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<input type="checkbox"/>	Doctor's thesis

Subject	International Business	Date	5.6.2008
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		Number of pages	89
Title	Customer Relationship Management in Energy Business		
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Abstract

The purpose of this study is to examine Customer Relationship Management in the energy sector. Not so much research on Customer Relationship Management in the energy sector has been made; the reason may be that the liberalization is still quite new in many countries and the energy companies are still more concentrating on customer acquisition. The main question of the study is: How Customer Relationship Management should be managed in the energy sector? The other research problems of the study are: 1) How different business units (Sales, Distribution, Heat) together with Customer Service can create a common Customer Relationship Management strategy? 2) How to create customer relationships? 3) How to maintain the relationship with the customer? It is significant to define CRM, as the way it is defined affects the way an entire organization accepts and practices CRM and for CRM to succeed, a customer relationship strategy needs to be created. The problem with CRM often comes from confusing technology with strategy. The CRM strategy should drive the organizational structure, which should then drive the choices in technology implementation. Usually companies underestimate the effect the change has on the people, processes and technology. An issue ignored in almost every CRM project is that the nature of humans is to oppose change, even if it is a good thing.

Planning customer relationships can be divided into two planning cycles. The first cycle covers the customer relationship strategy. Operational planning cycle is much shorter. During the operational phase the decisions about practical actions on each relationship must be made. There are different kinds of models to describe the relationships. In this research the research problem was approached by examining the relationships stages using Dwyer's model which covers the following steps: awareness, exploration, expansion, commitment and dissolution.

A case study approach was selected for the empirical research and the case company was Vattenfall Finland. In the case company the empirical research proved that it is important to have a common CRM strategy, but Nordic organization must be taken into consideration as that gives the units their targets. The main challenges in customer acquisition could be summed up to have a larger and more effective use of different acquisition channels and how to find the competitive advantage. The customer loyalty issue concerns mainly the Sales Unit but other units are able to support customer retention in many ways. Naturally other functions such as Customer Service and Communications building the Vattenfall brand influence the customer loyalty highly. The customer relationship communication should also be systematic. Measuring the churn level is an essential part of customer loyalty.

Key words	Customer relationship management, customer loyalty, energy business, CRM
Further information	