A Case Study on Customer Relationship Management and its Effect on Customer's Satisfaction

Dr. R. Ranganathan

Department of Management, University of Kerala, India

ABSTRACT

Customer relationship management is the strategy that has shown to be the most powerful and successful in terms of preserving and constructing customer connections. Managing your relationships with your customers is not only good business, but it also forges deep personal connections between individuals. A person or company that purchases goods or services from a different company is referred to as a customer of that first company. Customers are essential to businesses because they generate revenue; without them, companies have nothing to offer. Because of this, their importance cannot be overstated. The study's primary purpose is to investigate several aspects of customer relationship management. The research is designed to be descriptive, and the convenience sample method is used. The use of a questionnaire is the primary data collection method. Several statistical tools, including percentage analysis, chi-square analysis, ANOVA, and correlation, have been utilised. According to the findings of the survey, respondents had a negative attitude towards the implementation of customer loyalty programmes and have a strong agreement that added value products and services are superior to those offered by competitors. It says that the corporation must express its reward points through mobile devices and many other gadgets in order to entice customers to purchase the things that the company offers. It was determined that the working atmosphere of the organisation, support from top management, and coordination across the departments of the company are some of the aspects that influence customer relationship management. The use of information technology is significantly lower than what it ought to be. The organisation employs tried-and-true customer relationship management methods such as quantitative research and personal interviews. The organisation has to implement some modern tools such as data mining, contact centres, electronic customer relationship management systems, and web-based survey tools.

Keywords: Customer Relationship Management, Customer Retention, New Customers.

INTRODUCTION

Customer relationship management, also known as CRM, is a strategy that is commonly used to manage an organization's interaction with its clients, customers, and sales plans. Customer relationship management (CRM) is a word that refers to the practises, strategies, and innovations that companies use to manage and analyse client information and relationships throughout the client lifecycle in order to improve their commercial relationships with their customers. In the early 1970s, customer satisfaction was measured through the use of annual surveys or by interviewing front-line employees directly. This is when the idea of customer relationship management was first conceived.[7] In order for enterprises to automate sales at that time, they had little choice but to rely on standalone mainframe systems. However, the level of technology available to them allowed them to organise customers into spreadsheets and lists. The Farley File is one of the most well-known examples of a forerunner to the customer relationship management used today. The Farley File was an extensive collection of papers that were compiled by James Farley, the campaign manager for Franklin D. Roosevelt. These records detailed the political as well as personal information about individuals that FDR and Farley met or were expected to meet. People who FDR met as a result of his use of it were awestruck by his "recall" of details about their family as well as what they were doing professionally and politically at the time.[8] Kate and Robert D. Kestenbaum are credited with the invention of the concept of database marketing in the year 1982. Database marketing involves using statistical tools to analyse and collect data about customers.[source: missing citation] In 1986, Pat Sullivan and Mike Muhney introduced the world to the very first customer assessment system known as ACT!, which was modelled after a digital Rolodex and provided a contact management service.

Tom Siebel of Siebel Systems, who built the first CRM software, Siebel Customer Relationship Management, in 1993, was one of the many independent developers and business owners who followed the trend and attempted to maximise the lead potential of their own products.[9] Established enterprise resource planning (ERP) software companies such as Oracle, Zoho Corporation, SAP, Peoplesoft (an Oracle subsidiary as of 2005), and Navision[13] started extending their sales, distribution, and customer service capabilities with embedded CRM modules in order to compete with newly developed stand-alone CRM solutions that are experiencing rapid growth. This includes integrating CRM elements

such as sales force automation or expanded customer service (such as enquiry or activity management) into the company's ERP system.

1997 was the year that saw the introduction of customer relationship management into the mainstream thanks to the efforts of Siebel, Gartner, and IBM. Between the years 1997 and 2000, cutting-edge CRM software was gradually augmented with shipping and marketing functionalities.[14] In 1999, Siebel released the first mobile customer relationship management application known as Siebel Sales Handheld. Other top providers at the time, such as PeopleSoft (which was later acquired by Oracle),[12] Oracle, SAP, and Salesforce.com, quickly adopted the concept of a stand-alone, cloud-hosted client base not long after it was introduced.[15]

SugarCRM introduced the world's first open-source customer relationship management solution in 2004. During this time period, customer relationship management (CRM) was rapidly moving to the cloud. As a consequence of this migration, CRM became available to solo proprietors and small teams. Because of this rise in availability, there was a precipitous drop in price across the board.[14] Around the year 2009, programmers started thinking about the various ways they could profit from the momentum of social media and began designing technologies to assist businesses in becoming available on the preferred networks of all users. Base and Nutshell were two of the many early-stage companies that capitalised on this trend to become leaders in the exclusive provision of social CRM solutions.[14] In the same year, Gartner organised and hosted the first Customer Relationship Management Summit, where they compiled a list of the characteristics that software ought to possess in order to be categorised as CRM solutions.[16] In 2013 and 2014, the majority of the most popular CRM packages integrated with business intelligence systems and communication software in order to enhance the quality of communication within corporations and the experience of end users. Standardised customer relationship management (CRM) systems are being phased out in favour of industry-tailored alternatives, or its level of customizability is being increased to the point where it can accommodate the requirements of every given company.[17] A report titled "Identified the Nine Most Significant CRM Suites from Eight Prominent Vendors" was published by Forrester in November of 2016.[18]

Importance of the Investigation

Businesses constantly have to contend with a variety of challenges pertaining to the management of their relationships with customers. The effective management of interactions with customers is a significant problem for modern businesses, particularly in light of the intense rivalry that is currently prevalent. The days of monopoly are now gone, and the ever-increasing level of sophistication among customers means that displeasure with the initial encounter will ultimately result in financial loss. Over the years, the importance of relying entirely on the quality, reliability, and efficacy of service has risen to the forefront as the primary factor in developing a brand. When it comes to achieving success, companies must consequently contend with the obstacle of maintaining relationships with their current clientele while also acquiring new ones. Poor customer relationship management will lead to terrible effects, including the loss of customers, the redirection of corporate resources, and ultimately the company's dissolution. This is one of the primary reasons why many different attempts to develop productive relationships with customers are unsuccessful.

GOALS OF THE RESEARCH

- ➢ In order to do research into the customer relationship management strategy utilised by the Company
- ➢ To investigate the nature of the company's existing client relationships
- ➢ In order to evaluate the company's ability to retain its customers
- ➢ To discover the means through which the organisation might attract both its current and potential new clients

DATA ANALYSIS AND INTERPRETATION

Table No. –1 Age of the Respondents

Age	NO. of the respondents	Percentage (%)
Below 25 years	30	15.8
26 – 35 years	50	26.7
36 – 45 years	47	27.8
46-55 years	43	24.2
Above 56 years	10	5.6
Total	**180**	**100.0**

Source: Primary Data

Interpretation:

The above table shows that 17.8% of the respondents belong to the age between below 25 years, 26.7% of the respondents belong to the age group of 26-35 years, 27.8% of the respondents belong to the age group of 36-45 years, 22.2% of the respondents belong to the age group of 46-55 years and 5.6% of the respondents belong to the age group of above 56 years. Thus the majorities of the respondents belong to the age group of below 36-45 years.

Table No. 2: Keeping Communication with Customers

Particulars	No. of respondents	Percentage (%)
Strongly agree	50	25.9
Agree	62	32.4
Neither agree nor disagree	28	17.4
Disagree	25	15.6
Strongly disagree	15	8.7
Total	**180**	**100.0**

Source: Primary data

Interpretation:

The above table show that 28.9% of the respondents are strongly agree, 34.4% of the respondents are agree , 14.4% of the respondents are neither agree nor disagree, 15.6% of the respondents are disagree and 6.7% of the respondents are strongly disagree towards keeping communication with customers. Thus the majorities of the respondents are agree towards keeping communication with customers.

Table No. 3: Relationship between Age of the Respondents and Keeping Constant Communication with Customers

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	149.309[a]	16	.000
Likelihood Ratio	169.798	16	.000
Linear-by-Linear Association	5.001	1	.025
N of Valid Cases	180		
a. 11 cells (44.0%) have expected count less than 5. The minimum expected count is .67.			

Null hypothesis (Ho):

There is no discernible correlation between the age of the responders and maintaining continuous communication with the clients.

The alternate hypothesis (H1) is as follows:

There is a correlation that might be considered substantial between the age of the responses and maintaining continuous communication with the clients.

Interpretation:

It is either inconsequential or falls within the domain of things to be rejected. Because of this, we have decided to accept the null hypothesis at a significance level of 5% and come to the conclusion that there is not a significant association between the age of the respondents and maintaining constant communication with customers.

FINDINGS

According to the findings of the study, 27.8% of respondents fall into the age bracket of less than 36-45 years old, and 34.4% of respondents feel that it is important to maintain communication with clients. There is no discernible correlation between the age of the responders and maintaining continuous communication with the clients.

Suggestions to Improve Relationships with Customers

To maintain a healthy relationship with its clientele, the organisation must maintain open lines of communication. The business needs to answer to the questions raised by the customers as quickly as they can.

The concern ought to make regular efforts to collect input from its patrons in order to better understand the issues that they face. In order to provide assistance for clients, the company needs to have strong support at the help desk [19].

Implications for the contentment of the consumers

The level of a company's satisfaction with its customers has a significant impact on the company's ability to generate profits. This is due to the fact that satisfied customers are more likely to remain loyal to the company and make more purchases, while fewer customers will lodge complaints and leave the company altogether. There are many distinct reasons why the implementation of a CRM strategy is likely to have an effect on both the level of customer satisfaction and the level of customer knowledge [20].

To begin, businesses have the ability to tailor their products and services to each individual client. Customer relationship management (CRM) programmes enable businesses to better cater to the specific preferences of their consumers by compiling data gleaned from all of their contacts with clients, then processing that data in order to unearth previously hidden patterns. Because a customer's perception of the quality of a product or service is a factor in whether or not they are satisfied with that product or service, and since perceived quality is a factor in determining whether or not a customer is satisfied, it follows that CRM programmes have an indirect effect on customer satisfaction. The processing of customer orders and requests in a fast and accurate manner, as well as the ongoing administration of customer accounts, are both capabilities that can be enabled for businesses through CRM solutions. For instance, Piccoli and Applegate highlight how Wyndham utilises numerous IT systems in order to provide a consumer with an experience that is uniform throughout all of the company's many locations. A better ability to customise, as well as a reduction in the variability of the consumption experience, contribute to an increase in the impression of quality, which in turn has a good impact on consumer satisfaction. In addition, CRM software enables businesses to more successfully manage client relationships throughout all stages of the relationship life cycle, including establishment, maintenance, and eventual dissolution [21].

Advantages for the Customers

Customers are served in a more satisfactory manner throughout the day-to-day process when customer relationship management solutions are utilised. If they had access to information that was more accurate, they would have less of a need for self-service options from businesses. A higher degree of customer satisfaction is achieved when there is a decreased requirement for the client to connect with the firm in order to resolve various issues.[38] These primary advantages of CRM will be linked, albeit in a hypothetical sense, to the three different types of equity, namely relationship equity, value equity, and brand equity, and ultimately to customer equity. It was determined that there are eight value drivers that provide benefits.[22]

- Improved ability to zero in on clients who will generate a profit.
- Assistance that is coordinated across all available channels.
- Improvements in the efficacy and efficiency of the sales force.
- Adjustments to the cost.
- Products and services that can be personalised.
- Increased both the effectiveness and efficiency of our client service.
- Marketing campaigns can also refer to individualised communications sent to consumers.
- Integrate all of your different customer touchpoints into a single platform.

After looking over the results of the previous studies, someone in 2012 chose a few of the benefits that are more important to overall levels of customer satisfaction and summed them up as follows:[23]

Enhance the quality of services provided to consumers: In most cases, clients will have some questions, concerns, or demands. A business is given the capability of producing, allocating, and managing requests or other things made by

customers thanks to the provision of CRM services. One of the CRM capabilities that may be adopted to increase efficiency is call centre software, which helps to link a client to the manager or person who can best assist them with their current problem. Another CRM capability that can be implemented to promote efficiency is customer relationship management (CRM) software.

- Increased personalised service or one-to-one service: Personalising customer service or providing one-to-one service enables businesses to better comprehend and develop knowledge of their clients, as well as to have a better awareness of the preferences, requirements, and expectations of their customers.
- Responsive to the needs of the customer Firms that focus on customer needs and requirements are able to understand the circumstances in which their customers find themselves and their needs.
- Customer segmentation: In customer relationship management (CRM), customer segmentation is the process of grouping consumers into subgroups that have some resemblance, such as their line of work, industry, or another feature. Despite the fact that these qualities can each be one or more characteristics. It is possible to define it as the process of subdividing the clients based on an established and reliable discriminator.
- Enhance the degree to which marketing is customised The term "customization" in marketing refers to the process by which a company or other organisation adapts and modifies its services or products in order to deliver a distinct and one-of-a-kind product or service to each individual customer. In order to guarantee that the demands and desires of the consumer are satisfied The organisation makes advantage of the customization option. Businesses have the opportunity to make an investment in the information provided by customers and then tailor their wares or services to continue piqueing customer interest.
- Integration of several channels: Integration of multiple channels demonstrates the moment at which co-creation of client value occurs in CRM. On the other hand, the ability of a corporation to properly undertake multichannel integration is strongly dependent on the organization's capacity to collect client information from all channels and merge it with other information that is relevant to it.
- Saving time: CRM will enable businesses to contact with customers on a more frequent basis, by providing personalised messages and communication channels that can be produced fast and matched in a timely manner, and eventually, they will be able to better understand their customers and, as a result, look forward to the requirements that they will have.
- Improve your knowledge of your customers: Businesses are able to produce and improve their products and services by using the information obtained by tracking their customers' behaviours (for example, by using website tracking) as well as their tastes and wants. By increasing a company's capacity to collect information about its customers and tailor its offerings to those customers' specific requirements, customer relationship management (CRM) software could help that company gain a competitive advantage.

CONCLUSION

Due to the limited scope of this study, the results cannot be extrapolated to apply to a broader setting. Based on the findings of this study, one reasonable conclusion to draw is that the customer relationship management at Company meets expectations. The business implements a wide variety of CRM best practises, such as personalization of the product, consistent engagement with customers, and provision of high-quality goods, amongst other strategies. The company's profitability is influenced in some way by the management of the company's relationships with its customers.

The working atmosphere of the firm, support from top management, and coordination across the departments of the company are all elements that might have an impact on customer relationship management. The use of information technology is significantly lower than what it ought to be. The organisation employs tried-and-true customer relationship management methods such as quantitative research and personal interviews. The organisation has to implement some modern tools such as data mining, contact centres, electronic customer relationship management systems, and web-based survey tools.

REFERENCES

[1]. Buttle, Francis (2003). Customer relationship management. London: Routledge. ISBN 9781136412578.
[2]. Shaw, Robert (1991). Computer-Aided Marketing & Selling. Butterworth Heinemann. ISBN 978-0-7506-1707-9.
[3]. "Management Tools - Customer Relationship Management - Bain & Company". www.bain.com. Retrieved 23 November 2015.
[4]. Hargrave, Marshall. "Customer Relationship Management - CRM goes beyond just software". Investopedia. Retrieved 5 June 2021.
[5]. "CRM software revenue worldwide 2010-2020".
[6]. "Market Share: Customer Experience and Relationship Management, Worldwide, 2020".
[7]. "CRM History: The Evolution Of Better Customer Service". www.streetdirectory.com. Retrieved 24 May 2020.

[8]. "Software survey: CRM systems in 2021". 27 May 2021. Retrieved 2 June 2021.

[9]. "How Context Sits at Intersection of CRM, ACD". Retrieved 8 June 2017.

[10]. Mukherjee, Sharmistha (2 February 2017). "How to build a global company from a small town: The Zoho story". TECHSEEN. Retrieved 17 May 2022.

[11]. "SAP R/3 SD Wiki". Retrieved 7 January 2019.

[12]. "It's official: Oracle closes on PeopleSoft acquisition". Computerworld. 10 January 2005. Retrieved 18 August 2021.

[13]. "Navision 3.0". Archived from the original on 3 June 2021. Retrieved 7 January 2019.

[14]. "History of CRM Software". comparecamp.com. Retrieved 8 February 2017.

[15]. Jha, Lakshman (2008). Customer Relationship Management: A Strategic Approach. ISBN 9788190721127. Retrieved 8 June 2017.

[16]. Josiah, Ahaiwe; Ikenna, Oluigbo (February 2015). "Role of Technology in Accounting and E-accounting". International Journal of Computer Science and Mobile Computing. 4 (2): 208–215. Retrieved 27 October 2018.

[17]. "Gartner Announces Customer Relationship Management Summit 2009". gartner.com. 5 August 2009. Archived from the original on 22 January 2014. Retrieved 8 February 2017.

[18]. "Industry Specific/Vertical Market CRM Solutions". smallbizcrm.com. Retrieved 8 February 2017.

[19]. The Forrester Wave: CRM Suites For Enterprise Organizations, Q4 2016, Forrester, 21 November 2016, retrieved 13 September 2017

[20]. Buttle, Francis; Maklan, Stan (11 February 2015). Customer Relationship Management: Concepts and Technologies. ISBN 9781317654766.

[21]. Feiz, Ghotbabadi, Khalifah, (2016-01) Customer Lifetime Value in Organisations

[22]. "Types of CRM and Examples | CRM Software". www.crmsoftware.com. Retrieved 22 November 2015.

[23]. "What is sales force automation (SFA)? - Definition from WhatIs.com". WhatIs.com. Retrieved 26 November 2015.

[24]. "What is customer relationship management (CRM) ? - Definition from WhatIs.com". SearchCRM. Retrieved 22 November 2015.