CHAPTER V

e- CRM IN GARMENT INDUSTRY

Customer relationship management (CRM) has come of age from a mere face to face pleasantry exchange to today’s avidly abundant e-based extended relationship that goes for lifetime in mutual concern, contacts and contracts, ably built through ICT enabled activities. To sustain global competition, firms are using advancements in technology. Old methods of marketing are less effective in this technology-based world. Organizations are also looking at new and innovative methods to improve continuously and achieve development. CRM is one such software that can help maintain customer information, interest, interaction, involvement and intimacy. CRM can be enabled by the use of the new electronic and interactive media including the Internet, e-mail, mobile telephony and digitally connected devices, thus transforming a CRM into e-CRM. e-CRM helps better understanding of customers, as information about them can be obtained in an on-line/real time ecosystem. Information about the consumer is auto mobilized as and when customer interacts via Internet. Analytics follow to picture-depict the customer in as many details as follows. Armed with that information, marketing decisions are made. e-CRM data gathered directly from the customer help the company to do behavior analysis, order history, interest mix and the like which further helps in personalized service or product offerings. Customer prompts also involved which might end up in selling.

5.1 Customer Relationship Management

CRM software is enables interactions between an enterprise and its customers. The main objectives of CRM are to generate customer demands and facilitate transmission and tracking of orders. Integration across CRM processes like transaction management; financial processes, human resources and their functional performances are very important factors in a CRM. CRM key processes are:

- **Marketing:** targeting customers, offer products and manage campaigns.
- **Selling:** Focus on sales to customers, making an informed sale, providing quote for an order and access to customer related information.
• **Order Management:** Manage, plan and execute customer orders and matching supplies based on demand.

• **Service Center:** Customer order placements, product suggestions, solve customer issues and provide information on queries.

5.2 e-CRM

Customer needs define the base for production or services (e.i.v). Marketing is not only selling, but also maintaining long-term relationships with customers. Organizations are striving to improve businesses profits with increased productivity (e.i.vi.). High customer demands have also increased inter-organizational interactions and mutual supplies (e.i.vii.). IT tools are being used extensively in the customer relationship management, thus causing the emergence of e–enabled customer relationship management" (e.i.viii.). According to Romano and Fjermestad (e.ix), e-CRM is attracting and maintaining economically valuable customers, while identifying invaluable needs.

Though e-CRM emerged from CRM, its emphasis is more on personalization, direct marketing and providing distinct services to targeted market segments. e-CRM can help reveal customer potentials by establishing an effective relationship with companies resulting in mutual benefits (e.x). Figure 5.1 depicts an e-CRM organizational block.
Many customers make frequent store visit when shopkeepers offer personalized services. Intelligent shopkeepers try and map customer age group or product preferences. The scenario changes demographically. It is always an impending need to maintain data about frequenting customers, customer patterns for predictive analysis. Bigger organizations analyze purchase or return patterns.

In a garment industry, data analysis plays a major role. Most garment sales are based on various factors. For example, sales peak in summer for a particular type of material and in a particular country or region; priorities change in winter or spring. Customer preferences vary based on cloth type, designs and seasonal trends. Loyal customers are always the major source of profits costing lesser promotional costs.

Changing social and demographic factors, economic situations and global exposure highlights the need for customer-based information for the manufacturers to understand customer expectations and requirements, specifically in the garment industry.

Understanding customer trend helps firms to plan the procurement and production. How many e-CRM players highlight these features?
Using latest e-technologies like Internet, mobile telephony and digital television are cost effective; businesses with a large numbers of customers can use e-CRM elements to facilitate
- Capture, store and transform data into valuable information.
- Understand customer behavior through data mining and statistical analysis.
- Real-time monitoring and Possibilities of tailor made products and services

5.3 e-CRM Challenges

E-CRM has its own unique set of challenges. Typically, offline human interactions create loyal customers. E-CRM is more transactional; it is challenging to build customer relationships. Privacy policies and guarantees become an essential element in building trust and the consequent effectiveness of e-CRM. Distractive or reverse information on the web moves much faster, and particularly if companies fail to deliver. Normally customers may interact with tens or hundreds of people, while online feedbacks may reach thousands of people in a split second. Many companies attempt to implement an e-CRM without compiling a comprehensive strategy and fail as indicated in Gartner Group research.

e-CRM efforts should be able to find software, which is flexible enough and consistent with organizational plans. There are very limited software systems that can operate successfully in all organizations. Many e-CRM implementations do not understand organizational commercial process. Unstable software developers of e-CRM are another big challenge to e-CRM implementations.

Though many organizations feel IT has a small role in CRM, many CRM tasks depend heavily on information systems. Customers and organizations use tools like Emails, Auto responders, Online Catalogs, Banners, Shopping Carts. These tools have the capability to pull customer information with their interfaces. Personalization in tools can allow companies to check customer behavior patterns and thus cater to customer needs accordingly. Technology plays an active role in providing personalized service. Figure 5.2
depicts the relationship between marketing processes, Goals, Traditional Mass Marketing and the information technology used in CRM.

<table>
<thead>
<tr>
<th>Process</th>
<th>Identification</th>
<th>Differentiation</th>
<th>Interaction</th>
<th>Customization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal</td>
<td>✓ Identify individual customer</td>
<td>✓ Evaluate customer values and needs</td>
<td>✓ Build a continuing relationship</td>
<td>✓ Fulfill Customers’ needs</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓ Generate profit</td>
</tr>
<tr>
<td>Traditional Mass</td>
<td>-</td>
<td>✓ Clustering</td>
<td>✓ Call Center</td>
<td>✓ Sales</td>
</tr>
<tr>
<td>Marketing</td>
<td></td>
<td></td>
<td></td>
<td>✓ Services</td>
</tr>
<tr>
<td>CRM</td>
<td>✓ customer profiling</td>
<td>✓ Individual level analysis</td>
<td>✓ Call center management</td>
<td>✓ Sales automation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓ Marketing processes’ automation</td>
</tr>
<tr>
<td>Information</td>
<td>✓ Cookies</td>
<td>✓ Data Mining</td>
<td>Web-based software, Communications</td>
<td>✓ ERP</td>
</tr>
<tr>
<td>Technologies</td>
<td>✓ Websites personalization</td>
<td></td>
<td>without system</td>
<td>✓ E-commerce</td>
</tr>
</tbody>
</table>

Fig. 5.2 - Relationship between marketing, Goals, Mass Marketing and IT used in CRM.

Traditional marketing offered identical marketing programs before e-CRM. Customer relationship management concept was formed in the next stage by increasing the communication channels used by traditional marketers. The use of information technology in CRM made specific production for each customer possible. Consequently, the use of the IT capabilities in CRM led to the development of the e-CRM concept. The stages of development are depicted in Figure 5.3 and Figure 5.4.

Fig. 5.3 – Steps in the Evolution of e-CRM
Technology in e-CRM

CRM is very active in a manufacturing process if the manufactured goods are sold across channel sales. The manufacturing industry certainly has its own set of requirements for a CRM application. Manufacturers need to think beyond supply chain and product life cycles to a seamless connected world where customers, operators, designers, suppliers and resellers collaborate and communicate to achieve a common goal of productivity. Globally, digital transformation is happening across e-CRM; from being database management software, loyalty program service provider to a strategic partner across the supply chain operations.

During in-depth discussion with the respondents, it was very obvious that all the respondents had CRM applications; either branded or from local players. In-fact, majority of users had CRM applications form local vendors. Considered to ERP, CRM, as a standalone product has been quite successful in the market. More than 90% of branded CRM vendors are either stat-ups or newly diversified players in the market; majority of them operated on web-based application. During further discussion, awareness level of e-CRM usage to take important decisions, help manufacturers to focus on newer products etc. were very low. CRM, as a technology, could be used across the supply chain process.

Capturing customer preferences and season-based requirements across globe, helps procurement department to plan raw material sourcing. If procurement department gets data about quality based rejections and latest trends adopted by customers globally, pre-planned
designs could be incorporated in designs.

It was a shock for lot of respondents when they were informed about how getting customer feedback, the product development team in the production side designs style based customer trend. Feedback from customers has to be constantly given to the designing team. Route optimization and operational efficiency could be improved by the garment industries when the customer feedback is analyzed and accordingly re-planned.

It is very obvious from all these factors that e-CRM, if interlinked with other departments and all the data across each touch points are captured and analyzed, e-CRM can be a complete strategic partner.

**Mobile access to data**

The Mobility module enables you to synchronize data between locations or between laptops and head office. You can also access the central database using a Web browser on your mobile device or laptop. e-CRM has more app or mobile users across the supply chain operations.

**Major CRM Tech Providers**


**5.4 e-CRM - Research Observations**

As the research is restricted to garment-manufacturing firms and focuses on the need of e-CRM in garment manufacturing units, the research observations are based on in-depth discussions about various CRM functions used in garment manufacturing firms. Mr. Manikandan, Sales Manager, S. Chandran, Sales Manager, GEE Tex, Ms. Jyothi, Sri Krishna Knits, Ms. Revathi, Ahuja Fashions, Mr. Sekhar, Chanel Creation, Mr. Nachiyappan, Marketing Manager, Kandhan Knits, Mr. Jayakaran of Dollar Apartments,
Mr. Mani, Marketing manager, Imperials, are some of the high profile respondents, who had in-depth discussions and explained the working of e-CRM.

5.4.1 Customer retention
Customer retention is the most challenging process when an industry faces global competition. Retaining present customers and attracting new customers in a globalized market is an uphill task. Customer centric approach has its roots to older times when poets tried to please kings by reciting poetry and got rewarded.

Thus, Sales is attracting buyers with their preferences, but dominated by trust. A typical neighborhood provisional store is an early example of a CRM, wherein the owner of the store would know every single customer. In global operations, maintaining data about individual customers or understanding their needs becomes cumbersome. CRM can be used to maintain relationships with customers or consumers (clxiv), as good relationships with customers ensure repeat orders.

Bose defines CRM as: "CRM is an integration of technologies and business processes used to satisfy the needs of a customer during any given interaction. More specifically, CRM involves acquisitions, analysis and the use of knowledge about customers in order to sell more goods or services efficiently" (clxv). Happy customers contribute to growth in organizational revenue. Businesses have started focusing on building relationships with customers, as loyalty and repeat customers are assets to companies.

The cost of acquiring a new customer is costlier than retaining an existing customer. Unlike general textile industry like knitwear, spindle, cotton yarn etc., garment industry has more functionality to do with CRM, as they face more customers. Figure 5.5 depicts the importance of relationship management.
Garment industries may be purely export oriented or may cater to local needs. In export-oriented firms, buyers are the customers and businesses through intermediaries rarely occur.

These buyer needs are totally diverse and are spread across globally; as explained in Figure 5.6: Garment industry flow.

In a typical export oriented firm, customer satisfaction is more focused on the product quality and ensuring that mistakes are not repeated.

Figure 5.6—Garment manufacturing firm’s flow (as captured by researcher)
Global buyers get retained only on supply of quality products. Manufacturing units have multiple touch points generating data that can be captured and analyzed for satisfying customer needs. Most firms have started moving from manual customer database management to a systematic IT based management, thus generating a need for ERP in manufacturing. ERP started playing a major role, but focused more on back end processes. CRM was integrated with ERP with focus on sales, marketing, order, pricing and after sales service.

With changing aesthetics of user interfaces, a lighter version of CRM got introduced focusing on front-end applications at a lesser cost. The Major difference between CRM and e-CRM lies in the subtle use of latest technologies like Internet, mobile and wireless. Sales forecast sets a target for the sales team in terms of goals and directions and thus becomes the basis for planning, scheduling, ordering, purchasing and other vital manufacturing activities. CRM allows visibility, complete control, and the ability to automatically generate forecasts in a single page. One of the biggest advantages of CRM in manufacturing is automation, which helps sales team gain time for closing deals and finding new prospects. For sustained success, any CRM effort must first focus on, and be aligned with the enterprise’s most strategic imperatives as detailed below.

- Who is the stakeholder that you want to focus?
- Do we need a solution or automated process through technology?

If a CRM solution is not able to address any of the above points, then any manufacturing firm implementing e-CRM will fail.

Moreover, CRM needs of a retail chain is totally different from manufacturing firm needs. Though most CRM software providers have focused more on customer identification, attraction and retention, e-CRM providers do not focus on process improvement, which could help achieve the aforesaid points.
5.4.2 Factors that need Customer Attention

Garment industry CRM needs to differ from other CRM verticals, as they need to focus on multiple customer interactions. There is a need to capture the data from each of these interactions. In a garment-manufacturing firm, right from buyers, there are multiple customers, supplier and logistics players who are indirect customer interactions. Information from these in-direct interactions is important for product development. It’s also important to note that while the “failure” rates vary significantly from study to study, they haven't decreased.

One of the first well-publicized studies, by Gartner Group back in 2001 disclosed a failure rate of 50 percent. A 2009 survey by Forrester found a failure rate of 47 percent. The underlying facts and root cause analysis reveal common factors, which suggest preparation and planning, can mitigate failure. Repeated studies over the decade have shown that most of the CRM failures result from a very limited number of causes. All those causes are preventable if they are planned and recognized at the earliest occurrence. Understanding of CRM failures can help take proactive measures for a successful implementation.

5.4.3 Functions of e-CRM across Organization

Client Support and Services, Promotion and Ad Campaign monitoring, Decision implementation, data analysis, customization and decision support are certain vital functions of e-CRM.

5.4.3.1 E-CRM and ‘Client Support and Services’: This is one of the major functions that firms follow. Key focus is on recording and maintaining a database of potential clients and focusing on servicing them based on customer needs. But still, majority of companies use e-CRM as database management software and use it as software to connect external stakeholders.

5.4.3.2 Promotion and Ad Campaign monitoring: Manufacturing and retail operations can predominantly use e-CRM for promotions. Most of the small and medium sized firms
focus on production based on orders received from buyers, thus limiting their e-CRM usage to their suppliers or buyers. These firms implement customized and regional based e-CRM packages for their needs. Larger organizations with rejections in exports either due to quality issues or delays, sell these garments to local retailing units, thus creating an opportunity for e-CRM to be used locally for retail operations or recording customer preferences.

5.4.3.3 Decision implementation, data analysis, customization and decision support: CRMs usage has focused only on database and sales management, though it could be used beyond these basic functions. CRMs are expected to provide customized data for decision support helping companies customize products for customer satisfaction. e-CRM offers customized solutions with potential customer touch points. Majority of CRM solutions customize messages for larger audiences.

The in-depth interview with industry expert, CP. Revathy, Customer support and Sales Head, Ahuja Fashions revealed that most firms were unaware that e-CRM could do functions beyond client support services Monitoring ad campaign was another function of e-CRM that would be suitable for retail segment. With present cost structure and interconnectivity issue, presently it would be very difficult to merge CRM with other functionalities. But in future, there is high potential if interconnectivity is simplified. Mr. Nachiyappan, Head of Marketing, when provoked about how e-CRM interconnectivity could help, highlighted the fact that this could be of help in planned sourcing and might help industries to decide the market that needs to be focused. But, he was not fully aware of the role of data analytics.

The quantitative research revelations are in chart 5.1, table 5.1 and ensuing test of hypothesis. Chart 5.1 indicates that majority of the respondents agreed that client support and services are the major function of e-CRM.
From table 5.1, the 35 respondents of the study, it is seen, have placed ‘Client Support and Services’ as an important function with mean score of 4.8 on a 5-point scale followed by Data Analysis and Decision Support with 4 points, Customized Messaging which saves time and cost and focuses attention with 3.97 points and so on. The overall score is 3.36.

<table>
<thead>
<tr>
<th>Functions of e-CRM</th>
<th>Sample size=35</th>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>DA</th>
<th>SDA</th>
<th>Total Score</th>
<th>Mean Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Client Support and Services</td>
<td>150</td>
<td>12</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>168</td>
<td>4.80</td>
<td></td>
</tr>
<tr>
<td>Promotion and Ad Campaign monitoring</td>
<td>0</td>
<td>52</td>
<td>21</td>
<td>30</td>
<td>0</td>
<td>103</td>
<td>2.94</td>
<td></td>
</tr>
<tr>
<td>Data Analysis and Decision Support</td>
<td>25</td>
<td>100</td>
<td>15</td>
<td>0</td>
<td>0</td>
<td>140</td>
<td>4.00</td>
<td></td>
</tr>
<tr>
<td>Decision Implementation through complete and timely Information dissemination</td>
<td>0</td>
<td>0</td>
<td>33</td>
<td>48</td>
<td>0</td>
<td>81</td>
<td>2.31</td>
<td></td>
</tr>
<tr>
<td>Customized Messaging which saves time and cost and focuses attention</td>
<td>25</td>
<td>96</td>
<td>18</td>
<td>0</td>
<td>0</td>
<td>139</td>
<td>3.97</td>
<td></td>
</tr>
<tr>
<td>Geared only to high-end of the markets</td>
<td>0</td>
<td>0</td>
<td>15</td>
<td>60</td>
<td>0</td>
<td>75</td>
<td>2.14</td>
<td></td>
</tr>
<tr>
<td>Total/Overall</td>
<td>200</td>
<td>260</td>
<td>108</td>
<td>138</td>
<td>0</td>
<td>706</td>
<td>3.362</td>
<td></td>
</tr>
</tbody>
</table>

Source: Primary Data
Test of Hypothesis

To test whether functions of e-CRM have been received with positive frame of mind, with mean score of 3.5 points as benchmark requisite, test of significance of mean was done against the actual mean 3.362.

$H_0$: Mean score = 3.5 (on a 5 point scale.); $H_1$: Mean score <3.5.)

<table>
<thead>
<tr>
<th>Total</th>
<th>Mean</th>
<th>SD</th>
<th>n</th>
<th>SQRT of N</th>
<th>SE</th>
<th>Z Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>706</td>
<td>3.36190476</td>
<td>1.12920186</td>
<td>210</td>
<td>14.4913767</td>
<td>0.07792233</td>
<td>1.7722165</td>
</tr>
</tbody>
</table>

The modulus ‘Z’ is more than 1.645, rejecting the null hypothesis. The population mean couldn’t be less than 3.5, may be just meeting the benchmark set.

5.5 Benefits of e-CRM to firms in the Garment Industry

Modern businesses need to face customers in a more professional way and adapt to technology changes. Implementing CRM solutions can benefit in terms of customer recognition, understanding customer needs, take decisions and provide individual attention. IT enabled solution providers are expected to provide contact management, relationship building, product pricing, client status, personalised data management, customer yields, and personalized communications. Hence IT enabled e-CRM helps in linking the needs of different process and departments for analyzing and gathering required information.

5.5.1 Timely and Comprehensive: e-CRM usage has helped various industries to bring their down time on processing customer queries, get acknowledgements and related information. This interconnected data management has helped various organizations to increase their work efficiency.

5.5.2 Customer retention: Traditionally, firms were focusing on the preferences of customers, but with customer service quality playing a major role in customer retention, majority of e-CRM users focus on loyalty, assurance and reliability. e-business customers
are spread demographically and increasing competition makes it imperative to have a one-to-one communication with the potential and existing customers.

5.5.3 **Product customization:** Personalizing products/designs based on customer expectations and then sustaining it for a long time is not an easy task in garment firms. Most respondents agreed to the fact that the success of product customization depended on the order size and seasonal business.

5.5.4 **Customer feedback and R&D / New product development:** Based on utility, e-CRM provides either a “futuristic view” or gives a “historical view” of revenue and customer expectation. But, if captured and analyzed properly, a production expert or a design expert can easily understand any product defect or feature based request mentioned by customers and try to improvise the same in a new product or trendsetter design. Data capture at each potential customer touch points becomes imminent.

Industry personnel Mr. S. Chandran, Sales Manager and Mr. Manikandan explained how garment industry could use available data for its development. If, as discussed, the e-enabled system is capable of giving the required output, garment industries could probably use data for customizing their production process to a particular style and to a particular target customer and moreover, based on the feedback-received, focus on newer styles.

5.5.5. **Real time information management on production and distribution:** Capturing right information at right time helps the designer tailor-make products or services. Capturing customer behavior and understanding their needs can help firms plan their product development. Moreover, based on this information, garment industries can either reduce or increase their production levels. Chart 5.2 depicts the benefits of e-CRM and scores the identified seven benefits.
As explained in Chart 5.2, majority of the respondents agreed that e-CRM could be used in serving customers comprehensively and on time. The key highlight was in their agreement on customer retention. Product customization, feedback and its direct correlation to R&D and new product development topped the analysis with maximum respondents agreeing to these parameters. The respondents also disagreed that e-CRM could hasten product development. Similarly, the fact that e-CRM could be used to capture competitor data was not agreed upon by majority of the respondents. But at the same time, real time information management was seen as a value added function of e-CRM.

Industry experts, **Ms. Sarmeeela of Systech and Mr. Govindaraj of BeyondEx Solutions** highlighted the fact that majority of these functions are possible only the e-CRM package that the companies are adapting to are part of the entire E-SCM operation or at-least capable of talking to each other. Biggest challenge with these small and medium scale industries are their usage of multiple standalone software packages and not using a standardized technology to run the same. Real time monitoring, if linked to CRM, will give us the reasons related to rejections, delay in delivery and any quality related issue. But, with present system this could be very tough.

The quantitative research revelations are in chart 5.2, table 5.2 and ensuing test of hypothesis.
Chart 5.2 - Benefits of e-CRM to Firms in Garment Industry

Table 5.2 - Benefits of e-CRM to Firms in Garment Industry

<table>
<thead>
<tr>
<th>Benefits of e-CRM</th>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>DA</th>
<th>SDA</th>
<th>Total Score</th>
<th>Mean</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Serves the customers timely and comprehensively</td>
<td>150</td>
<td>20</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>170</td>
<td>4.857</td>
<td></td>
</tr>
<tr>
<td>Customer retention of at least another 3 years</td>
<td>0</td>
<td>0</td>
<td>15</td>
<td>58</td>
<td>0</td>
<td>73</td>
<td>2.086</td>
<td></td>
</tr>
<tr>
<td>Value addition to business through Product customization</td>
<td>0</td>
<td>100</td>
<td>30</td>
<td>0</td>
<td>0</td>
<td>130</td>
<td>3.714</td>
<td></td>
</tr>
<tr>
<td>Base for R &amp; D initiatives based on customer feedback</td>
<td>0</td>
<td>120</td>
<td>0</td>
<td>10</td>
<td>0</td>
<td>130</td>
<td>3.714</td>
<td></td>
</tr>
<tr>
<td>Value addition to business by enabling New Product Development</td>
<td>0</td>
<td>20</td>
<td>6</td>
<td>56</td>
<td>0</td>
<td>82</td>
<td>2.343</td>
<td></td>
</tr>
<tr>
<td>Opportunity to capture insights into competitor’s strategies</td>
<td>0</td>
<td>0</td>
<td>15</td>
<td>60</td>
<td>0</td>
<td>75</td>
<td>2.143</td>
<td></td>
</tr>
<tr>
<td>Real time information through interfaces with the company’s operations</td>
<td>10</td>
<td>68</td>
<td>3</td>
<td>32</td>
<td>0</td>
<td>113</td>
<td>3.229</td>
<td></td>
</tr>
<tr>
<td>Total/Overall</td>
<td>160</td>
<td>328</td>
<td>69</td>
<td>216</td>
<td>0</td>
<td>773</td>
<td>3.155</td>
<td></td>
</tr>
</tbody>
</table>

Source: Primary Data

The benefit, ‘Serves the customers timely and comprehensively’ has secured the highest score of 4.857 on the 5 point scale, followed by ‘Value addition to business through Product customization’ and ‘Base for R & D initiatives based on customer feedback’ again both
with 3.714 points, ‘Real time information through interfaces with the company’s operations’ with 3.229 points and so on. The overall mean score is 3.155.

**Test of Hypothesis**

To test whether the benefits of e-CRM and features have been received with positive frame of mind, with mean score of 3.5 points as bench mark requisite, test of significance of mean was done, against the actual mean is 3.229.

\[
H_0: \text{Mean score} = 3.5 \text{ (on a 5 point scale.)}; \ H_1: \text{Mean score} < 3.5.
\]

<table>
<thead>
<tr>
<th>n</th>
<th>Total</th>
<th>Mean</th>
<th>SD</th>
<th>SQRT of n</th>
<th>SE</th>
<th>Z Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>245</td>
<td>773</td>
<td>3.155</td>
<td>1.131</td>
<td>15.65</td>
<td>0.072</td>
<td>4.77</td>
</tr>
</tbody>
</table>

The modulus ‘Z’, namely 4.77 is more than 1.645, rejecting the null hypothesis. The population mean isn’t 3.5 but less than 3.5, thus failing in meeting the benchmark set. The opinion of the informed respondents is that the benefits of e-CRM are not enticing.

**5.6 Benefits of e-CRM to Customers**

The identified benefits for evaluation are Customers support e-CRM initiatives offered by you to them, to leverage quality disciplines, in speedy ‘Complaints Resolution and Risk Reduction’, Achieving higher customer satisfaction services and Collaborate through a wide range of options. These are assessed and scored.

**5.6.1 Customer’s support and increased customer satisfaction to e-CRM:** Majority of customers tends to support customer-based initiatives of industries provided they do not cause hindrance to their privacy. Customer support verticals vary based on the type of garment units. The benefits of e-CRM by the respondents across various categories are:

i. Customers support e-CRM initiatives offered

ii. The benefit of e-CRM to customers is in the form of leveraging quality disciplines

iii. e-CRM enables the customers in speedy ‘Complaints Resolution and Risk Reduction’
iv. e-CRM benefits customers with feedback to create new products on mass customization
v. e-CRM benefits the firm by achieving higher customer satisfaction services

**Garment industry executives, Mr. Manikandan, Sales Manager, S. Chandran, Sales Manager, GEE Tex, Ms. Jyothi, Sri Krishna Knits during the in-depth discussion e-CRM would play a major role in resolving quality related issues for the customers. They give an opportunity for the customers to be in touch with the garment industries and in return helps the industry to be alert on customer issues. In certain cases, speedy complaints resolution and collaboration is possible; this could be more successful if collaborated with other departments.**

But at the same time, real time information management was seen as a value added function of e-CRM. The quantitative research revelations are in chart 5.3, table 5.3 and ensuing test of hypothesis. Chart 5.3 depicts the Benefits of e-CRM to customers.

![Benefits of e-CRM to Customers](chart5.3.jpg)

**Chart 5.3 – Benefits of e-CRM to customers**
Customer have always benefited with new facilities. e-CRM has been one of the major
tools for customers to have a better focus on the overall product or the functioning of the
industry. The first four major benefits mentioned are very straight forward and majority of
the respondents either agreed or strongly agreed to the benefit provided.

But in the last mentioned benefit, which focuses on customer being empowered to serve
better, there were mixed responses with few of the respondents agreeing to the benefit and
part of them disagreeing to the same.

Table 5.3 gives the benefits to customers derived through e-CRM. Benefits, namely,
‘leverage quality disciplines’ and ‘Speedy Complaints Resolution and Risk Reduction’
come with 4.71 and 4.14 mean scores awarded by the 35 respondents. The overall score is
3.92.

<table>
<thead>
<tr>
<th>Benefits of e-CRM to Customers</th>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>DA</th>
<th>SDA</th>
<th>Total Score</th>
<th>Mean Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers support e-CRM</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>initiatives offered by you to them</td>
<td>15</td>
<td>92</td>
<td>27</td>
<td>0</td>
<td>0</td>
<td>134</td>
<td>3.83</td>
</tr>
<tr>
<td>To leverage quality disciplines</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>150</td>
<td>0</td>
<td>15</td>
<td>0</td>
<td>0</td>
<td>165</td>
<td>4.71</td>
</tr>
<tr>
<td>In speedy ‘Complaints Resolution</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>and Risk Reduction’</td>
<td>20</td>
<td>104</td>
<td>21</td>
<td>0</td>
<td>0</td>
<td>145</td>
<td>4.14</td>
</tr>
<tr>
<td>Achieving higher customer</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>satisfaction services</td>
<td>0</td>
<td>120</td>
<td>15</td>
<td>0</td>
<td>0</td>
<td>135</td>
<td>3.86</td>
</tr>
<tr>
<td>Collaborate through a wide</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>range of options</td>
<td>5</td>
<td>56</td>
<td>18</td>
<td>28</td>
<td>0</td>
<td>107</td>
<td>3.06</td>
</tr>
<tr>
<td>Overall</td>
<td>190</td>
<td>372</td>
<td>96</td>
<td>28</td>
<td>0</td>
<td>686</td>
<td>3.92</td>
</tr>
</tbody>
</table>

Source: Primary Data.

Test of Hypothesis – (Test of mean with bench mark 3.5)
To test whether the benefits of e-CRM to customers have been significant, a benchmark
mean score of 3.5 points is taken. The actual mean is 3.92.

\[ H_0: \text{Mean score} = 3.5 \] (on a 5 point scale.); \[ H_1: \text{Mean score} > 3.5 \]

<table>
<thead>
<tr>
<th>Test taking ( \mu = 3.5 )</th>
<th>n</th>
<th>Total</th>
<th>Mean</th>
<th>SD</th>
<th>SQR of ‘n’</th>
<th>SE</th>
<th>Z Score</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>175</td>
<td>680</td>
<td>3.92</td>
<td>0.836</td>
<td>13.2</td>
<td>0.0632</td>
<td>6.6431</td>
</tr>
</tbody>
</table>
The null hypothesis is rejected as the Z score exceed the critical value of one-tailed test of 1.645 at 5% significance level.

**Test of Hypothesis -2 (Test of mean with bench mark 4)**

Taking the test further, with $\mu = 4$, the test accepted the null hypothesis, thus concluding that the population mean could be taken as 4.

$H_0$: Mean score = 4 (on a 5 point scale.) ; $H_1$: Mean score $>4$

<table>
<thead>
<tr>
<th>Test taking $\mu = 4$</th>
<th>n</th>
<th>Total</th>
<th>Mean</th>
<th>SD</th>
<th>SQRT of ‘n’</th>
<th>SE</th>
<th>Z Score</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>175</td>
<td>680</td>
<td>3.92</td>
<td>0.836</td>
<td>13.2</td>
<td>0.0632</td>
<td>6.6431</td>
</tr>
</tbody>
</table>

**Test of Hypothesis - (Test of difference between means)**

Whether the mean benefit score of the Producers in Garment Industry and that of the Customers are same or significantly differed was another issue for analysis of importance. The null and alternative hypotheses are as below, where; $\mu_p$ is mean benefit score for producers and $\mu_c$ is mean benefit score for customers.

$H_0$: $\mu_p = \mu_c$; and the $H_1$: $\mu_p < \mu_c$

<table>
<thead>
<tr>
<th>Categories</th>
<th>n</th>
<th>SD</th>
<th>SD*SD</th>
<th>SD*SD/(n)</th>
<th>SE</th>
<th>Mean</th>
<th>Z</th>
<th>Ho Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Producers</td>
<td>245</td>
<td>1.131</td>
<td>1.2792</td>
<td>0.0052</td>
<td>0.09592</td>
<td>3.155</td>
<td>-7.976</td>
<td>Rejected</td>
</tr>
<tr>
<td>Consumers</td>
<td>175</td>
<td>0.8364</td>
<td>0.6996</td>
<td>0.004</td>
<td>3.92</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The null hypothesis is rejected, as the modulus Z is more than 1.645 at 5% significance level for left-tail Z test. That is the benefit score of the consumers exceeds that the producers.

**5.6.2 Different Modes of Feedback for your e-CRM**

Whether e-CRM needs feedback or e-CRM itself a feedback mechanism? This was quite a daisy situation as majority of the respondents were of the opinion that e-CRM itself is a feedback mechanism and why all this modes are important or relevant.

But after clear explanation by the researcher, the respondents were of the opinion that e CRM had online feedback dependency. There were mixed responses from the respondent’s side to the fact that community forums, comparison ranking and collective intelligence could be a part of the mode. Majority of the respondents didn’t have a proper answer to the
same. They stayed neutral. The quantitative research revelations are in chart 5.4, table 5.4 and ensuing test of hypothesis.

![Chart 5.4 - Different Modes of e-CRM feedback](image)

Online Feedback Dependency, Community forum, Collective intelligence (third party opinion by web), Ranked comparison by competitors and Surveys on Web-casts were the identified feedback mechanism for e-CRM. The respondents voted ‘Online Feedback Dependency’ with highest average score of 4.14 followed by Surveys on Web-casts with 3.57 points on the 5-point scale and so on as seen in table 5.4. The mean score is 3.44.

<table>
<thead>
<tr>
<th>Different Modes of e-CRM Feedback - Sample size=35</th>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>DA</th>
<th>SDA</th>
<th>Total Score</th>
<th>Mean Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online Feedback Dependency</td>
<td>25</td>
<td>120</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>145</td>
<td>4.14</td>
</tr>
<tr>
<td>Community forum</td>
<td>0</td>
<td>20</td>
<td>90</td>
<td>0</td>
<td>0</td>
<td>110</td>
<td>3.14</td>
</tr>
<tr>
<td>Collective intelligence (third party opinion by web)</td>
<td>15</td>
<td>8</td>
<td>90</td>
<td>0</td>
<td>0</td>
<td>113</td>
<td>3.23</td>
</tr>
<tr>
<td>Ranked comparison by competitors</td>
<td>5</td>
<td>8</td>
<td>96</td>
<td>0</td>
<td>0</td>
<td>109</td>
<td>3.11</td>
</tr>
<tr>
<td>Surveys on Web-casts</td>
<td>25</td>
<td>40</td>
<td>60</td>
<td>0</td>
<td>0</td>
<td>125</td>
<td>3.57</td>
</tr>
<tr>
<td>Total/Overall</td>
<td>70</td>
<td>196</td>
<td>336</td>
<td>0</td>
<td>0</td>
<td>602</td>
<td>3.44</td>
</tr>
</tbody>
</table>

Source: Primary Data.
Test of Hypothesis

To test whether different modes of e-CRM feedback and features have been received with positive frame of mind, with mean score of 3.5 points as bench mark requisite, test of significance of mean was done, against the actual mean is 3.44. Z test at 5% significance level was done. The null hypothesis is accepted.

$H_0$: Mean score = 3.5 (on a 5 point scale.); $H_1$: Mean score < 3.5

<table>
<thead>
<tr>
<th>n</th>
<th>Total</th>
<th>Mean</th>
<th>SD</th>
<th>SQRT of N</th>
<th>SE</th>
<th>Z</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>175</td>
<td>602</td>
<td>3.4</td>
<td>0.63932</td>
<td>13.2288</td>
<td>0.04833</td>
<td>-1.2415</td>
<td></td>
</tr>
</tbody>
</table>

5.7 Increased Number of Mobile CRM Offerings

According to Gartner, two-thirds of the workforce, globally, will own a smartphone. This indicates that more than or around 40% of the workforce will be mobile. This form of mobility empowers the team and the firms to help in important decision-making. At the same time, selective, critical data analysis and performance enhancement helps in boosting productivity, improve monitoring and reduce administration costs. Synergic to the word mobile, employees on the move, supervisors on the shop floor and employees at various touch points need to be well-informed and connected to ensure lack of data loss and management.

Hence, in the world of mobile, e-CRM with mobility enabled interphase is expected to carry out activities from any location.

Ms. Revathi, Ahuja Fashions, Mr. Sekhar, Chanel Creation, Mr. Mani, Marketing manager, Imperials and many other important respondents observed the working pattern of mobility solution needed more clarification and conviction. There were lots of speculations on the security factor of the new mobility solutions. Moreover, respondents sought further clarity on factors like: whether this new version will involve more investment, training to use the new version and how much of changes to be made to the existing e-CRM system.

Actually, using A Mobile Customer Relationship Management has its own unique set of advantages. Office based CRM systems are powerful tools; but once outside a computer environment the user is completely disconnected from the wealth of information afforded by
the CRM. Increasingly, more sales people are away from their offices and use the laptop to log a casual chat with a prospect. This is not a viable option for the sales team which is on the move. As competition increases, it is crucial for your sales force to be on top of its game. Having sales team equipped with a mobile CRM not only offers a degree of flexibility for the individual sales rep, but it

**Advantages of using a Mobile CRM:** The strategic Advantages of Using Mobile CRM Software is listed below. Info-access, shortening the sales cycle and faster production operations are important ones.

**Access to Crucial Information:** A mobile CRM provides sales people with immediate access to important information such as account history, products recently purchased and the most up to date pricing information. Not too long ago, being away from the office equaled a complete information blackout. Now with a mobile CRM, having sales reps keep in touch with a higher number of prospects while on the road can boost productivity. Mobile CRM’s are also a great tool to collect information at the source. Reducing the number of steps between the original source of data (a conversation with a client) and the collection of the information (log it into the CRM) reduces the chance of failing to update the CRM.

**Shortening of the Sales Cycle:** A mobile CRM can be customized to offer critical information on the spot; inventory availability, current pricing models and any other information your team may need.

**Production and Planning are Faster:** The sooner an order is placed; the sooner the final product or service is ready to be delivered, which in turn translates to shorter delivery times and more satisfied customers. Having your sales team equipped with a mobile CRM can benefit to a large extent.

**Mr. Govindaraj** of BeyondEx Solutions, a software firm which caters to e-SCM across leather industries and garment industries, during an in-depth discussion, highlighted the fact that mobile CRM needs better user interface and has to be more lighter than the usual on premise CRM software. Majority of other software players launch apps that could be used in mobile devices. But, market is not as matured as the global market is. Not only is the CRM industry growing at a rapid pace, but Mobile CRM is expected to grow by 500%, with
more than 50% of business rolling out or piloting mobile CRM. (clxvi). Mobile access to a CRM increases sales force productivity by an average of 14.6% with a further 3 in 10 mobile CRM users reporting productivity improvement of more than 20%. (clxvii)

5.8. Inferences

The key impact of this trend is that customers will have increasing access to more functionality and time-sensitive information. Another challenge is how the CRM solution is integrated with existing software systems that automate other functions in the organization. For example, the company may use a database solution to manage all accounting functions. If the CRM solution can interface with the company's accounting software system, more data analysis can be performed. CRM helps in developing better communication channels. Interactive Voice Response System, web sites, etc. have made life easy both for the organization and also for its sales representatives. It allows the business to give its customers the option of choosing how they want to communicate with the businesses. As mentioned by the respondents, typical CRM has to focus on the 4 C approach that would be ideal as in Figure 5.7.

![Diagram](image.png)

Fig. 5.7 - 4 C approach to CRM: (as captured by the researcher)
There is a need for multi channel customer support and data management system. Once all these data touch points were identified, companies tried to operate the data manually by entering it multiple locations. These scattered data were collated at multiple touch points. Data loss and data management became a major issue. The way data were captured was not benefiting the companies.

Researcher learnt from the respondents that e-CRM software has been blindly used by the industries. Researcher also realized that e-CRM is just not a technology but needs to bring together different value propositions across multiple touch points. Companies that can plan on developing and focusing different capabilities supported by technology can have an effective e-CRM. Figure 5.8 depicts a balanced strategic approach.

5.9 Gap analysis
Responses from the respondents clearly indicate that there are visible gaps in the knowledge about e-CRM and its perceived benefits. Respondents are fully not aware of the benefits that CRM could bring to the table. Moreover, there is no evidence of the role of CRM among interdepartmental decision-making process.

As mentioned in Figure 5.9, the following CRM process helps is solving majority of issues. Figure 5.10 summarizes Gap Analysis.
Fig. 5.9 - Gap Analysis


But, in the market, majority of firms focus only on the first two and sparingly on the other important aspects.

Figure 5.10 depicts e-CRM ecosystem movement (as captured by the researcher)