THE INFLUENCE OF CUSTOMER RELATIONSHIP MANAGEMENT ON CUSTOMER LOYALTY AND CUSTOMER RETENTION IN HEALTH PRODUCT BUSINESS

Chaiwat Kanitwaranun,* Chomchin Chantaraskul,

Somjate Whiyakarn Sindhchai Keokitichai,

Faculty of Pharmacy, Silpakorn University.

Phra Pathom Chedi, Muang Nakorn Pathom Province, 73000

Abstract

Nowadays, the main focus of business paradigm is absolutely customer oriented. One of critical customer-oriented approach is customer relationship management (CRM), broadly recognized as the powerful marketing management. At the same time, health products have got a lot of potential to grow. The purpose of this paper is to explore which factors of CRM have an impact on customer retention and customer loyalty – in health product business. Literature reviews and expert interviews were performed and then initial CRM conceptual framework, originated from Payne and Frow's concept, was proposed. These CRM processes comprise 1) strategy development, 2) value creation, 3) multichannel integration, 4) information management, and 5) performance assessment. Complied with the framework step by step, a new company was founded to execute CRM processes in a real business environment, focusing on health products. The first draft of questionnaires was developed and then was validated by the experts. CRM activities were input to the population. Marketing communication had been focused on key values of company, product benefits, and member benefits as well as rewards. Newsletters were sent out to the members two times and member seminar was held one time. Information management has been implemented to support customer segmentation and to facilitate marketing communication to the members. Information technology system and software application focus on customer profile, customer category, and customer tracking. Afterwards, the second draft of questionnaire was run by reliability test with the Cronbach's alpha coefficient of 0.9234. The final questionnaire was finished and sent out to 135 members. 121 questionnaires were completed. Moreover, 5 phone interviews were run to find out customer insights. The data was analyzed by multiple regression with stepwise technique. The results show that SMS convenience and integration in multichannel integration, data storage in information management as well as profit and evaluation in performance assessment have a crucial impact on customer retention. The key factors affecting customer loyalty are up-selling cross-selling, product value, and new member in value creation as well as e-mail satisfied in multichannel integration. For qualitative analysis, perceived quality of the company, product value and health market trend are the key motivators to purchase products of company. Key marketing communication is face-to-face basis, including booth exhibition, workshop, outlet and sales force. However, these results are attitudinal, not behavioral outcomes, even in the empirical study. This CRM framework also focuses on process-oriented so tactic-oriented one should be developed in a practical way later. A short period of CRM activities and budget investment are the constraints in this study.

Key Words: Customer relationship management, customer satisfaction, customer retention, customer loyalty, health product

Introduction

In the early 20th century, business paradigm was mainly product-oriented. Companies sold what they had and did not response customers so much. The concept was continued into the 1920s and manufacturers faced increased competition and companies started to focus on selling as the foundation of marketing initiative. Consequently, the paradigm was then moved to sales-oriented. However, in the middle of 20th century, many companies realized that they should produce what customers want. Finally, the paradigm was shifted to customer-oriented, including customer orientation, an integration of marketing activities, and long-term profitability (Barnes, 2001).

The focus of a relationship-based approach to doing business is an understanding of what the customer wants and needs and a view of the customer

as a long-term asset who will provide a stream of earnings as long as their needs are satisfied. The goal of marketing has shifted to customer satisfaction, customer loyalty, and customer retention. This retention is achieved through long-term customer satisfaction, based on the creation of value for customers. When customers feel they have received value, they will reward the company with loyalty. They would come back if they are satisfied. To create customer satisfaction, retention or loyalty, something of value must be offered. Kotler, Jane & Maesincee (2002) stressed that, to achieve profitable growth through capturing customer share, customer loyalty, and customer lifetime value, one of the most important parts is value delivery and one of key strategies to do that is customer relationship management (CRM). CRM is absolutely cited as the critical part of many new marketing strategies. For more instance, Ed Peelen (2005) mentioned that relationship marketing, now named CRM, was again high on the agenda of top management. As well, many researchers confirmed that CRM has attracted the expanded attention of practitioners and scholars and has emerged as one of the most important areas in marketing and in the overall management of the firm (Parvatiyar & Sheth, 2001). Moreover, CRM is also utilized in many industries, including finance, service, telephone mobile, and even in health business (Hong and Goo, 2007; Bhalla et al., 2004).

Interestingly, in the year 2010, health product business in Thailand is estimated, by the Ministry of Public Health, around 56,000 Baht with 18-20 % growth per year, showing great business performance. In addition, the Ministry of Public Health has also announced a campaign to support health, herbal, and medical business in Thailand. Nevertheless, business sector, indeed, responses to this market trend quickly but it has been up and down during the past ten years because of lacking of great marketing strategy. So this paper would be focused on developing marketing strategy, particularly CRM, in health product business.

For this study, the purpose is to explore whether customer relationship management have an influence on health product business and what the determinants of CRM on customer loyalty and customer retention are in health product business.

Literature Review

Reviewed from many books and literatures regarding CRM, the concepts and ideas can be summarized in many ways. In an aspect of definition, the terminology of CRM is rich and it has evolved so quickly that neither business managers nor experts seem to agree on a common definition of CRM. Before the mid 2000s, it was not a widely agreed definition, although CRM had become widely recognized as an important approach (Ngai, 2005; Ling & Yen, 2001). It was not just a theoretical problem for marketing experts, but also a practical problem for business and technology managers who focused on CRM. Some experts gave more sweeping definitions of CRM, describing it as a business and technology discipline that helps companies acquire and retain most profitable customers. Others elaborated CRM as the implementation of customer-centric business strategies that drive re-engineering of work processes. Stewart Deck, from Customer Relationship Management Research Center, defined CRM that is a strategy used to learn more about customers' needs and behaviors to develop stronger relationships with them and Fayerman (2002) summarized, in the same way, that CRM is a business strategy designed to optimize revenue and customer satisfaction but Dave Sutton, CEO of Zyman Marketing Group, deliberated more details that CRM is the process to deliver the right messages to the right people at the right time in order to activate more purchasing and deliver value to the customer differently and better than the competition.

In a point of technology, Paul Greenberg summarized the definition of CRM as "a philosophy and a business strategy, supported by a system and technology, designed to improve human interactions in a business environment" Even if CRM is emerged from information technology but it is not seen only technology but also process, strategy, application and so on (Ling & Yen, 2001). More importantly, CRM technology is often incorrectly equated with CRM (Keinartz, Krafft, and Hoyer, 2004), and a crucial reason for CRM failure is focusing CRM as a technology initiative (Kale, 2004).

However, after the mid 2000s, the clear definition from some researchers, experts, and authors can be found and CRM in-depth information can be utilized

effectively. CRM definitions can be summarized more strategically and unidirectionally.

Javalgi, Martin & Young, (2006) defined CRM is a strategic concept with incorporates the strategic outcomes of satisfaction, loyalty, customer retention and profitability while relying on technology to harness market-relevant data and guide decision making. Cunningham, Song & Chen (2006) showed, similarly, that CRM is a strategy that integrates concepts of knowledge management, data mining, and data warehousing to support an organization's decision-making process to retain long-term and profitable relationships with its customers. The key meanings of CRM are rather scattered among strategy, process, development, application, and technology. However, Payne and Frow (2005) expressed their definition, being quite long, covering wide-angle meaning, and focusing on process.

In conclusion, even there are many definitions and meanings of CRM, Payne and Frow's definition is preferred and inclusive but the final definition, for this study, is as below:

Customer Relationship Management (CRM) is the strategy for strengthening long-term relationship and enhancing customer value and shareholder value with individual key customers to increase customer satisfaction, customer retention, customer loyalty and finally profitability.

For CRM model and framework, Chan (2005) suggested an integrated framework for CRM, including external CRM, conceptual CRM, and internal CRM. Different types of data from web-based transactions, call centers, point of sales, marketing surveys, mailing and other touch points can be consolidated via the conceptual CRM model creating useful customer information and knowledge. CRM process and technology implementations at the external and internal levels are also mapped to the conceptual model creating roadmap for the integration of data, processes and technologies.

Fayerman (2002) presented the CRM Ecosystem, which is a component-based application that automates customer-related business processes. The major components are 1) the operational CRM, 2) the analytical CRM, and 3) the collaborative CRM. The operational CRM involves the automation of horizontally

integrated business processes regarding front-office customer touch points and back-office applications. The analytical CRM is created a data warehouse that feeds various analytical applications and data marts. Collaborative CRM facilitates interaction between customers and companies. Marketing communication and customer interaction are included in this process.

Another model of Parvativar and Sheth (2001) was developed to a four-stage CRM process framework, such as 1) a customer relationship formation process; 2) a relationship management and governance process; 3) a relational performance evaluation process, and 4) a CRM evolution or enhancement process. Similarly to earlier framework, Kim, et al. (2003) expressed the cause-and-effect relationship and related perspectives in the CRM evaluation process. Four perspectives are demonstrated including customer knowledge, customer interaction, customer value, and customer satisfaction, finally to increase profitability.

Moreover, Kim, et al. (2003) showed the evaluation process of CRM and examples of communication channel in CRM process, including service center, retail branch, call center, sales force, internet virtual community, e-mail, and others. Considering the CRM whole process, Osarenkhoe & Bennani (2007) proposed a process-oriented framework to facilitate successful implementation of CRM strategy. The core component of CRM are emphasizing on quality, measuring customer satisfaction but manage customer service, investing in people, maintaining dialogue with customers, setting realistic targets and assessing performance, relationship-based interfaces. In the topic of implementation, core dimensions are structure (for example, team-based structures), staff (managing the social structure of a relationship cross-functionally), style (everything that staff believe, say, and act which determine the outcome of an implemented strategy), systems (for example, sales service process relationship performance scorecards), schemes (for example, loyalty and retention programs).

In an aspect of technology, CRM is focused on information system and CRM architectures, e mainly on customer warehouse (Ling & Yen, 2001). It is believed that customer information and the associated technology tools are the foundation upon which any successful CRM strategy is built. The outcomes of

executing an effective CRM campaign are increased customer value, higher customer retention, increased customer recruitment, and finally higher profitability. Customer touch points are emphasized for the key for improving customer relationship. Database marketing strategies that have driven direct mail and tele-services are becoming the core for CRM strategy development and information processing. A CRM strategy includes not only the integration of information and customer touch points but the training and empowerment of employees and the automation of systems that facilitate customer interaction and communication.

Nevertheless, another interesting process-oriented CRM model or framework - Payne & Frow framework - were demonstrated with the whole process and shown with some applicable constructs. Payne and Frow elaborated more components and showed some relationships among those processes.

Payne & Frow CRM Framework

The conceptual framework for CRM strategy (Payne & Frow, 2005) comprises 5 key components, illustrated in figure 1, including 1) strategy development process, 2) value creation process, 3) information management process, 4) multichannel integration process, and, lastly, 5) performance assessment process. The concept covers the whole process of strategic management thinking, starting from business and customer strategy to initiate business vision, industry and competitive characteristics, through value analysis, and utilizing information technology to facilitate the whole process, then executing through many marketing communications directly to key individual customers and finally, monitoring the outcomes with performance and shareholder results. Each component has some supportive ideas as follows:

Strategy Development Process

This initial process consists of 2 parts - business strategy and customer strategy. Business strategy must be considered first and developed to customer strategy. It focuses on business vision and industry and competitive characteristics. Customer Strategy is considered in an aspect of customer choice, customer

characteristics and segment granularity. It involves examining the existing and potential customer base and identifying which segmentation are appropriate.

Value Creation Process

This process is a direct consequence of strategy development process. It involves extraction and delivery of value. The Value the Customer Receives is exploring and determining what value a company can provide to customers. The Value the Organization Receives and Lifetime Value are a perspective that a company must recognize and understand the customer value, including customer acquisition, customer retention and particularly, customer lifetime value. An organization should learn a profitability of customers from cross-selling, up-selling and building customer advocacy.

Information Management Process

The information management process is concerned with the collection, collation, and use of customer data and information from all customer contact points to generate customer insight and appropriate marketing responses. The process includes data repository [a company memory of customers], IT system [computer hardware, software, and middleware], analysis tools, and front and back office.

Multichannel Integration Process

This process is notably recognized as the most critical process in CRM because it contacts, transfers and delivers all values directly to customers. It comprises sales force, outlets, telephony, direct marketing, electronic commerce, and mobile commerce.

Performance Assessment Process

This process is established to ensure that CRM activities go to the right direction and get the right performance. It comprises two key components. Firstly, shareholder results are the ultimate goal of CRM, including employee value, customer value, shareholder value, and cost reduction. Secondly, performance monitoring is to set up standards, metrics, and key performance indicators for CRM, particularly reflecting five main processes.

FIGURE 1

A Conceptual Framework for CRM Strategy
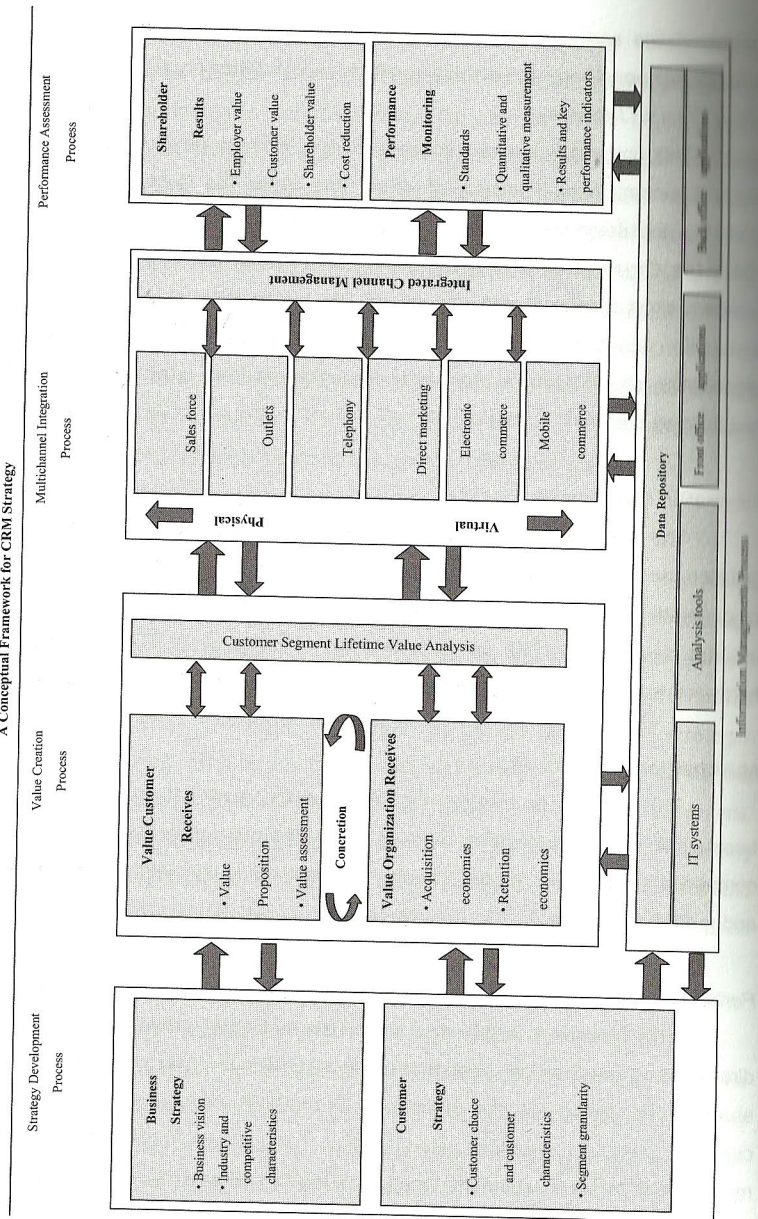
Research Methodology

The research was designed to assess the hypothesis of this study. It applied a three-stage approach: the development of research instrument, survey process, and analysis and interpretation. Population and samples were the members in Greenie Health (Thailand), a new and small company, established since June 13, 2008 for this study particularly and executed marketing activities under CRM strategic direction, complied with the reviewed framework. The members were recruited from Greenie shops and booth exhibitions. Total members were 160 members, categorized into 4 groups, including Classic Member, Silver Member, Gold Member, and Platinum Member, respectively.

The initial conceptual framework, originated from Payne and Frow, was reviewed and proposed. The first draft of questionnaire was developed from this framework. All questions, referred to independent variables, were derived from key constructs in Payne and Frow framework and those questions, related to dependent variables, were created by using constructed questions from earlier customer retention and loyalty measurement. It was tested and validated for comprehensiveness, wording, and length as well as reviewed by 5 key experts in CRM and questionnaire development. The second draft of questionnaire was tested with the reliability. The questionnaires were distributed to 30 members. The wordings and sentences were a little bit change from the first draft. For the result of reliability test, it showed high reliability and the Cronbach's alpha coefficient (α) is 0.9234. Thus, the final questionnaire was settled for the survey research. The first process was face-to-face survey by questionnaire, distributed to 55 members. The second one was mail survey, mailed out to 77 members. For the mail survey to members, telephone reminding directly to the members was utilized to ensure the feedback of questionnaire. Out of 77 mail-out questionnaires, 66 were returned. The total respondents were one hundred and twenty-one. Moreover, the qualitative survey – five members were chosen - was selected to explore customer insight.

Result

The analysis uses basic statistics, including frequency, its percentage,

mean, standard deviation (s.d.), coefficient of varience (c.v.), standard error of mean (s.e. mean), as well as 95% confidence interval, and multiple regression analysis by stepwise technique.

The samples have occupation as freelance or own business (37.6%), employee (30.0%), housekeeper (15.0%), government staff (8.3%), others (7.5%), and student (1.7%). Their education are graduate (48.3%), below graduate (30.8%), master degree (18.3%), and above master degree (2.5%). The incomes of the samples are between 10,000 to 19,999 Baht (27.7%), below 10,000 Baht (17.6%), 40,000 to 49,999 Baht, (16.8%), above 50,000 Baht (15.1%), 30,000 to 39,999 Baht (12.6%), and 20,000 to 29,999 Baht (10.1%). The members' ages are majority during 31 to 60 years old with 41 – 50 years old at 35.8%, 31 – 40 years old at 25.8%, 51 – 60 years old at 22.5%, above 60 years old at 10.0%, 18-30 years old at 3.3%, and below 18 years old at 2.5%.

For basic statistics of independent and dependent variables for customer, the results are as followings:

- The top five highest means of independent variables are benefit (bus1), service (sha1), standard (bus2), newsletter convenience (dir1), and profit (sha2) with 8.50, 8.47, 8.38, 8.32, and 8.31, respectively.
- The top five highest means of dependent variables are benefit satisfaction (Y12), information satisfaction (Y13), design satisfaction (Y15), convenience satisfaction (Y16), and variety satisfaction (Y14) with 8.30, 7.98, 7.74, 7.73, and 7.70, respectively.
- All means of independent and dependent variables are between 95% confident interval.

For the results of multiple regression, as illustrated in table 1, after combining the beta weight of all factors, the top five striking factors affecting on customer retention, are 1) profit (Performance Assessment), 2) data storage (Information Management), 3) evaluation (Performance Assessment), 4) integration (Multichannel Integration), and 5) SMS convenience (Multichannel Integration), respectively. The equations of dependent variables are as following:

Preference 1: $Y31 = 21.466 - 2.276(bus3) - .702(sal2) - .679(tel3) - .418(mco1) + .084(int1)$ [$R^2 = 0.757$]

Preference 3: $Y32 = -5.369 + .665(out1) - 1.805(sha2) + 2.527(per2)$ [$R^2 = 0.695$]

Preference 6: $Y33 = 11.279 + .344(bus3) - .332(tel3) + .253(dir1) + .352(eco2) - .590(mco1) + 1.333(dat1) - 3.211(sha2) + 1.096(per2)$ [$R^2 = 0.978$]

Preference 12: $Y34 = 15.244 - .249(tel4) + .398(dir2) + .601(eco2) - .919(mco1) + 1.776(dat1) + .703(sha1) - 3.917(sha2) + .527(per2)$ [$R^2 = 0.986$]

Process	Construct	Factor	Repurchase Intention 1 (Y21)	Repurchase Intention 3 (Y22)	Repurchase Intention 6 (Y23)	Repurchase Intention 12 (Y24)	Cross-buying Intention (Y25)	Price Tolerance (Y26)	Recommendation (Y27)	Preference 1 (Y31)	Preference 3 (Y32)	Preference 6 (Y33)	Preference 12 (Y34)
Strategy Development	Business Strategy	Benefit (bus1)							.066				
		Standard (bus2)								1.007	.170		
		Consultation (bus3)								.246			
	Customer	Member activity (cus1)	.184			.239							
Value Creation	Value Customer Receives	Value proposal (vcr1)								1.089	.981		
		Product value (vcr2)											
		Member criteria (vcr3)	.165		.368								
	Value Organization Receives	New member (vor1)		1.572		.172			1.117				
		Cross-selling (vor2)	.236										
		Up-selling (vor3)		.307	1.150	.760	.844		.708				
		Words of mouth (vor4)											
Multichannel Integration	Sales Force	Consultant C. (sal1)	.227							.461			
		Consultant S. (sal2)		.243							.402		
	Outlet	Shop C. (out1)	.248	.294									
		Shop S. (out2)								.430			
	Telephony	Contact center C. (tel1)											
		Contact center S. (tel2)			.087			.187		.178		.664	.335
		Fax C. (tel3)								.043			.264
		Fax S. (tel4)	.157	.423									.205
	Direct Marketing	Newsletter C. (dir1)	.380					.237		.122			.424
		Newsletter S. (dir2)						.701				.386	.673
	Electronic Commerce	E-mail C. (eco1)				.389	.672	.532					
		E-mail S. (eco2)											
		Internet C. (eco3)						.648					
		Internet S. (eco4)		.335		.205		.224		.380		.555	.886
	Mobile Commerce	SMS C. (mco1)						.646		.387			
		SMS S. (mco2)						.493		1.888			
		Integration (int1)	.378										

Process	Construct	Factor	Customer Loyalty							Customer Retention		
			Repurchase Intention 1 (Y21)	Repurchase Intention 3 (Y22)	Repurchase Intention 6 (Y23)	Repurchase Intention 12 (Y24)	Cross-buying Intention (Y25)	Price Tolerance (Y26)	Recommendation (Y27)	Preference 1 (Y31)	Preference 3 (Y32)	
Information Management	Data Repository	Data storage (dat1)						.630	.549			1.00
	Analytical Tool	Internet serve (ana1)										
		Market analysis (ana2)				.261		.174	.206			
Performance Assessment	Shareholder Results	Service (sha1)	.542						.381			
		Profit (sha2)		.724								
	Performance Monitoring	Internet tech. (per1)								.004	1.00	
		Evaluation (per2)										
R2										1.365	.373	
			0.990	0.945	0.975	0.979	0.839	0.971	0.981	0.757	0.895	

* The numbers show beta weight of each variable

To achieve customer loyalty, the top five factors are remarkably shown, in table 1, as 1) up-selling (Value Creation), 2) product value (Value Creation), 3) e-mail satisfied (Multichannel Integration), 4) new member (Value Creation), and 5) cross-selling (Value Creation)

The equations of customer loyalty are demonstrated as following:

Repurchase Intention 1: $Y_{21} = -13.012 + .399(cus1) + .200(vcr3) + .275(vor2) + .446(out1) - .161(tel4) + .486(dir1) - .445(int1) + 1.186(sha1)$ [R2= 0.990]

Repurchase Intention 3: $Y_{22} = 9.424 + 1.695(vor1) - .325(vor3) + .388(sal1) - .395(tel4) - .319(mco1) - 1.500(sha2)$ [R2= 0.945]

Repurchase Intention 6: $Y_{23} = -1.861 - .353(vcr3) + 1.043(vor3) - .322(dal2) + .369(out1) - .078(tel3) + .433(eco2)$ [R2= 0.975]

Repurchase Intention 12: $Y_{24} = -.778 - .217(vcr1) + .169(vor2) + .661(vor3) + .765(eco2) - .171(mco1) - .374(ana2)$ [R2 = 0.979]

Cross-buying Intention: $Y_{25} = -2.435 + .992(vor3) + .798(mco2) - .616(int1)$ [R2 = 0.839]

Price Tolerance: $Y_{26} = -1.767 + .137(bus1) + 1.103(vcr2) + 1.159(vor2) - .577(vor4) - .174(tel3) + .219(dir2) - .529(eco1) + .394(eco2) + .480(eco4) - .194(mco1) - .678(dat1) - .270(ana2)$ [R2= 0.971]

Recommendation to Others: $Y_{27} = -1.703 - .237(cus1) + .702(vcr2) + .562(tel1) +$

$.123(tel3) + .026(tel4) - .081(dir2) + .277(mco2) - .414(dat1) - .226(ana2) + .479(sha1)$ [R2= 0.981]

Conclusion

Customer relationship management (CRM) is the key marketing strategy to strengthen long-term relationship and enhance customer and shareholder value with key customers. The ultimate goal of CRM is to increase customer satisfaction, customer retention, customer loyalty, and consequently company profitability. This study shows CRM factors influencing on customer retention, and customer loyalty in health product business. Even if company profitability is not investigated, many researches confirm relationship between those outcomes to company profitability (Hallowell, 1996; Fornell et al., 1996; Reichheld, 1993; Reichheld and Kenny, 1996; Reichheld et al, 2000; Keiningham et al., 2007). Payne and Frow's framework, being the masterpiece of the study, is a process-oriented CRM so they are all integrated to successfully implement CRM. Five processes of this study – strategy development, value creation, multichannel integration, information management, and performance assessment – have each role to execute CRM.

Starting from strategy development, the company has to initiate both business and customer strategy to generate consequences of CRM. If top managers do not pay enough attention to establish CRM as the key strategic driver, the operation of CRM will be failed. In this study, this process has not shown outstanding role but an effect to CRM outcomes.

Value creation, particularly cross-selling, up-selling, product value, and new member, significantly plays an important role in CRM outcomes, especially customer loyalty. Customers perceive the value from the company and company does vice versa.

Multichannel integration, known as integration of all contact points with customers, shows not a potential role in health business in this research. Nevertheless, qualitative research finds those shop and booth exhibitions are the crucial way to enroll the company members as well as newsletter is the materials fit to these market targets.

<u>Information management</u>, recognized as the origin of CRM concept, especially data storage, is supportive for CRM implementation. Customers perceive that the company has a good customer data collection and accordingly can serve customer the best. Information, the company surveys, and communication, the company conveys, make customers believe in the company.

Lastly <u>performance assessment</u>, specially evaluation and profit, is striking in customer retention. Customers comprehend that the company has a great evaluation, concerning relationship with customers, and a good profit to run the benefits back to customers. Similarly with information management, assessment process creates a positive perception to customers.

According to qualitative research, customers can perceive the quality of the company, particularly in core value of product benefits and standard, so the company is recognized in a very positive way in customer sight. Interestingly, as demonstrated in other market situations, market trend in health popularity is growing up and induces customers purchase health products. Absolutely, in my opinion, market atmosphere boosts health product business but not a sustainable growth.

Discussion

Value creation process, including up-selling, product value, new member, and cross-selling, has tremendously influenced on customer loyalty with total beta weight of 3.061, 2.070, 1.572, and 1.525, respectively. Absolutely, if customers perceive values from company or product, they would rely on company and then move to loyal to that company or product. So the company has to put effort to build customer loyalty by enhancing value creation in the company. However, the influencers of customer retention are not strong as those of customer loyalty. Profit and evaluation in performance assessment process show the most impact on customer retention with total beta weight of 4.454 and 2.221, respectively. It implies that if the company focuses on performance monitoring, the outcomes would attract customers stay with the company because they perceive what they get from the company and realize that the company would return them worthy.

This study focuses on process-oriented, not tactic-oriented, CRM

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framework. Osarenkhoe and Bennani (2007) expressed that the implementation of CRM has five core dimensions, including structure, staff, style, systems, and schemes. So the results in this study are not considered in tactical execution. Moreover, this research has a tendency toward attitudinal outcomes, not behavioral ones, even the study has been implemented in a real situation. Customers, particularly in a Thai culture, usually answer a questionnaire more positive than it should be. Overall outcome can be perceived much better than the company has done. More interestingly, with Thai culture, key customer touch points, creating a great response, in health business should be face-to-face basis, such as booth exhibition, activity directly with customers, outlet or shop, and sales force. Obviously seen, most of the company members can be enrolled from booth exhibition in potential and targeted events. Thus, the right channel in health product business can be determined.

Limitation

The research generated rather attitudinal outcomes, not behavioral ones, even in implementation study. Some results were much better than actual outcomes. For example, the company launched a few campaigns of CRM loyalty program, but customers felt very impressive with the company concerning this program. Thai culture – consideration – might be an issue. Moreover, intervention period – around six months – was another point of research limitations. However, if the time was much more available to put CRM campaigns, the outcomes could be seen clearly. More importantly, CRM implementation in a real business takes a lot of effort, time, and investment to achieve CRM outcomes. Some loyalty campaigns should be launched to establish CRM but they did not because of budget constraints. Some investments in new company needed much more money to support the structure and team development of the company. However, the research results can be the case learning for executing CRM campaign in a real business or in a different market situation. To develop the next research, if the research put more effort in period of CRM activities, the outcomes would be demonstrated clearly and shown more findings of the influencers.

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