coordination of people around it. In order to invite that coordination and commitment, organisation has to set rewards which benefit both the organisation and individuals who are part of it”.

According to participant one on the matter:

“New systems present technological changes which require buy in from the people of the organisation for them to be used effectively. This buy in can be enhanced by rewards offered to people as the business succeed”.

Participant three maintained that:

“There is need for technological integration so that maximum benefits can be reaped these technologies an organisation has invested in”

Participant four said that:

“At Ohorongo Cement, people were promised an increase in wages in the event of a successful launch of new products. People gave all of their skills, knowledge and time to ensure successful new product launch”.

Theme 4: CRM and customer satisfaction

Participant 10 indicated:

“As one of the major customers of Ohorongo Cement, I would want to express my happiness in their new products as they are helping us to construct very strong articles which help us to create credibility in construction industry. The new cement is really of high quality”.

Participant seven stipulated that:

“Nothing beats quality. We have seen significant improvement in the quality of the newly produced cement as it is stronger than before and avoid cracks on built articles. It can withstand very high temperatures in Namibia”.

The ninth participant said:

“I’m now very confident in Ohorongo cement and I can even recommend other people to use it because it is very strong. You are assured of zero cracks when you use it which is different from other cement we see around”.

Participant eight said:

“The Ohorongo cement represents what a customer would want that is a quality product at affordable prices. Ohorongo cement gives just that said a smiling customer.”

Participant 10 also denoted:

“Ohorongo cement is not only cheap and of high quality but also has to be appreciated as it is produced through environment friendly methods. Ohorongo Cement is the first company to produce cement through powering their plants by solar energy for the love of mankind”.

Discussion

The gathered data seems to be in agreement with the presented literature review, as Ohorongo Cement confirms that CRM is important in the effective management of existing products and in new product development. The successful implementation of the CRM by Ohorongo Cement has resulted in better performances, which was backed by successful launches of new products to out-compete competitors. Customers declared high satisfaction which led to the business realizing dual value: both customer satisfaction and profitability. It has also been discovered that the use of CRM over and above managing existing products, can be used as a powerful tool in new product development. The effective use of CRM in the development of new products has reduced the chances of new product failure on the market. The improved success stories of new products thus propagate sustainable great business performance. In this regard, the collected data approves that CRM systems enhance business performances, it is an integral tool for NPD, and has high potential to leverage on customer satisfaction and help customer retention and lead to business commendable performance.

Managerial Implications

This research prove beyond doubt that managers of different companies should make use of CRM systems to benefit from the management of existing and new products of the company to enhance company performance. It will be difficult or impossible for managers to understand customer needs (old and new) if management does not use technologies such as CRM to aid decision-making. To this end, management has to invest heavily in technological equipment such as CRM in order to leverage on greater benefits they provide to the business bigger than the costs incurred to acquire them. This if done effectively, is tipped to see off the success of the business thus enhanced business performance.

Limitation

This study is one of the few so far that had extended investigations on how CRM can benefit NPD. Previous studies on CRM were concentrating more on how CRM is used as a management tool of existing products. The researcher believed that this was one of the

shortfalls which contributed to mixed results on the impact of CRM on organisational performance. The researcher therefore reported that, apart from the management of existing products, CRM can be used to facilitate NPD, which then will lead to high organisational performances now and in future.

Recommendations

In today's environment of intense competition, high customer demands and fast changing consumer needs and wants, businesses have to be flexible and agile and be able to keep the market excited through launching new products. Success of new products is enhanced by the use of CRM, so that new products take into consideration the realities of customers. Businesses therefore are recommended to invest in customer-centric technologies which help them to manage existing products as well as creating new products.

Conclusions

It can be concluded that CRM is an important tool to lead a customer-centric organisation. CRM helps to collect the much needed customer information which is used to make informed decisions which benefits both customers and organisations (referred to as "dual value" by Boulding (2005). The ability of organisation to realize this dual value is what helps it to be a high-performing business now and in future.

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