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EFFECTIVENESS OF CUSTOMER RELATIONSHIP MANAGEMENT



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Abstract

Customer Relationship Management (CRM) has emerged as a critical business approach for organizations aiming to build long-lasting relationships with their customers. In today's competitive market, successful CRM implementation has become a key differentiating factor for businesses seeking sustainable growth and profitability. This abstract provides an overview of the key components and strategies involved in effective customer relationship management and explores its implications for organizations. The first section of the abstract highlights the foundational elements of CRM, including data collection, customer segmentation, and the integration of technology solutions. It emphasizes the importance of gathering and analyzing customer data to gain insights into their preferences, behaviors, and needs. Furthermore, it emphasizes the significance of categorizing customers into segments to tailor personalized marketing efforts and maximize customer satisfaction.

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1. Introduction About Customer Relationship Management

Customer Relationship Management (CRM) is a business approach that focuses on building and managing strong relationships with customers. In an increasingly competitive marketplace, organizations recognize the value of nurturing customer loyalty and satisfaction as key drivers of business success. CRM encompasses a range of strategies, technologies, and practices aimed at understanding customer needs, delivering personalized experiences, and fostering long-term customer engagement. The advent of digital technologies and the proliferation of online channels have transformed the way businesses interact with their customers. Today, customers have more choices, higher expectations, and greater influence than ever before. They demand personalized experiences, seamless interactions across multiple touchpoints, and prompt resolution of their issues. In this context, CRM becomes a critical tool for organizations to gain a competitive edge by effectively managing their customer relationships.

Objectives of the Study

- To develop a service plan that meets each customer's needs.
- To immediately detect possible issues
- Understanding how to keep up a relationship with customers
- To understand how customers feel about a company's goods and services

Why Customer Relationship Management Matters

- It helps to find new customers
- It supports for sales team in closing deals faster.
- It helps to build loyalty and customer retention
- Its interactions with customers typically
- It helping companies effectively track relationship with current and future customers

Scope

- Build long term and profitable relationship with chosen customers
- Increasing customer intimacy at each point of interaction with the consumer
- By encouraging customer loyalty, the business spends less effort on attracting new clients and has more time for other initiatives.

Life without Crm

- Less access to data
- Low means to assess and improve customer satisfaction
- Fail to spot opportunities to up-sell and cross-

sell

- Uneconomically attract and retain customers
- Running between multiple tools

Benefits of Crm

- Effective Customer Communication
- Stronger Sales
- improved Data Security
- Faster Decision Making
- More Efficient Sales Process
- Customer Satisfaction

Literrature Review

1] Mueller (2010)

Characterises customer relationship management aspect of the business as a highly dynamic, and convincingly argues that businesses have to adopt a proactive approach in devising relevant programs and initiatives in order to remain competitive in their industries.

2] Sinkovics and Ghauri (2009)

relate the necessity for engaging in customer relationship management to high cost of direct sales, highly intensifying level of competition in the global level, and need for information about various aspects of the business in general, and consumer behaviour in particular, that can be used to increase the levels of sales.

3] Peppers and Rogers (2011),

There is global tendency in customer relationship management that relates to the shift from transactional model towards the relationship model. In other words, Peppers and Rogers (2011) argue that satisfying customer needs as a result of on-time transaction is not sufficient today in order to ensure the long-term growth of the businesses.

4] The work of Mathur (2010)

Represents another significant contribution to the research area to be used in the study. Namely, the author provides a wide range of specific customer relationship management techniques and principles that are used by multinational businesses. The findings of Mathur (2010) can be compared to the primary data findings in the proposed research, thus enhancing the scope of the study.

5] Khurana (2010),

On the other hand, discusses the concept of customer relationship management in a great detail, and also addresses advantages and disadvantages associated with a range of relevant software applications. The third edition of Pradan's (2009) "Retailing Management" is another noteworthy source that is going to be used in the study. Specifically, Pradan (2009) identifies customer relationship management as an emerging aspect of

marketing in retail and discusses its importance for ensuring long-term growth for retail businesses.

6] Bhatia's (2008)

Work, "Retail Management" is also going to be used in the proposed study due to the significance of the contribution of the work to the research area. Bhatia (2008) offers in-depth discussions related to the use of loyalty cards by retailers, and this represents a comprehensive analysis of the issue in the secondary data.

7] Moreover, Cox's (2011)

"Retail Analytics: The Secret Weapon" deserves also to be mentioned in here thanks to the most modern and fresh perspective the author adopts in order to approach the research issues. The most valuable part of this specific article is that it provides highly practical recommendations to retailers of various sizes in terms of increasing the

levels of revenues through adopting a range of customer relationship management principles.

2. Research Methodology

It is a population study. For specific data on particular problems, a rigorous and systematic research process is used. It is a thorough examination or inquiry, particularly one that looks for fresh information. Research is a systematic attempt to learn anything, and as a result, it aids in the study of numerous actions that are developed and adopted by research in order to study a research problem as well as the reasoning behind them.

Hypotheses

Ho: There is a co-relation b/w staff reaction and quality service.

H1: There is a no co-relation b/w staff reaction and quality service.

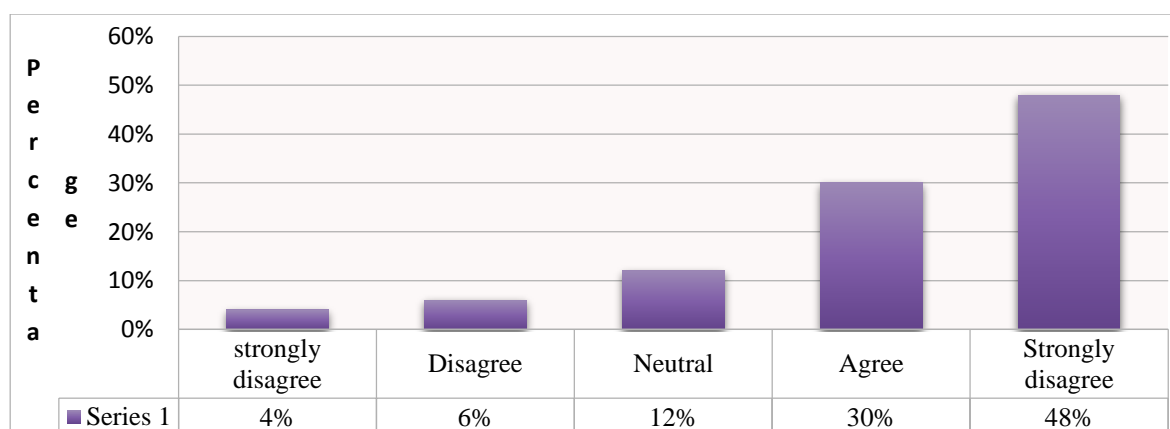
Table No.1: The Table Shows the Organization Fully Understand The Needs Of Their Customers

SL no.	Particulars	No of respondents	Percentage
1	Strongly disagree	2	4%
2	Disagree	3	6%
3	Neutral	6	12%
4	Agree	15	30%
5	Strongly agree	24	48%
	TOTAL	50	100%

Analysis: From the above table it shows that among 100% of respondents, 4% customers responded to strongly disagree, 6% of respondent

responded to disagree, 12% of respondents react to Neutral, 30% of respondents react to agree and 48% of customers reacted to strongly agree.

The Graph Showing that Organization Fully Understands the Needs of Their Customers.



Interpretation: Customers have fully agreed with this because when the company is giving good

products which are acceptable by the customers it has to identify the needs before manufacturing.

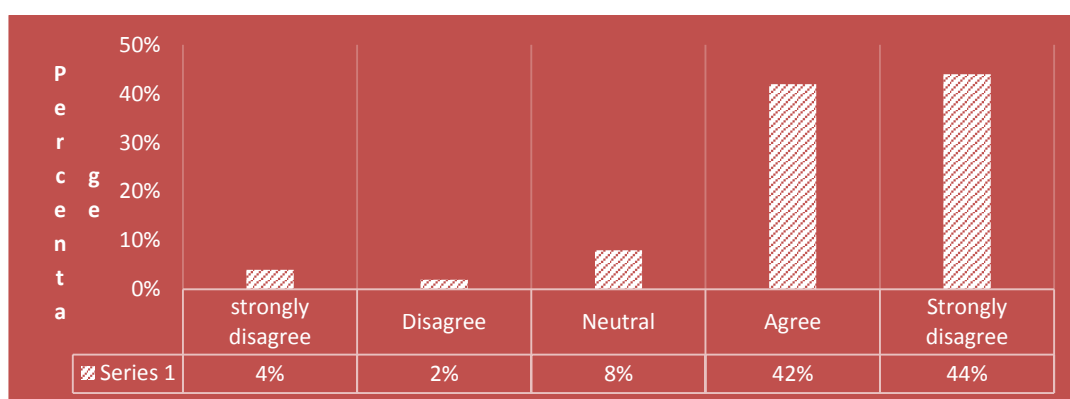
Table No. 2: The Table Shows the Organization Commits Time And Resource To Managing Customer Relationship

SL no.	Particulars	No of respondents	Percentage
1	Strongly disagree	1	2%
2	Disagree	2	4%
3	Neutral	4	8%
4	Agree	21	42%
5	Strongly agree	22	44%
	TOTAL	50	100%

Analysis: From the above table it shows that among 100% of respondents, 2% customers responded to strongly disagree, 4% of respondent

responded to disagree, 8% of respondents react to Neutral, 42% of respondents react to agree and 44% of customers reacted to strongly agree.

The Graph Showing That the Organization Commits Time and Resource to Managing Customer Relationship



Interpretation: Majority of the rating is strongly agreed because company is delivering the product

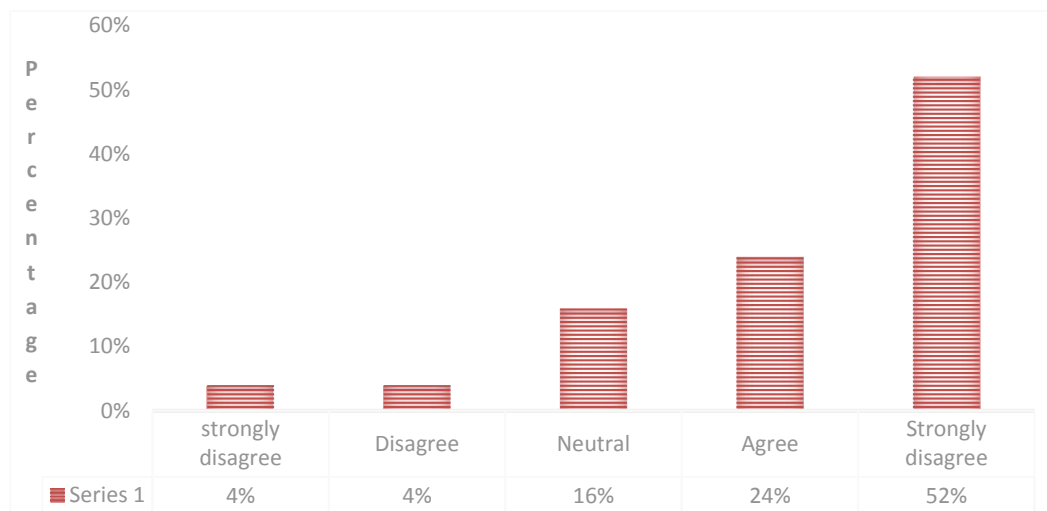
and service at a proper time and reaching their expectation.

Table No. 3: The Table Shows the Organization Provides Channels to Enable Two-Way Communication Between Customer and Staff

SL no.	Particulars	No of respondents	Percentage
1	Strongly disagree	2	4%
2	Disagree	2	4%
3	Neutral	8	16%
4	Agree	12	24%
5	Strongly agree	26	52%
	TOTAL	50	100%

Analysis: From the above table it shows that among 100% of respondents, 4% customers responded to strongly disagree, 4% of respondent responded to disagree, 16% of respondents react to Neutral, 24% of respondents react to agree and 52% of customers reacted to strongly agree.

The Graph Showing That Organization Provides Channels to Enable Two-Way Communication between Customer and Staff.



Interpretation: From the above chart majority of the customers are strongly agreeing with the two way communication because the company has good interaction between staff and the customer.

Finding:

- 48% of Customers are strongly agreed that organization fully understands the needs of their customers.
- More number of customers are strongly agree to continue business if price increase by giving 50% of the majority.
- Majority customers are strongly agreeing with 36% that company will provide customized service and products.
- Customers are strongly agree that organization gives time and spend resource to manage relationship with customers 44% of the customers have given good rating.
- 52% of the Customers are strongly agreed that organization provides channels to contact with staff

Suggestions

- Use modern technology to support your service team and provide fast respond to customers.
- Personalize customer service as much as possible stay up to date frequent and informative communication with customers.
- Introduce the web based booking offices for client to pre order their items.
- The company should focus on offering workshops and training courses to its staff in

order to develop customer relationship management and their professional development.

- The customer service team need to provide service after delivering the products the company keep touch with their customers and guide them how to use and how store.
- The business should strengthen relationships with its clients by offering both material and intangible advantages.
- Customer feedback and complaints are appreciated and promptly and favourably addressed.

3. Conclusion

In conclusion, customer relationship management (CRM) is a vital strategy and set of practices that businesses employ to build and maintain strong relationships with their customers. CRM encompasses various activities and technologies aimed at understanding customer needs, providing personalized experiences, and fostering customer loyalty. In summary, CRM is a powerful strategy that enables businesses to build strong customer relationships, enhance customer satisfaction, and drive business growth. When implemented effectively, CRM can provide a competitive advantage by leveraging customer data and delivering personalized experiences. By continuously investing in customer relationships, organizations can foster loyalty, achieve sustainable growth, and stay ahead in today's dynamic business landscape