

**“A STUDY ON CUSTOMER RELATIONSHIP  
MANAGEMENT (CRM) WITH REFERENCE TO BIG  
BAZAAR IN BILASPURCITY”**

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**Abstract:**

The customers are very important and play a vital role in any process of marketing. Today, customers are the kings of the market because the customer loyalty and preference are built by the products and the services offered to the customers and they seek for more benefits and worth for the amount they spend.

That is the concept where the customer relationship with management exists, in which various factors are identified that will influence the purchasing behavior of customer, which is profitable to both customer and organization.

The CRM (Customer Relationship Management) is a new technique in marketing where the marketer tries to develop long term relationship with the customers to develop them as life time customers. CRM aims to make the customer climb up the ladder of loyalty.

This paper entails the strategy that Big Bazaar follows in context with CRM practices. The Big Bazaar first tries to determine likely prospects i.e. the people who have a strong potential interest in the product and ability to pay for it. The Big Bazaar hopes to convert many of its qualified prospect into first time customers and then to convert those first time customers into repeat customers. Then the Big Bazaar tries to convert these repeat customers into clients – they are those people who buy only from the Big Bazaar in the relevant product categories. The next challenge for the Big Bazaar is to convert these clients into advocates. Advocates are those clients who praise the Big Bazaar and encourage others to buy from it.

The ultimate challenge is to convert these advocates into partners where the customers and the clients work actively together to discover ways of getting mutual benefit.

Thus in CRM the key performance figure is not just current market share but share of life time value by converting customers into partners.

In CRM the Big Bazaar identified that small percentage of key account holders whose contribution to the Big Bazaar revenues is high. So from this point of view, CRM is also known as key account management.

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**Keywords:**

**Customer Relationship Management, Organisation, Shopping Experience, Profitability, Key Account Management etc.**

**Introduction:**

The biggest management challenge in the new millennium of liberalization and globalization for a business is to serve and maintain good relationship with the king – *the customer*. In the past producers took their customers for granted, because at that time the customers were not demanding nor had alternative source of supply or suppliers. But today there is a radical transformation. The changing business environment is characterized by economic liberalization, increasing competition, high consumer choice, demanding customer, more emphasis on quality and value of purchase etc.

All these changes have made today's producer shift from traditional marketing to modern marketing. Modern marketing calls for more than developing a product, pricing it, promoting it and making it accessible to target customer. It demands building trust, a binding force and value added relationship with the customers. This can only be possible with the help of CRM (Customer Relationship Management).



Big Bazaar is part of Future Group, which also owns the Central Hypermarket, Brand Factory, Pantaloons, eZONE, HomeTown, KB's Fair Price to name a few and is owned through a wholly owned subsidiary of Pantaloon Retail India Limited (BSE: 523574 523574), that is listed on Indian stock exchanges.

***Bilaspur Big Bazaar***

- ▶ Largest hypermarket store in Bilaspur.
- ▶ Over 1, 60,000 products for sale.
- ▶ Unmatched offers + unbelievable pricing = MEGA SAVING.

Big Bazaar, India's popular hypermarket retail chain by Future Group, in October 2011 announced the launch of its first store in Bilaspur. Located at Link Road, near Satyam Talkies, the new Big Bazaar store is spread over a sprawling 46,000 sq.ft. area to serve as the first convenient shopping destination for the residents of Bilaspur and its neighboring areas.



With this launch, Big Bazaar now has a strong presence of 3 stores in the State of Chhattisgarh and 155 stores across country. Trusted by millions of families across the country, Big Bazaar is widely known for its unbelievable pricing and unmatched offers, throughout the year. The new Big Bazaar will be a destination store catering to every single household need of the entire family under one roof.

The store offers a wide range of formal, casual, ethnic and denim apparel for women, men, children and infants; a wide collection of accessories such as sunglasses, watches and handbags and general merchandise products including plastics, crockery, utensils, home care and home fashion products, footwear, toys, stationary, luggage, sports goods and gifting options. Additionally, food and groceries (Food Bazaar); electronics (Electronics Bazaar); mobiles (One Mobile) will also be available at Big Bazaar.

### **Aims of CRM**

The CRM is a new technique in marketing where the marketer tries to develop long term relationship with the customers to develop them as life time customers. CRM aims to make the customer climb up the ladder of loyalty.

The Big Bazaar first tries to determine likely prospects i.e. the people who have a strong potential interest in the product and ability to pay for it. The Big Bazaar hopes to convert many of its qualified prospect into first time customers and then to convert those first time customers into repeat customers. Then the Big Bazaar tries to convert these repeat customers into clients – they are those people who buy only from the Big Bazaar in the relevant product categories. The next challenge for the Big Bazaar is to convert these clients into advocates. Advocates are those clients who praise the Big Bazaar and encourage others to buy from it.

The ultimate challenge is to convert these advocates into partners where the customers and the clients work actively together to discover ways of getting mutual benefit.

Thus in CRM the key performance figure is not just current market share but share of life time value by converting customers into partners.

In CRM the Big Bazaar tries to identify that small percentage (20%) of key account holders whose contribution to the Big Bazaar revenues is high (80%). So from this point of view, CRM is also known as key account management.

#### *Eight ways to retain customers for life*

1. Every part of the Big Bazaar's marketing effort should be geared towards building lifetime relationships.
2. People want to do business with friendly people. To have effective relations a friendly attitude must permeate in the organization.
3. Information technology developments should be positively used to serve the customers.
4. The Big Bazaar should always be flexible to bend its rules and procedures in the client's favor.
5. The Big Bazaar should communicate with its customers even when it is not trying to sell something.
6. The Big Bazaar can communicate and develop stronger customer bonding by providing financial and social benefits.
7. The Big Bazaar should try to know all its customers including their lifestyles, hobbies, likes and dislikes etc.
8. The Big Bazaar should make it a point to deliver more than what is promised.

#### **Objective of the Study:**

The major objective of the study is to analyze the CRM practices in general and at Big Bazaar, identification of weak areas and provide recommendations.

Other objectives are:

1. To identify the factor that will help customer to take purchase decision.
2. To recognize the factor that will help to retain the present customer.
3. To know the impact of CRM on the profitability of the organization.

4. To study about the CRM factors that affect sales of Big Bazaar.
5. To identify customers shopping experience towards Big Bazaar in Bilaspur city.

#### Research Methodology:

Universe	Big Bazaar, Bilaspur (Chhattisgarh)
Sample Size	100.
Sample Unit	Customer/Visitors of Big Bazaar
Sample Plan	Random Sampling
Sampling Tool	Questionnaire.
Sampling Method	Survey Method
Scaling Technique	Likert Scale.
Research Type	Descriptive & Exploratory Research.
Data Collection Method	Primary Data, Secondary Data
Test Applied	Chi Square Test

#### Sources of Data:

Data is collected through both primary and secondary sources.

- i. Primary data is collected by general public of the city through structured questionnaire.
- ii. Secondary data is collected with the help of internet, news paper, company brochures, past research paper published in journal & magazines etc.

#### Hypothesis:

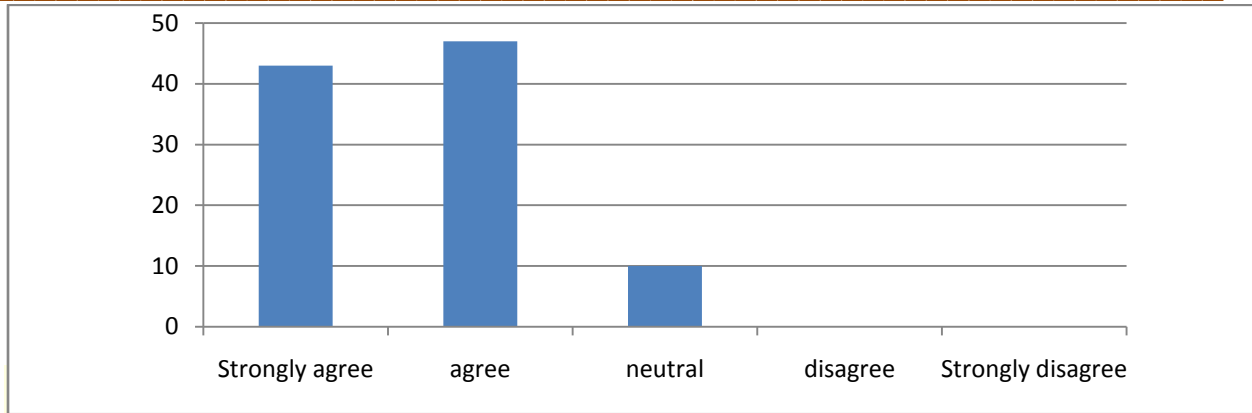
The hypothesis will be carved out on the basis of suitability of collected data.

- i. Null Hypothesis (Ho):- Customer shopping experience is not too good to visit and shop again and again at Big Bazaar.
- ii. Alternative Hypothesis (Ha):- Customer shopping experience is good and they like to visit and shop again and again at Big Bazaar.

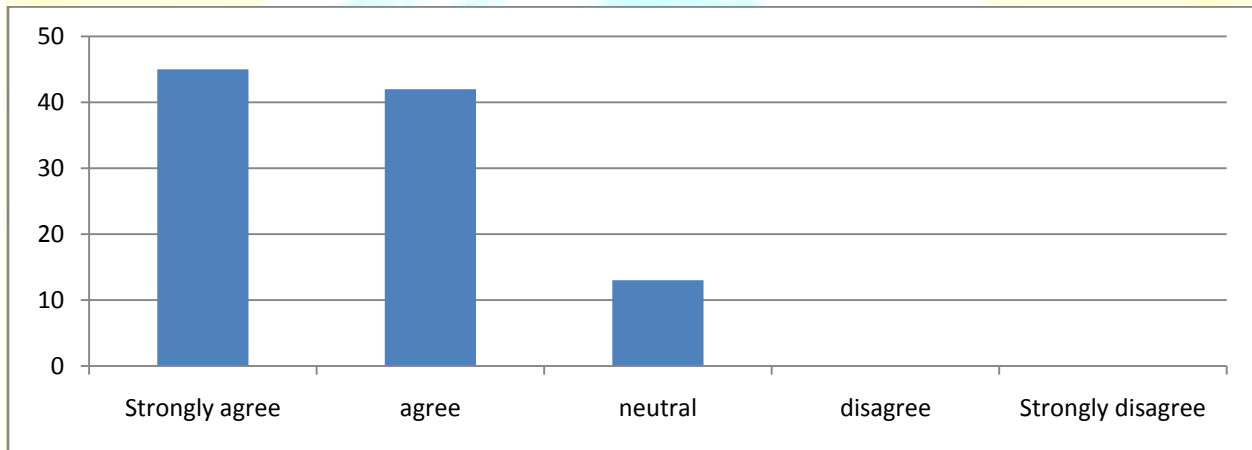
#### Data analysis:

For the purpose of my study following data has been collected:

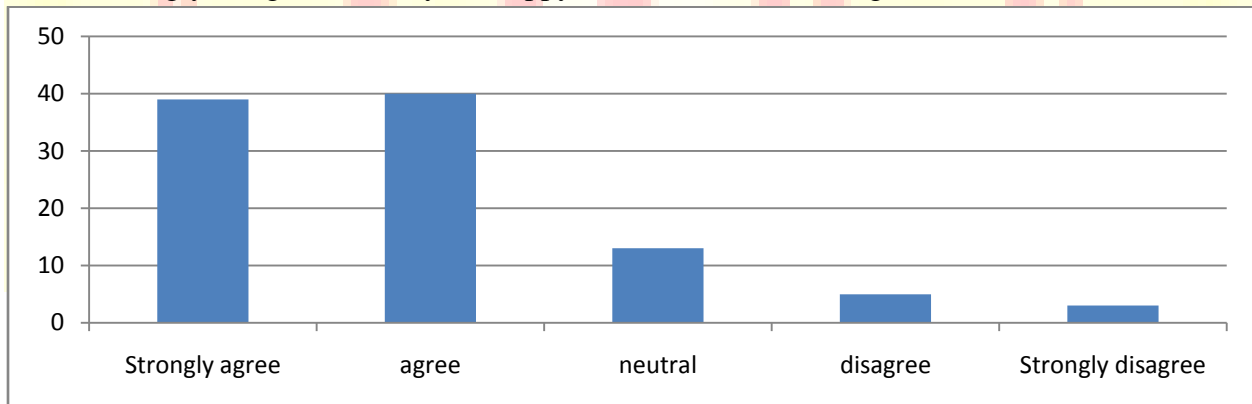
The interpretation shows the responses from the total selected population:-



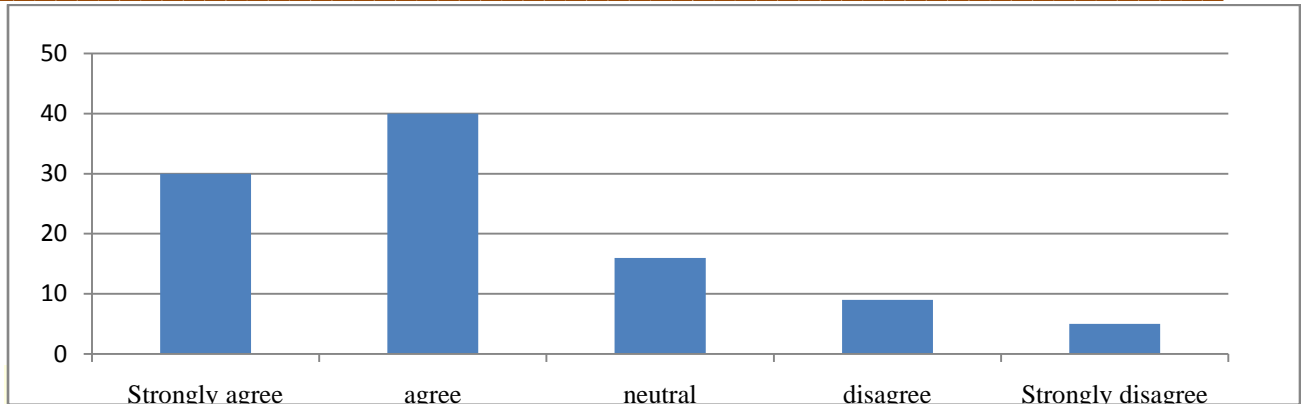
The data shows that, 43% are strongly agree, 47% agree, 10% are neutral, 0% disagree, and 0% are strongly disagree regarding being visitor of Big Bazaar.



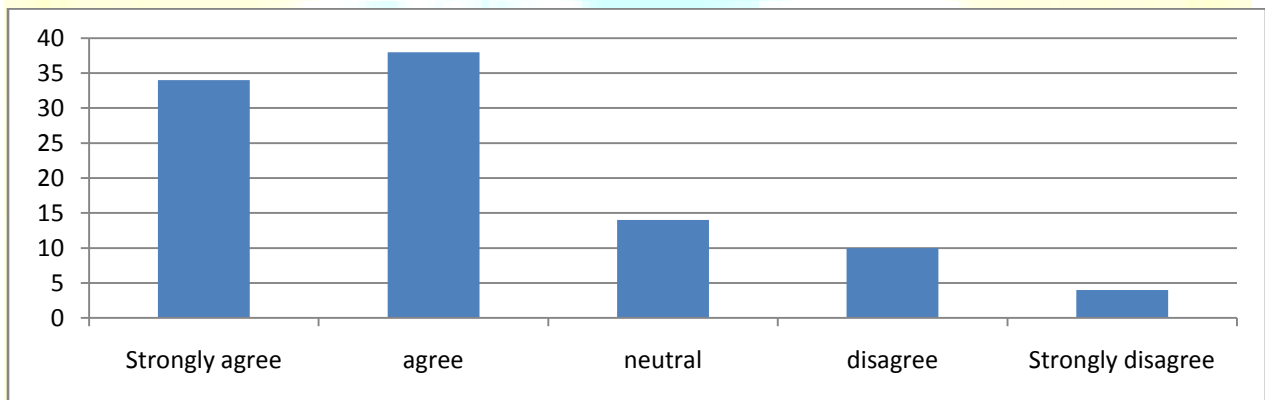
Data shows that, 45% are strongly agree, 42% agree, 13% are neutral, and 0% are disagree, and 0% are strongly disagree that they are happy with the location of Big Bazaar.



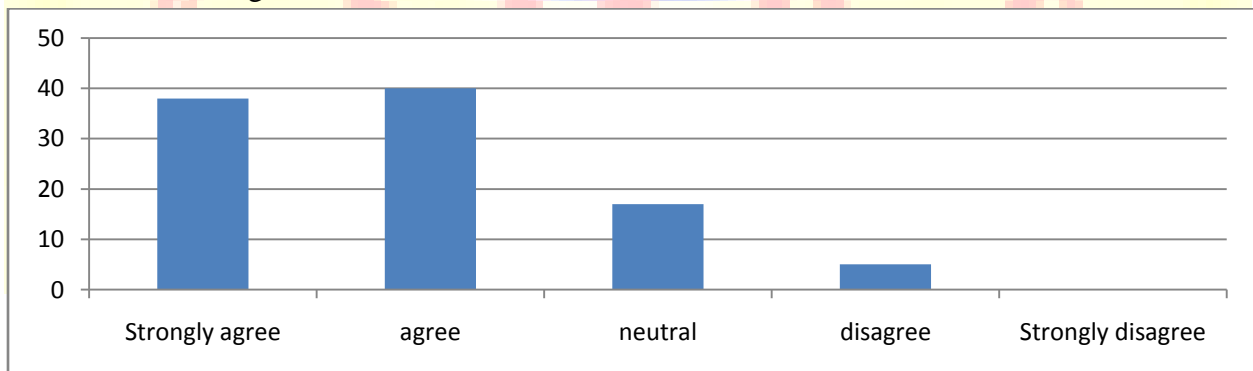
For convenient parking at Big Bazaar, 39% are strongly agreed, 40% agree, 13% are neutral, 5% disagree, and 3% are strongly disagreeing.



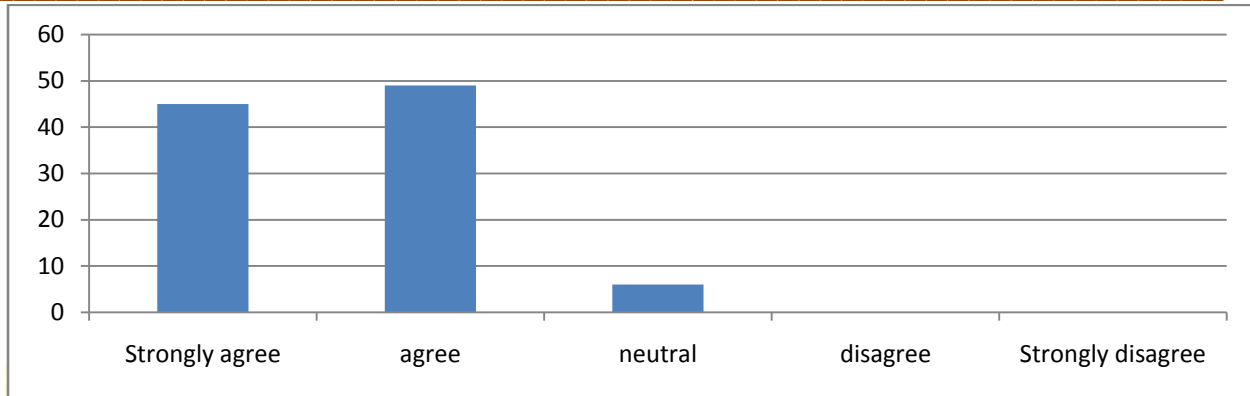
The data shows that, 30% are strongly agree,40% agree,16% are neutral,9% disagree, and 5% are strongly disagree with communication factor of Big Bazaar.



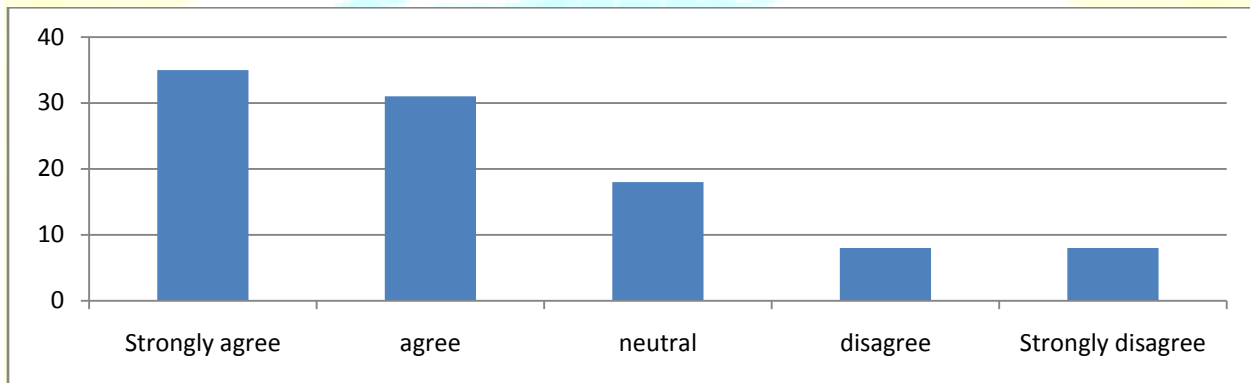
Data shows that, 34% are strongly agree,38% are agree,14% are neutral,10% disagree,4% are strongly disagree regarding purchase decision customers take due to profitable schemes, offers and discounts at Big Bazaar.



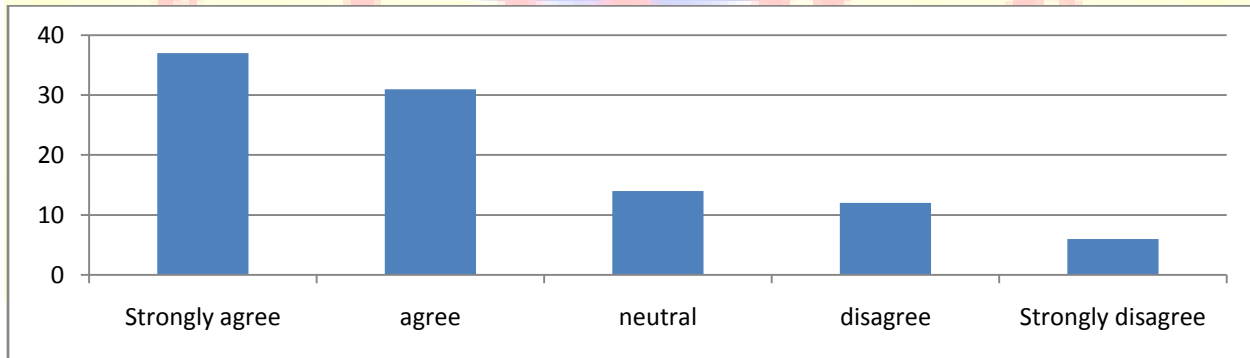
At Big Bazaar 38% are strongly agree, 40% agree, 17% are neutral, 5% disagree, and 0% are strongly disagree regarding Staffs' behavior related to greeting and help they offered.



Regarding proper response by the staff, towards the questions asked by the customers at Big Bazaar, 45% are strongly agree, 49% agree, 6% are neutral, 0% disagree, and 0% are strongly disagree.

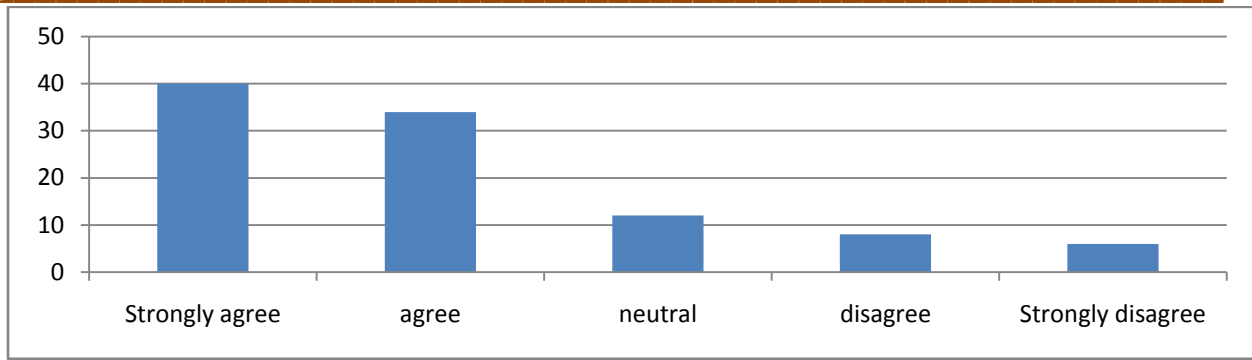


According to the data, 35% are strongly agree, 31% agree, 18% are neutral, 8% disagree, and 8% are strongly disagree that their children are also entertained at Big Bazaar.

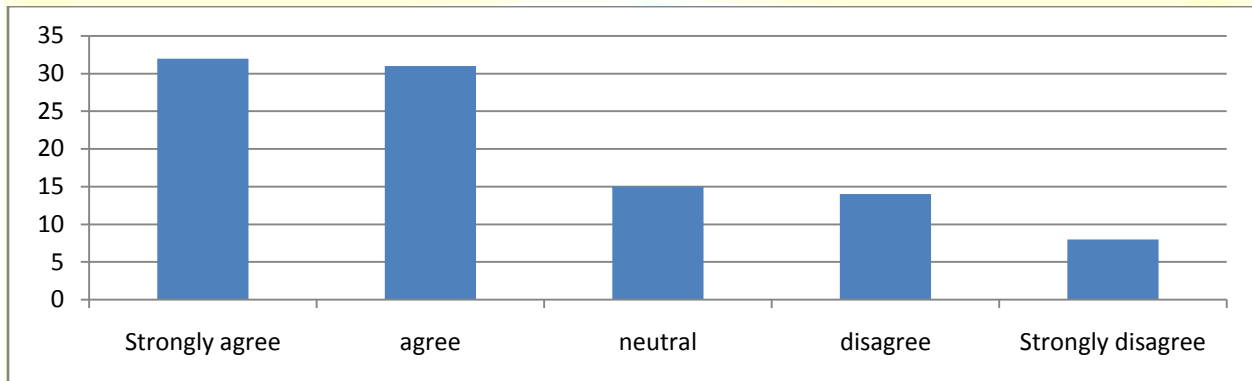


According to the data 37% are strongly agree, 31% agree, 14% are neutral, 12% disagree, and 6% are strongly disagree regarding the layout of the store and ease to the customers.

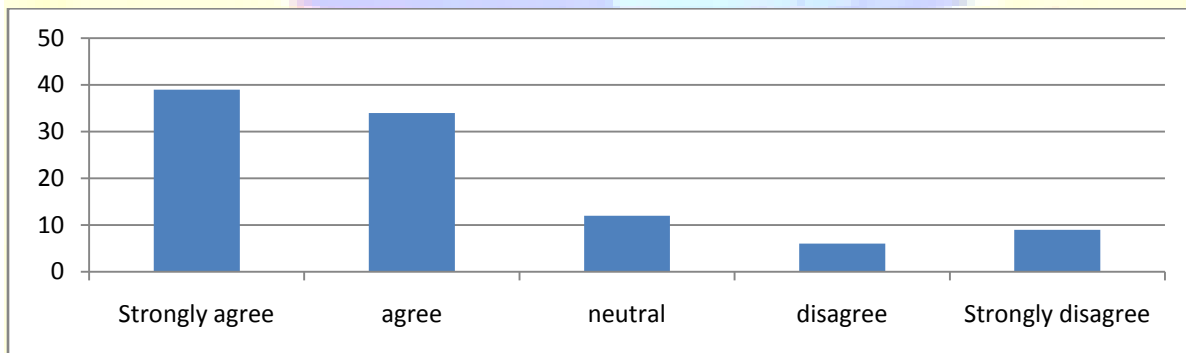




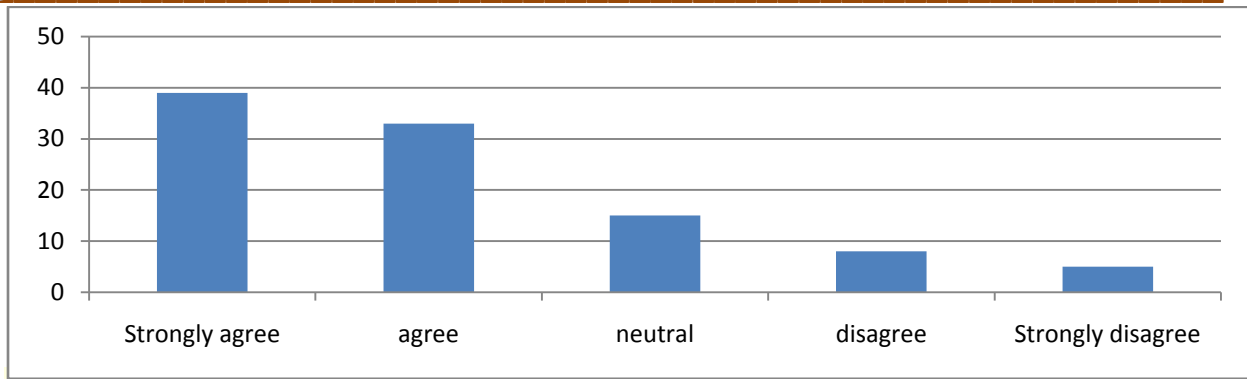
Data shows that 40% are strongly agree,34% agree,12% are neutral,8% disagree,6% are strongly disagree regarding staff delivering appropriate services as promised.



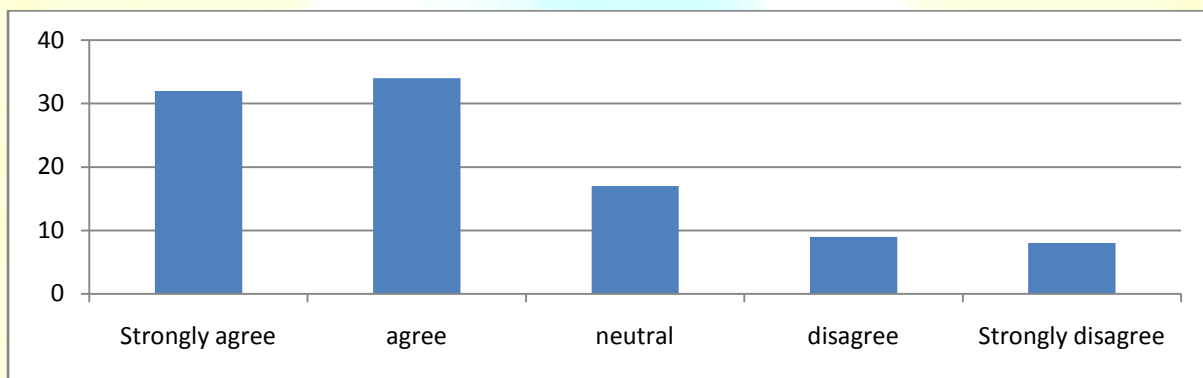
Regarding Grievance handling among all respective respondents32% are strongly agree,31% agree,15% are neutral,14% disagree,8% are strongly disagree.



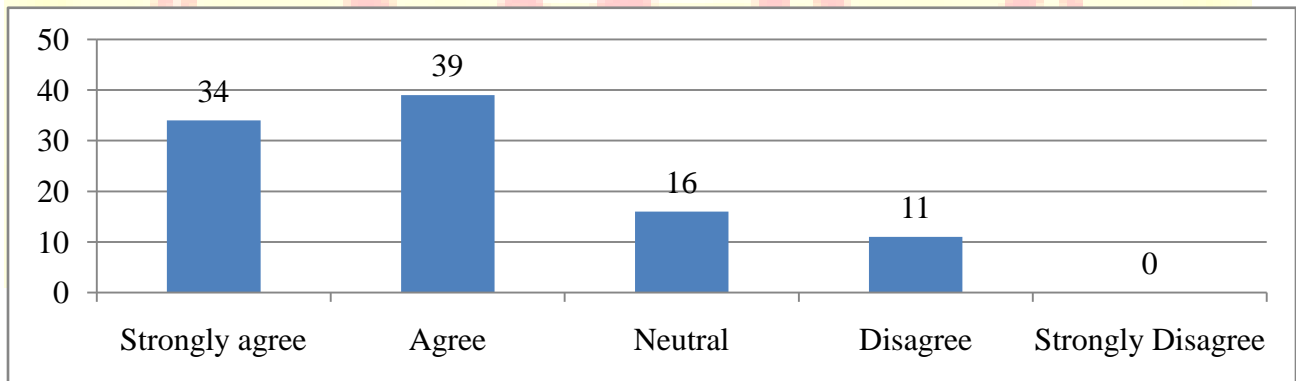
According to the data 39% are strongly agree,34% are agree,12% are neutral,6% are disagree,9% are strongly disagree in relation to the satisfaction from the services offered at Big Bazaar.



Regarding referring others for Big Bazaar, 39% are strongly agree, 33% agree, 15% are neutral, 8% disagree, 5% are strongly disagree.



According to the data among all respondents 32% are strongly agree, 34% agree, 17% are neutral, 9% disagree, 8% are strongly disagree, that they prefer Big Bazaar for their next purchase due to its Customer relationship management.



According to the data 34% respondents were strongly agree, 39% agree, 16% neutral, 11% disagree and 0% strongly disagree, that they will visit and shop again and again as they had good shopping experience in Big Bazaar.

**Chi Square Test**

O <sub>i</sub>	E <sub>i</sub>	O <sub>i</sub> -E <sub>i</sub>	(O <sub>i</sub> -E <sub>i</sub> ) <sup>2</sup>	(O <sub>i</sub> -E <sub>i</sub> ) <sup>2</sup> /E <sub>i</sub>
34	20	14	196	9.8
39	20	19	361	18.05
16	20	-4	16	0.8
11+0	20+20	-29	841	42.05
	100			70.7

$$\begin{aligned}
 X^2 &= \sum (O_i - E_i)^2 / E_i &= & 70.7 \\
 \text{Calculated Value} & &= & 70.7 \\
 \text{Degree of freedom} & &= & (n-1) \\
 & &= & (4-1) \\
 & &= & 3 \\
 \text{Level of significance} & &= & 5\% \\
 \text{Tabulated value} & &= & 7.815
 \end{aligned}$$

The table value of  $X^2$  for 3 degree of freedom at 5% level of significance is **7.815**.

So the tabulated value < calculated value.

**Interpretation:** The calculated value of  $X^2$  is higher than the table value. So our  $H_a$  (alternative hypothesis) is accepted.

### Findings of the study

1. Profitable scheme offer and discount affect customers purchasing decision.
2. Good shopping experience makes customer visit shop again and again which lay the positive impact on the profitability of the organization.
3. Schemes, offers and discounts communicating regularly retain the present customer and make them like to do shopping again at Big Bazaar.
4. Customer feel more associated when their grievances are handled calmly and carefully.
5. Combined schemes, taste and preferences understood by the sales person enhance the sales of Big Bazaar.

### Suggestions

1. Big bazaar should keep offers in regular intervals so that there should not be a long term gap, because offer is the most influencing factor which is responsible for customer purchase decision.
2. And they also concentrate on TV advertisement they should show ads and promotional offers in a regular interval in three languages like Hindi English.
3. Key result area must be focus for sales promotion.

## Limitations

1. The study was restricted to only the customers of Big Bazaar Bilaspur city.
2. The time constant was a limiting factor, as more time required carrying out study on other aspects of the topic.
3. The result and analysis based on the customer survey method and small sample size has taken only 100.
4. Findings are related to particular areas.
5. Thank you or gratitude for visiting and employees friendly, supportive behavior is not only the factor which influences the customers purchasing decision.

## Conclusions

From this study it can be concluded that the customer relationship management in big bazaar is satisfactory. They are using various CRM factors like profitable schemes, offers and discounts, maintaining interaction with the customers regularly and providing good quality services etc.

Customer relationship management has a certain impact on the profitability of the big bazaar. Average sale per customer has increased 15% over the last two years. There are various factors affecting the customer relationship management like working environment of the big bazaar, proper assistance to the customer.

Thus the customer's preferences are changing & they are moving from Traditional *Kirana* stores to Modern Retail outlet. It's the main challenge to the Modern retail outlets to attract the customers towards them from that of competitors. To attract more customers companies have to carry out the CRM factors in unique way. Big Bazaar has maintained that uniqueness & has succeeded in attracting customers through satisfying customers need, desire and their loyalty towards big bazaar.

## Scope of further work

- ✓ Research for the study will help to do comparative study with competitor of Big bazaar.
- ✓ It will make customer attract and switch them to Big bazaar from the competitor retail shop.
- ✓ The result and analysis can be done in broader and wider sense where sample size should be more than 100 and no restriction regarding area, customer and time factor.

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[http://en.wikipedia.org/wiki/Customer\\_relationship\\_management](http://en.wikipedia.org/wiki/Customer_relationship_management)