Effect of Electronic Customer Relationship Management on University Performance and Students Satisfaction: A Case Study on Islamic Azad University of Tehran Electronic Branch

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Abstract

Electronic Customer Relation Management (e-CRM) is a repaid growing technology which many organizations worldwide are using to improve their electronic service or are planning to implement it. The system proved to have positive effects on customer-oriented approach and consequently on the performance of organizations. In this regard, the present paper aims to provide a framework which examines the effects of e-CRM on the performance of universities and students satisfaction in electronic branch of Islamic Azad University. The data collection is performed using Likert-based questionnaires. The reliability of the questionnaire was also achieved through Cronbach's alpha. Using random sampling, 150 students were chosen as the study population. Students were all from Islamic Azad University of Tehran electronic branch. Structural equation modeling was used to examine the proposed model and analysis the hypotheses. The results of data analysis suggest that students' commitment and privacy protection had no influence on e-CRM system while factors such as trust, convenience and high-quality electronic system have a significant influence on e-CRM system. In addition, e-CRM system and students' information management had positive impacts on the performance of university and increased the students' satisfaction. While studying the mediating role of students' information management showed that e-CRM had a positive influence on students' satisfaction and university performance. Our research findings can help the universities to consider those important factors for improving the satisfaction of the students and accordingly the performance of university.

Keywords: Electronic Customer Relation Management, Satisfaction, Performance, University

1. Introduction

According to Ngai, Xiu, & Chau (2009), Customer Relation Management (CRM) is defined as “helping organizations to better discriminate and more effectively allocate resources to the most profitable group of customers through the cycle of customer identification, customer attraction, customer retention and customer development”. Electronic CRM (e-CRM) is the internet related CRM which is defined by Hashemi & Hajiheydari (2011) as “as a web-centric approach to synchronizing customer relationship across communication channels, business functions and audiences. It enables online ordering, e-mail, a knowledge base that can be used to generate customer profiles, personalized service, the generation of automatic response to e-mail, and automatic help”.

Nowadays, CRM is widely applied as an important business approach by many organizations (Ngai et al., 2009). The CRM framework is mainly classified into two main categories, operational and analytical (Berson, Smith, & Thearling, 2000; He, Xu, Huang, & Deng, 2004). The CRM mainly includes guidelines, methods, processes and strategies that enable the organization to integrate customer interactions, as well as record all of its information (Harrigan, Ramsey, & Ibbotson, 2011; Kim, Zhao, & Yang, 2008; Wu & Wu, 2005). In this context, technologies are being used to attract new and profitable customers, as well as maintaining and strengthening relationships with existing customers. In E-CRM, all forms of managing relationships with the customers are considered, when using information technologies and systems (Kotorov, 2002; Pan & Lee, 2003). In fact, in e-CRM, a range of