

A STUDY ON CUSTOMER RELATIONSHIP MANAGEMENT IN D MART.

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Abstract

In today's world Retailing occupies a key role in the economy. Basically retailing includes all the activities that are involved in selling goods or services directly to final consumers. This research paper deals with the customer relationship management of D Mart, as well how D Mart have used different strategies of customer relationship management to evolve over the period of time. The research shows that as customers choices and preferences are dynamic in nature and it changes from time to time, and how CRM helps D Mart to understand the customers needs how frequently they visit the customers visit the stores. Then the research paper also deals with analyzing the needs of the customers, it also deals with analyzing the CRM practices followed by D Mart. The research paper then moves on highlighting the value retailing importance in retail store for building customer connect and trust. The research paper ends with the conclusion that how D Mart has find the key to success in retail sector.

Keywords :- Customer Relationship Management, Retailing, Customer satisfaction.

Introduction

D Mart is a chain of hypermarkets that is owned and operated by Avenue Supermarts limited (ASL) which was founded by Sri. Radhakishan Damani. D Mart is such a kind of hypermarket which provides it customers and their families one stop experience, as D Mart offers a wide range of products and services to meet the needs of its customers, in each and every aspect. A wide range of products are available at D Mart, and due to which D Mart is able to win its customers trust.

D Mart had started its journey from one of its store in Mumbai, but after winning the trust of the customers, it started establishing its store in almost all the big states in India, such as Gujarat, Andhra Pradesh, Delhi, Karnataka, Tamil Nadu, Punjab, Telangana, Chhattisgarh and Rajasthan.

D Mart has created a distinct image in the minds of its customers as a market where everyone can find products at much cheaper prices than anywhere else. It was able to create a distinct image from its competitors as it dominated the market by offering products at much cheaper prices. It was clear about the company that it

focused on the sales volume rather than profit margin. It has not only outperformed its competitors but it has also constantly maintained a good relation with its customers, due to which it is able to survive in this competitive world. D Mart has the vision to provide its customers the products at the best value than anybody else.

The basic strategies or the practices which D Mart follows in customer responsibility management is by setting up an image of a discount store, basically it offers value for money products. And as D Mart offers discounts to almost all the daily usage products, its customers automatically return back to them for repeat purchase. It targets two types of customer segment, which is value conscious customers and the other is upper/lower middle income customers. It has also figured out how to drive retail chain needs in consumer market in India.

Customer Relationship Management (CRM)

Basically Customer relationship management is designed to improve customer service. It is a technique through which businesses tries to improve its existing relationship with the customers and it also aims acquire new customers. In order to perform a variety of customer related tasks organizations use CRM software. Basically it is used to manage corporate relationships and customer communications.

Stages of Customer Relationship Management :-

- Reaching a potential customer
- Customer acquisition
- Conversion
- Customer retention
- Customer loyalty

Process of Customer Relationship Management (CRM)

The Customer Relationship management process is a strategy to maintain all personalized and meaningful customer communication. The CRM process is a practical concept and there are just some steps which organizations can adopt to help its customers engage in the process of learning about their products and eventually become a repeat customer. The five step process of customer relationship management are as follows :-

- Generate brand awareness
- Acquire leads
- Convert leads into customers
- Provide superior customer services
- Drive upsell

Review of Literature

In the article about the “**Business model of D Mart 2019**” by AdirGrip in his study he provided the business model of D Mart in a detailed manner. He even described the various factors which D Mart employed to ensure customer satisfaction which was a key thing for their success. In this study it was also stated that D

Mart only faced competition from small retailers who lacked the desire to expand their business. The study even stated the different training programs carried on by D Mart to make their employee skillful to handle the large number of its customer base. It also explains the revenue model that D-Mart uses that has allowed them to surpass its competitors like Reliance, Spencers, Big Bazaar etc. The study has also explained about the uses of CRM tool by the different executives, like how they use the necessary information to better serve their customers.

In the case study article on **“D Mart in Karjat and Badlapur 2018”** by M. Guruprashad in his study he conducted a research primarily in which he found out the various factors that indicated the consumer responses towards various aspects of the store, he stated that usually the customers visited the store two times in a week to purchase the household goods in bulk. that the consumers of D Mart were satisfied with the services provided by D Mart in Karjat and Badlapur. Large majority of consumer were loyal to brand that contributed to the popularity of the demand due to the quality and the services provided by D Mart coupled with the attractive pricing strategy followed by it. The study also found that D Mart had a huge variety of product all under one roof which was one of its largest competencies. The study even stated different facts due to which the competitors of D Mart were not able to out pace it. It was found in the study that advertisements and celebrity endorsements were given least importance, as D Mart had already made a good image in the market by providing huge discounts on all its products. The study revealed that the customers of D Mart were fully satisfied with all the products and services provided by D Mart, it even stated that the presence of D Mart has made an huge impact in the retail sector.

In the report of **“Customer relationship management in retail outlets in Bhopal 2017”** by Monika Sharma and Nishith Dubey they conducted a random sample study on the in which they identified the CRM practices followed by retail stores in Bhopal, as well as they identified the CRM tools and techniques which retailers used to benefit them as well as they attracted the customers and thereby the retailers increased their sales. Through their study they came to a point that by the use of CRM tool the retailers come to know many things about the customers likes and dislikes an according to it through the use of it the retailers are able to attract their customers and even the retailers increase their service quality to satisfy their customers to the best possible extent. Though this study it was even concluded that through the use of CRM most number of retailers in Bhopal city increase their number of customers. The study helped to understand the different reasons behind the frequent store visits of the customers in the retail stores.

In the study of **“Customer Relationship management practices in organized retail malls 2014”** by Mayur Kumar in his study on customer relationship management practices in organized retail malls in which he identified the variables influencing customer satisfaction, he also concluded that impact of market orientation on the dynamic capabilities of CRM and competitive CRM performance may be the result of shaping the organizational resources that no longer match the environment. The CRM practices is important variables in the success of the shopping mall. The study even identified the variables influencing customer satisfaction. From the study it was understood that consumer promotional tool, customer services at malls and high variance explain towards services offered by mall retailers at shopping mall at Bangalore city. The study even suggested that 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, even the shopping mall retailers should take in to consideration and

understanding the customers touch points related to services offered by shopping malls. In was study it was stated clearly that when the unsatisfied services levels are made clear and they are improved to bridge the gap to build long term relationship enhances customers satisfaction and it offers a pleasant shopping experiences when the customers make a visit.

In the study of “**Customer relationship management in retail sector 2010**” conducted by Ratan Shah, he concluded that customer service is critical factor for keeping the customers coming back to the store and if this criteria is meet they will be referring the store to some other people. He even concluded that in order to relate with the customer it is very important to communicate with the customer in a proper way so that the network is maintained. In his also he has also stated it can become very difficult for businesses to survive in the long run if they don’t perform meet and exceed with clients expectations by providing services which customers like. In his study he suggested the different ways in which the retailers can earn a good amount of loyal customer base through, communicating with the customers on a daily basis, as well as by providing excellent customer service, by also living up to the customer expectations. In this study it is also stated that committing to the little thing can make a huge difference and it helps businesses to separate itself from its competitors.

In the article of “**The service quality of retail outlets like D Mart and Apna Bazar 2010**” by Mr. Rajesh in his study identified that how the service quality of retail outlets of D Mart and its competitors differ from each other. The study focused on the importance of measuring the service quality, in which he found out that Indian retailers didn’t have any reliable tool to measure service quality. The study gives pointers as to how the retail stores can ensure that their customers experience is fruitful. It is also stated in the study that it is very important for businesses to use the CRM tool in order to surpass its competitors. In this also it is clearly defined how D Mart has able to achieve a good customer base than Apna bazar by mostly using the CRM tool as the tool provides a good amount of know how about the customer experience and all.

Research Design

In order to accomplish the objectives of the study, both primary and secondary sources of data were used. Basically secondary sources of data were collected from different articles, journals, reports etc, related to the research objectives. While the primary data was collected through a structured questionnaire. The questionnaire comprised of two parts, the first part was designed for the responses of the customers while the second part was designed for the store manager of D Mart. The duration of the study is 30 days and the sample frame includes the customers of D Mart and the Store manager of D Mart.

Need for the study & Statement of the Problem

There are various customer responsibility management tools and techniques that are used by D Mart in every possible aspect, as said in above researches. However CRM involves a lot of data gathering about the customers, so that it can be used to facilitate customer service transaction to resolve the issue or the concern readily available to those dealing with the customers, as if such thing is performed it will result in customer

satisfaction and hence the business will be more profitable, and more such helpful resources will be available with the support staff, and it will be helpful in future course of the business. There is much more data needed for the customer responsibility management system to work. The fields may include the name of the customer name, his/her address, transaction date, finished and pending transactions, issues or complaints, demographic data and many more such data.

Objectives of the study

The objectives of the study are as follows :-

1. To understand the needs of the customers in a better way.
2. To analyze the customer relationship management practices followed by D Mart.
3. To build customer connection by featuring the importance of value retailing

Since the objective is understand the level of customer satisfaction on the different things of retail facility along with customer care, we have derived a hypothesis to measure the satisfaction based on below elements. The data in the likert scale we shall go with linear regression, where customer satisfaction as dependent and other elements of retail will be as independent.

H₀ : there is impact of floor manager influence, store layout and employee guidance on customer satisfaction.

H_a : there is no impact of floor manager influence, store layout and employee guidance on customer satisfaction.

Sources of data

The primary data is collected from structured questionnaire from the respondents. The data is collected from randomly selected customers of D Mart store. Secondary type of data is collected from articles, journals, research paper etc.

Sampling Design

Through an online survey a set of 150 customers of D Mart and 2 D Mart store manager and assistant store manager were selected randomly for collecting relevant information regarding the research. Responses were obtained from 92 customers of D Mart and 2 Store manager responses from Gujarat. The data which was collected were analyzed and interpreted accordingly. In order to analyze the data we have used google sheet and google form for getting the clear picture of the responses received.

Analysis and Interpretation

* Responses of the Customers *

1. Demographic factors

Factors		Number of respondents	Percentage %
Gender	Male	64	69.6
	Female	28	30.4
Age	15 – 20	9	9.8
	21 – 25	71	77.2
	26 – 30	8	8.7
	30 and above	4	4.3
Occupation	Student	53	57.6
	Employed	16	17.4
	Self-Employed	8	8.7
	Others	15	16.3

From the above table it is clear that 69.6% of the respondents were male and 30.4% of the respondents were female.

From the above table it is clear that 77.2% of the respondents were of age 21-25, 9.8% of the respondents were of age 15-20, 8.7% of the respondents were of age 26-30, and 4.3% of the respondents were of age 30 and above.

From the above table it is clear that 57.6% of the respondents were students, 17.4% of the respondents were Employed, 16.3% of the respondents were involved in other occupation and 8.7% of the respondents were Self-employed.

Results & Discussion

2. Satisfaction level of the customers of D Mart and their frequent visits on the basis of the most liked thing about D Mart.

It was found that 27.2% of the respondents were completely satisfied, 39.1% of the respondents were somewhat satisfied, 23.9% of the respondents were neither satisfied nor dissatisfied, 6.5% of the respondents were somewhat dissatisfied while 3.3% of the respondents were completely dissatisfied. Overall after seeing the responses it can be said that majority of customers are satisfied with the services provided by D Mart.

It was found that 41.3% respondents visit D Mart once in a month, 20.7% of the respondents visit D Mart twice in a month, 19.6% of the respondents visit D mart thrice in a month, while 18.5% of the respondents visit D Mart four or more than four times in a month.

It was found that most of the customers like the customer services, the discounts, and the prices of D Mart the most. While on an average the customers like credit facility, layout, Hygiene, number of billing counters and the packaging services of D Mart.

3. The floor manager behavior and their guidance to the customers and how much were they helpful to the customers

It was found that out of 92 respondents 28 of the respondents have given 5 mark to the floor manager behavior, 31 of the respondents have given 4 mark, 30 of the respondents have given 3 mark, while 3 of the respondents have given 1 mark. Overall after seeing the responses we can say that majority of customers find the behavior of the floor manager good to certain extent.

It was found that out of 92 respondents 29 of the respondents have given 5 mark which means that the employees of D Mart are able guide them, 32 of the respondents have given 4 mark, 20 of the respondents have given 3 mark, 5 of the respondents have given 2 mark, while 6 of the respondents have given 1 mark which means the employees are completely not able to guide them. Overall after seeing the seeing the responses we can say that majority of the customers find the correct guidance from the employee about the product.

It was found that 65.2% of the respondents says that the associate offer them help, while 34.8% of the respondents say that the associate does not offer them help.

4. Helpfulness of the Layout of D Mart, and the ratings to the theme–setting display of D Mart by the customers.

It was found that out of 92 respondents 26 of the respondents have given 5 mark which means that they really find the layout to be helpful, 30 of the respondents have given 4 mark, 23 of the respondents have given 3 mark, 6 of the respondents have given 2 mark, while 7 respondents have given 1 mark which means that they don't find the layout to be helpful. Overall after seeing the responses we can say that majority of the customers found the layout of D Mart to be helpful in shopping.

It was found that out of 92 respondents, 27 of the respondents have given 5 mark to the theme setting display of D Mart, 38 of the respondents have given 4 mark, 23 of the respondents have given 3 mark, 1 of the respondent have given 2 mark while 3 of the respondents have given 1 mark which means that they does not like the theme setting display of D Mart.

Overall after seeing the responses, we can say that majority of the customers like the theme setting display of D Mart.

5. Ethical Marketing Practices by D Mart and the cleanliness of the restrooms at D Mart

It was found that out of 92 respondents, 21 of the respondents have given 5 mark which means that they are completely agreed with the fact that D Mart follows ethical marketing practices, 30 of the respondents have given 4 mark, 27 of the respondents have given 3 mark, 7 of the respondents have given 2 mark, while 7 of the respondents have given 1 mark. Overall after seeing the responses we can consider that majority of the customers find that D Mart follows ethical marketing practices.

It was found that out of 92 respondents 25 of the respondents have given 5 mark which means that they agree with the fact that the restrooms are clean in D Mart, 22 of the respondents have given 4 mark, 27 of the respondents have given 3 mark, 13 of the respondents have given 2 mark, while 5 of the respondents have 1 mark which means that they completely disagree with the fact that the restrooms are clean in D Mart. Overall after seeing the responses, we can say that majority of the customers agree with the fact that the restrooms are clean in D Mart.

6. Thought that came first in the minds of the customers about D Mart and their point of purchase factor and the basis on which they visited the stores.

It was found that the first thing which comes into the customers mind is Price and Quality when they think about D Mart. While on an average the customer thinks about customer service, stock and display of D Mart.

It was found that 35.9% of the respondents decide their point of purchase on the basis of Brand, 26.1% of the respondents decide on the basis of Preference, 25% of the respondents decide on the basis of Price, while 13% of the respondents decide their point of purchase on the basis of Product visibility.

It was found that 35.9% of the respondents agree that they visit the store based on a promotion or sale, 47.8% of the respondents neither agree nor disagree with the fact that they visit the store based on promotion, while 16.3% of the respondents completely disagree that they visit the store based on promotion or sale.

****Responses of the D Mart employees****

7. Important criteria for the selection of Store Assistant, Floor Manager and the training of all the staffs

It was found that the store assistants and floor manager at D Mart were selected on basis of Good communication, Teamwork, Product awareness, Problem solving skills and a bit Retail experience. Overall after seeing the responses, it is clear that the important criteria of selection of the store assistant and store manager is Good communication, Teamwork, Product awareness, Problem solving skill and Retail experience.

It was found that D Mart provides training to their staffs for better performance. As there are large number of customers visiting the store on a daily basis, they provide training to their staffs to handle them.

8. Strategy used for offering products at discounted price and their focus on the quality of products

The store manager and store assistant of D Mart answered that they are able to offer the products at such a discounted price because they buy the goods in bulk and not only in bulk but they buy the goods directly from the company or the factory, and this eliminates middle man from interference, and this the reason why they offer the goods at discount price.

It was found that D Mart focused on the quality of the products which they offer for sale. Basically they do this because they want their customers to be satisfied to best possible extent.

9. Strategy used for management of the large number customers at the store and Displaying the entire stock on the rack

The store manager and the store assistant answered that they had a large number of employees at the stores to manage the customers at the store, they even said that as the COVID-19 have began the staff didn't had to handle or manage the customers, instead the customers maintained social distancing and followed each and every protocol laid by D Mart.

It was found that the store sometimes not display some products on the rack, a limited quality is available at the racks while some are in the warehouses.

10. Offering reward to the customers and types of Payment modes available.

It was found that D Mart rewarded their customers from time to time basis, there is a basic criteria to qualify in order to get a reward, the criteria is some time limited to a certain minimum amount of purchase or they reward their customers in some Occasion.

It was found that the stores offered all the payment modes such as Credit card, Debit card, Cash, BHIM. Basically, they offer all the modes of payment to satisfy their customers, so that the customers feel free to pay through any of the modes.

11. Methods of Analyzing the customer satisfaction and the Promotional activities to create customer awareness.

It was found that D Mart analyses the customer satisfaction through customer database and Higher sales. Basically they believe that if the sale is higher it means that customers are satisfied with their services. It was found that the method which D Mart uses to analyze the customer satisfaction are feedback, number of repeat purchase and In-app surveys. They track the number of repeat purchases of the customers through the customers databases.

It was found that in order to create customer awareness D Mart use the promotional activities such as Newspaper advertisement, Media, Banner, Coupons and Radio jingle.

Hypothesis

H0 : there is an impact of floor manager influence, store layout and employee guidance on customer satisfaction.

Ha : there is no impact of floor manager influence, store layout and employee guidance on customer satisfaction.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.693 ^a	.480	.462	.74732

a. Predictors: (Constant), employee, layout, manager

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	45.331	3	15.110	27.056	.000 ^b
	Residual	49.147	88	.558		
	Total	94.478	91			

a. Dependent Variable: satisfied

b. Predictors: (Constant), employee, layout, manager

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.045	.341		3.066	.003
	Floor Manager	.268	.111	.252	2.423	.017
	Store layout	.426	.086	.493	4.978	.000

Employee guidance	.040	.100	.045	.399	.691
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a. Dependent Variable: Customer satisfied

With the above test result the p value (sig) value is less than 0.05, and the r-square value is very significant i.e., 0.480, we shall reject the null hypothesis and accept the alternative hypothesis. Hence it can be inferred that the store elements viz., floor manger influence, store layout and employee guidance will have significant impact on customer satisfaction.

Findings

D Mart has a such a unique business model which needs to commended. Although the strategy which they used in their initial stage were costly for them but with the help of the same strategy they proved to be very much profitable as time went, D Mart gained customers trust, and we can see how popular they are, and they were able to do so because of their excellent strategies.

The basic thing which D Mart focused the most was the quality and affordability, every time they assured the quality before selling the product to its customers. D Mart even took a step ahead from its competitors by training its staffs, so that they will be able to handle the customers effectively and efficiently. The main reason behind attracting the customers was that they offered the products at the lowest cost and they were able to do so because they eliminated middleman from such business model, as they purchase goods directly from the companies which reduces the cost of middleman, and due to which they are able to offer products at a lower cost.

As D Mart believe in the customer relationship management, they are able to satisfy their customers and the customers indirectly act as the source of bringing new customers. As a part of Customer relationship management practice D Mart started increasing the number of cash counters and the number of employees at their stores, by doing this D Mart was able to reduce the time spent by the customers in the lengthy queues, as well as they even rewarded their customers to buy more by offering gift shopping vouchers.

Suggestions

D Mart can create customer connect through value retailing as it will help it in building long and rewarding relations with the customers. It can even offer rewards and recognitions to its customers as it shows that the company cares about the value of the customers. Also, it can make itself convenient and easier for its customers for shopping than that of its competitors. D Mart needs to analyze some more places where it can open its store, as it has been seen in the study that it does not have any store in West Bengal, Bihar etc, where a large population of people live, it should focus on the other customer which it can capture.

D Mart can upgrade its CRM tool to track the changing customer profile, they can even build in such information to get the necessary product design, so that they can add value to their individual customers. Rest D Mart is performing very good in all the aspects whether it be offering good quality products, or offering products at the best price, just it needs to upgrade its CRM tool to continue its operations smoothly.

D Mart can try to expand its customer base by practicing a simple trick which is converting its customers into publicity agents, it can develop an incentive for the customers who refer someone to become a customer and when the referred person becomes a customer D Mart can reward the customer who referred them, and this process can only be achieved by making in depth use of the CRM tool, and if they practice this activity, they will not need any type of advertisement. Excellent customer service is one more way through which D Mart can retain old customers as well as it can earn some more new customers, to do this D Mart will require to train its employees about the best practices which can employees can follow to better serve their customers.

Limitations

The content of this research paper has been collected from different journals and articles which might be a limitation for this research paper and the data may not be completely accurate. The data which has been collected from the customers is very small as compared to the total customers of D Mart. Due to limited time it was not possible to do an in depth study of the topic. The project duration was not sufficient. The study is limited to Rajkot, Gujarat city.

Conclusion

I would like to conclude by saying customer service is a very critical factor for keeping the customers coming back and as well ensuring that they refer the organization or the store to others. It can be very difficult to grow and expand the business if the customers are not greeted. It is the customer who decides whether the company or the organization should be successful or not.

The most important strength of D Mart which makes it different from its competitors is the relation which it has built over the years with its customers. D Mart needs to include a lot of data gathering about the customers, so that it can be used to facilitate customer service transaction to resolve the issue or the concern readily available to those dealing with the customers, and if such thing is performed it will result in customer satisfaction and hence, they will be able to gain more customers. It is not that D Mart does not use CRM, it is just that they need to involve much more descriptive data, so that they can analyze the customers accordingly. With no doubt it provides the best deal to its customers and this is the reason why the customers hold D Mart at a special place as it fulfills all their needs smoothly.

D Mart has used CRM to their best possible extent. Communication with the customers can be used as a tool for better customer engagement, from the selection process till the final sale of the selected product, so that it will create a better experience of the customers. Being genuine and sincere is the most important thing in today's

world. Customer expectation is something which every business tries to achieve, the ones who are not able to achieve it, the customers does not return back to them.

D Mart can upgrade it CRM tool to track the changing customers profile, they can even build in such information to get the necessary product design, so that they can add value to their individual customers. Rest D Mart is performing very good in all the aspects whether it be offering good quality products, or offering products at the best price, just it needs to upgrade it CRM tool to continue its operations smoothly.

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