An Analysis on CRM Practices and its Implementation in Banks and its Related advantages with Reference to Public, Private and Cooperative Banks in Thane District.

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Abstract

The present study investigated the significance of managers and executive-level staff in the implementation of Customer Relationship Management (CRM) in banking institutions, as well as the related advantages. The benefits of CRM were emphasized in the literature review, with a focus on how it affects customer happiness, loyalty, retention, and trust-building. The study's main objectives were to look at how CRM is utilized in banks, get bank managers' perspectives, and evaluate the advantages in terms of people, process, communication, and technology. The results of the hypothesis test showed no connection at all between CRM advancements and improvements in banker-customer relationships. Nonetheless, a strong positive link was discovered between bank managers' tenure and their knowledge of CRM software.

Keywords: CRM, Managers, Banks

Introduction

For banks, customer relationship management is one of the most important factors. It's all about establishing trusting relationships with clients and maintaining their satisfaction. In addition to focusing on this, banks have been attempting to enhance their customer service. They have been employing CRM (Customer Relationship Management) to do this. CRM refers to the management of customer relationships. It is a procedure for cultivating ties between the bank and its clients. Its main goal is to increase customer happiness by utilizing cutting-edge technologies. CRM's goal is to create enduring relationships with clients by offering superior customer service. Keeping their customers happy and offering exceptional service is the primary goal of banks. They must monitor their clientele and provide them the services they require in order to do this. CRM has been used by banks to boost customer happiness and enhance customer service. It offers the advantages listed below.

CRM improves client retention: It makes it possible for banks to monitor their clientele and ascertain their preferences. It assists in identifying the clients who have left the bank because

they are dissatisfied and have found other banks. After then, banks can take the required actions to keep them.

2. By boosting client retention and cross-selling opportunities: it contributes to revenue growth. Customers are encouraged to spend more on banking goods and services and to expand their business with the bank. Additionally, it increases revenue by offering new products that the bank's clients could require.

3. It provides deeper understanding of the preferences and behavior of customers: It facilitates the comprehension of each customer's behavior, which makes it simpler for banks to provide their clients with individualized service. Then, by offering packages that meet their needs and requirements, they can provide them with superior service.

4. The customer's experience is improved: CRM enhances clients' overall experience by providing them with high-quality service that they will want to use repeatedly. When banks use CRM to sufficiently understand their customers, they can provide them with what they desire. It facilitates communication between bank employees and their customers, which eventually enhances the clientele's experience.

5. It helps banks to improve their chances of generating income: By determining new services that are needed by both new and existing consumers, it assists banks in increasing their income production prospects. Additionally, it gives banks the ability to investigate new business prospects with both current and potential clients, increasing bank revenue.

This research paper aims at providing deeper understanding so as to how managers or executive level employees of banks plays a catalyst role in deploying CRM in banks and gauging the benefits of the same.

Review of Literature

In his own study, K. Ganeshmurthy (2010) listed a number of advantages of CRM, including decreased customer acquisition costs, the ability to maintain a consistent volume of business without needing to acquire as many new clients, lower sales costs, higher customer retention and loyalty, and the ability to assess customer profitability.

According to Dahistrom et al. (2014), trust is a critical component of the banking industry since building relationships between customers and banks can be a two-sided issue because different approaches can be taken by each party based on their degree of trust in the other.

According to Prof. Sandeep Kumar (2020), one of the main issues facing the Indian banking industry is customer relationship management, particularly for public sector banks where customer satisfaction is lower than it is for private sector banks.

According to the findings of Wisskirchen et al.'s (2006) study, banks believed that six essential requirements were necessary to draw in new business and fortify their bonds with current clientele: enticing marketing messaging, accurate prospect targeting, experience management, offering supplementary services in addition to the necessities, standing out from the competition, letting clients lead discussions, and laying the groundwork for customer-led growth.

Shakil et al. (2012), Customer-perceived value encompasses various aspects such as expedited service delivery, increased revenue, reduced expenses, information accessibility, privacy, security of personal and transactional data, and perceived usefulness, as noted by

Objectives

1. To study the application of CRM in banks
2. To examine the opinion of the bank employees- Managers as to CRM of the banks with respect to their usage and awareness
3. To analysis the benefits of CRM in banks and its association with People, process, communication and technology.

Hypothesis

H0: There is no association between enhancement of banker and customer relationship

And CRM developments (People, Process, Communication and Technology)

H1: There is association between enhancement of banker and customer relationship

And CRM developments (People, Process, Communication and Technology)

H0: There is no correlation between awareness about CRM tools and Length of service of

bank managers in Different Banks

H1: There is correlation between awareness about CRM tools and Length of service of

bank managers in Different Banks

Research Methodology

The research methodology is shown in following points:

Research Design: Descriptive design as it describes various elements of CRM in banks

Sample Size: 634 comprising of Public, Private and Cooperative banks
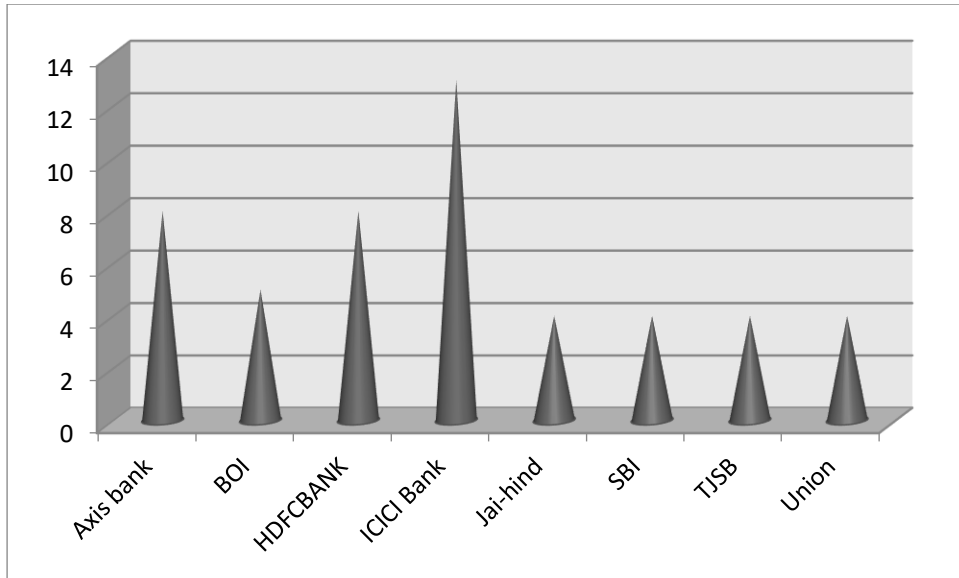
Sample techniques: Cluster cum Convenience

Tools used: A structured Questionnaire is used

Techniques of Analysis: Chi Square, Correlation

Data Analysis

1. **Table showing Classification of Bank manager based on Bank in which employed**

| Employer Bank	N	%
Axis bank	8	16.0
BOI	5	10.0
HDFCBANK	8	16.0
ICICI Bank	13	26.0
Jai-hind	4	8.0
SBI	4	8.0
TJSB	4	8.0
Union	4	8.0
Total	50	100

26% of the Bankers belonged to ICICI bank followed by 16% from HDFC and ICICI bank .

2. **Table showing Classification of Bank Employees on the basis of Length of Service**

Tenure	N	%
10 to 20 years	16	32.0
20 years and above	9	18.0
5 to 10 years	8	16.0
Less than 5 years	17	34.0
Total	50	100.0
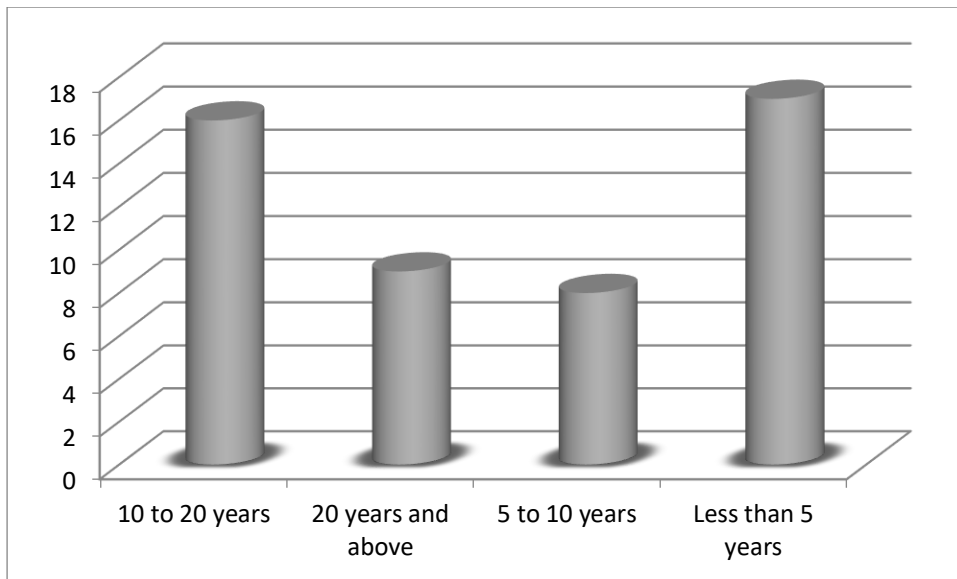
32% of the Bank managers were having Length of Service between 10 to 20 years.

Hypothesis testing:

H0: There is no association between enhancement of banker and customer relationship

and CRM developments (People, Process, Communication and Technology)

H1: There is association between enhancement of banker and customer relationship

and CRM developments (People, Process, Communication and Technology)

Table 3: Anova - Descriptives

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
1	372	31.82	5.812	.301	31.23	32.42	10	40
2	183	32.11	4.850	.359	31.40	32.82	17	40
3	72	31.69	5.947	.701	30.30	33.09	19	40

4	7	31.43	8.018	3.030	24.01	38.84	21	40
Total	634	31.89	5.582	.222	31.45	32.32	10	40

Table 4: Anova testing

ANOVA					
	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	14.727	3	4.909	.157	.925
Within Groups	19711.097	630	31.287		
Total	19725.823	633			

Anova is used to measure the significant change in relationships between Banker- Client due to changes in banking sector. It shows that significance level of 0.925 which is more than 0.05 so we can conclude that there has been no significant change between banker and customer relationship because of various developments (People, Process, Communication and Technology)

H0: There is no correlation between awareness about CRM tools and Length of service of

bank managers in Different Banks

H1: There is correlation between awareness about CRM tools and Length of service of

bank managers in Different Banks

Table 5: Correlation

Variables			
Length of Service:	Pearson Correlation	1	.412[**]
	Sig. (2-tailed)		.003
	N	50	50
Are you Aware of E-CRM Practices and its benefits	Pearson Correlation	.412[**]	1
	Sig. (2-tailed)	.003	

| | N | 50 | 50 |

**. Correlation is significant at the 0.01 level (2-tailed).

Pearson Correlation is used to measure the correlation between E CRM awareness and Length of service or Tenure of Bank Managers, It is found that 0.003 is p value which is less than 0.01 so we reject null hypothesis and conclude that there is correlation between awareness about CRM tools and Length of service of bank managers in Different Banks

Conclusion

The goal of the study was to give a better knowledge of the catalytic role that managers or executive-level staff members in banks play in implementing Customer Relationship Management (CRM) and evaluating its advantages. The literature review emphasized the many benefits of CRM, such as lower costs for acquiring new customers, increased customer loyalty and retention, enhanced customer satisfaction, and trust-building. The implementation of CRM in banks, bank managers' perceptions of its use and awareness, and the relationships between CRM's advantages and people, process, communication, and technology were the main subjects of the study. The findings of the hypothesis test indicated that there was no statistically significant correlation between improvements in the connections between bankers and customers and advancements in CRM related to people, process, communication, and technology. Nonetheless, the investigation showed a strong positive association between bank managers' tenure and their knowledge of CRM software. This implies that bank managers' awareness of CRM strategies and technologies increases with length of service. This association emphasizes how crucial longevity and experience in the banking industry are to comprehending and successfully adopting CRM.

Limitations:

1. The Study has been restricted to CRM Practices and its implications in Banks.

2.The Sample Data has been collected from Banks in Thane District.

3.Limitation of Time, Customers and Bankers Bias cannot be ignored.

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