

Impact On Problems Of Crmtools In Departmental Stores, Chennai

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ABSTRACT

Customer relationship management (CRM) is a concept for managing a company's interactions with customers, clients, and sales prospects. It involves using technology to organize, automate, and synchronize business processes. The aim of this study is Issues and Challenges of CRM tools in Departmental Stores, Chennai. Data were collected through questionnaires. Sample was collected on the basis of non-probabilistic convenience sampling method. The population in this study comprise of customer who use departmental stores in Chennai. The various statistical methods were used such as percentage analysis and one way ANOVA. Finally the results and suggestions related to the analysis results have also been introduced in the study. The study has identified the different variables influencing CRM Practices. It can be understood consumer promotional tool, Loyalty programme at departmental stores and high variance in explaining towards services offered by departmental stores in Chennai.

Key words: CRM tools, Loyalty Programme, Customer Promotion Introduction.

The fundamental idea of Customer Relationship Management (abbreviated as CRM in the following) is to improve customer satisfaction degree by analyzing the customers' detailed information, therefore, to improve the corporate competition ability (Wang at al., 2010). The nature of CRM aims to maximize customer value in the long term, by focusing business processes, marketing and customer service on client relationship maintenance by helping information technology (IT) systems (Chang, 2007).

The main objective of CRM is to retain current customers through increasing their loyalty and to select new customers that provide higher profitability (Hansotia, 2002). CRM implementation is not an easy duty. Coined in the mid-1990s and heavily promoted during the late 1990s, the term 'CRM' still means different things to different people (Goldberg, 2002).

In reply to increasing competitiveness in the global market, businesses are looking for means to manage their relations with customers more effectively over time. Consequently, customer relationship management (CRM) has become a central part of most businesses and many organizations are implementing CRM systems. CRM systems are a classification of organizational information systems that enable organizations to provide services for customers, gather and analyze customer information and manage their relationships with customers more effectively (Khodakarami and Chan, 2011).

CRM is a sound business strategy that is based on the philosophy of "customer is king", i.e. Customer is put in the central place (Boris, 2012). The practices of maintaining a long-term relationship with customers are designated relationship marketing and more recently CRM. This is

facilitate businesses to improve in understand the customer, retain customers through better customer experience, attract new customers, increase profitably and decrease customer management costs.

REVIEW OF LITERATURE

Boo Ho Voon, (2006) A study and the research empirically developed a service-driven market orientation construct and test its relationships with service quality. The results shown that the service-driven market orientation (SERVMO) that consists of six components (customer orientation, competitor orientation, inter-functional orientation, performance orientation, long-term orientation and employee orientation) has a significantly strong and positive relationship with service quality.

Little & Dean, (2006) This study has demonstrated that the service climate in an organization, as perceived by employees, is positively related to the perception of the customers. The findings indicate that the service climate in a call centre affects employees, both in terms of their commitment and their self-reported feelings about the delivery of service to the satisfaction of the customers.

McKenzie, (2006) This paper on "Retail service quality success factors in Estonia: A qualitative Approach", reveals that the findings are limited within the potentially confounding effects of other consumer specific shopping variables. Within Estonia, there is a need for a greater understanding of retail consumer behaviour theory and practice, rather than mere consumer data gathering.

Munoz, Raven, Dianne, & Welsh, (2006) 45 Examine small/medium enterprises (SMEs) management and employee perceptions of customer service on a number of dimensions, the result suggests that managers and employees in the Philippines behave in similar ways to those in Western countries, but there are differences, probably related to cultural characteristics

Lauren M. Trabold; Gregory R. Heim; Joy M. Field, (2006) 46 Examine industrial sectors separately to distinguish drivers associated with overall satisfaction for the online consumers in those sectors. The paper uses ridge regression to examine how e-service quality dimensions are associated with overall customer satisfaction for several e-retailing sectors.

OBJECTIVES

- To find out Issues and Challenges of CRM tools in Departmental Stores, Chennai.
- To study on various CRM dimensions followed by Departmental stores in Chennai
- To study the impact of Demographic factors CRM practices towards organized Departmental Stores in Chennai.

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, 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 tools at departmental stores 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 populations in this study comprise of customer whose departmental stores in Chennai. It is decided to choose in order to collect the data a through survey structured questionnaire was formed. Questionnaires were distributed amongst the sample of 100. Sample percentage method and one way ANOVA analysis was applied. All the analysis was carried out by SPSS 16.0

RESEARCH HYPOTHESES

H1: There is difference between CRM Tools towards organized Departmental Stores among the Gender group

H2: There is difference between CRM Tools towards organized Departmental Stores among the Age group

H5: There is difference between CRM Tools towards organized Departmental Stores among the no of visits

ANALYSIS AND INTERPRETATION

DEMOGRAPHICAL PROFILES OF CUSTOMER
TABLE 1

	NO OF RESPONDENTS	PERCENTAGE
GENDER		
Male	62	62
Female	38	38
AGE GROUP		
18-25	34	34
26-30	41	41
31-40	13	13
>40	12	12
EDUCATION		
SSLC	21	21
HSC	11	11
UG	34	34
PG	19	19
Others	15	15
INCOME		
10000-20000	28	28
20001-30000	39	39
30001-40000	16	16
>40000	11	11
NO OF VISIT		
3	22	22
4	23	23
5	32	32
>6	17	17

Source: Primary Data

A total number 100 respondent participated in the survey the demographic characteristics the respondent (Table1) shows that the sample consisted, majority of respondents 62 percent of male and 38 percent female respectively. The respondents were mostly between the age 26-30 years age group with 41percent and in the age group of 18-25 years 34 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 in departmental stores in Chennai. Almost 34 percent was Undergraduate it is education level play more significant dominant to give preferences and exportations. Most of the respondents belong to the income groups of Rs (20001- 30000) 28 percent and (10000-20000) 16 percent the sample mostly represents the high class income preferred to visits shopping. Most of the respondents belong to frequent visit is 5 times in departmental stores.

TABLE 2
ONE –WAY ANOVA TEST FOR DIFFERENCE BETWEEN GENDERS
ON THE VARIABLE OF CRM TOOLS TOWARDS ORGANIZED
DEPARTMENTAL STORES

		ANOVA				
		Sum of Squares	df	Mean Square	F	Sig.
Consumer promotion	Between Groups	.037	1	.037	.020	.887
	Within Groups	179.904	99	1.817		
	Total	179.941	100			
Customer Service	Between Groups	3.339	1	3.339	2.493	.118
	Within Groups	132.602	99	1.339		
	Total	135.941	100			
Employees Service	Between Groups	.279	1	.279	.142	.707
	Within Groups	194.810	99	1.968		
	Total	195.089	100			
Customer Database	Between Groups	.196	1	.196	.106	.746
	Within Groups	184.160	99	1.860		
	Total	184.356	100			
Showroom Display	Between Groups	.080	1	.080	.035	.852
	Within Groups	226.910	99	2.292		
	Total	226.990	100			
Loyalty programe	Between Groups	.540	1	.540	.268	.606
	Within Groups	199.520	99	2.015		
	Total	200.059	100			
Customer satisfaction & customer retention	Between Groups	.610	1	.610	.362	.549
	Within Groups	166.855	99	1.685		
	Total	167.465	100			

INFERENCE:

From this ANOVA table 2 The Analysis of Variance test is applied to test for significant difference among the different gender for each influencing factor separately. The results of the ANOVA are given in the above table. It is found from the results of ANOVA that influencing CRM tools Consumer promotional tool, Customer services, Employees Activities, Customer Data Base, Showroom display, Loyalty programs, Customer satisfaction and retention–do not differ significantly among the respondents of the different gender. Hence, H1 accepted thus the all the six influencing factors is accepted.

TABLE 3
ONE –WAY ANOVA TEST FOR DIFFERENCE BETWEEN AGE GROUP AND CRM TOOLS TOWARDS ORGANIZED DEPARTMENTAL STORES

		ANOVA				
		Sum of Squares	df	Mean Square	F	Sig.
Consumer promotion	Between Groups	33.410	3	11.137	7.372	.000
	Within Groups	146.530	97	1.511		
	Total	179.941	100			
Customer Service	Between Groups	6.811	3	2.270	1.705	.171
	Within Groups	129.130	97	1.331		
	Total	135.941	100			
Employees Service	Between Groups	2.009	3	.670	.336	.799
	Within Groups	193.080	97	1.991		
	Total	195.089	100			
Customer Database	Between Groups	2.068	3	.689	.367	.777
	Within Groups	182.289	97	1.879		
	Total	184.356	100			
Showroom Display	Between Groups	8.829	3	2.943	1.309	.276
	Within Groups	218.161	97	2.249		
	Total	226.990	100			
Loyaltiprograme	Between Groups	.222	3	.074	.036	.991
	Within Groups	199.838	97	2.060		
	Total	200.059	100			
Customer satisfaction & customer retention	Between Groups	4.283	3	1.428	.849	.471
	Within Groups	163.183	97	1.682		
	Total	167.465	100			

From this ANOVA table 3 the Analysis of Variance test is applied to test for significant difference among the different age groups for each influencing CRM practices factor separately. The results of the ANOVA are given in the above table. It is found from the results of ANOVA that influencing factors Customer services, Activities of employees, Customer Data Base, Showroom Display, Loyalty programs, Customer satisfaction and retention do not differ significantly among the respondents of the different age groups except customer promotion it is differ significantly among the respondents.

From this ANOVA table The Analysis of Variance test is applied to test for significant difference among the Frequent Visit for each influencing factor separately. The results of the ANOVA are given in the above table. It is found from the results of ANOVA that influencing CRM tools Consumer promotional tool, Employee Service and Loyalty Programme do not differ significantly among the respondents of the Frequent visit. Customer Service, Customer Database and Showroom Display are differing significantly among the respondents of the different frequent visit.

FINDINGS:

- It is found from the results of ANOVA that influencing CRM tools Consumer promotional tool, Customer services, Employees Activities, Customer Data Base, Showroom display, Loyalty programs, Customer satisfaction and retention–do not differ significantly among the respondents of the different gender. Hence, H1 accepted thus the all the six influencing factors is accepted.
- It is found from the results of ANOVA that influencing factors Customer services, Activities of employees, Customer Data Base, Showroom Display, Loyalty programs, Customer satisfaction and retention do not differ significantly among the respondents of the different age groups except customer promotion it is differ significantly among the respondents
- It is found from the results of ANOVA that influencing CRM tools Consumer promotional tool, Employee Service and Loyalty Programme do not differ significantly among the respondents of the Frequent visit. Customer Service, Customer Database and Showroom Display are differ significantly among the respondents of the different frequent visit.

CONCLUSION

The CRM tools are important variables in the success of the Departmental Stores. The study has identified the different variables influencing CRM Practices. It can be under stood consumer promotional tool, Loyalty programme at departmental stores and high variance in explaining towards services offered by departmental stores in Chennai. There tailers should see in implementing the employee's performance and Customer service variables for enhanced satisfying to go for shopping to build a long-term relationship with services provided by store retailer by customers. Departmental stores retailers should take in to consideration and understanding the customers touch points related to services offered by departmental stores. Finally this study concluded that CRM tools are more powerful tool for Customer satisfaction, retention and loyalty programme followed by Departmental stores in Chennai.

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