

RESEARCH ON THE USE OF CUSTOMER RELATIONSHIP MANAGEMENT AS A BUSINESS STRATEGY IN THE FOUR-WHEELED VEHICLE SECTOR

Miss.Kiran Gopaldas Hurkat

Asst. Professor, Faculty of Commerce, Matoshree Aashatai Kunawar Women's College, Hinghghat

Abstract

Customer satisfaction in the Indian four-wheeler sector is the focus of this research. Customer relationship management (CRM) has a significant impact on both the profitability of a firm and its customers. Increasingly prevalent business concepts include customer relationship management (CRM) as well as the effect it has on consumer loyalty. As a result, companies are prioritizing customer retention rather than acquiring new customers. Due to the scrutiny of marketing resources, it's more crucial than ever for a business to be able to satisfy its existing clients, while recruiting new ones is more costly. Owners of automobiles were asked for their thoughts through a survey. When it comes to client loyalty, a company's ability to provide on-time service, manage repair work quickly, be approachable and helpful, organize replacements, and keep its promises to consumers is key.

Keywords: Customer retention; customer loyalty; automobile industry; customer preference

Introduction

Berry's use of the phrase "relationship marketing" in the service marketing competition is intriguing. Maintaining and enhancing customer connections is just as important as obtaining new consumers for long-term marketing success (Berry 1983). The role of marketing, according to Christopher et al. (1991), is to attract and retain customers. This is done via the use of a mutual exchange and fulfillment system (Gronroos, 1994). Client Relationship Management (CRM) is a framework for managing customer interactions used by businesses.

Customer relationship management, or CRM, is an abbreviation for the process through which a company remains in contact with its customers. Despite popular belief, CRM is more than just a tool to keep track of your customers' information. Improved customer service and help, as well as the identification of new customers, may all be accomplished via the use of technology.

Automobile Industry in India

Vehicle sales are one of the world's greatest in India, according to the India Brand Equity Foundation. Middle-class families may now pick from a greater variety of vehicles thanks to low borrowing costs and growing incomes. Car sales in India have soared over the last several years, and the industry now accounts for a significant portion of the country's gross domestic product (GDP). Around 7% of the country's GDP is generated by this sector, which directly and indirectly employs almost 19 million people (Report of Department of Industrial Policy and Promotion). This began to happen in the late 1970s, when India started producing automobiles at an unprecedented rate. The Tata Nano, the world's cheapest car, and its ability to serve the low-income market made automobiles a luxury between 1970 and 1984.

In order to develop a natural gas-powered two-wheeler, Hero Honda and Mahindra & Mahindra have teamed together. In August 2013, India's automotive industry produced 1.56 million vehicles, an 8.27 percent increase over August 2012. A 4.51 percent rise to USD 8,922 million in FDI in the automobile industry occurred between April 2000 and August 2013. Overall automobile exports rose from April through September of this year, according to figures just released. Between 2012 and 2014, 3.33 million passenger vehicles and light trucks were manufactured, with an annual output rise of 14 percent expected. Automobile Sub-Components Manufacturers Association of India (2015-16). 4.41 percent more vehicles were manufactured in February 2014 than in February 2013, with 1.81 million automobiles, trucks, three-wheelers, and two-wheelers being created.

Increased manufacture of two-wheeled vehicles may have contributed to the rise in sales. Report on Foreign Direct Investment for 2015 In addition, domestic sales rose 2.68 percent from April to February 2014 as compared to the same period in 2013. keep in mind that India is on track to produce over 10 million passenger automobiles by 2020–21. The industry's annual compound growth rate from 2012 to 2021 is predicted to be 13%. (CAGR). The Automotive Component Manufacturers Association estimates that the industry will generate \$30 billion in revenue by 2020–21. (ACMA). Between April 2000 and January 2014, FDI inflows into the Indian vehicle sector climbed by 4% in US dollars. Claims are made in this year's DIPP Report (Department of Industrial Policy and Promotion),

Customer Relationship Management's Role in the Automotive Industry

Companies are increasingly relying on customer relationship management (CRM) as a way to strengthen their ties with their consumers (CRM). Customers' interactions have become more

complex as a result of the increasing use of information technology (IT) in recent years (Bohling et al., 2006). The most successful IT investment projects do not rely just on technology; they also concentrate on human resources management and skill development (Bhardwaj, 2000; Piccoli and Ives, 2005). Organizations' successful attempts to create and integrate their technical and organizational capabilities may help us better understand how CRM influences performance. The CRM software and support industry is increasing, but experts and academics are dubious about the technology's long-term benefit for businesses and their consumers. They say (Maoz et al., 2007).

There are some experts who believe that CRM is fundamentally defective because of the fact that many customers do not wish to engage in relationships (e.g. Bligh and Turk, 2004). Danaher et al., 2008; Danaher and associates) (Dowling, 2002). CRM studies have been unable to dispel this uncertainty because of their limited scope of activities and their remarkable silence on the extent to which CRM investment promotes business performance (Sutton and Klein, 2003). In 2005, Boulding et al. Due to a lack of solid and generalizable empirical underpinning for CRM expenditures, concerns about optimizing CRM investment are also expressed in this article. Through customer relationship management, it is possible to maintain and expand client connections in the most efficient and effective manner (CRM). It is possible to cultivate both personal and business ties through customer relationship management.

Because of this, the company's growth is powered by the proliferation of this kind of bonding. Companies must first develop a personal and emotional connection with their customers before they can properly service them. If a firm uses more advanced CRM techniques, it is believed to be more successful and lucrative in the long run. Specialized world-class technology help most firms keep their CRM systems up and running. Batch Book and Sales Force are two of the most popular products used by well-known companies. OEMs and dealers are turning to customer relationship management (CRM) to remain competitive in today's automotive industry and to attract new consumers, boost brand loyalty, decrease costs, improve efficiency, and maintain a great customer experience (CRM). In today's market, automobile consumers are more knowledgeable and have access to a wide range of options and amenities. Manufacturers of the future will have to work harder than ever to win and keep customers' trust. In order to meet the ever-increasing expectations of their consumers in terms of marketing, sales, and

customer service, companies are beginning to see the value in using both old and new channels.

Literature Review

The effect of CRM on a company's success was examined by Coltmana et al., (2011) using a hierarchical construct model. According to some, strategic CRM is a product of an organization's capacity to harness and orchestrate lower-order skills, such as IT infrastructure and business architecture, when it follows a resource-based assessment of the firm's capabilities. Having an excellent CRM system has a major impact on a company's capacity to succeed, according to these studies. Good CRM abilities work hand in hand with human analytics and business design. According to Reichheld and Sasser, vehicle businesses may increase earnings by 25 percent to 75 percent by improving their IT infrastructure (1990). New customer acquisition costs five times more than customer retention, according to Wills (2009). Retaining customers may also increase the earnings of a business. As a result of their lower sensitivity to price, buyers who are loyal to a brand tend to pay higher prices. Every year, the annual increase in personal insurance rates for long-term consumers is 8% (Reichheld and Teal, 1996).

Loyal customers are more inclined to purchase from a business again, to try out new products or services, and to tell others about the business (Reichheld and Sasser, 1990). More than half of all new business at Northwestern Mutual is generated by referrals from existing clients (Reichheld and Teal, 1996). Marketing strategy, relationship quality improvement initiatives, and value generation programs may all be based on a company's efforts to foster loyalty among customers, according to the author. Day (1969) conducted a loyalty research and found that customers who were loyal to a company were more likely to buy from them again. Developing a conceptual framework for the effect of brand image on consumer commitment and loyalty is critical to the study's success. Its goal is to determine how the image of a brand promotes customer loyalty and commitment in the automobile industry..

Dibeesh.c 2016 According to a study on customer relationship management, Tata, Mahindra, Honda, and other manufacturers have satisfied customers..

Garimamalik 2015 Customer relationship management (CRM) has a direct impact on customer loyalty and retention in the automotive industry. Researchers used a survey to acquire information from car owners in order to perform the study. Research found a correlation between customer loyalty and timely service delivery, speedy repair management, helpful friendliness,

organizing replacements and fulfilling its obligations to consumers for automobiles..
Sathish.M 2013 Thus, Coimbatore auto dealerships' outcomes and tips on customer relationship management in the car maintenance company are also supplied. Customers' after-sales service expectations are rising, according to a survey, thus dealers need to enhance their standard of customer satisfaction on a regular basis..

Study Goals

1.To investigate the effectiveness of service marketing.

2. To research the marketing tactics utilised in the service industry to keep customers.
3. Researching the numerous value-added services offered to customers

Methodology of investigation

Primer information

The primary data was gathered through the use of a questionnaire survey technique. A total of 240 people responded to the survey.

Secondary information

Secondary data was gathered from journals, periodicals, books, and the internet.

Table 1 . Rotated matrix Component

S.no	Staatement	1	2	3	4
1.	Quality work perfamance	0.582	0.197	- 0.179	- 0.261
2	Comfort	0.171	*0.209	- 0.354	0.462
3	Willingness to satisfy	- 0.312	-0.294	- 0.481	0.040
4	Friendliness	- 0.029	0.606	0.343	0.248
5	Convenienthrs of timing	0.112	-0.188	0.594	0.043
6	Avilabilityofappointment	0.691	0.023	- 0.071	0.316
7	Receiving	0.709	-0.194	0.282	0.127
8	Promptness	- 0.170	0.025	0.633	0.003
9	Arranging replacements	0.076	0.002	0.106	0.773
10	Cleanliness	0.208	0.537	- 0.062	- 0.342
10	On time delivery	- 0.074	0.771	- 0.149	0.012

Note that PCA was used to extract the components, while Varimax with Kaiser Normalization (VKN) was used to rotate the data, Table 4 of the rotatable component matrix reveals the ease of use, quality of service, degree of trust, and timeliness of service offered by vehicle service providers. Rotated variables with a factor loading of 0.6 or higher are listed below.

The first component of service accessibility is the capacity to schedule appointments (0.691) and to accept appointments (0.691). (0.709). Customers are quite concerned about the availability of their automobile services at any given moment, as seen by the statistics presented above.

There were three factors that played a part in this: friendliness (.606), timeliness, and cleanliness

(.771). (.537). Companies are increasingly providing online service booking and pick-up and drop-off services as a benefit of their customer relationship management (CRM).

The service provider's response time and the most convenient time for the consumer are the sole variables in this component. Because of the CRM system, clients have grown to expect rapid response from the service provider, which saves both time and money for them.

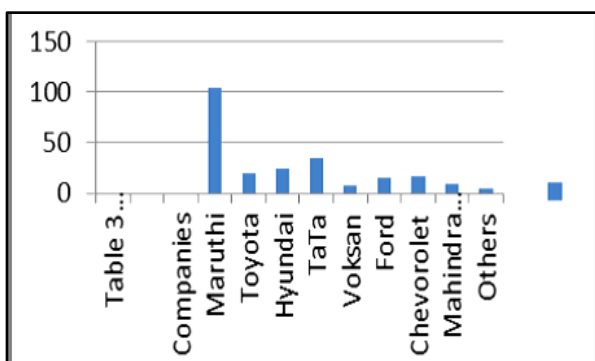
Table 2

Parameters	Recommend others Yes No	Total
Highly satisfied	86	124
	38	
Satisfied	78	102
	24	
Neutral	4	6
	2	
Least satisfied	4	6
	2	
Dissatisfied	0	2
	2	
Total	172	240
	68	

According to the information provided, 164 of the 240 customers who expressed a high degree of satisfaction with the product or service said they would do the same for a friend. This suggests that enjoyment leads to a sense of belonging and commitment (spread of positive word of mouth)

Table 3 In the four-wheeler industry, customer relationship management is crucial.

Companies	No.of the respondents
Maruthi	105
Toyota	20
Hyundai	25
TaTa	35
Voksan	8
Ford	15
Chevrolet	17
Mahindra& Mahindra	10
Others	5
Total	240



An explanation is provided in the table above. There are 105 persons who drive Suzuki Maruthi. Thirty-five companies applied to Tata. For the last quarter of a century, Hyundai has provided company vehicles. Toyota vehicles were used by 20 persons. Chevorolent has a fleet of 17 vehicles. In 2015, Ford's corporate vehicles are in use. The warranty period for Mahindra business automobiles is 10 years. In five of the cases, autos of a different brand are utilized..

5. Findings

It has been shown that various aspects of customer relationship management have an influence on client loyalty. Results show that customers' efforts and promises are reliable. Car service providers fulfill their obligation to their clients by offering advice on how to spend the most crucial variable in order to foster customer loyalty. So, in order to build consumer loyalty, the automobile industry must pay more attention to the criteria outlined above. 94.2 percent of clients are very or very satisfied.

Conclusion

As far as automobile brands go, the most popular one is Maruthi, which has a large following of customers. If the breakdown of costs and paperwork aren't completed in a timely manner by firms, then they need to enhance these aspects. Most service representatives are polite and knowledgeable, but there is debate among responders about how to handle calls. Calls should be handled quickly rather than putting customers on hold or having them wait for extended periods of time, according to 31 percent who strongly agree and 30 percent who disagree.

References

1. Dibeesh.c 2016 Customer relationship management in Automobile industries published IJARIE-ISSN(0)-2395-4396 Vol-1 issue-4 2016 pp-400-403
2. Day, G.S., (1969) A two dimensional concept of brand loyalty. journal of advertising research vol-9, pp-29-35
3. Dr. Garima Malik 2015 Impact of Customer Relationship Management on Customer Loyalty and Customer Retention with reference to Automobile Sector University Journal of Research1(1),2015 Publishe4d by ganapat univercity ISSN (Online) 0000-0000, ISSN (Print) 0000-0000 pp-70
4. Reichheld, F.F and teal , T. (1996) The loyalty effect the hidden force behind growth profits and lasting value boston mass Harvard business school press.

-
5. Sathish.M 2013 Customer relationship management in car service industry with reference to car dealers in Coimbatore published (JBM&SSR) ISSN NO; 2319-5614 Vol 2, No.6, June 2013 pp-43-49 WWW.borjournals.com
 6. Wills,B. 2009 The business case for environmental sustainability achieving rapid returns from the practical intergration of lean 7 GREEN. BUSINESS case for environmental sustainability 13 (10, pp- 32-38