

Meaning of customer relationship management

[Business](#), [Management](#)



1. A management philosophy according to which a company's goals can be best achieved through identification and satisfaction of the customers' stated and unstated needs and wants. 2. A computerized system for identifying, targeting, acquiring, and retaining the best mix of customers. Customer relationship management helps in profiling prospects, understanding their needs, and in building relationships with them by providing the most suitable products and enhanced customer service.

It integrates back and front office systems to create a database of customer contacts, purchases, and technical support, among other things. This database helps the company in presenting a unified face to its customers, and improve the quality of the relationship, while enabling customers to manage some information on their own. Growth of retail sector in india The India Retail Industry is the largest among all the industries, accounting for over 10 per cent of the country's GDP and around 8 per cent of the employment.

The Retail Industry in India has come forth as one of the most dynamic and fast paced industries with several players entering the market. But all of them have not yet tasted success because of the heavy initial investments that are required to break even with other companies and compete with them. The India Retail Industry is gradually inching its way towards becoming the next boom industry. The total concept and idea of shopping has undergone an attention drawing change in terms of format and consumer buying behavior, ushering in a revolution in shopping in India.

Modern retailing has entered into the Retail market in India as is observed in the form of bustling shopping centers, multi-storied malls and the huge

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complexes that offer shopping, entertainment and food all under one roof. A large young working population with median age of 24 years, nuclear families in urban areas, along with increasing workingwomen population and emerging opportunities in the services sector are going to be the key factors in the growth of the organized Retail sector in India. The growth pattern in organized retailing and in the consumption made by the Indian population will follow a rising graph helping the newer businessmen to enter the India Retail Industry. In India the vast middle class and its almost untapped retail industry are the key attractive forces for global retail giants wanting to enter into newer markets, which in turn will help the India Retail Industry to grow faster. Indian retail is expected to grow 25 per cent annually.

Modern retail in India could be worth US\$ 175-200 billion by 2016. The Food Retail Industry in India dominates the shopping basket. The Mobile phone Retail Industry in India is already a US\$ 16. billion business, growing at over 20 per cent per year. The future of the India Retail Industry looks promising with the growing of the market, with the government policies becoming more favorable and the emerging technologies facilitating operations. current growth rate of retail sector in india This is a discussion on India retail growth within the Investment forums, part of the Financial Services category; India's retail industry, led by the growing number of urban and suburban malls, is expected to grow six percent annually.

India's retail industry, led by the growing number of urban and suburban malls, is expected to grow six percent annually to touch \$17 billion by 2010, an industry study states. " The organised retail sector is expected to grow at six percent annually by 2010 and touch a business of \$17 billion as against

its current growth level of three percent and estimated worth of \$6 billion," states the Associated Chambers of Commerce and Industry of India (ASSOCHAM) study released Sunday.

Releasing the study 'Retail Scenario in India', ASSOCHAM president Mahendra K. Sanghi said: " The organised sector retailing is all set to grow at much faster speed than unorganised sector. This higher growth rate will alone be responsible for its higher market share which has been projected for \$17 billion. " The only hitch to the retail boom currently being witnessed in India, the study states, is the " very high stamp duties on transfer of property that vary from state to state". " Urban Land Ceiling Act, Rent Control Act and Land Acquisition Act until amended will continue to distort property markets and cities, leading to exceptionally high property prices," the study states.

Expecting cities like Mumbai, Delhi, Chennai, Kolkata, Bangalore and Kanpur to lead the retail boom, Sanghi said: " The popular mode adopted for building shopping malls in these cities will be based on build, operate, lease and sell basis. " This system, the ASSOCHAM study has revealed, will lead to establishment of closer linkages and relationships between real estate developers, state governments, financial institutions and the retail industry. As per ASSOCHAM's estimates, investment opportunities in retail sector over the next few years will result in rapid urbanisation and greater consumerism.

The growth of retail sector will lead to greater shift towards the services economy in which need for real estate will be paramount," said Sanghi. With franchising as a popular mode of retailing, both foreign and Indian companies are expected to acquire strong brand equity for their products in

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near future. The study also points out some other hindrances to growth. " Presence of strong pro-tenancy laws will also make it difficult for retailers to grow as this problem is compounded by lack of clarity over titles to ownership," it adds.

To achieve the objective of attractive more foreign investment in real estate development, particularly to encourage People of Indian Origin (PIO), the study has urged the government to open up the real estate business and retailing. Another hitch to growth of retailing is the variance on the domestic taxation front and sales tax rates which differ across the various Indian states, the industry lobby has pointed out. Retail Industry in India The Indian retail segment accounts for 22 per cent of the country's gross domestic product (GDP) and contributes about 8 per cent to the total employment.

India continues to be among the most attractive investment propositions for global retailers. India has emerged as the fifth most favourable destination for international retailers, outpacing the UAE, Russia, Indonesia and Saudi Arabia, according to A T Kearney's Global Retail Development Index (GRDI) 2012. " India remains a high potential market with accelerated retail growth of 15-20 per cent expected over the next five years," highlighted the report.

Market Size

India's retail sector is worth US\$ 350 billion and is growing at a compound annual growth rate (CAGR) of 15 per cent to 20 per cent at present, as per a PricewaterhouseCoopers (PwC) research report titled, 'Winning in India's retail sector: Factors for Success'. Mass grocery and apparel are the two most favoured segments for foreign direct investment (FDI) in multi-brand

retail in India, according to a study titled 'Indian Retail Market-Opening More Doors' by Deloitte Touche Tohmatsu India.

The FDI inflows in single-brand retail trading during April 2000 to December 2012 stood at US\$ 42. 0 million, as per the data released by Department of Industrial Policy and Promotion (DIPP). E-tailing The Indian retailers are using a mix of formats, of which a relatively new but rapidly growing retail format is the online channel, which offers consumers convenience, price benefits and the ability to shop around the clock. Though in a nascent stage, India's online retail market is growing at double-digit rates and is likely to be the next format that retailers will incorporate into their array of channels.

The Indian digital consumer industry, e-tailing is set to become a Rs 53, 000 crore (US\$ 9. 71 billion) market by 2015 from the current Rs 3, 600 crore (US\$ 659. 34 million), as per a November report by Avendus Capital Pvt Ltd. Edukart. com, an online education company is planning to extend its franchise network across India. The company aims to open more than 50 centers in the coming year. The focus of such expansion will be metro cities, tier I and tier II cities. Retail in Rural India Rural chains in India are focussing on hinterlands in a big way.

For many companies, a large portion of their revenues comes from rural sales. The companies thus are aligning their marketing strategies in accordance to the requirements of their customers in rural areas. Turtle, one of India's leading men's lifestyle brands unveiled their limited edition collection of Khadi menswear with the theme " Ecological Weave". This is an initiative which not only hopes to revive the khadi industry and the livelihood

of its weavers and their families in rural India, but is also poised to revolutionise menswear fashion.