



ROLE OF ARTIFICIAL INTELLIGENCE IN CUSTOMER RELATIONSHIP MANAGEMENT IN INDIAN RETAIL INDUSTRY

*Ms.M.Mahalakshmi Associate Professor, Department of Commerce, Dr.M.G.R.Educational and Research Institute.

** Dr.S.Meena Associate Professor, Department of Commerce, Dr.M.G.R.Educational and Research Institute

Abstract

Customer Relationship Management (CRM) has undergone significant development in recent years. Many companies have focused on using automation and artificial intelligence tools to understand customers' buying habits, increase brand-customer interaction, and strengthen customer relationships. Companies have applied artificial intelligence to CRM automation, where they engage customers based on their questions and the information they need, effectively respond to customer questions and increase customer loyalty. Management is always ready to attract customers to the company, offer them the products and services they need, retain them and thus add more value to them. This helps to meet customers' needs and requirements and enables a better relationship between customers and management. A very committed customer supports the organization and drives sustainable growth and development. One of the management's main focus is to form a team of members who attract customers, understand their needs and requirements and provide information to the management for quick decisions. But with the advent of artificial intelligence, management is now using technology to maintain healthy and stable relationships with customers, engage them appropriately, understand customer needs and share information with management to make informed decisions. Artificial intelligence has been a strong driving force for companies to go from rule-based ratings to customer-expected ratings. Because artificial intelligence can represent millions of different historical and snapshots, such as demographics, geographic locations, online activity, and behavior, it helps salespeople decide what customers buy. Together with CRM systems, artificial intelligence can examine the relationship between business success and failure to identify trends that can provide guidance for evaluating candidate score prediction methods. If a more accurate model is identified, it automatically becomes the default model.

Keywords: *Customer relationship management, Artificial Intelligence, Marketing*

Introduction

The area of customer relationship management (CRM) in the retail industry has seen major developments in the recent years. Many companies have been focusing in using automation and artificial intelligence tools in understanding the buying behaviour of the customers, enable in increasing the interaction between the brand and customers and to strengthen the relationship between them. Companies has adopted AI in automating the CRM where the customers will be engaged based on their queries and information required, this enables in responding to the customer queries efficiently and enable in enhancing customer loyalty. The AI has been useful in strengthening the relationship between the customers and management, it has been argued that the role of AI is expected to increase more in the future as the main goals is to support the management in engaging the customers in an efficient manner, support in analysing the overall needs and requirements of the customers and prepare reports to the management so as to make informed decision making. CRM is one of the critical elements in marketing and it takes more time and effort to maintain efficient relationship with the customers, AI supports the management by creating more interactive sessions with the customers and support the organisation round the clock which provides better assistance to customers as well. This paper enables in analysing the critical role which AI plays in enhancing CRM in the retail industry.

Aim and objectives of the study

The main aim of the study is to understand the role of artificial intelligence in customer relationship management with focus son Indian retail industry

The following are the key objectives of the study is

To apprehend the role of AI in the CRM with focus on Indian retail industry

To understand the importance of AI in the marketing

To suggest the measures of implementation of AI in the CRM

Role of Customer Relationship Management and Artificial Intelligence

The customer relationship management framework enables in proposing to the management that the activities can be divided into series of main stages which covers

- Attracting the customers
- Retaining them and
- Enhancing value to the customers.

The management is always poised to attract the customers to the business by offering the necessary products and services, retain them and thereby enhance more value to them. This will enable in meeting the needs and requirements of the customers and enable in increasing better association among the customers and management. A highly engaged customers will support the organisation ad results in sustainable growth and development. One of the main focal points of the management is to create group of members who will engage the customers, understand their needs and requirements and provide the information to the top management for taking quick decisions. However, with the advent of AI the management is now using the technology to maintain healthy and steady relationship with the customers, engage them well, understand the requirements of the customers and share the information to the top management for taking informed decision making.

Critical Analysis

Assimilation and reclamation of critical information

Many people believe that marketers and salespeople can lose their jobs with artificial intelligence, but this is a myth and an elusive sight. (Fatemi, 2019). According to Fatemi (2019), AI promises to enrich and not replace the human element in sales. This means that tomorrow's salespeople will use artificial intelligence to complement their professional methods and skills (Fatemi, 2019). With the integration of artificial intelligence, salespeople no longer need manual data entry, which saves several hours of effort and does not spend productive time on various activities (Fatemi, 2019). Artificial intelligence not only helps to compile various customer databases but also captures complete information about the customer's life cycle, whether via email, call or chatbot. (Fatemi, 2019).

Performing key analysis

Since most customer interactions take place through tools that do not reveal customers' body language and facial expressions, it will be difficult for salespeople to build trust and solid relationships with their customers (Fatemi, 2019). Fortunately, artificial intelligence offers an effective solution to this problem. With the help of emotion analysis, AI-supported tools can analyse conversations and assess clients' emotional state (Fatemi, 2019). According to Fatemi (2019), a good example is Cogle (2019), which provides voice analysis during a conversation to help the sales team understand and respond to customers' emotional states in the best possible way.

Data validity

To improve decision making, a CRM system integrated with artificial intelligence can help identify potential system problems, remove duplicate data, identify errors so that users can correct them, determine if other data is missing from other systems, and provide advice on outdated data. in the update (Dilmengani, 2021)

Moving from creating leads into loyal customers

Artificial intelligence has been a great incentive for business organizations to go from rule-based classifications to expected customer classifications (Fatemi, 2019). Because artificial intelligence can visualize millions of different historical features and snapshots, such as demographics, geographic data, online activities, and behaviour, it helps salespeople determine what customers buy (Fatemi, 2019). In combination with CRM systems, artificial intelligence can examine the relationship between winning and losing business to identify trends that can provide advice for evaluating candidates' scoring forecasting methods. When a more accurate model is identified, it will automatically become the standard model (Fatemi, 2019).

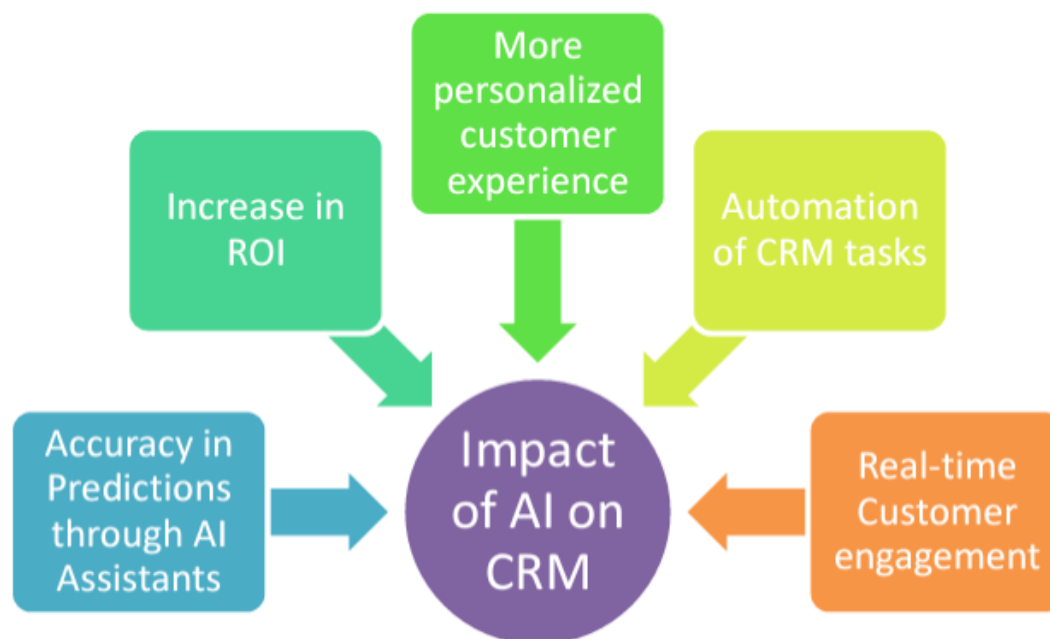
Enhancing sales and profits

CRM are data collection sources (Fatemi, 2019). When AI is integrated with CRM systems, they get a new and more useful role, for example a trusted advisor (Fatemi, 2019). Integrated AI CRM can provide targeted links to vendors. Artificially intelligent CRM can be considered effective if it provides suppliers with a "why" element and thus informs them of the motivation for the necessary measures (Fatemi, 2019).

AI and implications for Marketing

For companies, this can be very useful if they fully understand what artificial intelligence is and what benefits it can bring to the overall business strategy, as artificial intelligence is already transforming sectors such as economics, commerce, electronics, logistics and more. Given the future prospects for artificial intelligence for CRM in particular, AI is expected to influence marketing strategies as well as business models, customer service, sales opportunities and customer behaviour. Research also suggests that artificial

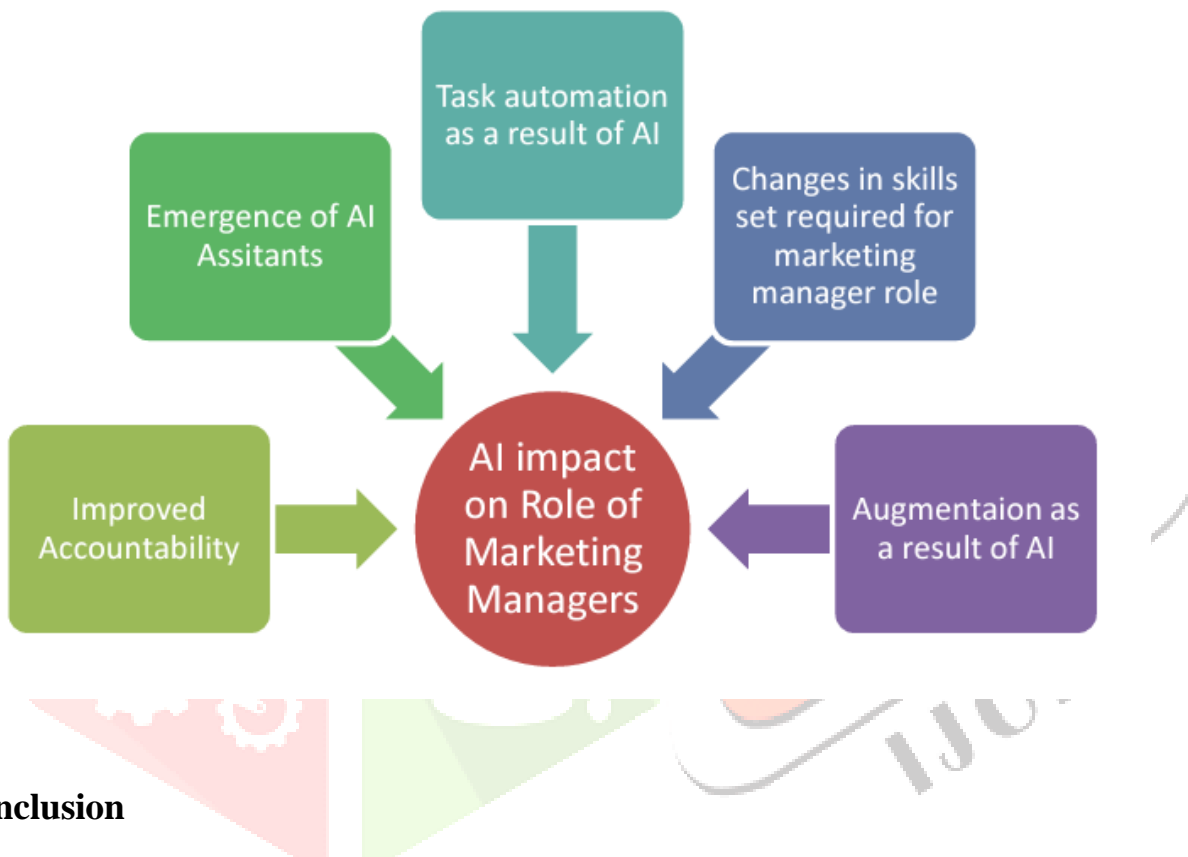
intelligence is seen as a practical tool that can improve marketers' efficiency and productivity through predictive analytics, automated email conversations, driver reviews, customer information and a personalized customer experience. Syam and Sharma (2018) also point out that machine learning and AI tools offer marketers greater statistical power, which dramatically improves the effectiveness of tasks such as marketing. Market segmentation, demand estimates and more accurate sales forecasts, target market definition, etc. As a result, integrated AI enables integrates CRM real-time engagement and helps to create contextually relevant interactions with customers. This helps us to draw an effective conclusion at the end of the conversation and decide exactly which solution, product or service the customer is looking for. Machine learning is the most accepted field for artificial intelligence in the world and is often used in business and marketing (Schrage & Kiron, 2018) with tools for artificial intelligence as machines. For today's data entry management, companies that build mathematical models and provide descriptive (knowledge based on past data) or predictive (provide knowledge based on the future) analysis for firm decision making (Adair, 2020). Therefore, machine learning will be a central theme for all our research. Machine learning is a well-known practical tool that can improve the marketing department's efficiency and productivity through tasks such as automated communication, forecast analysis, customer knowledge, exploration points and so on. (Kardon, 2019). Many astonishing examples show that artificial intelligence tools have proven to be a proven game changer in business marketing. The tool enabled marketers to identify the best way to use the company's resources based on customer data analysis, and when decisions were based on expected results, the company could see a greater return on investment in marketing (ROI). Rather than using intentions or guesses, it can achieve really excellent results. In addition, the use of artificial intelligence assistants will in the near future penetrate the market and not only change the role of marketers but also change the relationship between customers and the company. Soon, the marketing dynamics will change completely, because when AI wizards play, they predict and recommend products / services to customers in terms of quality, price, functionality and so on. Based on your personal preferences. (Wirtz, 2014). Therefore, retailers will have a hard time delivering exactly what customers are looking for. Therefore, it is becoming increasingly important for marketers to understand how to get their products to AI wizards while reaching the right audience at the same time.



Implications of AI for managers

An The marketing department of an organization often suffers from various complications due to major changes in the consumer demographics, always due to technology, the business model increases the amount of data to remain competitive through a marketing strategy. If the marketing department does not have the right competence to assess and analyse current changes in the market's needs and preferences, there is little chance of increasing the company's profitability. This can cause problems with the marketing department's trust in the eyes of the CEO, and they may decide to take the department out of responsibility. Research has already been done on this topic and it has been shown that positions in the role of marketing managers

(CMO) are often very short-lived and have higher turnover compared to other roles in senior executives. However, this is not only the result of poor results, but also because it is difficult to measure the CMO's performance and make them financially responsible. (Wedel, 2016). Top management usually uses performance measures such as attitude, financial and behavioural factors to measure the marketing value generated, which makes the real idea quite difficult and therefore leads to mistrust and lack of focus in decision making. Therefore, it is very important to assess the value of marketing through the right channel and in a way that defines the role of marketers who are responsible for the company's short - term decisions and long - term development. According to CMO Research, the following functions belong to the marketing department: digital marketing, marketing, generation, brand management, PR management, advertising, market research, product placement, management generation market analysis, competition information and social media marketing. With the development of technology and its impact on the business, the overall role of marketers undergoes enormous changes and new responsibilities are added.



Conclusion

When AI enabled CRM is done, marketers can focus even more on innovation and try to identify patterns that help develop new ideas to meet lower customer needs and create value and growth for the business in the long run. When we discussed all this in more detail in the dissertation, we now want to summarize the results that showed how CRM conversions led to a change in the role of marketers. Our results initially suggest that the high level of artificial intelligence skill changed the role of evaluation managers internally and externally. The first is the positive change that has taken place in the financial managers' financial responsibility. Predictive analysis makes it easier for traders to test and predict the effects of various variables that affect the return on investment. Therefore, marketers can make better use of their marketing budgets and make profits abroad. Second, managers can understand and identify value propositions for departments where they can maintain their competitiveness based on competitive advantages. With this, companies become specialists in their operations and begin to benefit from this focus area. That way, they cannot be threatened by tech giants. Tools for artificial intelligence such as machine learning and deep learning algorithms have enabled marketers to reach more potential customers, target the right audience, choose the right marketing campaign and segment the market based on the machine's different demographics. Marketing managers can now predict the outcome of all possible actions and investments they will make to increase the company's sales, profitability, brand loyalty and customer retention. Artificial intelligence not only provides the marketing team with all the necessary customer information, but also analyses data to identify customers' needs and preferences.

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