

Study on CRM Practices of Organized and Unorganized Jewellers

Aditya Rastogi¹, Samarth Pande²

¹Student, Amity University

²Assistant Professor, Amity University

Abstract:

Gem and jewellery manufacture is a worldwide business nowadays, with polishing and jewellery manufacturing taking place in Belgium, the Netherlands, Israel, China, and Turkey, and selling all over the world. Gold, diamonds, and platinum are mined in Africa, Russia, Canada, and Australia. Over 15% of our overall exports come from this business, which also employs 1.3 million people. Its contribution to our Gross Domestic Product (GDP) is 3.75%, surpassed only by exports connected to Information Technology (IT). About 80% of the market is made up of gold jewellery; the remaining 20% is made up of jewellery with diamond and gemstone settings. Over 57% of the world's raw diamonds by value are handled by India, which is the largest diamond processing (cutting and polishing) hub in the world. Around 80% of jewellery sales are made up of gold pieces, with the remaining 20% consisting of jewellery with settings for diamonds and other gemstones. Customer relationship management (CRM) is a group of linked, data-driven software applications that help your company organize, track, and store information about its current and potential customers. Because this data is kept in a single system, business teams may instantly obtain the insights they want. Customer relationship management (CRM) is the process by which a business or other organization maintains its ties with customers. It often entails the use of data analysis to look through enormous amounts of information.

KEYWORDS: CRM, ORGANIZED JEWELLERS, UNORGANIZED JEWELLERS

INTRODUCTION

As you design your CRM strategy and weigh your alternatives, select a customer relationship management system that provides a complete view of every client contact. Furthermore, you require a system that compiles relevant data at every client interaction point, assesses it, and delivers the results logically.

Find and interact with the appropriate clients:

Learn how to find, target, and draw in the correct leads so you can close the deal with them. This is made possible by predictive insight and data-driven buyer behavior.

Boost communication with customers:

Every member of the sales team will have a comprehensive understanding of the consumer, including their past purchases, current purchasing trends, and any unique information that would enable them to offer each customer the best attentive service possible.

Monitor developments throughout the client journey:

You may better target campaigns and opportunities for the best level of engagement by understanding where a client is in the broader sales lifecycle.

Boost group output:

Increased efficiency allows your team to concentrate on the things that really matter, thanks to improved visibility and simpler procedures.

SECTORS OF JEWELLERY BUSINESS

ORGANIZED SECTOR: The organized sector in the jewelry industry refers to businesses and enterprises that operate within a structured framework, adhering to legal regulations, industry standards, and often employing modern management practices. Here are some key characteristics of the organized sector in the jewelry industry:

1. Formalized Businesses:

Entities within the organized sector are typically registered and licensed according to the laws and regulations governing the jewelry industry in their respective regions. They often operate as corporations, limited liability companies, or partnerships.

2. Compliance and Regulation:

Businesses in the organized sector comply with government regulations related to taxation, labor laws, environmental standards, and quality control. They adhere to industry-specific regulations regarding sourcing of materials, hallmarking, and ethical practices such as fair labor and responsible sourcing of gemstones and precious metals.

3. Infrastructure and Facilities:

The organized sector often invests in modern infrastructure and facilities. This includes well-equipped manufacturing units, design studios, showrooms, and retail outlets. They may also utilize advanced technology such as CAD/CAM for design and 3D printing for prototyping.

4. Quality Assurance:

Quality control is a priority in the organized sector. Businesses implement quality assurance processes to ensure that their products meet or exceed industry standards. This may involve regular inspections, testing, and certification of jewelry pieces.

5. Professional Workforce:

The organized sector employs skilled professionals across various functions such as design, manufacturing, sales, marketing, finance, and management. These professionals often receive specialized training and education related to their roles.

6. Branding and Marketing:

Businesses in the organized sector invest in branding and marketing initiatives to promote their products and services. This may include advertising campaigns, participation in trade shows and exhibitions, as well as digital marketing strategies to reach a wider audience.

7. Customer Service:

Providing excellent customer service is a hallmark of the organized sector. Businesses focus on building long-term relationships with their customers by offering personalized assistance, after-sales support, and warranties or guarantees on their products.

UNORGANIZED SECTOR:

The unorganized sector in the jewelry industry refers to businesses and artisans operating outside formal regulations and structures. This sector typically includes small-scale jewelry makers, independent artisans, and local jewelry retailers who may not adhere to standard industry practices or regulations.

1. Small-scale Operations:

Businesses in the unorganized sector are often small-scale operations, sometimes family-owned, and operated with limited resources. These businesses may lack formal organizational structures and may not have access to advanced technology or machinery.

2. Informal Labor:

The unorganized sector often relies on informal labor, including family members and local artisans, who may work on a contract or piece-rate basis. These workers may not have formal employment contracts or access to benefits such as health insurance or retirement plans.

3. Limited Regulation:

Businesses in the unorganized sector may operate outside formal regulations and oversight. This can lead to issues such as lack of quality control, non-compliance with labor standards, and tax evasion.

4. Traditional Craftsmanship:

Many artisans and small-scale jewelry makers in the unorganized sector specialize in traditional craftsmanship techniques passed down through generations. These artisans often create unique and culturally significant pieces of jewelry, but they may face challenges in competing with mass-produced, standardized jewelry.

5. Local Markets:

The unorganized sector primarily serves local markets and communities, often catering to specific tastes, preferences, and cultural traditions. These businesses may operate in street markets, bazaars, or small shops located in local neighborhoods.

6. Price Competition:

Businesses in the unorganized sector often face intense price competition, particularly from larger, organized retailers and manufacturers. Without economies of scale or advanced technology, it can be challenging for small-scale businesses to compete on price alone.

7. Limited Access to Finance:

Access to finance can be a significant challenge for businesses in the unorganized sector, particularly for artisans and small-scale entrepreneurs. Limited access to credit and financial services can hinder investment in equipment, raw materials, and business expansion.

CONCLUSION

In conclusion, the global gem and jewelry industry serves as a significant contributor to the economy, with widespread manufacturing and distribution networks spanning various countries. It plays a pivotal role in international trade, employment, and GDP, particularly in regions rich in precious metals and gemstones like Africa, Russia, Canada, and Australia. Moreover, in the modern retail environment, Customer Relationship Management (CRM) has emerged as a crucial strategy for businesses across various sectors, including retail outlets. CRM systems offer comprehensive solutions for organizing, analyzing, and utilizing customer data to enhance customer interactions and drive business growth. By leveraging CRM capabilities, businesses can benefit from increased sales, improved marketing effectiveness, streamlined processes, and enhanced customer satisfaction. However, while CRM offers numerous advantages, there are also challenges associated with its implementation and usage. These include the cost of implementation and maintenance, complexity, data quality issues, resistance from employees, and integration challenges. Businesses must carefully consider these factors and develop strategies to address them effectively to maximize the benefits of CRM. In essence, CRM represents a powerful tool for businesses to build and

maintain strong customer relationships, drive sales and revenue, and gain a competitive edge in the market. By investing in CRM technology and adopting best practices, businesses can position themselves for success in today's highly competitive business landscape.

REFERENCES

1. Grether M., Leach M., and H. H. Bauer (2002). Online customer relations. *Relationship Marketing Journal*, 1(2), 39–55.
2. Greenberg P. (2008). CRM 2.0's effects on customer insight. 25(6), 410–419, *Journal of Business & Industrial Marketing*.
3. In 2009, Haenlein M. and Kaplan A. M. Management of unprofitable consumers. *Business Horizons*, 52(1), 89–97.
4. Haenlein M. (2017). How to date your clients in the 21st century: Challenges in managing customer relationships in today's world. *Business Horizons*, 60(5), 577–586.
5. Goetz O., Dalla Pozza I., and Sahut J. M. (2018). impacts of implementation on the link between CRM performance. 89(June 2017) *Journal of Business Research*, 391–403.
6. Ben E. U., Abner I. P., and Udo E. S. (2019). A commercial tactic in a cutthroat corporate environment is the customer relationship management paradigm. 8(6), 1189–1198 *International Journal of Supply Chain Management*.
7. Lokuge S., Sedera D., Ariyachandra T., Kumar S., & Ravi V. (2020). The next wave of CRM innovation: Implications for research, teaching, and practice. *Communications of the Association for Information Systems*, 46, 560–583.