Strategic analysis of virgin atlantics customer relationship management

The topic of customer relationship management (CRM) as a field in strategic management is an area that I have always wanted to explore. Considering the intensity of the competitiveness and dynamism of the global business environment, only the most visionary businesses will be able to meet their profit objectives and survive. Moreover, those who are able to appreciate the customer-focused approach to management will also recognise that information technology or IT has a significant role in producing the ever-loyal consumer who will contribute significantly to purchases, hence, profits.

Implementing CRM in businesses is a growing strategy not only to encourage customer loyalty but to retain them as well. The business has to be able to have the ability to attract new customers, make those customers happy, and keep them happy. Ultimately, the goal of investing in customer relations is to spike up profits and enhance overall financial performance. I want to be able to understand how exactly CRM works within a company and how cost-effective the strategy really is. CRM implementation is only relevant if the strategy is profitable. I want to be able to use my analytical skills and knowledge in management theory to measure profitability using CRM as a business strategy. This means having to account for the lifetime value of each customer and accounting for revenue and expenditures associated with each customer over time.

Since my focus is on IT, a particular attraction for me in proposing this dissertation is exploring the IT side of CRM. From a professional perspective, understanding how the development of sound IT infrastructure can boost CRM is crucial to my line of work. For a year now, I have been Assistant Manager for IT for the Nigerian Communication Satellite Ltd. or NIGCOMSAT

which is a telecommunications company that pioneered the use of a geostationary communication satellite in the Sub-Saharan Africa region. As the first-ever African satellite company, it is relied upon to provide a variety of services and applications to satisfy the growing technology needs of the African region. The NIGCOMSAT-1 provides telecommunications, internet and multimedia services, direct broadcast satellite services, and telepresence technology which in turn, make possible tele-education (distance learning) and telemedicine. Not unlike many communications firms, NIGCOMSAT needs to improve its overall market competitiveness and heighten its responsiveness to changing market conditions and to achieve global competitiveness. The satellite's much-publicised orbit failure in 2008 has created significant customer loyalty concerns. For the NIGCOMSAT to improve its market competitiveness, CRM is yet an unexplored strategy, but one that has fueled the growth of many successful global companies. I want to delve more deeply into this topic.

One particular company is Virgin Atlantic Airlines (VAA), designated many times over as Europe's No. 1 airline. VAA is all about the customer-focused experience – going the extra mile to service customers such as having a VAA employee fetch you from the hotel to the airport, to depositing your luggage at the conveyor belt, until being handed your boarding pass by a VAA associate. One of the other customer-centred services which the airline has pioneered is the entertainment system for first-class passengers, a strategy already emulated by many global airline companies.

Of particular interest to me is how VAA's IT infrastructure has been configured to meet end-user expectations. Encouraging as well as retaining

customers for a global airline company requires not only the addition of services, freebies, or programs such as the frequent-flyer programme (FFP), it must require the smooth functioning of all operations – from the data centres, to the airport operations, and the airline's contact centres from around the globe. Ensuring that these operations function smoothly to guarantee customer satisfaction requires an efficient IT infrastructure. Customers now are more Internet- and tech-savvy and demand companies to respond to queries and serve them in promptest time possible. IT operations of airline companies have to accommodate the fast-paced world of its customer pool. With the advent of global outsourcing, I would like to analyze how VAA's CRM strategy is able to guarantee that all of the company's business-critical applications such as the booking system, cargo, airport kiosks, engineering, crew management, frequent flier loyalty programme, and company website are all synched and management to provide the satisfaction for the customer.

If there is one significant thing that practice has taught me, is that management is the key driver to company success. After a brief stint in the Access Bank of Nigeria, I ventured into the telecommunications industry starting out as administrative staff for Nigeria Telecommunications (NITEL) in 2005 before I eventually landed a position in NIGCOMSAT. I learned firsthand how the proverbial " the customer is always right" is a rule in running companies. Bad service leads to customer complaints and eventually, bad publicity that does nothing but hurt the company and the company's bottom line. The orbit failure incident in 2008 proved detrimental to NIGCOMSAT. The telecommunications industry serves to deliver applications and services

in the most efficient and prompt manner – signal disruptions, applications inavailability, and service failures – are problems that could be avoided with efficient IT management. My experience has shown me how IT allows greater monitoring and visibility of performance and information on all related services and business-critical applications.

In pursuing this proposed dissertation topic, I am mindful of what analytical skills and knowledge are required of me. I feel confident, given the management theories and models that I have studied in the MSc in Information Technology for Management program thus far, and the accumulated experience I have had in my profession, that I will be able to carry out this proposed independent research. I have had adequate theoretical and technical preparation for this task. I have had Webmaster Basics Training in 2008 and Evolution Series PD55 Training from Paradise Datacom Ltd. in the same year.

I believe in the capacity of information technology to address business problems, and I want to apply management concepts and theoretical models to this proposed research endeavor. After completing this research and this graduate degree, I expect to emerge an expert in IT management and gain mastery over how technology affects a business – its behavior, function, structure, and management. Earning an MSc in IT management degree would be helpful in facilitating my career as a future technology leader in Nigeria. The business landscape has been forever changed by the increasingly globalised and interconnected world. Nigeria and the African region present several opportunities for the maximisation of IT management

and CRM strategies to improve overall market effectiveness. This proposed

dissertation will be a valuable addition that goal.