



SATISFACTION FROM CRM OF UNORGANIZED & ORGANIZED REAL ESTATE FROM CUSTOMERS' PERSPECTIVE

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ABSTRACT Customer relationship is vital for the real estate business. Business need to cater to the needs of prospects in effective and competitive manner to sustain and grow. Customers' data and information is managed in a systematic manner either manually or through computer. This information is used to serve customers with consistency. In this research an effort has been made to study the satisfaction from customer relationship management (CRM) of unorganized as well as organized real estate firm. This satisfaction was measured from the perspective of customers. Comparison was also made between the level of satisfaction between CRM of unorganized and organized real estate firm.

KEYWORDS : Customer Relationship Management, Organized Real Estate, Unorganized Real Estate, Satisfaction

INTRODUCTION

Real estate is one of the major industry of India, its growth significantly influence the progress of different areas of economy. It is the second largest employer after agriculture in India. It is likely to grow by 30% in the coming 10 years. Land cost is increasing rapidly that has made the share of land approximately 50% of the project cost. In such a scenario a lot of emphasis is required on cost effectiveness and systematic marketing efforts.

Customer relationship management (CRM) is the system through which efforts are made to manage relationship with the existing and potential/prospective/ future customers. Real estate business heavily relies on customer satisfaction. Through CRM clients are attracted and retained. CRM channelize & streamline transactions. It helps in closing sales deal on time.

In the years ahead, the construction industry in India has to overcome various challenges with respect to the housing, environment, transportation, power or natural hazards. Technocrats suggested Indian real estate industry should adopt modern technologies and skilled project treatment plan to conquer these problems.¹

Quality and Rates & fees are some of the main factors which have created an impact on loyalty and satisfaction of customer effectively. Product attributes, image, service attributes, initial cost and lifecycle cost are the factors which have closely associated with the CRM and loyalty and satisfaction of the customer.²

Jarl Elfving and Karl Lemoine in his study concluded that more advanced and integrated technological solution, covering data from both traditional CRM channels and social CRM channels, would improve analytical capabilities, which would result in better innovation processes for the firm.³

CRM is one of the most important parts in the housing industry that have been adopted by researchers, companies, institutions and organizations nowadays. CRM is a combination of people, processes and technology that seeks to understand a company's customers. Companies that successfully implemented CRM and customer focus programs; will collect the rewards in customer loyalty, customer satisfaction and customer retention and long-run profitability.⁴

Hypothesis

For the execution of this research work following hypothesis was framed:

There is no significant difference between satisfaction from CRM of unorganized & organized real estate from customers' perspective.

Sample

A sample size of 500 men and women will be taken for analyzing customer relationship activities between organized and unorganized industry. First set of 250 men and women will include 250 customers of an organized part of real estate industry and second set of 250

customers will be from unorganized part of industry. They will be selected from Mumbai and Mumbai Metropolitan Region Development Authority (MMRDA) region and those who have done investment in real estate by their own.

RESEARCH METHOD

Personal Interviews with customers of organized and unorganized real estate firms were done for collecting specific insights for customer relationship management. Well structured schedules were filled.

250 persons who have done investment in Mumbai and MMRDA region in unorganized real estate by their own was selected for the study. On 10 point scale rating customer's satisfaction level was measured on 16 variables namely response towards enquiry, appointment, updates on new launches, SMS services of real estate industry, email services of real estate industry, mobile app of real estate firm, relationship manager's interaction, reminder services of real estate industry, booking status & project updates, bank loan help, payment milestones & payment receipts, cancellation & refund process, status of complaints, registration facility, hassle free ownership and communication accuracy.

Similarly 250 persons who have done investment in Mumbai and MMRDA region in organized real estate by their own was also selected for the study. On 10 point scale rating their satisfaction level was measured on the same 16 variables.

Research findings

Customer's satisfaction level relating to the response towards enquiry made to unorganized real estate was 62.88%. Response towards enquires is quite moderate and not prompt and convincing as desired.

Professionalism and promptness in response was low. Customer's satisfaction level relating to the response towards enquiry made to organized real estate was 72.76%.

Customer's satisfaction level relating to the appointment received with unorganized real estate was 66.32%. Customers felt wastage of time in waiting.

Customer's satisfaction level relating to the appointment received with organized real estate was 74.44%. Customers did not feel fully comfortable to the appointments due to their busy schedule.

Inadequate and late updates were felt. Customer's satisfaction level relating to the updates of new launches received from unorganized real estate was 58.04%.

Detailing of new project with updates is not provided. Customer's satisfaction level relating to the updates of new launches received from organized real estate was 59.96%.

Excessive and exaggerative SMS annoyed customers. Customer's satisfaction level relating to the SMS received time to time from unorganized real estate was 56.36%.

Customer's satisfaction level relating to the SMS received time to time from organized real estate was 65.48%.

Insufficiently informative email causes dissatisfaction. Customer's satisfaction level relating to the Emails received time to time from unorganized real estate was 43.20%.

Excessive emails and insufficiently informative email are disliked. Customer's satisfaction level relating to the Email received time to time from organized real estate was 64.84%.

Unorganized real estate firms either do not have mobile apps or their apps were not known. Customer's satisfaction level relating to the mobile app of unorganized real estate firms was 26.36%.

Customer's satisfaction level relating to the mobile app services of organized real estate was 43.68%.

Customer's satisfaction level relating to the interaction of relationship managers working at unorganized real estate firms was 63.36%.

Customer's satisfaction level relating to the interaction of relation managers of organized real estate was 69.80%.

Customers complain that excessive reminders are sent repeatedly. Customer's satisfaction level relating to the reminders received time to time from unorganized real estate was 46.32%.

Customer's satisfaction level relating to the reminders received time to time from organized real estate was 64.72%. Satisfaction in this respect is reasonably good.

Project updates are provided little late. Customer's satisfaction level relating to booking status and project updates received time to time from unorganized real estate was 63.44%.

Customer's satisfaction level relating to booking status and project updates from organized real estate was 70.68%.

Customer's satisfaction level relating to bank loan help provided by unorganized real estate was 52.44%.

Customer's satisfaction level relating to help provided by organized real estate in availing bank loan was 69.32%. It was better as compared to unorganized firms.

Customer's satisfaction level relating to payment milestones & payment receipts provided by unorganized real estate was 83.44%. Satisfaction in this aspect is quite high.

Customer's satisfaction level relating to payment milestones and payment receipts provided by organized real estate was 85.56%.

Customer's satisfaction level relating to cancellation and refund process of unorganized real estate was 36%. Satisfaction in this aspect is quite low.

Cancellation and refund process in difficult and lengthy. Customer's satisfaction level relating to cancellation and refund process of organized real estate was 45.84%.

Complaints are not handled properly. Either they remain unsolved or delayed action is taken. Customer's satisfaction level relating to status of complaints in unorganized real estate was 42.84%.

Formalities and slow response is the problem being faced by customers in redressal process. Customer's satisfaction level relating to status of complaints in organized real estate was 52.36%.

Customer's satisfaction level relating to registration facility provided by unorganized real estate was 66.88%. Satisfaction in this aspect is quite moderate.

Organized real estate firms do help in registration process. Customer's satisfaction level relating to registration facility provided by organized real estate was 80.36%.

Easy, swift and timely transfer of property in favour of buyer was not found. Customer's satisfaction level relating to hassle free transfer provided by unorganized real estate was 60.60%.

Customers feel worry in transfer of property. Customer's satisfaction

level relating to hassle free transfer provided by organized real estate was 64.68%.

Customers feel confusing, cluttered, exaggerative and even at times misleading communication is done. Customer's satisfaction level relating to accuracy of communication done by unorganized real estate was 56.08%.

Absolutely true, correct and accurate communication is not always done. Customer's satisfaction level relating to accuracy of communication done by organized real estate was 62.12%.

Table 1: Overall satisfaction from CRM of unorganized & organized real estate (From customers' perspective)

CRM Aspect	Unorganized Sector	Organized Sector
Response towards enquiry	62.88%	72.76%
Appointment	66.32%	74.44%
Updates on new launches	58.04%	59.96%
SMS services of real estate industry	56.36%	65.48%
Email services of real estate industry	43.20%	64.84%
Mobile App of real estate firm	26.36%	43.68%
Relationship Manager's interaction	63.36%	69.80%
Reminder services of real estate industry	46.32%	64.72%
Booking status & Project updates	63.44%	70.68%
Bank loan help	52.44%	69.32%
Payment milestones & payment receipts	83.44%	85.56%
Cancellation and refund process	36%	45.84%
Status of complaints	42.84%	52.36%
Registration facility	66.88%	80.36%
Hassle free ownership	60.60%	64.68%
Communication accuracy	56.08%	62.12%
Average	55.29%	65.41%

Table 1 showed the overall satisfaction from CRM of unorganized real estate firms was 55.29% while the satisfaction from CRM of organized real estate firms was 65.41%.

It clearly shows that from customers' perspective satisfaction from CRM of organized sector is better than unorganized sector. Though it is also noteworthy that it is also not pleasant in both the sectors and the improvement is desirable in both.

Z test was also done to ascertain the significance of difference between satisfaction from CRM of unorganized & organized real estate from customers' perspective.

$$|Z| = \frac{P1 - P2}{\sqrt{P0q0(\frac{1}{n1} + \frac{1}{n2})}} \quad |Z| = \frac{0.6541 - 0.5529}{\sqrt{0.5985 \times 0.4115(\frac{1}{250} + \frac{1}{250})}} \quad |Z| = 2.299$$

The calculated value of Z was 2.299 which is more than table value of Z at 5% level of significance (1.96). So the calculated value of Z does not lie in acceptance region. Hence the hypothesis is rejected; there is significant difference between satisfaction from CRM of unorganized & organized real estate from customers' perspective.

CONCLUSION AND RECOMMENDATIONS

Customer satisfaction from CRM of organized real estate firms is better as compared to unorganized firms. There are few areas where improvement is desirable in both firms. Information relating to location, price, builder, construction progress etc. are to be provided to the customers precisely and promptly. Exact appointment as per convenience of customers must be given in today's busy life. Mobile apps of the firm should be advertised and it should be fully informative and user friendly. Managers should be trained to deal with clients in decent and convincing and skillful manner. SMS and Email should not be excessive and exaggerative. Both should be send after due gap (time) and provide balanced & real information. Honest, clear, accurate, transparent and uncluttered communication should be made to the customers.

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