

Impact of CRM Strategy on the Growth of Online Retail in India

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ABSTRACT:

India has a vast retail industry. Rise in technology made retailers in India move to online stores that retreated CRM. An increase in the competition and demand of customers also asked for CRM. All the retailers started finding innovative solutions and implementing them to retain their customers. CRM is needed to maintain a good relationship with customers to sustain a competitive environment. Comprehending and meeting the expectation of customers will help in having a good and long relationship with the customers. Maintaining good relations with customers increases the number of potential customers, further increasing growth. CRM acts as a very effective method in marketing and holding their customers. CRM tools require continuous monitoring to get good engagement with customers.

This study aims to provide a detailed analysis of the importance of CRM strategy in Online retail markets in India.

Keywords: retreated, innovative, Comprehending, potential customers, monitoring, engagement.

INTRODUCTION:

As we know it now, CRM started in the 1980s. Robert and Kate Kestnbaum were database marketing pioneers. Which was a type of direct marketing in which the customer database was statistically analyzed to determine which customers were most likely to respond to a marketing effort.

Several firms and independent developers tried to capitalize on the trend, notably Tom Siebel of Siebel Systems, who built the first CRM system, Siebel Customer Relationship Management, in 1993.

In 2021, the value of the worldwide CRM market was INR 4,291.48 billion. It is projected to reach INR 8,160.82 Bn by 2027, growing at a CAGR of 11.52% between 2022 and 2027. From INR 53.24 Bn in 2021 to INR 144.34 Bn in 2027, the market for CRM software in India is projected to grow at a CAGR of 18.14% between 2022 and 2027.

What is CRM?

A tool known as customer relationship management (CRM) is used to handle all interactions and relationships between your business and its clients. Companies can improve profitability, process efficiency, and client retention using a CRM system.

Customer interactions are a skill that traders and merchants have used for generations. To meet the needs of their clients, they could alter the products as well as every element of delivery and payment. They paid close attention to their clients, were knowledgeable about their tastes and preferences, and were friendly with the majority of them.

Customer Relationship Management: Need and Importance

Customer Relationship Management results in happy customers and, eventually, increased sales Every time, it's business.

Customer Relationship Management can help you keep your current customers.

Customer relationship management guarantees that customers return home happy.

Customer relationship management strengthens the organization's relationships as well as customers. Such activities build the relationship between sales personnel and customers.

CRM strategy will and is a very necessary formula for the online retail market in India.

In this research, we tried to find out what factors are affecting CRM strategies in India. This research also helps to form effective strategies.

What is CRM Software for Online Retailers?

Customer Relationship Management (CRM) is simply a system for managing a company's contacts with its customers. It is appropriate for a wide range of enterprises, including eCommerce platforms, manufacturing units, insurance corporations, healthcare institutions, and others.

Consequently, the type and requirements of the company utilizing the CRM software significantly impact how well it functions. For instance, a healthcare company will require different CRM systems than a fitness company.

What does CRM software mean for an online retailer, then? Client relationship management software is a solution for managing all of your customer data and information on a single interface, to put it briefly.

You prepare to welcome increased sales, better customer relations, fresh leads and money, and optimized marketing efforts when applying CRM software tactics on your eCommerce website.

LITERATURE REVIEW:

Customer relationship management (CRM) is a technology that organizes all of your business's interactions and relationships with current and potential clients. The idea is straightforward: strengthen business relationships. A CRM system assists businesses in staying connected to customers, streamlining procedures, and increasing profitability. Previous studies found CRM improves the relationship with customers, especially in the online retail sector.

Retail is one of India's fastest-growing industries. Retailers utilize a variety of CRM tactics to retain consumers.

Effective loyalty programs are used by the vast majority of organized shops in India to encourage repeat business.

CRM provides a plethora of information regarding client expectations, attitudes, and behavior.

In order to utilize data mining techniques, many articles focused on how CRM can be implemented in the retail industry. The numerous CRM supporting elements have received adequate attention. Also done was market segmentation. The analytical part of CRM has received significant attention.

The studies also focused on the theoretical foundation of CRM, how it is applied in the retail industry, and how it benefits the organization. Additionally, the organization's entire CRM deployment process has received significant attention.

OBJECTIVE:

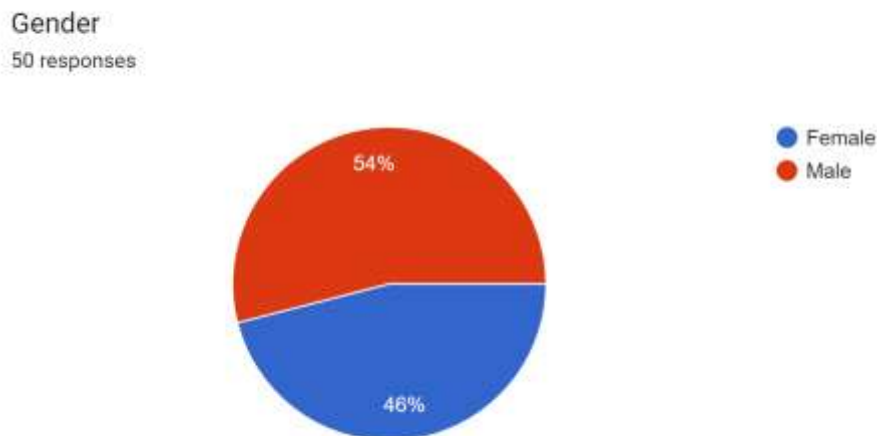
This study aims to provide a detailed impact of CRM strategy in online retail in India. Analyze the factors that influence how much CRM has been implemented in the firm and how that may have improved business performance.

RESEARCH METHODOLOGY:

This study was conducted in Hyderabad capital of Telangana from October to November 2022. The respondents were active purchasers of online retail stores. Out of 70 total people surveyed, 50 complete responses were kept for the study. On the basis of a literature analysis of comparable studies, 15 components were found under store and retail attributes, and five variables were taken into consideration relating to product attributes. A systematic questionnaire was used to conduct the interview, utilizing a 5-point Likert scale ranging from strongly disagree to strongly agree.

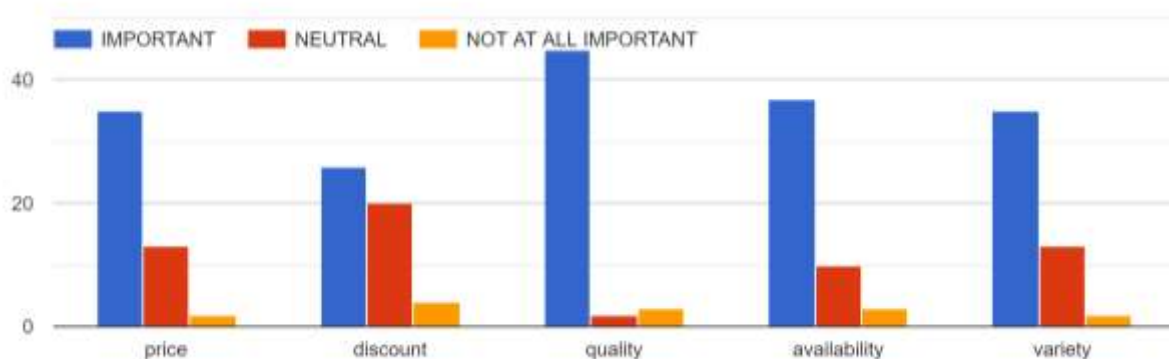
Data Analysis

The demographics show that 54% of respondents were male and 46% of respondents were females. The respondent’s ages were under the bracket of 19-45 years.



It's true what Peter Drucker said: businesses exist to serve consumers. Therefore, it is crucial to comprehend what the buyer perceives as the product's features as well as their needs. Retailers need to identify the attributes which are affecting customer satisfaction levels and need to change them for better results. These attributes and factors also help to build better CRM strategies

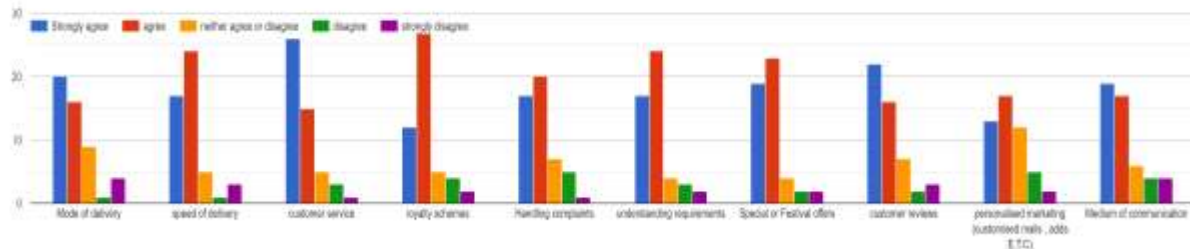
When purchasing from an online retail store do the below options affect your relationship with the store



The current study identified five factors: price, discount, quality, availability, and variety in the shop. The significance of factors influencing their decision in order of priority was also inquired of the respondents.

The respondents found that quality is the most important factor followed by availability, variety, price, and discount.

from the below-mentioned factor at what extent it affect your purchase from the online retail



The factors that are taken into consideration for the above question are the mode of delivery, speed of delivery, customer service, loyalty schemes, handling complaints, understanding requirements, special or festival offers, customer reviews, personalized marketing, and medium of communication. The respondents strongly agreed that customer service affects their purchases from online retail followed by customer reviews, mode of delivery, medium of communication

The customers agreed that loyalty schemes are important for their purchase from online retail followed by speed of delivery, understanding requirements, handling complaints, special festive offers, personalized marketing

Some of the respondents behaved neutrally for personalized marketing.

CONCLUSION:

To sustain in a competitive market, merchants must focus on controlling their customers' purchasing experiences and should try to improve their strategies to retain customers. The secret rule of success in the game is the survival of the fittest and fastest. To be successful, merchants must understand their consumers' perceptions, reach out to them quickly, and keep up with the newest trends, ideas, and services in order to develop long-term relationships with them. Customer Relationship Management allows a business to connect its strategy with the demands of the client in order to better satisfy those needs and secure long-term customer loyalty.

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