



Customer Relationship Management in Retail Marketing

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Abstract:

A Customer relationship management system is a business tool that allows you to manage all possible/likely customers, associates and prospects information all in one place. The Sales data is a safe cloud based CRM method that can help every part of your company get a overall view of your customer. Retailing occupies an important role in the world of money-based system. Retailing involves all the actions a minor side effect of sale to final people (who use a product or service) for their personal, family, and household use. It does this by organizing their existence on a (compared to other things) large size and supplying them to the people (who use a product or service) on a (compared to other things) small scale. in this paper we will discuss about the retail marketing (success plans/ways of reaching goals) in Big Bazar.

Key words: Customer relationship management, Retail marketing, customer interaction.

Preface: A Customer relationship management system [1] is a business tool that allows you to manage all prospective customers, associates and prospects information all in one place. The Sales data is a safe cloud based CRM method that can help every part of your company get a overall view of your customer. Retailing occupies an important role in the world of economic system. Retailing involves all the actions incidental to sale to final consumers for their personal, family, and household use [2-5]. It does this by organizing their existence on a relatively large size and supplying them to the consumers on a relatively small scale. Customer relationship activities have the most impact on customer retention Every customer service encounter has the potential to gain repeat business or

have the opposite effect The expectation of personalized, relevant offers and service is becoming a primary driver of customer satisfaction and retention in financial service [7].

- "CRM is the business strategy that aims to understand, anticipate, manage and personalize the needs of an organization's current and potential customers" PWC Consulting.
- CRM is a business strategy, one that puts the customer at the heart of the business.

"That's nothing new" I hear you say, and you would be right. Good business people have always understood the relationship between happy customers that come back again and again and creating long term, sustainable profitability [10].

Review of Literature:

Customer Relationship Management (CRM) has become one of the most dynamic technology topics of the millennium. According to Chen and Popovich(2003), CRM is not a concept that is really new but rather due to current development and advances in information and enterprise software technology, it has assumed practical importance [3]. The root of CRM is relationship marketing, which has the objective of improving the long-term profitability of customers by moving away from product-centric marketing.

Bose (2002) noted that CRM was invented because the customers differ in their preferences and purchasing habits. If all customers were alike, there will be little need for CRM. As a result, understanding customer drivers and customer profitability, firms can better tailor

Cite this article as: M.Ramesh & G. Gangadhara Rao, "Customer Relationship Management in Retail Marketing", International Journal of Research in Management Studies, Volume 4 Issue 10, 2019, Page 1-12.



their offerings to maximize the overall value of their customer portfolio (Chen and Popovich) . The attention CRM is currently receiving across businesses is due to the fact that the marketing environment of today is highly saturated and more competitive (Chouet al, 2002).

According to Greenberg (2004), CRM generally is an enterprise-focused endeavor encompassing all departments in a business . He further explains that, in addition to customer service, CRM would also include, manufacturing, product testing, assembling as well as purchasing, and billing, and human resource, marketing, sales and engineering.

Chen and Popovich (2003) argued that CRM is a complicated application which mines customer data, which has been retrieved from all the touch points of the customer, which then creates and enable the organization to have complete view of the customers. The result is that firms are able to uncover and determine the right type of customers and predicting trend of their future purchases. CRM is also defined as an all embracing approach that seamlessly integrates sales, customer service, marketing, field support and other functions that touch customers (Chou et al, 2002) . They further stated that CRM is a notion [4] regarding how an organization can keep their most profitable customers and at the same time reduce cost, increase in values of interaction which then leads to high profits. The modern customer relationship management concept was shaped and influenced by the theories of total quality management (Gummesson) and by new technological paradigms (Zineldin, 2000).

There is however, a perceived lack of clarity in the definition of customer relationship management, although all accepted definitions are sharing approximately the same basic concepts: customer relationships, customer management, marketing strategy, customer retention, personalization (Zineldin2000). However, while academics debate the subtitles of various definitions, the practitioners have developed a

wealth of applicative papers analyzing the concrete challenges and opportunities of implementing the systems (Bacuvier et al. 2001). CRM in some firms is considered as a technology solution, considering of individual databases and sales force automation tools and sales and marketing functions so as to improve targeting effort [6]. Peppers and Rogers (1999) argued that other organizations view CRM as a tool, which has been particularly designed for one-to-one customer communications, which is the function of sales, call centres or the marketing departments.

Accordingly Frow and Payne (2004) added that CRM stresses two-way communication from the customer to the supplier to build the customer over time. The two-way communication has been enhanced greatly by advances in technology particularly the Internet. In term of information technology (IT), CRM means an enterprise –wide integration of technologies working together such as data warehouse, web site, and intranet/extranet, phone support system, accounting, sales, marketing and production [8].

Kotler (2000) assured that CRM uses IT to gather data, which can then be used to develop information acquired to create a more personal interaction with the customer. In the long-term, it produces a method of continuous analysis and reinforcement in order to enhance customer's lifetime value with firms.

Goldenberg (2000) believes that CRM is not merely technology applications for marketing, sales and services but rather when it is successfully implemented ; it enables firms to have cross-functional , customer-driven , technology-integrated business process management strategy that maximises relationships.

Chin et al (2003) stated that due to many technological solutions available for CRM automation [9], it is often misconstrued as a piece of technology. But they maintained that in recent times many companies have realized the strategic importance of CRM, and as a



result, it is becoming a business value -effort rather than technology-centric effort.

Retailing which has drastically influenced the strategies of retail management. This has changed the perception, competitive strategies, distribution systems and promotional strategies that are adopted by the retailers.

DunneM.Patrick and LufschF.Robert gave a analyzed view that Customer Services include the activities the retailer performs that influence

- 1.The case with which a potential customer can shop or learn about the store's offerings
- 2.The case with which a transaction can be completed once the customer attempts to make a purchase
- 3.The customer's satisfaction with the product after the purchase.

These three elements are the pre-transaction, transaction, post-transaction components of customer services Rugman and D'Cruz developed a stream of research that potentially links international business to globalization theories, pointing to the essentially, regional rather than,global level of activity [11] in the early 21st century. This theoretical route again has difficulties when applied to retailing because of the different nature of the international organization of investment in retailing and the importance of the local market, and adoptions to it, for retailers. The globalization studies start from an economic perspective, as in Spulber's (2007) study of Dairy Farm and so do not address the issues of social change that have become explicit in the recent activity of international retailers.Dale Gillian and Banfield Graham have introduced the concepts of distribution and retailing in elaborate manner. Distribution refers to the process of movement of goods.from the original producer to the final consumer. The line of exchange is known as chain of distribution. In this final chain, retail is the end point.Retailing includes all the activities involved in selling goods and services to the final consumers for personal, non personal use. Retailers perform several functions such as bulk breaking,assorting, storing, advisory services

among others as a part of customer service. Manufacturers and wholesalers expect retailers to be a part of established channel through which customer feedback can flow back to them. The authors present the fact that retailer is the first contact point that the customer has with the product and therefore this fact gives him tremendous power. Nair Suja in her book 'Retail Management' has tried to explain the growth of retailing in Indian context especially in the context of new economic policy, global economic development, changes in the marketing and economic system as well as changing pattern and classification of economic activity [12].

The author has tried to stress that there is a significant effect of liberalization and privatization policies on development of retail format. According to author, retailing has come to occupy a prominent position in today's modern society. In spite of the Indian retail revolution, it is said that over 90 percent of the 20 percent urban India are still towards the traditional retail. Now some worthy modern organized retail format is slowly gaining acceptance and can easily be seen to be emerging as a strong contender. The author has tried to make an attempt to communicate various developments occurring in retail market especially on account of evolving consumer behaviour typically the evolution of retail. It can be studied by having a look at 4 tier component i.e. consumer behaviour, trade structure, retailer-distributor-manufacturer relationship and the competition. The profile of today's customer can be easily described as an affluent one with a higher and most disposable income, frequent visits & makes a longer and investment and time to explore a detailed shopping experience [13]. However the consumers have also revealed a illingness to pay a premium provided they are offered better service quality at a retail counter. In addition to these, modern consumers will also appreciate additional facilities such as ATM, parking and in -store attendance. The main features of the book includes emphasis on case study of 12 major retail format wherein the author has tried to find out what are the new trends that are introduced by these various retail



players, how they influence the overall market structure and the marketing environment in India, how they have changed the retailers approach towards consumers and how consumers have responded to these new changes in the growing context of economic development.

David Gilbert is one of the noted authorities who in his book titled —Retail Marketing Management have identified the reasons of growth of Modern Retailing. In this book he has tried to find out why the growth of retailing is actually taking place. According to him more than any other business we are witnessing the emergence of new forms of retailing and becoming more segmented with reforms focusing on the needs of particular consumer segment. The result of this is the development of more consumer friendly environment [14]. Whereas, once it was manufacturers brand that were all important. The year 2000 has witnessed the power of retailers brand challenging the position of suppliers. The traditional forms of independently owned small business and co-operative have lost significant market share in developed economy and the retail sector is now characterized by large scale, multiple store, run by powerful and sophisticated organizations. The increasing size of retailers and intensifying rates of competition in the markets in which they are operating has made retailers to search for new ways to grow their business. The author has tried to emphasize on two facts: First, retailing has become a major avenue of growth and the increase in the retail operations has changed the market dimensions.

Second thing, there is an impact of E-retailing which attracts considerable attention. However, though initially it may not be successful but in the due course of time successful models for retail sectors based on E-business and Electronic Media will definitely influence the multichannel retailing system.

Newmen Andrew and Cullen Peter in their book 'Retailing: Environment and Operations' have rightly concentrated on understanding various aspects of Retailing as a Business. They have considered retailing as a vibrant part of our changing society and major

source of employment. They have noticed that retailing is closely tied to the changing moods of the consumers and new ways of business, spread on by the impressive development in Technology and Management Theory. The book provides a comprehensive grounding in many facets of retailing, including Logistics and Distribution, merchandising, Store Layout and design, pricing and location strategy.

The authors have included new areas of importance which includes retail services and out of store retailing. The authors have tried to understand what are the ways and means because of which retailing is growing in a global scenario? How it has influenced non-formal ways of trading? And what are the implications of new format of retailing on consumer behavior? In this book the authors have also tried to find out the different market structures that are required for retail operations and managing in the times of booms and slumps. This helps the readers to understand different facets, challenges and changes that are happening in the retail environment.

Hamilton Ryan in their research paper majorly focused on the important decision that retailers always involves in selecting the number of items constituting their assortments. A key issue in making these decisions is the role of assortment size in determining consumers' choice of a retailer. The authors address this issue by investigating how consumer choice among retailers offering various-sized assortments is influenced by the attractiveness of the options constituting these assortments. The data show that consumer preference for retailers offering larger assortments tends to decrease as the attractiveness of the options in their assortments increases and can even lead to a reversal of preferences in favour of retailers offering smaller assortments. This research further presents evidence that the relationship between assortment size and option attractiveness is concave, such that the marginal impact of assortment size on choice decreases as the attractiveness of the options increases. Data from eight empirical studies offer converging evidence in support of the theoretical predictions [15].

Bradford Kevin., Stringfellow Anneand Weitz Barton A had written that the retailers are becoming involved with networks consisting of multiple firms in order to more effectively perform business activities such as supply chain management. This research develops and tests a framework outlining the effects of conflict in networks and how conflict management can mitigate and exacerbate these effects. A study of simulated networks finds that inter-personal and task conflict have a negative effect on network member satisfaction and desire to be a member of the network. The use of a collaborative conflict management style has a positive effect on satisfaction and desire for continuity, but the effects of accommodative and confrontational styles depend on the level of inter-personal and task conflict present in the network.

Kaltcheva Velitchka developed the conceptual framework which proposes that the consumer's motivational orientation moderates the effect of the arousal produced by a store environment on the pleasantness of the environment. When consumers have a recreational motivational orientation, high arousal has a positive effect on pleasantness, but when consumers have a task-oriented motivational orientation, high arousal decreases pleasantness. In addition, high arousal increases consumer intentions to visit and make purchases in the store for recreationally oriented consumers, but it has a negative impact on shopping behavior for task-oriented consumers. Pleasantness mediates the effect of arousal on shopping behavior. Kaufman Peter, Jayachandran Satish and Rose Randall , have written that retailers face considerable risk in introducing new products because of high failure rates. Given the proliferation of new products juxtaposed against finite shelf space, retail buyers are confronted with a choice problem. To enhance understanding of this issue, the authors examine the role of buyer-salesperson and firm-firm relationships using data collected in the context of actual new product selection by retail buyers at two large grocery retailers in the United States. The findings indicate that buyer-salesperson and firm-firm relationships have a greater influence on new product

acceptance when a new product's attractiveness is modest than when the new product is very unattractive or very attractive. At modest levels of product attractiveness, the likelihood of new product acceptance can increase by as much as 60 percent when the buyer has a strong relationship with the salesperson. The paper provides insights into the complex interplay of marketing relationships and product attractiveness in retail buyers' selection of new products. Raff Horst and Schmitt Nicolas investigated the implications for international markets of the existence of retailers/wholesalers with market power.

Two main results were shown. First, in the presence of buyer power, trade liberalization may lead to retail market concentration. Due to this concentration, retail prices may be higher and welfare may be lower in free trade than in autarky, thus reversing the standard effects of trade liberalization. Second, the pro-competitive effects of trade liberalization are weaker under buyer power than under seller power. Buchanan, Simmons and Barbara highlighted that consistency among the various elements of a marketing program believed essential in building and maintaining brand image and equity. And yet, a brand's ultimate presentation to customers is controlled more often by the retailer than by the manufacturer. The retailer's display decision can negate the equity of an established brand. The author suggests that this occurs because consumers have expectations about retail displays and the relationship among displayed brands [5-8].

Display conditions that disconfirm these expectations can lead consumers to re-evaluate the brand. Ganeshan focused on the impact of four staffing policies (promotion from within, promotion through seniority, well-defined career paths, and opportunity for intra-organizational mobility) on the job attitudes and behaviors of retail employees.

Staffing policies significantly affect the buyers' intrinsic motivation and commitment to their firms. Commitment and intrinsic motivation, in turn, have a strong effect on

a buyer's creativity, risk-taking behavior and intention to leave organization.

Need for the Study: The customer relationship management is important factor for every organization. In this paper we will discuss about CRM in retail marketing sector taking case study on BIG BAZAR.

Objective: The main objective of this paper is to study the CRM IN RETAIL MARKETING in BIG BAZAR.

Methodology: This paper mainly based on secondary data The articles which are published in the area of CRM IN RETAIL and information from bigbazar website.

Indian Consumers:

And even as these developments were taking place, the Indian consumer became more mature. Customer-expectations zoomed. Thus, at the beginning of the New Millennium, retailers have to deal with a customer who is extremely demanding. Not just in terms of the product-quality, but also in terms of service, and the entire shopping experience.

Today, the typical customer who shops in a retail outlet compares the time spent at the check-out counter with that at an efficient petrol station, and the smile of the counter-person to that decorating the face of a Jet Airways' crew member. To cope with the new customer, manufacturers have to focus on product quality and brand building. And retailers, in turn, have to focus on the quality of the shopping experience.

In this millennium, like in the last, customers will want to spend time with their family and friends. They may like to visit an outlet on weekends where everything will be available under one roof. India will benefit from these developments because of increased consumption through retailing and the corresponding increase in employment created by retailing.

Retail organizations exhibit great variety and new forms keep emerging. There are store retailers, non store retailers, and retail organizations.

Consumers today can shop for goods and services in a wide variety of stores. The best-known type of retailer is the department store. Japanese department stores such as Takashimaya and Mitsukoshi attract millions of shoppers each year. These stores feature art galleries, cooking classes, and children's playgrounds.

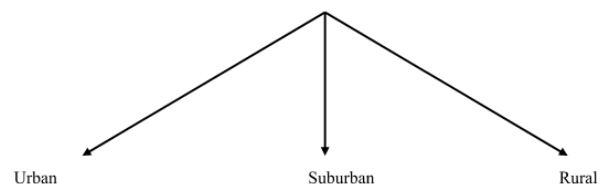
The success of the retail stores, therefore, depends on customers' reaction to the retailing mix which influences the profits of the store, its volume of turnover, its share of the market, its image and status and finally its survival.

Trends In Retail Marketing

At this point, I can summarize the main development retailers and manufacturers need to take into account as they plan their competitive strategies.

In India the trends are mainly in three sectors. These sectors are:

Trends in retail marketing



New retail forms and combinations continually emerge. Bank branches and ATM counters have opened in supermarkets. Gas stations include food stores that make more profit than the gas operation. Bookstores feature coffee shops.

The electronic age has significantly increased the growth of non store retailing consumers receive sales offers in the mail and over television, computers, and telephones, to which they can immediately respond by calling a toll-free number or via computer.

Competition today is increasingly intertype [13], or between different types of store outlets. Discount stores, catalog showrooms, and department stores all compete

for the same consumers. The competition between chain superstores and Smaller independently owned stores have become particularly heated. Because of their bulk buying power, chains get more favorable terms than independents, and the chains' large square footage allows them to put in cafes and bathrooms.

Today's retailers are moving toward one of two poles, operating either as mass merchandisers or as specialty retailers. Superpower retailers are emerging. Through their superior information systems and buying power, these giant retailers are able to offer strong price savings. These retailers are using sophisticated marketing information and logistical systems to deliver good service and immense volumes of product at appealing prices to masses of consumers.

Many retailers are even telling the most powerful manufacturers what to make; how to price and promote; when and how to ship; and even how to reorganize and improve production and management. Manufacturers have little choice: They stand to lose 10 to 30 percent of the market if they refuse.

Technology is becoming critical as a competitive tool. Retailers are using computers to produce better forecasts, control inventory costs, order electronically from suppliers, send e-mail between stores, and even sell to Customers within stores. They are adopting checkout scanning systems, electronic funds transfer, and improved merchandise-handling systems [5]

Retail Marketing In India

There are various ways of making goods available to consumers like:

- Company to distributor to wholesaler to retailer to consumer
- Company to salesperson to consumer
- Company to consumers (online/ phone/ catalog ordering)

These three are among the most common ways of making the goods available to consumers. But in India

the three layered system of distributor, wholesaler and retailer, forms the backbone of the front-end logistics of most of the consumer-good companies.

There are a number of reasons behind this fragmented retail market. Some of the major reasons being:

- Poverty and lower literacy levels.
- Low per capita income.
- Savings focused and less indulgence mindset.
- Poor infrastructure facilities like roads etc.
- Restrictions on intra-state good movement.
- High taxes.
- No exposure to media.
- High import duties on imported goods.
- FDI in retailing is not allowed.

CRM in Retail Marketing (Big Bazaar):

Customer relationship activities have the most impact on customer retention Every customer service encounter has the potential to gain repeat business or have the opposite effect The expectation of personalized, relevant offers and service is becoming a primary driver of customer satisfaction and retention in financial service.

- "CRM is the business strategy that aims to understand, anticipate, manage and personalize the needs of an organization's current and potential customers" PWC Consulting .
- CRM is a business strategy, one that puts the customer at the heart of the business.
- "That's nothing new" I hear you say, and you would be right. Good business people have always understood the relationship between happy customers that come back again and again and creating long term, sustainable profitability. Big Bazaar has realized this and applied this to effect.

One just needs to think of the local shop owner who knew everyone of his customer's names, birthdays and particular ailments to prove that point. What is new is that there now exists the technology to enable this customer-centricity on a much larger scale.

("Come To Big Bazaar- Isse Sasta Aur Achha Kahin Nahin") It is said that a successful CRM implementation will allow your Customer Service, Sales and Marketing people (and anyone else in your organization) to have a holistic view of each and everyone of your customers. In theory this will enable them to make quick, informed decisions, create cross selling and up selling opportunities, measure marketing effectiveness and deliver personalized Customer Care. Sound's great doesn't it

The History of CRM

Following on from Enterprise Resource Planning or ERP (the business strategy that promised to automate the "back-office"), the term CRM was first coined in the mid-1990s. CRM in those days referred to the software used to help businesses manage their customer relationships. From sales force automation software (SFA) that focused on customer contact management to integrated knowledge management solutions, these were the early foundations of CRM.

The last couple of years have seen the term broaden to encompass a more strategic approach and the investment of billions of dollars worldwide into CRM solutions and services has followed

First Things First

Successful CRM always starts with a business strategy, which drives change in the organization and work processes, enabled by technology. The reverse rarely works. The key here is to create a truly Customer-Centric philosophy that touches every point and more importantly every person in the company. From CSR to CEO everyone must live and breathe customer focus for all of this to work

The Right Technology

It is estimated that the global market for CRM services and solutions is currently worth \$148 billion. That means a lot of choice when selecting your technology - from web-based solutions aimed at small businesses

with less than 10 employees to solutions suitable for multi-national enterprises with millions of customers.

The Future

CRM has already made a big impact in the world of Customer Service and will continue to do so. As more and more companies become customer-centric those that fail to do so will lose competitive advantage. As technology increases to develop at a startling rate the key emphasis will be how we can fully utilize it within our business.

However let's not lose sight of the fact that Customer Relationship Management is about people first and technology second. That's where the real value of CRM lies, harnessing the potential of people to create a greater customer experience, using the technology of CRM as the enabler.

Using CRM, at the management of Big Bazaar can:

- Provide better customer service
- Increase customer revenues
- Discover new customers
- Cross sell/Up Sell products more effectively
- Help sales staff close deals faster
- Make call centers more efficient

Simplify marketing and sales processes

By applying this methodology Big Bazaar learned more about customers' needs and behaviors in order to develop stronger relationships with them. They implemented CRM as a process that brought together lots of pieces of information about customers, sales, marketing effectiveness, responsiveness and market trends.

CRM helps businesses use technology and human resources to gain insight into the behavior of customers and the value of those customers [12].

Challenges For Big Bazaar in CRM implementation:

- Difficulty in acquiring new customers can be a result of any one, or combination, of the following problems.

- Inaccurate and Slow Quoting Organizations may be unable to accurately estimate and quickly deliver successful proposals, often leading to missed opportunities, bad profit margins and upset prospects.
- Lack of Product Knowledge Within their Sales Force
- Problems can arise when products were sold that didn't fit company's profitability strategy such as selling a customer one product when another would be better for the customer and more profitable for you.
- Difficulty and Delay in Updating Pricing and Product Information
- When the sales force is relies on incomplete product, pricing and customer information, then they're probably not selling the most profitable products you offer.
- Customers prefer a combination of differing channels in which to deal with your company. Self-service on the web can even be done for complex products. Plus, self-service on the web offers retail banks the opportunity to shift cost out to the customer.

Customer Satisfaction their Top Priority

Don't just make sales. Create customers - satisfied customers. In addition to the immediate profit they provide on the first sale, satisfied customers help you build your business in 2 other important ways:

1. They become a reservoir of repeat buyers. For some businesses that means repeat buyers for more of the same product or service. For every business, it means buyers for additional products and services.
2. They automatically refer more business to you from their friends and business contacts. This is highly profitable business for you because it doesn't cost you any time or money to get it.

Whatever they Promise More, they Deliver

Never make any promises you can't (or won't) keep. Nothing alienates customers faster than getting

something less than they expect from a business transaction. They won't do business with you again. And they will tell everybody they know about their unhappy experience - causing you to lose future customers.

Always Give Customers More Than They Expect

"Over deliver" on quality and service. Always exceed your customers' expectations. You will win their long term loyalty. It also makes it difficult for competitors to steal customers from you - even if they have lower prices. Customers will not risk an uncertain experience with a competitor when they know they will get more than they expect from you.

Customers know how much they value them:

Let your customers know you are always thinking about them. Communicate with them regularly. For example, create some special deals just for your existing customers. And announce new products or services to them before you announce them to the general market.

PROCESS OF CRM

Customer Relationship Management (CRM) is the process of bringing the customer and the company closer together. There are many different areas in which Customer Relationship Management can be implemented. The goal of CRM is to help a company maintain current customers, as well as gain new customers.

Targeted Marketing: Targeted marketing is accomplished through collecting information about the customer. This information can be buying habits or simply demographics. The idea behind this is that a business analyzes what a customer buys and then markets specific products to that customer based on his or her buying habits. Businesses track buying habits using discount cards, and special store credit cards.

Targeted marketing can also be implemented on the Internet. Amazon.com has product recommendations based on buying habits, and product ratings. Customers can also be sent e-mails that market targeted products.

Marketing the right products to the right customers can significantly increase a business' sales with minimal associated costs.

CONSUMER BEHAVIOR

Options:

Consumers are more likely to choose an alternative after a relatively inferior option is added as a choice. For example, Simonson says, participants in one study were given a choice between \$6 and an elegant Cross pen. A second group chose among \$6, the same Cross pen, and a second pen that was clearly less attractive than the Cross pen. As was predicted, the addition of the unattractive pen increased the share of the Cross pen at the expense of the \$6.

Alternatives:

Consumers prefer alternatives that are compromise choices. Given a choice between two alternatives, one priced lower than the other, the addition of a third choice, priced higher than both, will increase the market share of the more expensive of the original two. This finding suggests that companies can increase their overall sales and shift purchases to higher-margin items by carefully designing the sets of alternatives that their customers consider.

Floor Displays:

Buyers are averse to choosing the lowest-quality alternative in sets of three or more choices. One of the implications of this finding is that marketers of well-known, high-priced brands should encourage retailers to organize floor displays by model type, whereas marketers of lesser-known, lower-priced brands should prefer organization by brand.

Brands:

Consumers who think about the possibility that their purchase decisions will be wrong are more likely to choose better known brands. In a test case, Simonson showed that consumers debating between a better known, more expensive brand and a lesser-known, less expensive brand expect to feel greater regret if they err

by choosing the cheaper option. Indeed, after thinking about the possibility of regret, consumers were more likely to select the better-known brand. Kodak film has capitalized on this finding with an advertising campaign that asks consumers to consider how they would feel if they bought cheap film and their pictures didn't turn out.

Preferences:

Consumers tend to select variety when buying multiple products for consumption at a later time. In each of three weeks, Simonson asked a group of respondents to select one of six familiar snacks for immediate consumption. A second group was asked to pick three snacks -- one for immediate consumption and one for each of the next two weeks. Both groups were told that they could pick the same snack as many times as they wished. Those in the first group tended to select the same snack all three times, whereas most in the second group selected three different snacks.

Product Modifications:

Modifying a product with a feature or premium that is of little or no value to the consumer, even without raising the price, may actually decrease sales. When consumers are uncertain about their preferences, a product that offers an unneeded add-on (such as an offer to purchase a Pillsbury Doughboy collector's plate) provides them with a reason for rejecting it.

While marketing professionals can use these findings to influence consumer decision making, consumers, too, can benefit by understanding their own behavior. "One of the points of our research is to inform consumers about some of the factors that influence their decisions," Simonson says. "With such knowledge, they may be able to make better, more thoughtful decisions."

SWOT Analysis of Big Bazaar Strength

- Prime location
- Large floor space allowing for better visual merchandising

- Large area also allows to stock a large variety of products under one roof
- Experienced and competent management
- Highly trained and motivated sales force
- Brand equity
- Large scale operations in various cities throughout the country allows them to reap the benefits of “economies of scale”

Weakness

- Large scale of operations sometimes acts as a barrier to personalized customer relations
- Large scale operations lead to reduced flexibility by increasing the amount of overheads and a huge commitment in terms of fixed costs
- A large organization structure leads to delayed decisions. This can prove fatal for a business in the dynamic fashion industry. Mumbai, this fact sometimes results in delayed decisions in adapting to changing market trends

Opportunities

- Apart from the metros, cities like Ahmadabad, Pune, Lucknow, Indore and Coimbatore have shown substantial retail presence. Most sport modern retail formats like supermarkets, department stores and specialty chains. These markets are expected to show exponential growth in the next few years. Thus Food Bazaar has the opportunity to explore new markets
- According to the Consumer Outlook study, consumers are generally satisfied with the service that organized retailers extend to them. More importantly, they are increasingly regarding these organized retailers as providing ‘value-for-money’. These findings indicate that large retailers will capture most of the higher consumer spending
- Increasing penetration of the internet into Indian homes has provided Food Bazaar Mall to break the geographical barriers and to increase their customer base. The entry into online retailing, would, in fact, expand the product categories available to the consumer

Threats:

- The time when retailers had to worry about competition only from their peers down the street has come to an end. Food Bazaar is now facing increased competition in the form of international retail chains that are making a beeline towards the highly potential Indian markets. Moreover many big Indian business houses are also vying a space in the Indian retail scene.

Conclusion:

Customer Relationship Management is one of the important factor in the present competitive world every company has to maintain their customer (computer file full of information) for customer keeping/holding onto/remembering so Big Bazar focuses on aims to understand, expect/look ahead to, manage and decorate (with a personal touch) the needs of an organization's current and possible customers. By providing options, other choices, floor display, brands. Preferences, Product change.

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