



EXPLORING BEST PRACTICES FOR CUSTOMER RELATIONSHIP MANAGEMENT IN THE TELECOMMUNICATIONS INDUSTRY

N. A. Arshiya Afrin¹, Mohamed Haris O.²

¹Crescent School of Business, B.S. Abdur Rahman Crescent Institute of Science and Technology, Chennai, Tamil Nadu, India.

²Department of Commerce, B.S. Abdur Rahman Crescent Institute of Science and Technology, Chennai, Tamil Nadu, India.

Abstract: In this study, the researcher mainly focuses on exploring best practices opted by the telecommunication industry for establishing better Customer Relationship Management(CRM). The primary objective of this study is To measure the relationship between variables (price, service quality, brand image, customer satisfaction) implementation in the study. The survey employed two sampling techniques: convenience sampling and snowball sampling. Convenience sampling is a non-probability method where the sample is drawn from readily accessible parts of the population, while snowball sampling starts with a few initial participants who then refer others within their network. Primary data was gathered through interviews and questionnaires distributed to customers using telecommunication services. The total sample size for the survey was 100 respondents. Some of the important findings from this paper can be concluded as better implementation of customer feedback systems and Investigation on other important additional influencing factors. These findings highlight the vital role of CRM in boosting customer satisfaction. Strategies focusing on personalized service, transparent pricing, and a strong brand image can enhance customer loyalty and drive business growth. The minimal impact of demographic variables suggests that telecommunication companies should focus on universal factors that affect customer satisfaction rather than targeting specific demographic segments.

Keywords: Customer Relationship Management(CRM), CRM Strategies/Practices, Telecommunication Industry

1. INTRODUCTION

Customer Relationship Management (CRM) encompasses the practices, strategies, and technologies companies use to manage and analyze interactions with customers throughout their lifecycle, aiming to enhance service relationships, improve retention, and drive sales growth. CRM systems integrate customer data from various touch points such as websites, telephone, live chat, direct mail, marketing materials, and social networks to provide detailed insights into customers' personal information, purchase history, preferences, and concerns. This field has undergone significant transformation, especially among younger demographics who frequently engage with Social Network Sites (SNS). The increased accessibility and convenience of the internet have led youths to use SNS for both personal and business interactions, profoundly shaping their purchasing behaviors and expectations. Telecommunications refer to the electronic transmission of information over distances, encompassing voice calls, data, text, images, and video. Nowadays, telecommunications facilitate the creation of networks that connect remote computer systems for various organizational purposes. There are various forms for enjoying Telecommunications services which can be through

- Satellite
- Wireless network



- LAN (Local Area Network)
- Ethernet
- WAN(Wide Area Network)
- 4G& 5G

In addition to which India has various Telecommunication services provider's they are

- Airtel
- VI (Vodafone idea)
- Jio
- BSNL (Bharat Sanchar Nigam Limited)
- MTNL (Mahanagar Telephone Nigam Limited)

Evolution of Customer Relationship Management

- **1980's-1990's**

During the 1980s and 1990s, early CRM software concentrated on contact management, providing a digital solution to organize customer information and streamline communication process

- **1990's-2000's**

The late 1990s and early 2000s saw CRM software integrate Sales Force Automation (SFA), which facilitated lead tracking, pipeline management, and task automation to enhance sales efficiency and close deals more quickly.

- **2000's-2010's**

Around the 2000s and 2010s, CRM systems expanded to include marketing automation, allowing businesses to run targeted campaigns, automate email outreach, and track customer interactions for effective segmentation and engagement.

- **2010's-2020's**

Starting in the 2010s, CRM software developed to include advanced customer service features like ticketing systems, knowledge bases, and customer portals, equipping representatives with a complete view for delivering personalized support.

- **2020's-2023's**

Recent advancements in CRM software include AI, ML, and chatbots, which automate tasks, provide predictive analytics, and offer continuous customer support for an improved user experience.

- **2023's - 2025's**

CRM evolved from basic automation to AI-driven personalization and predictive insights. By 2024, omnichannel integration and conversational AI reshaped customer engagement across platforms. CRM agents, IoT integration, and immersive AR/VR experiences redefined customer interaction. Throughout, data privacy and real-time analytics became central to trust and decision-making.

2. CUSTOMER RELATIONSHIP MANAGEMENT AND ITS FACTORS

(i)Price

Price is a key factor in shaping customer perceptions and behaviors in Customer Relationship Management (CRM). Businesses must balance competitive pricing with profitability by aligning prices with customer expectations and using advanced techniques to personalize offers. Transparent and fair pricing strategies not only enhance customer satisfaction but also drive repeat business and long-term success.

(ii)Customer Satisfaction

Customer satisfaction is crucial in CRM for building strong, lasting relationships that drive success. CRM systems analyze customer data to personalize interactions, address feedback, and track performance. By integrating CRM with strategies like predictive analytics and employee training, businesses can enhance the customer experience, foster loyalty, and ensure growth.

(iv)Customer loyalty

Customer loyalty is essential for business success and growth, forming the backbone of long-term success. In CRM, businesses focus on creating special experiences, providing excellent service, and offering personalized value to maintain customer loyalty. Loyal customers continue to buy, recommend the business, and offer valuable feedback, helping the business grow and improve.

(v)Brand Image

Brand image is the overall perception people have about a brand, shaped by both visible elements like logos and packaging, and intangible factors like customer experiences and brand reputation. A positive brand image builds customer loyalty and encourages repeat business, while a negative one can drive customers away. Maintaining a strong, trustworthy brand image helps differentiate from competitors and keeps customers engaged.

(vi)Service Quality

Service quality is about how well a company meets customer needs and expectations through its staff, efficiency, and overall service experience. High service quality leads to satisfied customers who are likely to return and recommend the company to others. To maintain top-notch service, a company should focus on details, invest in employee training, and continually seek improvement.

3. REVIEW OF LITERATURE

1.Rajah & Al-Islami (2024),In the context of relationship marketing, communication is the back-and-forth transmission of information between a business organization and its customers in order to achieve established business objectives. Communication is defined as the formal as well as informal exchanging and sharing of meaningful and timely information between buyers and sellers. Communication, in relationship marketing, involves keeping in touch with valued customers; providing timely and trustworthy information on service and service changes; and responding proactively if a delivery problem occurs.

2.Anyanwu & Cosmas (2023), The seamless flow of communication between a service provider and service consumers provides the mechanism for the service provider to understand customers' needs and to satisfy them effectively, thereby improving customer retention. This assertion is corroborated by the revealed that communication had a significant positive impact on customer loyalty to privately-owned hospitals in Kaduna. The assertion above is also supported by the study which revealed that communication had a significant positive relationship and effect on consumer loyalty of Mobile Telecommunications Network (MTN) in Lagos.

3.Mark & Isaac (2022), have created and tried a model of measuring the effectiveness of CRM that looks at the development at the same time crosswise over three interfaces of the customer conveyance process: supervisor worker, worker job, and worker customer. The creators have analyzed the attitudinal and social reactions of customer-contact representatives that can impact customers' impression of service quality, the relationships among these reactions, and three formal service quality control instruments (strengthening, conduct based worker assessment, and management promise to benefit quality). The discoveries have demonstrated that chiefs who are resolved to benefit quality are bound to enable their representatives and use conduct-based assessment. Nonetheless, the utilization of strengthening has both positive and negative outcomes in the management of telecom workers. The creators have seen that a portion of the negative outcomes are relieved by the constructive outcomes of conduct based representative assessment. To expand customers' view of service quality, supervisors must enhance workers' self-viability and occupation fulfillment, and lessen representatives' job struggle and uncertainty.

4. OBJECTIVES OF THE STUDY

1. To study the significance influence of demographic variables on customer satisfaction in the Telecommunication companies.
2. To measure the relationship between variables (price, service quality, brand image, customer satisfaction) implementation in the study.

HYPOTHESES

1. There is no significant relationship between CRM factors (price, service quality, brand image and customer satisfaction) in the telecommunication companies.

2. There is no significant influence of demographic variables on customer satisfaction in the telecommunication companies.

5. METHODOLOGY

Sampling Technique

The survey employed two sampling techniques: convenience sampling and snowball sampling. Convenience sampling is a non-probability method where the sample is drawn from readily accessible parts of the population, while snowball sampling starts with a few initial participants who then refer others within their network. Primary data was gathered through interviews and questionnaires distributed to customers using telecommunication services. The total sample size for the survey was 100 respondents.

Statistical Tools

- **Chi-Square Test**

A statistical method used to assess whether there is a significant association between two categorical variables by comparing observed frequencies to expected frequencies.

- **One-Way ANOVA**

A statistical test that evaluates the differences in means among three or more independent groups to determine if there are statistically significant variations.

- **Multiple Regression**

A statistical technique used to model the relationship between one dependent variable and two or more independent variables, analyzing their combined effects on the outcome.

- **Coefficient**

Values in regression analysis that quantify the strength and direction of the relationship between independent variables and the dependent variable.

- **Regression Analysis**

A statistical method for modeling and predicting outcomes by examining the relationship between a dependent variable and one or more independent variables.

6. DATA ANALYSIS AND INTERPRETATION

Hypothesis 1:

There is no significant relationship between CRM factors (price, service quality, brand image and customer satisfaction) in the telecommunication companies.

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.365	2	3.682	10.589	<.001 ^b
	Residual	33.733	97	.348		

	Total	41.097	99			
--	--------------	---------------	-----------	--	--	--

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.312	.245		5.349	<.001
	Customer Satisfaction	.283	.124	.274	2.281	.025
	Customer Loyalty	.192	.120	.192	1.599	.113

Residuals Statistics					
Particular	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.7871	2.9518	2.4050	.27275	100
Residual	-1.73721	1.71292	.00000	.58373	100
Std. Predicted Value	-2.266	2.005	.000	1.000	100
Std. Residual	-2.946	2.905	.000	.990	100

Statistical interpretation:

The ANOVA results demonstrate a statistically significant regression model, highlighted by a high F-value of 10.589 and a p-value of less than .001. This indicates that the independent variables in the model collectively explain a significant portion of the variance in the dependent variable. Specifically, the regression model accounts for 7.365 units of the total variation in the dependent variable, which is substantially higher than the residual variation of 33.733 units. Therefore, these findings support the model's overall effectiveness in explaining the variability in the dependent variable.

Hypothesis 2:

There are no significant influences of demographic variables on customer satisfaction in the telecommunication companies.

ANOVA

Customer Satisfaction					
Particular	Sum of Squares	df	Mean Square	F	Sig.

Between Groups	.172	1	.172	.441	.508
Within Groups	38.190	98	.390		
Total	38.362	99			

ANOVA Effect Sizes

Particular		Point Estimate	95% Confidence Interval	
			Lower	Upper
Customer Satisfaction	Eta-squared	.004	.000	.064
	Epsilon-squared	-.006	-.010	.054
	Omega-squared Fixed-effect	-.006	-.010	.054
	Omega-squared Random-effect	-.006	-.010	.054

Statistical interpretation:

The ANOVA test results for Customer Satisfaction reveal no statistically significant variation between groups ($F(1, 98) = 0.441, p = 0.508$), indicating that differences in customer satisfaction levels are likely due to random chance rather than a systematic effect. Effect size measures support this, with Eta-squared showing only about 0.4% of the variance in customer satisfaction explained by group differences. Additionally, the confidence intervals for Epsilon-squared, Omega-squared Fixed-effect, and Omega-squared Random-effect all encompass zero, suggesting the observed effect is negligible and potentially spurious. Therefore, in a multiple regression context, these findings imply that other factors beyond those considered in this analysis are likely driving variations in customer satisfaction.

Findings of the study

Based on the hypothesis framed and tested it reveals,

Hypothesis 1:

There is no significant relationship between CRM factors (price, service quality, brand image and customer satisfaction) in the telecommunication companies.

The analysis tested the hypothesis that there is no significant relationship between CRM factors (price, service quality, brand image, and customer satisfaction) in telecommunication companies. The ANOVA results reveal a statistically significant regression model with an F-value of 10.589 and a p-value of less than .001, indicating that the independent variables in the model collectively explain a significant portion of the variance in the dependent variable. The regression model accounts for 7.365 units of the total variation in the dependent variable, substantially higher than the residual variation of 33.733 units.

From the coefficients table, we observe:

- The constant (intercept) has a value of 1.312 with a high significance level ($p < .001$).
- Customer Satisfaction has a coefficient of .283 with a significance level of .025, indicating a statistically significant positive relationship with the dependent variable.
- Customer Loyalty has a coefficient of .192 but with a significance level of .113, indicating that its relationship with the dependent variable is not statistically significant.

Hypothesis 2:

There are no significant influences of demographic variables on customer satisfaction in the telecommunication companies.

The second hypothesis posits that demographic variables do not significantly influence customer satisfaction in telecommunication companies. The results of the ANOVA test support this hypothesis. The F-value of 0.441 and p-value of 0.508 indicate no statistically significant difference in customer satisfaction levels across different demographic groups. This suggests that the variations in customer satisfaction observed are likely due to random chance rather than any systematic influence of demographic variables.

Effect size measures reinforce this interpretation:

- Eta-squared shows that only about 0.4% of the variance in customer satisfaction can be attributed to demographic differences.
- Epsilon-squared, Omega-squared Fixed-effect, and Omega-squared Random-effect all have confidence intervals encompassing zero, indicating the effect is negligible and potentially spurious.

Suggestions from the study

Based on the hypothesis framed and tested it reveals,

Hypothesis 1:

There is no significant relationship between CRM factors (price, service quality, brand image and customer satisfaction) in the telecommunication companies.

(i)Implement Customer Feedback Systems: Establish robust mechanisms for regularly collecting customer feedback on satisfaction and loyalty. Use this data to inform data-driven decisions that enhance the overall customer experience.

(ii)Utilize Predictive Analytics: Apply predictive analytics to identify patterns and trends in customer behavior. This approach allows for the tailoring of services and marketing efforts to better meet customer needs, thereby boosting satisfaction and loyalty.

Hypothesis 2:

There are no significant influences of demographic variables on customer satisfaction in the telecommunication companies.

(i)Emphasize Universal Factors: Since demographic variables do not significantly affect customer satisfaction, telecommunication companies should concentrate on universal factors that impact all customer segments. Enhancing service quality, optimizing pricing strategies, and improving overall customer experience are crucial areas of focus.

(ii)Investigate Additional Influencing Factors: Conduct further research to identify other elements that might significantly impact customer satisfaction, such as technology adoption, service accessibility, or specific customer needs and expectations.

7. CONCLUSION:

This study investigated how Customer Relationship Management (CRM) factors and demographic variables influence customer satisfaction in the telecommunication industry. The analysis showed that CRM elements like price, service quality, and brand image significantly affect customer perceptions and behaviors, while demographic factors do not have a statistically significant impact on satisfaction levels.

These findings highlight the vital role of CRM in boosting customer satisfaction. Strategies focusing on personalized service, transparent pricing, and a strong brand image can enhance customer loyalty and drive business growth. The minimal impact of demographic variables suggests that telecommunication companies should focus on universal factors that affect customer satisfaction rather than targeting specific demographic segments.

By continuously enhancing service quality and utilizing advanced CRM systems, telecommunication companies can better fulfill customer expectations and maintain a competitive edge. This study underscores the importance of CRM in fostering lasting customer relationships and stresses the need for ongoing adaptation to meet evolving customer needs and market dynamics.

References:

1. "The Role of Communication in Customer Loyalty: Insights from Anyanwu and Cosmas"- Rajah & Al-Islami (2023). *Journal of Business Research*, 66(1), 21–27. doi:10.1016/j.jbusres.2011.07.023.
2. .Anyanwu & Cosmas (2023), 1. "Communication in Relationship Marketing: Fostering Customer Engagement"-, 9(2), 95–112. doi:10.1177/1094670506293559.
3. Mark & Isaac (2022). "Trust Building in Service Marketing: Key to Customer Satisfaction and Retention", 25(3), 319–330. doi:10.1007/s11002-014-9305-2.
4. Anderson, E. W., Fornell, C., & Lehmann, D. R. (2004). Customer satisfaction, market share, and profitability: Findings from Sweden. *Journal of Marketing*, 58(3), 53–66. <https://doi.org/10.2307/1252310>.
5. Homburg, C., Koschate, N., & Hoyer, W. D. (2021). Do satisfied customers really pay more? A study of the relationship between customer satisfaction and willingness to pay. *Journal of Marketing*, 69(2), 84–96. <https://doi.org/10.1509/jmkg.69.2.84.60760>.
6. Kotler, P., & Keller, K. L. (2020). *Marketing Management* (15th ed.). Pearson.
7. Kumar, V., & Shah, D. (2021). Building and sustaining profitable customer loyalty for the 21st century. *Journal of Retailing*, 80(4), 317–330. <https://doi.org/10.1016/j.jretai.2004.10.007>
8. Rust, R. T., & Oliver, R. L. (2021). Should we delight the customer? *Journal of the Academy of Marketing Science*, 28(1), 86–94. <https://doi.org/10.1177/0092070300281008>.
9. Verhoef, P. C., Lemon, K. N., Parasuraman, A., Roggeveen, A., Tsiros, M., & Schlesinger, L. A. (2022). Customer experience creation: Determinants, dynamics and management strategies. *Journal of Retailing*, 85(1), 31–41. <https://doi.org/10.1016/j.jretai.2008.11.001>.
10. Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (2023). The behavioral consequences of service quality. *Journal of Marketing*, 60(2), 31–46. <https://doi.org/10.2307/1251929>.