High impact of Customer Relationship Marketing Approach in Retail Supermarket during Covid-19

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Abstract--- In today's global scenario preferences of customers are considerably changing all along with the transformation in the marketing and economic conditions and also the intervention technology in business. The introduction of the concept of CRM has created a sensation in the field of customer relationship marketing. It is a very efficient tool which builds a strong bondage between the customer and the marketer. It satisfies the mutual needs of buyers and sellers in a business organization. The implementation of CRM in supermarket chain stores supports retail supermarket chain stores in maintaining good relationship with their existing customers and acquirement of new customers. The need for best CRM practices are essential as Customer's expect more from their service providers and are also ready to pay higher for the services expected. Hence this study highlights the need of CRM and the impact of the implementation Customer Relationship Management (CRM) practices in supermarket chain stores. This study is also an initiative to understand the growing impact of CRM in influencing the customers to have long relationships with the supermarket chain stores.

The Covid-19 pandemic has forced businesses to maintain and build relationships with consumers when their world has been upended. Businesses are now facing tension between generating sales during a period of extreme economic hardship and respecting the threats to life and livelihood that have altered consumer priorities and preferences.

This tension is very real, particularly for newer ventures or smaller business that provides discretionary products and may not have the resources to survive long periods of severely diminished cash flow.

Index Key terms--- Relationship Marketing, Customer Relationship Management (CRM), Customer Retention, Customer Acquisition, Customer Satisfaction.

I. Introduction

Relationship Marketing is all about understanding the customers of an organization and nurturing the relationships with them. Relationship Marketing is a form of marketing developed from direct response marketing campaigns conducted in 1960's and 1980's which emphasizes on customer retention and continual satisfaction rather than individual transactions and per case customer resolution. Recently Customer Relationship Management is an expansion in the domain of Relationship Marketing which focuses on Customer Retention and Relationship Enhancement. Customer-relationship management (CRM) is an approach to manage a company's interaction with current and potential customers. It uses data analysis about customers' history with a company to improve business relationships with customers, specifically focusing on customer retention and ultimately driving sales growth. Customer Relationship is all about management intends to integrate and automate sales, marketing and customer support.CRM analyses the customer data collected through multiple platforms and help the leading managers to take important decision based on the data analysis

.CRM helps in improving Customer service, Gives personalized service to customers, and understands customer needs .CRM not only deals with the existing customers but also is very useful in acquisition on new customers to the business. Customer feel associated to the organization where they buy products if CRM implementation is successful in the organization.

II.   Previous Research

Robert & Shelby (2010) had identified ten factors leading to a successful relationship with the customers in any firm and discussed a model of relationship marketing in this paper and had discussed the step by step process of how relationship could be attained by the same. The marketing activity directed towards the establishment of relationship with the customers is so called to be Relationship Marketing. Hence if a marketer is successful in directing any factor to create relationship with the customers he can build trust among his customers.

Charles (2015) had emphasized that building relationship with the customer is one of the most competitive trends in business today and it requires the commitment to deliver quality to the customer from the entire organization. Data collection process is one of the proactive tool to develop relationship with the customers in which telephonic surveys provides great opportunities to strengthen relationship with the customers as they are a mode to create an impression on the customers to retain them with the organization.

Terry (2008) states in his paper that only those organizations which takes its customer loyalty programs seriously and the customers it is trying to serve will be able to perceive the business through their eyes. The more customers you keep through active retention efforts and the longer you keep them, the more profitable your company will be. Customer spending tends to accelerate over time; longer-term customers are more efficient users of the products

Harkiranpal (2006) states the to be successful, organizations must look into the needs and wants of their customers .The author further states that there s also a positive connection between customer satisfaction, loyalty and retention. Customer satisfaction leads to the creation of loyal customers and help them in retaining with the firm. Hence organization to be successful should emphasize on customers satisfaction, though customer satisfaction does not guarantee repurchase on the part of the customers but still it plays a very important part in ensuring customer loyalty and retention.

Pop and Bena (2007) had stated that companies should use models for customer value determination as tools in order to ensure profitability. CLV as a decision making tool to locate the maximum marketing investment on a loyal customer without running the risk of spending more than the revenues. It further analyses on the factors influencing the customer lifetime value .Being the convergence point of organizational activity, the client is perceived in a constantly growing measure, not only as the bearer of demand the company seeks to satisfy, but as an asset, a measurable value needing a correct determination. Finally these models aim to establish a connection between the customer lifetime value and the value of a company.

Jan H. Schumann et.al. (2010) in this paper had described the willingness of people to commit to services and presents four key variables to understand the customer's willingness to enter and develop business relationships. The author had state that customers differ in the way they build trust in their service provider across cultures and across countries by developing a model based on their study made in banking industry across 11 countries. They have stated that there are four trust drivers and the overall feeling of trust in the service provider depends on customer's beliefs about service provider's ability, benevolence, predictability, and integrity.

Emmet and Mark (2012) had emphasized on the importance of building online relationship with the customers as profitability tends to increase over the life of a retained customer and they tend to buy more as their trust increases. A two percent increase in customer retention has the same effect as decreasing costs by ten percent and depending on the industry, reduces the customer defection rate by 5 percent can increase profitability 25 percent to 125 percent. He states relationship with customers are built on three strategies trust, care and sincerity and with the help of CRM one can be in contact with the customers, care for them and create trust and the customer may be sincere to the firms.

Angela Nadeau (2015) in this article has outline the , outlines the ways in which CRM software can turn your leads into opportunities and also explains what lead management is all about. The author has highlighted the 5 reasons to use CRM software in order to have more efficient lead management. With specific examples including lead management information and Robust Marketing and Reporting, Nadeau provides a good case for the role of CRM in sales conversion.

Kamrul &Rahman((2015) have focused on the concept of CRM and its relevancy in the effectiveness of CRM leading to customer satisfaction and customer loyalty .Integration of technology ,process and people by the application of CRM has Led to better customer satisfaction and customer loyalty.

Manoj et.al (2018) has studied the importance of CRM and describes the role of Customer Relationship Management (CRM) in Indian retail market and CRM's role in improving the Customer Lifetime Value (CLV). A successful and effective CRM programmed results in increase of Customers Lifetime Value for the store. The author also emphasizes on building dynamic relationship with the customer and focuses on CRM which is the key element to building customer loyalty to a store brand and to build a significant competitive advantage.

III.   Research Methodology

The researcher has conducted the study in Chennai city and has considered five supermarket chain stores to collect the samples. The objective of the study is to analyze Customer's perception on the implementation of CRM practices to maintain Customer Relationship in Retail Supermarket chain stores. Descriptive Research design is adopted by the researcher. The sample size considered for the study is 819. Data is collected from supermarkets five supermarkets as Reliance, Spencer's, and Heritage Fresh @, Aditya More and Big Bazaar supermarket chain stores. Respondents have been chosen for study from the study area according to the convenience of the researcher, Convenience Sampling and Non Parametric -Direct interview method is adopted to take survey from 819 respondents. The researcher has analyzed the data and Friedman test for significant is used to understand the difference between the mean ranks given by the customers towards each of the CRM attributes.

IV.   Data Analysis and Findings

Table 1: Distribution of Respondents Based on The Supermarket Chain Stores Visited Regularly.

Supermarkets visited by the customers	Frequency	Percentage
Spencer's	253	30.9
Reliance Fresh	232	28.3
Aditya More	97	11.8
Nilgiris	131	16.0
Heritage Fresh	106	12.9
Total	819	100.0

Source: Primary Data

From the above table it is observed that 30.9 percent of the respondents are regular visitors to Spencer's Supermarket chain stores, 28.3 percent of the respondents are regular visitors to Reliance Fresh supermarket chain stores, 11.8 percent of the respondents are regular visitors to Aditya More Supermarket chain stores, 16 percent of them regularly visit to Nilgiris supermarket chain stores and 12.9 percent of them regularly visit Heritage Fresh supermarket chain stores.
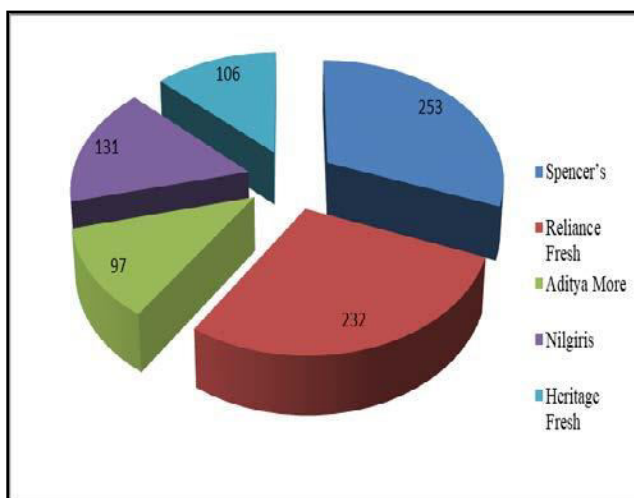

Figure 1: Distribution Of Respondents Based On The Supermarkets

Table 2: Distribution of Customers Based On Respondents Preference towards CRM Implementation in Supermarket Chain Stores to Maintain Good Relation with the Customers.

Customer's perception towards the need for supermarkets to maintain relationship with the customers.	Frequency	Percentage
Highly Important	265	32.4
Important	433	52.9
Neutral	90	11.0
Not important	16	2.0
Highly Not Important	15	1.8
Total	**819**	**100.0**

Source: Primary Data

From the above table it is stated that 32.4 percent respondents believe that is highly important to implement CRM in the supermarkets to maintain good relation with the customers, 52.9 percent state that it is important , 11 percent are neutral towards the idea of implementation of CRM in supermarkets, 2 percent state that it is not so important to implement CRM to maintain good relationship with the customers and 1.8 percent state that it highly not important CRM in supermarket chain stores to maintain good relationship with the customers.
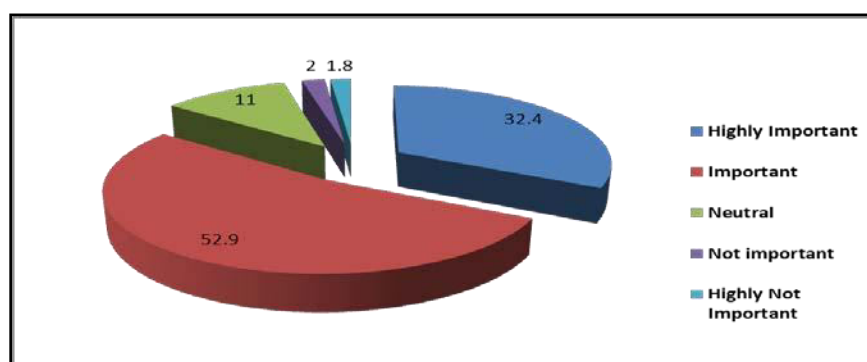

Figure 2: Distribution Of Customers Based On Their Preference Towards The Need For Supermarkets To Maintain Relationship With The Customers.

Table 3: Mean and Standard Deviation on Customer Preference for the CRM Practices Followed In the Supermarket Chain Store Visited Regularly

Customer's preference for CRM Practices followed in supermarket chain stores visited.	Mean	SD
Availability of loyalty cards	3.35	1.23
Maintains customer database	3.89	0.73
Information on new arrivals	3.69	0.88
Information on offers and discounts	3.40	1.11
Information on all the festival offers	3.72	1.05
Information on annual clearance sales offers	3.35	1.23
Information on new schemes given in the CRM cell	3.42	1.07
Follow up through phone calls/SMS/ Mails	3.40	1.11
Wishes on special days and occasions	3.72	1.05
Customized services as per your need	3.35	1.23
Immediate attention to the queries	3.62	1.21
Getting feedback on the services rendered	4.04	1.05
Feedback is used for improvement in the store	3.69	1.20
Minimal time to solve any grievance	3.50	1.15

From the above table it is observed that the mean of are the availability of loyalty cards is 3.35 and the standard deviation is 1.23, the mean of respondents preference towards the maintenance of customer database is 3.89 and the standard deviation is 0.73, the mean of respondents preference towards the information on the new arrivals is 3.69 and the standard deviation is 0.88, the mean of information on offers and discounts is 3.40 and the standard deviation is 1.11, the mean of respondents preference towards the information on festival offers is 3.72 and

the standard deviation is 1.05, the mean of respondents preference towards the information on annual clearance sales offers is 3.35 and the standard deviation is 1.23, the mean of respondents preference towards the information on new schemes in the CRM cell is 3.42 and the standard deviation is 1.07, the mean of respondents preference towards the follow up of customers through phone calls is 3.40 and the standard deviation is 1.11, the mean of wishes on special occasion is 3.72 and the standard deviation is1.05,the mean of customization of services as per the need of the customers is 3.35 and the standard deviation is1.23, the mean for immediate attention to the queries the mean is 3.62 and the standard deviation is 1.05, the mean of customer preference towards getting feedback on the services rendered is 4.04 and the standard deviation is 1.05 , the mean for Feedback is used for improvement in the store 3.69 and the standard deviation is 1.20 and finally the mean of customer preference towards the time taken to solve the complaints is 3.50 and the standard deviation is 1.15. From the above data it could be inferred that customers prefer CRM practices to be attached to the supermarket chain stores they shop in regularly. Hence among the CRM practices followed by the stores the practices or system of maintaining database of the regular customers, getting regular feedback on the system of operation within the store and wising the customer on special occasions makes them feel that he or she is more attached to the store and is cared by the store.

V.   Conclusion

The essence of understanding customer preference is to give good customer service leading to the creation of good relationship with customers. Good relationship is one which an individual customer feels that he would like to pursue. The above study had considered the major CRM aspects which are influential in the selection of the supermarket chain stores and further maintaining good customer relationship. The study concludes that implementation of CRM is essential to maintain good relationship with customers of supermarket chain stores have a series of expectation from the store they shop regularly. Tell them about all changes to your operation, including new hours, facility closures, staff reductions, customer service availability, and ordering options, among others. While you can reference the emergency government regulations that necessitated these changes, it's far better if you are viewed as being proactive and motivated by your customers' best interests.

Tell your existing customers how you are serving them in new ways. Reach out to potential customers by offering new products or services that solve a new problem. For example, the hamburger chain Fuddruckers decided to address shortages of bread in grocery stories by baking and selling loaves directly to consumers. Some liquor companies have decided to produce hand sanitizer from the alcohol they distill, combating nationwide sanitizer shortages.

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