



E-CRM: A Study of Grievances in Online Shopping

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ABSTRACT

Electronic Customer Relationship Management (E-CRM) is a tool that has shown prospect even beyond customers' retention to customers' attraction. A focus on an aspect of E-CRM is important to retain customers and also attract customers. The aim of this study is to propose a Complaint Management System that could add more value to E-CRM in businesses. The research employed the use of secondary data. The study showed that there is a need to re-direct attention in the area of complaint management, in order to facilitate and enhance intelligence in business. An Effective and Efficient response to these complaints is an essential index of organization's performance. This paper focuses on following aspects:

- 1) To Investigate the current sources and causes of online complaints
- 2) To Analyze the consumer complaints
- 3) To suggest model for complaint management
- 4) Provide guidelines for successful online shopping

KEYWORDS

Complaint Management, Electronic Customer Relationship Management (E-CRM), Customers' retention, online shopping.

INTRODUCTION

Electronic Customer Relationship Management (E-CRM) is an important tool in every organization/industry. For any industry to progress effectively in this competitive age, industries need to be more customer-centric in the sense that the sole priority should be customer's satisfaction. This statement holds because if a customer is satisfied with the level of services rendered to a particular firm, it informs less marketing effort with the aim of winning more customers and retaining the firm.

E-CRM is a tool that has shown prospect even beyond customers' retention to customers' attraction. There is need for every industry or organization to incorporate intelligence in its dealing with their customers. E-CRM is can be seen as a strategic formulation of intelligence through bulk of information gathered by a company about their customers. Complaint Management could be seen as an act of employing automated technicality in the management of customers' complaint that could arise as a result of the usage of products and services.

Complaint management is an aspect of E-CRM that should be given due attention. This is because, attention to this aspect of E-CRM will not only retain customers but will also employ strategies towards building better products and services.

Electronic Customer Relationship Management (E-CRM) [13] is gaining the attention of e-business managers who are interested in increasing repeat business and customer loyalty. Although e-marketers or e-researchers have addressed the importance of customer satisfaction and customer retention, the issues of customer dissatisfaction and complaints in the Web environment have rarely been investigated. Online customer complaints, as a Web enabled market feedback, have illuminated the origins and causes of online customer dissatisfaction. Online customer complaints also show how e-businesses handle customer complaints – a reflection of how much they value their customers.

Literature Review:

Behrouz Minaei-Bidgoli, Elham Akhondzadeh, have focused on the data of citizens' complaints on Tehran municipality were analyzed and made it possible to find the primary

factors that cause complaints in different geographical regions in different seasons of the year [5].

Abhijit Raorane and Dr. R.V.Kulkarni has discussed the application of data mining technique to study the buying behavior of customer in retail departmental store and to find out the association of the customer with different product [6].

Sangeetha G1, ManjunathaRao. L [7], have focused on the effectiveness of conventional data mining algorithms on large data captured from e-governance grievance redressal data in multiple online resources available.

Bruno Zavrnik [8], has explained the analysis of the complaints in online shop indicate that three factors a) prompt resolving of complaints, b) the way how complaints are resolved and c) the person who is resolving complaints. The author can conclude that the buyers are generally satisfied with resolving complaints.

Y-W. Fan et.al., [9], has suggested that e-retailers have prevention policies to guarantee accuracy of packaging and delivery processes. Prevention policies can reduce customer complaints, and avoid extra costs for businesses conducting recovery policies

RESEARCH METHODOLOGY

The study is descriptive and analytical in nature. Only secondary data is used for the study. Secondary data relating to the grievances given by the consumers on the selected consumer complaint websites. The proportional allocation with random sampling has been used for the selection of sample for the study.

3.1 Sample Size:

Researchers have selected an almost equal amount of complaints (170 from www.indiaconsumerforum.org, 170 from www.consumercomplaints.in, and 170 from www.icomplaints.in) were randomly selected. Complaints have been also randomly gathered from diverse product categories, including mobiles, computers and electronics. Qualitative analysis on the causes of online customer complaints has been conducted.

3.2 Sources of Online Complaints:

The sources of online complaints are the top consumer complaints websites, such as www.indiaconsumerforum.org, www.consumer-complaints.in, www.icomplaints.in. where the consumers can register their complaints regarding to the product and services.

3.3 An Analysis of Customer Complaints

This study has been conducted based on the consumer complaints registered on selected top consumer complaint websites in 2015 year.

Table No.[1]Consumer complaint websites

Sr.No	Consumer complaint websites	Complaints Registered	Sample
1	http://www.consumer-complaints.in	6060	60 (13%)
2	core.nic.in	2876	55 (12%)
3	www.nationalconsumerhelpline.in	18000	75 (17%)
4	www.indiaconsumerforum.org	1776	40 (9%)
5	ccrc.in	2000	48 (11%)
6	www.consumercourt.in	1550	42 (9%)
7	www.consumerforums.in	2000	48 (11%)
8	www.icomplaints.in	1586	42 (9%)
9	www.consumerfrauds.com	704	40 (9%)
	Total complaints	36552	450

Sample size is calculated by using simple random sample size formula

Simple random sample size formula:

$$n = [(z^2 * p * q) + ME^2] / [ME^2 + z^2 * p * q / N]$$

$$n = [(1.96)^2 * 0.75 * 0.25 + 0.0016] / [0.0016 + (1.96)^2 * 0.75 * 0.25 / 36552]$$

$$n = (0.7203 + 0.0016) / (0.0016 + .84416 * 0.75 * 0.25 / 36,552)$$

$$= 445.89$$

Therefore, to achieve a margin of error of plus or minus 4 percent, sample size is 450, using simple random sampling.

Table No.[II] : Complaints received from consumer complaint websites

Sr.No.	Causes of Complaints	Example of Actual Responses	Complaints (%)
1	Customer Service support	Unsatisfied technical support, Unresponsive to requests for assistance, longer average waiting time.	152 (33.72%)
2	Product quality, performance, etc.	Product damaged/ poor quality, working problem periodically	115 (25.49%)
3	Price expectation	Expensive price, high interest rates for EMI	83 (18.43%)
4	Item delivery	Slow delivery	66 (14.5%)
5	Misleading information	Technical specifications were not as good as advertised.	9 (2.1%)
6	Security and trust issues	Believe that this company rips people off.	9 (1.9%)
7	Tracking and tracing	Order status didn't provide.	8 (1.7%)
8	Promotion	less offers	9 (1.9%)

Above tabular data shows the online complaints received from selected consumer complaint websites.

It is seen that, 33.72% online customer complaints have been produced from the unsatisfactory customer service. 25.49%

of complaints of online customers are not satisfied for product performance and product quality whereas on price factor 18.2% complaints of online customer are dissatisfied. 14.6% complaints of online customers related to delivery of items are unsatisfactory. Misleading information complaints 2.1% of online customer are dissatisfied. The other complaints 1.9% of online customer are not satisfied with security and trust issues also 1.7% of complaints with the tracking and tracing problem and 1.9% of complaints related to the promotion.

3.4 Proposed Model for Complaint Management System:

In proposed model of Complaint Management system, Customer has to submit complaint details into the system that will create complaint with id and store into the data storage unit as in data warehouse. The complaints which are stored into the data warehouse will be further processed and classified to extract the knowledge through Data Mining techniques. Extracted data will be search in Knowledge Base (KB) for finding proper solution. If Proper Solution is found in Knowledge Base then it will be provided to the customer and if proper solution is not found in Knowledge Base then complaint will be assigned to the respective department for prompt action.

This proposed model for complaint management system will be helpful in Customer Relationship Management (CRM) for taking prompt action with proper solution to the customer complaints.

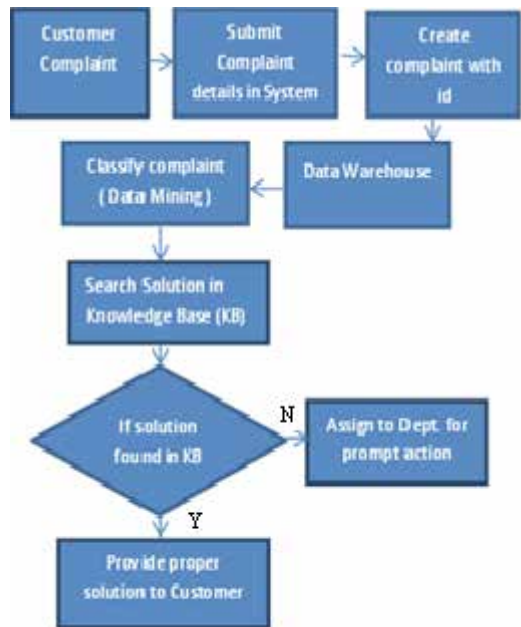


Fig.[I]: Proposed Model for Complaint Management System

Guidelines for successful online shopping:

- Read the terms and conditions carefully before making the purchase
- Make sure you have the customer care number/email ID in hand
- Prefer to pay by 'cash on delivery' and check the product on delivery before signing or paying for it.
- If you pay online, make sure the payment gateway is secure.
- In case of any problem with the product, make the complaint on the same day.
- If you need guidance on how to complain, call the National consumer Helpline toll-free number (1800-11-4000)

CONCLUSION:

Electronic Customer Relationship Management (E-CRM) is now considered an excellent competitive tool for e-businesses. Taking complaint management seriously affects product/service quality, website design, and operational policies. Finally, the results of this studies that appropriate online complaint management facilitates customer retention and customer loyalty.

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