



Instituto Superior de Economia e Gestão

UNIVERSIDADE TÉCNICA DE LISBOA

DESDE 1911

MASTER IN MARKETING

MASTERS FINAL WORK

DISSERTATION

**PROPOSAL OF A METHODOLOGY FOR CUSTOMER RELATIONSHIP
MANAGEMENT ADOPTION IN SMALL AND MEDIUM
ENTERPRISES: A MULTIPLE CASE STUDY**

BIANCA DANIELA VELEZ OLIVEIRA

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Abstract

How Customer Relationship Management (CRM) is regarded has been changing over time, and is currently a phenomenon with considerable importance, not only for big organizations but also for Small and Medium Enterprises (SMEs), due to the competitiveness that presently exists. After the literature review about the theme, the research questions emerged were: Why do SMEs need to implement CRM? How is CRM implemented in SMEs? In this, we proposed a methodology for the adoption of CRM by SMEs. A multiple case study, with an exploratory approach, was conducted. Data was collected through semi-structured interviews in 6 organizations, with a total of 19 interviews. These organizations needed to be SMEs and to have a CRM strategy implemented in it already. Although, there are many SMEs that do not have the necessary resources to implement an adequate combined CRM strategy as well as CRM software, many result in using other programs that are more accessible, but not without limitations. This study proposes a suggestion for CRM adoption in SMEs, taking into consideration the analysis of the current CRM strategies employed by 6 different Portuguese SMEs, their characteristics, qualities and limitations, as well as their current experience. In our sample we were able to observe that most processes corroborated what was presented in the literature. However, there were some exceptions that are discussed and that may be of importance in the Portuguese current context.

Key-words: Customer Relationship Management, Small and Medium Enterprises, adoption methodology.

Resumo

A forma como o CRM (*Customer Relationship Management*) é visto tem-se modificado ao longo dos tempos, e actualmente é um fenómeno de grande importância, não apenas para as grandes empresas mas também para as PME's (Pequenas e Médias Empresas) devido a competitividade existente hoje em dia. Após a revisão de literatura sobre o tema, surgiu o problema de investigação que foi: porque é que as PME's necessitam de implementar o CRM? Como é que as PME's implementam o CRM? Para tal, foi proposta uma metodologia de adopção de CRM nas PME's. Foram realizados estudos de caso múltiplos com abordagem exploratória. Os dados foram recolhidos através de entrevistas semi-estruturadas a seis empresas, totalizando 19 entrevistas. Estas empresas tinham de ser PME's e tinham de ter CRM implementado. No entanto, existem muitas PME's que não possuem os recursos necessários para a implementação de uma estratégia de CRM adequada e de um *software* de CRM, recorrendo a outros programas mais acessíveis, mas não sem limitações. Este estudo propõe uma sugestão para a adopção de CRM nas PME's, tendo em consideração a análise das estratégias de CRM nas 6 diferentes PME's Portuguesas, as suas características, qualidades e limitações, e actual experiência. Na nossa amostra pudemos observar que a maioria dos processos corrobora com o que foi apresentado na literatura. No entanto, há algumas excepções que são discutidas e que podem ser importantes no contexto português actual.

Palavras-chave: *Customer Relationship Management*, Pequenas e Médias empresas, metodologia de adopção.

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List of abbreviations

CRM – Customer Relationship Management

SMEs – Small and Medium Enterprises

PMEs – Pequenas e Médias Empresas

ICT - Information and Communications Technologies

IS - Information Systems

Chapter I - Introduction

Large organizations adopted Customer Relationship Management (CRM) strategies as they started to give more importance to a closer customer relationship, within targeted populations, as a way to generate value and profitability. These CRM strategies involve the use of modern technologies and different ways of thinking. These organizations had to start giving importance to specific variables (Critical Success Factors) that are fundamental for their success as well as to cross-functional CRM processes that have become essential (Payne, 2005).

Due to the competitive environment that exists nowadays, Small and Medium Enterprises (SMEs) have also started to implement CRM, despite a few difficulties. There is not a single definition of what a SME is. The definitions vary depending on the sectorial or country context (Hillary, 2000). We choosed to use the designation given by the European Commission that defines SME as an enterprise that has a maximum of 250 employees, a maximum annual turnover of 50 million Euros and a total balance sheet not exceeding 43 million Euros per year, and being an independent enterprise (i.e. larger enterprise/s cannot own 25% or more of the capital or voting rights) (Hillary, 2000;McDermott and Prajogo, 2012).

Nowadays, SMEs are a very important sector in the market economy (Hillary, 2000). In developed countries the SMEs represent 57.24% of employment and over 50% of Gross National Product (Ayyagari et al., 2003), and though supply chains may be dominated by large organizations they are dependent on a host of SMEs (Towers and Burnes, 2008). Predominantly, in Portugal, between 2002 and 2008, the number of SMEs grew 59%, especially in the quantity of micro organizations (maximum of 10 employees, a maximum annual turnover of 2 million Euros and a total balance sheet not exceeding 2 million Euros per year). Also, the number of employees in SMEs grew 16%. The value added by Portuguese SMEs grew 34% and the European mean was only 28% (O Portal

dos Negócios, 2010).

Despite this, SMEs have problems, such as: failing more easily than larger organizations, financial problems, difficulty in adapting to market changes in comparison to large organizations, lack of human resources, lack of financial resources, the use of older technologies and less structured management (Hillary, 2000).

Technologies become a crucial factor since they provide important information about customers and allow exact segmentation and targeting of these customers (Özgener and Iraz, 2006). In this way, SMEs have been adopting technologies to be able to improve their marketing orientation and customer focus (Harrigan et al., 2012). Due to the lack of resources, SMEs tend to focus on simple technologies instead of purchasing complex software (Harrigan et al., 2012).

By doing this, this project aims at answering the following questions: (1) Why do SMEs need to implement CRM? (2) How do SMEs implement CRM?. The main research objective is to propose a methodology of adoption of CRM in SMEs. And the specific objectives are: (1) To identify characteristics of SMEs; (2) To identify how companies can adopt CRM; and (3) To analyse how directions of CRM adoption (usually proposed for large organizations) can be applied to SMEs.

The final masters' project is organized in five chapters. The first chapter is an introduction. The second chapter is the literature review, where the characteristics of SMEs, CRM methodologies and methodology proposal to adopt CRM in SMES are analysed. The third chapter is the presentation of methodology and data. Then the fourth chapter is the results' analysis, and at last, the final considerations are presented in the fifth chapter.

Chapter II – Literature Review

2.1) SME's and CRM initiatives

The SMEs are considered to be important economic players, as they represent a source of economic growth as well as significant components of national and regional economy

(Alshawi et al., 2011;Harrigan et al., 2012). Several SMES have implemented CRM so that they are able to survive in global markets as well as be successfully competitive (Alshawi et al., 2011). Despite the differences between SMEs and large enterprises, the adoption of CRM in SMEs cannot be considered as a miniaturized version of larger organizations (Alshawi et al., 2011). SMEs have several characteristics that we will now explore.

2.1.1- Lack of resources

SMEs are frequently defined as lacking in resources (McAdam, 2000), diverging from large organizations mostly in their restricted financial capacities, which influence their information-seeking practices (Lang & Calantone, 1997 cited by Alshawi et al., 2011). In this way, SMEs need to be customer-oriented, which requires the ability to understand and focus on customer satisfaction, once they lack financial resources and have to search for different sources of business profitability (Appiah-Adu and Singh, 1998).

Thus, the difficulties faced by SMEs go from insufficient supporting budgets (Özgener and Iraz, 2006) to a scarcity of specialist expertise, as well as time and marketing knowledge (Gilmore et al., 2001). This leads to further difficulty in sustaining Information and Communications Technologies (ICT) investments (Özgener and Iraz, 2006), which results in increased impairment on SME's capital (Leina et al., 2008), creating further obstacles in the communication and response to the customers' needs. Another major factor that differentiates SMEs from larger organizations is its marketing activity, since SMEs do not have the resources like large organizations to keep an effective marketing strategy (Harrigan et al., 2012).

2.1.2- Owner-manager dominance

There are some features of the SMEs that are significant for the implementation of ICTs, such as CRM. Some of these features consist of an owner-management dominance (Özgener and Iraz, 2006) and an owner-manager commitment to independence (Wahlberg et al., 2009). The owner-manager makes the majority of the decisions on his

own, and reacts to opportunities and situations, so the decisions are made regarding personal and business priorities (Gilmore et al., 2001). The operations in the organization are typically driven by the owner (Carson, 1988 cited by Lindman, 2004), which leads to informal management which lacks managerial skills (Lindman, 2004).

2.1.3- Customized products and services

As we already know, SMEs have a close relationship with their customers with the capacity to customize products and services for them, personalize treatment for special ones, and predict customers' behavior (Harrigan et al., 2012; Payne and Frow, 2005). The commitment to face-to-face and personalized customer relations are significant features for CRM implementation (Fink and Disterer, 2006 cited by Wahlberg et al., 2009).

2.1.4- Lack of ICT capabilities

The low ICT maturity and lack of ICT capabilities, added to a deficient knowledge of the potential of ICT-based technologies are SME's particularities that need to be considered when implementing a CRM strategy (Subba Rao et al. 2003 cited by Wahlberg et al., 2009; Gilmore et al., 2001). SMEs tend to focus on simple technologies such as websites, e-mails and databases instead of purchasing complex software (Harrigan et al., 2012), and other studies have shown that the implementation of ICT-based technologies in SMEs is still not widespread, due to the barriers that arise in their implementation (Hashim, 2007).

2.1.5- Characteristics to obtain competitive advantages

SMEs might have a competitive advantage in the market because of their close relationships with customers, which allows them to deliver high quality products and services (Appiah-Adu and Singh, 1998) as well as offer more specialized products and services than the larger organizations (Harrigan et al., 2012; O'Dwyer et al., 2009; Monteiro et al., 2012).

Moreover, another characteristic of SMEs is that they focus on the necessities of the markets they supply, but due to financial reasons, they tend to focus on enhancing their

short-term sales opportunities rather than their long-term supply chain (Towers and Burnes, 2008). Despite this, there are advantages in being small, such as flexibility towards market changes and needs, employees' loyalty, focus on opportunities and easy access to market information (Harrigan et al., 2012; O'Dwyer et al., 2009), all leading to advantages in innovation (Kanter, 1985 cited by McDermott and Prajogo, 2012).

2.1.6- Close customer relationship

Customer relationships and a good knowledge of the customer base are very important for the development of SMEs (Baumeister, 2002; Skaates & Seppanen, 2002 cited by Özgener and Iraz, 2006). In fact, the close relationship with customers is one advantage in being small (Harrigan et al., 2012; O'Dwyer et al., 2009). SMEs need a high customer retention because of their limited resources (Özgener and Iraz, 2006; Baumeister, 2002), which could be possible by limiting the number of customers, as well as satisfying their specific needs which requires paying special attention to their customers to be more competitive (Lindman, 2004).

2.1.7- Lack of planning

SMEs tend to lack planning, since the organization's management has to perform many simultaneous functions, they do not have time to focus on strategic planning. In this way, strategic planning receives low importance, they have no deadlines or future investments, but even if they had, only the CEO would know (Monteiro et al., 2012). In face of the above, the management of the relationship between the organization and the customers is essentially made through deliveries and through personal customer care (Lindman, 2004).

2.1.8- Flexible structure

SMEs have a simple "organizational structure and more cohesive cultures" (Appiah-Adu and Singh, 1998, p.387) and a hierarchical structure that is simple and informal, requiring a different CRM adoption from the one used in large organizations (Monteiro et al.,

2012). This allows SMEs to have a closer relationship with the CEO, informal relationships with their stakeholders as well as a familiar structure (usually owner managed) (Monteiro et al., 2012) allowing for constant and informal communication with customers, which then enables the mutual creation of value (Harrigan et al., 2012; Gilmore et al., 2007).

2.1.9- Undeveloped marketing

We can say that marketing activities are a rather large factor that differentiates SMEs from larger organizations, because SMEs do not have as many resources to keep an efficient marketing strategy. However, the use of the internet has allowed for an improvement in these strategies permitting a leveling between the two (Harrigan et al., 2012). Owner-managers have small, inexpensive networks (Curran and Blackburn, 1994 cited by Gilmore et al., 2001) that are comprised of people that can help make decisions for the organization (Gilmore et al., 2001).

2.1.10- Change in management

The lack of management and standardization is usually associated with low cultural promptness and inter-departmental cooperation, as well as the non existence of customer management skills, a lack of end-user input at the service/design stage, leading to poor risk identification and consequently potential project failure and, thus, to an inefficient business (Love et al., 2005; Özgener and Iraz, 2006). This being said, SMEs still have conservative organizational structures, resistant to changes that are imposed by information society, however, the focus must be on urgent pressures rather than on organizational restructuring (Oliveira and Bertucci, 2003; Love et al., 2005).

2.1.11- Limited number of customers

SMEs are characterized in having a limited number of products and customers, thus, when implementing ICT's it is important to focus on the specific context, which usually has no need to have formal procedures to gather and process information about the

customer or market for decision-making (Appiah-Adu and Singh, 1998), working locally or regionally (Lindman, 2004).

2.1.12- CRM adoption

As we can see SMEs have many barriers during the process of CRM implementation and these also lack senior commitment to CRM (Özgener and Iraz, 2006). Despite these limitations, SMEs have the advantage of being easier to adopt CRM strategies when compared to large organizations. For example, since SMEs have a simple structure, the Human Resource training occurs in a more rapid, less costly way (Monteiro et al., 2012). Therefore, these organizations have fewer tasks when implementing changes (McDermott and Prajogo, 2012), making internal processes much easier in SMEs than in larger organizations (Monteiro et al., 2012).

2.2) CRM methodology adoption

CRM can be seen as “the cross functional integration of processes, people, operations, and marketing capabilities that is enabled through information technology and applications” (Payne, 2005, p.23). CRM is a valuable investment for organizations, given the highly competitive market existent nowadays. This is particularly true for SMEs given that customer relationships are the base to increase business (Nagi, 2008).

According to Payne (2005), to successfully implement a CRM solution, an organization has to control five cross-functional business processes: strategy development, value creation, information management, multi-channel integration and performance assessment. In this way, many authors propose methodologies and Critical Success Factors but in this project we are going to use a strategic framework that was proposed by Payne that is composed of these 5 processes, in order to reduce the problems that tend to occur in the implementation of any CRM solution and enable a successful implementation (Payne, 2005).

Proposal of a methodology for CRM adoption in SMES: a multiple case study

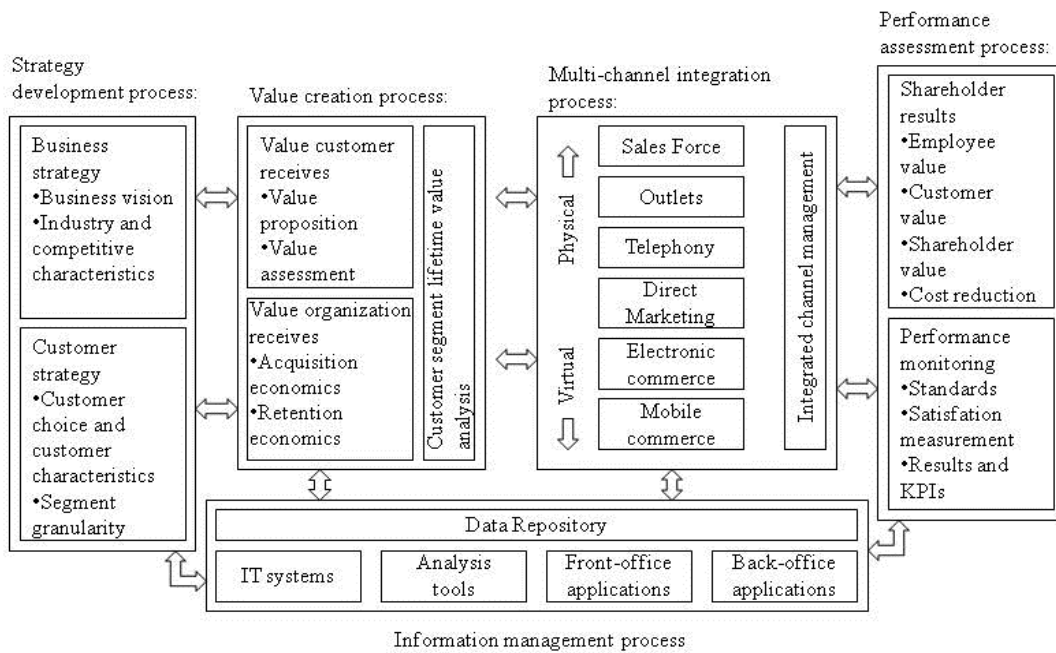


Figure 1 – The strategic framework for CRM

Source: Payne (2005, p.31)

This model has been described in the literature as somewhat of the best practice template that ought to be followed by enterprises aiming at implementing or improving their CRM strategy (Boulding, Staelin, Ehret, & Johnston, 2005). The five processes proposed by Payne (2005) are going to be described below. We also corroborate Payne's (2005) ideas with another authors' arguments.

2.2.1- The strategy development process

The *strategy development process* is important as it will directly influence the other four processes, once it defines the specific objectives and parameters for a given organization. This strategy centers on business strategy, customer strategy and how to integrate both (Payne, 2005). Regarding the business strategy, it is essential for the CRM to have an in depth understanding of this strategy in order to be able to then develop and adequate customer strategy. This process is related to the organization's vision (i.e., core beliefs and values), and assists in achieving the organizations' objectives.

For the accurate development of any CRM solution, it is fundamental to take into account the end-users, their opinions and needs, so that these can be integrated from the beginning into the solution (Chen and Popovich, 2003; McAdam, 2000; Shang and Lin, 2010; Shum

et al., 2008;Wahlberg et al., 2009). Furthermore, it is important to define the organization's problems as well as concrete measures and objectives regarding the CRM solution (Adebanjo, 2003;Light, 2003;Shum et al., 2008;Xu et al., 2002).

Moreover, the CRM requires a cross-functional team, with strong team spirit, that is integrated and accepted by the organization's stakeholders (Rigo et al., 2012). The team must define all the steps that need to be taken, so that they can achieve what has been planned and to meet the expectations they have, as well as the expectations of the end-user, thus integrating members from all departments (Rigo et al., 2012;Chen and Popovich, 2003;Shang and Lin, 2010;Shum et al., 2008). It should also include a marketer with the know-how required for the integration of the various processes in the organization's structure, culture and their customers (Rigo et al., 2012). Finally, the involvement of the top managers in the process is essential once it can enable an improved evolution of the process selection and decisions to be made faster (Rigo et al., 2012;Chen and Popovich, 2003).

It is further essential to select the suppliers for the information systems (IS) that will serve the selected CRM solution, as well as to give adequate training to all staff members involved, right from the beginning and also select strategic stakeholders before the implementation process (Rigo et al., 2012). The CRM implementation process is described as a complex, expensive process (Basha and John, 2013). Change might be required in organizational cultures, changing from a product-orientated philosophy to a customer-orientated one. This means that there should be a shift from products to customers and the focus ought to be on customer relationship and their wants and needs, rather than just on internal operations (Yanhua and Shaojie, 2008;Basha and John, 2013;Özgener and Iraz, 2006). The focus on the customer results is the main focus of the organization and it is seen as a CRM strategy (Wahlberg et al., 2009).

The strategy aims at targeting specific customers as well as identifying the most adequate segmentation forms (Payne, 2005). Despite this, segmentation can also help the decisions about targeted market activities and in the design of products and services, because it can

help adjust them to customers' needs and requirements (Wahlberg et al., 2009;Özgener and Iraz, 2006;Bull and Adam, 2011), allowing for gain in competitive advantage (Lindman, 2004).

Moreover, it is essential to gather adequate customer information in order to responds to the customers' needs (Payne, 2005) allowing their satisfaction and, simultaneously, their loyalty to the organization (Rigo et al., 2012;Sin et al., 2005), thus enabling an increase in profits through a long term relationship and the maintenance of the competitiveness in the market (Basha and John, 2013).

Furthermore, the CRM implementation may be quite a slow procedure, given that it is dependent on several factors, including adequacy of the company's general marketing strategy and the CRM programs and strategy, as well as the cooperation and coordination of several entities involved in the implementation of the CRM, whether inside or outside the organization (Basha and John, 2013).

2.2.2- The value creation process

The *value creation process* is a way to obtain competitive advantage and is based on three components: the value the organization receives from the customer, the value the customer receives from the organization, and maximizing the lifetime value of customer segments by the management of value exchange between these two entities (Payne, 2005). The value the customer receives from the organization, nowadays, concerns the benefits and added value acquired more than the product or service itself. In this way, customers give importance to value relationships with an organization which can provide an offer with more value to the customer, being the company's goal to create superior value propositions for its customers, in comparison to the competition (Payne, 2005). The value the organization receives from the customer (Customer Value) is the outcome of providing the customer with superior value, as well as implementing better acquisition and retention strategies and having adequate channel management. CRM has become a key strategic issue and the basis of an organization's marketing strategy, as it gives

importance to the retention of the existing customers, since the generation of new customers has become more expensive (Lindman, 2004;Basha and John, 2013). These customers will then create a customer lifetime value for the organization, and in this way, organizations obtain some benefits, such as ensuring sustainable competitive advantage, when it satisfies the customers, leading to their loyalty and retention in the organization, and also more profits (Özgener and Iraz, 2006;Andrade, 2003). Despite this, by integrating CRM in an organization there are benefits such as: acquiring well-accepted outcomes of data-mining activities, and, based on an improved management, enable adequate and effective sales efforts (Özgener and Iraz, 2006).

Reaching a balance between giving/getting value to/from customers is a fundamental aspect of CRM, requiring knowledgeable management that is able to perceive the value of acquiring and retaining customers. Thus, the organization must identify the customers in order to adequately predict their needs and to be able to deliver added value through customized value propositions and service delivery (Payne, 2005), managing the expectations of the end-users and of the employees. On the one hand, in distinguishing and meeting the expectations of the end-users, the team can assure their commitment to the CRM solution. On the other hand, helps increase their motivation, loyalty and commitment to the organization (Rigo et al., 2012;Shang and Lin, 2010;Shum et al., 2008).

2.2.3- The multi-channel integration process

The *multi-channel integration process* is essential in CRM since it allows for the creation of value-adding interactions with the customers based on the results of the business strategy as well as of the value creation processes. It consists of an integration of contacts/interfaces between the suppliers/intermediaries and the customer (Payne, 2005), with the objective of providing a “single unified view of the customer” and of the customer interactions (Payne, 2005, p.169).

Moreover, the customer has the right to choose which channel he/she would prefer to interact with the organization. For today's customers, the organization must provide good products and services in traditional as well as new channels and for that, is it essential to have technologies which support these channels (Payne, 2005). Now, besides the personal contacts, such as telephone and address, it is also possible to communicate with customers through web sites, e-mail, self-service telephone contacts, SMS (Wahlberg et al., 2009), customer visits, and if it is done by managing directors themselves is even better (Lindman, 2004). The issue to all organizations is to improve communication between the company and customers, which is essential in relationship management (Lindman, 2004).

2.2.4- The information management process

The *information management process* is the gathering and aggregation of customer information and its use to create customer profiles, so that the organization is able to provide good experience to the customer as to create added value. There is a necessity of a data repository (databases, data marts and data warehouses combined) to organize all information that the organization gathers on the customers, in order to help decisions regarding the CRM actions (Payne, 2005). CRM demands investment in technology, people and in the re-shaping of the process (Özgener and Iraz, 2006). To start CRM, the organization has to improve its technologies in order to have a customer data base, which is required to begin with (Lindman, 2004) and also to establish a data strategy (Alshawi et al., 2011). Through this database, it is possible to have access to customers' specific information, their needs, characteristics and all the details of each customer (Chen and Popovich, 2003;Rigo et al., 2012;Shum et al., 2008;Sin et al., 2005), in order to increase their reputation, customer loyalty and retention (Rigo et al., 2012). The success of CRM process depends on the management of data quality issues, as data quality has vast impact on the organization's performance (Alshawi et al., 2011).

In an SME context, the CRM database uses a specific CRM application software, and all CRM software needs a client/server system and a good team (Nagi, 2008). When an organization obtains an IS solution, such as a CRM software, it is essential to identify the needs and difficulties to be solved. That is why organizations have project teams, that will identify and organize all the steps needed to achieve the selection, and implementation, of the correct IS solution (Rigo et al., 2012).

The CRM software has to be integrated in the organization's IT environment. It is very important that the software is flexible to changes, and easy to configure by the organization, without the need for external consultancy to adjust the software to the requirements of the organization, allowing for an easier cost control (Baumeister, 2002). Furthermore, the processes in an organization should be reconstructed by investing in advanced communications technology, network technology and idea management. In this way, CRM allows for the integration of both internal and external information sources (Yanhua and Shaojie, 2008).

2.2.5- The performance assessment process

The *performance assessment process* is the last process in this framework, and it serves to assert whether the organization's objectives, when implementing a CRM strategy, are being adequately achieved, and if they provide a secure and adequate basis for future developments (Payne, 2005). It consists of two components, shareholder results and performance monitoring. The shareholder results are composed of *employee value* (the value that the organization receives from the employee and vice-versa); the *customer value* (the value that the organization receives from the customer and vice-versa); *shareholder value* (the value that results from a positive rate of return on the invested capital and is the balance between instant financial return and longer-term sustainability); and *cost reduction* (it can indicate increased profits and shareholder outcome, which can be achieved by using electronic channels, like self-service facilities) (Payne, 2005). According to the performance monitoring it includes *standards* (many organizations have

implemented specific CRM standards which permits an assessment of the CRM program, given they provide a perspective of the whole CRM program or its several parts); *satisfaction measurement* (CRM performance is asserted using specific metrics/instruments, and these can be divided in: customer metrics, operational metrics, strategic metrics as well as output and comparative metrics) (Payne, 2005). Finally, we have the *results and Key Performance Indicators (KPIs)*, which are critical measures to the success of the CRM solution. These are to be supervised by top management members of the organization (Payne, 2005). It is important to integrate innovation capabilities (Chen and Popovich, 2003; Lin et al., 2010) and to have ways of measuring and monitoring performance, profitability, as well as scales specific for CRM development, which enable the measurement of results of any CRM practice. The full dedication of the analyst is also a factor that influences the success of the adopted CRM solution (Rigo et al., 2012).

Regarding the CRM implementation, there is a CRM workflow proposed by Basha and John (2013) that consists of four stages, as follows: 1) collecting customer data and information; 2) analyzing data to predict customer behavior; 3) marketing campaigns: applying the results of analysis; 4) measuring results, revising hypotheses, and repeating this workflow process. Moreover, these authors propose a model for CRM implementation. This model consists of two base elements the “key CRM implementation elements” and “the core cross-functional CRM processes” (Basha and John, 2013, p.68). Based on this, 4 elements were identified as essential for a successful implementation, which included: 1) CRM readiness assessment; 2) CRM change management; 3) CRM project management; and 4) employee engagement.

2.3) Proposal of a methodology for the adoption of CRM in SMEs

Regarding the analysed SME characteristics and the business processes in a CRM implementation proposed by Payne (2005), we propose the initial intersection between

them. The main idea is to highlight in each CRM business processes the SMEs characteristics to consider.

	Business Processes				
	The strategy development process	The value creation process	The multi-channel integration process	The information management process	The performance assessment process
SMES Characteristics					
Lack of resources			X	X	X
Owner manager dominance	X	X		X	X
Customized products and services	X	X	X	X	
Lack of ICT capabilities			X	X	X
Characteristics to obtain competitive advantages	X	X			
Close customer relationships	X	X	X	X	X
Lack of planning	X			X	X
Flexible structure				X	
Undeveloped marketing	X			X	X
Change in management	X	X	X	X	X

Figure 2: CRM Business Process X SMEs Characteristics

Source: Developed by the author

In this table, we can observe the five processes that are described in 2.2 with the characteristics of the SMEs described in 2.1, and the following points indicate what the SMEs should do in each phase of the CRM implementation, since the process is different from the large organizations. This table was the basis for the realization of case studies.

Chapter III – Research Methodology

3.1- Study Design

A cross-sectional and exploratory study was developed, resorting to a case study method. As this theme is underexplored and being of great importance in current social and economic context, an exploratory research was conducted (Saunders et al., 2012).

The case study was further selected given that a real life context is explored (Robson, 2002 cit in Saunders et al., 2012). The case study involves observation of the proceedings that are being analysed and interviews to people that are implicated in those proceedings.

In this case study a multiple-case design is employed.

3.2 - Data Collection

The target audience were small SMEs that used CRM software. We analysed a hotel, a spices factory, three car dealers and an auto-club. All the interviewees needed to be over 18 years old, and were required to have some knowledge about the CRM strategy employed by the company. All SME's and participants gave their informed consent to participate in this study. A total of 19 people were interviewed; of these 10 were female and 9 male. They were interviewed in the organizations, at a scheduled time, being that the interview in general lasted about 20/30 minutes.

3.3 – Materials

The data collection instrument chosen for this case study was the interview, as it is the most adequate strategy to obtain more and varied information. A qualitative methodology was employed. The interviews are non-standardized (Saunders et al., 2012), thus, semi-structured interviews were used, which allowed the interviewer to change the order of questions, to adjust the questions to the interviewees (i.e. in cases that some interviewees do not understand a question), to ask extra questions that emerge during the conversation and can bring important information, always following a list of questions/objectives previously established (Saunders et al., 2012). The interviews were lead on a one-to-one basis, i.e. with the researcher and the interviewee in a face-to-face interview, essential to obtain more information (Saunders et al., 2012). Also all interviews were audio-recorded, always with the interviewee's permission, in order to collect data more accurately and enable *verbatim* transcriptions of the interviews, allowing for a reliable reproduction of what was said (Saunders et al., 2012). The interviews took place between 11th of July and 7th of August using an interview guide developed specifically for this study, based on the literature review (appendix A).

3.4 – Procedure

After the literature review was performed, the interview was developed specifically for this study, taking in to account the study variables and the research questions. At the end, the interview script had 18 semi-structured and open-ended questions (Appendix A). At this point, SME's were contacted in order to find out if they met the inclusion criteria. In this process, 66 hotels and 14 other companies were contacted, however, most of these SME's did not use a CRM software or did not agree to participate in the present study. Of the total of SME's contacted, only 6 of those that corresponded to the inclusion criteria, accepted to participate in this study. The interviews were transcribed *verbatim*. Subsequent to obtaining all the data, content analysis was conducted resorting to the program MAXqda, and based on the technique and assumptions proposed by Bardin (1977). The content analysis method used was a closed one, as all the categories and sub-categories derived from the literature (Bardin, 1977). The *corpus* considered for this content analysis were all the transcribed interviews, and it was constituted in conformity with the rules of exhaustiveness, homogeneity and pertinence (Bardin, 1977). To ensure the validity and reliability of the analysis, external judges were used to help define and determine the categories, and to assist in the codification of the material.

At last, we were able to analyse relations between the variables, and performed the data analysis that allowed doing the discussion and drawing conclusions.

Chapter IV – A Multiple Case Studies

4.1 - Description of companies

A multiple case studies were conducted in the companies described bellow.

- **Hotel Lusitano**

Hotel Lusitano is a hotel in Golegã, Ribatejo. It is a small luxury hotel, with 24 bedrooms and 17 employees. They have a *software* called Protel, that was installed when the hotel opened, although it is not considered a CRM software *per si*. The Protel *software* provides the history of each customer, but it cannot cross all the information as a CRM

software can, although it is enough for the hotel's dimension. They give more importance to satisfying the clients and responding to all their requests, thus, the employees have a close relationship with the clients and their sympathy is valued. The hotel has regular clients in a certain times of the year, and they already know what they like, what they want and all they need to prepare for those clients. Since it is a region, which does not appeal with the climateric, local or geographic conditions, they tend to focus on the price and on each client's customized treatment.

- **Comtemp**

Comtemp is a spice factory with approximately 45 employees. It is a Business to Business (B2B) company, as they sell products directly to wholesale and retail. This company produces "Cristal" vinegar, a market leader in Portugal, and also sauces, bases for pizzas, soups, etc. The company implemented the CRM software four years ago, but only started to use it adequately one year ago. They use SAP and Microsoft (Business Contact Manager) and CRM is linked to SAP. To get closer to the customer, they work on the product price and differentiation, developing high-quality products, trying to correspond to customer's expectations. They believe that the companies need to adjust themselves to the market, and that is extremely important to maintain personal relationships with the customers, based on mutual trust.

- **Volkswagen**

Volkswagen is a company in the car segment. They have around 23 employees, having adopted CRM in 2009, with the system Autoline. It is a specific software for this segment and has a CRM module. They consider having a better perception of their contacts with clients, and having a regular contact with them, having developed several CRM strategies to contact the customers frequently (e.g. promotions, birthdays, etc.).

They have a loyalty program that has many stages since the purchase of the car, with a welcome pack that is offered to the clients, and they need to control the entire process after the purchase, and need to call the client to confirm that they received the pack, and

to assert if they are satisfied. Moreover, all clients are contacted 10 days after the purchase to determine whether the client is satisfied and/or has any doubts. Follow-up strategies were further employed (e.g. oil change promotions). They bet on the quality of the service and the sympathy of the employees to retain the customer.

- **BMW**

BMW is a company in the car segment. They adopted CRM in 2001, and they use the software Autoline with a CRM module. They are planning to change this software to another named Incadia, as Autoline has some limitations. Incadia will allow to automate the process, which is very important as they have approximately 20 000 clients.

To have a closer relationship with customers, they develop several CRM strategies to contact the customers frequently (e.g. promotions, birthdays, etc.). Usually, the first contact they have with the clients is to thank them for coming to the event, or for having done a test-drive, and they seek for more information about the customer with a coupon that is filled in. To retain the customer they give importance to the way the client is treated, the relationship they had with the seller, with the facilities; the quality of the service; and attempt to keep the client satisfied. They consider that CRM allows them to get closer to the customer, and that this is the greatest benefit.

- **C.A.M. (*Camiões, Automóveis e Motores*)**

C.A.M. is a company in the car segment that sells five brands, namely Ford, Mitsubishi, Citroen, Fiat and Alfa Romeo. The CRM system was implemented by Inforap, in 2005/2006. To get a closer relationship with the customers, they have contact periods, both after sales and after repair, that are made by the seller. Moreover, they personalize their products and services through CRM. Having access to the database they can disseminate campaigns whether by newsletters and sms, as well as perform follow-up telephone calls (e.g. invite for test-drives, promote new models). They aim at retaining clients through the quality of service and treatment, as the same cars are available elsewhere, so they need to impress through the service, to make the client understand that

is worthwhile to stay with them. Furthermore, they consider that everyone in the company should be involved in the strategic planning, as in the majority of times it is the employee that deals with many situations, as for example complaints, thus, everyone must be involved so that it is possible to implement improvement actions.

- **Club**

This company is an auto-club in the Portuguese car segment, acting in various sectors such as people transportation, health, golf, tourism, insurances, driving classes and assistance. The name given to this organization was fictitious to protect the identity of the company, as it was requested. They implement the CRM in 2008, which is Siebel CRM. They have always valued the individualized treatment of customers. Since the CRM implementation the system provides a greater coverage, and alongside the members they treat other clients that come to the club looking for some service, so the services are not exclusive to their members. They improved the registering and systemizing of the clients information, the complaints management, and the centralizing of all information. To have a closer relationship with the clients they further invested in creating partnerships that gave discounts in areas that are of big importance to the members. To contact with their clients, they have a digital journal, digital newsletters, events, as well as follow-up contacts (e.g. car review alerts, promotions, etc.). The biggest challenge is to retain the customer as a member. When a client becomes a member, the initial membership lasts for one year, being that during this period the company employees strategies for customer retainment. The renewal of the membership is based on the payment of an annual fee.

4.2 - A multiple case study analysis: a general view

The following table presents data on enterprises, in which the five processes correspond to the categories, and all SMEs characteristics correspond to the sub-categories.

Table I

Frequency of recording units (r.u.) per sub-category. Portugal, 2013.

Category	Sub-category	r.u.	r.u. %	Σ r.u.
A- The strategy development process	A2- Owner manager dominance	20	3.33	308
	A3 - Customized products and services	77	12.81	
	A5- Characteristics to obtain competitive advantages	26	4.33	
	A6- Close customer relationship	72	11.98	
	A7- Lack of planning	29	4.83	
	A9- Undeveloped marketing	55	9.15	
	A10- Change in management	29	4.83	
B- The value creation process	B2- Owner manager dominance	0	0	49
	B3- Customized products and services	21	3.49	
	B5- Characteristics to obtain competitive advantages	7	1.16	
	B6- Close customer relationship	21	3.49	
	B10- Change in management	0	0	
C- The multi-channel integration process	C1- Lack of resources	8	1.33	85
	C3- Customized products and services	28	4.66	
	C4- Lack of ICT capabilities	39	6.49	
	C6- Close customer relationship	6	1.00	
	C10- Change in management	4	0.67	
D- The information management process	D1- Lack of resources	2	0.33	112
	D2- Owner manager dominance	0	0	
	D3- Customized products and services	6	1.00	
	D4- Lack of ICT capabilities	47	7.82	
	D6- Close customer relationship	3	0.50	
	D7- Lack of planning	2	0.33	
	D8- Flexible structure	40	6.66	
	D9- Undeveloped marketing	4	0.67	
	D10- Change in management	8	1.33	
	E- The performance assessment process	E1- Lack of resources	0	
E2- Owner manager dominance		0	0	
E4- Lack of ICT capabilities		30	4.99	
E6- Close customer relationship		2	0.33	
E7- Lack of planning		8	1.33	
E9- Undeveloped marketing		0	0	
E10- Change in management		7	1.16	
Total		601	100.00	

In this table we can observe that, the category that was most mentioned by the participants was “A- The strategy development process” (r.u.=308), being that this category was followed by “D- The information management process” (r.u.=112), “C- The multi-channel integration process” (r.u.=85), and the least referred categories were “B- The value creation process” (r.u.=49) and “E- The performance assessment process” (r.u.=47). Regarding the subcategories, we can observe that the most mentioned ones

were “A3 - Customized products and services” and “A6- Close customer relationship”, with 77 r.u. (12.81%) and 72 r.u. (11.98%), respectively. On the other hand, the less referred sub-categories were “D1- Lack of resources”, “D7- Lack of planning” and “E6- Close customer relationship” all with only 2 r.u. (0.33%). Moreover, it is important to highlight that some of the sub-categories were not mentioned by any of the interviewees, namely: “B2 - Owner manager dominance” and the “B -10 Change in management”, “D2- Owner manager dominance”, “E1- Lack of resources” “E2- Owner manager dominance” and “E9- Undeveloped marketing”. Thus, these characteristics had to be removed from the final model.

In sum, the most relevant categories in all interviews were “Customized products and services”, “Close customer relationship”, “Lack of ICT capabilities”, “Flexible structure” and “Undeveloped Marketing”.

4.3 - A multiple case study analysis: CRM business processes

Following a description of the required characteristics for adequate CRM implementation in SMEs are presented alongside the specific processes and characteristics observed in the enterprises comprising our sample. A table is presented in Appendix D with parts of the interviews that were coded into each of the categories.

4.3.1) CRM in SMEs: The strategy development process

According to literature review, this process regards:

- The owner-manager must create a strategy in such a way as to use a one-to-one marketing approach with the clients and be able to customize the products and services.
- The owner-manager must create a strategy that enables a close relationship with the customers, which will allow the organization to gain competitive advantage.
- For a successful CRM implementation, there is a need for planning as well as defining the objectives and measures of the organization. Furthermore, the team must

define all the steps that need to be accomplished, so that they can achieve what has been planned and meet the expectations they have.

- The CRM implementation is a complex process that implies change management, where the focus is on the customers instead of on the products.

The table II presents what we could observe in the multiple case studies:

Table II

Frequency of recording units (r.u.) related to “The strategy development process”. Portugal, 2013.

	BMW		C.A.M.		Volswagen		Clube		Comtemp		Hotel	
	F	%	F	%	F	%	F	%	F	%	F	%
A2- Owner manager dominance	4	5.48	1	7.14	1	3.13	1	5.26	1	6.25	12	7.79
A3 - Customized products and services	21	28.77	3	21.43	9	28.13	4	21.05	2	12.5	38	24.68
A5-Characteristics to obtain competitive advantages	4	5.48	1	7.14	2	6.25	1	5.26	2	12.5	16	10.39
A6- Close customer relationship	19	26.03	2	14.29	8	25	3	15.79	3	18.75	37	24.03
A7- Lack of planning	3	4.11	2	14.29	2	6.25	4	21.05	2	12.5	16	10.39
A9- Undeveloped marketing	11	15.07	3	21.43	4	12.5	4	21.05	3	18.75	30	19.48
A10- Change in management	11	15.07	2	14.29	6	18.75	2	10.53	3	18.75	5	3.25
Total	73	100.00	14	100.00	32	100	19	100.00	16	100	154	100

Note: F=Frequency; %=Percentage

Regarding “The strategy development process”, we can observe a bigger number of r.u. in sub-category A3 in the majority of SMEs, especially in BMW, Volkswagen and Hotel Lusitano. In BMW and Hotel Lusitano we can also see that sub-category A6 has a high number of r.u.. Moreover, Hotel Lusitano also has a high number of r.u. in sub-category A9. The lower values can be observed in sub-category A2 for the majority of SMEs, being that there is no uniformity in the responses’ frequency. In Sub-category A5 we can see lower values in C.A.M. and in the Club. Thus, the variability between categories is less evidenced in C.A.M., Club and in Comtemp.

During the interviews we could observe that the organizations gave importance to customized products and services (Harrigan et al., 2012;Payne and Frow, 2005), present characteristics aimed at obtaining competitive advantages (Appiah-Adu and Singh, 1998), and have a close customer relationship (Harrigan et al., 2012, O’Dwyer et al., 2009).

Nevertheless, there were cases in our sample that did not comply with what was presented in the literature. Regarding the owner-manager dominance our results were not entirely consensual with those in the literature, where it is reported that the owner-manager makes the majority of the decisions on his own (Gilmore et al., 2001). We observed two different situations, on the one hand some interviewees reported that all decisions were made by the manager, and on the other that the decision-making is shared with other employees (Appendix D).

Also, it was observed that SMEs in our sample do not always lack planning, as previously reported (Monteiro et al., 2012). In the organizations that were interviewed, we had cases that were in agreement with the literature, and reported not having time to focus on strategic planning, and on the other hand we observed cases that reported planning in advance, as can be observed in the examples presented in Appendix D. Moreover, we also observed some examples where the marketing strategy was not as undeveloped as reported in other studies (Harrigan et al., 2012). Rather, in the organizations that were interviewed we have two distinct perspectives, in which the interviewees admit that the marketing is undeveloped, and cases where they state the opposite.

However, this information can be somewhat biased, being that the interviewees may have attempted to give a very positive perspective of their own enterprise. Furthermore, the presence of organizational structures resistant to changes (Oliveira and Bertucci, 2003; Love et al., 2005) was observed by our data. Thus, although the participants reported changes over the years, they also describe the difficulties and slow progress when implementing these changes.

4.3.2) CRM in SMEs: The value creation process

According to literature review, this process is characterized by:

- SMEs are characterized by having a close relationship with their clients, so it is a way of obtaining competitive advantage.

- Nowadays, clients give more value to the relationships they have with the organization than to the product itself. So, SMEs must maintain their close relationships with their customers, because it is a way to give/obtain more value.
- SMEs must identify the clients in such a way as to satisfy their needs and to deliver value through customized products and services.
- Achieving a balance between giving/getting value to/from customers is a fundamental aspect of CRM, requiring knowledgeable management of the owner-manager, as well as the expectations of the end-users and employees.

The table III presents what we could observe in the multiple case studies:

Table III

**Frequency of recording units (r.u.) related to the “Value creation process”.
Portugal, 2013.**

	BMW		C.A.M.		Volswagen		Clube		Comtemp		Hotel	
	F	%	F	%	F	%	F	%	F	%	F	%
B2- Owner manager dominance	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
B3- Customized products and services	5	55.56	1	50.00	1	100.00	1	50.00	0	0.00	13	41.94
B5- Characteristics to obtain competitive advantages	0	0.00	0	0.00	0	0.00	0	0.00	2	50.00	5	16.13
B6- Close customer relationship	4	44.44	1	50.00	0	0.00	1	50.00	2	50.00	13	41.94
B10- Change in management	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total	9	100.00	2	100.00	1	100.00	2	100.00	4	100.00	31	100.00

Note: F=Frequency; %=Percentage

Concerning the category B, we can observe a larger number of r.u.’s in sub-category B3, in Hotel Lusitano and in BMW. Furthermore, Hotel Lusitano also presents a higher number of r.u.’s in sub-category B6. The number of r.u.’s is relatively low in this category. It is important to notice that sub-categories B2 and B10 have no r.u.’s. It was possible to observe in our sample what has been presented in previous studies. Indeed, the organizations that were interviewed try to customize products and services for their clients (Payne, 2005), present characteristics aimed at obtaining competitive advantages (Appiah-Adu and Singh, 1998) and have a close customer relationship (Payne, 2005), as can be seen in appendix D.

4.3.3) CRM in SMEs: The multi-channel integration process

According to literature review, this process concerns:

- Improving communications between the company and customers, which is essential in relationship management.
- SMEs need to meet the needs and expectations of today’s customers, by providing good products and services, in a way to obtain customer satisfaction and retention.
- Is it essential to have technologies which support these channels, although, SMEs do not have resources as large organizations do to invest in ICT.

The table IV presents what we could observe in the multiple case studies:

Table IV

Frequency of recording units (r.u.) related to “The multi-channel integration process”. Portugal, 2013.

	BMW		C.A.M.		Volswagen		Clube		Comtemp		Hotel	
	F	%	F	%	F	%	F	%	F	%	F	%
C1- Lack of resources	0	0.00	1	20.00	0	0.00	1	20.00	3	23.08	3	7.14
C3- Customized products and services	6	40.00	1	20.00	2	40.00	1	20.00	2	15.38	16	38.10
C4- Lack of ICT capabilities	8	53.33	3	60.00	3	60.00	2	40.00	5	38.46	18	42.86
C6- Close customer relationship	0	0.00	0	0.00	0	0.00	0	0.00	1	7.69	5	11.90
C10- Change in management	1	6.67	0	0.00	0	0.00	1	20.00	2	15.38	0	0.00
Total	15	100.00	5	100.00	5	100.00	5	100.00	13	100.00	42	100.00

Note: F=Frequency; %=Percentage

As for the category C, the r.u.’s are in general low and non-uniform. The highest number of r.u.’s, is presented in sub-category C4 by BMW, Comtemp and Hotel Lusitano. Hotel Lusitano also presents a high number of r.u.’s in sub-category C3. Moreover, SMEs in our study lack resources, are able to customize products and services to their customers, and have a close customer relationship, as previously reported (Harrigan et al., 2012;McAdam, 2000;O’Dwyer et al., 2009;Payne and Frow, 2005). Nevertheless we could not observe the lack of ICT capabilities in all cases as well as the change in management. As we have reported, SME’s need to take into consideration their lack of

ICT capabilities and deficient knowledge of ICT-based technologies, when implementing a CRM strategy (Subba Rao et al. 2003 cited by Gilmore et al., 2001;Wahlberg et al., 2009). During the interviews, we observed that, although in some SMEs there were limitations and difficulties concerning their ICT capabilities, in other cases the interviewees stated not having these difficulties, and that nowadays they have all the information integrated in the system and can make all the analysis they need (see appendix D).

4.3.4) CRM in SMEs: The information management process

According to literature review, this process regards:

- SMES can have a close relationship with their customers, and can gather information through them, to be able to create profiles with their characteristics and needs.
- In the organizations there is a necessity for a data repository (databases, data marts and data warehouses combined) to organize all information that the organization gathers on its customers.
- The owner-managers have to manage data quality issues, as data quality has a great impact on the organization's performance to succeed in the CRM implementation.
- It is extremely important to have project teams to establish a data strategy before beginning the CRM project, so that they can identify and organize all the steps that need to be taken to achieve the selection, and further implementation, of the correct IS solution.
- In a SME context, the implementation of IT support for CRM requires solutions that are adjustable to the business model of the organization.
- It is vitally important that the software is flexible to changes, and easy to configure by the organization, without the need of external consultancy to adjust the software to the requirements of the organization, allowing for an easier cost control.

The table V presents what we could observe in the multiple case studies:

Table V

Frequency of recording units (r.u.) related to “The information management process”. Portugal, 2013.

	BMW		C.A.M.		Volswagen		Clube		Comtemp		Hotel	
	F	%	F	%	F	%	F	%	F	%	F	%
D1- Lack of resources	0	0.00	0	0.00	0	0.00	1	9.09	1	14.29	0	0.00
D2- Owner manager dominance	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
D3- Customized products and services	3	9.38	0	0.00	0	0.00	1	9.09	0	0.00	2	4.35
D4- Lack of ICT capabilities	15	46.88	4	66.67	6	60.00	3	27.27	3	42.86	16	34.78
D6- Close customer relationship	0	0.00	0	0.00	1	10.00	0	0.00	1	14.29	1	2.17
D7- Lack of planning	0	0.00	0	0.00	0	0.00	2	18.18	0	0.00	0	0.00
D8- Flexible structure	7	21.88	2	33.33	2	20.00	3	27.27	1	14.29	25	54.35
D9- Undeveloped marketing	3	9.38	0	0.00	1	10.00	0	0.00	0	0.00	0	0.00
D10- Change in management	4	12.50	0	0.00	0	0.00	1	9.09	1	14.29	2	4.35
Total	32	100.00	6	100.00	10	100.00	11	100.00	7	100.00	46	100.00

Note: F=Frequency; %=Percentage

Regarding the category D, we can observe that sub-category D4 is the one with the highest number of r.u.’s for all SME’s, with the exception of the Club. Hotel Lusitano also has an increased number of r.u.’s in sub-category D8. The others sub-categories have lower values. Sub-category D2 did not present any r.u.’s.

Concerning this process, we could confirm that in fact the observed SMEs have lack of resources, are able to customize products and services for their customers and have an underdeveloped marketing, as previously reported (Harrigan et al., 2012;McAdam, 2000;O’Toole, 2003;Payne and Frow, 2005). However, regarding this specific process, we did not observe several characteristics, described in previous research, in our sample, namely: not all SMEs lack ICT capabilities and planning, have a close customer relationship or a flexible structure, and present difficulties in management change. Moreover, as can be seen by the examples reported on Appendix D, some SMEs report being able to do everything with the CRM software they have, without any problems, while there are other sthat report needing help from external organizations. As for the

close customer relationships, these are essential for the development of SMEs (Baumeister, 2002; Skaates & Seppanen, 2002 cited by Özgener and Iraz, 2006). The majority of the SMEs that were interviewed have a close customer relationship, being that Comtemp, as B2B organization has a good contact with their clients, but no contact with the final customer, but they aim at improving this.

Also, concerning the lack of planning SMEs tend to not have time to focus on strategic planning (Monteiro et al., 2012). Regardless, in our sample we observed that some SMEs do have an adequate planning ability. SME's hierarchical structure is simple and informal (Monteiro et al., 2012) leading to an increased flexibility and capacity to adapt, as opposed to bigger enterprises. Nevertheless, the organizational structure tends to be somewhat conservative (Oliveira and Bertucci, 2003; Love et al., 2005). In our sample we were able to clearly observe these two aspects, some of the enterprises were flexible and adaptable, while others reported some resistance to change, especially in older employees.

4.3.5) CRM in SMEs: The performance assessment process

According to literature review, this process is related to:

- A way to reduce the organization's costs is by doing CRM implementation in many small steps, instead of one big step.
- The owner-manager must supervise the results and Key Performance Indicators (KPIs), which are critical measures to the success of the CRM solution.
- It is important to integrate innovation capabilities and to have ways of measuring and monitoring performance, profitability, as well as scales specific for CRM development, which enables the measurement of results of any CRM practice.
- The organization should have somebody to organize marketing campaigns to apply the analysis results.
- There is a need for CRM change management and CRM project management by the owner-manager of the organization.

- In SMEs the close relationships that the customers have with the organization has benefits such as the customer value.

The table VI presents what we could observe in the multiple case studies:

Table VI

Frequency of recording units (r.u.) related to “The performance assessment process”. Portugal, 2013.

	BMW		C.A.M.		Volswagen		Clube		Comtemp		Hotel	
	F	%	F	%	F	%	F	%	F	%	F	%
E1- Lack of resources	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
E2- Owner manager dominance	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
E4- Lack of ICT capabilities	7	63.64	2	100.00	3	75.00	3	60.00	4	50.00	11	64.71
E6- Close customer relationship	0	0.00	0	0.00	0	0.00	0	0.00	1	12.50	1	5.88
E7- Lack of planning	1	9.09	0	0.00	0	0.00	2	40.00	2	25.00	3	17.65
E9- Undeveloped marketing	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
E10- Change in management	3	27.27	0	0.00	1	25.00	0	0.00	1	12.50	2	11.76
Total	11	100.00	2	100.00	4	100.00	5	100.00	8	100.00	17	100.00

Note: F=Frequency; %=Percentage

In category E, the number of responses was low. The ones that stand out are in sub-category E4 in BMW and Hotel Lusitano. There are no r.u.’s in the sub-categories E1, E2 and E9.

We were only able to verify one characteristic in accordance to what has been presented in the literature that was common to all the participant SMEs: the close customer relationship (Baumeister, 2002; Skaates & Seppanen, 2002 cited by Özgener and Iraz, 2006). Regarding the remaining aspects that characterize this process, namely of the lack of ICT capabilities, the lack of planning and the change in management, we observed that some of the enterprises did present these difficulties, while others were able to manage their CRM without reporting major difficulties or the need to resort to outside assistance. Given their specific characteristics and difficulties, SMEs usually do not have the possibility of planning in advance (Monteiro et al., 2012). In our study, however, most of the participants reported adequate planning capabilities, contradicting what has been

previously stated. At last, the resistance to management change (Oliveira and Bertucci, 2003; Love et al., 2005) is not observed in some of the organizations that participated in this project, as they have been changing the processes in the organization over time.

4.3.6 – CRM business process adoption: A general view

Regarding each enterprise's total r.u's, we can observe that the Club, BMW, Volkswagen, Comtemp and Hotel Lusitano all present the highest number of r.u's in category A and the lowest number of r.u's in category B. The exception is C.A.M, which also has more r.u's for category A, however it has equally low r.u's (r.u.=2) for categories B and E. In sum, we can conclude that there are more references to the "The strategy development process" and fewer to "The value creation process".

Finally, based on these results we can observe a higher number of r.u's produced by the interviews with Hotel Lusitano when compared to the remaining enterprises. It is important to highlight that this difference in the number of r.u.'s has to do with the number of employees interviewed, which in this case totalized 12, being this number highly different from that presented in the remaining SME's interviewed, where we were only able to collect between 1 and 3 interviews. This being said, we further observed that BMW also presented a higher number of r.u.'s than the remaining enterprises, although this number is not as discrepant and that of the hotel, which is also explained by the number of interviews conducted (a total 3 interviews as opposed to 1 collected in the remaining 4 enterprises). Although this does not allow for any direct conclusions, it does provide some insight about the companies' philosophy and manner of working. Thus, there seems to be a greater involvement by the hotel staff and even by the BMW stand's employees, in the CRM strategies as well as in the contact with the clients, than in the remaining companies, which appear to have fewer members involved in the management of the customers. This probably has to do with the need and type of business of the company (a hotel requires a greater direct contact with clients by several staff members than Comtemp, which is a B2B business, requiring a lower contact with clients). This

goes against what has been proposed in the literature, where it has been suggested that for CRM to be effective in the context of SME's it is essential to adapt the entire company's philosophy and strategy, having every employee focus of the client (e.g. Chen and Popovich, 2003;Rigo et al., 2012;Shang and Lin, 2010;Shum et al., 2008).

Furthermore, it is also of relevance to discuss the application of CRM strategies and the use, or not, of an adequate CRM software by the enterprises included in our sample. According to the literature we know that is fundamental to have CRM software adequate to the SMEs necessities. In the sample of this study we can observe that the organizations BMW, Volkswagen, C.A.M., Comtemp and the Club made an effort to implement this software, however, Hotel Lusitano, despite having a customer management strategy, does not have a CRM software *per se*.

According to the CRM definition proposed by Payne, the CRM software should integrate all departments in an organization, although, for example in C.A.M. this does not happen. In C.A.M. only the people who have a direct contact with the client have access to the CRM software. Contrary to this example, we have the Club, where everyone in the organization has access to this software. Moreover, some of these enterprises lack of marketing capabilities (Payne, 2005), as for example the Hotel's Spa. An adequate CRM strategy further requires a cross-functional team (Rigo et al., 2012). In our study, the organization that evidenced the strongest group spirit was Hotel Lusitano, despite not having a CRM software, all of the employees were very united, and highly focused on the customer (Wahlberg et al., 2009), treating each customer with personalized products and services, in order to correspond to their needs and expectations (Payne, 2005). Alongside Hotel Lusitano, BMW was clearly concerned in treating the customer in a special way. The Club, however, works in a different way, as they have members that are able to get discounts in certain places, but do not have a contact as direct and personalized as the organizations mentioned before. Finally, Volkswagen, despite having adequate CRM software appears to have a poorer CRM strategy, since the interviewee mainly focused the occasional contact via sms and the occasional letter informing major promotions.

Nevertheless, it seems important to highlight that in this specific sample we found that having a good CRM software is not necessarily enough to have a good CRM strategy; and that in these concrete SMEs, the best strategies observed were not necessarily anchored on an adequate software, as can be clearly observed if we compare, for example, the customer relationships in the Hotel and Volkswagen. Thus, we can see that, in this sample, there are some exceptions and variance regarding what is said in the literature concerning adequate CRM strategies, and these should be more explored with a larger sample, more representative of the Portuguese market.

4.4 - Proposal of a methodology for CRM adoption in SMES

In sum, after analyzing all results, there are changes in the model that need to be done. Therefore, this is the final model proposed, based on the initial model derived from the literature review, and incorporating the changes derived from the case study in 6 enterprises.

	Business Processes				
	The strategy development process	The value creation process	The multi-channel integration process	The information management process	The performance assessment process
SMES Characteristics					
Lack of resources	X		X	X	
Owner manager dominance	X				
Customized products and services	X	X	X	X	
Lack of ICT capabilities	X		X	X	X
Characteristics to obtain competitive advantages	X	X			
Close customer relationships	X	X	X	X	X
Lack of planning	X			X	X
Flexible structure				X	
Undeveloped marketing	X			X	
Change in management	X		X	X	X

Figure 3 – Proposal of a methodology for CRM adoption in SMES

Source: Developed by the author

In the first process, no characteristic was removed, but two characteristics were added, which were “Lack of resources” and “Lack of ICT capabilities”, due to the fact that during the content analysis, there was information concerning these two characteristics,

but they were absent in the original model, based on previous literature. For example, Hotel Lusitano illustrates the need for the introduction of the characteristic “Lack of resources” in this model when they refer their inability to contract outside consultancy, while the “Lack of ICT capabilities” is demonstrated by BMW when the interviewee mentions the need to change software due to difficulties with the present one. In the second process, the “Change in management” and “Owner manager dominance” were removed, as they presented no r.u.’s. As for the third process, no changes were made to the original proposal. Regarding the fourth process, the characteristic “Owner manager process” was removed, due to the absence of r.u.’s. And finally, in the fifth process three characteristics were removed, namely “Lack of resources”, “Owner manager dominance” and “Undeveloped marketing”, given that they had no r.u.’s.

Chapter V – Final considerations

5.1 – Conclusions

In this study, we can conclude that, in this sample, there are certain characteristics that do not correspond to the literature. Through the multiple case study conducted, we can conclude that not every SME integrates all departments in the organization, that there are cases where there is a owner manager dominance and others where it is shared with the employees, there are some SMEs, but not all, that do not lack planning, marketing activities, ICT capabilities, and that these SMEs are not that flexible to changes, although it is easier than in larger enterprises.

Moreover, we observed that the best strategies observed were not necessarily anchored on an adequate software.

Furthermore, we can also say that the SMEs investigated have indeed lack of resources, are focused on customizing products and services and give a special treatment to each customer, have characteristics that enable them to obtain competitive advantage, have a close customer relationship, and, despite some resistance, there is space for change in the management processes.

Based on what we observed in our sample, it seems that nowadays, an adequate and adapted CRM software is a very important tool in organizations, especially in SMEs, as it is very helpful in managing a close customer relationship, personalizing the treatment and the products/services towards specific customers, which allows for their satisfaction and loyalty. These are fundamental aspects in these organizations as they do in fact lack resources that are available to bigger enterprises. The interviewed SMEs understood this, and have been gradually changing the organization's culture and philosophy over the years, aiming at improving their CRM processes and strategy, and, in this way, their profit and their survival in the local marketplace.

5.2 - Limitations

The first limitation we need to point out is the fact that we developed a cross-sectional study with a sample that, although quite diverse, is not fully representative of the SME's population in Portugal, not enabling to draw generalizing conclusions. Moreover, the initial idea was to perform the case study with hotels employing CRM, however, it was very difficult to have access to a hotel, and especially to find one that was considered a SME and had CRM, due to the high costs of this type of software. Approximately 66 hotels were contacted, and we only got access to one. Moreover, the fact that part of the data collection was performed during the Summer, did not facilitate this process. Besides this, other 14 enterprises were contacted, and only 5 cooperated. Thus we can state that the response rate in this type of sample is extremely low, and that it difficults greatly more detailed data collection.

5.3- Future investigation

Despite this being a cross-sectional study, given its exploratory nature, we trust it has produced a new and enriching perspective regarding CRM in the specific context of SME's. Thus, we present bellow some suggestions we consider an important development to this work to be employed in future research.

Given the limitations, specifically the difficult access to this population, it is our recommendation that more studies are developed in this area, being that very anticipated contacts and authorizations are recommended, as well as more prolonged projects that enable a greater data collection period. Furthermore, for future studies we suggest that a CRM strategy is developed and implemented in a SME that has no CRM based on the recommendations derived from this exploratory study. Moreover, it would also be interesting to develop a comparative study between enterprises with and without CRM regarding customer management and associated gains.

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Appendixes

Appendix A - Interview Scrip (Portuguese language version)

Processo de desenvolvimento estratégico

1. Quando teve início o sistema de CRM na empresa?
2. Após a adoção do CRM, considera que a empresa tem um relacionamento individualizado com os clientes?
3. O que fazem para se aproximar dos clientes? Têm um programa fidelização?
4. Caso tenha programa de fidelização - E com esse programa personalizam os produtos/serviços para os vossos clientes?
5. Considera que ocorreram mudanças a nível da gestão da empresa após a adoção do CRM?
6. Sendo uma empresa pequena considera que existe algum tipo de planeamento formal em relação a manter um relacionamento próximo com o cliente?
7. O planeamento estratégico, no caso em relação a gestão do relacionamento com o cliente, está na mente do gestor da empresa ou é partilhado com os funcionários?
8. Avalia que o facto de as pequenas e médias empresas terem poucos clientes, ajuda com que criem forte relação com estes? Esta forte relação, na sua opinião, permite a empresa obter vantagem competitiva?
9. Geralmente as empresas PMEs possuem um marketing pouco desenvolvido. É o caso desta empresa? Que campanhas de marketing são realizadas? Existe alguma pessoa responsável pelo marketing, conta com apoio de empresas terceiras?

Processo de criação de valor

10. No caso específico da vossa empresa, o que cria valor no relacionamento entre empresa e cliente? O que faz com que o cliente queira voltar a vossa empresa?

Processo de integração multi-canal

11. Sendo uma PME sente que existem dificuldades tecnológicas para adotar a ferramenta (SW) de CRM?
12. Que meios são utilizados para comunicar com os clientes? Existe a possibilidade de os próprios clientes escolherem o modo como preferem ser contactados?
13. Considera que os dados dos clientes estão integrados? (tanto os dados recebidos no balcão, email ou telefone)?

Processo de gestão de informação

14. Que tipos de análises fazem aos dados recolhidos dos clientes? O que gostavam de fazer e não conseguem?
15. O software que a vossa empresa tem é facilmente configurado ou precisaram/precisam de ajuda externa para ajustar o software?
16. Consideram que visto que uma PME tem poucas pessoas e processos, que a empresa é mais flexível a mudanças? Como foi a inserção da ferramenta na empresa?

Processo de avaliação de desempenho

17. Como foi a implementação de CRM na empresa? Teve ajuda de alguma empresa de consultoria?
18. Existe algum tipo de monitorização da utilização da ferramenta de CRM?

Interview Scrip (English language version)

Strategy development process

1. When did CRM system begin in this enterprise?
2. After the adoption of CRM, do you consider that this enterprise has an individualized relationship with its customers?
3. What do you do to get closer to the customers? Do you have a loyalty program?
4. [If they have a loyalty program] – Is this program used to customize products/services for your clients?
5. Do you consider that management changes occurred in the enterprise after the CRM implementation?
6. Being a small enterprise, do you consider that there is a formal planning to keep a close customer relationship?
7. Is the strategic planning, in this case according to the customer relationship management, made by the owner manager or is it shared with employees?
8. In your opinion, as SMEs have few customers, does it help to create a strong customer relationship? Does this strong relationship allow, in your opinion, the enterprise to gain competitive advantage?
9. In general, SMEs have an undeveloped marketing. Is it the case in this enterprise? Which marketing campaigns do you perform? Do you have a person who is responsible for marketing or do you have help from external enterprises?

Value creation process

10. In the specific case of your enterprise, what creates value in the relationship between the enterprise and the customer? What makes the customer want to come back to your enterprise?

Multi-channel integration process

11. Being a SME are there IT difficulties in adopting CRM *software*?
12. What means are used to communicate with customers? Is there the possibility for customers choose the way they prefer to be contacted?
13. Do you consider that the customers data are integrated? Both those received in the reception, by email or phone?

Information management process

14. What type of analysis can you do with the customers data that is collected? What would you like to do and are not able to?
15. Is the software that your organization has easily configured or do you need/have needed external help to adjust the software?
16. Do you consider that since a SME has few people and processes, that your enterprise is more flexible to changes? How was the integration of the CRM tool in the enterprise?

Performance assessment process

17. How was the CRM implementation in the enterprise? Did you have help from a consultancy enterprise?
18. Is there any type of monitoring regarding the use of the CRM tool?

Appendix B - Categories de Analysis

Category A- The strategy development process	This category defines the specific objectives and parameters for a given organization.
Sub-category A2 – Owner manager dominance	This category covers the involvement of the top managers in the strategy development process.
Sub-category A3 – Customized products and services	This category covers all references to customized products and services, personalized the treatment for special clients, and prediction of customers’ behaviors. The customer ’s segmentation so that the organization is able to select and personalize the treatment for each customer. Includes the design of products and services to help adjust them to the customers’ wants and needs.
Sub-category A5 – Characteristics to obtain competitive advantages	This category includes all references that focus on a given market segment allowing the organization to gain competitive advantage.
Sub-category A6 – Close customer relationship	This category is characterized by all references to retaining existing customers through a close and personal relationship involving a deep knowledge of each customers need. All references to strategies used to satisfy the customers in order to increase their loyalty to the organization, enabling a long term relationship with customers.
Sub-category A7 – Lack of planning	This category covers all the references to the lack of planning that SMEs usually present regarding specifically the CRM implementation processes; as well as all references made by the interviewees regarding the presence and characteristics on planning characteristics.
Sub-category A9 – Undeveloped marketing	This category involves all references to the lack of resources SME’s have to adequate the company’s general marketing strategy and to develop relationship marketing principles; as well as all references made by the interviewees regarding the presence of a developed marketing.
Sub-category A10 – Change in management	This category involves a management change in the organization involving processes, people, as well as suppliers, and/or outsourcing relations, and finally technology. This change is characterized by a shift from a product-orientated to a customer-orientated philosophy.
Category B – The value creation process	In this category ways to obtain competitive advantage are included.
Sub-category B2- Owner manager dominance	This category covers the requirement of a knowledgeable management that is able to perceive the value of acquiring and retaining customers.
Sub-category B3 – Customized products and services	In this category all references to the identification of the customers in order to adequately predict their needs and to be able to deliver added value through customized value propositions and service delivery.

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Sub-category B5 – Characteristics to obtain competitive advantages	This category covers all references to the customers' satisfaction, leading to their loyalty and retention in the organization, allowing to obtain competitive advantages.
Sub-category B6 – Close customer relationship	In this category all references to the importance that customers give to value relationships with the organizations which can provide a superior offer, with more value to the customer are included.
Sub-category B10 - Change in management	This category includes all references to the required knowledgeable management that is able to perceive the value of acquiring and retaining customers.
Category C – The multi-channel integration process	This category consists of an integration of contacts/interfaces between the suppliers/intermediaries and the customer.
Sub-category C1- Lack of resources	This category covers all the references regarding the lack of resources to communicate with customers, and which ones are less expensive; as well as all references made by the interviewees regarding not having difficulties in resources.
Sub-category C3 – Customized products and services	This category includes all references to the right of the customer to choose which channel he/she prefers to use to contact the organization and to be contacted by the organization. To meet the needs and expectations of today's customers the organization must provide products and services in channels that they prefer.
Sub-category C4 – Lack of ICT capabilities	This category covers all references to the lack and need of having technologies to support the existing communication channels; as well as all references made by the interviewees regarding the existence of ICT capabilities.
Sub-category C6 – Close customer relationship	This category includes all references to the communications between the enterprise and customers.
Sub-category C10 - Change in management	This category covers all references regarding the organization providing good products and services in traditional and new channels.
Category D – The information management process	This category involves gathering and the aggregation of customer information and its use to create customers profiles, with all their characteristics and needs, so that the organization is able to provide a good experience to the customer as to create added value.
Sub-category D1- Lack of resources	This category includes all references to the lack of resources that organizations have to implement a CRM software; as well as all references made by the interviewees regarding not having difficulties in resources.
Sub-category D2 – Owner manager dominance	This category covers all references to the dominance of the owner manager in managing data quality issues.
Sub-category D3 – Customized products and services	This category involves all references to the use of a database, to have access to customers' specific information, their needs, characteristics and all the details of each customer, enabling a customized treatment for each one.

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Sub-category D4 – Lack of ICT capabilities	This category is based on all references regarding the need to improve the organization's technologies in order to have a customer database, and the characterization of the software used for CRM management; as well as all references made by the interviewees regarding the existence of ICT capabilities.
Sub-category D6 - Close customer relationship	This category involves all references to the access to information to provide a customized treatment for each one, which will increase customer's loyalty and retention, allowing a close customer relationship.
Sub-category D7- Lack of planning	This category covers all references to the importance of establishing a data strategy before the beginning of the CRM project, and the limitations in planning; as well as all references made by the interviewees regarding the presence and characteristics on planning characteristics.
Sub-category D8 – Flexible structure	This category includes all references to having a software that is flexible to changes and easy to configure by the organization, without the need external consultancy to adjust the software to the requirements of the organization.
Sub-category D9 – Undeveloped marketing	This category includes all references to the challenges and limitations to the marketing strategy employed; as well as all references made by the interviewees regarding the presence of a developed marketing.
Sub-category D10 – Change in management	This category covers all references to the management of data quality issues, as data quality has a big impact on the performance of the organization.
Category E – The performance assessment process	This category serves to assert whether the organizations objectives, when implementing a CRM strategy, are being adequately delivered, and that they serve as a secure and adequate basis for future developments.
Sub-category E1- Lack of resources	This category regards all references to the lack of resources that SMEs have to conduct the performance assessment; as well as all references made by the interviewees regarding not having difficulties in resources.
Sub-category E2 – Owner manager dominance	This category covers all references to the dominance of the owner manager in the process of performance assessment, and the necessity of supervising the results and key performance indicators (KPIs).
Sub-category E4 – Lack of ICT capabilities	This category involves all references to the lack of integration of innovation capabilities, and ways of measuring and monitoring performance, profitability, as well as scales specific for CRM development, which enable the measurement of results of any CRM practice; as well as all references made by the interviewees regarding the existence of ICT capabilities.
Sub-category E6 – Close customer relationship	This category is characterized by creating customer value that will lead to the customer satisfaction and consequently to a close customer relationship.
Sub-category E7 - Lack of planning	This category is characterized by all references to the lack of planning in the organization and how it affects the evaluation of what was done; as well as all references made by the interviewees regarding the presence and characteristics on planning characteristics.
Sub-category E9- Undeveloped marketing	This category includes all references to the need of developing marketing campaigns, applying the results of analysis; as well as all references made by the interviewees regarding the presence of a developed marketing.

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Sub-category E10 – Change in management	This category regards all references to changes that must be done in the organization for a successful implementation.
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Appendix C - Grid Analysis

Categories	Sub-categories
A- The strategy development process	A2 – Owner manager dominance A3 – Customized products and services A5 – Characteristics to obtain competitive advantages A6 – Close customer relationship A7 – Lack of planning A9 – Undeveloped marketing A10 – Change in management
B – The value creation process	B2- Owner manager dominance B3 – Customized products and services B5 – Characteristics to obtain competitive advantages B6 – Close customer relationship B10 - Change in management
C – The multi-channel integration process	C1- Lack of resources C3 – Customized products and services C4 – Lack of ICT capabilities C6 – Close customer relationship C10 - Change in management
D – The information management process	D1- Lack of resources D2 – Owner manager dominance D3 – Customized products and services D4 – Lack of ICT capabilities D6 - Close customer relationship D7- Lack of planning D8 – Flexible structure D9 – Undeveloped marketing D10 – Change in management
E – The performance assessment process	E1- Lack of resources E2 – Owner manager dominance E4 – Lack of ICT capabilities E6 – Close customer relationship E7 - Lack of planning E9- Undeveloped marketing E10 – Change in management

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Appendix D - Examples of coded r.u.'s. Portugal, 2013

		Examples
A	A2	BMW (IT): "It is shared, in some way it is shared. It is like this, normally it starts with the manager, but he eventually brings the ideas down for discussion" Hotel (SPA): "No, it is all made by the direction"
	A3	Hotel (commercial director): "What happens is when we receive a reservation, from whoever makes it, and if we notice that is from a client that we already had the name in the system, his all history appears. Thus, me or any other employee, the majority already knows him, starts taking measures in order to meet everything he already asked for before." Club (CRM responsible): "The Club is very focused for a relatively special treatment of the members"
	A5	Comtemp (commercial director): "Firstly it is extremely important to maintain personal relations, secondly trust relations and that this trust is perceived, I mean, it is not just to trust in me or in you, but to trust in what we offer and that what we do corresponds to what he wants."
	A6	Hotel (commercial director): "In a hotel with more than 50 bedrooms, 100 bedrooms, it is impossible to have that type of relationship with the clients, it is not possible pay attention to them, and here we can." Comtemp (commercial director): "The lower the number of clients, the greater is the degree of approximation to the client."
	A7	Comtemp (commercial director): "It exists. Regarding the commercial area, an annual business plan is made, which is approved by the administration and then executed." Hotel (manager): "No, it is essentially based on common sense."
	A9	Volkswagen (commercial secretary and administrative support): "In addition to the car shop's campaigns, in this case for example, tires as there is one in which you can earn up to 40 euros in fuel cards, or change brushes for example, in winter we did some, offer the brushes clean windshield in winter by a lower value with free assembly for example." Hotel (SPA): "We just have a flyer that says that it is open to the public. I think that in this aspect we fail a little. We still do not have ways of marketing."
	A10	Club (CRM responsible) "Yes, definitely. We had changes, we started treating clients that were not members as clients, the complaints management got better with the ability to have interaction registrations, centralization of information also took place." Comtemp (commercial director): "I am going to say yes, because the CRM allows to obtain market outputs that in terms of planning and in terms of the everyday operational management, influencing some decisions, so I'm going to say yes."
B	B3	BMW (IT responsible): "We try to create value, creating value is in the anticipation, in the verification of what the client may need, and also in the treatment and in the way of accompanying." Hotel (SPA): "I think that is the way we deal with the client, the way we treat him and make him feel like he is home."
	B5	Comtemp (commercial director): "At this moment, we are developing for Sonae and basically it has to do with the fact of them understanding that we have technology, know-how, and if we already are their suppliers it is a good principle for that fidelity." Hotel (Manager): "And I think that here, and that is why we can do it, it is to give the client a space, giving him the attention he needs"
	B6	BMW (sales chief): "The strong relations that we keep, trying to keep the client totally satisfied is one of our concerns." Hotel (commercial director): "I look at the horse fair period in November, my clients have been the same for 7 years."
C	C1	Club (CRM responsible) "What we can spend, how much we can spend in that campaign, is how we choose a way or another of communication." Comtemp (Commercial Director): "All companies should have a greater financial capacity"
	C3	BMW (Sales chief): "The moment when we do the first approach to the client, we create the client's record, and we put the preferential contact, phone, email." Volkswagen (commercial secretary and administrative support): "Yes, by telephone, sms. Sometimes the telephone doesn't work and a sms is read immediately. (...) So by telephone, sms that we use a lot, and also e-mail"
	C4	BMW (Marketing and CRM responsible): "We have many difficulties, this is we have Autoline (software), but the others are already working with Incadia (software), and Incadia is going to allow us to automate the process a bit." Club (CRM responsible): "They are more integrated that they were initially, they were dispersed in some platforms and now they are totally integrated in Siebel CRM."

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	C6	Hotel (intern): "She (SPA employee) tries to call to every client to know if they are liking the products, or not, if that is the case they change the product, or some clients misuse them and she tries to do that contact, and many clients like that type of accompaniment" Hotel (manager): "By phone we contact the local clients, those who ask us to contact them when we have an event or theme dinner, but it is only for that niche market, it is very small, with about 30 people."	
	C10	Club (CRM responsible): "It was easy to adopt the system, the users with a strong training adapted easily to the application, understood the advantages" Comtemp (commercial director): "It is necessary that they are trained, it is necessary that they understand the training, it is necessary that they want to have that training and it is necessary that they apply what was learnt in the training."	
D	D1	Comtemp (commercial director): "The investment for that is brutal, so there is no that possibility." Club (CRM responsible): " There is always something we would like to do and can't, if not because of anything else due to budget contingencies, yes"	
	D3	BMW (IT responsible): "a client may leave after having bought a van, he is going to have a baby, so it is common for us to suggest a baby chair, so there is all this contact and observation, some data is noticed, and some preferences are noticed." BMW (sales chief): "So we can get all information to communicate with the client and the 'prospects', right? As I say, the CRM is not only for clients, it is for the clients and for the potential clients, and now it is necessary to have all information on 100%."	
	D4	BMW (sales chief): "No, the software that we have at the moment is adjusted to CRM, moreover today it is a tool through which we can take everything that we need." C.A.M.(Marketing and CRM responsible): "We need external help from the company who created it. Any alteration always takes a while."	
	D6	Hotel (manager) "We have a form, which is not filled in by everyone, with a survey about if they are satisfied, for them to give a punctuation of the SPA, restaurant, cleaning, etc. And then they always make a comment." Comtemp (Commercial Director): " We needed to have a better capacity to communicate with the exterior, especially with the final customer"	
	D7	Club (CRM responsible): "Clubs, there are no vertical markets for clubs, and because of that we use integrating services, in this case we choose a universal product or with several integrators available in the market" / "we didn't want to just present here a new application, that works like this and this and this. We explained to people why we were doing that, the advantages that it brought to the club and for them on their day to day"	
	D8	C.A.M. (Marketing and CRM responsible): "It wasn't easy. There was a lot of resistance, especially on the sales level, because the seller always has the idea the customer is his." Volkswagen (commercial secretary and administrative support): "We did not have problems. The employees had been trained here in the work place with technicians."	
	D9	BMW (sales chief) "We have a person that is responsible for the Marketing or sometimes we go outside, to a data processing company." Volkswagen (commercial secretary and administrative support): "The analysis are made when we want to make a campaign, we want to send sms' for a certain campaign"	
	D10	Club (CRM responsible): "We had been working since 2007 until the end of last year with a certain integrator and this year we changed the integrator, without big dramas, because the product we use is relatively open" BMW (sales chief): "We had CRM but it was not used in its essence, so we did not used it as it was supposed to be, and a few years ago we had that concern that is why I say it was gradual."	
	E	E4	Hotel (commercial director): "our program does basically everything, that program along with these ones, I can know exactly what the clients ate, at what time, I can see it all." Volkswagen (commercial secretary and administrative support): "The help that we had was from the company that installed all the program, where CRM is included."
		E6	Comtemp (commercial director): "We created a customer satisfaction survey".
E7		Comtemp (commercial director): "It is a question of planning, this is a project and for any project a plan needs to be defined, with certain steps, and each step defined with tasks that each one is responsible for, and must be implemented." Hotel (Manager): "Immediately. We did not open without this software"	
E10		BMW (IT responsible): "That is why the entire system is still changing and is going to keep changing for a while." Hotel (Manager): "Before we used to see which reservations were highlighted and would have to manually see if this reservation was for two nights at a given price per night, and Protel (software) does it all"	

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