POWER OF CLOUD COMPUTING IN CUSTOMER RELATIONSHIP MANAGEMENT

Smita N. Gambhire¹, Asha P. Gavhane², Mahadev Patil¹

¹BVDU, Abhijit Kadam Institute of Management & Social Sciences, Solapur,
 s_gambhire@rediffmail.com

²Bharat Ratna Indira Gandhi College of Engineering,
 Solapur, ashagavane@yahoo.com

ABSTRACT

In today’s world cloud computing technology is the best technology to improve the business processes by using internet and central remote servers to maintain data and applications. It provides services to client’s on-demand. The popularity of cloud computing increases day by day because of its future in the customer relationship management (CRM) field. It implies a service oriented architecture through offering software’s and platforms as services, reduced information technology overhead for the end-user, great flexibility, reduced total cost of ownership, on demand services and many other things. In this paper, we are trying to give a better understanding of CRM cloud computing, effect and future of CRM cloud computing and the difference between the traditional CRM software and web CRM.

KEYWORDS:
CRM (Customer Relationship Management), Cloud computing, Software as a Service (SaaS), on-demand services

I. INTRODUCTION TO CLOUD COMPUTING

Cloud computing is a technology that uses the internet and central remote servers to maintain data and applications and provided as a service and on-demand to clients. Cloud computing allows consumers and businesses to use applications without installation and access their personal files at any computer with internet access. This technology allows
for much more inefficient computing by centralizing storage, memory, processing and bandwidth. A simple example of cloud computing is Yahoo email, Gmail, or Hotmail etc.

II. TYPES OF CLOUD COMPUTING ENVIRONMENTS

The cloud computing environment can consist of multiple types of clouds based on their deployment and usage.

- **Public clouds:** This environment can be used by the general public. This includes individuals, corporations and other types of organizations. Typically, public clouds are administrated by third parties or vendors over the Internet, and services are offered on pay-per-use basis. These are also called provider clouds. Business models like SaaS (Software-as-a-Service) and public clouds complement each other and enable companies to leverage shared IT resources and services.

- **Private clouds:** This cloud computing environment resides within the boundaries of an organization and is used exclusively for the organization’s benefits. These are also called internal clouds. They are built primarily by IT departments within enterprises who seek to optimize utilization of infrastructure resources within the enterprise by provisioning the infrastructure with applications using the concepts of grid and virtualization.

- **Community cloud:** The cloud infrastructure is shared by several organizations and supports a specific community that has shared concerns (e.g., mission, security requirements, policy, and compliance considerations). It may be managed by the organizations or a third party and may exist on premise or off premise.

- **Hybrid cloud:** The cloud infrastructure is a composition of two or more clouds (private, community, or public) that remain unique entities but are bound together by standardized or proprietary technology that enables data and application portability (e.g., cloud bursting for load-balancing between clouds).

III. INTRODUCTION TO CRM CLOUD COMPUTING

Cloud computing means that part of the IT environment (e.g. hardware such as data center, data storage and software, like mail or collaborative software, development environments, but also specialized software like customer relationship management (CRM) or business intelligence (BI)) are not self-operated or provided by users and businesses, but are hired as a service from one or more providers). The applications and data are no longer on the local machine or in the corporate data center, but in the (metaphorical) cloud. The image of the cloud is often used in network diagrams to depict an unspecified part of the Internet. In addition to traditional CRM solutions which are installed like regular software on corporate servers and clients and for which the data must be stored on the server and provided redundantly, there is the possibility to use a cloud-based CRM system. Customer relationship management (CRM) is all about managing the relationships you have with your customers including potential customers. CRM combines business processes, people, and technology to achieve this single goal:
getting and keeping satisfied customers. It's an overall strategy to help you learn more about your customers and their behavior so you can develop stronger, lasting relationships that will benefit both you and your customers.

![CRM Cloud Computing](image)

**Fig. 4.1. CRM Cloud computing**

It’s very hard to run a successful business without a strong focus on CRM so to make it possible CRM cloud computing is the best solution to the social media space to capture and store information in the cloud and then access it from the CRM application at any time and from any location. In other words, it is available on-demand. As social media continues to rapidly evolve, it is necessary for companies to be flexible enough to embrace the changes as they happen. CRM cloud computing makes that possible.

**IV. EFFECT OF CLOUD COMPUTING ON CRM**

Cloud computing has been a dramatic impact on the marketplace and consumer buying behavior. By providing Web-based software solutions, cloud computing solutions have not only decentralized the business model, but these solutions have revolutionized customer relationship management (CRM) and internal communications, which has improved the effectiveness of sales and marketing initiatives.

New advances in cloud computing applications have made it possible for all users to interact with real-time data and one another, further enhancing the decentralized business model, and nearly trivializing the relevance of geographic location. Having precise, real-time data has greatly improved customer relationship management. Amazon has exemplified how cloud computing resources can effect customer relationship management, and eventually more of these technological advances will widely available and accessible to all businesses. This means that the marketplace will be that much automated and competitive. Amazon customers create their own accounts, log in, and all of the customer’s information and activity is stored elsewhere. It is on the “cloud,” readily accessible to the customer, with only a Web browser and an Internet connection, but also readily accessible to sales and marketing executives and employees. With each
individual customer’s data being automatically input, the overall sales data for the business is instantly reflected and available on-demand. Sales and marketing initiatives can develop more quickly, since the data can be compiled and compartmentalized into reports that segment sales information, customer market segmentation, and any other data category relevant to the business. The data can be quickly analyzed and used to identify strengths and weaknesses. New business opportunities arise when sales and marketing strategies are tailored to individual customer demands and interests. They may be used to attract and retain customers, which is an illustration of the mutually beneficial advantage of effective CRM. The accurate and readily available data streamlines sales and marketing operations overall and therefore the implementation of these sales and marketing strategies can occur more quickly, resulting in rapid responsiveness to the market. Rapid responsiveness creates more competition in the marketplace. As a result, businesses must compete with cloud computing solutions in order to stay afloat with technological advances in the marketplace, and therefore, survive. This is also true because of the advantages on the customer side of cloud computing, which greatly improves the retention of customers. New customers are then added, since word of mouth in this new wave of social media and social networking is increasingly important and successful.

All of the aforementioned illustrates what cloud computing has done for businesses, and what its potential implies about the future business climate. There is another implication, though. Only in their infancy, cloud computing developments once indicated large scalability; but new developments seems to underscore global and even infinite scalability. With improved communications, global scalability, more rapid responsiveness in the marketplace, and remarkable improvements in developing sales and marketing strategies, cloud computing solutions also imply that expansion into global markets will be much more feasible, fast, and easy for small to mid-sized businesses.

V. CRM SOFTWARE VS. WEB CRM

In recent year the traditional CRM software has been overtaken by Web CRM because the traditional CRM software requires you to invest in an IT infrastructure, including networks and servers, to run the software. You also need to hire a team of IT professionals to install, deploy, and maintain the software as the vendor makes enhancements to features or functionality. Rather than investing lot much of money on traditional CRM software today, more companies are turning towards the Web CRM which is also known as online CRM, hosted CRM, or on-demand CRM. The Salesforce.com is the web CRM which offers everything you need to transform your business into a Social Enterprise, so you can connect to customers and employees like never before. With no software or hardware to install, you're up and running and seeing a positive impact on your business quickly. Without a big up-front software investment that's expensive to install and maintain. With salesforce.com’s pay-as-you-go model, the price of success is dramatically lower.

Web Based CRM is a collection of tools that a business can use to enhance customer service and satisfaction, track and maintain sales records, and overall increase profitability. All of this information is stored online and accessible through the Web Based CRM software. For those who have a high-speed internet connection, Web Based
CRM software can be a perfect answer if you are in need of a fast and cheap Web Based CRM solution. However, there are some limitations to the use of Web Based CRM, as those with a dial-up connection are likely excluded from using Web Based CRM. With Web Based CRM, your information is stored online, rather than hogging the valuable space on a smaller hard drive. You also have no permanent software purchase to make with Web Based CRM options. In these situations, access to the Web Based CRM platform is paid for by either monthly or yearly subscription, in most cases. Web Based CRM clients are not responsible for the upkeep and maintenance of the servers, just their own personal computers. On-Demand CRM Provides Unlimited Scalability. Salesforce.com uses a multitenant approach, so there’s no single instance of the software and you can scale your implementation fast without incurring high costs or waiting weeks or months. But Web CRM Solutions is a Web-based CRM, hosted CRM, on-demand CRM, software-as-a-service (SaaS) CRM, or cloud computing CRM all these terms refer to the same thing a new model for delivering CRM over the Internet. With this popular type of CRM offered by salesforce.com, there’s no software or hardware to buy, install, maintain, or upgrade.

VI. CONCLUSION

Cloud computing is the latest trend in the technology. Any company wants to improve its customer relationship management they needs to adopt and implement the CRM cloud computing. A CRM cloud computing platform helps a company track any data, such as orders, discounts, references, competitors and much more. Cloud computing is one of the information technology trends with tremendous potentiality and foreseeable impact on businesses and individuals will be increasingly important. Enterprises can enhance their efficiency and effectiveness in important operations including customer relationship management. An effective customer relationship management (CRM) system has the potential to elevate your company to new and better, levels of customer service. Client information is recorded, stored, organized and illustrated in useful applications for every department of business. Cloud computing CRM programs suggest new ways to access information in real-time wherever an Internet connection is available. Not only is data more accessible, but your business will become more agile in everyday procedures. All departments can function as a cohesive unit that produces satisfied customers. Overall, cloud computing enhances the traditional customer relationship management methodologies.

REFERENCES