

# A Review on Financial Planning using CRM

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## ABSTRACT

The CRM is a new technique in marketing where the marketer tries to develop long term relationship with the customers to develop them as lifetime customers. CRM aims to make the customer climb up the ladder of loyalty. Financial Planning is the process of estimating the capital required and determining its competition. It is the process of framing financial policies in relation to procurement, investment and administration of funds of an enterprise

**Keywords :** CRM, Financial Planning

## I. INTRODUCTION

The biggest management challenge in the new millennium of liberalization and globalization for a business is to serve and maintain good relationship with their customer. The changing business environment is characterized by economic liberalization, increasing competition, high consumer choice, demanding customer, more emphasis on quality and value of purchase etc. All these changes have made today's producer shift from traditional marketing to modern marketing..in Modern marketing we can develop a product, check the price of product, promote the product and make it easy to customer. The process of developing a cooperative and collaborative relationship between the buyer and seller is called customer relationship management shortly called CRM.

CRM aims to make the customer climb up the ladder of loyalty. The company first tries to establish scenario with the people who have a strong interest in the product and ability to pay for it. The company hopes to change viewpoint of their customer who so that they convert their first time customers into repeat customers. Then the company tries to convert these repeat customers into clients and they are those

people who buy only from the company in the applicable product categories.

## II. WHY CRM REQUIRED

We generate a global economy scenario that buys, sells and communicates in many ways. competitors are in the environment of erp or financial systems; consider crm as a "future view" profits stream as different to a "historical view" of profits. crm is also a future view of new trends in markets and events that will be leading indicators of your business. ceo of any company may look for changes to lead generation, opportunity creation, or pipeline value to mark early indicators of future problems to the top-line. this will permit a positive approach to organization the business. all over market entry are low, growing viable power. companies and careers rise and fall through twitter, yelp, and linkedin. (crm) is the method of tracking and analyzing all of the connections you have with your customers and forecast. crm software is a tool that centralizes, simplifies, secures, and scales our customer meeting.

## III. WHY YOUR BUSINESS NEEDS A CRM

We need CRM to make your business well-organized and increase our company profit. We need CRM to

create successful processes. We need a CRM because we are looking for energetic advantage in a multi-channel environment. We need to know the interest of customers that are progressively more difficult and are ignoring the old methods we used to market and sell to them. We need a CRM to look into our near future and be predictive of our profit. We need CRM to know the risk and costs of employee turnover. We need CRM to connect in a cycle of continuous development. We need CRM for your business to stay alive.

#### IV. How it works?

Basically, CRM works by collect consumer information, analyze the collected information to recognize customer or market requirements and adjust marketing campaigns according to increase sales. CRM also serves customer service and support divisions--making businesses efficient and improving customer satisfaction.

#### ADVANTAGE AND DISADVANTAGE OF CRM

There are several advantages of CRM and even disadvantages also.

1. It handle all information of customer data in one place.
2. It allows to staff to be more creative and able by tracking customers history, and adding reminders for the sales calls and meetings.
3. It helps to manage your increasing database and speeds up the growth process.
4. It helps centralize data
5. It builds long relationships with customers, through small but important functions, such as sending them birthday wishes. Determine how and where to make improvements in your business.

#### DISADVANTAGE

1. The transition from manual to automatic processes is always one of the major problems which you could face while implementing CRM.

2. The psychology of being tracked; with the implementation of CRM software even the team will have concerns about the possibility of being hacked. However, with the right training and guidance, it can be rectified.

#### Financial planning

Financial Planning is the process of estimate the resources required and formative its opposition. It is the procedure of framing financial policies in relation to buy, invest and management of finances of a project.

#### Objectives of Financial Planning

1. Determining resources requirements- This is depend on many factors like cost of current and fixed resources, promotional operating cost and long- range planning. Resources requirements have to be looked with both aspects: short- term and long- term requirements.
2. Determining resources structure- The resources structure is the work of resources. Framing financial policies with regards to cash control, lending, borrowings.
3. A finance manager ensures that the limited financial resources are maximally utilized in the best potential manner at least cost in order to get maximum returns on investment.

#### Data Mining

Data mining is the process of sorting large data sets to recognize patterns and set up good relationships to solve problems through data analysis. Data mining tools allow enterprises to forecast future trends.

#### Data Mining Applications

Data mining is extremely useful in the following domains

1. Market Analysis and Management:-

1.1 Customer Profiling – Data mining helps to establish what kind of people buy what kind of products.

1.2 Identifying Customer Requirements – Data mining helps in identifying the best products for different customers. It uses prediction to find the factors that may attract new customers.

1.3 Cross Market Analysis – Data mining performs connection/correlations between product sales.

1.4 Target Marketing – Data mining helps to find clusters of model customers who share the same individuality such as interests, spending habits, income, etc.

1.5 Determining Customer purchasing pattern- Data mining helps in determining customer purchasing prototype.

1.6 Providing Summary Information – Data mining provides us various multidimensional summary reports.

2. Corporate Analysis & Risk Management: - Data mining is used in the following fields of the business Sector.

2.1 Finance Planning and Asset Evaluation – It involves cash stream analysis and guess, dependent claim analysis to assess assets.

2.2 Resource Planning – It involves summarizing and comparing the resources and costs.

2.3 Competition – It involves monitoring competitors and market instructions.

3. Fraud Detection: - Data mining is also used in the fields of credit card services and telecommunication to detect frauds. In fraud telephone calls. It helps to find the target of the call, duration of the call, time of the day or week. It also analyzes the patterns that deviate from expected norms.

#### Benefits of data mining

Data mining techniques are used in many research areas, including mathematics, cybercrime, inheritance and marketing. While data mining techniques are a means to make efficiencies and predict customer behavior, if used properly, a

business can set itself apart from its opposition through the use of predictive analysis.

### V. Review of Literature on CRM

Customer Relationship Management (CRM) has become one of the most dynamic technology topics of the millennium. according to Raj Agnihotria at all [2017] proposed “Despite the growing recognition of the critical role of post-sale service on the salesperson-customer relationship, few studies have explored how salesperson service behaviors (SSB) are enhanced through tools such as sales based customer relationship management (CRM) technology and social media. According to Chen and Popovich (2003), CRM is not a concept that is really new but rather due to current development and advances in information and enterprise software technology, it has assumed practical importance. Bose (2002) noted that CRM was invented because the customers differ in their preferences and purchasing habits. As a result, understanding customer drivers and customer profitability, firms can better tailor their offerings to maximize the overall value of their customer portfolio. Hyung-Su Kim a and Young-Gul Kim [2009] proposed “We suggest a performance measurement framework called a customer relationship management (CRM) scorecard to diagnose and assess a firm's CRM practice. Abdul Hamid Tohidi [2012] proposed most useful regulations in relation with managers and customers known as “CRM”. “CRM” is an acronym which is comprised of three main words, “CUSTOMER”, “RELATIONSHIP” & “MANAGEMENT”. Milan Kubina and Viliam Lende [2015] proposed “Problems of successful application of social CRM in the company are still poorly explored and in practice weakly applied area of marketing management.

### VI. Review of Literature on Financial Planning

Leora Klapper at all [2013] proposed “Our study contributes to the literature by examining the effects

of financial literacy on both financial and real behavior in a quite understudied context, that of an rising market experience and financial problem. Lidija Kamara et al [2008] proposed “This review of FSP strategies has found that countries appropriately identified a wide range of strategies to mobilize additional resources, improve the reliability of existing resources and funding sources, and to increase the efficiency of service delivery. Reza Hemmati et al [2013] proposed “TEP problem reviewed with the consideration of different aspects in this paper.

## VII. Conclusion

CRM can be proved to be of great use if used properly and with precise previous database, though if the previous database is not available a new one can be made and can used for future planning. CRM can be very useful for planning sale and stock keeping as per the market trends and analysis.

## VIII. Future Scope

CRM can be as used as a detailed financial planning software, which can help business groups minimizing the loss risk and for the small enterprises it can reduce the cost by a huge margin, also by forecasting the sale in terms of units and in terms of amount it can deduce the employee cost over the products and can also diminish the dead inventory stock issues. CRM needs to be more intelligent and analytical so as to draw more comparisons between the sales and the marketing efforts for particular areas and groups.

## IX. Acknowledgment

We have provided a brief introduction in each page on the products and services. The reference articles and links are not exhaustive by any means, but may help. We list reference articles from several of these that we find helpful to educate ourselves and keep our understanding as current as possible. Grateful to open source knowledge sites such as Wikipedia.com, Khanacademy.org and public sites such as the Facebook.com, Twitter.com, LinkedIn.com, Google.com, and a host of others that provide valuable information, social interaction and helpful knowledge on a lot of topics and subjects.

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