CHAPTER I

Introduction
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INTRODUCTION

CRM stands for Customer Relationship Management. It is a strategy used to learn more about customers needs and behaviours in order to develop stronger relationship with them. After all good customer relationship are at the heart of business success. There are many technological components to CRM but thinking about CRM in primarily technological terms are mistake. The more useful way to think about CRM is as a process that will help bring together lots of pieces of information about customers, sales marketing effectiveness, responsiveness and market trends.

GOALS OF CRM

The idea of CRM is that it helps businesses use technology and human reserves to gain insight into the behaviour of customers and value of those customers. If it works as hoped, a business can:

- Provide better customer service
- Make call centers more efficient
- Cross sell products more effectively
- Help sales staff close deals faster
- Simplify marketing and sales processes
- Discover new customers
- Increase customer revenues
According to cap Gemini Ernst and young CRM is defined as, “A Company’s” ability to continuously maximize the value of its customers franchise by effectively allocating scarce resources to specify customers segments in those areas viewed as having a significant impact on the profit impacting behaviours of customers.

The concept of buyer seller relationship is not new and has been practiced in one form or the other since a longtime: it is only in recent times that customer relationship management (CRM) has turned into a buzzword. “Customer loyalty has always been valuable but today it has beams more vital for success”. The customer started working different needs a goods and services provided. Exclusively the mindset regarding expectations changed drastically. The micro-requirements of customer information so as to customers the goods/services matching with expectations rather more than that. If one's cook at the abbreviation of “Customer”.

| C | Company |
| U | Utility |
| S | Satisfaction |
| T | Technology |
| O | Options |
| M | Monetary Aspects |
| E | Evaluation |
| R | Response (By Buying/not Buying) |
CRM: A DIGITAL NERVOUS

The technology had played its part and marketers utilized the same so as to keep pace with changing environment. Now, the question how CRM utilizes this changes to develop partnerships and relationships with the target customers?. The answer lies in Digital Nervous system. The health and brain of CRM. What is a DNS (Digital Nervous system). DNS complies the digital process that closely links every aspect of a company’s thoughts and actions. Basic operations such as finance and production, plus feedback from customers are electronically accessible to a company’s knowledge workers, who use digital tools to quickly adopt and respond.

THE HEART AND THE BRAIN OF CRM SYSTEM

a) Tracking and monitoring customer needs

b) Providing customerised products services matching with customer expectations
c) Converting customer micro-information for market targeting and decision-making

d) Calling the information about customer and disseminating the other departments in meaningful for

e) Integration of other departments through information and to deter quality products and services.

f) Reducing order-processing time.

g) Improving the receipts / payments from customer.

h) Tapping customer feedback for future strategy and differentiation.

WHY CRM

The purpose of CRM is to improve marketing productivity and enhance mutual values by increasing the marketing efficiency CRM also helps in:

- Reducing the border of excessive customer costs.
- Enhancing marketing effectiveness by carefully selecting customers for various programs.
- Stream lining order processing and inventory Management.
- Personalizing the market offerings, based on the preferences of the customer groups.
- Building customer loyalty and commitment
- Framework of CRM
  → Customer Relationship formation process
→ Relationship Management and Government process
→ Relational performance evaluation process
→ CRM enhancement process

**APPROACHES TO CRM**

- The total value of their relationship with your company
- The potential value of their relationship
- The profitability of their relationship
- The insights they can provide your company
- The influence that they wield over other customers

By thinking more insightfully about what your customers are really worthy you can focus your resources on attracting and keeping the right type of customers. This focus in turn will improve the productivity of your CRM efforts and will position you better for innovation and growth.

**CRM-MEANING**

Broadly speaking, Customer Relationship Management (CRM) is a web enabled marketing, sales and services application integrated across all customer contact points. It is a tool that seamlessly integrates into the enterprise information system. The Internet has revolutionized the way business is done and has virtually taken the enterprise information system within the reach of the customer. It can be accessed through the call center, through the Internet and increasingly mobile devices.
The worldwide CRM market consists of two broad categories: the CRM products and the CRM services. Both the segments have shown astronomical growth during the past couple of years and as per the projections of the leading market research companies, CRM products and services will increase very much over the next five years.

**CRM SERVICES**

The CRM services can be classified into four categories

2. Implementation Services
3. CRM Outsourcing Services.
4. Training Services

**WHAT DO THE CUSTOMERS NEED**

Customers want their expectations satisfied or exceeded the first time and every time. Customer's perceptions of under satisfactory and satisfactory service are a function of their apriori expectations and actual experiences. They are dissatisfied when expectations are not fulfilled by actual experience, satisfied when expectations are fulfilled and very satisfied or thrilled when they are exceeded.

**STEPS TO DERIVE MORE BENEFITS FROM CRM**

Proponents of CRM argue that many benefits can be derived from implementing CRM: They are

1. Improving sales functionality
2. Developing customer profile and history

3. Improving customer service support through warranty management

4. Giving solutions to problems

**CONCEPT OF CRM**

The ability to ensure that the enterprise will act with unity of purpose to ensure experiences that exceed every expectation is a monumental task. Customers interacting with employees, employees collaborating with suppliers—every interaction is an opportunity to manage a relationship. Only recently technology had advanced to support interactions with any through any channel, to any touch point across the extended enterprise.

CRM is on the verge of the most significant transformation in the business landscape since mainframe applications migrated to the desktop a decade ago. The internet blends computing and communications into a platform-independent, globally accessible, and universally usable medium. To date, the internet’s impact on business has been substantial creating new channels for commerce, driving new market models, and enabling collaborative business to supplier relationships. The most significant benefit for business will be leveraging the internet to support the very fabric of the enterprise. Delivering pure Internet applications directly to browser’s will empower a global workforce to know, to do, to measure, and to improve their jobs
in support of a common, customer oriented strategy. This is the promise of CRM.

The issue is not whether CRM is important for business, but how best to apply it. CRM can be personal understanding of small business owners and merchants who do a majority of their trade face to face, and on a scale permitting them to know and understand their customers, their businesses and their partners personally. Good CRM becomes much more challenging to maintain as business scales up and as technological and behaviour trends put distance and anonymity between the business manager and the customers. One of the most dramatic influences on business today is being driven by technology.

Consumer to business interactions started at the distance of a handshake. Almost all businesses today have a primary telephone contact number and in many cases it leads to a sophisticated call center, with advanced skill set routing, escalation, and tracking systems that optimize the ability to deal with customer.

**STATEMENT OF THE PROBLEM**

Dept. of Telecommunication or Telephones was a lascivious item once a time. But today it occupies a part of day-to-day life and becomes a necessity of our life. The telephone service is growing at an enormous rate. It plays predomoinent role in the Indian capital market as well as growth and development of Indian Economy. The business peoples and consumers preference on telephone services (Both landline and mobile
phones) may depend upon a number of factors with one American technology the telecom products when there is product differentiation among services there may be common features among all products of services providers.

BSNL & MTNL are public sector undertaking providing services to the customer in an admirable way. However, Bharthi telecom and Reliance industries occupy the first and second places respectively. Is it possible for the BSNL to become the market leader. If it is yes, what steps or strategy they have to adopt to be number one services provider in India.

**OBJECTIVES OF THE STUDY**

i) To study in general the concepts of CRM

ii) To Review: CRM - in Banking and Financial Services
    CRM – in services sector
    CRM – in telecom sector.

iii) To Analyse the performance of BSNL vis-a-vis Customer Relationship Management.

iv) To predict the future trends for BSNL

v) To suggest measures and improving performance of BSNL telephone services in Salem.

**RESEARCH METHODOLOGY**

The data was collected for the study by means of 3-section questionnaire. Section 1 of the questionnaire was framed to obtain
general information about the customers of BSNL land line and mobile service. Section 2 deals with different optional and scaled questions regarding land line service of BSNL. Section 3 is designed to ascertain the opinion of customer service of BSNL mobile service. The questionnaire with a covering letter was handed over personally to each and every respondent and they were requested to return the filled in questionnaire after 5 days when the researcher visits them. The respondents took the period of fifteen days to 1 month to return the completed questionnaire.

SAMPLE SIZE

Sample selected for the study covers different areas in and around Salem City. Totally, 164 customers of BSNL land line and mobile service were selected on proportionate random sampling method. Out of the sampling, 154 customers only returned the filled in questionnaires and of them, 150 only were usable. Hence, the exact sample of the study was 150.

DATA ANALYSIS

The sources of data are primary as well as secondary. The data collected from the customers of BSNL land line and mobile service survey constitute primary and information gathered through books, journals, magazines, reports, dailies consists of secondary data. The data collected from both the sources are scrutinized, edited and
tabulated. The data are analysed using SPSS (statistical package for social sciences) computer package.

K-means cluster analysis is exploited to classify the customers of BSNL land line and mobile service based on their level of satisfaction. The parametric one-sample is brought to bear in identifying the significance of the factors of customer satisfaction as well as CRM of BSNL in delivering service. One way analysis of variance (ANOVA) is applied on the variables to test the hypothesis that group means are equal with respect to any grouping variables of the study. The non-parametric chi-square test is exploited to find the association between demographic variables and groups of customers. The percentage analysis and diagrammatic representations are also used to establish the contribution of the data in the study.

LIMITATIONS OF STUDY

The time availed by the researcher is rather very limited. The study is based on the information of the representative sample group selected from the total population. Another major limitation is schemes are updating. Several schemes are introduced by BSNL, so updating the schemes are very difficult.
CHAPTER SCHEMES

The study has been divided into six chapters.

Chapter-I deals with Introduction

Goals of CRM. CRM: A Digital nervous, why CRM. approaches to CRM and CRM in BSNL, Statement of the Problem, Objectives, Methodology and Limitations have been discussed in the first chapter.

Chapter- II Review

CRM in Banking and financial services, CRM – in services sector, CRM- in telecom sector.

Chapter-III

Customer Relationship Management in India. An Indian scenario have been discussed in the third chapter.

Chapter-IV

BSNL: Historical Perspectives- The services offered by BSNL Growth and development of BSNL are discussed.

Chapter-V

The fifth chapter contains analysis of data and interpretation of data.

Chapter-VI

Summary of findings, suggestions and conclusion are presented in the last chapter.