



"A STUDY ON CUSTOMER RELATIONSHIP MANAGEMENT AND ITS STRATEGY TOWARDS HINDUSTAN UNILEVER PRODUCTS WITH REFERENCE TO KALYANI MARKETING"

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CRM has emerged as the latest buzzword in retailing, especially in organized retail sector, and an important tool to enhance retailer performance. The present study attempts to evaluate the effectiveness of customer relationship management in FMCG companies in Chennai as well as making policy recommendations for the improvement of CRM practices. Descriptive research design with a sample size of 62 respondents were chosen for the study. A Study was conducted with the following objectives:

- To identify the CRM factors integrating Hindustan Unilever Products with reference to Kalyani Marketing Private Limited in Chennai district.
- To know the perception of clients towards the CRM strategy towards Hindustan Unilever Products at Kalyani Marketing Private Limited.

Galbreath and Rogers (2013) observed that CRM helps a business organization to fully understand which customers are worthwhile to acquire, which to keep, which have untapped potential, which are strategic, which are profitable and which should be jettisoned. There must be integration among different departments and components and there should be a free flow of information to offer a regular and uniformly upgraded CRM initiative. The crux is that CRM is an enterprise wide strategic business initiative arrived at treating each individual customer differently.

Bull (2014) explained that CRM systems assists companies evaluate customer loyalty and profitability based on repeat purchases, the amount spent and longevity. CRM makes it practicable for companies to find unprofitable customers that other companies have abandoned or jettisoned. The relationship marketing has evolved into CRM according to him. Relationship marketing has a narrow perspective of focusing only on customers and the marketing functions of the organization, while CRM focuses widely on customers and all the functions connected directly or indirectly with value creation.

Iacovou (2016) stated that the direct perceived benefits are defined as the operational savings due to the improved internal efficiency of the organization. Direct benefits such as improved front-office efficiency and productivity in sales, marketing and customer support and service functional units are perceived to shorten the organizational sales cycle, marketing cycle and customer support and service cycle due to better employees' productivity. Finally, the availability of centralized customer information will also allow an organization to handle more complex customer relationships because of greater information accessibility, increased accuracy in information content, and accelerated processing and exchange of information.

Swift (2016) stated that companies can gain many benefits from CRM implementation-lower cost of recruiting customer, no need to acquire so many customers to preserve a steady volume of business, reduced cost of sales, higher customer profitability, increased customer retention and loyalty, evaluation of customer profitability. Alexandra Campbell (2001) suggested that the true strategic value of CRM lies in developing a customer knowledge competence which becomes an opportunity for value transformation in the firm and an avenue for competitive advantage.

3.4 HYPOTHESIS & STATISTICAL TOOLS

Hypothesis 1: There is no significant difference between the age of the client and their perception towards CRM factors integrating Hindustan unilever products with reference to Kalyani marketing private limited.



Hypothesis 2: There is significant difference between the effectiveness of technology in order to maintain the successful CRM business function and the size of the company.

Hypothesis 3: There is no association between the rating of CRM strategy as personal selling adopted by Kalyani marketing and annual turnover of the business.

Hypothesis 4: There is no association between the rating of current practices of CRM strategies as electronic mail and type of business.

Hypothesis 5: To study the relationship between type of Hindustan unilever products purchased by the client and their annual turnover of the business

Hypothesis 6: There is significant difference between the effectiveness of employees in handling the client during peak hour for CRM culture and gender of the respondent.

4.2 RELIABILITY TEST

Case Processing Summary

		N	%
Cases	Valid	11	100.0
	Excluded ^a	0	.0
	Total	11	100.0

a. List wise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	No of Items
.917	56

Inference: The Cronbach's alpha coefficient for 56 items is 0.917 suggesting that the items have high level of internal consistency.

4.3 ONE WAY ANOVA ANALYSIS

Null hypothesis (H_0): There is no significant difference between the Age of the Client and their perception towards CRM factors integrating Hindustan Unilever Products with reference to Kalyani Marketing Private Limited.

Alternate hypothesis (H_1): There is significant difference between the Age of the Client and their perception towards CRM factors integrating Hindustan Unilever Products with reference to Kalyani Marketing Private Limited.

CRM Factors		Sum of Squares	df	Mean Square	F	Sig.
level of satisfaction of attributes	Between Groups	23.144	3	7.715	10.088	.000
	Within Groups	44.356	58	.765		
	Total	67.500	61			
level of satisfaction of quality	Between Groups	10.432	3	3.477	2.657	.000
	Within Groups	75.906	58	1.309		
	Total	86.339	61			
level of satisfaction of business ethics	Between Groups	32.718	3	10.906	12.136	.000
	Within Groups	52.120	58	.899		
	Total	84.839	61			



level of satisfaction of price	Between Groups	18.527	3	6.176	5.688	.002
	Within Groups	62.973	58	1.086		
	Total	81.500	61			
level of satisfaction of packaging	Between Groups	45.129	3	15.043	19.642	.000
	Within Groups	44.420	58	.766		
	Total	89.548	61			

Inference: Here p values is lesser than 0.05. Hence reject null hypothesis. There is significant difference between the Age of the Client and their perception towards CRM factors integrating Hindustan Unilever Products with reference to Kalyani Marketing Private Limited.

4.4 KRUSKAL-WALLIS TEST/H-TEST

Null hypothesis (H₀): There is no significant difference between the effectiveness of technology in order to maintain the successful CRM business function and the size of the company.

Alternate hypothesis (H₁): There is significant difference between the effectiveness of technology in order to maintain the successful CRM business function and the size of the company.

Ranks			
	size of the business	N	Mean Rank
level of satisfaction of billing and invoice	Small	35	25.66
	Medium	21	40.24
	Large	6	35.00
	Total	62	
level of satisfaction of sale service	Small	35	28.83
	Medium	21	39.95
	Large	6	17.50
	Total	62	
level of satisfaction of inventory management	Small	35	34.31
	Medium	21	26.24
	Large	6	33.50
	Total	62	
level of satisfaction of logistics	Small	35	26.86
	Medium	21	33.52
	Large	6	51.50
	Total	62	
level of satisfaction of processing orders	Small	35	31.96
	Medium	21	25.88
	Large	6	48.50
	Total	62	

Test Statistics ^{a,b}					
	level of satisfaction of billing and invoice	level of satisfaction of sale service	level of satisfaction of inventory management	level of satisfaction of logistics	level of satisfaction of processing orders
Chi-Square	9.542	9.705	3.283	11.035	8.345
df	2	2	2	2	2
Asymp. Sig.	.008	.008	.194	.008	.015

a. Kruskal Wallis Test b. Grouping Variable: size of the business



Inference: Since $p\text{-value} = 0.008 < 0.05$, we accept the null hypothesis. At the $\alpha = 0.05$ level of significance, there exists enough evidence to conclude that There is no significant difference between the effectiveness of technology in order to maintain the successful CRM business function and the size of the company.

4.5.1 CHI SQUARE TEST

Null hypothesis (H_0): There is no association between the rating of CRM strategy as Personal Selling adopted by Kalyani Marketing and annual turnover of the business.

Alternate hypothesis (H_1): There is association between the rating of CRM strategy as Personal Selling adopted by Kalyani Marketing and annual turnover of the business.

Annual turnover of the business * opinion of personal selling Cross tabulation

Count

		opinion of personal selling					Total
		very poor	poor	average	good	excellent	
annual turnover of the business	below 5 lakhs	0	0	0	23	6	29
	5-8 lakhs	6	6	6	5	0	23
	above 12 lakhs	0	0	0	0	10	10
Total		6	6	6	28	16	62

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	72.881 ^a	8	.000
Likelihood Ratio	78.731	8	.000
Linear-by-Linear Association	1.186	1	.276
N of Valid Cases	62		

a. 11 cells (73.3%) have expected count less than 5. The minimum expected count is .97.

Inference: The Pearson chi square significant value is 0.000 which is lesser than 0.05. Hence reject null hypothesis. There is association between the rating of CRM strategy as Personal Selling adopted by Kalyani Marketing and annual turnover of the business.

4.5.2 CHI SQUARE TEST

Null hypothesis (H_0): There is no association between the rating of current practices of CRM strategies as Electronic Mail and type of business.

Alternate hypothesis (H_1): There is association between the rating of current practices of CRM strategies as Electronic Mail and type of business.



annual turnover of the business * opinion of email Cross tabulation

Count

		opinion of email					Total
		very poor	poor	average	good	excellent	
annual turnover of the business	below 5 lakhs	5	0	0	18	6	29
	5-8 lakhs	0	6	6	0	11	23
	above 12 lakhs	0	0	0	10	0	10
Total		5	6	6	28	17	62

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	91.322 ^a	12	.000
Likelihood Ratio	93.957	12	.000
Linear-by-Linear Association	21.399	1	.000
N of Valid Cases	62		

a. 16 cells (80.0%) have expected count less than 5. The minimum expected count is 1.16.

Inference: The Pearson chi square significant value is 0.000 which is lesser than 0.05. Hence reject null hypothesis. There is association between the rating of current practices of CRM strategies as Electronic Mail and type of business.

4.6 CORRELATIONS ANALYSIS

To study the relationship between type of Hindustan Unilever Products purchased by the client and their annual turnover of the business.

Correlations

		annual turnover of the business	type of product
annual turnover of the business	Pearson Correlation	1	.201
	Sig. (2-tailed)		.116
	N	62	62
type of product	Pearson Correlation	.201	1
	Sig. (2-tailed)	.116	
	N	62	62

Inference: The Pearson correlation coefficient r is 0.201 which implies there is a positive relationship between the type of Hindustan Unilever Products purchased by the client and their annual turnover of the business.

4.7 MANN-WHITNEY TEST/U TEST

Null hypothesis (H₀): There is no significant difference between the effectiveness of Employees in handling the client during peak hour for CRM Culture and gender of the respondent.

Alternate hypothesis (H₁): There is no significant difference between the effectiveness of Employees in handling the client during peak hour for CRM Culture and gender of the respondent.

Ranks				
	Gender	N	Mean Rank	Sum of Ranks
peak hour handling	Male	45	31.44	1415.00
	Female	17	31.65	538.00
	Total	62		
Test Statistics ^a				
				peak hour handling
Mann-Whitney U				380.000
Wilcoxon W				1415.000
Z				-.043
Asymp. Sig. (2-tailed)				.966
a. Grouping Variable: gender				

Inference: Since $p\text{-value} = 0.966 > 0.05 = \alpha$, we accept the null hypothesis. At the $\alpha = 0.05$ level of significance, there exists enough evidence to conclude that there is no significant difference between the effectiveness of Employees in handling the client during peak hour for CRM Culture and gender of the respondent.

FINDINGS OF THE STUDY

S.NO	OBJECTIVES	HYPOTHESIS	TEST	RESULT
1	To identify the CRM factors integrating Hindustan unilever products with reference to kalyani marketing private limited in Chennai district.	There is no significant difference between the age of the client and their perception towards CRM factors integrating Hindustan unilever products with reference to Kalyani marketing private limited.	ONE WAY ANOVA	Reject Null Hypothesis
2	To identify the various means of technology employed for successful CRM practices by kalyani marketing private limited.	There is significant difference between the effectiveness of technology in order to maintain the successful CRM business function and the size of the company.	KRUSKAL-WALLIS TEST/H-TEST	Accept null hypothesis
3	To know the perception of clients towards the CRM strategy towards Hindustan unilever products at kalyani	There is no association between the rating of CRM strategy as personal selling adopted by kalyani	CHI SQUARE TEST	Reject null hypothesis



	marketing private limited.	marketing and annual turnover of the business.		
4	To know the perception of clients towards the CRM strategy towards Hindustan unilever products at kalyani marketing private limited.	There is no association between the rating of current practices of CRM strategies as electronic mail and type of business	CHI SQUARE TEST	Reject null hypothesis
5	To study the frequency of ordering Hindustan unilever products by the client's at kalyani marketing private limited.	To study the relationship between type of Hindustan unilever products purchased by the client and their annual turnover of the business.	CORRELATION ANALYSIS	Positive correlation
6	To find out the effectiveness of employees in CRM practices with regard to the Hindustan unilever products at kalyani marketing private limited.	There is significant difference between the effectiveness of employees in handling the client during peak hour for CRM culture and gender of the respondent.	MANN-WHITNEY TEST/U TEST	Accept null hypothesis

SUGGESTION AND RECOMMENDATION

- It is suggested that Kalyani Marketing should provide promotional offers that are valuable to customers and increase customer profitability distinguishes from their competitors. Offers that create more hassle than savings alienate customers, thus achieving favorable results from promotions depend largely on how well-integrated marketing and communication initiatives are with the overall customer experience. Good promotions should not only be focused on pricing but should solidify the customer relationship.
- It is also suggested that Marketers have realized that if they retain customers the cost will certainly reduce. On the supply side, it really pays more to develop closer relationship with customer through people, equipment and procedure. It is high time that they re-engineer the marketing department.
- In order to keep competitors away from customer sight, cross selling, can meet the customer requirement. However the ideas seem to predominantly meet with the sellers needs to maximize his revenues by exploiting relationship with customer. But CMR techniques should ensure mutual economics values to both customers & companies.
- Quality plays an influential role in acquiring the trust and confidence of the customer's .Winning the confidence of the customers is actually the crux of CRM.A greater adoption of quality initiatives like service quality indicators, quality circles, gap analysis etc. can help build quality into the product. Even the efforts taken by the organization to build quality will win the appreciation of the customers. These can also build stronger relations with the customers. Quality is a relative term and these activities will help the organization to get a better idea of the customer's perception of quality.



5.2 CONCLUSION

CRM is the system that integrates management of customer groups, establishment and management of marketing companies referring to marketing concept, especially relationship marketing.

This research study has investigated and concluded the result that CRM process is one of the main factors impacting the consumer perception influencing his overall buying behavior towards Hindustan Unilever Products at Kalyani Marketing. CRM allows retailers to understand the internal as well as social determinants that affect consumer's perception such as personality, attitude, willingness, cultural environment, basic needs and demands, values, The present research seeks to investigate the impact of adopting CRM practices on consumer perception leading to customers' satisfaction, acquisition, retention, and decreasing customers' loss. Today implementing CRM is such a major project that most executives are apt to think that CRM is a software tool that will manage customer relationship by itself. But, actually in real sense, CRM is the bounding of customer strategy and processes, supported by the relevant software, for the purpose of building customer perception which influences customer loyalty and eventually, corporate profitability. Building relationships with customers has become a necessity in the present scenario of globalization and internationalization of markets. Based on different analysis, the system of CRM enables any retailer to formulate the best strategies and their effective implementation that they should apply for particular customer groups. Thus, it can be concluded that, a complete CRM system, practices and process should be a combination of all types of relationship strategies, viz., value-added incentives, emotional bonding, an interactive dialog, customized and personalized treatment and an eye towards the ethics of the situation.

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