

## **A Study on the Relationship between Customer Relationship Management and Marketing Strategies with Special Reference to Retail Segment**

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### **Abstract:**

Present paper is based on the conceptual viewpoint of customer relationship, management and marketing strategies. This paper focuses on the association of CRM and MS specially in retail segment. The concept customer relationship management is not very new concept. It is an old concept and was defined by many people. This concept is a wide concept which includes consumers behaviour, customer-based marketing, customer satisfaction and their feedback, promotion techniques, management of customer knowledge and their influence on marketing strategies. This paper concludes that there is a positive and significant relationship between CRM and MS and the impact of CRM on MS.

### **Keywords:**

Customer relationship, management, (CRM), marketing strategies (MS)

### **Introduction:**

Customer relationship management concept had taken place in market in 1990s. This concept includes the significance of customers, direct interaction with marketers and interaction between customers and vendors. It also includes the long-term customers relationships, so the companies and marketers have put their focus on customer relationship, management and information technology sector.

A Customer relationship management system is a business tool that allows you to manage all prospective customers, associates and prospects information all in one place. The Sales data is a safe cloud-based CRM method that can help every part of your company get an overall view of your customer. Retailing occupies an important role in the world of economic system. Retailing involves all the actions incidental to sale to final consumers for their personal, family, and household use. It does this by organizing their existence on a relatively large size and supplying them to the consumers on a relatively smallscale. Customer relationship activities have the most impact on customer retention Every customer service encounter has the potential to gain repeat business or have the opposite effect the expectation of personalized, relevant offers and service is becoming a primary driver of customer satisfaction and retention in financial service

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- "CRM is the business strategy that aims to understand, anticipate, manage and personalize the needs of an organization's current and potential customers" PWC Consulting.

- CRM is a business strategy, one that puts the customer at the heart of the business.

“That’s nothing new” I hear you say, and you would be right. Good business people have always understood the relationship between happy customers that come back again and again and creating long term, sustainable profitability.

In a globalized commercial world such as the current one, markets are dynamic and changing and the customer lies at the beginning and end of the value chain. One of the greatest values that entrepreneurship provides in an environment like this is the ability of entrepreneurs to take advantage of opportunities and discover new ways to meet customer expectations, and thereby transform the world in general and the market in general particular, all due to the unstoppable process of digital transformation. One of the consequences of globalization is the greater ability of customers to access both information and the acquisition of products and services offered even beyond the borders of countries (Guerola-Navarro et al., 2019).

At present customer relationship management is a worldwide concept. Innovations and advancements in technology are helping in market segments, enhancing the customer satisfaction and from the satisfaction of customers, the customer's feedback, towards market is also improving. Customer relationships Management is a technique to attract new consumers and to continue the existing or current consumers.

In current times retail markets, focus on different customer relationship techniques to develop their markets and to improve their Goodwill. Customer relationship management helps to improve and develop direct marketing strategies and also have a bright future for betterment. The positive results of CRM are like:

Increase sales increase profit ratio enhance customers attention towards the product and services, maintain positive and good relations with customers etc.

Present study is an effort to find out the relationship between CRM and MS

### **Conceptual background:**

There are different views of different people about CRM. Customer Relationship Management is the most dynamic concept in present scenario. In fact, according to Chen (2003) CRM is not only a concept it has a practical approach as it has advanced information

technology. There are so many research studies have been done in this field, some of them are as below:

According to Greenberg (2004), CRM is a customer service which includes production, testing of products, installations of product's parts, billing etc. Frow & Pyane argued that customer relationship management is a mines information technology which has resulted that it should cover all the views of customers.

Kotler (2000) added that Customer Relationship Management applies Information Technology to collect data, which can be used to grow data to create more international with the customers.

Nair Suja attempted to detail the development of retailing in context in India specially in new financial policy, worldwide development in her book entitled, 'Retail Management'. This book included changes in marketing patterns and financial systems as well as classification of economic activities etc. The term of customer relationship management means the firm's practices, strategies and technologies that are used to manage its customers (Greenberg, 2010; Raab et al., 2016). Some researches such as Bohling et al., (2006) and Soltani&Navimipour, (2016), have focused on the success of project management, quality of data management, the effectiveness of leadership, and the readiness of CRM implementation. Meanwhile, Soltani et al., (2018), argue that customers should be responsible for the improvement of implementing a CRM strategy as they are the direct beneficiaries of the system. It is in increasing trend since the majority of the organizations are utilizing it. Furthermore, many more companies are in their way to implement CRM so that they can decrease weakness and increase managerial efficiency (Bahri-Ammari&Nusair, 2015; Nguyen et al., 2007; Pohludka&Štverková, 2019)

### **Objectives of the study:**

1. To find out the relationship between customer relationship, management and marketing strategies between retail segment.
2. To find out the influence of customer relationship, management on marketing strategies.

### **Methodology of the study:**

Random sampling method was used to select the sample which were retail stores in Indore city was considered as a population for the research study 100 retail stores have been randomly selected for the present study for the collection of data. Questionnaire has been

applied on Likert scale for the measurement of customer relationship management. The time period of the present study is 2018-19.

**Data analysis:**

For statistical analysis, multiple regression had been used to find out the influence of customer relationship management and relationship with marketing strategies.

SPSS version 20 was used for data analyses.

**Variables of the study:**

There are two types of variables which have been used for the present study:

**Dependent Variables:** Marketing Strategies

**Independent Variables:** Customer orientations, CRM-based technology and CRM organization.

**Multiple Regression Value:** 0.734

**Hypothesis:****Null hypothesis**

There is no influence of CRM on MS specially in retail segment.

**Summary:**

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. Error of the Estimate
1	0.734	.59	.533	2.098

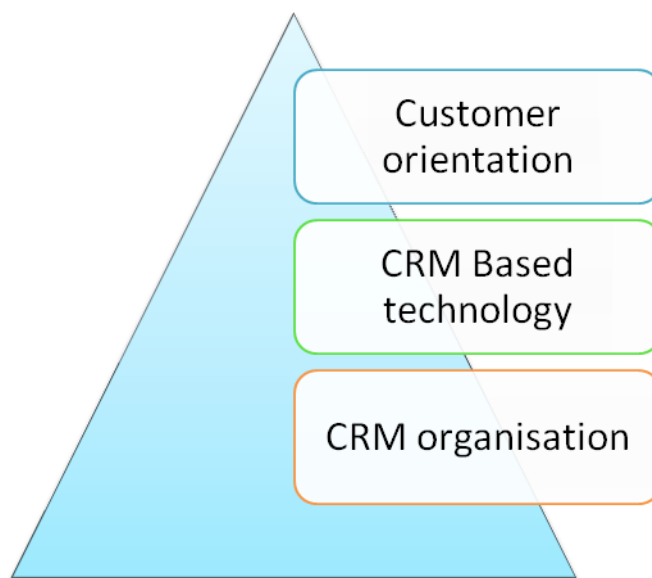
**ANOVA:**

Model		Sum of Square	df	Mean Square	F	Sig.
1	Regression	3452.781	5	483.78	119.67	0.000
	Residual	3108.642	95	3.675		
	Total	4789.786	100			

**Coefficient:**

Model		Unstandardized Coefficients		Standardized Coefficient	t	Sig.
		<b>B</b>	<b>Standard Error</b>	<b>Beta</b>		
1	Continuous	3.786	.764		5.981	0.000
	Customer Orientation	.160	.056	.131	2.98	0.000
	CRM-based technology	.029	.021	.082	3.81	0.000
	CRM organization.	.172	.043	.241	3.98	0.000

R is equal to 0.734 which is the table value of multiple correlation coefficient and measures the association between calculated values and table values of different marketing strategies of retail segments so the R<sup>2</sup> values which are 0.59 means that for 59% of marketing strategies depends on customer relationship management which is divided into three categories:



**Figure No. 1 Categories of Customer Relationship Management**

As the values of above three variables are significant at P value which is 0.05, so the hypothesis, “**There is no influence of CRM on MS specially in retail segment**” is rejected. It is concluded on the basis of above data analysis that CRM based technology has a greater influence on marketing strategies of the particular store which is connected with customer relationship management, customer responsibilities, customer orientation and customer relationship management organisation.

#### **Findings:**

The results of the study present that customer orientation, CRM based technology and customer relationship management organisation have a greater influence on marketing strategies of retail segments. Results show that retail segments have to pay major focus on existing responsible consumers as they are long-term consumers of retail sectors. Many features of CRM have impact on marketing strategies of retail departments.

#### **Conclusions:**

Results of the present study reveal that there is a positive association between customer relationship management and marketing strategies. Hence retail sectors have to give more attention on new marketing strategies. They should take care of customer satisfaction and their positive and negative feedback. If there is any negative feedback from customers, it should be taken in knowledge of management and should take an action for this. If positive feedback is there, then there should be more efforts for better improvements. Demand and supply of goods and services should be properly managed. Retail segment also

should try to attract new customers and keep existing consumers in touch and good relations with the consumers should be kept always.

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