

Sustaining Innovative Success: A Case Study on Consumer Centric in the Zakat Characterizing Practice for Effective Product Innovation Management

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ABSTRACT

Innovation has become an important goal for ICT companies. Companies that have succeeded in innovations like Apple, Google, Amazon are speeding up other leaps and followers such as Samsung Electronics, LG Electronics are chasing right behind them. In addition, companies also innovate to change their competition with their original ideas and entrepreneurial spirit. Unfortunately, innovation is not in a necessary and sufficient relationship with the company's success and this means that even though a company can dominate the market with its innovation, it is only extending its period of survival and the lifespan of innovation is gradually decreasing. Even though a company can finally achieve the first place through much endeavour, maintaining this success is much more difficult. Hence relationship with customer is significantly by their practice in an organization. This study analyzes various cases of Zakat companies that have practice and relationship of customer in order to maintain their innovative success and propose consumer-cantered innovation as a solution. In this case there are various ways to create user-cantered innovations among others companies need to predict consumer demand dynamically and consistently change. In addition, companies should also use proactive observation methods and big data analysis to find the hidden ones claims and finally the company also needs to identify the risks such as waste, discomfort anxiety and effort solve this problem. The specific objectives of the study are to enlighten on Zakat company performance of interest-based practice and innovation as well as relationship Islamic customer through business development ratios, commitment to economy and community, productivity and efficiency ratios and to draw comparisons.

Keywords: Zakat, Relationship customer, Practise, Innovation.

INTRODUCTION

Today, customer relationship management manages business processes spanning sales, support and marketing creating effective customer interactions. Given the purpose of customer relationship management is the functionality straightforward and the benefits of successful deployments clearly generate value and profitability for any company, great customer relationship management solutions need to encourage users to interact with the application as well as be

in-tune with the business and IT cost-saving needs. Definition of innovation means that it can't be managed, whereas others are stout believers in building systems and processes for the purpose of creating more innovation. Effective product innovation management is essential to the most success manufacturing companies. With such a close relationship between product and organizational innovation achievements overall success, managers and decision makers make sure this process is successful and interesting (Shah et

al.,2019), (Tuten & Solomon 2017). Research also shows that the proportion is very high the idea of a new product failed in the commercial market place. Many factors are identified in relation to coordination and management issues. With so many issues to deal with and so many variables to consider, practitioners and researchers together need a clear but complete framework to understand and enhance product innovation management process. The goal of this article is to identify the strengths and weaknesses of each organization product innovation process, to identify factors which facilitates innovation in the industry and ultimately, discuss how the company must improve to maintain long-term competitive advantage.

This article is about the Zakat organization undertaking new-product development. According to Barreda et al.,(2016) digital transformation means smart new products with embedded software. Digital products in turn require software and hardware development teams to work together a hybrid project which is ultimately leads to combining software development methods with the more traditional gating process that Zakat use. The result is a new more agile gating approach to product development. Some leading industries have already adopted Agile-Stage-Gate and have achieved very positive results. Digital platforms may also be required to support the embedded software. Many company are already familiar with the technology development process, but this typically is for physical science and invention, not software(Shah et al.,2017). The new digital platforms thus require manufacturers to significantly modify their familiar technology development methods. Beside that digital transformation also offers new tools for product developers from testing via simulations, to AI to invent or design the product, to using neuro-sensors to gauge consumer response to products that greatly accelerate or enhance the new-product

process. Developing smart products with embedded software, which in turn requires a new development methodology, different from traditional gating processes that manufactures have relied on for decades(Shah et al.,2018). Employing new digitally-based tools that provide insights to user needs, predict lab test outcomes and even invent new materials, all designed to make the development process more efficient and effective. Moreover it developing digital technology platforms, as opposed to traditional product or technology platforms. Last but not least, as we know the definition of digital transformation is a term most often associated in the business world where companies are striving to keep up with changing business environments brought about by customer demand and technology. Digital tools and technology are changing how people interact and in turn this changes how people do business(Shah et al.,2019), (Wahab et al.,2017).

LITERATURE REVIEW

Electronic business (e-business) refers to the use of the Web, Internet, intranets, extranets or some combination thereof to conduct business. E-business is similar to e-commerce, but it goes beyond the simple buying and selling of products and services online. Meanwhile, e-commerce (electronic commerce) is the buying and selling of goods and services, or the transmitting of funds or data, over an electronic network, primarily the internet. These business transactions occur either as business-to-business (B2B), business-to-consumer (B2C), consumer-to-consumer or consumer-to-business. Therefore Customer Relationship Management is the most common strategy used by most companies today to keep their customers happy. In the world where the choices are plenty, it is important to keep your clients close, strengthen your

relationships with them and find new clients who would be able to trust you for long term Zhao et al.,(2019).,(Shah et al.,2016). CRM in Zakat industry makes a lot of sense, especially judging it from a business point of view. Every company's main customer strategy today relies a lot on getting its CRM applications in order keep sustainability, so that it can keep its customers happy. But as important as CRM is to the world of commerce, CRM can prove especially useful for companies in the industry as it helps them keep a track of the customer. This was stated by Shah et al.,(2020).,Chen and Popovich (2003) tracking becomes much easier with help of CRM. Also, with CRM companies it can maintain a better mail system that can function a lot smoother and answer to customers' grievances at a much faster pace. Getting together the mankind for carrying out such a task is one thing but getting this done efficiently is another and with CRM applications. A CRM solution actually provides a human face to all the technical aspects of Zakat industry. This human touch helps business in more ways than imagined because when a customer is worried about a Zakat it's always more comforting to reach a human rather than a computer generated mail. According to Shah et al.,(2018.,2019) loyalty can be defined as a customer continuing to believe that organization's product and service offer is their best option. It best fulfils their value proposition whatever that may be. They take that offer whenever faced with that purchasing decision. Moreover, loyalty means hanging in there even when there may be a problem. This occurs because the organization has been good to them in the past and addresses issues when they arise. It means that they do not seek out competitors when approached by competitors and they are not interested. It also means being willing to spend the time and effort to communicate with the organization so as to build on past successes and overcome any weaknesses.

Referring to Shah et al.,(2017) in a nutshell, loyalty means a customer wants to do business with organization and company. The challenge for organizations is taking this definition and translating it into actual practice, where specific actions are defined and ideal customer relationships are envisioned. It also means identifying a means for taking this loyalty construct and putting it into measurable terms so that success and failure can be assessed and progress or decline tracked. Loyal customers believe the products and services purchased from their organization are superior to those of the competition (Marriott et al.,2018).,(shah et al.,2017). Frequently, they are customers who view their interactions as more than simply transactional. They believe there is a relationship that is bigger than just the products or services they buy. Furthermore, measuring loyalty means measuring the strength of this relationship between buyer and seller, between the organization and its customer.

It is challenging to measure the level of customer loyalty within the relationship, which is why companies so often succumb to simply defining loyalty as the number of purchases made or a continuing pattern of buy behaviour (shah et al.,2019).,(Fishbein, M., & Ajzen, I.2010). Moreover asking the customer directly about whether or not they are 'loyal' does not provide a valid measure. Customers will often say they are loyal simultaneously to multiple providers. Based on the case study, for the customer satisfaction and behaviour, the government has made initiative by provide various seminars for the small and medium entrepreneur in order to give entrepreneur better information for handling smart technology in manufacturing and service sector. Rapid development in manufacturing and service sector in robotics, internet, information integration, big data and so on has made the government make the seminar for the small and medium entrepreneur to give

information in order to let small and medium entrepreneur can keep the pace with the bigger factories. By providing the information, the small and medium entrepreneur probably can produce a high quality of product along with other larger manufacturing and service sectors. A successful quality would make customer can achieve their expectation towards the quality of the products thus lead to high customer satisfaction. Shah et al.,(2020),Chen and Popovich (2003) reveal that loyalty is demonstrated by the actions of the customer. But it doesn't mean that the customer satisfaction level

can measure his loyalty. Customer loyalty is not customer satisfaction. Likewise customer satisfaction is the basic entry point for a good business to start with. A customer can be very satisfied with the deal and still not be loyal. On the other hand, a customer may not express satisfaction but wants to remain loyal to the supplier due to some reasons which keeps him benefited from that supplier. For the same degree of satisfaction, the loyalty level may also be different for different suppliers. Figure 1 is achievement in Zakat collection.

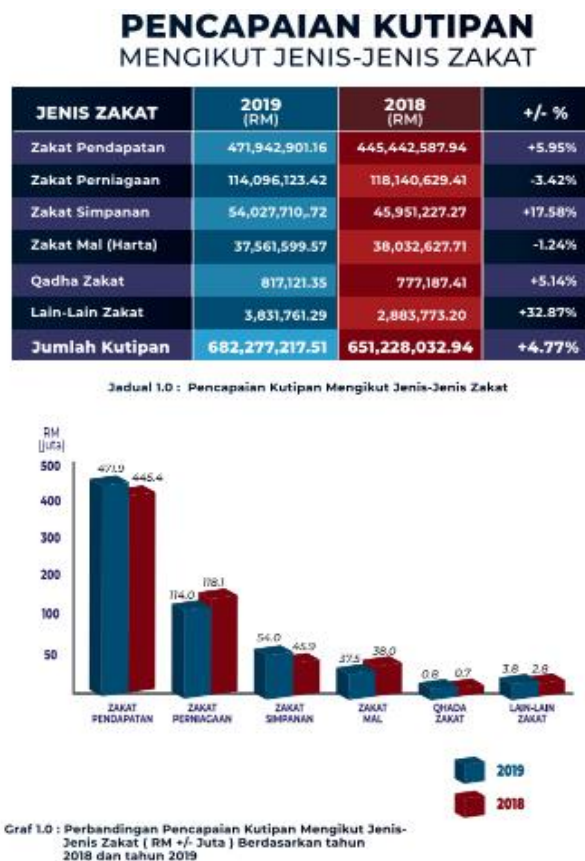


Figure 1. Achievement of Zakat Collection

Source: www.zakat.com.my

METHODOLOGY

This article focuses on determining the direction of innovation concerning innovation organization to achieve this goal. The research method used in this

article is research and development. Current research uses a case study methodology. This article has two main purposes are provided as follows. First, this article asserts that the direction of innovation should be focused on

consumers by identifying structural changes in the environment of innovations. Second, it provides guidelines to achieve consumer-centric innovation by analyzing multiple case studies. Moreover scope for this study is the structure of this article that describes the phenomenon of decline the life expectancy of innovation due to structural changes in the innovation environment.

FINDING/RESULT

These engagements and interactions then create relationships. Engaging is so important and when the company and organization focus on the consumer that turn into more than a company and create a bond with them. Customers in a 'relationship' will be more loyal but remember, it is a business that is lucky to have them, not the other way round. With this in mind they need to be treated well in the relationship, they are making decisions about our business, deciding whether to recommend us or return to us. Build up a good relationship in our interactions and turn them into a completely loyal customer (Alalwan et al 2017).

The importance of the product innovation process for the industries is solving problem. Most ideas actually come from trying to solve problems. Therefore, when promoting innovation, it opens the door to solutions to problems inside and outside company itself. Second, adapting to change. This is particularly evident in the technology world where there are rapid changes that define the business. Abhishek et al.,(2018), Shah et al.,(2020) believe that innovation is inevitable and innovation is a way of not only maintaining a business, but also making it relevant and profitable. Third, maximizing globalization. As markets around the world become more interconnected, greater opportunities emerge in these new markets and thus new needs and challenges. Therefore, if a company hopes

to tap into this part of the market, innovation is a must to enable us to take advantage of the opportunity to open. Fourth, facing competition: In order to maintain or build a company's excellence, organization can compete strategically by having a dynamic business that can take strategic and innovative steps and thus cut down on others. Lastly, developing a workplace dynamic, workplace demographics are changing. With the new generation entering the market; new trends are also coming. Therefore, innovation is important to ensure the smooth running of the company.

There are actually innumerable advantages of e-Business, the most obvious one being the ease of doing business.

1. Easy to Set Up: It is easy to set up an electronic business. organization can set up an online business even by sitting at home if you have the required software, a device, and the internet.
2. Cheaper than Traditional Business: Electronic business is much cheaper than traditional business. The cost taken to set up an e-business is much higher than the cost required to set up a traditional business. Also, the transaction cost is effectively less.
3. No Geographical Boundaries: There are no geographical boundaries for e-business. Anyone can order anything from anywhere at any time. This is one of the benefits of e-business.

DISCUSSION

The impact of digital transformation is the challenge of developing platforms, but not traditional physical product platforms. For physical products, a platform was defined as a "the design and components that are shared by a set of products in a product family". Instead, the new platforms needed are technology platforms defined as a major software, such as an operating system, an

operating environment, or a database, under which various smaller application programs can be designed to run in short, an environment for running applications, processes and systems. Technology platforms can be viewed as tool sets for developing and operating tailored and customized services and processes, as well as a new information and sales channel to customers; some sample technology platforms include database, analytics, IoT, and AI platforms. Hence these technology platforms enable users to exchange information, purchase products or services, and promote the product. Additionally Brdiger EK & Wood A (2017) mentioned that impact of Digital Transformation in new product development is the use of digital technologies to aid and accelerate the development process. Today, algorithms and bots are investigating user forums, blogs, crowd funding platforms, and social media postings to learn about wishes, pains and even investment interests of potential customers.

Important to Industries

Customer satisfaction is important because it provides marketers and business owners with a metric that they can use to manage and improve their businesses. It's a point of differentiation. In a competitive marketplace where businesses compete for customers; customer satisfaction is seen as a key differentiation. For ICT companies to survive and to maintain their success in this ever-changing environment, they need to succeed in both productivity and innovation accuracy. Referring to a Kim, N., & Kim, W. (2018) to maintain their innovative success, ICT companies must consistently maintain the direction of innovation for consumers. Consumer-Centric is an approach to conducting business focused on providing a positive customer experience at the point of sale and after-sale to drive profitability and gain competitive advantage. Innovation refers to more effective processes, products, and ideas (Machmud et

al.,(2019). For business, this means implementing new ideas, improving services or producing dynamic products. It can act as a catalyst that can make Zakat business grow and can help organization adapt to the market. Equally to create consumer-centric innovations, companies have to predict the dynamically evolving demand of consumers and continuously transform. Based on this article, it can show how important innovation is. With innovation, it means changing organization business model and making changes in the existing environment to deliver a better product or service. Successful innovation should be part of organization business strategy, where organization can create a culture of innovation and pave the way for creative thinking. It can also increase the chances of organization business being successful and can create a more efficient process that leads to better productivity and performance. Last but not least, for this, business organization need innovation and creativity to discover new things. Try to adopt and create new ideas that will help organization grow outside of company competition.

CONCLUSION & RECOMMENDATION

In conclusion, companies are very careful in their pursuit innovation, to build and use new products more efficient, effective and useful. To do this, managers must develop and provide appropriate infrastructure and support systems. By understanding the processes and factors that make it easy product innovation, organizations can increase their chances create an environment for innovation. This in turn will help reduce their failure rate and maximize their chances for successful product innovation. The basic objective is to develop stronger guidelines, applicable to managers at technology-based companies that want to build success new product portfolio. The process of

innovation is not just about quick fixes but vice versa is about recognizing real symptoms, identifying them cause and then seek appropriate treatment or remedies. Therefore, product implementation development best practices can be seen as a journey ie continuous process improvement rather than as destination. In conclusion, this can be seen as changes in the structure of the innovation environment are due to four main factors namely development innovative ICT infrastructure, more diversified investment methods, open innovation deployment strategies and lowering the level of acceptance among consumers. This environment transformation gives us silent pressure to introduce high productivity and innovation accuracy in the market. It is because firms cannot know the future, they need to invest their limited resources effectively in the right direction to create the right innovation. Last but not least this case studies highlight every consumer-centric industry needs to continue to innovate over time. Innovation should be dynamic and constantly changing user requests (Machmud et al. (2019). Even the evolution of consumer demand has threatened the company before business, it is important that these innovations are recognized and that new ones need to be implemented. Hence customer satisfaction is very important panorama that every organization and company should focus on to establish a renounced position in the global market and enhance business and profit.

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