

Measuring Loyalty and Preference Through Customer Relation Management

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Abstract:- CRM is a business strategy that necessitates acquiring knowledge about one's customers and using this information across various touch points to balance revenue and profits with maximum customer satisfaction. Today's customers are smarter, better informed and more intolerant. They expect doing business with you to be as hassle free and gratifying for them as possible. Customer will give you commitment but no loyalty. They avoid to switch from one organization to another, as it is too time consuming. So, committed customers will stay if they can trust you to look after their interests in the medium to long term when the customers experience good service elsewhere, they bring a if they can do it why can't you? Attitude to their next transaction with you. If you don't deliver they will leave. To gain loyalty consider your existing customers and identify best customers on the basis of profitability, ease of dealing with, whether they deliver you on time! Carry out the customer attitude survey and get a real picture of your strengths and weakness. Positive contact with the customer and employees usually have a greater impact on customer loyalty than advertising. Loyalty profile vary from company to company, each industry has an average behavior pattern that influence the customers' loyalty. These patterns are generally determined by five structural factors:

1. How often transactions are made?
2. The frequency of interaction with customer?
3. The emotional or financial importance of a transaction
4. The degree of differentiation among competitor's offering
5. Ease of switching

This research Paper outlined a number of potential problems and pitfalls that could be to implement CRM. The solution offered helps to attain a high degree of customer satisfaction and loyalty

I. INTRODUCTION

Modern CRM techniques are correlated with answering the customer questions and solving their problems and giving the pleasant experiences with the business organisation. CRM is blend of good business practices, common sense and courtesy. It is well known fact that it cost less the company less to retain and to increasing existing customers. Attitude of customer is changing dramatically towards banking and services provided by them the necessitates that banker should remain in touch with the preferences, motivations, expectations, attitudes, perceptions and opinions of the customers. We need a good strategy to learn more about the customers need and behaviour in order to develop more stronger relation with them. After all, having good relations with the customers works as a propeller in the success of the business. CRM is a process that will help to bring together lots of pieces of information about customers, sales, marketing effectiveness, responsiveness and market trends. CRM is nothing without challenges; it is enabler without having relation with the human. The CRM project team should must consist of successful person, customers rep, Knowledgeable users data analysts and the CRM package expert. The team must be aware of what we can and can't be done with CRM, what is the problems are?

CRM enables banks to give employees better training that helps them face customers easily. It achieves the better infrastructure and ultimately contributes to better overall performance. The by-products of CRM banking solutions are customer acquisition, retention and profitability. Banks don't implement CRM will undoubtedly find themselves with lesser profitability coupled with sharp decline in the numbers of customers.

II. OBJECTIVES

The objective of research on measuring loyalty and preferences is to ensure that CRM is all about relationships. Focusing on improving relationships enables organisations to develop more prospects into repeat customers. Customer satisfaction research is valuable. Not all customers are created equal, different customer treatments may include effective use of one to one communication, unique recognition, service or benefit.

Research include the various reason to identify the dissatisfied customers. Customer satisfaction is the most valuable issue who's research helps us to gain maximum loyalty and preference.

III. MEASURING LOYALTY AND PREFERENCE

Today's customer is well informed, more smarter and very keen. Creating the powerful experience requires the full and continual commitment of the people responsible for the making it happen. If you concentrate on the creating the great working environment for the employees, they will create best experience for your customer. Managers who are not taking care of their employees are missing out on significant cost savings and profits. Business in the top 24% of employee engagement had less staff turnover and remarkably higher percentages of customer loyalty, profitability and revenues. Only small numbers of companies at the cutting edge of customer research have managed to model the links between satisfaction, loyalty and profit. Once the company understands the elements that the customers value, it must take the basic step of fixing any weakness in its offer. Beyond such broad changes, companies can create superior value proportions by tailoring other benefits to specific sub segments; if it is too expensive to increase the benefits to all of them, for eg a company can first target its most valuable customers. This approach not only reduces the chance they will defect but also encourage them to consolidate their spending in order to go on receiving benefits, thus encouraging upward migration.

IV. SOME VIEW ABOUT BUTTERFLY CUSTOMERS

- They accept your invitation to be loyal....and those of two or three competitors.
- They are intelligent, educated and informed. This may be the first generation of the customers to know much about your business as you do and probably some things they don't....
- They would switch rather to fight.
- They known their own worth.
- **Steps to gain the loyalty of the customers:-**
- Recruit the people with competencies to satisfy customer expectations.
- Train employees to deliver experience that uniquely fir your brand promise.
- Encourage employees to demonstrate the right behaviour.
- Drive the behaviours from the top of the organisation.

V. PITFALL OF CRM IN FINANCIAL SECTOR

- ✓ The complexity and magnanimity of this particular industry makes it harder to adopt holistic and integrated customer approach.
- ✓ Financial firms tends to focus more on the product than on the customer.
- ✓ Since, all financial organisations are considerably big in size,the cost considerably is high.
- ✓ There are ample of challenges facing the industry and all these overcome in order to actually succeed at the implementation of CRM.

Any breach of the trust can seriously damage the relationship you won't built.It is essential to monitor customer satisfaction and to correct ant problem areas,where a complaint system can allow you to see why some customers are unhappy,a customer satisfaction measurement (CSM) programme allows you to identify specific problem areas based on statistically sound information and correct them. Committed customers tend to generate loyalty given below:-

- ✓ The key level of establishing a good level of customer loyalty is that they you don't have to sell them, they will come to you when they need a product or service.
- ✓ Loyal customers come more and more often, since they enjoy the service they receive from you. If customers find themselves force to use you against their will they will back to you in as less time possible.
- ✓ If customers are happy with what they brought from you before, they will be more willing to try a new product.
- ✓ Loyal customers can become your most effective marketing tool.

These days business cannot be successful without CRM. Most companies use CRM software tools to enhance their customer relation management activities or they are investing millions in the internet to provide multi channel customer service or using Mobile CRM to access crucial information in real time.

i) **Banking CRM Software:-** Banking CRM software serves to increase the market share and boost growth in banking industry.CRM induces bankers to know that they are required to maintain good relationship

with their customers and should strive to retain them. Banking CRM software offer customer information assimilation and storage, analysing profitability, aiding marketing efforts, gaining new customers, relationship management. Banking CRM understand the need of the customers and integrate it with people, technology resources and business processes. It uses information and analytical tools to secure customer focus. CRM enables bank to give better employees better training that helps them face customer easily. Banking CRM software meet the needs of bank of all sizes in terms of attaining the required accuracy and understanding of customers. What happens in CRM banking solutions is that they change the way employees think and mould them into customer conscious people. Since banking field now boosts of so much of technological innovation. There has been a wide variety of innovations.

CRM for financial services enables the financial firm to know the customer better. In addition it helps uncover potential customers and improves overall customers service. It is highly important for financial institutions to analyse and understand the needs and preference of their customers.

ii) Internet for Customer Services:- One of the way banks will try to keep customers loyal is by reaching out to them through previously untried channels, such as e-banking over mobile phones. Banks have invested heavily in the internet channel because internet is growing faster due to higher app user as well as Smartphone's available in the market. However this increase has been matched by increased impatience by customers, who are now demanding faster answers to complex queries from their banks. CRM is like ENTER key for the IT industry as well as business world. In application CRM Technology, techniques used by successful sales and marketing people become available to every to all employees. The advent of the internet, personal computers laptops, smart phones ,tablets which helps DBMS capable to handling large volumes of data efficiently, hand-held technologies, GUI based workstation, data distribution and access facilities have made the CRM concept workable and have significantly raised management's expectations.

Enabling technologies and the thrust towards a customer-centric business focus have brought CRM applications to the forefront viable approach for increased competitiveness and profitability. In the rush to implement a CRM application, many potential problems and pitfalls are being overlooked. Banks website is able to handle to frequent problems which is facing by the customers but still sum lacking area is there in which improved interaction is pending and still to play a dynamic role in today's technology.

Next generation e-services solutions have the intelligence and potential for the website to do more for the customer's like what IVR has done for the customers care, fundamentally transforming the quality and efficiency of customer service by delivering the right answer at the right time and if desired allowing customers to transition seamlessly to the most appropriate customer service specialist, based on how they search and ask questions on the website. This also reduce the pressure on the busy contact centres by handling around 90 percent of routine questions online and freeing costly agent resources for handling more complex and transactional queries which need a higher level of personal attention.

(iii) Mobile CRM:- Mobile CRM is on the rise in the world of CRM and demand is growing as companies and employees are demanding access to crucial information in real time. Mobile Banking provides services for the new communication channels in mobile telephony and advance voice technology solutions. Mobile phones, SMS messaging system, bank app's available in smartphones and voice contact services together represent a complete solution enabling us to offer multiple communication channels to the client, which perfectly integrate with other bank or financial market applications. Customers are becoming more familiar with the mobile phone as a medium. Mobile CRM systems are now more reasonably priced and this has added to their growth in popularity. More mobile banking options and rethink of banking offshoring are two of big changes that are likely to hit the financial services industry soon.

VI. CONCLUSION

It seems that the companies claims are higher, while the customers may not to be getting what the companies say. So there is a need for the companies to be honest that the customers also perceive the benefits and costs in the same manner as the companies claim. The most effective solutions is to have an experienced high-level individual who can lead, staff, educate and who is available throughout the initial project from start to finish. Ultimately, managers must keep in mind that employees are a company's greatest assets. Their collective ideas, feedback and enthusiasm for what they do can help the business growth and success. It is important to make a customer feel as if he/she is the only one- this will go a long way in stratifying and retaining him/her.

Bankers need a return on investment and it has been proved that increase in customer satisfaction more than contributes a fair share to ROI. The main value of CRM banking lies in satisfaction and increased retention of customer. Training of customer facing-staff is being given more importance.