CHAPTER 5

FINDINGS, SUGGESTIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter is concerned with the detailed description of the observations of the survey which are compiled in the paragraphs. The findings related with each aspect of CRM are presented. Discussion of results has been done from the customer and employee perspective since the data collection has been completed by the respondents of customer and employee respectively of the selected automobile companies. The various findings provide an insight to understand the preferences of various tools and the applications implemented by the enterprises in the industry. On the basis of hypotheses acceptance and rejection, the researcher proposed the following findings.

5.2 Discussion of major results from the Customer

From the research objective H01 and H02 have been checked by the questionnaire A in which the respondents were the customers of the selected automobile companies ((Maruti Suzuki, Honda, Renault, Hyundai). In these hypotheses the impact of service quality and customer satisfaction on CRM quality is checked.

5.2.1 Discussion of results from H_{o1}

H_{o1}: There is no significant relationship between Service Quality and CRM Quality.

It has been observed after analyzing the data the rejection of the null hypotheses which directly points that there is an existence of the positive relationship between the service quality and CRM Quality.

The study revealed that the quality of service is the main constituent of the CRM, which helped in forming and managing the relationship task of dealers of the four wheeler (car). The present study also revealed that the implementation of the service quality can results in gaining CRM Quality which can only be built after generating trust and commitment among the service users.
Since CRM Quality consists of the dimensions of trust and commitment. As Stifla et al. (2005) mentioned the process results in generating the trust and a sense of reliability among the customers. Development of these two constructs help enterprises to meet business needs.

Employees of the organization behave in a polite and courteous way towards their customer, but most importantly must have the product knowledge and communication skills that can create a better relationship. Coulter; 2002 and Hanley; 2008 stated that positive employees behavior is vital in sustaining customers’ loyalty. Employees must be trained to response towards the customers’ needs.

Trust brings confidence among the customers and after generating trust commitment arises. These two elements trust and commitment can only arise when enterprises work effectively on providing a better quality service to their customers.

Tangibility, Reliability, Assurance, Empathy and Responsiveness are the key elements of the service quality according to Zeithaml. It was also found from the survey that tangible features which constitutes the appealing physical amenities, attractive promotional tools, proper parking facility for customers and employees well-dressed are the winning elements but with the association of the tangibility feature corporate should focus on solving complains issue .They needs to provide a rapid response towards the customer complaints and requests.

Proper facilities should be present so that the employees of the dealers help willingly. In order to keep pace with the changing market scenario the dealers should perform the provided services by a designated duration and should adopt proper communication tools. They should consider the customers convenience by adopting convenient working hours and understanding their problem by paying attention towards each and every customer.

The measures of service quality can bring the development of trust and commitment. Since adopting the convenient working hour’s facility, sound communication system and safe transaction system generates confidence among the users and hence this trust can lead a positive behavior in the customer towards a dealership which can build trust worthy relationship.

Presence of trust can lead to the development of commitment in customer behavior. This commitment at the same time produce the positive word of mouth which can generate new prospects for the dealership by referring the dealership in their social circle. Not only this the customer will not move towards any other dealer i.e. they will be committed and hence selecting the dealer will be their preferred choice.

Solving customer complains helps in winning trust and commitment .This can also state that managing complaints are an excellent mode to implement the CRM. Dealers should treat
customers complains positively as effective handling of complain management bring fruitful results. This proves the hypothesis that service quality helps in generating trust and commitment in the automobile sector.

**Discussion of results from H_{02}**

**H_{02} - There is no significant relationship between CRM Quality and Customer Satisfaction.**

The inferential statistics of H_{02} has shown the rejection of the null hypothesis. Rejection directly shows a positive linkage between the variables customer satisfaction and CRM Quality.

The study found that there is an existence of significant relationship between customer satisfaction and CRM Quality. Changes in any of the variable can result in the other. It revealed that the presence of trust and commitment brings satisfied customer of the automobile industry (car). The variable CRM Quality comprises of trust and commitment. Stifla et al. (2005) described that the process of the relationship management results in generating the trust and a sense of reliability among the customer.

Building these two dimensions help the corporate to develop satisfaction level among the customers. The employee behavior and relationship development found to contribute maximum to the customer satisfaction. The result confirms the findings of the studies (Coulter, 2002; Brown & Gulycz, 2002; Hanley, 2008). The study also revealed that the customers were satisfied if the dealers keep proper record of all their past and future appointments. Keeping database about customer’s calls can somehow develop a sense of belongingness in the mind of the customer which develops a sense of trust among the customer.

The influence of post service behavior plays a significant role in generating trust and commitment among the customer. It also points that customers want that feedback should be taken after service. Maintaining follow up helps the organization in developing Relationship Management.

The survey also indicated that customers were slightly satisfied if their cars are kept clean after servicing and enterprises perform the service accurately as they promised. It also brings in an increase in the number of customers since good servicing of car can create new prospects through referrals. Consumers are not always interested in searching the product but they are being pushed by their social circle (Qualman 2012).
In the development of the two constructs trust and commitment, organizations set some criteria for welcoming their prospect by greetings so that the customer were satisfied with the courtesy behavior by customer service staff. Providing attention after the customer arrival creates a positive warmth feeling towards the dealership in the mind of the customer. The outcome of the findings implicate that store employee who has good relation with customer will increase the level of satisfaction among the customer. Employee Behavior plays a relevant role in developing the customer commitment. These findings are also supported by several previous studies (Hanley, 2008; Szczepańska & Gawron, 2011).

The studies deduce that the customers were satisfied with the excellence of the service attributes of dealer. Providing good amenities to the customer further generates a commitment by the customer towards an organization.

In the present study it was found that providing satisfactory amenities by different measures at dealership develop a committed customer but also it points that customer might will encourage other people for the business perspective.

The above mentioned points prove the hypothesis that customer satisfaction will be established if there will be a presence of trust and commitment.

5.2 Discussion of results from the employee

The hypotheses $H_{03}$, $H_{04}$ and $H_{05}$ framed from the objective have been evaluated by the questionnaire B. The questionnaire B participants were the employees at the dealership of the companies of Maruti Suzuki, Honda, Renault and Hyundai. The study portrays the effect of Customer Relationship Orientation, Customer Acquisition and Customer Retention on the market performance of the companies. The findings of the study are listed below-

5.3.1 Discussion of results from $H_{03}$

$H_{03}$- There is no significant relationship between Customer Relationship Orientation and Market Performance.

The hypothesis checking has been completed in the previous chapter. It has been analyzed that the null hypothesis has been rejected. Rejection of hypothesis directly stated the significant relationship between the Customer Relationship Orientation and Market Performance.
The results of the study clearly indicate that the dependent variable in the study Customer Relationship Orientation is an important constituent of the CRM and positively influences the market performance of a firm. That is, it points that the greater is the Relationship Orientation levels at the dealers the greater is the improvement in the market performance of the organization.

The survey result supports the view that dealers emphasize on the relationship orientation steps. For maintaining the relationship with their current customer the dealers keep a relationship manager whose duties are specified within the relationship context and the employees are more likely providing the advantages to their customer. S.Hardik ;G. Raj (2012) stated that the training managers should use applications to identify the gaps in the training while designing the program. The employees need to be trained for the competition also. Training provide a platform for them to face the future challenges Working with this context helped the dealers to gain the competitive advantage by increasing in the revenue of the company in terms of market share and growth.

The finding underscores the relative consideration of customer feedback while implementing any policy in the enterprise. The implication is that organizations are considering customer feedbacks points out the relevance of prospects feedback.

It is observed from the survey result that the organization employs multiple tasks to satisfy the customer as the customer is the central key of any enterprise. But whatever the efforts any enterprise conducts, it evaluates these efforts to measure the benefits associated with each construct. Customer satisfaction evaluation is measured by the benefit of the company in terms of profitability, sales and market share.

The customer centric marketing efforts by an organization help employees to understand the customers’ needs and wants (Mahsa Namjoyan, Dr. Ali Nasr Esfahani, Dr. Farideddin Allameh Haery, 2008). The study revealed that employees are encouraged to focus on understanding the requirements of customer and hence organizations consider the customers as valuable because it directly influence the market performance of the organization.

The study also sought to identify the major strategies adopted by the top management of the organization (William Desbordes, 2011). Since for every organization top management is associated on first priority with any decision. Hence study realizes the top management support for the implementation of the CRM concept.

Therefore, above written facts stated the hypothesis H03 which describe the relationship between Customer Relationship Orientation and Market Performance.
5.3.2 Discussion of results from $H_{o4}$

$H_{o4}$: There is no significant relationship between Customer Acquisition and Market Performance.

In the previous chapter the analyses has shown the rejection of the null hypothesis of the present study. Hence rejection postulates the linkage of relationship between the two variables. The variables in the hypothesis are Customer Acquisition and Market Performance.

Todd J. Arnold & Eric (Er) Fang & Robert W. Palmatier, 2011 propounded that the orientation of the customer acquisition refers to gain information about the potential clients and measuring their potential value, and allocating resources to acquire those with greater long-term value. The present study revealed about the relationship between the customer acquisition and market performance of the enterprises. It has been observed that organization maintain proper updated records which provide them an insight to gain new prospects in the automobile industry.

The orientation about the organization consideration towards deepening current customer relationships or developing new customer relationships has the potential to significantly impact on the overall firm performance (Morgan and Hunt 1994, Kumar et al. 2006; Palmatier et al. 2006). This postulates from the current study that to improve the firm’s financial efficiency automobile industry initiated to create new prospect through different activities.

Few empirical studies, however, investigate how the trade-offs made between devoting resources to the pursuit of new customers, versus pursuing deeper relationships with current customers, affect overall performance (Slater and Narver 1998; Atuahene-Gima 2005). It has been observed in the study that automobile industry creates some events which directly yield an advantage of acquiring new prospects for the enterprise. Acquiring the new prospects will however provide the benefit to increase in the sales of the enterprise.

Ruekert et al. 1985 investigated in their study that the structure of a customer engagement orientation represents how employees are organized and customer engagement activities are arranged to support the acquisition of high-value new customers. The survey also underscores the various attempts attained by the dealers to regain the lost prospects.

The element of customer engagement orientation captures the emphasis on management to work on acquiring customers as a strategic objective (Smith et al. 1984). The study displays the tracking of all the new prospects from the database which can provide benefit to the organization by converting these into the committed customer.
The strategy element of customer engagement orientation emphasizes “a complex set of activities and routines involved in the design and execution of marketing plans” (Menon et al. 1999,) and thus attempts to develop specific activities, tactics, and routines to acquire new customers with long-term value. The study points out the multiple activities like incentive etc. offered to the current customer who can help the dealers to gain new prospects.

Therefore, above written facts stated the hypothesis H03 which describe the relationship between Customer Acquisition and Market Performance.

5.3.3 Discussion of results H₀₅

H₀₅: There is no significant relationship between Customer Retention and Market Performance.

Quantitative results of hypothesis checking showed the rejection of the null hypothesis. Thus the rejection points that a presence of relationship exists between the variable Customer Retention and Market Performance.

This study explores the impact of customer retention towards the market performance of an enterprise. Market performance is considered as a key measurement (Gengeswari, K., Padmashantini, P., Sharmeela-Banu, 2013). The study reveals the financial performance of an organization which is comprises in terms of profitability, sales market growth and market share. Organizations operating in today’s scenario are increasing their efforts to evaluate their performance by retaining their customers (Avci et al., 2010, Ryals and Knox, 2005; Reichel and Haber, 2005). The study also display the consideration of key customers on top priority by the automobile industry.

Building Relationship is equally important for the organizations. Since an organization gain some valuable information from the existing customer and the customers who decide to leave (Lowenstein, 1995). Lowenstein emphasized on the relevance of getting feedback from the customer which is considered as a valuable information. This information can be useful in developing and building customer retention. Thus the present study explores about the presence of relationship programs at the dealer and the existence of the feedback from the customer. Feedback can be taken the form of follow up.

Pezenshki, 2009 assumed that the existing customer generates more profits as they tend to spend more and can buy products, require less advertisement and hence can convince others to join and make purchases. The study portrays that the organization keep a regular communication with their key customers. Hence for communicating with these key generate more profit and thus a good market share.
Pezenshki; 2009, Reichheld and Sasser; 1990, emphasized on the importance of customer retention and identified the reasons of its impact on the enterprise profit. Kotler;2001 backs up with the sentiments that in today’s competitive environment, an organization should move from a product and selling concept to a customer and marketing philosophy. The present study reveals that just to survive in the competitive scenario the organization provide some attractive offers to their existing key customers which help the dealers in retaining the clients.

Thus the written stated facts prove the hypothesis that customer retention helps in improving the firm performance in the automobile sector. The postulates show that the firm performance can give a competitive advantage by increase in profits, sales, market share and market growth.

5.3 Recommendations

The concept CRM encompasses with the strategies and processes using different practices to develop the long lasting relationship with the customers. The different relationship measures requires better understanding about the customer needs as it creates value for the customer. After understanding the major findings, the researcher came up with the following recommendations.

The activities of customer relationship management (key customer focus, Customer Database Management, CRM organization, complain management have to be enhanced and reinforced by the automobile industry in order to face the intense competition and improve market performance. For this the dealer should recruit a relationship manager who can only handle all the customer complain management.

Employees must be well trained in response to the customers’ requirements. They must be able to have their courteous behavior and hence show concern and care to the customers. For this management should provide proper assistance to the employee through training and development programs. In this way management can not only invest in the human capital but also will improve the service quality of the organization.

The industry should focus more on the communication policy with the customer. Proper guidelines should be adopted by the dealers for the follow up with the customer. With the rapid changes in the communication, organization should follow the adaptable communication mode with the customer such that there will be a two way communication between the dealership and the customer.
Automobile industry should develop the services and its benefits with the key customers by fulfilling obligation and consistent quality of service. They needs to invest in good service delivery mechanisms as delivering a quality service performance can satisfy customers which is critical for retaining customers and a tool to protect organizations from customer churn.

The industry should keep convenient working hours for the customers. As in the changing pace, both husband and wife are working. Keeping convenient hours will give a committed customer and thus add retention process and hence works on improving market growth.

The study suggested that the dealers should have a database in which they can keep proper record of customer appointments, customer future service and data about the new prospects. Keeping the database provide them updated information related with each aspect of the customer. This brings in improving the level of customer satisfaction.

It has been found from the study that implementation of CRM applications is essential in the automobile industry. Since there is a cut throat competition and hence to face it organization should adopt the different approaches of the concept to retain and acquire the customer.

Employees associated with the relationship management should try and put their best in giving best treatment to the customer, since satisfied customer would consider the dealership in future and also will encourage others and refer the dealership to family friends or neighbors. This creates a strong relationship.

5.4 Action plan for the automobile industry

To achieve the full potential, customer relationship should be the major goal of every dealership of the automobile industry. Since the concept Customer Relationship Management plays a prominent role in the competence development in the industry.

Automobile industry has different services for their existing customers. Customers have some needs and expectations during the service. Industry should focus on the service mechanism to offer the best services.

Satisfied customers results in excellent Customer Relationship Management. It is the same customers who can give repeat business in the automobile industry. It is easier and economical to retain the existing customers than hunting for new which is not only difficult but also expensive to get them due to high promotion cost.
Feedback should be collected from the customer on timely basis. For this organization should prepare the feedback form in printed form and also weekly meetings should be held to ensure customer service department is doing a good job. This can be learnt from the feedback forms that should be designed for the customer. This should be reviewed immediately and the problem areas to be plugged so that the same problem will not repeat in the future. At the same time customers who have appreciated employees for rendering good services should be applauded in staff meeting to motivate the employees which in turn has a good spillover effect in their day to day work performance.

5.6 Conclusion
The present study concludes about the significant relationship between the different variables. These variables of the study are CRM Quality, Customer Satisfaction, Service Quality, Customer Acquisition, Customer Retention, Customer Relationship Orientation and Market Performance. Customer Relationship Management (CRM) which aims at enabling organizations to realize a customer focus is believed to be useful and has risen to the agenda in automobile industry. It can be seen as an approach of marketing that has its origins in Relationship Marketing (RM). This study provides a conceptual framework for CRM adoption and identifies key drivers for the adoption and its effect on market performance.

The provision of a reliable service quality can not only develop a sense of trust and commitment but also crucial for retaining customers and an important tool to gain market share in the competitive environment. The relationship between customer satisfaction and CRM is somewhat reciprocal. The study deduced that there is a significant relationship between customer acquisition and market performance. Acquiring new prospects is quite a tough task for an organization but to face the competition and to improve the market growth the organization is engaged in multiple approaches to acquire new prospects. With the presence of customer acquisition, it is mandatory for an automobile industry to consider customer retention since for an organization, retaining the existing customer is cheaper than those of acquiring. Just to retain the customers the automobile industry attempts a number of approaches which includes finding the key customers.

RM is gaining interest because of its focus on the customer and thus it’s potential for increasing revenue. To keep pace with the competition, the industry adopts multiple approaches. They are the organizations are recruiting a relationship manager whose duties and responsibilities are assigned keeping in view about the customer complaints and grievances. It helps in enhancing the ability of corporate to compete and to retain key customers.

The present study conducted for the automobile sector has identified some strategies to be taken by the dealers from employee perspective also. Since these are the employees who deals with the customers and resolve their problems. Ineffective way of CRM practices adoption by the employees can harm the monetary and non-monetary performance of an organization. Hence implementation of proper training program should be done.

Accomplishing the long term goals of an organization is the main objective of every business. CRM plays a vital means in achieving the targeted goals. Since the present research shows a significant positive impact on the factors like customer acquisition, retention, relationship orientation and market performance. This implies that with the adoption of the CRM practices the automobile industry can also enhance the retention rate and improve their financial performance. Financial performance can be assessed by the profitability and sales of the dealer.
Planning the activities of the CRM enabled the dealers to conduct the activities which result in the acquisition of the customer. To acquire new prospects the dealers create events and ask their existing customers for referrals. Not only this a proper incentive policy has been implemented by the automobile industry for the sales department so that the policy works as a motivating factor for the personnel.

The findings of the present study revealed that for the relationship orientation the dealers keep a relationship manager. The tasks, duties and responsibilities of the relationship manager are to handle the customer complaints and resolving all their problems.

In the present scenario, the customers are the main theme for every organization and hence it was revealed from the literature that this is the customer only who can only provide the financial and the non-financial benefit for the enterprise. To fulfill the customer needs is their primary objective and hence dealers adopt multiple approaches to satisfy the end user.

With the results of the studies it was revealed that an association of relationship exist between a satisfied customer and the CRM Quality. CRM Quality encompasses with the two attributes. They are the trust and the commitment. Satisfied customer develops a trust and will be committed towards the dealer of the automobile industry. Hence the generation of trust and commitment is developed which are the main components for the success of the automobile industry.

With the rapid advancement in the technology, the dealers maintain the proper records for all the customer appointments and contact them about their future appointments. This helps them in creating trust among the customer.

The concept of CRM is completely customer oriented and a continuous process which has a long lasting effect. To conclude we can say that CRM is the best option to strive in the cut throat competition and a mandatory approach for the automobile industry to survive.

5.6 Implications for Future research

Although the research objectives were met in the present study but still existence of some limitation were identified in the course of this research. The study only focuses on the automobile industry. But this limitation creates an opportunity for the researcher to conduct research in the future. It may replicate the study in other service sectors other than the automobile like for an example- banking, education, hospitality, health care, airlines etc. An important aspect for future research direction is to include other constructs in the study like communication, cooperation, customer life cycle, customer defection, knowledge management capabilities and use of information technology in CRM which are not included in the research.
The future studies may also investigate the possible moderation and mediation effects of the factors. The present study is cross sectional, there is scope for the future research to conduct a longitudinal study. By considering these points, the future studies would add value to the present knowledge in this area.

5.7 Chapter summary

The chapter throws a light on the major findings of each hypothesis and based on those findings the researcher gives some recommendations and implications for future research. Also the chapter includes the conclusion of the study.