

ABSTRACT

This dissertation study is divided into seven chapters: The first chapter provides the study's rationale and poses the overarching research questions. The second chapter provides a thorough literature review on Customer Relationship Management (CRM) and dynamic capability that describes the study's theoretical underpinnings. The third chapter describes and discusses the conceptual framework. The fourth chapter presents research objectives, a set of testable research hypotheses, and scope of the study. The fifth chapter describes the research methodology, in terms of study phases, data collection methods, sampling design, measurement development and validation, and analysis techniques. The sixth chapter presents the results of the study, conducts hypotheses testing, and discusses the study's insights. The seventh chapter provides implications for theory and practice, concluding with its limitations, suggestions for future research, and conclusions.

There is a growing body of literature on CRM. It has been well accepted that CRM is a strategic initiative. But surprisingly the CRM literature is largely silent on the issue of competitive reaction in dynamic markets. In such markets, domain of CRM is characterized with lots of changes. Managers can not rely on only static firm's resources that they have assembled to take CRM decision and drive competitive advantage. Drawing from the theoretical argument in strategic management i.e. dynamic capability approach, the study identifies complex drivers of competitive advantage for the process of CRM in dynamic capability. It is organization's ability to continuously improve, innovate, and reconfigure resources to match evolving environmental needs. The study

assesses managerial perceptions on drivers of CRM performance by addressing three research questions: 1) what are the managers' perceptions about drivers of dynamic capability for the CRM process? 2) Does the dynamic capability drive CRM performance i.e. competitive advantage for CRM? And 3) Does Information Technology (IT) competence moderate the link between dynamic capability and CRM performance?

The study articulates the concept of dynamic capability in the context of CRM at process level. It proposes three drivers of dynamic capability for CRM. These drivers are (i) ability to reconfigure, integrate and transform existing resources in new ways, i.e. resource re configurability; (ii) ability to renew (gain and release) resources through social networks i.e. social networking capability; and (iii) ability to sense, adapt and address changing environment in terms of such resource reconfigurations and renewals at right time i.e. market orientation. The study also builds a model that links the dynamic capability for CRM with its outcomes i.e. CRM performance. This link is moderated by IT competence.

The study combines questionnaire survey method with semi structured interviews. The sample of executives has been selected from the organizations in retail, telecom, and banking industries in India. Organizations in Indian markets provide suitable context for the study mainly for two reasons. Firstly, the market has been quite dynamic with growing disposable income. And secondly, lot of organizations in India across the industries has adopted CRM strategy with increasing levels of professionalism, and there are evidences of varying levels competitive performance of the CRM process.

The results of the study confirm the proposed impact of resource re configurability and social networking capability on dynamic capability for CRM. The positive impact of market orientation has not found to be of much significance. The results also confirm the proposed impact of dynamic capability on CRM performance. This effect is moderated by IT competence. In cases low values of dynamic capability, high IT competence has negative impact on competitive performance of the CRM process. In case of high values of dynamic capability, IT competence enhances competitive performance of CRM process.

The study results have three important implications for research and practice in the field of CRM. First, it confirms the positive impact of three antecedents of dynamic capability for CRM. Second, it relates the dynamic capability for CRM with competitive performance of CRM and answers the most crucial question what drives competitive advantage for the CRM process. And Third, It provides valuable insight on the role of IT competence in moderating the link between dynamic capability and CRM performance. The study provides useful insights to managers in terms of designing CRM activities in such a way that does not lead to core rigidities and helps them in gaining competitive advantage.