

# A STUDY ON IMPACT OF CUSTOMER RELATIONSHIP MANAGEMENT ON CUSTOMER SATISFACTION IN THE HEALTH AND FITNESS EQUIPMENT INDUSTRY WITH REFERENCE TO COIMBATORE CITY

Dr.S.Akilandeswari\* & Mr.R.Ashokkumar\*\*

\*Professor, Govt Arts College, Coimbatore.

\*\*Assistant Professor, VLB Janakiammal College of Arts & Science, Coimbatore.

**ABSTRACT:** *Due to the tough competition in the health and fitness industry in Coimbatore, it is very necessary for health and fitness equipment sales and services to build and maintain a strong relationship with the customers in order to achieve the ultimate goal of customer satisfaction. For this reason customer relationship management (CRM) has become more important in the sales and service industry; especially in the health and fitness industry. Therefore, the present study came to focus on the impact of CRM on customer satisfaction in health and fitness industry of Coimbatore. The population of the present study is customers of health and fitness operating in Coimbatore city. 70 respondents were selected through convenient sampling and data has been collected through questionnaires which were self-administered by researcher. The study proposed that there is no statistical relationship between CRM elements and customer satisfaction as a dependent variable. The statistical analysis revealed that there is a significant relationship between the independent variables ( i.e CRM elements represented by sales and service quality, employee's behavior, customer data base, solving customer problems physical environment; and social network interaction) and customer satisfaction as a dependent variable in the sales and services health and fitness industry.*

**Keywords:** CRM, Customer Satisfaction, health and fitness Industry, Sales, Services and Marketing.

## INTRODUCTION

Generally speaking, all businesses and particularly Sales and services have been affected to some degree in what is happening in the global market place. Now, not only the organizations aim to satisfy the customers but they attempt to do this more efficiently and effectively than their rivals in the competitive market place in order to attain their goals. The most important goal of an organization is to maintain customer satisfaction and focus on customer centric approach in their organizational and marketing strategies. The significance of customer satisfaction cannot be dismissed while happy customers are like free advertising for the financial institutions. It is necessary to put the customer at the centre of the business according to its strategies, events and processes. In fact, it is easier and more profitable to sell to present customers than to find new ones. Sales and services are setting their strategies to ensure customer satisfaction, retention; therefore their employees should be more customer-focused and service-oriented in order to satisfy their customers.

Customer relationship management (CRM) is a concept for managing a company's interactions with customers and sales prospects which can achieve Sales and services goal such as customer satisfaction. It involves using technology supports to business processes. The objectives of CRM are to enhance profitability, income, and customer satisfaction. To attain CRM, many organizations use set of tools, technologies, and procedures to support the relationship with the customer to enhance sales. Therefore, CRM is an issue of strategic business and process rather than a technical one.

Customer relationship management (CRM) is a concept for managing a company's interactions with customers, clients, and sales prospects. (Long,et. al,2013) Bowen and Chen (2001) argue that having satisfied customers is not sufficient. This is because customer satisfaction needs to have direct impact on customer satisfaction and loyalty. Sivadas and Barker- Prewitt (2000) stress that there is a rising recognition that the last objective of customer satisfaction measurement should be customer loyalty. Many organizations merely categorize customer satisfaction measurement as type of "marketing intelligence" instead of using it as management tool to build customer service quality improvement processes and increase profit (Linnell, 2009).

## OBJECTIVES OF THE STUDY

1. To analyze the relationship of CRM practices on customer satisfaction in the health and fitness equipment industry.
2. To explore the most important CRM component on customer satisfaction in the health and fitness equipment industry.
3. To examine the impact of customer satisfaction on customer loyalty and customer retention practices in the health and fitness equipment industry.

## HYPOTHESES OF THE STUDY

1. There is a significant and positive effect of CRM practices on customer satisfaction in the health and fitness equipment industry.
2. Related CRM components have greater influence on the customer satisfaction in the health and fitness equipment industry.
3. Customer satisfaction is significantly and positively associated with customer loyalty and customer retention practices in the health and fitness equipment industry.

## STATEMENT OF THE PROBLEM

In the 21st Century CRM is playing a vital role for the entire business environment including hotel business all over the world. For the hotel sector, success and profitability are dictated by the ability to continually acquire, retain and service their customers, and ensure that customers remain customers for life. Simply says that the performance of hotels depends on the level of their understanding of their customers. Generally, CRM practices in the hotel sector focuses on loyal customers through identification of target customers, acquisition of new customers and retaining the existing customers through developing good relationships with them. These relationships development with customers will lead to improve customers' satisfaction, which in turn make them loyal customers. So, this current research moves to study the impact of CRM on customer satisfaction and also study how customer satisfaction will make loyal customers and their retention practices.

## SCOPE OF THE STUDY

The study would help to understand the importance of CRM practices on customer satisfaction. This study would bring out the responsibility of customer satisfaction in the in the health and fitness equipment industry.

## RESEARCH METHODOLOGY

This descriptive research design has been completely depends on the primary data and the data were collected from customers who have been used their health and fitness equipment industry. The primary data were collected through the questionnaire. This questionnaire is an attempt to study the overall impact of CRM practices in the health and fitness equipment industry to the customer satisfaction. In order to the CRM practices categorized into customer upgrading capability, customer orientation strategies, customer value, customer interaction management practices, customer contact programmes and CRM technology. Further, the above mentioned CRM practices studied on its impact of customer satisfaction, customer loyalty and customer retention practices in the health and fitness equipment industry and also examine the relationship of customer satisfaction towards customer loyalty and their retention practices. The responses against these parameters collected through the five-point likert scaling technique. The variables about socio-economic characteristics of the customer like gender, age group, educational qualification, occupation, monthly income, and place of living included in the questionnaire. The responses of 70 customers considered for the final study and the customers were selected from various sizes of health and fitness equipment industry, convenient sampling technique is the most suitable for the present study. The theoretical inputs of the study were collected from journals, books and websites. The primary data were collected during the months of April, May and June 2018.

## LIMITATIONS OF THE STUDY

Almost every study has some limitations and so as in this study. One of the limitations in this study is time limit. At the same time cost is also another limitation in our study. The researcher has made a survey about the customer relationship management on customer satisfaction in the health and fitness equipment industry in Coimbatore, & especially the study is conducted with the Coimbatore city only. And most of our respondents are students of Coimbatore city so generalization is also limited but this study provides a base for further extension in the field of customer relationship management. Lastly the sample size is also not so much high as only sample of 70 health and fitness equipment retailer customer is taken.

## REVIEW OF LITERATURE

By investigating Customer Relationship Management (CRM) system at Student Admission section in Malaysian higher education institution (Virgiyanti, Abu Bakar, and Tufail, 2011) conducted their study aimed to study the customers' satisfaction to the service given by the university. To achieve the objectives, survey was conducted to analyze the implementation of CRM and quality of the service provided. A dissatisfaction of service provided by the University staff and lack of relationship management with students (as customers) was the main result of the study.

(**Awwad and Al-adaileh, 2012**) In their study conducted a study aimed at investigating the factors determining CRM practices within the context of Jordanian Commercial Banks (JCBs).a 400 questionnaire were distributedwhile 309 questionnaires were analyzed by using SPSS. Their study results apparently revealed that there were five factors generated from this study including interactive management, customers prospecting, customer surveying, responsiveness to customers, and partnerships respectively that contributed to CRM implementation in JCBs.

**Kesuma et al. (2013)** investigated the effect of service quality on patients' loyalty and customer relationship management at private hospital industry. The results showed that service quality has positively and significantly influenced customer loyalty. In addition, implementation of CRM mediated the relationship and effect of service quality on customer loyalty.

**Surarchith and Singh (2013)** On the other hand explore the key dimensions of service quality for mobile services in the telecom sector and to ascertain which aspect of service quality have significant impact on customer satisfaction. Results approved that obtaining customer satisfaction depends to a large extent on ensuring that the firm maintains high service quality standards. Also, quality mechanisms have significant effect on the level of customer satisfaction. Among the service quality variables that significantly affected customer satisfaction include competence, courtesy, tangibility, reliability, responsiveness and communication.

**A Lghaswyneh (2014)** explores the kind of relationship marketing strategies that Umniah Mobile Company of Jordan is pursuing in today's rapidly changing and highly competitive environment, and to analyse it's outcome on the service quality and satisfaction of customers.

Also, it focuses on studying the relationship between the consumers and staff working in the Ummiah mobile company of Jordan. Results of the study indicate that there exists a relationship between them, but it needs further growth.

Melisdou, Venetsanopoulou, and Sergopoulos (2015) conducted a study entitled “Service Quality and CRM Implementations: Keys for Excellence in Hospitality Industry”, the aim of this study was to investigate the effectiveness of practicing Customer Relationship Management Systems and its positive impacts in Service Quality issues, also to sustain that CRM application can be consider as a tool to improve customer satisfaction, retention and service quality, and finally to assess that the implementation of service quality, perceived as the major potential for the competitiveness and substantial benefits to hotel enterprises, in terms of long-term profitability. Results indicated that perceived quality and satisfaction have been shown to be good predictors of visitors’ future behavioral intentions.

### DATA ANALYSIS AND INTERPRETATION

#### Percentage analysis

S.No	Particular	No of respondents	Percentage
Gender	Male	46	66
	Female	24	44
	<b>Total</b>	<b>70</b>	<b>100</b>
Age	Below 20	9	13
	20-30	32	46
	30-40	10	14
	Above 40	19	27
	<b>Total</b>	<b>70</b>	<b>100</b>
Educational Qualification	HSC	4	6
	Under graduate	38	54
	Post graduate	19	27
	Others	9	13
	<b>Total</b>	<b>70</b>	<b>100</b>
Usage of the fitness product	Yes	47	67
	No	23	33
	<b>Total</b>	<b>70</b>	<b>100</b>
Duration of using fitness product	Below 1year	18	26
	1-2 year	32	46
	2-3 year	12	17
	Above 3 year	8	11
	<b>Total</b>	<b>70</b>	<b>100</b>
locations for using the fitness product	Home	21	30
	Neighbors/Friends house	7	10
	Fitness Center	28	40
	others	14	20
	<b>Total</b>	<b>70</b>	<b>100</b>
Hours spending on Fitness product	0-2 hrs/week	3	4
	3-5 hrs/week	11	16
	6 – 8 hrs/ week	18	26
	Above 8 hrs/ week	38	54
	<b>Total</b>	<b>70</b>	<b>100</b>
Satisfied to use fitness product	Yes	44	63
	No	26	37
	<b>Total</b>	<b>70</b>	<b>100</b>
Quality offered by the retailer	Highly satisfied	11	16
	Satisfied	29	41
	Neutral	10	15
	Dissatisfied	12	17
	Highly dissatisfied	8	11
	<b>Total</b>	<b>70</b>	<b>100</b>
Overall product range offered by the retailer	Highly satisfied	13	19
	Satisfied	21	30
	Neutral	14	20
	Dissatisfied	11	16
	Highly dissatisfied	11	16
	<b>Total</b>	<b>70</b>	<b>100</b>
Performance of the	Highly satisfied	15	21

<b>employees</b>	Satisfied	23	33
	Neutral	19	27
	Dissatisfied	6	9
	Highly dissatisfied	7	10
	<b>Total</b>	<b>70</b>	<b>100</b>
<b>Promotional offers provided by the retailer</b>	Highly satisfied	23	33
	Satisfied	31	44
	Neutral	8	11
	Dissatisfied	6	9
	Highly dissatisfied	2	3
<b>Total</b>	<b>70</b>	<b>100</b>	
<b>Level of satisfaction towards retailer</b>	Highly satisfied	14	20
	Satisfied	20	29
	Neutral	16	23
	Dissatisfied	12	17
	Highly dissatisfied	8	11
<b>Total</b>	<b>70</b>	<b>100</b>	
<b>Customers individual attention</b>	Highly satisfied	16	23
	Satisfied	21	30
	Neutral	10	14
	Dissatisfied	19	27
	Highly dissatisfied	4	6
<b>Total</b>	<b>70</b>	<b>100</b>	
<b>Information on product communicated</b>	Highly satisfied	13	18
	Satisfied	21	30
	Neutral	14	20
	Dissatisfied	11	16
	Highly dissatisfied	11	16
<b>Total</b>	<b>70</b>	<b>100</b>	
<b>Retailer is concerned with the consumer's interest.</b>	Highly satisfied	11	16
	Satisfied	29	41
	Neutral	10	15
	Dissatisfied	12	17
	Highly dissatisfied	8	11
<b>Total</b>	<b>70</b>	<b>100</b>	
<b>Continue using services from this retail outlet for a long time</b>	Highly satisfied	13	18
	Satisfied	25	37
	Neutral	12	17
	Dissatisfied	12	17
	Highly dissatisfied	8	11
<b>Total</b>	<b>70</b>	<b>100</b>	
<b>Positive things about this retail outlet to other people</b>	Highly satisfied	21	30
	Satisfied	18	26
	Neutral	16	23
	Dissatisfied	8	11
	Highly dissatisfied	7	10
<b>Total</b>	<b>70</b>	<b>100</b>	
<b>I recommend to my friends and colleagues to visit &amp; purchase the same retailer outlet.</b>	Highly satisfied	30	43
	Satisfied	18	26
	Neutral	8	11
	Dissatisfied	10	14
	Highly dissatisfied	4	6
<b>Total</b>	<b>70</b>	<b>100</b>	

**INTERPRETATION:**

Demographical background of the respondents' shows that 66% of the respondents are male and rest of the 44% are female. Of all 13% of the respondents are in the age group of below 20 years; while 14% of the respondents are in the age group of 20-30 years; while 46% of the respondents are in the age group of 30-40 years; and the remaining 27% of the respondents are in the age group of above 40 years. With respect to the educational qualification of the respondents 6% of the respondents are having Higher Secondary Certificates; while 54% of the respondents are under graduates; while 27% of the respondents are Post graduates; and the remaining 13% of the respondents have some other



field of education. Duration of using fitness product that 26% of the respondents are using below 1 year; while 46% of the respondents are using from 1 to 2 year; while 17% of the respondents are using from 2 to 3 year; and the remaining 11% of the respondents are using above 4 year. Of all 67% of the respondents are using fitness product and 33% of the respondents are not using fitness product. Location of using fitness product represents that 30% of the respondents are browsing in their home; while 10% of the respondents are browsing at their friends and neighbors house; while 40% of the respondents are fitness center; and the remaining 20% of the respondents are other places. Of all 4% of the respondents are spending 0-2 hours in a week for their fitness; while 16% of the respondents are spending 3-5 hours in a fitness; while 26% of the respondents are spending 6-8 hours in a week for fitness; and the remaining 54% of the respondents are spending more than 8 hours in a week for fitness. Of all 63% of the respondents are using the fitness product and 37% of the respondents are not using the fitness product. Of all 16% of the respondents are highly satisfied in quality offered by the retailer, 41% of the respondents are satisfied in quality offered by the retailer, 15% of the respondents are neutral in quality offered by the retailer, 17% of the respondents are dissatisfied in quality offered by the retailer and 11% of the respondents are highly dissatisfied in quality offered by the retailer. Of all 19% of the respondents are highly satisfied in Overall product range offered by the retailer, 30% of the respondents are satisfied in Overall product range offered by the retailer, 20% of the respondents are neutral in Overall product range offered by the retailer, 16% of the respondents are dissatisfied in Overall product range offered by the retailer and 15% of the respondents are highly dissatisfied in Overall product range offered by the retailer. Of all 21% of the respondents are highly satisfied in Performance of the employees in retailer, 33% of the respondents are satisfied in Performance of the employees in retailer, 27% of the respondents are neutral in Performance of the employees in retailer, 9% of the respondents are dissatisfied in Performance of the employees in retailer and 10% of the respondents are highly dissatisfied in Performance of the employees in retailer. Of all 33% of the respondents are highly satisfied in Promotional offers provided by the retailer, 44% of the respondents are satisfied in Promotional offers provided by the retailer, 11% of the respondents are neutral in Promotional offers provided by the retailer, 9% of the respondents are dissatisfied in Promotional offers provided by the retailer and 3% of the respondents are highly dissatisfied in Promotional offers provided by the retailer. Of all 20% of the respondents are highly satisfied in Level of satisfaction towards retailer, 29% of the respondents are satisfied in Level of satisfaction towards retailer, 23% of the respondents are neutral in Level of satisfaction towards retailer, 17% of the respondents are dissatisfied in Level of satisfaction towards retailer and 11% of the respondents are highly dissatisfied in Level of satisfaction towards retailer. Of all 23% of the respondents are highly satisfied in Customers individual attention towards retailer, 30% of the respondents are satisfied in Customers individual attention towards retailer, 14% of the respondents are neutral in Customers individual attention towards retailer, 27% of the respondents are dissatisfied in Customers individual attention towards retailer and 6% of the respondents are highly dissatisfied in Customers individual attention towards retailer. Of all 18% of the respondents are highly satisfied in Information on product communicated, 30% of the respondents are satisfied in Information on product communicated, 20% of the respondents are neutral in Information on product communicated, 16% of the respondents are dissatisfied in Information on product communicated and 16% of the respondents are highly dissatisfied in Information on product communicated. Of all 16% of the respondents are highly satisfied in Information on product communicated, 41% of the respondents are satisfied in Information on product communicated, 15% of the respondents are neutral in Information on product communicated, 17% of the respondents are dissatisfied in Information on product communicated and 11% of the respondents are highly dissatisfied in Information on product communicated. Of all 43% of the respondents are highly satisfied in I recommend to my friends and colleagues to visit & purchase the same retailer outlet, 26% of the respondents are satisfied in I recommend to my friends and colleagues to visit & purchase the same retailer outlet, 11% of the respondents are neutral in I recommend to my friends and colleagues to visit & purchase the same retailer outlet, 14% of the respondents are dissatisfied in I recommend to my friends and colleagues to visit & purchase the same retailer outlet and 6% of the respondents are highly dissatisfied in I recommend to my friends and colleagues to visit & purchase the same retailer outlet.

## FINDINGS.

- Majority of the respondents 66% are male.
- Most of the respondents 46% are in the age group of 30-40 years.
- Majority of the respondents 54% are under graduates.
- Most of the respondents 46% are using from 1 to 2 year.
- Majority of the respondents 67% are using fitness product.
- Majority of the respondents 54% are spending more than 8 hours in a week for fitness.
- Majority of the respondents 63% are using the fitness product.
- Most of the respondents 41% are satisfied in quality offered by the retailer.
- Most of the respondents 30% are satisfied in Overall product range offered by the retailer.
- Most of the respondents 33% are satisfied in Performance of the employees in retailer.
- Most of the respondents 44% are satisfied in Promotional offers provided by the retailer.
- Most of the respondents 29% are satisfied in Level of satisfaction towards retailer.
- Most of the respondents 30% are satisfied in Customers individual attention towards retailer.
- Most of the respondents 30% are satisfied in Information on product communicated.
- Most of the respondents 41% are satisfied in Information on product communicated.
- Most 43% of the respondents are highly satisfied in I recommend to my friends and colleagues to visit & purchase the same retailer outlet

## V. CONCLUSION

From the discussion mentioned above it can be concluded in the present study that CRM practices in the Health and Fitness Equipment in retailing sector have significant and positive effect on their customer satisfaction whereas customer interaction management practices and upgrading capability, customer orientation strategies are most important CRM practices to attain the customer satisfaction. So, the retailing sector must improve the relationship strategies with their customers. Then, the customers are loyal and their retention assured because customer satisfaction is significantly and positively associated with customer loyalty and their retention practices in the retailing sector. As the present study was focused only to probe into the CRM practices of Health and Fitness Equipment in retailing sector with the Coimbatore

customers' satisfaction, loyalty and their retention practices, further studies can be made with other than Coimbatore customer to measure the effectiveness of relationship management adopted by the Health and Fitness Equipment in retailing sector.

#### REFERENCES:

- [1] Baker, (2003). *New consumer marketing: Managing a living demand system*. England: Wiley.
- [2] Bhattacharya, A. (2011) *Preeminent Analysis of Customer Relationship Management (CRM)*. *International Journal of Research in Management & Technology*, 1 (1), 45-51.
- [3] Bohling, T, Bowman, D., Lavalle, S., Mittal, V., Narayandas, D., Ramani, G., & Varadarajan, R. (2006). CRM4670506293573
- [4] Bowen, J.T., & Chen, S.L. (2001). The Relationship between Customer Loyalty and Customer Satisfaction, *International journal of Contemporary Hospitality Management*, /2, 213-217. <http://dx.doi.org/10.1108/09596110110395893>
- [5] Brown, S.A., & Gulycz, M. (2002). *Performance Driven CRM: How to Make your Customer relationship management visions areality*. Ontario: John Wiley
- [6] Christopher, M., Payne, A., & Ballantyne, D. (1991). *Relationship Marketing*.
- [7] Coulter, K.S., & Coulter, R.A. (2002). Determinants of trust in a service provider: the moderating role of length of relationship. *Journal of service Marketing*, 16, 35-50 <http://dx.doi.org/10.1108/08876040210419406>
- [8] Dowling, G. (2002) *Customer Relationship Management: in B2C Markets*, *Often Less is More California Management Review*, 44(3), 121-137.
- [9] Faed, A. (2010), *A conceptual Framework for E-loyalty in Digital Business Environment*. 41 *IEEE Dest*, 547-552
- [10] Gee, R., Coates, G., & Nicholson, M. (2008) *Understanding and profitable managing customer loyalty*.
- [11] Hanley, S., and Leachy, R. (2008). *The effectiveness of relationship marketing strategies in department stores*.
- [12] Izquierdo, C., Cilla'n, J. G., and Gutierrez, S. S. (2005). *The impact of customer relationship marketing on the firm performance: a Spanish case*. *Journal of services marketing*, 19(4), 234-244.
- [13] Jain, D., and Singh, S. (2002). *Customer lifetime value research in marketing: a review and future directions*.
- [14] Khaligh, A., Miremadi, A., and Aminilari, M. (2012). *The impact of CRM on loyalty and retention of customers in Iranian telecommunication sector*. *International journal of business management*, 7(2), 150-162.
- [15] Kim et al. (2003). *A model for evaluating the effectiveness of CRM using the balanced scorecard*.
- [16] Kotler, P., and Armstrong, G. (2011). *Principles of marketing* (14<sup>th</sup> ed.). New Jersey: Prentice Hall.
- [17] Lindgreen, A., Palmer, R., Vanhamme, J., (2006). *A relationship management assessment tool: questioning, identifying, and prioritizing critical aspects of customer relationships*. *Industrial marketing management*, 35(1), 57-71. <http://dx.doi.org/10.1016/j.indmarman.2005.08.008>
- [18] Mohsan, F., Nawaz, M. M., Khan, M., Khan, M. S., Shaukat, Z., and Aslam, N. (2011). *Impact of customer satisfaction on customer loyalty and intentions to switch: evidence from banking sector of Pakistan*. *International journal of business and social science*, 2(16), 230-245.
- [19] Peppers, D., and Rogers, M. (1997). *Enterprise one to one*. New York: Bantam Doubleday Dell Publishing Group.
- [20] *Research methods for business student* (5<sup>th</sup> ed.). Harlow, England: Prentice Hall.
- [21] Sivadas, E., and Barker-Prewitt, J. L. (200). *An examination of the relationship between service quality, customer satisfaction, and store loyalty*. *International journal of retail and distribution management*, 28 (2), 73-82. <http://dx.doi.org/10.1108/09590550010315223>
- [22] Wang, Y., and Lo, H. P. (2004). *An integrated framework for customer value and customer-relationship management performance: a customer-based perspective from China*. *Managing service quality*, 14(2/3), 169-182. <http://dx.doi.org/10.1108/09604520410528590>
- [23] Zineldin, M. (2006). *The royalty of loyalty: CRM, quality and retention*. *Journal of consumer marketing*, 23(7), 430-437. <http://dx.doi.org/10.1108/07363760610712975>
- [24] Alagoz, S. (2003), "Bilgisayar Teknolojilerinin Müşteri Yönetimi (CRM) Üzerine ve Bankacılık Sektöründe Bir Uygulama", *Yayınlanmamış Doktora Tezi, Selçuk Üniversitesi, SBE, İşletme Anabilim Dalı, Üretim Yönetimi ve Pazarlama Dalı, Konya*.