

A Study on Customer Relationship Management at Maruti Suzuki Aie Cars PVT.LTD

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1.1 INTRODUCTION

This project aims to study the customer relationship management (CRM) practices at Maruti Suzuki AIE Cars Pvt. Ltd., a leading authorized dealership of Maruti Suzuki India Ltd. The project seeks to explore the CRM strategies, tools, and techniques used by the dealership to manage its customer relationships, and evaluate their effectiveness in acquiring, retaining, and delighting customers. The study will also identify areas for improvement and provide recommendations for enhancing CRM practices at the dealership. The project will use a combination of primary and secondary research methods, including literature review, questionnaire survey, interviews with dealership staff and customers, and observation of CRM practices at the dealership. The study will focus on the CRM practices at Maruti Suzuki AIE Cars Pvt. Ltd. and will cover the following aspects: CRM strategies and objectives, CRM tools and techniques, customer data management, customer service and support, and customer loyalty and retention programs. The project will provide insights into the CRM practices at Maruti Suzuki AIE Cars Pvt. Ltd

Maruti Suzuki India Limited (MSIL), a subsidiary of Suzuki Motor Corporation, Japan, is India's largest passenger car maker. Maruti Suzuki is credited with having ushered in the automobile revolution in the country. The Company is engaged in the business of manufacturing and sale of passenger vehicles in India. In 1769, a French engineer CAPTAIN NICHOLAS built the first loadvehicle prope lled by its own power. It was a threewheeler, four seated vehicle fitted with steam engine. It attained a speed of about

for 15 minutes.The first car was built by LENIOR in 1862

Maruti Suzuki AIE CARS Pvt. Ltd. is an authorized dealership of Maruti Suzuki, specializing in the sales, service, and distribution of Maruti Suzuki vehicles. The company plays a significant role in enhancing customer experiences by providing a wide range of vehicles, including hatchbacks, sedans, SUVs, and commercial models. With a strong focus on customer satisfaction, AIE CARS Pvt. Ltd. offers end-to-end automobile solutions, including test drives, financing options, insurance, and after-sales services. The dealership also ensures high standards in vehicle maintenance and service, maintaining Maruti Suzuki's brand reputation for quality and reliability.

1.2 NEED OF THE STUDY:

In today's competitive automobile industry, maintaining strong customer relationships is essential for business success. Maruti Suzuki AIE CARS Pvt. Ltd., as an authorized dealership, relies on Customer Relationship Management (CRM) to enhance customer satisfaction, improve sales performance, and build long-term loyalty. This study is necessary to evaluate the effectiveness of CRM practices in managing customer interactions, streamlining sales processes, and providing personalized services. With the increasing role of technology, CRM systems help in automating customer communication, tracking preferences, and ensuring efficient after-sales support. Understanding how CRM impacts customer retention and brand loyalty will provide valuable insights into optimizing customer engagement strategies. Additionally, this research

will identify challenges in CRM implementation and suggest improvements to enhance service quality and business growth. By analyzing the role of CRM in customer satisfaction and sales performance, this study aims to contribute to the dealership's ability to build lasting relationships and sustain a competitive advantage in the automotive market.

1.3 SCOPE OF THE STUDY

- The study examines how CRM enhances customer satisfaction, improves retention rates, and builds long-term brand loyalty in the automobile industry.
- It analyzes the role of CRM in streamlining sales operations, optimizing lead generation, and integrating technology like CRM software and automated communication.
- The research explores how CRM supports after-sales services, including service reminders, feedback collection, and post-purchase customer engagement.
- It assesses CRM's impact on business growth, competitive advantage, and brand reputation while identifying challenges and suggesting improvements for better implementation.

1.4 OBJECTIVE OF THE STUDY

- **Primary Objective:**

To analyze the effectiveness of CRM practices in enhancing customer satisfaction and loyalty at Maruti Suzuki AIE CARS Pvt. Ltd.

- **Secondary Objectives:**

1. To examine the role of technology in CRM, including CRM software, data management, and automated customer interactions.
2. To assess the impact of CRM on sales performance, customer data management, and customer retention.
3. To identify challenges in CRM implementation and suggest improvements for better customer relationship management.
4. To evaluate the influence of after-sales service and customer support on long-term customer engagement and brand loyalty.

1.5 LIMITATION FOR THE STUDY:

1. The study is limited to Maruti Suzuki AIE CARS Pvt. Ltd., and findings may not be fully applicable to other automobile dealerships.
2. CRM effectiveness is influenced by customer behavior, which can vary based on demographics, preferences, and market trends.
3. The research relies on available data and customer feedback, which may be subject to bias or incomplete responses.
4. Technological advancements and changes in CRM software may affect the relevance of the study over time.
5. External factors such as economic conditions, competition, and government policies may impact CRM implementation and customer engagement strategies

CHAPTER 2

2.1 REVIEW OF LITERATURE

A review of existing literature on Customer Relationship Management (CRM) provides insights into its role in enhancing customer satisfaction, loyalty, and business growth in the automobile sector.

Kotler & Keller (2016) – "Marketing Management"

This study explains how CRM helps in understanding customer needs, improving communication, and fostering long-term relationships, leading to increased customer retention. The book delves into core marketing principles, including consumer behavior market segmentation, branding, digital marketing, and competitive strategies.

Parvatiyar & Sheth (2018) – "The Evolution of CRM"

The research discusses how CRM has evolved from traditional customer service to digital-driven strategies, focusing on customer engagement, data analytics, and personalized marketing. The authors highlight the role of technological advancements, such as artificial intelligence, machine learning, and big data, in shaping modern CRM practices

Rust & Chung (2019) – "CRM and Customer Retention in the Automotive Industry"

This study highlights how CRM improves customer satisfaction by offering better service, leading to increased brand loyalty and repeat purchases in car dealerships. The authors explore how CRM systems help automotive companies track customer preferences, improve service quality, and create tailored marketing campaigns to retain existing customers. One of the book's key strengths is its focus on the role of digital transformation in shaping CRM strategies.

Sharma & Singh (2021) – "The Role of CRM in the Indian Automobile Sector"

This study explores how Indian car dealerships, including Maruti Suzuki, use CRM to manage customer data, track preferences, and enhance the customer experience. The book explores the growing importance of CRM in a highly competitive market, where customer retention and satisfaction are critical for long-term success.

Verma & Mehta (2022) – "Technology-Driven CRM and Sales Performance"

The research examines how CRM software and automation improve sales tracking, customer follow-ups, and service efficiency in car dealerships. The authors discuss various CRM tools and software that help businesses manage customer relationships more effectively, leading to higher conversion rates and improved customer retention.

Bansal & Rao (2023) – "Customer Relationship Management"

A case study analyzing CRM implementation in leading automobile brands, including Maruti Suzuki, highlighting best practices and areas for improvement. A major strength of the book is its focus on the Indian automobile sector, considering local market dynamics, customer behavior, and dealership challenges.

Malhotra & Iyer (2022) – "Impact of After-Sales Service on Brand Loyalty"

This study emphasizes how strong after-sales service, including follow-ups and maintenance support, plays a crucial role in customer retention and long-term loyalty.

Chaudhary & Kothari (2021) – "Challenges in CRM Implementation in Automobile Dealerships"

Identifies major challenges such as employee training, data security, and customer engagement in CRM adoption, with recommendations for overcoming them.

Gupta & Lehmann (2020) – "Customer Lifetime Value and CRM"

Discusses how CRM strategies enhance customer lifetime value by increasing customer retention, reducing churn, and improving overall satisfaction.

Peppers & Rogers (2017) – "Managing Customer Relationships: A Strategic Framework"

CHAPTER-3

3.1 RESEARCH METHODOLOGY

3.1.1 Methodology

The research methodology outlines the approach used to study Customer Relationship Management (CRM) at Maruti Suzuki AIE Cars Pvt. Ltd. Research methodology is one of the main aspects of every research. This explains how the researcher conducts this project. It includes the research design, data collection methods, sampling techniques, and data analysis procedures.

3.1.2 Research Design

The study follows a descriptive research design to analyze the effectiveness of CRM practices in improving customer satisfaction, loyalty, and business performance. This approach helps in understanding existing CRM strategies and identifying areas for improvement.

3.1.3 Sources of Data

The study relies on both primary and secondary data to gain comprehensive insights into CRM implementation.

a) Primary Data (First-Hand Information)

Surveys/Questionnaires – Distributed to customers and employees to understand their perspectives on CRM effectiveness.

Observations – Direct observation of CRM processes, including customer interactions and service handling.

b) Secondary Data (Existing Information)

Company reports, customer feedback records, and CRM system data.

Research articles, journals, and case studies on CRM in the automobile sector.

Official websites, industry reports, and previous studies related to CRM.

3.1.4 SAMPLE SIZE

A survey is collected as a questionnaire as size containing **110** samples through Google forms.

3.1.5 POPULATION:

The overall population size is infinite.

3.1.6 PERIOD OF STUDY

The period of time taken to conduct the survey and preparation of the research paper is 3 months at Maruti Suzuki AIE CARS PVT.LTD.

3.1.7 AREA OF THE STUDY

The study focuses on Maruti Suzuki AIE CARS Pvt. Ltd., analyzing the impact of Customer Relationship Management (CRM) on customer satisfaction, sales performance, and brand loyalty. It explores CRM technology, after-sales services, and customer engagement strategies within the automobile industry, highlighting challenges and potential improvements for better relationship management.

3.1.8 TOOLS FOR ANALYSIS

- PERCENTAGE ANALYSIS

- CORRELATION
- ONE WAY ANOVA

PERCENTAGE ANALYSIS

Percentage refers to a special kind of ratio in marketing comparison between two or more data to describe Relationships. Percentage can be used to compare the relative terms the distribution of two or more series of data.

Number of responses

$$\text{percentage} = \frac{\text{Number of responses}}{\text{total responses}} \times 100$$

total responses

ONE WAY ANOVA

tests the null hypothesis that samples in two or more groups are drawn from populations with the same mean values. To do thi, two estimates are made of the population variance. The ANOVA produces an F-statistic, the ratio of the variance calculated among the means to the variance within the samples. If the group means are drawn from populations with the same mean values, the variance between the group means should be lower than the variance of the samples, following the central limit theorem. A higher ratio therefore implies that the samples were drawn from populations with different mean values.

ANALYSIS USING CHI SQUARE TEST

The Chi-Square Test is a statistical method used to determine whether there is a significant association between two categorical variables. It compares the observed frequencies in each category of a contingency table with the expected frequencies that would occur if there were no relationship between the variables.

In this analysis, the Chi-Square Test is applied to examine whether there is a significant relationship between age group and the challenges faced in communicating with Maruti Suzuki's customer service. By comparing the actual responses from different age groups with the expected values, we can assess if the distribution of challenges varies significantly across age categories.

This test helps in understanding if demographic factors, such as age, influence how customers perceive and experience the company's service quality.

4.1 DATA ANALYSIS AND INTERPRETATION

TABLE 4.1.1: SATISFIED LEVEL WITH QUALITY OF REPAIRS AND SERVICING IMPLEMENTED BY MARUTI SUZUKI AIE CARS PVT. LTD

S.NO	PARTICULAR	NO: OF: RESPONDENCE	PERCENTAGE
1.	Very satisfied	52	47.3%
2.	Satisfied	44	40%
3.	Neutral	14	12.7%
4.	Dissatisfied	0	0.9%
5.	Very dissatisfied	0	0.9%
Total		110	100.00

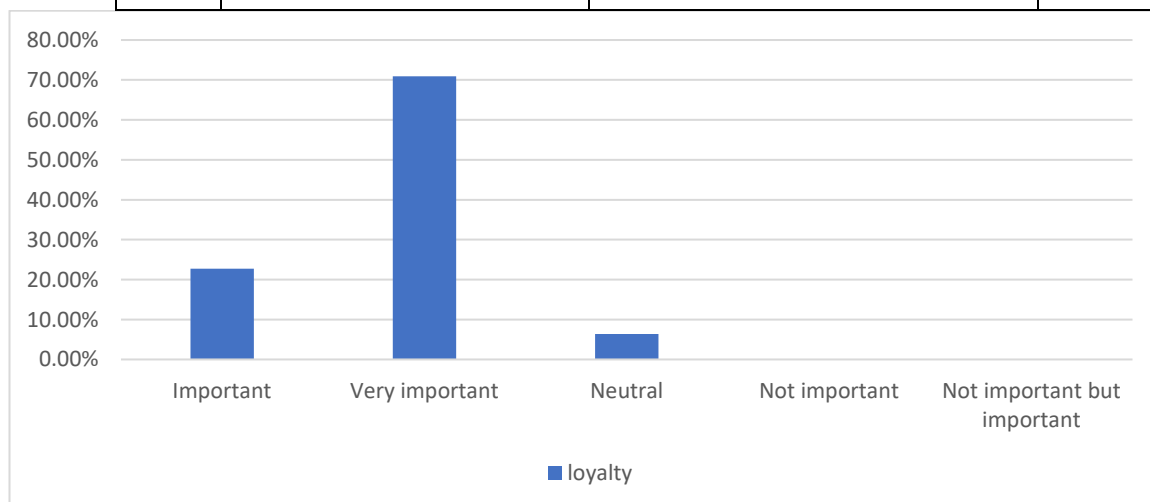


Inference

Majority (47.3%) of the respondents are very satisfied.

TABLE 4.1.2: ROLE OF AFTER-SALES SERVICE IN CUSTOMER LOYALTY OF THE RESPONDENCE

S:NO	PARTICULAR	NO: OF: RESPONDENCE	PERCENTAGE
1.	Important	25	22.7%
2.	Very important	78	70.9%
3.	Neutral	7	6.4%
4.	Not important	0	0
5.	Not important but important	0	0
Total		110	100.00



Inference

Majority (70.9%) of the respondents are very important.

4.2 STATISTICAL TOOLS AND ANALYSIS

4.2.1 ONE-WAY ANOVA CLASSIFICATION

Null hypothesis:

There is no significant difference in the challenges faced with Maruti Suzuki's customer service across different age groups.

Alternative hypothesis

There is a significant difference in the challenges faced with Maruti Suzuki's customer service across different age groups.

DESCRIPTIVE

The major obstacles encountered with Maruti Suzuki's customer service.

Age group	N	mean	Std deviation	Std error	95% confidence level		minimum	maximum
					Upper bound	Lower bound		
1	30	1.40	0.49	0.09	1.58	1.22	1.0	2.0
2	46	1.43	0.50	0.07	1.57	1.29	1.0	2.0
3	27	1.52	0.51	0.10	1.73	1.32	1.0	2.0
4	7	0.13	0.35	0.13	2.44	1.82	2.0	3.0
Total	110	0.54	0.66	0.06	1.66	1.42	1.0	3.0

Subset for alpha = 0.05

Age group	N	1	2
1	30	1.40	
2	46	1.43	
3	27	1.52	
4	7		2.13
Sig		.610	1.000

Test of Homogeneity of Variances

Harmonic mean	df1	df2	Sig.
18.424	3	109	1.000

Means for groups in homogeneous subsets are displayed.

a. Uses Harmonic Mean Sample Size = 18.424.

b. The group sizes are unequal

ANOVA

The major obstacles encountered with Maruti Suzuki's customer service.

	Sum of squares	df	Mean square	F	Sig.
Between Groups	3.628	3	1.209	2.805	.043
Within Groups	46.120	107	.431		
Total	49.748	110			

Calculated value = 2.805

Tabulated value = 2.69

$F = F_{cal} > F_{tab}$

$F = 2.805 > 2.69$

Hence, the Alternate hypothesis [H1] is accepted.

INFERENCE:

The calculated value Based on the one-way ANOVA conducted to examine the differences in customer service challenges faced by different age groups of Maruti Suzuki customers, the analysis revealed a statistically significant difference among the groups ($F = 2.805$, $p = 0.043$). Since the calculated F-value (2.805) exceeds the critical F-value (2.69) at a 5% significance level, the null hypothesis is rejected, and the alternative hypothesis is accepted.

4.2.2 ANALYSIS USING CHI SQUARE TEST

To examine this relationship, data was collected from 110 respondents. Each participant was asked to identify their age group and report the biggest challenges they encountered with customer service. A cross-tabulation was conducted to observe the distribution of responses, followed by a Chi-Square Test to determine if the observed differences between age groups were statistically significant.

Chi-Square Test (Corrected for N = 110)

Test	Value	df	Sid-(2-sided)
Pearson chi square	11.615	6	0.071
Likely hood ratio	10.026	6	0.124
Liner by liner association	4.647	1	0.031

N of valid cases	110		
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INFERENCE :

The Chi-Square test was conducted to examine whether there is a significant relationship between customers' age groups and the challenges they face with Maruti Suzuki's customer service.

- The Pearson Chi-Square value is 11.615 with a p-value of 0.071, which is greater than the standard significance level of 0.05.
- Therefore, we do not reject the null hypothesis, meaning there is no strong statistical evidence of a significant association between age groups and the type of customer service challenges faced.

However:

- The **Linear-by-Linear Association test** showed a **p-value of 0.031**, which is **significant**. This indicates that there may be a **trend or pattern**—such as increasing or decreasing difficulty with age—even if the overall relationship is not statistically strong.

CHAPTER -5

FINDINGS, SUGGESTIONS AND CONCLUSION

5.1: FINDINGS

- CRM technology at Maruti Suzuki AIE CARS Pvt. Ltd. enhances customer interactions but needs further optimization for seamless communication.
- Automated follow-ups and personalized recommendations improve customer engagement and satisfaction.
- Effective CRM practices positively impact sales performance and customer retention by providing a better purchasing experience.
- Challenges in CRM implementation include delayed responses, lack of personalized support, and service inefficiencies.
- After-sales service plays a crucial role in maintaining brand loyalty, with many customers prioritizing service quality in their repurchase decisions.
- Customers value proactive communication from the company, but some feel that their feedback is not effectively utilized for service improvements.
- Service center's are a key touchpoint in CRM effectiveness, influencing long-term customer relationships.

- Most customers are likely to recommend Maruti Suzuki to others, provided their after-sales experience remains positive.
- Enhancing CRM software, improving response time, and personalizing customer interactions will strengthen brand loyalty and customer satisfaction further.

5.2 SUGGESTIONS:

- ❖ Implement AI-driven chat support to enhance response time and improve customer query resolution.
- ❖ Personalize customer interactions by using CRM data to offer tailored recommendations and exclusive offers.
- ❖ Improve after-sales service by ensuring faster turnaround times and proactive follow-ups for maintenance and repairs.
- ❖ Enhance CRM software with better data analytics to track customer preferences and improve retention strategies.
- ❖ Conduct regular customer feedback surveys and actively implement improvements based on insights.
- ❖ Strengthen training programs for sales and service teams to ensure consistent and high-quality customer interactions.

5.3 CONCLUSION:

This study underscores the importance of CRM in fostering strong customer relationships and sustaining brand loyalty at Maruti Suzuki AIE CARS Pvt. Ltd. The findings reveal that technology-driven CRM strategies, such as automated customer interactions, personalized communication, and efficient data management, positively impact customer satisfaction. However, challenges like delayed responses, lack of personalized follow-ups, and service inefficiencies indicate the need for further CRM enhancements.

Improving after-sales service, leveraging AI for better customer support, and integrating real-time feedback mechanisms can significantly enhance the overall customer experience. Additionally, well-trained sales and service teams can help in strengthening customer trust and engagement. By addressing the gaps identified in CRM implementation and continuously innovating its customer management strategies, Maruti Suzuki can build a more customer-centric approach, ensuring higher retention rates, increased referrals, and long-term business growth.

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