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## A STUDY ON CUSTOMER RELATIONSHIP MANAGEMENT BY PUBLIC SECTOR BANKS IN MAYILADUTHURAI DISTRICT

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### ABSTRACT

In this paper clearly shows the services offered by the public sector banks to the customer and how it was managed in the study area. It concentrates the opinion of customers regarding service facilities, internet services, and customer interactions of management, customer loyalty, customer retention towards the services offered by the public sector banks in Mayiladuthurai District. A Customer Relationship Management solution in banking helps banks manage customers and better understand their needs in order to provide the right solutions, quickly.

**Keywords:** Customer, CRM, Customer loyalty, etc.

### INTRODUCTION

In the present Indian Banking Scenario, two prominent phenomena are the focal point to emerging practices and policies. These are 'Technology' and 'Relationship Marketing'. The power of technology that has revolutionized banking services and practices. 'Relationship Marketing' is seen as the only differentiating factor given the almost commoditization of banking services. On observation of the recent restructuring, rebranding and reengineering efforts of many banks, we find that the key motive towards these is to utilize customer centrality as a strategy. Further, catalyzing the importance of Technology and Relationship marketing is the Core Banking Solution (CBS). All the banks have overcome the teething troubles of CBS and it has become the axis of banks' growth and performance. Going further, most of the Banks have invested in technology enabled Customer Relationship Management Software to utilize CBS generated customer information for enhancing business opportunities, access to customers and support. Thus, CRM is a logical progression of CBS for Indian banks. Although, at a nascent stage it is developing swiftly. Customer Relationship Management is the integration of these two cornerstones of Indian banking viz. technology and relationship marketing.

### SCOPE OF THE STUDY

CRM create a competitive adv developing existing customers and creating new customers. Successful customer retention allows organizations to focus more on serving existing customers by building relationship. Banks adopt C practices and strategies to ensure better customer relationship. The study focuses from customers view point on CRM practices and CRM strategies in banks in terms of customer acquisition, customer retention, and contact management and employee's behaviour

### STATEMENT OF THE PROBLEM

Banking sector has always been the focus of society due to its essential role in the finance world and the wellbeing of world's economy. In the banking field a unique between the customers and the bank. But because of various reasons and apprehensions like financial burdens, risk of failure, marketing inertia etc., many banks are still following the traditional ways of marketing and only few banks are making attempts to adapt CRM. It is with this background; the researcher has made a modest attempt towards the

idea that CRM can be adapted uniformly in the banking industry for betterment of Banking Services. Particularly in banking sector, the role is very vital in leading the banks towards high level and volume of profits. So, there is a need to study the role of CRM in development and promotion of banking sector through the sidelines of the practices.

### OBJECTIVES OF THE STUDY

The specific objectives of this research are as follows

1. To analyse the opinion of the customers as to CRM of the public sector banks with respect to services offered.
2. To study the opinion of the customers as to CRM of the public sector banks with respect to customer interactions of management.
3. To study the opinion of the customers as to CRM of the Public sector banks with respect to internet services.
4. To offer suitable suggestions based on the findings of the study.

### METHODOLOGY

The study is based on both primary and secondary data. The primary data were collected through well-structured questionnaire from the sample respondents of 200 in the Mayiladuthurai District of Tamil Nadu. The samples are selected by way of adopting convenient sampling technique. The required secondary data were collected from journals, books, magazines which are highly relevant to the topic of the study.

### LIMITATIONS OF THE STUDY

The study is subject to the following limitations:

1. The study area is confined only to Mayiladuthurai District.
2. The sample size is restricted to only 200 due to time and cost factors.

#### Demographic Profile of the Respondents

	No. of Respondents	Percentage (%)
<b>Gender wise classification</b>		
Male	108	54
Female	92	46
<b>Age wise Classification</b>		
Below 20	68	34
21 – 35 years	64	32
36 – 50 years	48	24
Above 51 years	20	10
<b>Education Wise</b>		
Upto SSLC	24	12
HSC	44	22
Degree	98	49
Professional Course	38	19
<b>Occupation wise</b>		
Students	42	21
Govt. employee	32	16
Private	64	32
Professional	26	13
Self-employed	26	18
<b>Income wise</b>		
Below 10,000	58	29
10,000 to 20,000	52	26
20,000 to 30,000	48	24
30,000 to 40,000	22	11
Above 40,000	20	10
Total	200	100.00

Source: Primary Data

From the table depicts the demographic and socio-economic status of the respondents. It clearly shows that, out of 200 samples majority of the respondents are belonged to male (108) and

the rest were female (92). By the table shows, out of 200 samples, 34% of the respondents belonged to the age group of below 20, followed by 32% of the respondents belonged to the age group of 21 to 35 years and only 10% of the respondents belonged to above 50 years of age. 49% of the respondents are degree qualified and only 12% of the samples educational status is up to SSLC level. Out of 200 samples, majority of the respondents were employed in private sector (32%), followed by 21% of the respondents were belonged to students category and 13% of the respondents are professional people. It can be inferred that 58 respondents got income below 10,000, followed by 52 respondents belonged to the category of Rs.10,000 to 20,000 and only 20 respondents are belonged to the category of more than 40,000.

#### Opinion regarding Banking Services

S.No.	Factors	Respondents	
		In No.	In %
1	Strongly agree	100	50
2	Agree	80	40
3	Neutral	10	5
4	Disagree	09	4.5
5	Strongly disagree	01	0.5
<b>Total</b>		<b>200</b>	<b>100</b>

Source: Primary Data

It is revealed that 50% of customers are strongly agree the statement banking services are good, followed by 40% of customers opined agree, 14% of customers are neutral and it was noted only 0.5% of the respondents said that they strongly disagree the statement banking services offered by the bank.

#### Opinion regarding customer convenience

S.No.	Factors	Respondents	
		In No.	In %
1	Strongly agree	30	15
2	Agree	120	60
3	Neutral	40	20
4	Disagree	6	3
5	Strongly disagree	4	2
<b>Total</b>		<b>200</b>	<b>100</b>

Source: Primary Data

It is revealed 15% of customers are strongly agree the statement Increasing Customer Convenience, 60% of customer agree, 20% of customers are neutral and 3% of the customers disagree the statements.

#### Retaining existing customers

S.No.	Factors	Respondents	
		In No.	In %
1	Strongly agree	50	25
2	Agree	100	50
3	Neutral	20	10
4	Disagree	20	10
5	Strongly disagree	10	5
<b>Total</b>		<b>200</b>	<b>100</b>

Source: Primary Data

It is revealed that 25% of customers are strongly agree the statement Retaining Existing Customers, followed by 50% of customers agree, 10% of customers are neutral and 10% of customers are disagree the statement.

**Routinely asking the customer to provide feedback**

S.No.	Factors	Respondents	
		In No.	In %
1	Strongly agree	20	10
2	Agree	30	15
3	Neutral	80	40
4	Disagree	40	20
5	Strongly disagree	30	15
<b>Total</b>		<b>200</b>	<b>100</b>

Source: Primary Data

From the above table it is clear that 10% of customers are strongly agree the statement Routinely asking the customer to provide feedback, 15% of customer agree, 40% of customers are neutral and 20%, of customers disagree the statements.

**SUGGESTIONS**

- ✓ Bankers should educate and inform customers about the various services offered to the customer through customer meets.
- ✓ Awareness programs should be provided and must take effective steps to attract people of all ages.
- ✓ Bank employees have to be friendly with customers without diluting the rules and regulations of the bank.
- ✓ Banks have to identify, analyze and solve the problems faced by the customers while availing the services within a short span of time to win over the confidence of customers.

**CONCLUSION**

The general discussion can be said that the bank is yet to develop an integrative approach which focuses on the customer needs and to deliver to it. As shown by the study, the bank is far from developing a customer centric approach both for the customer as well as for the employees. Thus, for customer relationship management to deliver to its expectations, it should play an integrative role. within the bank and ensure that all processes are integrated in the bank global strategy, which is far from reality in the study above. Integrity, Honesty and Reliability is also a important factor in the reference of customer. CRM is here to take on the business world and essential to compete effectively in today's market place. A proper strategic alliance e between various partners in the process of implementing CRM should be decided well ahead and once the concept is accepted it should be implemented in good faith and spirit so as to derive customer delight.

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