

A Case on the need of Customer Relationship in Business

Dr. Ashamayee Mishra, Prof. Sujata Rath

Asst. Professor, Amity Global Business School Bhubaneswar
Asst. Professor, Amity Global Business School Bhubaneswar

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ABSTRACT

Customer relationship management (CRM) is a tool for managing all of your company's customer and potential customer relationships and interactions. The objective is straightforward: to improve commercial relationships. A customer relationship management system (CRM) aids businesses in staying in touch with customers, streamlining procedures, and increasing profits. CRM is a notion that is always evolving, with new dimensions being introduced on a regular basis.

In today's commercial environment, the practise of dealing with existing clients and growing abusiness by bringing in new consumers is prevalent, and it's a conundrum. Installing a CRM system can significantly enhance the scenario and assist in effectively challenging new marketing and business methods. As a result, in today's business world, every company should be advised to invest in a full-fledged CRM system that can handle all of their needs.

I. INTRODUCTION

Customer relationship management (CRM) is a set of techniques, methods, and technology that businesses employ to manage and analyse customer interactions and data over the course of their relationship with them. The purpose is to improve customer service relationships, encourage client retention, and increase sales.

Customer satisfaction has always played an important role in achieving corporate goals and objectives. However, the current competitive environment, which has been fueled by economic liberalisation and globalisation, as well as rising customer expectations for quality, service, and value, has encouraged many businesses to organise their operations around the customers they serve, rather than product lines or geographic business units.

CRM (customer relationship management) became popular in the early 1990s. It refers to a

holistic approach that firms can take to manage their customer interactions, which includes policies for customer engagement, data collection, storage, and analysis, as well as the technology required to carry out these duties.

'CRM is focused with handling extensive information about customers,' according to Philip Kotler and Gary Armstrong.

1. Improved customer service: CRM gives customers more ways to communicate and express their demands to the company through several contact points. Because of the greater personalisation of services and modification of items supplied to customers, they experience higher happiness and a sense of being special and significant.

ICICI Bank, for example, keeps a list of priority customers and provides them with additional services and unique incentives such as free concert and movie tickets. Some banks, such as Syrian Catholic Bank, offer tailored services to their most valuable clients.

2. Market offerings can be customised: Companies can tailor a product or service based on the data they have on hand. Through the company's contact centre, the corporation can facilitate customer-company engagement.

3. Lowering the rate of client churn: CRM places a premium on staff training and development in order to make them more customer focused. Employees exhibit care and concern for valuable customers as a result of CRM training and development; thus, client defection rates may be decreased significantly.

4. Long-term relationship growth and improvement: Customers are treated as partners by some businesses. Customers are enlisted to assist companies build new products or improve current services. Customers are more inclined to stay with a company if they become connected with it.

5. Boosting consumer loyalty: CRM improves client loyalty. Companies concentrate their marketing

efforts on the most valued clients (MVCs). The primary goal of CRM is to increase customer equity. Customer equity is the total of all customers' lifetime values. A firm's customer equity can be increased by focusing more on MVCs.

6. Competitive benefit: CRM-enabled businesses get a competitive advantage in the marketplace. They have a lot of confidence in their ability to compete. The ability to generate larger returns on investment is aided by competitive advantage.

7. Enhancing and sustaining corporate image: The firm's image is also improved. Customers who are loyal become evangelists. The evangelists share positive information about the business and its products. This allows a company to add more clients to its ranks.

8. Increased return on investment: CRM allows an organisation to produce higher returns on investment. Because devoted customers make repeat purchases, this is the case. Cross-selling is another way for the corporation to make money. The value of the shareholders rises as the return on investment rises.

II. LITERATURE REVIEW

Goldenberg defines customer relationship management as "a company model that integrates people, processes, and technology to maximise customer relationships" (2008, p.3). Furthermore, customer relationship management is defined as "a management philosophy that is a company's whole orientation toward existing and potential customer connections" (Raab et al, 2008, p.6)

Mueller (2010) characterises the customer relationship management part of the business as very dynamic, and effectively contends that in order to remain competitive in their sectors, firms must take a proactive approach in designing appropriate programmes and initiatives.

Sinkovics and Ghauri (2009) attribute the need for customer relationship management to the high cost of direct sales, the global level of competition, and the need for information about various aspects of the business in general, and consumer behaviour in particular, that can be used to boost sales levels.

According to Peppers and Rogers (2011), a global trend in customer relationship management is a change from a transactional to a 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.

Instead, firms must aim to establish long-term connections with their customers in order to

remain flexible enough to meet their rising demands and, as a result, earn their lifelong loyalty. Peppers and Rogers (2011) further stress that, businesses that refuses to acknowledge this tendency in the global marketplace would be risking their market share and growth prospects in the future.

Brink and Berndt's book "Relationship Marketing and Customer Relationship Management" is one of the most important references for the study (2009). The book goes through the notion of a Customer Touch Map in detail, as well as the function of information technology in customer relationship management.

Mathur's (2010) work is another important contribution to the subject area that will be considered in the study. The author, in particular, discusses a variety of customer relationship management approaches and philosophies employed by international corporations. Mathur (2010)'s findings can be compared to the primary data findings in the proposed study, broadening the scope of the research.

Khurana (2010), on the other hand, goes into considerable length about the notion of customer relationship management, as well as the benefits and drawbacks of a variety of relevant software solutions. Another notable book that will be studied in the study is Pradan's (2009) "Retailing Management" third edition. Pradan (2009), for example, highlights customer relationship management as an emerging part of retail marketing and explains its importance in assuring retail enterprises' long-term growth.

Raab et al. (2008) take a worldwide approach to customer relationship management concerns in "Customer relationship management: a global viewpoint."

The importance of this particular piece of work to the planned study can be stated in terms of allowing a comparison of customer relationship management concepts to those used by other multinational merchants in a worldwide marketplace.

Due to the importance of the work's contribution to the research area, Bhatia's (2008) work "Retail Management" will also be incorporated in the suggested study. Bhatia (2008) goes into great detail about how shops employ loyalty cards, and this is the first complete analysis of the topic in secondary data.

Furthermore, Cox's (2011) "Retail Analytics: The Secret Weapon" deserves to be noted in this section due to the author's most modern and new approach to the research difficulties. The most useful aspect of this article is

that it offers highly practical advice to merchants of all sizes on how to increase revenue levels by implementing a variety of customer relationship management techniques.

A variety of academic models and works are related to this research in both direct and indirect ways, and the study will examine some of the most significant models. The Gap Model of Service Quality is one of the most commonly utilised models in the study. "The gap model, a service quality model, outlines five gaps that might cause problems in service delivery and influence customer service quality assessments" (Lamb et al, 2011, p.189). The five gaps highlighted are: a) the gap between the wants of the customer and the management views of customer wants; b) the gap between management perceptions of customer wants and the service specifications that has been established; c) the gap between service specifications and the service performed; d) the difference between the quality of service that has been promised to the customer and the quality of service delivered to them; and e) the difference between the expected and the perceived service on the customer's behalf.

The Relationship Model of Customer Relationship Management presented by Peppers and Rogers is another relevant model to be explored during the investigation (2011). The model promotes taking a proactive approach to maintaining customer connections and proposes a set of specific principles to help with this effort.

Customer collaboration, according to Prahalad and Ramaswamy (2004), is a modern anchor of customer knowledge management and innovation, as well as a system that enables successful organisations to learn how to meet their customers' requests and enhance performance by learning from their needs. CRM, as both a strategic instrument and a business strategy for successful companies, strives to answer to this urge to consolidate and integrate customer collaboration and customer-need knowledge.

Client relationship management is the most effective and efficient method of preserving and developing customer connections. Customer relationship management is about more than just business; it's also about forming strong personal bonds between people. The growth of this form of bonding propels the company to new heights of prosperity.

It is quite easy for any firm to recognise the true needs of customers and help them serve them better after this personal and emotional link has been established. The notion is that the more advanced tactics used to conduct customer

relationship management, the stronger and more fruitful the firm will be. Most businesses have world-class tools for maintaining CRM systems in their offices. BatchBook, Salesforce, Buzzstream, Sugar CRM, and other effective solutions are utilised by most reputable organisations.

Objective

- To understand the need of Customer Relationship in the growth of the business. Building positive client relationships necessitates participation from all levels of the organisation. As a result, your business should concentrate on the following important areas to guarantee that everyone in the organisation is committed to maintaining great client relations.

III. FINDINGS

- Prioritize your customers. Creating a customer-centric culture in your company is the first step toward ensuring great client interactions. This entails concentrating on the success of clients as well as providing long-term solutions. Employees will be more motivated to support consumers if the company is customer-centric, as they will have a clearer grasp of their purpose and position in the process. The following are some techniques that can assist a company in becoming more customer-centric:
 - Creating a customer journey map to lay out the typical customer's buyer journey
 - Anticipating customers' needs at various stages of the relationship
 - Hiring a customer relations executive to lead the development of customer relationship initiatives and processes
 - Creating a customer onboarding process
 - Collecting customer feedback
 - Meeting with customers face to face
 - Being proactive with customer service
- Customers should be able to serve themselves.

While it would be ideal to tailor customer service to each individual customer, it is neither practical nor cost-effective. Although some consumers prefer to interact with a live customer service professional, you can assist them in various ways while still ensuring their pleasure.

You may use technology to give clients the tools they need to find answers to their queries and problems at any time of day. For example, you can use chatbots on your website to deliver information to visitors, direct them to places of your site where they can get the answers they need, and link them to downloadable files. Knowledge bases can also be used to solve the most prevalent client issues.

- Enhance accessibility.
To guarantee a positive customer experience, customers should have easy access to customer care and support personnel. According to a Microsoft survey, the largest customer care issue for more than a third of respondents is not being able to get support from service employees when they need it.
As tools for assisting consumers with problems, self-service help desks should complement – not totally replace – customer relations, service, and support professionals. Although technology can help employees minimise their burden and stress, only a live person can give human interaction and create a memorable customer service experience.
- Customer satisfaction should be measured.
To ensure that your client satisfaction levels improve over time, you should track and measure them. Incorporate feedback into your customer service system. Request feedback from customers on their shopping experiences and interactions with customer service representatives on a regular basis. Keep track of your findings and evaluate them (e.g., customer satisfaction surveys, net promoter scores). Once you've gathered feedback, act on what you've learned by addressing any weaknesses that have been noted in consumer feedback. Continue to collect feedback from customers and track the findings to ensure that customer satisfaction levels rise.
- Show that you care about your customers.
You don't have to make huge gestures every time you contact with a customer. Building good customer relationships starts with giving customers a positive experience and exceeding their expectations in little ways.
Consumer loyalty can be increased by creating a loyalty programme that pays loyal consumers for their business and provides tiny gestures of appreciation.
- Invest on employee education.
Interactions between your employees and customers are an important component of providing a positive customer experience. As a result, they must be knowledgeable and experienced in their roles, as well as driven to help consumers solve their difficulties.
Employees are trained in more than just their job tasks when it comes to customer service and customer interactions. It should also focus on improving their soft skills (e.g., professional communication style, active listening, problem-solving).
Within an organisation, skill sets might differ dramatically from one person to the next. As a result, it's critical to spend in ongoing training to

ensure that all staff are familiar with your company's rules, processes, and standards. This will help to build customer interactions and produce a more consistent customer experience.

IV. CONCLUSION

A CRM system includes a historical perspective and analysis of all clients who have been acquired or who are about to be acquired. This aids in reducing the time spent searching for and correlating customers, as well as successfully anticipating customer wants and increasing company.CRM incorporates all of a customer's information, making it incredibly easy to track a customer's progress and determining which customers are profitable and which are not.

Customers are divided into numerous categories in CRM systems, such as the type of business they undertake or their physical location, and are assigned to different customer managers, also known as account managers. This aids in focusing and concentrating on each consumer individually.A CRM system is useful not just for dealing with existing clients, but also for obtaining new ones. The process begins with identifying a customer and entering all relevant information into a CRM system, which is also known as a 'Opportunity of Business.' The Sales and Field staff then attempt to gain business from these consumers by following up with them in a sophisticated manner and converting them into a winning contract. An integrated CRM system can handle all of this quickly and efficiently.

The cost-effectiveness of Customer Relationship Management is its strongest feature. The benefit of a well-implemented CRM system is that it reduces the need for paper and manual labour, requiring fewer people to administer and less resources to maintain. In comparison to the conventional manner of doing business, the technologies required to construct a CRM system are also quite cheap and easy to use.

All of the information in the CRM system is centralised and accessible at any time. This shortens the procedure and boosts production.Improving customer satisfaction by efficiently dealing with all clients and giving them with what they require. This raises the likelihood of gaining more business, resulting in increased turnover and profit.If a consumer is satisfied, they will always be loyal to you and will stay in company with you indefinitely, resulting in a larger customer base and, ultimately, more net growth.

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