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## Customer Relationship Management: A Strategic Imperative in the Pharmaceutical Industry in Nigeria

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### Abstract

*Customer Relationship Management (CRM) represents both an overarching business philosophy and a process or tool to facilitate a truly customer-driven enterprise. Facilitating long-term, win-win relationship between buyer and seller firms is a central tenet of CRM. Given the promise of CRM, it is unfortunate that a high failure and abandonment rate for CRM initiatives is reported in Pharmaceutical Industry in Nigeria. Rating of T-test showed the implementation of CRM factors in the pharmaceutical industry in Nigeria with the average value of 3. This indicates that CRM should be used in the Pharmaceutical Industry in Nigeria, as a company-wide business strategy that would be designed to optimise profitability, revenue and customer satisfaction by focusing on highly defined and precise customer groups. This should be accomplished by organising the firms around the customer segments, encouraging and tracking customer interaction with the firms, fostering customer-satisfying behaviours, and linking all processes of the firm from its customers through its suppliers.*

Customers Relationship Management is an application or initiative designed to help firms optimize interactions with customers, suppliers, or prospects via one or more touch points-such as a call center, web, or e-mail- for the purpose of acquiring, retaining, or cross-selling customers. It is a journey of strategies, process, organizational, and technical change whereby a pharmaceutical company should seek to better manage its enterprise around its customer behaviours. This entails acquiring knowledge about customers and deploying this information at each touch point to attain increased revenue and operational efficiencies. CRM has its evolutionary roots in the progression of marketing, as enabled by advancing technology. In the pharmaceutical industry in Nigeria, a key realization is that this initiative involves the process of

acquiring and retaining having profitable customers. It requires a clear focus on the service attributes that represent value to the customer and that create loyalty.

Building customer loyalty in the pharmaceutical industry in Nigeria should be an important goal of CRM process because loyal customers are typically highly satisfied with the relationship and the drug offering, and are very unlikely to switch to another company and its products or brands. In the recent pharmaceutical business environment, ranking, Nigeria is still found towards the bottom of the table featuring fourteen key countries in the middle East and Africa (MEA) region, yet its potential beyond the forecast period is relatively considerable, given the sheer population size and its high disease burden.

Recently, many pharmaceutical companies in Nigeria, are now adopting CRM as a mission-critical business strategy in the industry. These companies are learning and redesigning internal and external business processes and associated information systems to make it easier for customers to do business with them. Because the focus now, of CRM is aligning the organization's internal and external systems to be customer-centric, Marketing as a discipline becomes a core contributor to the success of CRM by virtue of its disciplinary expertise on customers specifically, the salesforce is a group with most pharmaceutical firms in Nigeria that can add substantial value to the success of this process. The salesforce can play a pivotal relationship management role. More sophisticated approaches to data management are also becoming key enabler of CRM. The culture, structure, leadership, or internal technical expertise to make the CRM initiative successful should also be sought for.

### **Literature Search**

The rising cost of maintaining a salesforce has been a concern for most sales managers in today's increasingly competitive markets. In many pharmaceutical firms, direct selling costs account for almost half of all marketing expenses. Often, the cost of maintaining the salesforce is greater than advertising and promotion costs and exceeds 14 percent of a typical firm's revenues. The median cost of a business-to-business call is about N2,500 in Nigeria. Therefore, sales managers have the crucial responsibility to make sure that their salesforces contribute to the company's objectives effectively and efficiently. The current economic environment in Nigeria has prompted significant cost savings especially in pharmaceutical and health care industry, and has led to demands for more accountability. In turn, there have been calls for evaluating the contribution of the marketing function to the firm. Within the marketing department, sales managers are becoming increasingly concerned about justifying their investments and are facing stiff competition against each other in competing for scarce resources, such as additional salespeople. Yet, an area that has received relatively little attention, especially in the pharmaceutical and health care industry in Nigeria, is the assessment of the impact of a salesforce motivation on effective implementation of a CRM strategy (Moynihan, 2008: 1163).

In the Pharmaceutical Business Environment Ranking, Nigeria is found towards the bottom of the table featuring fourteen key countries in the Middle East and Africa (MEA) region. While Nigeria continues to be considered one of the least attractive markets in the region, its potential beyond the forecast period is relatively considerable, given the sheer population size and its high disease burden. Nigeria's pharmaceutical market is forecast to grow to US\$ 1.27 billion in 2012, thus more than doubling the 2007 figure of US\$ 596 million. In local currency value, five – year growth will be considerably lower, given the forecast inflation levels. In the meantime, the federal government of Nigeria remains supportive of the local pharmaceutical and health care industry, despite the fact that it is failing to meet the target of 70% of domestic supply. The industry growth is imperative for the National Health Insurance Scheme (NHIS) target of universal health coverage by 2015 (Tungarazer, 2008: 1193-1196).

Pharmaceutical and health care companies commonly spend a large amount on advertising and personal selling. In Nigeria, drug and other health care companies spend about \$20 million a year on promotions. They generally employ salespeople (often called 'medical reps' or 'drug reps') to market directly and personally to physicians and other health care providers. Physicians, physicians' assistants, and nurse practitioners are perhaps the most important players in pharmaceutical and health care sales because they write the prescriptions that determine which brands will be used by the patient. Influencing the physician is often seen as the key to prescription of pharmaceutical and health care sales. A medium-sized pharmaceutical company in Nigeria might have a salesforce of 50 representatives. The largest companies have about a hundred of representatives. Currently, they are approximately 5,000 salespersons in Nigeria pursuing some 7,000 pharmaceutical and health care prescribers. In Nigeria, drug companies spend millions of naira annually sending salespersons to physician offices. Commercial stores and pharmacies are a major target on non-prescription sales and marketing for pharmaceutical and health care companies (Mackenzie, 2006: 27-35).

Emerging from relationship marketing, customer relationship management (CRM) is the combination of strategies and technologies that empower relationship programs, reorienting the entire organization to a concentrated focus on satisfying customers. Made possible by technological advances, it leverages technology as a means to manage customer relationships and to integrate all stakeholders into a company's product design and development, manufacturing, marketing, sales, and customer service processes. According to Sheth, Sisodia and Sharma (2000: 55-56), CRM represent a shift in thinking for everyone involved with a firm – from the CEO down through and encompassing all other key stakeholders, including suppliers, dealers, and other partners. All recognize that solid customer relations are fostered by similarly strong relationships with other major stakeholders. Since CRM goes well beyond traditional sales, marketing, or customer services functions, it requires a top-down commitment and must permeate every aspect of a firm's business. Technology

makes that possible, allowing firms – regardless of size and no matter how far-flung their operations – to manage activities across functions, locations, and among their internal and external partners. CRM software systems are capable of making sense of the vast amounts of customer data that technology allows firms to collect (Carlson and Pearo, 2004: 48-59).

According to Deshpande and Farley (2000: 353-362), customer relationship management and relationship marketing are not limited to consumer goods and services. Building strong buyer-seller relationships is a critical component of business-to-business marketing as well. Business-to-business marketing involves an organization's purchase of goods and services to support company operations or the production of other products. McKenzie (2001: 76-84), noted that buyer-seller relationships between companies involve working together to provide advantages that benefits both parties. These advantages might include lower prices for suppliers, quicker delivery of inventories, improved quality and reliability, customized product features, and more favourable financing terms. A partnership is an affiliation of two or more companies that assist each other in the achievement of common goals.

Partnerships cover a wide spectrum of relationships from informal cooperative purchasing agreements to formal production and marketing agreements. Such links can involve a single function or activity of production and marketing – for example, distribution – or all functions, such as product development, manufacturing, and marketing of a new product. In business-to-business markets, partnerships form the basis of relationship marketing (Piercy, N., Low, G.S. and Cravens, D, 2004: 255-267). A variety of common goals motivate firms to form partnerships. Companies may want to protect or improve their positions in existing markets, gain access to new domestic or international markets, or quickly enter into new markets. Expansion of a product line – to fill in gaps, broaden the product line, or differentiate the product – is another key reason for joining forces. Other motives include sharing resources, reducing costs, warding off threats of future competition, raising or creating barrier to entry, and learning new skills.

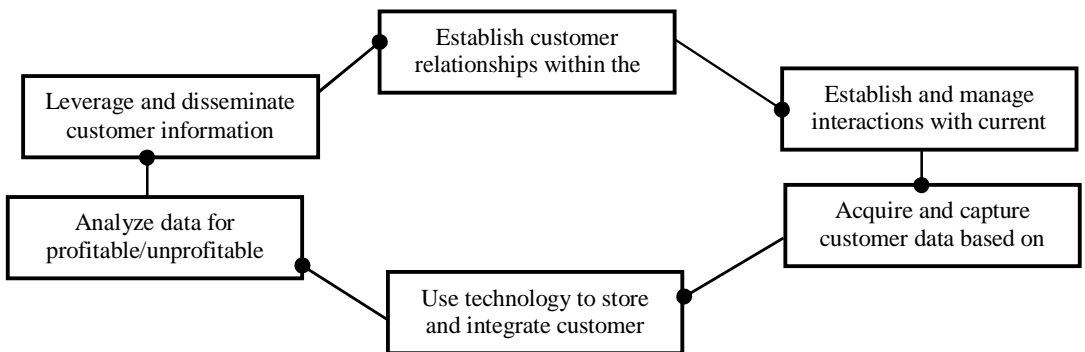
One of the most important measures of relationship marketing programs, whether in consumer or business-to-business markets, is the lifetime value of a customer: the revenues and intangible benefits such as referrals and customer feedback that a customer brings to the seller over an average lifetime, less the amount the company must spend to acquire, market to, and serve the customer. Long-term customers are usually more valuable assets than new ones, because they buy more, cost less to serve, refer other customers, and provide valuable feedback. The “average lifetime” of a customer relationship depends on industry and product characteristics (Yilmaz and Hunt, 2001: 335-357).

In addition to lifetime value analysis and payback, companies use many other techniques to evaluate relationship programs, including: (i) tracking rebate requests,

coupon redemption, credit-card purchases, and product registrations; (ii) monitoring complaints and returned merchandise and analyzing why customers leave; (iii) reviewing reply cards, comment forms, and surveys; and (iv) monitoring “click-through” behaviour on web sites to identify why customers stay and why they leave (Donavan, Mowen and Brown, 2004: 128-146). These tools give the organization information about customer priorities so that managers can make changes to their systems, if necessary and set appropriate, measurable goals for relationship programs. Companies large and small are able to implement technology to aid in measuring the value of customers and the return to investment from expenditures developing customer relationships. They are able to choose from among a growing number of software products, many of which are tailored to specific industries or that are flexible enough to suit companies of varying sizes.

According to Goran (2002: 574-583), customer relationship management is a company-wide business strategy designed to optimize profitability, revenue, and customer satisfaction by focusing on highly defined and precise customer groups. This is accomplished by organizing the company around customer segments, encouraging and tracking customer interaction with the company, fostering customer-satisfying behaviours and linking all processes of the company from its customer through its suppliers. Brown (2000: 62-76), noted that on the surface, CRM may appear to be a rather simplistic customer service strategy. But while customer service is part of the CRM process, it is only a small part of a totally integrated, holistic approach to building customer relationships. CRM is often described as a closed-looped system that builds relationships with customers. Figure 1 illustrates this closed-looped system, one that is continuous and circular with no predefined starting or end point.

To initiate the CRM cycle, a company must: (i) Establish customer relationships within the organization. This may simply entail learning who the customers are or where they are located, or it may require more complex information on the products and services they are using.



*Figure 1: A simple flow model of the customer Relationship management system.*  
 Source: Lamb, C., Hair, J. and McDaniel, C. (2004) *Marketing*, Mason: Thomson Learning.

For example, a bank may find it very beneficial to determine all the services a customer is using, such as loans, saving accounts, investment instruments, and so forth. (ii) Once the company identifies its customers and its popular products and services, it then determines the level of interaction each customer has with the company. The bank, for example, would determine how frequently each customer interacts with the bank and the channel used for the interaction-branch location, telephone call centre, web, etc. (iii) Based on its knowledge of the customer and his or her interaction with the company, the company can then acquire and capture all relevant information about the customer, including measures of satisfaction, response to targeted promotions, changes in account activity, and even movement of assets.

According to Goutain (2000: 161-172), technology plays a major role in any CRM system. It is used not only to enhance the collection of customer data, but also to store and integrate customer data throughout the company. Customer data are the actual firsthand responses that are obtained from customers through investigation or asking direct questions. These initial data, which might include individual responses on questionnaires, responses on warranty cards, or lists of purchases recorded by electronic cash registers have not yet been analyzed or interpreted. (iv) A critical component of a CRM system is the use of the appropriate technology to store and integrate customer data. The value of customer data depends on the system that stores the data and the consistency and accuracy of the data captured. Companies can take great stride to improve their data-collection processes by using *data cleansing* and accuracy software such as *validity integrity software*. Data cleansing software checks for inconsistencies and extracts them. It then organizes and streamlines the data. Obtaining high-quality, actionable data from various but complementary sources is a key element in a CRM system.

Hurley (2002:270-281) remarked that every customer wants to be a company's main priority, yet not all customers are equally important in the eyes of a business. Some customers occupy segments that are simply more profitable for the company than others. (v) Consequently, the company conducts data mining to determine its profitable and unprofitable customer segments. Data mining is an analytical process that compiles personal, pertinent, actionable data about the purchase habits of a firm's current and potential customers. Essentially, data mining transforms customer data into customer information, which consists of data that have been interpreted and to which narrative meaning has been attached. The data are subjected to a pattern-building procedure that profiles customers on variable such as profitability and risk. Customers may be categorized as highly profitable, unprofitable, high risk, or low risk, and these categories may depend on the customer's affiliation with the business. For example, the bank might categorize its customers as long-time customers, commercial clients, customers with little money in the bank, or customers with several accounts. (vi) According to Lautsch (2002:23-43), once the customer data are analyzed, they are

assigned interpretative meaning (transformed into information) and disseminated throughout the entire organization.

A primary objective of the CRM system is to spread customer information across all functional areas of the business. This is because the customer does not interact with only one function of the business (e.g. Sales or marketing), but rather with all functions (e.g. Operations, production, accounting etc). A company using a CRM system must view its customers comprehensively, understanding that they interact, either directly or indirectly, with all components of the internal business system from suppliers and manufacturers to wholesalers and retailers. The review of the CRM system has assumed two key points. First, the customers, as represented by the information about them, take centre stage in any organization. Focusing a company's energy in this way results in better customer understanding, increased customer access, and more efficient customer interactions. Second, the business must focus on the day-to-day management of the customer relationship across all points of customer-contact throughout the entire organization. This factor is the foundation of the shared information through the organization. Keeping these two points in mind, it is important to look at how a CRM system is implemented as we follow the simple flow model of the customer relationship management system as depicted in figure 1.

## **Research Method**

Data from the study were analysed using descriptive and inferential approaches. Simple tables, charts and table of means were employed as descriptive tools. For hypothesis testing, t-test and correlation analysis were used to judge the significance of the result obtained. In formulating necessary mathematical model that would depict the relationship among the research variables for the purpose of predicting the values of dependent variables, regression analysis was used. SPSS for windows (SPSSWIN Version 15) was used to process and analyse the generated data. Principle Component (PC) extraction model was employed in the multiple-factor analysis to predict inter-dependency and interaction outcome among variables.

## **Results and Discussion**

### **Evidence of CRM Process in the Pharmaceutical and Health Care Industry in Nigeria**

The first objective of this study was to find out if CRM strategy exists in the pharmaceutical and health care industry in Nigeria. And in order to get this information, the respondents were asked to indicate the elements of the CRM process prevalent in their organizations as contained in table 1. It was hypothesized that elements of the CRM process were not evident in these organizations. Hence, the respondents were asked to rate the following factors of CRM strategy in table 1, based on the extent to which they are performed by their organizations, in a scale of answers from 5 – very high to 1 = Not at all. The results were judged based on the means of 3 as observed in table 1.

**Table 1: Elements of the CRM Process Evident in the Pharmaceutical Companies in Nigeria.**

Question Number	Feature	Respondents	Frequency	Percentage	Total
1.	Acquires and captures customer data based on interaction	Not at all	29	16.3	178(100%)
		Very low	123	69.1	
		Low	18	10.1	
		High	8	4.5	
2.	Uses technology to store and integrate customer data	Very High	-	-	178(100%)
		Not at all	29	16.3	
		Very low	88	49.4	
		Low	41	23.0	
3.	Analyzes data for profitable/unprofitable segments	High	20	11.2	178(100%)
		Very High	-	-	
		Not at all	56	31.5	
		Very low	70	39.3	
4.	Leverages and disseminates customer information through the organization.	Low	44	24.7	178(100%)
		High	8	4.5	
		very High	-	-	
		Not at all	29	16.5	
5.	Customizes its product and service offering based on data generated through interactions between the customer and the organization	very low	61	34.3	178(100%)
		Low	88	49.4	
		High	-	-	
		very High	-	-	
6.	Centralizes and shares learned information from customers in order to enhance the relationship between customers and the organization.	Not at all	29	16.3	178(100%)
		very low	94	52.8	
		Low	55	30.9	
		High	-	-	
7.	Delegates authority to solve customers' problem quickly-usually by the first person that the customer notifies regarding the problem	very High	-	-	178(100%)
		Not at all	45	25.3	
		very low	60	33.7	
		Low	73	41.0	
8.	Operates a logistic system that reacts to, monitors, and controls the interaction between the customer and the organization.	High	-	-	178(100%)
		very High	-	-	
		Not at all	43	24.2	
		very low	77	43.3	
9.	Uses web vehicles for communications between customers and the	Low	56	31.5	178(100%)
		High	2	1.1	
		very High	-	-	
		Not at all	43	24.2	
9.	Uses web vehicles for communications between customers and the	very low	57	32.0	178(100%)
		Low	46	25.8	
		Low	46	25.8	



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	organization.	High	4	2.2	
		very High	-	-	
10.	Operates a Central repository for data from various functional areas of the organization that are stored and inventoried on a centralized computer system so that the information can be shared across all functional departments of the organization.	Not at all	61	34.3	178(100%)
		very low	38	21.3	
		Low	71	39.9	
		High	8	4.5	
		very High	-	-	
11.	Develops product or service offerings customized for appropriate customer segment and then pricing and communicating these offerings for the purpose of enhancing customer relationships	Not at all	29	16.3	178(100%)
		very low	73	41.0	
		Low	68	38.2	
		High	8	4.5	
		very High	-	-	
12.	Designs its program to optimize profitability, revenue, and customer satisfaction by focusing on highly defined and precise customer groups.	Not at all	29	16.3	178(100%)
		very low	40	22.5	
		Low	99	55.6	
		High	10	5.6	
		very High	-	-	

**Source:** Analysis of Field Data, 2010.

The information in table 1 shows that many of the concepts underlying CRM are not all new in the pharmaceutical and health care industry in Nigeria. This suggests that many of the tenets of what we refer to as CRM are prevalent in these organizations; albeit might not have particularly been integrated or cross-functional in scope. CRM is a company-wide business strategy designed to optimize revenue, profitability, and customer satisfaction by focusing on highly defined and precise customer groups. This is accomplished by organizing the company around customer segments, encouraging and tracking customer interaction with the company, fostering customer-satisfying behaviours, and linking all processes of a company from customers through suppliers. Acquiring and capturing all relevant information about the customer and the use of the appropriate technology to store and integrate customer data are some of the critical components of a CRM system. This process also includes measure of satisfaction, response to targeted promotions, changes in account activity, and even movement of assets. The value of customer data depends on the system that stores the data and the consistency and accuracy of the data captured. Companies like Neimeth, Novartis, Glaxo-Smithkline, and May and Baker, have taken great strides to improve their data-collection processes by using “data cleansing” and accuracy software such as “Validity Integrity Software”. Data cleansing software checks for inconsistencies and extracts them. It then organizes and streamlines the data. Obtaining high-quality, actionable data

*The Intuition*

from various but complementary sources is a key element in a CRM system. Therefore, judging from the information in table 1, it is evident that elements of a CRM process are traceable in the top ten pharmaceutical and health care companies in Nigeria. This finding will lead us into discussing the extent of CRM implementation in this industry.

**Table 2: Rating of T-test showing Implementation of CRM Factors by Respondents with the Average Value of 3**

	code	N	Mean	Std. Deviation	Std. Error Mean
acquires and captures customers data based on interaction	1.00	38	2.29	.732	.119
	2.00	149	3.00	.000	.000
uses technology to store and integrate customer data	1.00	38	2.55	.860	.140
	2.00	149	3.00	.000	.000
analyzes data for profitable/unprofitable segments	1.00	38	2.37	.883	.143
	2.00	149	3.00	.000	.000
pass on information about the customer	1.00	38	2.50	.647	.105
	2.00	149	3.00	.000	.000
customize is product and service offering based on data generated	1.00	38	2.32	.620	.101
	2.00	149	3.00	.000	.000
centralized and shares learned information from customer	1.00	38	2.32	.662	.107
	2.00	149	3.00	.000	.000
delegates authority to solve customer	1.00	38	2.29	.768	.125
	2.00	149	3.00	.000	.000
operates a logistic system that react to monitors and controls	1.00	38	2.03	.788	.128
	2.00	149	3.00	.000	.000
uses web vehicles for communication between customers	1.00	38	2.11	.924	.150
	2.00	149	3.00	.000	.000
operates a central repository for data from various functional areas	1.00	38	2.34	.966	.157
	2.00	149	3.00	.000	.000
develops product or service offerings customized	1.00	38	2.66	.745	.121
	2.00	149	3.00	.000	.000
designs its program to optimize profitability	1.00	38	2.79	.741	.120
	2.00	149	3.00	.000	.000
Mseca	1.00	38	2.3794	.41900	.06797
	2.00	149	3.0000	.00000	.00000

**Source:** Analysis of Field Data, 2010

Table 2 shows that a salesperson has a role to play at this stage of relationship exploration, as each side tries to determine the potential value of the relationship. As time goes on, the relationship becomes defined through the development of expectations for each party and the results of individual transactions or interactions. For example, the drug customer begins by evaluating the timeliness of follow-ups to requests for information or makes a purchase and tests the seller's product and service. At the same time, trust and personal relationships develop. Building trust is a very important part of developing long-term relationships and represents confidence that a salesperson's word or promise can be believed and that the salesperson has the long-term interests of the customer at the core of his/her approach to doing business. A strong exploration stage is important for the relationship to flourish over time. When the drug buyer tries the product for the first time, that customer is excited about receiving the benefits of the product as promised by the salesperson. A poor initial experience is extremely difficult to overcome. Beginning the relationship well requires the motivated salesperson to set the proper expectations, monitor order processing and delivery, ensure proper use of the product, and assist in servicing the customer.

Many business people try "to under promise and over deliver", a catchphrase to encourage salespeople not to promise more than they can deliver, but also to remind salespeople to try to deliver more than was promised in order to pleasantly surprise the buyer. Customer delight, or exceeding customer expectations to a surprising degree, is a powerful way to gain customer loyalty. Over promising can get the initial sale, but a dissatisfied customer not only will not buy again, but also will tell many others to avoid that salesperson and his/her company. The first expectation the drug buyer has is that the product will be delivered on time and ready to use. A common temptation is to quote a short delivery time in order to win the sale, even when the rep knows that delivery time can't be met. Giving in to such temptation causes trouble with the customer and with those responsible for the delivery function. Neither will be happy with the salesperson that makes such promises. On the other hand, the motivated salesperson should monitor the order processing and delivery processes to make sure that nothing goes wrong.

Some drug buyers may know how to operate the basic features of a product, but if the product is not operating at maximum efficiency, the customer is losing value. Many firms have staffed a customer service department or tasked their technical support group with training customers, but it is still the salesperson's responsibility to make sure that the customer is getting full value of use. Not all quiet customers are happy. Recent research indicates that users may be dissatisfied long before decision makers are aware of it (Reinart and Kumar, 2000:17-35). Motivated salespeople can learn of such problems by working closely with their company's technical or customer support personnel. Then they can address similar situations in other accounts before the problems grow into complaints. Complaints may arise at any stage of the relationship, but when complaints arise during the exploration stage, the motivated salesperson has the opportunity to prove commitment to the account. When customers sense that

commitment, either through the handling of a complaint or through other forms of special attention, they may be ready to move into the expansion stage of the relationship.

### **Summary of Major Findings**

The major findings of the study are as follows:

1. Elements of the CRM process are evident in the pharmaceutical industry in Nigeria.
2. Many of the concepts underlying CRM system are not at all implemented by the pharmaceutical firms in Nigeria.
3. The pharmaceutical firms in Nigeria do not customize most of their products and service offering based on data generated through interactions between the customers and the companies.
4. The pharmaceutical firms in Nigeria do not make the informal process for collecting comments and feedback on product or service performance.
5. Most of the learned information from customers are not centralized and shared in the organization to enhance their relationship with the customers.
6. Authorities are not delegated to sales people to solve some customers' problems quickly, usually by the first person that the customer notifies regarding the problem.
7. There are few points at which a customer and the company's sales people exchange information to develop learning relationships.
8. There are limited areas of business available for the sales people to gather customer data that can be used to guide and direct the decision making within the pharmaceutical firms in Nigeria.
9. The firms do not have initial operational components that can manage and fulfill customers' requests, react to, and control the interaction between the customers and the organizations.
10. Communications between customers and organizations using web vehicles are not encouraged in the pharmaceutical industry in Nigeria.
11. There is no central repository for data from various functional areas of the pharmaceutical firms for storing and inventorying to enhance the sharing of information across all functional departments of the firms in Nigeria.

### **Conclusion**

Based on the major findings of this study, the following conclusions are made.

1. Many pharmaceutical firms in Nigeria are now adopting CRM as a mission-critical business strategy. The companies are re-designing internal and external business processes and associated information systems to make it easier for customers to do business with them and elements of the CRM process are becoming more evident in the industry.
2. Many of the concepts underlying CRM systems are not at all implemented in these pharmaceutical firms, as more sophisticated approaches to data management are yet to be adopted. They have bought the sophisticated software, but do not have the

culture structure, leadership, and internal technical expertise to make the initiate successful. The challenges facing the firms in this industry lie in the implementation of CRM system.

3. Sales people that have a key role to play in fostering successful relationships are not motivated in the pharmaceutical industry in Nigeria. They are fiercely independent and balk at changing their customer approach substantively and sales people are not involved in the CRM planning process and their interests are not fully integrated into the systems. They are not fully committed to the successfully implementation of the CRM in the industry.

### **Recommendation**

Based on the major findings and conclusions made of this study, the following recommendations are offered;

1. It is important that pharmaceutical firms using a CRM strategy to boost sales in Nigeria, to involve end users in creation of software solution. Inputs from employees, suppliers, distributors and any other partner who will use the system are essential. If not only to ensure that the system meets the needs of all those who will implement them, but it also encourages everyone to support the transition to customer relationship management.
2. Periodic measurement of customer satisfaction is important in the pharmaceutical industry in Nigeria. This is because; a dissatisfied customer is unlikely to remain loyal to a company over time. By tracking and measuring results, firms are able to continuously improve relationships with customers and seek improvement. Satisfaction measures needed to be supplemented with examinations of customers' behavior such as measures of the annual retention rate, frequency of purchases, and the percentage of a customer's total purchases captured by the firm. Most important, defecting customers should be studied in detail to discover why the pharmaceutical firm failed to produce sufficient value to retain their loyalty. Such failures should provide more valuable information than satisfaction measures because they stand out as clear, understandable message telling the pharmaceutical firms where improvements are needed.
3. A central repository for data from various functional areas of the pharmaceutical firms should be stored and inventoried on a centralized computer system so that the information can be shared across all functional departments of the firms in the industry. Also, it is important to have a data analysis procedure that can identify significant patterns of variables and characteristic that pertain to particular customer or customer groups in the pharmaceutical firms. These firms should develop product or service offerings customized for the appropriate customer segment, price and communicate these offerings for the purpose of enhancing customer relationships.

4. Sales people should be involved in the CRM process from day one to ensure their interests are fully integrated into the system. Sales managers must make sure that each sales person understands what is expected in a CRM strategy implementation in the industry, writing clear and detailed job descriptions and letting the sales forcefully participate in setting their own goals are ways of decreasing roles ambiguity and conflict. Sales people who participate in their own target program are more likely to know what is expected of them and to feel that their goals are attainable and equitable than those who do not take part in such a program. They are not likely to be fiercely independent to balk at changing their customer approach substantively. The importance of having the sales force know what is expected of them and to know how to handle various situations goes beyond improved performance, but also enhances their job satisfaction and lowers their propensity to leave the company in the industry.

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