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Influence of Company’s Website on CRM

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Abstract
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The purpose of this thesis work was to study the importance of customer relationship management and demonstrate the influences of the company’s website on it from the trust and commitment point of view. The main goal was to find out how the company’s website is linked with its CRM initiatives and emphasize the importance of trust and commitment factors when thinking about reliable relationships with customers.

Data for this study were collected by reviewing appropriate literature and giving out a questionnaire to the case company Spain Internship SC. Throughout the thesis, the qualitative research has been applied. The first stage was acquiring knowledge from different sources related to the chosen topic and the second stage was conducting the questionnaire and analysing results of the survey.

As a result of this thesis, theoretical and practical knowledge is gathered and analysed in order to understand the website’s role in CRM in both cases and compare what the theory says and what happens in a real company. Moreover, the outcomes of this study can be applied to case company’s CRM improvements.

Keywords: relationship, customer relationship management, trust and commitment, company’s website, service company.
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Appendix 1  Questionnaire
1 Introduction

The first chapter presents an overview of the background of the thesis, as well as defines the objectives and delimitations of the study, and finally specifies its research questions.

1.1 Background of the study

Nowadays, all businesses are talking about customer relationship management (CRM) as a new strategic and win-win tool that dominates as the most powerful companies' competitive advantage. Along with the information technologies, CRM is changing constantly and makes us think of new generation of customers and its acquisition.

The topic of this thesis work is “Influence of Company’s Website on Customer Relationship Management”. The idea has appeared based on the author’s personal interests and study specialization at Saimaa University of Applied Sciences, and when reviewing appropriate sources and literature.

The author believes that this topic deserves a special research attention due to the lack of historical information about a company's website functioning towards customer relationship management (CRM), as well as not a sufficient implementation of the CRM concept in a company’s web based activity.

The concept of customer relationship management (CRM) has only been in use starting from early 1990s, Buttle (2009) declares. At that time the fundamental goal of any company was to create a profit and generate sales revenues in order to cover costs.

Peelen & Beltman (2013) introduce an idea that almost all the companies emphasized on customer acquisition and business transactions, but not on loyalty and building relationships. As a result of this, it can be said that managing customer relationships was not a primary objective of a company and definitely it was not the core part of its business transactions.
Now, companies more and more start to be customer-oriented and to realize the significant importance of CRM in order to succeed (Bai & Chen 2010). Since 1990s, CRM has changed much and has been accepted as a principal orientation of any company. Nowadays, only customers are able to generate revenues for the company and everything else creates costs (buttleassociates.com).

The author points out that companies started to pay a significant attention to CRM for its business strategies. However, it still appears difficult for organizations to engage in meaningful relationships with customers.

Talking about web, Peelen & Beltman (2013) point that the web is evolving constantly, although, it was considered just as an information source for a long time, as well as a distribution channel that had a profound effect on both business and customers. Despite of the fact that social networks are becoming more powerful, websites will continue to be an important factor in marketing and communication.

Customer oriented organizations are information intensive and the Internet is the first information resource. That is why the website is a useful tool for a company that provides individual relationship approaches and it helps to view CRM as a technology initiative concept.

The author believes that using a website in order to maintain relationships with customers could be seen as a significant strategy for the company’s advancement.

1.2 Objective

This thesis aims to demonstrate the actual meaning of CRM and indicate the role of the company’s website in its principles for building and maintaining dynamic customer relationships on means of specific techniques as trust and commitment. Also, the author aims to apply the theoretical knowledge to the real case company and identify if theoretical foundation corresponds to what happens in real business situations.
1.3 Delimitations

The purpose of this thesis is to identify the influence of a website on CRM, considering the recruitment agency as a study case company, where the author conducts the empirical part of the study. The study is elaborated based on CRM concepts and techniques, taking into consideration electronic customer relationship management (eCRM) as an essential base of online relations with clients and as CRM concept extension.

The study refers to building relationships with customers via the company's website basing on trust and commitment as two essential components of reliable and long-term relations, as well as CRM's units of measure.

1.4 Research questions

In order to structure this thesis work and follow a specific order, the author divided research questions in two parts: questions related to theoretical part and questions related to the empirical part of the thesis.

Ultimately, the research questions are meant to be answered throughout the study:

i. *What does CRM mean for the organization and its website presence?*
   The answer to this question is covered in the theoretical part, identifying the most suitable definitions for both concepts and indicating its interrelatedness.

ii. *Which role does trust and commitment play in relation to CRM and the company website?*
   This question is discussed in the theoretical part trying to emphasize the importance of trust and commitment in relationships and thereby in the company's website activities.

iii. *Does a recruitment agency use its website as a tool for managing customer relationships?*
   The answer to this question can be viewed in the empirical part and it is based on a real company research.
iv. How can a recruitment agency effectively manage relationships with its customers via website basing on trust and commitment approaches?

The answer to this question implies an analysis of the results of the empirical research.

2 Research methods

The objective of this chapter is to describe the research methodology applied in the thesis work.

2.1 Literature review

The literature required for this thesis work aims to provide reliable and appropriate information in the following matters:

i. current significance of websites and CRM for a company;
ii. actual role of commitment and trust in CRM;
iii. characteristics of websites and their influence on building relationships.

The literature review elaborates the theoretical part of the thesis and answers questions one and two.

As the main sources of information the author has chosen two books of CRM. The first one is “Customer Relationship Management: Concepts and Technologies” written by Francis Buttle and published in the year 2009. The second one is “Customer Relationship Management: Second edition” by Ed Peelen and Rob Beltman published in 2013.

Moreover, as an additional source, the author uses a customer management online community called Customer Think. This online community was created in order to offer information and advice that could help companies to lift and maintain their customer management, and the community could make a valuable contribution in this thesis work.

Throughout the thesis, the author utilizes other sources such as internet web pages and online articles, CRM journals and dissertations related to the topic,
as well as the Ebrary online database which is available for students of Saimaa University of Applied Sciences. These sources are meant to provide sufficient information in regard of the theoretical framework of the thesis.

2.2 Case company

Spain Internships SC is a recruitment agency founded in Seville (Spain) in February 2010. It serves students and organizations from different parts of the world with an intention to provide global internship solutions in different working fields (spain-internship.com).

Spain Internship aims to run a fair business and provide students and companies with affordable and high quality services. The main objective for the organization is to find a perfect intern for its partners and an ideal place for the student’s experience abroad.

The company has a national as well as an international market orientation and since being a service company with high customer orientation, its business activities are mainly based on online platforms: website, Google Drive, Facebook, Twitter.

Spain Internship focuses on various target groups, as its operations are both B2B and B2C oriented:

i. university students or recently graduated students;
ii. small and medium size companies from different business sectors;
iii. universities of Applied Sciences and Universities;
iv. lifelong Learning Programmes Erasmus and Leonardo Da Vinci.

The company’s data were accessed by the author during the internship period of three months in Spain Internship SC, utilizing mainly the company's website and database. Although, this thesis is not written for the company, the author has an opportunity to apply this study to the company's CRM strategies and complete the empirical part of this thesis basing on the real case of Spain Internship SC.
2.3 Research

The empirical research is conducted during the author’s internship program at Spain Internship SC, the recruitment agency in Seville. This internship is a part of the Bachelor's degree at Saimaa University of Applied Sciences and is held during the three month period. The empirical part has the following structure:

i. research findings: processing and recording data;
ii. data analysis;
iii. results of findings.

The research is conducted based on a qualitative approach. It is considered as a method which applies to an investigation of social phenomena and problems. The author considers this method as the one that focuses on understanding and has orientation on the process, that is essential in the investigation of relationships with customers.

The research has been organized by the author during the placement period, and conducted through a series of questionnaires with open- and closed-ended questions:

i. number of questions: fifteen in total;
ii. format: printed copy for each participant;
iii. target group: founder and CEO of the company, customer relationship manager and assistant, international programs adviser, HR and PR assistant, marketing and business development assistant;
iv. method: critical approach.

The questionnaire is provided in both a printed and electronic format for better understanding of each question, and it consists of various types of questions, so that the responder could elaborate on the topic if needed. The empirical part of this thesis is concentrated mainly on the cooperation with the personnel of the company.

The main goal of this research is to identify the role of the agency's website in CRM both for the organization and its customers and the way the company us-
es website for building relationships with customers. Moreover, the author expects to find the answers to research questions three and four after a precise analysis of the findings.

2.4 Structure of the study

In order to keep this thesis in structured and in logical order the author divides the work into six main parts: introduction, research methodology, theoretical part, empirical part, conclusion and recommendations for the future research.

The introduction chapter consists of four informative parts where the author describes the background of the study, its objectives, delimitations and main research questions that are going to be covered throughout the thesis.

The second chapter gives an overview of research methods that have been applied in this study. It reviews the corresponding literature and gets the reader acquainted with a case company which assisted with the empirical research in this thesis work. Moreover, the author presents the research methods applied for the empirical part of the thesis, as well as relevant basic theoretical concepts.

The third part is expected to build a strong theoretical base for empirical research, presenting main theoretical concepts by means of an appropriate literature review. This part includes the meaning and objectives of CRM and eCRM, as well as the origin of the website and its meaning for CRM. Finally, it gives an idea of trust and commitment in CRM and its website presence.

The fourth chapter includes the empirical data that concentrates on applying theoretical knowledge into a real business company and covers research questions number two and three. This information has been obtained through the questionnaire survey with relevant company’s personnel.

The analysis of the research is created in order to process the information obtained as a result of the questionnaire. It analyses the results and summarizes the obtained outcomes in the overall picture.
Finally, conclusion discusses the results of the study, and the author provides some recommendations that could be useful for future research.

2.5 Basic theory

In order to elaborate on the thesis topic, there is a need to introduce basic theoretical concepts used in this work. The author concentrates on several main terms revealing a concrete meaning of each.

Customer relationship management (CRM)

“CRM is a core business strategy that integrates internal processes and functions, and external networks, to create and deliver value to targeted customers at a profit. It is grounded on high quality customer-related data and enabled by information technology.” (Buttle 2009, p. 15.)

Electronic customer relationship management (eCRM)

eCRM refers to a business strategy that connects all business aspects of a company together with the aim of creation and maintenance of customer loyalty via utilization of technology. It pretends to manage company’s interaction with its clients via various channels and media in order to keep and develop relationships. (Fjermestad and Romano 2006.)

Trust

Peelen and Beltman (2013, p. 11) define trust as a "willingness to rely on an exchange partner in whom one has confidence." It refers to the desire of one party to create and develop a positive behaviour towards another party with an intention to create a positive outcome (Van Vuuren et al. 2012).

Commitment

Commitment is a maximum effort made by exchange partners towards their relationships with the purpose of its maintenance. "Commitment to the relationship is defined as an enduring desire to maintain a valued relationship", claim Morgan and Hunt (1994, p. 23).
Website

"The organization's website is a platform that it owns on which it can more effectively manage the way it is presented and the way it wants to interface with customers." (Peelen and Beltman 2013, p. 310.)

3 Theoretical framework

In this chapter the author presents a relevant literature review in order to describe main theoretical concepts of this thesis work and to provide a strong theoretical base for empirical research.

3.1 CRM concept

The conception of customer relationship management has been investigated by many professionals, and nowadays, there are many definitions and CRM perspectives, but still there is confusion about what CRM really is. The author thinks that the key of understanding CRM lies in understanding the relationship itself. This part aims to describe the idea of relationships and concept of CRM, along with its vision, objective and strategic initiatives.

3.1.1 Relationship and its management

Relationship

Buttle (2009, p. 27) takes interaction as a relationship base. He defines a relationship as follows: "A relationship is composed of a series of interactive episodes between dyadic parties over time."

By episodes he understands time frames when the customer and supplier are in contact and acting towards mutually beneficial outcomes. The emphasis in this definition is made on the long run orientation of relationships, one time interaction does not count as a relationship between the parties has.

According to Peelen and Beltman (2013, p. 5), relationships "imply some sort of intermittent interaction between two or more persons, involving interchanges
over an extended period of time." As Buttle (2009), they also pay attention to over the time interactions between several parties.

Summing up these two definitions, Peelen and Beltman (2013) comment, that relationship has several characteristics that are essential for a relationship's existence:

i. there have to be at least two parties taking part in the relationship process, actively interacting and influencing one another;

ii. since past interactions influence present and future ones there has to be a continuity in relationship, contributing to the relationship period extension;

iii. the subject of the event defines the effect of interaction, so each event implies a different interaction process.

The relationship between a company and its customers is based on basic relationship principles. It is mutual, interactive and iterative, creating and maintaining its own exchange context over time. Changing behaviour of each party towards another, the relationship provides them with benefits that lead to successful relationships. A successful relationship will result in each party to trust another, it means that a successful relationship will be characterized by a high trust level and involved parties will be ready to contribute and make an effort for relationship maintainers (Peppers & Rogers 2004).

Summing up, it can be said that the relationship has a wide range of characteristics and associations. Figure 1 conjures different feelings and associations that have parties towards its relationship. The author created the figure based on summarized data according to Peelen and Beltman (2013).
CRM

More and more organizations increase their customer orientation policies and they start to realize the importance of relationships with customers and the essential position of CRM in business. The tendency goes towards customer base competitive advantage, considering customers as a major asset of any organization. So CRM is converted into a highly competitive edge for firms in different markets, as from market share point of view as well as form profit oriented. (Bai and Chen 2010.)

CRM leads to two key impacts, as Jeremy Cox says in his article "Good CRM Must Have Objectives and Measurements": "creating and delivering superior customer value and, in turn, generating profitable growth from selected customers, with high potential lifetime value." This shows that CRM is essential for both the company and customer at any stage of its cooperation.

According to Peelen and Beltman (2013), one of the definitions of CRM could be "a process that addresses all aspects of identifying customers, creating customer knowledge, building customer relationships, and sharing their perceptions
of the organization and its products." The definition presents CRM as a chain of activities converted into a process. It also tells that CRM aims to achieve customers.

Fjermestad and Romano (2006) see traditional CRM as a process of customer satisfaction through applying the company's resources and they define the following tasks for CRM process:

i. it creates a customer oriented corporate culture, facilitating learning and innovations;
ii. it makes customer value a key component of business strategy and its planning;
iii. it collects and transforms customer data in order to make right strategic decisions;
iv. creates specific market segments and customer portfolio;
v. defines, develops and transforms value proposition to selected market segment;
vi. measures performance at each step for better decision making.

3.1.2 CRM vision and objectives

Vision

The CRM vision gives an idea of how customer-centric organization should look like and what it pretends to achieve. Without a clear picture of the CRM vision, customers and partners, as well as employees, will not have a right idea about the following issues:

i. potential customers;
ii. the value that the company offers to its customers;
iii. significance of CRM strategy and its benefits;
iv. customer experience nature. (Gartner, Inc. 2007.)

The CRM vision is a desire of what the organization wants to be for target customers. It allows customers and others, who are involved in the organization's activities, to know clearly what the company offers and what the value of that is. Generally, CRM starts with a precise analysis of the company's position on the
market and how it differs from its competitors. The important outcome that comes from this analysis is the ability to create a value proposition concept for target customers in order to specify company's orientations and main customers. It is essential for the CRM vision to consider various competitive differentiating values that show the company's strong sides in relation to competitors. (Gartner, Inc. 2007.)

The author emphasizes that for a successful creation and implementation of the CRM vision, there is a need to lean on the organizational vision itself. A successful CRM vision is customer centric and has to be implemented through different customer relationship channels.

**Objectives**

According to Amofan and Ijaz (2005) the CRM objective is to retain and satisfy customers. They also comment that it aims to improve communication between the organization and its current and potential customers.

It can be said that the CRM objective is to integrate people and technology into one process utilizing customer-centric strategy and stimulating the information flow of the organization.

According to Nguyen (2007), the objectives of CRM can be the following:

i. increase customer loyalty by personal approach to specific customers using data that has been already collected previously by the company;

ii. improve services based on previous interaction with customers and their purchases;

iii. collect information and share knowledge by continuous contact with customers and data updates, forwarding the information to various company's departments in order to create unity in customer orientation strategies.
3.1.3 Strategy of customer relationship management

Buttle (2009, p. 65) defines CRM strategy in the following way: "CRM strategy is a high-level plan of action that aligns people, processes and technologies to achieve customer related goals."

CRM strategy is required when building relationship both with customers and partners. It is directly linked to an organization's business strategy as it affects on different organizational areas as marketing and logistics, IT and services, human resources and management. The CRM's strategic intent is to assist companies with finding the right customers and gives an idea of how to develop a relationship with them. (Peelen and Beltman 2013.)

Garnet, Inc. (2007) claims that the CRM strategy has to interconnect with the company's marketing strategy in order to link customer centric activities with other areas such as production, information technology and human resources. The marketing strategy makes possible to build the company's position in the market area and connection with CRM allows building customer centric business activities that further lead to customer loyalty and the company's profitability. Although, the main task of CRM strategy is to create and retain customers as the most powerful asset of the organization, also, it is in charge of the stimulation of other business strategies which are customer based.

It is essential to understand the CRM vision and objectives in order to build up a relationship strategy, because the CRM strategy is all about turning business activities into customer based assets by building up the value proposition.

3.1.4 The IDIC implementation model

On the basis of CRM strategies, Peppers and Rogers (2004) have created an IDIC model in order to explain strategic functions of customer relationship management.
According to Peppers and Rogers (2004), the IDIC model's main objective is to generate the customer's trust by building up the customer value through following a four-step strategic process which is about identifying customers, their differentiation, interaction with them and customization. They believe that relationship cannot just arise and develop on its own, trust is essential for its origins and maintenance.

Peppers and Rogers (2004) suggest to accomplish four implementation tasks in a specific sequence in order to set up on individual and credible customer relationship:

1. **Identify your customer:** it is the initial step on the way to recognize the company's real customer and recognize different individuals in order to know further what differs customers from one another. This step is possible if the company organizes its information resources in a right way, with the aim of getting as much detailed information as possible. Considering the customers' habits, characteristics and preferences the process is made efficient and each customer unique. Managing this information is
possible through company's online activities, particularly its website and social profiles.

ii. *Differentiate your customer: this* is possible with a proper completion of task number one. Differentiation is possible when the customer information and specific features are analysed. It gives an opportunity to know who are the most valuable customers at the moment and who are important for the future. Customer differentiation can be turned into a company's competitive advantage, giving a chance to compete more effectively with the greater customer's individual information range. When differentiating customers, the company can focus its assets and resources on the most valuable customers that will bring valuable benefits, and as well treat customers according to their needs, committing right values to the right customers.

iii. *Interact with your customer: implies* finding an individual approach to each customer, discovering specific needs of each and find the way to behave differently according to those needs. Building trust is important during the interaction, as it contributes towards interests of each involved party. All kinds of interaction should be effective, trying to find the way to integrate the customers and company's services or products for better satisfaction. Buttle (2009, p. 19) mentions that the purpose of interaction with customers is to "ensure that you understand customer expectations and their relationships with other suppliers or brands".

iv. *Customized approach: is a company's adaptation* towards its customers, changing some behavioural aspects based on an individual's needs. Buttle (2009) describes it as a customization of an offer and communication for meeting customer expectations.

### 3.2 eCRM

In order to take a look at the other side of the customer relationship management, the author would like to pay attention on electronic customer relationship management concept and initiatives. In this chapter the idea is to see how eCRM differs from CRM and identify if these pursue the same objectives.
3.2.1 eCRM overview

Fjermestad and Romano (2006, p. 22) claim “The foundation of eCRM is the application of traditional CRM methodologies, techniques, and tools to data that is garnered via electronic commerce as opposed to traditional channels of distribution.” This definition shows that all aspects of CRM that have been discussed before are applicable to eCRM. Also, numerous CRM tasks that have been considered before, are accomplished by eCRM via electronic commerce channels.

Buttle (2009) comments that eCRM is an extension of CRM with the help of information technology. He considers electronic customer relationship management as a business strategy that links together all issues of the company’s business, utilizing the power of technology with the aim to create a long-term relationship with customers and their loyalty. Within eCRM the interaction with customers is meant to be managed at all levels, channels and media.

Figure 3 presents key variables of eCRM presented by Fjermestad and Romano (2006) in their study. It suggests that these variables assist CRM online effectiveness and customer’s value creation:

i. maximize customer satisfaction by individual customer approach;
ii. increase product/service quality via additional supports and adding values on online base;
iii. increase customer loyalty by demonstrating a company’s effort towards relationship;
iv. resolve customer complaints by direct company’s contact information on any condition.
Based on these key components it can be said that eCRM as CRM are processes of acquiring, maintaining and developing valuable customers, although it requires a special focus on service features that create customer loyalty and introduce a real value for them.

Buttle (2009) says that the major benefit of eCRM is a possibility to collect a significant amount of data in order to manage constantly changing needs of customers. Due to the link with people and process, eCRM permits to integrate operational, historical and analytical data together with planning, modeling and predicting knowledge management (Fjermestad and Romano 2006) in order to give the customer the right product and service, at the right time and the right place.

### 3.3 CRM and eCRM integration

The author's intention is to demonstrate that CRM and eCRM are following mutual principles and pursue same goals, although they are applied through different distributional channels.
CRM extension to eCRM became possible because of the significant improvement of information technology and the Internet. The company's communication management online tools such as website, Facebook, Twitter, blogs, etc. make it possible to increase customer value and motivate them to remain loyal by applying CRM strategies. Both CRM and eCRM enable organizations to improve their customer service, differentiate customers and deliver the unique customer value for personalized interaction.

CRM and eCRM are about the company's interaction with customers through as many channels as possible at any time, as any interaction is a possibility to gain customer trust and improve relationships. The extension to eCRM has occurred because simply supporting organizational customer oriented activities by CRM is not enough anymore; customers require online interaction and services.

It can be said that the Internet and information technologies are binders between CRM and eCRM, and make its coexistence and mutual support possible.

3.4 CRM measurements

According to Peelen and Beltman (2013), there is a common tendency to maintain desperate relationships, when companies cannot find alternative solutions, and prefer to keep ineffective and not credible relationships with an intention of avoiding problems. They also emphasize, when analysing the quality of relationships, special attention is paid on trust and commitment, considering those as two essential components of relationship formation.

In this part the author's intention is to present trust and commitment concepts in order to elaborate subsequently on their role in relationships and CRM processes.

According to Morgan and Hunt (1994) in order to be an effective and valuable competitor requires to be a trusted co-operator, and to succeed in the relationship requires to be a committed co-operator. They theorize that the presence of commitment and trust is essential for building and maintaining successful relationships.
Relationships with customers can be perceived as consistent exchange transactions that encourage the sense of mutually beneficial relationships through trust and commitment. At the same time, highly performed trust and commitment enable a higher level of customer retention and higher profitability. (Van Vuuren et al. 2012.)

Morgan’s and Hunt’s (1994) theory implies that trust and commitment are the “key mediating variables” of relationships. In order to elaborate on that, the author first focuses on concepts of trust and commitment.

3.4.1 Trust

Someone will say that trust is fairness; someone will say that it refers to loyalty. So what does actually trust mean? Thomas (2008, p. 346) defines trust as “en expectancy of positive outcomes (or non-negative), outcomes that one can receive based on the expected action of another.” Trust is credibility, claim Van Vuuren et al. (2012), and associate it with risk perception as well as with a tool of customers’ uncertainty reduction because they know that can rely on the organization which they trust.

Generally, trusting someone prevents the feeling of insecurity and dishonesty. Trust helps us to overcome doubts in an exchange partner and to rely on their goodwill. This gives an idea that the main characteristics of trust is associated with honesty and fairness, responsibility and involvement into the exchange process between partners. (Peelen and Beltman 2013.) The relationships that are constructed on these bases could rightly be called trustful ones.

If there is a trust between customer and organization, the relationship is more likely to be beneficial for both partners with an orientation on positive outcomes and generating security in the other party (Roberts-Lombard 2012). It can be said that partners who trust each other are ready to behave in mutual interest and gain credibility towards each other.

Trusting becomes more difficult every time, as there is always a risk to make a mistake, but there is always a need to take into account that honest customers
trust honest organizations, and both are ready to take some risk to initiate or maintain valuable relationships.

### 3.4.2 Commitment

Trust and commitment are highly related. Without trust there is no commitment to relationships, and without commitment there is no credibility.

Morgan and Hunts (1994) state that mutual commitment is a base for building relationships. That is why commitment implies that exchange partners act in favour of long-term interactions in order to create benefits for each one (Roberts-Lombard 2012). Peelen and Beltman (2013, p. 12) comment that the main objective of commitment "is to continue the relationship, producing outcomes which are as mutually beneficial as possible".

What if the commitment of each relationship’s party is not equal? This is a vulnerable point of commitment as it can provoke opportunistic action of one of the partners. That is why commitment has to be made only with trustworthy partners in order to avoid that one partner abuse the effort of another. Understanding is very important here as when partners understand each other it leads to a willingness to make sacrifices for the relationships equally and creates the feeling of interdependency. (Buttle 2009.)

Commitment of one partner motivates another to cooperation and relationship maintenance. This is an essential input into successful and long lasting relations. Commitment as well as trust gives a possibility to predict future actions and investments, by deep understanding and analysing relationships.

### 3.4.3 Role of trust and commitment in Customer Relationship Management

Buttle (2009, p. 36) says: "The purchase only marks the beginning of the relationship which trust and commitment must develop." He also comments that some relationships can be more qualitative than others, however, trust and commitment are seen as core variables of a high quality relationship.
Trust and commitment are central to relationship management as they encourage companies to invest constantly in the cooperation process with an exchange partner. These variables allow refraining from short-term alternatives and going for relationship extended periods. (Roberts-Lombard 2012.) Trust and commitment generate respect and mutual partners' appreciation, they give confidence to overcome a risk of opportunistic behaviour and generate a belief that the relationship is to continue.

When both trust and commitment are present in a relationship, they generate outcomes that support efficiency, productivity and effectiveness that create cooperative behaviour and lead to successful customer relationship management (Roberts-Lombard 2012). Morgan and Hunt (1994) say that trust and commitment generates cooperation, and this cooperation in turn generates valuable relationships where each partner has a desire making a relationship work.

Summing up, the author's idea was to demonstrate that trust and commitment are essential drivers of relationship management, and the key elements of successful relationship development both through traditional and online distribution channels.

3.5 Company's website

This part presents the concept of the company's website as a tool for managing customer relationships and intends to demonstrate its importance in relationship activities. The author's intention is to create a sufficient theoretical base for answering research question number two and as well contribute to the analysis of the empirical part.

3.5.1 Website characteristics

According to Buttle (2009), "a significant change for many organizations implementing CRM is the integration of the website". He says that today's most successful businesses have a website, and those contain a generous amount of valuable data that is "duplicated in CRM system", such as customer details, customer knowledge and experience information, product and service contents, etc. By using integration technologies, company's website is a part of the core
CRM process, because it allows to obtain right customer information and generate value proposition for the right customer group.

According to Lam et al. (2013), the website helps companies to understand customers' desires and satisfy their needs through the development of customer centric relationship programs, and generate value for customers by managing their information and providing personalized product and services. It also gives an opportunity to segment customers, analysing their data and needs, which lead to customer retention initial stage, as well as loyalty creation.

The information contained on the website can be completely adjusted to personal needs and characteristics of customers, utilizing stored information on potential customers in the CRM database. This allows to follow personalised services, policies and value creation. (Peelen and Beltman 2013.)

The website has brought companies to the next step of the relationship process, giving an opportunity to generate real-time values and integration of people and process (Caray 2006). Sterne (2005) presents the idea, that the company's website customer related policies have to be built by customers' point of view. It means that the company has to feel what the customer really wants and when he wants that, what kind of information the customer is expecting to find at the website. Customer relationship management that is done through the website is not arranged by the company's divisions anymore, says Sterne (2005), it reflects customer preferences and views, seeing the reality through customers' eyes and understanding their needs.

A company's website is not only a tool for building marketing or communication, it is also about showing to the customer that the company is open to cooperation and ready for relevant investments towards relationships. Is a tool for demonstrating fairness and respect of the company towards its clients.

3.5.2 Website objective

The website aims to provide visitors with clear and relevant information on the company, including its business concept, mission, products and services. Also,
it pretends to identify specific customer groups for establishing individual interaction and value proposition with each. (Karayanni and Baltas 2003.)

Website influences customer's decision making on the purchase and future cooperation with the company, that is why it is essential that the website attracts customers with its content, and shows the company's desire and intention to build relationships with a particular customer.

The website, as a tool for managing relationships, aims to provide customers with relevant up-to-date information that would be interesting for them and would contribute to their input towards relationships with the company.

3.6 Website as a tool for managing relationship with customers

Does the company's website act as a tool for managing the customer relationship? Lam et al. (2013) believe that without the company's website assistance, CRM cannot be effective. They think that integration of CRM and Internet, particularly with website, helps companies to construct competitive advantage and makes possible to build relationships with customers increasing its satisfaction.

Peleen and Beltman (2013) suggest several ways how a company's website can contribute in relationship management between customer and supplier:

i. generate customer knowledge about a company, its products and services;
ii. develop relationship and engage customers with the company;
iii. customer analysis and orientation process, where the company identifies the potential group for continuous relationships;
iv. the actual transaction that includes buying, trading and exchanging values;
v. after sales assistance, that include additional services and customer feedback.

Peleen and Beltman (2013) as well comment that the website is a very essential tool when talking about the IDIC model implementation:

i. *identify* customers through their identity data;
ii. *differentiate* customer by analysing their data and getting an idea of their differences in needs;

iii. *interact* with customers based on knowledge about them through website communication tool or directly;

iv. *customize* products and services, information and dialogue based on the interaction.

The author recognizes that the implementation of the IDIC model via the company's website will give an opportunity to CRM to be effective and give a wide perspective for future cooperation with customers.

### 3.7 Trust and commitment input into organizational website initiatives

As it has been discussed before, the company's website is essential for managing customer relationships and a customer centric website leads the company to better competitive advantage and recognition by customers. But, how do customers know that they can trust the website? And how do they know if the company has made any effort in order to reach them?

If the company wants to gain customer trust and make further efforts towards relationships, trust and commitment principles are needed to be applied by all company's CRM distribution channels, says Buttle (2009). A trustful website is supposed to provide its visitors fresh and relevant information, demonstrating that the company cares about customer's needs and is ready to contribute to the customer satisfaction.

Merrilees and Fry (2003) identify several drivers for building a website on trust and commitment initiatives:

i. ensure customers about the security of transaction and mutual interactions, as well as safety of customer data;

ii. provide complete and updated information about company's orientations, products and services, terms and conditions;

iii. ensure the fulfilment of all requirements and satisfaction at any condition, by providing facts and guarantees;
iv. provide customers with the possibility of giving feedback and opinions, this will show that the company is ready to improve its activities with individual approach;

v. communicate the company’s efforts to the customers, so that they know about it.

A trusted and committed website will not only retain customers, it also gives a chance to demonstrate the company’s desires and dedication to its customers. It will cause the immediate effect on the integrity of a company with customers, assisting with continuous improvement in relationship management.

4 Empirical framework

The empirical part is meant to present the author’s research on the thesis topic and make a step by step analysis of it. This part includes the description of the actual questionnaire conducted in the case company Spain Internship SC, its analysis and relevant results. The idea is to analyse the situation of customer relationship management in the company and understand which role the company’s website in CRM performance plays. The author’s intention is to be able to give an answer to research questions number three and four:

iii. Does a recruitment agency use its website as a tool for managing customer relationships?

iv. How can a recruitment agency effectively manage relationships with its customers via website basing on trust and commitment approaches?

4.1 Questionnaire survey

The survey took part during the author’s professional placement period at Spain Internship SC. The idea was to create questions that would help to answer the research questions and have an idea of CRM initiatives through the company’s website.

The questionnaire has fifteen separate questions which are open/closed-ended, giving a chance to the participant to express more opinions and give an extend-
ed answer. In the case of closed-ended questions the additional field is provided in order to add some details on the particular question or just additions to the topic in general (Appendix 1). The questionnaire is connected closely with the theory in order to maintain the integrity of the thesis and purposes of the thesis.

Six participants took part in the survey:

i. company's director and CEO;
ii. customer relationship manager;
iii. customer relationship management assistant;
iv. international programs adviser;
v. marketing and business development assistant;
vi. Marketing, HR and PR assistant.

The author's intention was to collect opinions from the above mentioned employees under different working functions in order to have views from each side of the business. The author as well took part in the survey as well as an intern.

Spain Internship SC has three brands which are continuously developing. Those are the actual Spain Internship brand, Europe Internship and Italy internship. Europe Internship and Italy Internship are meant to be extensions of Spain Internship and offer the student more internship possibilities outside of Spain. Furthermore, their goal is to promote the Spain Internship brand. In this survey, the author makes the emphasis only in Spain Internships because of the placement done there and more knowledge about the process and brand's orientations.

Participants of this survey are highly dedicated to work with clients and partners. They are in charge of relationships with customers and promotion of the company. That is why the target survey group is relatively small. The other company members are interns and most likely not fully familiar with the Spain Internship website and CRM from the professional point of view.
4.2 Analysis of the research

As qualitative research is applied in this thesis work, the author’s idea is to analyse each answer of the questionnaire in order to be able to give a response to research questions three and four, and get the final result of the study.

First of all, the questionnaire suggests that each participant gives his/her opinion about customer relationship management of the company. Five out of six participants gave their answer to this question and all views had converged to one common opinion: Spain Internship needs to make changes in its customer relationship management in order to achieve effectiveness and security of services and improve customer satisfaction. All participants claim that Spain Internship has very close relationships with customers and is interested in continuous development of relationship management tools and techniques. The author points out that all participants are talking about changes in CRM, but no one mentions any specific aspects that have to be changed or improved. It shows a small integration rate of customer relationship management with other business processes and misunderstanding the meaning of CRM by employees.

Q1. Analysing received answers, it can be said that each participant sees CRM objectives in Spain Internship SC differently. The most common thinking is that CRM aims to provide the company with effective relationships with customers and partners, providing qualitative services and affordable prices. According to one opinion the strategy of Spain Internship CRM aims to satisfy the majority of people applying for an internship and receive as many positive feedbacks from partner companies as possible. This means that customer satisfaction is of major importance for the company, as this is a principal indicator of continuous relationships. Two out of six participants think that the company’s CRM objective is to improve services and efficiency and make the customer’s expectations real.

Q2. Three out of six people said that Spain Internship wants to be a reliable company so that students, companies and universities could completely rely on them and put all the issues related to internship programs in their hands. The company wants to be choice number one for students who are interested in an
internship and choice number one for companies looking for interns. This desire means to be first on the market and first in people’s minds. Participants describe a company’s vision as a long-time oriented and expect that Spain Internship will play an important part in students’ and companies’ life.

Q3. There have been different replies to this question. Three out of six persons said that Spain Internship, as well, has a long-term customer orientation. They believe that satisfied customers will spread the word to other interest groups and this way the company will receive more clients, and all the time, new relationships. Also, long-term orientation refers to various internships that students need to perform during their studies. On the other hand, two out of six think that the company has a short-term orientation because the relationship finishes as soon as the internship is over and outcomes have been received. One participant claims that Spain Internship has long- as well as short-term customer orientation, depending on the customer profile and needs. That is why, it can be said, that there is no common view of customer orientations, the company and its employees are not sure what kind of relationships are to be created, that affects the interaction with customers and CRM process from the very beginning.

Q4. Spain Internship mainly uses social networks for managing customer relationships. It has corporate profiles in Facebook, Twitter, as well at online job board. Also, tools such as Skype, phone, email are used daily for relationship management.

Q5. The company’s website provides customers with a general overview about the company and service availability. All participants came to the same conclusions that the website does not affect the relationships with customers after it had been established. It plays an important role in the initial stage of relationships, as it affects the customers’ first decision, whether to contact the company asking for services or not.

Q6. Participants have a common picture of what the company’s website actually serves for. First, as it has been said before, it generates customers’ knowledge about the company. Second, it acts as an information source about the company’s services and conditions.
Q7. In the participants’ opinion, all services offered through the website are not based on individual customer approach. Those are generalized for all types of students, companies and universities. The service description does not depend on students’ profiles, studies or experience, neither on companies’ business sectors or size, nor on universities’ specialization. Because of service generalization, customer’s expectations and needs could not be fully covered, that cause dissatisfaction. Only one person thinks that Spain Internship provides individual services depending on customer profile.

Q8. Five out of six participants are willing to make a positive impression for customers visiting the website of the company and assure professional and accessible services. Make an impression of a fair organization, helping students and companies without major conditions to find a perfect internship, is very important for the company. Also, they mention willingness to make an impression of a young team that understands the needs of each customer. One person did not comment on this question.

Q9. This question was created in order to identify if participants have an idea about what kind of characteristics are required of a credible website. All participants associate a credible website, first, with undated and reliable information about the company, its actions, services and conditions. According to two participants a credible website is one that provides visitors with necessary contact information and with links to other company’s online sources. Three participants think that the credibility of the website refers to personalized service delivery and clear message about the company’s intentions.

Q10. According to the characteristics mentioned above, all participants think that Spain Internship website is a credible one, but there are also some disagreements about that. Six participants confirmed the website’s credibility, although two of them claim that it could be improved. They think that information like the company’s data and services are not updated and not personalized, so it confuses customers and makes an unclear impression. That is why, during phone calls and Skype interviews, the company’s assistants have to answer many questions and explain issues that could be covered initially on the website, in order to avoid further questions and doubts.
Q11. Talking about actions towards customer satisfaction, participants have different opinions. Three out of six said that a wide availability of their services is an input into relationships; it refers to different channels, through which customers can reach the company and vice versa. Another said that a variety of services is the company’s intent to meet customers’ needs. As lots of students cannot pay for the services, the company created two different types of services: internships with a mediation fee and internships that are totally free for students.

Q12. All participants commented that the website is not taking part in the collection of customer data. Instead, they use the Spain Internship management system, emails and Skype. It means that the website implements less functions than it could, generating less productivity and efficiency than it could. However, the website provides various links and contact information where customers can leave relevant comments and feedback.

Q13. Basically, it is possible to leave feedback via the company’s website, but instead of calling it “leave your feedback” it is called “leave your message”. It is confusing for customers and gives an impression of just an information request possibility. However, the company’s website provides various links and contact information where customers can leave relevant comments and feedback, such as Facebook, Twitter or office phone number and email.

Q14. All participants mentioned that they are currently working on changes of the company’s website, particularly, towards CRM improvement. There is an opinion that the company’s website needs to play role of a data collection tool, which will make the process faster allowing manage customer differentiation effectively. Also, individual approach is necessary in order to generate customer interest and give a clear idea of what the company wants to offer to each person visiting its website. Moreover, participants think that more input towards relationships is essential, providing customers with more reliable information, detailed description of the application process. One participant suggests creating FAQ and feedback sections which will make the process easier and make service improvements.
Q15. Only two out of six participants provided additional comments on the topic. Here the emphasis is on relationships with customers as the main business activity of the company. Participants point out, without well organized and efficient CRM the company loses time, money and clients. The improvements of the website will allow CRM to develop and grow in a profitable way. Also, there is a suggestion to make a second research in the future in order to analyse the CRM development in the company and how it would affect the business.

4.3 Results

The results of this survey can be divided into several parts in order to give an answer to research questions number three and four.

4.3.1 Does the recruitment agency use its website as a tool for managing customer relationships?

Spain Internship’s CRM position is unstable and expected to be changed. This strategic uncertainty and instability leads to misunderstanding of company’s customer orientations and objectives. As it could be seen from replies, there is no common view of CRM in the company and that provokes business vulnerability in general.

It can be said that Spain Internship uses its website partly for managing relationships with customers because this is the principal information source about the company and its services. The website initiates relationships between company and customers, although those are continued without the website’s assistance.

Spain Internships does not fully use different functions and abilities of its website, thus losing proficiency and time. Providing relevant information is also a part of relationships, although, rather small comparing to what it could produce if using its full capacity. At the moment Spain Internship combines different tools for managing the relationship with customers trying to reach efficiency, but in reality, it brings difficulties in relationship management and confusion about CRM methods for all people involved in the company’s business process.
The author suggests to reconstruct CRM policies and intentions in the company, using the full capacity of its website. When thinking about the website and its CRM intentions, the company needs to consider customer characteristics and individual requirements in order to offer personalized services and assistance. Also it is required to engage CRM and website with a sense of strategic actions and objectives; this will help to generate a positive feeling about the company and to understand customer needs better.

4.3.2 How can a recruitment agency effectively manage relationships with its customers via website basing on trust and commitment approaches?

As a result of the survey, it can be stated that currently Spain Internship does not consider trust and commitment important when it refers to website and does not relate the website for company’s CRM at all extends, although CRM is very important for the organization. Spain Internship website plays a role of the information source for customers and future partners, giving all necessary contacts and advice about the application process and documentation. These all are built on principals of understanding and awareness.

Although, Spain Internship thinks that its website is credible, it has very few characteristics of that. The author suggests paying special attention on different factors that could improve the website’s effectiveness towards CRM basing on trust and commitment:

i. demonstrate the company’s input towards relationship, make it visible for customers in order to be recognized and trusted;
ii. keep the company’s website constantly updated, including more precise description of the company and services, also its vision and objectives;
iii. think about service personalization and individual approach, which will demonstrate the company’s intention to satisfy customer needs;
iv. consider relationship with customers as a main business activity and set up trust and commitment as principal CRM drivers in order to reach effectiveness and competitive advantage;
v. give a chance for customers to leave feedback and opinions, this will help to understand their needs and make relevant changes.

4.3.3 Suggestions

As a result of the questionnaire, the author suggests that Spain Internship discusses the objectives of the CRM from the website's point of view. These suggestions are primarily based on the theoretical knowledge gathered throughout the thesis work and questionnaire analysis.

The principal base for a successful CRM lies in the common relationship management approach that is applied throughout the business. This encourages the integrity of business processes and entire company’s commitment towards relationships.

The author’s suggestions for the company’s CRM improvement, from the website’s point of view, are the following:

i. unite objectives of CRM and the website in order to create a clear strategic view and integrity of all process through different channels;

ii. make relationship management as the main objective of the company’s website, which allows to increase customer loyalty, arise interaction with customers and personalize services;

iii. the website, as a CRM tool, has to aim to identify customers and differentiate them;

iv. the main objective of a customer oriented website has to be to remain and satisfy customers by effective interaction and customized service proposition;

v. the company has to direct both its website to integration of people and technologies into one process.

The author believes, taking into account these factors that the company and its employees will be able to create effective relationship management policies and dedicate all the business activities to the customer’s needs and satisfaction.
5 Conclusion

The company’s website plays a vital role in managing relationships with customers. It provides a precise view of the company’s activities and services as well as makes a first impression about the company for customers. It is essential for a company to create a trustful relationship with its customers making continuous inputs and investments into it, in order to meet customer need. Moreover, trust and commitment initiatives are important bases for reliable online relationships.

Theory shows that CRM in the main tool to build up competitive advantage of a company. That is why there is a need to direct all business action towards relationships with customers using different channels and methods. However, conducted research in the real company, shows other results. Practice shows that it is difficult for a company to understand the real value of CRM for its business productivity. In this case, the service company Spain Internship SC manages relationships with customers using basic tools such as emails and interviews. The company is guided by other values and is not paying attention on its CRM ineffectiveness.

To sum up, the author claims that in order to build trustful relationships the company has to engage with its customers and do everything possible to meet their needs and create loyalty. Basic CRM tools are not a solution, the company needs a structured and effective CRM objective and strategy in order to identify and differentiate the customers, interact with them and offer customized services. It is essential to make continuous inputs into a relationship for better understanding and increasing trust level. This way, trust and commitment are principal factors both for CRM and the company’s website performance.

6 Recommendations for the future research

The author is satisfied with the research results and believes that the settled objective has been achieved. However, the author thinks that there are several issues that could be covered in the future research.
As the company’s website loses its position as a CRM tool, there is a need to continue researching its status in today’s business tendencies. Future research has to identify the actual difference between social networks and website purposes and give an idea if it is worth to continue to build up a CRM through the website, or rather change to another, that more conforms with tendencies and customer needs.

Also, in this thesis work, the author considers trust and commitment as principal measurements of CRM, which as well could be applied to website initiatives. In the future there is a need to investigate other CRM measurements and how they are applied on the company’s website as well as social networks.

Moreover, research results could be applied for future improvement of Spain Internship CRM policies. The conducted questionnaire shows various aspects that need to be changed and demonstrate to the company where to pay special attention to.
Survey Company: Spain Internship SC
Name of participant:
Position and working tasks of participant:

Participant's view about CRM in the company:

Q1: How can you define the objectives of Spain Internship CRM?

Q2: How can you describe the company’s vision from a CRM perspective? (What organization wants to be for target customers?)

Q3: What kind of relationship orientation does the company has towards its customers?
   - Short-term orientation
   - Long-term orientation
   - Why?

Q4: What kind of tools does the company use for managing relationships with customers?

Q5: Which role does the website plays in managing your relationships with customers?

Q6: Spain-Internship website:
   - Generates customers’ knowledge about the company
- Helps to identify target customers and differentiate them
- Serves as a channel of interaction with customers
- Improves customer satisfaction
- Acts as an information source about company’s services and conditions

- Anything to add?

Q7: What kind of service approach do you apply through the website?
   - Personalized service that corresponds to the individual customer profile
   - Generalized service for all customers

- Anything to comment?

Q8: What kind of impression are you willing to make for customers who are visiting your website?

Q9: What are the most important characteristics of credible website, in your opinion?

Q10: According to those characteristics, do you consider the Spain Internship website as a credible one?

Q11: What actions have been taken in order to meet customer needs?

Q12: Does the company’s website take part in the customer data collection process:
   - Partly, we use various tools for data collection, including website
   - No, we do not apply our website as a data collection tool
☐ Yes, we only collect customer data through website database
- Anything to add?

Q13: Do you use a possibility of receiving customers’ feedback through the website? If not, why?

Q14: Do you think there is a need to apply some kind of improvement of the Spain Internship website in regards of CRM?

Q15: Anything else you would like to comment on the topic?
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Figure 2. IDIC: Analysis and Action, p.70.
Figure 3. Key Components of eCRM. p.44.