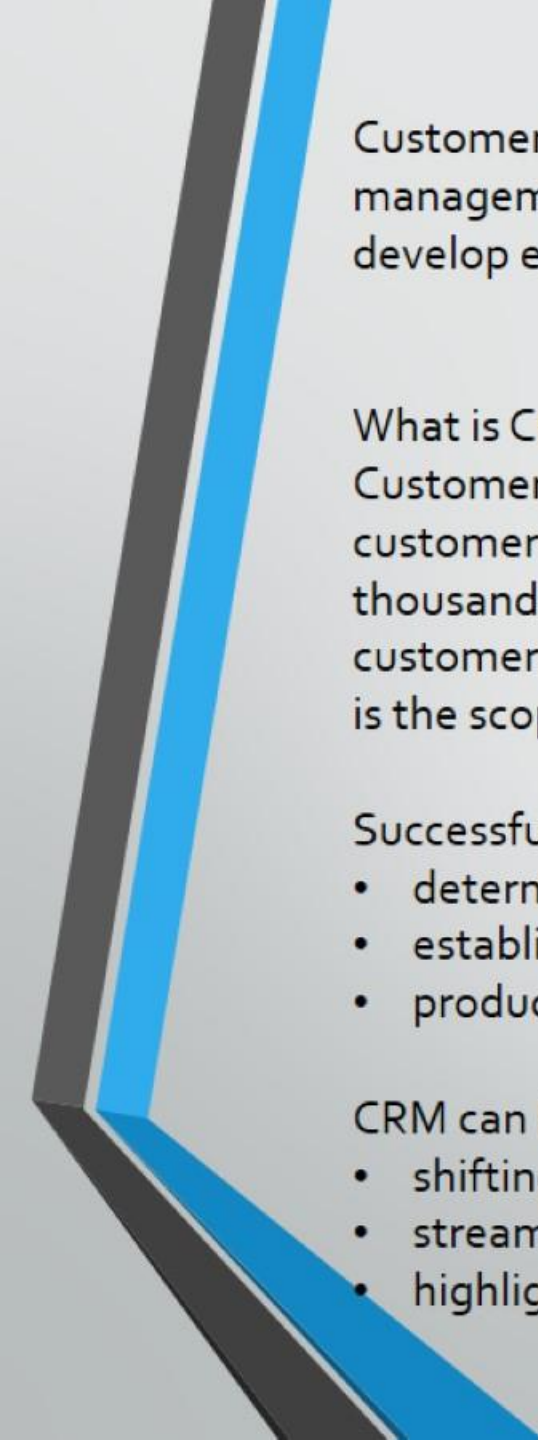




AN ANALYSIS OF CUSTOMER RELATIONSHIP MANAGEMENT OF ASDA

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Customer Relationship Management, or CRM, is an essential part of modern business management. This CRM article is provided by Ellen Gifford, who specialises in helping organizations develop excellence in CRM, and this contribution is gratefully acknowledged.

What is CRM?

Customer Relationship Management concerns the relationship between the organization and its customers. Customers are the lifeblood of any organization be it a global corporation with thousands of employees and a multi-billion turnover, or a sole trader with a handful of regular customers. Customer Relationship Management is the same in principle for these two examples - it is the scope of CRM which can vary drastically.

Successful organizations use three steps to build customer relationships:

- determine mutually satisfying goals between organization and customers
- establish and maintain customer rapport
- produce positive feelings in the organization and the customers

CRM can have a major impact on an organization through:

- shifting the focus from product to customer
- streamlining the offer to what the customer requires, not what the organization can make
- highlighting competencies required for an effective CRM process.





benefits and drawbacks to an organisation and its stakeholders of developing and operating a CRM, Ethics/Sustainability or Quality system.

Advantages of business ethics :

1. Improve Employee Happiness

Employees will feel more comfortable working for a business that's behaving ethically than one that's not. After all, they don't want to be partially responsible for any unethical consequences, such as contributing to the deforestation of an area or poverty due to underpaying labourers.

This will boost productivity, as indicated by a 2015 survey of more than 2,000 Brits which found that 36 percent of people would work harder if they knew their company helped society.

Business ethics don't just make current employees want to stay. It can also give businesses a competitive edge with regards to employee recruitment, particularly among the younger generation. The same survey found that 62 percent of people born between 1981 and 1996 (millennials) want to work for a company that makes a positive impact.

1. Attract More Investors:

If investors know that the company, they work with prioritizes having high morals and will operate in an ethical way, they will be safe in the knowledge that their money is being used in a responsible way. Plus, it means they can be comfortable knowing they're not indirectly contributing to unethical practices.

This is an advantage because investors will be more likely to continue funding the company.

Strong business ethics are also an attractive quality, which means other investors are more likely to be interested in investing their money into the company, keeping its share price high and protecting it from

Disadvantages of Business Ethics:

1. Limited Ability to Maximise Profit:

The main drawback of business ethics is that they can reduce a company's ability to maximise profit.

For example, having factories in developing countries can reduce costs. This is because companies can have practices in place, such as child labour and low wages, which help to maximise profit. But although these practices are legal in those countries, they're also incredibly unethical and will obviously never be tolerated by a company following ethical practices.

Improvements in working conditions, such as providing workers with living wage and having proper health and safety standards in place, are ethical but raises the amount it costs to run these factories. This, in turn, reduces profit which might not be an issue for large companies who can afford to allocate costs. But it can be an issue for small businesses, especially if they're evolving.

1. Time Consuming to Implement the Practices

Developing, implementing and maintaining business ethics can be time consuming, particularly if a company is looking to become more ethical when they've previously followed unethical practices. Ethical practices also need to be continuously updated according to changes in laws and regulations, especially as a company grows.

Companies can streamline the process by hiring an ethics officer but this adds to the costs needed for business ethics.

But Despite the Drawbacks, It's Important to Consider the Positives...

However, although a company might have less freedom to maximise profit, acting responsibly benefits the wider society. Ethical behaviour also significantly boosts a company's reputation, which has a knock-on effect on attracting and retaining customers, sales, investors and employees.

So, when you take this into account, these disadvantages might not be particularly negative after all.

FUNCTIONS

- Green businesses are socially and environmentally responsible.
- Green businesses care for their workers.
- Green businesses protect their customers and clients.
- Green businesses improve their communities.



TASK THREE:

Increased productivity



Improvement of the corporate image



More safety for its own staff



Improvement in service quality



More control and transparency



More focus on environmental sustainability



- **Customers –**

ASDA relies on customers to gain profit every year. Customers are also massive influence because it shows the company what item/items is wanted more. This will mean that the company will have to provide for the customer demands. It is key for the company to keep customers going to their shop because they do not want them to switch.

- **Employees**

If the company motivates the employees and gives them appropriate training for their job, this can improve the efficiency of the employees work which will help them to respond to customers with better customer service.

- **Suppliers-**

Suppliers can heavily influence on how much ASDA profit each year. This can be broke down to a few categories such as;

- **Quality of the products –**

If the quality of the product is good then ASDA will gain customers satisfaction and this will mean that less customers will return the products. This will gain ASDA profit because the customers are happy with the product and will spend their money. However, if the supplier supplies ASDA with low quality products then it can cause the profits to decline.

- **Time to move the products –**

The time it takes to move the products can cause customers to change organization. If ASDA are unable to get products to their stores on time it can cause the customers to think that the company is not reliable to get products from.



Owners –

Owners have the most influence on how ASDA influence on other stakeholders that help ASDA make a profit.

SWOT Analysis of ASDA

Strength

1. There is a wide range of product & service offered at ASDA including the financial services
2. ASDA is much known for its amazing marketing campaigns conducted
3. It is in constant touch with its customers. It is via social networking. It asks about the feedback, conducts & competitions, etc.
4. It renders socially responsible through CSR initiatives
5. It has nearly 175,000 employees working at nearly 500 stores.

Weakness

1. The global presence of ASDA is very limited as compared to other competitors
2. Their ability to sell prices have constrained their entry in few countries as the country has threat of competition with other local vendors.

Opportunity

1. Expanding the business in some other areas like pharmacies, opticians, jewellery and photo department, etc.
2. Offering products & services in the markets that are developing like India, China, etc.

Threats

1. Pricing of the products & services with that of other retail chain brands
1. There is always a pressure to maintain low pricing.
2. The changing policies of various Central Governments

Competitors

1. Tesco
2. Sainsbury's and
3. Morrisons



Thank you

Any question?

THE END