

# Starbucks case study

[Business](#), [Customers](#)



Customer Relationship Management Of Apple Submitted to: Instructor -

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Abstract: Recently iphone has become the most popular mobile device in the smart phone market. People have high expectation for iphone being the smartest mobile device ever made. Besides, its popularity Apple has to look upon the situation between the customers and the company itself. The product has become popular in the market but not the service. There is still the gap between the expected service and the perceived service. After getting a lot of complaints from the customers, Apple should take immediate steps to build and improve the customer relationship problem with the company. The main content in this report is to define the scope and the problem and to bring a solution to that problem through CRM Programme. This report also stresses on the present CRM Architecture of the company and on the development of the Architecture. Besides this issues, the ways and methods to bring a solution and to conduct the analysis and if required change on the on the present plan and implement the new plan are also highly highlighted. Table of Contents: Page no. 1)

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INTRODUCTION According to National Retail Federation (NRF)'s survey, "54% of retail companies have already implemented at least one CRM application; another 39% expect to do so within two years. And many see true payback possible: 72% said they view CRM as a way to extend their business and generate revenue. " The growing usage and high successful cases percentages of CRM imply the importance of CRM in the business world today. However, there were also many reports and surveys showing a high percentage of CRM implementation fail. No doubt, customers, includes both internal and external customer, are always the most There isn't any CRM solution guaranteed is suitable for all different organization structures. However, an appropriate implementation of valuable for business; they affect the success of fail to a company. CRM extends the company business and generates revenue; an inappropriate implementation of CRM shrinks the company business and causes losses. So, what are the critical success factors for CRM? For this project, " Apple Inc. " was chosen as our case to make an analysis of its CRM infrastructure in order to demonstrate our understanding of the new perspective on CRM. Then, we will base on our finding of the success factors for CRM to design a CRM solution for the company. In this project, we are going to analyze the following points: ii)

Why do we study this project? iii) What will we examine in this paper? About Apple For this project, we chose " Apple Inc. " as our case in order to analysis it's CRM infrastructure to develop a new CRM solution for the company. " Apple Inc., (NASDAQ: AAPL) formerly Apple Computer, Inc., is an American multinational corporation with a focus on designing and manufacturing consumer electronics and software products. The company's best-known hardware products include the Macintosh line of personal computers, the iPod line of portable media players, and the iPhone. Apple's software products include the Mac OS X operating system, iTunes media browser, the iLife suite of multimedia and creativity software, and Final Cut Studio, a suite of professional audio- and film-industry software products. The company operates more than 200 retail stores in seven countries and an online store where hardware and software products are sold. " Apple Inc.,(Internet Reality) Apple Inc. was established in Cupertino, California on April 1, 1976 and incorporated January 3, 1977. Apple Company decided to sell i-phone as a limit product; it makes the buyer have a huge expectation on it. However, they lose promises and heard so many complaints from those buyers. 2) Conceptual Framework, Definitions, Literature Review: Recently Apple has introduced iphone in the market. The product has been in success to some extend but as we know there are high expectations from buyers we have been getting many complaints from our buyer about the product. The product is still not yet perfect and there are many drawbacks which we need to overcome. That is why we will study this project in order to improve our product and services as well as to improve the relationship between the customer and the company so that we understand our customers and solve

the problem easily. 3) Discussion — Findings: In this part, we are going to analyze the Q. iii) stated in the " Introduction" part., i. e., What will we examine? We will examine the following points: 3. 1) Scope and the client management problem 3. 2) CRM programme 3. 3) The present CRM Architecture 3. 4) The required methodology and conducting analysis 3. 5) Redesigning blueprint for solution development 3. 5) Change and implementation of plan 3. 1) Scope and Client Management Problem: (Uny) Scope In the following, we were firstly focusing on the operational level of its CRM infrastructure, as (a) Marketing automation - market segmentation (b) Sales force automation - opportunity management (lead management) - proposal generation - product configuration (c) Service automation - contact and call-centre operations - web-based service - field service and secondarily focus on technology level. Client Management Problem Problem A: hard to win over the mass-market consumer Apple Inc. launched the 3G iPhone in mid-July this year and sell for \$199, half the price of the old 2G version that was targeted mostly at high-end users. Analysts of Deal Journal (11 June 2008) indicate that Piper Jaffrey estimates apple gave up revenue-sharing agreements with wireless carriers will incur more than \$320 loss in revenue per customer per year. However, once the wireless carrier's customer buys the phone for \$199 and signs a two-year agreement. The wireless carrier has to pay Apple \$466 for the phone and subsidizes the other \$267, meaning the wireless carrier makes back on the customer-service agreement. Through this risky and aggressive approach, Apple can get a more-than 10-fold increase in the iPhone customer base—to almost 80 million users globally—by the end of 2009. As the iPhone expanded into the mass market, Apple

seek to leverage its power to extract better terms from both carriers and customers; higher carrier payments and subsidies; more cross-selling of Apple applications. Although Apple's iPhone has an unbeatable design and functionality which enough to attract loyal Apple customers, Apple must be hard to win over the mass-market consumer as the carriers certainly will push back on Apple. Problem B: lack of customer service when the new iPhone owners voice a complaint " The long-awaited Apple iPhone went finally on sale last Saturday, and while most people seem pleased, there are also quite a few early adopters that complain about the trouble they are experiencing. " The writer mentioned in the journal that while problems are to be expected when a new product is launched, the inability to activate these devices within days, seems more a question of sloppiness of the manufacturer and lack of customer service than a real technical problem. However, the fact that one needs a computer and special software to activate the iPhone, would be a serious indication that the iPhone is not as user-friendly as it was claimed to be. 3. 2) CRM Programme: (Anu) As the problem mentioned above the problem can be solved by the CRM Programme: 1) Respond to customer: As it was mentioned earlier that many customers failed to respond to their customers and they over promised their customers before they could fulfill their duty. The company should penalize employees who over promise. The staff should be given training on how to deal with the customer complaints and how to satisfy their customers. The company should install 24 hrs. Hotline number in order to listen to the customers and also improve the online support for the customers. 2) Technology improvement: Many customers complain that the iPhone gets

heated after using for a long time and it still has the problem of dropped calls and still slower connection. So Apple needs to install a better CRM application in the iPhone and develop some technological problem. 3)

Improving the product and services: As many customers complain that about the problem in activating the iPhone, the staff should help the customers to activate their iPhone instead of asking them to activate themselves at home.

And the company should focus on making the product more user-friendly and improve the CRM application in the iPhone. Apple should develop the service standard wherever possible. Outsourcing the activities wherever the company lacks competencies can also be the useful step for the company to develop Customer Relationship Management Programme. 4) Conduct

primary research: In order to close the gap between the company and the customers, the company should conduct a survey either by telephone or by online source (e. g. Apple's webpage). The following is the example of questions which can be asked: i) Are you satisfied with our product and services? ii) Is there any technological problem with your iPhone? iii) Are you satisfied with service provided by our staff? 3. 3) The Present CRM

Architecture of Apple (Mei Ting) The Apple CRM Software for the Apple Macintosh is Mac OS X. i). What is the present problem with the customers?? In case, many companies also had this problem. It is slow issue resolution for their server deployments; and can't keep their organization running up-to-date. ii). What are company's actions to handle the problem?? Apple had provides a new products which is Apple Care--Mac OS X Server Software Support. Mac OS X Server Software Support - Select provides ten enterprise-level support incidents for Mac OS X Server and other Mac OS X based client-

server technologies. The plan provides support 12 hours a day, seven days a week, with as fast as a four hour response during normal business hours. Unused incidents expire after one year. When you are a member in apple, you can be the first to review this product. Apple Professional Services ' When companies purchase Apple products, they receive basic pre- and post-sales support. Some organizations have requirements that go beyond basic installation services and are looking for expertise in fulfilling a turnkey solution. To meet those needs, we have established Apple Professional Services, staffed by experts who will help you assess your technology needs, provide onsite deployment, best practices, and integration services. iii). Develop the existing company's CRM Infrastructure. Apple Developer Connection-membership and support Apple Developer Connection-membership and support Apple Developer Connection Memberships provide a complete set of technical resources and support from Apple engineers and experts to assist you in designing, developing, and deploying the latest Apple technologies in your products. ADC Products Take your development to the next level. Name of the products: - ADC Premier Membership - ADC Select Membership - ADC Online Membership - ADC Student Membership - ADC Monthly Mailing - ADC Technical Support Incident 3. 4) The required methodology (Mei Ting and Uny) We compute return on investment(ROI) to measure our new programme efficiency. Basically base on the costs of - IT software licenses, infrastructure and hardware (as same as the old system) - Process process reengineering project management costs change management costs -People recruitment training redeployment and return of - Hard measures ~~-cost reductions -Revenues increases cross-sell



improvement - Soft measures Analysis Return: customer satisfaction, retention, tenure and employee satisfaction and retention. 3. 5) Redesigned Blueprint for Solution Development (Belle) Solution development Refer to the scope and client management problem which mention on Q. 2, we knew that our company always good at detruding new products those are unique and also at the top of the trend. However, there are so many buyer started to complain the service's qualities of our company. After they bought I-phone which was limits the quantity sells, they felt disappointed to it. It's not the technologies problem, but also our company does not take their feeling. After complaining, the customer cannot obtain the immediately response and felt is deceived, because of in propaganda product time, our company once guaranteed product the innate nature was perfect, and we can obtain have about the product all support service. We like to change our implementation plan by providing 24hours hotline to our customers, and develop a group which focuses on the technology problem of the product which had problem shown. We believed that, develops a new customer with to maintain an existing customer, in the cost photograph well compared to, the former cost must compared to the latter higher 10 times. Although there are still many fans of their brand, once the unsatisfied or complaint shown, it can damage our company's image, even brings them massive loss. 3. 6) Change and Implementation of Plan: (Belle) -We should try to more focus on the problems of customer and respond to them immediately. We should try our best to sustain the customer's satisfaction. The quality of products - Maintains the original design and the function, the improvement fuselage needed materials, and prevented organism because the long time is used

gives off heat excessively. -Product price adjustment. - For in limits quantity, the time interval first batch buyer to provide the extra supports or other type of product preferential benefit. 4) CONCLUSION: Thus, through this project we have understood the problem in our product and service. The rationale of studying this project is to find the Customer Relations Problem. Our further suggestion would be " We should do our best to satisfy our customers by listening to their problems and try to solve their problems. As we found out that there are many drawbacks in our product and service we should not ignore our mistake instead we should consider it and try to correct our mistake. 5) Referencing: Websites: New Scientist staff and Reuters (July 2008). ' iPhone owners complain of glitches'. Accessed on 10 Oct. 2008 from: <http://www.newscientisttech.com/article/dn12173-iphone-owners-complain-of-glitch.html>- Deal Journal (June 11, 2008, 11: 02 am). ' Mean Street: Apple's Big Bold iPhone Bet'. Accessed on 10 Oct. 2008 from: <http://blogs.wsj.com/deals/2008/06/11/mean-street-apples-big-bold-iphone-bet/>. Magazines: NRF Paul Greenberg. (2003) CRM Magazine, Reality Check Column, " Making CRM Whole-Brained, " February 2003. Bibliography: <http://readwriteweb.tradevibes.com/> <http://www.americanchronicle.com/articles/74744> <http://www.macworld.com/article/135861/2008/10/nokia5800xpress.html? t= 213> <http://www.mobile-phones-uk.org.uk/sar.htm> [http://en.wikipedia.org/wiki/Apple\\_Computer](http://en.wikipedia.org/wiki/Apple_Computer) <http://blogs.zdnet.com/BTL/? p= 10172> <http://www.apple.com/jobs/us/pro/ist/skills.html> <http://www.apple.com/support/programs/> <http://www.apple.com/search/? q= customer+relationship> <http://dictionary.zdnet.com/definition/CRM.html>

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