SALES

A Study on the Importance of Customer Relationship Management in Sales

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Abstract

Customer Relationship Management (CRM) has become an essential part of modern sales activities. In today's competitive business environment, maintaining good relationships with customers is important for attracting potential buyers, improving customer satisfaction and achieving sales targets. CRM helps businesses organize customer information, track sales leads, manage follow-ups and understand customer requirements.

This paper aims to study the importance of Customer Relationship Management in sales, with reference to the sales activities performed during the Summer Internship Project (SIP) at Union Living Pvt. Ltd., a company operating in the co-living industry. The internship experience provided practical exposure to CRM-based lead management, customer communication, lead qualification, scheduling property visits, property demonstrations, negotiations and rental conversions.

The observations made during the study highlight that effective CRM practices help sales professionals maintain organized customer records, improve communication, ensure timely follow-ups and identify potential customers. However, challenges such as unresponsive leads, changing customer requirements, delayed responses and competition can affect the sales process.

The paper further suggests maintaining updated customer records, conducting timely follow-ups, understanding customer preferences, improving communication and using systematic lead management practices to strengthen customer relationships and improve sales performance.

Keywords: customer relationship management; sales; lead management; customer follow-up; co-living; real estate; customer satisfaction

1 Introduction and background

1.1 Introduction

Customer relationship management is key to business. This involves overseeing and managing the connection(s) that a business has with both current and prospective customers.

Alongside selling a product or service, customer relationship management within the sales sector also entails analysing a customer’s requirements, supplying relevant information, answering questions and continuing to communicate with customers.

Whilst previously, businesses managed customer information through physical documentation and face-to-face communication, developments in technology have allowed for CRM to be utilised which has aided data storage, sales management, lead and contact management.

Within sectors such as real estate and co-living, where customers need in-depth information, the opportunity to view properties and individual support along with negotiation facilities, CRM is especially significant.

1.2 Meaning of customer relationship management

Customer relationship management involves the processes and technology that a business uses to handle and control its relationships with customers.

It enables companies to gather and analyse customer data and so enhance the customer experience.

Within a sales context, CRM can be utilised to:

- Control leads.
- Store customer data.
- Log after contact activity.
- Analyse what a customer needs.
- Arrange appointments and property viewings.
- Watch sales prospects.
- Continually develop customer relationships.

1.3 Importance of customer relationships in sales

Good customer relationships are important as customers tend to favour companies who both recognise their requirements and deliver good support.

Good relationships also allow a company to establish trust, boost customer satisfaction and stimulate re-purchasing. Customers can then also refer a company on to others.

Within sectors where major decisions and/or long term decisions are being made, continual communication can affect a customer's buying/leasing choice.

2 Problem statement, significance and objectives

2.1 Problem statement

Whilst sales staff can gain information on customers from many different places, not all will result in sales. Furthermore, in some cases, customers are uncontactable and/or their needs may alter. Customers can also be slow to decide.

Poor data storage and customer communication, as well as slow customer response times and poor procedures for answering customer questions can also influence customer satisfaction.

In order to address these issues, companies should implement good Customer Relationship Management which will allow information to be stored efficiently and ensure that communication is sustained. This in turn will enhance a company’s sales processes.

2.2 Significance of the study

This research is valuable due to:

- Enhancing understanding of how a CRM system can be utilised within current sales practice.
- Illustrating the value of sustaining customer relationships.

- Developing an understanding of lead generation and conversion.
- Demonstrating the value of customer relationship maintenance.
- Offering hands-on insight into the application of a CRM within the co-living sector.
- Allowing individuals to link academic learning and real world sales environments.

2.3 Objectives of the study

- To recognise and appreciate what Customer Relationship Management entails.
- To analyse how CRM can be utilised to manage and monitor prospective customers.
- To explore the significance of customer interaction and re-contact within a sales setting.
- To assess the link between customer satisfaction and sales.
- To analyse the implementation of CRM within the sales environment during my internship at Union Living Pvt. Ltd.
- To recognise problems relating to managing customer relationships throughout the sales process.

3 Research methodology and scope

3.1 Research methodology

This is a descriptive research project. It was carried out as part of my Summer Internship Project at Union Living Pvt. Ltd.

It looks specifically at the application of Customer Relationship Management within sales. This includes areas such as lead generation, customer interaction, customer follow-up and property viewings, and then finally property rentals.

Also books, web and CRM related articles along with relevant websites are analysed so that the theory can be understood.

Unlike a more quantitive approach, this research will look at the relevance of Customer Relationship Management in sales.

3.2 Scope of the study

This project analyses the usage of Customer Relationship Management within a sales environment. Specific reference will be made to co-living and real estate.

Topics to be analysed are:

- Customer information
- Lead creation and analysis
- Customer interaction and re-contac
- Property show-appointments.
- Customer requirements.
- Sales and sales negotiation.
- Customer satisfaction and relationship development.

The project is largely informed by my experience as an intern at Union Living Pvt. Ltd., Varsity, Juhu.

4 Role of customer relationship management in sales

4.1 Lead management

Lead management is a key part of a CRM system. It enables a business to gather, manage and monitor details relating to prospective customers that have expressed an interest in its goods and/or services.

Within the co-living sector, leads can be students and/or working individuals seeking appropriate housing.

Sales personnel then engage with these leads; identifying their needs and supplying pertinent property details.

4.2 Customer information management

CRM is used by companies to collate data on their customers such as names, contacts, likes and financial and housing needs.

Having correct data assists staff within a company to recognise what a customer requires and to then offer appropriate choices.

4.3 Customer follow-ups

It can also be beneficial for companies to conduct follow-up's.

Customers may not decide on a product or service for a variety of reasons, including their own tastes and financial restraints. Sales people can therefore assess if a customer is still interested in a product/ service and offer further support.

4.4 Sales opportunity tracking

Sales staff can monitor the journey of leads that they are selling for through a CRM. It can show who has had contact with, and arranged viewings for, a client and which leads are nearing conversion.

Leads may go through a number of stages within the sales cycle including:

- Lead is obtained.
- Client is contacted.
- Needs analysed.
- Viewing is arranged.
- Viewing takes place.
- Negotiation.
- Letting and/or renting occurs.

Monitoring a clients journey through the sales cycle enables sales staff to recognise where a lead is within the sales process. They can then decide on and organise suitable future activity and better control their sales.

5 CRM in the co-living and real estate industry

5.1 Introduction to the co-Living industry

People can now 'co-live', whereby either students or staff live together and share communal areas and resources.

Within the co-living market, people can obtain easy-to-use, pleasant and controlled living environments.

As client needs will often differ with regards to desired house/flat position, price, and the range and amount of rooms, it is vital that sellers recognise these needs.

5.2 Importance of CRM in co-Living sales

CRM is an effective tool utilised within the co-living sector to manage prospective customers.

Most customers will wish to understand cost, property type, amenities, location, security and contract specifics when choosing where to live.

Sales personnel can utilise CRM to store and update customer information and advise suitable properties to people.

5.3 Customer requirement identification

It is also crucial that sales staff ascertain information relating to:

- Desired area.
- Individuals monthly rent allowance.
- Willingness to share accommodation.
- Anticipated start date.
- Specific amenities required.
- Length of period required.

5.4 Property visits and demonstrations

Visits can be arranged so that a client is able to view the property and its surroundings.

Sales people can also use a CRM to organise client visits. Subsequent post-visit liaison can then take place in order to review a client's experience.

5.5 Negotiation and conversion

Post inspection, customers can talk about charge rates, features and both payment and contract information. Good communication and awareness of what is important to customers can then allow sales personnel to resolve queries and encourage a customer to commit to a letting.

6 Customer relationship management process

6.1 Lead generation

Generating leads is used to locate possible clients that are interested in a company's services.

Leads can be created using a number of methods including internet, advertising and word of mouth. Alongside these, further marketing techniques can also be used.

6.2 Lead qualification

Qualifying a lead is where salespeople asses a client's interest within a service.

They will discuss with the client about their price range, desired area to move to, needs and anticipated moving date.

6.3 Initial customer communication

Initial contact with a client is key and should be professional and informed in order to advise clients on appropriate solutions and fully recognise their needs.

6.4 Follow-up management

Subsequent contact is also important when dealing with clients that have not yet decided on a solution.

Sales people can then gain a good insight into a client's level of interest and also resolve any concerns.

6.5 Closing the sale

Sales closure is the final stage where a potential customer agrees to take the service.

In the co-living industry, this may involve finalizing rental details, discussing agreement conditions and completing the necessary booking formalities.

7 Practical observations from the SIP at Union Living Pvt. Ltd.

7.1 Introduction to the internship experience

Union Living Pvt. Ltd.'s Summer Internship Programme offered on ground experience of the co-living space sales process.

My internship was at Varsity, in Juhu, Mumbai. I was mainly engaged in managing and guiding prospective customers in order to help them make renting decisions.

7.2 CRM-Based lead handling

An important area of work was analysing data on customers which can be accessed on the CRM database.

Following this, staff would then engage with prospective customers and analyse what type of housing they require. Information would then be updated so that it can be utilised at a later date.This therefore demonstrated the value of structured customer data within sales.

7.3 Customer calling and requirement analysis

Telephone work was also a key component of my internship.

I gathered data about customers including their likes, financial restraints, moving dates and desired rooms.

By doing this I was able to improve my inter-personal skills and recognise why it is essential to analyse a customer's needs in order to advise them on suitable accommodation..

7.4 Scheduling property visits

Following customer profiling, appointments were made at a time suitable for each person.

Customers were able to then experience the housing, and associated amenities and community.

Good organisation and effective communication was essential in relation to appointment setting.

7.5 Property demonstration

During property visits, customers were shown the available accommodation and facilities.

The objective was to explain the property's features and help customers understand how the accommodation matched their requirements.

7.6 Negotiation and rental conversion

Furthermore, negotiation is also a key element in the sales process.

Customers can raise issues about the cost of renting, the property and the contract. Being able to recognise and explain different options can aid the negotiation.

Ultimately the intention was to persuade prospective customers to become tenants and so successfully carry out the renting procedure.

8 Challenges in customer relationship management

8.1 Unresponsive leads

Many sales people will experience issues where there is no response to contact attempts.

This can cause problems in ascertaining a customer's needs and progressing with sales.

8.2 Shifting customer needs

Customers can alter their requirements in relation to cost, area, property type and/or re-location dates. Individuals in sales should be aware of such alterations and offer appropriate options.

8.3 Competitive market

There are a number of companies which provide co-living and rented housing and each offer differing services and rentals.

Businesses must effectively convey their offering and continue to foster strong relationships with customer**s.**

8.4 Customers' decision process

Customers can spend time deciding on suitable housing for a variety of reasons such as personal, financial and by analysing alternative properties.

Good communication is essential to sustain a customer's engagement.

8.5 Maintaining accurate customer records

Managing multiple customer leads requires proper organization of information.

Incomplete or outdated customer records can result in missed follow-ups and communication gaps.

9 Findings and discussion

9.1 Customer relationship management

People can utilise CRM to both analyse and capture data for both clients and potential clients.

Staff can then analyse the appropriate information to ascertain suitable responses.

9.2 Sales by means of follow up

Clients can be maintained in contact with at all times and queries resolved.

At the right time, staff can therefore stimulate clients into making buying decisions.

9.3 Identifying client requirements

Understanding a client's requirements is fundamental in order to then suggest suitable accommodation. People are more inclined to interact with services where they feel that their needs and expectations have been successfully recognised.

9.4 Good communication builds rapport

Good communication and accurate information provision helps to build good rapport between both the client and sales team.

Good interaction can also contribute to a good client experience.

9.5 CRM supports sales

A CRM can successfully store information regarding telephone calls and property visits and highlight any further action required.

Sales people can thus more efficiently manage numerous sales prospects.

10 Suggestions and recommendations

10.1 Update customer information

Customers' information including contact, requirements, financial status and interaction should be updated frequently.

This allows sales personnel to communicate efficiently and control sales leads.

10.2 Establish a follow-up process

Companies should implement a follow-up procedure.

Staff should follow up at suitable times and in a way that does not put undue pressure on customers.

10.3 Communicate well

Sales staff should be good, courteous and professional communicators.

Good communication such as supplying correct information and answering customer questions can contribute to customer satisfaction.

10.4 Train staff in relation to CRM

Staff should be trained in the use of CRM and sales lead handling.

Such training may assist staff to better control customer information and sales leads.

10.5 Recognise customer needs

Sales personnel should analyse what customers require so that they can then advise them accordingly.

Customised advice can assist customers to draw well informed conclusions.

10.6 Obtain customer feedback

Following property viewings and provision of services, customers should be asked for feedback.

Feedback can be used to recognise where further development is required and to improve the quality of service provided.

11 Conclusion

A key area for businesses is the utilisation of a Customer Relationship Management system so that companies can better understand and relate to their clients.

CRM enables firms to store data on customers, identify leads and communicate with and review sales prospects.

Throughout the 'Summer Internship Project' I witnessed first hand the significance of CRM within the co-living sector. Processes including lead generation, client contact, analysing clients' needs, arranging property viewings, displaying properties, negotiating and converting to tenants were all integral to my comprehension of the sales process.

Whilst data storage is key to effective CRM, there are further components to managing relationships with clients. These include: appreciating what clients want, offering suitable support at the correct time, communicating and developing trust.

Poor lead engagement, fluctuating client needs, market competition and slow decision making can all present issues within a sales environment. Companies can overcome these issues by employing good lead generation and review procedures, staff training and enhanced communication.

To summarise, Customer Relationship Management is a key area of current sales practice. Successfully applying a CRM system can enable companies to boost customer satisfaction, and both effectively handle and further cultivate client relationships.

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