

India CRM News

India's first Customer Relationship Management newsletter.

Vol.1 Issue-I

Published by Inza CRMTech Ltd.

For private circulation only.

A note from publishers

Today's business world has entered the age of interactivity.

This new period is the "Era of Customer Relationship Management"

India CRM News is the first of its kind that makes you aware of the CRM activities and provides you with valuable insights. We take great pleasure to present you this first issue of India CRM News. We look forward to your feedback.

Wishing you a very happy and prosperous New Year.

Ashwini Koda

Think About it

Would you rather your spouse be just 'satisfied' or would you prefer 'loyal'?

● Jeffrey Gitomer, *Customer Satisfaction is Worthless – Customer Loyalty is Priceless* (P-53)

Is it not true of your customers too?

ARE YOU CONFIDENT THAT YOUR CUSTOMERS WILL COME BACK TO YOU ALWAYS?

Most companies' worry more about acquiring new customers than retaining the ones they have. A market study conducted in the United States shows that *it costs companies 4 to 6 times more to convert a customer than it does to retain one*. "5% increase in customer loyalty can result in a 100% increase in profitability" quotes Mr. Fredrick Reichheld of Harvard Business School.

What customer loyalty is and how to earn it – how to keep it? Why is it necessary for Indian Companies to value their customers? These are the questions that have a direct bearing on the bottomline.

"Despite having a wide choice among the products I use, I always pick up those with whom I have developed a relationship because I trust them and they offer me value for my money", says Mr Nagendra Varada, a consumer.

Here is a simple theory of how the human mind works :

- ◆ When you sell a product / brand, you are beginning a relationship with the buyer.
- ◆ You have just become accountable and answerable for the product you sold
- ◆ If your product satisfies the customer, he will return for more
- ◆ If he is not, he will ask questions and demand answers

- ◆ If your response satisfies him, he may buy your product again
- ◆ If your reply does not satisfy him, or you do not respond he will talk to ten people about his dissatisfaction
- ◆ You will not lose one, but you will lose 10 potential customers with one mistake

It is in this context, that the way this delicate relationship with customers is managed has a bearing on the success of the company. What matters is complete satisfaction of your customers and brand loyalty starts with understanding what customers need.

"I am pretty satisfied with most of the companies I do business with but I always keep my eyes open looking for better value." says Ms. Gayatri, Asst. Manager, Ralchem Limited.

However it is interesting to note that not all satisfied customers will become loyal.

As Mr. Suresh revealed, "What might have made me loyal 10 years ago is not enough now. I know there are a lot more options out there".

In today's changing market scenario, when customer is more aware of his needs and rights – it is most important to implement various activities to begin a dialogue with your customers. It is this crucial factor that will spell the GROWTH for any company. Even yours.