Effect of Customer Relationship Management (CRM) on Customer Satisfaction

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Abstract: *In a highly competitive market, companies need to maintain a positive relationship with their customer. A good CRM (customer relationship management) program that helps the company in satisfying the customer, the research study would explore different methods and techniques for establishing effective CRM to satisfy the customers. The purpose of the study was to check the effectiveness of customer relationship management (CRM) in retaining and satisfying customers regarding Chai Point, India. This study shows that customer relationship management has a significant effect on customer satisfaction and both variables have positive relationships. The company makes its CRM as strong and reliable the customer will be more satisfied and retain with the company. The study concluded that CRM is playing a major role in increasing the market share, it enhances productivity, superior employee's morale in the meanwhile it improves the in-depth customer knowledge and also higher customer satisfaction to improved customer loyalty company will also have the clear information that what are their customers, what are their needs, and what will make them more satisfied.*

Keywords: CRM, Customer Satisfaction, IT Infrastructure

1. Main Text

Most of the start-up companies find themselves uncertain about the productivity of their Customer Relationship aspect and see it as the main threat to their marketing budget. The study has been undertaken and evaluates Customer Relationship Management (CRM) using Chai Point as a reference company.

CRM stands for Customer relationship management. It has a strategy which is used to learn more about customers' needs and wants. CRM defines the process of creation and maintains a relationship with the business customer. CRM is a hostile process of identifying, attracting, differentiating and retaining customers'. A good relationship with the customers' is the essence of a successful business.

CRM integrates supply chain to create customers' value at every step, either through the best benefits or with great discounts. This results in higher profits through increased business from a firm customer base.

CRM is the flawless coordination between sales, customers', services, marketing, field support and other customer touching function

1.1. Reasons for adopting CRM

It intensifies competition for customers; In the economic point of few many start-up firms from Digital marketing, and many other marketing sectors learned that it is less costly to retain a customer than to find a new one. By Pareto's Principle, it is assumed that 20%of companies' customers generate 80% of its profits.

- Increasing 10% retaining existing customers translates into 25% or more in profits.
- Business intelligence becomes high expensive to acquire.
- It is 5 to 10 times more expensive to acquire new customers' than obtain repeat business from an existing customer.

1.2. CRM in India

Indian companies focus a lot more on their customers' and try to focus more on their relationships with customers'. But now the trend is changing and they are using Pull Strategy instead of using Push Strategy by sending bulk products to retail outlets. But now they have obtained. A strategy of customized is they make product according to the demand of the customers' and one-to-one marketing is applied, and Indian company choose CRM.

Chai industry had become a vital economic role in the development of the economic condition of the nation. It is a product and service-oriented business, to be successful in the competitive market. It creates more customer satisfaction while dealing with the company and they should be loyal to the company. To check the satisfaction and loyalty state of customers' in chai industry.

1.3. CRM in Chai Point

Chai Point was able to implement CRM in its organization in 2017. Chai Point has also purchased CRM software to keep the record if their customers'.

Chai Point computer programmer has made two different types of software; Shark, boxC.in.

1.3.1. Shark: It is only used for billing and tracking down the customers' details all across the outlets, and it is seamlessly IOT-Enabled dispensers.

1.3.2. boxC.in: It is only used for corporate customers. Chai Point has made separate accounts for each customer to have depth knowledge in their data. This software also helps in availability of Chai anywhere anytime.

They analysed individual customers' every six months. It gives then a clear picture of high-value customers. Chai

Point also analysis individual customers' as well as analysis of aggregate sale.

1.4. Technology supporters CRM in Chai Point

Customer Relationship Management (CRM) Zoho, helps to focus on the customer for their greater satisfaction and retention, Zoho is an integrated, Award-winning Customer Relationship Management solution.

1.5. Manage Customers' Relationship

Zoho is a complete tool for managing and for anticipating the existing customers' through support needs. It enables Chai Point to deliver by phone, email, and the web. This world-class service can quickly separate Chai Point from the competition and ensure customer loyalty for years to come.

1.6. CRM services by Chai Point

Chai Point assists their benchmarking through CRM using cross channel servicing. Producing graphs and efforts against other Chai Producing organizations.

2. Methodology for Customer Satisfaction

This study was quantitative and describes the impact of organizational commitment.

2.1. Hypothesis Development

2.1.1 IT Infrastructure
Advancements in hardware and software provide firms with a wide range of solutions designed to support CRM.

- The key IT components are the front office applications which help to analyze and integrate data (Green berg, 2001).
- Empirical evidence for performance improvements are embedded IT to support customers' service process (Ray et al, 2005).

Where IT infrastructure includes embedded hardware and software, we propose: (1) this infrastructure can support human and organizational capabilities and (2) the impact of this infrastructure on CRM capability is at least partially mediated by organizational capability: this leads to the following three hypotheses.

H_{1a}: More developed IT infrastructure is positively associated with more developed human analytics (HA) capabilities.

H_{1b}: More developed IT infrastructure is positively associated with more developed customer-oriented Business Architecture (BA).

H_{1c}: More developed IT infrastructure is positively associated with a CRM capability that is superior to competitors.

2.1.2. Human Analytics
CRM it is unreasonable to expect that an IT capability alone is sufficient to generate performance outcome. Customer data need to be interpreted correctly within the context of business this is sufficiently done when Human Analytics has emerged in IT infrastructure, this also plays a crucial role for success in converting data to customers' knowledge.

For example, Managers must increasingly cope with the vast amount of rapidly changing and often conflicting market information. While Human Analytics algorithms make the techniques. In a correct sense for the infrastructure.

The human ability:
(1) Enables companies to manage the technical and business risks associated with their investment in CRM (Bhardwaj, 2000), (2) this is based on accumulated experience that takes time to develop, and (3) results from socially complex (Meta et al, 1995).

H2: More developed human analytics (HA) in converting data to customer knowledge is positively associated with CRM capability that is superior to competitions.

2.1.3. Business Architecture
A sophisticated CRM system and complex human skills and experience will have little impact on the business unless action is taken. (1) To improve performance the outputs of CRM it should be deployed at scale across the business, (2) organizational architecture of control systems and incentives policies (Barney and Machy, 2005).

In this context of CRM, other aspects of this architecture could include training in systems and policies and control systems that focus on the relationship with customers' rather a transactional view of the customer.

H3: More developed customer-oriented Business Architecture (BA) is positively associated with a CRM capability that is superior to competitors.

3. Equation

Customer Satisfaction = (CS)
H1= Hypothesis from 1st Methodology
H2= Hypothesis from 2nd Methodology
H3= Hypothesis from 3rd Methodology

$$(CS) = H1 + H2 + H3 = (H1a + H1b + H1c) + H2 + H3$$

4. Research Instrument

The research instruments used in this study is questionnaire are respondents of the research are the employs of the firm that who deal directly with the customers. This is based on the customers' satisfaction.

5. Result

The study has used the following equation to get the estimates for "Customer Relationship Management" on "Customer Satisfaction".

6. Conclusion

The study shows that customers' relationship management has a significant effect on customer satisfaction. The company makes its CRM as a strong and reliable to the customer, will be more satisfied and retain with the company.

So, increasing in the competitiveness of the Chai Company has a bright future for the Chai Point in India, it is expected that the management of any Company based on Chai Point consider the results of this study and fulfil the customer expectation with CRM.

7. Recommendations

The analysis of the findings demonstrates that CRM plays a role, in increasing the satisfaction level of the customers and it also increases the profitability by reducing the cost of approaching the customers, at the same time, increases their size of customers and on the other hand increase profits and it will also help in attaining the competitive advantage. CRM react as, to reach the right customer with the right message at the right time through the right channel.

If we calculate the percentage of the customers who are satisfied from the delivery and quality of the products/ services then 70% customer are satisfied that's why Chai Point should make its CRM much effective that make and identify best customers and treat them differently, is also result in understanding the current value of the individual customer and their potential.

Chai Point's management believes that CRM is important for their field which is more than a half of the other techniques and strategies, and that earn the highest possible return from all sales channels and CRM also helps in improving marketing effectiveness, while making the methodology hypothesis as the main criteria of the CRM infrastructure.

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