

## **Study of Customer Relationship Management (CRM) Practices in organized retail shopping Malls at bengaluru city in India**

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### **Abstract**

*Retailing today occupies a key role in the world economy. It must be concisely and clearly defined; retailing includes all the activities involved in selling goods or services directly to final consumers for personal, non-business use. India retailing as seen in sprawling shopping center, multi-stored malls and huge complexes offer shopping, entertainment and food all under one roof. In India shopping malls are growing much more Shopping mall offers customers the possibility to be anything or anybody they want to be, it gives them opportunity to be free and independent even if it's just for a passing moment. CRM is potentially a useful concept in the marketing and customer services areas of a retail sector. CRM stands to be the survival mantra. Managing customer relationship effectively and effectively boots customer satisfaction and retention rates. CRM involves shopping malls enabled business processes that identify, develop, integrate and focus a business' competencies on forging valuable long-term relationships that deliver superior value to its customers. This study is undertaken to identify the CRM practices on the customer satisfaction and retention in organized retail shopping malls in Bangalore city India. The required data of study would be collected from both primary as well as secondary sources. Liker scale was used in designing the questionnaire, A sample of 142 respondents was taken from different malls located in bengaluru city has been selected for the reliability of the analysis. The hypothesis has been tested by using ANOVA and Result of research as concluded the important to enhance the CRM practices makes better to shopping at retail stores in shopping malls at Bangalore city.*

**Keywords:** *Retailing, organized retailing, Shopping Malls, Customer Relationship Management.*

### **1. Introduction to Retailing in India:**

Indian retail market is one & the Indian's fastest growing industries is expected to grow from us \$ 350 billion to us \$ 427 billion 2010, retail is India's largest industry accounting for over 10 percent & the country's GDP and around eight percent & employment. Retail in India is at the crossroads. It has paced industries with several players entering the market. Retailing in India is gradually inching its way to becoming the next boom industry. The whole concept of shopping has altered in terms & format and consumer buying behavior, ushering in a revolution in shopping, modern retail has entered India as seen in sprawling shopping centers, multi-storied malls and huge complexes offer shopping, entertainment and good all under one roof. In recent times, however more and more by retail outlets are coming up in the metros and cities and the country. Many business houses now thinking and opening up a retail chain and their own, Spencer and co-limited, Vitan industries limited pantaloon, shoppers stop, Reliance malls, to name a few have already in the business with a big bang.

### **Customer Relationship Management practices towards in Retailing:**

The highly demanding and knowledgeable consumers are compelling retailers to stock a huge product range, offer attractive discounts in an aesthetically set up environment and soon all in the hope of having a loyal customer base so, customer relationship management may be referred to as a philosophy a set of strategies, programmer and system which focuses on identifying and building loyalty with the retail outlet malls most valued customers. This means that CRM will work on the principle that retailers have to chat out programmes which will help them to raise their profitability ones continuous basis though building long-term relationship with their customer's customer Relationship management is a company business strategy designed to reduce cost and increase profitability by solidifying customer loyalty. CRM practices may shift with each form. Nevertheless, organized retail shopping malls will benefit from the resources it commits to developing its CRM practices in greater customer loyalty. Right time

and involves attracting (acquiring), developing and maintaining successful customer relationships over time and building customer loyalty through efficient and effective two-way dialogues that seek to understand and influence customer buying behaviors and improve customer acquisition, retention, loyalty and profitability. Although not entirely built on shopping malls CRM involves shopping malls enabled business processes that identify, develop, integrate and focus a business' competencies on forging valuable long-term relationships that deliver superior value to its customers.

## 2. Review of Literature

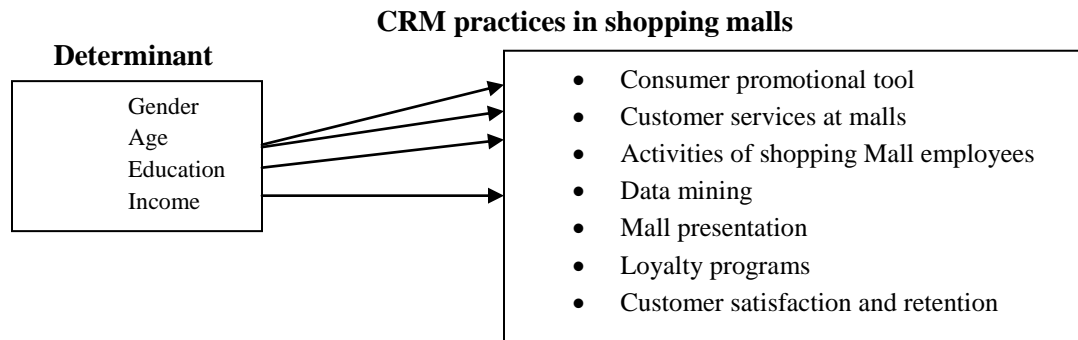
Darshan Desai, Sabrat Sahu and Piyush Kumar Sinha (2007) on the basis of analytical and empirical or case research conducted a random sample study of 334 executives was selected from 29 firms in the following industries: retail (n=60), telecom (n=80) and banking (n=183) in India. They also concluded that. Impact of market orientation on dynamic capability of CRM and competitive CRM performance may be the result and shaping the organizational resources that no longer match the environment. These include processes like analysis customers, developing and delivering tailored offering, providing customer service, orchestrating linkages, assigning accountability and evaluating performance. Dr. N.K. Sehgal (2007) classified customer relationship management as abbreviation about consumers, marketing effectiveness, sales and market trends. He advocated the result of a business is a satisfied customer "in present era of cutthroat competition, it is no longer enough to satisfy the customers. The reason for this is pretty simple". If you would not take care of your customers, your competitors definitely would". So the firm should keep pleasing customers and they will keep coming back. Vandana Ahuja (2008) analyzed CRM build long terms profitable relationships with chosen customers and getting closer to those customers with every point of contact with them. The author noted that a good CRM strategy aims at providing a win-win platform for both the organization and the customer by paying adequate information to the process of adoption by focusing on options available to customers' adequate promotion

campaigns and concentration on existing customer. C. Bhattacharjee (2006) in his book "Services marketing concepts planning & Implementation" Classified customer Relationship Management (CRM) have been undertaken to give all possible information to the current and potential customer. He says to achieve CRM, a company-wide set of tools, technologies, and procedures promote the relationship with the customer to increase sales those CRM is primarily a strategic business and process issue, rather than a technical issue. The author concludes CRM is very hard to be implemented throughout a company. The IT department needs extensive infrastructure and resources to implement customer relationship management (CRM) databases successfully.

Joseph. Nunes and Xavier Dreze (2006) in their article "Your loyalty program is betraying you" highlighted creating a successful loyalty program starts with defining what should be gained from the effort. In some cases, loyalty programs create what marketers call barriers to exit. They say that a benefit of loyalty programs that has gained prominence in the past decade is their ability to provide useful data about customers. Sunjay Kumarkar and Alok kumar Sahoo (2007) in his article define "Shopping mall: Driving Force in organized Retailing". Advocated mall is the latest format in the organized retailing, a significant development has occurred in last couple of year due to change in consumer profile and spending behavior, increasing youth population with more purchasing power and less time is looking for shopping a long with entertainment as one stop option. Roulac (1994) concluded from his study that in shopping malls, consumers can shop without the problems of any traffic congestions or parking problems, or security concerns.

## Objectives of the Study

- To identify the various categories of Demographic factors and variables impacting on CRM practices towards organized shopping mall bengaluru city in India
- To study the impact of Demographic factors CRM practices towards organized shopping mall bengaluru city in India



### 3. 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, online 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 practices at shopping mall 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 population in this study comprise of customer who loves shopping malls at Bangalore. It is decided to choose in order to collect the data a through online survey structured questionnaire was farmed Questionnaires were distributed amongst the

sample of 150 But received 142 customers respondents of shopping mall in April 2013. The data was collected tying a survey and interpretation through to check the reliability of the data cronbach alpha test was applied in order to find out the most preferable CRM practices shopping malls view point Sample percentage method and one –way ANOVA analysis was applied. All the analysis was carried out by SPSS 16.0

### RESEARCH HYPOTHESES

H1: There will be significant variance in opinion on CRM practices towards organized shopping mall among the Gender group

H2: There will be significant variance in opinion on CRM practices towards organized shopping mall among the Age group

H3: There will be significant variance in opinion on CRM practices towards organized shopping mall among the Education

H4: There will be significant variance in opinion on CRM practices towards organized shopping mall among the Income

**Table: 1 Demographic Representation of the respondents**

<b>Demographics</b>	<b>Number of respondents</b>	<b>Valid Percentage</b>
<b>A) Gender</b>		
Male	85	59.9
Female	57	40.1
<b>B) Age</b>		
17-25	46	32.4
26-35	47	33.1
36-45	28	19.7
46-60	13	9.2
Above 60	8	5.6
<b>C) Education</b>		
Undergraduate	15	10.6
Graduate	57	40.1
Postgraduate	70	49.3
<b>D) Monthly Income</b>		
Less than 10000	8	5.6
10000 - 20000	36	25.4
20001 - 30000	41	28.9
30001 - 40000	23	16.2
40001 - 50000	20	14.1
<b>Total</b>	<b>142</b>	<b>100.0</b>

#### **4. Analysis and interpretation – Demographic Profile sample.**

A total number 142 respondent participated in the survey the demographic characteristics the respondent (Table1) shows that the sample consisted, majority of respondents percent 59.9 of male and 40.1 percent female respectively. The respondents were mostly between the age 26-35 years age group with 33.1percent and in the age group of 36-45 years 19.7 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 malls at Bangalore.

Almost 49.3 percent were postgraduate, 40.1percent post graduate are reported that education level play more significant dominant to give preferences and exportations shopping malls at Bangalore in India. Most of the respondents belong to the income groups of Rs (10,000- 20,000) 25.4 percent and (30001,- 40000) 16.2 percent the sample mostly represents the middle class income preferred to visits shopping

**Table: 2**

One –way ANOVA test for significant difference between **gender** on the variable of CRM practices towards organized shopping mall

		N	Mean	Sum of Squares	df	Mean Square	F	Sig.
Consumer promotional	Between Groups	142		.066	1	.066	.190	.663
	Within Groups	85	3.4882	48.475	139	.349		
	Total	56	3.4439	48.542	140			
Customer Services	Between Groups	142	3.4706	.093	1	.093	.219	.640
	Within Groups	85	3.5521	58.973	139	.424		
	Total	56	3.6046	59.066	140			
Activities of shopping Mall employees	Between Groups	142	3.5729	.364	1	.364	.831	.364
	Within Groups	85	3.4617	60.873	139	.438		
	Total	56	3.5655	61.237	140			
Data mining	Between Groups	142	3.5029	.293	1	.293	.380	.539
	Within Groups	85	3.3221	107.203	139	.771		
	Total	56	3.4152	107.495	140			
Mall presentation	Between Groups	142	3.3590	.006	1	.006	.012	.912
	Within Groups	85	3.8422	70.007	139	.504		
	Total	56	3.8557	70.013	140			
Loyalty programs	Between Groups	142	3.8475	.038	1	.038	.078	.781
	Within Groups	85	3.6338	67.940	139	.489		
	Total	56	3.6674	67.978	140			
Customer satisfaction and retention	Between Groups	142	3.6472	.936	1	.936	1.830	.178
	Within Groups	85	3.8196	71.087	139	.511		
	Total	56	3.9861	72.023	140			

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 practices factors Consumer promotional tool, Customer services at malls, Activities of

shopping Mall employees, Data mining, Mall presentation, Loyalty programs, Customer satisfaction and retention–do not differ significantly among the respondents of the different age groups. Hence, the null hypothesis with respect to all the six influencing factors is accepted.

**Table: 3** One –way ANOVA test for significant difference **age** on the variable of CRM practices towards organized shopping mall

		Sum of Squares	Df	Mean Square	F	Sig.
Consumer promotional	Between Groups	.663	4	.166	.474	.755
	Within Groups	47.913	137	.350		
	Total	48.575	141			
Customer Services	Between Groups	2.627	4	.657	1.587	.181
	Within Groups	56.688	137	.414		
	Total	59.316	141			
Activities of shopping Mall employees	Between Groups	.816	4	.204	.461	.764
	Within Groups	60.672	137	.443		
	Total	61.488	141			
Data mining	Between Groups	3.261	4	.815	1.072	.373
	Within Groups	104.234	137	.761		
	Total	107.496	141			
Mall presentation	Between Groups	.926	4	.232	.457	.767
	Within Groups	69.441	137	.507		
	Total	70.368	141			
Loyalty programs	Between Groups	1.133	4	.283	.579	.678
	Within Groups	67.001	137	.489		
	Total	68.134	141			
Customer satisfaction and retention	Between Groups	.205	4	.051	.098	.983
	Within Groups	71.926	137	.525		
	Total	72.132	141			

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 Consumer promotional tool, Customer services at malls, Activities of shopping Mall employees, Data

mining, Mall presentation, Loyalty programs, Customer satisfaction and retention do not differ significantly among the respondents of the different age groups. Hence, the null hypothesis with respect to all the six influencing factors is accepted.

**Table 4 One –way ANOVA test for significant difference education on the variable of CRM practices towards organized shopping mall**

		Sum of Squares	df	Mean Square	F	Sig.
Consumer promotional	Between Groups	.214	2	.107	.308	.735
	Within Groups	48.361	139	.348		
	Total	48.575	141			
Customer Services	Between Groups	.115	2	.058	.135	.874
	Within Groups	59.201	139	.426		
	Total	59.316	141			
Activities of shopping Mall employees	Between Groups	.097	2	.048	.110	.896
	Within Groups	61.391	139	.442		
	Total	61.488	141			
Data mining	Between Groups	6.319	2	3.160	4.341	.015
	Within Groups	101.176	139	.728		
	Total	107.496	141			
Mall presentation	Between Groups	2.656	2	1.328	2.726	.069
	Within Groups	67.712	139	.487		
	Total	70.368	141			
Loyalty programs	Between Groups	.296	2	.148	.303	.739
	Within Groups	67.838	139	.488		
	Total	68.134	141			
Customer satisfaction and retention	Between Groups	2.521	2	1.261	2.517	.084
	Within Groups	69.610	139	.501		
	Total	72.132	141			

From this ANOVA table 4, it is observed that the sig calculated are .735, .874, .896, .015.069, .739, .084 for all the influencing CRM practices factors which are greater than the significant ( $P > 0.05$ ) and so it is not significant.

Some factor data mining which is significant hence, the hypothesis formulated is accepted and it is inferred that there is no significant difference among the different educational qualification of the respondents on the influencing CRM practices factors in shopping malls in Bangalore city.

**Table 5 . One –way ANOVA test for significant difference Income on the variable of CRM practices towards organized shopping mall**

		Sum of Squares	df	Mean Square	F	Sig.
Consumer promotional	Between Groups	1.888	5	.378	1.100	.363
	Within Groups	46.688	136	.343		
	Total	48.575	141			
Customer Services	Between Groups	1.089	5	.218	.509	.769
	Within Groups	58.226	136	.428		
	Total	59.316	141			
Activities of shopping Mall employees	Between Groups	2.822	5	.564	1.308	.264
	Within Groups	58.666	136	.431		
	Total	61.488	141			
Data mining	Between Groups	3.429	5	.686	.896	.486
	Within Groups	104.067	136	.765		
	Total	107.496	141			
Mall presentation	Between Groups	3.515	5	.703	1.430	.217
	Within Groups	66.853	136	.492		
	Total	70.368	141			
Loyalty programs	Between Groups	3.351	5	.670	1.407	.226
	Within Groups	64.783	136	.476		
	Total	68.134	141			
Customer satisfaction and retention	Between Groups	3.873	5	.775	1.543	.180
	Within Groups	68.259	136	.502		
	Total	72.132	141			

From this ANOVA table 5 , it is observed that the sig calculated are for all the influencing .363, .769, .264, .486, .217, .226, .180, CRM practices

factors which are greater than the significant ( $P > 0.05$ ) Hence, they are insignificant and so the above stated null hypothesis has been accepted

**Table: 6**

NO.	Hypotheses	Results	Tools
H1	There will be significant variance in opinion on CRM practices towards organized shopping mall among the Gender group	<b>reject</b>	<b>ANOVA one way</b>
H2	There will be significant variance in opinion on CRM practices towards organized shopping mall among the Age group	<b>reject</b>	<b>ANOVA one way</b>
H3	There will be significant variance in opinion on CRM practices	<b>reject</b>	<b>ANOVA</b>



**Table: 6**

	towards organized shopping mall among the Education		<b>one way</b>
H4	There will be significant variance in opinion on CRM practices towards organized shopping mall among the Education	<b>reject</b>	<b>ANOVA one way</b>

## 5.Conclusion

The CRM practices is important variables in the success of the shopping mall.. The study has identified the variables influencing customer satisfaction. It can be understood consumer promotional tool, customer services at malls and high variance in explaining towards services offered by mall retailers at shopping mall at Bangalore. The retailers should see in implementing the Activities of shopping mall employees and loyalty programs variables for enhanced satisfying to go for shopping to build a long-term relationship with services provided by mall retailer by customers. Shopping malls retailers should take in to consideration and understanding the customers touch points related to services offered by shopping malls. Even through the mall retailer were making adequate efforts there are some factors where the salient or unsatisfied services levels are make clear and improve some measures those levels to bridge the gap to built long term relationship enhances customers satisfaction and offers a pleasant shopping experiences when the customers are visiting shopping malls. Today “ customers is God “services offered by mall retailers play a major role in meeting customers’ expectations and perception make comfortable better shopping in malls.

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