



A STUDY ON CUSTOMER RELATIONSHIP MANAGEMENT OF BHARAT SANCHAR NIGAM LIMITED IN BANGALORE CITY

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Abstract

CRM is connected with business policy, process, culture and technology that enable organizations to optimize revenues while increasing share holder value by understanding the needs of customers. The objective is to study Customer Relationship Management of BSNL in Bangalore city. Random sampling technique is employed to select the sample. Data is analyzed using percentages and chi-square test.

Introduction

Customer Relationship Management is an idea of obtaining information from transactions between company and customers, where the information is used to understand the customers well and serve them better with a view generating more business while retaining the existing customers. CRM is an emerging discipline and has become a buzz word in management circles. Companies like SAP, Sales force who are vendors of ERP systems have marketed the concept of Customer Relationship Management aggressively. They have portrayed CRM to be a bridge and cure for all issues that could possibly arise between customers and company. CRM has come to mean different things to different segment of business. For some companies it means one on one marketing, for some, it means a knowledge management and support services popularly referred to as "call centers" and for some it could mean mere database management. All said and done, CRM solutions are highly integrated through sophisticated technology platform that carries capacity to handle both hard and soft data.

Customer Relationship Management is an act of enterprise development, maintenance and optimization of long term mutually beneficial relationships between consumers and organizations. Importantly, CRM aims to understand the needs and desires of consumers, which is achieved by placing the needs at the heart of the business by integrating them with organizations, core policy. CRM can be understood as a tool that manages data so as to understand and serve customers better. The usage of CRM is extremely significant, particularly for the telecom industry that is growing exponentially and changing dramatically ways in which people communicate with each other.

After the nation's independence, India got its department of Telecommunication that nearly dominated telephony market until first generation economic reforms launched during the early decade of nineties. BSNL and MTNL (operates only in Mumbai and Delhi) were off shoots of DOT incorporated on 15th September 2000. Presently BSNL is the largest provider of fixed telephony and fourth largest mobile service provider in India. Given its enormous infrastructure in terms of optic fibre cables (OFC's) BSNL is turning out to be a strong force in provision of broad band services as well.

Statement of the Problem

Over the last decade Customer Relationship Management (CRM) has become the hot topic of study. The challenge before today's CRM is to attract and retain customers. CRM places the customer at the heart of the organization. Customer needs are vital building blocks that defines CRM. CRM helps the organization to provide better customer service, simplify market and sales processes, discover new customer and add to customer revenue. These factors have influenced the researcher to take up the research to study how the BSNL and other telecom service providers are maintaining CRM with their customers.

Objectives of the Study

The objectives of the present study are detailed below:

1. To study the Customer Relationship Management of BSNL and other telecom service providers such as Bharati Airtel, Vodafone, Reliance and Tata Docomo.
2. To offer suitable suggestions based on findings of the study.



Hypothesis of the Study

The Study proposed to test the hypothesis

H₀: There is no significant difference in Customer Relationship Management provided by telecom service providers.

H₁: There is a significant difference in Customer Relationship Management provided by telecom service providers.

Scope of the Study

The present study is confined to Customer Relationship Management of BSNL and other telecom service providers such as Bharati Airtel, Vodafone, Reliance and Tata Docomo. The researcher has confined the scope of the study to Bangalore City only.

Methodology of the Study

Area of the Study

Study is conducted in Bangalore City only.

Data Collection

The present study is based on both primary and secondary sources of data. Primary data was collected by using structured questionnaire and it was administered to the users of BSNL and other telecom service providers such as Airtel, Reliance, Tata Docomo and Vodafone.

The secondary data was collected from research papers, periodicals, magazines, websites, newspapers, journals, survey reports books etc.,

Sampling

In Bangalore, BSNL is one of the leading telecom service providers and other private telecom service providers in the city are Bharati Airtel, Vodafone, Reliance and Tata Docomo. For studying the Customer Relationship Management, users of each telecom service providers are taken on random basis.

A total of 100 respondents who are using BSNL service is taken on a random basis, 100 respondents from Airtel, 100 respondents from Reliance, 100 from Tata Docomo and 100 from Vodafone are also taken on random basis.

Plan of Analysis

The collected data from the respondents is analyzed with the help of statistical tools and techniques such as percentages and chi-Square test. The collected data is depicted with the help of tables, charts and diagrams and conclusions are drawn.

Limitations of the Study

Limitations of the study are:

1. The present study is restricted to the Customer Relationship Management of BSNL and other telecom service providers such as Airtel, Reliance, Tata Docomo and Vodafone.
2. The authenticity of the data depends on the information provided by the respondents.
3. The study is confined to Bangalore City only hence the results cannot be generalized.

Findings of the study

Young Customers

The study reveals that among all service providers youngsters are attracted towards the use of cell phones. It is understood that from the study the telecom service providers should concentrate on the higher age group customers.



Post Graduation Group - The Major Segment Of Customers

The study reveals that post graduation category forms a major segment of customers and cell phones usage is yet to pick among the other graduation category customers. The study throws light on the need for tapping other graduation category customers to have major market segment.

Gender - The Large Base of Customers

The study depicts that cell phones are widely used by the male category of customers and forms larger base of customer. It is yet to pick up among female category of customers.

Marital Status - The Major Portion of Customers

Unmarried customers form a major portion of customer segment and cell phones are most commonly used by unmarried customers. The study highlights the necessity of attracting the married segment of customers by the telecom service providers.

Student Class – The Major Segment of Customers

Students are more attracted towards the usage of cell phones. They form the major category of customers. The study reveals that telecom service providers should concentrate to beat the other occupation category to increase its market segment.

Low Income Group Customers

The study depicts that the telecom service providers have lagging behind to attract the higher income group of customers. It is understood from the study that telecom service providers should formulate pricing strategy to attract higher income group of customers.

Awareness of the brands

The study reveals that the customers of Airtel, BSNL, Reliance and Vodafone are aware of BSNL brand and Tata Docomo users are aware of Tata Docomo brand. From the study it is clear that BSNL is well-known brand and has an edge over the competitors.

Source of information

Newspapers play a vital role in bringing the awareness about the product. The study reveals that newspapers and friends form a major source of information to the customers regarding the product.

Influence of Family and Friends

Before buying any product we ask the opinion regarding the product. From the study it is clear that family and friends influence to subscribe services. If telecom service providers bring some innovative schemes which can facilitate chain-link benefits among customers, it would further boost up the sales.

Influence of Features

The study reveals that Airtel users preferred the service because of good network, BSNL, Reliance and Tata Docomo users preferred the service because of affordable price and Vodafone users preferred the service because of service. From the study it is evident that features such as good network, pricing and services play a predominant role in influencing the customers to subscribe the service.

Customer Switching

The Study reveals that majority of the existing customers of different telecom service provider continued to use the same service provider connection. The majority of the customers who have shifted from other brands to the current using brand have stated the reasons that among Airtel, BSNL and Tata Docomo users they have shifted because of attractive pricing, among Reliance users they have shifted because of good network and among Vodafone users they have shifted because of new schemes.



Recognition of The Brands

It is evident from the study that majority of the respondents among all service providers recognized their brand for the network connectivity. From the study it is clear that all telecom service providers have good network connectivity.

Bill Delivery

The study reveals that majority of the customers have expressed that they did not experience any delay in delivery of post paid bills. However, telecom service providers are not free from errors. The study reveals that delay in bill delivery was experienced by some of the customers.

Over Charged Bill

It is evident from the study that the bills are charged according to the usage by the customer from all the telecom service providers. But there were some instances where in bills are over charged. Among the customers who are overcharged, majority of them had lodged the complaints to their service providers. For the complaint lodged by the customers, service providers of all brands under study have taken immediate corrective measures.

Knowledge Of Service Staff

The study reveals that majority of the customers among all service providers opined that the service staffs are knowledgeable. This shows that service staff has good knowledge in the service field.

Customer Relationship Management Can Do Still Better

From the study majority of the customers among all service providers have rated good for the customer relationship management. As lodging of complaints is computerized, customers cannot have direct contact with the person attending such services. Telecom service providers should make alternative arrangements to have personal contact with the customers.

Awareness of Service Terms and Conditions

The study depicts that majority of the customers among all service providers are partly aware of service terms and conditions. A few customers are unaware of the service terms and conditions. This unawareness has been responsible for no complaints or a few complaints. It is important on the part of all service providers to take necessary steps to make the customers aware of service terms and conditions.

Awareness of Consumer Forum and Redressal of Problems

It is clear from the study that majority of the customers among all service providers are partly aware of the consumer forum. They did not resort to consumer forum for the redressal of their grievances. This might be due to lack of interest or their ignorance on how to take action.

Hypothesis Testing

To test the hypothesis Chi-square test for independence of attributes tool is used.

H₀: There is no significant difference in Customer Relationship Management provided by telecom services providers.

H₁: There is a significant difference in Customer Relationship Management provided by telecom services providers

Table No 1(A):Table Showing Customer Relationship Management

Service Provider	Excellent	Very Good	Good	Fair	Poor	Total
AIRTEL	0 0.00	1 2.00	3 6.00	4 8.00	1 2.00	9 18.00
BSNL	0 0.00	1 2.00	9 18.00	0 0.00	0 0.00	10 20.00

RELIANCE	0 0.00	1 2.00	5 10.00	1 2.00	3 6.00	10 20.00
TATA DOCOMO	2 4.00	2 4.00	2 4.00	3 6.00	2 4.00	11 20.00
VODAFONE	0 0.00	0 0.00	5 10.00	4 8.00	1 2.00	10 20.00
Total	2 4.00	5 10.00	24 48.00	12 24.00	7 14.00	50 100.00

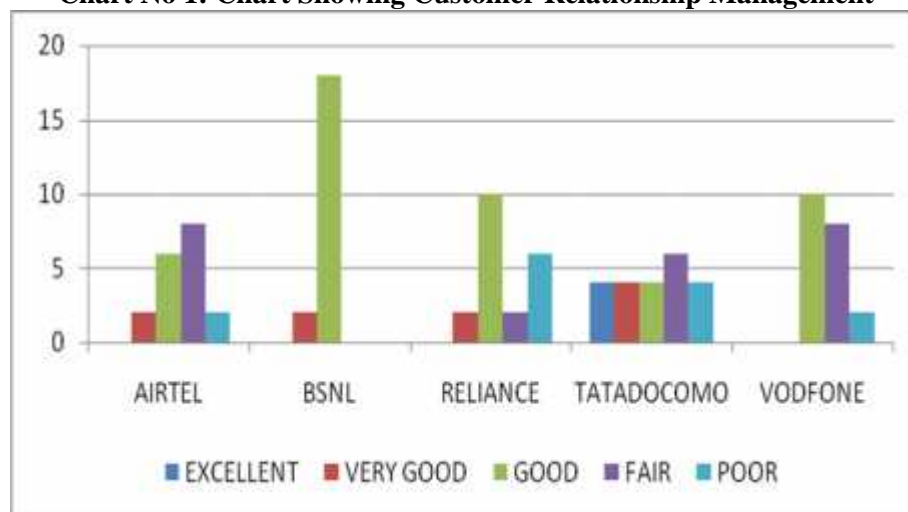
Source: Survey Data

Table No 1(B): Statistics Table showing Customer Relationship Management

Statistics	Df	Value	Prob.
Chi-Square	16	24.4047	0.0810
Likelihood Ratio Chi-Square	16	27.2343	0.0390
Mantel-Haenszel Chi-Square	1	0.5369	0.4637
Phi Coefficient		0.6986	
Contingency Coefficient		0.5727	
Cramer's V		0.3493	

From the tables 1 (A) and (B), Chi-square test shows a significant association between two variables at 91.9% confidence level. Thus, we conclude that at 90% confidence level, service providers and Customer Relationship Management are significantly associated with each other but it is not significant at 95% confidence level. The contingency coefficient value 0.6 is also suggests the association between the dependent and independent variable is significant. It is concluded that there is a strong association between the above two variables. From the above table if we look at individual service providers, respondents preferred BSNL brand, which is even evident from the Chart No.1. This leads us to conclude that BSNL plays a vital role in Customer Relationship Management.

Chart No 1: Chart Showing Customer Relationship Management



Source: Analysis Data



Suggestions

After thorough study, by reviewing the literature, identifying the research gap, collection of primary data from the sample respondents through the questionnaire and thorough analysis of the data, the researcher would like to propose the following suggestions.

Profile of the Respondents

1. BSNL, Airtel, Reliance, Tata Docomo and Vodafone service providers have to bring out various plans and attractive schemes to attract customers who are above 31 years of age and other than postgraduates.
2. BSNL, Airtel, Reliance, Tata Docomo and Vodafone service providers should concentrate on attracting the female segment by introducing special schemes for female customers.
3. BSNL, Airtel, Reliance, Tata Docomo and Vodafone service providers should give more emphasis to attract employees, professionals, businessmen and house makers by providing various recharge options to suit different occupations of the respondents
4. BSNL, Airtel, Reliance, Tata Docomo and Vodafone service providers should bring awareness about the use of mobile in the higher income group customers.
5. Regarding the promotion of the product BSNL, Airtel, Reliance, Tata Docomo and Vodafone service providers should advertize on TV's to promote their products as it reaches mass customers.
6. The purchase of the products is decided by the family and friends, BSNL, Airtel, Reliance, Tata Docomo and Vodafone service providers should provide good service and plans so that the customers will be loyal and recommend the product to others.
7. BSNL is well known brand. It should increase its market share by providing good services and floating attractive schemes to its customers.

Customer Relationship Management of Telecom Service Providers

1. BSNL, Airtel, Reliance, Tata Docomo and Vodafone service providers should take care to see such that the bill for post- paid connection reaches in time. So that there will not be any confusions regarding the payment of the bill. BSNL, Airtel, Reliance, Tata Docomo and Vodafone service providers can send bills through e-mails or by SMS.
2. Bills are charged according to the usage by the customers, the billing system is efficient and BSNL, Airtel, Reliance, Tata Docomo and Vodafone service providers should maintain same billing system.
3. BSNL, Airtel, Reliance, Tata Docomo and Vodafone service providers should strengthen the customer relationship by updating the customers by providing the latest information regarding the new schemes and services.
4. BSNL, Airtel, Reliance, Tata Docomo and Vodafone service providers should bring awareness regarding consumer forum for the redressal of their problems. By addressing the problem to the consumer forum the telecom service providers will exercise care in functioning and the customers will get good and prompt services.

Conclusion

From the data analysis and testing of hypothesis for telecom service providers, the hypothesis of the study is disproved and thus it is concluded that:

“There is significant difference in Customer Relationship Management provided by telecom service providers”

From the study it is true that BSNL plays a vital role in customer relationship management as compared to Airtel, Reliance, Tata Docomo and Vodafone.

The above study clearly reveals that there are hardly any people who do not use the telecom services. All most all the strata of respondents are using the telecom services starting from an agriculturist to a big industrialist. We



cannot imagine the world today without telecom services. Telecom services have played a major role which has resulted in converting the world as a global village. Telecom services are no more a luxury service; they have become primary or basic requirements of human beings. Telecom services have played an important role in augmentation of technology also. Perhaps after the food, shelter and cloth, the next requirement of human being is communication in services. Hence this study assumes importance.

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