A STUDY ON CUSTOMER RELATIONSHIP MANAGEMENT PRACTICE TOWARDS CUSTOMERS' SATISFACTION IN SUPER MARKET AT TIRUCHIRAPPALLI DISTRICT

Dr. M. Chadrasekaran* & S. Joshua Benaiah**

* Professor, Department of Management Studies, Dhanalakshmi Srinivasan Engineering College, Perambalur, Tamilnadu
** Assistant Professor, Department of Management Studies, Dhanalakshmi Srinivasan Engineering College, Perambalur, Tamilnadu

Abstract:
Customer Relationship Management (CRM) is an enterprise-broad business strategy practice directed at attracting, retaining and effectively serving customers to grow up their state of values over the long term. Developing business is never end process and CRM is playing a vital role in success of the business. It is not an exemption. CRM is quite a new phenomenon in retailing industry. The purpose of the study is satisfaction level of customers of the respective super market and finally to determine the relationship between CRM practices adopted by the super market and loyalty of their customers. The study conducted Tiruchirappalli district with 200 respondents, and each 50 respondent from selected four super markers (FSM, Reliance, Kavery, Kumudham) stores. The study was descriptive in nature so questionnaire method was adopted. The result shows that, increasing CRM practices in retail industry will be have bright future with role in providing better quality services to understand which built customer satisfaction and fulfill their expectation.

Key Words: CRM Practices, Retail Industry & Customer Satisfaction

Introduction:
Retailing is the most active and attractive sector of last decade. While the retailing industry itself has been present since ages in our country, it is only the recent past that it has witnessed so much dynamism. The emergence of retailing in India has more to do with the increased purchasing power of buyers, especially post-liberalization, increase in product variety, and increase in economies of scale, with the aid of modern supply and distributions solution.

Retailing involves a number of activate such as product planning, pricing, promotion, use of middlemen (wholesalers, retailer etc.) for sale, warehousing, transportation etc. We use a large variety of goods and services in our daily life. These include items like toothpaste, toothbrush, soap, oil, clothes, food items, telephone, electricity and many more. How do all these goods and services reach our home? Obviously the business houses that produce the goods and services have to ensure that these are to be sold, and so they have to make the consumers/users aware of their products and place those at points convenient to the consumers. Before there was limited Transportation services for fulfill the customers' needs. But nowadays lot of facilities is there to meet the customer needs by use of wholesalers and retailers. In that retailers are much closer than wholesalers. Therefore retailers could easily understand the customers' needs and their requirements.

Traditional Retail Scene in India:
India is the country having the most unorganized retail market. Traditionally the retail business is run by Mom & Pop having Shop in the front & house at the back. More than 99% retailers function in less than 500Sq.Ft of area. All the merchandise was purchased as per the test & vim and fancies of the proprietor also the pricing was done on ad hock basis or by seeing at the face of customer. Generally the accounts of trading & home are not maintained separately. Profits were accumulated in slow moving & non-moving stocks which were to become redundant or consumed in-house. Thus profits were vanished without their knowledge. The Manufactures were to distribute goods through C & F agents to Distributors & Wholesalers. Retailers happen to source the merchandise from Wholesalers & reach to end-users. The merchandise price used to get inflated to a great extent till it reaches from Manufacturer to End-user. Selling prices were largely not controlled by Manufacturers. Branding was not an issue for majority of customers. More than 99% customers are price sensitive & not quality or Brand Sensitive at the same time they are Brand conscious also. Weekly Bazaar in many small tows was held & almost all the commodities were on the scene including livestock. Bargaining was the unwritten law of market. Educational qualification level of these retailers was always low. Hence market was controlled by handful of distributors &/or Wholesalers. Virtually there was only one format of retailing & that was mass retail. Retailer to consumer ratio was very low, for all the categories without exception. Varity in terms of quality, Styles were on regional basis, community based & truly very low range was available at any given single

place. Almost all the purchases / (buying) by mass population was need oriented & next turn may be on festivals, Marriages, Birthdays & some specific occasions (Shyamlal R Sharma 2005).

Super Markets:

These are large, self service stores that carry a broad and complete line of food and non-food products. They have central check out facilities.

Kotler defines supermarket as 'a departmentalized retail establishment having four basic departments' viz. self-service grocery, meat, produce and diary plus other household departments, and doing a maximum business. It may be entirely owner operated or have some of the departments leased on a concession basis.

Characteristic Features of Super Markets:

✓ They are usually located in or near primary or secondary shopping areas but always in a place where parking facilities are available.

✓ They use mass displays of merchandise.

✓ They normally operate as cash and carry store.

✓ They make their appeal on the basis of low price, wide selection of merchandise, nationally advertised brands and convenient parking.

✓ They operate largely on a self-service basis with a minimum number of customer services. Supermarkets came into existence during the depression in USA. At that time they sold only food products, and their principal attraction was the low price of their merchandise. As super markets increased in number day by day they also expanded into other lines of merchandise.

Customer Relationship Management:

Customer Relationship Management (CRM) is a term that refers to practices, strategies and technologies that companies use to manage and analyze customer interactions and data throughout the customer lifecycle, with the goal of improving business relationships with customers, assisting in customer retention and driving sales growth. CRM systems are designed to compile information on customers across different channels or points of contact between the customer and the company which could include the company's website, telephone, live chat, direct mail, marketing materials and social media. CRM systems can also give customer-facing staff detailed information on customers' personal information, purchase history, buying preferences and concerns.

Customer Relationship Management is "all the tools, technologies and procedures to manage, improve, or facilitate sales, support and related interactions with customers, prospects, and business partners throughout the enterprise" (Sweeney Group definition,).

According to APICS Dictionary, Customer Relationship Management (CRM) is defined as "the collection and analysis of information designed for sales and marketing decision support...to understand and support existing and potential customer needs. It includes account management, catalog and order entry, payment processing, credits and adjustments, and other functions."

Review of Literature:

Dheeraj Verma, and Devendra Singh Verma (2013), today in the highly competitive market, increasing customer demands retail outlets realize the importance of customer relationship management. The lack of understanding on Customer Relationship Management (CRM) is always a concern among the service providers especially retail outlets, retailers have their own way of managing their relationships with the customers. Under this case study of CRM Practices in Selected organized retail outlets in Indore city discusses about strategies adopted, retail outlets can hold the customer relationship. Understand the contribution of CRM of the retail outlets with respect to its objectives. The aim of this case study finding & identify these issues impact on customer expectations through implemented CRM retail outlets can improve the relationship with customers.

Nguyen Thu Ha, Nguyen Hue Minh, Phan Chi Anh, Yoshiki Matsui (2014) This study investigates the relationship between service quality of electronic supermarkets and customer loyalty by conducting questionnaire survey on 237 buyers in Tran Anh electronic supermarkets in Hanoi, Vietnam. This questionnaire was constructed with 28 retail service quality items covering 5 service quality dimensions namely Physical Aspects, Reliability, Personal Interaction, Problem Solving and Policy, and 2 Customer Loyalty items. Statistical analysis results indicate the significant relationship between Customer Loyalty and such dimensions of service quality as Physical Aspects and Problem Solving. From these findings, managerial as well as theoretical implications have been discussed.

CRM succeed in Super Market:

The supermarket industry has been developing Customer Relationship Marketing (CRM) programs and strategies for over 15 years. At this point the impacts of CRM on the supermarket industry are mixed at best. Despite the potential to radically change the way supermarket business is conducted, there is also the possibility that CRM could be marginalized by supermarket companies as just another management fad. This study employed a combination of review of literature, retailer surveys, and interaction with supermarket customers and exam CRM in Indian supermarket industry. Our research focused on identifying the current status of customers' satisfaction by practicing CRM at Tiruchirappalli city, and the super markers issues constraining the realization of full CRM benefits. This report also presents an overview of the future direction of CRM dimensions with perspectives on the supermarket industry.

Conceptual Framework of CRM Practices:

Customer relationship management is a comprehensive business and marketing strategy that integrates the following key dimensions to a successful CRM initiative created by the researcher. In a highly competitive market companies need to maintain good relationship with their customer. A good CRM (Customer Relationship Management) program that helps company in satisfying the customer, the research study would explore different methods and techniques for establishing effective CRM to satisfy the customers. The purpose of the study was to check the effectiveness of customer relationship management (CRM) in retaining and satisfying customers. The below figure shows that customer relationship management has significant effect on the customer satisfaction. Company makes its CRM as strong and reliable the customer will be more satisfied and retain with the company. The study concluded that CRM is playing a major role in increasing and enhances productivity, superior employee's morale in the mean while it improves the in depth customer knowledge and also higher customer satisfaction.
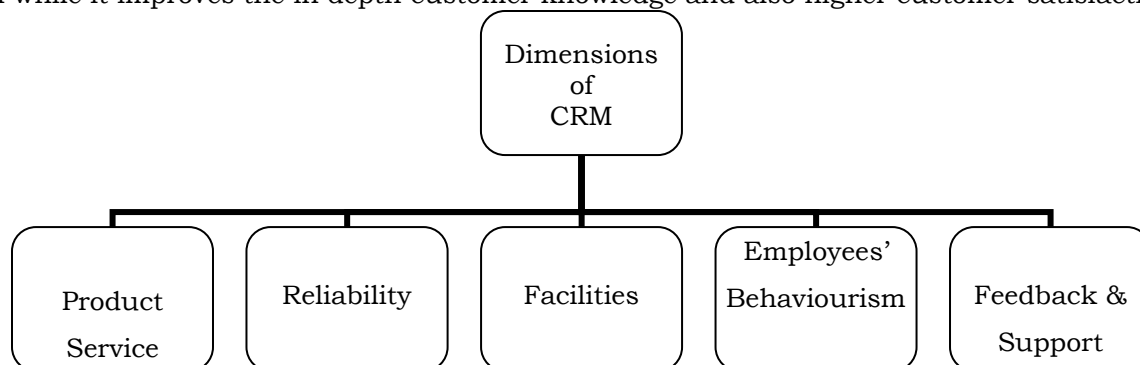
This study analysis the customer satisfaction level through these five dimensions mentioned above figure -. These elements can bring the effective impact of CRM practices. Managers must have to integrate all five dimensions into CRM system, that will enhance the customer satisfaction and retention, which ultimately increases sales and good well.

Statement of the Problem:

Most of the studies conducted in retail industry have focused mostly on the procurement, logistics and pricing problems. Only few studies deal with the elements of CRM practices and its impact of the customers' satisfaction. With this regards this research the issue to be examined is "Customer relation management practices towards customers' satisfaction". As CRM is comprises of various elements such as Product service, Reliability, Facilities, Staffs/Employees behaviourism, and feedback and support. The researcher explores on those elements which are being found in selected super market in order to increase customers' satisfaction.

Research Objectives:
- ✓ To explore the role of demographic factors of the respondents
- ✓ To analysis the various factors influencing customers' satisfaction through practicing CRM practices.
- ✓ To examine the effectiveness of CRM in super markets

Research Hypotheses:
- ✓ There is no significant difference between name of stores and their overall CRM practices towards customers' satisfaction
- ✓ There is no significant association between various dimensions CRM practices of the respondents and their overall customers' satisfaction

Research Design:

The study was descriptive in nature so questionnaire method was adopted. This research design only can give information without changing the environment. With this regards the major purpose of this study is to discover the customers' satisfaction level. That is why researcher adopted this research design.

Sample:

The universe for this present study is supermarket customers from four selected super markets such as (FSM, Reliance Fresh, Kavery and Kumudham). The total sample size is 200 respondents respectively. And from each super market 50 respondents were selected as disproportionate Stratified random sampling.

Data Analysis and Interpretation:

Table 1: One way ANOVA difference between name of stores and their overall CRM practices towards customers' satisfaction

Name of stores	Mean	S.D	SS	Df	MS	Statistical Inference
Product Service						
Between Groups			209.380	3	69.793	f=4.001
FSM (n=50)	19.62	3.344				.009<0.05
Reliance (n=50)	18.48	4.786				Significant

Kavery (n=50)	19.40	3.130				
Kumudham (n=50)	17.02	5.089				
Within Groups			3419.240	196	17.445	
Reliability						
Between Groups			253.600	3	84.533	
FSM (n=50)	14.98	2.646				f=8.152 .000<0.05 Significant
Reliance (n=50)	13.26	3.510				
Kavery (n=50)	15.50	3.164				
Kumudham (n=50)	12.82	3.486				
Within Groups			2032.480	196	10.370	
Basic Facilities						
Between Groups			1.720	3	.573	
FSM (n=50)	22.42	4.815				f=.027 .994>0.05 Not Significant
Reliance (n=50)	22.44	4.621				
Kavery (n=50)	22.58	3.876				
Kumudham (n=50)	22.64	4.919				
Within Groups			4104.200	196	20.940	
Employee Behaviourism						
Between Groups			118.495	3	39.498	
FSM (n=50)	18.06	4.679				f=2.656 .050>0.05 Not Significant
Reliance (n=50)	19.48	4.097				
Kavery (n=50)	19.78	3.388				
Kumudham (n=50)	20.06	3.053				
Within Groups			2914.700	196	14.871	
Feed back and support						
Between Groups			102.975	3	34.325	
FSM (n=50)	24.98	6.083				f=1.401 .244>0.05 Not Significant
Reliance (n=50)	25.52	4.807				
Kavery (n=50)	25.70	4.778				
Kumudham (n=50)	26.94	3.878				
Within Groups			4800.780	196	24.494	
Overall CRM practices towards customers' satisfaction						
Between Groups			450.120	3	150.040	
FSM (n=50)	100.06	13.140				f=1.285 .281>0.05 Not Significant
Reliance (n=50)	99.18	10.123				
Kavery (n=50)	102.96	8.058				
Kumudham (n=50)	99.48	11.264				
Within Groups			22880.600	196	116.738	

Statistical test: One-way ANOVA 'f'test was used the above table

The above table reveals that there is no significant difference between name of stores and their overall CRM practices towards customers' satisfaction. Hence, the calculated value greater than table value (p>0.05). So the research hypothesis accepted.

Table 2: Association between various dimensions CRM practices of the respondents and their overall customers' satisfaction

	Overall CRM practices towards customers' satisfaction						Statistical Inference
	Low		**High**		**Total**		
Product Service							
Low	54	60.0%	27	24.5%	81	40.5%	X^2=25.821 Df=1 .000<0.05 Significant
High	36	40.0%	83	75.5%	119	59.5%	
Reliability							
Low	47	52.2%	36	32.7%	83	41.5%	X^2=7.749 Df=1 .005<0.05 Significant
High	43	47.8%	74	67.3%	117	58.5%	
Basic Facilities							
Low	53	58.9%	27	24.5%	80	40.0%	X^2=24.327 Df=1 .000<0.05 Significant
High	37	41.1%	83	75.5%	120	60.0%	
Employee Behaviourism							
Low	53	58.9%	31	28.2%	84	42.0%	X^2=19.160 Df=1 .000<0.05 Significant
High	37	41.1%	79	71.8%	116	58.0%	

Feed back and support							
Low	55	61.1%	28	25.5%	83	41.5%	X^2=25.923 Df=1
High	35	38.9%	82	74.5%	117	58.5%	.000<0.05 Significant
Total	**90**	**100.0%**	**110**	**100.0%**	**200**	**100.0%**	

Statistical test: Chi-square test was used the above table

The above table reveals that there is a significant association between various dimensions CRM practices of the respondents and their overall customers' satisfaction. Hence, the calculated value less than table value ($p<0.05$). So the research hypothesis rejected.

Suggestions:
- ✓ All retailers need to concentrate on enhancing customer service and satisfaction by producing quality product and fair price
- ✓ Retailer should concentrate on additional facilities like providing best offers, giving special offer to regular customer for making loyal customer.
- ✓ Better customer service and commitment from staff is also requirement for developing relationship with customer.

Conclusion:

All retail industries in marketing makes it's CRM as strong and reliable the customer will be more satisfied and as well as good mechanism to retain. Increasing the level of customers' satisfaction will allow the customers to prefer again and again the supermarket that's lead to improve business profit. The number of the loyal customers will increase. So increasing competitiveness of the retail industry has a bright future for Indian retailers, it's expected that the management of any marketing industry consider the results of this study and defines its employee's training with role in providing better quality services to understand which built customer satisfaction and fulfill their expectation with CRM.

References:
1. Abhishek Dwivedi, Bill Merrilees, Dale Miller, Carmel Herington(2010), Building Customer-Equity in Supermarket Retailing, conference paper from Griffith University, Gold Coast, Australia
2. AC Nielsen (2007), "Survey of consumers' shopping behaviour and perceptions toward modern and traditional trade channels in Indonesia", Report to the World Bank, Jakarta, Indonesia.
3. Choi Sang Long, Raha Khalafinezhad, Wan Khairuzzaman Wan Ismail & Siti Zaleha Abd Rasid (2013), Impact of CRM Factors on Customer Satisfaction and Loyalty, Asian Social Science; Vol. 9, No. 10; 2013
4. Dr. S. Hariharan and N. Selvakumar (2014), A Study on Consumer Satisfaction Towards Supermarkets With Reference to Coimbatore, PARIPEX - Indian Journal of Research, Volume:3, Issue : 12, Dec 2014
5. Dheeraj Verma, and Devendra Singh Verma (2013), Customer Relationship Management Practices In Selected Organized Retail Outlets: A Case Study of Indore City, International Journal of Science and Research (IJSR), India Online ISSN: 2319-7064, Vol- 2, Issue- 4, Pp. 358-365.
6. Nguyen Thu Ha, Nguyen Hue Minh, Phan Chi Anh, Yoshiki Matsui. The Relationship between Service Quality and Customer Loyalty in Specialty Supermarkets: Empirical Evidence in Vietnam. International Journal of Business and Economics Research.. Vol. 3, No. 5, 2014, pp. 178-186.
7. Olamade O. Owolabi, Yusuff S. Adeleke, Kazeem Abubakar (2013), Technology Enabled Customer Relationship Management in Supermarket Industry in Nigeria, American Journal of Industrial and Business Management, 2013, 3, pp.222-228
8. Peter C. Verhoef et al. (2010), CRM in Data-Rich Multichannel Retailing Environments: A Review and Future Research Directions, Journal of Interactive Marketing, 24. pp.121–137
9. Wang, Y., & Lo, H. P. (2004). An integrated framework for customer value and customer-relationship management performance: a customer-based., perspective from China. Managing Service Quality, 14(2/3), 169-182.
10. http://www.indianmba.com/Occasional_Papers/OP95/op95.htm