

Impact of Global Trends on CRM in Indian Market

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Abstract- *It takes ten times more effort and costs ten times more money to attract a new customer than to keep an existing customer. This static alone should be enough for companies to invest in CRM. Finding customers is the first step and the faster you get through the sorting process of qualifying prospects into customers; the faster will be the returns. Using the Internet and e-business to provide products and services and information to customers require that you really know and understand your customer's needs. When customers contact your traditional business by visiting the store or office or contacting someone personally by phone, you have the opportunity to hear their questions and offer solutions based on personal communication. If they have a misunderstanding about your product or a sales objection, you can deal with it immediately. When people visit your online business at your website, you will not even know they are there. You don't have the opportunity to ask or answer questions. It is therefore vitally important that you anticipate their questions and concerns and provide the needed information in a way that makes it easy for them to fully understand your offering. Customer Relationship Management (CRM) is a way to get the maximum value from your business investment.*

Keywords- Customer relationship, business, marketing, internet, information

I. INTRODUCTION

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 (Customer Relationship Management) is a philosophy and a business strategy, supported by a system and a technology, designed to improve human interactions in a business environment.

Customer is a king now-a-days in present scenario. Every organization needs to think seriously to serve the better quality service at the lower cost to the customer. A good customer relationship management consists of following:

1. Marketing automation
2. Customer service / support / complaints handling
3. Sales force automation

4. Customer self service

It is a grand strategic business initiative that maps the transformation of business processes to the transformation of a business culture to satisfy the community of customer self-interest. That means it has a definable mission, vision, objectives and performance criteria that if successful will get an expected result due to the improvement of the individual customer's experience.

“CRM is a philosophy and a business strategy, supported by a system and a technology, designed to improve human interaction in a business environment.” – Me (Paul Greenberg).

In the modern customer-centered era, customer value is a strategic weapon in attracting and retaining customers. Delivering superior customer value has become a matter of ongoing concern in building and sustaining competitive advantage by driving customer-relationship-management.

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CRM is the broad category of concepts, tools, and processes that allows an organization to understand and serve everyone with whom it comes into contact. CRM is about gathering information that is used to serve customers—basic information, such as name, address, meeting and purchase history, and service and support contacts. In a supplier relationship it might be procurement history, terms and

conditions, or contact information. This information is then used to better serve the clients. CRM industry is growing at an annual rate of 30-40 percent. The CRM industry is highly fragmented. India will have an enormous impact as suppliers and customers. Now billions of people combined to take an ever-growing role as the world's service suppliers. Growth of the affluent local customers will mean that CRM will become strategy; India has always be a leader as development center for CRM technologies and other IT technologies. India has also been the hub for the customer services part of leading global businesses through confined and outsourced contact center.

II. OBJECTIVES OF THE STUDY

The objectives of present study are as follows:

- To study the CRM developments in Indian market
- To study in depth the segments of customer relationship management
- To study in detail problems connected with operational, analytical and collaborative CRM
- To study the impact of global trends and connection issues in CRM
- To give suggestions and recommendations.

III. RESEARCH METHODOLOGY

The research methodology consists of primary data with the sample size of 175 as well as both quantitative and qualitative research techniques which includes a series of face to face interviews, questionnaire and survey with some high profile personnel as well as staff of Industries. The secondary data includes Reports and publications of the Customer Relationship Management, Various CRM Magazines, Research Journals related to marketing and CRM (Customer Relationship Management), Newspapers related with marketing sector and Internet Browsing etc.

IV. CRM TECHNO-FUNCTIONAL ASPECT

There are three segments of customer relationship management as:

1. Operational CRM :

Operational CRM generally refers to services that allow an organization to take care of their customers. It provides support for various business processes, which can include sales, marketing and service. Contact and call centers, data aggregation systems and web sites are a few examples of operational CRM. This is the CRM horizontal segment that is

most identified with routine CRM. At a functional level, sales, marketing and support are part of operational CRM, especially when revolving around a typical corporate structure. Operational CRM covers customer-facing transactions from the internal company.

2. Analytical CRM:

It is based on data mining and data interpretation. It's used to analyze customer sales data, payment and credit history, and evaluate customer response to marketing campaigns. In short, it is the capture, storage, extraction, processing, interpretation and reporting of customer data to a user.

Analytical CRM supports organizational back-office operations and analysis. It deals with all the operations and processes that do not directly deal with customers. Hence, there is a key difference between operational CRM and Analytical CRM. Unlike from operational CRM, where automation of marketing, sales-force and services are done by direct interaction with customers and determining customer's needs, analytical CRM is designed to analyze deeply the customer's information and data and unwrap or disclose the essential convention and intension of behavior of customers on which capitalization can be done by the organization.

3. Collaborative CRM:

This is almost an overlay. It is the communication center, the coordination network that provides the neural paths to the customer and his suppliers. It could mean a portal, a partner relationship management application or a customer interaction center.

Collaborative CRM is an approach to customer relationship management (CRM) in which the various departments of a company, such as sales, technical support, and marketing, share any information they collect from interactions with customers.

V. BUILDING CRM INTO E-BUSINESS: INDIAN PERSPECTIVE

A recent study of online customers revealed that only 30 % are satisfied with the experience. That means 70 % are dissatisfied. This dissatisfaction came as a result of a variety of problems like from complicated web sites, poor information, web sites that simply don't work, to late deliveries and in some cases, no delivery at all. Customer satisfaction does not have to be complicated. In fact, all it really takes is good planning and keeping things as simple as

possible. It is important to remember that an e-business is no different than a traditional business, when it comes to understanding the customer and delivering to expectation.

Customer Experience at the Web Site

The first thing to get right is the creation of a web site that is easy for the visitors to use. It needs to be clear, concise and include content that is appropriate for the visitor's needs. Understanding the customer's technology characteristics, including the type of hardware, software and connections they are likely to have, helps in the design of the site. If your customers are likely to have low speed, dial-up connections, they will not be able to handle the more advanced features of some web creation systems. A site is easy to navigate will be more valuable to the visitors. Adding a site map and using clearly marked buttons can improve navigation; put yourself in the place of your customer visiting your site. Most web site failures are a result of making assumptions about what the customers want rather than really knowing.

Customer Service

The internet allows you to deliver customer service on a 24/7 basis. That's not service on the 7th and the 24th of the month rather it is service 7 days per week, 24 hours per day. This is a great opportunity because most of the service is "self-service" and does not require you to have staff on duty all of the time. Online service can be as FAQ's (Frequently Asked Questions) or as complex as interactive text, voice or video service delivered in real time.

Here are few ideas on how to deliver service and in what areas:

1. FAQ's, (2) Real-time Service Chat, (3) E-Learning as a Service, (4) Help Desks and Call Centers, (5) Delivery Status

Value of Customer Knowledge

Customer knowledge is one of the most valuable assets your organization has. Gathering demographic and geographic information about your customers allows you to segment them for special attention. You may want to inform customers of a particular product that is of interest to single males aged 25-35. Having a database containing this information will allow you to send an e-flyer to tell them about the product. When you remember that twenty percent of your customers give you eighty percent of your revenue, it is important to know who that twenty percentage is.

Delivering to Customers

There is no better way to ensure customer satisfaction than to deliver to their expectations. Make sure you have the logistics right – packaging, shipping, delivery to the customer's door and handling returns. Work to gain an understanding of the logistical operations required by your e-business. They also have tools that bolt onto your website and add significant value to your customers.

Privacy and Security

If you gather information about customers at your online business, you will need to create a privacy statement. You are also required to give customers the opportunity to "opt in" or "Opt out" of providing information. The Personal Information and Electronic Documents Act (PIPEDA) formerly BILL C6, is a new act applying to every organization where personal information is collected, used or disclosed in the course of commercial activity.

There are number of services on the web that help to build a comprehensive privacy statement. By simply entering your contact data and how you will use the information you will collect, the service creates a statement to include in your site.

VI. PROGRESSIVE STAGES OF CRM IN INDIA

Earlier, customer relationship management (CRM) efforts were not successful in generating revenue, and the strategy was not up to the mark. Businesses now-a-days are reconsidering and re-evaluating CRM initiatives with the initiation of smart phone and social media. The marketing and sales scene is changing to adapt to customer behavior. Trends of CRM are bound to change how businesses deal with customers. But regardless of the technological landscape, successful CRM demands the observance of best practices and continued innovation in the field.

CRM: Past and Present

CRM has developed over the last few decades. It became popular in the 90s decade. Several people and organizations were thinking seriously about the CRM. Before '90s, marketing with database was used to gain insight into customer behavior through statistical analysis. Computer based contact management software was introduced in the late 80's. Then all the way, the CRM industry relied heavily on technology facilitation and software developments required for them. Sales force also joined the CRM market for the better implementation as a provider.

CRM Trends

Now-a-days, various sites of social networking are always changing user and customer experience, and innovating to meet customers' changing demands. Customers now have the tools to express their opinions on anything, at anytime and anywhere in the world. This has changed the role of customer feedback, and made it much more important; after all, customer feedback over social media has been known to make or break businesses. As a result, business entities are increasingly growing aware of the power of social media as a method for engaging customers and potential customers. Mobility is also creating technology and marketing trends thanks to the emergence of smart phones and tablets.

So what's on the horizon for CRM? Here are a few key trends experts expect will become increasingly important.

1. Cloud Computing Based CRM

Cloud computing services continue to rise, and CRM has not been left behind in this area. Cloud-based software is a cost-efficient means of gathering customer data. Unlike before, on-site resources no longer need to explore for leads to input into a system for future sales calls; sources of customer data are already available. Cloud-based CRM will gain momentum as cloud-based applications continue to progress.

2. Social Media Based CRM

Social media marketing remains on an uptrend and companies are paying attention. Consumers are empowered by social networking sites to influence product or brand image and perception. Negative feedback no longer simply routes a call to customer service; businesses can expect feedback to reach potential markets before they do. Software vendors are now responding to social CRM needs. Social media optimization is gaining traction as marketing strategies, keeping customers engaged with the brand and company

3. Centralized Data

CRM will continue to aim to understand customers through extensive data collection and analysis. By centralizing customer data through CRM, businesses will be able to target and engage customers more effectively. CRM data won't end with generating leads for the sales team but will be a continuing process that also includes maintaining relationships with a growing customer base.

4. Mobility

Mobility has turned into a significant corporate component. Customers are no longer bound to PCs and are constantly accessing data on the go. Frontline employees and customer service resources will increasingly be empowered by the devices like cell phones for support. On the other side of the coin, customer perception will also be shaped not only by real-world involvement, but also by online and mobile experiences.

5. Flexibility

Flexibility for CRM users is the key because it allows them to customize the software to meet their needs. Ease of integration and multichannel publishing are key corporate considerations. As a result, a flexible and accessible CRM platform is becoming increasingly important for users.

6. Crowd sourcing

With customers gaining voice through social media, enterprises are increasingly able take advantage of crowd sourcing for business improvements. Tapping current customers for fresh ideas, solutions and expectations can help employees across an organization provide the innovation and interactive relationship that a growing number of customers now expect. This means that CRM will no longer be just for lead generation and marketing, it will also provide a source for new innovation.

CRM in the Future

It takes ten times more effort and costs ten times more money to attract a new customer than to keep an existing customer. This statistic alone should be enough form companies to invest in CRM. Finding customers is the first step and the faster you get through the sorting process of qualifying prospects into customers; the faster will be the returns. A web environment adds to this process in a very positive way. You can provide the means for people visiting your site to select whether they are indeed right to be customers. The marketing and technology aspects of CRM will potentially grow in coming years. Companies looking to tie together, the power of customer relationships should pursue strategies that are most in line with the type of customers they have and the type they want to gain. Because of social media and increasing interaction between people and products online, customers' opinions about the products or services they use, have become a business driver. Hence, companies must listen and respond to the customers' saying and harness the power of current technology to continue to anticipate and deliver what their customers want.

VII. CONCLUSION

The value of a good relationship is not a new idea. However, it has been only fairly recently that organizations, with the benefit of extensive data, have made a concerted effort at Customer Relationship Management(CRM) establishing multidimensional connections with a customer such that the organization is seen as a partner. Data are often a key ingredient in CRM. By sorting and analyzing data supplied by customers, gathered from third parties and collected from previous transactions, a marketer is able to better understand a customer's needs and preferences. But there is more to relationship management than data. By examining successful partnership in business and elsewhere, marketers have discovered that enduring relationships are built on trust and mutual commitment, require a lot of time and effort to create and maintain and are not appropriate for every exchange situation. Applying this concept to their marketing programs, many firms are dedicating much of their marketing effort to building lasting relationships with selected customers.

VIII. SUGGESTIONS

As there is a great impact of global trends on Customer Relationship Management (CRM) in Indian market, the business can grow up and achieve the goal with the consideration of few more practices like:

1. Good design of web site and clear information will aid in this goal
2. It is also valuable to have your site linked from other complimentary e-businesses. Find web sites that your prospective customers visit and then request a link to your site
3. Another way to add value is to produce newsletters that can be delivered online or by mail. Newsletters can be related to product or service announcements and contain general industry information. E-newsletters are simple and inexpensive to produce and deliver. A good thumb rule is to keep the newsletter small and to discuss only two or three concepts.
4. Building long term relationship with customers is essential by using more sophisticated ways
5. Acknowledging the purchasing history of a customer and thanking them for the business when they return to the site can earn loyalty.

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