

IMPACT OF RELATIONSHIP MARKETING AS A TOOL FOR CUSTOMER SATISFACTION AND PROFITABILITY IN SRIPATHI PAPER & BOARD PRIVATE LIMITED, SIVAKASI.

RAGAVI R¹ KALEESWARI S²

ABSTRACT

The research findings reveal that relationship marketing has an impact on customer satisfaction and loyalty. Quality of service affects customer satisfaction and loyalty. Customer satisfaction doesn't fully mediate the influence of relationship marketing and repair quality on customer loyalty. The samples contains 150 customers of independent Islamic banks in Banyuwangi district. Samples were chosen by accidental sampling, which suggests that any BSM customer who happens to meet with a researcher can be selected as a sample. Data were analyzed using path analysis. In a time when relationships became recognized as an integral a part of contemporary marketing theory and practice, what role can the sub-discipline of relationship marketing play? The aim with this special issue is to critically assess the state of relationship marketing and involve new ideas to require the sector forward. Several thought-provoking reflections and research findings are presented that urge relationship marketing researchers to explore novel avenues for the longer time of this area. A prominent way forward could also be trying to find a standard ground in relationship marketing thinking, assessing the extent to which the various literature streams increase marketing research and when they don't, and testing/deploying the learnings in new settings.

Keywords: Relationship marketing, service marketing, services marketing

1. INTRODUCTION

Relationship marketing is one of the aspects of newly developed philosophy in marketing, which is Holistic marketing. It holds the very fact that —everything matters with marketing which a broad, integrated perspective is often necessary, Increasing a key goal of selling is to develop deep, enduring relationship with all people or organization that would directly attract the success of the firms marketing activities. Relationship marketing has the aim of building mutually satisfying long term relationship with key parties, customers, suppliers, distributors and other marketing partners so as to earn and retain their business. It builds strong economic, technical and social ties among the partners.

However, relationship marketing is may be a term which is usually agreed, first appeared within the management literature in 1980s, it describes, however, an idea that's as old as commerce itself which tends to often practices albeit unknowingly, within small to medium sized business. The concept of relationship marketing illustrated with the example of a small shopkeeper, who would know most customers by name, through regular contact. He or she would therefore ask customers frequently, realize their likes and dislikes, and conscious of special requirements particular customers may have like for cream on Friday, for example. This direct knowledge enables shopkeeper to order stock, plan services and value on the idea of know customers requirements.

¹ Author, assistant professor, department of management studies, P.S.R Engineering college, Sivakasi, India, ragavi19896@gmail.com,9952472576

² Co- author, P.G Research scholar, department of management studies, P.S.R Engineering college, Sivakasi, India, kaleesiraw1999@gmail.com,9715338970

Moreover, customers are important they need the last word choice when it involves buying products and services and their requirements must be satisfied. Customers are “Kings”, they determine the existence of the marketers. When this is forgotten, one will lose his or her customers base.

2. OBJECTIVES OF THE STUDY

- To study the effectiveness of the customer relationship management practices in sripathi paper& board private limited, Sivakasi.
- To understand the customer needs in sripathi paper &board private limited, Sivakasi.
- To identify and measure the current customer relationship management status and strategies of the sripathi paper& board limited, Sivakasi.
- To suggest useful and practical CRM solution that could be used in sripathi paper& board private limited, Sivakasi.

3. FACTORS FOR SUCCESS OF RELATIONSHIP MARKETING

There are three main factors which are important for the success of relationship marketing. You'll notice that these factors are internal as relationship marketing is an indoor effort from the corporate to succeed in bent their customers.

1) Market knowledge

You cannot deliver as per customer expectations if you are doing not know the market realities. Customer needs and desires are often understood only after minutely observing the market. Many companies are nowadays offering accessories for mobile phones and laptops. This is often because these companies were the primary ones to notice that the accessories coming with the mobile and laptop don't satisfy the customer. Instead, the customer is trying to find accessories which match his own personality. This cause a boom within the accessories sector with many players participating across the world. Thus for a corporation focused on relationship marketing, information of the market is vital to success.

2) Training programs

Relationships are built by people. And other people are susceptible to make manual errors. Thus how does one make sure that the connection marketing effort is coming along as you would like it? You train them through researched and positively leading to training programs. Recently, in an air flight, some passengers were misbehaving. When the stewardess was asked what she would neutralize such a situation, her answer was that she may be a professional and she or he is trained to handle such situations. The stewardess visited the group that was misbehaving and approached he eldest within the group and asked them to take care of decorum as other passengers were getting disturbed due to them. This immediately brought results and therefore the group sobered up. Thus training of handling such situations is vital in future relationship building.

4. THE IMPORTANCE OF CUSTOMER RELATIONSHIP MANAGEMENT

Customer Relationship Management or CRM are practices, strategies and technologies that companies use to manage and analyze customer interactions and data throughout the customer lifecycle. The better a business can manage its relationships with its customers, the better the business will be. CRM are often used as a crucial strategy to find out more about your customers needs and behaviors, also on develop stronger relationships with them.

Building stronger relationships and learning about your customers needs and behaviors helps to retain customers. It is important to retain customers so as to expand your business. In most businesses the prices of obtaining a replacement customer is bigger than retaining a current customer. This means that each existing customer is crucial

to a business. Customer relationship management helps companies gain an insight on their current customer's behaviors and then modify their practices to best suit that behavior. It helps a business to recognize the value of its customers and capitalize on each of their needs. Customer relationship management allows you to track each of your customers, get more visibility into your client base, understand tactics needed for long-term profitability & formulate better plans.

Some of the main benefits of customer relationship management include

- An increase in sales through better timing
- Help identify needs more effectively by understanding specific customer's requirements
- Opens cross-selling of products by highlighting alternative enhancements
- Identify which customers are most profitable and which are not
- Leads to better marketing of products and services

5. REVIEW OF LITERATURE

Agus Nugroha, Agus Suharmantob, Masuginoc (2012) To win the global competition and sustain the business, small and medium enterprise shall implement a reliable information technology application to support their customer data base, production and sales also well as marketing management. This paper addresses the implementation of Customer Relationship Management (CRM) in small and medium enterprise, CV. Densuko Jaya. It is a little and medium enterprises in Semarang, Central Java, Republic of Indonesia affect rubber processing industry supply chain. ADDIE model utilized in study to setup the CRM functionality at these enterprises. The aim of the authors is to present the advantages resulting from the appliance of CRM technologies at these enterprises to unravel solve their chronicle issues with in the field of integrated customer data base, production management process and sales automation so as to spice up their business in the near future. Training and coaching have been delivered to the enterprises staffs and management to make sure that they will execute the system.

Dr. T.Velnampy&S.Sivesan (2012) Within the in the present era, customer relationship marketing plays an important role. The main goals of customer relationship marketing are often expressed simply as understanding and treating customers better for increased loyalty and profit. Main purpose of the study is examining the connection between customer relationship marketing and customer satisfaction. Customer relationship marketing are often measured through following ten variables trust, commitment, empathy and equity. Data were collected through a seven points Likert type summated rating scales of questionnaire. A sample of 1 hundred and 7 customers was surveyed from three mobile service providing companies like Airtel, Dialog, and Mobitel. Correlation and regression analyzed has been employed to measure relationship and contribution among the dependent and independent variables today's highly competitive business environment, companies are unable to longer survive with a transactional attitude towards customers. They need to focus their marketing lenses more rational dimension, which is taken into account to the foremost suitable approach for satisfying and maintaining customers (Hollensen2010). Customer relationship marketing is that the biggest paradigmatic shift in marketing theory and practice in recent decades. It's taking back to its roots (Gronroos, 1996). In industries and repair markets, customer relationship marketing is becoming a necessity so as to survive.

EvelinaBazinia, LiljanaElmazib, ShkelqimSinanajc (2011) In recent times, managers have started understanding the relevance of retaining active customers with companies as a key component guarantying their survival in the market. Moreover, the advantages related to companies relying on loyal customers are highlighted. This loyalty emerges from the relationship "customer- organization", the longer and more intense the relationship is, the higher the benefits. The aim of this paper is to emphasize the importance of relationship marketing management in Albanian insurance businesses. During the last decades competition has intensified within the financial markets and corporations have encountered difficulties in selling their goods or services, and thus also, keep their market share. As a result, a phrase that has been commonly used in recent times and is appropriate for all business activities is to keep the "customer in focus". This represents a change in the way business leaders think about the company's relationship with the market. It can be said to represent a change from a product oriented to a market oriented way of thinking.

Deepak Kumar, AmbalaCantt (2014) Customer satisfaction and loyalty depend on the relationship marketing strategies of the marketer. In the early 1990s the concept of relationship marketing was formally introduced into the field of service marketing. And further the concept was also found applicable in the case of industrial as well as

consumer products. The aim of relationship marketing is to create strong, lasting relationship with core group of customers. It is to a firm's advantage to develop long term relationship with existing customers because it is easier and less expensive to make an additional sale to an existing customer than to replacement sale to a replacement customer. In this paper an attempt is done to know the need, benefits and scope of Relationship Marketing. Relationship marketing is a strategy designed to foster customer loyalty, interaction and long-term engagement. This customer relationship management (CRM) strategy focuses more on long-term customer retention than acquiring large numbers of latest and potentially single transaction customer. Relationship marketing was first defined as a sort of marketing developed from direct response marketing campaigns which emphasizes customer retention and satisfaction, instead of a dominant specialize in sales transactions. As a practice, relationship marketing differs from other sorts of marketing therein it recognizes the future value of customer relationships and extends communication beyond intrusive advertising and sales promotional messages.

PeymanJesri Freyedon AhmadiMotreza Fatehipoor (mar2013) The main objective of this study is to investigate the relationship between the components of relationship marketing and customer loyalty. In terms of implementation, this study has been a correlation and conducted as field. Statistical population of present study is all customers with an account in Mehr Bank within the province of Kermanshah. Sampling method is simple random systematic, method of data collection is field and data collection tool have been Ndobisi & Wah(2005) standard questionnaire .After the questionnaires distributed, 384 questionnaires were analyzed. Method of knowledge analysis was the coefficient correlation and regression that performed by using spss software. Research findings indicate that there's a relation between relationship marketing components including trust, commitment, communication quality, conflict handling and competence on customer loyalty and also to regression testing that all variables were examined simultaneously on customer loyalty; results showed that all components have an impact on customer loyalty. Development of commercial marketing and repair marketing led to a replacement approach that emphasized future and shut relations with customers. Therefore transaction-based marketing that focus only on the selling of the product shifted to interactive marketing that focus on the establishment of sustainable and long term relations with customers (Abbasi and Torkemani, 2010, p.25). Berry (1983) viewed relationship marketing as a strategy to attract, maintain and enhance customer relationships (Berry, 1983). Gummesson (1993) defined the term as a technique during which the management of interactions, relationships and networks may be a fundamental issue.

RanaSaifullahHassana*, AneebNawazb, Maryam Nawaz Lashari c, Dr. FareehaZafard (oct 2014) In a highly competitive market, companies need to maintain positive relationship with their customer. A good CRM (customer relationship management) program that helps company in satisfying the customer, the research study would explore different methods and techniques for establishing effective CRM to satisfy the customers. The purpose of the study was to see the effectiveness of customer relationship management (CRM) in retaining and satisfying customers with regard to Shell Pakistan. This study shows that customer relationship management has significant effect on the customer satisfaction and both variables have positive relation.

6. RESEARCH METHODOLOGY

Research methodology is a way to systematically solve the research problem. It may be understood as a science of studying how research is done scientifically. Abraham Kaplan defines research methodology in this way. Research methodology is "the description, explanation & Justification of various methods of conducting research".

Research Design

Research design is the basis of defining the research problem. The preparation of the design of research project is popularly known as research design. The researcher adopted descriptive research for the study

Descriptive Research

The research type used is descriptive research. The purpose of descriptive research is the description of the state of affairs, as it exists at present. Descriptive research includes surveys and fact-finding enquiries of different kinds

Sampling methods

The sampling method are used in this study is non-probability sampling.

Non-Probability sampling

A sample of units where the selected units in the sample have an unknown probability of being selected and where some units of the target population may even have no chance at all of being in the sample.

SAMPLING TECHNIQUES

Convenience sampling

Convenience Sampling is a sampling method (a way of gathering participants for a study) used where you select a naturally occurring group of people within the population you want to study

Sample unit

The researcher considered the customers of sripathi paper & board private limited, sivakasi as the sampling unit for this study

Population

Population is unknown

Sample size

The sample size selected for the research is -----270-----

Research instrument

Data collection was done through a structured Questionnaire.

Geographical area

The researcher considered his geographical area as sivakasi for this research.

Methods for Data collection

- Primary data
- Secondary data

Primary Data

Primary data means the data collected freshly from the respondents. For this research primary data was collected from the customers of sripathi paper & board private limited, sivakasi through Questionnaires.

Secondary data

Secondary data means, the data already available. It was collected from books, internet, magazines etc.

Tool used

Statistical techniques used for this researcher

- Percentage method
- Weighted average method

Percentage method

Percentage method refers to a specified kind which is used in making comparison between two or more series of data. Percentage are based on descriptive relationship. It compares the relative items. Since the percentage reduced everything to a common base and thereby allow meaning comparison.

$$\text{Percentage} = \frac{\text{Number of respondents}}{\text{Total number of respondents}} * 100$$

Weighted average method:

The term weight stands for relative importance of different items. Weights have been assigned to various ranks. The weighted score is calculated by multiplying the number of respondents in a cell with their relative weights and the whole number is summed up to give the weighted score for that factor. In this method weights are assigned to the items. The formula for computing weighted average is

Formula:

$$\text{Weighted Average} = \sum_{i=1}^n \frac{\text{Value} * \text{Weight age}}{\text{No. of Respondents}}$$

Statistical Tool For Analysis:

The following tool used for analysis:

- percentage average Analysis
- Weighted Average Analysis

Data Analysis and Discussion:**Table 7.1 Demographic profile of employees**

Particulars		No. of Respondents	Percentage (%)
Gender	Male	138	51.1
	Female	132	48.9
Marital Status	Married	200	74.10
	Unmarried	70	25.90
Age Group	18-25 years	57	21
	25-30 years	71	26
	30-50 years	93	35
	50 above	49	18
Monthly Income (Rs.)	Below Rs.30000	67	25
	Rs.30000-50000	21	8
	Rs. 50000-100000	80	38
	Rs. 100000-200000	52	19.00
	More than200000	50	10.00
How did you identify	Web- site	64	23.7
	Word of mouth	68	25.2
	Social media	49	18.1
	Others	89	33
What is the reason for buying goods	Price	24	8.90
	Quality	91	33.7
	Services	80	29.6
	Availability of product	35	13
	Easy to accessible	14	5.1
	More no of brands	5	1.9
	All of the above	21	7.8
What is your expectation for change	packaging	77	28.5
	Product variety	100	37
	Price	55	20.4
	Customer services	38	14.1
What is your customer profitability	Event conducted for customer	40	14.8
	Shipping & delivery	57	21.1
	Customer loyalty	71	26.3
	Advertising	38	14.1
	Value added service	64	23.7
How long have	Less than one month	65	24.1

been using services classification	1-6 month	67	24.8
	Months to 1year 1-3 years	82	30.4
	Over 3 years	56	20.7
Mention the factor influenced to decision	price	65	24.1
	Range	69	25.6
	Brand image	71	26.3
	Value added service	65	24
Respondents opinion towards influenced your decision	Brand image	36	13.3
	Value added service	69	25.6
	Product quality	119	44.1
	Price	29	10.7
	Availability	17	6.3
Respondents opinion towards factor customer get satisfied	Product quality	98	36
	Delivery process	93	34
	Price	49	18
	Services by organization	30	12
Respondents opinion towards overall satisfaction to the external image	Highly satisfied	135	50
	satisfied	71	26
	Neutral satisfied	49	18
	Dissatisfied	12	4
	Highly dissatisfied	3	2

Source: primary Data

Demographic of Employees

- 51.1% of the respondents are male.
- 35% of the respondents are in the age group of (34.6)
- 74.1% of the respondents are married .
- 38% of the respondents are earn 50,000
- 33% of the respondents are others.
- 33.7% of the respondents are high quality.
- 100% of the respondents are high level product quality
- 71% of the respondents are customer loyalty
- 71% of the respondents are months to 1years 1-3 years.
- 71% of the value added service.
- 119% of the respondents are product quality.
- 98% of the respondents are high level product quality.
- 135% of the respondents are high satisfied

Table 7.2: Weighted Average Analysis

Table7.2.1 Respondents opinion towards the factors the factors influencing organizational climate

factors	excellent	Very good	good	average	poor	total	average	rank
Product add	(119*5)595	(3*4)12	(76*3)228	(35*2)70	(37*1)37	942	3.48889	I
Sales service	(57*5)285	(20*4)80	(152*3)456	(38*2)76	(3*1)3	900	3.3333	III

Product information given by sales person	(76*5)380	(14*4)56	(116*3)348	(61*2)122	(3*1)3	909	3.36667	II
packaging	(73*5)365	(9*4)36	(124*3)372	(51*2)102	(13*1)13	888	3.28889	IV
price	(67*5)335	(12*4)48	(128*3)384	(50*2)100	(13*1)13	880	3.2592	V
Damage replacement	(61*5)305	(18*4)72	(108*3)324	(74*2)148	(9*1)	858	3.17778	VI
Credit purchase	(52*5)260	(6*4)24	(150*3)450	(54*2)108	(8*1)8	850	3.148	VII
Time on delivery	(73*5)365	(13*4)52	(138*3)414	(41*2)82	(5*1)5	918	3.4	VIII

Sources: primary data

From the above table shows that weighted average score value of the respondents opinion towards the factors influencing customer satisfaction, product add got I rank (3.4888), product information given by sales person have II rank(3.3666) , sales service have III rank (3.333), packaging have IV rank (3.288), price v rank (3.259), damage replacement VI rank (3.177), credit purchase VII rank (3.148), time on delivery VIII rank (3.4).

TABLE 7.3. 1 RESPONDENTS OPINION TOWARDS PROFITABILITY

factors	excellent	Very good	good	average	poor	Total	Average	rank
Education brand image	(103*5)515	(11*4)44	(82*3)246	(56*2)	(18*1)18	935	3.4629	II
Loyalty programs	(68*5)340	(20*4)80	(143*3)429	(35*2)70	(4*1)4	923	3.4185	III
Value added service	(96*5)480	(13*4)52	(106*3)318	(51*2)102	(4*1)4	956	3.5407	I

Sources: primary data

From the above table shows that weighted average score value of the respondents opinion towards profitability based on the factors, value added service have first rank (3.5407), educating brand image have second rank (3.4629), loyalty programs third rank (3.4185).

8. FINDINGS.

8.1 WEIGHTED AVERAGE ANALYSIS

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9. SUGGESTION:

- The entire customer satisfied with quality of the product.
- The customer needs quick responses.
- The customer expecting all kinds of product should be displayed at one roof
- The customer are highly dissatisfied while purchasing time the sales person cannot elaborately explain about the features of the product
- The customer need a large parking space
- The customer expecting offers in some products.
- Sripathi paper & board private limited can fix a reasonable price so that all segments of People can purchase.
- A good strategy can be maintained to create a good rapport with customers
- They can change the media of advertisement to attract more customers.

10. CONCLUSION

Paper as a product if it had to be gain penetration in general trade some trait attributes like packaging, size of puda, consumer preference and retailer promotion must be enhanced and to the main image must be increased by increasing the profit margin an considerable could be done. The project me to create customer relationship and maintain it. The data was collected from various sources and also through looks like questionnaire and relevant interaction with sales executives of sripathi paper & board private limited, sivakasi. The needs was identified in the from and suitable suggestions were put forth in the from of suggestion.

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