

# A Study on Customer Relationship Management at Yamaha Srinivasa Motors Puducherry

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## ABSTRACT

Most of the two wheeler industry focuses on customer relationship management these days. The first and foremost necessity is to satisfy the existing customers and make them come back for a repurchase of their products. This means Yamaha should concentrate on its customers. The aim of the study is to find the customer relationship management and brand loyalty at Yamaha Srinivasa Motors Puducherry. The relation between CRM and Brand Loyalty is also assessed. Primary and secondary data were used for the study. CRM questionnaire was used to collect primary data. Eighty samples are selected at random from a population of 100 customers. The data were analyzed using the spearman coefficient of correlation and ANOVA. Suitable suggestions and conclusions were made from the findings of the study.

**KEYWORDS:** Satisfaction, Customer loyalty, CRM practices

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## INTRODUCTION

Customer Relationship Management is an approach to manage the company interaction with current and potential customers. It uses data about past customer history and to manage the satisfaction, especially focusing on customer retention and ultimately driving sales growth. This database helps the unified customers and to improve the quality of relationship. Through the customer relationship management approach and the systems used to facilitate it, businesses learn more about their target audiences and how to best cater their needs.

The focus of customer relationship management is on creating value for the customer and the company over the longer term. It enables organizations to gain competitive advantage over competitors that supply similar products or services. The important factors like,

1. Satisfaction
2. CRM practices
3. Brand Retention
4. Customer loyalty

## SATISFACTION

The degree of satisfaction provided by the goods or services of a company as measured by the number of repeat customers.

## CRM PRACTICES

Customer relationship management practices like customization of the product, maintaining interaction with the customer regularly and providing good quality product.

## BRAND RETENTION

It refers to the ability of a company or product to retain its customer over some specified period. The goal of customer retention programs is help companies retain as many customers as possible, often through brand loyalty initiatives.

## CUSTOMER LOYALTY

Customer loyalty is the result of consistently positive emotional experience; physical attribute based satisfaction and perceived value of an experience, which includes the products goods or services.

## OBJECTIVE OF THE STUDY

1. To find the current practices of Customer Relationship Management.
2. To find the significant difference between demographic variables and Customer Relationship Management.
3. To find the significant relationship between Customer Relationship management and Brand Loyalty.

## HYPOTHESIS

1.  $H_a$ : There is a significant relationship between Customer Relationship Management and Brand Loyalty.
2.  $H_0$ : There is no significant difference between demographic variables and customer relationship management.

## SCOPE OF THE STUDY

The study is useful as it highlights the key needs and to maintain good relations with its customers. They have retain the customer for a long time to avail the benefit of the relations. The customer relationship management is one of the effective tools to identify, establish and maintain relationship with the customers is helpful in increasing emphasis for satisfying the customer and develop stronger customer bonding.

## REVIEW OF LITERATURE

1. (Swift, 2000, pp. 12-13) described customer relationship management as a technique of knowing client conduct through intensive interaction with him/her to enhance the efficiency of attracting customers, maintaining them and improving their loyalty and profitability.
2. (Kumar & Reinartz, 2006, p.6) agrees with the above mentioned concept that customer relationship management is simply a strategic method by which the more lucrative clients of the organization are selected and interactions are established between that institution and those clients in order to attain the objective of maximizing present and future customer values.
3. Peter C. Verhoef (2003) "Understanding the effect of Customer relationship management efforts on client retention and client share growth" discovered that the differential impacts of client relationship attitudes and marketing relationship tools on customer retention and the growth of client share over time were investigated.
4. (Payne & Frow, 2005, p.p.167-168) showed that the notion of customer relationship management has different points of perspective. While some viewpoints were in favor of considering customer relationship management as direct mail correspondence, a diagram for customer loyalty programs or databases, other viewpoints considered it to be an assistant office work or a call center. Still, some considered it data storage or taking care of data search and processing. Finally, some considered it gaining the systems that make it able to perform e-commerce.
5. (Parvatiyar & Sheth, 2002, p.5) Stated that customer relationship management is a through approach involving in the process of purchasing, maintaining and cooperation with certain clients in order to generate a distinct value for both the business and the client. This strategy requires integrating the functions of marketing, sales, customer service and exposition chain so as to achieve the highest competence and efficiency in delivering value to the customer. As it shows, this definition regards CRM as a strategy with a main goal of delivering a distinguished value to the customer through improving the marketing productivity.
6. Khalid Rababah (2011) "Customer Relationship Management (CRM) processes from theory to practice. The pre implementation plan of the CRM system" found that the paper recommends that, in order to ensure the successful adoption and implantation of any customer

relationship management initiative, the organization should understand the different levels of the CRM process and the integrated activities between the CRM processes at each level. In addition, for organizations to be successful adopters and implementers of CRM programs/systems, they should understand the need for business process reengineering and effective anticipation and management of the change that may accompany any CRM initiative. He suggests a pre-implementation plan for CRM programs/systems. Such a plan aims to initiate and communicate a customer-oriented culture within the organization.

7. (Zablah, 2004, p.578) "CRM is an activity that is interested in the organization's main customers, in the efficiency of the organization and in the management of customer knowledge, with the aim of enhancing the effectiveness of customer related organizational decisions, thus leading to improved marketing performance and organizational performance in particular".

## RESEARCH METHODOLOGY DESCRIPTIVE RESEARCH

Descriptive Research includes the surveys and fact-finding enquires of different kinds. The major purpose of descriptive research is description of the state of affairs as it exists at present. The main characteristics of this method are that the research design has no control over the variables. It gives only report what has happened or what is happening.

## SAMPLING DESIGN

A Sampling design is a definite plan for obtaining a sample from a given population. It refers to a technique or the procedure the researcher would adopt in selecting items for samples.

## POPULATION

The population or universe can be defined as aggregate of items possessing a common trait. In the study population is finite and the population size is  $N=100$  and the sample size  $n=80$ .

## SAMPLING METHOD

The sampling technique used in this study is simple random sampling method. This method is also called as the method of chance selection. Each and every item of population has equal chance to be included in the sample

## TYPES OF DATA

Source of data

Primary data and secondary data are used for the study.

### 1. Primary data

The data which are collected fresh, original in character is called primary data. In this study the primary data was collected by interacting with the assistant engineers and workers in production department in my company. Sample taken for this study is one.

### 2. Secondary data

The data which have already collected and analyzed by someone else is called secondary data. In this study the secondary data was collected from the books, journals, and websites and company records.

**QUESTIONNAIRE**

The questions are arranged in logical sequences. The questionnaire consists of a variety of questions presented to the employees for their response. Likert’s scale was used in the construction of questionnaire.

5- Strongly Agree 4-Agree 3- Neutral 2- Disagree 1- Strongly Disagree.

**STATISTICAL TOOL**

To analyze and intercepts collected data the following statistical tools was used.

- Karl Pearson’s coefficient of correlation.
- Analysis of variance (ANOVA).

**KARL PEARSON’S CO-EFFICIENT OF CORRELATION**

It is widely used mathematical method wherein the numerical expression is used to calculate the degree and direction of the relationship between linear related variable. Pearson’s method, popularly known as a Pearson’s coefficient of correlation, is the most extensively used quantitative methods in practice. The coefficient of correlation is denoted by “r”.

The relationship between two variables x and Y is to be ascertained, then the following formula is used,

**FORMULA**

$$\text{Coefficient of correlation } r = \frac{\sum ((x-dx) (y-dy))}{\sqrt{(\sum (x-dx)^2)(\sum (y-dy)^2)}}$$

Where, dx = mean of x variable  
dy = mean of y variable

**ANALYSIS OF VARIANCE**

Analysis of variance (ANOVA) is used to determine whether there are any significant differences between the means if two or more independent (unrelated) groups (although you tends to only see it used when there are a minimum of three, rather than groups). For this purpose, F-test is used. It is important to realize that the one way ANOVA cannot tell which specific groups were significantly different from each other; it only tells that at least two group’s two groups were different.

$$F = \frac{\text{Estimate of population variance based on between samples variances}}{\text{Estimate of population variance based on within samples variances}}$$

**DATA ANALYSIS AND INTERPRETATION**

**ANALYSIS OF VARIANCE**

AGE  
HYPOTHEIS

H<sub>0</sub>: There is no significant difference between age wise classification of the respondent and customer relationship management.

SOURCES OF VARIANCE	SS	Df	MS	F	P VALUE
BETWEEN GROUPS	38.85758	2	19.42879	0.770391	0.466366
WITHIN GROUPS	1941.892	77	25.21938		
TOTAL	1980.75	79			

**INFERENCE**

The above table shows that f value is 0.77 and p value is 0.46, since p value is greater than 0.05 we accept the null hypothesis and reject the alternative hypothesis. Hence there is no significant difference between age wise classification of the respondents and customer relationship management.

GENDER  
HYPOTHESIS

H<sub>0</sub>: There is no significant difference between gender wise classification of the respondent and customer relationship management.

SOURCES OF VARIANCE	SS	Df	MS	F	VALUE
BETWEEN GROUPS	3.692516	1	3.692516	0.039197	0.843562
WITHIN GROUPS	7536.368	80	94.20461		
TOTAL	7540.061	81			

**INFERENCE**

The above table shows that f value is 0.03 and p value is 0.84, since p value is greater than 0.05 we accept the null hypothesis and reject the alternative hypothesis. Hence there is no significant difference between gender wise classification of the respondents and customer relationship management.

OCCUPATION  
HYPOTHESIS

H<sub>0</sub>: There is no significant difference between occupation of the respondents and customer relationship management.

SOURCES OF VARIANCE	SS	Df	MS	F	P VALUE
BETWEEN GROUPS	78.01268	2	39.00634	0.312398	0.732579
WITHIN GROUPS	9988.879	80	124.861		
TOTAL	10066.89	82			

**INFERENCE**

The above table shows that f value is 0.31 and p value is 0.73, since p value is greater than 0.05 we accept the null hypothesis and reject the alternative hypothesis. Hence there is no significant difference between occupation of the respondents and customer relationship management.

**ANNUAL INCOME**

**HYPOTHESIS**

H<sub>0</sub>: There is no significant difference between annual income of the respondents and customer relationship management.

SOURCES OF VARIANCE	SS	Df	MS	F	P VALUE
BETWEEN GROUPS	23.84906	2	11.92453	0.094987	0.909487
WITHIN GROUPS	10043.04	80	125.538		
TOTAL	10066.89	82			

**INFERENCE**

The above table shows that f value is 0.09 and p value is 0.90, since p value is greater than 0.05 we accept the null hypothesis and reject the alternative hypothesis. Hence there is no significant difference between annual income of the respondents and customer relationship management.

**ANALYSIS USING KARL COEFFICIENT OF CORRELATION**

**HYPOTHESIS**

H<sub>0</sub>: There is no significant relationship between Customer Relationship Management and Brand Loyalty.

H<sub>a</sub>: There is a significant relationship between Customer Relationship Management and Brand Loyalty.

RESPONDENTS	X	y	dx	Dy	(x-dx)^2	(y-dy)^2	(x-dx)(y-dy)
1	49	19	-5.875	-1.7875	34.515625	3.19515625	10.5015625
2	53	16	-1.875	-4.7875	3.515625	22.92015625	8.9765625
3	54	21	-0.875	0.2125	0.765625	0.04515625	-0.1859375
4	61	21	6.125	0.2125	37.515625	0.04515625	1.3015625
5	62	21	7.125	0.2125	50.765625	0.04515625	1.5140625
6	64	22	9.125	1.2125	83.265625	1.47015625	11.0640625
7	63	15	8.125	-5.7875	66.015625	33.49515625	-47.0234375
8	61	18	6.125	-2.7875	37.515625	7.77015625	-17.0734375
9	46	20	-8.875	-0.7875	78.765625	0.62015625	6.9890625
10	59	23	4.125	2.2125	17.015625	4.89515625	9.1265625
11	57	23	2.125	2.2125	4.515625	4.89515625	4.7015625
12	53	22	-1.875	1.2125	3.515625	1.47015625	-2.2734375
13	55	23	0.125	2.2125	0.015625	4.89515625	0.2765625
14	50	25	-4.875	4.2125	23.765625	17.74515625	-20.5359375
15	52	23	-2.875	2.2125	8.265625	4.89515625	-6.3609375
16	53	25	-1.875	4.2125	3.515625	17.74515625	-7.8984375
17	54	23	-0.875	2.2125	0.765625	4.89515625	-1.9359375
18	54	23	-0.875	2.2125	0.765625	4.89515625	-1.9359375
19	55	24	0.125	3.2125	0.015625	10.32015625	0.4015625
20	56	21	1.125	0.2125	1.265625	0.04515625	0.2390625
21	49	18	-5.875	-2.7875	34.515625	7.77015625	16.3765625
22	54	19	-0.875	-1.7875	0.765625	3.19515625	1.5640625
23	51	22	-3.875	1.2125	15.015625	1.47015625	-4.6984375
24	54	20	-0.875	-0.7875	0.765625	0.62015625	0.6890625
25	52	22	-2.875	1.2125	8.265625	1.47015625	-3.4859375
26	57	17	2.125	-3.7875	4.515625	14.34515625	-8.0484375
27	56	22	1.125	1.2125	1.265625	1.47015625	1.3640625
28	56	20	1.125	-0.7875	1.265625	0.62015625	-0.8859375
29	46	21	-8.875	0.2125	78.765625	0.04515625	-1.8859375
30	59	18	4.125	-2.7875	17.015625	7.77015625	-11.4984375
31	54	22	-0.875	1.2125	0.765625	1.47015625	-1.0609375
32	56	18	1.125	-2.7875	1.265625	7.77015625	-3.1359375
33	56	21	1.125	0.2125	1.265625	0.04515625	0.2390625
34	58	22	3.125	1.2125	9.765625	1.47015625	3.7890625
35	60	19	5.125	-1.7875	26.265625	3.19515625	-9.1609375
36	52	20	-2.875	-0.7875	8.265625	0.62015625	2.2640625
37	46	23	-8.875	2.2125	78.765625	4.89515625	-19.6359375
38	59	19	4.125	-1.7875	17.015625	3.19515625	-7.3734375

39	59	24	4.125	3.2125	17.015625	10.32015625	13.2515625
40	56	20	1.125	-0.7875	1.265625	0.62015625	-0.8859375
41	50	22	-4.875	1.2125	23.765625	1.47015625	-5.9109375
42	51	24	-3.875	3.2125	15.015625	10.32015625	-12.4484375
43	63	21	8.125	0.2125	66.015625	0.04515625	1.7265625
44	56	18	1.125	-2.7875	1.265625	7.77015625	-3.1359375
45	60	20	5.125	-0.7875	26.265625	0.62015625	-4.0359375
46	54	20	-0.875	-0.7875	0.765625	0.62015625	0.6890625
47	53	24	-1.875	3.2125	3.515625	10.32015625	-6.0234375
48	53	20	-1.875	-0.7875	3.515625	0.62015625	1.4765625
49	52	23	-2.875	2.2125	8.265625	4.89515625	-6.3609375
50	55	17	0.125	-3.7875	0.015625	14.34515625	-0.4734375
51	60	21	5.125	0.2125	26.265625	0.04515625	1.0890625
52	46	19	-8.875	-1.7875	78.765625	3.19515625	15.8640625
53	53	21	-1.875	0.2125	3.515625	0.04515625	-0.3984375
54	52	23	-2.875	2.2125	8.265625	4.89515625	-6.3609375
55	50	18	-4.875	-2.7875	23.765625	7.77015625	13.5890625
56	53	23	-1.875	2.2125	3.515625	4.89515625	-4.1484375
57	56	22	1.125	1.2125	1.265625	1.47015625	1.3640625
58	55	24	0.125	3.2125	0.015625	10.32015625	0.4015625
59	60	15	5.125	-5.7875	26.265625	33.49515625	-29.6609375
60	63	23	8.125	2.2125	66.015625	4.89515625	17.9765625
61	66	24	11.125	3.2125	123.765625	10.32015625	35.7390625
62	60	21	5.125	0.2125	26.265625	0.04515625	1.0890625
63	67	24	12.125	3.2125	147.015625	10.32015625	38.9515625
64	50	24	-4.875	3.2125	23.765625	10.32015625	-15.6609375
65	55	19	0.125	-1.7875	0.015625	3.19515625	-0.2234375
66	56	22	1.125	1.2125	1.265625	1.47015625	1.3640625
67	67	23	12.125	2.2125	147.015625	4.89515625	26.8265625
68	48	21	-6.875	0.2125	47.265625	0.04515625	-1.4609375
69	47	18	-7.875	-2.7875	62.015625	7.77015625	21.9515625
70	57	23	2.125	2.2125	4.515625	4.89515625	4.7015625
71	55	19	0.125	-1.7875	0.015625	3.19515625	-0.2234375
72	45	24	-9.875	3.2125	97.515625	10.32015625	-31.7234375
73	48	16	-6.875	-4.7875	47.265625	22.92015625	32.9140625
74	48	18	-6.875	-2.7875	47.265625	7.77015625	19.1640625
75	53	17	-1.875	-3.7875	3.515625	14.34515625	7.1015625
76	55	20	0.125	-0.7875	0.015625	0.62015625	-0.0984375
77	50	23	-4.875	2.2125	23.765625	4.89515625	-10.7859375
78	53	19	-1.875	-1.7875	3.515625	3.19515625	3.3515625
79	57	18	2.125	-2.7875	4.515625	7.77015625	-5.9234375
80	57	17	2.125	-3.7875	4.515625	14.34515625	-8.0484375
	<b>4390</b>	<b>1663</b>	<b>54.875</b>	<b>20.7875</b>	<b>1980.75</b>	<b>483.3875</b>	<b>11.875</b>

$$\text{Coefficient of correlation } r = \frac{\sum ((x-dx) (y-dy))}{\sqrt{((x-dx)^2(y-dy)^2)}}$$

$$r = \frac{11.875}{978.50385}$$

$$r = 0.012135$$

**Coefficient of correlation r = 0.012135**

**INFERENCE**

The value of correlation r = 0.012135. This shows that there exists a positive correlation between Customer Relationship Management and Brand Loyalty of the company. Hence, we reject the null hypothesis and accept alternative hypothesis. It was found that there is a relationship between Customer Relationship Management and Brand Loyalty of the company.

**CURRENT PRACTICES OF CUSTOMER RELATIONSHIP MANAGEMENT AT SRINIVASA MOTORS**

1. Ensure online platforms are responsive
2. Set up workflows
3. Cross-time employees
4. Creating content and make changes from experiences
5. Put milestones in places
6. Make sure you can customize, personalize and scale for the future
7. Provide proper training and support

8. Automate process
9. Be clear about your pain points and goals
10. Services and customer experiences
11. Have a well-defined implementation strategy
12. Continuously monitor process
13. Maintain flexibility during the process
14. Train your staffs

### SUGGESTIONS

On the basis of the results found from the survey taken on Srinivasa Motors leads to some of the following suggestions. These suggestions are given with account of the improving the standard of the company.

1. There should be more and more emphasis given by the company for satisfying the customer up to apex limit and by providing the utility of every penny of his money.
2. The company should be flexible to bend its rules and procedures in the client favor.
3. The company can communicate and develop stronger customer bonding by providing social and financial benefits.
4. The number of experienced workers increased, then the efficiency of the production will increase with less material wastage, less material resources etc.,
5. The majority volume of the customer in the industry is satisfied with employee's relationship. But, still a considerable volume of the customers are giving a neutral opinion regarding the topic of interest. The management should take necessary steps so that this volume of customers also gets satisfied.
6. The company maintains frequent communication with the customers. As soon as the product is ready or a new product is launched the information is provided to the customers. Communication is also necessary to maintain the interest of the customers in the company.
7. The company has focused on the customer relationship management and has also suggested how to maintain their relationship has to be achieved. This will improve relationship with customers successfully focusing on customer's satisfaction and ultimately driving sales growth.

### CONCLUSION

Customer relationship management 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 relationship with customers, specially focusing on customer's retention and ultimately driving sales growth. The object of the study is to deal with customer relationship management and to find the current practices of CRM. This study examined factors such as satisfaction of customer in the company.

It was found that by using Anova, to study the relationship between overall demographic variable and Customer Relationship management on perception of customers at

Srinivasa Motors private limited in Puducherry. By using correlation, there is no significant correlation among the customer relationship management and brand loyalty. The suggestion is given to employees in manufacturing sector it is very important to understand the customer preference and to maintain good relations with its customers. They have retained the customer for a long time to avail the benefit of the relations. It is helpful in increasing emphasis for satisfying the customer and develop stronger customer bonding.

From this study it can be concluded that the customer relationship management in company is satisfactory. The company using various CRM practices like customization of the product, maintaining interaction with the customers regularly and providing good quality product. The company maintains frequent communication with the customers. As soon as the product is ready or a new product launched the information is provided to the customers.

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