



“A STUDY PAPER ON THE SCOPE OF CUSTOMER RELATIONSHIP MANAGEMENT (CRM) IN SMALL SCALE PRODUCTION UNITS OF RAJKOT”

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ABSTRACT **PURPOSE:** This paper explores the scope of CRM by employing ERP software specially by Small Scale production units of Rajkot, Gujarat.

METHODOLOGY: A structured questionnaire is prepared in English. The two level data have been collected and analyzed primary and secondary data. Primary data have been collected from the respondents and secondary data from various reviews and researches. Finally, findings and conclusions are drawn from the analysis. 50 respondents were examined.

FINDINGS: The findings of the research explore that for small and unorganized sectors, employing ERP Software for better CRM is proven to be costly matter. Moreover, the majority of the production units are engaged in B2B (Business to Business) model wherein industrial customers are having entirely different set of requirements.

RESEARCH IMPLICATIONS: Based on the existing outcomes of the research, the further research can be extended to state and national level in the same category. Outcome of this can be of great use to strategy makers.

KEYWORDS : Enterprise Resource Planning, CRM, Small Sector Units, B2B Model, Cost to Company.

INTRODUCTION

India is endowed with huge amount of natural resources and they get depleted as the industrial growth but the contribution in negative environment is due to unorganized sectors due to compromising fulfillments. In the same way, majority of production units are largely a vendor of large sector unit or may be equipment supplier. They are more involved in doing business to business job work so, for them direct consumer involvement or interaction is less. Industry has very specific requirements and that are well met by the small manufacturing units. There are advanced software available in the market like SAP, Tally, ERP, Etc. but the use and application of such advanced software is always an optional demand for the small manufacturing units.

REVIEW OF LITERATURE

By shashisairedy April 2013 Integrating ERP with CRM
The Recent study of the market suggests that many companies are opting for cloud-based modules for the ERP business systems. Many companies are opting the cloud implementation of the CRM system to the ERP systems. Although often beneficial, such an implementation should be carefully evaluated based on the ROI and on delivering positive returns.

Before implementing such a project, there are things that should be taken into consideration.

These are mainly associated with risks and costs. Some experts question whether the complex structure of the financial data stored in the cloud version of the CRM system integrated with ERP systems can preserve the same security features that are present in the on-site implementations. A company should pay a special attention to the implementation, operation and people aspects. "ERP data integration is difficult, and when attempting to move legacy data into newer systems, it is often time-consuming and incomplete,"

The companies that already have a legacy system or an existing ERP, CRM system installed will not have to worry about the integration of cloud based CRM to the ERP system. Once the company acquires the business case for integrating cloud-based CRM to the ERP systems, the hard work for acquiring a reliable system is far from over.

(2) By superbecho, November 2012

Integration of E-CRM: Odds and Pitfalls

Leading-edge Technology necessarily leads to business success?

After years of virtually ignoring their customers, corporations every here have awakened to the fact that there is a tremendous amount of untapped value in their customer base. The study and practice of customer relationship management (CRM) has experienced explosive growth over the past decade. Companies that successfully implement CRM will reap the rewards in customer loyalty and long run

profitability. With the advancement of Web-based technology, market dynamics are driving companies to adopt e-CRM, which is seen to arise from the consolidation of traditional CRM with the e-business applications. The speed and unparalleled cost-effectiveness of the Internet are making the implementation of e-CRM

SIGNIFICANCE OF THE STUDY

The study contributes to the knowledge of the researchers as well as provides much needed details to the software designers. The findings of the present study would be of use to large and small manufacturers about the conception and perception about various software.

RESEARCH OBJECTIVES

- (1) To study the perception of Small Manufacturers about the use and application of industry used software.
- (2) To determine the most influential factor in the decision of buy or not dilemma.
- (3) To understand the importance of CRM from small manufacturers view point.
- (4) To find out the reasons of slow penetration of use of advanced software.
- (5) To understand the influence of various variables on the decision.

ANALYSIS: (Only few are tabulated)

1. Annual Turnover of your Organization.

Range (In Lakhs)	Respondents	Percentage
1 -20	05	10%
21-35	25	50%
36-55	05	10%
56- Onwards	15	30%
Total	50	100%

2. Core Business Activity.

Input	Respondents	Percentage
Job Work	25	50%
Assembling	05	10%
Repair & Return	05	10%
Maintenance	15	30%
Others (Specify)	00	00%
Total	50	100%

3. Business Model

Input	Respondents	Percentage
Business to Business (B2B)	30	60%
Business to Consumer (B2C)	05	10%
Business to Government (B2G)	07	14%
Mix of all	08	16%
Total	50	100%

4. Organization Structure

Input	Respondents	Percentage
Highly Formal & Structured	07	14%
Formal & Structured	07	14%
Informal	25	50%
Mix of all	11	22%
Total	50	100%

FINDINGS AND CONCLUSION:

FINDINGS:

- Major small manufacturing units are involved in job work doers.
- Such units operate mainly on very small finance fund.
- There are very few highly formal units in this category.
- Majority of them are involved in business to business and business to government business model.
- Majority of them are male entrepreneurs.
- They would avoid going directly into business with consumers.
- Awareness about ERP & CRM is almost negligible.

CONCLUSIONS:

- Proper training is important to motivate small manufacturers for using advanced software like ERP.
- They should be motivated to go for consumer products as they fetch more profits.
- Such units should start few products with their own brands.
- The organizational structure should be made formal.
- The pay structure and employee benefits shall be made transparent and just.
- Every small entrepreneur should adopt innovation not as immediate cost but also as a real long term benefits.

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