

A STUDY ON CUSTOMER'S DEMOGRAPHIC PROFILE AND THEIR PERCEPTION TOWARDS THE NEED OF RELATIONSHIP MARKETING IN SUPERMARKET CHAIN STORES

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ABSTRACT

Modern world is full of luxuries. Customers are giving more importance to the sophistications of the world. Retail industry is on one of the industries which has a wide scope of growth in India. Hence customers whose economic status has improved in the past few years have changed their attitude towards market and expect more from their sellers. Hence from the study it is also proved that there is association between the demographical profile of respondents and preference of customers towards the Relationship Marketing practices in supermarket chain stores. The customers expect marketers to relish them with more marketing efforts and relationship management is one of the prime factors which influence customers in retail industry.

KEYWORDS: Relationship Marketing

Relationship Marketing defines the framework for the Organizations to reach out and orient themselves to the outside markets, to the end customer as well as to the business partners, the suppliers and vendors too. It is suggested that different levels of relationship duration would result indifferent levels of consumption experience, producing different results, satisfaction and loyalty with different Relationship Marketing tactics. Relationship Marketing essentially means developing customers as partners. RM approach is different from traditional transaction, since the final purpose of Relationship Marketing is to gain the maximal value of a customer, and customer loyalty should be emphasized to achieve this goal. The benefits of Relationship Marketing are derived from the continual patronage of loyal customers who act as a partnership for the firm and are not price sensitive.

Organizations generally tend to analyze the successful implementation of Relationship Marketing programs from the organizational point of view. However it is essential for organizations to focus on Relationship Marketing from customer's perspective. Understanding customer's perception towards the factors influencing RM allows organizations to effectively implement Relationship Marketing practices in organizations. Thus for the successful implementation of Relationship Marketing in firms, it becomes essential to analyze and understand customer's perception towards the factors influencing Relationship Marketing .

INDIAN RETAIL INDUSTRY

Retailing, the act of final delivery of goods and services to ultimate consumers is undergoing a revolution in recent times. There has been a gradual transformation

in the formats of retailing in India from traditional village shops to the modern organized retailing. The Indian retail industry is the fifth largest in the world. Comprising of organized and unorganized sectors, India retail industry is one of the fastest growing industries in India, especially over the last few years. Though initially, the retail industry in India was mostly unorganized, however with the change of tastes and preferences of the consumers, the industry is getting more popular these days and getting organized as well. In the Indian retailing industry, food is the most dominating sector and is growing at a rate of 9% annually. India has occupied a remarkable position in global retail rankings; the country has high market potential, low economic risk, and moderate political risk. India's net retail sales are quite significant among emerging and developed nations; the country is ranked third (after China and Brazil).India growth potential is more favourable in comparison with global peers among foreign investors in retail industry.

REVIEW OF PAST STUDIES

Relationship Marketing is defined by), as "a form of marketing developed from direct response marketing campaigns which emphasizes customer retention and satisfaction, rather than a dominant focus on sales transactions" Kotler (1992).A study on the purchase behavior and profitability data, derived from the accounting system of a firm, are matched with the responses of the firm's customers and the study reveals that there is a strong link between customer behavior and customer profitability, while modest links exist between repurchase intentions and subsequent behavior. Relationship marketing with traditional marketing and

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state than Relationship Marketing is more concerned about building customer relationships in order to achieve long-term mutual benefits for all parties involved in the exchanges. Bowen and Shoemaker (2003). Relationship Management is a term referring to the management of relationships with all constituents in the marketing channel. Discussion on relationship management often appears in research study in industrial chain concepts, partnership sourcing, joint venture and strategic alliances (Eichorn, 2004). To be successful, organizations must look into the needs and wants of their customers. As Customer satisfaction has a positive effect on an organization's profitability, organizations should consider the consequences of customer satisfaction and dissatisfaction. (Harkiranpal, 2006). The present marketing scenario situates itself in front of a new paradigm, where the organizations research and analyze long term relationship between companies and their customers (Nicolae and Corina, 2007). The critical factor to attaining customer loyalty is customer satisfaction because who is highly satisfied will stay longer (Kundish et al., 2008). Competitive Marketing Strategy (CMS) has Relationship Marketing (RM) as one of the key functionality in enhancing business performance where RM guide moments of truth, improve profitability, build partnering, address 'Customer Better', buy in of customer attention, protect emotional well being, understand consumer psyche, build trust with customer. Nagasimha (2011). Indian retail has a vast expansion for growth as the modern Indian consumer is seeking more value in terms of improved availability and quality, pleasant shopping environment, financing options, trial rooms for clothing products, return and exchange policies and competitive prices. (Kalai lakshmi and Rau, 2013) Hence Customer Relationship Marketing is all about attracting the right customer, getting them to buy, making them to buy often, making customers to buy in higher quantities and also bringing even more customers.

RESEARCH METHODOLOGY

Descriptive research design has been adopted to conduct the research and convenience sampling method is used to collect the data of 819 respondents of visiting supermarkets in Chennai.

The major objective of the study is to understand customer's perception towards the need for relationship management in supermarkets. The researcher has taken the demographical profile of customers as the as a base to

classify the respondents in various categories and further to understand their perceptions on the same. A well structured questionnaire has been used to collect the data from respondents. Chi square test is the statistical tool used to support the results of the study. The three factors considered for the study are age, education and occupation of respondents.

HYPOTHESIS FOR THE STUDY

- Ho** There is no association between respondent's age and their preference towards the need of Relationship Marketing practices in supermarket chain stores visited.
- Ho** There is no association between respondent's educational qualification and their preference towards the need of Relationship Marketing practices in supermarket chain stores visited.
- Ho** There is no association between respondent's occupation and their preference towards the need of Relationship Marketing practices in the Supermarket chain stores regularly visited.

DATA ANALYSIS AND FINDINGS

The above table analyses the association between customer's age and their preference towards the importance of Relationship Marketing practices to retain customers. Since p value is less than 0.01, the null hypothesis is rejected at 1 percent level of significance. From the above table it could be inferred that among 152 respondents between the age of 16-25 years 45 (29.6%) strongly agree, 61 (40.1%) agree, 44 (28.9 %) are neutral , 2(1.3%) disagree and 0 (0%) strongly disagree to the importance of Relationship Marketing practices in supermarket chain stores, among 277 respondents between the age of 26-35 years 84 (30.3%) strongly agree, 117 (42.2%) agree, 55 (19.9 %) are neutral, 19(6.9%) disagree and 2 (0.7%) strongly disagree to the importance of Relationship Marketing practices, among 193 respondents between the age of 36-45 years 61(31.6%) strongly agree,75 (38.9%) agree, 37(19.2 %) are neutral , 20(10.4%) disagree and 0 (0%) strongly disagree to the importance of Relationship Marketing practices, among 90 respondents between the age of 46-55 years 24(26.7%) strongly agree,42 (46.7%) agree, 20(22.2 %) are neutral, 4(4.4%) disagree and 0(0%) strongly disagree to the importance of Relationship Marketing practices and among 107 respondents between the age of above 55 years 27 (25.2%) strongly agree, 50 (46.7%) agree, 22 (20.6 %) are neutral, 3(2.8%) disagree

and 5(4.7%) strongly disagree to the importance of stores. Relationship Marketing practices in supermarket chain

Table 1: Chi-square test for association between and respondent's age and their preference towards the need for Relationship Marketing in supermarkets.

Age in years	Customer preference towards Relationship Marketing practices in supermarket chain stores					Total	Chi-square Value	P value
	SA	A	N	D	SD			
16-25	45 (29.6) [18.7]	61 (40.1) [17.7]	44 (28.9) [24.7]	2 (1.3) [4.2]	0 (0.0) [0.0]	152	44.166	<0.001**
26-35	84 (30.3) [34.9]	117 (42.2) [33.9]	55 (19.9) [30.9]	19 (6.9) [39.6]	2 (0.7) [28.6]	277		
36-45	61 (31.6) [25.3]	75 (38.9) [21.7]	37 (19.2) [20.8]	20 (10.4) [41.7]	0 (0.0) [0.0]	193		
46-55	24 (26.7) [10.0]	42 (46.7) [12.2]	20 (22.2) [11.2]	4 (4.4) [8.3]	0 (0.0) [0.0]	90		
Above 55	27 (25.2) [11.2]	50 (46.7) [14.5]	22 (20.6) [12.1]	3 (2.8) [6.3]	5 (4.7) [71.4]	107		
Total	241	345	178	48	7	819		

Note : ** Denotes significant at 1% level

Table 2: Chi-square test for association between and respondent's Educational Qualification and their preference towards the need of Relationship Marketing in Supermarkets chain stores visited.

Education	Customer preference towards Relationship Marketing practices in supermarket chain stores					Total	Chi-square Value	p value
	SA	A	N	D	SD			
Professional	46 (27.7) [19.1]	78 (47.0) [22.6]	31 (18.7) [17.4]	6 (3.6) [12.5]	5 (3.0) [71.4]	152	39.554	0.024*
P.G.	90 (31.8) [37.3]	126 (44.5) [36.5]	53 (18.7) [29.8]	14 (4.9) [29.2]	0 (0.0) [0.0]	277		
U.G.	67 (27.9) [27.8]	87 (36.3) [25.2]	62 (25.8) [34.8]	22 (9.2) 45.8	2 (0.8) [28.6]	193		
Diploma	10 (20.8) [4.1]	24 (50.0) [7.0]	14 (29.2) [7.9]	0 (0.0) [0.0]	0 (0.0) [0.0]	90		
Others	28 (34.6) [3.8]	30 (36.8) [2.3]	18 (21.8) [2.9]	6 (6.5) [2.8]	0 (0.0) [0.0]	107		
Total	241	345	178	48	7	819		

Note : * Denotes significant at 5% level

The above table analyses the association between customer’s education and their preference towards the importance of Relationship Marketing practices to retain customers. Since p value is less than 0.05, the null hypothesis is rejected at 5 percent level of significance. From the above table it could be inferred that among 166 respondents who are professionally educated 46(27.7%) strongly agree, 78(47.0%) agree, 31(18.7 %) are neutral, 6(3.6%) disagree and 5(3.0%) strongly disagree to the importance of Relationship Marketing practices in supermarket chain stores, among 283 respondents who are post graduates 90(31.8%) strongly agree, 126(44.5%) agree, 53 (18.7 %) are neutral , 14(4.9%) disagree and 0(0.0%) strongly disagree to the importance of Relationship Marketing practices in supermarket chain

stores. among 240 respondents who are graduates 67 (27.9%) strongly agree, 87 (36.3%) agree, 62 (25.8 %) are neutral , 22(9.2%) disagree and 2(0.8%) strongly disagree to the importance of Relationship Marketing practices , among 48 respondents who are diploma holders 10 (2.8%) strongly agree, 24 (50.0%) agree, 14 (29.2 %) are neutral , 0(0%) disagree and 0(0%) strongly disagree to the importance of Relationship Marketing practices, among other 82 respondents from others category, 28 (34.6%) respondents strongly agree, 30 (36.8%) agree,18(21.8 %) are neutral, 6(6.5%) of the respondents disagree and 0(0%) strongly disagree to the importance of Relationship Marketing practices in supermarket chain stores.

Table 3:Chi-square test for association between and respondent’s Occupation and their preference towards the need of Relationship Marketing in Supermarket chain stores.

Occupation	Customer preference towards Relationship Marketing practices in supermarket chain stores.					Total	Chi-square value	p value
	SA	A	N	D	SD			
Govt.	28 (31.5) [11.6]	29 (32.6) [8.4]	19 (21.3) [10.7]	10 (11.2) [20.8]	3 (3.4) [42.9]	89	44.166	<0.001**
Private	82 (28.9) [34.0]	117 (41.2) [33.9]	67 (3.6) [37.6]	14 (4.9) [29.2]	4 (1.4) [57.1]	284		
Business	32 (24.8) [13.3]	75 (58.1) [21.7]	14 (10.9) [7.9]	8 (6.2) [16.7]	0 (0.0) [0.0]	129		
House wife	30 (30.3) [2.4]	39 (39.4) [11.3]	26 (6.3) [14.6]	4 (4.0) [8.3]	0 (0.0) [0.0]	99		
Student	69 (31.7) [28.6]	85 (39.0) [24.6]	52 (23.9) [29.2]	12 (5.5) [25.0]	0 (0.0) [0.0]	218		
Total	241	345	178	48	7	819		

Note : ** Denotes significant at 1% level

The above table analyses the association between customer’s occupation and their preference towards the importance of Relationship Marketing practices to retain customers. Since P value is less than 0.01, the null hypothesis is rejected at 1 percent level of significance. From the above table it could be inferred that among 89 respondents who are government employees 28(31.5%) strongly agree, 29(32.6%) agree, 19(21.3 %) are neutral, 10(11.2%) disagree and 3 (3.4%) strongly disagree to the

importance of Relationship Marketing practices in supermarket chain stores, among 284 respondents who are government employees 82(28.9%) strongly agree, 117(41.2%) agree, 67(3.6%) are neutral, 14(4.9%) disagree and 4 (1.4%) strongly disagree to the importance of Relationship Marketing , among 218 respondents who are doing business 32 (24.8%) strongly agree, 75(58.1%) agree, 14 (10.9 %) are neutral ,8(6.2 %) disagree and 0(0%) strongly disagree to the importance of relationship

marketing, among 129 respondents who are housewives 30(30.3 %) strongly agree, 39(39.4%) agree 26(6.3 %) are neutral, 4(4.0%) disagree and 0(0%)strongly disagree to the importance of relationship marketing, among 218 respondents who are students 69 (31,7%) strongly agree, 85 (39%) agree, 52 (23.9 %) are neutral 12(5.5 %) disagree and 0(0%) strongly disagree to the importance of relationship marketing.

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