



PERCEPTION OF CUSTOMERS ON CUSTOMER RELATIONSHIP MANAGEMENT (CRM) PRACTICES IN SUPERMARKETS IN TAMIL NADU

Mr. S. Radhakrishnan* Dr. R. Ganapathi**

*Ph.D. (Part-Time) Research Scholar, Department of Management Studies, Bharathiar University, Coimbatore.

**Assistant Professor, Directorate of Distance Education, Alagappa University, Karaikudi.

Abstract

Customer Relationship Management (CRM) is one of the key strategies of any business that is highly orienting to incorporate the internal activities or functions of any business organization. While implementing CRM, organizations can point out their best profitable customers and increase their satisfaction through prompt services and thus achieve loyalty. Nowadays, more and more supermarkets are adopting customer oriented retail strategies, programmes, methods and technology for professional and successful customer relationship management. The results show that the customers are agreed with supermarkets adopt the Customer Relationship Management (CRM) practices of customer centric, customer relationships, customer feedback, customized products, customized services, responsibilities, confidentiality, timeliness and pleasing approach by employees.

There is significant difference between socio-economic status of customers and their perception on Customer Relationship Management (CRM) practices in supermarkets. The results reveal that the Customer Relationship Management (CRM) practices and satisfaction of customers about supermarkets is positively and highly associated with each other. The results also imply that retail strategies and satisfaction of customers about supermarkets is also positively and highly correlated with each other. The supermarkets should modify their existing design of customer relationship management system and they must give adequate training to their employees to implement customer relationship management practices efficiently.

Key Words: Customer Relationship Management (CRM), Perception, Supermarkets.

1. Introduction

Customer Relationship Management (CRM) is one of the key strategies of any business that is highly orienting to incorporate the internal activities or functions of any business organization. Customer Relationship Management (CRM) is comprehensive in nature and generates manages and enlarges the relationship with customers (Anderson and Kerr, 2001). Customer Relationship Management (CRM) is a business strategy to attain and keep the most valuable customers relationship. (Adenbajo, 2003). CRM needs a customer centric business values and culture to bear efficient marketing through sales and services. CRM applications can facilitate valuable customer relationship management, provides that an organization has the right strategy, leadership and cultural values. It is important business strategies focuses on infrastructural facilities and delivers customer value through different channels. While implementing CRM, organizations can point out their best profitable customers and increase their satisfaction through prompt services and thus achieve loyalty.

Now-a-days, more and more supermarkets are adopting customer oriented retail strategies, programmes, methods and technology for professional and successful customer relationship management. They are recognizing the importance for in detail and integrated customer knowledge for creating close partnering and cooperative relationships with their customers. The appearance of technologies and new channels is appreciably changing how employees of supermarkets interface with their customers, a progress bringing about a higher level of linkage between sales, marketing and service functions in supermarkets. Therefore, the present research is made to study perception of customers on Customer Relationship Management (CRM) practices in supermarkets in Tamil Nadu.

2. Methodology

The Tamil Nadu state is chosen for the present study. The customers of supermarkets are selected by using convenience sampling technique. The data are gathered from 622 customers of supermarkets through pre-tested and structured questionnaire. To know the socio-economic status of customers of supermarkets, the frequency and percentage analysis are done. The mean and standard deviation are calculated for perception of customers on Customer Relationship Management (CRM) practices in supermarkets. To study the difference between socio-economic status of customers and their perception on Customer Relationship Management (CRM) practices in supermarkets, the ANOVA (Analysis of Variance) test is used. To examine the relationship between Customer Relationship Management (CRM) practices, retail strategies and satisfaction about supermarkets, the correlation analysis is carried out.



3. Results and Discussion

3.1. Socio-Economic Status of Customers of Supermarkets

The socio-economic status of customers of supermarkets was analyzed and the results are presented in Table-1. The results show that 53.86 per cent of customers are males and the remaining of 46.14 per cent of customers are females. It is observed that 42.93 per cent of customers are in the age group of 31 – 40 years, 25.08 per cent of customers are in the age group of 21 – 30 years, 11.09 per cent of customers are in the age group of 41 – 50 years, 9.97 per cent of customers are in the age group of 51 – 60 years, 5.63 per cent of customers are in the age group of less than 20 years and 5.30 per cent of customers are in the age group of more than 60 years.

The results indicate that 28.78 per cent of customers have educational qualification of under graduation, 23.79 per cent of customers have educational qualification of post graduation, 13.50 per cent of customers have educational qualification of diploma, 11.90 per cent of customers have educational qualification of secondary, 11.58 per cent of customers have educational qualification of higher secondary and 10.45 per cent of customers are illiterates. It is clear that 36.33 per cent of customers are private employees, 23.96 per cent of customers are government employees, 16.24 per cent of customers are businessmen, 15.43 per cent of customers are professionals and 8.04 per cent of customers are agriculturists.

The results reveal that 35.21 per cent of customers are in the monthly income group of Rs.30,001 – Rs.60,000, 32.64 per cent of customers are in the monthly income group of Rs.60,001 – Rs.90,000, 20.42 per cent of customers are in the monthly income group of below Rs.30,000 and 11.73 per cent of customers are in the monthly income group of above Rs.90,000. It is apparent that 69.61 per cent of customers are married and the remaining of 30.39 per cent of customers is unmarried.

Table-1. Socio-Economic Status of Customers of Supermarkets

Socio-Economic Status	Number of Customers	Percentage
Gender		
Male	335	53.86
Female	287	46.14
Age Group		
Less than 20 Years	35	5.63
21 – 30 Years	156	25.08
31 – 40 Years	267	42.93
41 – 50 Years	69	11.09
51 – 60 Years	62	9.97
More than 60 Years	33	5.30
Educational Qualification		
Illiterates	65	10.45
Secondary	74	11.90
Higher Secondary	72	11.58
Diploma	84	13.50
Under Graduation	179	28.78
Post Graduation	148	23.79
Occupation		
Businessmen	101	16.24
Government Employees	149	23.96
Private Employees	226	36.33
Professionals	96	15.43
Agriculturists	50	8.04
Monthly Income		
Below Rs.30,000	127	20.42
Rs.30,001 – Rs.60,000	219	35.21
Rs.60,001 – Rs.90,000	203	32.64
Above Rs.90,000	73	11.73
Marital Status		
Married	433	69.61
Unmarried	189	30.39



3.2. Perception of Customers on Customer Relationship Management (CRM) Practices In Supermarkets

The perception of customers on Customer Relationship Management (CRM) practices in supermarkets was analyzed and the results are presented in Table-2.

Table-2. Perception of Customers on Customer Relationship Management (CRM) Practices in Supermarkets

Customer Relationship Management Practices	Mean	Standard Deviation
Customer Centric	3.98	0.66
Design	3.33	1.04
Customer Relationships	4.05	0.87
Customer Feedback	4.01	0.69
Customized Products	3.92	0.55
Customized Services	3.95	0.83
Responsibilities	3.80	0.87
Direct Measures	3.37	1.18
Training to Employees	3.35	1.00
Confidentiality	3.71	0.71
Timeliness	3.90	0.66
Pleasing Approach by Employees	3.88	0.48

The results show that the customers of supermarkets are agreed with customer centric, customer relationships, customer feedback, customized products, customized services, responsibilities, confidentiality, timeliness and pleasing approach by employees, while, they are neutral with design, direct measures and training to employees.

3.3. Socio-Economic Status of Customers and Their Perception on Customer Relationship Management (CRM) Practices In Supermarkets

To study the difference between socio-economic status of customers and their perception on Customer Relationship Management (CRM) practices in supermarkets, the ANOVA (Analysis of Variance) test is used and the results are presented in Table-3.

Table-3. Difference between Socio-Economic Status of Customers and Their Perception on Customer Relationship Management (CRM) Practices in Supermarkets

Particulars	F-Value	Sig.
Gender and Customer Relationship Management (CRM) Practices in Supermarkets	11.725**	.000
Age Group and Customer Relationship Management (CRM) Practices in Supermarkets	3.573**	.003
Educational Qualification and Customer Relationship Management (CRM) Practices in Supermarkets	5.574**	.000
Occupation and Customer Relationship Management (CRM) Practices in Supermarkets	4.156**	.002
Monthly Income and Customer Relationship Management (CRM) Practices in Supermarkets	6.727**	.000
Marital Status and Customer Relationship Management (CRM) Practices in Supermarkets	10.398**	.000

** Significant at one per cent level

The results indicate that the F-values are significant at one per cent level revealing that there is significant difference between socio-economic status of customers and their perception on Customer Relationship Management (CRM) practices in supermarkets. Hence, the null hypothesis of there is no significant difference between socio-economic status of customers and their perception on Customer Relationship Management (CRM) practices in supermarkets is rejected.

3.4. Relationship between Customer Relationship Management (CRM) Practices, Retail Strategies And Satisfaction About Supermarkets

The relationship between Customer Relationship Management (CRM) practices, retail strategies and satisfaction about supermarkets was analyzed by carrying out correlation analysis and the results are presented in Table- 4.



Table -4 Relationship between Customer Relationship Management (CRM) Practices, Retail Strategies And Satisfaction About Supermarkets

Particulars	Customer Relationship Management (CRM) Practices	Retail Strategies	Satisfaction
Customer Relationship Management (CRM) Practices	1.00		
Retail Strategies	0.56**	1.00	
Satisfaction	0.70**	0.73**	1.00

** Significance at one per cent level

The results show that the correlation coefficient between Customer Relationship Management (CRM) practices and satisfaction of customers about supermarkets is 0.70, which is positively and highly associated with each other at one per cent level of significance. The results imply that retail strategies and satisfaction of customers about supermarkets is also positively and highly correlated with each other with the value of 0.74, which is significant at one per cent level. So, the null hypothesis of there is no significant relationship between Customer Relationship Management (CRM) practices, retail strategies and satisfaction about supermarkets is rejected.

4. Conclusion

The foregoing analysis shows that the customers are agreed with supermarkets adopt the Customer Relationship Management (CRM) practices of customer centric, customer relationships, customer feedback, customized products, customized services, responsibilities, confidentiality, timeliness and pleasing approach by employees. There is significant difference between socio-economic status of customers and their perception on Customer Relationship Management (CRM) practices in supermarkets. The results reveal that the Customer Relationship Management (CRM) practices and satisfaction of customers about supermarkets is positively and highly associated with each other. The results also imply that retail strategies and satisfaction of customers about supermarkets is also positively and highly correlated with each other.

The supermarkets should modify their existing design of customer relationship management system and they must give adequate training to their employees to implement customer relationship management practices efficiently. The supermarkets should improve responsiveness of their employees to the queries of customers and they must assure the accuracy of transactions. In addition, the supermarkets should use advanced techniques to improve their service quality for making customers more satisfied.

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