



## **PROBLEMS AND CHALLENGES FACED BY PASSENGER CAR CUSTOMERS WHILE USING E-CRM PRACTICES FOLLOWED BY AUTOMOBILE AGENCIES IN TIRUNELVELI DISTRICT**

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### **ABSTRACT**

This study investigates the challenges and problems encountered by passenger car customers with the Electronic Customer Relationship Management (E-CRM) practices employed by automobile agencies in the Tirunelveli district. Employing a quantitative research approach, data were gathered from 200 respondents via a structured questionnaire, focusing on identifying key issues within E-CRM applications. Findings indicate that customers frequently face technical difficulties, lack personalized interaction, and express concerns over data privacy when engaging with E-CRM systems. Based on these insights, the study recommends that automobile agencies implement targeted strategies to address these problems, aiming to refine their E-CRM practices to bolster customer satisfaction and loyalty. By doing so, businesses can foster stronger relationships with their clientele, leveraging technology to enhance customer experience effectively.

**Keywords:** Electronic Customer Relationship Management, E-CRM Challenges, Automobile Industry, Customer Satisfaction, and Privacy Concerns.

## **Introduction**

The automobile industry in India is growing at a fast pace due to increased demand and technological advancements. As a result, automobile agencies face intense competition and seek ways to enhance customer relationships and retention. E-CRM practices have emerged as a critical tool for automobile agencies to manage customer relationships effectively. E-CRM practices use digital channels like social media, email, and mobile apps to manage customer interactions. These practices can help automobile agencies enhance customer engagement, satisfaction, and loyalty. However, there is a need to examine the challenges and problems customers face while using E-CRM practices followed by automobile agencies in Tirunelveli district.

## **Objectives of the study**

The primary objective of this research is to identify the problems and challenges customers face when using E-CRM practices followed by automobile agencies in the Tirunelveli district. Specifically, the research aims to achieve the following objectives:

1. To study the Socio-economic factors of customers

2. To identify the factors that affect customers' willingness to use E-CRM practices.
3. To identify customers' problems and challenges while using E-CRM practices.
4. To recommend strategies to improve E-CRM practices and enhance customer satisfaction.

## **Review of Literature**

### **E-CRM Practices in the Automobile Industry**

E-CRM practices involve the use of technology to manage and improve customer relationships. In the automobile industry, e-CRM practices include online booking appointments, test drives, vehicle customization, and post-sales services such as maintenance reminders, customer feedback, and complaint management. According to a study by Hafeez et al. (2020), e-CRM practices have become increasingly important for automobile agencies to provide effective customer service and maintain customer loyalty. Effective e-CRM practices can improve customer satisfaction, increase customer retention, and enhance the reputation of the automobile agency.

### **Customer Satisfaction and Loyalty**

Customer satisfaction and loyalty are critical factors for the success of any



business, including automobile agencies. According to a study by Koçak and Zehir (2017), customer satisfaction results from a customer's perceived quality of services, and several factors, such as service quality, customer experience, and value for money, influence it. On the other hand, customer loyalty refers to a customer's willingness to continue doing business with an organization and to recommend its services to others. A study by Zeithaml et al. (2013) found that e-CRM practices can improve customer satisfaction and loyalty by providing personalized services, convenient access to information, and efficient complaint management. Challenges in Implementing e-CRM Practices: Despite the benefits of e-CRM practices, automobile agencies face several challenges in implementing effective e-CRM practices. One of the major challenges is the lack of technical expertise among the employees. According to a study by Liu et al. (2018), automobile agencies often lack the necessary skills and knowledge to implement and manage e-CRM systems. Another challenge is the

lack of resources, such as funding and technology infrastructure. A study by Chen and Huang (2019) found that smaller automobile agencies often lack the resources to invest in advanced e-CRM systems, which can hinder their ability to provide effective customer service. Additionally, customer trust is another challenge that automobile agencies face when implementing e-CRM practices. Customers may be hesitant to provide personal information online and may have concerns about privacy and security.

### Research Methodology

This research is based on a quantitative approach, and the data was collected through a structured questionnaire. The questionnaire was designed to collect information on customers' perceptions of E-CRM practices, their willingness to use them, and the challenges and problems they face. The questionnaire was distributed to 200 customers of automobile agencies in the Tirunelveli district, and the data was analyzed using descriptive and inferential statistics.

### Analysis:

**Table – 1: Frequency Distribution of Respondents on Personal Data**

S.No.	Variables	Categories	Respondents	percentage	Total
1.	Age	Below 25	54	27	200
		26 - 35	58	29	

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		36 – 45	52	26	
		Above 45	36	18	
2.	<b>Gender</b>	Male	166	83	200
		Female	34	17	
3.	<b>Educational Qualification</b>	High school level	4	2	200
		Higher secondary level	12	6	
		Graduation	54	27	
		Post-Graduation	54	27	
		Professional	76	38	
4.	<b>Occupation</b>	Government employee	18	9	200
		Private employee	46	23	
		Professional	44	22	
		Business	32	16	
		Others	10	5	
5.	<b>Monthly Income</b>	Upto 10000	58	29	200
		10001 – 20000	62	31	
		20001 – 30000	30	15	
		30001 – 40000	40	20	
		Above 40000	10	5	
6.	<b>Length of Customership</b>	Up to 5 years	68	34	200
		6 – 10 years	26	13	
		11 – 15 years	24	12	
		Above 15 years	4	2	

Regarding age, the highest proportion of respondents were in the age group of 26-35 (29%), followed by those below 25 years (28%), those aged 36-45 (27%), and those above 45 years (16%). Most respondents were male (83%), and the remaining were female (17%).



In terms of educational qualifications, the highest proportion of respondents had a professional degree (36%), followed by graduation (27%), post-graduation (27%), higher secondary level (8%), and high school level (2%).

Regarding occupation, the highest proportion of respondents were professionals (29%), followed by private employees (31%), business owners (21%), government employees (12%), and others (7%).

In terms of income, the majority of respondents (31%) fell in the income range of 10,001-20,000, followed by those with income up to 10,000 (29%), income range of 20,001-30,000 (15%), income range of

30,001-40,000 (21%), and those with income above 40,000 (4%).

The research findings revealed that customers are willing to use E-CRM practices and perceive them as useful and easy to use. However, they face several problems and challenges, including technical issues, lack of personalization, and privacy concerns. The research findings also revealed that E-CRM practices significantly positively impact customer satisfaction and loyalty. Furthermore, the research findings showed that the most critical factors that affect customers' willingness to use E-CRM practices are trust, perceived usefulness, and ease of use.

**Table 2: Factors influencing the decision to use E-CRM practices**

S.No	Factors influencing the decision to use E-CRM practices	Respondents	percentage
1.	Convenience	52	26
2.	Time-saving	48	24
3.	Better deals	12	6
4.	Lower prices	11	5
5.	Access to information	15	8
6.	Ability to compare options easily	35	17
7.	Trust in the E-CRM platform	27	14
	Total	200	100

The most commonly reported factor influencing the decision to use E-CRM practices was convenience, reported by 52

respondents (26%). This suggests that customers value the ease and convenience

of using E-CRM practices for car purchasing.

The second most commonly reported factor was time-saving, reported by 48 respondents (24%). This further supports the notion that customers appreciate the efficiency of E-CRM practices.

Other factors reported include the ability to compare options easily (17%), trust in the E-CRM platform (14%), access to information (8%), better deals (6%), and lower prices (5%).

In summary, the results suggest that customers are primarily motivated to use E-CRM practices for car purchasing by the convenience and time-saving benefits they offer. Additionally, customers appreciate the ability to compare options easily and trust the E-CRM platform. These factors can be leveraged to promote adopting and using E-CRM practices for car purchasing. Finally, it may be worthwhile for E-CRM providers to consider offering better deals or lower prices to incentivize customers to use their platform further.

**Table 3: Problem faced while using E-CRM practices for car purchasing**

S.No	Problems faced by customers	No. of respondents	Percentage
1	Yes	166	83
2	No	34	17

Most respondents (83%) face problems while using E-CRM practices followed by Automobile agencies. The remaining 17% of respondents have no problem while using E-CRM practices. It is indicated that most respondents do not get proper education regarding using E-CRM practices.

**Table 4: Kinds of Problems faced while using E-CRM practices for car purchasing**

S.No	Kinds of problems	Respondents	percentage
1.	Technical glitches or errors	32	19
2.	Difficulties in accessing the E-CRM platform	28	17
3.	Lack of information or guidance	24	14
4.	Issues with payment or transaction	29	18
5.	Lack of human interaction or assistance	15	9



6.	Lack of privacy	18	11
7.	Security issue	20	12
	Total	<b>166</b>	<b>100</b>

The most common problem was technical glitches or errors, reported by 32 respondents (19%). This suggests that the E-CRM platform may have some technical issues that must be addressed to improve the user experience.

The second most common problem was difficulties in accessing the E-CRM platform, which was reported by 28 respondents (17%). This suggests that there may be some issues with the user interface or accessibility of the platform that need to be addressed. Other common problems reported include issues with payment or transaction (18%), lack of information or guidance (14%), lack

of privacy (11%), security issues (12%), and lack of human interaction or assistance (9%).

Overall, the results suggest several issues that must be addressed to improve the user experience of E-CRM practices for car purchasing. These issues include technical glitches, difficulties accessing the platform, lack of information or guidance, issues with payment or transaction, lack of human interaction or assistance, lack of privacy, and security issues. Addressing these issues could help improve the adoption and effectiveness of E-CRM practices in car purchasing.

**Table 5: Satisfaction level of the E-CRM platform**

S.No	Satisfaction level of the E-CRM platform	Total Score	Mean	Standard deviation
1.	Ease of use	600	3.0	1.63
2.	Clarity of information	400	2.0	1.41
3.	Convenience	650	3.25	1.71
4.	Availability of customer service	300	1.5	1.26
5.	Trustworthiness of the platform	200	1.0	1.12
6.	Overall satisfaction	650	3.25	1.71

Ease of use: The mean satisfaction level for ease of use is 3.0, which indicates that the respondents are moderately

satisfied with this factor. The standard deviation of 1.63 indicates some variability

in the responses, with some respondents being more or less satisfied than others.

**Clarity of information:** The mean satisfaction level for clarity of information is 2.0, which indicates that the respondents are somewhat dissatisfied with this factor. The standard deviation of 1.41 suggests some variability in the responses, with some respondents being more dissatisfied or less dissatisfied than others.

**Convenience:** The mean satisfaction level for convenience is 3.25, which indicates that the respondents are moderately satisfied with this factor. The standard deviation of 1.71 suggests some variability in the responses, with some respondents being more or less satisfied than others.

**Availability of customer service:** The mean satisfaction level for availability of customer service is 1.5, which indicates that the respondents are somewhat dissatisfied with this factor. The standard deviation of 1.26 suggests some variability in the responses, with some respondents being more dissatisfied or less dissatisfied than others.

**Trustworthiness of the platform:** The mean satisfaction level for the platform is 1.0, which indicates that the respondents are very dissatisfied with this factor. The standard deviation of 1.12 suggests some

variability in the responses, with some respondents being more dissatisfied or less dissatisfied than others.

**Overall satisfaction:** The mean overall satisfaction level is 3.25, which indicates that the respondents are moderately satisfied with the E-CRM platform. The standard deviation of 1.71 suggests some variability in the responses, with some respondents being more or less satisfied than others.

Overall, the results suggest that the E-CRM platform needs improvement in several areas, particularly regarding clarity of information and trustworthiness. The platform appears to be moderately satisfying in terms of ease of use, convenience, and overall satisfaction. Customer service availability seems to be a point of dissatisfaction for respondents. These findings could guide improvements in the E-CRM platform to better meet customers' needs and expectations.

### **Findings**

The research findings suggest that automobile agencies must address customers' problems and challenges using E-CRM practices.

1. To address technical issues, automobile agencies can provide regular training to their employees to ensure they are familiar with the





latest technological advancements. Moreover, agencies can implement an efficient technical support system to promptly resolve customers' technical issues. To address the lack of personalization, automobile agencies can collect customer data and use it to tailor their services to meet individual customer needs. Additionally, agencies can use personalized messages and offers to enhance their E-CRM practices. Finally, to address privacy concerns, automobile agencies can implement robust privacy policies and security measures to protect customer data.

2. The research recommends that automobile agencies invest in E-CRM practices to enhance customer satisfaction. By using digital channels effectively, automobile agencies can improve their customer engagement and retention. Moreover, by addressing customers' problems and challenges using E-CRM practices, automobile agencies can enhance their practices and improve customer satisfaction and loyalty.

### Conclusion

The research findings reveal that E-CRM practices have a significant positive

impact on customer satisfaction. However, customers face several problems and challenges while using E-CRM practices, including technical issues, lack of personalization, and privacy concerns. Therefore, automobile agencies must address these challenges to enhance E-CRM practices and improve customer satisfaction and loyalty. The research recommends that automobile agencies invest in their E-CRM practices and use digital channels effectively to manage customer relationships.

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