

CHAPTER-1

INTRODUCTION

1.1 OVERVIEW OF THE INDUSTRY AS WHOLE

The Portugal retail industry has begun to evolve in the line with the transformation that has swept other large economies. The liberalization of the consumer goods industry initiated in the mid-80 and accelerated through the 90's has begun to impact the structure and conduct of the retail industry. The concept of retail which includes the shopkeeper to customer interaction, has taken many forms and dimensions, from the conventional retail outlet and street local market shops to upscale multi brand outlets, especially stores or departmental stores. The objective being to assess the various parameters that influences a buyer to visit or shop at departmental store thereby contributing to its turnover (in terms of sales and profits) hence leading to its overall success. The extensive research brought me to conclude that departmental stores are soon emerging on the top priority lists, amongst the supermarket chain in Lisbon, Portugal, Algarve and North Cities of Portugal, as they seem to derive immense pleasure of convenience and exposure to variety under one roof, in their extremely busy lives, when they don't have time for things. Though some of the customers perceive departmental stores to be expensive and only high income category's cup of coffee, the stores make constant efforts to induce them to at least visit the store at once during the same period, or discount offers. Hence, this document entails me through these aspects in great detail, helping me to understand the concept of CRM (Customer Relationship Management) & retail marketing through Pingo Doce departmental stores in Lisbon.

The Retail Marketing Revolution - An Introduction

“Any business that directs its marketing efforts towards satisfying the final consumer based upon the organization of selling goods and services as a means of distribution”

By 2021, the list of Portugal's top 5 retailers will have at least 3 Portuguese corporates. Retail Marketing will go through a tremendous change in Portugal this millennium. It will change Portugal's cities, its people, and its households. The Portugal consumer is reportedly the largest spender in Europe. It is, therefore, strange that there have, so far, been few efforts to present the product in the right kind of environment in Portugal.

“Customer relationship management (CRM) practices in Pingo Doce Supermarket Chain, Lisbon, Portugal”

Indeed, the right shopping experience does induce Portuguese consumers to spend more. This is evident from the experiences of retail-outlets like Grocery outlets, Clothing and Music etc.

Factors affecting Retail marketing

The development of organized retail is dependent on the efforts of several agencies and institutions. A glimpse of the last 2 decades of the previous century proves illuminating. Large-format retailing started with outlets like **Lidl's** and **Continente's** in Lisbon and **Minipreco** in Algarve, and, at another level, with manufacturer-retail brands like Guianas, and Jerónimo Martins (Food Distributions in Retail sectors).

Government:

The first among these is the government. In a country as big as Portugal and with as many states as ours, it is imperative that the Central government and all state governments bring in Value Added Taxation or a unified taxation system to ensure that the tax-regimes are the same across the country.

The laws governing retail real estate should also be looked into, so that it is possible to develop retail-estate beyond the city-limits. Apart from providing entertainment and retail opportunities, this will also decongest the city center and facilitate the development of suburbs. The relevant rules should also be amended to allow retail-stores to operate 7 days a week, 12 hours a day.

Nuclear Families:

Given the hours most urban consumers keep at work, and keeping in mind the increase in the number of nuclear families, this may, indeed, make sense. This will also help people enjoy their evenings, out at malls.

Developers:

The second group, whose participation is essential in making retail a boom-sector in this millennium, comprises developers. Most properties are developed without considering the end user; thus, we sometimes find high- Ceiled offices and low-ceiled retail stores. Often, the shopper's convenience is not taken into consideration while the property is constructed.

Manufacturers:

There's a lot at stake here: even so early in the 21st Century, Portugal is too large a market to be ignored by transnational retail giants. From the manufacturing company's perspective, the focus should be on producing good products, and forging relationships with organized retail. Manufacturers need to draw a plan of producing quality products and tie in with retailers. Indeed, the birth of organized retail will also engender the creation of **private labels** and **store-brands**. Thus, if a manufacturing company lacks the resources to build a brand, it can supply to a retail-chain that has the resources to create a brand of its own.

Portuguese Consumers:

And even as these developments were taking place, the Portuguese consumer became more mature. Customer-expectations zoomed. Thus, at the beginning of the New Millennium, retailers have to deal with a customer who is extremely demanding. Not just in terms of the product-quality, but also in terms of service, and the entire shopping experience.

Today, the typical customer who shops in a retail outlet compares the time spent at the check-out counter with that at an efficient petrol station, and the smile of the counter-person to that decorating the face of a TAP Air Portugal' crew member. To cope with the new customer, manufacturers have to focus on product quality and brand building. And retailers, in turn, have to focus on the quality of the shopping experience.

In this millennium, like in the last, customers will want to spend time with their family and friends. They may like to visit an outlet on weekends where everything will be available under one roof. Portugal will benefit from these developments because of increased consumption through retailing and the corresponding increase in employment created by retailing.

Retail organizations exhibit great variety and new forms keep emerging. There are store retailers, non store retailers, and retail organizations.

Consumers today can shop for goods and services in a wide variety of stores. The best-known type of retailer is the department store. For instance, Japanese department stores such as Takashimaya and Mitsukoshi attract millions of shoppers each year. These stores feature art galleries, cooking classes, and children's playgrounds.

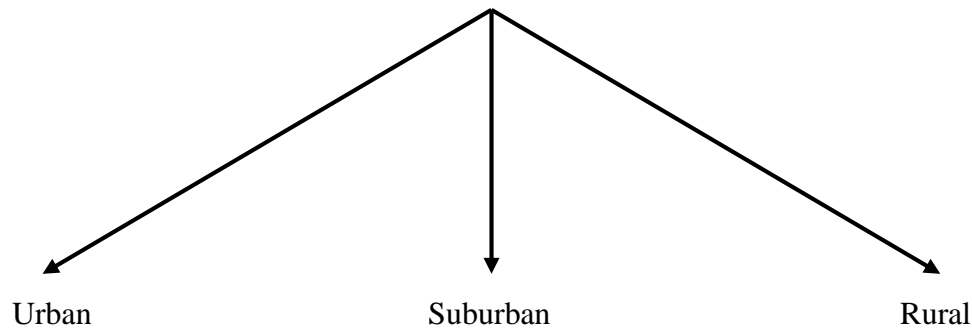
The success of the retail stores, therefore, depends on customers' reaction to the retailing mix which influences the profits of the store, its volume of turnover, its share of the market, its image and status and finally its survival.

Trends in Retail Marketing

At this point, I can summarize the main development retailers and manufacturers need to take into account as they plan their competitive strategies.

In Portugal the trends are mainly in three sectors. These sectors are:

Trends in retail marketing



New retail forms and combinations continually emerge. Bank branches and ATM counters such as Multi Banco and MB Way App have opened in supermarkets. Gas stations include food stores that make more profit than the gas operation. Bookstores feature coffee shops. The digital and electronic age has significantly increased the growth of non store retailing consumers receive sales offers in the mail and over television, computers, and telephones, to which they can immediately respond by calling a toll-free number or via computer.

1.2 Profile of The Organization

Company Profile

Pingo Doce is the largest supermarket chain in Portugal, with new shape it's operating since 1992, with a few more than 400 shops around the country. Nowadays, the best thing about Pingo Doce is the fact it focuses on healthy food.

40 years of history

The history of Pingo Doce is the story of the traditions of a more demanding Portugal that looks for a guarantee of quality in its food and life in a supermarket. A history of national pride.

Opening of the first Pingo Doce Store: In the year 1980.

Modernization of Pingo Doce Supermarket: In the year 1983.

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Pingo Doce Showrooms: With more than 440 stores spread across 300 locations throughout the country, we're the leading chain in the supermarket segment in Portugal, offering high quality food products at competitive prices.

Slogan of Pingo Doce: “*SABE BEM PAGER TAO POUÇO*” i.e. In English It Means, It Feels Good To Pay So Little.

Mission and positioning

Pingo Doce gathered the strength of more than 30 thousand employees to make Pingo Doce the best supermarket chain in Portugal. This is our mission. Our commitment to your family.

Confidence Our brand ever

Pingo Doce mission of the present and the future. The same future that we built in the more than 400 stores that open doors to the country daily with a single objective: to bring customers a unique shopping experience in the market.

Excellent Quality / Price Ratio

Pingo Doce guarantees an excellent quality / price ratio for Pingo Doce products, which strengthens our commitment to you.

Solutions that Improve Savings

The food solutions we bring to our customers maintain very competitive prices that improve savings.

A Proximity Network

Pingo Doce stores are where its customers are. They are spaces designed for the family, a proximity network.

Responsibility of Pingo Doce

Pingo Doce commitment to a more sustainable future is based on five priority areas, which seek to respond to the Sustainable Development Goals defined by the United Nations and which follow concrete lines of action.

Responsibility: Creating value for our customers, respecting the environment and people, is the essential ingredient in the way we act. Therefore, Pingo Doce work continuously to improve its business, through practices that benefit customers, employees, partners and communities where they are present.

“We work every day to offer quality food at affordable prices, creating value in a sustainable and responsible manner. This is our present and future commitment.”



Ms. Isabel Pinto -
General Manager, Pingo Doce.

“Promote health through food
We encourage responsible food choices, through a diversified offer and informed purchasing decisions
Promote children's literacy
We democratize access to books and encourage family reading
Preserving biodiversity
We promote the conscious use of natural resources and adopt sustainable practices and policies
Be solidarity
We seek to respond to emergency situations and food shortages
Commitment to people
We give back what we receive from the communities in which we operate”.

Vision of Pingo Doce

Pingo Doce is a business of proximity, being present in more than 400 stores across the country. Pingo Doce part of the day-to-day lives of our more than 30 thousand employees, customers, partners, producers and all of our neighbors, promoting closer ties and seeking to return by promoting social and economic well-being in the communities in which they operate. we insert ourselves.

Pingo Doce is a reference employer, with a team of around 30 thousand employees, which gives us an added responsibility. Either by the number of jobs, or by the conditions we provide to our people, both at a professional level, as well as personal well-being. Pingo Doce continually invest in several Internal Social Responsibility (IHR) projects that cover three strategic axes: health, education and family welfare.

As an active element of these communities, throughout the year Pingo Doce support projects by local entities and groups of neighbors that aim to improve our common space and life in the neighborhood. Health, well-being and sport, social support and citizenship, culture and heritage, such as tourism and leisure are the causes that move us.

70+ Clients Program

2020 was a demanding year with many and complex challenges. For everyone and also for those who, daily, place their trust in Pingo Doce. Thus was born the Customers **70+ Program**, an internal volunteer program that takes Pingo Doce to the home of those who cannot go out to the supermarket. With the support of more than 130 volunteers, hundreds of customers over 70 years of age can thus receive their purchases at home, in complete safety.

The allocation of support depends on the availability of volunteers in the area of residence and the duration of the program is dependent on the evolution of the pandemic.

Pingo Doce Products

It is with the utmost demand and rigor that we are able to turn a good product into the best product that we can bring to you.

Pingo Doce Frescos

Frescos are part of the essence of Pingo Doce Brand. Pingo Doce guarantee the freshness of its products every day.



Pingo Doce Take Away

In Take Away's kitchen they guarantee the homemade and authentic flavor in each dish. Unique flavors that could have been made in your home.



Specialista Pingo Doce Coffee Machine

Specialist in coffee and hot drinks.



Selected Wines Pingo Doce



Fruits



Source: <https://www.pingodoce.pt/produtos/>

Pingo Doce Brands:
The best price that quality can have.

Values

A cross-cutting identity to all Pingo Doce Supermarket Products



Quality and Rigor

Through rigor and demand Pingo Doce ensure the high quality parameters of products.



Environmental Concern

Pingo Doce seek to reduce the consumption of natural resources and promote the recycling of packaging materials.



Health Promotion through Food

Brands of Pingo Doce

Quality and variety in the products of Pingo Doce brands







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Source: <https://www.pingodoce.pt/produtos/marca-propria-pingo-doce/>

Save More Cards (Plastic Cards for Shopping)

In terms of Pingo Doce Plastic Cards for Shopping the say's and offers such as Always use Poupa Mais card and save even more! Order your Poupa Mais card at your Pingo Doce store.

Start saving now: immediate discounts on BP fuels that easily reach 20 cents per liter, personalized discounts at Pingo Doce, exclusive offers with partners, etc. Saving like that is another conversation!



Gift Card

The Pingo Doce Gift Card is the best solution for special and useful gifts. The giver knows at the outset that the gift will be appreciated, because whoever receives it will be able to buy what they like best or need most.



What is the Pingo Doce Gift Card?

Buy a Pingo Doce gift card, which can be used to make purchases at Pingo Doce, Code and BemEstar stores. It is a gift in the form of a card, so that someone special can make all purchases in the stores of the Pingo Doce universe.

Conditions of use

It is valid to use the Gift Pingo Doce card in mainland Portugal and Madeira Islands, in Pingo Doce stores. Also valid at Code and BemEstar located in the Pingo Doce galleries. The Pingo Doce Gift card is not a debit or credit card, so Pingo Doce is not responsible for its improper use and balance used following theft, theft or loss. Pingo Doce reserves the right to block or cancel the card, inhibiting its use, when obtained in an unlawful manner, in the event of fraudulent, improper, abusive use or for commercial purposes. Unregistered cards, in the event of loss, theft or destruction, will not be replaced. Once loaded, your card represents a monetary value to the holder, rechargeable and usable for purchases at the stores where it is accepted. The Gift Card balance is valid for 12 months from the date of the last (re) charge,

cannot be converted into cash, and does not entitle you to a cash refund or any other means of payment.

Advantages of CRM for Pingo Doce Using CRM, a management of Pingo Doce can:

- Provide better customer service
- Increase customer revenues
- Discover new customers
- Cross sell/Up Sell products more effectively
- Help sales staff close deals faster
- Make call centers more efficient
- Simplify marketing and sales processes by applying this methodology Pingo Doce learned

more about customers' needs and behaviors in order to develop stronger relationships with them. They implemented CRM as a process that brought together lots of pieces of information about customers, sales, marketing effectiveness, and responsiveness and market trends. CRM helps businesses use technology and human resources to gain insight into the behavior of customers and the value of those customers.

1.3 Problems of the Organization

The Problem & Challenges for Pingo Doce in CRM implementation are appended below:

- Difficulty in acquiring new customers can be a result of any one, or combination, of the following problems.
- Inaccurate and Slow Quoting Organizations may be unable to accurately estimate and quickly deliver successful proposals, often leading to missed opportunities, bad profit margins and upset prospects.
- Lack of new arrival or upcoming Product Knowledge within their Sales Force.
- Problems can arise when products were sold that didn't fit company's profitability strategy such as selling a customer one product when another would be better for the customer and more profitable for you.
- Difficulty and Delay in Updating Pricing and Product Information in their software. Sometimes price and products not showing during payment time at their cash counter. This takes client's time unnecessarily.
- When the sales force is relying on incomplete product, pricing and customer information, then they're probably not selling the most profitable products you offer.

➤ Customers prefer a combination of differing channels in which to deal with retail company. Self-service on the web can even be done for complex products. Plus, self-service on the web offers retail banks the opportunity to shift cost out to the customer.

1.4 Competition Information

Pingo Doce is the 2nd largest supermarket chain shops in Portugal. Their main competitor is Continente, they have 700 stores across whole cities of Portugal. Though, Continente is bigger one but Pingo Doce is gaining many new customers day by day for its new customer friendly CRM strategies and Pingo Doce is increasing its name and fame better than its old days. On the other hand, Competition today is increasingly intertype, or between different types of store outlets. Discount stores, catalog showrooms, and department stores all compete for the same consumers. The competition between chain superstores and Smaller independently owned stores have become particularly heated. Because of their bulk buying power, chains get more favorable terms than independents, and the chains' large square footage allows them to put in cafes and bathrooms. Today's retailers are moving toward one of two poles, operating either as mass merchandisers or as specialty retailers. Superpower retailers are emerging. Through their superior information systems and buying power, these giant retailers are able to offer strong price savings. These retailers are using sophisticated marketing information and logistical systems to deliver good service and immense volumes of product at appealing prices to masses of consumers. Many retailers are even telling the most powerful manufacturers what to make; how to price and promote; when and how to ship; and even how to reorganize and improve production and management. Manufacturers have little choice: They stand to lose 10 to 30 percent of the market if they refuse. Technology is becoming critical as a competitive tool. Retailers are using computers to produce better forecasts, control inventory costs, order electronically from suppliers, send e-mail between stores, and even sell to Customers within stores. They are adopting checkout scanning systems, electronic funds transfer, and improved merchandise-handling systems.

There are many supermarket chain shops or competitors available for Pingo Doce supermarket in Portugal. So, undoubtedly there are silent completion exists between these retail chain supermarkets. Continente – 700 stores, Lidl - 255 Stores, Minipreço - 620 Stores, Intermarché - 200 Stores, Meu Super - 300 stores, SPAR - 130 stores, Guimaraes, Aldi - 73 stores, Amanhecer - 330 stores, Apolonia Supermercados - 3 stores, Auchan, Coviran - 188 stores, E.Leclerc, El Corte

Inglés - 2 Stores, Froiz, The Good Food Company (selling Tesco), Mercadona, Overseas Supermarkets (Iceland produce), Pingo Doce - 455 stores, etc.

Retail Marketing in Portugal

There are various ways of making goods available to consumers like:

- Company to distributor to wholesaler to retailer to consumer
- Company to salesperson to consumer
- Company to consumers (online/ phone/ catalog ordering)

These three are among the most common ways of making the goods available to consumers. But in Portugal the three layered system of distributor, wholesaler and retailer, forms the backbone of the front-end logistics of most of the consumer-goods companies.

There are a number of reasons behind this fragmented retail market. Some of the major reasons being:

- Poverty and lower literacy levels.
- Low per capita income in terms of their country's GDP and income in an average.
- Savings focused and less indulgence mindset.
- Poor infrastructure facilities like roads etc.
- Restrictions on intra-state good movement.
- High taxes.
- No exposure to media.
- High import duties on imported goods.
- FDI in retailing is not allowed.

CRM in Retail Marketing (Pingo Doce)

Customer relationship (CR) activities have the most impact on customer retention. Every customer service encounter has the potential to gain repeat business or have the opposite effect. The expectation of personalized, relevant offers and service is becoming a primary driver of customer satisfaction and retention in financial services.

1.5 SWOT Analysis of Pingo Doce

Strength:

- ❖ Prime location

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- ❖ Large floor space allowing for better visual merchandising
- ❖ Large area also allows to stock a large variety of products under one roof
- ❖ Experienced and competent management
- ❖ Highly trained and motivated sales force
- ❖ Brand equity
- ❖ Large scale operations in various cities throughout the country allows them to reap the benefits of “economies of scale”

Weakness:

- ❖ Large scale of operations sometimes acts as a barrier to personalized customer relations
- ❖ Large scale operations lead to reduced flexibility by increasing the amount of overheads and a huge commitment in terms of fixed costs
- ❖ A large organization structure leads to delayed decisions. This can prove fatal for a business in the dynamic fashion industry. Porto and Portugal North, this fact sometimes results in delayed decisions in adapting to changing market trends

Opportunities:

- ❖ Apart from the metros, cities like Algarve, Sintra, Comibra, Evora, Braga, Porto and Portugal North have shown substantial retail presence. Most sport modern retail formats like supermarkets, department stores and specialty chains. These markets are expected to show exponential growth in the next few years. Thus Pingo Doce has the opportunity to explore new markets
- ❖ According to the Consumer Outlook study, consumers are generally satisfied with the service that organized retailers extend to them. More importantly, they are increasingly regarding these organized retailers as providing ‘value-for-money’. These findings indicate that large retailers will capture most of the higher consumer spending
- ❖ Increasing penetration of the internet into Portuguese homes has provided Pingo Doce Mall to break the geographical barriers and to increase their customer base. The entry into online retailing, would, in fact, expand the product categories available to the consumer

Threats:

- ❖ The time when retailers had to worry about competition only from their peers down the street has come to an end. Pingo Doce Supermarket is now facing increased competition in the form of international retail chains Lidl and Continente that are making a beeline towards the highly potential Portugal markets. Moreover, many big Portuguese business houses are also vying a space in the Portugal retail scene.

Chapter 2 – Object & Methodology

2.1 Significance of CRM

CRM helps businesses build a relationship with their customers that, in turn, creates loyalty and customer retention. Since customer loyalty and revenue are both qualities that affect a company's revenue, CRM is a management strategy that results in increased profits for a business. Customer relationship management is an integrated approach that manages a company's interactions with the existing and future customers. It helps to identify, acquire and maintain customers for successful growth of the business. It enables business organizations to plan & coordinate to reach across different departments and channels. A CRM model use smart technology for organizing, automating, synchronizing sales, customer service, marketing, and technical support.

In today's competent era, it is important for every business organization to work on the customer relationship management model for making the business processes more organized and profitable. There are countless reasons to implement CRM in a business environment. No doubt, customer relationship management leads to great customer services which directly give benefits to the customers and convince them for giving repeat business. All this helps in improving the business profitability that improves the return-on-investment graph.

Importance of The CRM Practices

CRM Customer Relationship Management is one of the newest innovations in customer service today. CRM stands for customer relationship management and helps the management and customer service staffs cope with customer concerns and issues. CRM involves gathering a lot of data about the customer. The data is then used to facilitate customer service transactions by making the information needed to resolve the issue or concern readily available to those dealing with the customers. This results in more satisfied customers, a more profitable business and more resources available to the support staff. Furthermore, CRM

Customer Relationship Management systems are a great help to the management in deciding on the future course of the company.

As mentioned, there is much data needed for the CRM system to work. These fields include the customer name, address, date of transactions, pending and finished transactions, issues and complaints, status of order, shipping and fulfillment dates, account information, demographic data and many more. This information is important in providing the customer the answer that he or she needs to resolve the issue without having to wait for a long time and without going to several departments. With just a few mouse clicks, a customer support representative for example can track the location of the customer's package or order. This is infinitely better than the cumbersome process of tracking shipments previously. Furthermore, the customer service representative will also be able to see the previous concerns of the customer. This is a great help especially if the customer is calling about the same issue since he or she will not have to repeat the story all over again. This results in less time in resolving the issue, thus, higher productivity of the support staff.

CRM Customer Relationship Management systems are also important to the top management because it provides crucial data like customer satisfaction and efficiency of service by the frontline crews. A piece of customer relationship management software will also be able to generate the needed reports for product development or new concepts.

Furthermore, this system will also be a great help for the top management in deciding the company's future course of action, whether it involves phasing out one of the products on the shelves or making adjustments to one of the products sold.

The reports generated by CRM systems are also invaluable to your advertising and marketing planners, as they will be able to pinpoint which ideas works and which do not. Because of CRM systems, you will be able to release advertisements or plan marketing campaigns more in tune with your target market. This will also lead to more responses to your advertisement and a more effective marketing campaign.

Successful integration of a CRM Customer Relationship Management system in your company, however, might not be as easy as it seems. The following might give you an insight why CRM systems fail in some companies... Most companies fail to prepare for CRM systems. By this, I mean that most companies fail to integrate all the departments that need to share the information for it to be effective. Furthermore, CRM units scattered all over the company's

departments is often more effective than just making one big CRM department. This will ensure that each department will get the information and data that they need.

A CRM system will also help you a lot in expanding your business. As CRM systems are capable of handling enormous amounts of data, CRM systems will help you a lot in coping with the increased numbers of customers and data. With a CRM Customer Relationship Management system installed and properly utilized, you can be sure that all data is maximized and used to ensure that your business will be successful and your customers a lot more satisfied than before.

2.2 Managerial Usefulness of the study

Here I will show the managerial usefulness of the CRM study, basically how CRM helps a business management. Primarily, the strongest aspect of Customer Relationship Management is that it is very cost-effective. Secondly, CRM helps businesses build a relationship with their customers that, in turn, creates loyalty and customer retention. Finally, since customer loyalty and revenue are both qualities that affect a company's revenue, CRM is a management strategy that results in increased profits for a business.

How customer relationship management process benefit a business?

From sales processes to marketing campaigns and business analytics as well as customer data, CRM automates and streamlines these processes for businesses. This allows the businesses to organize these processes into simpler, easier to understand data.

2.3 Objective of The Study

Objectives of Customer Relationship Management (CRM) study are identified which given as below:

- Understand customer needs better
- Maintain long term customer relationships
- Be able to pursue a strategy of Relationship Marketing
- Identify individual customers' needs
- Develop relationships that stretch over several transactions
- Manage that relationship to the benefit of the customer and the company
- To enable the sales team to promote sales effectively through maintaining customer Relationship.

2.4 Limitations of the study

- 1) The data collected and findings shown in the project is not full-fledged and therefore cannot be used straight away used in decision making.
- 2) The sample taken was very small and compared to the total population. The response received may not be free from bias.
- 3) The study was limited to the capabilities and willingness of the respondents in approximately answering the questions.
- 4) The study was limited to Lisbon city only.
- 5) Due to time restraints it was not possible to study in depth to get knowledge what practices are followed at Pingo Doce.
- 6) Nevertheless, many facts and data are such that they are not to be disclosed because of the confidential nature of the same.
- 7) Hence because of that I cannot express any opinions upon various issues which it limits the scope of my study.
- 8) Duration of the project work was not sufficient.
- 9) The topic was very vast topic yet very important also.

2.5 Scope of the study

The scope of the study is to identify the customer relationship management towards Pingo Doce. Primary data was collected from customers. Secondary data was collected from company manuals, magazines and websites. It is aimed at enlightening the company about different steps to be taken up to increase the value of Pingo Doce Supermarket with regard other competitors and also make the company to provide better customer services. The study was restricted to twin cities. The sample size for this study is 100. The methodology used for analysis and interpretation is simple percentage method, the period of the study is 45 days.

2.6 Methodology

Research Methodology

Meaning of Research: According to D. Slessinger and M. Stephenson in the Encyclopedia of social sciences define research as "the manipulation of things, concepts or symbols for the purpose of generalizing to extend, correct or verify knowledge, whether that knowledge aids in construction of theory or in the practice of an art."

TYPES OF RESEARCH

1.Exploratory Research,

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2.Descriptive Research and

3. Marketing Research

Exploratory Research: Exploratory research studies are also termed as formulate research studies. The main purpose of such studies is that of formulating a problem for more precise investigation or of developing the working hypothesis forms an operational point of view.

Descriptive Research: Diagnostic Research studies determine the frequency with something occurs or its association with something else. In this project, information pertaining to customer needs satisfaction and their demographic profile was collected; hence it is a descriptive research.

Marketing Research: It is a systematic process of gathering, recording, analyzing and interpreting the data related to any problem in the field of marketing. This marketing research consists of various steps. They are as follows 1) Problem formulation. 2) Development of research design. 3) Determine the source of data. 4) Planning and designing data collection forms. 5) Determine sampling plan. 6) Organizing and conducting field survey.7) Data analyses and interpretation. 8) Report preparation and arrangement to decision makers.

SOURCES OF DATA: Once the research design has been decided upon the next stage is that of selecting the source of data. They are primary data, secondary data. **Primary data:** Are those, which are collected fresh and for the first time, and thus happened to be in original character? The data is gathered through administering the questionnaire. **Secondary data:** Are those which are already been collected by someone else and which have already been passed through the statistical process. And source of secondary data organization report, journal, etc.

Sampling: The selected respondents constitute which is technically called as sample and the selection process is called as sampling technique. Random sampling: The research study employed random sampling technique which randomly selects the respondents.

TARGET POPULATION: Sample unit: customers of Pingo Doce supermarket, Lisbon. Sample size :100 Sampling method: Simple Random Sampling Research tool: Structured Disguised Questionnaire. Contact method: Personal Interview.

QUESTIONNAIRE DESIGN: The questionnaire is of structured type, which consists of Closed ended, Open ended, multiple Choice, and Ranking type of questionnaire to suit the study.

PILOT SURVEY: After taking 30 respondents for sampling survey it was felt that the questionnaire does not require any change.

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SAMPLING PROCEDURE: Selections of participants are 100 customers. All the sample units selected at random. Care is taken to ensure that sample units represent the characteristics near to total base / units.

RESEARCH METHODS AND TOOLS FOR DATA COLLECTION: The Researcher formulated a structured questionnaire, which were administered to customer's opinion. The questions are scheduled as predetermined and the order of questions made for accuracy and compatibility. The questions are open ended. The questionnaire divided into part-A and Part-B. Part-A is concerned to Management (**Customer Based Survey**) which consists of 10 different type questions. And Remaining is part -B for **Retailers based Survey** which consists of 8 questions.

Chapter 3 – Conceptual Discussions

Review of Literate

Meaning of Customer Relationship Management (CRM): CRM is a comprehensive strategy & process of acquiring & retaining customers to create superior value for the company as well as the customers. It consists of the processes a company uses to track and organize its contacts with its current and prospective customers. To support these processes, various CRM Software like SAP, ORACLE Sales force.com etc. is used. This software record and store information about customers, various customer interactions, their problems etc. which can be accessed by employees in different departments of the company. This information is used by the organization to make future plans that can satisfy the customer on a better way and retaining them for a longer period.

Definition of CRM: Customer relationship management is a broadly recognized, widely-implemented strategy for managing and nurturing a company's interactions with clients and sales prospects. It involves using technology to organize, automate, and synchronize business processes—principally sales activities, but also those for marketing, customer service, and technical support. The overall goals are to find, attract, and win new clients, nurture and retain those the company already has, entice former clients back into the fold, and reduce the costs of marketing and client service. Once simply a label for a category of software tools, today, it generally denotes a company-wide business strategy embracing all client-facing departments and even beyond. When an implementation is effective, people, processes, and technology work in synergy to increase profitability, and reduce operational costs

Goal of CRM: The goal of CRM is to provide improved services to the customers, and to use customer contact information for targeted marketing.

Evaluation and growth of the CRM: CRM passes through three generations such as 1st generation in 1990, 2nd generation in 1996 and the 3rd generation in 2003. In 1st generation following systems were applied for CRM:

-> Call center management- It is a web based CRM technology, the enables users browsing a company's web site to leave a phone number where company representative can call back with more information. Customer service Support-It is a part of a company's CRM department that

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interacts with a customer for their Immediate benefits. Sales force automation-It is software that automates business tasks like inventory control, sales processing, customer interaction, etc.-.➤ Campaign management-It is a planning, executing, tracking and analyzing of direct marketing campaigns.

In 2nd generation following improved systems were used for CRM: -

➤ Integrated customer facing front end -It is face to face interaction between the customers and sales man. This system is used for marketing, sales and services. ERP integrations-ERP stands for Enterprise Resource Planning. It is a business management system that integrates all functions of the business.

➤ Customers analytics -It comprises all the programming that analyzes data about an enterprise's customers for business decision. Complete web Integration-It allows end users to have access the data function of a serve hosted application through internet browser window. In 3rd generation the strategic CRM was followed and is continuing-Strategic CRM updates and expands the original content and combines into one, Convenient value that guides users through the entire CRM implementation process, from strategic planning software. Scope and goals of different generations:-There is successful increment in the scope of CRM from 1st generation to 3rdgeneration. In 1stgeneration the scope consists of service function and sales function, in 2nd generation it includes another function i.e. marketing function and in 3rd generation it includes entire function of the organization. Goals of the CRM have also changed with better customer service from 1st generation To 3rd generation. In 1st generation the goals were improve service operation and increase sales efficiency, in 2nd generation reduce cost of interaction, improve customer experiences, and increasing the customer interaction; in 3rd generation cost reduction & revenue growth and competitive advantages.

Options for Implementing CRM: Increasing customer is not the ultimate objective of any organization but to retain customer and to build long term relationship with them is important. It is only through CRM that a prospect can be turn into customer and then finally into a client. But to achieve these any organization require proper implementation. But at the same time CRM implementation is a challenging task because it ties together people, process, and technologies within the organization which are separate from each other. IN HOUSE DEVELOPMENT- This means all the strategies, processes are developed and implemented within the organization.

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Advantage-1. It is tailored made according to organization needs and structure thus is flexible as compared to others.2. Avoid dependency on others be it software or outsourcing. Disadvantage1. It is at the same time expensive2. And comparatively takes longer time depending on the organisation. BUY LICENSED CRM SOFTWARE- This is purchasing software and implementing in organization. Advantage-1. Usually the maximum chance of success. 2. It just need to install and trained the workforce accordingly. Disadvantage-1. Again it is expensive because of many costs as license cost, renewal cost etc. associated with it. 1. Adding new software with change is a complex task.

OUTSOURCING A MANAGED SERVICE- This means hiring from outside.

Advantage-1. Most of the times lower cost. 2. Can adopt “pay- as- you go” approach with visible result.

Disadvantage-1. For any new requirement needs to contact the company and pay for the development. 2. Also there is a risk of losing CRM solution investment if outsourcing company goes out of business STAGewise- In this CRM software is offered in different, independent modules, according to specific department needs. Company buys sales automation software and contact management module from different providers.

ENTERPRISE WISE CRM SOLUTION- This is composed of different modules from same providers; it is implemented as a whole by connecting different modules and existing database

VARIOUS ASPECTS OF CRM CRM includes many aspects which relate directly to one another:

- Front office operations — Direct interaction with customers, e.g. face to face meetings, phone calls, e-mail, online services etc.
- Back office operations — Operations that ultimately affect the activities of the front office (e.g., billing, maintenance, planning, marketing, advertising, finance, manufacturing etc.)

Marketing Mix - Pingo Doce

Product Branding	Price
Packaging	Cost of goods
Product Design	Business Expenses
Assortment	Gross Margin
Services	Profit
Promotion	Distribution
Advertising	Logistics

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Personal Selling	Store Location
Sales Promotion	Site Evaluation
Public Relations	Transportation
Visual Merchandising	Storage of goods

They seem to follow this to the core for effective Customer reach and encourage customer loyalty.

Chapter 4 – Data Analysis

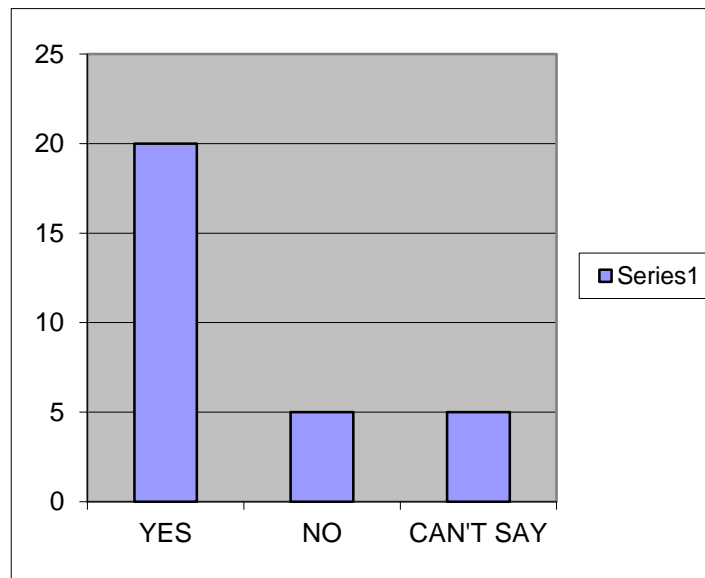
RESULT OF SURVEY ON CRM PRACTICES IN PINGO DOCE SUPERMARKET CHAIN IN LISBON, PORTUGAL.

Results, Data Analysis & interpretation: From the survey on CRM practices in Pingo Doce supermarket I found following data which is graphically presented below one by one based on each separate questions (Customer Survey) and then evaluations scale comes, answered is based on rating points that is varied in nature respectively. Even though, after the graphical displays there are **result's** brief explanation which also gives respective data, information about CRM (Customer Relationship Management) Research work and Customers Survey etc.

CUSTOMER SURVEY

1. Are you satisfied with the **services** provided by Pingo Doce?

YES NO CAN'T SAY

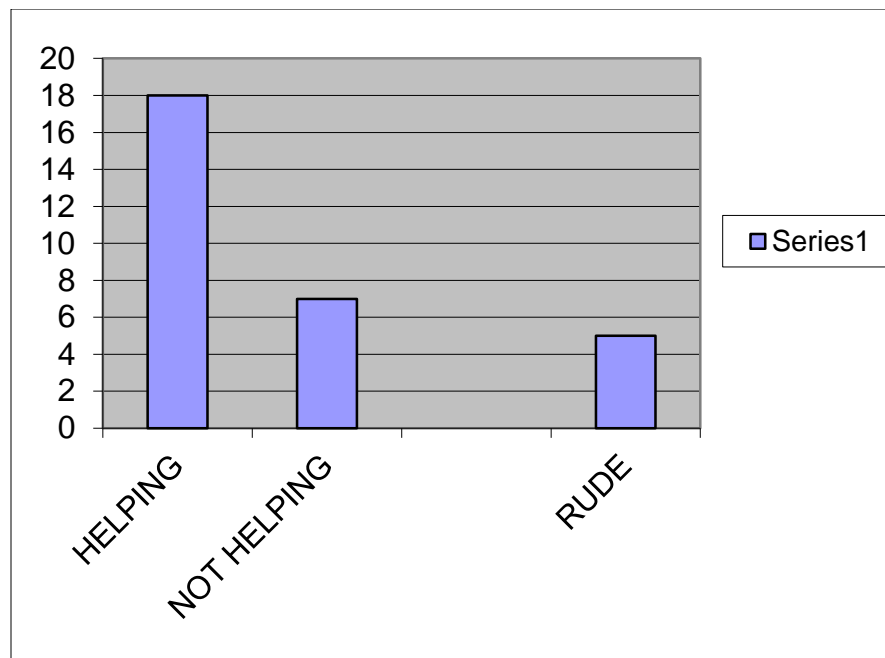


Result:

From the above table it is clear that customers are satisfied with the services of Pingo Doce because out of 30 customers 20 has given the positive answer in favor of Pingo Doce.

2. How do you find the *Shopper Assistant's behavior*?

HELPING 18 NOT HELPING 7 RUDE 5

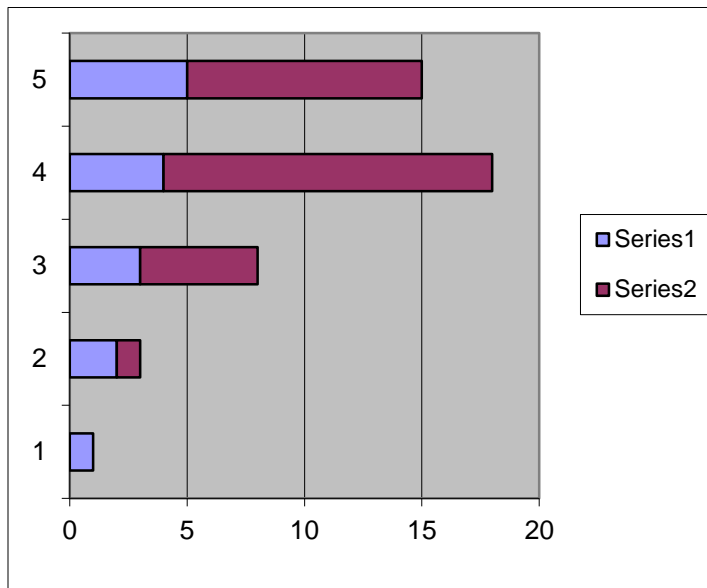


Result:

From the above table it is clear that customers are satisfied with the attitude of the shopper's. Out of 30 customers all 18 customer are satisfied.

3. How would you rate the *Shopper Assistant's behavior* on the scale of five?

5 [10] 4 [14] 3 [05] 2 [1] 1 [00]

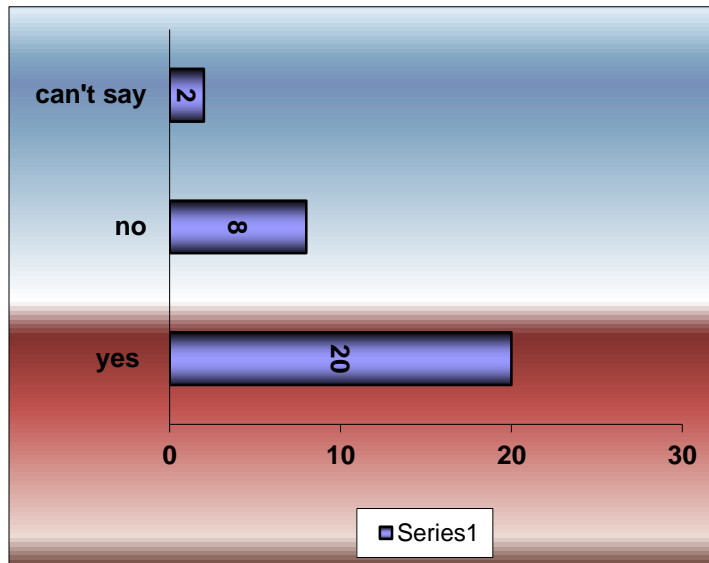


Result:

Out of 30 customer, 11 customer have given the 5 marks to shopper . Assistant behavior while 14 has given 4 marks & 5 has given 3 marks.

4. Do you find the **Layout of Pingo Doce helpful in Shopping Experience?**

YES [20] NO [8] CAN'T SAY [2]

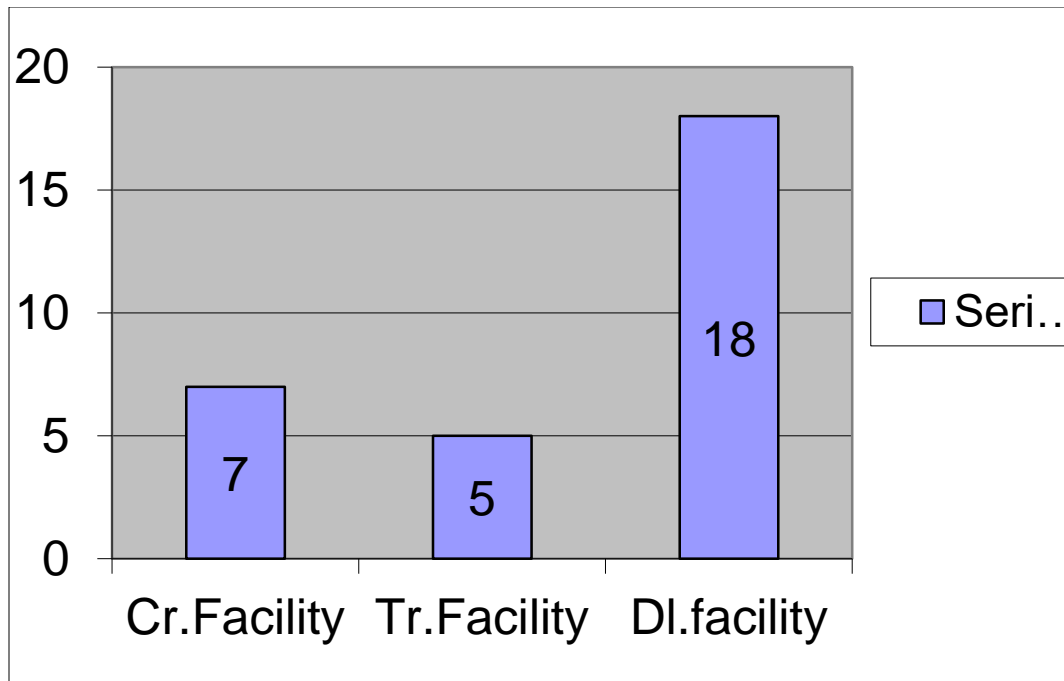


Result:

Out of 30 customers ,18 have told that they like the layout of Pingo Doce while 8 told that they do not like very much.

5. What do you like most about Pingo Doce?

CREDIT FACILITY TRANSPORTATION FACILITY
 DELIVERY SERVICES

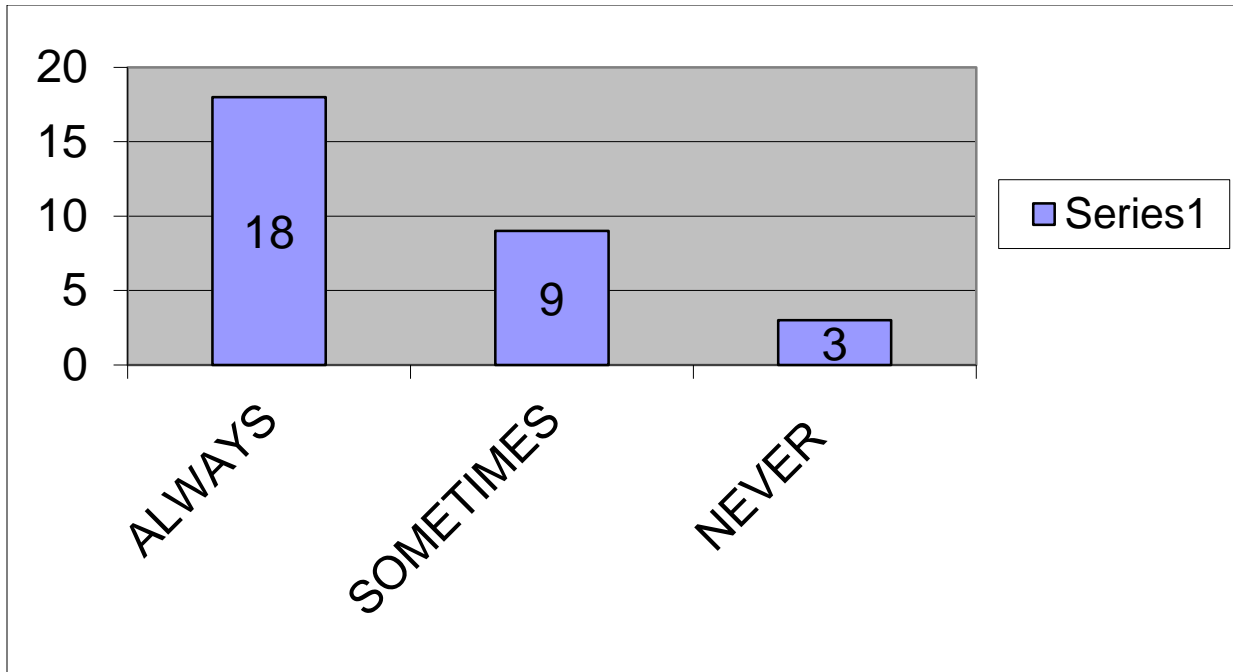


Result:

Out of 30 Customers, 18 customers like delivery services of Pingo Doce while 7 customers like the credit facility & 5 customers like transportation facilities. So it is clear that customer wants delivery services most.

6. How often do Pingo Doce services exceed your expectations? (Customer Delightness)

ALWAYS SOMETIMES NEVER



Result:

Out of 30 Customers, 18 customers said that Pingo Doce always provide better services & it exceed their expectation.

7. Do you think that Pingo Doce follow the ethical Marketing Practices like right pricing, right quality and right quantity?

YES

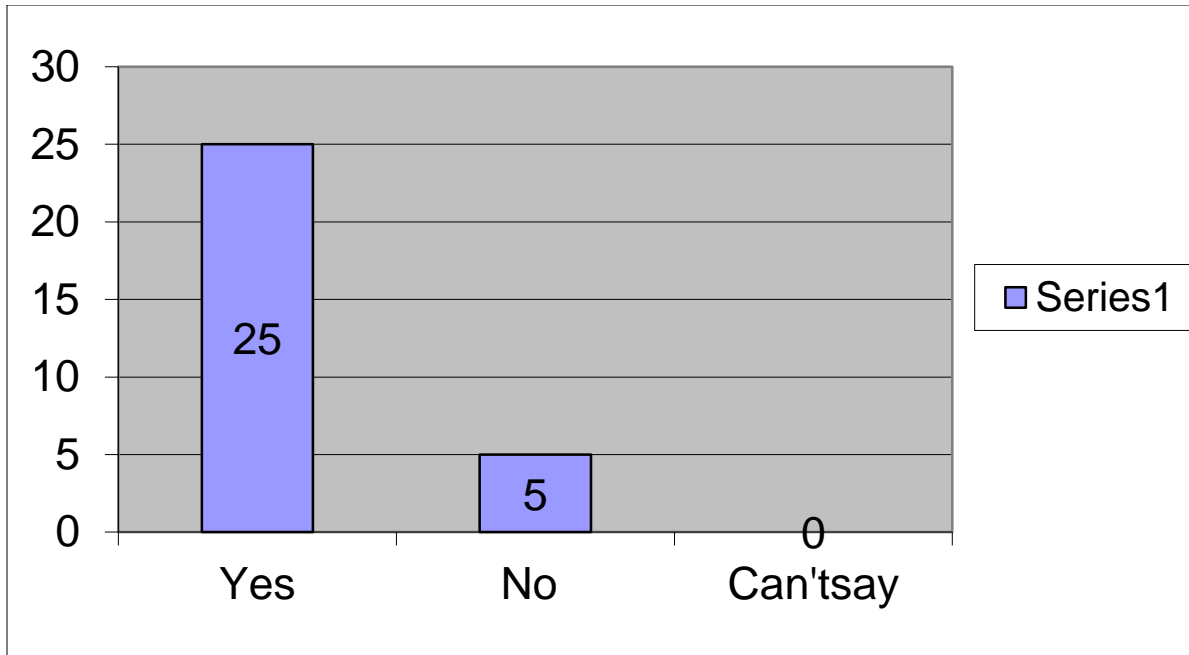
25

NO

5

CAN'T SAY

0



Result:

Out of 30 customers, 25 customers have told that Pingo Doce following the ethical marketing practices.

8. What comes first when you think about Pingo Doce?

PRICE QUALITY

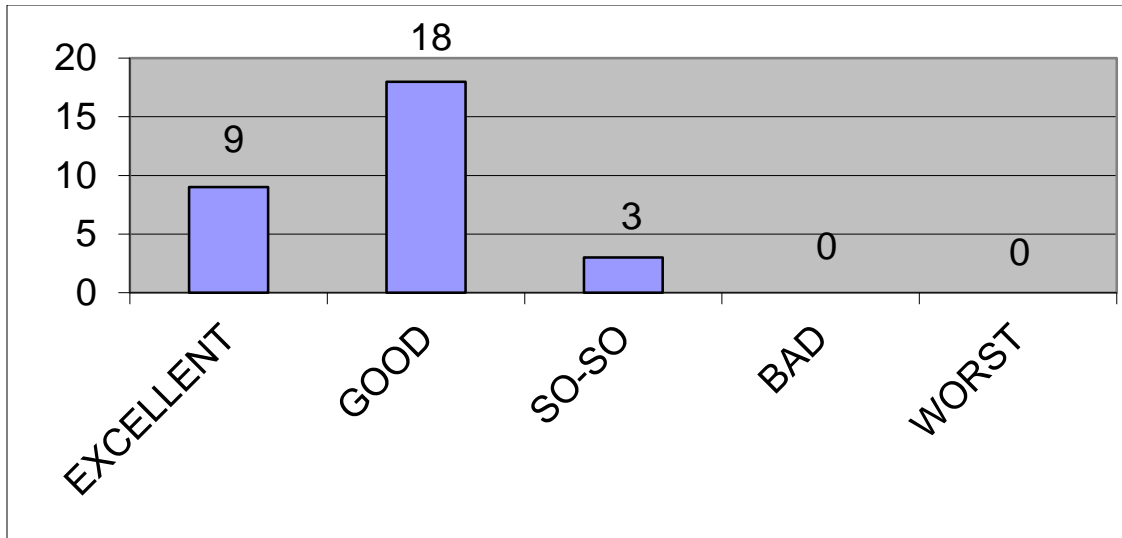


Result:

Customer said that when they think about Pingo Doce they think about price. out of 30 customers 20 customer have told this while 10 customer said that they think about quality.

9. How would you rate **theme-setting display** of Pingo Doce in comparison to other?

EXCELLENT GOOD SO-SO BAD
 WORST



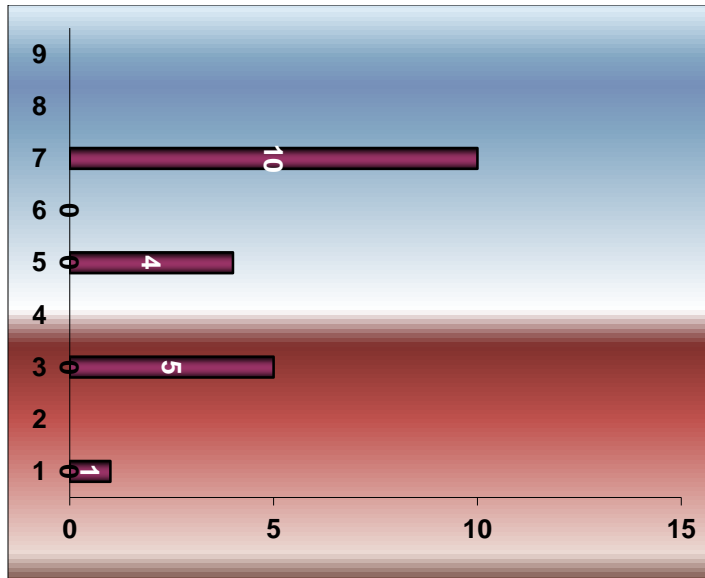
Result:

Out of 30 customers, 9 customers said that Pingo Doce theme is excellent while 18 customers said that it is good & 3 customers said that it is ok.

RETAILOR SURVEY

10. What is the most important **criteria of selection** for their Store Assistant and Store Manager?

- Pleasing Personality 1
- Good Communication 5
- Team Work 4
- Commitment toward Customer needs 10

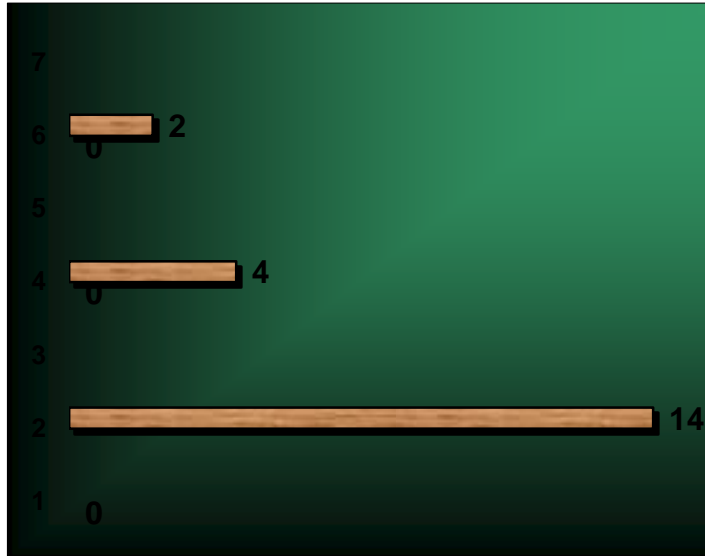


Result:

Out of 20 retailers, 10 has given importance to the store manager who have the quality of identifying customer need, while others have given importance on work & good communication skills.

11. Do you display all the entire stock on the rack or some amount is kept for contingence? (Inventory availability)

Applicable to all product Applicable to some product
 Only to FMCG

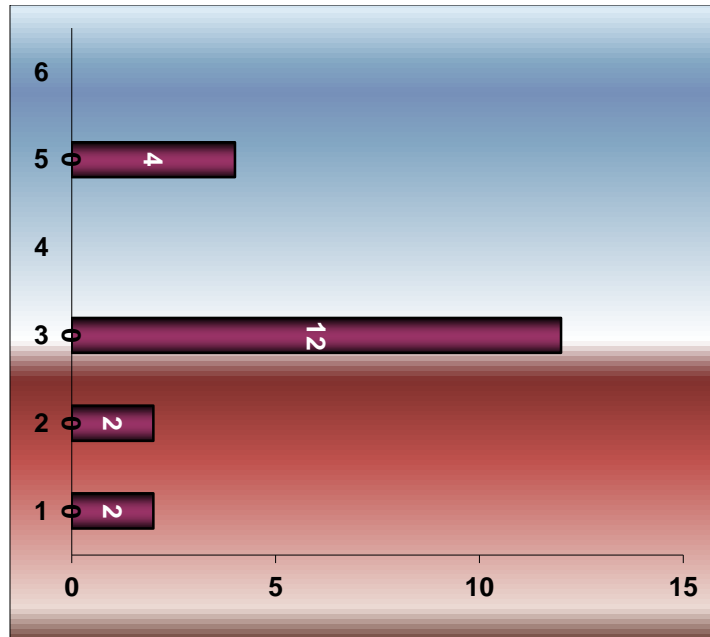


Result:

Out of 20 retailers ,14 have told that they show all the product to customer, while 4 have told that show some product to the customer.

12. How do you decide of point of purchase counter?

Brand Price Customer preference Product visibility

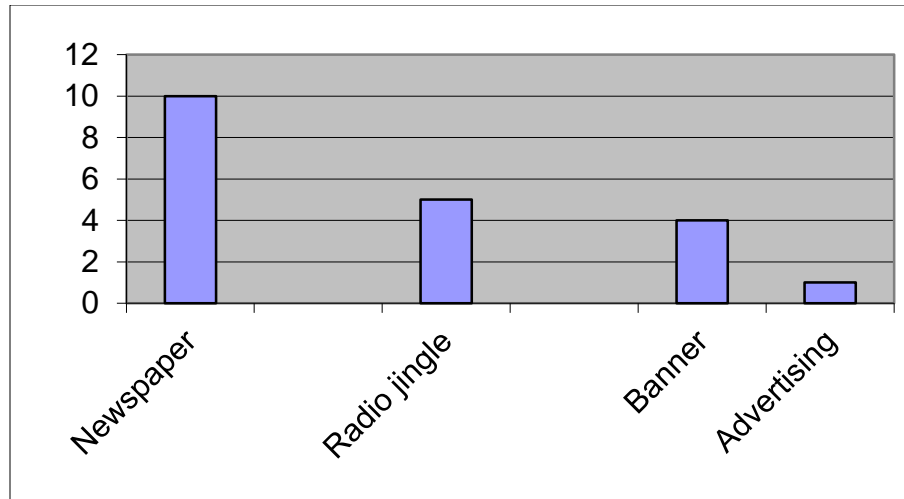


Result:

Out of 20 Retailers, 12 has said they use the customer preference for point of purchase counter while other said that they use brand & product visibility.

13.What is the preference order for **promotional activity** to create customer awareness?

Newspaper Radio jingle Advertising Banner

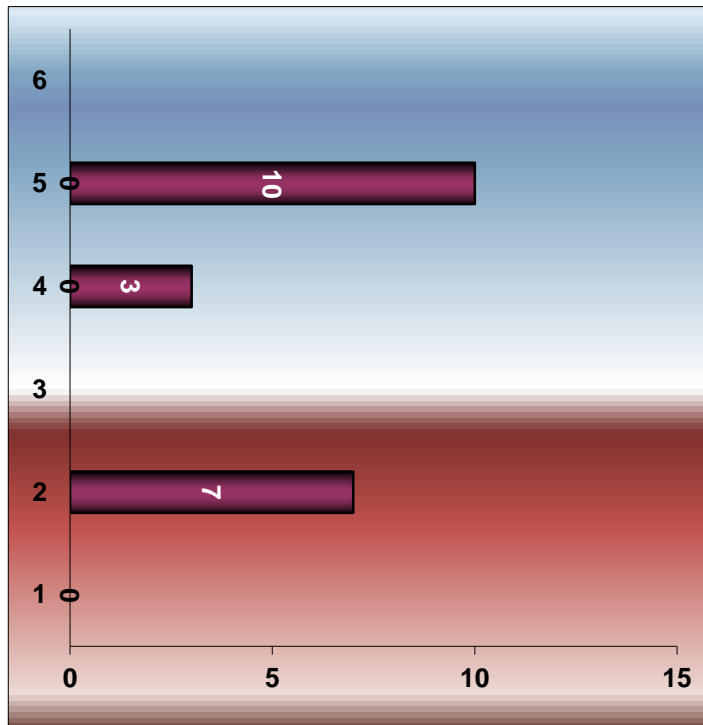


Result:

Out of 20 retailers ,10 has told that they use Newspaper as their main tool for promotional.

14. How would you analyse the customer satisfaction?

Number of repeat purchase Loyalties benefit Customer database



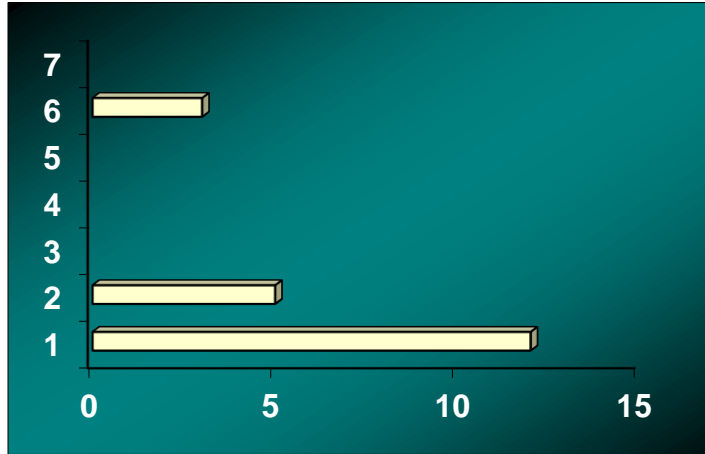
Result:

20 Out of Retailer, 10 retailer said that they get the customer satisfaction by customer database while other have said that they use data of number of repeat purchase.

15. What is your method of analyzing customer satisfaction?

Feedback No. of repeat purchase interaction of manager

With customer



Result:

Out of 20 retailers, 12 have told that analyzing the customer satisfaction through the feedback of customer.

Chapter 5- Findings, Conclusions and Recommendation

Findings

From the survey the findings are given below:

1. Most of the stores are targeting almost all the segments of the society with their USP being “Price benefit”
2. All the stores are in Prime Location.
3. Every Pingo Doce outlet have motivated and trained sales force.
4. Large variety of products are available ranging from Grocery items, Halal Foods, Meats, Fishes, food items, electronic goods, clothes, etc.
5. Staff is provided constant training for various peculiarities of customer behavior.
6. Some of them offer discount sales and also send greetings to its loyal customers.
7. Not much difference in the Layout of the floor designs in the various branches. They try to maintain a similarity to maintain comfort levels of customers.
8. These stores maintain **Word of Mouth**. And Particularly Portuguese & multicultural nations such as European, Bengali, Indian, Nepalese and African Community are major customers of the outlets.
9. Customers are satisfied with the provided services.
10. International shopping experiences can be achieved from these stores.

CONCLUSION

Based on the research and findings the following conclusions are stated:

Higher customer satisfaction through quality service and enabling other modern facilities which customers expecting (reviewing customer’s expectation) now a day is the one major benefit most likely to occur as an effect of CRM (Customer Relationship Management). Continuous communication with old and existing customers or even new information sharing towards potential customers is the most important ingredient to reach the benefits of CRM. Electronic integration such as online shopping, e-card and Gift card for shopping, collaboration and pro-active behavior are the key ingredients are to be used to see the effective CRM Practices. Buyers satisfaction either customers are satisfied from their purchasing or

unsatisfied this is so vital to evaluate and assess. Discounts and points offerings to the buyers also plays a pivotal role of CRM. From study it's proved that when customers get discounts during their shopping time then they became happier and satisfied in that sense they want to keep in touch with the outlet. In some cases, when products price decreases or stable and quality increases then customer retention and overall sales volume also increase, ultimately I may say that in this sense products revenue growth to be developed.

RECOMMENDATION

- 1) Convert your customers into publicity agents. Develop an incentive for them to tell associates and friends about the value of your products or services. An endorsement from them is more effective than any amount of advertising - and it is much cheaper.
- 2) Surprise your customers with unexpected value. If you sell products, include an "unadvertised bonus" with every order. If you sell services, get into the habit of doing something extra for every customer or client without charging for it.
- 3) Reward them through different unique strategies by organizing customer engagement events or programs each time they refer someone who becomes a customer. Your reward can be as simple as a credit toward their next order from you.
- 4) The management of Pingo Doce can improve their understanding of the role and capabilities of advertising to improve customer relation and enhance loyalty. This understanding should in turn results in a more effective and more efficient advertising campaign.
- 5) Visual Merchandising: It is often seen that the people come to the store to browse rather than buy.
- 6) Schemes: In store Promotions: The people visiting the store should be encouraged to visit the store again and again. So it is necessary to delight the shoppers with the shopping experience.

Future research scope

I have studied mainly the CRM (Customer Relationship Management) practices in a Retail Supermarket Chain but there are many other scopes available to study in near future. Concisely, there are some potential future research scope remains undone such as CKM (Customer Knowledge Management) and Innovation, CRM in Technological Advancements & Digital

Transformation, Efficient CRM (Customer Relationship Management), CRM Components (Sales Revenue, Marketing and Services ensured by the Retailers), Three Dimensions of Sustainable Business Model Innovation (Economic, Environmental and Social), CRM new concepts and benefits analysis, and other areas of CRM and CKM where prospective exploration (innovation) may be reflected in the forthcoming days of researches.

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- https://repositorio.iscte-iul.pt/bitstream/10071/13876/1/thesis%20project%20%20_%20marta%20carrilho%20pdf.pdf

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- <https://www.pingodoce.pt/>

Company Prospectus & Brochures:

- Pingo Doce Supermarket

General Websites & Search Engine:

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- www.indiainfoline.com
- www.google.com
- www.businessline.com

ANNEXURES

QUESTIONNAIRE ON CUSTOMER-RELATIONSHIP - (Part- A)

MANAGEMENT IN PINGO DOCE

CUSTOMER BASED SURVEY

1.Are you satisfied with the services provided by Pingo Doce?

YES NO CAN'T SAY

2.How do you find the Shopper Assistant's behavior?

HELPING NOT HELPING RUDE

3.How would you rate the Shopper Assistant's behavior on the scale of five?

5 4 3 2 1

4.Do you find the Layout of Pingo Doce helpful in Shopping Experience?

YES NO CAN'T SAY

6.What do you like most about Pingo Doce?

CREDIT FACILITY TRANSPORTATION FACILITY

DELIVERY SERVICES

7.How often do Pingo Doce services exceed your expectations?

ALWAYS SOMETIMES NEVER

8. Do you think that Pingo Doce follow the ethical Mktg. Practices like right pricing, right quality and right quantity?

YES NO CAN'T SAY

9 What comes first when you think about Pingo Doce?

PRICE QUALITY

10 How would you rate theme-setting display of Pingo Doce in comparison to other?

EXCELLENT GOOD SO-SO BAD WORST

NAME.....

ADDRESS.....

QUESTIONNAIRE ON CUSTOMER-RELATIONSHIP - (Part- B)

MANAGEMENT IN RETAIL-SECTOR (Pingo Doce)

RETAILOR BASED SURVEY

1. What is the most important criteria of selection for their Store Assistant and Store Manager?

Pleasing Personality Good Communication Team Work

Commitment Toward Customer needs

2. Do you display all the entire stock on the rack or some amount is kept for contingency?

Applicable to all product Applicable to some product Only to FMCG

3. Rate the following options as per your priorities while deciding the layout for store?

Security Computerization Parking Air-conditions

4. How do you decide of point of purchase counter?

Brand Price Customer preference Product visibility

5. What is the preference order for promotional activity to create customer awareness?

Newspaper Radio jingle Advertising Banner

6. How would you analyze customer localities factor?

Number of repeat customer localities benefit customer database

7. What is your method of analyzing customer satisfaction?

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Feedback No. of repeat purchase interaction of manager with customer

8. What is the training methodology used to enhance customer satisfaction in your employee?

Featured brochures

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By Rubel Ahmed.

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