

A Study on Innovation in Sustainable Business Model and Customer Relationship Management

Prof. Felix Anthonymsamy and Khan Ruqayya Babullah

Jai Bharat College of Commerce (Night), Mumbai, Maharashtra, India

Abstract: *The understanding of customer relationship management (CRM) as a set of technological solutions essential for efficient business management serves as the starting point for this study. The benefits of CRM, which have been highlighted in previous works, are presented and defined here as essential for entrepreneurial success. Specifically noteworthy for this intention are the current examinations on manageability, which give a suitable exploration model to survey and approve the possible impact of each CRM part (deals, promoting, and benefits) on the three components of maintainability (monetary, natural, and social). The subsequent validation of this model should provide a better understanding of how CRM-related benefits may increase the positive impact of its components on each sustainability dimension after our hypotheses have been confirmed. CRM can consequently be viewed as a kind of Green IT, situated toward computerized change and maintainable plan of action development. To be sure, this examination model might be the reason for a more unambiguous strategy to quantify the effect and advantages of applying CRM, comprehended, as we will fight, both as far as maintainable plans of action and development.*

Keywords: Customer relationship management; environmentally friendly IT; normal goods; customer knowledge management

I. INTRODUCTION

In order to investigate how customer relationship management (CRM) benefits small and medium-sized businesses (SMEs) in terms of both customer knowledge management (CKM) and innovation, this paper proposes a research model. CRM is a crucial tool for business model innovation because of this convergence of interests and benefits, which drives SME efforts toward economic, social, and environmental sustainability. Over 99% of all European companies and two thirds of private-sector jobs are held by SMEs, which have traditionally served as the economic engine of Europe (European Commission, 2013).

II. MATERIALS AND METHODS

The first section of our literature review identifies both the concept and acknowledged benefits of CRM, laying the groundwork for subsequent research that seeks to measure CRM's impact on key business indicators. As a result, the impact of CRM on SMEs is of particular interest given the sector's social and economic significance.

The second section of this review then focuses on two important aspects of ambi-dextrous organizations: customer knowledge management, which is an essential aspect of the exploitation process.

In this case, the connection between CRM and customer knowledge management should also be taken into consideration because it may determine the actual benefits of CRM implementation in businesses.

Concept and Advantages

Customer relationship management (CRM) is a set of software tools designed to control the three axes of firm-customer relations (Chen & Popovich, 2003): sales, marketing, and services. Romano and Fjermestad (2002) have deemed CRM one of the most important areas of study for applied sciences in the near future in light of the linearly increasing interest in CRM since the 1970s. In this day and age, with online market exchange constantly developing, it's become basic to accumulate, break down and cycle all client data that SMEs might have the option to gather to turn first-time online buyers into loyal clients.

A study by the Boston Consulting Group shows that 65% of online customers who make their first purchase on a particular website will never make a purchase again. CRM and customer knowledge management Managing customer knowledge is important for small and medium-sized businesses (SMEs). client information the board (CKM henceforth) and customer orientation (CO) (Fidel, Schlesinger, and Esposito, 2018). Fidel et al. (According to their argument, Innovation Orientation (IO) typically serves as a crucial and highly effective mediator between CKM and CO. According to Fidel, Schlesinger, & Cervera (2015), both customer collaboration and innovation orientation have a clear impact on CKM and the company's marketing results. As a result, we consider them essential for enhancing business performance through customer knowledge perfection. CKM is also a crucial strategic resource that has a significant positive impact on marketing operations (Huang & Shih, 2009), even surpassing Innovation Orientation (Fidel et al., 2009). ,2015). This, in our opinion, demonstrates the significance of coordinating strategies to increase customer knowledge.

CRM and innovation

Innovation - is defined as a collection of ideas, practices, or items that an individual or group believes to be groundbreaking (Fruhling & Siau, 2007; Hsu, 2006). Innovation capabilities are an organization's ability to use technology to develop cutting-edge systems, policies, software, products, processes, or services. Small and medium-sized businesses (SMEs) can improve their CKM in two main ways: Orientation toward innovation (IO) and customer orientation (CO) (Fidel et al., 2018). An inte-ground and adjusted way to deal with CKM and CO rehearses is totally basic for asuccessful CRM organization (Gholami et al., 2018), the two factors being essentialresources for the organization (Cantner, Joel, and Schmidt, 2009). When reliably inte-ground and treated as a worldwide procedure, these three assets (CKM, CO and IO) maydefinitely work on the SMEs'capabilities, like their development abilities, too asimprove their outcomes,

III. OBSERVATIONS

After a thorough writing survey, we might presume that most existing studieshave effectively depicted the advantages of CRM execution on firm perform-ance. However, a unified approach to the exploitation-exploration duality of the benefits of CRM now and in the future is still undertheorized. The purpose of this paper is to present a research strategy with the intention of determining whether CRM is truly a technological solution within the scope of sustainability and sustainable business models. It will begin by taking these two-fold benefits as its starting point.

Model for the research

The previous research gaps clearly show that we need a set of methodological principles that will allow us to connect all of the current and future benefits of CRM with a sustainable business model that guarantees its long-term economic, social, and environmental efficiency. This paper aims to demonstrate whether CRM can be regarded as a sustainable anchor among the various technological solutions for enterprise management, despite its acknowledged advantages for SMEs. We will present readers with a number of hypotheses regarding the effect of CRM implementation on the three main dimensions of typical sustainable business models in the following sections.

The research model that is being proposed can be used at any time, in any industry, or in any company, to figure out how CRM implementation can encourage a business model that is sustainable. Maintainability and CRM. The World Commission on Climate and Advancement (1987) characterizes sustainabil-ity as the 'improvement that addresses the issues of the present without compromising theability of people in the future to address their own issues'. Its three fundamental aspects, alsoknown as the 'triple primary concern', are the accompanying: social, economic, and environmental According to Abson et al., economic sustainability occurs when a balance has been struck between the pursuit of economic performance and its sustainable development. ,2017).

Ecological manageability connects with the impact of an organisation'sbusinessprocesses, exercises, and procedure on its indigenous habitat, this impact beingeither positive or negative (Mishra, Akman, and Mishra, 2014). Last but not least, social sustainability fosters a strong partnership between society and business for sustainable development. To put it another way, the goal of this final dimension is to create a win-win scenario.

Model hypotheses

The nine hypotheses of our research model are listed below. If these hypotheses are true, they would allow us to conclude that CRM is a viable technological solution in the following three areas: social, economic, and environmental Speculation

1. The level of economic sustainability of the business is affected by how well the CRM sales module is utilized. CRM may be regarded as a crucial tool and unprofitable solution for more sustainable business models in terms of economic viability. According to Morvay (2008), a significant investment in customer relationship management (CRM) can result in customer loyalty. This is achieved by effective financial planning in Research and Advancement (Research and development), as well as by improving in troublesome technologies and The board Data Frameworks (MIS).

2. A company's level of environmental sustainability is affected by how well the CRM sales module is used. In natural terms, Molla and Abaresh (2011) characterize Green IT as a set of practices situated towards ecological manageability under various structures (including contamination counteraction, item stewardship, and supportable improvement in IT management). According to Chen, Boudreau, & Watson (2008), researchers and practitioners are becoming more aware of the ecological responsibilities of the organizations. In this light, CRM has all the earmarks of being a vital answer for lessen the ecological effect of man-agement choices given its conclusiveness on, for example, paper-saving processes (McKenzie and Liersch, 2011). In any case, we've been not able to find any scholarly works thinking about CRM a significant arrangement of Green IT arrangements. As a result, the primary objective of this study is to promote the elimination of paper-based management procedures.

3. The viable utilization of the CRM deals module influences an organization's level of social maintainability. At last, in friendly terms, the comprehension of CRM as an administration solution, allowing the centralisation of client information on a solitary data set with brought together access, could likewise be a central issue for normal great administration speculations, due to the subsequent accomplishment of more proficient between organization processes with regards to customer-seller relations (Meyer and Schwager, 2007). Again, there is no literature on the social aspect of the connection between sustainability and CRM. As a result, our research model should test the hypothesis that an accessible, unified set of sales data from all relevant stakeholders (customers, vendors, and the company itself) has a positive impact on the social good.

4. The powerful utilization of the CRM advertising module influences the company's degree of monetary maintainability. CRM frameworks add to effectively create and consistently increment client loyalty (Morvay, 2008), for sure an essential imperative for an economical plan of action (Christofiet al., 2015). Yet again, no academic study has examined the possibility of a direct link between the implementation of the CRM marketing module and the financial viability of a company. This speculation ought to permit us to check whether the utilization of the CRM marketing part might bear a genuine impact on an economical business mode

5. The successful utilization of the CRM Promoting module influences a company's level of natural maintainability. Ecological maintainability infers the execution of viable arrangements vehicle rying a positive effect on a business' ecological aspect.

6. The company's level of social sustainability is affected by how well the CRM Marketing module is utilized. A significant component of a company's sustainable and social management model is the specific tailoring of marketing campaigns and actions to reach target customers using a large amount of information

7. A company's level of economic sustainability is affected by how well the CRM services module is used. Customer service excellence appears to be the foundation of customer loyalty. A truly trustworthy company must be able to provide a great customer experience, which may in turn increase the aforementioned customer allegiance. CRM is a client care situated instrument, putting the client's voice at the focal point of the company's efforts, subsequently explaining the positive association among CRM and purchaser loyalty (Morvay, 2008) through a strong administrations module.

8. The compelling utilization of the CRM administrations module influences a company's level of natural manageability all sort of resources with which an ecologically economical business action should dis-pense. As a result, a final hypothesis may relate and demonstrate how CRM implementation affects the ecological aspect of entrepreneurial outcomes.

9. A company's level of social sustainability is affected by how well the CRM services module is utilized. According to Meyer & Schwager (2007), it seems logical to consider CRM to be an important solution in the pursuit of customer-vendor relationships because of the impact that CRM efficiency has on managerial procedures.

IV. CONCLUSIONS

The purpose of this study was to conceptualize and create a research model that would empirically validate the effects of the three CRM components—sales, marketing, and services on innovation and customer knowledge management, as well as on the efforts of businesses toward digital transformation and sustainable business model innovation. For this purpose, we've taken as a beginning stage the CRM-benefit map outlined above, comprising two various ways: a set of current exploitation patterns for organizational performance and an exploratory pattern for potential innovation that pave the way for a future-proof business model. Our research model was constructed in accordance with every possible combination of the three sustainability dimensions—economic, environmental, and social—and the three CRM modules.

Despite the study's overall academic and business contributions, there are some limitations that need to be acknowledged. First, the research model presented in these pages is a general, fundamental model that can be augmented with specific assessment indicators to allow for model validation in specific business environments and sectors. Second, despite the fact that this study views CRM as the amalgamation of three primary components—sales, marketing, and services—it does not take into account some secondary, potentially adjacent, or accessory components. Thirdly, the differences between CRM providers and/or manufacturers have not been taken into consideration because each CRM component has been covered in a standardized and, as a result, comparable depth. Finally, in terms of future research directions, this model could be developed into a more specialized methodology that is appropriate for any given industry and/or business standard in order to empirically validate and evaluate the impact of each CRM strategy on a company's overall business results.

REFERENCES

- [1]. Abson, D. J., Fischer, J., Leventon, J., Newig, J., Schomerus, T., Vilsmaier, U., ...Jager, N. W.(2017). Leverage points for sustainability transformation.
- [2]. *Ambio*,46(1), 10–30. doi:10.1007/s13280-016-0800-yAggarwal, S. (1997). Flexibility management: The ultimate strategy. *Industrial Management*,39(1), 5–14.
- [3]. Alegre, J., Kishor, S., & Lapiedra, R. (2013). Knowledge management and the innovation performance in a high-tech SMEs industry. *International Small Business Journal: Researching Entrepreneurship*,31(4), 454–470. doi:10.1177/0266242611417472
- [4]. Arsic, S., Banjevic, K., Nastasic, A., Rosulj, D., & Arsic, M. (2018). Family business owner as a central figure in customer relationship management. *Sustainability*,11(1), 1–19. doi:10.3390/su11010077Bose, R. (2002).
- [5]. Customer relationship management: key components for IT success. *Industrial Management & Data Systems*,102(2), 89–97. doi:10.1108/0263557021041963614 H. GIL-GOMEZ ET AL.
- [6]. Chen, A., Boudreau, M. C., & Watson, R. (2008). Information systems and ecological sustainability. *Journal of Systems and Information Technology*,10(3), 186–201. doi:10.1108/13287260810916907
- [7]. Chen, I. J., & Popovich, K. (2003). Understanding customer relationship management (CRM) People, process and technology. *Business Process Management Journal*,9(5), 672–688. doi:10.1108/1463715031049675
- [8]. Christofi, M., Leonidou, E., & Vrontis, D. (2015). Cause-related marketing, product innovation and extraordinary sustainable leadership: the root towards sustainability. *Global Business and Economics Review*,17(1), 93–111. doi:10.1504/GBER.2015.066533Chua, A. Y., &
- [9]. Banerjee, S. (2013). Customer knowledge management via social media: The case of Starbucks