CRM strategies - An approach to Lidl, Sonae and Jerónimo Martins Firms

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"We see our customers as invited guests to a party, and we are the hosts. It's our job to make the customer experience a little bit better."

Jeff Bezos, Amazon.com

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Finally, the present thesis would not be found in this phase if it wasn't for my family. My father, Luís Carrilho, who was always encouraging me to pursue more for my work and providing me inspiration through a life full field of sacrifices in being away and hard work, so that I could have the opportunity in accomplishing a Master degree. My mother, Fátima, who had been by my side in every late nights and worries throughout this process. And finally my sister, Sara, kept encouraging me to continue in this search.

Frankly, the present project was only possible due to the great people that I have by my side, their knowledge and encouragement was what made me continue!

Resumo

O mundo dos negócios encontra-se numa constante corrida associada a uma necessidade de redução de costos e aumento das receitas, de forma a garantir os atuais, futuros e possíveis clientes. Um dos muitos instrumentos, de referência aquando da interação entre o vendedor e o consumidor é a Gestão da relação pessoal com o cliente, respetivamente o CRM. Tem como objetivo fulcral o desenvolvimento de relações duradouras, garantindo o retorno dos clientes, traduzindo-se num impacto positivo para ambas.

O principal foco da presente tese, é a de servir de suporte a um melhor entendimento das mais variadas estratégias de CRM. De forma a garantir o seu sucesso, o estudo, primeiramente surge com duas questões principais, reunidas através da revisão da literatura. Os três pontos centrais assentam nos objetivos, estratégia e metodologia. Priorizando informação recolhida da extensa literatura, e três empresas selecionadas para estudo, Lidl, Sonae & Jerónimo Martins, finalizando com a análise comparativa entre os dois métodos.

As afirmações reunidas ao longo do estudo seguem em concordância com a revisão da literatura, todavia, há porém uma quebra na informação referente a área do CRM. Posteriormente o estudo faz referência aos impactos que o CRM tem na empresa e cliente.

Palavras-chave: CRM, Marketing, comunicação, estratégicas, relação com o cliente, interação, fidelidade.

Abstract

Business is in a constant race to reduce cost and increase revenues, to ensure current, new and future customers, avoiding at any cost competitors. One of the several instrument define to assist in the interaction among the supplier and customers is CRM, Customer Relationship Management Strategies. It aims to develop individual lasting relationships, ensuring costumers keep coming back, impacting both parties in a positive way.

The main purpose of the thesis is to support a better understanding on the multiple CRM strategies. To ensure the successfulness of the study the study firsts purposes two question collected from the literature review, in which the thesis will be focused on. The three central areas for the study are: the objectives, strategy and method. Using collected theory from literature, a frame of reference based on three firms, Lidl, Sonae & Jerónimo Martins, will be compared to each other theory and strategies.

The statements that arise from the study go in concordance with the explored literature, however, the study specifies main CRM strategies that lack of research in the areas corresponding to CRM. Moreover it indicates that CRM impact customers and firms.

Keywords: CRM, marketing, communications, strategic, customer relationship, interaction, loyalty.

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Introduction

Kotler (1980, p.31) reports that "*the starting point for the marketing study lies in the human needs and desires*", therefore, nothing is more relevant to this study than to have as a starting point and understanding the motivations that could result in meeting these needs and desires.

The idea behind Customer Relation Management (CRM) is not new, nor a phase. Even the earliest merchants knew it was a brilliant idea to built relationships with customers in order to gain their possible return (Jobber, 2004). Studies of consumer behaviour seek to explain the reasons behind a customer spending more resources such as, time, money and effort, on acquiring particular goods or services. These studies also include the what, how, when, where, and why the choice was made.

According to Phan (2013, p. 413) consumers behaviour is "*the way consumers try to learn about, wish to acquire, use and dispose of goods, services and activities available in the market to meet their needs.*" Meaning that there is a set of steps in the customer behaviour, which starts through the awakening of desire, associated with the acquisition of the product, and then the eventual sale may or may not occur, depending on the successfulness of the previous steps.

Phan (2013) orders, the explanatory factors in the purchasing behaviour, in three levels of influence:

- Individual, namely needs, perceptions and attitudes;
- Interpersonal, in this group are the reference groups and opinion leaders;
- Socio-cultural, what may influence the purchase behaviour is social class and lifestyle.

Most companies now restore its connections with new clients to increase their long-term loyalty. New relationship marketing principles are implemented using strategic technology-based and relationship management, the so called CRM.

CRM is described as the way of how companies interact with their potential and actual customers. Most companies contextualize CRM as a system to capture information about their customers. However, this is only a small portion of the picture. CRM involves the usage of technology in order to gather intelligence that is needed to provide better support and services to customers, i.e. the use of information to better meet the needs of existing customers and identify new, resulting in higher value for business.

Through literature it was possible to review and identify singular and different perspectives on several studies, specifically: which is a concept that exists in the business world since the 1990s; as a way to change the way companies interact with their customers (Ahmad et al., 2012). CRM is much more than a technology that allows the customer to retain a work philosophy, although only a few companies have the ability to take benefits of this application (Rasquilha, 2008, p.14).

There are different approaches to the CRM concept, through which it is highlighted some scenarios (Caldeira & Pedron, 2007), such as, Customer Relationship Management, perceived as the business philosophy, directed to the development of a customer-centric culture long-term; Customer Relationship Management, perceived as a strategic business, in order to produce operational plans related to the need to maintain and preserve customers and finally, Customer Relationship Management, perceived as an important information system instrument, which allows the collection, analysis and use of data in order to build and manage customer relationships.

Plus, the recent interest in the strategic management of marketing reflects the growing concern of customers, whom, consider it as the key to organizational success, whether to the private or public sector organizations.

In this context the investigator chose to study, the analysis of Customer Relationship Management (CRM), at the enterprise level, specifically, Lidl, Sonae and Jerónimo Martins, as such deemed it as interesting and appropriate to address a relevant issue in the business sector.

The study carried out will contribute to increase the knowledge level of the Marketing Management applied to the business sector, mainly in the long-term relationship with customers.

Furthermore, the study will approach what these enterprises are doing in this context using consumers awareness to their strategies.

Methodology

Methodologically this work begins with the use of secondary sources in order to perform a brief literature review on the issues already mentioned above.

It is presented as a starting point:

> Which is the structure of CRM management, in Lidl, Sonae and Jerónimo Martins Companies?

Assembling this question as a principle, this thesis present contributions and proposals to this end, based on various views and best practice from the various parts of the world. What differentiates this thesis method to evaluate the quality of processes of other conducts to evaluate (we will see in the state of art) is the fact that it will add the views of organizations and selected individual opinions, these entities culture, all mission and objectives, in this perspective no similar study has not been found.

In order to meet the purpose of this study, a literature review of scientific articles will be carried out, to provide information on important issues in the development of this work and perspectives, best practices and other initiatives.

Further, in this context, there are secondary issues that must be studied, such as, which CRM process bests maintain customers relationships, also, the impact of technological and organizational changes when implementing CRM strategies, and also if CRM in fact contributes to maintain and preserve relation with customers, in order to become loyal.

Objectives

Concerning the perception of the main purpose for the thesis it was established the need to better understand the practices already being carried out by the enterprises mention, plus, if they are increasing their customers loyalty.

The research will follow three stages: the construction of the theoretical framework, resulting from the overview of the main scientific studies already carried out, representing the most important base for the present project.

Also, the present study intends to understand how Sonae, Lidl, and Jerónimo Martins customers capture their CRM strategies? Are they being effective?

Research Questions & Hypothesis

Question 1: CRM processes intended for maintaining the relationship with the customer have a positive impact on the results related to the client.

Hypothesis 1: The impact of technological and organizational changes when implementing CRM in the customers acquisition, maintenance and retention is positive.

Hypothesis 2: The impact of technological and organizational changes when implementing CRM in the customers acquisition, maintenance and retention is negative.

Question 2: How Sonae, Lidl and Jerónimo Martins customers perceive their CRM strategies, are they in fact effective?

Structure

Regarding the structure and organization of the work, in addition to this introductory note, the work is divided into two parts: Part I - Review of Literature and Part II - Empirical Study.

In the first part, as the title suggests, it is carried the theoretical framework of all the work, articles regarding this context, whom will provide the base and the main issues addressed to this topic.

The second part presents the empirical study, that is, the actual research, being divided into three chapters. So, proceed to the presentation of the research methodology, i.e. presenting the questions, objectives and research hypotheses, and the method and type of study, its design, sample, instruments and the techniques of collecting and analyzing information.

Moreover, the fifth chapter further explains the process of obtaining data, as well as the stages of the study, presenting the results, finishing up with the presentation of the main findings, but also the limitations of the study, the recommendations for the institution and proposals for future research.

Chapter I - CRM in business

In this chapter it will be presented a set of concepts and the implementation of CRM in the real business world. Relationship marketing includes building long-term, interactive relationships with customers and that is the most important benefit to organizations.

According to Gronross (1991) the purpose of marketing in the relationship is to establish, maintain and improve the relationship with customers and partners. At the strategic level, the primary goal of CRM is to create value for customers and shareholders (Boulding et al., 2005).

In this context, this chapter covers a central issue, that is to determine which CRM processes exists meant to maintain customer relationships?

That will give ground to the question:

Question 1: CRM processes intended for maintaining the relationship with the customer have a positive impact on the results related to the client.

1.1 Marketing concepts

As other known sciences, Marketing, which belongs to the sciences of communications, has also undergone changes over the years, and is understood and an essential step for a successful business.

The primary techniques have been used since the beginning of humans history, but the study field began to develop around 1940 with the work of Walter Scott and William J. Reilly (1940). The goal was whether market theories may or may not develop.

In 1954, through Peter Drucker (1945) studies, narrated in his book "Business Administration Practice" Marketing was taking shape, or rather a concept. And in 1967, Philip Kotler (1947) launches the first edition of the book "Marketing Management" where there were tested and consolidated studies, which today are considered the canon of marketing. For him, the big world ''marketing'' was introduced in companies whom still follow religiously the concept of "advertising and promotion" and went on to win a

prominent place in companies from the 80's, with the publication of the masses on the subject.

In 1980, Kotler (p.31) defines marketing as "human activity directed at satisfying needs and wants through exchange processes", which is today in the Marketing area of knowledge, more than known that the main objective is to create desire and / or need for a product or service to a audience and assign value to this object. And as it was mentioned by Kotler (1999), this object does not need to be a tangible asset and may be for example, living the pleasurable experience of a trip.

However, with so many studies, many strategies, so many techniques and excessive stimuli and information, consumers turned out to be vaccinated and is increasingly difficult to capture their attention.

Nowadays, where it seems that everything is already known, available and accessible, it remains a valid statement, made by John Wanamaker, a hundred years ago (quoted in Lindstrom, 2009):

"*Half of my advertising budget is wasted. Just do not know which half* "

But it is quite possible that with so many expenses on this topic, this waste becomes even larger, which goes on concordance with the quote from Paul Ashby, representing nowadays common reality for consumers.:

"There is so much choice and information out there that I choose to ignore it all" *(Ashby, 2007)*

Figure 1 - Advertising NYC - USA (Marketing, s.d.)

Source : http://visionaryadvertising.co.uk

Taking into account the reality of advertising excesses with which the consumer comes across at all times, due to the fact that for the enterprises, there is a need to stand out, to be remembered, but then again if those advertises do not built a strong relation with the customers it will soon fail,

"Mass advertising can help build brands, but authenticity is what makes them last. If people believe they share values with a company, they will stay loyal to the brand."

Howard Schultz (1999), Pour Your Heart Into It: How Starbucks Built a Company One Cup at a Time

Researchers have a essential key in this context, that is, to identify new marketing strategies considering the knowledge around humans behaviour as an individual and also as a group (social influences), while marketers have the mission to develop these strategies to promote particular brands or products through the 4 areas of marketing mix: product, place, price and promotion (Stockdale, 2007; Tajeddini, 2007).

1.2 CRM Growth

Over the years many financial organizations have undertaken strategies to reengineer their business processes (Drew, 1994a, b; Dutta and Teboul, 1994; Currie and Willcocks, 1996), leading therefore, to cost reductions who are quite significant in the total expenses of a company.

The management in regard to the customers relation with a specific brand, is not a new concept, customer orientation or marketing orientation has evolved from a historical emphasis which focused primarily on sales and production. Kotler & Keller (2009), for example, plotted this historical development, from a marketing perspective.

CRM has its history, both in the orientation of marketing and service quality initiatives, which became the centre of attention in the 80s through Parasuraman, Zeithamel and Barry (1980) work. This literature chain became extensive and well known for traders interested in business and consumer. In the context of business-to-business, academics and professionals have recognized the importance of buyer-seller relationships for a long period of time.

While CRM has a clear focus on marketing as a enterprise resource planning, a wide range of technology solutions and supply chain management functions. Formal definitions that reflect these activities can be found in authors such as Hutt, Speh & Urban (2004).

From a European perspective, there have been two major changes that demonstrated the need for CRM application. The first change was to the level of the nature of environmental activity and the second change occurred through a perspective of change in terms of strategic orientation.

In the business environment it is observed three phenomena, the different behaviour of customers, and for this reason, it is increasingly difficult for companies to operate before the "marketing fatigue" of potential customers and given the high amount of marketing messages and communication leading to a shortage in the effect of traditional instruments (Mechinda and Patterson, 2011).

Plus, on the other hand, the increasing complexity of the markets due to globalization leads to new competitors, new goods, services and cost structures.

Finally, the wide acceptance of the value management concept is growing in Europe and America. The globalization of financial markets determines the pace of international competition. The growing influence of institutional and private investors, with higher

and growing expertise expectations lead to a stronger orientation of shareholder value of all business activities. The exchange added value represents an increasingly competitive and represents a myriad of transactions (Gupta et al., 2004; Sin et al., 2005; Yim et al., 2005).

In the case of value-added exchanges, the sale of the company's emphasis is on retention through an exceptional performance in terms of quality, delivery and value for the cost in time of the acquisition. These types of transactions point to a different relationship between the buyer and the seller (Boulding, Staelin, Ehret, and Johnston, 2005; Payne, 2006; Tamilarasan, 2011).

The CRM concept arises from the need of various types of relationships between the buyer and the seller. For many companies, the primary focus is on implementing marketing support software solutions, sales and service activities, although there is a large market for CRM applications (Dutu and Halmajan, 2011).

The Gartner Group has estimated that the global market for CRM technology has grown to $ 47 billion by 2006. Meta Group sees the European market as more than € 3 billion in 2004.

Strategic CRM should be understood as an operational part of the management of value for shareholders in the areas of marketing, sales and service. An increase in base customer value implies an increase in value of the entire company (Abdullateef et al, 2010; Eid, 2007; Özgener and Iraz, 2006; Sigala, 2005; Sin et al., 2005; Yeh et al, 2010).

Therefore, a strategic concept of CRM, strategic technology processes have to be linked to an integrated approach that has as its central base a strategy for the existing client, in which the right customers are acquired and it is understood their needs. From the CRM perspective it focuses on three main effects: customer loyalty, customer control and more targeted information to the client.

The following figure shows the well-organized CRM strategically by Diamond structure:

Figure 2 - CRM Diamond

initial contact
customer need.
Leads
proposal
negociation
closing
sale
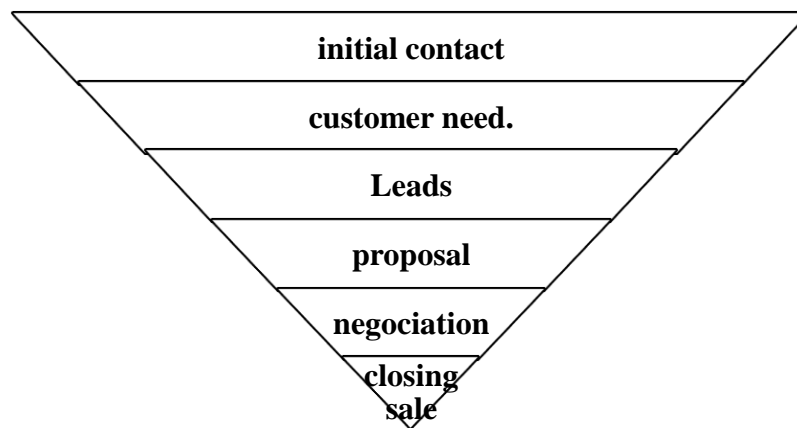
Source: Adapted from Yeh et al., 2010

These guidelines define the basic understanding of the company's CRM initiative, including the importance of the relationship with long-term customers and their satisfaction as well as the role of CRM in the corporate strategy. In general, the CRM guidelines can be set with the aid of some characteristics such as: (Fan & Ku, 2012)

Figure 3 - Characteristics that help in the CRM definition

Systemization   Profitability

Customazation   Differentiation
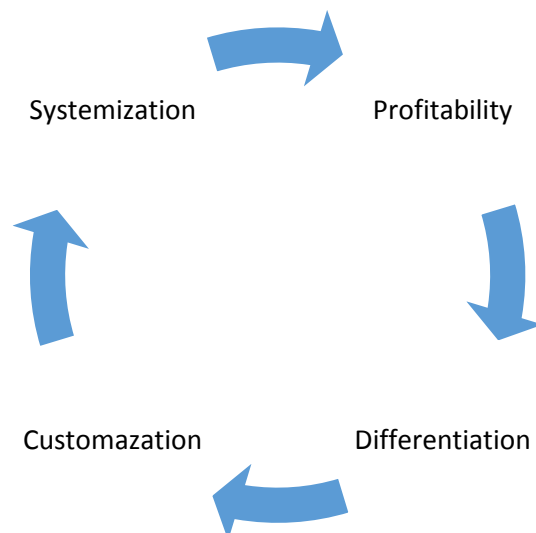
Source: Adapted from Fan & Ku, 2012

Strategic customer-oriented strengthen the relationship and for this reason, gain competitive advantage and hence higher profits.

1.3 CRM Implementation ability in companies

Currently, organizations compete in a global market, it is impossible to prevent the free transfer of goods and services with the help of protection laws and different obstacles of modern times. Most clients have a wide choice and for this reason, become more sensitive, demanding and looking for new and better products (Aslool et al., 2010).

The effectiveness of any business depends on culture (interests, values and motivations), organizational health and how to interact with customers. Establishing a healthy culture is often associated with the degree of order and the way how the firm treats the customer. As a result, CRM has become part of the agenda of many firms strategies.

In practice, CRM systems are integrated with other decision support systems in all functional areas, such as the planning system of corporate resources, executive information systems, supply chain management system. Organizations are better able to create management information in terms of planning, procurement and control in all the channels, leading to a greater number of revenues (Anderson, 2006).

Based on the literature, Sin, Tse and Yim (2005) identified four dimensions of CRM, through the measuring range of the use of confirmatory factor analysis of data from a mail survey of 215 financial companies in Hong Kong. The authors identified the main focus on the client, through relationship marketing, value identification, personalization and interactive marketing.

The CRM implementation begins with the strategic decision to change or improve business processes in the organization and investing in improved information system. The support of senior management and the systematic introduction of the project manager are central. It is the project manager who knows the customers, their needs and anticipations, opportunities and threats in the market, strengths and weaknesses within the organization (Smith, 2006). According to the author, firms should learn from the failures of the past to strategically understand CRM (Abdul Alem, Basri, and Tahir, 2013; Garrido-Moreno & Padilla-Meléndez, 2011; Croteau & Li, 2003).

Mguyen, Sherif and Newby (2007) analyzed the different strategies for a successful CRM implementation. According to the authors, the implementation of CRM in the consumer goods industry is a step that must be done because it facilitates closer contact with end customers with a lower value for the industries that are further away from the end customers. Possible failures in the implementation of CRM are usually due to the lack of knowledge, lack of management commitment.

There is no standard methodology for the implementation of a CRM system, but it should be taken into account four important pillars, the strategy, people, process and technology. The strategy must be defined objectively, with the involvement of people and the clear identification of processes through a technology support.

The model proposed by Winer (2001) is broken into seven phases, the creation of databases, analysis of databases, customer selection, customer segmentation, creating relations programs and monitoring process implementation. It is therefore important to create a database of customers, to provide information about your contacts, desires, needs and transactions made between them and the company. In customer segmentation it is important to the analysis of this information in this database.

Subsequently, the model Jenkinson and Jacobs (Jenkinson, 2002) aimed at creating and offering value to the customer through the CRM project, which is divided into ten different steps, namely:

• Definition of investment;

• Relationship optimization with customers;

• Reputational collateral;

• Creation of a relevant service;

• Value creation;

• Management of contact points;

• Development of creativity;

• Development of a method of learning;

• Choice of technological support;

• Control of the gains for the stakeholders.

It is initiated by the definition of value investing and then performs an improvement of the forms of interaction with customers, to ensure the company's reputation before these, by maintaining a consistent and reliable contact.

The model Zablah, Bellenger and Johnston (2004) is based on the specification of a strategic customer relationship management, through a prior description of the type of relationships and the subsequent selection of the most profitable customers. According to the authors the CRM implementation is achieved through a clear definition and adaptation of internal processes to strategic customers selected for each marketing campaign.

The model Zostautiene and Chreptaviciene (Urbanskienė 2008), was based on seven stages, auditing the current situation, customer segmentation, building databases, orientation of human resources, organization of internal processes, choice of technological tool, definition of investment. Initially it is made an analysis of the organization's situation, including information related to the company's needs and their skills and abilities consistent with the relations with customers, suppliers, partners and competitors.

1.4 The impact of CRM dimensions

Researchers recognized that CRM is a resource and adopted the theoretical point of view to assess its impact on organizational performance (Keramati, Mehrabi, & Mojir, 2010; Kim & Kim, 2009; Rapp, Trainor, and Agnihotri , 2010).

According to Wang and Feng (2012) the customer orientation, management systems and customer-centric CRM technology consists on three major components to infrastructure technologies, human resources based on analysis and business

architecture. In this aspect, Kim & Kim (2009) suggest that the infrastructure factors and CRM influence processes lead to great financial results.

The CRM impact on the company's performance is based on three main aspects, customer satisfaction, customer retention and sales growth (Jayachandran et al, 2005; Yim et al., 2004).

The CRM provides the best resources for managers to build higher levels of customer satisfaction, thus enabling them to deliver the product performance that exceeds the expectations of customers. Increase customer retention rates by developing custom loyalty programs, leading to switching costs and create barriers to entry for competitors. Apart from that, the CRM develops as an important data analysis tool for managers, creating profitability and efficiency (Abdullateef et al, 2010;. Ngai et al, 2009; Greve & Albers, 2006;. Reinartz et al, 2004) .

The customer orientation refers to the set of beliefs that puts customer's interests first, in order to develop long-term profitability (Bentum & Stone, 2005).

Jayachandran et al (2005) found that customer orientation has a positive impact on performance and considered it as a factor of discrimination for leaders. In this aspect, Essawy and Azab (2012) found that organizational culture is an important impact on the CRM. The results Minami and Dawson (2008) Yilmaz et al. (2005) showed that the a stronger customer orientation has a positive impact on the performance of organizations. The following figure shows the main factors of influence and impact of CRM dimensions in organizations.

Figure 4 - Main factors of influence and impact of CRM dimensions in organizations.
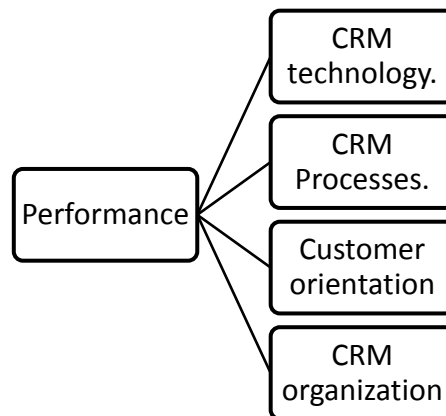
Source: Adapted from Yilmaz et al. (2005)

Several studies have reported a strong positive influence of CRM organization in different aspects of business performance. For example, Yim et al., (2004) reported that the organizer CRM increases customer retention, which in turn results in increased sales growth. Apart from that, Abdu et al., (2013) and Akroush et al., (2011) reported that CRM organization is a determining factor in financial performance marketing, and improve internal processes and growth. These factors emerge as the strongest predictor of marketing and financial performance, in that mediate other determining aspects such as CRM technology, processes and customer orientation on performance (Abdu et al., 2013).

ElKordy (2014) published a research study with 15 major companies with about 5,000 employees each. There were six financial institutions, four pharmaceutical companies, three companies in manufacturing, two telecom operators and three service companies. an average of 500 questionnaires were applied in that these, only 139 were considered valid. the sample included both products and services of companies in the business for B2B and business to consumer B2C markets. Respondents held senior marketing positions (12.2%), sales (21.6%) and customer service (18%), CRM managers (4.3%), brand managers (19.4%) , general managers (21.6%) and information systems managers (2.9%). Of the companies that provided data, 63.3% were B2C, B2B 16.5%, 20.1% serving both markets. 67.6% have integrated CRM packages and 32.4% still use systems to support CRM activities.

Respondents were asked to indicate the extent to which their CRM system provides four functionality groups: sales support (4 items), customer support (3 items), analysis of data support (5 items), and data integration and access support (3 items). An average to form four CRM technology dimensions was made. The results showed that the four dimensions CRM sector demonstrated a positive connection for performance.

Companies ought to align their structure and management processes with its market objectives, become more successful in responding to customers, leading to superior performance (Day and Vanden Bulte 2002; Jayachandran et al., 2005; Sin et al., 2005).

Chapter II – Objectives & Benefits of CRM

2.1 Authors Definitions

The present chapter will be based upon several opinions and points of view presented by numerous authors, on the objectives and benefits of CRM.

Gronroos (2004) refers that an on-going relationship among customers will provide a sense of security, sense of trust and a sense of control. By analyzing many studies Xu & Walton (2005), concluded that the crucial reasons for managers when implementing CRM are:

- Improve customer satisfaction;
- Retain existing clients;
- Provide strategic data;
- Improve customers lifetime value.

As mentioned previously, the chapter will review some authors views on the objectives and benefits of CRM strategies.

For Gummerson (1994) the key to pursue and maintain a successful market share is achieve by building relationships. The author then defines the benefits as being, **Retention,** due to the fact that it will be kept relevant information regarding customers, like, names, behaviours, practices and then, expectations and relations can be built, so

that customers keep coming. Also, as being, **Intimacy and Profits**, in the course of Information Technology (IT) use a feeling of intimacy can be shaped, as no regard to whom they come in contact with, they feel like knowing you.

From the perspective of Zeng, Weng & Yen (2003), they describe the benefits and characteristics of a well CRM manage as, an **Increased Customer Satisfaction**, by using IT they can better understand the customers inputs and requirement in order to better serve them. Also, **Supply Information on Future Sales** by recording the customers purchases and their trends along the years they can predict the future; **Differentiated and Customized Service,** once again through IT**;** and finally**, to better meet customers' needs**, companies must be flexible and work on the information as it is available, to be prepared for each customers demands.

In what it regards to Xu & Walton (2003), they defend that main key behind every CRM processes are not the ones who simply acquire strategic information, but rather, turns the business progression more effective. For these authors the essential on the CRM objectives are to **Collect information, Efficiency** (make a great use of the available data), and, **Automation** , CRM aim to improve the efficiency of the marketing procedures by automation of the sales course.

Concerning the views of, Sherif, Nguyen and Newby (2007), they affirm the general objectives of CRM are to preserve data about the relation the customers has with the company. To be more precise they nominate the principles of CRM objectives as: **Amplify Customer Loyalty**, by colleting every information regarding a customer, giving attention to their available firms history; **Superior Information Gathering and Knowledge Sharing**, a CRM system is constantly updating a customer's history, soon as some type of interaction occurs; plus, **Understand Customers**, by the use of analytics it can be helpful in predicting trends and forecast possible demands, and finally **Better-quality Service** , when in possession of information concerning habits and interactions to the firm, the last ones can personalize each customers service, by analyzing, for example, their preferred products.

Concluding, the potential benefits of a well-developed segmentation strategy can be considerable, because the organization must have the ability to establish and strengthen its market position and thus be able to act more effectively. It becomes a more effective culture for competition, and allows the construction of a higher degree of knowledge of

the market sector and customer loyalty. With regard to building relationships with customers and interest groups, firms base themselves on several principles, including:

Figure 5 – Customer Business Principles

Open Comunication

•The marketing and communication professionals should ask clients and act accordingly;

Trust

•All promises must be fulfilled to customers, to create and enhace public loyalty.

Contact

•Frequency in reporting to customers.

Ethical Behaviour

•Any activity that is honest or ethical to the employees, community or customers can strengthen their relationship.

Motivation and Awareness

•The organization must show customers that are informed about their needs and cares regarding their well-being.

Adapted from Kotler, 2009

In the first approach, the undifferentiated marketing policy arises when the organization ignores any differences in their markets and decide on a wide range of consumers rather than focusing on a single feature. The advantage of an undifferentiated strategy is that it offers opportunities for huge cost savings in the production, promotion and distribution, provided that the organization deals with a standardized product (Kotler, 2009).

In general, firms apply CRM policy in order to improve knowledge and understanding of the client and to assist in decision making. Coordinate the different channels of interaction between the company and its customers, and results in the implementation of collaborative techniques to facilitate communication between the company and its customers and integration with other company departments.

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2.2. CRM Strategies

Eckerson and Watson (2000) affirm that CRM procedures connect every different department of a firm, the front office gather information of what is going on with the clients and, on a further period the back office may use it to plan future strategies.

At these stage a question arises from the analysis on the CRM strategies that intends to understand if in fact customers perceive CRM strategies and if they in fact make a better use of it, in order for the firms to take advantage of it. Given that,

Question 2: How Sonae, Lidl and Jerónimo Martins customers perceive their CRM strategies, are they in fact effective?

2.2.1. Interaction

One of the benefits of CRM is the fact that it has the ability to link together every departments firm. By making all the " touch points" where the customer may be in contact with can be providing information from department to department, from the inventory to the sales depart or through the website, and then it better serves the customer (Popovich and Chen, 2003). Regarding this, it is essential that all of the different touch points provide a unified message, so that it will not confuse the clients view on the firm.

Furthermore, Pelen (2005) defines interaction points as: Media (Journals, Television or radio), Website, E-mail, Telephone and Sales Employees.

2.2.2. Customers Value

Although it may seemed easy, managing CRM is not simply acquiring a software and make it available to all the firms " touch points", in order to guarantee it is in fact effective the firm must target customers and define their value over the time (Wailgum 2007).

There are different perspectives on how to calculate a Customers Lifetime Value, Wreden (2004) defines that a customer's Profit is equal to the subtraction of :

- Gross revenues;

- Customer allowances;
- Credits and rebates;
- Product cost;
- Channel cost;
- Service cost;
- Administrative cost.

Making sure that a customer is not being more expensive than what they are, and is in fact worth, most be a top priority. Given this, the Lifetime Value Measurement, is a calculation towards the value of a customers, ensuring they will stay with the firm and be profitable over time. This is commonly defined as the present value of every generated revenue.

Moreover, Zikmund (2003) considers that the key factors to define a customer's value is the profit margin (cost of service) , retention rate (estimation of customers repeating purchases) , discount rate (the present cost of capital) and finally time (expected time the customer will be loyal to the firm).

2.2.3. Ongoing Process

Using IT data to wisely make use of information in order to deliver and predict the customers' demands , will ensure they will be coming back.

Knowing your customers behaviour and their usual habits is the key for a successful long term relationship. Information must be used not only to see on what is making the customers loyal but also, why they are leaving and not continuing to purchase. Xu & Walton (2005) defend that a CRM system should provide key factors, in order to built a continuous and proactively process within the business.

Also, the companies culture, mission and objectives must also be in concordance to the CRM framework (Greenberg (2004). It occurs very often situations in which, the firm is trying to change they focus towards customers but they often forget to change also their culture, it is a firms project, not an individual one. The company needs to reinforce on the social, physiological, emotional, organizational and personal culture of the organization, if managing on those factors it may encourage employees to better deliver

their service, firms need to make sure they know their value, in order to built relations will the customer.

However, there are customer whom are not willing to built a relationship with the firm, they just want to purchase at that one time and so it is the firms duty to understand the customers wants. An essential element is realizing the which type of relation the customer is after, so that the firm can build the relation upon that, in order to provide the service the customer is looking for (XU & Walton, 2005).

2.2.4 CRM Progress

In what it concerns to the creation of a CRM solution is a complex process of integration among all departments, especially, software must be adaptable to the real world. Bose (2002) defines a CRM process divided in the following steps:

1. **Planning**

Firstly, it is the firms role to perceived their product and understand how the customer will receive value from a tailored relation. Managers need to learn how to manage the greater and larger information they will receive since the CRM implementation.

Also, IT employees need to solute on how information will be stored and available to the different firms departments.

2. **Research**

Secondly, "touch points" should be addressed, however, each one of them does not need to have the same information.

3. **System analyze**

At this phase, the IT department should idealize on how to measure each interaction at the touch points. How will the CRM system approach each customer.

4. **Design**

Once the system is viable it is elementary to make the software able to provide the information the firm idealized.

5. **Construction**

At this time, the real program is done, there are many firms who buy it externally, given the fact that there are specialized companies on these sort of product.

6. Implement

This is a essential point, in which, the firm needs to train their employees to better make use of the CRM program. Firms should spend time on training their employees, in order for them to understand why it is so important to have a CRM system, how can it help them in better service customers and how can they overcome past problems with this system.

7. Maintain

The system needs to be continuously improved as the demands and customers behaviour change. Also, software's are always being enhanced to cover possible problems.

8. Adapt

Finally, as mentioned before, the world is always changing, new opportunities may arise and it only by always being in touch with the software that it can be in its best performance. By adapting it the changes and upgrades the technology offers.

Chapter III - The impact of technological and organizational changes when implementing CRM

Most companies use technology to keep and retain existing customers, particularly the social networks that have brand pages (De Vries, Gensler and Leeflang 2012; Naylor, Lambe, and Oest 2012). This ability to retain customers is critical to industries, where companies cannot easily identify their existing customer bases, such as consumer goods. Now these activities depend essentially on the customer engagement to the firm.

Similarly, customers are more involved with the company through the media channels, the company can no longer have full control over the messages to which its consumers are exposed (Kumar & Rajan, 2012). Therefore, the main strategy here is to carefully select customers who receive the messages, i.e., targeting specific customers.

In this case, the questions that arises in this chapter is, the impact of technological and organizational change in the implementation of CRM?

CRM helps in the construction of customer relationships especially when the company has thousands (or millions) of clients that communicate with the firm in many different ways? Given that,

Question 1: CRM processes intended for maintaining the relationship with the customer have a positive impact on the results related to the client.

That leads to the following hypothesis:

Hypothesis 1: The impact of technological and organizational changes when implementing CRM in the customers acquisition, maintenance and retention is positive.

Hypothesis 2: The impact of technological and organizational changes when implementing CRM in the customers acquisition, maintenance and retention is negative.

3.1 The impact of technological and organizational changes when CRM processes are implemented, in customer acquisition, maintenance and retention.

Over the past 10 years, CRM technology has undergone a rapid transformation. When the first-generation applications were introduced in the early 90s, they were known as sales force automation applications, because only it was designed to automate the activities associated with sales, such as contract management, opportunity management and forecasting revenues.

In this initial period, the IT solutions were sold as separate departments packages. In a fragmented market, companies bought separate solutions for field force and call centre, and applications would not communicate with each other.

In the mid-1990s, the leading CRM software vendors began to offer its customers integrated information systems. Requests for sales and converged services become more

present and for that reason, marketing applications have been introduced. It was at this point that CRM software application created suppliers.

In 1998, the CRM technology took another quantum leap in response to the increased ecosystem of global customers networks, partners, suppliers and employees, all of them connected by the Internet. To allow all of these participants to participate in a greater flow of information of the organization, CRM developers added new levels of functionality to existing products and develop new products to meet the emerging model of organization focus on online servers.

CRM software sellers, then developed a software that would allow firms to provide its customers access to the organization through multiple channels. This development led to a technological challenge, how to coordinate the information collected in interactions with customers. The ability of CRM technology to solve this problem of cross-channel synchronization and drive it to the next stage of market evolution.

For a CRM strategy to be successful, the company must offer its customers multiple ways to interact with the organization. Today's companies can no longer compete effectively with only one channel.

Not long ago, most organizations had a primary distribution channel. For example, consumers could buy refrigerators General Electric through a dealer, the store personally.

Today, however, market forces and new technologies dramatically altered the traditional channel structures. Either through a mouse click, a free call, or a visit to a high street store, customers may defect to a competitor with ease and unprecedented. In this climate, a single channel simply cannot serve customers effectively. Complicating the market even more, customers of transverse channels on web standards for the call centre, back to the Web, and so on, while waiting to be recognized each step in the ongoing dialogue with the organization.

Consequently, organizations need a multi-channel strategy that meets customers needs in particular to align the right products to the right channels; balance the needs of

customers and channel costs and improve the customer experience (Wagner et al, 2009;. Xu et al., 2002; Zangoueinezhad, et al., 2009).

Coltman (2006) states that, in strategy and marketing some researchers suggest that the strategic customer-centric is the key to CRM programs, in terms of competitive advantage and relationship management with customers are increasingly used in organizations in order to support the understanding of the client and the interdepartmental connection required for a strategic customer.

CRM is not exclusively composed of technology implementations (Frow & Payne, 2005). Changes in organizational structures are equally important because this technological systems involve information about customers, used in different management functions such as marketing, sales or services, as mentioned in Chapter 2.

Even if the ideal combination of marketing programs is unique to each business model, customer retention is often easier and cheaper than customer acquisition, especially in stable markets with low growth rates. The organizational focus on customer retention also makes sense when discount rates are low (Gupta and Lehmann, 2005). Thus, customer retention has received considerable attention from marketers. In fact, many organizations have considered the customer management equivalent to customer retention management.

Research confirms that consumers with higher and better perceptions satisfaction levels prices have longer relationships with companies (Bolton, 1998). In a context B2B sellers that have long-term relationships with customers are able to achieve significant sales growth and higher profitability through differential reductions in discretionary spending (Sarlak & Fard, 2009).

3.2 Planning CRM program & performance in SMEs and large companies

Today, organizations of any scale have implemented or are implementing CRM in order to reap the benefits of integration and to remain competitive in the market. It has been

observed the dispersion of CRM systems in large scale and SMEs, the technology associated systems and investments (Hofmann, P, 2008).

When properly integrated, CRM supports companies oriented to the process effectively. Its high complexity in costs and implementation problems, that force organizations to reconsider their action plans (Upadhyay, 2008).

The challenges in the global operation of CRM software was fairly analyzed. Implementation challenges are identified as uniform business practices in different countries, conflicts of interest between the various stakeholders, the lack of experienced technical experts and the efficient use of internal advantages (Kumar, 2010).

Upadhyay (2008) identified the factors that organizations should keep in mind to ensure a positive result in the successful implementation of business planning systems such as CRM. Their study revealed that to ensure a successful implementation, there are a critical few issues such as the clarity of goals and objectives to be achieved, the adequacy of the training and education of the user, competence of the project implementation team and acceptance of the changes brought the implementation (Chen, 2008) (in more detail - chapter 2).

In general, suppliers are continuously increasing their CRM capabilities by adding the functionality of Business Intelligence and Supply Chain. Demand CRM web based has increased over the years, due to the perceived benefits of e-commerce and networking forums with customers.

With the pressure of globalization, SMEs operate in a wider area, most of these companies have multi-channel to the relationship with their clients, allowing them to create, plan production and fast delivery to customers. The greater speed and lower costs helped organizations to understand their level of preparedness for the implementation of CRM. The reduction of the planning cycle time, reduced time of the production cycle, minor errors production and less need for hand labour allowed a more rapid response to market changes, a better use of resources and increase the satisfaction Guest (Mendoza et al., 2007, Minami & Dawson, 2008).

3.3 CRM & the world

3.3.1 USA

Most companies now have online CRM resources, like, on their websites that integrate consumer service technologies and provides data on their purchases. These e-commerce sites or corporative portals represent the sales order systems that control the access to retailers and ensure the availability of the products with a high service level.

The oil industry in the United States has become a more vertical development, meaning, that extends from the holding supply chain and recovery of crude oil for refining and fuel retail consumer products and services. As a result, many companies take different programs or strategies to reach more customers. These strategies may include integrated credit card fuel, personalized services, and so on. Another example is the banking industry (Business Development Corporation, 2006). Almost all banks offer banking services online and at each of these sites, usually, present a rich format graphic contextual format and media that is designed to please the eyes of customers.

These sites offer customers access to their account anytime they feel the need to. In addition to the e-banking, it provides other information, such as, credit rating reports, promotional rates for credit cards, personal loans, mortgages, among others. Banks, on the other hand, gather customer information and use it to improve their customer service. Today, many banks offer CRM on their website (Beasty, 2006).

The interactive response technology voice is another CRM enhancer in e-business. Customers can imitate most of the actions of live agents, such as the identification of customers by name, asking for verification of identification, speaking in any language, or connect to a live agent when appropriate. This new technology can even allow call centres to contact their customers more often to offer new services and improve the relationship between businesses (Lubben, 2006). Based on the stored information, the CRM can also be automated to respond to customers in terms of special offers and discounts according to their own needs.

Chryst (2006) suggests that companies should undertake with their brands. And for that, they need to identify their customers' needs, get feedback to improve services.

3.3.2 France

Taking into account the emergence of a new way of thinking about business, companies in France were trained in advance structures that support satisfactorily their way of working with customers. Notorious cultural changes were, leadership, processes, and recognition technology.

Due to the introduction of relationship marketing, leadership and cultural values , firms focused mainly on customers and suppliers (Gordon, 1998).

The public sector faces many challenges and meets the multiple changing needs and expectations of the French society (OECD, 1993; OECD, 1995; OECD, 2000). Faced with such challenges and pressure, it undergone on an extensive reform plans (Lane, 2000; Kickert, 1997; Kettl, 2000).

Over the past two decades in France, a profusion of reforms was initiated in respect to the public sector management. While it is true that reforms have also been introduced in the past, the trend observed since 1980, however, in many countries the international dimension and its highly political nature, marked a break with most local or technical developments observed during the previous century quarter (Pollitt and Bouckaert, 2004).

The integration of communication elements began to be understood as an imperative in the success of an organization mainly in the 90s, the marketing integrated communication has emerged as a natural evolution in marketing communications and accompanied by significant changes in three main areas as marketing, communication and consumers (Schultz et al., 2003)..

Even after the emergence of more than a decade, the concept of integrated marketing is subject to some terminologies as New Advertising, Branding, Branding full, integrated marketing and integrated communication (Kliatchko, 2002). According to Kilachko (2005) the important thing is not the terminology applied but the approach to business and its planning that had become irreversible trend among marketers.

In addition to the process and integration of stakeholders, some authors emphasize the alignment of communication objectives with corporate objectives of higher education, corporate strategy and mission. Thus, the alignment of communication objectives with the strategic objectives of the company contributes to the total social value of integrated communications (Argenti, Howell and Beck 2005; Schultz and Schultz, 2003; Van Riel and Fombrun 2007; Zerfass 2003).

In general, companies in France apply CRM strategies in order to, better know the customer, so that they can assist them in decision making process.

3.4 The Pillars of Social CRM - organize people & measuring results

The employees of an organization represents the successful core of any CRM strategy. In order to explore the potential of CRM in the context of social media, companies need to adopt a holistic approach to organizational change and revolutionize the mentality of its employees (Weinberg et al., 2013).

The three key factors for success in this field is a training culture, relevant qualifications and operational excellence. Thus, the training of culture the company can promote a culture that allows employees to break away from the outdated mindset and break free of the organizational and hierarchical structures standards. Social media should be an integral part of the organization and as customer maintenance strategy (Hinz et al., 2011).

Most organizations have many points of contact, beyond CRM, such as the transmission out-bound, outdoor advertising printing, face-to-face interactions, call centre, among others (Calder and Malthouse 2005 , Malthouse and Calder 2005).

Chapter IV – Firms characterization

4.1 Sonae

Sonae was founded in 1959 in Maia, which has its headquarters, with the aim of producing decorative laminates. Its current name came from the initials of the company name of the company: SONAE - SOCIETY NATIONAL LAMINATED, SARL It was in the 1960s that the company concentrated its efforts for the production of decorative laminate, and was in 1971 that it has completed the acquisition of *Novopan*, starting from this date its national expansion, while strengthened investments the coated chipboard production.

In 1975 took place the beginning of its activity in the industrial chemical sector, and thus exceeded the current industrial conditioning regimen in pre April 25.

One of the most significant events took place with the nationalization of *Banco Pinto Magalhães* who dragged the intervention of Sonae, and the anode 1978 are summoned some strikes by workers against trying to nationalization by the state.

The year 1983 was the year of the establishment of the Holding Sonae Investments, SGPS, SA, and the launch of the company in the capital market with a market capitalization of 500,000 escudos (€ 2.493M) That same year, Sonae and the French group Promodès make a joint venture to renew the business of distribution and retail in Portugal, forming the company *Modelo Continente* Hypermarket, SARL beginning of its activity in 1984. that same year, with the creation of Sonae UK, Ltd (still existing today as sub-holding of the Sonae Industry) SONAE expands its activities to the Alien, internationalizing itself.

The opening of the first hypermarket in Portugal, Matosinhos Continent occurred in 1985. This moment marked the beginning of the Sonae Distribution activity as a result of joint venture between Sonae and Promodès.

In 1996, Sonae started its activities in real estate branches and tourism with the opening of Hotel Sheraton Porto and standardized brands to *Modelo*, and thus created the

supermarket chain that lasted until 2011, by assigning *Modelo Continente*, who created the brands Model supermarkets that lasted until 2011.

In 1988, the group returns to diversify, with the creation of Sonae Technologies.

Information, with action in the information and technology sector average, however liberalized.

The year 1989 is an important year for the Sonae. It is the year in which the SONAE Real Estate began its activity with the openings of the first two shopping centres in Lagos and Albufeira. In the same year establishing the IBERSOL, a catering business and hotel management representing major international brands like *Pizza hut* or *Burger King*.

The need to adopt a system like CRM, enabled Sonae to continue to achieve its primary objective, i.e. , to meet the daily needs of people, anticipating the expectations of customers and responding creatively and competitively with the launch of products and services that can improve the quality of life of their consumers. The company recognizes that the long-term success requires a total commitment to exceptional standards regarding organizational behaviour, effective teamwork and a willingness to embrace new ideas.

In the specific case of *Continente*, the consumer is important and it receives information about the campaigns in place through various means, such as mail or email. The receipt of the discount coupons that you can use in stores and in the time period indicated in each of them. Moreover, the client can receive a message reminder or with small information regarding promotions or products, may also want to remind the customer to use a certain discount voucher that is valid up to a day.

4.1.1 The implementation of CRM in Sonae

For Sonae people are the centre of their success . The constant challenges and readiness for change are vital to attract ambitious people. Employees are key factors for performance in all markets where they operate. Therefore, and in order to continuously enrich their culture, they invest in developing their skills.

The company has led to the development of numerous innovative solutions with essential base on customer orientation. The customer orientation is a strategic foundation of the company and has been assuming a important role in achieving the objectives.

Sonae understood the need to target the market and act in a targeted way, stimulating the communication policy and brand promotion, starting a new promotional and communication cycle, based on the Client Card, which allowed them to stand out clearly from other competitors. Through the Client Card it is possible to trace the profile of the consumers according to their consumption patterns and habits and, in this way, to develop specific strategies for each client (Sonae's Management Report, 2011).

Since its implementation until the present day, there are more than three million families with card corresponds to an incalculably valuable amount of information about customers. This wealth of information came streamline all from costumer knowledge, with real data on the frequency of visits to the store, the value of different customers, the type of family in which they operate, among others. Customer Card has, therefore, optimize the entire brand communication strategy, leveraging a set of competitive advantages and grow in profitability.

The importance of the communication strategy and differentiated performance lies not just in terms of customers, but also geographically. In fact, a network of stores like the *Continente*, operating on a national scale and in very different scenarios, have to understand the maximum think global, act local and adapt it to its operating context.

Continente Customers Card

Regarding *Continente* Customers Card, customers can do it through the website or at the supermarket. Both scenarios require customers information such as name, age, address, phone number and e-mail, ID number and household number. Sonae offers one main card and two little ones so that all member of the family use it. The customer then has the change to achieve exclusive promotions and the usage of vouchers sent home. Also, concerning partnerships, Sonae accounts several, like *Modalfa, Galp, Solinca* and a new strategy Continente Insurance.

Finally, according to hipersuper (2013), there are almost more than 3,2 millions of customers using *Continente* Card and was used in almost 90% of 2012 sales.

4.2 Lidl

Lidl company emerged in the 30. The company was founded at that time in southern Germany, called Lebensmittel - Sortimentsgrosshandlung. Currently, Lidl is among the top 10 food distribution in Germany and is well implemented internationally across Europe, with independent companies in each country.

After the opening of the first Lidl stores in Ludwigshafen area in the 70s, the expansion in Germany was given until the end of the 80s, and the internationalization started in the 90s The company is currently present in 30 countries.

Lidl has ahead of all other distributors the largest network of food stores Discount line in Europe. Also in the future, Lidl will continue to play an important role in the conquest of new markets offering our customers always the best quality at the best price!

It is for the marketing department to know the company and the market in which it operates, know the customers and what they want and develop a strategy that meets these requirements. Lidl focuses more on the social networks, such as facebook, by promoting events or specific information regarding their marketing approach.

4.2.1. The implementation of CRM in Lidl

Social networks, such as Facebook, usage either in business or retail areas are starting to get more often. Almost all retailers firms own a support/fan page on Facebook, Twitter, Instagram, Snapchat, among others .

Lidl, top five largest retailers of the world, viewed by many and implemented as being a hard discount retailer (low cost business model, very little advertise) has decided to communicate through Facebook to its customers.

Despite being their business model, minimizing every cost in order to maximize the margins, Lidl has changed throughout the years. They are starting to go on a limbo,

meaning they are shaping a new low cost business model, which includes advertising (one of the main keys in low cost passes through cutting on advertises).

This top retailer is now giving relevance to their Facebook page all over Europe, with almost 1 million fans on their Portugal facebook page. Nevertheless, despite the fact that they do not promote it that much it is starting to growth, with the support of their campaigns around solidarity events to call for more customers (campaign 1 million fans – 1 million grams of dogs food). Once they have their customers on their Facebook page, it will be much easier to work on a relation. Modernity of communication and proximity are Lidls key elements to success.

4.3 *Jerónimo Martins*

A young Galician arrived in Lisbon searching for better days, then, opens a small store in Chiado where the 1755 earthquake scars are still visible. In that distant year of 1792. *Jerónimo Martins* could not have imagined that his humble store would live more than two centuries, becoming the group it is today.

After five prosperous years, *Jerónimo Martins* is the main supplier of most of the embassies accredited in Lisbon and ships crossing the Tagus. Initially located in the current *Rua Ivens*, the "tent" changes to the Garrett Street, a building that remains until the great fire that destroyed most of the traditional image of *Chiado*.

The revolution leaves *Jerónimo Martins* perfectly intact unlike what would happen to many other of the major Portuguese companies. The ease with which surpassed the troubled period is mainly attributed to the almost familiar control that guided the company and allowed them to keep untouchable to the firms goals and guidelines.

Along with other major decisions, it was created the company *Jerónimo Martins* Consumer Products Distribution, a direct descendant of the old retail store in Chiado, following the traditional business operations, accounting and placing products on the market well-known brands such as Sweet Tooth, Heinz, Canderel, Kellogg's, and Bahlsen.

4.3.1. The implementation of CRM in Jerónimo Martins

Regarding CRM strategies, at *Pingo doce* , JM often creates specific event days in which accordingly to the theme, they may offers special discounts (for example 50% on labour day). Starting to approach social networks in the pursue of proximity to customers, they bet more on advertising on television, radio and journals.

Poupa- Mais **Card**

Regarding *Pingo-doce* card, it can be done at the supermarket or through the website, however to access certain advantages, it can only be accessed by registering the card at the website (*www.poupamais.pt*).

Customers who use the Card are able to accumulate money to deduct at gasoline purchases (40 Euros spent at the supermarket, correspond to 2 Euros at BP gas station). Also, customers by providing their personal information's have the change to receive weekly promotions and special offers that are in course.

Also, with the card they accumulate the customers product path and habits, in order to pursue a long-term relationship.

Main Differences amoung Lild, Sonae and *Jerónimo Martins* CRM strategies

		Sonae - Continente	Jerónimo Martins - Pingo-Doce	Lidl
Discounts and Promotions	*Direct Discounts; Vouchers; Card Exclusive discounts.*	✔	✔	*X*
Direct Marketing	*E-mail promotions*			

	information; SMS.	✔	✔	✔
Advertising	*Radio, Television, Jounal, Outdoors*	✔	✔	✔

Source: Investigator Work

Chapter V - Methodology

5.1 Type of study

It is a descriptive nature study, cross-sectional, exploratory study with a qualitative approach to reality is a documentary research, it sought to verify the archived data on the implementation of CRM in three companies, LIDL, Jerónimo Martins and Sonae.

The investigator is alert to recognize the interrelationships between the information collected to find new ideas. The main methods used in exploratory studies, surveys on secondary sources (documentary and literature), experience survey conduct through questionnaires, In the sense that empirical evidence should generate feedback to the theory.

The research in question will take place in three stages: the construction of the theoretical framework, resulting from the overview of the main scientific studies already carried out and of great importance because it provides current and important data for research, the data collection techniques; and the sources of information: the use of questionnaires.

5.2. Investigation Model

Considering the objective of the study which is to better understand the CRM practices, particularly, of Lidl, Sonae and *Jerónimo Martins*, and their customers perception to

CRM strategies they pursue, it was developed a face-to-face and online questionnaire (Annex 1).

As its main goals, it was to gather as much information regarding Lidl, Sonae or *Jerónimo Martins* customers, in order to understand which form of CRM strategy of each of the mentioned firms they "use" more.

It was developed not only on online bases but also, as a way to include a larger sample vary, conducted face-to-face at gym front-office. The purpose was exactly to include as much of variety among population the investigator could possibly have, to give more credibility to the results showed.

Given that, the method used for the analysis of the responses/data was based on frequent techniques used in social sciences. In a sense to better characterize the sample demographic data, such as gender, age, among others, were asked (Freitas, 2013). The main reason for using this method it was not only due to financial resources but also because it gives several different opinions and population behaviours and habits.

The questionnaire was built in a way it was clear for the population to understand what was asked. At the very bottom, it indicated the principal objective while conducting the study and anonymity was asked. It was a structure questionnaire in which, there were, firstly closed-ended answers, starting with the demographic ones. Furthermore, there were introduced check-lists questionnaires in other to understand preferences and habits of the population, regarding retail firms.

Although it is a simple questionnaire, the fact that it is very precise on each question, it was possible to deduct many points of view from it.

5.3 Objectives

5.3.1 General Purpose

Firstly the study aims to analyze, perceive and understand if the CRM processes intended for maintaining the relationship with the customer have a positive impact on the results related to the client.

The study has as its main purpose to analyze behaviours and habits of Lidl, Sonae and *Jerónimo Martins* customers, by understanding which one of them has more relevance

to them. Moreover it pursues to understand by the populations questionnaires which are the structures of CRM management, in Lidl, Sonae and *Jerónimo Martins* Companies.

5.3.2 Specific Objectives

- CRM processes intended for maintaining the relationship with the customer have a positive impact on the results related to the client.
- Understand how Lidl, Sonae and Jerónimo Martins customers perceive their CRM strategies, do they have preferences and do they notice their strategies. Also if they take in consideration the firms that have implemented CRM strategies.

5.4 Questions and Hypothesis

Question 1: CRM processes intended for maintaining the relationship with the customer have a positive impact on the results related to the client.

Hypothesis 1: The impact of technological and organizational changes when implementing CRM in the customers acquisition, maintenance and retention is positive.

Hypothesis 2: The impact of technological and organizational changes when implementing CRM in the customers acquisition, maintenance and retention is negative.

Question 2: How Sonae, Lidl and *Jerónimo Martins* customers perceive their CRM strategies, are they in fact effective? Which form they know? Do they take in consideration?

Chapter VI - Characterization of the study sample

A questionnaire is one of the most important and used instrument, in the management field, given the fact that it gives and support analysis, helping in the decision making process. One of the big advantages it as is the fact that it is low in costs and there is a lower probability for error.

Given that, it was conducted a questionnaire (Annex 1):

On an online platform:

- Constructed through Survio[1], and then sent through social networks, such as facebook and e-mail. It was obtained a total sample of n-114 answers, in between May 2016 until beginning of July 2016.

On a face-to-face approach:

- It was conducted in the region of *Algés, Oeiras* at a local Gym, Holmes Place *Algés*. The place chosen for the approach was due to the fact that there is a vary of population much larger, since ages from professional occupations, whom may influence the answers. A total sample of 159 answers where collected between June to July 2016.

Both samples were imported to Excel in order to analyze the data collected, whom when mixed represented one sample to the questionnaire, giving a sample of n- 273 answers in total.

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[1] http://www.survio.com/pt/ - Aplication that provides the creation of questionnaires

6.1 Online & Face-to-face Sample Data

Graphic 1 **- Study sample – gender**
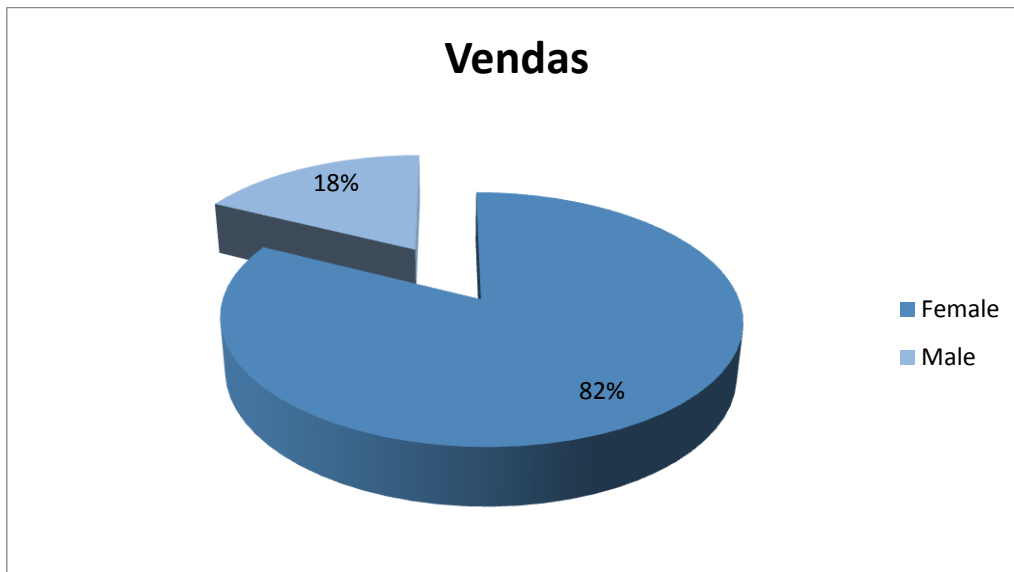
Source: Questionnaire Survey

The study sample consisted of 225 answers from the gender female, and 48 answers from the gender male. (Female – approximately 82,4% Male – approximately 17,6)

Graphic 2- Ages

Source: Questionnaire Survey

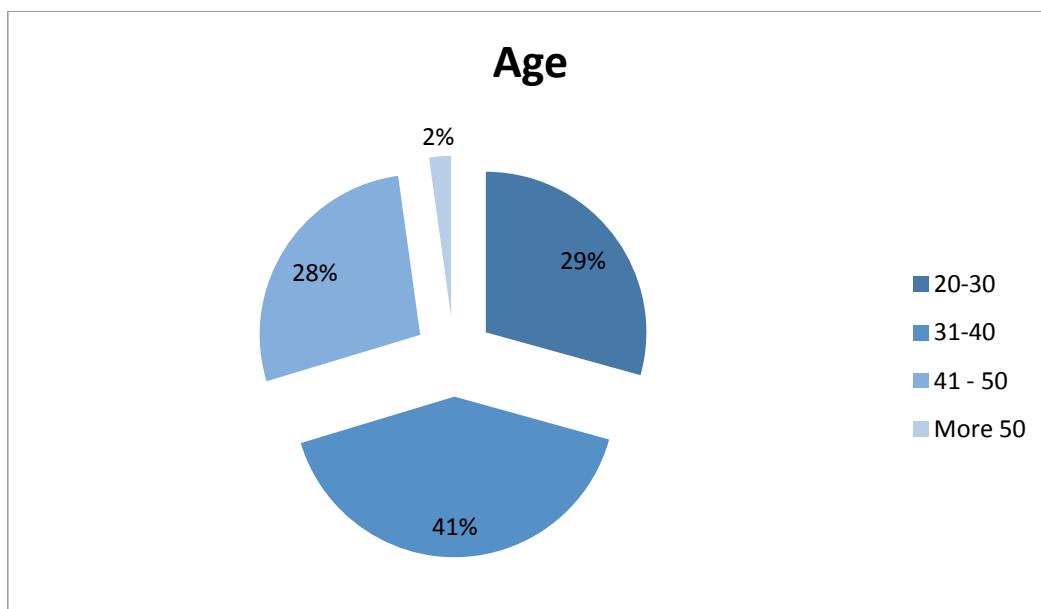The interval of ages that showed more relevance to the study was in between 31 and 40, which may be explain by the fact that at the Gymnasium there is a large population with ages in this interval, with a total of 112 answers. The second biggest percentage on answers was given by the population with age between 20-30, providing 80 answers. Then, the population between 41 and 50 answered a total of 75 questionnaires. Finally, the population with more than 50 years old, had the lowest amount of answers, only 6, which can be explained by the fact that through social networks it is very hard to finds population with that age, and also at the Gymnasium where the questionnaire was conducted there is a short amount of population with that period of age.

Graphic 3 – Qualifications
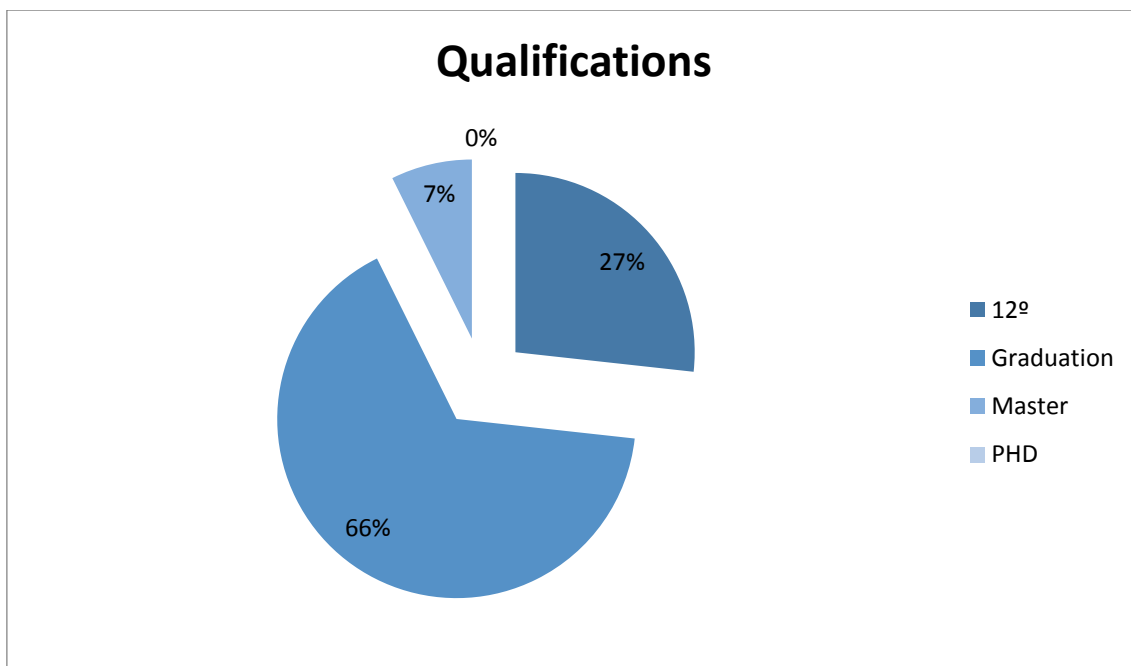
Source: Questionnaire Survey

Regarding the Question, qualifications, there was given 4 options:

- Having the minimum Portuguese scholarship 12º - contributing with a total of 73 answers;
- Population whom have taken a Graduation, 180 were the number of answers;
- Master, 20 answers were given, meaning 20 of the population who have answered to the questionnaire had a Masters;
- No answer for PHD was recorded.

Chapter VII – Results

7.1 Frequency

It was asked to answers with an X on how often go shopping in these stores usually, using a scale from Several X – times a week, weekly, several times a month, monthly and Never.

Graphic 4 – Frequency going to Markets
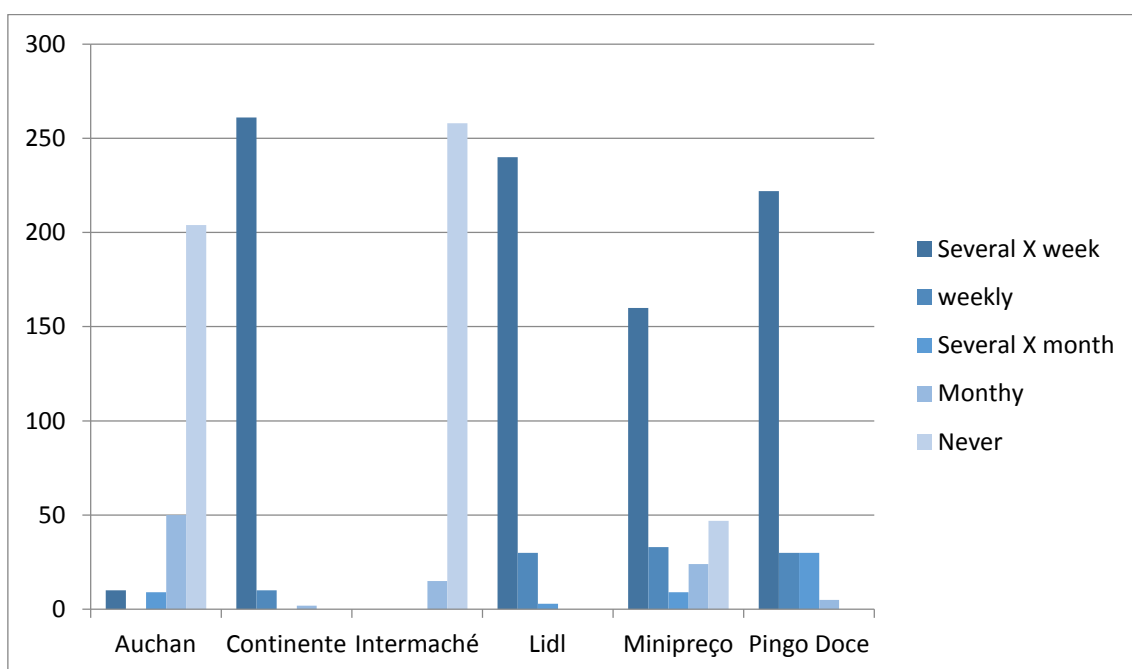
Source: Questionnaire Survey

In order to better understand which supermarkets are the most representative among the sample, it was conducted the question with which frequency the respondents go to each supermarket on a scale from several a week, month and never. Given the answers it is possible to analyze which ones are better known and available to the sample.

Given this,

- Auchan: 10 go several a week, 0 go weekly, 9 go several times a month, 50 go monthly, and finally 204 never went to that supermarket. This shown a clear path in the lower availability of this supermarket, maybe because of the convenience for the sample, or simply because it does not offer nor tries to create a relation with the customer (given it lowest percentage in frequency); **For these reason it is not statistically relevant for the study.**

- *Continente*: 261 go there several times a week, , 10 go weekly, 0 go several times a month, 2 go monthly and 0 never went to that supermarket. Shows that maybe due to localization or to CRM strategies to get closer and built a lasting relation with the customer, it is a remarkable supermarket among the sample;

- *Intermaché:* 0 go several a week, 0 go weekly, 0 go several times a month, 15 go monthly, 258 never went to that supermarket. Maybe be justify by the fact that is a chain only find in rural areas, and the sample approach population from Oeiras, and also it is not so known from having amazing CRM strategies; **For these reason it is not statistically relevant for the study.**

- Lidl: 240 go several a week, 30 go weekly, 3 go several times a month, 0 go monthly, 0 never went to that supermarket. Once again, Lidl due to the fact that we can find it in a close area there is a higher percentage going there.

- *Minipreço*: 160 go several a week, 33 go weekly, 9 go several times a month, 24 go monthly, 47 never went to that supermarket. **For these reason it is not statistically relevant for the study.**

- *Pingo doce*: 222 go several a week, 30 go weekly, 16 go several times a month, 5 go monthly, 0 never went to that supermarket. Given its loyal card and localization is one of the supermarkets with the highest percentage.

7.2 Reasons to have store customer card

1. I like having the customer card stores more attend to have access to discounts and special deals;
2. I like to have the client card to accumulate money to discount on future purchases;
3. I just want the customer card in order to receive information about discounts and promotions;
4. I do not get customer cards because they do not want to provide my personal data;
5. I do not notice any advantages to adhere to customer cards;
6. I do not want to waste time filling out forms to take advantage of the customer card;
7. I never even put the hypothesis to adhere to customer cards.

Graphic 5 - Reasons to have store customer card
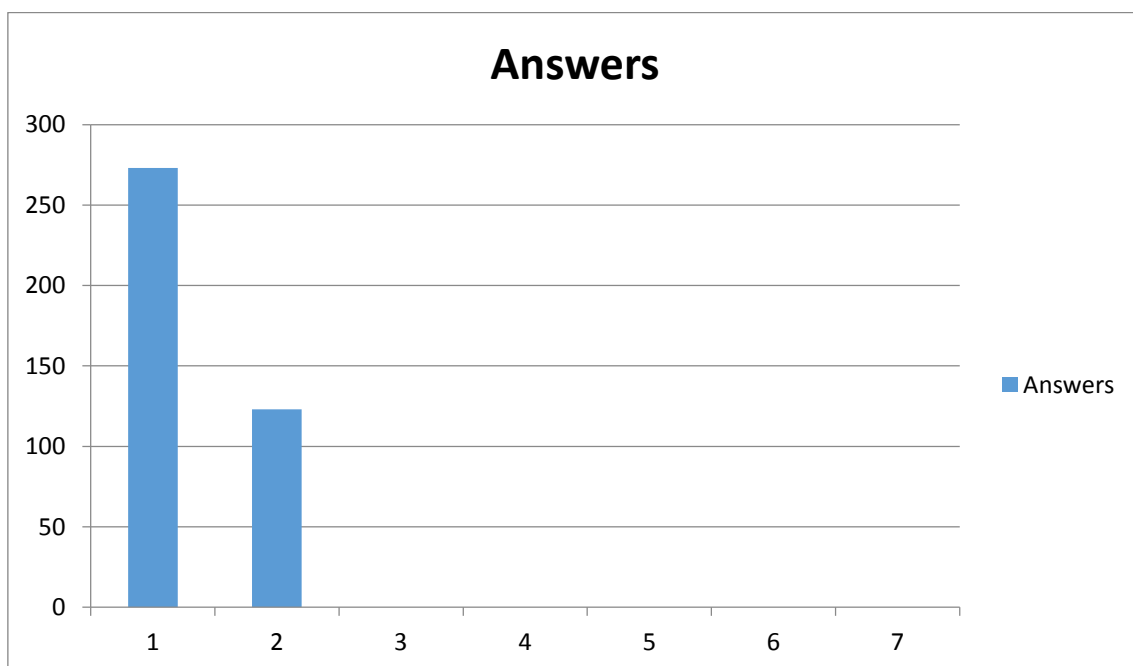
Source: Questionnaire Survey

For these purpose it was asked to the population to mark with an X the ones they found more relevant for them when purchasing.

- 100% of the sample have affirm that they have the customers card in order to have access to discounts and also to accumulate more money;
- 45% of the sample, meaning, around 123 answers mark the " I just want the card to receive information about discounts and promotions;
- For question 4, 5, 6, and 7 there were no questions to this matter.

Regarding these question is it clear that the sample, is already with a mind-step of knowing that retail chains should and ought to improve their CRM strategies in order to keep the customers attention, and to maintain their relation.

7.3 Improvement in the relationship company / client

1. I would like to receive discount vouchers according to the products I consume normally;
2. I would like to receive discount vouchers on products I have already consumed;
3. I would like to receive vouchers on products I have never bought before;
4. I never notice when discount vouchers are sent to me.

Graphic 6 - Improvement in the relationship company / client
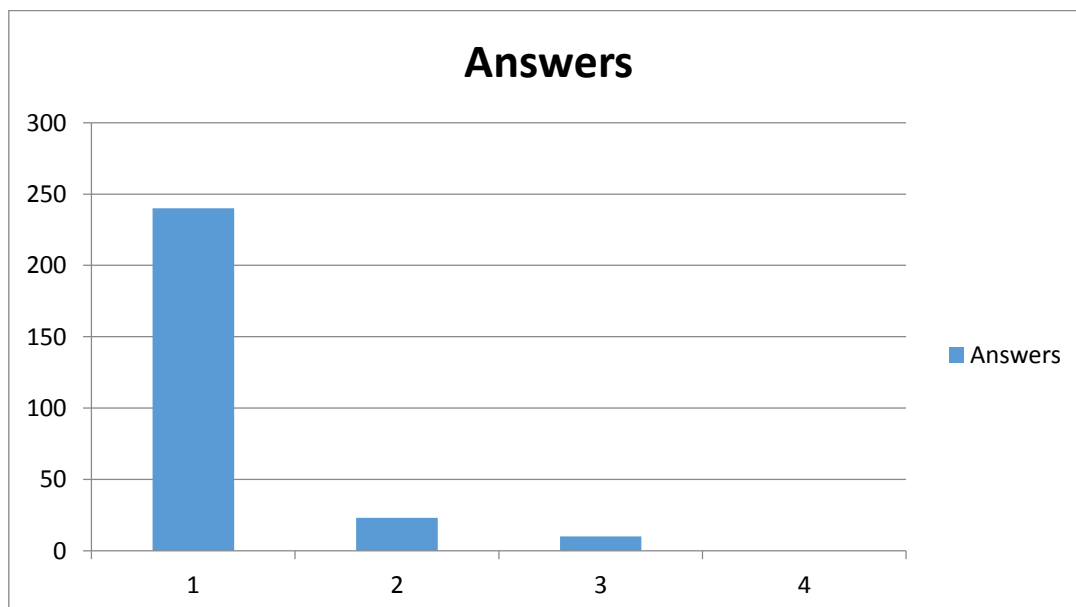
Source: Questionnaire Survey

The highest percentage was recorded in the affirmation number 1. With 240 marks, which can mean that nowadays, and due to the crisis, customers are concern about buying at the lowest value they can get, and for that reason they should be aware of promotion or discounts on their daily products. Secondly there is the phrase number 2 with an amount of 23 marks, which can be explained using the same justification given previously for the results shown at question number 1. Thirdly there is the question number 3 which refers to a customer liking to be surprised with new and different thing, a global trends. And maybe for that reason there is an amount of 10 people marking these affirmation. Finally, not being and wanting to be aware of discounts was not marked by none of the sample, meaning that the population cares and are paying attention to the retail chain strategies to capture their attention by offering specials discounts, in order to differentiate themselves from the rest of the competitors.

The purpose of graphic 8 was to analyze the relationship between the company and the customer, based on the receipt of discount voucher store. Thus, customer responses have focused primarily on receiving discount coupons taking into account the products that they consumes usually and they prefer to receive only discount coupons on products that have already acquired previously. Also, there is a small but still significant percentage who like to receive discount coupons in products that have never consumed because then they can try them at a lower price.

7.4 How Often uses the customer card at each market

The present question relates each supermarket already mentioned in the questionnaires with each number.

1. Never use Customer Card in my shops;
2. At least 25% of the time;
3. Between 26% and 50% of my purchases;
4. Between 51% and 75% of my purchases;
5. Between 76% to 100% of My purchases;
6. Do not have the loyalty card from that store.

Graphic 7 – how often uses the customer card on your shopping
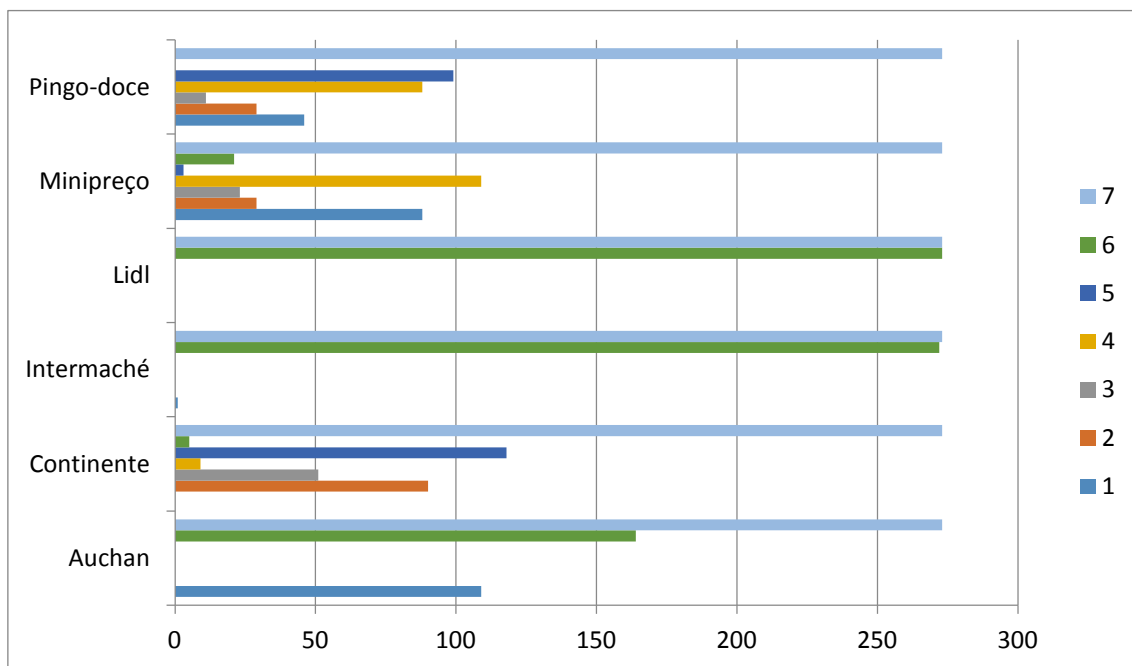
Source: Questionnaire Survey

The purpose of this section was to understand the effectiveness of CRM strategies among the customers. If in fact they take advantage of the firms strategies in order for them to have quality life.

Concerning *Pingo-doce* and *Continente* are the retail chains that have a highest mean in the usage of the loyalty card. Auchan, Intermaché, *Minipreço* still have a massive work in their hands in order to develop CRM system which guarantees to them lifelong relationships.

7.5 Which one sends the communication that you consider more useful, for discounts and promotions

- ➢ 1. Auchan
- ➢ 2. *Continente*
- ➢ 3. *Intermarché*
- ➢ 4. Lidl
- ➢ 5. *Mini Preço*
- ➢ 6. *Pingo Doce*
- ➢ 7. Do not know / No answer

➤ 8. None of the previous

Graphic 8 - Which one sends the communication considered more useful or more appreciated, for discounts and promotions
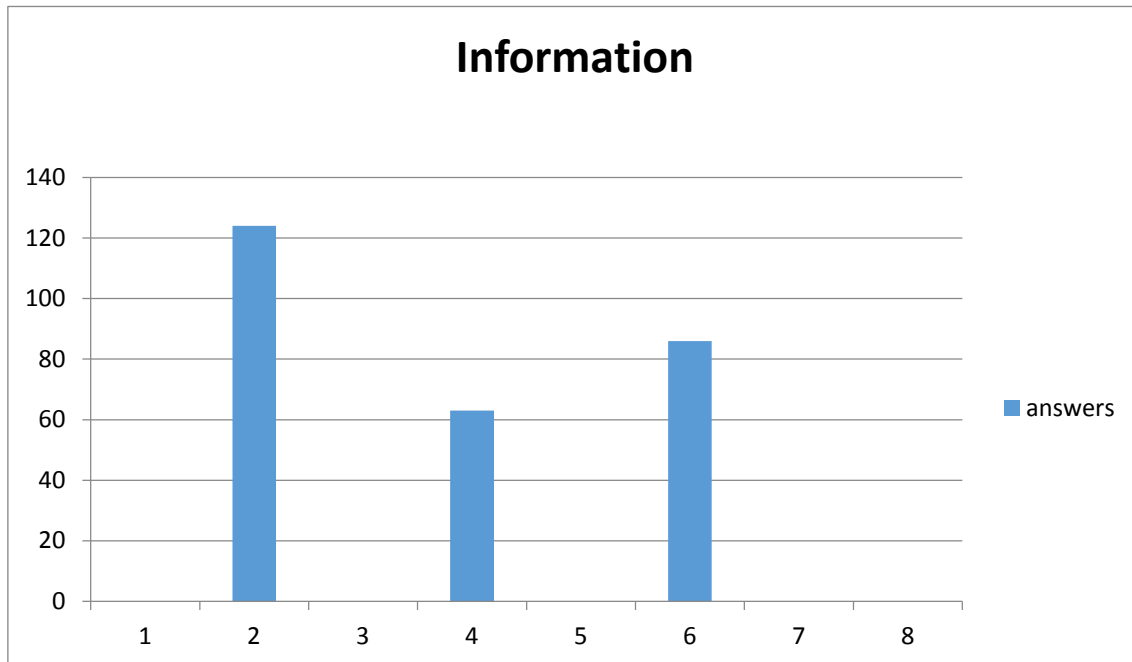
Source: Questionnaire Survey

Regarding this last point, it is essential to note that the some supermarkets who pursue CRM strategies through the use of customers loyalty card, are the same who have a highest percentage on providing relevant information to the customers, in order to motivate them to by. Given that, the top supermarkets are *Pingo Doce, Continente* and Lidl.

Chapter VIII - Discussion of results

The present study had as a principle to be understood, what is the form of CRM strategies in companies like Lidl, Sonae and *Jerónimo Martins*, in addition to the perception of customers. By conducting the questionnaire it was possible to take in consideration what are the key factors that customers retain and go for when purchasing.

Concerning that, through an extensive literature review it was possible to identify questions that needed to be full field, like the impact of CRM on customers, the main strategies used by top retail chains and finally do customers pay attention to CRM strategies, do they even take advantage of them?

Firstly, by crossing information and analysis on the data sample it is important to mention that the majority or the answers were given by the gender female, which, although times are changing, as always been seen as the one who takes care of the house, including purchases. For these reason it can be a reasonable justification for the questionnaire to have these many women answers since they were seen as the lady of the house. Which can only be a positive factor to the credibility of the study.

8.1 Question 1

Secondly, the study intended to understand which of the six supermarkets that were being taken in consideration in the questionnaire had the most visitors and buyers, from the data sample. Soon, by analyzing the graphs it was clear that *Pingo doce, Continente* and Lidl were on the top of the list as being the highest supermarket visited by the data sample. Also, if we do not take in consideration the following steps it would seem and probably would arise at the same result that these supermarkets are so frequently visited, given the fact that it has always specials discounts or promotions for loyal customers.

Given that on what it regards to,

Question 1: CRM processes intended for maintaining the relationship with the customer have a positive impact on the results related to the client.

Hypothesis 1: The impact of technological and organizational changes when implementing CRM in the customers acquisition, maintenance and retention is positive.

Hypothesis 2: The impact of technological and organizational changes when implementing CRM in the customers acquisition, maintenance and retention is negative.
Reject

When confronting what used as a starting point for the study, what was discovered from the literature review and now from the comparison of the analysis it is possible to conclude that, in fact, CRM has an impact on customers. For these purpose it was asked to the population to mark what they find more relevant when purchasing a good. The fact is that the whole sample that is being taken in consideration throughout the study demonstrates that customers want to have access to discounts and to accumulate money.

The impact is the fact that, as a customer takes in consideration in which supermarket they will purchase in order to get the best value/discount/business. Nowadays, customers see the act of purchasing as a well thought mind-set, they study the best deals.

Regarding these question is it clear that the sample, is already with a mind-step of knowing that retail chains should and ought to improve their CRM strategies in order to keep the customers attention, and to maintain their relation. Customers are aware that firms want to create a long-term relationship, and so, they are getting more demanding.

The present thesis intended to establish that in fact, customers mind set is changing, due to the awareness of CRM strategies. The impact is not only a positive phenomena for the customers, that have more opportunities and offers. But also, for the firms, because as a matter of fact, by implementing these CRM strategies, such as a loyal card to maintain a long term relationship, these ones are making sure that the customer is engaged with the firm too. They will "feed" the customer's needs so badly, that it will create a addiction cycle, in which the customer will always want to take advantage of the CRM strategies implement by the firms, given the fact that they can only be good for them.

Furthermore, the aim of graphic 8 was to analyze the interaction among the company and the customer, based on the receipt of discount voucher store. Thus, customer responses have focused primarily on receiving discount coupons taking into account the products that they consumes usually and they prefer to receive only discount coupons on products that have already acquired previously. Also, there is a small but still significant percentage who like to receive discount coupons in products that have never consumed because then they can try them at a lower price. An impact sign. The mind is changing.

Also, it was achieved that the majority of customers have the client card mainly to access to discounts and special deals and to accumulate money to discount on future purchases. It will not only impact customers, but also the companies purchases. It is crucial that a firm understand the value of a customer so that they stay always in a equilibrium between customers purchases, and their returns on discount and specials promotions.

In this aspect it is noted the study Xavier and Azevedo (2006) which demonstrated that communication between people has become more flexible with the new information strategies that were emerging through emails, blogs, chats, communities virtual, and others which have had new uses of language. – As seen in the question referring to papers that the firms send in order for the consumers to check the product and create desire to go and buy them.

The need to achieve some marketing strategy due to the information accumulation implied the existence of new perspectives that in Philip Kotler (2010) are presented as the strengths and their respective columns so that you can understand how the companies will see the consumer and their behaviour on the market. You have to understand that not only needs that lead to behaviour "positive" shopping, but a spirit filled with new values that make them lean in one direction of consumption.

8.2 Question 2

Moreover, the further questions intend to give an overview and answer to the second question, that raised from the literature review. The second question arises from the many studies regarding possible CRM strategies, but in fact do customers perceive them? Do they exist in the firms being analyzed? If yes are effective?

The questionnaire was made in a way to recognize the strategies point by outsiders, possible customers, among the firms being analyzed.

Using the question, How often the customer uses the loyalty card at each supermarket, already gives an idea that the CRM strategies of each are being put to proved, being tested with real consumers. Meaning that, if in fact they answer yes, they use the loyalty card or some rewarding system, that specific market is following a strong, successful

and effective CRM strategy, that is recognized by the customers, even though they may not be aware of it. By analyzing the data collected from the literature review and by the sample in the study, I conclude that only *Pingo doce* and *Continent*e are following and being successful at building a solid CRM strategy, in this case using a loyalty card.

However, Lidl is leaving foot marks on social networks by promoting events, promoting their facebook page in order to create proximity to the population, with the future hope to built a relation.

8.3 Considerations

In my point of view, having a Strong loyalty card, with a reward system, is one of the best CRM practices a firm can develop. It will not only guarantee revenues for the firms, given the fact that to get the discount the customer have to purchase product from them, but also guarantee a long and sustainable relationship with the customer, due to the reason that a card is for using continuously and not for once in a life time. Also, companies like Sonae who are building, almost a life, around the card is a really clever idea. Providing a health system integrated in the loyalty card can only reinforce the relation and get the amiability of the customers.

Furthermore, the study, by mixing what was achieve from the literature review and from the methodology, shows that the firms being analyzed have a huge gap still to be full field in terms of social networks, blogs and websites. The world is changing, consumers needs and desire have taken a new point of view, the IT period, is already so established, however there is still a long path to pursue for these firms in order to better maintain and preserve long lasting relationships with customers.

The focus is now on the values and the "human spirit." The individual of the modern world is concerned now not only with their particular needs, but also on regional needs or even global. It is precisely the new technologies that *allow it to have a strong collaborative expression, with each other. It can be said that "the consumer no longer isolated individuals to pass to be connected to each other with respect to the decision-making".* (Kotler, 2010, p.25).

Lubin and Esty (2010) consider that companies today have more choices to embrace sustainability in their strategies. The issue has become a differentiator for competitive advantage.

Forouzandeh et al. (2014)[2] conducted a study through data collection on Facebook. Content Marketing was not clearly defined and was referred as only a customer's information provider on the brand is not necessarily commercial, and it leads customers to trust the content provider. It was concluded in the study that Facebook is an appropriate mean to disperse content that can quickly spread to the customers and that can be combined with other types of marketing for best results.

Rahimnia & Hassanzadeh (2013)[3] conducted a study on small Iranian companies to examine the impact of the size of the site content on the effectiveness of e-marketing. The findings supported the idea that the content of the site, again without giving it a clear definition, has an effect on e-marketing and e-confidence, it is ensured that the e-confidence plays an important role in the effectiveness of a marketing powerful strategy. Simmons (2007)[4] also discussed the contents of the web design point of view. In its working framework he synthesized on trademarks on the Internet, he collected the four main pillars of online brand from the literature: understanding customers, marketing communications, interactivity and content. The study found that it is important that the content of a website in order to be effective, helps the customers to find their target topics and perform any particular transaction. In addition, Taylor & England (2006)[5], said that from websites marketing perspective, the more accessible the site content on products and services offered, the more likely that such goods and services are purchased by the consumer.

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[2] FOROUZANDEH, S., SOLTANPANAH, H. and SHEIKHAHMADI, A. (2014), "Content marketing through data mining on Facebook social network", Webology, Vol. 11 No. 1, pp. 1–11.

[3] RAHIMNIA, F. and HASSANZADEH, J.F. (2013), "The impact of website content dimension and e-trust on emarketing effectiveness: The case of Iranian commercial saffron corporations", Information and Management, Elsevier B.V., Vol. 50 No. 5, pp. 240–247.

[4] SIMMONS, A. (2007a), "Whoever Tells the Best Story Wins: how to use your own stories to communicate with power and impact", Whoever Tells the Best Story Wins: how to use your own stories to communicate with power and impact, p. 240.

[5] TAYLOR, M.J. and ENGLAND, D. (2006), "Internet marketing: web site navigational design issues", Marketing Intelligence & Planning, Vol. 24 No. 1, pp. 77–85.

Final Considerations

Issue	Question	Principal authors	Result	Final Consideration
Impact of CRM procedures	CRM processes intended for maintaining the relationship with the customer have a positive impact on the results related to the client.	Boulding et al., 2005 Mechinda and Patterson, 2011 Aslool et al., 2010	Customers change their way of proceeding due to CRM, it is confirm that it as a positive impact on the customers purchases and behaviours.	CRM once implemented impacts not only the firms ability to change and give use to the CRM tool, but also customers feel the impact of CRM, when they see their behaviour change accordingly to where they find the best discounts; deals. It is a positive impact because the firm and the customer wins.
CRM strategies effectiveness	How Sonae, Lidl and Jerónimo Martins customers perceive their CRM strategies, are they in fact effective?	Xu & Walton (2005) Bose (2002)	The loyalty card, discounts on paper and social networks are the main topics that customers seek for.	Customers perceive CRM strategies and take advantage of them in a way that it impact their life. It was shown that they were effective given the fact that the population without noticing it was giving privilege to markets who had CRM strategies implemented.

Source: Investigator work

At the end of the work presented here, it is time to reflect, analyze and grow with all that has been developed. I hope that with more lights than shadows, what is now concluded it can be a beacon for those who, like me, are interested in this area. For those who are always in constant demand to be better professionals and a better persons.

It will be noted that appropriate data collection was perhaps the most troubled and lengthy period of the entire process.

The study concluding goal was to analyze the set of clients that enjoy having CRM strategies, whom take care of their well being such as, the loyalty card of Intermarché stores, LIDL, *Pingo Doce, Continente*, Auchan and *MiniPreço.*

The impact of media on the success of CRM procedures cannot be quantified, companies can use the replacement metrics, for example the number of Facebook "likes", or the number of views of videos on platforms like YouTube, but in fact there is still a need for a precise equation that represents the value a customer's attention is worth. By using the store discount card, firms are maintain and retaining customers because through this factor it is possible for the company to capture the target customers for certain campaigns.

Plus, according Castells (2005) the management of information systems represent a key factor in creating value and the competitive advantages for the organization. On the one hand, they help to detect new opportunities and create competitive advantages, on the other help to defend threats from the competition.

Concluding, an organization activity behaves like an open and interactive system, supported by a network of articulated processes where the communication channels between the company and the surroundings are based on information (Drucker, 2008). According to him, most organizations are surrounded by a surrounding environment, turbulent and consists of numerous modifications. Managers see changes as the most common and necessary process.

It is therefore important to address the contents represent an important tool that informs and captures the consumer's attention to a particular product or service and also as a

surrounding environment that is able to build relationships. It was through this scientific research that aims to demonstrate the role of content in the process of building relationships between brands and consumers.

As a way to conclude, the three companies had a CRM procedure different from each other:

- LIDL focuses more on social network as a way to bring proximity to the customer. By sharing their desires, interests and possible events;
- *Jerónimo Martins* shows a relationship between customers and the company through strong marketing campaigns, whether through customer card or through lists of products in each store. Always available to customize and personalize the customers relation;
- SONAE, has led to the development of numerous innovative solutions based on customer orientation. They see the need to target the market and act in a targeted way, stimulating the communication policy and brand promotion, starting a new promotional and communication cycle, based on the loyalty Card, to stand out Clearly competitors (Sonae's Management Report, 2011).

Through my point of view as investigator and customer, having a customer card shows a significant improvement in the field of CRM. Having the possibility to work closely with customers on their needs, behaviours and desire is a powerful weapon. The Customers Card, guarantees that, due to the fact that by using it, the retail Chain will see how customers react to promotions on certain products and also keep their purchase history locked. Customers when facing two scenarios of buying, the same product, using the Customers Card or simply paying they instantly preferred to go through the first scenario. In a way as they feel more rewarded for that purchase, they are spending money but at the same time it will be compensated by some kind of reward.

For future suggestions, firms need to adapt they business to the Social media features and to mobile facilities, meaning that advertises through social media, such as facebook, or by using famous Social media users to promote products, it a major trend among all sorts of business. Buying and searching for products must be seen as a easy going operation that facilitates the act of buying. Also, by keeping customers connected to

mobile apps it will allow firms to receive real-time data and knowhow on their preferences. Integrating strategies in the name of the game when talking about CRM, kile, integrating Customers Card with Insurance, *Sonae* example, customers will feel like they are being take care of and they will feel like the more they spent the more they gain.

Finally, CRM strategies has done powerful things for the modern business. Having the power to analyze customers behaviour and use it in a way to improve relations with them cannot be understated. The world is in a constant race, changes are occurring at the speed of light, so firms need to keep track of the trends for 2017, Social Media focus, Mobile apps and Integration are the top trends to follow.

As suggestions for future work, it is considered important to apply the study of relationship Marketing in different areas. The study should be repeated in five years, in order to compare the levels of satisfaction of users and professionals to analyze the changes made since the directions in question, will change in terms of services.

Contributions on the Management field

The present study concludes and analyzes on recent customers trends and firms trends on this matter. Information carried out and analyzed during this process can be crucial to professionals who may take advantage from it in order to make their business successful. The responsibility of strategies mentioned previously in the study ought to follow the authors recommendations and worries.

However, the thesis will serve as a starting point for future professionals in the field, who want to learn from customers perceptions on CRM firms strategies.

We should never forget that we are living the Digital Era, where the society changes it needs and desires at the speed of light. Given that, it is a major opportunity for firms to implement CRM systems, like the ones studied, to be able to pursue the path of the consumers.

Future Investigation Studies

In my opinion, this research study shows that there is still a lot of work to do in the context of social inclusion and integration of CRM in organizations.

Faced with such a scenario it would be interesting from my point of view the creation of an information system for all professionals, in a cooperative way. Meaning, the idea would be to create a group with several players not only in the press, but with other organizations. In this way the participants have the opportunity to perform a cooperative self-training by carrying reports of practices, analysis and discussion of relevant topics for the group, going against their interests and needs.

In addition, it would be a very interesting idea to study the starting point at a random company of an CRM strategy, and to analyze and follow each step, discovering great ways on to success and also lacks that may occur during the transition in order for professionals to have data to rely on. By doing the study, it was possible to present problems that may appear, or to improve practices that were done.

Finally, for future improvements I consider an interesting idea to develop a comparative study of several existing and make a comparative analysis, of data provided by the firms and what the possible consumers think.

Acquired Experience

The retail industry is a passion of mine since I start my college path. It not only represents a huge interest to me in the study field but also in the professional life.

The more these topics are approach the more professionals can learn from it, and eventually the lack of information between firms will came to an end. In this sense, I understood the complexity of this industry, of how external factors are crucial to the business, and how we as professionals can find a way to pursue them in order to predict those external factors behaviours.

Moreover, it is a issue of great importance in today's world, whom, is being scrutinized to better understand it, concerning a successful implementation. To this regard, this was

one of the most important best-uses that I will take with me, given the fact that the study has given me a large knowledge on this topic.

Study limitations

There are always holes along the way that we need to overcome in order to success. One of the main difficulties I had during the data collection process was to find professionals, who were willing to trade information with me regarding their experience with CRM strategies using as example the firms they were working. There is still a large barrier in providing real data on the report of firms, in order to study those and eventually find solutions for existing problems.

Also, although Portugal is growing at the speed of light we are still short on information regarding management topics on firms operating in Portugal. There is a huge lack of materials regarding procedures and practices used by retail firms, that in my opinion if they were available to study, there could only be a positive input.

Finally, as there were always variables that were out of my control, so that the work will eventually bring together despite my efforts, some limitations. In this gesture of humility to be associated with the idea that the gaps in research are also positive, as, it can serve as a starting point for further investigation.

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Annex

Anexx 1 – Questionnaire

Portuguese/ English

Questionário

O presente questionário tem como objetivo conhecer a sua opinião sobre o Impacto DA Comunicação de Marketing.

Este questionário é parte integrante de uma investigação que está a ser realizada no âmbito de um trabalho de Mestrado.

Assim, solicita-se a sua colaboração que se traduzirá no preenchimento do presente questionário.

Todas as informações recolhidas serão apenas usadas na presente investigação e são estritamente confidenciais, como previsto pela Lei n.º67/98, de 26 de Outubro.

Agradece-se o seu contributo para esta investigação.

The present questionnaire intends to understand your opinion on the impact of Marketing.

It is part of a Master investigation.

Therefore, your colaboration will be very important.

Every single information collected from the questionnaire will only be used for the purpose of the thesis investigation, as it is describe in the Portugusese Law nº67/98, of 26 October.

Your contribution is much appreciated.

I – Dados sociodemográficos: Sociodemographic data:

1 – Qual o seu género? Gender

- ☐ Masculino   / Male

- ☐ Feminino   / Female

2 – Qual a sua idade? Age

- ☐ 20 a 30 anos / years

- ☐ 31 a 40 anos / years

- ☐ 41 a 50 anos / years

- ☐ >50 anos   / years

3 - Quais as suas habilitações académicas (indicar a maior)? Qualifications

- ☐ Licenciatura / Graduation

- ☐ 12º ano / Minimum Scholarship

- ☐ Mestrado / Master

- ☐ Doutoramento / PHD

II – Questões / Questions

2.1 Assinale com um X com que frequência vai às compras nestas lojas, habitualmente. Mark X regarding frequency

	Várias vezes por	Semanalmente/ weekly	Várias vezes por mês	Mensalmente ou com menos frequência /	Nunca fiz compras nesta loja

	semana / Several week		/ several a month	monthy or less	/ never shopped there
Auchan					
Continente					
Intermarché					
Lidl					
Minipreço					
Pingo Doce					

Assinale, com um X, com quais das seguintes frases se identifica. Market with na X the one statement which better suits you.

Afirmações / statements	
Nunca adquiro cartões de cliente de nenhuma loja. / Never acquire customers cards.	
Gosto de ter o cartão de cliente das lojas que mais frequento para ter acesso a descontos e promoções especiais / Like having the card to receive discounts and special promotions.	
Gosto de ter o cartão de cliente para poder acumular dinheiro para descontar em futuras compras. / Like having the card so that I can acumulate money on future purchases.	
Só quero o cartão de cliente para poder receber informações sobre descontos e promoções em vigor. / Just want to receive information on special promotions.	
Não adquiro cartões de cliente porque não quero fornecer os meus dados pessoais. / Never acquire loyalty card due to the data exachange.	
Não noto quaisquer vantagens em aderir aos cartões de cliente./ I dont see any advantage in acquiring a loyalty card.	
Não quero perder tempo a preencher formulários para poder usufruir do cartão	

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de cliente. / dont want to waste time filling questionnaires for loyalty cards.	
Nunca pus sequer a hipótese de aderir a cartões de cliente. / Never consider asking for a loyalty card.	

Assinale, com um X, com quais das seguintes frases se identifica. Mark with na X, the one that better suits you.

Gostava de receber vales de desconto tendo em conta os produtos que consumo habitualmente. / I would like to receive my dicount vouchers regarding products I consume daily.	
Gostava de receber apenas vales de desconto de produtos que já tenha adquirido anteriormente. / / I would like to receive my dicount vouchers regarding products I have already consumed.	
Gosto de receber vales de desconto em produtos que nunca tenha consumido pois assim posso experimentá-los a um preço mais baixo. / I like receiving discounts on products that I have never used, at a lower price.	
Nunca reparo nos vales de desconto que me são enviados. / I never notice the discount vouchers that are sent to me.	

Assinale, com um X, com que frequência utiliza o cartão de cliente nas suas compras.

Mark with an X the statement that better suits you.

	Nunca utilizo o cartão de cliente nas	Em menos de 25% das Minhas compras	Entre 26% e 50% das minhas compras	Entre 51% e 75% das minhas compras Between	Entre 76% a 100% das Minhas compras	Não tenho cartão cliente dessa

	minhas compras. Never use my Customer card	Use it at least on 25 % of my total purchases	Between 26% 5% of my total purchases	51% and 75% of my total purchases	Between 76% and 100% of my total purchases	loja I do not have the card from that store.
Auchan						
Continente						
Intermarché						
Lidl						
Minipreço						
Pingo Doce						

Assinale, com um X, entre as seguintes marcas, qual delas lhe envia a comunicação que considera mais útil ou que mais aprecia, relativamente a descontos e promoções. (Escolha apenas uma opção).

Mark with an X, among every supermarket the one that best suits your tastes, in terms of comunication regarding papers of dicounts and promotions. Only one option.

- ☐ Auchan
- ☐ Continente
- ☐ Intermarché
- ☐ Lidl
- ☐ Mini Preço
- ☐ Pingo Doce
- ☐ Não sei/Não respondo
- ☐ Nenhuma das anteriores

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