

A Study on Customer Relationship Management Activities

Mr.T.Veeramani¹, Dr.K.Ramprathap²

¹II MBA, Department of Management Studies, M.Kumarasamy College of Engineering, Karur

²Assistant Professor, Department of Management Studies, M.Kumarasamy College of Engineering, Karur

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ABSTRACT

Customer relationship management (CRM) is a widely implemented model for managing a company's interactions with customers, clients, and sales prospects. It involves using technology to organize, automate, and synchronize business processes—principally sales activities, but also those for marketing, customer service, and technical support. The overall goals are to find, attract, and win new clients; nurture and retain those the company already has; entice former clients back into the fold; and reduce the costs of marketing and client service. Customer relationship management describes a company-wide business strategy including customer-interface departments as well as other departments.

The primary objective of this project is to conduct a study on customer relationship management at Pupa Home Care Pvt Ltd. The study can be carried through by getting the feedback from the customers and compare those results with the expected results.

I. INTRODUCTION

The biggest management challenge in the new millennium of liberalization and globalization for a business is to serve and maintain good relationship with the king – the customer. In the past producers took their customers for granted, because at that time the customers were not demanding nor had alternative source of supply or suppliers. But today there is a radical transformation. The changing business environment is characterized by economic liberalization, increasing competition, high consumer choice, demanding customer, more emphasis on quality and value of purchase etc.

All these changes have made today's producer shift from traditional marketing to modern marketing. Modern marketing calls for more than developing a product, pricing it, promoting it and making it accessible to target customer. It demands building trust, a binding force

and value added relationship with the customers. The process of developing a cooperative and collaborative relationship between the buyer and seller is called customer relationship management shortly called CRM. The idea of CRM is to know the individual customer intimately, so that the company has a customized product ready for him even before he asks for it.

Customer relationship management is a combination of people, processes and technology that seeks to understand a company's customers. It is an integrated approach to managing relationships by focusing on customer retention and relationship development. CRM has evolved from advances in information technology and organizational changes in customer-centric processes. Companies that successfully implement CRM will reap the rewards in customer loyalty and long run profitability. However, successful implementation is elusive to many companies, mostly because they do not understand that CRM requires company-wide, cross-functional, customer-focused business process re-engineering. Although a large portion of CRM is technology, viewing CRM as a technology-only solution is likely to fail. Managing a successful CRM implementation requires an integrated and balanced approach to technology, process, and people.

WHY – CUSTOMER RELATIONSHIP MANAGEMENT FOR TODAY?

- A satisfied customer in 10 years will bring 100 more customers to the company.
- It costs 7 times more to attract a new customer than to serve an old one.
- 20% of the company's loyal customers account for 80% of its revenues. (Pareto's principle).
- The chances of selling to an existing customer are 1 in 2, the chances of selling to a new customer are 1 in 16.

BENEFITS OF CUSTOMER RELATIONSHIP MANAGEMENT

1. A CRM system consists of a historical view and analysis of all the acquired or to be acquired customers. This helps in reduced searching and correlating customers and to foresee customer needs effectively and increase business.
2. CRM contains each and every bit of details of a customer, hence it is very easy for track a customer accordingly and can be used to determine which customer can be profitable and which not.
3. In CRM system, customers are grouped according to different aspects according to the type of business they do or according to physical location and are allocated to different customer managers often called as account managers. This helps in focusing and concentrating on each and every customer separately.
4. A CRM system is not only used to deal with the existing customers but is also useful in acquiring new customers. The process first starts with identifying a customer and maintaining all the corresponding details into the CRM system which is also called an 'Opportunity of Business'. The Sales and Field representatives then try getting business out of these customers by sophisticatedly following up with them and converting them into a winning deal. All this is very easily and efficiently done by an integrated CRM system.
5. The strongest aspect of Customer Relationship Management is that it is very cost-effective. The advantage of decently implemented CRM system is that there is very less need of paper and manual work which requires lesser staff to manage and lesser resources to deal with. The technologies used in implementing a CRM system are also very cheap and smooth as compared to the traditional way of business.
6. All the details in CRM system is kept centralized which is available anytime on fingertips. This reduces the process time and increases productivity.
7. Efficiently dealing with all the customers and providing them what they actually need increases the customer satisfaction. This increases the chance of getting more business which ultimately enhances turnover and profit.

OBJECTIVES OF THE STUDY

1. To compare the expectations of the customers of Pupa Home Care Pvt Ltd with the actual

services delivered by the company.

2. To identify the customers opinion on Pupa Home Care Pvt Ltd resolution of complaints.
3. To determine the customers' satisfaction on Pupa Home Care Pvt Ltd services and their intention towards availing of Pupa Home Care Pvt Ltd services in future.

II. REVIEW OF LITERATURE

Ernst Holger' Hoyer, Wayne D.Krafft, ManfredKrieger, Katrin (2011)¹. In this article authors says that Customer Relationship Management (CRM) is widely accepted as an effective approach for collecting, analyzing, and translating valuable customer information into managerial action. CRM's potential to aid in future new product development (NPD) has been neglected. Authors developed a conceptual framework in which multiple facets of CRM are linked to new product and company performance. Authors provide evidence that CRM has a positive effect on new product performance.

Battor & Moustafa (2010)². In this article authors examine the direct impact of both CRM and innovation on firm performance. They support the fact that there is a direct impact of CRM and innovation on performance. Also, the findings indicate that the indirect effect of CRM on firm performance through innovation is significant. These results reinforce the view that developing close **relationships** with **customers** enhances a firm's ability to innovate.

Jeff Solomon (2010)³. In this article the author says that it is necessary to understand the unique differences between B2B and B2C CRM. All CRM systems are not created equal. However, it's crucial to understand the differences between B2B and B2C CRM in light of each company's individual requirements. He also says that CRM solutions have a long history of helping B2B marketers achieve greater ROI from their leads. He also says that marketers should form CRM strategy that is suitable for a B2B form of business.

RESEARCH METHODOLOGY

Research methodology is one of the main aspects of very research. This explains how the researcher conducts this project. The word research indicates the mode or the way of accomplishing an end. The modern world is full of scientific inventions and seeks a scientific outlook to everything. Any scientific approach should have a method or outline to be followed to attain a particular goal. Through methodological, systematic procedure, we can think of accuracy and

clear cut conclusion. There is no discipline without methodology. The methodology adopted in this study is discussed below in brief.

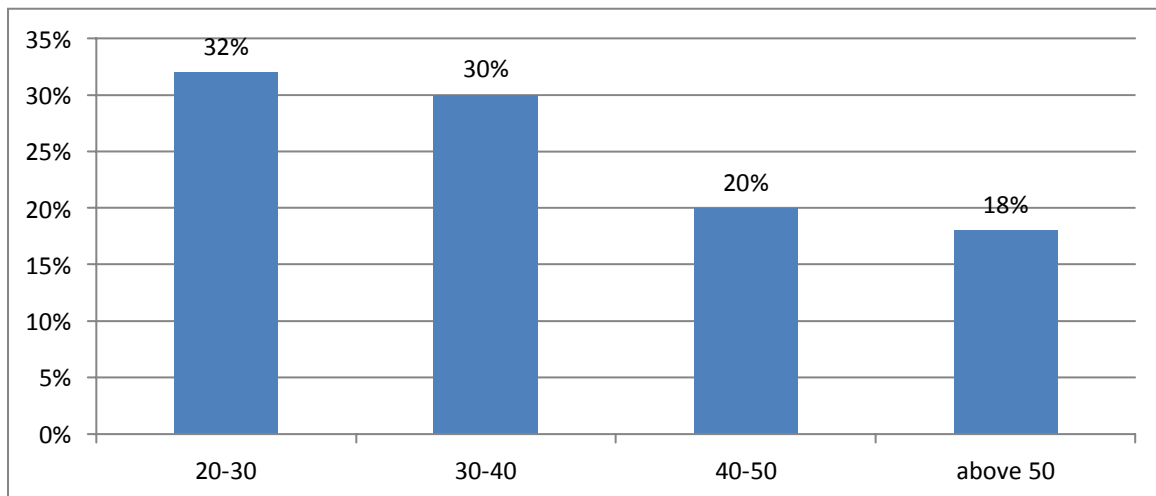
Sampling Method:

Simple random sampling is a fundamental sampling method and can easily be a component of a more complex sampling method. The main attribute of this sampling method is that

every sample has the same probability of being chosen. The sample size in this sampling method should ideally be more than a few hundred so that simple random sampling can be applied appropriately. They say that this method is theoretically simple to understand but difficult to implement practically. Working with large sample size isn't an easy task, and it can sometimes be a challenge to finding a realistic sampling frame.

III. ANALYSIS AND INTERPRETATION
TABLE 1: AGE CHART 1

Age (in yrs)	No. of Respondents	% of Respondents
20-30	35	32%
30-40	33	30%
40-50	22	20%
above 50	20	18%
TOTAL	110	100%



INFERENCE

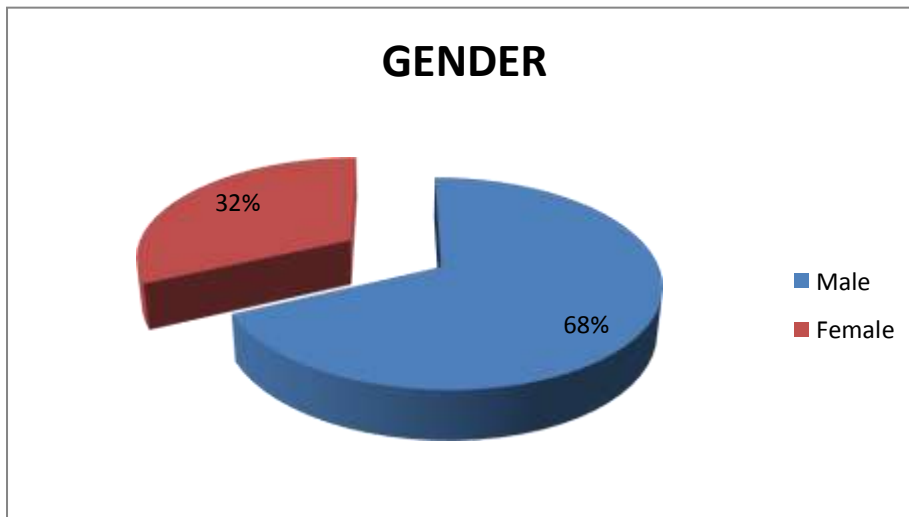
31% of the respondents are at the age group between 20-30, 29% of the respondents are at the

age group between 30-40
 Therefore most of the respondents are at the age group between 20-30.

TABLE 2: GENDER

Gender	No. of Respondents	% of Respondents
Male	75	68%
Female	35	32%
TOTAL	110	100%

CHART 2



INFERENCE

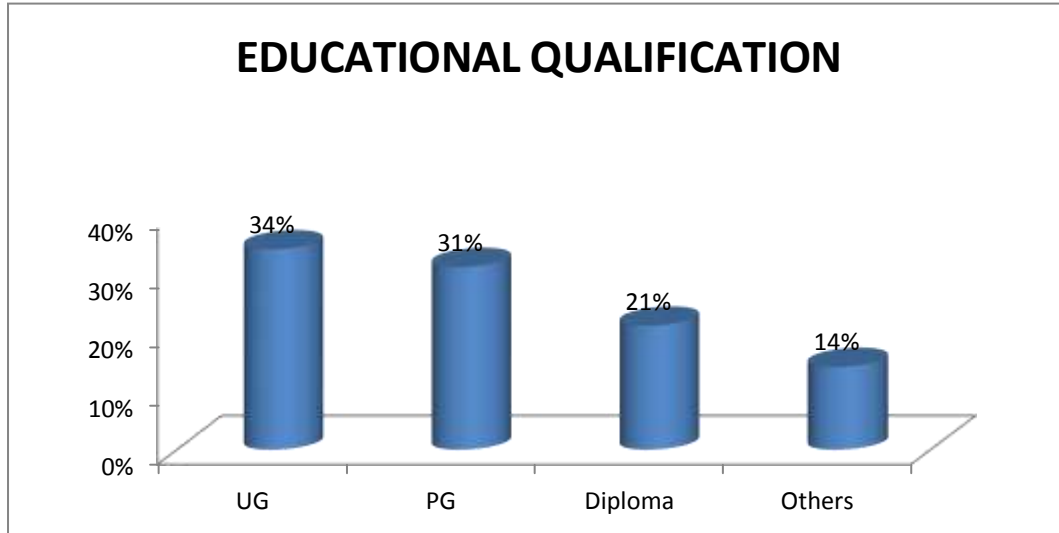
68% of the respondents are male and 32% of the respondents are female. Therefore most of the respondents are male.

TABLE 3: EDUCATIONAL QUALIFICATION

Educational Qualification	No. Of Respondents	% Of Respondents
Graduate	37	34%
Post Graduate	34	31%
ITI	23	21%
Diploma	16	14%

TOTAL	110	100%
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CHART 3



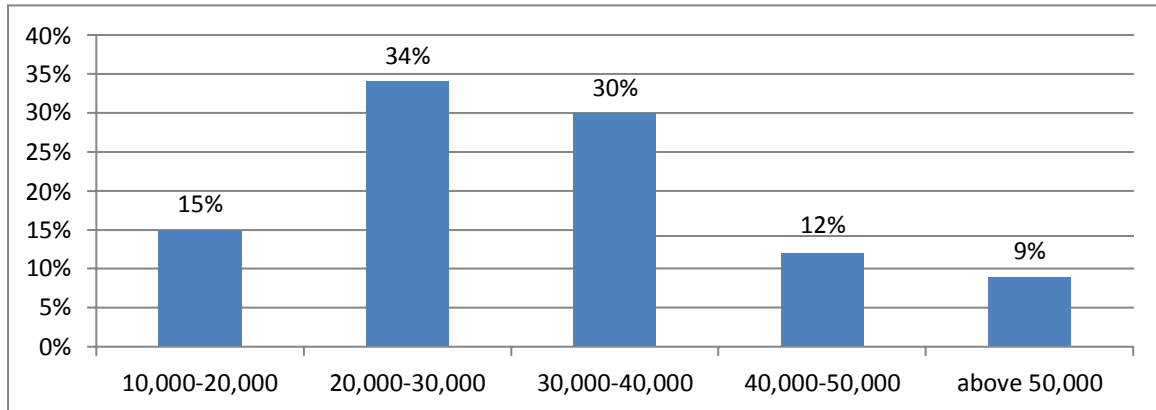
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34% of the respondents are at Graduate, 31% of the respondents are at Post Graduate. Therefore most of the respondents are at Graduate.

TABLE 4: INCOME

Income	No. of Respondents	% of Respondents
10,000-20,000	17	15%
20,000-30,000	37	34%
30,000-40,000	33	30%
40,000-50,000	13	12%
above 50,000	10	9%
TOTAL	110	100%

CHART 4



INFERENCE

34% of the respondents income range between 20,000-30,000, 30% of the respondents income range between 30,000-40,000.

Therefore most of the respondents income range between an end.

IV. SUGGESTIONS

- The company can change its communication method i.e. they can communicate to the customers on daily basis to avoid the gap on product development.
- The company can increase its skill of members in order to deliver its services effectively.
- The company needs to scan the environment using ETOP and offer additional sub categories of services in each service assignment matching to the competitors offerings.
- The company can collect feedback from its customers regularly, which may help them to improve in the setback areas on SDLC approach where there is a need for change.
- Based on their existing customers' unique needs, company can expand their range of products such as Web Hosting, ERP, Training & development, etc.

V. CONCLUSIONS

- The response levels of Pupa Home Care Pvt Ltd customers were good and the problems were rectified with least support system.
- The overall services provided by Pupa Home Care Pvt Ltd were good.
- The customers' expectations are yet to be met by Pupa Home Care Pvt Ltd to provide customized products. This can be achieved only through effective R&D Plant.