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CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

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ABSTRACT :

Customer relationship management is spelled CRM. It is defined as the process of interacting with customers through various channels of communication. This strategy involves interacting with customers on a variety of online and offline platforms to learn about their habits and requirements, ultimately resulting in customer retention. The impact of CRM on customer retention has been discussed in this study. Items pertaining to customer relationship management, practices, customer satisfaction, and customer loyalty were used in secondary data to support the analysis. The study's conclusion revealed that customer loyalty, customer satisfaction, and customer relationship management have a significant impact on customer retention. Customer retention is improved by CRM. Customer retention and loyalty will rise if all businesses and organizations adhere to CRM accurately and on time. Marketing has undergone a number of shifts over the past three decades, with the world witnessing the transition from transactional marketing to relationship marketing. At the end of the 1990s, marketing professionals and academics were introduced to the concept of customer relationship management (CRM). Customer relationship management (CRM) aims to build and maintain long-term profitable relationships with customers. According to Swift CRM is a method of understanding the behavior of the customer through intense communication in order to improve performance, which is represented by attracting the customer, keeping him or her, increasing his or her loyalty, and increasing profitability. In order to develop marketing strategies that will enable an organization to serve customers more effectively and efficiently than its rivals, it is possible for the business to make use of the relationships it has with its customers in order to acquire pertinent information regarding the tastes and preferences of those customers. According to Rapp and Collins (1990), building relationships with customers definitely has benefits for both the company and the customer.

KEYWORDS : *Customer Relationship Management, Customer Retention, customer loyalty, Satisfaction.*

INTRODUCTION :

Customer is the king, and the market is a kingdom. This is a well-known saying that Indian businesses live by. Customers' awareness of their wants and needs is increasing as a result of modern technology. They scout for the best product, brand name, product quality, operation, and service support thanks to social media today. As a result, marketing has undergone a paradigm shift and reached the point where relationships with customers can be established. It isn't simply holding the current clients yet in any event, drawing in new clients has turned into a greatest test. Companies are shifting their focus from being

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product-centric to customer-centric for this primary reason. Numerous nations' growth and ongoing economic expansion can be attributed to these businesses, companies, or industries. In today's global competitive market, where customers are empowered and brand loyalty is decreasing, a company or organization will need to switch to customer relationship management (CRM) if it wants to succeed. Indian businesses will need to find out what their customers want, establish relationships with both new and existing customers, and meet their customers' needs. The company absolutely needs to maintain customer satisfaction in order to maintain existing customer loyalty. When a customer receives a service or product that meets their expectations, they are said to be satisfied, increasing the likelihood that they will return for more purchases. Because they are pleased with the product or service they have received, repeat purchases are a sign that customers have faith in the business. A Customer Relationship Marketing (CRM) strategy was chosen because it places a greater emphasis on the connections between customer trust, commitment, satisfaction, and loyalty. Thus, the study's goal is to investigate the relationship between customer retention and the CRM concept, as well as the direct and indirect effects of customer satisfaction on retention.

OBJECTIVES

In today's competitive market, CRM has become a topic of extensive discussion. Product, price, and promotion have taken a back seat as CRM activities have ramped up. Malty National businesses are always looking for new ways to improve the customer experience and carve out a place for themselves in a highly competitive market. The paper discusses the meaning of the CRM concept, the advantages it offers businesses, common misconceptions about the CRM concept, a path to CRM success, and the advantages of using CRM to build relationships. This study aims to investigate the primary obstacles that businesses face when successfully implementing and utilizing CRM systems. The goal of the study is to find the best practices, come up with ways to fix common problems, and make suggestions for improving CRM strategies so that they can build stronger relationships with customers and help businesses succeed. Organizations can better harness the power of CRM systems to create more effective customer interactions, enhance service delivery, and achieve their strategic objectives by comprehending and addressing these issues.

OBJECTIVES OF THE STUDY:
The primary goals of this paper are as follows:
1. To investigate the connection between customer retention and CRM.
2. To examine how CRM practice factors affect customer retention.
3. To examine how CRM practices affect customer loyalty.

Advantages and Disadvantages of Customer Relationship Management (CRM)
Advantages:
1.   Enhanced Customer Relationships: CRM systems allow organizations to track and manage interactions with customers more effectively, leading to improved customer relationships. Personalized communication and targeted marketing can strengthen customer loyalty. A CRM system can record customer preferences and purchase history, enabling personalized marketing campaigns that resonate with individual customers.
2.   Increased Sales and Revenue: CRM systems assist businesses in identifying new sales opportunities and optimizing their sales strategies by providing insights into customer behavior and sales trends. Revenue and sales may rise as a result.   CRM analytics can suggest cross-selling or upselling strategies and identify high-value customer segments.
3.   Improved Customer Service: CRM systems keep information about customers in one place, making it possible for service agents to access complete profiles and histories of customers. This makes it easier to solve problems quickly and effectively. To effectively address a customer's current issue, a customer service representative can quickly review their previous interactions and purchase history.
4.   Data-Driven Insights: Analytics and data on customer interactions, preferences, and market trends are provided by CRM systems. This data has the potential to improve overall business strategies and inform

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strategic decisions. CRM reporting tools can monitor metrics of customer satisfaction and pinpoint areas for product or service enhancement.

5.   Streamlined Processes: CRM software's automation capabilities can improve operational efficiency by streamlining time-consuming processes like lead management, appointment scheduling, and follow-up emails. Leads can be nurtured and engagement maintained by automated email campaigns without the need for human intervention.

Disadvantages:

1. High Implementation Costs: Software, hardware, training, and ongoing maintenance are all part of the price of implementing a CRM system. Particularly for small businesses, these costs may be prohibitive. CRM software's initial setup and customization costs can be significant, putting a strain on small and medium-sized businesses' budgets.

2. Complexity and User Resistance: Employees who are accustomed to existing procedures may resist CRM systems because they can be difficult to implement and use. The system may not be utilized to its full potential as a result of this. It's possible that employees will have trouble adjusting to a new CRM system, which will result in lower levels of output and a reluctance to fully utilize the new tool.

3. Data Quality and Management Issues:
Effective CRM systems require accurate and current data. Decisions and insights can be erroneous if the data is of poor quality or if it is entered inconsistently. Poor customer service and misguided marketing efforts can result from inaccurate customer data in the CRM.

4.   Integration Challenges: CRM systems can be difficult to integrate with other existing business systems, such as ERP and accounting software, and may necessitate additional resources and technical expertise. Data silos and inefficiencies in business processes can result from CRM's difficulty integrating with legacy systems.

5.   Privacy and Security Concerns: Security and privacy concerns arise when sensitive customer information is managed. CRM systems must have robust security measures in place to prevent data breaches and unauthorized access. The company's reputation could be harmed and legal action taken in the event of a data breach involving customer information stored in the CRM.

Statement of the Problem: Customer Relationship Management (CRM)

Customer Relationship Management (CRM) is a strategic approach that manages and analyzes customer interactions and data throughout the customer lifecycle by integrating technology and processes. The goal is to boost sales, provide better service, and make customers more satisfied. Many businesses face significant difficulties when it comes to effectively implementing and utilizing CRM systems, despite the potential benefits.

STATEMENT OF THE PROBLEM

Despite the widespread adoption of CRM systems, many organizations struggle with optimizing their CRM strategies and achieving their intended outcomes. The core issues impacting the effectiveness of CRM can be summarized as follows:

1.   Underutilization of CRM Features : CRM systems' advanced features and capabilities are underutilized by many businesses. This underutilization may be caused by employees' resistance to change, inadequate training, or a lack of awareness of the system's full potential.

2.   Integration Challenges : It is still difficult to integrate CRM systems with other software solutions, technologies, and existing business procedures. Data silos, inconsistencies, and inefficiencies in customer management and service delivery can result from poor integration.

3   Data Quality and Management Issues : Effective CRM relies heavily on accurate, high-quality, and up-to-date customer information. However, problems with data consistency, completeness, and accuracy are common in businesses, which can make CRM initiatives less effective.

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4.   User Adoption and Engagement : It can be challenging to achieve high levels of user adoption and engagement with CRM systems. The CRM system's complexity, perceived lack of value, or inadequate support may discourage employees from using it.

5.   Measuring CRM Effectiveness : It can be hard to evaluate CRM systems' success and return on investment (ROI). Key performance indicators (KPIs) that accurately reflect the impact of CRM on customer relationships and business performance are frequently difficult to define and measure for organizations.

6.   'Customer Expectations and Personalization :   It is extremely difficult to meet the increasingly sophisticated expectations of customers for personalized interactions and experiences. CRM systems must be able to provide individualized communications and solutions based on the preferences and actions of customers.

Significance of the Problem

For businesses that want to make the most of CRM systems, overcoming these obstacles is essential. Customer satisfaction, customer retention, and revenue growth can all be boosted by efficient CRM. However, if CRM utilization, integration, data management, user engagement, and measurement are not addressed, businesses may not be able to reap these benefits and may miss opportunities to build solid relationships with customers.

Benefits of CRM

There are numerous advantages to customer relationship management. In addition to facilitating more efficient marketing, intelligent cross-selling opportunities, and the rapid introduction of new brands and products, it makes it possible for businesses to retain customers. Obviously, one way to ensure that customers stay with an organization is to keep them happy. Companies, on the other hand, are able to maximize the contribution to their business and unlock the potential of their customer base by maintaining a general relationship with them.

Customer Relationship Management And Customer Retention:

The process and strategy of customer acquisition and retention known as customer relationship management (CRM) aim to create superior value for both the company and its clients. The concept of customer relationship management (CRM) is referred to in a variety of ways by various authors, with some defining it as a philosophy and others as a technology. According to Navimipour and Soltani (2016), the primary goal of CRM systems is to improve the efficiency with which CRM processes are implemented, which in turn affects how well they communicate with customers. According to Soliman (2011)'s findings, CRM has a significant, positive, and direct connection to marketing performance. Ashraf et al. claim that (Based on the effective and efficient flow of information, the achievement of increased value delivered to customers, and the reduction of costs for the organization, the CRM concept is ingrained in the management of customer relationships (2015). Knowledge discovery, market planning, customer interaction, and customer data analysis are the four activities that comprise CRM philosophy, according to Stojkovic and Dubricic (2012). According to Kangal (2012), a number of CRM definitions consider the concept to be a customer-driven technology, a relational strategy, a market competition method, or a strategy that places an emphasis on customers' life cycles. As a result, customer relationship management (CRM) is a competitive strategy that involves building, growing, and maintaining profitable relationships with customers that have a significant impact on overall performance.

Customer Retention:

The capacity of a business or product to keep its customers for a predetermined amount of time is referred to as customer retention. When a company or product has a high rate of customer retention, customers are more likely to buy it again. Successful customer retention strategies take into account the entire customer lifecycle, beginning with the very first interaction an organization has with its clients. Not

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only does a company's product or service have an impact on how well it is able to acquire and keep new customers, but so does the manner in which it serves its current clients. Giving the customer what they expect isn't enough to keep them as a customer. Rather than placing maximizing profits and shareholder value at the center of business strategy, customer loyalty generates value for customers. The 80-20 rule, also known as the Pareto principle, states that 80% of a company's sales and profits come from 20% of its customers. According to a study that was conducted in February 2009 by Fleming and Asplundh, engaged customers generate 1.7 times more revenue than regular customers, whereas having engaged employees and customers results in a 3.4-fold increase in revenue. Keeping a customer loyal to a company rather than encouraging them to use products or services offered by competitors is known as "customer retention." As a result, customer satisfaction is crucial for Indian businesses, and in the developing field of Customer Success, customer retention is a major goal. As a result, CRM implementation has the potential to significantly increase customer satisfaction and, as a result, retention rates. CRM gives businesses the chance to maximize customer retention by strengthening customer relationships.

Customer Relationship Management, Customer Satisfaction and Its Impact on Customer Loyalty

The purpose of this investigation is to ascertain how Islamic Bank in Aceh's Province's Customer Loyalty and Satisfaction are affected by CRM. All Islamic Bank customers constitute the study population. With 250 respondents, this study employs convenience random sampling. Structural equation modeling (SEM) is the analytical technique employed. The findings demonstrated that Customer Relationship Management has a significant impact on both customer satisfaction and loyalty. Customer loyalty is also influenced by satisfaction. The influence of customer loyalty on customer relationship management is partially mediated by customer satisfaction. Based on the findings of this study, Islamic Bank's management must enhance its Customer Relationship Management program in order to cultivate customer loyalty.

The phenomenon that lies at the heart of this study is the low level of customer satisfaction with Islamic Bank. This may also be due to other factors, such as the fact that customers are less concerned with the bank's ability to build a mutual relationship with them in terms of customer relations management (CRM), which is one of the business-based strategies for managing relationships with customers. Instead of focusing on the products or services that the company will be selling, Customer Relationship Management (CRM) focuses on what value the customer will receive. Companies are expected to be able to communicate effectively with their clients and maintain a positive relationship with them by using CRM. In addition, it is anticipated that the business will be able to satisfy customers' desires and meet their needs, as described by Indah and Dewi (Indah and Dewi, 2013), which may result in customer satisfaction and loyalty. This condition is also expected to be met by the business.

Impact of Customer Relationship Management (CRM)

The organized retail sector in India has undergone significant transformation and growth in recent years. Retailers are turning to Customer Relationship Management (CRM) as a strategic tool to increase customer loyalty in the face of growing competition and shifting consumer expectations. CRM practices aim to cultivate long-term customer loyalty, provide individualized experiences, and build strong relationships with clients. Understanding and cultivating customer loyalty have become essential for long-term business success in the Indian organized retail sector, which is experiencing rapid expansion and fierce competition. An empirical model for understanding how customer loyalty is affected by customer relationship management (CRM) in Indian organized retailing is the goal of this study. In recent years, there has been a paradigm shift in the Indian retail industry, with customers beginning to prefer organized retail formats over unorganized ones when purchasing products from various categories. We have witnessed the rapid expansion of organized retail formats such as nationwide supermarkets, hypermarkets, cash and carry establishments, discounted establishments, specialized establishments, online establishments, and shopping malls. By providing customers with a wide range of options in brands and product categories, as well as the services they desire, each store is attempting to both acquire new customers and keep existing ones.

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Retailers in every sector are under greater pressure to improve the efficacy of their competitive strategies in order to boost foot traffic, customer loyalty, and performance as a result of multinational retailers' entry into the Indian retail sector and shifts in consumer attitudes and behaviors.

Almost identically priced products and services are being offered by a variety of retailers across the categories to their intended customers. Regardless of the retail format, every company's products and services are available in every store. In addition, it has been observed that many customers prefer to shop at a predetermined outlet rather than every retail location, despite the uniform product and service offerings. According to Pareto's 80/20 Principle, only 20% of a retailer's customers account for 80% of its sales. At the same time, Reichheld and Sasser (1990) stated that, depending on the industry, a 5% increase in customer retention can result in an increase in profitability (in terms of net present value) of 25% to 85%. According to previous studies, serving existing customers is always more expensive than acquiring new ones. As marketers have come to the realization that the company can maintain a sustainable competitive advantage over its rivals by reducing customer attrition; The long-term success of the business depends on attracting and keeping loyal customers.

Customer Relationship Management

Practitioners and academics of marketing have paid a lot of attention to customer relationship management (CRM). CRM, or customer relationship management, is a business strategy that aims to help businesses comprehend and anticipate the requirements of their current and potential customers. Customer Relationship Management (CRM) has emerged as the new marketing mantra in light of market competition. By offering products and services that are similar, industry marketers are attempting to both attract and retain customers. Customers now have more options, making it difficult to keep them; They increased their demands. According to Gruen (1997), businesses spend six times as much to acquire new customers as they do to retain existing ones. As a result, a lot of businesses are now paying more attention to the relationships they have with their current customers in order to keep them and increase their share of the purchases made by customers. Customer retention strategies have been pioneered by global service providers. Credit cards offer redeemable bonus points as an incentive for increased card usage, telecom service operators provide personalized services to their serious users, hotels have custom-made services for their regular guests, and airlines have frequent flyer programs to reward devoted customers. Relationship managers are available to first-rate customers at banks.

Literature Review

Fry and co. 1973), which was based on a patronage tracking study that was done with graduates of a Canadian university in an effort to find out how loyal customers were to their banks. This study also attempted to comprehend the factors that explain variations in the observed level of loyalty. Using a questionnaire sent by mail to a group of respondents who were University of Western Ontario, London alumni, the study gathered data. The purpose of the questionnaire was to determine how frequently respondents used their banks before, during, and after their time at university. 1346 usable, completed questionnaires served as the foundation for the analysis; Patronage vectors were created for each respondent/bank combination over time using the questionnaire data as the foundation. Probability analysis and multiple regression analysis were used to examine the data. Pre-university bank patronage was significantly influenced by parents, according to the study. Consequently, during their time at university, their preference for a particular bank is influenced by previous bank patronage. After graduation, bank patronage was found to be highly dependent on bank patronage during their time at the university. It was discovered that customers with loan accounts with the bank are more devoted than other types of customers. Additionally, this study found that male customers were more likely than female customers to remain loyal. This could be because female customers' preferences for the husband's banks have changed since they got married.

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❖ An integrative study was carried out by Gutman (1982), who surveyed 6300 women in Los Angeles. It was found that the relationship between demographics and fashion lifestyle self-concept improves consumer shopping behavior and, as a result, customer loyalty. According to the analysis, each of the seven fashion segments—leaders, followers, independents, neutrals, uninvolved, rejecters, and negatives—had a significant impact due to the value they brought to their fashion orientation. The study also concluded that a store's image is crucial to attracting customers.

❖ Foster and Cadogan (2000) looked at how customers' relationships with a company affect their loyalty on two different levels: particular relationship between the salesperson and the customers; and the company's overall relationship with its clients. The purpose of the mail survey was to collect data from business customers of a large New Zealand office products company. The study only included customers who had contact with sales representatives of the company in the month preceding the survey. According to the study's findings, the relationships that customers have with sales representatives are crucial to the longevity of their business relationships. Customers' behavioral loyalty was found to be positively influenced by relationships at both levels in this study.

❖ Grewal (2002) found that customers' attitudes toward a store are significantly influenced by specific aspects of the atmosphere. When it comes to deciding who will shop at a store, environmental factors are very important. According to empirical research, the critical antecedents of store patronage intentions are the relative importance of the number of customers, the number of visible employees, and the presence of classical music on wait expectations, store atmosphere, and value expectations. It was concluded that satisfied customers are more likely to shop at a store and recommend it to others. Rather than reducing the actual wait, it is essential to manipulate perceptions of waiting because wait expectations have a negative indirect and total effect on patronage intentions. According to the study, classical music has a positive effect on how people feel about the atmosphere of a store, but it also has a negative effect on how much people think the store is crowded, and there is a gender difference in how women feel about the atmosphere of a store more than men do.

❖ In order to investigate the connection between relationship bonding strategies, customer satisfaction, trust/commitment, and customer behavioral loyalty in the relationship marketing system financial services industry in Taiwan, Liang & Wang (2005) developed and empirically tested a conceptual model. The study is based on information gathered from customers of the various departments of the chosen bank, namely 396 from the department of loans, 431 from the department of deposits, and 216 from the department of credit cards. Construct validity for convergent and discriminate validity was first assessed using confirmatory factor analysis (CFA). Path analysis was used to empirically test the research hypotheses in the second phase. According to the findings of the study, individual types and levels of relationship investment that can be directly applied to each financial product will benefit financial products with distinct product attributes the most.

❖ Anic and Vouk (2005) investigated the factors that influence shopping that influence store patronage. It was discovered that convenience when shopping is the most important factor in boosting consumer traffic. Multiple regressions and an ANOVA test were used to analyze the data from 243 respondents. The study found that the most important factor in determining store patronage is shopping convenience. In this study, four categories of customers were identified: convenience, location, price, and involved shoppers all fall into this category. Customers who value convenience and location prioritize comfort at a high price. Price shoppers seek out low-priced items, whereas involved shoppers seek out individualized items. By providing the most comprehensive package of reasons to patronize a store, retailers should tailor their offerings to each group of customers in a unique way. This will assist in increasing the number of customers who walk in, which will undoubtedly result in an increase in the number of sales and, consequently, an increase in customer loyalty. Programs for loyalty and strategic thinking improve the store's image and drive sales. To attract customers of all types, retailers must act differently and creatively.

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❖ Oly Ndubisi (2006) looked into the connection between customer loyalty and relationship marketing principles like trust, commitment, communication, and conflict resolution. She found that women tend to be more loyal than men, and older people tend to be more loyal than younger people. In addition, because of their higher net worth and greater volume of business, higher-income customers tend to receive more attention from banks, at least in Malaysia. This might make people with a lot of money stick with the service banks more than people with other income levels.

❖ Ndubisi (2007) used data from the Malaysian banking industry to empirically examine the effect of relationship marketing strategy on customer loyalty. Systematic quasi-random sampling was used to select every second customer who entered the bank on each day of the survey, beginning with the first customer who entered at 9.30 a.m., when the bank opened for business. 220 Malaysian bank customers completed a questionnaire based on previous research. The impact of four key relationship marketing constructs—trust, commitment, communication, and conflict management—on customer loyalty was evaluated using multiple regression analysis. In the Malaysian banking sector, this study has confirmed that measuring the foundations of relationship marketing can predict customer loyalty.

❖ Liu (2007) investigated the long-term effects of loyalty programs on consumers' intent to buy and, as a result, the company's value. The purpose of the study is to determine how consumers' use of the loyalty program changes over time and how it affects them. Additionally, the response of customers in comparison to its initial purchase level. A sample of 1,000 customers who signed up for a loyalty program and made at least two purchases over the course of two years was used for the Chi square test. It was discovered that, depending on how much they used the program at first, loyalty programs had a significant impact on how customers acted. Customers who were frequent buyers at first received the greatest benefits, but over time, their loyalty to the store did not significantly improve. The light and moderate buyer customers initially did not place a lot of importance on the loyalty program, but over time, they made a big difference and became more loyal to the store. Their purchase frequency and transaction sizes clearly showed this. The individual's investment in relation to the business determines how loyal they are. Additionally, it was discovered that light customers invested the most in diverse services after gaining experience. They were inspired to return to the store and make more purchases as a result of this. With the assistance of loyalty programs, customer relationship management (CRM) plays an important role in boosting customer loyalty.

❖ Prasad and Aryasri (2008) looked into how relationship marketing variables, such as In the context of Indian food retailing, trust, commitment, communication, empathy, and conflict resolution are attitudinal outcomes like relationship quality and behavioral outcomes like customer loyalty. The study also looked at how customer loyalty is influenced by relationship quality. Using a mall intercept method and a structured and unambiguous questionnaire, the primary data were gathered from 300 customers of various food retail establishments. a variety of statistical tools, such as The impact of each attribute on relationship quality and loyalty is examined using mean, standard deviation, correlations, and regressions. According to the findings of this study, modern retail establishments have a better chance of fostering high-quality relationships and retaining customer loyalty if they place an emphasis on trust, commitment, communication, and empathy. Additionally, it was observed that more than any other factor, commitment and trust drive relationship quality and customer loyalty.

❖ Bava (2009) conducted in-depth research to comprehend the purchasing patterns of store customers. This study employed a qualitative multimethod approach. After that, a questionnaire was used to gather feedback. It was argued that consumers are more likely to make a purchase decision when they are exposed to multiple cues. Customers gain a better understanding of the store and their knowledge grows as a result of their exposure to multiple cues, making them feel more at ease in it. This exploratory study revealed that preference is the cognitive behavior of an individual's context; The consumer's decision to buy is influenced by their knowledge, previous experience, and store cues.

❖ Tripathi (2009) carried out a test to ascertain whether or not customer loyalty is correlated with previous experiences with customer service. In order to assess customer loyalty and market share, a modified

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loyalty test was developed. A cross-sectional research design with two survey sets was developed. Using in-depth interviews and the variables that came up, a questionnaire for an exploratory qualitative study was created. There were 493 samples considered. It was found that familiarity with the products and services offered in a convenient location has a significant impact on customer loyalty and rational buying decisions. Being dependable to customers requires having a positive image for the store. Good relationships with the store owner, pleasant behavior, a convenient location, a wide selection of products, and a shorter wait time all contribute to customer satisfaction. A store with good customer service can help customers feel at ease with the service they receive and create a unique experience that builds brand loyalty and boosts profits. Customer satisfaction and loyalty result from a marketer's relationship with customers, which has an immediate impact on store performance. Customers frequent a store due to its convenient location and extensive product selection. Relationship quality and reputation add value, re-patronizing. Customer loyalty grows as a result of repeat purchases and satisfaction.

❖ In the Malaysian Islamic banking industry, Hoq & Amin (2009) attempted to investigate the role of customer satisfaction in increasing customer loyalty among Muslim and non-Muslim customers. Additionally, they attempted to comprehend how customer loyalty influences customer behavior and decision-making. For the purpose of this study, respondents were selected using a quota sampling technique based on a variety of characteristics of Malaysian banking customers, including age (18 and older), gender, Muslim/non-Muslim, education, and occupation. On the valid data from 440 respondents, which included both Muslim and non-Muslim customers who had accounts with Islamic banks and visited bank counters, the Multiple groups data analysis was used. The study's findings suggested that indicators of customer satisfaction can help Islamic banks build customer loyalty. The effect of customer satisfaction on customer loyalty was greater for non-Muslim customers than for Muslim customers, despite the fact that there were significant differences between Muslim and non-Muslim customers. This study, taken as a whole, revealed that factors like intention of the customer to recommend Islamic banks to others; willing to recommend friends and family; suggest Islamic banks to someone looking for advice; and increase their transactions with Islamic banks emerged as the most important indicators of customer loyalty. The study's conclusion suggests that customers who are more satisfied are less likely to switch banks.

NEED FOR THE STUDY

According to Ball (2002), the most pressing issues that most Chief Executive Officers worldwide face are keeping and retaining customers. At the same time, it has been discovered that effective Customer Relationship Management (CRM) assists an organization in comprehending the requirements of its customers. As a result, the organization is better able to serve its customers than its rivals, which ultimately results in cost savings and customer loyalty (Ndubisi, 2004; In 1990, Reichheld and Sasser According to Parvatiyar & Seth (2001), long-term, close, cooperative, and partnership-based relationships with customers necessitate comprehensive and integrated customer knowledge. The purpose of this proposed research is to empirically investigate the effect of CRM on customer loyalty in Pune's organized retail sector. When looking into the connection between customer loyalty and Customer Relationship Management (CRM), other demographic factors will also be taken into account. By providing a model that has been empirically tested to assist organized retailers in India in building customer loyalty, this study unquestionably adds to the existing body of knowledge.

Factors Of Customer Relationship Management:

Service quality, customer satisfaction, trust, commitment, and communication are CRM factors that positively influence customer retention, while customer loyalty and revenue are both qualities that influence a company's revenue. There are additional factors, but we will only discuss five in this study.

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1) Service quality: When they visit a restaurant or store, every customer has an ideal expectation of the service they will receive. The degree to which a service meets or exceeds customer expectations is referred to as service quality. Customers are more likely to stay with a company if it meets or exceeds their expectations in terms of service quality.

2) Satisfaction: A measure of how satisfied customers are with a business's products, services, and capabilities is known as customer satisfaction. Surveys and ratings about how satisfied customers are can help a business figure out how to improve or change its products and services the most effectively.

3) Trust: A relationship is the foundation of trust, which grows over time through each and every interaction and touchpoint. Over time, a person's trust in the entire customer experience with a retailer may take precedence over other factors, such as selection or price. Customer retention improves when there is more trust.

4) Commitment: Customers are more likely to stay in a relationship if they have a greater emotional stake in the relationship. Customers are more likely to invest in the relationship when they have a strong emotional connection to it, which helps businesses keep customers.

5) Communication: "Listening to your customer needs, understanding them, setting and establishing expectations, and most importantly keeping them informed" is the most succinct definition of effective communication. This directly builds relationships with customers, which keeps them coming back to your business.

Hypothesis: Customer Relationship Management (CRM)

When formulating hypotheses related to Customer Relationship Management (CRM), it's essential to focus on various aspects of CRM systems and their impact on organizational performance. Here are several hypotheses that could be explored:

Hypothesis 1: CRM Implementation Enhances Customer Satisfaction

When compared to businesses that do not use CRM systems, those that do will see a significant increase in customer satisfaction. CRM systems are expected to enhance the overall customer experience because they centralized customer information and enable personalized communication and service.

Hypothesis 2: CRM Systems Increase Sales and Revenue

By enhancing sales procedures and identifying new business opportunities, the utilization of CRM systems results in a measurable rise in revenue and sales for organizations. CRM systems help businesses improve their sales strategies and take advantage of new opportunities by providing useful insights into customer behavior and trends in sales.

Hypothesis 3: CRM Systems Improve Customer Retention Rates

Argument: Compared to businesses that do not employ CRM systems, those that do will have higher rates of customer retention. Reasoning: CRM systems enable businesses to provide personalized service and targeted marketing, which can boost customer loyalty and retention by keeping detailed customer profiles and histories.

Hypothesis 4: CRM System Integration Enhances Operational Efficiency

Operational efficiency and the number of redundant tasks reduced by integrating CRM systems with other business processes and software solutions are significant benefits. By automating routine tasks, reducing data entry errors, and ensuring consistency of information across systems, CRM integration can streamline processes.

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Hypothesis 5: Data Quality in CRM Systems Affects Decision-Making Accuracy

The accuracy of business strategies and decisions is positively impacted by CRM systems' data accuracy and completeness. CRM systems that have accurate, high-quality data enable better analysis and insights, resulting in decisions that are more well-informed and efficient.

Hypothesis 6: Employee Training on CRM Systems Improves User Adoption

Comprehensive CRM system training improves the CRM system's effective use within organizations and increases user adoption rates. Employees are less likely to resist and more likely to use CRM systems when they are taught how to use them effectively.

Hypothesis 7: CRM Systems Enhance Customer Segmentation and Targeting

CRM systems make it possible to better segment and target customers, which leads to more successful marketing campaigns and increased return on investment. CRM systems provide detailed customer data that enables better campaign outcomes through more precise segmentation and targeted marketing efforts.

Hypothesis 8: High Costs and Complexity of CRM Systems Affect Small Business Adoption

When compared to larger organizations, smaller businesses are less likely to adopt CRM solutions due to the high costs and complexity of CRM systems. The decision to implement CRM systems may be influenced by the fact that small businesses may find the costs and complexity prohibitive.

SUGGESTIONS:

There are some limitations to this study that present opportunities for future research. because it only addresses a small number of customer relationship management variables. Another drawback of this study is that it only provides a static view, whereas empirical validation of these effects in a variety of contexts will help illuminate these phenomena further. By taking into account additional variables that demonstrate the connection between customer relationship management and customer retention and loyalty, additional research can be conducted. CRM systems have a number of benefits, including enhanced data-driven insights, increased sales, and improved relationships with customers. However, they also come with challenges, such as high costs, complexity, and data management issues. In order to get the most out of CRM systems while minimizing their drawbacks, businesses need to carefully consider all of these aspects. Customer satisfaction, sales performance, retention, operational efficiency, data quality, user adoption, segmentation, and adoption barriers are all covered by these hypotheses. Putting these hypotheses to the test with real-world data can reveal a lot about how well CRM systems work and help businesses improve their CRM strategies for better results. Customer retention is positively impacted by each of these factors. CRM is also closely linked to customer loyalty, which aids in maintaining a customer's loyalty to a business. Customer loyalty is significantly influenced by service quality; Customers will be more loyal to you if you use good CRM. Therefore, it can be concluded that a company should pay attention to the aforementioned factors as well as customer loyalty in order to maintain long-term relationships with customers, who have a direct impact on an organization's profitability.

❖ Ashok Devprasanna (2017) revealed in his study that how telecom industry uses CRM practices in the hyper competitive markets, the study examines customer satisfaction in telecom industry. In their research paper, Abdulla Ahmed and Nizam Ismail (2015) studied the impact of corporate image, quality, project management, customer relationship, and customer retention in the construction industry.

❖ According to Chaudhari Virendra M.'s study on the Indian banking sector (2020), banks are attempting to implement CRM because of the unique relationship that exists between customers and banks.

❖ A study on the banking industry's customer retention was carried out by Harpreet Kaur (2018). Megawati Simanjuntak (2020) observed the methods of CRM being adopted in the Car Loan Business to

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enhance customer retention. The study provides an in-depth evaluation and analysis of perceptions held by customers as well as bankers regarding customer retention.

❖ In a study he conducted in 2021, Raman Janeya Lambu revealed that the primary objective of CRM in Private Sector Banks is to attract new customers and cultivate and retain existing ones.

CONCLUSION

Even though each company has its own method for evaluating CRM's efficacy, most companies agree that CRM has definite long-term benefits. "Companies that put customers in the center are six times more likely to achieve growth goals," says a Harvard Business School study. Furthermore, CRM is an extraordinary instrument to get that going. One can focus resources on attracting and retaining the right kind of customers by thinking more eloquently about the true value of the customers. This focus, in turn, will make CRM efforts more productive and make it possible for the business to grow and innovate more effectively. Companies have been aggressively pursuing various CRM techniques and strategies for retaining customers in the current era of customer acquisition. Businesses are realizing that it is easier to keep an existing customer than to acquire a new one. As a result, the majority of businesses have begun to feel the need to reward customers who have remained loyal to them. W. Edwards Deming, the authority on quality, probably said it best: It will not be enough to just have satisfied customers. Customers who are content simply move on to try something else for no good reason. Why not? Customers who are raving about your product or service are the ones that drive growth and profit. He brings a friend along with him and does not require any advertising or other forms of persuasion."Based on the existing literature, the purpose of this paper was to theoretically analyze the concept of CRM and customer retention in Indian businesses. It was found that customer relationship management is very important to the success of any business or firm. While providing their customers with entertainment, Indian businesses need to keep in mind the numerous factors that influence customers' intentions to repurchase.

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