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CUSTOMER RELATIONSHIP MANAGEMENT AND BUSINESS OUTCOMES*

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ABSTRACT

Pharmaceutical companies use different strategies for business development. Role and importance of each strategy vary according to the purpose. Present paper deals with the opinion of medical representatives about impact of Customer Relationship Management (CRM) parameters on business outcomes. Researcher used 46 parameter and collected data on five point scale. After the factor analysis it has been analyzed that there are twelve component groups. The twelve components groups are labeled as 'Logical Efforts', 'Upgraded Technology', 'Not Making Money', 'Profitable Trade', 'Association Follow-up', 'Prediction', 'Incessantly Track', 'Diverse Treatment', 'Motionless Stakeholder', 'Number Get In Touch With', 'Endorsement'. Each group extracted similar type of parameters. This factor analysis will help to develop CRM strategy.

Keywords: Pharmaceutical industry; Customer relationship management (CRM); Prescription; Medical representative; Business outcomes.

INTRODUCTION

Physician is the primary target of most pharmaceutical companies relationship marketing efforts and it is observe that physician are dependent on the PSR for information about particular pharmaceutical products and samples. The PSR is dependent on the physician for his / her time and prescriptions written. As total dependence increases, both channel members have greater stakes in the relationship. This study explores the relationship between various stakeholders in pharmaceutical industry as well as the ways used for developing and maintaining relationship among stakeholders of pharmaceutical industry. The benefits of customer relationship management are considered abound. It may help to provide direction to pharmaceutical organization and help to retain customers with effective marketing. Present paper deals with the impact of CRM parameters on business outcomes. This study reveals different group of factors and where the focus is required in CRM strategy development.

* The views or opinions expressed in this manuscript are those of the author(s) and do not necessarily reflect the position, views or opinions of the editor(s), the editorial board or the publisher.

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CRM RELATED LITERATURE REVIEW

CRM is based on the belief that developing a relationship with customers is the best way to make them loyal, and that loyal customers are more profitable than non-loyal customers (Landry et al., 2005). Merely attracting new customers is not good enough. It is very important to build a long-term relationship with them so that they provide repeat business, thereby ensuring sustainable revenues and profits (Chavan et al., 2009). Through CRM, marketing appears to have come full-circle in its evolution: from straight sales to mass marketing, to target marketing, to relationship marketing, and now to CRM, which is on the way to completely allowing true one-on-one marketing (Kurpad, 2010). CRM employs information technology to enforce and execute relationship marketing approaches (Sharma, 2010). CRM is not only IT for marketing, sales and service; it is a cross functional, customer-driven, business process management strategy that maximizes relationships and encompasses the entire organization using the technology available. Companies that achieve the whole functionality of a CRM system obtain an important commercial tool to compete in their global market with a well-planned strategy (Luis, 2010). Information systems that implement customer orientation strategies are most promising to achieve and sustain competitive advantage. The main technological enablers are CRM systems which are introduced with substantial financial effort in many organizations. There is no typical CRM project and that successful implementations are rarely based on technical excellence. But there are six critical success factors for CRM projects: step-wise evolution, straightforward implementation and long-term project scope, organizational redesign, integrated system architecture of standard components, change management and top management support (Rainer et al., 2003). Only 50% of firms who are reporting CRM success stated that, end user education was significant. In contrast, about one-third of those not reporting CRM success stated that end user education was significant. Logically, many report that identifying the company's CRM needs and customer needs is very important to CRM success (Johnf, 2004).

For measuring existing CRM system of organization (Troy, 2008) stated 51 variables which are namely; Formal system for identifying potential customers, formal system for identifying which of the potential customers are more valuable, use data from external sources for identifying potential high value customers, formal system in place that facilitates the continuous evaluation of prospects, system in place to determine the cost of reestablishing a relationship with a lost customer, systematic process for assessing the value of past customers with whom you have no longer relationship, system for determining the costs of re establishing a relationship with inactive customers, attempts to attract prospects in order to coordinate message across media channels, formal system in place that differentiates targeting communications based on the prospects value, systematically present different offers to prospects based on the prospects economic value, differentiate acquisition investments based on customer value, systematic process/approach to reestablish relationships with valuable customers who have been lost to competitors, system in place to be able to interact with lost customers, systematic process for re establishing a relationship with valued inactive customers, system for interacting with inactive customers, formal system for determining which are the current customers are of the highest value, continuously tracks customers information in order to assess customer value, actively attempts to determine the costs of retaining customers track the status of the relationship during the entire customer life cycle (relationship maturity), maintain an interactive two way communication with customers, actively stress customer loyalty of relation programs, integrate customer information across customer contact points(e.g. mail, telephone, web fax, face to face), structure to optimally respond to groups of customers with different values, systematically attempts to customize products / services based on the value of the customer, systematically attempts to manage the expectations of values customers, attempt to build long term

relationships with high value customers, formalized procedures for cross selling to valuable customers, formalized procedures for up selling to valuable customers, try to systematically extend share of customer with high value customers, systematic approaches to mature relationships with high value customers in order to be able to cross sell or up sell earlier, provide individualized incentives for valuable customers if they intensify their business with us, systematically track referrals, try to actively manage the customers referral process, provide current customers with incentives for acquiring new potential customers, offering different incentives for referral generation based on the value of acquired customers, formal system for identifying non profitable or lower value customers, formal policy or procedure for actively discontinuing relationship with low value or problem customers (e.g. cancelling customer accounts), try passively discontinue relationships with low value or problem customers (e.g. raising basic service fees), offer disincentives to low value customers for terminating their relationships (e.g. offering proper service), systematic training procedures for helping employees deal differently with high end and low value customers, reward employees for building and developing relationship with high value customers, whether your SBU is organized in a way to optimally respond to customer groups with different profitability, organizing people (i.e. changing organizational structure) to deliver differentiated treatment and products to different customer segments present a strength for your SBU, invest in technology to acquire and manage real time customer information and feedback, technologies that allow for one to one communications with potential customers, dedicated CRM technology in place, required upgraded information technology resources compared to competitors.

Relationship marketing is viewed as the ongoing process of engaging in cooperative activities and programs with intermediate and end-user customers to create or enhance mutual economic value at reduced cost. In pharmaceutical industry companies develop relationship building programs with physicians so that in times of increased competition, they can successfully retain their current customers. Detailing has a positive and statistically significant effect on the number of new prescriptions written by a physician. The single most effective way that pharmaceutical companies can influence physician decisions is through the use of detailing by Pharmaceutical Sales Representative (PSRs) (Melissa, 2011). The pharmaceutical industry has long enjoyed a traditionally close relationship with the physician community, based upon trust and credibility. This relationship has remained largely intact — with 44 per cent of surveyed physicians saying they generally trust pharmaceutical companies. A total of 19 per cent however, explicitly expressed distrust towards sales representatives — argue that, although fairly modest, nevertheless may grow if there is no change in the way that pharma physician relationships develop in the future. Physicians are worried about the marketing bias in the information presented to them by sales representatives. A staggering 65 per cent of surveyed physicians expressed concern about pharmaceutical companies not keeping them informed about the messages they send to patients — a finding consistent across the USA and Europe. Most worrying for the pharmaceutical companies, over the past 2 years, is that 38 per cent of the surveyed physicians have decided to make less time for sales representatives. These might include educational materials for patients, unbiased scientific information and continuing medical education, funding and practice management support. Using the customer relationship management (CRM) platform and sales force mobility tools, the interaction between all parties can be personalized and thus retained. Multi-channel integration can ensure that knowledge of all contacts is shared, for example a representative will know if a doctor called the call centre last week with a medical enquiry. Acting as relationship managers rather than merely messengers, a well-trained sales force is encouraged to unleash their human sensitivity and form real and honest bonds with this principal group of customers. Therefore

there are a number of ways in which pharmaceutical companies can rebuild the kind of relationships that will yield the best outcome for all stakeholders in the equation. While human contact is certainly valued, when approaching physicians, less is most certainly more. Physicians want to choose how they were contacted, that they want contact with one or two representatives per company only — and that these representatives should be more responsive to doctors' needs. Relationships should be deeper — based on a clear exchange of objective and neutral scientific information and finally, unbiased by commercial arguments (Mackintosh, 2004).

Gifts to doctors influence their prescribing patterns. Research has shown, quite unequivocally, that even a small gift, like a pen, can have an influence (Georg, 2010). If it is the patient who insists on presenting gifts for personal use (and even if most doctors have occasionally accepted gifts), it may still be a boundary violation with its attendant problems. The skill to be gently assertive while refusing such gifts without hurting the sentiments of patients and careers usually comes with experience but can be easily taught to junior doctors. Common sense would dictate that accepting a box of sweets by a patient who can afford it, on behalf of the entire treating team and on an occasion, would be acceptable. Self disclosure can be a useful technique to be used by an experienced therapist to help the patient feel better, but undue disclosure about oneself to make the therapist feel better is unacceptable. Becoming friends with patients is inadvisable (Sunita, 2010).

Another fruitful but controversial practice of CRM is Direct-to-Consumer Advertising of prescription medicines (DTCA), where many of the arguments for and against are not supported by strong evidence. DTCA and the doctor – patient relationship in which he explains the healthcare landscape is complex and dynamic and is being influenced by a number of factors, all of which impact on the doctor – patient relationship. It has been argued that DTCA may adversely affect the doctor – patient relationship and lead to less than satisfactory health outcomes (Harker, 2007).

Superior CRM capability can create positional advantage and subsequent improved performance. To be most successful, CRM programs should focus on latent or unarticulated customer needs that underpin a proactive market orientation (Coltman, T.,2007). Central role of loyalty is the mediating factor in building relationships with customers. In order to build retention equity common to most relationship marketing programs, marketers need to understand the relationship from the customer's point of view. There are four dimensions representing the different forms of media to communicate with customers: printed mail, e-mail, telemarketing, and face-to-face service. Relationship marketing strategies will be successful if customer communication preferences are part of the customer profile database of a firm. But it is found that use of relationship marketing strategy by marketing executives has not resulted in high demand for variable data printing (Sorce, 2002). Similarly the integration of Customer Management (CM) into CRM offers a very real opportunity when taking into account the complex and myriad communications management functions and sources of information within CRM such as Sales, Marketing and Customer Service. CM vastly enhances the CRM function by managing information and content and then consistently disseminating that content through multiple channels such as sales, call centers, websites and publications (Keith Forsyth, 2004). Public hospitals in Spain are currently using their websites as a means of communication with their patients and clients but this effort still far from the ideal concept of market orientation (Teresa et al., 2002). The nationality of the firm might have an impact on the propensity to adopt relationship marketing techniques (Bradley et al., 2000).

Hea-Sook (2006) proposed a new policy for consolidating a company's profits by segregating the clients using the contents service and allocating the media server's resources selectively by clusters using the cluster analysis method of CRM, which is mainly applied to

marketing. In this case, CRM refers to the strategy of consolidating a company's profits by efficiently managing the clients, providing them with a more effective, personalized service, and managing the resources more effectively. He also analyzes the level of contribution vis-a-vis the clients' service pattern (total number of visits to the homepage, service type, service usage period, total payment, average service period, service charge per homepage visit) and profits through the cluster analysis of clients' data applying the Two Step Cluster Method. A higher renewal rate was shown when applying CRFS through the evaluation of the client's renewal rate.

During the merger of two pharmaceutical companies isomorphic pressures and some organizational conditions are identified as relevant factors in the redefinition of the customer, the outcome of which is the deinstitutionalization of some CRM practices and the restructuring of customer portfolios. It is also proposed that procedural legitimacy drives the change within the network organization (Lukkari, 2011). As the pharmaceutical organization, physicians and distribution channels are implementing and using CRM it becomes essential to know output of CRM. CRM can help for firm for tracking communication between firms and their customers by using twelve variables viz. analyzing customer revenue and cost data in order to identify current and future high-value customers, targeting direct marketing efforts, capturing relevant product and service behavior data, creating new distribution channels, developing new pricing models, processing transactions faster, providing better information to the front line, managing logistics and the supply chain more efficiently, deploying knowledge management systems, tracking customer defection and retention levels, tracking customer satisfaction levels, tracking customer win-back levels. Not only are the business outcomes in term of finance but also trust, belief and continuous prescription the outcomes of effective CRM (Tetteh, 2008).

RESEARCH METHODOLOGY

Present research is descriptive inferential in nature. The study is conducted in Satara District in Maharashtra State, India. Medical Representatives are the samples for the study. Data have collected from 90 medical representatives using structured schedule. Data about demographic profile of respondents, different basis used for developing and maintaining the relationship was a need of study and collected through Structured Schedules. One section in schedule is about use of existing CRM system and contains 46 variables (Virgil Troy, 2008).There are total 51 Variables discussed by Virgil Troy for the Study of CRM but Researcher has taken 46 variables and reconstructed the statement suitable to the samples. Parameter affected on business outcomes (1.Strongly Unaffected to 5.Strongly affected) is assessed by using five point scale. The variables used were formal system for identifying potential customers, formal system for identifying which of the potential customers are more valuable, use data from external sources for identifying potential high value customers, formal system in place that facilitates the continuous evaluation of prospects, system in place to determine the cost of reestablishing a relationship with a lost customer, systematic process for assessing the value of past customers with whom you have no longer relationship, system for determining the costs of re establishing a relationship with inactive customers, attempts to attract prospects in order to coordinate message across media channels, formal system in place that differentiates targeting communications based on the prospects value, systematically present different offers to prospects based on the prospects economic value, differentiate acquisition investments based on customer value, systematic process/approach to reestablish relationships with valuable customers who have been lost to competitors, system in place to be able to interact with lost customers, systematic process for re establishing a relationship with valued inactive customers, system for interacting with inactive customers, formal system for determining which are the current customers are of the highest value,

continuously tracks customers information in order to assess customer value, actively attempts to determine the costs of retaining customers track the status of the relationship during the entire customer life cycle (relationship maturity), maintain an interactive two way communication with customers, actively stress customer loyalty of relation programs, integrate customer information across customer contact points(e.g. mail, telephone, web fax, face to face), structure to optimally respond to groups of customers with different values, systematically attempts to customize products / services based on the value of the customer, systematically attempts to manage the expectations of values customers, attempt to build long term relationships with high value customers, formalized procedures for cross selling to valuable customers, formalized procedures for up selling to valuable customers, try to systematically extend share of customer with high value customers, systematic approaches to mature relationships with high value customers in order to be able to cross sell or up sell earlier, provide individualized incentives for valuable customers if they intensify their business with us, systematically track referrals, try to actively manage the customers referral process, provide current customers with incentives for acquiring new potential customers, offering different incentives for referral generation based on the value of acquired customers, formal system for identifying non profitable or lower value customers, formal policy or procedure for actively discontinuing relationship with low value or problem customers (e.g. cancelling customer accounts), try passively discontinue relationships with low value or problem customers (e.g. raising basic service fees), offer disincentives to low value customers for terminating their relationships (e.g. offering proper service), systematic training procedures for helping employees deal differently with high end and low value customers, reward employees for building and developing relationship with high value customers, whether your SBU is organized in a way to optimally respond to customer groups with different profitability, organizing people (i.e. changing organizational structure) to deliver differentiated treatment and products to different customer segments present a strength for your strategic business unit, invest in technology to acquire and manage real time customer information and feedback, technologies that allow for one to one communications with potential customers, dedicated CRM technology in place and required upgraded information technology resources compared to competitors.

DATA ANALYSIS, RESULTS AND DICUSSIONS

Factor Analysis of Existing CRM System Affected on Business Outcomes

The responses taken from medical representatives towards impact of CRM on business outcomes on 46 variables are considered for the factor analysis. 90 samples of medical representative have been taken for consideration for analysis. Researcher with view to find out commonalities into preferences factor analysis has been applied.

KMO and Bartlett's test for analysis of existing CRM system affected on business outcomes opined by medical representatives applied to check the sampling adequacy

TABLE 1

KMO and Bartlett's Test for CRM System Affected on Business Outcomes

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.627
Bartlett's Test of Sphericity	Approx. Chi-Square	3.400E3
	df	1035
	Sig.	.000

The KMO and Bartlett’s measure comes to 0.627, which shows data is adequate to go for the factor analysis.

Total Variance Explained for CRM System Affected on Business Outcomes

After analyzing the data adequacy researcher analyzed total variance explained for motivation to prescribe product opined by medical representatives. 12 factors have been extracted.

TABLE 2

Variance explained for factor analysis

Component	Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	12.826	27.884	27.884	5.495	11.945	11.945
2	4.483	9.747	37.630	3.569	7.758	19.703
3	3.704	8.052	45.682	3.568	7.757	27.460
4	2.866	6.231	51.913	3.464	7.531	34.991
5	2.226	4.839	56.751	2.914	6.334	41.325
6	1.645	3.576	60.327	2.727	5.928	47.254
7	1.492	3.243	63.570	2.700	5.869	53.122
8	1.447	3.145	66.716	2.626	5.709	58.832
9	1.291	2.807	69.523	2.596	5.644	64.475
10	1.233	2.681	72.204	1.930	4.195	68.670
11	1.028	2.234	74.439	1.918	4.171	72.841
12	1.010	2.196	76.634	1.745	3.794	76.634

Extraction Method: Principal Component Analysis

The responses of 90 samples were executed with the help of factor analysis. Twelve factors have been extracted using principal component methods, which explain 76.63% of variance.

FIGURE 1

Factor Extracted

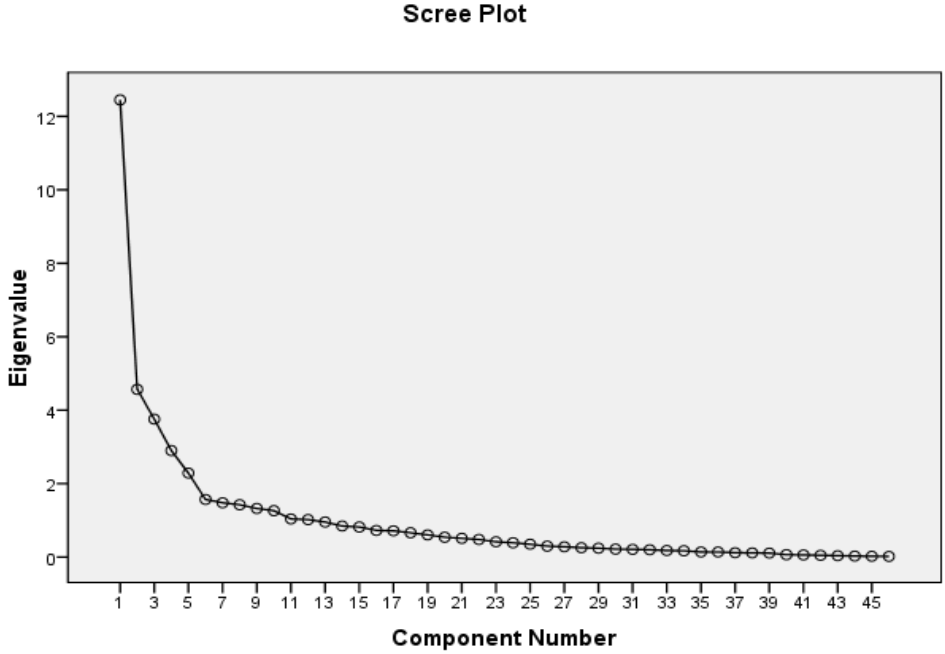
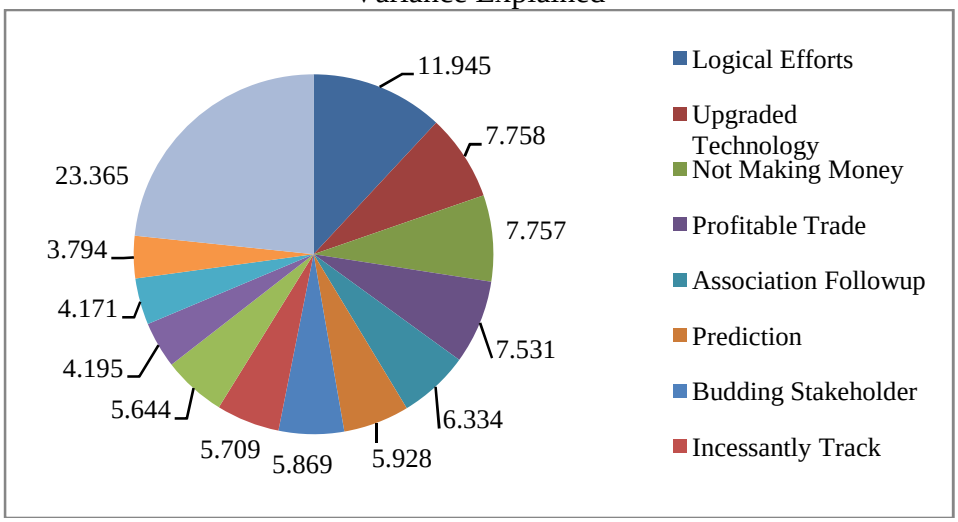


FIGURE 2
Variance Explained



Rotated Component Matrix for CRM System Affected on Business Outcomes

Rotated component matrix has been work out to find out the twelve factors and the variables belongs to every factor. Analysis is done on the basis of existing CRM system affected on business outcomes opined by medical representatives.

TABLE 3
Rotated Component Matrix for CRM System Affected on Business Outcomes

Rotated Component Matrix[a]

	Component											
	1	2	3	4	5	6	7	8	9	10	11	12
D1A	.043	-.076	.064	.919	.023	.012	-.008	.161	-.037	-.009	-.066	.024
D2A	.002	-.014	-.076	.832	.076	.151	.044	.297	-.088	.025	.121	-.020
D3A	-.005	-.143	.164	.177	-.045	.151	.819	-.095	-.066	.007	.007	.094
D4A	.086	-.090	.059	.001	-.019	-.058	.838	.075	.130	.071	.216	.090
D5A	.142	.082	-.070	-.080	.077	.352	.736	-.005	.062	.098	-.164	-.145
D6A	.284	.187	.064	.026	.042	.378	.158	-.034	.083	.610	-.239	.140
D7A	.262	.040	.132	.110	.109	.715	.366	.196	.117	.104	-.086	.030
D8A	.202	.019	.304	.001	.082	.739	.048	.101	.064	.190	.180	.154
D9A	.201	.197	-.025	.218	.084	.612	.141	.145	.222	.051	.217	.128
D10A	.085	.130	.087	-.033	.105	.108	-.070	.015	.716	.278	.080	.192
D11A	.177	.132	.030	.005	.153	.035	.105	.035	.802	.068	-.049	-.203
D12A	.150	.268	-.129	-.152	.167	.290	.229	.042	.520	.023	-.005	.335
D13A	.184	.161	.002	-.149	.258	.172	.233	.215	.368	.452	.027	.163
D14A	.146	.051	.190	-.078	.086	.082	.149	-.063	.334	.668	.308	.037
D15A	.106	-.004	.163	.398	.061	.159	-.009	.677	.065	-.167	-.103	.072
D16A	-.035	-.023	-.169	.496	.132	-.030	-.083	.709	-.089	.010	-.037	-.037
D17A	.250	.025	.011	.133	.157	.108	.075	.802	.046	.030	.183	.107
D18A	.183	-.070	.196	.032	.374	.300	-.038	.508	.172	.300	-.064	.195
D19A	.106	.007	.138	-.157	.724	.146	-.063	.311	.253	.178	.051	-.032
D20A	.190	.212	-.054	.009	.744	.083	.041	.252	.124	-4.54E-	.305	.141
D21A	.270	.110	.005	-.043	.217	.027	.153	.075	-.001	.079	.819	.113
D22A	.400	.168	.109	.228	.112	.382	-.140	-.070	.056	.044	.639	-.074
D23A	.487	.180	.107	.127	-.014	.114	-.214	.010	.150	.448	.251	.287

Rotated Component Matrix[a]

	Component											
D24A	.486	.264	.000	.218	.187	.348	.114	-.291	-.067	.030	.183	.321
D25A	.475	.142	.108	.364	.177	.105	-.073	.057	.258	-.102	.075	.396
D26A	.357	.074	-.064	.266	.716	.049	-.075	-.068	.046	.023	.099	.078
D27A	.630	-.025	.190	.129	.205	.184	.136	.195	.171	-.090	.051	.204
D28A	.584	.138	.051	-.014	.232	.265	.163	.180	.021	.117	.015	.350
D29A	.573	-.002	.113	.357	.381	-.058	.153	-.040	.092	.080	.083	.074
D30A	.530	.155	.121	.100	.468	.145	.277	.119	-.065	.093	-.035	.207
D31A	.569	.170	.312	.132	.405	-.022	.121	.148	.131	-.087	-.172	.160
D32A	.764	.072	.127	-.158	.062	.203	.207	.028	.140	.100	.313	-.090
D33A	.790	.207	-.025	-.026	.042	.122	-.043	.126	.118	.223	.127	.033
D34A	.808	.218	-.060	-.167	.073	.108	-.067	.072	.101	.149	.124	-.061
D35A	.243	.016	-.004	-.136	.171	.185	.084	.184	.025	.241	.061	.693
D36A	-.035	.156	.488	.689	-.043	.053	.176	.089	-.046	-.127	.033	-.167
D37A	.022	.087	.774	.409	.004	.059	.048	.078	-.059	.111	-.028	-.210
D38A	.103	.254	.847	.124	.057	.107	.147	.044	.044	.097	.041	.035
D39A	.042	.339	.765	-.114	.111	.101	.029	-.058	.013	.038	.004	.161
D40A	.021	.636	.306	.006	.207	-.194	-.025	-.210	.055	.368	.040	-.050
D41A	.088	.834	.071	.092	.077	.045	-.104	-.022	.018	.032	.051	-.183
D42A	.140	.603	.334	-.078	.234	.243	.098	-.036	.331	-.108	-.099	.013
D43A	.213	.215	.614	-.190	-.209	.063	-.077	-.005	.494	.056	.099	.040
D44A	.304	.546	.408	-.179	.053	.115	-.138	.048	.209	.079	.126	.128
D45A	.324	.709	.260	-.073	-.038	.138	-.085	.038	.067	.063	.050	.237
D46A	.176	.638	.213	.074	-.009	.049	.036	.119	.272	.065	.149	.210

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.
a. Rotation converged in 14 iterations.

From above rotated component matrix, following factors has been derived. Researcher has proposed the labels to the factors, which are mention at the title.

Logical efforts are the factor extracted from the 11 variables. This component explains 3.15% of variance. The component mainly contains provide current customers with incentives for acquiring new potential customers, try to actively manage the customers referral process, systematically track referrals, formalized procedures for cross selling to valuable customers.

TABLE 4

Component Number 1: Logical Efforts

Sr.	Statement/ Variable	Factor Loading
1	Structure to optimally respond to groups of customers with different values	.487
2	Systematically attempts to customize products / services based on the value of the customer	.486
3	Systematically attempts to manage the expectations of values customers	.475
4	Formalized procedures for cross selling to valuable customers	.630
5	Formalized procedures for up selling to valuable customers	.584
6	Try to systematically extend share of customer with high value customers	.573
7	Systematic approaches to mature relationships with high value customers in order to be able to cross sell or up sell earlier	.530
8	Provide individualized incentives for valuable customers if they intensify	.569

	their business with us	
9	Systematically track referrals	.764
10	Try to actively manage the customers referral process	.790
11	Provide current customers with incentives for acquiring new potential customers	.808

Upgraded technology is the factor extracted from the 6 variables. This component explains 3.15% of variance. The component mainly contains reward employees for building and developing relationship with high value customers, technologies that allow for one to one communications with potential customers, systematic training procedures for helping employees deal differently with high end and low value customers.

TABLE 5
Component Number 2: Upgraded Technology

Sr.	Statement/ Variable	Factor Loading
1	Systematic training procedures for helping employees deal differently with high end and low value customers	.636
2	Reward employees for building and developing relationship with high value customers	.834
3	Whether your SBU is organized in a way to optimally respond to customer groups with different profitability	.603
4	Invest in technology to acquire and manage real time customer information and feedback	.546
5	Technologies that allow for one to one communications with potential customers	.709
6	Required upgraded Information Technology resources compared to competitors	.638

Not making money is the factor extracted from the 4 variables. This component explains 3.15% of variance. The component mainly contains try passively discontinue relationships with low value or problem customers (e.g. raising basic service fees), formal policy or procedure for actively discontinuing relationship with low value or problematic customers (e.g. cancelling customer accounts), offer disincentives to low value customers for terminating their relationships (e.g. offering proper service).

TABLE 6
Component Number 3: Not Making Money

Sr.	Statement/ Variable	Factor Loading
1	Formal policy or procedure for actively discontinuing relationship with low value or problematic customers (e.g. cancelling customer accounts)	.774
2	Try passively discontinue relationships with low value or problem customers (e.g. raising basic service fees)	.847
3	Offer disincentives to low value customers for terminating their relationships (e.g. offering proper service)	.765
4	Organizing people (i.e. changing organizational structure) to deliver differentiated treatment and products to different customer segments present a strength for your SBU	.614

Profitable trade is the factor extracted from the 3 variables. This component explains 3.15% of variance. The component mainly contains formal system for identifying potential customers, formal system for identifying which of the potential customers are more valuable, formal systems for identifying non profitable or lower value customers.

TABLE 7
Component Number 4: Profitable Trade

Sr.	Statement/ Variable	Factor Loading
1	Formal system for identifying potential customers	.919
2	Formal system for identifying which of the potential customers are more valuable	.832
3	Formal system for identifying non profitable or lower value customers	.689

Association follow-up is the factor extracted from the 3 variables. This component explains 3.15% of variance. The component mainly contains track the status of the relationship during the entire customer life cycle (relationship maturity), maintain an interactive two way communication with customers, and attempt to build long term relationships with high value customers.

TABLE 8
Component Number 5: Association Follow-up

Sr.	Statement/ Variable	Factor Loading
1	Track the status of the relationship during the entire customer life cycle(relationship maturity)	.724
2	Maintain an interactive two way communication with customers	.744
3	Attempt to build long term relationships with high value customers	.716

Prediction is the factor extracted from the 3 variables. This component explains 3.15% of variance. The component mainly contains attempts to attract prospects in order to coordinate message across media channels, System for determining the costs of re establishing a relationship with inactive customers.

TABLE 9
Component Number 6: Prediction

Sr.	Statement/ Variable	Factor Loading
1	System for determining the costs of re establishing a relationship with inactive customers	.715
2	Attempts to attract prospects in order to coordinate message across media channels	.739
3	Formal system in place that differentiates targeting communications based on the prospects value	.612

Budding stakeholder is the factor extracted from the 3 variables. This component explains 3.15% of variance. The component mainly contains Formal system in place that facilitates the continuous evaluation of prospects, Use data from external sources for identifying potential high value customers.

TABLE 10
Component Number 7: Budding Stakeholder

Sr.	Statement/ Variable	Factor Loading
1	Use data from external sources for identifying potential high value customers	.819
2	Formal system in place that facilitates the continuous evaluation of prospects	.838
3	System in place to determine the cost of reestablishing a relationship with a lost customer	.736

Incessantly track is the factor extracted from the 4 variables. This component explains 3.15% of variance. The component mainly contains continuously tracks customers information in order to assess customer value, formal system for determining which are the current customers are of the highest value.

TABLE 11
Component Number 8: Incessantly Track

Sr.	Statement/ Variable	Factor Loading
1	System for interacting with inactive customers	.677
2	Formal system for determining which are the current customers are of the highest value	.709
3	Continuously tracks customers information in order to assess customer value	.802
4	Actively attempts to determine the costs of retaining customers	.508

Diverse treatment is the factor extracted from the 3 variables. This component explains 3.15% of variance. The component mainly contains differentiate acquisition investments based on customer value, systematically present different offers to prospects based on the prospects economic value.

TABLE 12
Component Number 9: Diverse Treatment

Sr.	Statement/ Variable	Factor Loading
1	Systematically present different offers to prospects based on the prospects economic value	.716
2	Differentiate acquisition investments based on customer value	.802
3	Systematic process/approach to reestablish relationships with valuable customers who have been lost to competitors	.520

Motionless stakeholder is the factor extracted from the 3 variables. This component explains 3.15% of variance. The component mainly contains systematic process for re establishing a relationship with valued inactive customers, systematic process for assessing the value of past customers with whom you have no longer relationship.

TABLE 13
Component Number 10: Motionless Stakeholder

Sr.	Statement/ Variable	Factor Loading
1	Systematic process for assessing the value of past customers with whom you have no longer relationship	.610
2	System in place to be able to interact with lost customers	.452
3	Systematic process for re establishing a relationship with valued inactive customers	.668

Get in touch with is the factor extracted from the 2 variables. This component explains 3.15% of variance. The component mainly contains Actively stress customer loyalty of relation programs, integrate customer information across customer contact points (e.g. mail, telephone, web fax, face to face).

TABLE 14
Component Number 11: Get In Touch With

Sr.	Statement/ Variable	Factor Loading
1	Actively stress customer loyalty of relation programs	.819
2	Integrate customer information across customer contact points (e.g. mail, telephone, web fax, face to face)	.639

Endorsement is the factor extracted from the 1 variable. This component explains 3.15% of variance. The component mainly contains offering different incentives for referral generation based on the value of acquired customers.

TABLE 15
Component Number 12: Endorsement

Sr.	Statement/ Variable	Factor Loading
1	Offering different incentives for referral generation based on the value of acquired customers	.693

CONCLUSIONS

Researcher has analyzed the opinion of medical representative about impact of CRM parameters on business outcomes. Researcher used 46 parameter and collected data on five point scale. After the factor analysis it has been analyzed that there are twelve component groups. The twelve components groups are labeled as ‘Logical Efforts’, ‘Upgraded Technology’, ‘Not Making Money’, ‘Profitable Trade’, ‘Association Follow-up’, ‘Prediction’, ‘Incessantly Track’, ‘Diverse Treatment’, ‘Motionless Stakeholder’, ‘Number Get In Touch With’, ‘Endorsement’. Researcher given the labeled as per the features of parameters and it shows that factor analysis given perfect component as per the features.

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