



Customer Satisfaction In Adoption Of Customer Relationship Practices In The Banking Sector - A Study Of State Bank Of India In Post-Merger Scenario

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Abstract

In the realm of service marketing, the customer is king. Building goods and services for the financial sector is tough and requires expertise. Banking is one of the oldest and biggest monetary services sectors among the others. CRM has a significant impact on the service industry, helping businesses gain and keep clients for long-term effectiveness. Meanwhile it is more important that banking sector to choose to retain the customer in existing manner to its post-merger processes. In this aspect the state bank of India has to perform its duties to fill the post-merger requisition to sustain and satisfy the need and requirements of the existing and future customers as well hence, it should perform/improve with new advancement procedures in accordance with the customer feedback. This article shows the customer satisfaction of post-merger customer relationship management in state bank of India in Mysuru District.

Keywords: Customer relationship management, State bank of India, Post-merger Satisfaction

1. Introduction

One method of managing consumers is through customer relationship management, which emphasizes viewing customers as individuals rather than as members of a cohesive unit. CRM controls the interactions between a business and its clients. CRM and information administration are focused on enhancing and consistently providing clients with high-quality services. We must first comprehend the three elements of customer, relationship, and their management to comprehend more about customer relationship management. Keeping track of customer connections is crucial and beneficial for the company.

Customers who stay around are more at ease with the company's structure, processes, and processes used to provide the service. This lowers expenses for operation as well as costs brought on by customer fault. **Rabb (2015)** evaluated the level of customer satisfaction with the banking services provided by the State Bank of India in the Kanyakumari District. Banking services, staff customer behaviour, bank infrastructure, loan-oriented services, and many more value-added services are among the elements considered. The study's findings indicated that there is a significant correlation between banking services and the different aspects of client satisfaction. The customers' degree of satisfaction was also judged to be moderate. **Kumar et al. (2010)** investigated the consumer perceptions of service quality in the context of the Indian retail banking sector. Customers' opinions on the calibre of the services received were used to determine several criteria. According to the survey, in the context of private retail banking, customers may distinguish between five different aspects of service quality. At the level of the overall dimensions, the results also revealed a complex pattern in the relationship between service quality and attitudinal loyalty. **Culiberg and Rojšek (2010)** created a scale for assessing service quality in Slovenian retail banking and investigated the relative impact of service quality on gauging overall customer happiness. According to the study's findings, there are considerable differences in how dimensions affect consumer satisfaction. When managers working in the banking industry examine the causes of client satisfaction or dissatisfaction, they may find it useful to know that most of the variability in customer satisfaction can be traced to employee behaviour. The variety of services the bank provides might also influence client satisfaction levels.

2. Literature Review

Today's banking clients are knowledgeable consumers. The development of modern technologies has reduced the world to the size of a small town. To increase its customer base, a bank must build strong relationships with its current clientele and work to keep them in the future as well. According to Sangle, P.S., & Awasthi, (2011), the service sector exhibits high levels of contact contribution integration and interaction; empowerment is a useful tool for effective control of specific client interactions. While offering services to the public, more care should be taken and correct ways of service should be offered to the consumer so that banks may improve their performance by strategically serving their needs. Long-term clients, according to Brun, Durif, and Ricard (2014), are less sensitive to losses caused by a particular

transaction because they frequently place a high value on previous satisfaction levels. Additionally, the study found that banks with better client connections are more profitable. All banks must keep positive client relations in order to continue operating their businesses for an extended period while making strong financial gains. According to Mishra, V., & Vaithianathan (2015) research, organisations frequently waste on marginal consumers while paying insufficient attention to their most lucrative clients. Customers expect a seamless transactional process, which helps them form a favourable view of banking activity. According to Bhat, S.A., & Darzi, M.A. (2016), the relationship between marketing investments and customer gratitude leads to gratitude-based exchange behaviour, which improves firm performance. When there is a good relationship between the bank and the customers, the customers will have a favourable opinion of the banks. Customers express some thanks to banks when their needs and wishes are met at the appropriate moment.

In the current environment, confidence in brands is declining. Customers routinely move banks to take advantage of the better services offered by other banks. The market is constantly being introduced to newer, better goods and services (SAWANT, 2021). By taking adequate care of customers' needs and keeping in touch regularly, banks must modernize their offerings, enhance relations with clients, and establish trusting relationships. According to Fareeh Zafar (2017) study on the impact of customer relationship management on customer satisfaction, customers only develop positive relationships with banks when those institutions offer the services, they need to carry out their daily business. Bhat, S.A., & Darzi, M.A. (2016) reveal that there is a link between marketing and customer relationship management. Chawla, D., & Joshi, H. (2017) researcher discovers that there is obtaining competitive advantage by CRM. It is simple to lose sight of a client base in the constantly expanding world of financial services, which eliminates opportunities for greater profitability and revenue development. For this reason, it is crucial for banks to acquire and hold onto their customers and, wherever feasible, boost contacts with them. Adapa, S., and Roy, S.K. (2019) compared the operations of the banking sectors in the Indian and other nations regarding the notion of customer relationship management. According to research, banking activity in developed countries has a significant influence on keeping up positive client relations. The strategies and technical advancements in the financial operations of the industrialised countries are to blame for this.

The possibility to customize the goods and services offered and cross-sell the product/service range increases when a connection between a bank and its customer lasts for a longer period and the bank becomes more familiar with the customer's wants and desires. **Kumar and Gangal (2011)** assessed the level of client satisfaction in banks of a new generation. The study concluded that the bank's performance is appalling and completely falls short of what customers expected in the most crucial categories, such as handling inquiries and managing accounts. The bank is doing well in terms of worker quality, which is something to celebrate. Customers express satisfaction with practically every parameter and acknowledge the efforts of bank staff. 15 of the bank's 31 factors, such as service costs, transaction privacy, response times, and others, have not been satisfied with consumer satisfaction. The bank must continue to provide its services for those metrics where the mean score of expectations is the same as observations with room for growth. **Saleh et al. (2017)**

clients' opinions of the service quality provided by Islamic and conventional banks in Bangladesh and how that relates to the banks' reputation. The study's conclusions demonstrated that Islamic bank clients had created an extraordinary bank image that included high service quality, satisfaction, and positive service quality.

3.Objectives of the study

1. To explore the Customer Relationship Management (CRM) Practices adopted in SBI.
2. To examine the customer feedback and their knowledge about various services provided by the SBI post-merger

4.Methodology

Data gathering is a complex process that involves researchers conducting organized searches for pertinent information. The basis of any research is information. Facts and data can be gathered from a variety of sources.

4.1Data Collection: Secondary data is information that a researcher has obtained from secondary sources. Secondary data might be either internal or external, such as information from a library or other statistics body or internal firm records. Both primary and secondary data are used in this study. By creating a questionnaire and conducting a survey on the subject, primary data is gathered. Secondary info is obtained from various sources and via the web.

4.2Sampling Design: The study on CRM in the study area's SBI banks is of interest to the researcher. It includes Mysuru consumers. since there are countless bank customers. Therefore, the researcher merely chose 100 respondents from the study area to use the convenience sample method.

4.3Geographical are covered: this study covers the CRM services of SBI bank to the customers of Mysore district.

5.Data Interpretation

The following characteristics are taken into account to comprehend customer perception, and rankings are supplied by which levels of consumer satisfaction may be examined about each service characteristic, assisting in the development of an acceptable CRM model. The rating table is presented below.

Table-1: Respondents classification

Gender	No. of Respondents	Percentage (%)
Male	58	58.00
Female	42	42.00
Total	100	100.00

Table-1 clearly indicates that out of 100 respondents 53 (58.00 per cent) of the respondents are male and the remaining 42 (42.00 per cent) respondents are Female.

Table-2: Age wise classification

Age Groups	No of Respondent	Percentage (%)
Below 20	12	12.00
20 to 30	38	38.00
30 to 40	41	41.00
40 and above	09	9.00
Total	100	100.00

Table-2 Indicates the No of respondents from the different age groups. Here the most respondents are belonging to 30 to 40 age groups (41%) and followed by 20 to 30 age group (38%) and 12% and 9% respectively for below 20 and above 40 age groups.

Table-3: Occupational wise classification

Occupation	No of Respondents	Percentage (%)
Govt employee	12	12.00
Private Employee	31	31.00
Professionals	08	8.00
Business	13	13.00
Student	16	16.00
Households	04	4.00
Agriculturist	09	9.00
Prefer not to say	07	7.00
Total	100	100.00

The above table 3 shows the No of respondents from different area of occupations and the most of the respondents were belongs to the private job employees (31%) and least respondents group belongs to households (4%).

Table: 3 Summary of Response of customer on SBI bank post-merge services

Service Attributes	Very satisfactory (5)	Satisfactory (4)	Moderately satisfactory (3)	Unsatisfactory (2)
Attitude of employees	Yes	-	-	-
Saving account portability	-	Yes	-	-
Locker facility	-	Yes	-	-
ATM facility	Yes	-	-	-
Passbook facility	Yes	-	-	-
Internet banking	-	Yes	-	-
Timings	Yes	-	-	-
Issue of DD	-	Yes	-	-
Customer care	-	-	Yes	-
Ambience	-	-	Yes	-
Collection of cheques	Yes	-	-	-
Issue of cheque book	Yes	-	-	-
Information about new products and services	-	Yes	-	-
Cheque deposit for collection	-	Yes	-	-

The above table-3 represents the service attributes and consumer attitude and perception about the service offered and post-merger changes in the SBI bank.

Table-4 Gender and E-CRM practices

There is no association between gender and level of customer satisfaction about E-CRM services

Opinion of E-CRM od SBI		Gender		TOTAL
		Male	Female	
Dissatisfied	Count	2	2	4
	Expected Count	2.1	1.9	4.0
Neutral	Count	3	3	6
	Expected Count	3.1	2.9	6.0
Satisfied	Count	32	23	55
	Expected Count	28.6	26.4	55.0
Highly Satisfied	Count	15	20	35
	Expected Count	18.2	16.8	35.0
Total	Count	52	48	100
	Expected Count	52	48	100.0

Table-5 : Chi-Square Test result.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.030a	3	.566
Likelihood Ratio	2.036	3	.565
Linear-by-Linear Association	.643	1	.423
N of Valid Cases	100		

Table-5 displays that the Pearson chi-square significant value 0.566 is more than the p value 0.05. Hence the null hypothesis is accepted, it is concluded that there is no significant association between gender and level of customer satisfaction about E-CRM services.

6. Findings

the respondents on the various questions asked in the questionnaire, the major issues were on the below elements.

- a) 50.5% of respondents said it was simple to open an account at the bank, although others said it was uncomfortable or challenging to complete the application. The opening format is convenient according to 46 % of respondents, but the remaining 3.5 % find it challenging.
- b) While 59.5% of problems are resolved in one day. 21.5% and 20% and more persons, respectively, claim that their difficulties are resolved in two to three days, between three and five days, and more than a week, while the remainder of problems remain unresolved.
- c) The percentage of managing relationships is 72% active, 8% inactive, and the rest is circumstantial.
- d) The majority of customers, or 45.5%, do not believe that their bank employees were unhelpful in handling a query they encountered. The remaining customers, however, believe that bank personnel were unhelpful in handling a query they received.

7. Suggestions

Some recommendations for customer relationship management are provided by the current study. Because loyal customers have substantially greater retention rates and overall profitability, satisfied customers are very profitable. The most comprehensive way for banks to improve client connections is through CRM. The SBI Bank may boost customer loyalty, profitability, and retention while also gaining a larger portion of its clients' bank accounts. Banks need to create a strategy for managing customer relationships that effectively addresses three major areas, customers, procedures, and technology, and embrace CRM as a concept. Finally, banks should take steps including acknowledging and delegating tasks, allowing for the handling of consumer complaints, and obtaining management consent to make decisions based on the circumstances.

8. Conclusion

Through technological advancement, the service industry in India is expanding quickly and making a tremendously exciting contribution to financial maturity. Among the many services offered in the service industry, banking services play a significant part in societal development and client growth in businesses. In the wake of liberalization and globalization, managing client connections has emerged as an unavoidable worry. "Customer is the king," said Mahatma Gandhi, "Customer is not depending on them; we alone depend on them, and they give us a chance to serve them." More significant is customer satisfaction. CRM is more significant across all industries. Additionally, client relationship management is receiving increased attention in the banking industry. As a result, we would all adopt contemporary technology because it is necessary nowadays. The idea of "CRM" might therefore be highlighted to treat consumers like royalty when it comes to bank services. A bank must be both high-tech and high touch to succeed.

9. References

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