

CHAPTER 2

BASIC THEORETICAL BASIS OF THIS ARTICLE

2.1 Government customer relationship management theory

The Gartner Group's management team introduced the concept of customer relationship management. Customer Relationship Management (CRM) is a business strategy that aims to improve profitability, revenue, and customer satisfaction, namely customer-focused business strategy and information technology. This is a way for them to redesign, conduct business and organize business processes.

Although the application of customer relationship management theory in government management is varied. But it is impossible to reach a clear agreement that is widely recognized globally. The theory of customer relationship management is studied by scholars and experts from different countries and regions, and is distinguished from regional differences and differences. There are currently five internationally known categories:

(1) Customer relationship management is a process.

CRM is a process with multiple macro processes. These sub-processes are usually further processed.

We divide it into microprocessors. If CRM is considered a CRM process, there are two meanings.

CRM is a high-end process that includes companies that strive to establish a good relationship with customers on a permanent and honest basis.

Second, CRM is the process of managing customer interactions and aims to create and protect long-term, favorable customer relationships.

(2) CRM is a strategy.

This view emphasizes that the resources used to establish and maintain customer relationships must be established by the company based on lifetime customer value. This view shows that not all customers are equal. Only when all resources are put into customer relationship management can the expected return be obtained.

The Value of Profit The main idea of CRM's strategic point of view is that if you want to establish long-term, profitable customer relationships, you need to continually assess and optimize the customer's life based on its expected life cycle.

(3) CRM is a philosophy.

The philosophical view of CRM emphasizes that customer loyalty can only be achieved through a sustainable relationship.

Establishing family relationships establishes and maintains long-term relationships with consumers, rather than re-exchange, which is a discrete event between buyers and sellers, and is the most effective way to obtain loyalty.

(4) CRM is a capability.

From the perspective of CRM, we emphasize that companies need to develop and find capital through investment.

So they can adapt to individual customers and groups. This view is not available in theory.

(5) CRM is a technology.

Technology plays an important role in customer relationship management and front office (such as sales).

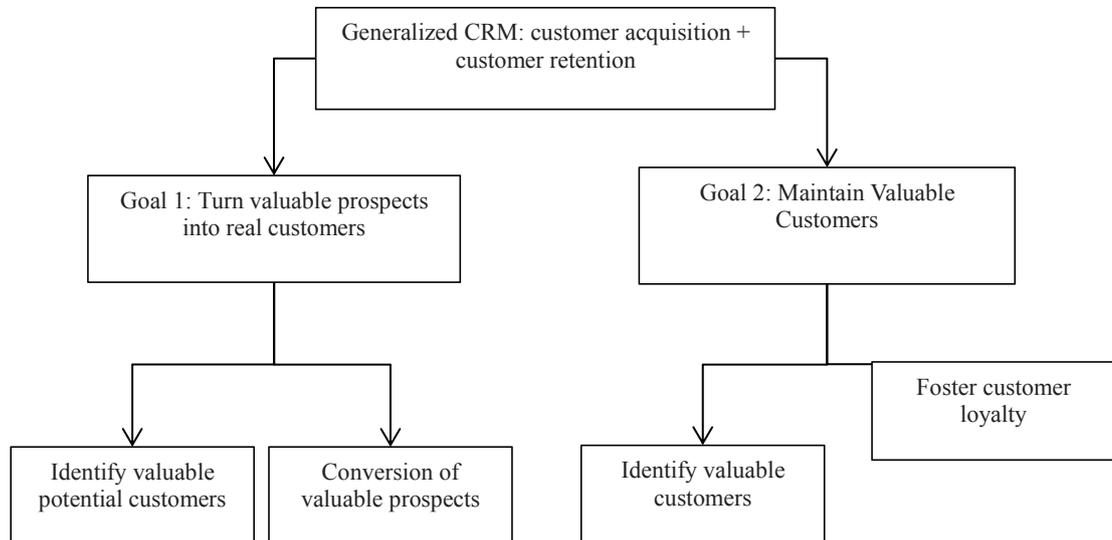
The tight integration of logistics functions provides effective interaction management in addition to the opportunity to interact with customers. Companies can use CRM tools to store large amounts of customer data. Of course, we use databases to store data, collect information, interactive technologies, and useful information to collect and disseminate to the organization.

Through the above description, one of the internationally accepted definitions is that CRM is an ongoing process that develops and uses marketing information to establish and maintain relationships with customers in order to maximize profits.

Chinese scholar gives two definitions of customer relationship management theory through research: 1) Simple definition: Customer relationship refers to the business relationship between suppliers and suppliers. Customer relationship management is a business strategy that aims to increase the value of customer assets by improving business relationships. (2) It has been fully defined: Customer relationship management is a customer-centric business strategy that aims to improve the relationship between the company and its customers. The government process concept is a new management mechanism for integrated technology. This global thinking is the main goal of the implementation of the customer relationship management strategy, in order to establish a long-term and stable relationship with these valuable customers to resolve this competitive strategy. You can prevent customers who flow to the interests of your opponent. In general, CRM is different, broad and narrow CRM, including how to find new customers and how old customers enter competitors. The only meaning of CRM is

that only the main tasks of CRM are clearly shown in Figure 2-1.

Figure 2-1 CRM task tree



At the same time, he pointed out eight concepts related to the core features of government customer relationship management theory.

(1) The company's most important asset - customer resources The company can only conduct business through customer resources. This can generate cash flow. This is the only way for the company to make profits.

(2) Companies should use good customer relationship management strategies to build customer loyalty. This is the main goal of the customer relationship management strategy. Although the unit price is low, the turnover rate of the company is still high. Loyal and loyal customer companies have no competitive advantage in the long run.

(3) Customer loyalty must be gradual, evolutionary process and life cycle. .

(4) Benefits the customer brings to the company Participate in the development of customer relationship and the continuous development in the evolution of customer relationship.

(5) The two basic tasks of customer relationship management are identifying and retaining valuable customers. Maintaining customer relationships is to promote the stability of customer relationships as soon as possible, and constantly extend the time to maintain consistency and speed up customer relationships.

(6) The customer life cycle (CLP) is the basis for determining customer value.

(7) Customer loyalty includes customer satisfaction, customer perception, transfer costs and customer trust. But there are different roles at different stages of the life cycle. This concept is an important method of customer relationship management: 1. Customer turnover cannot be controlled by customer satisfaction management; 2. The concept of “value based” should treat customers in three effective ways. It is a cost transfer. 4. Different customer retention strategies should be developed at different stages of the customer relationship.

(8) The use of customer relationship management depends on the support of professional software platforms. Only effective technical support and tools can be used to effectively manage customer relationships.

2.2 Government customer relationship management theory

Government customer relationship management is a new form of strategic action proposed in China to create a government-centered service principle that aims to achieve improvements between the government and citizens. This kind of relationship has more confidence in the government, with the emphasis on changing government functions and supporting the creation of government-provided services. The government's e-service platform is consistent and highly valued in all countries of the world, and an integrated electronic service platform is more feasible. More efficient government processing.

The concept of "client recommendation" is the cornerstone of government customer relationship management theory.

The government should change its perspective from the perspective of view and change the concept of traditional management to use administrative power. The government center will promote government standards and official standards to meet public and citizen standards and encourage more effective government responsibilities. For customers, the concept of “customer first” requires the government to change its concepts and government. “Standing in front of customers” Although the government is exploring customer needs and reducing demand demand and providing critical and timely services, customer satisfaction is not a top assessment or economic indicator. But this is a basic goal. It is crucial to consider customer profit and value creation.

The basic theory of customer relationship management refers to the general theory of providing directing and supporting government direct customer relationship management, because of “the theory of demand segmentation” and “government”.

The "customer credit theory" contains two basic elements that support and practice customer relationship management involving two types of government. "The perception

and segmentation of customer service needs" and "customer satisfaction and customer satisfaction satisfaction" depend on the job. "Reliability and trust" and "people and public relations theory" are the concept of customer relationship management in government administration and political administration. It also includes the political value of the theory.

Armstrong (2002) Customer segmentation theory (requirements) government is the most important issue in government customer relationship management. The theoretical segmentation of demand for civic services is based on a systematic study of the following four main tasks: (1) Create a method to identify citizens' needs. Citizens' service needs are dynamic and unstable, so citizens' needs can be determined through legal and non-legal information, information and services, public dimensions and individuality. 2 In order to meet urgent needs, establish a division of labor method. Citizen service needs. "Satisfaction service" has five levels: "very satisfied with service", "satisfied with service", "more satisfied with service", "less service" and "not satisfied with service." 3. Check the public decision-making mechanism of municipal services to determine services And eligibility criteria for the selection process. (Including economic, political, social benefits and other service types), service levels, and related resources that define the configuration. 4 Promote the establishment of government-oriented research services. Effectively establish performance evaluation and mechanisms to improve effective municipal services and innovative public services.

Figure 2-2 Government's CRM theory system

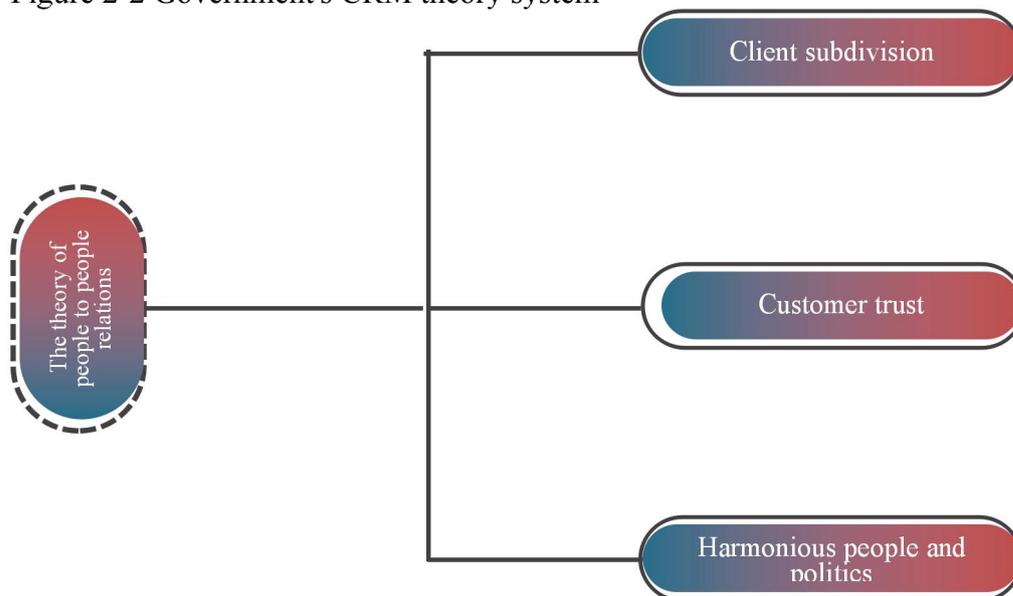
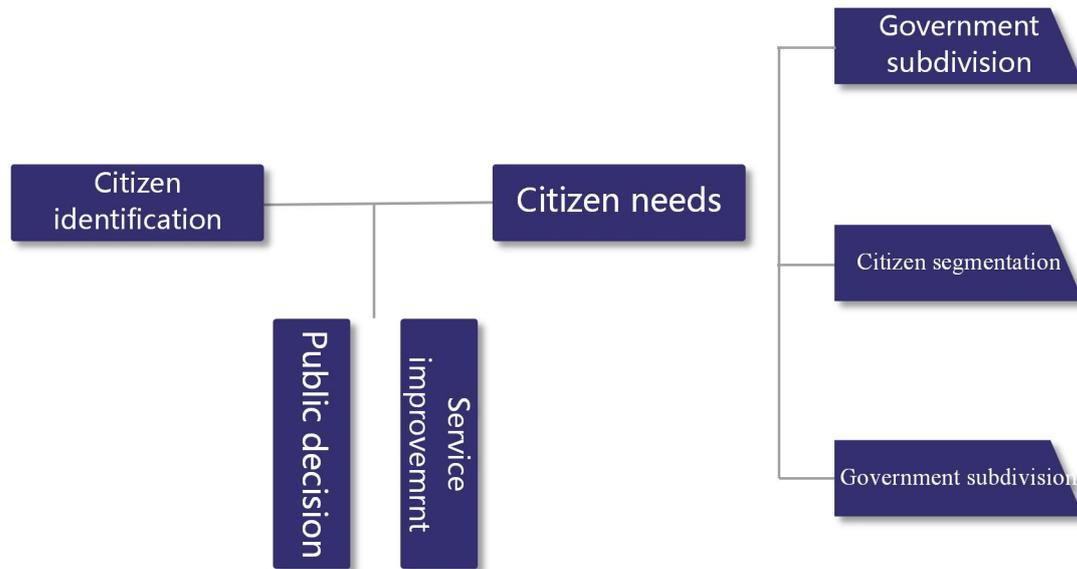


Figure 2-3 Government's customer segmentation theoretical framework



When CRM enters the government, the government must accept the following concepts:

Targeting government services (2) Keeping people at the center and people as the center (3) Exchange of political values between the government and citizens (4) Starting from the concept of “win-win”, balance the relationship between the people and the government, government and The relationship between state-owned enterprises and the relationship between government and government.

2.3 Similarities and differences of CRM

2.3.1 Selective differences

In government customer relationship management, the choice of suppliers and customers is two-way. Ben (2014) It depends on the government, but it can't cooperate with each other. In government customer relationship management, citizens (generally referred to as organizations and individuals) serve the public and private sectors. There is no such relationship between governments. The relationship between the two parties is one-way. I cannot choose another department to serve. I can only accept this service or cannot accept it. Boukas (2003) On the other hand, according to the principle of local government services, organizations and individuals must be managed locally. The government must organize and provide local services to the public. According to the principle of universal service, organizations and individuals can only accept local services.

2.3.2 Differences in basic goals

Establishing a long-term and stable relationship with valuable customers is the fundamental goal of implementing a customer relationship management strategy. This strategy ensures that customers do not turn to competitors, and that they can get priority opportunities in the business battlefield. The government creates satisfaction and trust for all organizations and individuals and strengthens the status of the Chinese Communist Party. Improving service quality and service capabilities are the primary goals of the government in implementing customer relationship management strategies.

2.3.3 Differences in basic tasks

In government customer relationship management, the core of customer segmentation is to identify customers and valuable relationships. The principle of nurturing customers creates valuable customer loyalty.

Yuan (2013) When governments manage government customer relationships, identifying and improving customer needs is a key requirement. Based on differentiated services that reflect services. It creates a high-value service system for customers. The improvement of government services is the establishment and maintenance of customer satisfaction and overall trust, as well as the continuous strengthening of government-government relations.

Figure 2-4 The contrast between enterprise's CRM and government's CRM



What the government and the government have in common:

1. Strengthen communication with customers, bring personalized services to customers, and increase customer satisfaction and loyalty.

2. Face-to-face communication, telephone background exchanges and network services, the exploration of large databases and the use of conventional software to solve problems.

2.4 The value of government CRM

Government customer relationship management is a new form of strategic action proposed in China to create a government-centered service principle that aims to achieve improvements between the government and citizens. Promote the relationship between government and citizens, promote service-oriented government, establish a trust system and civic harmony and reassure the government.

2.5 Collaboration theory

Collaborative theory is a complex scientific research, such as globalization, economic knowledge, and fierce competition, attracting experts and scholars from all walks of life to explore. Collaboration theory is an important branch of the science system, mainly due to the research of system theory in various fields that are common in nature, and its purpose is to solve complex system problems. The system structure method is replaced by a simple solution. Liu (2013) The government and government theory has been built on collaborative management theory and has been systematically studied to address cross-sectoral collaboration issues.

This proposal was put forward by Professor Haken (1970) of the Federal University of Germany in May 1970. It is a major branch of systems science. Collaborative theory is based on recent scientific achievements such as information theory, system theory, cybernetics theory, disaster theory, and debris theory. Describe the normal methods of failure and sequencing in various systems and microscopic microscopic phenomena. The main contents can be summarized into three categories: 1) Synergetic effect (2) Servo principle (3) Self-organizing principle.

2.5.1 Synergies

Qi (2013) Collaboration is the result of interoperability and is the global or collective impact of the interoperability of multiple subsystems in a complex open system. Collaboration is an internal change derived from the normal structure of the system. This kind of influence is everywhere and it is an unpredictable nature of the world. According to the principle of system integrity, the overall operation of the system is not easy to add other powerful parts or weaker parts. By working together between parts. Interoperability affects overall functionality. For example, if the heart's inner chamber is not correct, each part loses responsibility, ignores each other, and squeezes each other. It causes the heart

to become deformed and all systems are confusing. Therefore, senior government officials must strengthen coordination mechanisms.

First, in order to improve the heart, an unhealthy ventricle affects overall operational efficiency. It should be treated systematically and control and feedback should be strengthened during this process. Need to solve the problem in order to avoid unreasonable plans, and will not affect the behavior of each part. Second, it is necessary to properly allocate the various components of the management system and set appropriate management levels to avoid organizational duplication. Cooperation must strive for excellence to avoid duplication.

Again, we must consider optimization from an overall perspective and set the same level at the macro level. In specific actions, avoid conflicts and struggles between different management measures, strengthen joint security measures, and independently manage the team and all other companies. The overall goal is to establish a shared management system.

Reinartz (2012) An understanding of how to manage relationships with customers effectively has become an important topic for both academicians and practitioners.

2.5.2 Servo principles

The servo principle is based on slow and fast variables, and the sequential parameters affect the behavior of the subsystem. The principle shows that when the system is unstable or close to the critical point, the system changes and emergency structures are determined by multiple aggregations. The behavior of other system variables is controlled by these command parameters.

2.5.3 Principle of self-organization

Manual management means that without external guidance, internal subsystems can create specific structures and functions based on specific rules with internal features and personality. The principle is that as long as the external energy flow, data flow and material flow enter, the system will use the synergy between multiple subsystems to achieve new system stability.

Cooperation is a form of self-organization and self-reliance. So this system evolved from chaos. In order to promote self-organization, we should proceed from the following two points:

According to their own circumstances, the reasons for the reform are given, and the internal strength of the mechanism is continuously improved. "Catfish effect". Secondly,

it uses external energy to enhance parallel communication with various parties.

Based on the above analysis theory, the cooperation theory can cooperate with the internal resources of the organization so that the organization can operate effectively and systematically. Therefore, it is very meaningful to apply adaptive theory to government management and solve the problems of government management.