

Chapter 4

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CRM CONCEPT AS PATIENTS' RELATIONS MANAGEMENT IN DENTISTRY

Abstract: Companies are trying to meet customers' needs, their desires, habits, they tend to increase the satisfaction of their services and goods. Customer Relationship Management (CRM) systems appear to be necessary. The chapter shows that CRM allows to know patients and adapt services to their expectations and individual needs, which will result in a competitive advantage.

Key words: CRM, patient, quality.

4.1. Introduction

In conditions of a free market economy (in an increasingly competitive environment and growing demands of customers/patients) medical services has become a merchandise, subject to the laws of supply and demand. The dentist must be not only a good doctor, but also should make sure that his office began to operate on a commercial basis, to enable efficient and effective reach to the customer/patient (ROSAK J., BORKOWSKI S. 2007, BORKOWSKI S., ROSAK-SZYROCKA J. 2012.). Among the most characteristic features of dental services, influencing the development of marketing activities for this sector, may be mentioned:

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- complex in psychological terms process that takes place in front of the clients,
- patients stress,
- dental services requires constant interaction between doctor and patient, therefore, the attitude of the doctor is essential in creating the image of the office,
- the provision of dental services is based on expert knowledge and the patient does not know what the complex tools are for, do not always understand the names mentioned by the doctor (therefore required from the dentist is good communication with the patient and dedicating him as much attention as possible, resulting in building of trust for the physician and facility),
- the dentist is not always able to fully satisfy their customers,
- dentists have little opportunity to differentiate its service, which allows to influence the perception of patients with complicated names of treatments also allows to "fight" for the patient with quality of service offered,
- the quality of dental services do not always depend on the doctor, but also on the " initial " state of health and oral hygiene of the patient.

The specification of health services also consists of the fact that they are elusive and combined with the lack of guarantee of their effectiveness. Patient isn't sure that after receiving help from the dentist he will be cured, on the other hand he is often not well aware of the effects of discontinuing treatment. Therefore, the dentist must:

- educate patients by showing the benefits of the service and the problems that may arise due to discontinuing of treatment, education should also address issues of broader oral hygiene,
- create a positive image of the office to encourage potential patients to use it's services.

In the world around us more often we meet with the statement that "typical customer" does not exist from a long time, and companies painfully felt it on their own skin. Until recently, all the activities of companies focused on the traditional methods of management and the

question, "what" and not, "who." In other words, a company focused on selling as much as possible of its products, without wondering who their buyer is. A lot of corporations are still true to the orientation of the product, drawing all their plans on selling products and not on the clients. However, in most cases, people that manage the companies have realized that the traditional approach to management is outdated and should be changed as soon as possible, targeting primarily on relationships with its customers. Such companies take as the highest good the satisfaction and meeting the expectations of customer and skillful management of information about him. New means of communication provided an opportunity to reach out to millions of customers in an efficient, cheap and fast way via e-mail and the web (ROSAK J., ROSAK P. 2007, BUKOWSKA-PIESTRZYŃSKA A. 2004, KRUPA W. 2006,).

4.2. CRM characteristic

Customers/patients Relationship Management is a way of conducting business, which is to build long-term partnership relations with customers/patients. CRM is the company's ability to acquire customers/patients, getting to know them , renewing contacts with them, of making sure that the company will give them exactly what they want . It can enhance good relationships with customers/patients and improve service. The primary reason for investing in building positive relationships with customers / patients is a limited number of customers / patients in the market and only clinics aware of this fact, that can attach to each customer/patient, have a chance to build a sustainable market advantage . Encouragement of the customer / patient to continue to use the services of a company, is a procedure several times cheaper than acquiring a whole new customer/patient. Useful here are words direct to the customer, using data such as the name of the consumer, region of residence, etc. Such personalization technologies allow individual approach to the customer to tailor offerings to the tastes and expectations.

The main goal of the concept of CRM is to maintain customer / patient loyalty. Companies are increasingly using CRM management system, seeing it as the most effective and most efficient form of business and customer relations management. In the present there is mainly focusing on the client. The surrounding world of competition is so high that companies not engaged in relationship with their customers are doomed to failure. CRM - customer relationship management, is becoming more widely used phrase and more willingly implemented system that controls the relationship between the company and its clientele (ROSAK J., BORKOWSKI S., ROSAK P. 2005, WIĄCEK D., BAGIŃSKI J. 2003).

Customer Relationship Management - is a business strategy which consists of building a relationship and manage customers to optimize long-term benefits. It requires the introduction of the philosophy and business culture, that is customer-oriented and ensures effective processes of marketing, sales and service. CRM includes:

- Acquisition and continuous updating of knowledge about the needs of clients, their motivation and behavior.
- Measuring the costs of marketing, sales, services (inputs) and profit from each customer.
- Using knowledge about the client to continuously improve the organization's performance in learning process from successes and failures.
- Integration of all activities in the area of marketing, sales and services in order to achieve common goals.
- The implementation of appropriate systems supporting the acquisition and sharing of knowledge about the client and measuring the effectiveness of CRM.

The central role played in the idea of CRM is the concept of the process through which the customer creates value. According to the concept of CRM - the most important thing is not to maximize profit from a single transaction, but the collaboration with the client, which goal is to build a lasting relationship. A company that wants to follow the principles of CRM must by all means available to them, try to learn as

much as possible about the process of creating value (the process through which the client is achieving its objectives), because thanks to it the company will be able to use their capabilities for the benefit of the client. In order to fully meet the expectations of the client company must treat their relationship with him as a process, as it consists not of one but of several stages.

Using CRM the companies are trying to use their skills for the benefit of the client and contribute to the process of creating value. The purpose of customer relationship management is to align the company's capabilities to customer expectations. If there is no such assumption then building relationship with customers becomes impossible.

The second basic principle of CRM is the perception of the product in terms of the process. The traditional differentiation of products and services becomes meaningless. The product is involved in the exchange that takes place between the processes of value creation on the client side as well as the company itself. If the product is treated as a process, then a product differentiation is equivalent to differentiation of processes.

The relationship with the customer consists of processes initiated by the moment of purchase - sale. Companies implementing this processes has the ability to control and shape every relationship with the client. CRM allows to create an unlimited number of such relationships, and thus gives the company a competitive advantage in the market.

The third basic principle of CRM is related to the extent of companies liability. In the process of implementing CRM it should be remembered that it is not enough to meet the requirements of customers. The company will only be able to build a lasting relationship with their customers, if it takes the responsibility for the continuous improvement of it and when it sought to continuous improvement of opportunities to create value in order to enrich their relationship with the client. The company for which building and improving relationships with customers is the core of their business, can turn the traditional distinction between the right, prospect or loss customers, into 3 phases of relationship with customers:

1. The initial phase.
2. Phase of improvement.
3. Final phase.

In the initial phase it is important to reach to the new customer groups and the use of appropriate strategies for making contacts. It is also important to assess the value of the future relationship so as to be able to invest time and money in the valuable relationships which in the future could give real benefits to the company.

Taking care of relationships with customers currently supported is in the phase of improvement. In this phase, the greatest potential lies. The main factors that define customer relationships are correct pricing, increasing the share of the company in customer's shopping cart and reduction of costs of relationship.

In the final stage it is important to record and analyze all the warning signs that may indicate a brake of relationship. Corrective action should be taken immediately after obtaining such information in order to avoid losing customers. However, if we fail to prevent such an event it is also imperative to look at the whole relationship with the customer, analyzing the reasons why the client resigned from working with us.

4.3. CRM concept

The main goal of the concept of CRM is to maintain customer / patient loyalty. Figure 4.1 shows the factors necessary for the dental office that determine loyalty. From the side of private medical practices requirements in CRM systems in the area of operations are as follows:

- profiling customer / patient - to determine the associated level of risk , demographic and psychological,
- management of promotions - adjust promotional strategies to the relevant profiled groups,
- loyalty management - maintaining an appropriate balance of loyal clients / patients,

- execution of sales - optimizing sales by certain parameters , channels of sales and units taking care of it,
- estimate of future sales - exploring the possibilities of selling , bundling, prospective products, identifying acquisition opportunities, identifying unused niches,
- product profiling - to provide information to current revisions of product , examining the degree of acceptance and satisfaction of the customer / patient.

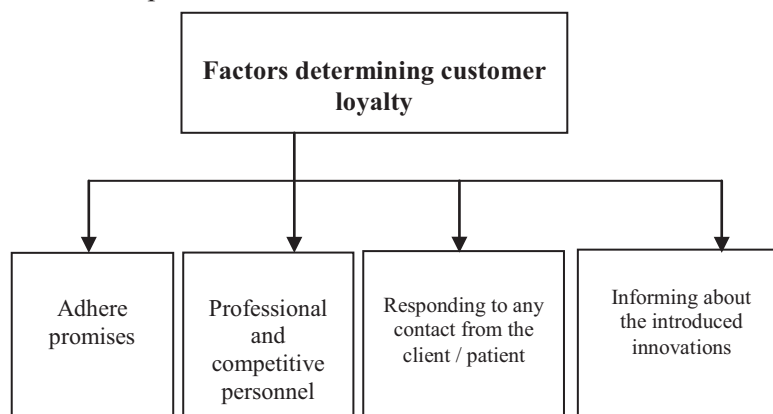


Fig. 4.1. Factors determining customer / patient loyalty in dentistry.

Source: ROSAK J., BORKOWSKI S. 2007

4.4. Benefits of CRM implementation

Companies that choose to, or have already decided to implement CRM know that a well-functioning system of customer relationship management brings two main benefits:

- Measurable benefits - changes in key indicators of the company such as sales, profit from sales, cost of sales.
- Immeasurable benefits - qualitative parameters such as growth in customer loyalty, employee satisfaction.

- Rising profits in the company oriented on customer relationship management can be calculated in two ways: using traditional methods (an increase in the number of mailings, phone calls, etc.) or by the method calculating profits as the difference in income and expenses.

The increase in sales is the result of: acquiring new customers, encouraging existing customers to buy more, keeping customers for longer or reducing the costs required to complete a sale.

Reduced costs and increased savings can be achieved by the use of different CRM solutions, taking into account that the most important for the company to reduce relationships that are not beneficial for the company and do not indicate a good hope for the future, and the introduction of new work organization, which in turn will lead to a reduction in operating costs.

A company with a system of customer relationship management creates a bond based on the flow of information from customers to the company and vice versa. The customer seeing that the company cares about the process of creating a positive value becomes more loyal and satisfied. He knows that all his comments are considered in detail and taken into account in the subsequent stages of the process related to product. This in turn causes the positive reviews about the company to be passed from mouth to mouth, because as we all know people like to share their positive opinions between themselves.

4.5. The seven deadly sins of CRM

During the implementation of the CRM project , each organization should refrain from seven major mistakes, which neglected can lead to failure of the entire plan.

1. The defeat in the formulation of the CRM strategy - be aware of the correct formulation of the CRM strategy.

2. The defeat at meeting the expectations of workers - companies forget to implement a CRM system among its employees and yet workers should be involved in developing the CRM strategy.
3. Failure in determining the success – it should be carefully and specifically defined what we want to achieve and how to measure success.
4. Hasty decisions on the selection of tools for the implementation of CRM - the organization should compare all the tools for the implementation of customer relationship management , in order to choose the best of them.
5. The defeat in the determination of the processes in the organization - you must correctly define the processes in the organization and any relationship between them, and between the organization and customers.
6. Lack of data integration - the lack of precise integration of the data.
7. Failure in the continuation of bringing closer the CRM to the whole company - lack of knowledge of all the employees of the organization about the objectives of CRM and objectives that the company wants to achieve.

4.6. Summary

In the twenty-first century, no one should argue that customer relationship management, is a particularly important aspect of the market . This new initiative involves a lot of hard work and a very large self-discipline after implementation, so that the database is always replenished . Proper implementation of the system and strict adherence to the procedures of registration of the data and information about clients / patients, relations with them, or the tasks performed allows prospectively better customer/patient service. Actual customer relationship management is to identify individual clients/patients, getting to know them , and the initiation and development of personalized contacts.

Using CRM dentist gets a number of important information about their current and potential clients/patients, his ability to compete is better. In the implementation of this concept the most important are employees. Their attitudes and behavior contribute significantly to building a lasting relationship with clients/patients. The creation of the database of clients / patients is made through personal conversations and observations of staff with clients/patients. Knowledge of the characteristics of clients / patients in each segment allows not only to take care of existing clients/patients, but also enables effective solicitation for future clients/patients, thus increasing the quality of dental services.

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