

The Impact of Using Customer Relationship Management to Achieve Competitive Advantage for Egypt Air

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Abstract—The aim of this study identified the impact of using customer relationship management to achieving competitive advantage For EGYPTAIR, A total of 200 respondents from different sales office of EGYPTAIR in Egypt, it was found that can using Customer Relationship Management has possibility in EGYPTAIR by using database of Frequent Flyer Program, human resources and suitable existent facilities to improve its services by improve product quality, reduce cost and on time services throw satisfy clients needs and wants by direct contact by using customer relationship management feedback and has positive effect on Achieving Competitive Advantage, as well as learn how to effective customer relationship management Activities in EGYPTAIR..

Index Terms—customer relationship management, competitive advantage, frequent flyer program, market, Egyptair

I. INTRODUCTION

In The Modern Era world dominated by competition became inevitably to all organizations not to employ their capabilities effectively all but become inevitably have to work to achieve a competitive advantage, and that means to provide product quality, price and timing in line with the wishes and needs of the target customer, on the one hand and on the other hand that the client is the goal and the means of continuous improvement to protect the competitive advantage of the statute of limitations, EGYPTAIR is one of the world's pioneer airlines. Established in May of 1932, it became the seventh carrier in the world, By the Presidential Decree number 137/2002, EGYPTAIR became a Holding Company with seven subsidiaries. On July 17th 2008, EGYPTAIR joined the Star Alliance network, the largest airline alliance in the world, to offer its customers better flight connections and more comfortable travel. EGYPTAIR's membership to the Star Alliance network is unique in that it is the only airline that is based in North Africa and Middle East that is part of the network

II. LITERATURE REVIEW

Nazari Salman (2015) say Since SRM and CRM have the capabilities to systematically facilitate the role of customers and supplies in new product development, leading to improved new product development and organizational performance, organizations are required to gain knowledge on the mechanisms through which CRM and SRM influence the performance of the new product development.

Arisy Y. C. Lam (2013) investigates the relationship between the marketing efforts of electronic customer relationship management (e-CRM) and loyalty in Hong Kong's banking industry. The results suggest that all four e-CRM marketing tactics (direct mail, interpersonal communication, preferential treatment, and tangible rewards) play important roles in building customer relationships. There were also significant relationships between the e-CRM marketing tactics and customer relationship quality. The study also found that the latter has a positive impact on customer loyalty. The research results indicate that thorough implementation of e-CRM marketing efforts will heighten customer loyalty.

Hung Chia-Jen (2013). Say All staff should know the value of Customer Relationship Management System and make effort to promote the success of CRM project When some individuals or teams could not actively face it ,the value of CRM might not be entirely presented Moreover travel agencies could analyze the operations by measuring the management performance with data monitor system internal report management system decision-making data, and system analysis In such a process, travel agencies should evaluate the effectiveness of system application with the system suppliers to discover problems precede modifications In various modules, and enhance the applications.

Edward r. pember (2014). Findings emphasis the value CRM systems can provide to institutions in improving organizational responsiveness, decision-making, risk-management, inter-departmental communication and referrals and student progress. Issues and recommendations that staff identifies include the need for wide integration across the institution, training improvements and institution or system-specific weaknesses and possible solutions.

Ravindra P. Saxena (2011) findings CRM by banks can be applied as a very useful and effective tool in

developing the data base of customers and categorizing them in groups based on the potentiality, unique needs and expectations and then serving them efficiently to maintain a strong relationship with them. Also collecting customer feedback on continuous and regular basis to have a track on their changing attitude and behavior; and to assess their response towards CRM practices of banker to ensure whether these approaches are actually pleasing them or irritating them. The most challenging and crucial task of bankers is to design and implement CRM in a truly customer friendly manner to gain maximum positive results out of it. CRM should not be taken as a tool for granting success; it should be implemented as a philosophy, practiced as a culture of the organization revolving around customer stopprovide them the maximum value through tangible and intangible attributes of service. It will create a brand, enhance the brand image, gaining competitive advantage, ensuring customer loyalty and ensuring life time value for customers.

Hui-i. yao(2011)Findings revealed that CRM implementation is associated with customer satisfaction and there are significant interactions amongst IT capability, contact rate management and recovery management with customer satisfaction.

Tareq n. hashem (2011), finding there is an impact of using CRM on costumers image of Jordanian five star hotels.

Ogunnaike Olaleke Oluseye et. al. (2014) finding students willingness to recommend to others increases when the student lifecycle in the university is well managed and also discovered that strong parent relationship management at the university enhances the students willingness to recommend their universities to others.

Sun rui and zhang hui-fei (2014), finding that information sharing mutual understanding specific memory have significant positive impact on product innovation performance and knowledge absorptive capacity plays a significant intermediary role(partial or complete) in the mechanism.

Hsin hsin chang (2014), finding the completeness of CRM relational information processes facilitates customer-based relational performance (customer satisfaction) and in turn enhances profit performance.

III. RESEARCH PROBLEM

According to the Organizational Structure of Egypt Air Marketing General Administration, we find it does not contain any Administrative Unit bearing the Name of Customer Relationship Management, Also According conduct some interviews with some officials of the General Administration of Marketing in EgyptAir Make Sure Researcher not to do any customer relationship management Activities within any administrative unit within the marketing administration or other departments in Egypt Air.

Clear to the researcher There are a database for nearly half a million permanent client or semi-permanent, a customer subscriber database in the frequent flyer program within the marketing program management, and database that feature different connection for each client, including mobile phone number, e-mail and home address, which represents a major technological infrastructure for customer relationship management Activities.

According interviews with some officials in marketing programs Department make sure the researcher not to use that database in any use outside the framework of the frequent flyer program or in Customer Relationship Management Activities.

Despite the importance of customer relationship management as a Management and Marketing tool for continuous improvement of the performance, and thus achieve a competitive advantage market of the company, which is competitive, regional and international situation of the company requires to achieve, but the company does not apply customer relationship management, After a database for nearly half a million permanent and semi-permanent client suitable to a large extent as a nucleus for the customer relationship management Activities , EGYPTAIR has suitable human resources and facilities to improve it products to facing hard competition in middle east.

IV. RESEARCH QUESTIONS

RQ1. What is the possibility of using Customer Relationship Management in Achieving Competitive Advantage for EGYPTAIR.

RQ2. What is the impact of using Customer Relationship Management in Achieving Competitive Advantage for EGYPTAIR.

RQ3. Is there differences Perception between frequent flyer member and nonmember

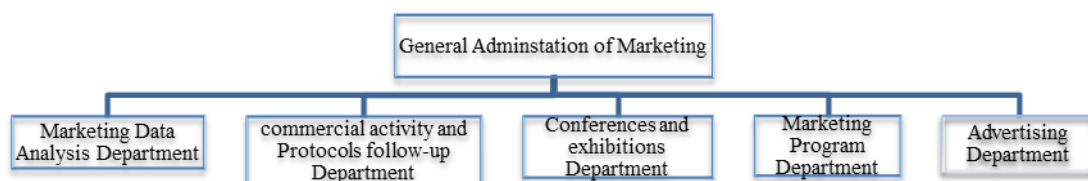


Figure 1. Organizational structure of public administration for marketing Egypt air.

V. RESEARCH OBJECTIVES

1. Specify the Possibility of Using Customer Relationship Management to EGYPTAIR.
2. Identify the Impact of using Customer Relationship Management to Achieving Competitive Advantage for EGYPTAIR.
3. Identify the differences Perception between Frequent flyer Member and Nonmember.

VI. RESEARCH HYPOTHESES

H1. There is possibility to using Customer Relationship Management in EGYPTAIR.

H2. There is positive impact of using Customer Relationship Management on Achieving Competitive Advantage for EGYPTAIR.

Subsidiary Hypotheses

H2a .Customer Relationship Management Using has positively impact in customer loyalty.

H2b. Customer Relationship Management Using has positively impact in customer satisfaction.

H2c. Customer Relationship Management Using has positively impact in customer trust.

H2d. Customer Relationship Management Using has positively impact in brand image.

H3. There are differences Perception between Frequent Flyer Member and Nonmember.

TABLE I. RESEARCH RESULTS

Variables	cronbach α	β	Std.Error	t	Sig.	Variables testing
Customer Loyalty	.758	42.764	8.199	5.216	.000	Supported
Customer Satisfaction	0.605	29.665	9.190	3.228	.002	Supported
Customer Trust	0.666	36.318	7.165	5.068	.000	supported
Brand Image	0.659	37.213	8.270	4.500	.000	Supported

VII. DATA COLLECTION AND SAMPLE

The respondents for this research included customers from different sales offices of EGYPTAIR in Egypt , The sample size (n=200) in total 200 questionnaires were distributed and the respondents were selected using a simple random sampling technique, to examine customer loyalty , satisfaction, trust and perceive brand image.

VIII. RESULTS

According to the results in Table I, the obtained from the sample Regression and t-test coefficient implied that customer loyalty has a significant and positive impact on competitive advantage of EGYPTAIR (reliability = .758 , β = 42.764, t = 5.216, Sig = .000) which support first variable and that customer Satisfaction has a significant and positive impact on competitive advantage of EGYPTAIR (reliability = .605, β = 29.665, t = 3.228, Sig = .002) which support second variable and that customer Trust has a significant and positive impact on competitive advantage of EGYPTAIR (reliability = .666, β = 36.318, t = 5.068, Sig = .000) which support third variable and that Brand Image has a significant and positive impact on competitive advantage of EGYPTAIR (reliability = .659, β = 37.213, t = 4.500, Sig = .000) which support fourth variable.

According to the results in Table 1, first Hypothes is supported and second Hypothes is supports by supported Subsidiary Hypotheses and also third Hypothes is supported.

The finding denoted no differences perception between frequent flyer member and nonmember that ANOVA Analysis for customer loyalty (mean square .048, F .069 AND Sig.794) Customer Satisfaction (mean Square .048, F .161 and Sig.690) Customer Trust (mean square .625, F .935 Sig.336) and Brand Image (mean square .100, F .180 and Sig.672).

IX. CONCLUSIONS

This study provides further insight into the effects of Customer Relationship Management Activities for EGYPTAIR in the airlines industry.

This study has found possibility of using Customer Relationship Management in EGYPTAIR by using frequent flyer database, human resources and suitable existent facilities to improve its services by improve product quality, reduce cost and on time services throw know clients needs and wants by direct contact by using customer relationship management and that engagement in Customer Relationship Management is of significant value for EGYPTAIR ,and found positive impact to achieving competitive advantage, that would be much interested in paying more attention to their Customer Relationship Management as it contributes to their competitiveness, The results of this research confirm that EGYPTAIR should invest the capital to improve customer loyalty, satisfaction, trust and brand image and understand why customers purchase certain service. And should segment their customers into several groups and promulgate different marketing programs for customers of various characteristics in order to achieve competitive advantage.

EGYPTAIR should also treat customers as partners in their provision of original services or in their request for successful new services. EGYPTAIR should focus more on social and structural bonds to enhance customers' perception to leading to achieve competitive advantage by using customer relationship management.

Using EGYPTAIR customer relationship management makes both frequent flyer member and nonmember has same positive perception with loyalty and satisfaction and trust and brand image.

EGYPTAIR can using Customer Relationship Management feedback to Evaluate Organizational Performance to satisfy client needs and wants in High

Quality, low cost and on time to Achieve A Competitive Advantage.

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