

Evaluating the effectiveness of integrated marketing communications while implementing a CRM system in the agricultural industry

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Abstract. This article deals with the problem of insufficient objective characteristics for determining the productivity of integrated marketing communications in business and organizations of various fields of activity, including those involved in ecology, energy, etc. The relevance of the work is due to the massive distribution of various marketing communications tools, often customized and used today through CRM systems. The aim of the study is to determine the criteria for evaluating the effectiveness of integrated marketing communications tools, reflected in CRM systems. The author uses methods of the structural and functional approach. The research is based on the descriptive and analytical method. The result of the work is a list of parameters reflected in the CRM system. They can help consider the degree of effectiveness of integrated marketing communications used in business and organizations of various fields of activity, including those involved in the field of ecology, energy, etc. Moreover, the list of criteria can be used to determine the degree of successful implementation of a CRM system and individual tools of integrated marketing communications.

1 Introduction

Any business or an organization is a complex system that can not fully function without the well-established work of all the components. Today the most important question is about the effective interaction of the advertising and PR department and the marketing department, that is, the close relationship between promotion and sales in order to achieve a goal. However, employees of two departments reject this fact and sometimes it becomes the reason for the deterioration of the financial component. CRM systems, initially used only for managing the internal structure of an organization, are rapidly developing today and become powerful platforms for promotion. Thus, there is a tendency to combine the activities of departments responsible for advertising and marketing. For example, in the Bitrix24 CRM system, which is currently the most popular in the Russian Federation,

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several interconnected sections have been developed that are responsible for online and offline advertising, sales promotion, postal and telemarketing [1].

However, these systems and tools integrated into them does not guarantee their 100% popularity and impeccability. The main question here is what parameters can be used to judge the effectiveness of integrated marketing communications implemented through CRM systems. There is no clear identification of such criteria. Therefore, there is the problem of the lack of an unbiased assessment system that would show how successfully both marketing communications tools and the CRM system are used. It is especially urgent for small and medium-sized businesses, as they cannot spend much money on additional research on advertising and make up more than 50% of CRM users.

A CRM system is a specialized service for a particular customer, most often in the business area, that allows to store all working data: from correspondence and records of telephone conversations with a client to important documentation (contracts, invoices, acts, etc.) and their subsequent use in promotion.

Marketing communications are used to promote an enterprise, project, trademark, brand. They include several types of relationships:

- public relations (PR);
- Internet communications (Digital);
- advertising;
- sales promotion;
- personal sales;
- event marketing;
- direct marketing;
- media and social networks (SMM);
- customer relationship management (CRM).

The list is not complete, but it includes all the key channels that can collectively influence buyers and increase sales. Moreover, each channel is used in complex with others. The main feature is a single set of messages, a visual solution. Messages in different channels have differences due to the specifics of the channel itself. For this reason, the concept of integrated marketing communications (IMC) was introduced.

It is not possible to ensure the synchronization of all communication channels and the integration between them with modern flows of incoming requests in manual mode. It is necessary to automate the process so that each consumer of a product or service receives his own personalized set of messages.

Reasons for automating integrated marketing communications:

-improving the quality of communications. Grouping target audiences according to certain parameters (segmentation) allows to improve the quality of incoming customers, reduce the percentage of "random" potential buyers. This means that the percentage of sales (conversion) increases.

-fixing the client's behavior. Modern automation systems allow to record all the client's actions, even without the participation of a manager (repeated visits to the site, viewing the product, an open letter from the mailing list). If there is no automation of marketing communications, it is not possible to track customer behavior and promptly respond to it. This problem in the modern market is solved by triggers and robots, which ensure the conduct of a transaction through a funnel without the participation of a manager, which significantly increases the number of processed transactions and reduces the processing time.

-variability of work with the database. Automation of the IMC complex allows to use all the variety of types of interaction with available information (for example, apply filtering for segmentation by any parameter). It means more accurate selection of target audiences for further impact by IMC tools.

-saving time when working with the IMC complex. Using specialized automated systems allows to perform more actions in a few clicks and process large amounts of data in a short time: publications, SMS and e-mail newsletters, promotions, accounting for loyalty programs.

Moreover, not only the quality of the used promotion methods, but also their integration into the system is important in practice. A well-developed communication scheme with clients and a well-established consumption system affect the number of completed transactions and the work efficiency.

Automation of integrated marketing communications within a single system with all the necessary data on clients, solves a similar problem, since it combines the work of two departments at the stage of planning advertising campaigns.

A large percentage of managers today believe that CRM solves issues related exclusively to management. However, CRM systems were originally developed for customer relationship management. It means, first of all, they should be responsible for external communications, their standardization, automation and quality improvements [2].

To increase and maintain a high level of customer loyalty, the quality of these communications needs regular objective assessment and, if necessary, prompt adjustments. Therefore, we need variables that can be relied on when evaluating the effectiveness of the tools and methods.

CRM systems are rapidly developing today and become powerful platforms for promotion. The work of the CRM system in the organization guarantees the support of a given frequency and effectiveness of contacts with a selected category of customers.

The need for CRM systems was especially urgent during the COVID-19 pandemic, when businesses and organizations lost the ability to communicate. The only way to collect and structure information about specific objects of the target audience, followed by setting up the collected data for each advertising campaign with individual content, the formation of special offers were sales promotion tools, based on the needs of the target audience. Such systems collect data on the customers' needs with the further potential for their satisfaction in the form of advertising messages, discounts, bonuses, gifts. In other words, the CRM system has become a fundamental element in the customer focus strategy. The need for such system in advertising and PR departments, marketing and sales departments, is justified by the largest volume and stability of communication through CRM (relative to other methods) between the business and its target audience. Its benefit is clear due to the increased need for services during quarantine and restrictions from April to June 2020.

2 Materials and methods

The object of the reserach: integrated marketing communications tools reflected in CRM.

The subject: qualitative and quantitative parameters reflecting the effectiveness of integrated marketing communications in a CRM system used in business and organizations in various fields of activity, including those involved in the field of ecology, energy, etc.

The purpose: to determine the criteria for evaluating the effectiveness of the organization's integrated marketing communications tools, which are reflected in the CRM system used in business and organizations in various fields of activity, including those involved in the field of ecology, energy, etc.

Tasks of the research:

1) to analyze the sections of CRM systems responsible for external business communications;

2) to make a list of integrated marketing communications tools working within the CRM system;

3) to identify indicators influencing the effectiveness of these tools within the CRM system.

The study was carried out within the framework of the structural-functional approach. The author used the following methods: collection and processing of empirical material on the research topic, SWOT analysis, content analysis of CRM systems and a comparative analysis of key performance indicators of integrated marketing communications tools in CRM systems.

The scientific novelty is to identify and describe the criteria for the effectiveness of integrated marketing communications, implemented through CRM systems.

The practical significance: the criteria can be used by specialists of advertising and PR departments, marketers, directologists and targetologists, energy scientists, ecologists in order to evaluate the effectiveness of integrated marketing communications used in small and medium-sized businesses. It allows to obtain objective quantitative indicators and to distribute budgets for promotion on the Internet more efficiently.

The leading approach. The study was carried out within the framework of the structural and functional approach. The research is based on the descriptive and analytical method.

The main target audience of the project is regional small and medium-sized businesses, organizations based in the Kirov region and trying to implement a complex of integrated marketing communications through a CRM system.

An additional target audience of the project is regional small and medium-sized businesses, organizations based in the Volga Federal District and analyzing options for introducing a CRM system.

3 Results

The leader of the CRM market in Russia today is the Bitrix24 system, which is confirmed by the research of the Institute for Entrepreneurship Problems in 2019. According to it, 55% of small, medium and large businesses that have implemented a CRM system use cloud portals and out-of-the-box versions of Bitrix24. The system also outperforms other services in the ratings of spontaneous and induced fame.

Analysis of various sources allow to identify criteria for the effectiveness of a complex of integrated marketing communications used through CRM.

The identified criteria include:

The number of transactions converted from individual traffic sources. Today, business is using all communication platforms with the audience at the same time: a website, numerous social networks and instant messengers, telephony. Each channel has its own instruments. This means that you need to consider them not only in the complex, but also individually.

Without a CRM system, it is not possible to classify all incoming requests with 100% accuracy. For example, a client could see contextual advertising, only then visit the site and leave a request. Thus, the application is classified as a lead from the site, and the indicator of the effectiveness of contextual advertising relative to other sources is unfairly lowered.

The peculiarity of the CRM system is the precise definition of the first link in the chain of communication with the client, which makes it possible to objectively assess the effectiveness of promoting sites, and the integrated marketing communications tools used within them [3].

The number of transactions converted from different sources can be considered both as a quantitative indicator, expressed by a specific number, and as a qualitative one, which determines the communicative activity of some business.

Conversion. To calculate this indicator in manual mode, it is necessary to divide the number of all completed transactions by the total number of orders from all sources.

Moreover, "requests" are understood as incoming messages from clients. If the exact number of closed deals is determined regularly and entered into reports, then statistics on the total number of leads are often not collected. Hence there are distortions in the number indicator that determines the conversion, and even a radical rejection of it.

It is possible to roughly determine this value without a certain system (a CRM system) that would unite all the points of contact of business with its customers, even when calculating in manual mode. But calculating the maximum accuracy requires taking into account such factors as, for example, missed calls, "lost" potential clients of VKontakte or Instagram, who were interested in the products in the post comments. Such calculation is time-consuming, and subjectivity (human factor) cannot be excluded. Therefore, business owners often cannot accurately determine the conversion rate of the company.

This quantitative indicator can be calculated automatically and online if there is a CRM system in an organization. Moreover, it can be increased with the implementation of CRM up to 30% due to more effective use of integrated marketing communications expressed in other criteria.

Table 1. General SWOT analysis of the research object.

<p>Strong</p> <ul style="list-style-type: none"> • A large client base with a high degree of loyalty. • A wide range of services provided or goods sold. • Possibility of using available resources for the development of priority working areas. • Economies of scale of production / service provision. • Use of proprietary technologies, which allows to significantly reduce the costs of manufacturing products or providing services. 	<p>Weak</p> <ul style="list-style-type: none"> • Lack of active promotion in the market and a weak degree of using the complex of integrated marketing communications and methods for assessing their effectiveness. • Weak marketing research. • Lack of one's own advertising or PR-department. • Limited budgets for advertising and promotion. • Low level of entrepreneurial literacy of managers and possession of professional competencies in the field of business. • Lack of automation of routine business processes, use of outdated methods of working with the client base.
<p>Opportunities</p> <ul style="list-style-type: none"> • Entering the all-Russian market. • Complete transition to online sales. • Mobility and ability to quickly transform the internal structure in emergency situations (compared to large companies). • Rapid growth in production rates or increased sales in a favorable economic environment. • Automation of routine business processes. • Possibility of the state support. • Constantly developing and simplifying technologies (advertising campaigns, creating information resources of the subject). • Development of outsourcing systems, expansion of economic ties. • Expanding the product line or range of services, increasing competitiveness. 	<p>Threats</p> <ul style="list-style-type: none"> • Tough competition with large business companies (mainly federal companies). • Instability in crisis situations, which can result in the threat of business closure. • Legal liability for regular violations in the field of advertising legislation due to cooperation with incompetent specialists. • Rise in the cost of production associated with using foreign spare parts, accessories, equipment, technologies, consumables. • Instability of the legal framework in the field of small and medium-sized businesses. • High requirements from banks and other credit institutions.

The coefficient of desired action. The average cost of a click or transition is calculated automatically in the ad cabinet when setting up contextual or targeted advertising. However, only in the CRM system, this value turns from the average into an exact quantitative indicator for each specific transaction relative to its final cost and is expressed in the coefficient of desired action. Calculations are based on inverse proportionality: the larger the order amount, the lower the weight of the action coefficient, all other things are equal. Therefore, the lower the coefficient, the more effective the ad will be. For example, if the cost of a click is ten rubles and the purchase amount is one hundred rubles, the coefficient is 0.1. With the same cost per click and the purchase amount for five hundred rubles, the coefficient is 0.02.

The number of users who performed the desired action. This parameter is relevant for evaluating mass actions with a large client base: mailings, SMS and instant messengers, automated calls.

The CRM system shows data for each sent letter / message: when it was opened, whether a potential client clicked on the link, what was the amount of the transaction made when switching from the letter, whether a promotional code was used, etc. Consequently, the considered characteristic in a CRM system allows to analyze the effectiveness of e-mail and SMS marketing, as well as sales promotion. It can be expressed both in quantitative and qualitative indicators, for example, when comparing two mailings that are identical in content, but different in design [4].

The described criteria are basic and universal in evaluating the effectiveness of integrated marketing communications introduced through CRM systems. It should be noted that all of these criteria are embodied in quantitative indicators, which means they are the most accurate and objective. On the basis of the above values, the CRM system compiles analytical reports and predicts future sales.

The examples given in this article prove that the listed indicators have already found a place in assessing the effectiveness of integrated marketing communications introduced through a CRM system in business. Moreover, trying to correct them, you can achieve quantitative and qualitative improvements.

The list of these criteria can be expanded with new tools integrated into CRM, or depending on the specifics of the business and the promotion tools used by it.

Lack of objective tools for assessing the effectiveness of the integrated marketing communications complex is especially urgent for small and medium-sized businesses and organizations operating in the regions that cannot spend much money on additional advertising research. Unable to evaluate types of marketing communications, they continue to waste budgets on advertising campaigns irrationally. Meanwhile, a significant proportion of such entities are already solving the existing problem through the implementation of CRM systems and CRM analytics.

1. The author carried out a SWOT analysis in order to understand conditions for the implementation of CRM systems and the working circumstances, which together constitute the object of research. Then general patterns were identified and a single SWOT analysis of the research object was compiled (Table 1).

2. The strengths of the companies under consideration are the following:

3. A large client base with a high degree of loyalty, which indicates the prospects of promotion and possibility of using the tools of the IMC complex for large audiences.

4. A wide range of services provided or goods sold, allowing to thoroughly gain a foothold in the market.

5. Ability to use available resources for the development of priority areas of work, ability to be in a certain market segment, choose a narrow specialization.

6. Significant savings (on raw materials, equipment, wages of employees, taxes, etc.) due to small scale of production.

7. Use of proprietary technologies (patents, recipes), which allows to significantly reduce the costs of manufacturing products or providing services and not to depend on third parties.

8. Among the weaknesses that hinder the development of the subjects under consideration are:

9. Lack of active promotion in the market and a weak degree of using the complex of integrated marketing communications and methods for assessing their effectiveness. Weak marketing research. This does not allow the business to reach a new level, increase recognition among new audiences and contributes to irrational spending on promotion. It is a catalyzing factor for the transition to automation of work with integrated communications.

10. Lack of your own advertising or PR-department can result in instability of promotion, cooperation with freelance marketers, who, as a rule, are not interested in the result. Frequent change of specialists, several specialists working simultaneously who do not interact with each other, lead to a lack of integrity and regularity in promotion, negatively affects public relations.

11. Limited budgets for advertising and promotion, which are spent intuitively, without a basis in the form of reports on the effectiveness of the tools used in the complex of integrated communications.

12. Low level of entrepreneurial literacy and professional competence in business, which often leads to an unconscious refusal to work with promotion tools, even in manual mode.

13. Lack of automation of routine business processes, using outdated methods of working with the client base, which reduce the existing level of customer loyalty and do not allow reaching the entire volume of the potential audience.

The following threats are the most likely:

1. Tough competition with large business entities. Mostly, these are federal companies that have come to the region and are having more aggressive promotion.

2. Instability in crisis situations can result in the threat of business closure.

3. Legal liability for regular violations in the field of advertising legislation due to cooperation with incompetent specialists.

4. Increase in the cost of production associated with using foreign spare parts, fittings, equipment, technologies, consumables and the instability of the national currency. As a result, a forced increase in the cost of products for customers, an increase in delivery times.

5. Instability of the legal framework in the field of small and medium-sized businesses.

6. High requirements from banks and other credit institutions.

4 Discussion

The conducted SWOT analysis allows to talk about a large number of opportunities and prospects for eliminating weaknesses and threats, turning them into strengths and opportunities for small and medium-sized businesses. Basically, they are related to the automation of business processes, including setting up advertising and PR campaigns, creating SMS and e-mail mailings, mailings in social networks and instant messengers, telemarketing and other tools of a complex of integrated marketing communications.

The analysis of key parameters before and after the implementation of a CRM system shows an increase in the effectiveness of integrated marketing communications tools after the implementation of a CRM system.

It means that with the introduction of a CRM system, the effectiveness of the interaction of a business entity with its target audience can increase several times and, as a result, have a positive effect on sales growth and the efficiency of the organization.

5 Conclusion

The following sequence of actions was used while writing the research in order to achieve results.

1) The analysis of the sections of CRM systems responsible for external communication of business. The author has investigated the structure of these sections and mechanisms on the basis of which the automatic operation of marketing communications is configured.

2) A list of integrated marketing tools communications working within the CRM system. At the same time, the entire range of methods of the marketing communications complex is narrowed down to a certain range of tools, which were considered below.

3) Indicators that affect the effectiveness of these tools inside the CRM system.

Thus, third-party factors that affect the operation of integrated marketing communications tools configured through CRM systems are excluded.

Scope of the results. The resulting list can be used by CRM specialists, marketers, managers to determine the degree of success of the implementation of a CRM system and individual tools of integrated marketing communications in its composition, and to carry out a comprehensive analysis of the promotion of business.

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