

# Strategies for Successful Implementation of Customer Relationship Management (CRM) on Small Medium Enterprises (SMEs) in Malaysia

Prepared by: Tyokyaa Kanshio Richard

## ABSTRACT

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According to Anderson, 2006, “Customer Relationship Management (CRM) system is an information system that is meant to tract customer’s interactions with the company or organization and to enable the organization company employees to have access to the customer’s past and present records as well response to the customer’s complaints and perceived wants.

The need to maintain existing customers as linked to expanding business is paramount in the economy and organizations of today, a base for this would be the cost of acquiring a new customer which is higher than maintaining an existing one. And the easiest way to achieve this is by setting up a sort of connections between the establishment and the customers, such as through sales (be it direct or online), franchises, use of agents, e.t.c, however, the more of this programs that are been set up, the more the need to manage the interaction with the customers. Within the world of CRM lies various technologies that are been implemented as parts of CRM, although Ideally, it is a misconception to envisage CRM as a technology, basically it’s a process that will endeavour to gather lots of pieces of information about the customer, sales, marketing effectiveness, responsiveness, market trends and a host of other factors. CRM focuses on automating and improving the institutional process associated with managing customer relationship in the area of recruitment, marketing, communication management, service and support, e.t.c (Grant & Anderson, 2002)

Small and Medium Enterprises (SMEs), are basically companies that hire less than 250 employees or there about, although the specification varies from countries to countries but the general idea lies in the population of workers in the company’s establishment. There are more than two hundred thousand SMEs in Malaysia and they make up nearly 99% of all business establishments in the country. SMEs assume an important role in the advancement of Malaysia’s economy. In 2006, SMEs contributed at about 32% of the nation’s gross domestic product (GDP) and 20% of the total exports. According to the Malaysia prime minister, Datuk seri Najib Razak (2010), the Gross domestic product is expected to rise to 37% this year (2010) from 32% last year (2009). The strategic implementation of CRM in Malaysian SMEs is to gain a better knowledge about the services render by CRM to SMEs in Malaysia and to look at the benefits of implementing CRM in companies that are operating on SMEs particularly in the Malaysian peninsula.

The findings, in this research work is how to achieve a strategic successful implementation of CRM in Malaysia’s SMEs using the components , key factors and some proven strategies used by other researchers in the CRM implementation. A diagrammatic frame work and the contingency theory, etc will be use in this research work. Data will be collected from both primary and secondary source which will be useful in the analysis