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# A study on customer relationship management in restaurants with special reference to Tirupur district

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### ABSTRACT

The customer is the most important person for a restaurant business. The Customer relationship management is becoming one of the most fundamental aspects of restaurant business. By using CRM correctly, ensure that customer interactions efficient. CRM plays a large role in successful marketing campaigns and Restaurants can identify trends in customer habits. This study what are the factors influencing in determining customer relationship. When Restaurants are understood customer's needs and customer expectation towards service quality, how can a restaurant decide which menu items to be brought, what specials to make, or what promotions to offer? With a strong understanding and usage of a CRM, restaurateurs can confidently make decisions about their business.

### I.INTRODUCTION

Relationship Management is usually defined as a firm's efforts to connect with consumers purchasing their products or using their services. These efforts are focused at the acquisition of new consumers, as well as towards the retention of existing customers. For this reason, executives strive to build a reliable system that allows the company and customers to easily interact easily with each other. The art of managing the organization's relationship with the customers and prospective clients refer to customer relationship management. Customer relationship management includes various strategies and techniques to maintain healthy relationship with the organization's existing as well as potential customers. Organizations must ensure customers are satisfied with their products and services for higher customer retention. Remember one satisfied customer brings ten new customers with him where as one dissatisfied customer takes away ten customers along with him. In simpler

words, customer relationship management refers to the study of needs and expectations of the customers and providing them the right solution.

### Need for Customer Relationship Management

Customer Relationship Management leads to satisfied customers and eventually higher business every time. Customer Relationship Management goes a long way in retaining existing customers. Customer relationship management ensures customers return back home with a smile. Customer relationship management improves the relationship between the organization and customers. Such activities strengthen the bond between the sales representatives and customers.

### Steps to Customer Relationship Management

It is essential for the sales representatives to understand the needs, interest as well as budget of the customers. Don't suggest anything which would burn a hole in their pockets. Never tell lies to the customers. Convey them only what your product offers. Don't cook fake stories or ever try to fool them. It is a sin to make customers waiting. Sales professionals should reach meetings on or before time. Make sure you are there at the venue before the customer reaches

. A sales professional should think from the customer's perspective. Don't only think about your own targets and incentives. Suggest only what is right for the customer. Don't sell an expensive mobile to a customer who earns rupees five thousand per month. He would never come back to you and your organization would lose one of its esteemed customers. Don't oversell. Being pushy does not work in sales. If a customer needs something; he would definitely purchase the same. Never irritate the customer or make his life hell. Don't call him more than twice in a single day. An individual needs time to develop trust in you and your product. Give him time to think and decide. Never be rude to customers. Handle the customers with

patience and care. One should never ever get hyper with the customers. Attend sales meeting with a cool mind. Greet the customers with a smile and try to solve their queries at the earliest. Keep in touch with the customers even after the deal. Devise customer loyalty programs for them to return to your organization. Give them bonus points or gifts on every second purchase. the sales manager must provide necessary training to the sales team to teach them how to interact with the customers. Remember customers are the assets of every business and it is important to keep them happy and satisfied for successful functioning of organization.

## II.OBJECTIVES OF THE STUDY

- To analyse the factors influencing in determining customer relationship

## III.SCOPE OF THE STUDY

- This study analyse the factors influencing in determining customer relationship
- This study helps identify customer expectation towards service quality of the restaurants

## IV.LIMITATIONS OF THE STUDY

- The area of study is limited towards tirupur district hence the results may not be accurate comparison from other geographical area
- Due to individual disagreement is affect the accuracy of the study
- Based on demographic factors , results may vary

## V.REVIEW OF LITERATURE

### LITERATURE REVIEW

According to Greenberg (2004), CRM generally is an enterprise-focused endeavor encompassing all departments in a business. He further explains that, in addition to customer service, CRM would also include, manufacturing, product testing, assembling as well as purchasing, and billing, and human resource, marketing

VandanaAhuja (2008) analyzed CRM build long terms profitable relationships with chosen customers and getting closer to those customers with every point of contact with them. The author noted that a good CRM strategy aims at providing a win-win platform for both the organization and the customer by paying adequate information to the process of adoption by focusing on options available to customers' adequate promotion campaigns and concentration on existing customer.

Bose (2002) noted that CRM was invented because the customers differ in their preferences and purchasing habits . If all customers were alike, there will be little need for CRM. As a result, understanding customer drivers and customer profitability, firms can

better tailor their offerings to maximize the overall value of their customer portfolio (Chen and Popovich)

Sulek and Hensley (200) have described food quality as a fundamental component of a dining experience. Many food service providers believe that people go to restaurants for the food.

Bredahl (2003) includes the sensory, health, convenience and process dimensions in his definition of food quality. Customers are clear about what kind of food quality they want, which has led to the growth of food Industry.

## VI.RESERCH METHODOLOGY

### RESEARCH DESIGN

- The research design indicates the type of research methodology under taken to collect the information for the study
- It mainly involves surveys and fact finding enquiries of different kinds.

### DATA COLLECTION METHOD

#### PRIMARY DATA

These are data which are collected for the first time directly by the Researcher for the Specific study undertaken by him. In this research primary data are collected directly from the Respondent by using Questionnaire.

#### SECONDARY DATA

These are data which are already collected and used by someone preciously. In this research review of Literature, Details of the industry are collected from the Internet

### SAMPLING SIZE AND TECHNIQUE

#### AREA OF THE STUDY

This study covers tirupur District.

#### SIZE OF THE SAMPLE

The sample size of this study is 150.

#### SAMPLE METHOD

Convenience sampling- Non-probability sampling

### QUESTIONNAIRE

The questions are arranged logical sequence. The questionnaire consists of a variety of questions presented to the for the response. Multiple choice questions, rating scale questions were used in constructing the questionnaire.

### STATISTICAL TOOLS USED

To analyze and interpret collected data the following statistical tools were used.

### HENRY GARRETT RANKING

Garrett's ranking technique to find out the most significant factor which influences the respondent, Garrett's ranking technique was used. As per this method, respondents have been asked to assign the rank for all factors and the outcomes of such ranking have been converted into score value with the help of the following formula:

$$\text{Percent position} = \frac{100 (R_{ij} - 0.50)}{N_j}$$

Where

R<sub>ij</sub> = Rank given for the i<sup>th</sup> statement by j<sup>th</sup> respondents

N<sub>j</sub> = Number of statement ranked by j<sup>th</sup> respondents.

**VII.DATA ANALYSIS**

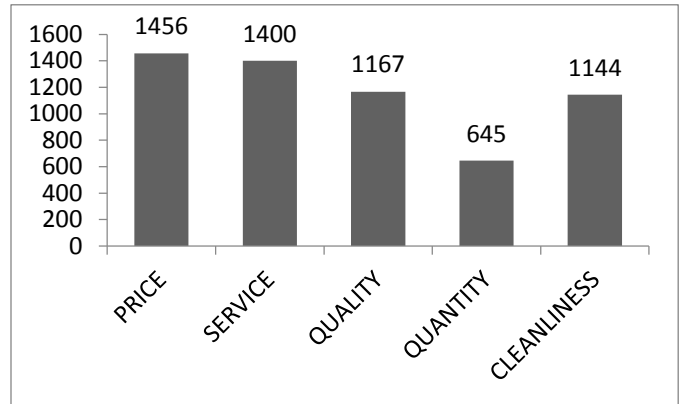
**TABLE NO: 1**

**RANK THE FACTORS DETERMINE THE RELATIONSHIP WITH RESTAURANTS**

S.NO	FACTORS	MEAN SCORE	TOTAL SCORE	RANK
1	PRICE	364	1456	1
2	SERVICE	280	1400	2
3	QUALITY	389	1167	3
4	QUANTITY	645	645	5
5	CLEANLINESS	572	1144	4

**INTERPRETATION**

Out of 150 Respondent, Factor 1 "price" was Ranked 1 with Total Score of 1456, Factor 2 "service" was Ranked 2 with Total Score of 1400, Factor 3 "quality" was Ranked 3 with Total Score of 1167, Factor 5 "cleanliness" was Ranked 4 with Total Score of 1144 and Factor 4 "quantity" was Ranked 5 with Total Score of 645.



**VIII.FINDINGS**

- 86% of respondents are male
- 44% of the respondents are working
- 74% of the respondents are said 'festival offer' the restaurant follows the strategy to relationship with customers
- 56% of the respondents are said 'Organic food' new menus to be brought to the restaurant
- From the Rank Analysis it is to Identify that "price" and "service" factors has been determine the relationship with restaurants and customers.

**IX.SUGGESTIONS**

- The quantity & quality of food should be improved to make customer's to visit the restaurant regularly. It creates strong relationship between restaurants and customers.
- Cleanliness should be improved to attract all type of customers goes for restaurant.
- If the restaurant provides only festival offer, so the restaurant may concentrate on the discount offer.
- The customer's expecting new menus like variety of foods and organic food items in the restaurant. This may helpful to increase customers.

**X.CONCLUSION**

Customer relationship management is based on customer because survive was made in the global market and focused on the customer and the customer is becoming a key factor for the small and big companies. Customers are the backbone of restaurant business, without them, any business would fail. Giving top-quality customer service and quality of food is an important for any restaurant. Customer service is simple customers are happy when they are treated with respect.

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#### **WEPSITES**

- 1) <https://www.lavu.com>
- 2) <https://www.managementstudyguide.com>