

2020



Report

Subject: Organisation's quality systems
and CRM at Vodafone
COVID-19

Module : Understanding and Engaging in the Customer Experience

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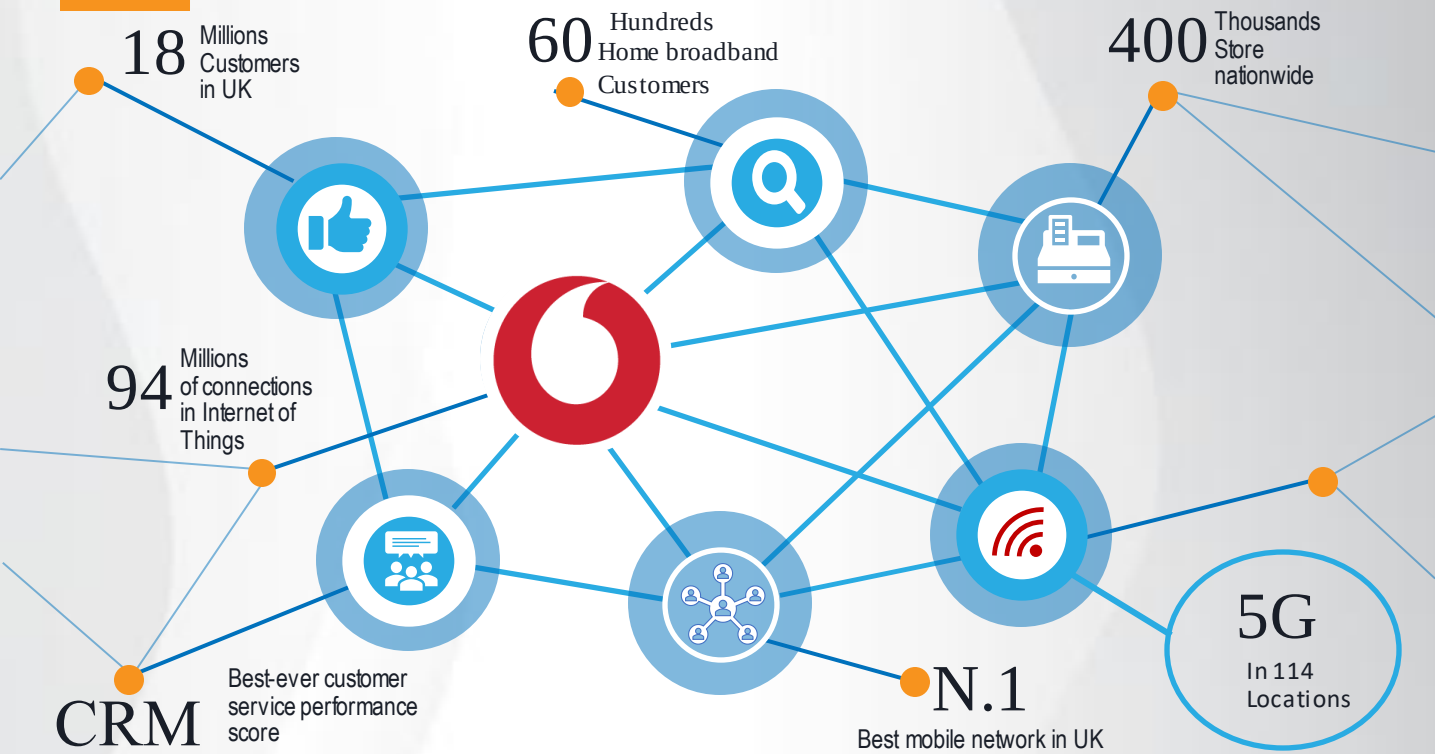
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1.Introduction

In this report I will analyze the CRM at Vodafone company

CRM- "Customer, relationship and Management" today is a mature discipline that as we will see later leaves the customer in the business or the consumer in the center of the business. / this "customer centricity" promotes his fidelity which increases the value of the life time of each relationship. In the first part I will discuss about the Telecommunications industry which is one of the most dynamic components of the sector services in national economies around the world. Being an important promoter of In the process of economic growth and development, this area is identified by the Commission European as a priority (Jans,2017). In the second part I will discuss about the impact of COVID-19 and how Vodafone try to resist in times of crisis, but also how CRM has changed The telecommunications industry has faced many challenges in the last decade. Technological changes have radically changed business models in the industry, in order to keep up with new demand trends. If a decade ago operators telecommunications focused on major infrastructure investments, depreciable in the long term based on the fees charged to users, currently the main competitors of traditional operators, such as Skype and Whatsapp applications, have transformed significant business models. but still in this change what role do customers have and how do they influence this business? and the pandemic influenced customer experience ? you will find answers to these questions in this report.

2. Company Background



CRM

1.1 About Company

With extensive experience in the telecommunications and technology industry. Promoting digital transformation and mobile financial services .Vodafone is the largest fixed and mobile network operator in Europe. Having the M-Pesa technological platform provides IoT connection, expanding to Africa where it allows staff to benefit from access to make mobile payments, but also financial services, so over 42 million people benefit from Vodafone services. According to Vodafone website(n.d)operate mobile and fixed networks in twenty-two countries and partner with mobile networks in 48 more.

1.2 Mission and Vision

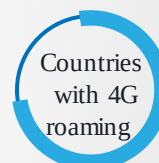
As a telecommunications operator, the mission they have assumed from the beginning is to connect the world and build a better digital future in which people are connected with everything .The vision is in the power of new networks and communication technologies that have the power to transform our lives and the society in which we live.



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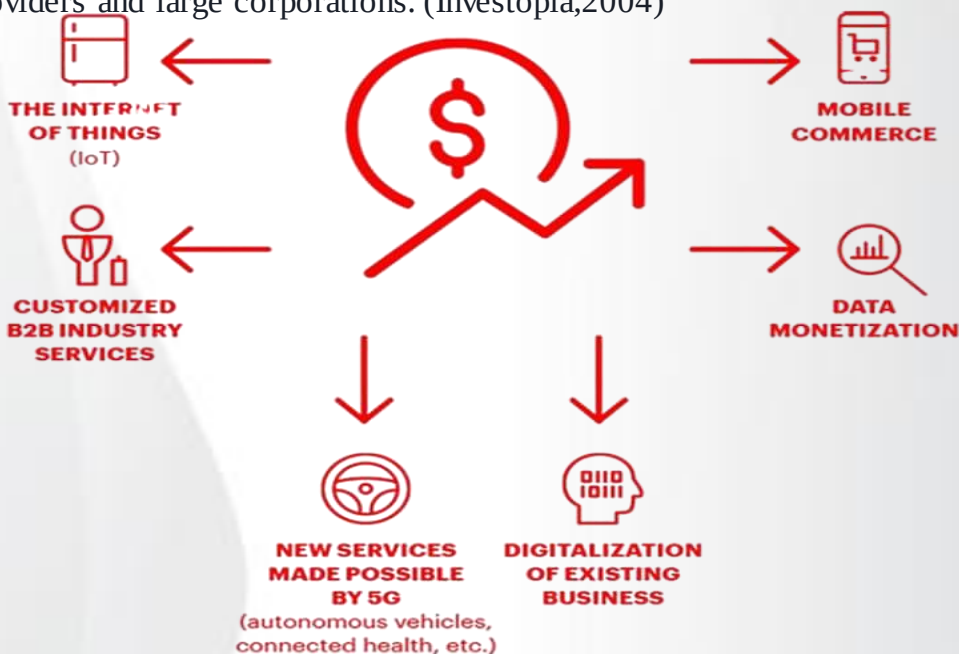
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1.3 Services

- Complete communication solutions, mobile voice, mobile data, nationally and roaming, prepaid or postpaid.
- Fixed service solutions, including high speed fixed internet, TV, fixed calls.
- IoT, Insurance and Security solutions.
- For Business clients, offer a suite of mobile, fixed, convergent services, to support their communication needs, constantly growing and dynamic.

3. Telecommunication Industry

Vodafone is the undisputed global leader in the 4G international roaming services segment. In a world where we need to be connected all the time, users of mobile services increasingly need to be able to use these services as easily "as at home". With Vodafone, our customers can make the most of their time abroad, as they can count on 4G services in many more destinations than our competitors' customers everywhere, regardless of roaming charges, "said Serpil Timuray, Vodafone Group Chief Commercial Operations and Strategy Officer. . The telecom industry is very important and the delivery service needs to be the best. Being concerned about the quality and capacity of delivery and phone calls to large corporate clients do not focus on price, because for them quality matters, while residential customers algae me cheap services, and sometimes disappoint in quality. Some services such as video conferencing and relays Private companies that have high security are a great source of income, multinationals invest a lot of money for such time infrastructure, such as premium services. Network connectivity can also be provided to other telecom companies by wholesaling circuits to heavy network users like internet service providers and large corporations. (Investopia,2004)



4. Vodafone's Key Success

4.1 Digital Infrastructure

Over half (53%) of leaders in Professional Services companies say that digital infrastructure, including fast internet, software solutions, and the cloud, is critical to business success.

- When asked which digital technologies drive their business' success, reliable/fast internet and software are mentioned most often by business leaders.
- And with unified communications and 4G allowing seamless real-time communications with customers and employees, companies are learning how to increase productivity and retain staff with flexible working.

4.2 Local Customers

- With more digital services, like Customer Relationship Management (CRM), mobile payments, and chatbots, businesses can build other ways to attract customers and improve their experience.
- Having a face to face interactions are important, businesses should not overlook the importance of digital channels to help customers research, buy, and interact with them outside. Unfortunately, our lives have changed radically in the last year and the interaction is face to face is limited.
- Digital platforms like social media and e-commerce allow new ways to respond more quickly and deliver services in the way that customers want.
- Even having a basic website where customers can purchase products or schedule appointments online allows companies to maximize productivity and profitability.
- Not only does this help grow local communities and economies, but customers looking for local knowledge from brands can get a more personalized experience.

5. Customer Relationship Management at Vodafone

5.1 What is CRM?

What does “customer experience” really mean in a company for which customer experience management is a strategic priority? What are the challenges, how is this daily effort supported at the level of the entire company, and what is the role of “employee experience” in this process?

From the beginning to the end of the process, customer relationship management must involve a systematic management and at the same time be proactive. This management must be customer-oriented through various channels that connect the customer and the company. This necessitates both information generation through the analysis of customer and prospect needs and behavior and action on this information, contingent on the customer's value and life-cycle stage. We attempt to capture the multi-dimensional components (life-cycle stage, customer evaluation, and interaction) in a multilevel model (Reinartz et al. 2004). Consequently, the strategic character is a major coordinate that must be taken into account when conceptualizing the management of the relationship with the clients, being a business strategy. Which is relevant for the company only when it participates in achieving the objectives, and the relevance of the client in the organization. The importance of IT solutions is paramount. The solutions managed by CRM are a tool that helps to measure performance. CRM aims to create strategies and implement them concerning customers and thus retain them by creating a profile, the supplier thus creating the relationship between customer and supplier. This value must be significant for the company, to be recognized and appropriated by the client.

6. Vodafone CRM Strategy

Traditional marketing strategies are determined related to 4th Ps i.e. place, product, price, promotion. Which helps them to boost their market shares. Its main worries were to raise the transaction volume between the vendor and Customer. A good measure is considered when the volume of transaction performs well in marketing policies and strategies(Finnegan & Currie n.d.). In order to have an effective CRM and increase sales, the company used technologies and procedures as guidelines to promote customer relations. Thus, customer relations are based on 3 major components of Customer Relationship Management. One of these components is the customer center. because it is the source of profit and to grow in the future. In order to distinguish and supervise the client, information technologies are very important. Based on a client's information, a marketing approach can be conceived. A tactic of customer relationship management is the volume of transactions, which can be increasing or decreasing. According to Vodafone website (n.d) CRM is cloud-based, valuable customer data and information is available anywhere at any time on any device. It also supports workers in the digital workplace, keeping everyone on the same page regardless of where they are. Vodafone CRM opens new opportunities for sales teams who need the latest customer information from wherever they are, whenever they need it. Customer service and support teams can get straight to the heart of customer interaction, helping them resolve issues more rapidly, stay in touch while out in the field, and satisfy customers in new ways. Vodafone CRM drives a new level of customer intimacy, removing barriers, strengthening relationships, and creating clearer business opportunities.

7. Five Point Strategy

CRM is a vital tool for a modern company that leads to increasing the number of customers and gaining their loyalty.

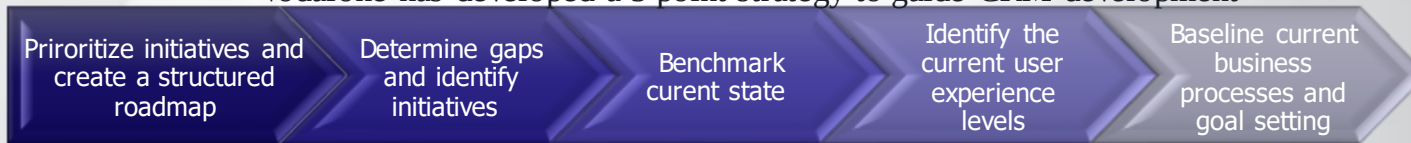
In practice, this requires the use of customer information to attract and retain them.

- The factors that influence the attraction of customers are:
- Sales analysis
- Customer segmentation
- Sales promotion
- advertising
- Merchandising

The factors that influence customer retention are:

- Service
- Quality of products/services
- Trust and intimacy
- Support throughout the distribution channel
- Satisfaction

Vodafone has developed a 5 point strategy to guide CRM development



An undeniable aspect is a particularly important role that effective customer relationship management plays in the sustainable development of the organization. One of the most relevant arguments supporting the interest of managers and business people in CRM is that a 5% reduction in the number of customers lost by the organization can result in a 25% to 85% increase in the organization's profit(Böing et al., 1990).Thus, the importance of creating and implementing customer relationship management by increasing customer loyalty and developing the organization is reflected. An impact that acts on the effective use of CRM is the ability to manage the factors of the resident environment outside the organization. previous findings about the failure of this Management it was found that there is inconsistency because presenting an incorrect approach

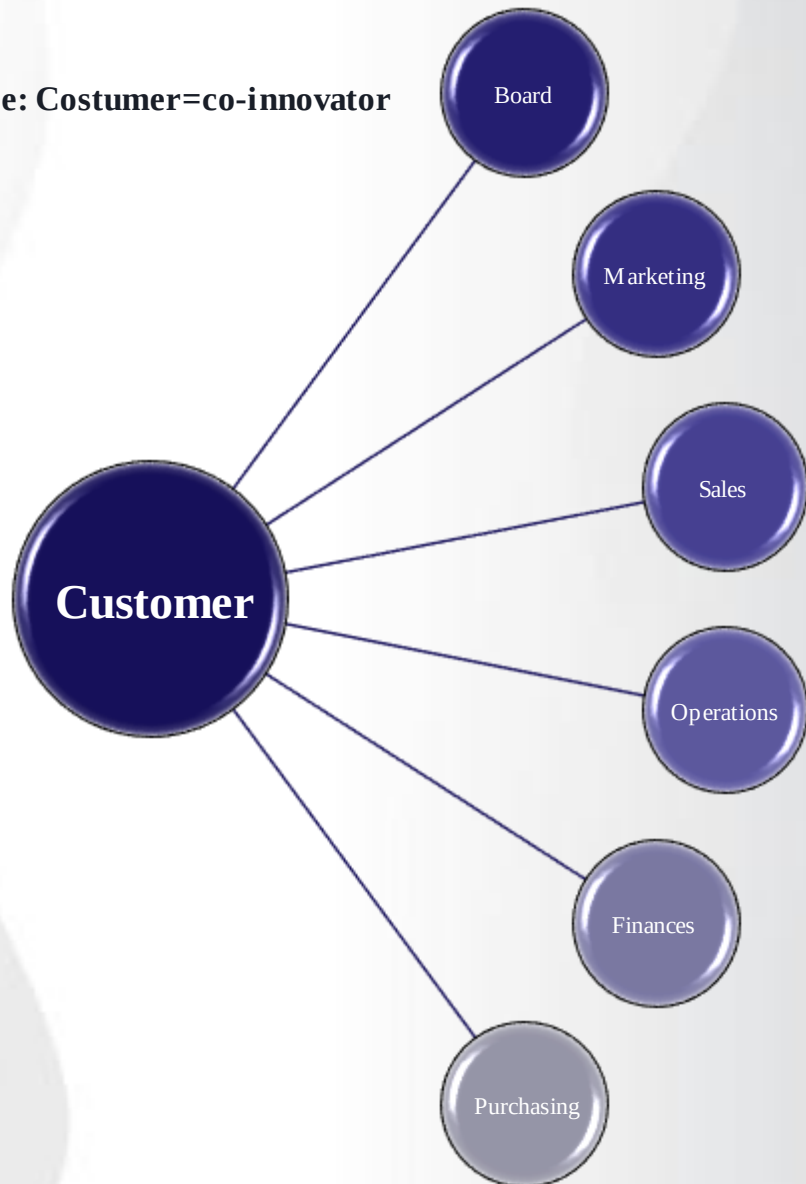
8.E-CRM

The mobile industry has one of the most important customer churn rates in the business world as it can easily exceed 40 percent per annum (Donio et al., 2006). Also called WEB-ENABLED, E-CRM or CRM is defined as "a synchronization of customer relations within the communication channels with the function business and the synchronized relationship that is for the public. Being a web-centric used to synchronize customer and company. A suggested definition is that "Building for marketing activities, tools, and techniques as the Internet, including Webmail worldwide chat rooms offered e-forums, etc. to find a purpose, and long-standing customer relationships to develop their individual potential to improve" from e-CRM. E-CRM describes a wide variety of technologies used to maintain the CRM strategy. The objective of e-CRM systems is to improve service to customers, retain valued customers and contribute to analysis capabilities within an organization's CRM applications take full advantage of technological innovations to raise their capacity and analysis of data on the habits of Internet users construe customer behavior, grow predictive models that respond in a timely and capable personalized communications and provide high-quality products and services to individual consumers. It is also the infrastructure that enables the definition and increases, correct to motivate the value for the customer and the means by which valuable customers to remain loyal. By using technology to increase the interaction with business customers can have a degree view of customer interactions from the past to optimize future learning.

Customer Relationship Management (CRM) is a business philosophy that describes a strategy that places the customer at the center of an organization's activities and culture. From the classic 4P (price, product, promotion, place - price, product, promotion, placement) the transition to 3C is made, more precisely, "Customer value", "Customer satisfaction" and "Customer loyalty".

CRM's philosophy is based on the fact that a long-term relationship with customers can be one of the most important assets of an organization. There is currently no single definition for CRM primarily because there is a very wide variety of CRM. This shows that this field is still in a phase of exploration and development of its essence.

The main idee: Costumer=co-innovator

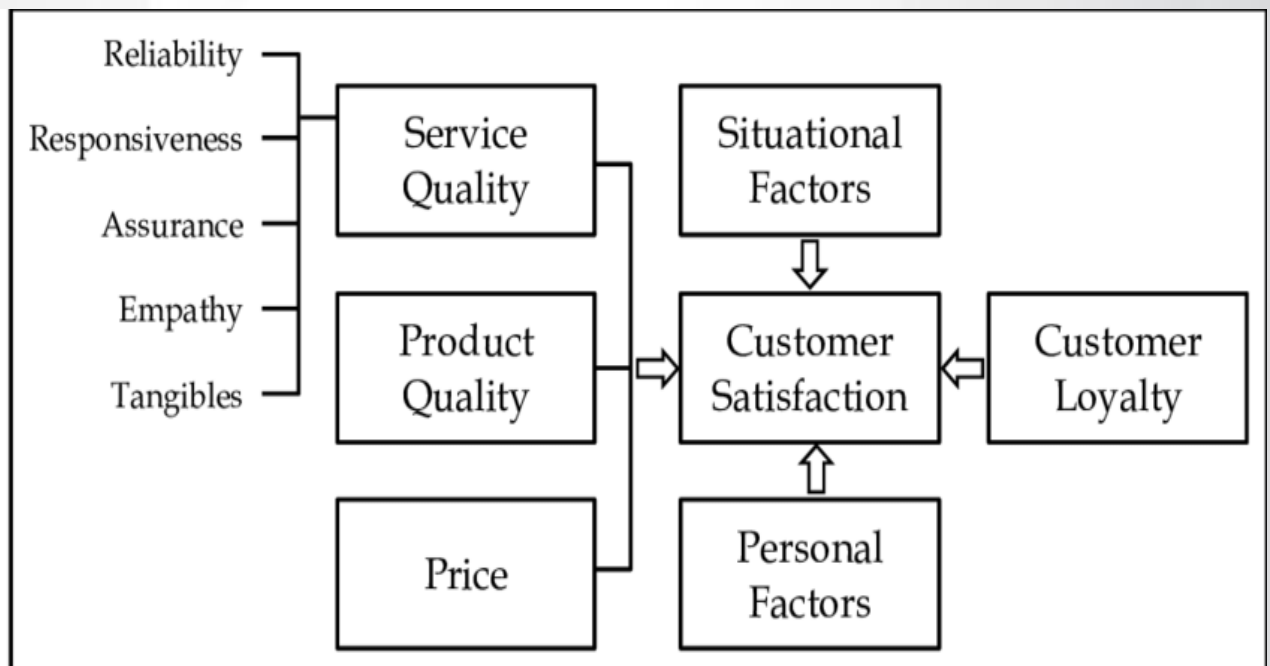


9. Customer Services and Experience

More and more companies put customer experience at the center of their strategy, use methodologies focused on real customer issues and innovate in terms of customer journey. According to Holbrook and Hirschman studies (1982) customer experience can be defined as a whole event that a customer comes into contact with when interacting with a certain business. The reasoning behind the interest in CEM increasing so significantly is because businesses are looking for competitive differentiation. (Palmer, 2010)

In general, the field of services stands out through a greater care for a happy experience offered to customers. An excellent example of customer experience is offered by the Institute of Marketing and I would mention here, without revealing too many surprises that those who choose courses can experience, the fact that some workshops do not end with a simple "goodbye", but with friendly discussions at a good wine tasting. To better understand this area, we will use the 7 steps of CEM. Customer experience at Vodafone „The customer is the King”. From here it results that the customer is absolutely everything in the business. Being our guest, because he decides he will buy from us, or from the competitor. Therefore he decides what profit the company will have, what salary they will have commitments. We can meet companies that only following customer operations. Customer satisfaction is very important, because business without customers does not exist, therefore the customer is a component of the company, being an important part of it.. Customer experience is the cognitive and affective outcome of the customer's exposure to, or interaction with, a company's people, processes, technologies, products, services and other outputs. (Buttle & Maklan, 2015).

According to this scheme in an environment where competition is growing, customer loyalty is essential in the long run for the success of your business. In order to offer the best possible experience to the companies, the companies offer exceptional products and services to the clients. The quality of the products and services offered build a chain of fortifications around the company through which it defends itself from the attacks of the competition. Companies are required to offer the customer something unique, a customer-centric product or service. The concept of "one-to-one marketing" already exists in the market, ie the personalization of a product or service to meet the specific needs of a customer. Production customization is viable in many manufacturing companies, involving the design of online production systems that allow customers to design their own products using a menu with feature options. Before launching a new product, you need to know who the "buyer-persona" is, that is, who your customer is or, more explicitly, who you are targeting.



Customer Perception Quality and Satisfaction

Source: Parasuraman et al. (1988)

9.1 SERVQUAL

The SERVQUAL model was developed in the field of service quality research as a model conceptual of their quality. The SERVQUAL model is very important because it is a systematic approach that offers managers the opportunity to measure and manage the quality of the services they provide. Developing the quality standards of the services they have and of the systems through which they provide the services to the clients. Emphasizing the agreements and the expectations of the clients in order to satisfy them. It is based on 5 dimensions (reliability, receptivity, empathy, tangibility and security). Being recognized as a very important tool that is used in order to determine the quality of services provided, so knowing my clients well, specialists in the field often use this tool (model). The model is structured in two major components that form the basis: First the component expresses customer expectations are defined before the period where the customer has a contact with the service provider. Thus, expectations can be also determined on the basis of influences received from external factors with which customers are in contact. Can also involve emotional-psychological factors. In the second one customers will express the impression they have of the supply services by the institution with which it collaborates. For this reason, the SERVQUAL model can be considered, and arguably, a model rather intended to determine the satisfaction of the consumer of services, than a model that determines quality, which is why he was taken over in this research as the basis of the research tool developed.

SERVQUAL	Vodafone
Reliability	The services are delivered with performance and dependability. According to Annual Report(2020)customers place greater value on the quality, speed and reliability of networks.
Tangibles	It refers to the physical nature of the services offered by the company. For example: The staff, instruments and equipment must be of high quality at the moment when delivering a clinical service. .
Responsiveness	The time when employees provide services to customers such as availability or unavailability. Vodafone always puts the customer first and its goal is to provide services as quickly as possible so that customers have a memorable experience.
Assurance	The company invests in training and developing employees so that they have the necessary knowledge and ability to solve customer problems. "Last year we trained over 17,000 people in training centres across the UK, covering a range of topics from leadership development for aspiring and existing managers, to advanced sales and customer service skills for our front line employees." (Vodafone,n.d.)
Empathy	Customer care is essential at Vodafone, every customer is important. Even in the critical moments of the world as COVID-19 Vodafone is with its customers, offering them benefits such as expanding TV channels.

10.SWOT Analysis

SWOT analysis is a marketing tool that can be used to re-examine important aspects of the framework organization and outside it. SWOT analysis allows the company to avoid short visibility and be prepared for future challenges. This analysis defines the basic factors that can have the greatest influence on the evolution of the company. SWOT analysis should not be understood as a panacea in business. Its role and function are primarily preventive, given that it can detect potential turbulence at the company and market level. At the same time, it can indicate the future directions that the business management should follow. Some companies perform a SWOT analysis once or twice twice a year, and once every three months. According to Strategic management allows an organization to be more proactive than reactive in shaping its own future; it allows an organization to initiate and influence - rather than just respond to- activities -and thus to exert control over its own destiny (David, 2003: 15).

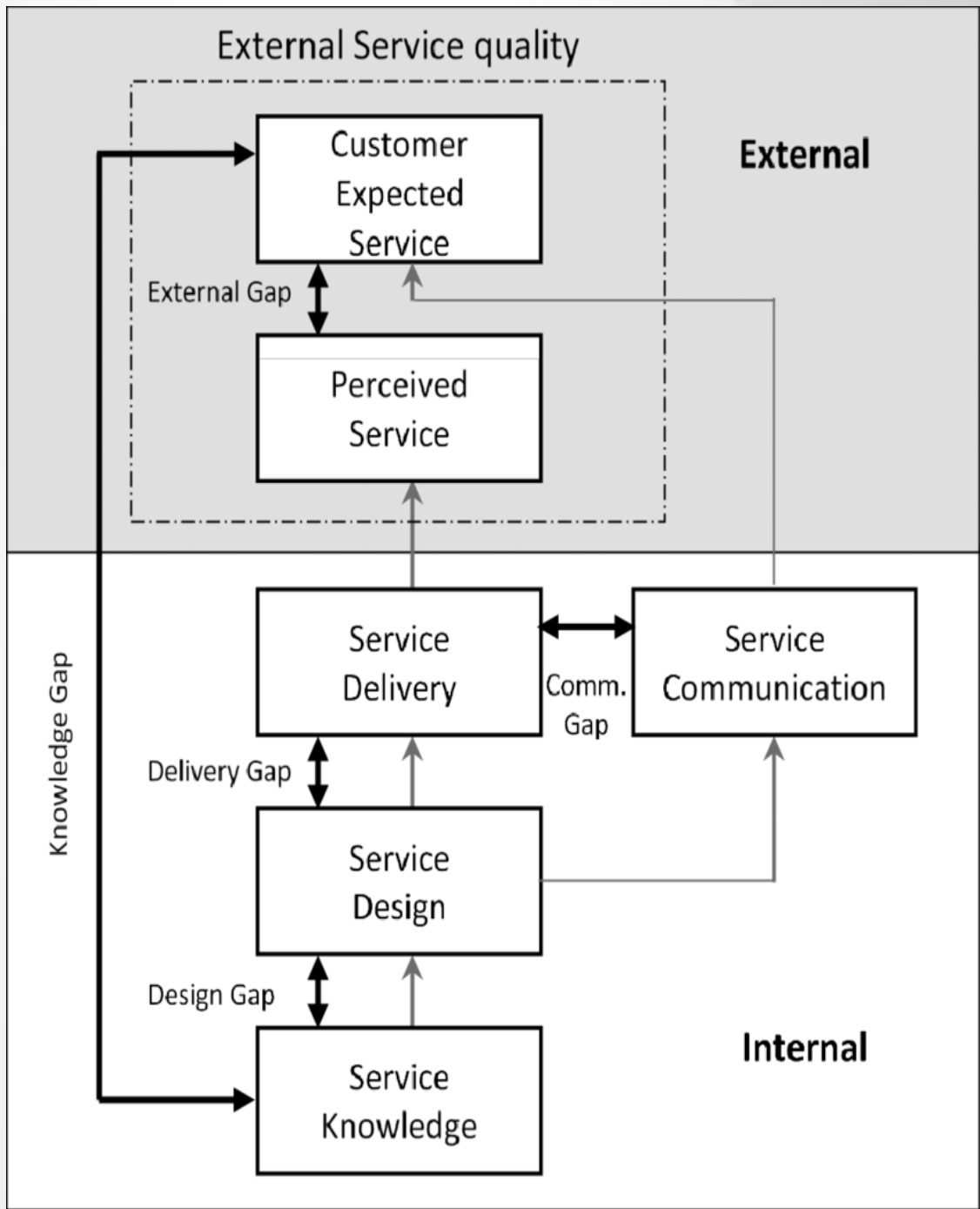


1. Diversified portfolio of geographical areas covered in Europe, the Middle East, Africa, Asia Pacific and to some extent, in the USA
 2. Network infrastructure
 3. Top presence in emerging markets such as India

1. Poor focus on the impact of mobile telephony on the environment
 2. 80% of business is generated by Europe

1. Improving accessibility to a wider range of customers
 2. Research and development of night technologists

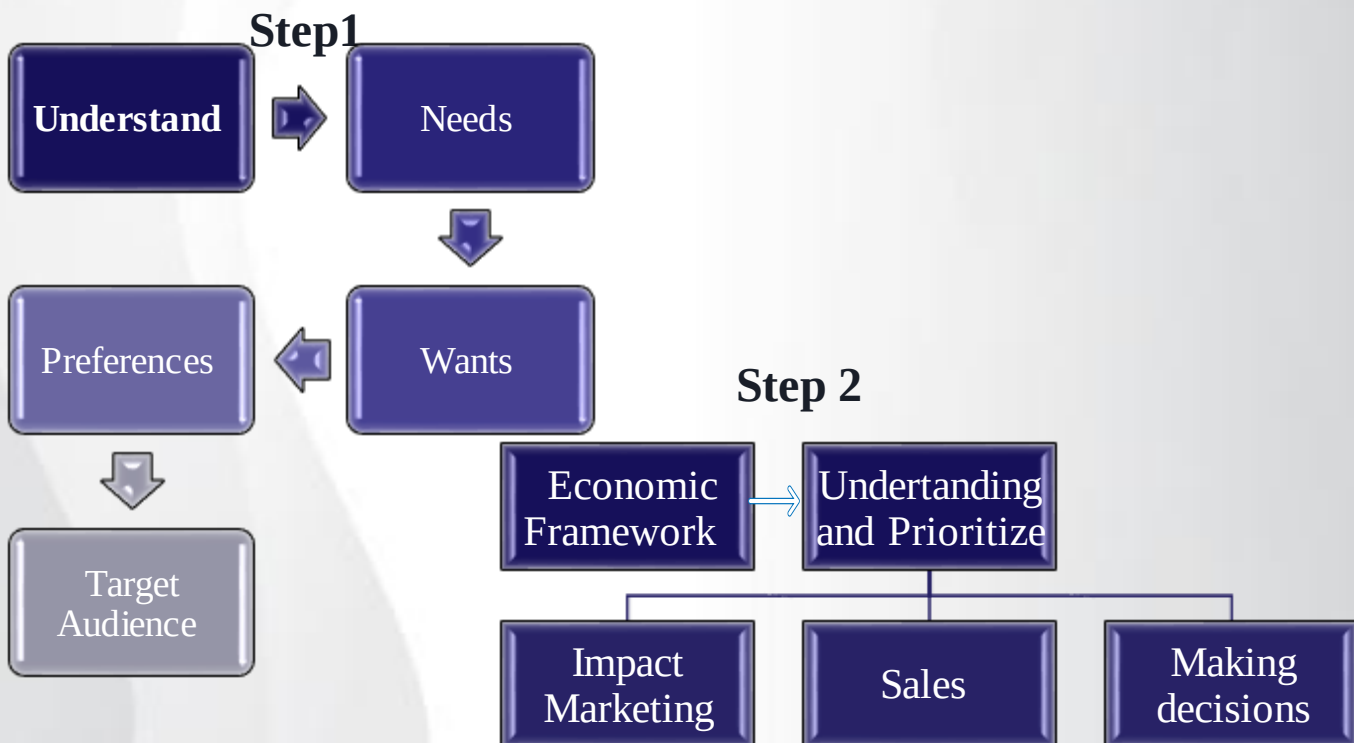
1. Market competitiveness
 2. Quite poor market penetration in the USA



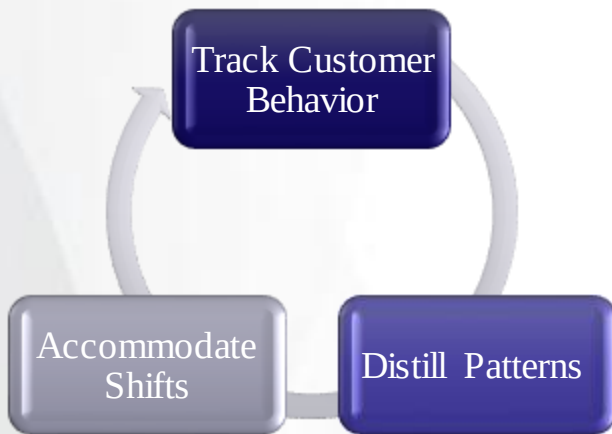
Gaps Model of Service Quality-PZB 85; Parasuraman et al., 1985

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11. Seven Steps of CEM



Step 3



In a customer centric company like Vodafone , customer experience is not only the responsibility of the Customer Experience department, it is a joint, cross-functional and long-lasting effort. This is where I believe the most challenges come from, assuming at the level of each team and individual the strategy of improving the experience and exceeding customer expectations, and following concrete actions to implementation and feedback

Step 4

- Track Customer Behavior
- Distill Patters

Step 5

- Customer Management plans

Step 6

- Workflow
- Marketing Sales and Services

Step 7

Customer-centric plans

There are significant differences between potential customers when they want to buy a new product, an innovative product. These innovative customers are divided into two categories. The first category includes pioneers who adopt the new product. Early buyers slowly adopt the product. A multiplier effect is generated, by the quality of opinion leaders within the community. Respectively, the number of buyers increases due to the decisions of the early majority of customers. They adopt the product on the market due. The majority of customers are usually skeptical of the products offered by the company choosing services. Testing the value of these products after some people have already created an opinion about this product. After innovators and early buyers turned to other innovative products, and offering great value to the company. Becoming a tradition for loyal customers to test new promotions. This model is equally relevant for individual and organizational customers. Consequently, organizations that launch a new product, which are differs from all competing products by its innovative character, will invest important resources in the first phase of market evolution, to attract innovators and early buyers. Success will depend on the extent of the benefits and the image The product communicated by the supplier will convince the first two categories of customers.



12.How the pandemic situation affect Vodafone

12.1 Internal

Work from home system, adopting this model in all business functions where this was possible. All employees across the country working in offices work remotely, including all customer service teams.

12.2 Protection measures

On the other hand, Vodafone has taken protective and preventive measures for store employees. They remain open, keeping strict social distance and applying health and safety practices. Thus, they have already reduced the program in stores to 6 hours a day. They also implemented restricted access to stores, one person for each available agent. Floor indicators with the safety distance to be observed have been installed in the store network. In the same context, the company's / intervention teams (technicians, maintenance and installation teams), especially those working directly with customers, received protective equipment and were trained on the preventive actions they need to take to protect themselves and their customers.

12.3 Additional benefits for customers

Although we are going through an extremely difficult period for Vodafone, its customers matter a lot and it helps them to pass more easily. Reiter (2020) said in an interview with Isaac Kwamy that "during the crisis, we heard from customers, governments and our communities how appreciative they were of Vodafone's response and support. People are no longer thinking of connectivity as a 'nice to have', but as critical infrastructure for society. The services that we provide keep everyone connected and the value of those services for families, businesses, healthcare, education, and emergency services is clearer now more than ever."

There are several benefits that Vodafone has activated during this difficult period:

- between March 14-31, whether you are a subscriber or use the Vodafone Card and you are in Italy, Spain, France, Germany, Romania or Austria you can call free ;
- 300 international minutes on landline and mobile for those who are in the country and want to call in Italy, Spain, Germany, France, Romania and Austria (the bonus can be activated in the MyVodafone account);
- offer in advance on the card ;
- expanding the portfolio of TV stations in the grid: Viasat Nature, Viasat History, etc.

12.4 External Effect

Vodafone presents the conclusions of a new study involving 1,200 small and medium-sized companies from several European countries (Appendix 2), conducted from the beginning of the pandemic until July 2020, in order to better understand the main challenges faced by these companies and how in which digitalization was the basis for the resilience of SMEs during the pandemic crisis, according to a press release.

57% of small and medium-sized companies in all sectors have canceled orders or contracts due to the pandemic, while 35% of SMEs have indicated that the pandemic has had a significant impact on demand and revenue.

Small and medium-sized companies that have gone digital have had the best chance of identifying new business opportunities during the pandemic. Businesses with the highest level of digitization have secured opportunities at a rate at least twice as high as businesses with the least digitization.

In the early stages of the COVID-19 crisis, European governments prioritized support for small and medium-sized enterprises by introducing short-term financial assistance measures to alleviate the challenges they faced

The study presents a series of good practices at the level of several countries. The following policies have played an important role in enabling SMEs to remain resilient during the crisis: free or low-cost access to digital tools and services; grants and vouchers; online information resources; training programs and direct support.

However, while technology firms can do more to make their products and services more accessible and therefore increase their adoption, governments can play a significant role in supporting the acceleration of the digitization of small and medium-sized enterprises, with further economic and social benefits. The results of the study highlight the complexity of policy design, in response, for such a heterogeneous group, and also provide valuable information on how these challenges can be addressed in practice.

13. Conclusion

Meeting the objectives in the field of customer relationship marketing involves the harmonization at the level of the supplier organization, of the 3 levels of CRM, operational and analytical nature, of strategic respectively. Also, before deciding on regarding the CRM IT solutions that it will use, the organization must clarify its customer relations objectives and strategies to avoid waste its resources and primarily to increase the effectiveness of marketing actions. According to the customer relationship management philosophy, it is not enough that the organization to be market-oriented. It is necessary to focus on the client viewed individually, in his expectations Appendix3 . During the pandemic, Vodafone understood the role of customers and E-CRM they appreciated the importance of the clients and gave them benefits in order to be able to pass more easily in times of crisis

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15. Appendix

High	Customer Lifetime Profits	<i>BUTTERFLIES</i> • Good fit between company's offerings and customers' needs • High profit potential Action ○ Aim for transactional satisfaction, not attitudinal loyalty ○ Maximize profits from these accounts as long as they are active ○ Stop investing once inflection point is reached	<i>TRUE FRIENDS</i> • Excellent fit between company's offerings and customers' needs • Highest profit potential Action ○ Consistent intermittently spaced communication ○ Achieve attitudinal and behavioral loyalty ○ Invest to nurture/defend/retain
		<i>STRANGERS</i> • Little fit between company's offerings and customers' needs • Lowest profit potential Action ○ Make no investment in these relationships ○ Make profit on every transaction	<i>BARNACLES</i> • Limited fit between company's offerings and customers' needs • Low profit potential Action ○ Measure size and share-of-wallet ○ If share-of-wallet is low, focus on specific-up- and cross-selling ○ If size-of-wallet is small, impose strict cost controls
Low		Low	High
		Relationship Duration	

Source: Reinartz and Kumar (2002). Reprinted with permission of the American Marketing Association.

Appendix 2.

SME Digitalisation – charting a course towards resilience and recovery

Vodafone Public Policy Paper September 2020

https://www.vodafone.com/content/dam/vodcom/files/vdf_files_2020/pdfs/sme-digitalisation.pdf

"The survey results of the analysis presented in this report are based on data from the Vodafone SME Understanding survey carried out during the COVID-19 pandemic in May and June 2020. The survey asked a range of question relating to the adoption of Information & Communication Technology (ICT) tools by SMEs, including the impact of COVID-19 on their ICT behaviours. All interviewing was conducted online. The survey targeted a sample of 1,200 SMEs of different sizes in four markets – the UK, Spain, Germany and Italy. The sample size for each country was 300, covering businesses with 10-149 employees in the UK, 10-99 employees in Italy and Spain, and 20-499 employees in Germany. In analysis presented in this report, German SMEs with 250 employees or more are not included in line with the EU definition of SMEs. All respondents were main decision makers or had significant decision making influence on purchasing or policy setting on ICT. For the purposes of this report, Deloitte made the following simplifications: • Given the different bandings for different countries, these were normalised so that only businesses with up to 249 employees were included, as per the EU definition of SMEs. • Digital technologies covered in the survey were grouped into eight categories: mobile devices and contracts, communication/collaboration tools, high-speed connectivity, fixed mobile connectivity, network management solutions, landline, IoT devices and cloud-based services. • Industries in the sample were grouped in line with the NACE classification codes into 13 broader categories, namely: Professional, scientific and technical activities; Financial and insurance activities; Manufacturing; Wholesale and retail trade; repair of motor vehicles and motorcycles; Hospitality, Travel, Tourism; Human health and social work activities; Construction; Transportation and storage;"