

A Study on Customer Relationship Management (Crm) Practices in Volkswagen Showroom with Reference to PPS Motors, Tirupati.

*Mr.K.Sudheer Babu, **Ms.M.Tejamalathi

MBA II Year, Annamacharya Institute of Technology & Sciences (Autonomous), Tirupati

MBA. Assistant Professor, Department of MBA,

Annamacharya Institute of Technology & Sciences (Autonomous), Tirupati

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ABSTRACT

The research project titled "Customer Relationship Management Practices at Volkswagen" aims to analyze and evaluate the effectiveness of CRM strategies implemented by Volkswagen and their impact on customer satisfaction and loyalty. Data was collected using a structured questionnaire consisting of closed-ended questions, distributed among Volkswagen customers across various service touchpoints. The study explores how Volkswagen interacts with its customers, the personalization of communication, responsiveness, service reminders, feedback systems, and customer data handling. The primary objective of the study is to assess the key CRM factors that influence customer satisfaction and identify areas that require improvement. A descriptive research design was adopted to understand customer perceptions and behavioral patterns. The random sampling technique was used to select 100 respondents. Both primary data (via questionnaires) and secondary data (from websites, journals, and company reports) were utilized for analysis. The findings indicate that while Volkswagen maintains strong in-person engagement and digital presence, improvements are needed in timely communication, offer personalization, and feedback collection. Overall, the relationship between the company and its customers is fairly satisfactory.

Keywords: Customer Relationship Management, Personalization, Service Quality, Customer Satisfaction

I. INTRODUCTION:

Customer Relationship Management (CRM) is a structured and strategic business approach designed to integrate various processes, human resources, and technological solutions to optimize and improve interactions with both existing and potential customers. Its fundamental objective is to strengthen business relationships by focusing on long-term customer retention while simultaneously increasing overall sales and revenue. CRM systems gather, consolidate, and organize data from multiple communication channels, including corporate websites, telephone interactions, emails, live chat support, promotional marketing campaigns, and social media platforms. By systematically centralizing all customer-related data, organizations gain deeper insights into consumer behavior, purchasing trends, and preferences, allowing them to provide more personalized, targeted, and efficient customer service.

Customer Relationship Management (CRM) is a strategic approach that integrates processes, people, and technology to enhance interactions and build long-term relationships with customers. By centralizing customer data and interactions, CRM systems enable businesses to better understand customer needs, preferences, and behaviors. This comprehensive view helps in creating personalized experiences, improving customer satisfaction, and fostering loyalty.

II. REVIEW OF LITERATURE

Sharma, S. K., & Goyal, D. P. (2019) – "Customer Relationship Management in the Digital Era: Challenges and Opportunities"

This academic article focuses on the evolution of CRM in the digital era, exploring how technological advancements have redefined customer relationship management strategies. The study highlights the impact of digital tools such as artificial intelligence (AI), big data analytics, and social media on modern CRM practices. The authors identify key challenges, including concerns over data privacy, security vulnerabilities, and the complexities of integrating CRM systems across multiple digital platforms. Furthermore, the paper discusses potential opportunities, such as improved customer engagement, personalized marketing, and enhanced predictive capabilities, which businesses can leverage to build stronger and more interactive customer relationships.

Rababah, K., Mohd, H., & Ibrahim, H. (2019) – "Customer Relationship Management (CRM) Processes from Theory to Practice: The Pre-Implementation Plan of CRM System"

This research presents a detailed examination of CRM processes, focusing on the transition from theoretical frameworks to practical implementation. The authors emphasize the significance of a well-structured pre-implementation plan in ensuring the success of CRM adoption. The study outlines various stages involved in CRM implementation, including assessing organizational needs, selecting the appropriate CRM system, training employees, and ensuring seamless system integration. The paper highlights that businesses that invest in thorough pre-implementation planning are more likely to achieve higher CRM adoption rates, leading to increased efficiency, improved customer satisfaction, and long-term business growth.

Wall, A. F., Wright, L. T., & Uduma, I. A. (2020) – "Customer Relationship Management for Service Quality Improvement: A Systematic Review"

This study systematically reviews the role of CRM in enhancing service quality across different industries. The authors analyze multiple research studies to evaluate how CRM practices contribute to improved service delivery, increased customer satisfaction, and long-term customer loyalty. The paper explores key factors such as efficient data management, automated service workflows, and personalized customer support,

which enhance the quality of service interactions. Additionally, the study discusses managerial implications, advising business leaders on how to design and implement CRM strategies that align with service quality improvement initiatives, ultimately leading to higher customer retention and brand trust.

Zablah, A. R., Bellenger, D. N., & Johnston, W. J. (2021) – "An Evaluation of Divergent Perspectives on Customer Relationship Management: Towards a Common Understanding"

Zablah and colleagues provide a comparative analysis of different academic and industry perspectives on CRM. Their study explores the varying definitions, theoretical frameworks, and practical applications of CRM from both scholarly and business viewpoints. The authors aim to bridge the gap between academic theories and practical business implementations by evaluating different success metrics and challenges faced by CRM practitioners. The review calls for the establishment of a standardized understanding of CRM to enable more consistent and effective adoption across industries. By highlighting common themes and discrepancies, this study encourages a unified approach to CRM implementation and evaluation.

NEED FOR THE STUDY

This study is important to understand how well Volkswagen is managing its relationships with customers. It will help identify what customers like and dislike about Volkswagen's services, especially after-sales support. The goal is to find ways to improve customer satisfaction, build stronger relationships, and encourage customer loyalty.

SCOPE OF THE STUDY

The study focuses on evaluating Volkswagen's CRM practices in Tirupati. It looks at how these practices affect customer satisfaction and loyalty. The study will gather feedback from Volkswagen vehicle owners and suggest ways to improve customer service and build better relationships.

OBJECTIVES OF THE STUDY

1. To know the Customer Relationship Management at Volkswagen Showroom.
2. To identify the CRM strategies adopted by the Volkswagen Showroom.
3. To know the employee satisfaction regarding CRM practices of Volkswagen Showroom.

4. To recommend best strategies to enhance Customer Relationship Management at Volkswagen Showroom.

RESEARCH METHODOLOGY

- Descriptive research
- Sample Size: 100
- Sampling technique: Simple random sampling

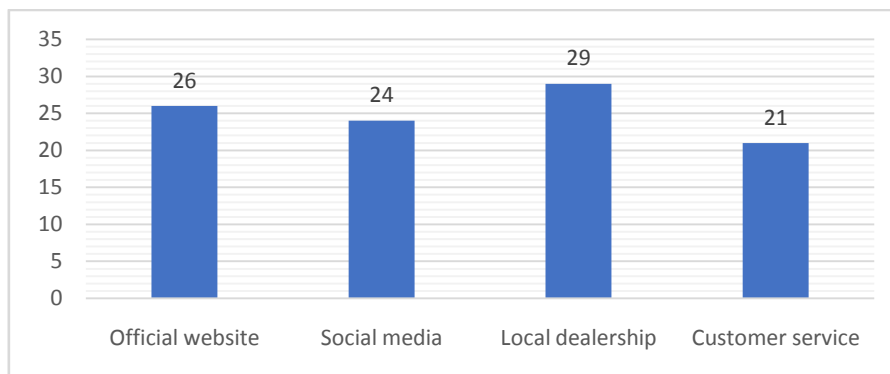
DATA COLLECTION METHODS:

- Primary Data: Questionnaires
- Secondary Data: Magazines and Textbooks, Company websites, Published articles and Journals.
- Research instrument : Questionnaire
- Data analysis: Percentages and graphical analysis (Bar charts)

III. DATA ANALYSIS AND INTERPRETATION

1) How do you usually hear from Volkswagen?

| Response | No. of Respondents | Percentage (%) |
|------------------|--------------------|----------------|
| Official website | 26 | 26.00% |
| Social media | 24 | 24.00% |
| Local dealership | 29 | 29.00% |
| Customer service | 21 | 21.00% |



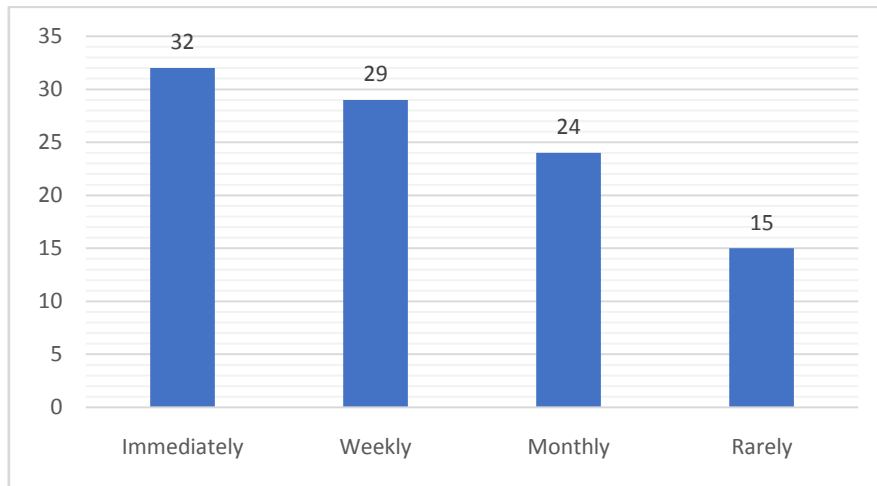
Interpretation:

The above chart shows that 29% of respondents usually hear from Volkswagen through their local

dealership, followed by 26% via the official website, 24% through social media, and 21% through customer service.

2) How often does Volkswagen update your service or contact info?

| Response Option | No. of Respondents | Percentage (%) |
|-----------------|--------------------|----------------|
| Immediately | 32 | 32.00% |
| Weekly | 29 | 29.00% |
| Monthly | 24 | 24.00% |
| Rarely | 15 | 15.00% |



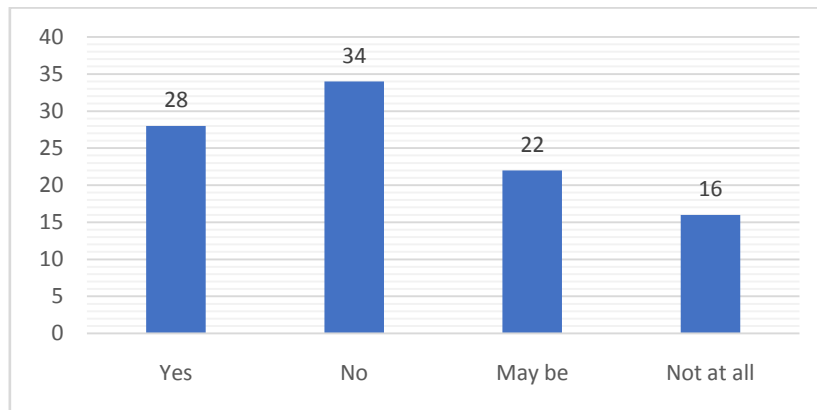
Interpretation:

The above chart shows that Most respondents 61% prefer immediate or weekly responses, indicating a

strong need for timely action. Only 15% are satisfied with rare responses.

3) Do you get offers based on your past purchases or service?

| Response | No. of Respondents | Percentage (%) |
|------------|--------------------|----------------|
| Yes | 28 | 28% |
| No | 34 | 34% |
| May be | 22 | 22% |
| Not at all | 16 | 16% |



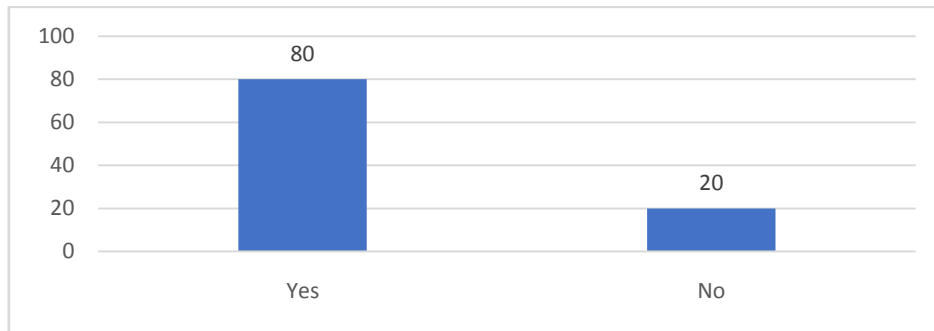
Interpretation:

The above chart shows that 34% of respondents answered 'No', meaning they don't

receive offers based on past purchases or services. 28% said 'Yes', 22% responded with 'May be', and 16% said 'Not at all'.

Do they remind you about service or insurance on time?

| Option | No. of Respondents | Percentage (%) |
|--------|--------------------|----------------|
| Yes | 80 | 80% |
| No | 20 | 20% |



Interpretation:

The above chart shows that 80% confirmed they receive timely reminders about service or insurance, indicating effective communication. However, 20% still miss such reminders, suggesting room for improvement.

IV. FINDINGS

- It is found that 29% of respondents usually hear from Volkswagen through the local dealership, making it the primary communication source.
- **It is found that 80%** of respondents confirm they receive timely reminders, indicating good communication about services or insurance.
- It is found that **34% of respondents** said **they do not receive offers** based on their past purchases or services.
- **75%** find the website or app very easy to use, reflecting strong user-friendliness and accessibility.

V. SUGGESTIONS

- Focus on enhancing the personalization of messages by utilizing customer data to tailor communications according to individual preferences. This helps customers feel more valued and understood.
- Improve the consistency and timeliness of service, insurance, and maintenance reminders. Sending automated reminders regularly can boost customer engagement and reduce missed services.

- Ensure regular collection of post-service feedback. This allows better understanding of customer satisfaction and helps resolve issues more efficiently.
- Reduce response times for customer queries, especially urgent ones, by investing in faster communication tools and automating response systems for quicker resolutions.

VI. CONCLUSION:

Volkswagen is strong in areas like in-person communication and dealership accessibility, but gaps remain in personalized messaging, timely service reminders, and customer support. Many customers lack trust in data security and don't receive regular feedback requests. Improving personalization, automating reminders, engaging customers more effectively, and ensuring data transparency can help boost satisfaction and long-term loyalty.

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