



A STUDY ON CUSTOMER RELATIONSHIP MANAGEMENT AND SUPPORT WITH INDIAN FMCG COMPANIES

**KASIGARI PURNASEKHAR, Assistant Professor,
S. ISAQ SAHEB, Assistant Professor,
GATES INSTITUTE OF TECHNOLOGY, ANANTHAPUR, ANDHRA PRADESH**

ABSTRACT

Customer relationship management is referred to as CRM. It is described as a procedure for communicating with clients via several channels of communication. This technique involves interacting with customers through various online and offline venues to understand their requirements and behavior, ultimately resulting in customer retention. The influence of CRM on client retention has been discussed in this study. Items pertaining to customer relationship management, customer retention, practices, customer happiness, and customer loyalty were included in the secondary data that supported the analysis. The study's result noted that customer loyalty, customer happiness, and customer relationship management.

INTRODUCTION:

Numerous countries have developed and seen steady economic growth as a result of their enterprises, industries, or companies. In order to thrive in the current global competitive market, where customers are increasingly empowered and brand loyalty is dwindling, businesses and firms must transition to customer relationship management (CRM). Indian businesses must look into the demands of their clients, cultivate relationships with both current and potential clients, and meet those clients' needs. The business must undoubtedly continue to satisfy clients if it is to keep their current level of loyalty. When a consumer obtains a service or product that meets their expectations, customer satisfaction is attained, increasing the likelihood that they will return to make additional purchases. Because they are happy with the product or service they received, repeat customers show that they have faith in the business. Since customer trust, customer commitment, customer happiness, and customer loyalty are more closely related to one another, a customer relationship marketing (CRM) approach was chosen. Thus, the goal of this research is to examine the relationship between customer satisfaction and retention as well as the direct and indirect consequences of customer satisfaction on retention.

PURPOSE OF THE STUDY:

This paper's primary goals are:

1. To research how CRM and customer support are related.
2. To examine how various CRM practice components affect client support.
3. To assess how CRM practices affect client loyalty.

MANAGING CLIENT RELATIONSHIPS AND MAINTAINING CUSTOMERS: HANDLING CUSTOMER RELATIONSHIPS:

Customer relationship management is a plan and procedure for bringing in new clients and keeping existing ones in order to provide greater value for both the clientele and the business. The term CRM has been defined in a number of ways by different authors; some characterize it as a technology, while others describe it as a philosophy. According to Navimipour and Soltani (2016), the primary goal of CRM systems is to improve the efficiency with which CRM procedures are implemented, as this has an impact on how well they communicate with customers. CRM has a large, direct, and favorable relationship with marketing performance, according to Soliman's (2011) research.

As to Ashraf et al. (2015), the idea of CRM is ingrained in the management of customer relationships through the successful and efficient exchange of information, resulting in enhanced customer value delivery and decreased organizational expenses. As per Stojkovic and Dubricic (2012), the CRM philosophy encompasses a four-step iterative process that involves knowledge discovery, market strategy, customer contact, and customer data analysis. According to the definitions provided by Kangal

(2012), CRM is defined as an approach focused on customers, either by emphasizing their life cycles, as a relational strategy, as a way to compete in the market, or as a technology driven by the needs of the customer. CRM, then, is a competitive strategy that involves bringing in, developing, maintaining, and growing lucrative client connections, all of which have a substantial impact on overall performance.

CUSTOMER SUPPORT: The ability of a business or product to hold onto its clients for a predetermined amount of time is known as customer retention. A high customer retention rate indicates that consumers of the product or service are likely to come back and keep purchasing it. Effective customer retention strategies consider the full customer lifecycle, which starts with the organization's initial encounter with the client and lasts throughout the duration of the relationship. The ability of a business to draw in and keep new clients depends on both the quality of its offerings and the way in which it treats its current clientele. Providing the customer with what they expect is not the only factor in successful customer retention. Instead of placing maximizing profits and shareholder value at the core of business strategy, building customer loyalty develops customer value. According to Pareto's Rule, sometimes known as the 80-20 rule, the company's 20% of consumers account for 80% of its sales and profits. According to research by Fleming and Asplundh (February 2009), having engaged staff and engaged consumers results in a revenue gain of 3.4 times, whereas engaged customers earn 1.7 times more revenue than typical customers. Keeping a customer loyal to the firm instead of encouraging them to use rivals' goods or services is known as "customer support."

CUSTOMER RELATIONSHIP MANAGEMENT FACTORS:

While customer loyalty and revenue are two characteristics that affect a company's revenue, service quality, contentment, trust, dedication, and communication are CRM variables that positively affect customer retention. Although there are more aspects, we will just talk about five in this study.

1) **Service quality:** When visiting a restaurant or retail establishment, every consumer has certain expectations about the kind of service they would like to get. How well a service is provided in relation to client expectations is measured by service quality. Companies that fulfill or beyond client expectations are seen as having excellent customer service, which eventually results in customer retention.

2) **Satisfaction:** A measure of a company's or organization's customers' level of happiness with its goods, services, and competencies is called customer satisfaction. A business can use customer satisfaction data, such as surveys and ratings, to decide how best to alter or improve its goods and services.

3) **Trust:** Trust is a product of relationships, which are developed through time and at every opportunity for contact. Gradually, a person's confidence in the overall shopping experience with a retailer could take precedence over other elements like availability or cost.

4) **Commitment:** Customers are more likely to stick in a connection if they have a higher level of emotive commitment. The more an individual client affectively commits to a connection.

5) **Communication:** "Listening to your customer needs, understanding them, setting and establishing expectations and most importantly keeping them informed" is the most succinct definition of good communication. This immediately strengthens ties with clients, keeping them as clients.

Customer loyalty and customer relationship management: CRM assists Indian businesses in developing relationships with their clients, which in turn fosters client loyalty and retention. CRM may be tailored to work in every kind of business because to its many different applications and tactics. CRM software may be advantageous to almost any type of business, therefore it's best to start utilizing one before you really need it. While a CRM assists businesses in identifying potential loyal consumers, a well-designed customer loyalty program enables businesses to reward existing loyal customers. Combining the two can promote client retention and loyalty. Customer relationship management is a management technique that boosts a company's profits since sales and customer loyalty are two factors that influence a company's revenue. CRM enables companies to identify and communicate with clients in an organized manner. CRM is a fantastic tool that helps businesses boost productivity and profitability in addition to improving customer satisfaction.

Referral Rock defines customer loyalty as a notion that presupposes a customer's propensity to repeatedly enter into a business connection with a company or brand (either by purchasing their goods or services or participating in any type of cooperation). It usually results from the exceptional customer service they receive and the actual value they receive from the goods or services provided by the Indian company. Memberships in the form of loyalty programs are offered by numerous businesses. One can manage loyalty by including these kinds of loyalty programs into their CRM tactics. One can design creative rewards for devoted customers by researching customer behaviour and history. The goal is to deepen your relationship with the clients who have placed their trust in your good or service. A company that enjoys a devoted clientele benefits from increased customer retention, cost effectiveness, recommendations from previous clients, reviews, testimonies, and other user-generated material. Therefore, it can be concluded that CRM not only improves customer relationships but also fosters client loyalty, which is crucial for gaining an advantage over rivals in the market.

LITERATURE REVIEW:

- In their study article, Raman Janeya Lambu (2021) conducted research and found that, for private sector banks, the main objectives of CRM are to attract new consumers and cultivate and keep current ones.
- Research on the banking industry in India According to Chaudhari Virendra M's 2020 study, banks are attempting to implement CRM because of the special relationship that exists between them and their clients.
- Megawati Simanjuntak (2020) observed the CRM techniques used in the auto lending industry to improve client retention.
- In their study, Jeyalakshmi R., Gopinath M., Ramya A., and Nanthagopan Y. (2020) stress the value of fostering positive customer relationships and ensuring that customers have a positive shopping experience.
- In 2018, Harpreet Kaur carried out research on customer retention in the banking industry. The study offers a thorough assessment and analysis of bankers' and customers' perspectives on customer retention.
- Abdulla Ahmed and Nizam Ismail (2015) examined the effects of project management, quality control, customer relationships, and customer retention in the construction business.

SUGGESTIONS:

The limitations of this study present prospects for further investigation. Additional variables that demonstrate the connection and influence of customer relationship management on customer loyalty and retention can be taken into account for future research.

1. Use detailed information about customers to improve relationship.
2. Make customer communication timely and relevant.
3. Listen to what customers say about your product.
4. Understand customer expectation.
5. Promise only what you can deliver.

Conclusion:

The objective of this study was to conduct a theoretical analysis of the notion of customer relationship management (CRM) and customer retention in Indian businesses. Drawing from extant literature, the findings indicate that CRM is a critical component of corporate success. While entertaining their customers, Indian businesses must consider a number of aspects that influence the repurchase intentions of their clients. The retention of customers is positively impacted by each of these criteria. CRM and customer loyalty go hand in hand and support the company's efforts to retain customers. Customer loyalty is heavily influenced by service quality; a well-implemented CRM will increase customer loyalty. Thus, it can be said that in order to preserve long-term relationships with consumers, who have a direct impact on an organization's profitability, a business should pay attention to the aforementioned aspects as well as client loyalty.

REFERENCES:

- Devaprasanna A. (2017) "Impact of customer relationship management on customer retention with special reference to telecom industry in Coimbatore District".
- Jeyalakshmi R., Gopinath M., Ms. Ramya A., Nanthagopan Y. (2020) "Customer Relationship Practicess In Indian Supermarket" Vol 19 (Issue 4): pp.6555-6560.
- Mornay R. L. (2011) "Customer retention through customer relationship management: The exploration of two-way communication and conflict handling" African Journal of Business Management Vol.5 (9), pp. 3487-3496, ISSN 1993-8233 ©2011 Academic Journals.
- Narwal S., Singh D. (2016) "How CRM affect customer retention: a review" International Journal of Science Technology and Management, Vol.No.5, Issue No.07, July 2016, ISSN 2394-1537
- Simanjuntak M. (2020) "Enhancing customer retention using customer relationship management approach in car loan business"