Customer Relationship Management In Car Service Industry With Reference To Car Dealers In Coimbatore

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ABSTRACT
The usefulness of the car is based on the customer’s expectation. The expectation is not only up to the purchase of the car, it continues in after sales service. Some of the general expectations of every customer include being reminded for periodical service, pick up & drop, nominal charges, etc. It indicates that for retaining customer, it would be necessary to fulfill his maximum expectations.

With structured questionnaire, the co-ordinal discussions were done with the personnel’s managing the workshops of the car dealers’ in Coimbatore. As a result, we were able to collect the primary data required pertaining to the study. In this paper the ratings are tabulated and analyzed, dealer wise and the parameter used is simple percentage method. The findings and suggestions are also presented dealer wise.

The survey reveals that the expectation scale of customer after sales service is rising. With the expectation of high value care with the latest technology and luxury features, the customers’ expectation from the dealers has increased in terms of service facilities and infrastructure. A dealer has to continuously raise his standards for customer satisfaction.

The companies have changed themselves as customer-centric company. In other words, the present requirement for success in the business is attributed firstly, to build the deep relationship with the customer and secondly, by winning the buyers’ confidence on the company rather than concentrating only on the sale of the products. Now it is confirmed that the customer retention is the main weapon for the success in the business. Interacting with the customers frequently and keep them informed of the work in progress are basic standards. Implementing innovative ideas like facilitating customers with a customer lounge and providing express service for all jobs including body works enables the right connect with the customer.

Keywords: CRM, after sales service, customer satisfaction

Introduction

“Is a satisfied customer a loyal customer?”

While many companies invest a great deal of money in building close relationships with profitable customers, their efforts are often unsuccessful because they fail to incorporate two important tools. The first tool is a method for setting relationship objectives and measuring the firm’s progress toward achieving them; the second is a strategic, integrated plan for managing customer relationship. Companies often do not know what good relationships should look like, how to form them, or how to measure them. Little wonder, then that customer relationship management (CRM) initiatives often fail to delivery the desired returns on investments.

Instead of measuring the customer relationship, many companies focus on researching customer satisfaction. This is a good start, but customer satisfaction data do not sufficiently describe a customer relationship or serve as a predictor of loyalty. Companies also have to consider customer behaviour and profitability in order to successfully manage individual customer relationships. In respect to profitability, all attributed costs should be applied to each customer. Some examples are, customers who communicate through more expensive channels, such as in person or via call centers, versus customers who use lower-cost channels such as the Internet; customer who are slow players versus those who play quickly; and customers who return merchandise frequently or tie up the company’s time with long conversations versus those who are less time intensive and problematic.

Determining the purchase decision-makers and influencer (both for business-to-business goods and services and consumer products); Assessing and weighting the relative importance of the decision-
makers (of considerable importance to suppliers of goods and services to business customers); Establishing decision-makers’ perceptions of the main attributes of satisfaction; Weighting the relative importance of these attributes by purchase decision-maker; Scoring the performance of the supplying organization in respect of these weighted attributes; and Multiplying performance rating by weighted attribute ranking to arrive at an index. Specifically, customer satisfaction measures usually do a poor job in the following areas;

- Predicting the level and nature of customers’ purchasing behaviours;
- Prioritizing satisfaction scores according to how important the respondent is to the company;
- Understanding customers’ rising expectations customers of all suppliers;
- Identifying customers most risk of switching to a competitor;

Providing a competitive context for customer attitudes and behaviours within the company’s traditional definition of its industry and from nontraditional sources of competition, such as those enabled by the internet and digital convergence; Assessing the factors that produce deeper bonds and a greater market share; Understanding the company’s progress in relation to the main drivers of the customer relationship; and Linking profitability, behaviours add attitudes at the level needed to manage customer behaviours, whether for individuals, customers clustered according to their behaviours, or market segments.

Some companies use research methodologies and software to arrive at the key attributes that drive each customer relationship. Other firms prefer to explore relationships using focus groups with consumers grouped according to their behaviours rather than their demographics. Others conduct personal interviews with the purchase decision-makers and public-sector organizations. In this study, whichever approach is adopted, attributes can typically be aggregated into three main categories that yield a comprehensive description of the customer relationship. These categories are;

- Satisfaction and alignment
- Trust and values
- New value

Objectives of the Study

- To Study the level of customer relationship management pertaining to service industries
- To study the procedure followed by the dealer to ensure the customer satisfaction after sales service
- To study the effectiveness of services marketing
- To study the marketing techniques used to retain their customer in service industry
- To study the various value added services provided to the customers

Definition Of Quality In Vehicle Service In Entire Workflow

Customer to be attended within 5 minutes after entering the Workshop

- Opening the Job card with the help of Job slip and explain very clearly to the customer regarding demanded jobs and the cost estimate before commencing the work. The road test to be taken for identifying any addition repairs. For additional job specific approval will be taken. The copy of the job card to be provided to the customer.
- The vehicle will be handed over to the shop floor, the service advisor and supervisor will allocate vehicle to mechanic and follow up the vehicle repair status with vehicle tracking sheet to complete the work before the promised time.
- Critical & Non-available parts required for workshop for that day is monitored separately by Spares Manager & Works Manager and arranged immediately.
- After completing all the Jobs, as per the specification of MSIL the final inspection will be done to reconfirm the completion of repairs. If any work is incomplete the vehicle will be rejected and sent to the concerned for re-work. Only after completion of the works demanded by the customer, the vehicle will be passed through Final Inspection.
- Final rejection analysis done reason to each case & technician wise, accordingly counter measure are taken.
- The vehicle ready status will be informed over phone or through SMS.
- The customer is explained properly about the charges and the jobs carried out at the time of delivery with the Performa Invoice and original invoice after his acceptance.
- If setting vehicle seat position, reclining of the seat, inside & outside view mirror is changed...
and it is not brought to the original position, the same should be communicated to the customer.

Figure 1 : VEHICLE FLOW CHART FOR SERVICE
Findings and Suggestions

From this Survey Maruti Suzuki India Limited has scored 92% and it is identified as No.1 in Customer Relationship Management In Car Service Industries

MARUTI SUZUKI INDIA LIMITED

Findings:
- There are only 75% of customers satisfied on customer lounge facility available in dealer workshops.
- Maruti Suzuki India Limited and their dealers have various stages of follow up by means of Post Service Follow-up & Customer Satisfaction Index conducted by dealer / Maruti Suzuki India Limited and also through Face to Face contact by Maruti Suzuki India Limited Representative to ensure the customer satisfaction after service of 96%

Suggestion:
- MARUTI should consider & insist their dealers to provide a separate lounge for female customers with newspapers, magazines, television, drinks, etc.,
FORD INDIA PRIVATE LIMITED

Findings:
- Only 25% of customers are aware about knowing their vehicle status through tracking sheet at front office.
- The 90% of non-visited customers are contacted through telephone, the balance of 10% customers only are attended through Home visit.

Suggestions:
- The customer who visits the workshop for knowing vehicle status has to go through the display board at front office, it is suggested that they should nominate one person exclusively to attend the customer who are coming for the delivery of vehicle.
- Gift offers can be announced to lure the customers to gain effective feedback cards and the same could be offered during Festivals to all regular customers.

MERCEDES BENZ

Findings:
- 80% of customers were attended within 10 minutes by the workshop staff on their arrival to workshop.
- 64% of dealer workshops are opened on Sunday for customer’s convenience and 75% of Benz customers are expecting similar facilities from the dealers, which are not providing the same.

Suggestions:
- As the product is targeted at higher segment, the elite customers may not have time to send their vehicle for service, instead of reminding the customer for service through telephone, it is suggested to have a system of pickup and drop for sending the vehicles to the workshop.
- The average resolving time to close the customer complaint is high of 3 days, with further focus this can be minimized in 2 days and later on brought down to the same day.
- The alternate car facility or pick up and drop is not provided to their customer for critical cases, this system can be introduced for their customers.

MAHINDRA & MAHINDRA

Findings:
- 50% of the customers are positively responded to Extended Warranty.
- 50% of training such as in-house & factory are provided to their employees.

Suggestions:
- There is no online system at the workshops for their service operations. By providing this facility, their dealers can go through the vehicle history before attending the vehicle.
- The principals can conduct individual mapping of Service advisor and Technician of their dealers to improve efficiency and accountability.

HYUNDAI MOTORS

Findings:
- 73% of car dealers are confirming the jobs attended from the Final Inspector, in this dealer’s workshop it is confirmed from Service advisor.
- The WAIT & TAKE facility is offered for 35% of vehicles serviced by them, even for minor jobs.

Suggestions:
- In Customer lounge only TV facility is provided to the customer. This can be improved by including Internet, magazines, water and video’s to enhance customer comfortability.
- The analysis to be done technician wise for all repeated individual job.

SKODA

Findings:
- 80% of non-visited customers are intimated through Letter.
- 20% of non-visited customers are contacted only through telephone.
Suggestions:
- A sticker is to be affixed at visible place in the car for reminding next service to the customer, this can be further intimated to the customer through Telephone / Auto SMS (facility available in Software).
- Free check-up camps can be done at various places to retain their customer and build the brand image.

MITSUBISHI MOTORS

Findings:
- 50% of the customers are positively responded to Extended Warranty.
- Only 10% of the non-visited customers are attended through Home visits.

Suggestions:
- For non-visited customers 100% home visit can be done by taking prior appointment and educating the importance of the periodical service.
- Customers meet to be conducted in workshop premises for educating the Do's & Don'ts and latest technology of the vehicles.

TOYOTA MOTORS

Findings:
- 50% of training such as in-house & factory training are provided to their employees but there is no individual mapping system.
- There is no continuous promotional events conducted, only around 50% of time these events are undertaken.

Suggestions:
- Since the vehicle introduced by this company are high end models and during break down customers cannot rectify their vehicle through road side mechanics, it is suggested to provide exclusively one vehicle with basic tools and 2 technicians with mobile for 24hrs break down service.
- The pick & drop facility can be provided to the customers who leave their vehicle for service and they may be provided transportation facility to return back to their office or residence.

TATA MOTORS

Findings:
- 75% of customer complaints are closed within an average of three days.
- 25% customers are aware of refreshment facilities available to the customers. i.e the refreshment is provided on time bound

Suggestions:
- In house arrangements can be provided to offer refreshments to customers without delay.
- The customer complaint resolving time is found to be higher side of three days this can be minimized to two days and even the same day would be highly appreciable.

HONDA MOTORS

Findings:
- Internet facility is available in the customer lounge for the customer convenience and 45% of customers are using this facility
- 33% of facility available to inform the ready status of vehicle to the customers. i.e only through telephone intimation.

Suggestions:
- The working hours can be extended from 8 hours to 12 hours, as in normal course most of the high segment vehicle customers prefer to take delivery of their vehicles in the evenings.
- Apart from telephonic information about vehicle readiness status to the customer, SMS intimation can also be provided.

Conclusion
The survey reveals that the expectation scale of customer after sale service is rising high. With the release of high value cars with the latest technology and luxury features, the customer's expectations from the dealers is also increasing in terms of service facilitation and upgraded infrastructure. A dealer has to continuously raise his standards for customer satisfaction.

The companies have changed themselves as customer-centric company. In other words, the present requirement for success in the business is first to build the deep relationship by winning the buyers'
confidence on the company instead of only selling the products.

Now it is confirmed that the customer retention is the main weapon for the success in the business. This necessitates the service centre’s interacting with the customers very frequently and also implementing innovative ideas like
1. Having a computer at the customer lounge where the customer may know their vehicle status and use Internet / wifi.
2. Providing Express service for all jobs including body works.

“Customer is the King” in Sales!
“Customer is the God” in after sales Service!

References