

An Effective Strategies in Driving Customer Satisfaction: An Empirical Study on Vizag Steel Plant Located A.P India

Sudhamsetti Naveen¹ Prasadarao Yenugula² K.V.D .Ramarao³

^{1,2,3}Assistant Professor

^{1,2,3}Universal College of Engineering & Technology A.P, India

Abstract— Customer is the king of any kind of business. He is the driver to introduce new technology to the market. The present research helps to find out an Effective strategies in driving customer satisfaction in Visakhapatnam Steel Plant. The study on customer satisfaction can help business learn which customers produce the most profit, not just the most revenue. The study will also help the organization to find out the key customer and the key areas of operation. This analysis will help the organization for better understanding and intelligent management of customers. The analysis also helps increase retention of existing consumers. The study help the enterprise to enable its marketing department to identify and target their best customer and to manage marketing campaign with clear goal and objectives, and to generate quality leads for the sales team.

Key words: Customer Satisfaction, Customer Relationship Management, Inventory Management, Customer Policy, Customer Loyalty and Commitment

I. INTRODUCTION

Customer satisfaction is the key element in the present business scenario, there is no survival of business without customer satisfaction. Customer have many choices, but businessman have only one choice i.e customer. The terms customer relationship management and customer satisfaction both are interdependable words. The customer satisfaction will leads to customer relationship management in long run. The importance of the customer in a making or breaking a business has led to greater introspection, conceptual clarity and evolution of customer relationship management, both evolution of customer relationship management, both as an art and science, and development of appropriate tools and software for enhancing business and prolonging the product and business life cycle. This evolution has been a consumer to a many time (repetitive), 'long term relationship' management and importance of the 'life time value' of the customer.

Customer relationship Management is defined to be a "comprehensive strategy and process of acquiring, retaining and partnering with selective customers to create superior value for the company and the customer.

Mahathma *Gandhi's* observations on "customer" continue to be relevant in the next millennium and will hold the key for the success of any organization. Let us recapitulate the saying of Gandhi:

- A customer is the most important visitor on our premises.
- He is not dependent on us. We are dependent on him.
- He is not an interruption on our work. He is part of it.
- He is not an outsider on our business. He is part of it.

We are not doing him a favor by serving him. He is doing us a favor by giving us an opportunity do so.

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 burden of excessive customer costs.
- Streamlining order processing and inventory management.
- Personalizing the market offerings, based on the preference of the customer groups.

- Building customer loyalty and commitment

CRM Objectives:

The following are the specific objectives of CRM

- Enable the company to quickly identify, contract, attract and acquire new customers.
- Obtain a better understanding of the customers – their wants and needs
- Define the appropriate product and service offering and match it to the customer's unique needs.
- Manage and optimize a company sales cycle.
- Identify cross-selling and up-selling opportunities.
- Increase retention of existing consumers through improved after sales, service and support.

CRM Activities Initiated in VSP:

A central CRM cell was constituted at head quarter, marketing along with CRM cell in each region and branch. The very first initiative taken by CRM cell was to adopt well-defined customer policy, which was widely circulated and displayed in all marketing offices of all senior officers of VSP.

In order to implement the customer policy, a number of CRM initiatives have been implemented by VSP. Some of them are as follows:

- System of obtaining regular customer feedback introduced.
- Norms adopted for various customer related activates like issue of offer letter / delivery order, loading at stockyard etc.
- Provide an efficiency and expeditious mechanism for settlement of quality complaints.
- Customer queries are solved within 24 hrs through system of e-poll (VSP'S portal)

Ministry Of steel had conducted a customer opinion survey among the plants in India through an external agency IMRB business and industrial research division.

Customer Policy of VSP:

- VSP will endeavor to adopt a customer focus approach at all times with transparency.
- VSP will strive meet more than the customer meets and expectation pertaining to products, quality and value for money and satisfaction
- VSP Greatly values its relationship with customer and would make effects as strengthening these relations for mutual benefits

II. OBJECTIVES

The primary objective of this study is to know about effective strategies in driving customer satisfaction the other objectives are like

- 1) To know the level of customer satisfaction
- 2) To know the basis of customer satisfaction
- 3) To know the traits of good marketing executive
- 4) To know expectations of customers from marketing executive
- 5) To know the satisfying level of complaint resolution process
- 6) To know the rating of presales service

III. RESEARCH METHODOLOGY

The data required for the study has been collected by using the methodology of categorizing it in two ways.

- 1) Primary data
- 2) Secondary data

1) Primary data:

-In the due course of the research study, the primary data was collected through first hand interviews, questionnaire, seminars and direct academic interaction.

2) Secondary data:

The secondary data is collected from various sources like organizational website, magazine and library books.

Size of the sample :50

Type of the sample : Convenience Sampling

Statistical test applied: Percentage analysis

Organization: Visakhapatnam Steel Plant

IV. DATA ANALYSIS AND INTERPRETATION

A. Analysis on Level of Customer Satisfaction:

Alternatives	No. of respondents	Percentage of respondents
Totally Satisfied	10	20%
Satisfied	34	68%
Not Satisfied	2	04%
Can't Say	4	08%
Total	50	100%

Table 1:

1) Findings:

- 68% of customers are satisfied with customer relation executives of VSP and their policies.
- 20% of customers are totally satisfied with customer relation managers of VSP and their policies.
- 8% of customers are unable to say either their satisfied or not with customer relation managers of VSP and their policies.
- 04% of customers are not satisfied with customer relation managers of VSP and their policies.

2) Inference:

It is difficult to satisfy customers but through effective relation marketing executive can satisfy many of them. The customer relation managers of VSP are satisfying many of the customers

B. Analysis On Understanding Levels Of Executives Towards Needs Of Customers:

Alternatives	No. of respondents	Percentage of respondents
Yes	22	44%
To some extent	24	48%
No	4	08%
Total	50	100%

Table 2:

1) Findings:

- 44% of customers agreed that the customer relation executives really understand them
- 48% of the customers said that the customer relation executives understand them to some extent.
- 08% of the customers say that customer relation executives don't understand them.

2) Inference:

Many of the customers agreed that the marketing executives of VSP understand the needs and wants of customers

C. Analysis on Basis of Customer satisfaction:

Alternatives	No. of respondents	Percentage of respondents
Quality	-	-
Price	-	-
Customer relation & service	-	-
All of them	50	100%
Total	50	100

Table 3:

1) Findings:

- 100% of customers said that they get satisfied through good quality, price and good relation & services.

2) Inference:

All the customers agreed that the quality products, good services and effective relations satisfy them

D. Analysis on Traits of good Marketing executive

Alternatives	No. of respondents	Percentage of respondents
One who understands	-	-
One who satisfies	-	-
Both A& B	48	96%
Can't say	02	04%
Total	50	100%

Table 4:

1) Findings:

- 96% of the customers felt that effective Marketing executive is the one who understand them and satisfy them.
- 04% of respondents were unable to say who is a effective customer relationship executive.

2) Inference:

According to many customers the effective marketing manager is the one who understands and satisfies the need of the customer.

E. Analysis on Relationship between Customer and Executive

Alternatives	No. of respondents	Percentage of respondents
As family member	04	08%
As friend	32	64%
As manger	14	28%
Can't say	-	-
Total	50	100%

Table 5:

1) Findings:

- 08% of customers felt that they consider customer relation Executives of VSP as family members.
- 64% of customers felt that they considered customer relation Executives of VSP as a friend.
- 28% of customers felt that they consider customer relation Executives of VSP only as managers.

2) Inference:

Many of the respondents felt that the customer relation Executives should be a friend to have good relation with customers.

F. Analysis on Expectations of Customers from Marketing executive:

Alternatives	No. of respondents	Percentage of respondents
Good service	-	-
Quality products	-	-
Reasonable Price	-	-
All of them	50	100%
Total	50	100%

Table 6:

1) Findings:

All the customers expect good service, quality and reasonable prices from marketing executives.

G. Analysis on Prices offered by VSP:

Alternatives	No. Of Respondents	Percentage Of Respondents
Excellent	06	12%
Good	20	40%
Fair	20	40%
Poor	04	08%
Total	50	100%

1) Findings:

- 40% of customer's opined that the prices offered by VSP are good.
- 40% of customer's opined that the prices offered by VSP are fair.
- 12% of the customer's opined that the prices offered by VSP are excellent.
- 08% of the customers felt that the prices offered by VSP are poor.

2) Inference:

Price and quality are the most important attributes of a product that attract any kind of customer.

H. Analysis on Rating of the Pre-Sales Services of VSP:

Alternatives	No. of respondents	Percentage of respondents
Excellent	22	44%
Good	10	20%
Fair	14	28%
Poor	4	8%
Total	50	100%

Table 7:

1) Findings:

- 44% of the customers felt that the pre sales services of VSP are excellent.
- 28% said the pre sales services are fair.
- 20% felt that the pre sales services are good.

2) Inference:

Many of the customers agreed that the pre sales services of the VSP are excellent but needs improvement.

I. Analysis on Satisfaction with the Complaint Resolution Process:

Alternatives	No. of respondents	Percentage of respondents
Yes	12	24%
No	38	76%
Total	50	100%

Table 8:

1) Findings:

- 76% of the customers are not happy with the complaint resolution process.

2) Inference:

Due to lack of CRM software the complaint resolution process is taking time in VSP.

J. Analysis on Duration of complaint resolution:

Alternatives	No. of respondents	Percentage of respondents
5 Days	42	84%
10 Days	8	16%
15 Days	-	-
20 Days	-	-
Total	50	100%

Table 9:

1) Findings:

- 84% of the customers said that complaints need to be resolved as soon as possible, probably within 5 days.

2) Inference:

Customers always want their complaint to be resolved as early as possible

V. SUGGESTIONS AND CONCLUSION

- Develop CRM software as soon as possible because software brings high involvement procedure from top management to customer level.
- There should be executives who look after the customer relations exclusively. There is a CRM cell many of the customers are not aware of that.
- The CRM cell should be converted into a separate department so that they work on the customers effectively.

- The CRM executives are giving much attention towards existing customers but are not concentrating on finding new customers.

The customers should be made aware of the services of the company so that they get attracted and avail them. The complaint resolution process should be improved in the organization.

The concept of customer satisfaction is now gaining wide acceptance and is recognized as a powerful tool for business development and to have an edge over the competitors. Organizations believe in their customers, understand their needs in advance before the customers give the feedback about their particulars requirements and design their products matching to such needs. Relationship Management sometimes is referred to as customer Relationship Management (CRM). Earlier, organizations could have a close relationship with only a few of their bigger clients and it has not been possible to be close to each and every customer, as such customer base has been generally large, may times running into millions. With the adoption of information technology, it has now become possible to forge a close relationship with each of the customers.

REFERENCES

- [1] L. Ryals and S. Knox, "Cross-Functional Issues in the Implementation of Relationship marketing Through Customer Relationship Management," *European Management Journal*, vol. 19, p. 534-542, 2001.
- [2] A. Croteau and P. Li, "Critical success factors of CRM technological initiatives," *Canadian Journal of Administrative Sciences*, vol. 20, pp 21-34, 2003.
- [3] R. K. Srivastava, T. A. Shervani, and L. Fahey, "Marketing, Business Processes, and Shareholder Value: An Organizationally Embedded View of Marketing Activities and the Discipline of Marketing," *Journal of Marketing*, vol. 63, pp. 168-179, 1999.
- [4] M. Hsieh, "A case of managing customer relationship management systems: Empirical insights and lessons learned," *International Journal of Information Management*, vol. 29, pp. 416-419, 2009.
- [5] K. Rababah, H. Mohd, and H. Ibrahim, "A Unified Definition of CRM towards the Successful Adoption and Implementation," in the *3rd Lifelong Learning International Conference (3LLInC'10)*, Kuala Lumpur-Malaysia, 2010.
- [6] Z. Lun, L. Jinlin, and W. Yingying, "Customer relationship management system framework design of Beijing Rural Commercial Bank," in *IEEE International Conference on Service Operations and Logistics, and Informatics (SOLI 2008)*, 2008, pp. 97-101.
- [7] A. R. Zablah, D. N. Bellenger, and W. J. Johnston, "Customer Relationship Management Implementation Gaps," *Journal of Personal Selling & Sales Management*, vol. 24, pp. 279-295, Fal 2004.
- [8] D. J. Finnegan and W. L. Currie, "A multi-layered approach to CRM implementation: An integration perspective," *European Management Journal*, vol. 28, pp. 153-167, 2010.
- [9] R. Kotorov, "Customer relationship management: strategic lessons and future directions," *Business Process Management Journal*, vol. 9, pp.566 - 571, 2003.
- [10] G. Zhang, Y. Chen, and C. Fu, "A study on the relation between enterprise competitive advantage and CRM based on data mining," in *International Technology and Innovation Conference (ITIC 2006)*, 2006, pp. 1710-1714.
- [11] B. Christopher, "Strategic issues in customer relationship management (CRM) implementation," *Business Process Management Journal*, vol.9, pp. 592-602, 2003.
- [12] M. Maleki and D. Anand, "The Critical Success Factors in Customer Relationship Management (CRM) (ERP) Implementation," *Journal of Marketing & Communication*, vol. 4, pp. 67-80, 2008.
- [13] J. C. Injazz and P. Karen, "Understanding customer relationship management (CRM): People, process and technology," *Business Process Management Journal*, vol. 9, pp. 672-688, 2003.
- [14] C. D. Pedron and A. Z. Saccol, "What Lies behind the Concept of Customer Relationship Management? Discussing the Essence of CRM through a Phenomenological Approach," *Brazilian Administration Review (BAR)*, vol. 6, pp. 34-49, 2009.
- [15] S. H. Kale, "CRM Failure and the Seven Deadly Sins," *Marketing Management*, vol. 13, pp. 42-46, 2004.
- [16] M. Caldeira, C. Pedron, G. Dhillon, and L. Jungwoo, "Applying EA Perspective to CRM: Developing a Competency Framework," in the *Third International Conference on Convergence and Hybrid Information Technology, (ICCHIT '08)*, 2008, pp. 1029-1034.
- [17] D. Adebajo, "Evaluating the effects of Customer Relationship Management using modeling and simulation techniques," in *IEEE International Conference on Management of Innovation and Technology*, 2006, pp. 451-454.
- [18] F. Buttle, *Customer relationship Management: Concepts and Tools*: Oxford: Elsevier, 2004.
- [19] R. Iriana and F. Buttle, "Strategic, Operational, and Analytical Customer Relationship Management: Attributes and Measures," *Journal of Relationship Marketing*, vol. 5, pp. 23-42, 2006.
- [20] M. Raisinghani, "CRM systems in German hospitals: illustrations of issues & trends," *Journal of Cases on Information Technology*, vol. 7, pp. 1-26, 2005.
- [21] D. Gefen and C. M. Ridings, "Implementation Team Responsiveness and User Evaluation of Customer Relationship Management: A Quasi-Experimental Design Study of Social Exchange Theory," *Journal of Management Information Systems*, vol. 19, pp. 47-69, 2002.
- [22] J. Dyer, *The CRM Handbook: A Business Guide to Customer Relationship Management*: Addison-Wesley, 2002.
- [23] M. J. Tarokh and H. Ghahremanloo, "Intelligence CRM: A Contact Center Model," in *Service Operations and Logistics, and Informatics, 2007. SOLI 2007. IEEE International Conference on*, 2007, pp. 1-6.
- [24] T. S. H. Teo, P. Devadoss, and S. L. Pan, "Towards a holistic perspective of customer relationship management (CRM) implementation: A case study of the Housing and Development Board, Singapore," *Decision Support Systems*, vol. 42, pp. 1613-1627, 2006.
- [25] A. Keramati, N. Mojir, and H. Mehrabi, "Prioritizing Investment in CRM Resources to Improve Performance:

An Empirical Investigation," in *Information Management and Engineering*, 2009.

