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**A RESEARCH CONCERNING MARKETING
LINKED TO INDIAN OIL'S DEDICATION PLAN AS
WELL AS CLIENT RELATIVE OPERATIONS**

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A Research Concerning Marketing Linked to Indian Oil's Dedication Plan As well As Client Relative Operations

Mohd. Javed Khan¹ Dr. B. B. Mansoori²

¹Research Scholar, Aligarh Muslim University Aligarh

²Asst. Prof.

Abstract – Customer Relationship Management is directly related to satisfaction of customers' needs. CRM takes care of expectations of the customers and about what and how a product is presented to the customer. CRM is the system that integrates management of customer groups, establishment and management of marketing companies referring to marketing concept, especially relationship marketing. Making a practical definition, CRM is "The ability of an organization to effectively identify, acquire, foster and retain loyal profitable customers." Coming to the objective, the main objective of this study is to realize the importance of Customer Relationship Management (CRM) in the present scenario of globalization and internationalization. Rationale is viable reasonable approach which is based on natural values related to betterment of humanity. No doubt recent practices have changed but the rationale approach demands honest dealings and proper CRM and supply of proper material which are in the interest of the customers as well as proving the integrity of the manufacturers and suppliers. Research Methodology used to conduct this study includes questionnaires, telephonic interactions and personal interviews of marketing professionals. CRM is an effective tool for satisfying the needs of external as well as internal customers leading to customer loyalty. No doubt, originality is related to every individual independently, but mostly it depends upon the values that hold age old thoughtfulness in the best interest of humanity. We express it in different ways which become a part of our originality.

The purpose of this research is study of Customer Relationship Management process in Customer Retention. We describe the objectives of Customer Relationship Management (CRM) in Customer Retention which is very important for the survival oil companies in today competitive environment. Today, "CUSTOMERS" are very important factors in companies management with the power to change their short-term and long-term policies and strategies. Therefore enough knowledge of environment, expectations of customers and their desires are very important to find the best solution for facing unexpected behaviors of customers and then behave in such a way to change the mind of customers in the direction of companies' profit. It's an art to absorb customers by using different techniques such as CRM in order to manipulate companies' policies a head of them.

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INTRODUCTION

In twenty-first century, an intense competition is in business world due to new technologies and innovations. Due to globalization and internationalization of markets, the companies are realizing that there is no better competitive advantage than customer loyalty. CRM (Customer Relationship Management) has now become the most important tool. CRM is a systematic business approach using information and ongoing dialogue to build long lasting and mutually beneficial customer relationships. CRM mainly is a concept that has been around for a long time but until today, it was usually ignored as marketing/sales people tried to build a personal relationship with customers. The ultimate goal of a CRM system is to increase profit and help build a

flourishing scope for business. CRM broadly believes in sustainability of business in this innovative world. CRM greatly improves efficiency and effectiveness of marketing department. Apart from marketing, CRM covers product development and resource planning department; all these are essential for prosperous future of a company. CRM plays very important role in flourishing the marketing department of a company. CRM helps in customer retention and sustainability. IT (Information Technology) plays very important role in CRM. Synchronizing a company's marketing efforts with the overall company strategy can be extremely time consuming. The competition and data analysis required can be more easily accomplished with the implementation of a proper CRM system. Product development and improvement is essential for a company to establish a sustainable

and competitive business in today's changing world of modern technology. CRM and product development groups are related through the generation of ideas for improvement and new product introductions. A strong and capable IT group is mandatory to build a sound CRM system so as to support marketing department. The IT group is responsible for maintaining and managing the integrity of a CRM database. CRM if used properly becomes an active and important component of a company's marketing strategy. CRM has the potential to add value to the marketing department of an organization and to a new product being launched in the market.

Customers are the ever strong asset of every organization. In the present era most of the organizations are customer centric. The products or services are provided according to the customer preference. As per as the present scenario there exists intense competition between the several organizations, so it becomes very necessary to maintain a strong customer relationship to survive and grow in the market. The new customers as well as the existing customers form the demand and supply base of any organization. It becomes very necessary to retain loyal customers. And also the cost of creating a new customer base is more than retaining existing loyal customers.

With increasing oil prices and huge competition the oil companies are implementing different strategies to strengthen the customer base and improve the business policy. Indian Oil Corporation is also developing new ideas for succeeding in the competition. To retain the existing loyal customers, many new initiatives have been adopted by I.O.C.L. One such big idea is XTRA POWER FLEET CARD LOYALTY PROGRAM.

During this project we have been assigned to IOCL Retail Outlets as well as Private Outlets which are having XTRA POWER facility, to market the XTRA POWER LOYALTY CARD to the existing IOCL customers as well as new potential customers and at the same time to obtain customers' feedbacks and suggestions about the Loyalty Program. We have also visited many other places like Truck Terminuses, Road side dhabas, Weigh Bridges, Check posts etc. for marketing the Loyalty Card.

Marketing is one of the core disciplines of successful management today. It impacts on society everyday in a myriad of ways - creating new products and services; helping organizations understand what people want and need; helping people find products and services that meet their needs; communicating information that makes people's lives more efficient; creating exchanges that generate employment and wealth. But marketing also raises ethical issues about excess consumption, unhealthy obsessions and addictions, the impact we have on the environment and the communities in which we live. Obviously marketing is important in all areas of the organization, and

customers are the reason why business exist. In fact, marketing efforts (including services as promotion and distribution) often account for more than half of the price of product.

SIGNIFICANCE OF CONSUMER RELATION MANAGING (CRM)

Consumer Relation Managing (CRM) is directly related to the satisfaction of customers' needs. CRM takes care of expectations of customers and what and how a product is presented to the customer. CRM is defined as a system that comprises large amount of customer data and presents it in a suitable manner. This information helps in retaining old customers and developing new potential customers. CRM plays a vital role in effective decision making in marketing management. CRM really improves the efficiency and effectiveness of marketing department of an organization. CRM can also be defined as:

- A process of creating and maintaining relationships with business customers/consumers, a holistic approach of identifying, attracting, differentiating and retaining customers.
- A process of integrating the firm's value chain to create enhanced customer value at every step.
- An integrated cross functional focus on improving customer retention and profitability for a company/organization.

CRM requires organizational and business level approaches – which are customer centric for marketing management rather than a simple marketing strategy. CRM involves all corporate functions (marketing/manufacturing/customer service/field sales/field service) required to contact customers directly or indirectly.

"However, in considering the future of relationship marketing, there are a number of issues which need to be addressed from the consumer's perspective. First idea of developing a relationship between producer and consumer may have an inherent appeal and sense of fair play and, in some situations, this may be the preferred choice. But let us examine what is really happening in these relationships in a little more detail. What has become apparent in the last few years is that many consumers have come to realize that relationship marketing is too often about the relationship that the producer wants and very little about the relationship that the consumer requires. When the balance of power lies in the hands of the producer, there is little the consumer can do other than refuse to respond to calls for further and deeper relationships, although depending on the choices available in the marketplace this may be more or less difficult. Even when consumers expressly exclude themselves from a relationship, the producer can still ignore their consumers' wishes.

DEVOTION PLAN

Loyalty programs are structured marketing efforts that reward, and therefore encourage loyal buying behaviour – the behaviour which is potentially beneficial for the organizations. Earning customer loyalty goes beyond gaining customer satisfaction. Loyal customers evangelize the brand by sharing their satisfactory experience with their surroundings.

The organizations, in terms of Loyalty Program, may offer benefits in a number of different ways. Many loyalty programs offer a sustained discount for a period of time (e.g. 10% for 1 year) or a onetime discount with certain criteria (e.g. 10% on a single purchase of Rs. 10000). Many offers reward points which may be redeemed for products which may or may not be directly related to business.

Loyalty cards are the most common form of loyalty programs found throughout the world today. Some of the first loyalty programs instituted by airlines were in the 1970s in the form of frequent flyer miles. In those loyalty programs, one accrues points by flying on the airline and then redeems the points into tickets, upgrades, or even third-party benefits. Loyalty programs have gained popularity immensely from the time when the organizations became customer centric. Now a days Organizations' thinking is that the customers' "feel good factor" is the most valuable wealth for any organization and for this reason the customers are gaining special treatments in the form of loyalty programs.

The immense competition is making the loyalty programs an integral program of business of day to day functioning of petro-retailing. Right now many such loyalty programs are run by the petro-retailers like XTRAPOWER (IOCL), EXTRAREWARDS (IOCL), SMART FLEET (BPCL), PETRO CARD (BPCL), and DRIVE TRACK (HPCL). However, these programs are mainly focused at the bulk consumers. But the small consumers are being also provided these types of facilities.

The definition of loyalty is when your customer is faithful to your business and product brand. They will return again and again to do business with you, even when you may not have the best product, price or delivery service. Loyalty is the result of developing past positive experiences with an individual and having that person return back to you various times due to these experiences. If you can recognize the unique situation of your customer at any point in time, like their current business condition, purchase history or immediacy of purchases, these little pieces of information can be used to benefit your business. Measuring the effectiveness of your client's history against loyalty is a responsibility for tools like CRM systems. These tools help measuring these actions,

move your clients to purchase more, introduce them to other products you may carry and have those clients use word of mouth to help promote your business. It has been proven that great service is still what motivates clients to become loyal to the organizations they deal with. If they are receiving poor service and neglect from you towards their needs, your company will have a short-term relationship with them. This negative action also will spread by word of mouth and could be hurting your business more that you ever imagine.

IMPORTANCE OF MARKETING AND ADVERTISING SUPERVISION

The importance of marketing to a competitive business strategy becomes apparent when investigating the seven key areas of the field: Product, Price, Place, Promotion, Process, Physical Evidence and People. All areas must be effectively examined closely, if an effective strategy is to be implemented.

Product is concerned with what a company is offering. It is very much important to know what a customer/consumer wants and to produce/market the product to meet those wants.

Price is very influential to many customers'/consumers' key perceptions in different products. With proper marketing research, maximum selling price can be determined still with customer's great interest. It is up to marketing department – customers can be turned off to very high as well very low prices.

Place become equally important whereat the marketing of the product should be launched/introduced. Every product has its own market and customer section, depending upon age/sex/job status/religion/demographics. It is very much important to keep in mind the place factor by the marketing department.

Promotion is again very important key area for marketing department while setting marketing strategy. Using proper combination of advertising, sales promotion, personal selling and public relations will help companies capitalize on every rupee spent thereat.

Process is fifth key area to be considered by marketing department. It includes a set of activities involved in marketing.

Physical Evidence is the sixth important key area to be considered in marketing management. Physical evidence involves establishment/ facility/ layout/ equipment/ design/ surroundings to be considered while offering a product to the customer.

ANALYSIS METHOD

The study was conducted through questionnaires, telephonic interactions and personal interviews. The study examines major aspects concerned with the role of Customer Relationship Management (CRM) in the global marketing management. The data for study was collected from the marketing experts. The study mainly focuses on the extent of sustainability achieved in the market through the Customer Relationship Management (CRM). In this study, mostly individuals from the reputed companies were taken into consideration. The questionnaire, before sending was first tested and refined after consulting the marketing experts.

This research will describe the methodology used in this research, and will clarify how the research problem has been solved. It starts with the research approaches and followed by a presentation of the research design, the data collection tools and furthermore a description of how the data is analyzed.

Methodology can refer to the science that studies the methods of problem solving. Most sciences have their own specific methodology. It is sometimes used synonymously with "method," particularly a complex method or body of methods, rules, and postulates employed by a discipline. Methodology can properly refer to the theoretical analysis of the methods appropriate to a field of study or to the body of methods and principles particular to a branch of knowledge.

We are going to study the correlation between Customer Relationship Management (CRM) and Customer Retention (CR) and the impact of CRM on CR. In fact, better-understanding and extensive study of these concepts are our main goals for establishing research priorities and formulating research questions.

ADVANTAGES OF CRM

CRM is the process or method used to know the customers' needs and buying behaviors. The sole aim of CRM is to develop strong and deep relationships with the customers, so as to benefit the business as well as the customers. According to the concept **"Customer is the King"** – the needs and desires of the customers hold a vital place in the minds of the business and businessmen. CRM is considered as a process that brings together pieces of information related to sales, customers, marketing effectiveness, market trends and responsiveness. The process of CRM aids businesses in using both human resources and technology to gain an insight into customers' behavior. This helps business to serve their customers in a better and more satisfactory manner. The many benefits of CRM include:

Customer gets an offer in an appropriate form when it is necessary and what is necessary. He/she gets served, feels important, gets informed in time and

lastly gets a possibility to choose a service channel (self-service, full service). The system has to be friendly. It helps to fulfill more actively during the same time and a higher salary is related to it. It creates the feeling of self control, a possibility to show oneself as leader and sound competition emerge.

CRM helps to identify and anticipate the needs and desires of the customers in a better way and prior to those business that do not have an effective CRM. This leads to increased sales, as companies that have an efficient CRM bring innovative and beneficial products into the market.

Effective CRM aids to enhance customer satisfaction towards the business and its products. Satisfied customers can be successfully retained for long time periods without making such effort. This ensures good reputation of the business both in the market place and in the minds of the customers.

Customer profitability analysis is another benefit of a successful CRM implementation. It is the process of defining the right customers and also to converting marginal customers into profitable ones. Customer relationship processes should incorporate a means of determining how much customers are costing an organization so that the more profitable relationships can be targeted. This type of analysis can be beneficial for both the customer and vendor involved. Because such targeting efforts are predicated on analysis of customer-level data and the profitability of customers, we speculate that understanding customer-level profitability can lead to better targeting and therefore create win-win situations. This creates an opportunity to eliminate transactions that may not add value to a supply chain and to reengineer the process for symbiotic gains among the supply chain partners rather than continue the typical adversarial relationships between a supplier and its customers.

TECHNOLOGY PRESENTATION OF CRM

Initially CRM was started in call centers, where technology used was CTI. At that time, call center packages were produced by taking advantage of its expertise in both company and telecommunication technology. Internet has diversified the channels between companies and customers. Now a day, CRM need to handle the channels like e-mail, websites and telephone regulatory. An automatic email response system has been developed for responding to inbound e-mail enquiries of the customer. By taking advantage of stored customer data/information, it is important to approach customer with appropriate outbound e-mail messages.

Data mining is another key which is used for stored customer information. Data mining is a process that uses a variety of data analysis and modeling techniques to discover pattern and relationships in data that is used to make appropriate accurate predictions. It helps in selecting right prospects,

offering right additional products to existing customers and identify good customers who may be about to leave. CRM applications that use data mining are called analytical CRM. This method enables us to enhance our sales by sending e-mail sales promotion messages to the customers. Another web oriented system is Intelligent Configurator, which provides the customer appropriate set of products, options and services. CRM helps in acquiring new customers, increasing the value of customers and retaining good customers.

Although the success of CRM is not based on technology, but it empowers the process integration. It should be considered that technology must be strategic, accessible and cost effective. It also should provide enough flexibility and growth for the long-term corporate plans. If internet access is in mind, security should be considered as well. It is better to find a system that is configurable to the needs of a company. Software customization is expensive and hard to maintain. Installing or expanding a viable and rational CRM program should make a big difference to a company's ability to reap the benefits of accurate customer differentiation and the consequent optimization of the value of its best customers.

It is important to implement a CRM system driven by customer knowledge - so that the right products can be presented to the customer at the right time, according to stored knowledge of their preferences, needs and propensities. A customer relationship management process that does not include a metrics area cannot measure success or failure. CRM can be difficult to measure, but it is important to ensure there is a way of regular monitoring and refinement of this key area.

CRM BENEFITS WITHIN MARKETING AND ADVERTISING

CRM can be implemented within a company independent of company's size or amount of goods or services selling; both within small and big companies that value quality of the customer's service, his/her loyalty, less sensitivity for price changes and that recognize, that to attract a new customer is much more expensive than to sustain the present one. To implement CRM in an effective way, an integration of firm's resources is required. Further, marketing capabilities of marketing people are also required to deliver added value to the customers. CRM is enabled through information, processes, technology and applications. A company that is looking to implement CRM in an effective way in this competitive hi-tech world must align its business processes cross functionally in the best possible way to allow increased customer focus with an aim to deliver added value to customers.

CONCLUSION

XTRAPOWER is a sound step of IOCL towards building loyalty among the existing customers. Loyalty program works effectively when the customer is emotionally attached with the brand.

The best way to keep customers loyal is to provide quality product or service that provides good value for money. Branding alone will not be completely able to make the customers loyal. But backing up a quality product or service with branding and loyalty programs will develop quicker. Offers and loyalty schemes can increase loyalty, but they are no substitute for (and will not work without) a quality product, good customer service, and friendly customer relationships.

IOCL should have to promote XTRAPOWER Fleet Card Loyalty Program in such a strategic way, so that the Program reaches to the every corner of the country. For this to happen IOCL should give more effort in the promotional and marketing activities of XTRAPOWER. All these will result in tremendous success of the Loyalty Program. Also the customers should be involved in the program by constant communication to understand the extreme details and benefits of the program.

Building relationships with customers becomes necessity in the present scenario of globalization and internationalization of markets. Based on different analysis, the system of CRM enables to determine the best strategies and their effective implementation that company should apply for particular customer groups. CRM is the system that integrates management of customer groups, establishment and management of marketing companies referring to marketing concept, especially relationship marketing. CRM is a system to enhance and support the efforts of the company as a whole by organizing and analyzing information. If implemented correctly, CRM can be a great tool for improving profitability, customer satisfaction and reducing overall costs. Cost reduction can be realized in many functional aspects of a company most notably, by making efforts for efficient and effective role in the areas of sales, resources planning and product development. CRM is essential to compete effectively in today's highly innovative Hi-tech business world. The most effective one can use the information about the customers to meet their needs to their full satisfaction. The route to a successful business requires that one understands one's customers and their requirements, and CRM system is the essential guide.

Generally speaking, the cost of implementing CRM is quite high. Today implementing CRM is such a major

project that most executives are apt to think that CRM is a software tool that will manage customer relationship by itself. Actually in real sense, CRM is the bounding of customer strategy and processes, supported by the relevant software, for the purpose of improving customer loyalty and eventually, corporate profitability.

During our research we learned that it is a lot cheaper to keep existing customers happy than to attract new ones. But maintaining relation with existing customers in level that constantly encourage them to stay with a company is a dynamic and meticulous job. That is why computerized CRM system can play a critical role in success of a company. But the way that CRM systems are used can make substantial difference on the outcome. Along with sales and marketing, all the other departments of a business should be involved with CRM processes. A new emerging approach that recently has been attracting corporations is Customer Value Management. Their goal is to identify the value that can be delivered to customers along with their products through their supportive processes and services. The CVM methodology incorporates a key concept from CRM, namely that success comes from focusing on, understanding and serving targeted customers or groups of customers.

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