

# Linking Customer Relationship Management (CRM) Processes to Sales Performance: The Role of CRM Technology Effectiveness

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**Abstract:** In this paper the authors develop and empirically test a model of customer relationship management (CRM) technology effectiveness. The model considers the effect a selling firm's customer relationship initiation and customer relationship maintenance processes has on its CRM technology effectiveness and subsequently the firm's sales performance. The conceptual model is tested by conducting Structural Equations Modeling (SEM) of a cross-industry data set collected from 1,227 managers. Results indicate firms that successfully implement customer relationship initiation and customer relationship maintenance processes are much more effective with their CRM technology use than firms that do not have such processes in place. Further, the results of this paper suggest that the positive effect a firm's customer relationship initiation and maintenance processes has on firm performance can be partially explained by an increase in the effectiveness of its CRM technology use. Implications for these findings as well as directions for future research are provided.

**Keywords:** CRM

