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Success factors in a CRM strategy: technology is not all

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ABSTRACT

Organisations today need to create, maintain and reinforce relationships with customers. Customer Relationship Management (CRM) seems to have helped firms to better understand their relationships. However, past studies have looked at technology and customer orientations (COs) as key factors. This paper aims to analyse the simultaneous effect of Market Orientation (MO) (rather than CO), Knowledge Management (KM) and other organisational factors in order to explain how to implement a successful CRM. Findings suggest that MO and KM may influence CRM success. Data also suggest that particular organisational factors such as employees, leadership and specific know-how may be key factors in determining the success of CRM. For efficiency resource management, this paper recommends to focus not as much in technology, but on programmes for selection, training and motivation of employees which may enhance CRM objectives. Companies may also pursue a higher customer value by putting in place and reinforcing KM schemes in specific know-hows about CRM.

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CRM; resources; banking sector

1. Introduction

Increasing economic globalisation and the development of new information technologies are changing the rules of the market and require tailored strategies and business practices. Consumers demand more individualised treatment; in many cases, they want to be involved in the process of product creation and are increasingly prone to exchanging views via the Internet and social networks (Cambra, Melero, & Vázquez, 2013). The effect of these new technologies, coupled with volatile consumer preferences, has meant that companies are obliged to collect information about consumer characteristics, tastes and previous purchases to predict future buying patterns and tailor their offers to each individual. Thus, companies can gain competitive advantages that not only allow them to maintain and strengthen relationships with their customers, but also increase their market share (Colgate & Danaher, 2000). Consequently, the marriage of the marketing philosophy with information technology has resulted in the concept of Customer Relationship Management (CRM) (Boulding,

Staelin, Ehret, & Johnston, 2005; Jayachandran, Sharma, Kaufman, & Raman, 2005; Kervok & Vrechopoulos, 2009).

CRM first emerged in the 1980s and since then has sparked a great of interest from both academics and business practitioners. As a case in point, the Journal of Marketing launched a special issue on CRM in 2005. From a business management perspective, CRM reflects the great interest in managing successful and profitable customer relationships (Ambler, 2005). Conceptually, it is based on relationship marketing, whose primary purpose is the pursuit of profitability through customer satisfaction and loyalty while trying to maximise long-term customer profitability (Zikmund, Mcleod, & Gilbert, 2003).

From a practical point of view, managing successful customer relationships begins with identifying and acquiring the right customers. Therefore, companies must strive to discover who are their best customers and gain their loyalty while simultaneously allocating fewer resources to manage relationships with unprofitable customers (Kimiloglu & Zarali, 2009; Saarijärvi, Karjaluo, & Kuusela, 2013). This requires analysing each customer individually, which is possible by managing customer databases. However, many other factors, such as organisational leadership, human resources management or the allocation of other resources influence the success of CRM.

CRM has been researched from different perspectives: as a process (Grönroos, 2000), as a strategy (Adenbajo, 2003), as a philosophy (Fairhurst, 2001), as a capacity (Peppers, Rogers, & Dorf, 1999) and as a technological tool (Gefen & Ridings, 2002). This latter perspective, as a technology, seems to carry more weight in the generic field of business management, which is why technology often becomes more important than the strategy itself. Technology is important while managing CRM, but it is not all. It has been posed that companies manage unprofitable CRM systems or fail to reach expectations while implementing CRM systems (Johnson, Clark, & Barczak, 2012). For this reason, authors such as Trainor, Andzulis, Rapp, and Agnihotri (2014) suggest the need to focus on technology in conjunction with other organisational resources. For example, Chang, Park, and Chaui (2010) suggest to combine technology with marketing capabilities.

For instance, Garrido-Moreno and Padilla-Meléndez (2011) show that by having the proper leadership management, human resources, technology or interfunctional coordination (IC) positively influence the successful management of CRM. This is because these factors facilitate a correct knowledge management (KM), which in turn allows the company to meet the demands of consumers. The authors also conclude that customer orientation (CO) is the right marketing approach to use when implementing a CRM philosophy. However, from the point of view of marketing, Market Orientation (MO) has proven to be superior to the CO approach, because it also considers Competitor Orientation (CMO) and IC (Slater & Narver, 1998).

To fill this gap identified in the literature, our aim is to study the relationship between MO and KM, from a marketing standpoint, as antecedents of a set of organisational factors that can determine the success of CRM. Thus, the two main contributions to the literature are, first, the adoption of a comprehensive approach to MO and, second, to analyse the influence of each factor in the success of CRM.

With the aforementioned in mind, the next section presents the concept of CRM and its different perspectives. Possible interactions with the MO are also proposed. The third section presents the model and the hypotheses which form the basis of the empirical study. The results are discussed in the fourth section. Finally, the article concludes with a set of

Table 1. CRM perspectives.

Perspectives	Description
Philosophy	CRM focuses on building and maintaining long-term relationships with customers. The entire organisation must have the customer as the main reference
Process	CRM focuses on the dynamic and evolving nature of customer relationships
Market orientation	CRM, considering its philosophical and behavioural aspect, can additionally provide competitive advantage
Capacity	The resources and capabilities of the organisation and their exploitation are essential to achieve competitive advantages
Technology tool	CRM is an essential resource as it allows the collection and storing of data to build and disseminate knowledge throughout the organisation
Strategy	It consider in an aggregate form of the other perspectives and additionally focuses on Customer Lifetime Value (CLV)

Source: Adaptation of Zablah et al. (2004).

managerial and research implications, as well as its limitations and suggestions for further research.

2. Theoretical background of CRM

The specialised literature considers that the cornerstone of CRM is the Relationship Marketing paradigm (e.g. Gummesson, 2004; Payne & Frow, 2005; Ryals & Knox, 2001; Zablah, Bellenger, & Johnston, 2004). This paradigm is based, among others, on the pioneering work of Berry (1983) that links it to the management of long-term relationships with customers. This approach to marketing is defined as a process to attract, retain and strengthen customer relationships (Grönroos, 2000). The main objective is the pursuit of profitability through customer loyalty, leaving the transactional goal of attracting new customers as a secondary matter (Grönroos, 1994; Kimiloglu & Zarali, 2009; Saarijärvi et al., 2013). From the point of view of marketing, CRM has developed as a firm commitment to maintaining positive relationships with customers, building loyalty and increasing their Customer Lifetime Value (CLV), that is, the value of the life cycle of the customer (Verhoef & Lemon, 2013). However, there is no single definition of CRM as there are different perspectives from which this term can be addressed.

2.1. CRM perspectives

As Zablah et al. (2004) and Kervok and Vrechopoulos (2009) indicate, the concept of CRM can be approached from several perspectives: as a philosophy, a process, a capacity, a technology tool and as a strategy. However, the common underlying basis is the pursuit of a competitive advantage based on managing profitable customer relationships (see Table 1).

The philosophical perspective requires that customers are the focal point for the entire company and the primary goal is creating value for them. So, the best way to achieve customer retention and profitability is ensuring that all members of the organisation are constantly focused on customer satisfaction (Zablah et al., 2004).

A second perspective views CRM as a process. This perspective considers that the customer–company relationship develops over time, can be characterised by a life cycle and must evolve to endure (Zablah et al., 2004). Issues such as information sharing, trust, compliance of mutual expectations or cooperation determine this evolution, success and profitability (Grönroos, 2000).

Both perspectives, philosophical and process, can be related to MO, which focuses on satisfying the needs of customers in a more superior way than the competitors. In order to manage successful relationships, it is necessary to collect information about the real needs and expectations of customers, supply and competitive capabilities, internal resources and skills. Additionally, it is necessary to understand that the environment changes and that buying behaviour patterns are not stable. Two approaches have dominated the conceptualisation of MO: the perspective of culture and behaviour or operational perspective. On the one hand, the MO is described as a form of organisational culture with three key components: CO, CMO and IC (Narver & Slater, 1990). We can intuitively relate this to the perspective of CRM as a philosophy. On the other hand, Kohli and Jaworski (1990) define MO as the generation of market intelligence at all levels of the organisation, the dissemination of this information among all departments and the development of an appropriate organisational response, indicating which key tasks need to be performed. It is possible to relate this approach with the CRM perspective as a process. However, authors such as Cadogan and Diamontopoulos (1995), Avlonitis and Gounaris (1997), Homburg and Pflesser (2000), Helfert, Ritter, and Walter (2002) and Gao and Bradley (2007) consider them as complementary approaches rather than rivals, which is why we propose that both philosophical and process CRM perspectives are also complementary.

In turn, the two previous perspectives are related to the CRM perspective as a capability. According to this perspective, maintaining lasting relationships with customers is only possible if the company has a set of adequate resources and is flexible enough to constantly adapt and readapt their behaviour towards their customers (Peppers et al., 1999; Zablah et al., 2004). In other words, the management of a long-term relationship with customers is based on the ability to know and understand their changing needs that may require new adaptations (Mithas, Krishnan, & Fornell, 2005; Zablah et al., 2004). This perspective is in line with the Resource View that defines a company as a set of productive resources that help determine their competitive position, depending on the way in which it makes use of them. Obtaining competitive advantages involves developing strategies that exploit the unique features of a set of resources and capabilities (Grant, 1991). Therefore, the key of profitability lies not in doing the same as competitors but in exploiting the differences.

CRM as a technology tool is a perspective that contemplates CRM as an important resource because it not only facilitates the collection and storing of customer data, but also builds knowledge from it and disseminates it through the organisation (Crosby & Johnson, 2001; Zablah et al., 2004). Thus, CRM tools enable the proper management of customer relationships which in turn means that these are lasting and profitable (Chen & Popovich, 2003; Zablah et al., 2004). Therefore, in a strict sense, we may consider this perspective as a particular case of the capability perspective.

Finally, the CRM approach as a strategy emphasises the idea of CLV, that is, the value that customer represents over the lifetime of this relationship with the company. In this respect, if we consider all the perspectives, it is possible to define strategies and actions that not only maintain positive relationships with customers and increase their loyalty, but also maximise the CLV through cross-selling or up-selling, among others (Venkatesan & Kumar, 2004).

Table 1 provides a summary of the general description of each of the CRM perspectives and highlights that the common theme is the importance of managing lasting and profitable relationships.

2.2. Contributions of MO

As technology has developed and the market has become more competitive, companies have been forced to change their management approach. Currently, customers determine the commercial action, so companies need to adapt their offer to the specific customer requirements. As Levitt (1960) predicted, companies should focus on meeting the needs of customers instead of selling their products.

However, focusing only on the needs of customers may not be enough. Customers are an essential part of business success, but they form part of a larger picture. Companies interact with their environment, in which there are other companies competing to satisfy these same customers. Therefore, delivering superior value proves decisive (Boulding et al., 2005; Slater & Narver, 1998).

For this reason, it is necessary to differentiate between CO and MO as the two concepts that are often used interchangeably and have generated misunderstandings. In the work of Slater and Narver (1998) and Pérez and Cambra (2013), a clear distinction is made, noting that while CO has a more reactive and adaptive nature (focusing on understanding the wishes of customers and developing products and services to satisfy them), MO has a more proactive and long-term character (in addition to focusing on the expressed and latent needs and wishes of customers, it also focuses on the skills and strategies of the competitors through the process of acquiring and evaluating market information in a systematic and proactive way).

Therefore, companies should not only be oriented to customer or competition, but must also adopt an integrated management approach (Boulding et al., 2005). Customers, competitors and the organisation itself become the point of reference (Kohli & Jaworski, 1990). In addition, MO involves implementing the marketing concept throughout the organisation and not just the marketing department, acquiring a strategic dimension.

In this sense, there have been many authors who have analysed the role of MO in the firm (e.g. Jaworski & Kohli, 1993; Lings & Greenley, 2009). Indeed, these studies have shown positive effects, such as improvements in the short- and long-term sales, profit growth, increased market share, successful launch of new products, higher customer satisfaction or better performance assets compared with other organisations that are less market-oriented (e.g. Deshpandé, Farley, & Webster, 1993; Grinstein, 2008; Jaworski & Kohli, 1993; Kirca, Jayachandran, & Bearden, 2005; Kumar, Jones, Venkatesan, & Leone, 2011; Slater & Narver, 1994).

Based on these arguments, we consider that the success of a CRM strategy must be considered under an MO approach as it is much more complete than the CO.

3. Conceptual framework and hypotheses development

Given the complementarity between the perspectives of CRM as a philosophy, process and capability, this study aims to analyse the specific factors that contribute to the success of CRM. The proposed model starts from an MO approach and relies on KM as a fundamental pillar of CRM. This model introduces a significant change by adopting the MO as reference, instead of CO, which was the reference used in previous studies, such as that of Garrido-Moreno and Padilla-Meléndez (2011). We propose that certain organisational factors, such as the leadership of senior management, the employees and the endowment of resources (economic, technological and know-how of CRM) may be key factors in determining the

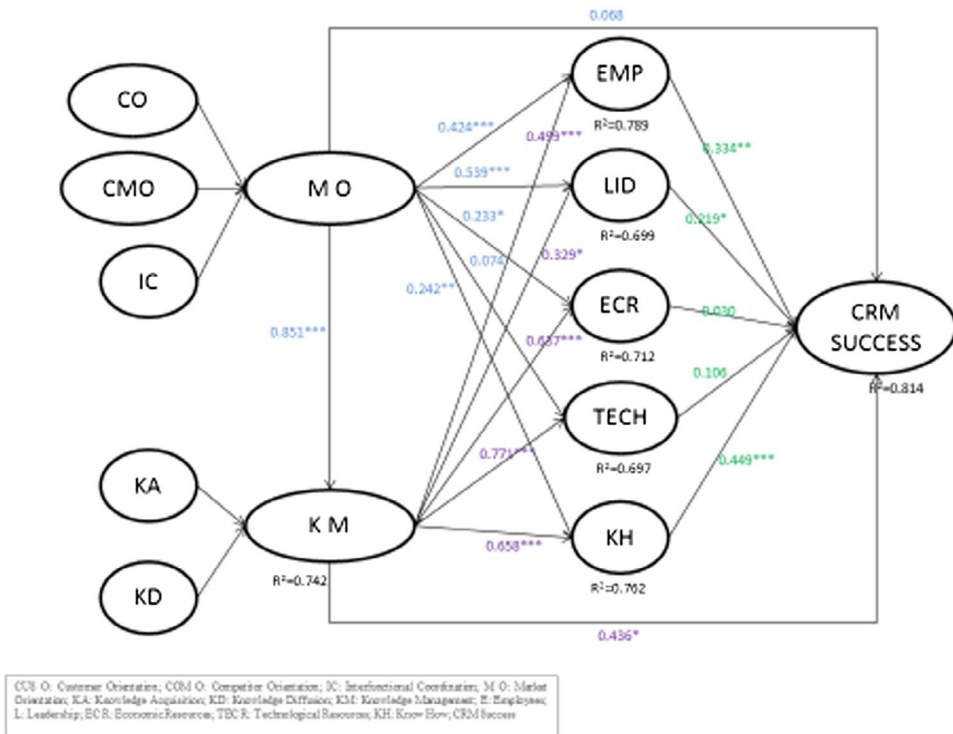


Figure 1. Causal model and results.

success of CRM, and that they also act as mediators of the other factors analysed (the MO and the KM).

Figure 1 shows the reference model that forms the basis for developing the hypotheses. We take as a base the idea proposed by Boulding et al. (2005) and Makland and Knox (2009), who understand CRM as a strategic tool for managing the dual value creation, the intelligent use of data and technology, the customer knowledge acquisition and the dissemination thereof to the relevant parties, the development of appropriate relationships (long term) to specific customers and/or customer groups, and integration of processes across various business areas that collaborate to generate customer value. However, we additionally consider that in such a competitive environment, in which the same needs can be met in many ways and by many companies, companies need to not only create value but create a higher value than the competitors. Therefore, it is necessary to adopt a holistic approach of MO.

3.1. MO, KM and CRM Success

The Resource-Based View considers the firm as a set of resources and capabilities (Barney, 1991; Grant, 1991). Competitive advantages of firms are achieved by controlling a range of resources and capabilities that are valuable, rare, difficult to imitate and non-substitutable. These resources may be tangible or intangible, including management capabilities of a company, its processes and organisational routines, and the information and knowledge it controls. In this sense, MO can become a valuable intangible resource that promotes a

management based on meeting the needs of customers with greater excellence than the competition, that is, as a source of competitive advantage.

For the purposes of this research, we adopt the attitudinal approach of MO as a reference, while we postulate that the behavioural approach is similar to the concept of KM, proposed by authors such as Darroch (2003). These authors highlight the importance of acquiring knowledge, its dissemination and use, or the ability to respond to the acquired knowledge. Thus, from a commercial standpoint, we could use both terms interchangeably and defend the complementarity of the two main MOs.

Reviewing the literature, we found consensus on the relationship between MO and value creation (e.g. Kaur & Gupta, 2010; Narver & Slater, 1990). Also, investigations about the relationship between KM and value creation confirmed positive results (e.g. Gebert, Geib, Kolbe, & Brenner, 2003; Martelo, Barroso, & Cepeda, 2011).

Thus, the study of Martelo, Barroso, and Cepeda (2013) considers MO and KM as two organisational capabilities which, when combined properly, contribute to generate a higher level of value. While MO is considered a strategic capability that systematically gathers, interprets and uses information about the market, the customers, the competition, the environment and the same organisation; KM is an operational capability or tool which may assist in reaching satisfactory results by managing knowledge and articulating appropriate processes.

Therefore, based on all the above arguments, we can establish the following hypotheses:

Hypothesis 1: Market Orientation positively influences Knowledge Management.

Hypothesis 2: Knowledge Management positively influences CRM success.

Similarly, there are numerous studies that directly relate MO with the outcomes. Authors such as Narver and Slater (1990) and Jaworski and Kohli (1993) were pioneers in demonstrating that the MO is relevant in any market environment. This idea is also highlighted in the work of Gray, Matear, Boshoff, and Matheson (1998), who conclude that MO has a positive effect on the management of customer relationships. Therefore, if we consider CRM as a proper form of managing these customer relationships, we can establish that:

Hypothesis 3: Market Orientation positively influences CRM success.

3.2. Organisational factors, MO, KM and CRM success

The purpose of CRM is to increase the efficient and effective acquisition and retention of profitable customers. This is achieved by building and maintaining appropriate relationships with selective customers. It is therefore necessary to have adequate sufficient allocation of resources such as employees, capital, technological tools and know-how.

The development of CRM has been made possible because of the technological evolution, which has enabled businesses to organise themselves around customer needs. Thus, information technologies play a fundamental role (Payne & Frow, 2005).

However, it is not enough to just obtain market information but that information must become knowledge through human activity (Salojärvi, Sainio, & Tarkiainen, 2010). Though systems and technological processes are important for CRM activities without a proper human interaction, or sufficient investment in this area, CRM may be inefficiently and unsuccessfully managed (Boulding et al., 2005).

In this regard, Slater and Narver (1995) suggest that the value of MO is twofold: first, it forces companies to focus on gathering information about customer needs and competitors

capabilities and; second, it uses that information to continuously create superior value. However, in order to spread this knowledge, it is necessary to make the right changes in the organisational structure (Becker, Greve, & Sönke, 2009; Kohli & Jaworski, 1990). Often, these changes include the training, motivation and the appropriate rewards for employees who are involved in activities related with CRM (Becker et al., 2009; Reinartz, Krafft, & Hoyer, 2004). Specifically, Payne and Frow (2005) conclude that a successful CRM implementation requires processes, people, operations and marketing capabilities that are interfunctionally integrated and enabled through the use of information technology and its applications.

To Mendoza, Marius, Pérez, and Grimán (2007), when this transition takes place, it is necessary to develop certain skills, acquire the right resources and tools, and the proper knowledge to meet customer needs with the right products and services, exceeding the performance of possible competitors. Senior management plays a very important role because, on the one hand, they should help employees assimilate and understand the changes and, on the other, they should ensure that employees have the skills needed to overcome new challenges. Thus, training becomes one of the most important aspects for both the organisation and employees themselves.

Furthermore, as Ryals and Knox (2001) indicate, the successful implementation of CRM requires a more effective management of functional interdependencies and a review of the ways in which the employee's performance is measured and how it is rewarded. Thus, to achieve a suitable change in expectations and behaviour towards the CRM, the commitment and support of top management is vital (Fletcher & Wright, 1996).

Other authors, such as Reinartz et al. (2004), Sin, Tse, and Yim (2005), Greve and Albers (2006) or Keramati, Mehrabi, and Mojir (2010), among others, conclude that infrastructure resources (human and organisational resources) and technology allow the creation of value through CRM, as these infrastructures are the most influential. Finally, as noted by Rigby, Reichheld, and Scheffer (2002), the success of CRM also depends on the financial resources allocated, although the strategy is more relevant. The strategy refers to the proper allocation of resources to achieve superior performance.

Therefore, we consider that one of the main ways to achieve success in CRM is to align the organisational structure with business processes prior to implementing the specific technology. Second, it uses that information to continuously create superior value. In this regard, the role of senior management is crucial and will require a proper allocation of resources. Thus, based on the previous ideas and arguments, we suggest the following hypotheses:

Hypothesis 4: Market Orientation influences the profile of organisational factors (a) employees, (b) leadership, (c) economic resources, (d) technological resources, (e) specific know-how about CRM.

Hypothesis 5: Knowledge management influences the profile of organisational factors (a) employees, (b) leadership, (c) economic resources, (d) technological resources, (e) specific know-how about CRM.

Hypothesis 6: Organisational factors employees, (b) leadership, (c) economic resources, (d) technological resources, (e) specific know-how about CRM positively influence CRM success.

Thus, from the point of view of the company, the success of CRM is measured in terms of customer satisfaction, customer loyalty and maximising the value of this relationship over time (interest in other goods offered by the company which are not yet consumed by them, their share-of-wallet, the cross-selling and up-selling, or the effect of word of mouth with other customers). This should improve the competitive position of the company, its profitability

Table 2. Technical data of fieldwork.

Universe	Directors of bank branches
Sample size	81 items
Geographical scope	National (Spain)
Sampling	Intentional non-probability
Type of questionnaire	Closed response
Fieldwork	April–July 2013
Analysis of information	PLS

and its market value. Based on the aforementioned, we understand why many authors (e.g. Krasnikov, Jayachandran, & Kumar, 2009; Reinartz et al., 2004) argue that firms with stronger relationships with the right customers enjoy greater profitability for longer periods of time. Companies try to identify the most valuable customers, build lasting relationships with them and maximise the profitability of their customer base. Managing CRM properly allows companies to maintain better communication with customers and enables them to better meet their needs through actions such as customising the products and services (Venkatesan & Kumar, 2004). Meanwhile, as customers see their needs met, they tend to have a longer lasting relationship with the company, buy more frequently and are less likely to maintain relations with the competition (Krasnikov et al., 2009). This is the dual creation of value of CRM, for both company and customers.

4. Research methodology

To test the proposed hypotheses, a pilot study was carried out in the Spanish banking sector. In general, the financial sector can be considered as one of the main economic drivers, as it enables the financing of economic growth of a country and plays a decisive role in the process of channelling savings into investment. In the Spanish economy, the banking sector is very important due to its structure – in 2007, Spain had 151 banks, 46 savings banks and 85 credit unions. However, the 2008 crisis has led to a remodelling of the sector resulting in numerous mergers and acquisitions. This has significantly reduced the total number of banks, particularly savings banks (now 72 and 20, respectively) (Bank of Spain, 2013).

This sector has been chosen for the empirical study because CRM is widely used. The complicated situation of the financial sector in recent years – characterised by increased competition, the development of technological innovations and customers with more financial knowledge – has forced financial institutions to use IT tools to collect and process customer information to achieve greater involvement and profitability of each of them. Also, emotional aspects such as trust, influence customer loyalty. According to a study of the Emo Insights Company, 62% of customers choose to break up with their bank because of a poor emotional relationship with the entity. Thus, the management of company–customer relationships is a valuable source of competitive advantage.

We interviewed the directors of bank branches because, as middle managers, they are responsible for contacting customers and manage commercial relationships. Also, they know the organisational structure of the entity and they are in contact with the highest levels of the company. So, we identified them as the key informants for this study. Table 2 shows the technical data of the study.

To measure each of the constructs, we used a questionnaire which was completed by directors of banks, whose content and structure was adapted from previously validated and contrasted scales. Before finalising the questionnaire, a focus group was held with three directors, followed by a pretest given to ten individuals. This process allowed us to adjust the length of the questionnaire and clarify possible interpretations of terms. The final scales used and their bibliographic reference sources are shown in Appendix 1.

In order to analyse the proposed model, a structural equation modelling technique was employed using Partial Least Squares (PLS) (SmartPLS v. 2.0). This methodology has recently been advocated and used in the marketing literature (Reinartz, Haenlein, & Henseler, 2009). Authors as Henseler et al. (2014) suggest that PLS allows to evaluate the measure model as well as to test the significance of the hypotheses. PLS is appropriate for both exploratory and early stage research.

Regarding the measurement model, we note that the MO construct is considered a second-order construct composed of three factors: CO, CMO and IC, taking as a reference the proposal of Narver and Slater (1990). KM is also considered a second-order construct formed by two factors: the acquisition and application of knowledge and the dissemination of knowledge, taking as base the scale of Sin et al. (2005). Each of the organisational variables and CRM success are first-order constructs. Sources used for reference are also included in Appendix 1.

With the objective to evaluate the quality of the data obtained, an individual reliability analysis of each item relative to its construct was carried out. The results show that all the values exceed the threshold of .707 required by Carmines and Zeller (1979). The same applies when assessing the reliability of the variables using Cronbach's Alpha and composite reliability. Appendix 1 shows that all constructs are reliable as they exceed the reference value of .8 for each index (Nunnally, 1978).

In order to analyse the convergent validity, we used the average variance extracted, which according to Fornell and Larcker (1981), must exceed .5. As such, over 50% of the variance of the construct is due to recommended indicators. Appendix 1 shows these results and we may observe that in all cases the reference value is exceeded.

In order to assess the discriminant validity, we have followed recommendations made by authors such as Anderson and Gerbing (1988) and Polo-Redondo and Cambra-Fierro (2008). We first calculated the confidence interval around the covariances between each pair of dimension. Because these intervals do not contain the value 1, we can consider that the scales possess discriminant validity.

5. Findings

In relation to the structural model, to assess the statistical significance of the loadings and of the path coefficients, a *Bootstrap* analysis was performed. We created 500 subsamples, employing *t*-Student distribution with 499 degrees of freedom ($N - 1$, with N : number of subsamples), obtaining the values: $t_{(.05;499)} = 1.964726835$; $t_{(.01;499)} = 2.585711627$; $t_{(.001;499)} = 3.310124157$. From these values, we determined the acceptance or rejection of our hypotheses (Table 3, Figure 1).

A measure of the predictive power of a model is the R^2 value for the endogenous constructs. The results indicate that our model has an adequate predictive power (see Figure 1), because it explains 39% of the variance in active loyalty, 33.5% in passive loyalty

Table 3. Structural model results.

Hypothesis	Standardised <i>path</i> coefficients (β)	<i>T</i> value (<i>Bootstrap</i>) note	Results of contrast
H ₁ MO – KM	0.851***	29.111	ACCEPTED
H ₂ KM – CRM success	0.436*	2.547	ACCEPTED
H ₃ MO – CRM Success	0.068 ^{NS}	0.577	NOT ACCEPTED
H _{4a} MO – Employ	0.424***	5.656	ACCEPTED
H _{4b} MO – Leader	0.539***	4.617	ACCEPTED
H _{4c} MO – Econ. R.	0.233*	2.359	ACCEPTED
H _{4d} MO – Techn. R.	0.074 ^{NS}	0.698	NOT ACCEPTED
H _{4e} MO – Know How	0.242**	2.634	ACCEPTED
H _{5a} KM – Employ	0.499***	5.567	ACCEPTED
H _{5b} KM – Leader	0.329*	2.538	ACCEPTED
H _{5c} KM – Econ R.	0.637***	5.721	ACCEPTED
H _{5d} KM – Tech R.	0.771***	7.420	ACCEPTED
H _{5e} KM – Know How	0.658***	6.745	ACCEPTED
H _{6a} Employ – CRM Success	0.334**	3.143	ACCEPTED
H _{6b} Leader – CRM Success	0.219*	1.977	ACCEPTED
H _{6c} Econ. R. – CRM Success	0.030 ^{NS}	0.042	NOT ACCEPTED
H _{6d} Techn. R. – CRM Success	0.106 ^{NS}	0.587	NOT ACCEPTED
H _{6e} Know How – CRM Success	0.449***	3.432	ACCEPTED

*When the *t* value obtained by the Bootstrap technique overcomes the *T* Student value $t_{(0.05;499)} = 1.964726835$, the hypothesis is accepted at 95% significance.

**When the *t* value obtained by the Bootstrap technique overcomes the *T* Student value $t_{(0.01;499)} = 2.585711627$, the hypothesis is accepted at 99% significance.

***When the *t* value obtained by the Bootstrap technique overcomes *T* Student value $t_{(0.001;499)} = 3.310124157$, the hypothesis is accepted with 99.9% significance.

NS: Not significant.

and almost 12% in satisfaction, these levels being over the established level of acceptance of .1 (Falk & Miller, 1992).

The data do not show a significant relationship between MO and success of CRM, hence we are not able to initially accept the hypothesis H3. However, we can confirm the first hypothesis (H1) that proposed a direct relationship between MO and KM. Furthermore, the results highlight that KM has a direct and significant relationship with the success of CRM (H2). Therefore, through this indirect path we are able to defend, at least partially, the influence of MO on the success of CRM.

The hypotheses that establish a direct relationship between MO-Management of human resources (H4a) and KM-Management of human resources (H5a) are accepted with the highest level of significance (99.9%). The hypotheses directly relating leadership (H4b), economic resources (H4c) and the specific know-how of CRM (H4e) with MO are also accepted. However, the hypothesis that established a link between MO and technological resources (H4d) cannot be confirmed.

Furthermore, KM exerts a direct influence on all organisational factors which enables us to accept H5a, H5b, H5c, H5d and H5e.

We can also accept the proposed relationship between employees and CRM success, leadership-CRM success and know-how-success of CRM (H6a, H6b and H6e, respectively), whereas there is no significant relationship between economic resources (H6c) and technological resources (H6d) with the success of CRM.

Data for R^2 are included in Figure 1 and allow us to corroborate the explanatory power of the model.

6. Discussion

The aim of this study was to further the analysis of factors that have been postulated as generators of a successful CRM strategy. Specifically, our objective was to study the simultaneous effect of MO, KM and a number of organisational variables that might explain this success. This is important because numerous extant studies have addressed this phenomenon from a purely technological perspective and have forgotten the true essence of the concept of CRM, or they have focused on very specific factors.

For instance, Gefen and Ridings (2002) analyse the success of CRM from a purely technological perspective, while others such as Fairhurst (2001) do so from a purely philosophical approach. Also, there are works that adopt a CO approach in interaction with the management of human and technological resources (e.g. Garrido-Moreno & Padilla-Meléndez, 2011), but they forget that MO is a superior approach to the CO. Also, there are other factors such as economic issues, or the specific knowledge about CRM, that can also affect the success of a CRM strategy.

To fill these gaps, we considered the different approaches from which the CRM concept can be addressed, such as complementary proposals (philosophy, process, capacity, technology and strategy), and thus, one of the main contributions of this work has been to consider their complementarity. Moreover, the adoption of the MO rather than the CO approach, which is more limited, also makes an important contribution.

From the point of view of business management, the importance of CRM lies in the ability to exploit competitive advantages, starting with the management of profitable relationships with customers, as Saarijärvi et al. (2013) recently recognise. Moreover, in order to increase efficiency in the management of limited resources, it is important to identify the most important factors. In this sense, our study suggests that the first step is to adopt a philosophy based on MO. This is a comprehensive approach that considers not only the customer but also the competition and the structure of the company. This approach, as suggested by authors such as Boulding et al. (2005), allows the company to monitor the complete environment, both internally and externally, not only to create customer value, but to ensure that this value is higher than that of competitors (Boulding et al., 2005). This approach allows companies to develop the right mindset to manage positively and profitably relationships with customers.

However, the survey data also indicate that simply adopting this approach does not guarantee success in a CRM strategy. For this to happen, we must consider MO as precursor of KM. This last factor allows the attitudinal component to be translated into suitable behaviour (process perspective). KM enables the generation of market intelligence about the needs and expectations of customers, how they are being met and how they might be met, and to disseminate this information among the organisation. Thus, understanding CRM as a philosophy combined with a proper KM, guarantees success in managing business relationships.

Regarding organisational factors (employees, leadership, economic resources, technology and know-how), we see that, in some cases, their inclusion intensifies the relationship between MO, KM and CRM success. We can assert that MO positively influences all factors analysed, except the technological resources. This may be due to the fact that developing the correct attitude to maintain appropriate relationships with customers is primarily related to people management. These people are the link between the company and its top management and the customers, and are those that actually develop the daily work of contacting and interacting with customers. Moreover, the role of leadership is key as employees tend

to imitate the behaviour of their superiors. It is noteworthy that, from an attitudinal point of view, technological resources are not relevant. This may be owing to the human factor, in so much as without the willingness of employees to provide feedback and use the information properly, technology is not very useful.

However, from the point of view of CRM as a process, KM affects all organisational factors (hypotheses H5a, H5b, H5c, H5d and H5e were confirmed). In order to generate intelligence and disseminate it throughout the organisation, a company must have the right staff, economic resources and specific know-how, as well as the appropriate technological tools. It is clear that in relatively large organisations, as it happens in the sector, the technological tools provide the ability to capture, process and use the information obtained from customers. Without these tools, this would be virtually impossible due to the sheer volume of customers and the different situations of each one of them. It may be posit that due to information technology, firms may deepen the relationship with some customers who notice favourably when the firm knows their name, purchase history, the last visit or any other circumstance. This information may help improve not only their frequency of purchase, but also their loyalty.

Finally, when analysing which organisational factors contributed to the success of CRM, we observed that only employees, leadership and the specific know-how were the key determinants (the hypotheses H6a, H6b and H6e are true, but not the H6c and H6d). Given that CRM is based on the paradigm of Relationship Marketing, which is concerned with maintaining long-term relationships with customers, it is not surprising that we have obtained these results. In the analysed sector, the employees are the visible face of the company as they deal directly with customers. If the success of CRM is measured, among others, in terms of satisfaction, it is logical that the way employees are treated, their level of motivation and their know-how in terms of CRM will directly affect the satisfaction of customers, their loyalty, interest in other products of the bank and its share of wallet. Therefore, the organisational factors that are directly linked to people have a significant impact on the success of CRM. Our data suggest that technology can be a useful tool to efficiently manage business relationships but the impact is not decisive. Above all, the business model and the employees are the real engine of the companies.

Therefore, from the point of view of the efficient management of resources, companies must focus on programmes for selection, training and motivation of employees that are appropriate to achieve the objectives of CRM. These objectives must stem from the business model of the organisation and managers must take a leading role. Furthermore, for the CRM system to function properly, an adequate KM must be in place and investment in specific knowledge about CRM should be undertaken. Economic and technological resources are therefore of secondary importance, since they have not been shown to be critical factors.

The ideas and suggestions outlined above are in line with the opinion of experts in business practice. As noted by Liz Shahnam (2003), analyst at META Group.

CRM is a term that is not really new. What is new is all the technology that allows to do what used to be done in the corner shops. The owner had few customers and enough memory to keep track of the preferences of every single customer. Technology allows us to return to that kind of business models.

7. Conclusions

This work shows a review of the different perspectives from which the concept of CRM can be addressed and defends the superiority of adopting an approach based on MO rather than a CO approach. In addition, we have simultaneously analysed several organisational factors as possible antecedents of a successful CRM strategy.

The results for the analysed sector allow us to defend the relevance of a business model based on MO that also promotes KM. Employees, leadership and know-how about CRM are also specific factors that are relevant to the success of CRM. The economic and technological resources are not significant factors, although they weakly exert influence in the expected direction.

Despite the important contributions of this study, there are a number of limitations. First, it is a cross-sectional study focused on the Spanish banking sector. However, it is noteworthy that, as justified in the methodology section, the sector is appropriate to study the phenomenon in question. However, from our point of view, before extrapolating the results to other sectors, it would be necessary to do both a structural and conjunctural comparative study. Also, given that this study is based on opinions, there is a chance that the results are biased as respondents sometimes answer without absolute sincerity. However, to try to eliminate or minimise this limitation, we have taken a number of actions a priori as recommended by Podsakoff, MacKenzie, and Lee (2003) and Baumgartner and Steenkamp (2006). These measures, called process measures, suggest (i) ensure the anonymity of participants, (ii) clarify that there are no right or wrong answers, (iii) use scales previously validated in the literature and adapted to the situation under study, and (iv) eliminate possible ambiguities through pretests by checking the wording of each item, ensuring its simplicity, specificity and conciseness.

To conclude, as possible lines of future research, it would be interesting to include other sectors which may expand the size of the study to (i) establish intersectorial patterns and (ii) increase the robustness of the conclusions. Another interesting aspect would be to replicate the study as a longitudinal investigation to assess prior and post-important structural adjustment processes of the industry. Finally, it would also be interesting to study the possible relationships that may exist between each of the organisational factors considered.

Disclosure statement

No potential conflict of interest was reported by the authors.

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Appendix 1. Measurement scales

Market Orientation (MO) (Narver & Slater, 1990) (.858; .914; .779)

Customer Orientation (CO)

- CO1 The business objectives of the company are focused on customer satisfaction
- CO2 The company continually monitors its level of commitment to meeting the needs of customers
- CO3 The strategy of the company to gain a competitive advantage is based on understanding the needs of customers
- CO4 Business strategies of the company are aimed at creating value for customers
- CO5 The company frequently measured customer satisfaction
- CO6 The company pays great attention to after-sales service
- CO7 The company offers customised products and services to key customers

Competitor Orientation (CMO)

- CMO1 The sales team of the company regularly shares information about the strategy of competitors
- CMO2 The corporation regularly discusses the strengths and weaknesses of competition
- CMO3 The company responds quickly to competitor actions
- OCMO4 The company sets objectives to capture customers in the markets where it has competitive advantages

Interfunctional Coordination (IC)

- IC1 Employers in all functional areas contact regularly with current and potential customers
- IC2 The information regarding customers is fluidly communicated through the company
- IC3 All functional areas are integrated and coordinated to serve the needs of the target markets
- IC4 All managers understand how each functional area of the company can contribute to creating customer value
- IC5 The various functional areas share resources with each other

Employees (EMP) (Greve & Albers, 2006; Sin et al., 2005) (.937; .950; .760)

- EMP1 The company has qualified staff for the success of the CRM strategy
- EMP2 Training programs are designed to help employees develop the skills necessary to properly manage customer relationships
- EMP3 The employee performance is measured based on the detection of customer needs and customer satisfaction with the service received
- EMP4 The company encourages employees to meet the objectives of CRM
- EMP5 The company offers compensation systems in case of meeting the objectives of CRM
- EMP6 I think the employees are committed to the CRM strategy

Lidership (LID) (Greve & Albers, 2006; Sin et al., 2005) (.869; .921; .795)

- LID1 The company has established clear business goals with respect to the acquisition and retention of customers, and communicated these goals to all members
- LID2 Managers consider a priority the CRM strategy
- LID3 Managers are highly involved in implementing CRM strategy

Resourcing (RES) (New proposal)

Endowment of economic resources (ECR)

- ECR1 The Company devotes sufficient economic resources to carry out CRM strategy

Endowment of technological resources (TECH)

- TECH1 The company has sufficient technological resources to implement CRM strategy

Endowment of Know-How (KH)

- KH1 The company has enough know-how to carry out CRM strategy

Knowledge Management (KM) (Sin et al., 2005) (.875; .941; .889)

Knowledge Acquisition (KA)

- KA1 The company provides channels to allow a continuous two-way communication with key customers
- KA2 The company has established processes for acquiring knowledge about customers
- KA3 The company has established processes for acquiring knowledge for the development of new products and services
- KA4 The company has established processes to acquire knowledge about their competitors
- KA5 The company understands the needs of its core customers through its orientation of the knowledge
- KA6 The company can make decisions quickly thanks to the availability of knowledge about customers
- KA7 The company can provide real information about customers that enable rapid and accurate interaction with them
- KA8 The company has established processes to apply knowledge to solve new problems

Knowledge Diffusion (KD)

- KD1 The company encourages employees to share knowledge.
- KD2 The organisational culture of the company encourages the acquisition of knowledge and its transmission among employees.
- KD3 The company has developed processes to facilitate the knowledge transfer between different functional areas.

CRM Success (CRMS) (Sin et al., 2005) (.895; .927; .760)

- CRMS1 In your opinion, the customer satisfaction is high.
- CRMS2 In your opinion, the loyalty of its customers regarding the same product is high.
- CRMS3 Customers are interested in other products offered by your organisation.
- CRMS4 In your opinion, your organisation has a high proportion of the total financial consumption of customers