
AN EMPIRICAL STUDY ON CUSTOMER RELATIONSHIP MANAGEMENT (CRM) STRATEGIES IN INDIAN RETAIL INDUSTRIES

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Abstract

In the here and now it is basic to develop a quick contact with the customers in light of the fact that customers are the finished determinants and the accomplishment of the association depends upon customer fulfilment. Along these lines, associations are using different techniques to give information about the item to the customers like online business, call center, on-line shopping, etc. Nowadays, in Indian business reasonable technique for joining adventure applications ceaselessly is introduced. This is done to make the advantage. The improved business knowledge system urges the associations to predict customer demand. It helps in fulfilling customers and building strong relationship and besides helps in changing one-time purchasers into long stretch customers. As more retailers advance into customer-driven and piece based business, business understanding (BI) and customer relationship management (CRM) structures are expecting a key activity in achieving and keeping up advantage. For up to ten years, the makers have had the exceptional possibility of watching and meeting labourers and managers of various managements bunches at three separate Fingerhut associations as they investigated various roads with respect to various ITs for their associations. The noteworthiness of customer relationship management has been rapidly extending for making and keeping up customers by formed retail stores in the current circumstance into day's the significantly forceful market. The various mistakes are winning on Customer Relationship Management (CRM) and it is continually an avoidable concern among the administration providers especially by made retail stores, where retailers have their own particular way of managing their relationships with the customers. Hence, the present study has been focused on the Customer Relationship Management (CRM) strategies in Indian Retail Industries.

Keywords: Business Insight, CRM, Management Groups, Aggressive Market, Competitive Environment, Customer Retention and Sustainability.

Introduction

Customer Relationship Management (CRM) is the mix of practices, strategies and advancements that associations use to manage and analyze customer associations

and data all through the customer lifecycle, with the goal of improving customer administration relationships and helping customer upkeep and driving arrangements improvement. CRM structures collect customer data across over different stations, or reasons for contact between the customer and the association, which could consolidate the association's website, telephone, live talk, standard mail, promoting materials and online life. CRM systems can in like manner give customer-standing up to staff point by direct information on customers' nearby toward home information, purchase history, buying tendencies and concerns.

Building strong relationships with customers has transformed into a prime key objective of retail showcasing. This article fixates on the perspective of Customer Relationship Management (CRM), as for the principles of customer regard and the works of customer steadfastness and customer satisfaction. In extraordinarily forceful condition the relationship promoting is concerned on fundamental importance of customers for every business activity in market economy. The centrality of customer relationship management is to incite satisfied and resolute customers. From one side it is masterminded to synchronize relations between the customers and the retail association from the contrary side it is resolved to improve wellsprings of information for better energy about consumer lead. The CRM design the essential direction for headway of customer masterminded items, critical level consumer administration and long stretch relationship with the association groups and it is in like manner an instrument of the astute association management in the field of customers relationship, considering the individual tendencies and characteristics. Retailers face a dynamic and centered condition. With extended globalization, market submersion, and extended force through mergers and acquisitions, retailers are searching for advantages by better directing customer relationship. For the most part, advertising has focused on pulling in new customers for an association. Today, in any case, associations see the essentialness of holding current customers by surrounding relationships with them. This consideration on relationships develops the explanation that it is more reasonable to market to existing customers than to get new ones. Relationship advertising, a term normally used interchangeably with customer relationship management, incorporates setting up, keeping up and overhauling long stretch relationships with customers. With this perspective, the manager's fundamental task is to recognize profitable and non-gainful customers, revolve attempts around the past and equality the cost of acquiring and holding customers with present and likely pay from those customers. In retailing, advances in IT and the spread of reliability cards have given an approach to retailers to perceive a particular customer and to assemble customer unequivocal data, thusly enabling individualized promoting. Diverged from various industries, retailing has huge inclinations in CRM, since it is in direct contact with the consumer.

Objectives of the Study

The current study associated with following primary and secondary objectives:

1. To study the current status of Indian retail industry.
2. To know the customer relationship management practices in retail industry.
3. To review the previous study related to the current research and discuss the present study to draw a conclusion.

Operational Definitions

Customer Relationship Management (CRM) is an approach to manage manages an association's collaboration with present and expected customers. It uses data assessment about customers' history with an association to improve business relationships with customers, expressly focusing on customer support and in the end driving arrangements advancement.

Customer Relationship Management (CRM) is a development for managing all your association's relationships and correspondences with customers and expected customers. Improve business relationships. A CRM structure causes associations remain related with customers, smooth out structures, and improve advantage.

Customer Relationship Management in retail can increase customer satisfaction, reduce your costs and improve your association's show in the commercial center. CRM programming manages your relationships with singular customers to make inclinations for the two social occasions.

Reviews of Related Literature

Ellis et al. (2007) have considered that the reason for this examination was to build information and comprehension of how retailers use business insight and information mining devices to execute customer relationship management (CRM) in retailing. Explicit destinations were to (1) recognize association and framework necessities for CRM viability, (2) distinguish CRM targets and objectives of retail organizations, (3) recognize information mining apparatuses used by retailers to perform CRM capacities, and (4) recognize CRM systems utilized by retail organizations. A watchword search inside business information bases utilizing CRM and CRM recognized distributions with CRM content. Content investigation was utilized on articles (N=149) drawn from Stores, Chain Store Age, Harvard Business Review, and Retail Forward over a long term period (2000–2005). Chosen articles were put away as text records in QDA Miner, a modernized subjective examination instrument. Key association/framework needs developed zeroing in on information structure, authoritative frameworks, innovation structure, and information availability. Retailers objectives/targets and procedures zeroed in on showcasing, customer administration, understanding customers through information investigation and expanding securing and maintenance through customer devotion programs. Information mining instruments distinguished upheld advertising

and customer investigation endeavors. Discoveries give understanding into the difficulties retailers face as they execute a more customer-driven business technique.

Gupta, Himani. (2012) have analyzed that the Indian retail business has indicated sensational development and is one of the most encouraging industry today. Retail industry in India has modernized which can be seen from the way that there are multi story shopping centres, immense malls and rambling edifices which offer food, shopping and amusement, all under a similar rooftop. Shopping in India has seen an insurgency regarding the changing consumer purchasing conduct. Customers have become shrewd customers. They would prefer not to pay more for indistinguishable brands, particularly when administration contrasts have decreased. In the present situation, where customer has become ruler customer relation management has become a basic component of retail industry to make sure about the faithfulness of customers. The reason for this investigation is to examine the few parts of customer relationship management utilized by retailers of South Delhi to draw in the customers and to pick up their dedication. The degree for the investigation are different retail outlets like Big Bazaar, Marks and Spencer, Reliance, Value Mart, Pantaloons, Shopper's Stop, Reebok and Adidas processing plant retail outlets in South Delhi. The exploration depends on essential information just as optional information. The poll has been topped off by the customer relationship managers. In the end, it was discovered that masses are pulled in more by markdown as opposed to administrations. Past markdown, customers incline toward assortment and quality.

Cuthbertson et al. (2004) have researched that to give a comprehension of how a retailer's general faithfulness showcasing methodology impacts the significance of various Customer Relationship Management (CRM) exercises, and gives an understanding into the part of CRM inside devotion promoting. From the key point of view, CRM may possibly give advantages to customers, retailers and providers, in business terms, yet additionally regarding individual and authoritative learning and advancement. These advantages and improvements are not, be that as it may, general. By arranging diverse faithfulness showcasing methodologies, it very well may be demonstrated that CRM assumes an alternate function inside an association relying upon the advertising procedure embraced. This may have suggestions for managerial dynamic all through the CRM improvement life cycle, as far as fitting equipment and programming stages to the most important investigations and execution measures to embrace. CRM exercises might be compelling in improving customer steadfastness for benefit. This must be accomplished through understanding the pertinence of such devices and procedures to the general faithfulness advertising methodology and applying them likewise. Various needs ought to be given to various CRM exercises, contingent on the specific retail circumstance.

Current Status of Indian Retail Industries

The Indian retail trading has gotten Foreign Direct Investment (FDI) esteem inflows totalling US\$ 1.66 billion during April 2000–March 2019, according to the Department of

Industrial Policies and Promotion (DIPP). With the rising necessity for consumer items in different areas including consumer equipment and home mechanical assemblies, various associations have placed assets into the Indian retail space in the past couple of months. Walmart Investments Cooperative U.A has contributed Rs 2.75 billion (US\$ 37.68 million) in Wal-Mart India Pvt. Ltd. The Government of India has taken various exercises to improve the retail industry in India. Some of them are recorded underneath: i. The Government of India may change the Foreign Direct Investment (FDI) leads in sustenance getting ready, in a proposal to permit web based business associations and far off retailers to sell Made in India consumer items. ii. Legislature of India has allowed 100% Foreign Direct Investment (FDI) in online retail of product and administrations through the customized course, thus giving clarity on the current organizations of internet business associations working in India.

The Indian retail industry has ascended as one of the most remarkable and speedy paced industries due to the entry of a couple of new players. Complete use utilization is depended upon to reach nearly US\$ 3,600 billion by 2020 from US\$ 1,824 billion of each 2017. It speaks to in excess of 10 percent of the country's Gross Domestic Product (GDP) and around 8 percent of the business. India is the world's fifth-greatest overall objective in the retail space. Retail market in India is foreseen to create from a normal US\$ 672 billion out of 2017 to US\$ 1,200 billion in 2021F. India is depended upon to transform into the world's speediest creating web based business market, driven by solid enthusiasm for the segment and quick addition in the amount of web customers. Various workplaces have raised guidelines about improvement of Indian online business markets. Luxury market of India is depended upon to create to US\$ 30 billion preceding the completion of 2018 (expected) from US\$ 23.8 billion 2017 maintained by creating introduction of worldwide brands among Indian youth and higher acquiring force of the favored in level 2 and 3 metropolitan territories, as demonstrated by ASSOCHAM.

Web based business is expanding steadily in the country. Customers have the routinely extending choice of items at the most diminished rates. Web based business is likely making the best change in the retail industry, and this example would continue in the years to come. Retailers should utilize the serious retail channels (internet business), which would engage them to spend less money ashore while interfacing with more customers in level 2 and level 3 metropolitan networks. It is foreseen that by 2021 ordinary retail will hold a critical bit of 75 percent, sifted through retail offer will show up at 18 percent and online business retail offer will show up at 7 percent of the hard and fast retail market. Eventually, the long stretch perspective for the industry is certain, reinforced by rising income, ideal economics, part of distant players, and extending urbanization.

Customer Relationship Management Practices in Retail Industry

The retail industry in India is by and large a messy segment yet is creating at a speedy movement, and is the fifth greatest on earth, therefore the need of CRM plans. In the present inventively related overall town where consumer direct is significantly influenced by the force of web based life and adaptable, making and grasping their thought is the sole premise which chooses champs and disappointments in the matter of retail. CRM in retail industry gives a gadget to the retailers to stay in touch with their customers and offer customized administration, benefitting both the social events in equal measure. Cloud based CRM courses of action in retail not just cooperates customer information, it is similarly practical in social event and evaluating monster bargains data, in a restricted ability to center time, along these lines giving central consumer lead information, examples and instances of offer. This engages the retailer to help take fundamental decisions identifying with showcasing, esteeming and in enumerating customer programs, empowering the relationship to rise the accomplishment ladder significantly snappier. It gives the accompanying advantages:

Classifications

Make supported customers overview or assembling and apportion them to account managers to serve them better. It not simply effectively manages your present segment a CRM course of action is similarly helpful in carrying new customers into the association's overlay.

Practical

A CRM game plan can decrease your operational cost by means of mechanizing your strategies and reducing the proportion of manual work inside the affiliation. Coordinated headways, express promoting strategies and extended duty of the staff update association's salary and lifts benefits.

Make Segments

Aside from social event information, a CRM course of action helps track each customer's history, including their tendencies, and measurement experiences. This allows a retailer to offer changed response for each customer, causing them to feel remarkable and improving their experience.

Dedication programs for Maintenance

The essential purpose of a CRM system is to help serve the customer even more gainfully to hold him/her and develop a long stretch relationship, which exhibits beneficial for both the social occasions. The CRM plan can similarly be used to introduce endurance programs as compensation demonstrates and discount coupons regarded customers.

Customized Approach

CRM in retail industry helps track the purchases made by each customer and the administration calls they make, allowing the retailer to manage assurance or discontent issues, expecting any, related with the purchase. The data available moreover helps a retailer know when they acquired item's life would arrive at an end with the objective that remarkable offers/rates can be sent to the customers again.

Directed Promotions

Since point by point information is available for each customer, it engages the retailer to know the cautious need of each customer and in this manner simply huge restricted time mail or notice of interest is sent to individuals.

Discussion and Conclusion

A fair retail CRM structure can help manufacture endurance, making brand delegates who will merrily get the message out about their positive customer experience. Overlook what's really important and they'll be essentially logically vocal about a dreadful customer experience. There are a couple of various approaches to accumulate information to amass a productive CRM information base. Various retailers demand an email address when you purchase coming up, others offer the latest news and cutoff points by joining to their handout on the web or by making customer talk rooms and organizations. Whatever, the strategies for data get, if the right requests are presented, retail promoting endeavors can be engaged to the individual, customized just as engaged to the right sex, zone and even unequivocal results of premium. Using an information base to customize items, cutoff points and events for consumers is critical to making repeat customers who rush to associate with a brand and shout about the upsides of joining. Also, it's not just stores that offer individual, coordinated advertising and customer relationship management.

A retailer's CRM system every so often stays singular. That is because the present retailer needs a lone reason for truth. This suggests each and every fundamental datum, in one spot. Besides, retailers use various systems, including accounting or store, POS, SMS structures, destinations and anything is possible from that point. The components of these structures are vacillated: item flexibly, undertakings, information bases, staffing and customer analysis just a couple. The best way to deal with achieve this single view is compromise. A joined CRM system (CRM Integration) suggests that managers and supervisors of retail organizations can set destinations, execute techniques and gauges and achieve them in an inexorably profitable manner. A sound customer relationship management system that joins all of these things will assist with maintaining a retail business even more profitably. A better than average CRM system can pass on an engaged edge over your retail rivals.

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