



A Study on Customer Relationship Marketing: A Need of present-day Business

Dr Ashamayee Mishra

Assistant Professor, Amity Global Business School Bhubaneswar

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ABSTRACT

CRM are practices, strategies and technologies that companies use to manage and analyze customer interactions and data throughout the customer lifecycle. The better a business can manage its relationships with its customers, the better the business will be. CRM can be used as an important strategy to learn more about your customers' needs and behaviors, as well as to develop stronger relationships with them. The study focuses on understanding the need of customer relation in the present-day scenario.

Key word: Customer, Relation, Marketing, Management, Trust, Service

Introduction

Consumers today can think beyond the item you're trying to sell them since they are more influential in the industry than ever before. Customers are now curious about what you're selling them, how you're selling it, and what happens after you sell it to them. A tool known as customer relationship management (CRM) is used to handle all interactions and relationships between your business and its clients. The objective is straightforward: to strengthen business ties. CRM systems assist businesses in maintaining contact with clients, streamlining procedures, and boosting profitability. CRM is a notion that is still developing, and many new aspects are always being introduced.

Building trust and engaging with customers is the aim of customer relationship marketing in order to increase brand loyalty and decrease customer churn. Focusing on emotion is one of the best methods for forming relationships with clients.

In order to manage and analyse customer interactions and data across the customer lifecycle, businesses employ a combination of practises, strategies, and technologies known as customer relationship management (CRM). The objective is to strengthen interactions with customers in order to promote client retention and increase sales.

The pursuit of company goals and objectives has always included a crucial component: customer happiness. However, the current competitive environment, which has been fueled by economic liberalisation and globalisation as well as rising customer standards for quality, service, and value, has encouraged many companies to structure their operations around the clients they serve rather than around the geographical business units or product lines.

Early in the 1990s, customer relationship management (CRM) first became well-known. It refers to the comprehensive strategy that businesses can use to manage their interactions with their clients. This strategy includes customer contact policies, data collection, storage, and analysis procedures, as well as the technology required to carry out these operations.

In order to increase customer loyalty, CRM is concerned with handling specific data on each customer and all customer "touch points," according to Philip Kotler and Gary Armstrong. The phrase "alignment of strategy, processes and technology to manage customers, and all customer-facing departments and partners" can also be used to describe it. CRM focuses on managing client interactions over the entire life cycle in an efficient and profitable manner.

CRM aids in improving customer service and fostering fruitful client relationships. CRM combines all of the information that a company's sales, service, and marketing departments have about specific clients to provide a comprehensive picture of the customer relationship.

Need and Importance of CRM:

1. Better customer service: CRM offers extra channels for customers to convey their demands to the business through several points of contact. Customers are more satisfied and feel more valued and special as a result of the greater personalisation of services and modification of products that are

provided to them.

For instance, ICICI Bank keeps a list of its top clients and offers them extra services and exclusive deals like complimentary tickets to shows, movies, and other events. Some financial institutions, like Syrian Catholic Bank, offer individualised services to its valued clients.

2. Tailoring of market offerings: Depending on the information held by the company, businesses might tailor a good or service. Through its contact centre and website, the business can facilitate interactions between customers and the company. Such interactions aid in the creation of personalised goods.

3. Lower customer churn rate: CRM places a strong emphasis on staff development and training to make them more customer focused. Employees that have received CRM training and development demonstrate care and concern for the company's precious clients; as a result, the rate of customer attrition may be significantly decreased.

4. Development of long-term relationships: Some businesses view their clients as partners. When designing new products or enhancing existing services, businesses enlist the assistance of their customers. The likelihood that a consumer will stick with a company increases if they become involved with it.

5. Customer equity increases: CRM raises customer equity. Businesses concentrate their marketing efforts on their most valuable clients (MVCs). CRM's primary goal is to increase customer equity. The lifetime value of every customer is added together to form customer equity. Putting more emphasis on MVCs will help a business grow its equity with its clients.

6. Competitive advantage: Businesses that implement CRM gain an edge in the marketplace. They can easily take on the opposition. Gaining a competitive advantage aid in maximising return on investment.

7. Creating and maintaining a positive corporate image: This improves the company's reputation. Customers who are loyal become evangelists. The evangelists helped the business, and its goods gain popularity. This makes it possible for a business to attract more clients.

8. Higher return on investment: A company is better positioned to provide higher returns on investment as a result of CRM. This is as a result of devoted clients making more purchases. Cross-selling is another revenue stream for the business. The value of the shareholders rises due to the better return on investment.

Literature Review

According to Goldenberg, customer relationship management is "a company strategy that integrates people, processes, and technology to maximise connections with customers" (2008, p.3). Customer relationship management has also been described as "characterising a management philosophy that involves a comprehensive orientation of the organisation toward existing and potential customer connections" (Raab et al, 2008, p.6).

In order for businesses to maintain their competitiveness in their industries, Mueller (2010) characterises the customer relationship management part of the business as being highly dynamic. Mueller makes a compelling case for this position.

According to Sinkovics and Ghauri (2009), the high cost of direct sales, the fierce global competition, and the requirement for knowledge about various facets of the business in general and consumer behaviour in particular that can be used to increase sales levels all contribute to the necessity of implementing customer relationship management.

Changing from the transactional model to the relationship model is a global trend in customer relationship management, claim Peppers and Rogers (2011). In other words, Peppers and Rogers (2011) contend that in order to maintain the long-term growth of the enterprises, meeting consumer expectations as a result of timely transactions is no longer adequate.

In order to be flexible enough to meet their rising demands and win their steadfast commitment, firms must instead work to maintain long-term relationships with their clients. According to Peppers and Rogers (2011), companies who ignore this trend in the global market run the danger of losing market share and future growth opportunities.

The book "Relationship Marketing and Customer Relationship Management" by Brink and Berndt is among the most important materials for the study (2009). The book goes into great detail about the Customer Touch Map concept and how information technology may help with customer relationship management.

Another important contribution to the field of study is represented by the work of Mathur (2010). In particular, the author offers a broad range of particular customer relationship management ideas and approaches that are applied by international corporations. The scope of the study can be expanded by comparing Mathur's (2010) findings to those from the source data in the proposed research.

On the other hand, Khurana (2010) goes into great length about the idea of customer relationship management and explores the benefits and drawbacks of a variety of pertinent software programmes. Another notable book that will be examined in the study is the third edition of Pradan's (2009) "Retailing Management." Particularly, Pradan (2009) addresses the significance of customer relationship management for assuring long-term growth for retail firms. It is identified as an emerging part of marketing in retail.

Raab et al. (2008)'s "Customer relationship management: a worldwide viewpoint" takes a global perspective on the difficulties surrounding customer relationship management. The importance of this particular activity to the planned research might be justified by pointing out that it will enable

comparisons between principles of customer relationship management to those used by other international retailers in a worldwide market.

Due to the importance of the work's contribution to the research field, the suggested study will also use Bhatia's (2008) work, "Retail Management."

The use of loyalty cards by merchants is covered in-depth by Bhatia (2008), who provides a thorough examination of the topic using secondary data.

Additionally, Cox's (2011) "Retail Analytics: The Secret Weapon" needs to be highlighted in this section due to the author's adoption of the most contemporary and novel perspective in order to approach the study challenges. The most significant aspect of this article is how it offers highly practical advice to merchants of all sizes on how to boost revenues by implementing a variety of customer relationship management strategies.

Numerous academic models and works have direct and indirect connections to this research, and some of the most pertinent models will be examined in the study. The Gap Model of Service Quality is one of the models that will be utilised most in the study. Five gaps that may hinder service delivery and affect customers' assessments of service quality are identified by the gap model of service quality (Lamb et al, 2011, p.189).

These five gaps are the following: a) the gap between customer demands and management perceptions of those demands; b) the gap between management perceptions of those demands and the service specifications developed; c) the gap between service specifications and actual service provided; d) the gap between the quality of service promised and quality of service provided; and e) the gap between expected service and perceived service on the part of the customer.

The Relationship Paradigm of Customer Relationship Management, put out by Peppers and Rogers, is a further pertinent model that will be explored during the study (2011). The model specifically promotes having a proactive approach to maintaining customer relationships and suggests a set of specific rules that would help to achieve this goal.

According to Prahalad and Ramaswamy (2004), customer collaboration is a contemporary pillar of customer knowledge management and innovation as well as a mechanism that successful businesses may use to learn how to better serve their clients' needs and increase productivity. CRM aims to answer to this call by unifying and combining customer participation and customer-need knowledge as a strategic tool and business strategy for top companies.

Discussion

The best and most effective method for fostering and preserving ties with clients is customer relationship management. Customer relationship management (CRM) fosters strong interpersonal ties among individuals in addition to being purely commercial. The growth of this kind of relationship propels the company to new heights of prosperity.

Any firm can quickly determine the real needs of a customer and work with them to better serve them after this personal and emotional connection has been made. It is widely held that the more advanced the tactics used to accomplish customer relationship management, the stronger and more successful the firm will be. The majority of businesses have top-notch tools specifically designed for handling CRM systems at work. Most reputable organisations employ effective solutions like BatchBook, Salesforce, Buzzstream, Sugar CRM, etc.

We may quickly ascertain why a CRM System is always crucial for a corporation by taking a look at some broader perspectives that are provided below.

1. A CRM system includes historical views and analyses of all existing and potential clients. This facilitates fewer searches, customer correlation, effective customer foresight of demands, and growth of business.
2. Because CRM has all of a customer's information, it is relatively simple to hunt them down and may be used to identify which customers are likely to be profitable.
3. In the CRM system, clients are divided into distinct groups based on their line of work or physical location and assigned to various customer managers, also known as account managers. This aids in concentrating and focusing on every single customer separately.
4. A CRM system is helpful in attracting new clients as well as managing relationships with current ones. The initial step in the process is to identify a customer and enter all the pertinent information into the CRM system, which is also known as a "opportunity of business." The Sales and Field personnel then attempt to generate business from these clients by deftly following up with them and successfully closing a sale. An integrated CRM system can easily and effectively handle all of this.
5. Customer Relationship Management's cost-effectiveness is one of its key features. The benefit of a properly executed CRM system is that there is much less need for paperwork and physical labour, which means that there is less staff management and resource management required. When compared to the conventional method of doing business, the technologies utilised to construct a CRM system are also quite affordable and easy to use.
6. The CRM system maintains all information in a single location that is always at your fingertips. These speeds up the procedure and boosts output.
7. Customer satisfaction rises when all consumers are efficiently attended to and given what they genuinely require. This increases the likelihood of acquiring more clients, which eventually boosts revenue and profit.
8. If the consumer is happy, they will always be loyal to you and will continue to use your services, which will build your customer base and ultimately boost your company's net growth.

The concept of managing existing clients and prospering business by bringing in additional customers is prevalent and merely a conundrum in today's commercial environment. Installing a CRM system will surely make things better and aid in effectively tackling the new marketing and commercial

practises. Therefore, in the age of business, it should be advised that every organisation have a complete CRM system to handle all business requirements.

To create effective customer relationships, the entire firm must work together. To ensure that everyone at your firm is committed to fostering good client interactions, your business should concentrate on the following important areas.

The client comes first

Building a customer-centric culture within your business is the first step to ensuring good customer interactions. This entails concentrating on the success of the clients and putting long-term solutions into action. Because they will have a clearer grasp of their function and purpose in the process, workers who work for a customer-centric company will be more motivated to assist consumers. Among the tactics that can assist a business in becoming more customer-centric are:

- Creating a customer journey map to lay out the buyer journey for the typical customer
- Anticipating customers' needs at different steps of the relationship
- Employing a customer relations executive to lead the development of customer relationship initiatives and processes
- Creating an onboarding process for customers
- Collecting customer feedback
- Meeting with customers face to face
- Being proactive with customer service
- Implementing customer service tools and technologies
- Thinking about the customer relationship after the purchase

Enable customers to serve themselves

While tailoring customer interactions to each customer would be ideal, doing so is neither feasible nor economical. Although some clients prefer to interact with a live customer service agent, you may still guarantee their pleasure by assisting them in other ways.

You can give customers the resources they need to resolve their own problems using technology at any time of the day. For instance, you can use chatbots on your website to inform visitors, direct them to the pages of your site where they can discover the solutions they need, and link to downloadable content. Knowledge bases can also be used to respond to the most typical consumer inquiries.

Improve Accessibility

To guarantee a positive customer experience, customers should have easy access to customer care and support personnel. More than one-third of respondents to a Microsoft study stated that their main problem with customer care is not being able to contact service personnel when they need assistance.

As tools for assisting customers with problems, self-service help desks should supplement rather than completely replace customer relations, service, and support professionals. Technology can help employees work less and feel less stressed, but only a live person can interact with customers and give a remarkable customer service experience.

Measure Customer Satisfaction

To ensure that they increase over time, you should monitor and measure your client satisfaction levels. Your system for customer relations should incorporate feedback. Ask customers for feedback on their shopping and customer service encounters on a regular basis. Monitor and evaluate your results (e.g., customer satisfaction surveys, net promoter scores). After gathering feedback data, take action by strengthening any weak points that were pointed up by customers. To ensure that customer satisfaction ratings rise, keep gathering input from customers and monitoring the results.

Demonstrate appreciation

Every time you contact with a customer, you are not required to make a huge gesture. Strong customer connections can be developed by giving customers a great experience and exceeding their expectations, even in minor ways.

Consumer loyalty can be increased by creating a programme that rewards loyal consumers and offers tiny expressions of gratitude for their patronage.

Commit to employee training

In order to provide excellent customer service, your staff' contacts with consumers are crucial. They should therefore be knowledgeable, skilled, and driven to find solutions for their clients.

Beyond simply teaching them how to do their jobs, employers should train their staff in customer service and customer interactions. They should improve their soft skills as part of it (e.g., professional communication style, active listening, problem-solving).

Within an organisation, skill sets might differ greatly from person to person. To ensure that all employees have a consistent understanding of your

company's policies, procedures, and standards, it is crucial to invest in ongoing training. This will enhance customer interactions and contribute to a more consistent customer experience.

Conclusion

A corporate process in which client relationships, customer loyalty, and brand value are established through marketing strategies and activities refers to customer relationship marketing. Through the process of management, a company or other organisation manages its contacts with customers. This is frequently done by using data analysis to examine a lot of information.

Any firm depends on its clients. In addition to providing high-quality goods and services, one approach to keep clients pleased is to use customer relationship marketing techniques to fortify bonds with them and foster loyalty.

Thus, this is the method that employ to satisfy the consumer and earn his or her desire to stay a client for many years to come. At precisely this point, client relationship marketing takes over. Now that you have them, your attention should be on keeping them happy and developing lasting connections with your clients. You must now devise a plan to achieve this objective.

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