AN ABSTRACT OF THE DISSERTATION OF

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CUSTOMER INTENTION AS THE KEY TO SUCCESSFUL CRM IMPLEMENTATION: EMPIRICAL INSIGHTS FROM AN SEM APPLICATION

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In their universal quest to improve customer relationships, firms rely heavily on technology-based solutions that CRM provides. However, studies and business reports estimate that 30% to 75% of CRM initiatives fail to achieve their goals. This high incidence of failure is often attributed to firm-related factors (e.g., lack of cultural readiness) or technology (e.g., software incompatibility with firm-specific needs). This study contributes to this debate by highlighting several customer-related factors that are critical to CRM programs implementations.

Based upon a review of multidisciplinary literature, a structural model was developed where customers' intention to engage in CRM programs is influenced by four antecedent constructs: attitude toward CRM, subjective norm, perceived behavioral control, and past experience. The attitude toward CRM construct, in turn, is influenced by perceived benefits, perceived risk, and attitude toward the CRM provider.

Data were collected using online survey. The model was estimated under two different situations, where intention to engage in CRM programs was modeled as a reflective construct in the first situation and as a formative construct in the second situation. All hypothesized relationships among model constructs were empirically

supported in the two different situations of analysis. Conceptual justifications, however, favor the formative specification of intention to engage in CRM construct.

Overall, the proposed model contributes to the methodology, CRM, and the marketing literature in general. Furthermore, the proposed model provides managers with a comprehensive understanding of factors that influence customer participation in CRM programs. The study showcases actions that managers can take to increase customers' intention to engage in CRM programs, thereby increasing the likelihood of CRM success.

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