Examining customer relationship management from a management fashion perspective

Dag Øivind Madsen1* and Daniel Johanson2

Abstract: Despite mixed performance reviews and experiences, customer relationship management (CRM) is among the most widely used and discussed management ideas by managers around the world. Commentators have noted that CRM has become “big business” and that there are many commercial actors selling CRM solutions. Despite such observations, little academic research has examined CRM using theories about management fads and fashions. Using management fashion theory as an analytical lens, this paper casts lights on the emergence and evolution of the market for CRM. The analysis of the supply side of CRM shows that many different actors have been involved, e.g. consulting firms, software vendors, industry analyst firms, and conference organizers. On the demand side, the interest in and usage of CRM remains relatively high despite mixed implementation experiences and failure cases. Based on the analysis, CRM has yet to enter into a downturn phase as is typical of transient management fashions. The longevity and staying power of the CRM fashion can partly be explained by institutional activities carried out by software firms, consultants, and IT industry analysts in training and certifying users, and in developing various complementary products and services. However, similar to what has been observed in relation to other management idea movements, a continuing high number of high-profile failure cases could “wear out” CRM. Therefore, the extent to which organizations are able to capitalize on CRM will likely shape the future trajectory of the CRM idea.

Subjects: Critical Management Studies; Management History; Organizational Studies; Relationship Marketing

Keywords: customer relationship management; management idea; management fashion; emergence; evolution; buzzword; institutionalization; diffusion

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PUBLIC INTEREST STATEMENT

Customer relationship management (CRM) is a management idea centered around improving customer relationships and customer profitability. CRM currently ranks among the most popular management tools by managers worldwide. The CRM market has become “big business” and is today worth billions of USD. Using theories about management fashion, this paper examines the historical emergence and evolution of the market for CRM. The paper analyzes the activities of the various players supplying CRM products and services (e.g. consultants and software vendors), as well as the demand and take up of CRM by organizations and managers.
1. Introduction

1.1. Customer relationship management
Customer relationship management (CRM) is a management idea centered around improving customer relationships and customer profitability. CRM started to gain traction in the business community during the mid-to-late 1990s (Rigby & Bilodeau, 2013; p. 6). In the most recent edition of Bain & Company’s management tools and trends survey, CRM is identified as the most popular management tool globally (Rigby & Bilodeau, 2015, p. 8). In other words, CRM not only has had staying power, but actually appears to be on an upward trajectory in terms of popularity.

The considerable “hype” (Nairn, 2002) surrounding CRM has led some researchers to ask the question of whether CRM is a fad or a fashion (Barua & Udo, 2010; Kotze, Prinsloo, & Du Plessis, 2003). Indeed, CRM exhibits many of the hallmarks of a “management fashion” (Abrahamson, 1996). CRM has become big business, and the CRM market has grown rapidly (Firth, 2001; Gartner, 2009). There are a large number of “fashion-setting” actors (Abrahamson, 1996; Jung & Kieser, 2012) involved in the CRM market, e.g. management consultants, software vendors, conference/seminar organizers, as well as trainers offering certifications (Wang & Burton Swanson, 2008).

1.2. Purpose and contributions
Considered against the brief background outlined above, the aim of this article is to analyze CRM from the perspective of management fashion theory (Abrahamson, 1991, 1996; Benders & Van Veen, 2001; Carson, Lanier, Carson, & Guidry, 2000; Collins, 2012; Kieser, 1997; Newell, Robertson, & Swan, 2001). While there is a very large research literature on CRM (see e.g. Boulding, Staelin, Ehret, & Johnston, 2005; Ngai, 2005), there is relatively little research pertaining to CRM as a management fashion (for a notable exception, see Barua & Udo, 2010).

In contrast, other popular management concepts and ideas such as knowledge management (Grant, 2011; Hislop, 2010; Klincewicz, 2006; Scarbrough, 2002; Scarbrough, Robertson, & Swan, 2005; Scarbrough & Swan, 2001), balanced scorecard (Ax & Bjørnenak, 2005; Braam, Benders, & Heusinkveld, 2007; Braam, Heusinkveld, Benders, & Aubel, 2002; Madsen & Slåtten, 2015a), Lean (Benders & van Bijsterveld, 2000; Larsson, 2012), Quality Management (David & Strang, 2006; Thawesaengskulthai, 2007), and Reengineering (Benders, van den Berg, & van Bijsterveld, 1998; Heusinkveld & Benders, 2001; Jung & Lee, 2016) have received relatively more attention by management fashion researchers.

The relative neglect of CRM is arguably somewhat surprising given that this concept has enjoyed huge popularity for a long time and been somewhat of a buzzword in the business community. Hence, our study provides a needed empirical examination of CRM using the management fashion lens.

1.3. Research approach
The research approach taken in this study is explorative. We draw on data gathered from different sources such as Internet and database searches, as well as from surveys of both the research-oriented and the practitioner-oriented CRM literatures. Insights from these sources are used to “paint a picture” (Nijholt & Benders, 2007, p. 649) of the emergence and evolution of CRM.

Studying fashionable management concepts and ideas presents researchers with many challenges. As Nijholt and Benders (2007, p. 649) note, it is often necessary to use an “interpretative approach to triangulate an overall picture” of the impact of a fashionable concept or idea. When following such an approach, the researcher often has to use secondary sources (e.g. surveys and case studies), which makes the researcher dependent on the methodological choices made by other researchers (Nijholt & Benders, 2007).
In other words, there are several potential challenges associated with researching the emergence and evolution of management concepts and ideas such as CRM. We have therefore chosen to follow a pragmatic approach in dealing with these challenges. The various caveats in following this approach will be discussed towards the end of the paper.

1.4. Structure
Section 2 examines the emergence, evolution, and characteristics of CRM. Sections 3 and 4 analyze the supply and demand sides of the CRM market. In Section 3, the actors supplying CRM rhetoric and solutions are described and analyzed, while in Section 4 the demand or consumption side of the CRM market. In Section 5, the wider implications of the findings in relation to the research literature on CRM and management fashions are discussed. Section 6 concludes the paper by summarizing the contributions, as well as pointing out the limitations of the research undertaken and how these shortcomings can be addressed in future work.

2. Emergence, evolution, and characteristics of CRM
This section examines the historical emergence, evolution, and characteristics of CRM. This entails tracing and sketching the historical context in which CRM came about, and how it gained momentum and popularity. Using theories about fashionable management concepts and ideas (e.g. Kieser, 1997; Røvik 1998, 2002, 2007), it is shown that some of the characteristics of CRM may partly explain its popularity and widespread diffusion.

2.1. Historical emergence
CRM has a relatively short history as a management idea, dating back a little more than two decades. The intellectual origins and tenets of CRM can be traced back to developments within the field of marketing during the 1980s and early 1990s. The term relationship marketing was coined by Berry in 1983 (Berry, 1983), and during the 1980s the marketing field moved away from the traditional marketing mix toward relationship marketing (Berry, 1983, 2002; Grönroos, 1994; Kotler, 1992) as well as a stronger focus on market orientation (Kohli & Jaworski, 1990; Narver & Slater, 1990). In the marketing literature, CRM has been referred to as the “new mantra” of marketing (Winer, 2001) and a “paradigm shift” (Jain, 2005).

The conceptual developments shaping CRM have not only taken place in the field of marketing. Other neighboring fields such as strategy, supply chain management, as well as information systems and database management have also been important in shaping the content and evolution of CRM (Meadows & Dibb, 2012; Osarenkhoe & Bennani, 2007).

2.2. The growth of the CRM market
The emergence of the Internet and improved computer technology during the 1990s helped pave the way for a market for CRM solutions. Around that time there was an increase in the use of call centers and various computer applications to automate sales processes (Abdullateef & Salleh, 2013). These various technological developments made it possible for technology giants to commodify and commercialize the ideas behind CRM.

Several commentators have noted that the CRM market has been growing at a fast rate (Firth, 2001; Gartner, 2009). CRM has become big business and worth billions of USD each year. Hence, today there is a whole industry built around CRM. The growth of the CRM market has attracted new entrants such as vendors of IT solutions, who started developing IT solutions aimed to help organizations with implementation of CRM. Commentators have called CRM “a high-profile information and marketing technology in today’s business world” (Wang & Burton Swanson, 2008, p. 324).

2.3. Popularity and momentum
As noted in Bain & Company’s management tools and trends survey, CRM started gaining popularity and momentum in mid-to-late 1990s (Rigby & Bilodeau, 2013, p. 6). CRM was added to Bain’s list in 2000, when it debuted in 15th place, reportedly being used by 35% of the respondents (Figure 1).
Figure 1 shows that the satisfaction with CRM was low at the time, but that the level of satisfaction has risen over time (Rigby 2001, 2003; Rigby & Bilodeau, 2005, 2007, 2009, 2011, 2013, 2015). In recent years CRM has taken the lead as the most widely used tool among managers around the world (Rigby & Bilodeau, 2013, 2015).

2.4. Characteristics of CRM

Figure 1 shows that CRM has enjoyed considerable popularity over the last 15–20 years. In the following, the characteristics of CRM are discussed, as these may help shed light on why CRM continues to enjoy a high level of popularity and staying power in organizational practice. In the literature on popular management ideas (Kieser, 1997; Røvik 1998, 2007), it is pointed out that ideas with the potential to “flow” (Røvik, 2002) exhibit at least four key characteristics: a catchy label, a promise of performance improvements, interpretive space, and universality.

2.4.1. Catchy label

The first characteristic is related to how a management idea is labeled (Røvik, 1998). The label “Customer Relationship Management” is arguably catchy and hits all the notes, in that all of these three words are appealing to managers. It has many of the qualities of a “buzzword” (Cluley, 2013). Popular management ideas typically also have a short and catchy acronym, and CRM also scores high having a three-letter acronym (Grint, 1997). Over time, the CRM acronym has become well-established and widely used in the business community. The CRM acronym is used to market software solutions, and has also become associated with job categories and titles (e.g. CRM analyst) or certifications.

2.4.2. Performance improvements

The second characteristic is related to promises of performance improvements. Proponents of management concepts and ideas typically promise significant performance improvements in case of adoption and implementation, or that the firm will be “left behind” or “miss the boat” in case of non-adoption (Kieser, 1997; Røvik, 1998). A main argument used by CRM proponents is that winning new customers is far more costly than maintaining existing customer relationships. Therefore, the argument goes that it makes sense from a business standpoint to improve and cultivate long-term customer relationships, and CRM solutions will help organizations do just that. As Table 1 shows, the promise of potential performance improvements are reflected in the titles of the many practitioner-oriented CRM books available from booksellers.

2.4.3. Interpretive space

The third characteristic of management ideas with a high popularity potential is that they are ambiguous and malleable and can be interpreted in different ways, i.e. what researchers refer to as
In the context of CRM, it has been noted that CRM has been defined in different ways and there is no clear consensus on how to define the term (Payne & Frow, 2005; Verhoef, 2003; Verhoef & Leeflang, 2009). Payne and Frow (2005) distinguish between different categories of CRM definitions, e.g., those emphasizing technology vs. strategic aspects of CRM. Table 2 provides examples of two of the countless number of definitions of the term. The first definition takes a more strategic and holistic approach, whereas the second focuses more on organizational and technical structures and systems.

The interpretive space has implications not only for how CRM is presented by actors on the supply side, but also how it is taken up and used on the demand side. On the supply side, the interpretive space has led to variations in how CRM is packaged and positioned by actors such as consultants and other experts and spokesmen. We have seen the development of variants of CRM such as Strategic Customer Management (Payne & Frow, 2013) which is positioned as a hybrid of relationship marketing and CRM. Moreover, CRM has been translated to a government setting (Schellong, 2008). We have also seen new variants of CRM such as Extended Relationship Management (Radjou, Orlov, & Child, 2001) and Social CRM (Choudhury & Harrigan, 2014). Table 3 provides some examples of variants of CRM.

On the demand side, the interpretive space means that if you ask people in practice what CRM is, you will get different answers (Paulissen, Milis, Brengman, Fjermestad, & Romano, 2007), and organizations and managers will interpret and perceive CRM in different ways (Payne & Frow, 2005).

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**Table 1. Examples of CRM books promising performance enhancements**

<table>
<thead>
<tr>
<th>Book title</th>
<th>Reference</th>
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<tbody>
<tr>
<td>Customer Relationship Management: How to Turn a Good Business into a Great One!</td>
<td>Roberts-Phelps (2001)</td>
</tr>
<tr>
<td>Customer Relationship Management: The Bottom Line to Optimizing Your ROI</td>
<td>Anton and Petauhoff (2001)</td>
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**Table 2. Examples of definitions of CRM**

<table>
<thead>
<tr>
<th>Definition</th>
<th>References</th>
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<tbody>
<tr>
<td>“building one-to-one relationships with customers that can drive value for the firm”</td>
<td>Kumar (2010)</td>
</tr>
<tr>
<td>“is a way of designing structures and systems so that they are focused on providing consumers with what they want, rather than on what a company wants them to want.”</td>
<td>Hindle (2008, p. 55)</td>
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**Table 3. Examples of CRM variants**

<table>
<thead>
<tr>
<th>Variant</th>
<th>References</th>
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<tbody>
<tr>
<td>Strategic Customer Management: Integrating Relationship Marketing and CRM</td>
<td>Payne and Frow (2013)</td>
</tr>
<tr>
<td>Extended Relationship Management (XRM)</td>
<td>Radjou, Orlov, &amp; Child (2001)</td>
</tr>
<tr>
<td>Social CRM (CRM 2.0)</td>
<td>Choudhury and Harrigan (2014)</td>
</tr>
<tr>
<td>e-CRM</td>
<td>Pan and Lee (2003)</td>
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For example, managers will interpret concepts and ideas differently based on what books they read (cf. Braam & Nijssen, 2004; Nørreklit, 2003). In addition, other factors such as their educational background and specializations (e.g. marketing vs. IT) may shape interpretations (Braam et al., 2002). Therefore, CRM will be interpreted and “translated” in different ways by actors in different contexts.

A wide room for interpretation is, however, necessary for wide diffusion and popularity, as more organizations become potential users of the ideas, as they can appropriate the elements they like and discard others (Benders & Van Veen, 2001), tailoring, and contextualizing the idea to their organization (Røvik, 1998).

2.4.4. Universal applicability

The fourth characteristic is related to universal applicability or universality (Røvik 1998, 2007; Strang & Meyer, 1993), meaning that the idea is presented as useful for organizations across the board. This obviously increases potential market size of the idea. CRM scores highly on this criterion since firms will see themselves as potential users of CRM. After all, firms need to (at least to a certain extent) take into account their customers and customer relationships, regardless of whether they operate in business-to-business or business-to-consumer markets.

2.4.5. Characteristics and popularity potential

Based on the analysis of CRM’s characteristics, it can be concluded that CRM idea has what Røvik (2002) calls the “secrets of the winners.” This means that it has the potential to become popular, i.e. a management fashion. As will be shown in greater detail in Section 3, the CRM label has become widely used and accepted in practice, e.g. associated with job titles and products and services. The promised performance improvements make CRM appealing for managers seeking to improve the profitability of their businesses. The interpretive space has led to a myriad of different versions of CRM, and a growth of in the number of actors offering products and services related to CRM. In turn, the interpretive space of CRM makes it appealing to managers on the demand side who can pick and choose the elements and versions of CRM they like. Finally, the universal nature of CRM greatly increases the potential CRM market size.

These characteristics of the CRM idea analyzed so far affect how easily the idea “spreads” in the management community. In Section 3, the attention turns to the various actors involved in facilitating the spread of the CRM idea. In other words, the focus turns to active role played by suppliers of CRM in shaping the diffusion and institutionalization of CRM as a management fashion.

3. The supply side of CRM

This section describes and analyzes the supply side of CRM. In management fashion theory (Abrahamson, 1991, 1996; Carson et al., 2000; Kieser, 1997) the role of the “fashion-setting community” (Abrahamson, 1996) or “management fashion arena” (Jung & Kieser, 2012; Kieser, 1997; Klincewicz, 2006) is underscored. These actors include management consultants, management gurus, conference organizers, trainers, and software solution vendors.

Supply side actors help create a wave of interest (Kieser, 1997) which helps a new concept or idea take off. When the new concept or idea reaches a critical mass of fashion consumers (i.e. managers), bandwagon effects may kick in, which in turn triggers further adoption (Benders, 1999). When a concept or idea has become popular, i.e. fashionable, more supply-side actors such as consultants will rush in to “hitch-hike on the hype” (Benders et al., 1998). Other actors such as software vendors will also tend to enter the market once a concept has become popular, as software developers will perceive it as more profitable and less risky to develop products and services for concepts and ideas which have sufficiently large groups of followers (Klincewicz, 2006).

Management fashion researchers point out that supply side actors not only help in the take-off phase of fashions, but also help prolong the life cycle of management concepts and ideas. Research
has shown that suppliers can increase the popularity and long-term viability of management fashions by carrying out different types of “institutional work” (Perkmann & Spicer, 2008). For example, supply-side actors can institutionalize fashions by educating potential users, facilitating the formation of user networks, and exchanging of experiences, or by developing other complementary services and products that help in implementation efforts.

3.1. Actors involved in the CRM market
In this paper, we examine the worldwide CRM market as a whole, and do not analyze local CRM markets. When looking at local, national markets, there will usually be key local players who may shape the local reception of fashions (Madsen & Slåtten, 2013), but this is deemed outside the scope of this paper.

Looking at the worldwide CRM market, the analysis identifies a large number of different actors (Table 4), e.g. management consultants, software vendors, conference/seminar organizers offering training programs (Wang & Burton Swanson, 2008). Hence, the CRM market exhibits many of the hallmarks of a management fashion, including being populated by what management fashion researchers call “fashion-setters,” i.e. consultants, gurus, trainers, and solution providers (Abrahamson, 1996; Jung & Kieser, 2012).

<table>
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<th>Table 4. CRM fashion-arena actors</th>
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<td><strong>Actors</strong></td>
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<td>Management consultants</td>
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<td>Industry analyst firms</td>
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<tr>
<td>Management gurus</td>
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<td>Conferences and seminars</td>
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<td>Training and certifications</td>
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<td>Academia and business schools</td>
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<td>Business media</td>
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<tr>
<td>Social media</td>
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3.2. Consulting firms

Management consulting firms play a key role in the management fashion market (Jung & Kieser, 2012) as suppliers and merchants of management knowledge (Heusinkveld, 2013). Several of the leading management consultancy firms have been involved in the CRM market, by publishing reports and white papers on CRM, e.g. McKinsey (Binggeli, Gupta, & de Poomes, 2002; Ebner, Hu, Levitt, & McCrory, 2002), Bain and Company (Rigby, Reichheld, & Schefter, 2002), Cap Gemini (Pétrissans, 1999), Ernst and Young (Ernst & Young, 1999), PWC (Brown & Gulycz, 2002), and Accenture (Freeland, 2003). In particular, elite consultancies such as McKinsey are key agents in the diffusion of management ideas (O’Mahoney & Sturdy, 2015), and this has been the case in the context of CRM as well.

Several of these firms have practice areas centered around CRM or their own variations of CRM.

3.3. Software vendors

Software vendors provide software applications which help in the implementation of management concepts and ideas (Klincewicz, 2006). In previous research it has been noted that CRM to a large extent is an IT-driven concept (Firth & Swanson, 2001; Wang & Burton Swanson, 2008). There are a large number of vendors who specialize in developing and marketing CRM solutions.

The CRM software market has changed somewhat over time. In an article published in the early 2000s, Chen and Popovich (2003, p. 673) wrote that “software vendors such as Oracle, SAP, PeopleSoft, Clarify, SAS, and Siebel are racing to bring off-the-shelf CRM applications to organizations.” Similarly it has been noted that Oracle was an early leader in the CRM market, and Oracle later acquired Siebel (Simmons, 2015).

Today the CRM market is dominated by players such as Salesforce.com, Microsoft, SAP, Oracle, and Teradata (Tuzhilin, 2012). Salesforce.com is a company which focuses on CRM, and self-describes as the “world’s #1 CRM platform.” Between 2005 and 2015, the stock price of Salesforce.com (Ticker: CRM) has multiplied (https://www.google.com/finance?cid=688087), which cautiously can be interpreted an indication that this company has a strong position within a lucrative CRM market.

Figure 2 shows the most common Google search queries in relation to CRM. Again, this reinforces the impression that firms such as Microsoft and SAP have central market positions in the CRM market.

<table>
<thead>
<tr>
<th>Queries</th>
<th>Top</th>
<th>Rising</th>
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<tbody>
<tr>
<td>crm microsoft</td>
<td>100</td>
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<tr>
<td>dynamics crm</td>
<td>90</td>
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<tr>
<td>software crm</td>
<td>70</td>
<td></td>
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<tr>
<td>sap</td>
<td>65</td>
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<tr>
<td>crm sap</td>
<td>65</td>
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<tr>
<td>crm 2011</td>
<td>50</td>
<td></td>
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<tr>
<td>crm management</td>
<td>45</td>
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3.4. **Industry analyst firms**

Industry analysts sometimes play important roles in relation to new management concepts and ideas. Klincewicz (2009) noted the key role played by IT industry analyst firms in the context of knowledge management. In the context of CRM, industry analyst firms such as Gartner (Pollock & Williams, 2011) and Forrester Research (Band & Leaver, 2008; Band & Petouhoff, 2010) have been highly active.

Particularly, Gartner has played an influential role in relation to CRM. In the early phase Gartner tried to set the tone in the CRM market, even launching their own version of CRM called technology-enabled relationship management (TERM) in late 1990s (Pollock & Williams, 2011). However, this CRM variant was not successful in leapfrogging CRM and was discarded only a few years later (Pollock & Williams, 2011). Although, Gartner was unable to gain “control” of CRM (Pollock & Williams, 2011), Gartner has remained an important actor in the CRM market publishing numerous reports on the state of the CRM market.

3.5. **Management gurus**

Management gurus are typically important proponents of management concepts and ideas (Jackson, 2001). In the context of other management fashions such the balanced scorecard it is easy to identify Kaplan and Norton as the main gurus as they are closely linked to the concept (Hindle, 2008). In the case of CRM, it is arguably harder to point to a “main” guru, instead, there are many gurus/experts and “lesser” or local gurus.

Some indication of who the important CRM experts are can be found by looking at CRM websites. CRMguru.com was a website founded in 2000 by Bob Thompson. CRMGuru.com had more than 100,000 users back in the early 2000s, and published a number of publications about CRM including a primer in 2002 (CRMGuru.com, 2002). This primer featured shorter articles by a number of CRM experts from the practice field including the founder Bob Thompson, and among others, Dick Lee and Michael Cusack.

CRMGuru.com is now called Customerthink.com and still focuses on business strategies related to customers and customer relationships, but has a broader focus than just CRM. On this website it is stated that the founder “conducts research on leading trends in customer-centric business management (CBM).” In other words, it can be seen here that this website has moved away from CRM and positioned itself in relation to the new variant CBM.

3.6. **Conferences and seminars**

Conference and seminar organizers commonly play important roles in the diffusion of management ideas (Ax & Bjørnenak, 2005; Kieser, 1997). Professional conference organizers tend to focus on popular management concepts and ideas which sell conference and seminar seats. In relation to CRM, Table 5 shows that several of the conference events are organized and/or sponsored by the large vendors of CRM solutions such as Microsoft, Salesforce, or SAP.

3.7. **Trainers and certifications**

Several of the software vendors are offering training and certifications in using CRM software applications, e.g. Salesforce.com and Microsoft. For example, according to a Microsoft blog, a Microsoft Dynamics CRM Certification allows you, among other things, to “evangelize skills and abilities to existing and prospective employers.” Table 6 provides some examples of CRM trainers and related certifications.

3.8. **Academia and business schools**

Academia and, in particular, management education in business schools help legitimize and institutionalize new management concepts and ideas (Conger & Xin, 2000; Hedmo, Sahlin-Andersson, & Wedlin, 2005; Sahlin-Andersson & Engwall, 2002) by incorporating them in curricula, in executive
education programs, as well as by writing textbooks or conducting research on, e.g. the performance effects of adopting and implementing concepts and ideas.

Over time, CRM has become a fixture in academic research and business schools curricula. Table 7 provides some examples of higher education activities in relation to CRM. For example, CRM is often taught in marketing courses at all levels from undergraduate to graduate training.

CRM has also attracted much interest by academic researchers, and as noted earlier there is a large academic literature on CRM (see e.g. Boulding et al., 2005; Ngai, 2005). Figure 3 shows the number of hits for the search term “Customer Relationship Management” in the database ScienceDirect. Figure 4 shows a sharp increase in the number of published articles starting in 2001, and a steady climb until 2003.
Since then the number of hits has flattened out and increased at a slower rate. Based on these data, there is no sign of a downturn in publishing activity as of yet. Rather, it appears that Customer Relationship Management is still a hot and timely research topic in academia.

Figure 4 shows hits for the terms “Customer Relationship Management” and “CRM” in the ProQuest database. The figure shows that the usage of the acronym CRM has become very widespread, a sharp increase in 1997, and another spike in 2004–2005.

3.9. Social media
Recently, social media has become a new channel for diffusing and disseminating information about management concepts and ideas (Madsen & Slåtten, 2015b). In the following, we will look closer at how information about CRM is disseminated via two key social media platforms with relevance in relation to management fashions, LinkedIn and Twitter.

3.9.1. LinkedIn
Several of the CRM software firms have set up LinkedIn groups where users can discuss their software solutions, as well as network with other (prospective) users. Table 8 provides some examples of CRM-related activity on LinkedIn. As can be seen, several of these groups have tens of thousands of members. Salesforce.com has more than half a million followers of LinkedIn, which means that a large audience receives regular updates and news about the company and its CRM products and services.
3.9.2. Twitter
Lately, it has been pointed out that Twitter can be used for “Social CRM,” however, our focus here is on how information about CRM is disseminated via Twitter accounts. Table 9 shows some examples of CRM-related Twitter accounts. As can be seen, Salesforce’s Twitter account has 282K followers, which means that their messages potentially can reach a very large audience via retweets, etc. Microsoft also has a large following of about 30K Twitter users, while CRM Magazine has about 22K followers.

Tweets about CRM often use the hashtags #CRM, #Dynamics, or #MSDynCRM.

3.10. Summary and comparison
The analysis has shown that there are many different actors involved in the management fashion arena and market around CRM. As noted by Perkmann and Spicer (2008) diffusion and institutionalization of management fashion is more effective when it is supported by a diverse field of actors performing different types of institutional activities to anchor the fashion as a more permanent practice. In the case of CRM, actors such as software vendors and industry analyst firms have played a particularly important role, much more so than in the case of other management fashions. The importance of software firms is partly due to the fact that CRM is an IT and technologically infused concept. CRM software firms such as Microsoft and Salesforce have been active across many different channels such as the conference circuit, training courses as well as, more recently, social media platforms.

In Section 4 the attention turns from the supply side to the demand side of the CRM market.

4. The demand side of CRM
This section focuses on the demand side of CRM, i.e. organizations and managers which are potential consumers of CRM. We first look at the interest in CRM, using search engine data. Second, we look at the adoption and diffusion of CRM, drawing on existing studies which have looked at the adoption and diffusion of CRM in different settings. Third, we look at implementation and experiences with CRM, both in terms of associated benefits and problems.
4.1. Interest
One way to take the temperature on the general level of interest in CRM is by utilizing publically available Internet search engine data. One such tool is Google Trends (Choi & Varian, 2012) which contains data on search terms back to 2004.

Figure 5 shows that there has been a decrease in the search volume in relation to the query “Customer Relationship Management” over the last 10 years. Some of the decrease could possibly be explained by the fact that the term is by now well known and understood in practice, as well as a lower level of newsworthiness.

Figure 6 shows a similar downward trajectory for the acronym CRM, but the decline is not as steep as in Figure 5.

Figure 7 shows a side-by-side comparison of search volume for “Customer Relationship Management” and “CRM.” The data clearly show that search volume for the acronym CRM is much higher, which is a further indication of the institutionalization of the CRM acronym.

![Google searches for “Customer Relationship Management”.](source)

![Google searches for “CRM”.](source)

![Side-by-side comparison of “Customer Relationship Management” and “CRM”.](source)
Figure 8 shows that there are regional variations in the interest in CRM. The interest is highest in emerging high-growth economies such as Brazil and India. One possible explanation is that managers in well-developed economies such as the US, UK, and Germany have more awareness and knowledge about CRM since it has been widely discussed and used in these regions for more than two decades.

4.2. Adoption and diffusion
What drives CRM adoption behavior? Many organizations are undoubtedly searching for more efficient business practices, but at the same time there has also been a lot of hype surrounding CRM (Barua & Udo, 2010; Nairn, 2002). Therefore, institutional and social factors could also play a role in CRM adoption (cf. Firth & Lawrence, 2006; Hillebrand, Nijholt, & Nijssen, 2011).

When looking at adoption and diffusion of CRM, it is useful to distinguish between diffusion in different sectors and at a national/international level. Concerning adoption and diffusion in different sectors, CRM has a natural appeal in service industries as these tend to have close customer relationships. A number of studies have shown that CRM is rather widely adopted in higher education (Nair, Chan, & Fang, 2007), the service sector (Law, Ennew, & Mitussis, 2013), financial services (Karakostas, Kardaras, & Papathanassiou, 2005), as well as in SMEs (Newby, H. Nguyen, & S. Waring, 2014).

There is relatively little research about the diffusion of CRM in different parts of the world. Firth (2001, p. 834) noted the “extensive diffusion of CRM, and the rapid reported growth in the CRM market.” Firth and Swanson (2001, cited in Paulissen, Milis, & Brengman, 2005) conducted a survey in year 2000 and found that 25% were using CRM while 25% were in the process of implementing CRM. Furthermore, about 15% were making up their mind about CRM, while the rest were either monitoring CRM or ignoring it. However, it should be noted that the aforementioned diffusion studies are quite dated.

Bain and Company’s survey of management tools has tracked the use of CRM worldwide over a 15-year period (Rigby 2001, 2003; Rigby & Bilodeau 2005, 2007, 2009, 2011, 2013, 2015). This study is useful because it gives an indication of the adoption and diffusion of CRM over time, although it gives less specifics about country and sector-level differences.

Figure 9 shows that the use of CRM was highest in the early-to-mid 2000s, after this the diffusion rate has dropped a bit, but it still ranks first in Bain’s study, ahead of other influential concepts and ideas such as balanced scorecard, benchmarking and big data analytics. The reason why CRM has kept the lead in this survey despite the drop in usage rate is that that companies’ use of management tools vary over time due to factors such as changing economic conditions etc. (Rigby & Bilodeau 2013, 2015).
4.3. Implementation and experiences

Both the practitioner oriented and academic literatures on CRM have reported mixed performance reviews and experiences. CRM often fails in practice (Maklan, Knox, & Peppard, 2011) and research has found that relatively few are satisfied with CRM results (Frow, Payne, Wilkinson, & Young, 2011; Meadows & Dibb, 2012). It should be pointed out that Bain & Company’s aforementioned surveys paint a slightly different picture, as they show an increase in the user satisfaction over time.

However, the many failure cases have led researchers to highlight the “dark sides” (Frow et al., 2011), the “10 biggest mistakes” (Davids, 1999), as well as the “perils” (Rigby et al., 2002) and implementation gaps (Zablah, Bellenger, & Johnston, 2004) of CRM.

Several researchers have noted that the adoption and implementation of CRM is far from a straightforward process. Many different implementation problems may arise (Payne & Frow, 2005). Common implementation barriers (Raman & Pashupati, 2004) include lack of management commitment, conflicts, and poor communication. A number of different critical success factors have been identified in the literature (Mankoff, 2001; Wilson, Daniel, & McDonald, 2002).

The perceived usefulness of CRM does matter for the long-term trajectory of the CRM fashion. Negative experiences may contaminate and “wear out” (Benders & Van Veen, 2001) the CRM label. Failure cases may feed back into the CRM market via channels such as print and social media. Failures will also make it easier for proponents of competing concepts and ideas to criticize and undermine CRM’s institutional standing.

5. Discussion

In this section the findings presented in the previous sections will be discussed in relation to the literature on CRM and more generally the management fashion literature. The discussion will focus on two areas. The first deals with the core question underlying the paper, namely whether CRM can be considered a management fashion. The other area extends this discussion, as it is related to CRM’s life cycle. CRM has had a much longer life cycle than is typical for management fashions. Its “enduring” nature and staying power in the face of failure cases and negative publicity makes it an interesting case for management fashion researchers.

5.1. Is CRM a management fashion?

The evidence shows that despite mixed performance reviews and experiences, CRM still enjoys huge popularity in organizational practice. CRM exhibits many of the characteristics of a typical management fashion, such as the support of fashion-setting actors such as management consultants and conference organizers. Following the definition of management fashion proposed by Jung and Kieser (2012, p. 329), CRM should be considered a management fashion because it attracts a large
share of public management discourse. However, as we will discuss in more detail in the next section, CRM has taken up a significant chunk of popular management discourse for quite a long time, at least longer than what would be expected if it was just a fleeting and transient fad or fashion.

5.2. Life cycle

So far, the CRM life cycle has spanned more than two decades and there are no clear signs of a downturn. The bell-shaped management fashion curve (Abrahamson, 1996) has yet to materialize. Instead, CRM appears to have become institutionalized as the label and acronym is associated with job titles, software packages, certifications, and educational programs, which are signs that a management fashion has become institutionalized (Perkmann & Spicer, 2008). However, if failure cases continue to be reported in print and social media, and organizations are not able to capitalize on CRM, this could over time contaminate and “wear out” (Benders & Van Veen, 2001) the CRM label. This could also give ammunition to actors seeking to undermine CRM in order to promote their alternative concepts, ideas, and solutions.

6. Conclusion

6.1. Findings and contributions

The current paper has viewed CRM from a management fashion perspective. In our view, the management fashion perspective casts new light on the emergence and evolution of the CRM market, highlighting the role played by the constellation of actors involved in popularizing and anchoring CRM as a management practice. In our view, management fashion is a promising theoretical lens to view the historical and future evolution of CRM, but as we will to turn next, also has limitations and needs further elaboration in future research.

6.2. Limitations

The research conducted in this paper has been exploratory and its limitations should be kept in mind. For example, we have relied quite heavily on secondary data, which means that we are dependent on the methodological choices made by other researchers. We also have not gathered any data directly from supply side and demand side actors. Interviews with experts in the CRM field (e.g. experienced CRM consultants, analysts, and researchers) could have provided additional insights, which could have corroborated our findings. Similarly, additional surveys of demand side organizations could have provided more insight into its uptake in practice.

The caveats associated with the research approach followed in this paper means that the results and conclusions should be viewed with a level of caution.

In addition, some readers might react to the use of the fashion metaphor. Several commentators have noted that the term fashion is frequently used as a pejorative by management fashion researchers (e.g. Benders & Van Veen, 2001; Clark, 2004). However, in this paper the fashion metaphor has been used as a theoretical lens and sensitizing framework since it casts new light on the popularization and institutionalization of CRM. It should be noted that the use of the fashion metaphor is not a value judgment on the potential usefulness of CRM in organizations.

6.3. Future research

Keeping in mind the limitations, there several areas for future research on CRM using a management fashion perspective. For instance, there is a need for comparative work on the reception of the CRM fashion in different settings. Generally, there are relatively few cross-national studies of management fashions (Madsen & Slåtten, 2013; Newell et al., 2001).

Furthermore, an inter-country perspective could shed light on international similarities and differences in the diffusion and reception of CRM. Are there differences in the reception of fashionable concepts such as CRM across countries and sectors? Research focusing on local supply side actors...
diffusing and disseminating CRM could possibly explain why CRM may have different levels of popularity, institutionalization, and success rates in different national settings.

Finally, since CRM can be interpreted in many different ways and the implementation of CRM is complex, this calls for qualitative studies to understand exactly how CRM is used by organizations on the demand side of the CRM market. Since management fashion theory focuses primarily on the market level, other organizational-level theories may be needed. For example, the “virus” theory (Madsen & Slåtten, 2015a; Quist & Hellström, 2012; Ravik, 2011) or different “translation” perspectives (Warras & Nielsen, 2016) could be better suited for examining the complexity of CRM implementations in organizations.

**References**


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