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## SOCIAL CUSTOMER RELATIONSHIP MANAGEMENT (SCRM) IN INDIAN RETAIL INDUSTRY

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**Abstract:** *Social CRM is an advanced form of customer relationship management that uses social media services, techniques and technologies to enable organizations to interact with their target customers. This business strategy is supported by technological platforms, business processes, and social networks to help engage customers in a collaborative manner to provide mutual benefits to both parties. The applications are for social range from marketing, sales and customer services to social engagement with prospective customers, and social support for customers. The Retail industries move towards careful when they expend SCRM accounts on smart, rapid and purposeful initiatives that will satisfy more customers and hold social customer relationship management. This study analyse the possible of social CRM in Retail industry and nowadays in front of several disputes like global competition for increasing customer demands, shrinking profit margins and necessitate to survive with new technologies.*

**Keywords:** *Retail Industry, Market Potential, SCRM Types and Social Media*

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## **INTRODUCTION**

Retailing is a distribution channel function, where one organisation buys products from supplying firms or manufacturers products themselves, and then sells these directly to consumers. In recent times, every customer is connected to both the retailer and other customers. They expect immediate responses to their questions and problems, and they demand to be informed about promotions and sales as they happen and if they are near a particular retail establishment.

Retailers have the opportunity to leverage social technologies in their favour. By understanding that each social action by a customer offers the opportunity for the business to make a touch point, collect data, or build loyalty, retailers can better grasp how important social customer relationship management (SCRM) is to them.

## **SOCIAL CRM**

Social CRM is a business strategy supported by technology platforms in order to provide mutually beneficial value for both companies and customers. Today, companies transform their business by applying new strategies, conducting organizational change, and purchasing new SCRM technology to achieve competitive business benefits. Social CRM helps companies to establish customer engagements and increase their brand presence among customers. Social CRM focuses on capturing the customers need and creating value for them in a transparent business environment.

The ultimate goal of SCRM in retail sector is to provide a comprehensive suite of software applications that enable them to increase revenue, productivity and customer satisfaction by managing, synchronizing and coordinating customer interactions across all touch points including web, customer contact centres, field organization and distribution channels. This research explores the social customer relationship management strategies that Indian retail industries is pursuing in today's rapidly changing and highly competitive environment, and to study their effect on the service quality and satisfaction of customers which represent through this research by association with the Indian retail industries.

## **REVIEW OF LITERATURE**

**Alok Nayak (2015)**, published "The Future of Social CRM" Social CRM offers a wide range of benefits to various functions across the organization. From managing campaigns and customer conversations to gaining insights of customer behaviour, social CRM helps



businesses generate leads and drive sales and branding. Here are the key benefits of social media that all businesses like to achieve.

**Nishith Gupta (2014)**, in his article entitled “Social CRM for Retail – Top 5 Channels” Providing a compelling and innovative customer experience is vital for any retail brand. Social being a channel of choice for many consumers has made it imperative for retail sector to make it part of its customer experience strategy. Thus, brands are now moving beyond sponsored ads on various social media channels and moving towards integration of social channels with their CRM processes. Providing customer experience through Social CRM is the new brand differentiator in the retail industry with retailers leveraging social channels for communication on product updates, getting new ideas, providing customer support and driving more sales.

**Kupper et al. (2014)**, analyzing IS and Marketing articles, reveals the current state of knowledge for Social CRM measurement models, and reveals the lack of clearly defined dimensions and factors as well as corresponding measures (e.g. key performance indicators - KPIs). The scientific literature focuses on SCRM measurement models or identifies single performance factors for Social CRM (e.g.). An additionally conducted literature review in early 2014 focuses on Social CRM performance factors and their classification into different dimensions. The previous results provide the conceptual background for this article. Given the novelty of the topic and lack of research, the identification of Social CRM performance factors, which are relevant for business, complete the research gap.

**Deepak Salve and Anil Adsule (2011)** Consumers are the focal point in the development of successful marketing strategy. Marketing strategies both influence and are influenced by consumers affect and cognition, behaviour, and environment. Marketing strategy from customer point of view is a set of stimuli placed to influence them. Retail industry today face several challenges like global competition for, increasing customer demands, shrinking profit margins, the need to cope with new technologies. Retailers need to be careful when they spend SCRM budget on smart, fast and focused initiatives that will satisfy more customers.

## **OVERVIEW OF RETAIL INDUSTRY**



Presently customers are connected to both the retailer and other customers. Using social apps, a customer can reach out for support, recommend a product or service, or relate a problem, all from the palm of their hand and in real time.



Source: <http://www.technavio.com/blog/social-crm>

## BUILDING LOYALTY

Customers expect rewards. Years ago, a rewards card that collected points or a coupon in the mail went a long ways toward building loyalty, but now customers expect to gain from positive interaction with retail businesses. Each time a customer connects with a company through social networks, checks in at a physical location, or opens the company's e-mail, it gives that company a chance to strengthen its relationship with them. Social CRM software that monitors the customers' interaction with the company gives the organization the opportunity not only to provide its customers with something in return the reward but allows the company to capture analytics regarding its customers' shopping habits.

Building loyalty and providing improved customer service should be enough for most businesses to realize the importance that social CRM plays in the retail industry, but there is one more aspect that shouldn't be overlooked the ability to monitor how the business is being portrayed on the social Web.

A company's ability to monitor mentions of its brand, products, and services even when it is not being contacted directly can provide some of the most important data the business needs to grow. Seeing what customers are saying about the business in a neutral playing



field can give more insight into how the company is performing than any face-to-face conversation ever could.

In a social CRM process, an organization uses specific tools to integrate all the social networks and improve its vendor-client relationship. The process also helps an organization collect and understand users interested in the products or services of the company.

## **TYPES OF SOCIAL CRM**

### **Social Media Monitoring**

Social media monitoring, also referred to as social media listening, is the process of identifying and tracking news and information about a company, individual, product, or brand on social media.

### **Social Mapping**

The social mapping tool is used to show the relative location of households and the distribution of different types of groups together with the social structure of an area. Social mapping is based on socioeconomic factors such as status, skills, property, education, and income. The tool helps determine households benefiting from the assessment and whether they belong to the target group of customers.

### **Social Media Measurement**

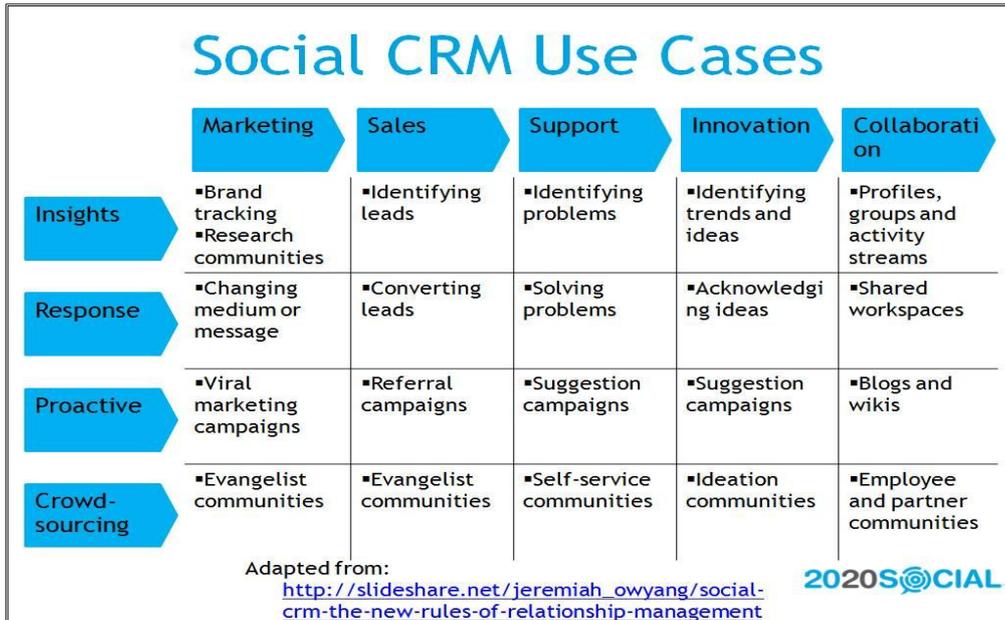
The social media measurement tool helps measure the ROI generated from social media interactions. At times, social media can be challenging, and it can even be impossible to measure ROI. Digital measurement is dependent on customer experience, response, and subsequent behaviour.

### **Social Engagement**

Social engagement, also known as social involvement or social participation, refers to the degree of an individual's involvement in a community. It is the ability to reach out and obtain a response from a company (as a consumer) or an audience (as a company).

### **Social Middleware**

Middleware is computer software that connects software components or applications. Social middleware is composed of social software technology that supports individual interactions and usage patterns of customers. It also provides an insight into the future of an industry.



## POTENTIAL OF SOCIAL CRM

Social CRM offers a wide range of benefits to various functions across the organization. From managing campaigns and customer conversations to gaining insights of customer behaviour, social CRM helps businesses generate leads and drive sales and branding. Here are the key benefits of social media that all businesses like to achieve.

### Quicker Sales Link

Social CRM contributes significantly to the sales process. While outbound lead generators take the traditional route to contact prospects over phone and email, social CRM system provides a more engaging platform for the prospects. With greater social media adoption, the users today are connected with the digital world in a more engaging way. Furthermore, an alerted sales team leverages the system to capture the customer's imagination faster and curtail the inherent delay that exists in a traditional sales process.

### Comprehensive Reach

Social CRM by design is an extended platform that connects users from various segments of business. A company having a solid social CRM strategy can easily reach out existing customers and prospects relatively easily. Moreover, when a particular marketing message is posted on a social media channels, the users often comment, provide feedback, and share it among their individual groups. This increases the reach of the message to extend user groups. For instance, a user in LinkedIn posting a message in a media-centric group has maximum chance to be distributed in similar professional groups.



### **Quicker Market Surround**

Social CRM brings in the agility in marketing automation program. Companies can build a quicker go-to-market strategy for new launches and implement it in significantly less duration. Furthermore, companies can leverage the social CRM system to reach out to customers in a proactive way. For example, if customers find any problem with a product or service, they will first post negative messages about the company on various social media channels. Through social CRM the businesses can see those responses and try to address the issues faster before those being converted into complaints.

### **Enhanced Customer Practice**

Persuasive customer practice is the key objective of businesses in a customer-driven ecosystem. With rising level of customer awareness, companies are planning to offer better customer experience through technology enablement, and social CRM is one of those measures. Through social CRM customers could be able to connect with peers and company representatives to discuss their problems and also provide suggestion for the company offerings. Based upon the customer feedback/suggestion/complaint companies can ensure resolution of issues faster. This will help companies build a sustainable customer relationship and improved customer experience.

### **Enlarged Revenues**

The core objective of any business is to increase revenues irrespective of market conditions. In today's business, the consumers are driven by values offered by a company. Once the company understands the dynamics of customer buying process, programmatic marketing campaigns can be done using big data and the target customers will be influenced to buy the product in real-time. Social CRM with capabilities of multichannel communication can allow companies to reach out to the customers on the fly. A proactive action such as offering value during a buying decision can ensure maximum selling. This reflects that social CRM helps improve the sales turnover in more ways than one.

### **CONCLUSION**

The study concluded that, Indian retail industries have implementing social CRM in a key enabler of customer engagement. The key elements of a successful social CRM adoption will depend upon how effectively the companies analyze the customer data and engage with them on a continuous basis. Apart from the technology automation, as the intensity of



social media interactions among businesses and customers rise, this will open up more avenues for sales and revenue generations of retail industry.

Retail industries have find it easier to analyze the customers' needs through social CRM and suggest them the desired products by interpreting their online behaviour, search results and visits. The sales and marketing peoples are how to precise their customers and responding to them in a real-time environment that will make the disparity for the social CRM. Social media sites were delivered the real-time customer experience for any product and ensured the customer relationship management among the retailers.

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