Dimensions of Customer Relationship Management (CRM) Practices in Retail Sector

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Retailing in India is one of the pillars of its economy and accounts for about 10 percent of its GDP. The Indian retail market is estimated to be US$ 600 billion and one of the top five retail markets in the world by economic value. India is one of the fastest growing retail markets in the world, with 1.2 billion people. Retailing includes all the activities involved in selling goods or services directly to final consumers for personal, non-business use. India retailing as seen in sprawling shopping center, multi-stored malls and huge complexes offer shopping, entertainment and food all under one ridge. CRM is potentially a useful concept in the marketing and customer services areas of a retail sector. CRM involves shopping malls enabled business processes that identify, develop, integrate and focus a business’ competencies on forging valuable long-term relationships that deliver superior value to its customers. This study is undertaken to identify the CRM practices on the customer satisfaction and retention in organized retail shopping malls in selected areas in India. The required data of study would be collected from both primary as well as secondary sources. Liker scale was used in designing the questionnaire, A sample of 182 respondents was taken from different malls located in AP has been selected for the reliability of the analysis. The hypothesis has been tested by using ANOVA and Result of research as concluded the important to enhance the CRM practices makes better to shopping at retail stores in Andhra Pradesh.

Keywords: Retailing, Organized Retailing, Shopping Malls, Customer Relationship Management

1. Introduction

Indian retail market is one & the Indian’s fastest growing industries is expected to grow from us $ 380 billion to us $ 472 billion 2016, retail is India’s largest industry accounting for over
Retail in India is at the crossroads. It has paced industries with several players entering the market. Retailing in India is gradually inching its way to becoming the next boom industry.

The whole concept of shopping has altered in terms and format and consumer buying behavior, ushering in a revolution in shopping, modern retail has entered India as seen in sprawling shopping centers, multi-storied malls and huge complexes offer shopping, entertainment and good all under one roof. In recent times, however more and more by retail outlets are coming up in the metros and cities and the country. Many business houses now thinking and opening up a retail chain and their own, Spencer and co- limited, Vitan industries limited pantaloons, shoppers stop, Reliance malls, to name a few have already in the business with a big bang.

2. The Concept of CRM

Customer relationship management has attracted many definitions from the people who have been using the concept. A few important of them can be discussed as follows. A narrow perspective of customers relationship management is database marketing emphasizing the promotional aspects of marketing linked to database efforts. (Bickert 1992) A more popular approach with recent application of information technology is to focus on individuals or one to one relationship with customers that integrate database knowledge with a long term customer retention and growth strategy. (Dowling Grahame, 2002).

Therefore CRM can be viewed firstly as a contemporary response to the emerging climate of unprecedented customer churn, waning brand loyalty and lower profitability (Cockburn 2000). Secondly CRM is central to the task making an organization customer centric (DM Association 1999).Thirdly CRM is the surest symbol embracing information technology in business. (Brown and Price water house Cooper 1999). Fourth and finally, CRM is the most certain way to increase value to the customers and profitability to the practicing organizations (Reichheld,1996).Customer relationship management is a comprehensive strategy and process of acquiring, retaining and partnering with selective customers to create superior value for the company and the customer (Sheth, Parvatiyar & Shaines 2003). It can be inferred from the above views that CRM is information technology linked business process, which aim to establish long lasting and mutually beneficial relationship with selective customers in order to increase customer value and profitability.
Customer Relationship Management Practices in Retailing

The highly demanding and knowledgeable consumers are compelling retailers to stock a huge product range, offer attractive discounts in an aesthetically set up environment and soon all in the hope of having a loyal customer base so, customer relationship management may be referred to as a philosophy a set of strategies, programmer and system which focuses on identifying and building loyalty with the retail outlet malls most valued customers. This means that CRM will work on the principle that retailers have to chat out programmes which will help them to raise their profitability ones continuous basis though building long-term relationship with their customer’s customer Relationship management is a company business strategy designed to reduce cost and increase profitability by solidifying customer loyalty.

CRM practices may shift with each form. Nevertheless, organized retail shopping malls will benefit from the resources it commits to developing its CRM practices in greater customer loyalty. Right time and involves acquiring ,developing and maintaining successful customer relationships not within one day or two days it takes over time and building customer loyalty through efficient and effective two-way dialogues that seek to understand and influence customer buying behaviors and improve customer acquisition, retention, loyalty and profitability Although not entirely built on shopping malls CRM involves shopping malls enabled business processes that identify, develop, integrate and focus a business’ competencies on forging valuable long-term relationships that deliver superior value to its customers.

3. Review of Literature

On the basis of analytical and empirical or case research conducted a random sample study of 334 executives was selected from 29 firms in the following industries: retail (n=60), telecom (n=80) and banking (n=183) in India. They also concluded that. Impact of market orientation on dynamic capability of CRM and competitive CRM performance may be the result and shaping the organizational resources that no longer match the environment. These include processes like analysis customers, developing and delivering tailored offering, providing customer service, orchestrating linkages, assigning accountability and evaluating performance. Dr. N.K. Sehgal (2007) classified customer relationship management as abbreviation about consumers, marketing effectiveness, sales and market trends. He advocated the result of a business is a satisfied customer “in present era of cutthroat competition, it is no longer enough to satisfy the customers. The reason for this is pretty
simple”. If you would not take care of your customers, your competitors definitely would”.

So the firm should keep pleasing customers and they will keep coming back. Vandana Ahuja (2008) analyzed CRM build long terms profitable relationships with chosen customers and getting closer to those customers with every point of contact with them. The author noted that a good CRM strategy aims at providing a win-win platform for both the organization and the customer by paying adequate information to the process of adoption by focusing on options available to customers’ adequate promotion campaigns and concentration on existing customer. C. Bhattacharjee (2006) in his book “Services marketing concepts planning & Implementation” Classified customer Relationship Management (CRM) have been undertaken to give all possible information to the current and potential customer. He says to achieve CRM, a company-wide set of tools, technologies, and procedures promote the relationship with the customer to increase sales those CRM is primarily a strategic business and process issue, rather than a technical issue. The author concludes CRM is very hard to be implemented throughout a company. The IT department needs extensive infrastructure and resources to implement customer relationship management (CRM) databases successfully. Joseph. Nunes and Xavier Dreze (2006) in their article “Your loyalty program is betraying you” highlighted creating a successful loyalty program starts with defining what should be gained from the effort. In some cases, loyalty programs create what marketers call barriers to exit.

They say that a benefit of loyalty programs that has gained prominence in the past decade is their ability to provide useful data about customers. Sunjay Kumarkar and Alokkumar Sahoo (2007) in his article define “Shopping mall: Driving Force in organized Retailing”. Advocated mall is the latest format in the organized retailing, a significant development has occurred in last couple of year due to change in consumer profile and spending behavior, increasing youth population with more purchasing power and less time is looking for shopping a long with entertainment as one stop option. Roulac (1994) concluded from his study that in shopping malls, consumers can shop without the problems of any traffic congestions or parking problems, or security concerns.

4. Objectives of the Study

- To understand and identify the Customer Relationship Management Practices followed by the retail stores.
• To study the benefits of CRM to the retailers and customers.
• To provide the effectiveness of loyalty program adopted by retail stores.
• To identify the various categories of Demographic factors and variables impacting on CRM practices towards organized shopping malls in AP
• To study the impact of Demographic factors CRM practices towards organized shopping malls in AP.

5. Research Methodology

In order to accomplish the objective of the study to collect data for this research study, both primary and secondary sources were used. Secondary data collected through the researcher reviewed articles related to research objective that appeared in the scholarly literature, key journals, reports, magazines and proceeding were systematically scanned for articles related to the research topic. Primary data collected through an empirical investigation, online survey was conducted, using a structure questionnaire. Present study consists and the questionnaire two parts.

Part-I questionnaire measures the distribution of participants on the bases demographic characteristics and part-II questionnaire measures CRM practices at shopping mall on a five point scale ranging from (i) strongly disagree to (5) “strongly agree” Sample was collected on the basis of non probabilistic convenience sampling method. The population in this study comprise of customer who loves shopping malls at AP.

It is decided to choose in order to collect the data a through online survey structured questionnaire was farmed Questionnaires were distributed amongst the sample of 200 But received 182 customers respondents of shopping mall in April 2016. The data was collected tying a survey and interpretation through to check the reliability of the data Cranach alpha test was applied in order to find out the most preferable CRM practices shopping malls view point Sample percentage method and one –way ANOVA analysis was applied. All the analysis was carried out by SPSS 16.0

6. Research Hypothesis

H1: There will be significant variance in opinion on CRM practices towards organized shopping mall among the Gender group

H2: There will be significant variance in opinion on CRM practices towards organized
shopping mall among the Age group
H3: There will be significant variance in opinion on CRM practices towards organized
shopping mall among the Income

Table1  Demographic Representation of the Respondents

<table>
<thead>
<tr>
<th>Demographics</th>
<th>Number of respondents</th>
<th>Valid Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>105</td>
<td>59.9</td>
</tr>
<tr>
<td>Female</td>
<td>77</td>
<td>40.1</td>
</tr>
<tr>
<td>B) Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17-25</td>
<td>56</td>
<td>32.4</td>
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<tr>
<td>26-35</td>
<td>57</td>
<td>33.1</td>
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<tr>
<td>36-45</td>
<td>38</td>
<td>19.7</td>
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<tr>
<td>46-60</td>
<td>20</td>
<td>9.2</td>
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<tr>
<td>Above 60</td>
<td>11</td>
<td>5.6</td>
</tr>
<tr>
<td>D) Monthly Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than 10000</td>
<td>22</td>
<td>11.4</td>
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<tr>
<td>10000 - 20000</td>
<td>46</td>
<td>25.4</td>
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<td>20001 - 30000</td>
<td>51</td>
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<td>30001 - 40000</td>
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<td>40001 - 50000</td>
<td>30</td>
<td>14.1</td>
</tr>
<tr>
<td>Total</td>
<td>182</td>
<td>100.0</td>
</tr>
</tbody>
</table>

7. Analysis and Interpretation
Demographic Profile sample. A total number 182 respondent participated in the survey the
demographic characteristics the respondent (Table1) shows that the sample consisted,
majority of respondents percent 59.9 of male and 40.1 percent female respectively. The
respondents were mostly between the age 26-35 years age group with 33.1percent and in the
age group of 36-45 years 19.7 percent this shows the majority of the respondents were in the
group of middle age persons shows much for more influencing to come for shopping malls in
AP. Most of the respondents belong to the income groups of Rs (10,000 - 20,000) 25.4
percent and (20001, - 30000) 28.9 percent the sample mostly represents the middle class
income preferred to visits shopping

8. Conclusion
The CRM practices are important variables in the success of the shopping mall. The study has
identified the variables influencing customer satisfaction. It can be understood consumer
promotional tool, customer services at malls and high variance in explaining towards services offered by mall retailers at shopping mall at Bangalore. The retailers should see in implementing the Activities of shopping mall employees and loyalty programs variables for enhanced satisfying to go for shopping to build a long-term relationship with services provided by mall retailer by customers.

Shopping malls retailers should take in to consideration and understanding the customers touch points related to services offered by shopping malls. Even through the mall retailer were making adequate efforts there are some factors where the salient or unsatisfied services levels are make clear and improve some measures those levels to bridge the gap to build long term relationship enhances customers satisfaction and offers a pleasant shopping experiences when the customers are visiting shopping malls. Today “ customers is God “services offered by mall retailers play a major role in meeting customers’ expectations and perception make comfortable better shopping in malls.

9. References


4. Industrial Management & Data Systems, 100(5), 245-246.


