

Customer Relationship Management (CRM) and Customer Satisfaction Related with Banking Services

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Abstract – Banking sector is a customer-situated administration where the customer is the KEY core interest. Research is needed in such sector to comprehend customers' need and disposition to fabricate a long relationship with them. Customer Relationship Management incorporates all the marketing exercises, which are intended to build up, create, keep up, and continue an effective relationship with the objective customers. Customers are the point of convergence in the improvement of fruitful marketing strategy. Customer maintenance accept significance in income examination of different organizations. The accomplishment of CRM process relies upon the dynamic association everything being equal and workers in the banking field a one of a kind 'Relationship' exists between the customers and the bank. Banks thought about that CRM is the best device to play out the job of rendering great services. CRM recognizes the present and future markets, chooses the business sectors to serve and distinguishes the advancement of existing and new services. The absence of comprehension on Customer Relationship Management (CRM) is dependably a worry among the service suppliers particularly banks. Banks have their own particular manner of dealing with their relationships with the customers. The fundamental target of this examination is to investigate whether banks are truly actualizing the entire concept and philosophy of CRM as a method for verifying upper hand through customer faithfulness. Building a long-lasting relationship with customers is the way to progress for any business.

Key words: Customer, Relationship, Management, Banking, Sector, Satisfaction, Service

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1. INTRODUCTION

Customer securing and maintenance can be rehearsed by the organizations in a settled way than any time in recent memory. The essential objective is to change over these relationships into prevalent profitability by duplicating the purchase rates and furthermore by diminishing the expense of gaining new customers. This uprising in Customer Relationship Management (CRM) is considered as the new "mantra" of marketing. Initially, advertisers were focusing more on getting new customers for the items and services offered by them. This was made conceivable through enormous investment on advertising and sales promotion exercises. However, these days, there is a change in perspective from customer procurement to customer maintenance. The center is moved from procuring new customers to holding the current ones. New arrangements of plans and strategies must be embraced to complete the equivalent.

Today, every business, for example, money related institutions, for example, banks, Life and non-Life Insurance Companies and numerous other service

suppliers understand the need and significance of Customer Relationship Management (CRM) and its capability to help them a) Retain existing ones b) Acquire new customers and c) Increase the Customers Lifetime Value. To accomplish this Banks, need to keep up cozy relationship with their current customers compulsorily and a solid coordination is fundamental among IT and Sales offices as they need to hold hands to give a long-haul relationship to their customers. This examination in the paper manages the job of CRM in the banking sector and how CRM helps in expanding customer esteem by utilizing the CRM techniques making it the most profitable Component of Banking

1.1 Customer Relationship Management

CRM is an essential business of each endeavor and it requests a general strategy and game-plan to make it successful. CRM is a finished development which offers impeccable amalgamation of each part of business that builds up a contact with the customer viz., advertising,

sales, consumer service by joining men, materials and strategy with the assistance of the internet.



Figure 1 Customer Relationship Management

Customer Relationship Management is characterized from multiple points of view by numerous creators. Dyche' (2002) in his book characterizes CRM as: "The framework that empowers the depiction of and increment in customer value, and the right methods by which to spur important customers to stay faithful in reality, to purchase once again."

1.2 AXIS Bank

Axis Bank Limited (the Bank) gives a suite of corporate and retail banking items. The Bank's fragments incorporate Treasury, Retail Banking, Corporate/Wholesale Banking and Other Banking Business. Its Treasury operations incorporate investments in sovereign and corporate debt, equity and mutual funds, exchanging activities, subsidiary exchanging and foreign trade activities on the restrictive record and for customers. Its Retail Banking comprises loaning to people/private companies and exercises incorporate obligation items, card services, Internet banking, mobile banking and money related warning services, among others. Its corporate/Wholesale Banking incorporates corporate relationships excluded under Retail Banking, corporate warning services, arrangements and syndication, venture evaluations, capital market related services and cash management services. Its Other Banking Business incorporates para banking exercises, for example, outsider item circulation and other banking exchanges.

Axis Bank is the third biggest exclusive financial institutions in India. It offers a wide scope of financial items and services to singular customers, substantial and mid-corporates, MSME, Agriculture and Retail Businesses. Pivot Bank has in excess of 3,500 household branches and more than 13,900 ATMs

the nation over. The bank additionally has abroad branched in Singapore, Hong Kong, Dubai (at the DIFC), Shanghai and Colombo; agent workplaces at Dubai, Abu Dhabi, Dhaka and Sharjah. The item and services palette of Axis Bank incorporates individual advance, charge cards, training credit, car loan, business loan, fixed deposit and then some.

► Challenges faced by AXIS Bank

- ✓ Integration with outside and back office frameworks to give thorough and significant customer 360-degree view to RM's.
- ✓ Manual following of information and planning of MIS reports with slack in information bringing about just an after death as opposed to timely decision making.
- ✓ Manual and dreary following of activity plans utilizing spreadsheets utilizing information from unique frameworks.
- ✓ Difficulty in organizing activities and meeting plans.
- ✓ No normal framework to oversee opportunity pipe line crosswise over business lines and geographies.

1.4 CRM in Banking Sector

CRM is a sound business strategy to recognize the bank's most gainful customers and prospects, and dedicates time and consideration regarding extending account relationships with those customers through individualized marketing, repricing, optional decision making, and altered service-all conveyed through the different sales channels that the bank employs. The model created here answers what the diverse customer portions are, who bound to react to a given offer is, which customers are the bank prone to lose, who destined to default on credit cards is, the thing that the hazard related with this loan candidate is. A more noteworthy spotlight on CRM is the main way the banking business can secure its market share and lift development. With increasing competition, declining market share, deregulations, more brilliant and all the more requesting customers, there is competition between the banks to achieve an upper hand more than each other or for supporting the survival in competition.

The possibility of CRM is that it enables organizations to utilize innovation and human resource gain understanding into the conduct of customers and the value of those customers. On the off chance that it functions as trusted, a business can: give better customer service, make call focuses increasingly proficient, strategically pitch items all the more adequately, help sales staff close arrangements quicker, streamline marketing

and sales forms, find new customers, and increment customer incomes. It doesn't occur by just purchasing programming and introducing it. For CRM to be genuinely viable, an organization should initially choose what sort of customer data it is searching for and it must choose what it plans to do with that data. For instance, numerous financial institutions monitor customers' life organizes so as to market proper banking items like home loans or IRAs to them at the opportune time to meet their requirements. Next, the organization must investigate the majority of the diverse ways data about customers comes into a business, where and how this information is put away and how it is at present utilized.

Most sectors of the banking business are attempting to utilize CRM procedures to accomplish an assortment of results. In the territory of strategy, they are attempting to:

- Create a customer-centered organization and foundation.
- Secure customer relationships
- Maximize customer gainfulness;
- Identify sales prospects and openings;
- Support cross and up-selling activities;
- Manage customer value by developing propositions went for various customer portions;
- Support channel management, estimating and movement.
- Gaining precise picture of customer classes.
- Assess the lifetime value of customers.
- Understand how to draw in and keep the best customers.

1.5 Need for CRM In Banking

CRM is a comprehensive strategy and procedure for securing, holding and cooperating with particular customers to make unrivaled values for the organization with the customers. CRM has turned into a comprehensive tool for creating, maintaining, growing customer relationship and improving customer satisfaction hence prompting boost of benefits. Progression and globalization have realized colossal change in the Indian banking industry. It has realized exceptional competition between the public sector banks, private sector banks and outside banks. This extraordinary competition has incited banks to receive CRM. The fundamental factors that have impact the need for and reception of CRM by banks are:

- ▶ Increase in competition level
- ▶ Change in customer desires
- ▶ Well educated customers
- ▶ Customer maintenance and dedication
- ▶ Globalization of services

The developing desires for consumers, quick evolving inclinations, access to wide data and plenty of chances accessible to them have influenced them to extinguish their satisfaction minus all potential limitations which has transformed into a matter of worry for banks. CRM has been perceived as that useful asset which helps in holding customers as well as making an edge over the contenders. CRM encourages the banks to manufacture and enduring relationship with customers by giving exact data and fulfilling their needs. CRM is instrumental in recognizing and catching the most gainful customers of a bank. It joins innovation with HR so as to make new procedures to gain new customers and hold the current ones. CRM is the data innovation face of business process which goes for setting up dependable and commonly valuable relationship with customers in order to procure what's more, hold gainful customers. It gives the stage to making brand dependability. CRM is a key component that enables a bank to build up its customer base and sales limit. The objective of CRM is to deal with all parts of customer collaborations in a way that empowers the organization to expand benefit from each customer. The creator has said that customer desires are hard to oversee yet are regularly the reason for discord which results in loss of existing customer base. In this way, CRM has risen as the most generally endorsed answer for lessening market share and customer maintenance through customer satisfaction.

1.6 CRM Strategies Adopted by the Axis Bank

- Customer consideration departments at each branch.
- Priority parlor in the city to cater the need customers of the bank.
- Relationship Managers for every level of customers.
- Axis Bank toll free numbers.
- Axis Bank Customer Care SMS services.
- ATMs at terrifically essential places in the city.

- Internet Banking.

2. REVIEW OF LITERATURE

Dan Sarel and Howard Marmorstein(2007) contemplated the CRM in bank sector and found that 10 years prior the headway in innovation gave an upper hand to certain banks from the banking business. The paper considered the execution of CRM helped the banks for the activity for new potential customer, who in the long haul could be productive for the bank. The particular needs of these customers when considered, banks could convey more noteworthy value to their customers

Strandberg, et al., (2012) - Effective customer relationship management is unquestionably of a key significance, however relationships with customers are operationally overseen by close to home brokers who work as counsels, in charge of overseeing relationships with customers on an everyday bases, building up of a two-way communication with customers and giving redid data and advices on different issues that are bank-related. Exhorting process for the most part happens in direct gatherings, since it is the best channel of correspondence when individual investors' pledge to relationships with every one of customers is showed best way.

Rezghi, et al. (2014) A standout amongst the most comprehensive meanings of contemporary customer relationship management is given by him and it said that "is a customer-centered business strategy that progressively coordinates sales, marketing, and customer care service so as to make and include value for the organization and its customers. This procedure incorporates interminable acknowledgment, fascination, advancement, and keeping up fruitful customer relationship for expanding profitability because of rehashing the purchase and informal commercials will specifically influence an organization's support and profitability".

Jelena Cvijovic (2017) – Because of fierce challenge in the financial sector, where the competitive struggle to win market share and pull in the biggest conceivable number of customers is always being driven, and considering ineffectively separated idea of banks, sufficient client relationship management is a major device for accomplishing better business results. In this specific circumstance, the subject of the paper is the recognizable proof of the characteristics of the advanced way to deal with client relationship management and components that impact its effective execution, so as to accomplish long haul and commonly gainful relations among banks and banking items and services clients.

Alemu Muleta Kebede (2018) – This examination inspected the impacts of Customer Relationship Management (CRM) rehearses on business banks performance in Amhara locale, Ethiopia. Be that as it

may, the shortage of research studies concerning CRM is as yet a noteworthy issue inside the setting of creating nations associations like Ethiopia. Such research idea will improve the performance of the bank particularly to improve the dimension of customers' fulfillment, which could be accomplished by actualizing best practices of CRM. For motivation behind this investigation, measurements of CRM practices are Key Customer Focus, Knowledge Management, CRM association and Technology-Based CRM. The investigation manages different elements affecting business banks, that is, Bank performance. These are Key Customer Focus, CRM association, Knowledge Management and Technology-Based CRM. This investigation sent Binary-Logistics relapse model to break down the impact of these components on the performance of the bank. Customers of business banks were chosen to fill self-controlled inquiries identified with CRM die response rate achieved 94.4%. All components of CRM considered in this examination were found statistically huge (at p estimation of 0.05) in deciding the performance of business banks. As per the double

3. OBJECTIVES OF THE STUDY

- To characterize the idea of customer relationship management and idea of CRM in banking sector
- To inspect the need for CRM in Banking and impact the need for and reception of CRM by banks
- To explore the different strategies and challenges received by the Axis bank
- To analyze whether banks are truly actualizing the entire idea and reasoning of CRM as a method for securing competitive advantage through customer loyalty
- To assess the service quality offered by Axis Bank with respect to the customer satisfaction

4. RESEARCH METHODOLOGY

"Research methodology is a systematized exertion to increase new information" It is an engaged recognizable proof for hunt of new actualities in any part of learning. It takes numerous development and research strategies to be a piece of the exploration system.

In this examination the specialist looked at the perspectives on the customers about CRM mindfulness, use, dimension of innovation, and nature of service offered by bank. The analyst additionally found the supposition of the bank managers about application and usage of

Customer Relationship management on their working territories. Subsequently this examination is mixed investigation

4.1 Research Design

Analytical and descriptive sort of research has been completed with the end goal of the examination. Most of the investigation is led utilizing primary data

4.2 Sources of data collection

To meet the goals of the present examination primary and secondary data were gathered.

- **Primary data** has been gathered through a well-structured questionnaire. The fundamental respondents focused on were customers of different parts of Axis Bank.
- **Secondary data** has been gathered through various journals, magazines, sites, records of banks, different publications, and so forth.

4.3 Sample size

The investigation depends on the view of customers towards customer relationship management of axis banks for that reason all out 50 respondents (customers) have been decided for the examination.

4.4 Sampling Technique

Simple Random Sampling Technique is utilized to assemble the primary data. The example for the goal of the investigation is chosen logically.

4.5 Data analysis

The way toward removing, ordering, and displaying crude data for motivations behind getting useful data that can be connected to formulating conclusions, predicting anticipating results or supporting decisions in business, scientific and social science settings. In this examination we break down the customers see in regards to the CRM and the services offered by the AXIS bank.

5. DATA ANALYSIS

Data analysis it very well may be surmised that CRM attempts to discover the relationship among perception and satisfaction, commitment and devotion that underlines the significance in Indian Banking Sector. Customers generally select their banks dependent on how helpful the area of bank was to their homes or offices. With the appearance of new advances in the matter of banking, for example, web banking and ATM'S, presently customers can unreservedly pick any bank for their exchanges. Private Banks have generally seen themselves as exceedingly Customer Centricity

offering what they accept to be profoundly customized services to the High Net Worth Customers. It is likewise discovered that the organized methodology of CRM can give different advantages to a bank, to be specific an unmistakable and predictable customer experience, clear recognizable proof of the organization, innovative and process-related capacities.

Table 1 Do you satisfied with the Axis Banking Services?

Variables	Respondents
Yes	42
No	8

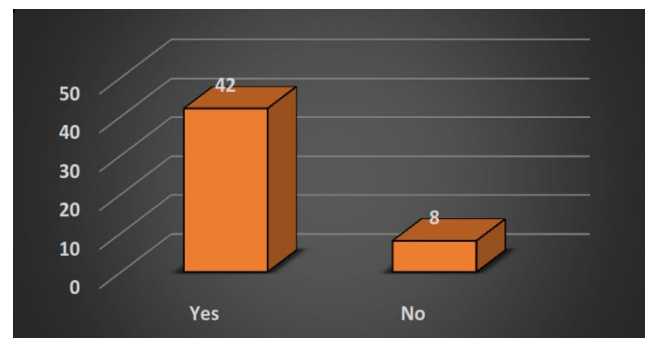


Figure 2 Do you satisfied with the Axis Banking Services?

From the above figure it is inferred that 42 of the respondents are satisfied with the banking services and 8 are customers are not satisfied with the services of the bank.

Table 2 How much Time do you Spent in Axis Bank?

Variables	Respondents
Less Than 15mins	35
15 Mins To 30 Mins	9
More Than 30 Mins	6

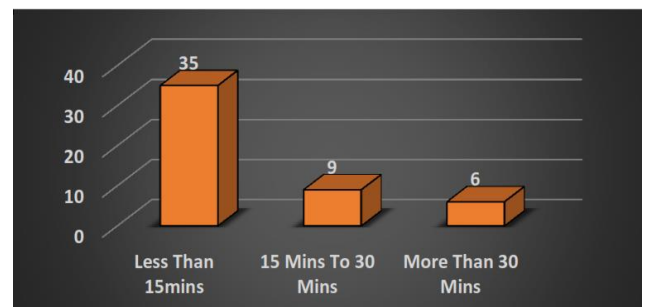


Figure 3 How much Time do you Spent in Axis Bank?

It is appeared from the above table that 35 customers spent less than 15 minutes, 9 customers spent 15 to 30 minutes and 6 customers spent over 30 minutes of services from the bank.

Table 3 Customers Grievances Redressed by Axis Banks

Variables	Respondents
Yes	39
No	11

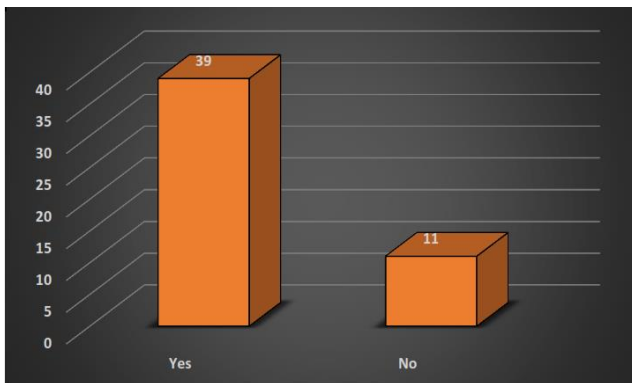


Figure 4 Customers Grievances Redressed by Axis Banks

The table and figure demonstrate that 78% customers' complaints are reviewed by the bank inside a restricted range of time. On dissecting the figures gathered from parts of Axis Bank, it is discovered that Axis Bank customers are satisfied with the services offered by the distinctive parts of the bank.

Table 4 Level of satisfaction of customers with the Axis banks services

Variables	Positive Response	%
Time Saving	39	78%
Easy Accessibility	37	74%
Convenience	43	86%
Employees Attitude	45	90%

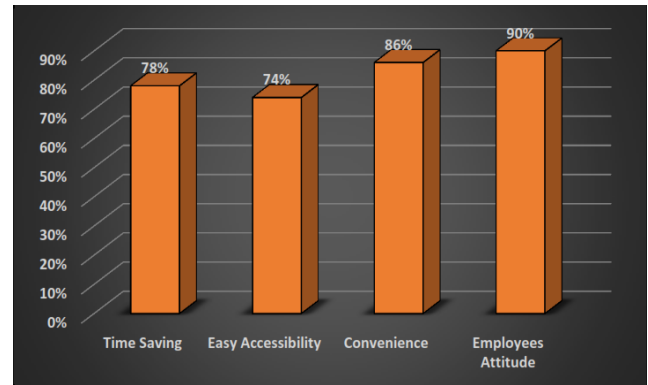


Figure 5 Level of satisfaction of customers with the Axis banks services

The above table and figure show that over half of the customers reached were content with the services given by Axis Bank and this satisfaction has driven them to be faithful with the bank. A connection with the employees has uncovered that CRM has been persuasive with building customer relationship.

6. CONCLUSION

CRM helps in changing procedures in business, characterizes methodologies in Banks, has objectives and furthermore changes the organizational culture and structure. CRM underpins innovation which gives true Information to think about execution of market sections and is gainful to the organization from alternate point of view like market fragments, services, items. CRM helps in making different marketing decisions, systems and how gainful will be the Services to the Organization and Banks. Employees having direct contact with customers use CRM innovation to get to the data about their new potential customers. Module of CRM helps in setting Targets for the Sales Representative and following them which is a one of factor of CRM. To address the difficulties emerging out of firm competition and mechanical unrest it winds up important to make an exceptional subjugation with the customers. Despite the fact that dependability and relationships are not exchangeable, relationship marketing keeps the connection among bank and customers intact and this would at any rate allow to the banks to change over a customer to a devoted one. CRM is one of the devices which helps in meeting the customer's desires and improve the service nature of the banks consequently prompting maintenance of the customers and improve profitability. Banks have understood that CRM is that supernatural apparatus which will assist them with building more grounded and progressively productive relationship with their customers. This examination has helped us to comprehend that CRM has helped in setting up customer relationship with customers and will go far in building up a long-lasting relationship.

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