

Chapter VI

Strategy Aligned Process Selection for Mobile Customer Services

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ABSTRACT

In this chapter we analyze how companies define their customer value proposition and how the selection of successful mobile customer services is done in alignment with this strategic positioning. We derive a set of five different strategic goals (price leadership, product quality leadership, customer intimacy leadership, accessibility leadership, innovation leadership) and apply this classification to case studies we analyzed. We show interdependencies between the strategic premises and the processes selected for being supported by mobile technology, resulting in typical properties which qualify processes for mobilization. These are used to derive guidelines for strategy aligned process selection when implementing mobile customer services.

INTRODUCTION

Mobilizing Customer-Oriented Business Processes

Technological advancements in mobile communications enable new ways of doing business (Feldman, 2000, pp. 26; Stafford & Gilleson,

2003), often referred to as mobile business (MB) or mobile commerce (MC). While Turowski and Pousttchi (2003, p. 3) do not distinguish between the two but rather use the term *mobile commerce*, Lehner (2003, pp. 6-8) and Zobel (2001, pp. 2-3) define *mobile business* as the application of mobile technologies to improve or extend business processes and open new market segments and

distinguish it from mobile commerce. Here, the latter is rather a subordinate field of MB, focusing of the handling of transactions. In this chapter we will follow the understanding of Lehner and Zobel and concentrate on the application of mobile technologies to support customer-oriented business processes.

The research field dealing with the interaction of businesses with their customers and the related back-end processes within the businesses, such as marketing, sales, and service processes has often been referred to as customer relationship management (CRM) or, when supported by Internet technologies, e-commerce CRM (eCRM) (Romano & Fjermestad, 2002, 2003). Gebert, Geib, Kolbe, & Brenner (2003) classify CRM processes as knowledge-intensive processes, managing knowledge for customers (e.g., knowledge about products and services), knowledge from customers (e.g., customer experience with products and services), or knowledge about customers (e.g., knowledge about customers' preferences and histories). Geib, Reichold, Kolbe, & Brenner (2005) provide a framework identifying major CRM processes in the fields of marketing, sales, and service and point out their interdependencies.

An empirical analysis addressing 1,000 subjects with CRM responsibility in large companies (82% with a revenue > € 100 million) and 89 respondents (9%) was conducted in the authors' research team. Eight percent of the respondents indicated that they already have a mobile CRM solution, a further 22% are currently working on a mobile CRM solution, and 30% are planning to do so (Dous, Salomann, Kolbe, & Brenner, 2004).

Combining the concepts of CRM and MB allows new types of interaction between companies and customers. To leverage investments in IT, the investment has to be aligned with the business strategy (Bakos & Treacy, 1986; Brynjolfsson & Hitt, 2000; Hitt & Brynjolfsson, 1994; Weill & Broadbent, 1998; Weill, Subramani, & Broadbent,

2002). A recent survey conducted by the German Society for Management Research investigated major success factors and success barriers for MB initiatives. The top success barrier was a lack of strategic vision and the initiatives' alignment with corporate strategy (Wamser & Buschmann, 2006).

Obviously, companies face the question of how to select the right MB investment to support their business strategy and how to identify potentials that can be exploited using mobile communication and transaction channels. Depending on the strategic premises different alternatives of mobilizing customer-oriented business processes must be chosen (Weill & Vitale, 2002). The goal of this chapter is to provide assistance in making this decision.

Research Goals and Structure

In this chapter we show interdependencies between the strategic premises and the processes selected for being supported by mobile technology. We explicitly do not analyze the process of defining the strategy but rather rely on existing work of strategy research. Therefore we answer the questions:

- *What are the typical characteristics of business processes chosen for mobile technology support?*
- *What are the interdependencies between these characteristics and the companies' market strategy?*

First, the second section gives an overview of existing research in the field of MB and CRM and identifies the gap of customer-focused research the authors see. In the third section we briefly describe 10 cases, where companies have successfully introduced mobile solutions to support business processes in alignment with their strategic positioning towards customers. In the fourth section we introduce the classifications

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