

**A STUDY OF VARIOUS TECHNIQUES OF CUSTOMER RELATIONSHIP MANAGEMENT
ADOPTED BY PRIVATE SECTOR BANKS IN ERNAKULAM DISTRICT**

PROJECT REPORT SUBMITTED TO
MAHATMA GANDHI UNIVERSITY, KOTTAYAM
IN PARTIAL FULFILLMENT OF THE REQUIREMENTS
FOR THE AWARD OF THE DEGREE

**BACHELOR OF COMMERCE
(2020-2023)**

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KERALA
MARCH 2023



BHARATA MATA COLLEGE, THRIKKAKARA

DEPARTMENT OF COMMERCE

(Affiliated to Mahatma Gandhi University, Kottayam)

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DATE: 31.03.2023

CERTIFICATE

This is to certify that this project entitled "A STUDY OF VARIOUS TECHNIQUES OF CUSTOMER RELATIONSHIP MANAGEMENT ADOPTED BY PRIVATE SECTOR BANKS IN ERNAKULAM DISTRICT" has been prepared by ANN MARY AUGUSTHY, RAJALAKSHMI P Rand SRIDHAR S BHAT under my supervision and guidance in partial fulfilment of the requirements for the award of the Degree of Bachelor of Commerce of the Mahatma Gandhi University. It has not previously formed the basis for the award of any Degree, Fellowship, Associate ship etc. They are allowed to submit this Project Report.

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DECLARATION

We hereby declare that the project "**A STUDY OF VARIOUS TECHNIQUES OF CUSTOMER RELATIONSHIP MANAGEMENT ADOPTED BY PRIVATE SECTOR BANKS IN ERNAKULAM DISTRICT**" is our original work and has not been submitted earlier to MG University or to any other Universities. We have undertaken this project work in partial fulfilment of the requirements of B.Com 2020-2023 in Bharata Mata College, Thrikkakara, Ernakulam affiliated to MG University, Kottayam.

ANN MARY AUGUSTHY

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31.03.2023

ACKNOWLEDGEMENT

The project "**A STUDY OF VARIOUS TECHNIQUES OF CUSTOMER RELATIONSHIP MANAGEMENT ADOPTED BY PRIVATE SECTOR BANKS IN ERNAKULAM DISTRICT**" was done under the guidance and supervision of **Prof. ANTON JOSEPH**. We express our sincere gratitude to him for his valuable guidance, help and encouragement in preparing this project.

We sincerely express our gratitude to **JOHNSON K M** for his encouragement in completing the study. We are thankful to **Dr. Ponny Joseph**, Head of P.G Department of commerce and research center, Bharata Mata College, Thrikkakara, for her valuable guidance and suggestions throughout the course.

We are immensely grateful to all the teachers of the department of commerce for their inspiration and co-operation. We also thank all the respondents who spend their valuable time to answer the questionnaire in spite of their busy schedules. Above all, we are thankful to the GOD Almighty, for his race and timely & successful completion of our project.

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Date: 31/03/2023

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Chapter 1

Introduction

1:1 INTRODUCTION

Customer Relationship Management (CRM) is an intelligent blend of marketing and information technology for serving the customers with greater care and value. CRM is a method for locating, luring, differentiating from competitors, and keeping consumers. It is a thorough strategy for developing, preserving, and extending customer relationships. CRM is the result of ongoing marketing concepts' integration with newly accessible data, technologies, and organisational methods. There are several good reasons for banks to implement a thorough CRM strategy. Customer demands, wants, and wishes are constantly evolving. As a result, it's important for banks to keep track of the needs and wants of their customers in order to adapt to market developments. Only when an organisation maintains a tight relationship with its clients is this feasible. Customers are the lifeblood of any company organisation, and creating new customers is more expensive than keeping existing ones. Customer loyalty and retention are ensured by banks using CRM tactics since customers are the lifeblood of any company organisation and acquiring new ones is more expensive than keeping existing ones. As a result, the banking industry transitions from a transaction-centric to a relationship-centric business approach by focusing on "build good relationship" and assuming that profitable transactions will occur naturally.

Customer relationship management (CRM) is an automated process that enables seamless collaboration across customer support, communications, information management, and other client-related operations. It integrates people, systems, and software to enhance customer interactions. It does not advocate for bettering relationships with customers, but rather urges businesses to take action by making the most desired customers' lives better. CRM manages communications between a business and its clients. Information management is a component of customer relationship management. The development and consistent delivery of high-quality services to customers is the goal of knowledge management and CRM. Understanding the significance of the customer, establishing a consistent interaction, and managing the data of the significant and necessary clients are prerequisites for learning more about client relations.

1:2 STATEMENT OF THE PROBLEM

CRM strives to direct all organisational efforts towards creating enduring, cooperative relationships with customers in order to turn them into lifelong clients. CRM in banking is a crucial component that enables a bank to expand its clientele and sales potential. CRM's objective is to coordinate all customer contacts so that banks may get the most money possible from each one of their clients. Customer retention is a top priority for banking institutions, demonstrating the value of CRM. Banks must devise novel strategies to meet the demands of both current and new consumers, and they must also implement techniques to win back lost clients by cultivating excellent customer relationships. In order to assess the CRM approaches used in the chosen private sector banks in the Ernakulam district, the current study has been conducted.

1:3 NEED OF THE STUDY

The banking industry is stepping into a new era as innovative advances transform the industry. The nature and scope of banking have been considerably changed by the globalisation of financial operations, intense rivalry, ongoing deregulatory efforts, and technology improvements. The issue of customer focus has become more prominent as a result of the process of economic liberalisation and banking sector changes. Therefore, sustaining CRM in banks is crucial in order to comprehend clients and fulfil their expectations. Customer satisfaction, service quality, relationship quality, market orientation, trust, loyalty, commitment, and customer retention are just a few of the varied factors that fall under the broad CRM umbrella. Banks must rethink their approach to providing high-quality services to draw in and keep clients if they want to thrive. Marketers must understand and put CRM into practise if they want to implement the only strategy that is thought to make sense in this new marketing climate. This study tries to pinpoint the CRM research areas with particular emphasis on the banking sector.

1:4 OBJECTIVES OF THE STUDY

The main objective of the study is to analyse the CRM practices in selected private sector banks in Ernakulam city.

The specific objectives are:

1. To explore varying factors of CRM practices followed by the bank
2. To study the impact of CRM practices on the customer royalty and satisfaction.

1:5 SCOPE OF THE STUDY

The study encompasses customer service quality of private sector banks in Ernakulam district. The private sector banks selected for study is Federal bank and ICICI bank. The study covers only customer services provided by the selected banks. The customer belongs to various professions, various places, of both genders, with varied income groups and varied age groups.

1:6 LIMITATIONS OF THE STUDY

- This study is very much limited to customers of 4 selected private sector banks in Ernakulam district which may fail to give a correct picture of the study.
- The number of participants in this study is set at 100, a small sample size that is representative of all CRM technique users.
 - The study's time frame is another constrained element, and if it changes in the future, the results may tend to alter as well.
 - The researcher encounters some challenges as a result of some respondents' lack of cooperation, and it is impossible to totally rule out respondents' bias.
 - Since the bank upholds privacy and security when giving client information, it is highly challenging to obtain enough consumer information from the bank.

1:7 RESEARCH METHODOLOGY

1:7:1 RESEARCH DESIGN

Descriptive research design is used for conducting the study

1:7:2 SOURCE OF DATA

Both primary and secondary sources have been used for the study

1:7:2:1 PRIMARY DATA

A structured questionnaire was designed to collect the required data from the customers of banks.

1:7:2:2 SECONDARY DATA

Secondary data is drawn from research books, research articles, journals, magazines, websites and banks published reports.

1:7:2:2:1 POPULATION OF THE STUDY

The residents of Aluva municipality are selected for the study

1:7:2:2:2 SAMPLING DESIGN AND SAMPLE SIZE

The sampling design used for the study is convenience sampling. Sample size is 100

1:7:3 TOOLS OF DATA COLLECTION

Questionnaire is the tool used for data collection

1:7:4 STATISTICAL TOOLS USED

Simple percentage analysis is used for the collected data

1:8 CHAPTERISATION

CHAPTER 1: INTRODUCTION

This chapter mentions Introduction, statement of the problem, need of the study, objective of the study, scope of the study, limitations of the study, research methodology.

CHAPTER 2: THEORETICAL FRAMEWORK

This chapter mentions conceptual literature and empirical literature

CHAPTER 3: DATA ANALYSIS AND INTERPRETATION

This chapter mentions the data tables, figures and interpretations made out from the questionnaire

CHAPTER 4: FINDINGS, CONCLUSIONS AND SUGGESTIONS

This chapter mentions the findings, conclusions of the study and the suggestions made from the interpretation of data analysis

CHAPTER 2
THEORETICAL FRAMEWORK
AND
REVIEW LITERATURE

2:1 THEORATICAL FRAMEWORK

The theoretical framework for customer relationship management (CRM) in private sector banks in Ernakulam district can be based on the following concepts:

Relationship marketing: This concept emphasizes the importance of building and maintaining long-term relationships with customers. Relationship marketing involves understanding the needs and preferences of customers and developing strategies to meet their needs over time. In the context of private sector banks in Ernakulam district, relationship marketing can be used to build customer loyalty and retention.

Customer loyalty: This concept refers to the degree to which customers are committed to a particular brand or company. Customer loyalty is important for private sector banks in Ernakulam district because it leads to repeat business and positive word-of-mouth advertising. CRM strategies can be used to increase customer loyalty by providing personalized services, rewards programs, and other incentives.

Customer satisfaction: This concept refers to the overall level of satisfaction that customers have with a particular product or service. In the context of private sector banks in Ernakulam district, customer satisfaction is an important measure of CRM success. CRM strategies can be used to increase customer satisfaction by improving the quality of service, reducing waiting times, and providing timely and accurate information.

Service quality: This concept refers to the degree to which a service meets or exceeds customer expectations. In the context of private sector banks in Ernakulam district, service quality is a critical component of CRM. Banks can use CRM strategies to improve service quality by investing in training and development programs, measuring customer satisfaction, and implementing quality control measures.

Customer retention: This concept refers to the ability of a company to retain its existing customers over time. Customer retention is important for private sector banks in Ernakulam district because it is often more cost-effective to retain existing customers than to acquire new ones. CRM strategies can be used to increase customer retention by providing personalized services, addressing customer complaints and concerns, and offering loyalty programs.

By considering these theoretical concepts, private sector banks in Ernakulam district can develop effective CRM strategies that focus on building and maintaining long-term relationships with customers, increasing customer loyalty and satisfaction, improving service quality, and retaining existing customers.

Advantages of CRM:

Activities related to customer relationship management (CRM) can benefit private sector banks in a variety of ways. Several of these benefits include:

Increased customer satisfaction: Private sector banks can better understand their customers' needs, preferences, and behaviour by conducting efficient CRM activities. This makes it possible for banks to offer specialised services that might increase customer satisfaction.

Increased customer retention: CRM initiatives can assist banks in identifying clients who may leave and taking preventative actions to keep them. Increased consumer loyalty and repeat business may arise from this.

Increased cross-selling and up-selling opportunities: Banks can provide pertinent and targeted goods and services by analysing consumer data and comprehending their demands. This may result in more options for cross-selling and upselling, which would raise revenue and profitability.

Enhanced operational effectiveness: CRM initiatives can assist banks in streamlining their operations and saving money. Higher productivity and profitability may follow from this.

Better decision-making: Banks may make more informed choices about product development, marketing tactics, and customer service efforts by analysing consumer data and feedback.

Competitive advantage: Successful CRM initiatives can set banks apart from their rivals and give them a competitive edge in the market.

Overall, CRM initiatives can aid private sector banks in forging closer bonds with their clients, boosting sales and profitability, and gaining a competitive edge.

DISADVANTAGES OF CRM

Although customer relationship management (CRM) can be a useful tool for private sector banks to boost their bottom line and customer service, there are a few potential drawbacks to take into account:

High costs: Especially for small banks with limited resources, implementing and maintaining a CRM system can be costly. Additionally, there are continuous expenses for personnel training, system upkeep, and necessary system upgrades.

CRM systems demand the gathering and storage of private customer information, which poses a security risk to the bank if the information is not properly protected. A data breach may have negative effects on the bank's reputation as well as legal and financial repercussions.

Integration issues: It might be difficult and time-consuming to integrate a CRM system with current banking systems and databases. Operations may be delayed and disrupted as a result.

Technology overuse: Although technology can increase productivity and customer service, it shouldn't be the only source of information. To forge lasting relationships with their customers, banks still need to place a high value on interpersonal communication and personal touch.

Staff opposition: Some workers might oppose the deployment of a CRM system because they believe it would increase their workload or will make it more difficult for them to make judgements based on their personal relationships with consumers.

Limited impact: A CRM system can enhance customer service, but it is hardly a miracle cure. To keep clients over the long term, banks must continue to concentrate on offering high-quality goods and services.

2:2 REVIEW LITERATURE

1. According to **Knox et al. (2003)**, CRM is a strategic approach that aims to increase stakeholder value (the value that the customer receives, the value that the organisation receives, and the value of customer retention and its economics) by integrating channel and media integration (channel and media suitability, channel and media structure, and multichannel and multimedia integration) and by building appropriate relationships with key customers and customer segments. CRM combines the potential of relationship marketing with IT to produce lucrative, lasting connections
2. **Hedley Kimberley et al. (2006)** noted that the retail banking sector will have significant difficulties in 2015. Customers' interactions with banks will become more independent while also becoming more individualistic. Traditional segmentation methods and go-to-market strategies will be rendered useless for banks. The way retail banks compete in the market will also undergo a significant transformation. To this, **Bargal Hitendra & Sharma Ashish (2008)** added that banks will need to offer diversified services, open branches in shopping malls, install web systems, implement proper training systems, define high performance systems to improve employee behaviour, provide proper customer complaint systems, and use performance-based appraisal systems to improve overall services. Customers have a significant influence on which bank is chosen. Today, good customer service, years in business, and ease of access are thought to be the most significant elements influencing a consumer's choice of a bank. (2008) **Dhade & Mittal**
3. In Indian retail banking, **Das Kallol et al. (2009)** investigate the relationship between the use of CRM best practises and the steadfastness of profitable customers. They created the best CRM practises that can aid organisations in completing a thorough CRM setup. The survey shows that when it comes to the adoption of best practises, State Bank of India and Bank of Baroda are trailing behind their counterparts from other industries.
4. According to **Morpice Reports (2008) and Teller Vision (2009)**, how banks are seen depends on their size. However, all banks have the same important chance to boost customer happiness, which is to assist consumers in reaching their financial objectives. However, the study found that as bank size grows, total customer satisfaction tends to decline. That is to say, customers of national banks typically have lower levels of satisfaction than those of regional or local banks, who in turn have lower levels of satisfaction than those of credit unions.
5. According to Dr. K. **Ganesamurthy et al. (2011)**, customer retention management (CRM) is viewed as a strategy by banking businesses to discover, keep, and grow the number of devoted clients in the current competitive business environment. This research paper attempted to investigate the customers' perspectives on the customer relationship management (CRM) practises of commercial banks in India. The sample size included 421 respondents from public and private sector banks in Tamilnadu, and the study reveals that customers' perceptions of CRM in banks do not vary regardless of different customer classifications such as age, sex, education, occupation, income level, the bank in which customers have an account, type of account, and type of account.

6 (2012) Sanjay Kanti Das¹⁵ - The researcher has made a meagre effort to support the notion that CRM can be generally adopted in the banking industry for the improvement of Banking Services. Customer Relationship Management (CRM) ignorance is a perennial problem for service providers, especially banks. Banks manage their consumer connections in their own unique ways. However, it's also important to take into account how customers see banks' CRM strategies. In this essay, an effort is made to compare how clients of federal banks and those of other private sector banks see the topic of CRM practises. It has been noted that although federal bank and other private sector banks use a similar strategy to CRM, their reach is still clearly different. It is because of the profile, their capacity, and CRM's plan for reaching out to customers. On the other hand, it can also be said that both banks' histories were identified as a major factor in attaining the top CRM. CRM is therefore a necessary marketing tool and a crucial market responsibility with reference to

7 (2011)¹¹ Linda Mary Simon With the introduction of the liberalisation policy and the RBI's lax regulations, various private and foreign banks have entered the Indian overseas banking market, sparking fierce competition among banks to win over a sizable customer base and market share. Every customer needs improved services in a cutthroat industry. In order to reestablish contact with their customers in the new era of the customer, banks must now provide a service that is more effective, consumer-focused, and innovative than ever before. For survival and growth, the banking sector, like other businesses, is working extremely hard to become more and more customer-centric. The Indian banking industry is currently faced with significant issues related to service quality, customer satisfaction, customer retention, customer loyalty, and customer delight. The majority of the literature review cited in the research demonstrates that private sector bank customers in India are comparatively more satisfied than those in the public sector. The discussion has focused on how customers in the Coimbatore region perceive the services offered by IO Band ICICI bank. The characteristics of the two banks have been contrasted, including things like Internet banking, ATM service, timing, employee attitudes, etc. According to the report, ICICI Bank offers its customers superior services than Indian abroad banks. 48

8 The study by **Vijay M. Kumbhar (2011)⁶** identifies the critical variables that affect customers' satisfaction with alternative banking services offered by public and private sector banks. The findings of this study indicate a substantial correlation between bank clients' age, education, and career and their happiness with alternative banking. In alternative banking, there was a substantial correlation between service quality, brand perception, and perceived value and total customer happiness. Efficiency, security/assurance, cost effectiveness, problem-45 handling, responsiveness, fulfilment, and accuracy were the first factors identified by the factor analysis test. Perceived value, brand perception, contact facilities, convenience, system availability, and ease of use are the second and third factors, respectively. Compensation was the fourth factor identified by the factor analysis test. The overall conclusion is that in order to boost consumer happiness and further acceptance of alternative financial services, bankers should take into account the data and improve service quality.

9 According to **Tamilarasan (2011)**, CRM operations are more effective when customers are actively involved. The organisation will be able to keep customers for life, get the most value out of each client, and create exceptional customer bonds if CRM practises are correctly designed and applied. According to a different study, CRM entails more than just compiling data and creating programmes to identify the most lucrative clients, then attempting to manage the relationships by providing these clients with more advantageous goods and services at lower costs.

10 In their study entitled, A study on Customer perception towards customer relationship management (CRM) practises in private sector banks, T. Parthasarathy, Dr. S.E.V. Subramanyam, and Dr. T. Narayana Reddy (2014) examined how customers perceived the impact of CRM on service quality and evaluated the impact of CRM on customer retention. The study was based on primary data and collected data from 250 customers of ICICI bank and Axis bank branches in Chittagong. For this study, one- or two-way tables, as well as percentage, average, and chart methods, were employed. According to the study's findings, CRM is the ideal method for assisting financial institutions in forging stronger and more lucrative partnerships, and banks were advised to implement it. .

11 In his study titled "Customers' Perspective towards Customer Relationship Management with Reference to Service Quality: A Study of Indian Public and Private Sector Banks" published in **2016**, **Manjari** Mishra sought to learn how to both attract new customers while retaining existing ones. 240 samples were taken from respondents in Indian banks, both public and private. The t-test was used by the researcher to produce the study's results. The study's findings indicate that the implementation of the service quality component of customer relationship management was given greater priority by private sector banks than by public sector banks. A study that will undoubtedly help private sector banks implement effective CRM strategies to draw in the greatest possible number of customers and boost their profitability

12 Their study titled "Customer Relationship Management practises in Banking Sector Virudhunagar district" published in 2017, Ashok Kumar.J and Dr. S. Mathivannan found that modern approaches to implementing CRM projects in the banking sector focused on crucial insight into the relationship management practises of this ground-breaking idea. The primary goals of this article are to investigate the idea of CRM and its significance in the banking industry, to assess the variables affecting customers' overall satisfaction with the CRM of banks in the virudhunagar area, and to provide appropriate recommendations based on the study's findings. 512 clients of commercial and public sector banks make up the sample size, which was obtained using percentage analysis, the Chi-square test, and the T-test.

13 Panda 2003 Building a company that is customer-centric requires CRM. CRM is a crucial component that enables a bank to expand its clientele and sales potential. CRM aims to handle all customer interactions in a way that allows the business to get the most revenue possible from each client. According to the author, it might be challenging to manage consumer expectations, yet they frequently lead to dissonance and the loss of an

established customer base. In order to build a long-lasting relationship of symbolic significance, it is crucial to comprehend client expectations about service standards and product quality.

CHAPTER 3
DATA ANALYSIS
AND
INTERPRETATION

ANALYSIS OF VARIOUS TECHNIQUES OF CUSTOMER RELATIONSHIP MANAGEMENT ADOPTED BY PRIVATE SECTOR BANKS IN ERNAKULAM DISTRICT

The chapter contains presentation and analysis of data collected by the researcher during the data collection.

The frequency tables and pie chart shows the findings as derived from the responses by respondents to the various questions contained in the questionnaire.

The data were collected through primary and secondary sources.

Table 3.1

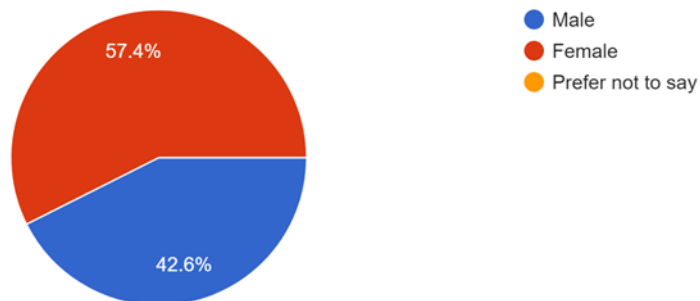
Table showing the gender of the respondents

Particulars	Number of respondents	Percentage of respondents
Male	42	42
Female	58	58
Total	100	100

(Source: Primary data)

Figure 3.1

Figure showing the gender of the respondents



INTERPRETATION: 58% of the population is male and 42% is female. This shows that the majority of the population which uses and aware of Customer Relationship Management facilities provided by banks is male.

Table 3.2

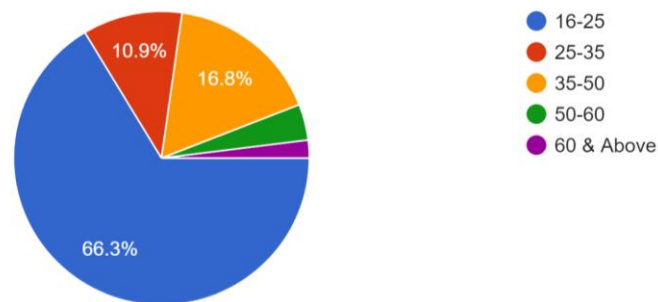
Table showing the age of the respondents

Particulars	Number of respondents	Percentage of respondents
16-25	66	66
25-35	11	11
35-50	17	17
50-60	4	4
Above 60	2	2
Total	100	100

(Source: Primary data)

Figure 3.2

Figure showing the age of the respondents



INTERPRETATION: The respondent's ages are displayed. 66% of the population is between the age of 16-25. 11% of people fall into the 25-35 age bracket. 17% of the population is between 35 -50 . 4% of the population is in the age group 50-60. Only 2% are over the age of 60. It is clear that the majority of the population are youngsters.

Table 3.3

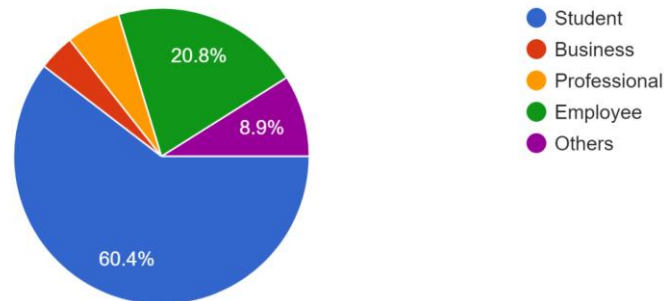
Table showing the occupation of respondents

Particulars	Number of respondents	Percentages of respondents
Student	60	60
Business	4	4
Professional	6	6
employee	21	21
Others	9	9
Total	100	100

(Source: Primary data)

Figure 3.3

Figure showing the occupation of respondents



INTERPRETATION: This graph displays the respondent's occupations. The majority of individuals fall under the group of students which is 60%. 4% and 6% of the population belongs to business and professional category respectively. 21% are employed and 9% belong to the category of others.

Table 3:4

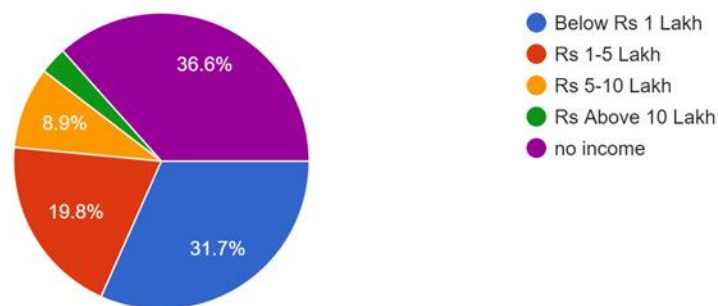
Table showing the annual income of the respondents

Particulars	Number of respondents	Percentages of respondents
No income	36	36
Below 1 Lakh	32	32
1-5 Lakh	20	20
5-10 Lakh	9	9
Above 10 Lakh	3	3
Total	100	100

(Source: Primary data)

Figure 3.4

Figure showing the annual income of the respondents



INTERPRETATION: This chart shows the income of respondent's. 36% of the population have no income, 32% have income below 1 Lakh, 20% have income between 1 -5 Lakh, 9% have income between 5-10 Lakh, and 3% have an income above 10 Lakh. The survey found that CRM techniques are used by banks on population having no income and nearly having low income.

Table 3.5

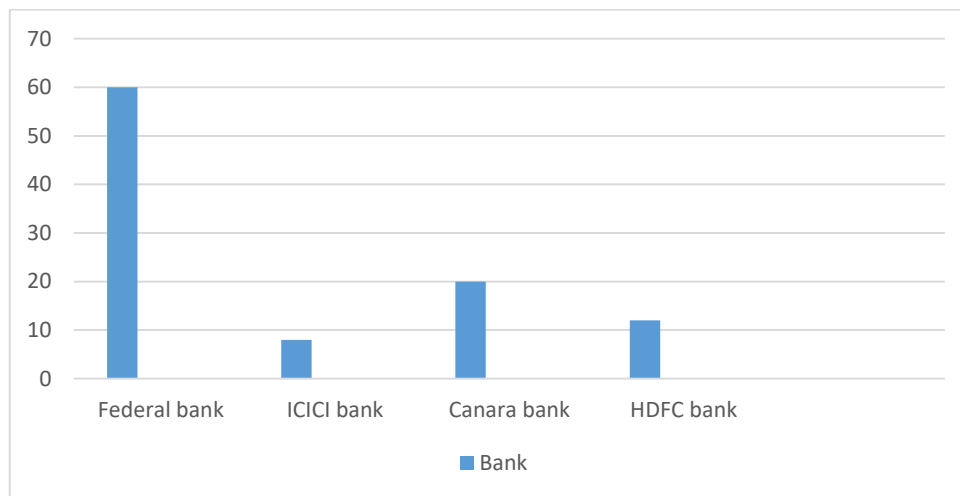
Table showing the name of banks of the respondents

Particulars	Number of respondents	Percentage of respondents
Federal bank	60	60
ICICI Bank	8	8
CANARA bank	20	20
HDFC Bank	12	12
Total	100	100

(Source: Primary data)

Figure 3.5

Figure showing the name of banks of the respondents



INTERPRETATION: This chart reveals name of banks where each respondent's owned the account. Among the 100 respondent's 60% of the population belongs to Federal Bank, while 8% in ICICI Bank, 20% in CANARA Bank and 12 % in HDFC Bank.

Table 3.6

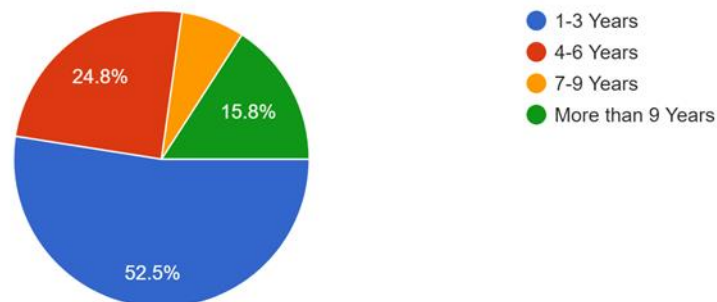
Table showing how long respondents associated with the bank

Particulars	Number of respondents	Percentage of respondents
1-3 years	52	52
4-6 years	25	25
7-9 years	7	7
More than 9 years	16	16
Total	100	100

(Source: Primary data)

Figure 3.6

Table showing how long respondents associated with the bank



INTERPRETATION: From the above graph it can be identified that 52% of the respondents opened their account within one to 3 years, followed by 32% of respondents were making transaction with the bank since 3 years and 16% were operating their accounts for more than 9 years.

TABLE 3.7

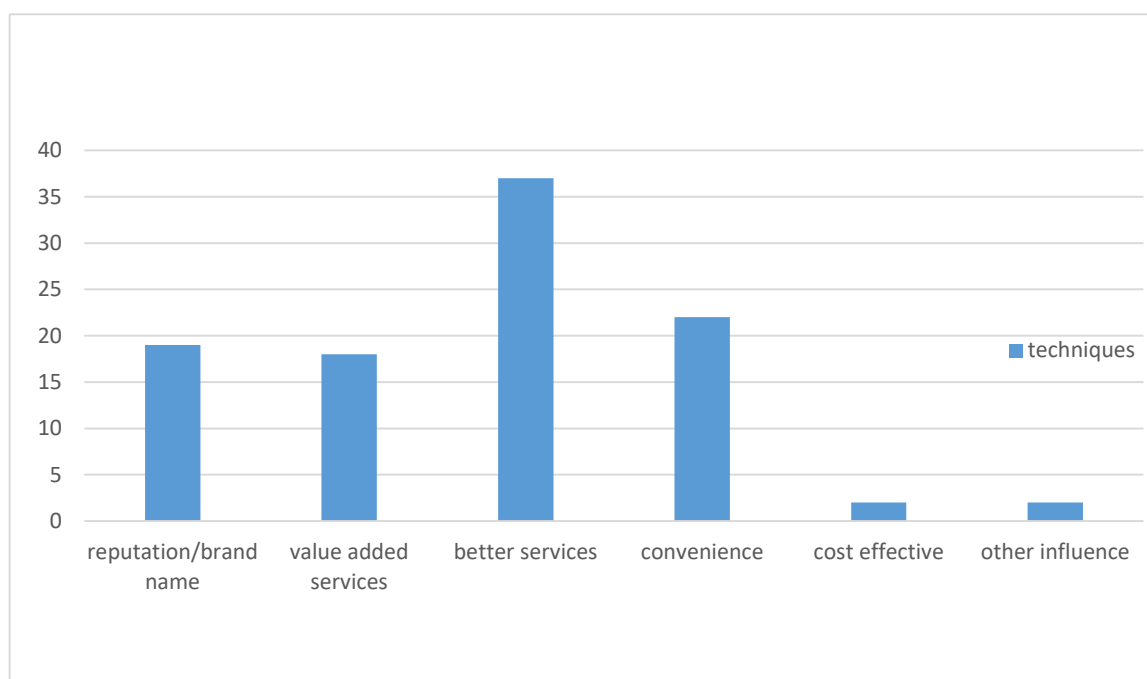
Table showing the various CRM techniques provided by banks to the respondents

Particulars	Number of respondents	Percentages of respondents
Reputation/brand name	19	19
Value added services	18	18
Better services	37	37
Convenience	22	22
Cost effective	2	2
Other influence	2	2
total	100	100

(Source: Primary data)

Figure 3.7

Figure showing the various CRM techniques provided by banks to the respondents



INTERPRETATION: To identify the best CRM technique provided by banks this question was provided. The study reveals that the better services (37%) provided by banks is the best CRM technique used by private sector banks followed by convenience (22%), reputation (19%), value added service (18%) and the least from cost effective (2%).

Table 3.8

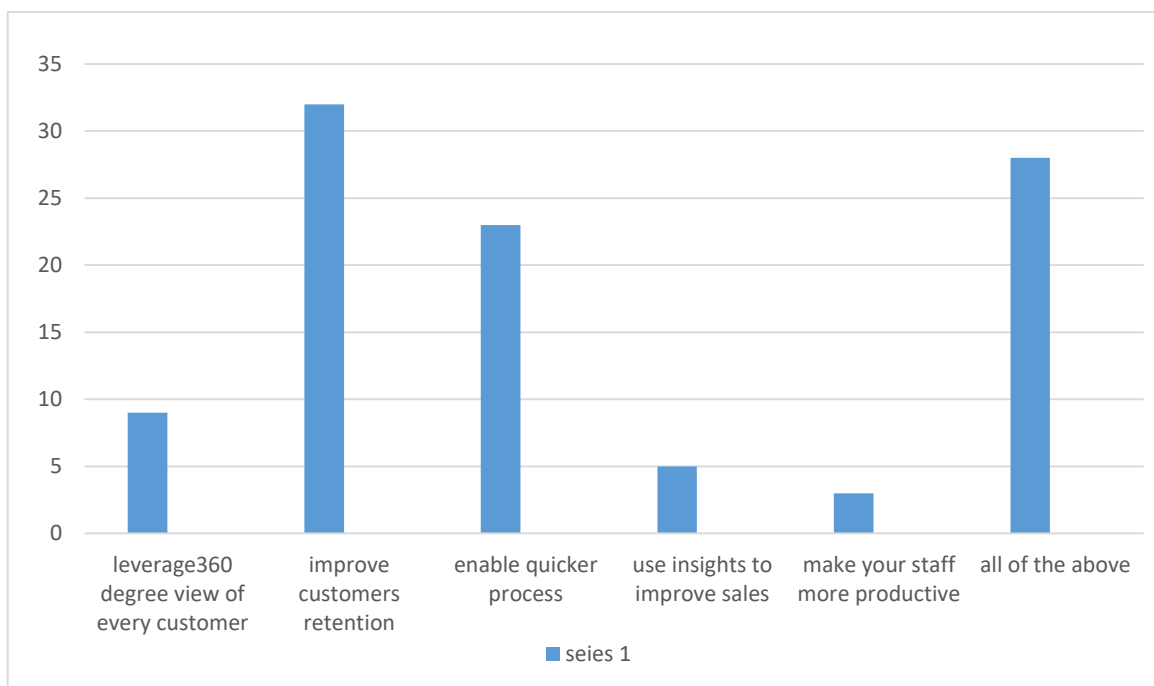
Table showing the advantages of CRM activities of the respondents

Particulars	Number of respondents	percentages of respondents
Leverages 360 degree view of every customer	9	9
Improve customer retention	32	32
Enable quicker process	23	23
Use insights to improve sales	5	5
Make your staff more productive	3	3
All of the above	28	28
Total	100	100

(Source: Primary data)

Figure 3.8

Table showing the advantages of CRM activities of the respondents



INTERPRETATION: This chart shows the advantages of CRM technique provided by private sector banks. The study shows that almost all the listed advantages are obtained (28%). Among them improvement of customer retention shows a higher graph (32%) followed by others.

Table 3.9

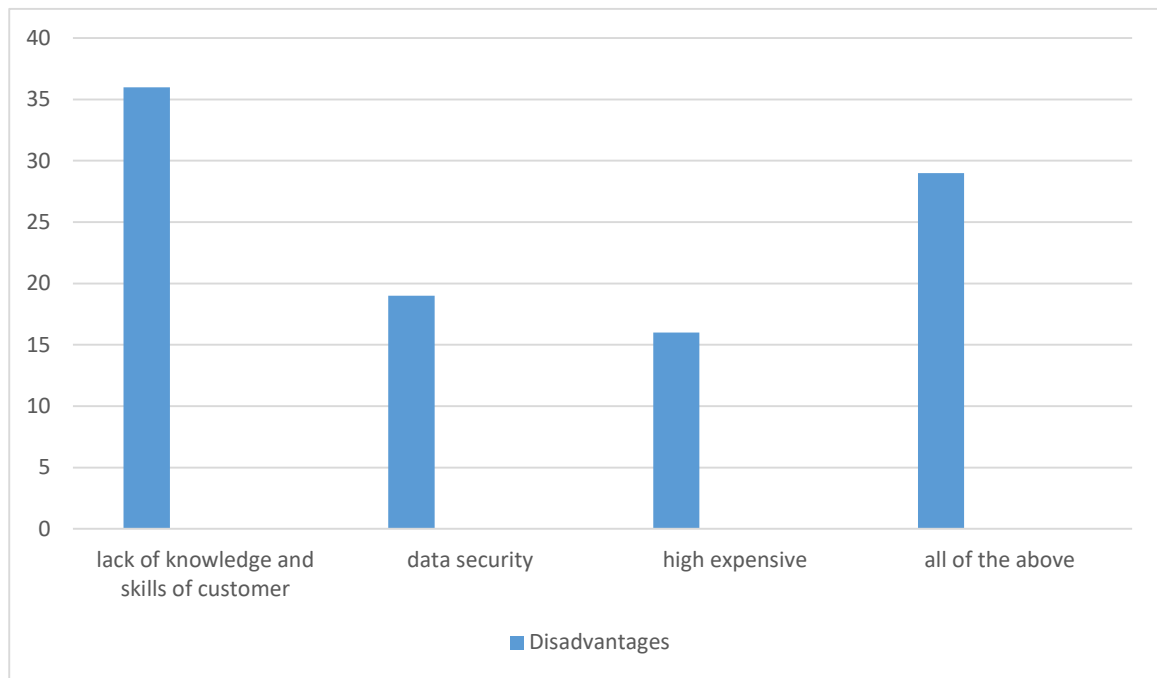
Table showing of disadvantages of CRM activities of the respondents

Particulars	Number of respondents	Percentages of respondents
Lack of knowledge and skills of customers	36	36
Data security	19	19
High expensive	16	16
All of the above	29	29
total	100	100

(Source: Primary data)

Figure 3.9

Table showing of disadvantages of CRM activities of the respondents



INTERPRETATION: This chart shows the Disadvantages of CRM technique provided by private sector banks. The study shows that almost all the listed disadvantages are obtained (29%). Among them lack of customer knowledge about CRM technique and skills of customer is the barrier for banks.

Table 3.10

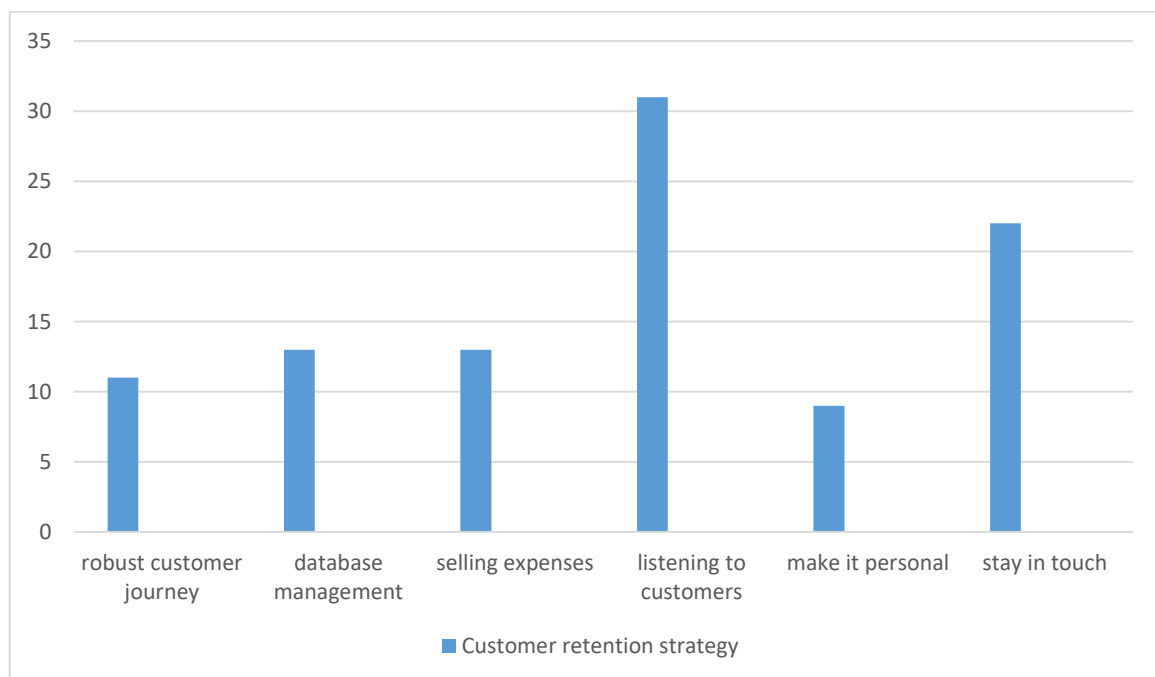
Table showing of customer retention strategy of the respondents

Particulars	Number of respondents	Percentage of respondents
Robust customer journey	11	11
Database management	13	13
Selling expenses	13	13
Listening to customers	31	31
Make it personal	9	9
Stay in touch	22	22
total	100	100

(Source: Primary data)

Figure 3.10

Figure showing of customer retention strategy of the respondents



INTERPRETATION: This chart shows the best customer retention strategy used by banks as a part of CRM technique. Study shows that listening to customers (31%) stands among the top, while keep in touch with customers (22%) stand second, followed by selling expenses and database management (13%), robust customer journey (11%) and make it personal (9%).

Table 3.11

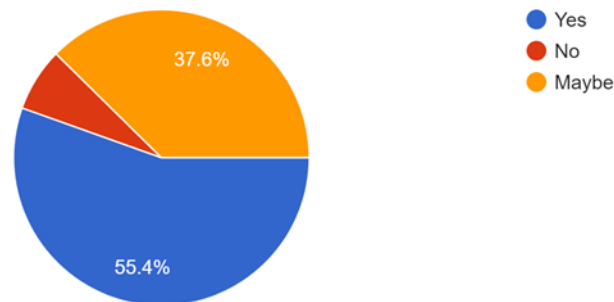
Table showing the opinion about whether CRM technique improved banking experience

Particulars	Responses	Percentages
Yes	55	55
No	7	7
Maybe	38	38
Total	100	100

(Source: Primary data)

Figure 3.11

Figure showing the opinion about whether CRM technique improved banking experience



INTERPRETATION: This chart shows the opinion about whether CRM technique improved banking experience of customers. The study reveals that the CRM technique has improved the banking experience as majority of the respondents (55%) are of the opinion that CRM technique has improved their banking experience. 38% of population are unsure about their opinions, while 7% of the population are of the opinion that CRM technique did not improved their banking experience

Table 3.12

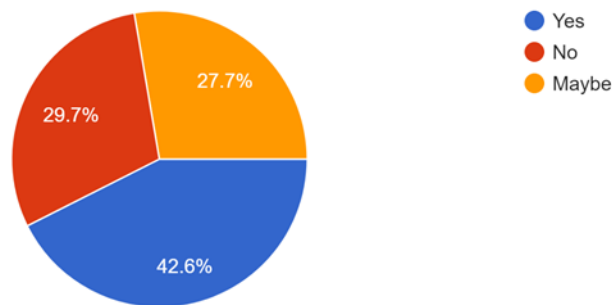
Table showing the opinion about whether received any personalised offers from the bank based on banking needs

Particulars	Responses	Percentages
Yes	42	42
No	30	30
Maybe	28	28
Total	100	100

(Source: Primary data)

Figure 3.12

Figure showing the opinion about whether received any personalised offers from the bank based on banking needs



INTERPRETATION: This chart shows the opinion about whether customers received any personalised offers from the bank based on banking needs. 42% of the respondents has received personalised offers from the bank based on banking needs, while 30% of the respondents did not. 28% of the respondents are not sure about their opinions.

Table 3.13

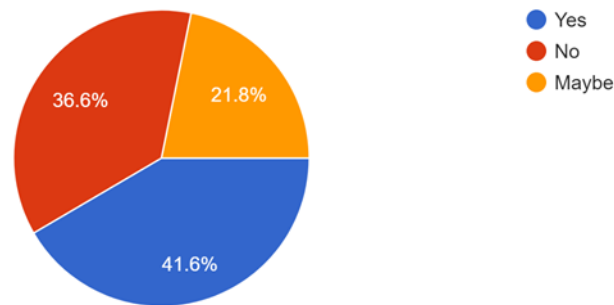
Table showing the opinion about whether contacted by bank customer services team to address your concern

Particulars	Responses	Percentages
Yes	41	41
No	37	37
Maybe	22	22
Total	100	100

(Source: Primary data)

Figure 3.13

Figure showing the opinion about whether contacted by bank customer services team to address your concern



INTERPRETATION: This chart shows the opinion about whether customer has been contacted by bank customer services team to address their concern. 41% of the respondents is of the opinion that they have been contacted by bank customer services team to address their concern. 37% of the respondents is of the opinion that they have not been contacted by bank customer services team to address their concern. 22% are not sure about their opinions.

Table 3.14

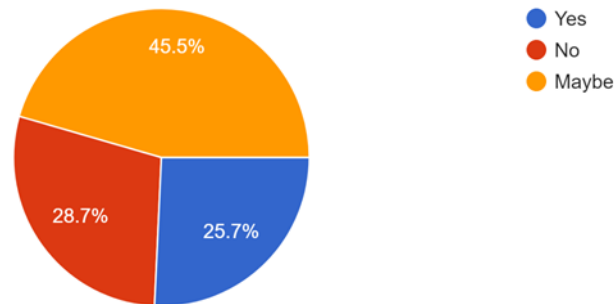
Table showing the opinion about whether bank implemented any advanced CRM technique such as machine learning or predictive analysis

Particulars	Responses	Percentages
Yes	26	26
No	28	28
Maybe	46	46
Total	100	100

(Source: Primary data)

Figure 3.14

Figure showing the opinion about whether bank implemented any advanced CRM technique such as machine learning or predictive analysis



INTERPRETATION: This chart shows whether the banks implemented any advanced CRM technique such as machine learning or predictive analysis. The majority of the respondents (46%) are unaware about these CRM technique. 26% of the respondents is of the opinion that banks implemented these advanced technique while 28% is of the opinion that banks implemented these advanced technique.

Table 3.15

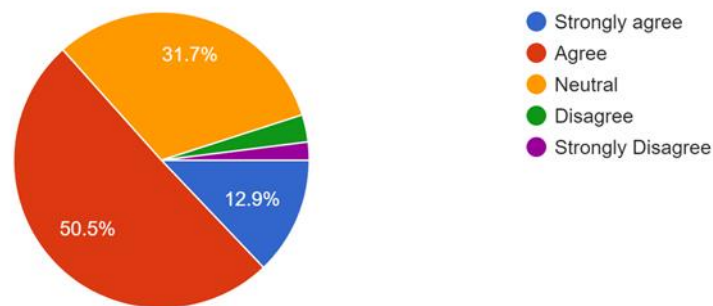
Table showing the opinion about collection of customer feedback by bank in a proper manner

Particulars	Respondents	Percentages
Strongly agree	13	13
Agree	50	50
Neutral	32	32
Disagree	3	3
Strongly disagree	2	2
Total	100	100

(Source: Primary data)

Figure 3.15

Figure showing the opinion about collection of customer feedback by bank in a proper manner



INTERPRETATION: To know the satisfaction level of respondents about collection of customer feedback by bank in a proper manner the question was provided. 13% of respondents strongly agree and half of the respondents agree that banks collect feedback in a proper manner. 32% of the respondents are neutral. 5% of the respondents were of the opinion that banks lack attention in collection of customer feedback.

Table 3.16

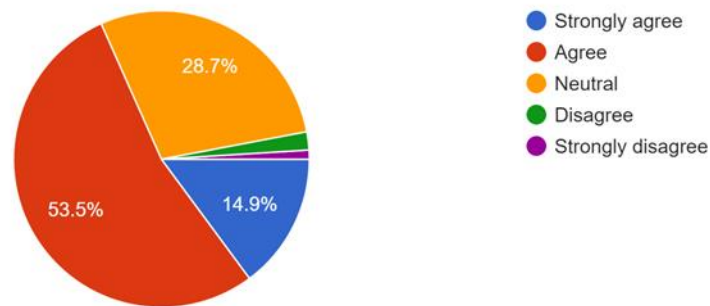
Table showing the opinion about CRM creates customer awareness about different services offered by bank

Particulars	Respondents	Percentages
Strongly agree	15	15
Agree	54	54
Neutral	28	28
Disagree	2	2
Strongly disagree	1	1
Total	100	100

(Source: Primary data)

Figure 3.16

Figure showing the opinion about CRM creates customer awareness about different services offered by bank



INTERPRETATION: This chart shows whether the CRM creates customer awareness about different services offered by bank. 15% strongly agrees and 54% agrees the opinion that CRM creates customer awareness about different services offered by bank. 28% of the respondents are neutral. 1% of the respondents strongly and 2% disagree of the opinion that CRM creates customer awareness about different services offered by bank.

Table 3.17

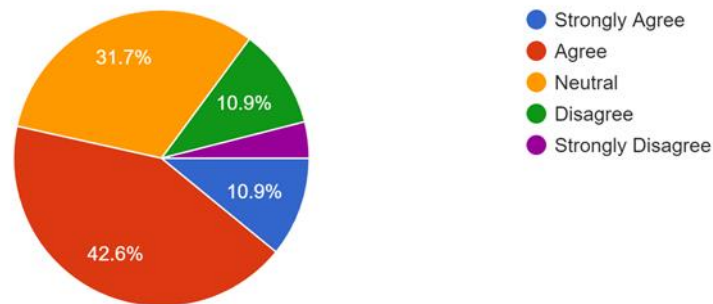
Table showing the opinion about “Bank offers loyalty reward or incentive for being a regular customer”

Particulars	Respondents	Percentages
Strongly agree	11	11
Agree	42	42
Neutral	31	31
Disagree	11	11
Strongly disagree	4	4
Total	100	100

(Source: Primary data)

Figure 3.17

Figure showing the opinion about “Bank offers loyalty reward or incentive for being a regular customer”



INTERPRETATION: This chart shows whether the “Bank offers loyalty reward or incentive for being a regular customer”. 11% of the respondents strongly and 42% of the respondents agrees of the opinion that Bank offers loyalty reward or incentive for being a regular customer. 31% of the respondents are neutral. 4% strongly and 11 % disagree of the opinion that Bank offers loyalty reward or incentive for being a regular customer.

Table 3.18

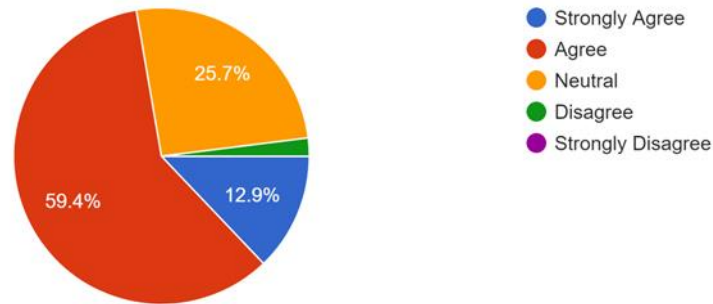
Table showing the opinion about “Bank ensures data privacy and security”

Particulars	Respondents	Percentages
Strongly agree	13	13
Agree	59	59
Neutral	26	26
Disagree	2	2
Strongly disagree	0	0
Total	100	100

(Source: Primary data)

Figure 3.18

Figure showing the opinion about “Bank ensures data privacy and security”



INTERPRETATION: This chart shows whether the bank ensures data privacy and security. 13% strongly and 59% agrees that bank ensures data privacy and security. 26% of the respondents are neutral. 2% of the respondents oppose that bank ensures data privacy and security.

Table 3.19

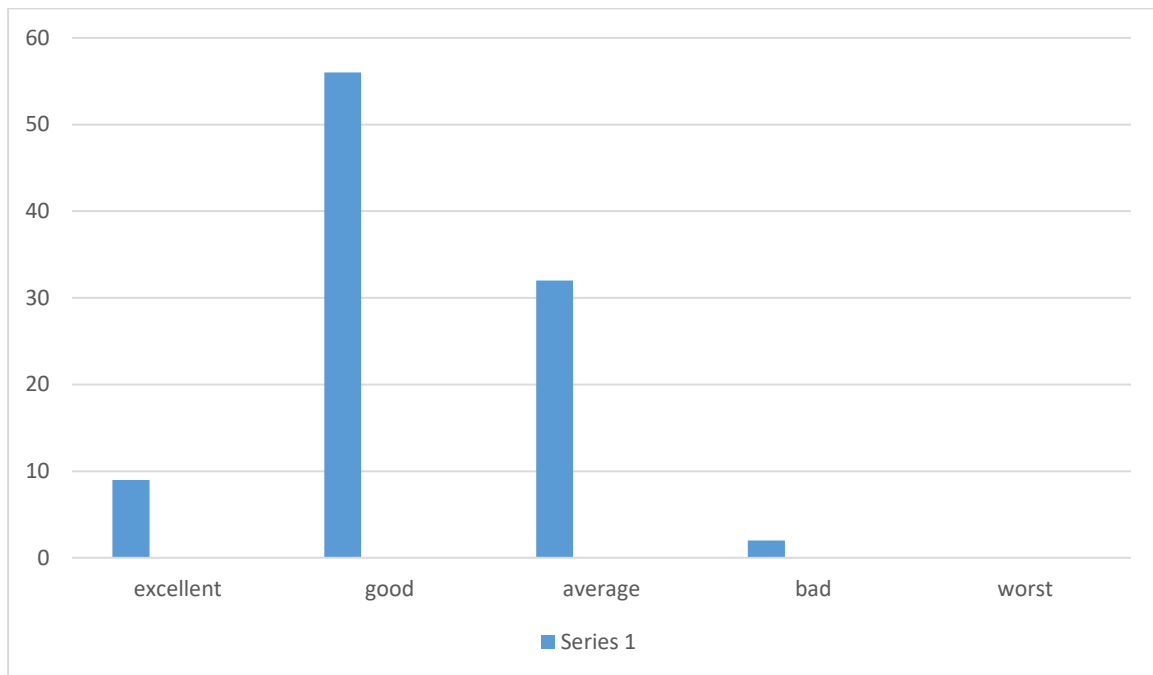
Table showing the ratings of the respondents towards redressal of complaints

Particulars	Respondents	Percentages
Excellent	9	9
Good	56	56
Average	32	32
Bad	2	2
Worst	1	1
Total	100	100

(Source: Primary data)

Figure 3.19

Figure showing the ratings of the respondents towards redressal of complaints



INTERPRATATION: This chart shows the respondents towards redressal of complaints. 9% Excellent and 56% of the respondent's good high rating for redressal of complaints. 32% of the respondents are neutral. 2% of bad and 1% rates worst for redressal of complaints.

Table 3.20

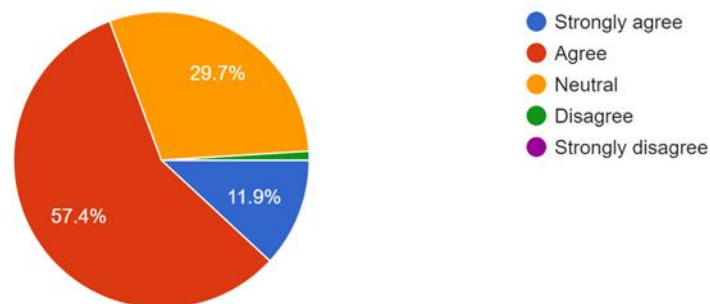
Table showing the opinion about whether “CRM creates all round friendly environment”

Particulars	Respondents	Percentages
Strongly agree	12	12
Agree	57	57
Neutral	30	30
Disagree	1	1
Strongly disagree	0	0
Total	100	100

(Source: Primary data)

Figure 3.20

Figure showing the opinion about whether “CRM creates all round friendly environment”



INTERPRETATION: This study shows whether CRM creates all round friendly environment. 12% strongly agree and 57% agrees that CRM creates all round friendly environment. 30% of the respondents are neutral. Only 1% of the respondents disagrees that CRM creates all round friendly environment.

Table 3.21

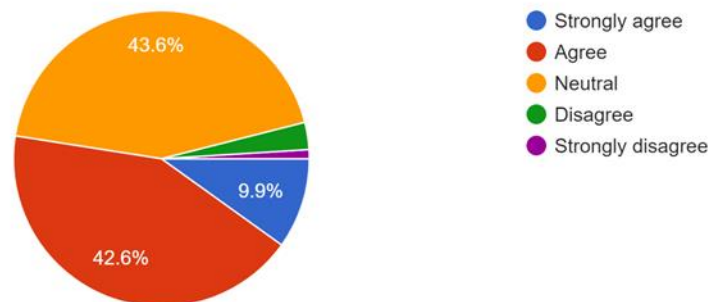
Table showing the opinion about whether “CRM is implemented at the quest of customer argue”

Particulars	Respondents	Percentages
Strongly agree	10	10
Agree	42	42
Neutral	43	43
Disagree	3	3
Strongly disagree	1	1
Total	100	100

(Source: Primary data)

Figure 3.21

Figure showing the opinion about whether “CRM is implemented at the quest of customer argue”



INTERPRETATION: This study shows whether CRM is implemented at the quest of customer argue. 10% strongly and 42% agrees that CRM is implemented at the quest of customer argue. 43% of the respondents are neutral. 3% disagree and 1% strongly disagree are of the opinion that CRM is implemented at the quest of customer argue.

Table 3.22

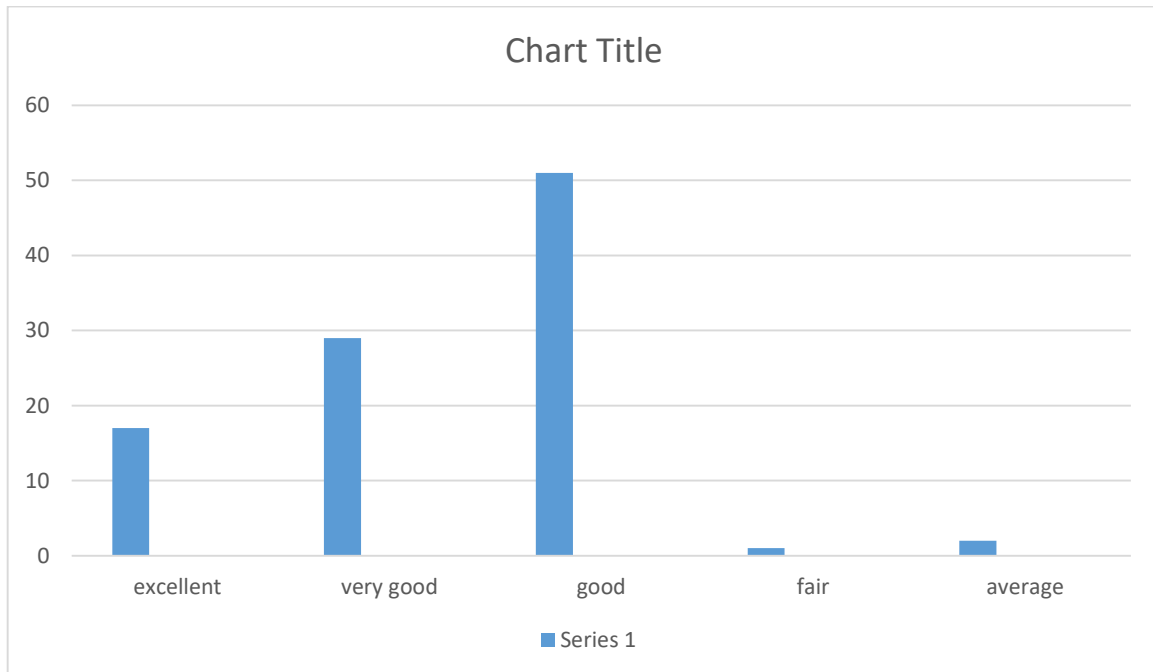
Table showing the level of satisfaction with CRM system

Particulars	Respondents	Percentages
Excellent	17	17
Very Good	29	29
Good	51	51
Fair	1	1
Average	2	2
Total	100	100

(Source: Primary data)

Figure 3.22

Figure showing the level of satisfaction with CRM system



INTERPRETATION: This table shows the level of satisfaction with CRM system. 17% of the population is highly satisfied, 29% of the population is very well satisfied, 51% is goodly satisfied, 1% of the population is fairly satisfied and 2% of the population is average.

Table 3.23

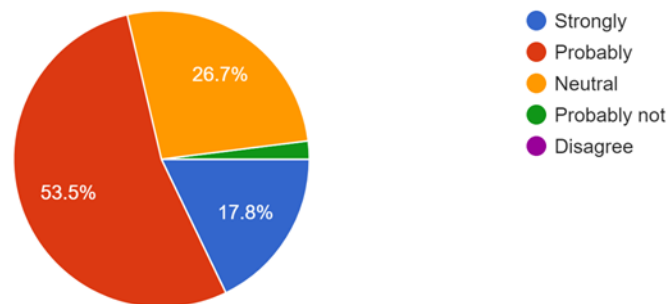
Table showing the opinion about whether respondents recommend the bank to others

Particulars	Respondents	Percentages
Strongly	18	18
Probably	53	53
Neutral	27	27
Probably not	2	2
Disagree	0	0
Total	100	100

(Source: Primary data)

Figure 3.23

Figure showing the opinion about whether respondents recommend the bank to others



INTERPRETATION: This study shows whether respondents recommend the bank to others. 18% strongly and 53% will probably recommend bank to others. 27% of the respondents are neutral. 2% of the respondents will not recommend the bank to others.

CHAPTER 4

FINDINGS

SUGGESTIONS

AND

CONCLUSIONS

INTRODUCTION

In this project we have discussed about various techniques of customer relationship management adopted by private sector banks in Ernakulam district. We have taken certain methods, reference and analysis to make the study more clear and defined. The final findings, conclusions and our suggestions to improve customer satisfaction and CRM techniques are given below.

4.1 FINDINGS

1. Most of the respondents are male
2. More than half of the respondents belong to the age group between 16-25.
3. Most of the respondents belongs to the category of students.
4. 37% of the respondents were those having no income
5. 60% of the respondents were from Federal bank
6. 53% of the respondents have been holding their account for 1-3 years
7. Better services provided by bank can be considered as the best CRM technique (38%) among the various techniques.
8. Improved customer satisfaction is the benefit availed through CRM activities
9. Lack of knowledge and skills of customers is the barrier faced while implementing CRM techniques by bank.
10. Listening to customers can be preferred as best customer retention strategy.
11. CRM techniques has improved customers banking experience
12. Respondents have been receiving personalised offers from the bank based on their banking needs.
13. There is a partial opinion that bank customer services team contacts customers to address their concern.
14. Majority of respondents are unaware about advanced CRM technique such as machine learning or predictive analysis
15. Bank collects customer feedback in a proper manner
16. CRM creates customer awareness about different services offered by bank
17. Bank offers loyalty reward or incentive for being a regular customer
18. Most of the respondents are satisfied with the data privacy and security provided by the bank.
19. Banks are in a good position for the redressal of complaints from the customers.
20. Customer relationship management helps to create an all-round friendly environment.

21. Banks implements CRM technique at the quest of customer argue.
22. More than half of the respondents are ready to recommend the bank to others.
23. Customers has a good overall experience of using the banks CRM system.

4.2 CONCLUSION

Due to the development of information technology, the service industry in India is expanding quickly and making a fairly outstanding contribution to economic growth. Among the many services offered in the service sector, banking services play a crucial part in the growth of each individual customer's commercial and social life. Following liberalisation and globalisation, maintaining good customer interactions has emerged as an essential concern. The main goal of this study is to deepen long-term relationships between the bank and its customers by enhancing the quality of those relationships. One of the key factors in converting a potential client into a devoted client is the calibre of the bank's services, which serves as the cornerstone for the business to draw in, keep, and improve client relationships. The study will be helpful to the banking industry in understanding customer expectations and perceptions of banking services. Bankers can also determine how well they are able to sustain client relationships and what steps they might take to strengthen them. In order to treat consumers like royalty when it comes to bank services, the term "CRM" may be stressed. A bank must be both high tech and high touch in order to succeed.

4.3 SUGGESTIONS

- Bankers should inform and educate customers about the range of services available through customer meetings.
- Programmes for raising awareness should be offered, and they should do so in a way that appeals to individuals of all ages.
- Bank workers must be approachable with clients without compromising the institution's policies.
- Banks must implement innovative techniques that leave customers ecstatic with the calibre of their services
- In order to gain the trust of customers, banks must quickly recognise, assess, and resolve the issues that arise when customers use their services.
- In today's competitive environment, customers' expectations are rising to levels that bankers are unable to predict, according to the study's findings, which show that there is a significant gap between what customers expect and what customers perceive about specific CRM practises in the banking industry. In order to combat this, banks must work to produce differentiated products and services that will draw in and keep both current and potential consumers.
- Banks should engage with consumers in regular communication and solicit their feedback on any issues or grievances they may have.

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- [6] Anamica Chopra & Usha Arora (2013), "An Analysis of the Gap Between Customers' Expectation and Perception Regarding Selected CRM Practices in Public and Private Sector Banks", The IUP Journal of Bank Management.

WEBSITES

<https://scholar.google.com/>

APPENDIX

QUESTIONNAIRE

A STUDY OF VARIOUS TECHNIQUES OF CUSTOMER RELATIONSHIP
MANAGEMENT ADOPTED BY PRIVATE SECTOR BANKS IN ERNAKULAM DISTRICT

NAME:

1. Gender:

- Male
- Female
- Refer not to say

2. What is your age?

- 16-25
- 25-35
- 35-50
- 50-60
- Above 60

3. What is your occupation?

- Student
- Business
- Professional
- Employee
- Others

4. What is your annual income?

- No income
- Below 1 Lakh
- 1-5 Lakh
- 5-10 Lakh
- Above 10 Lakh

5. Name the bank to which you belongs?

- Federal Bank
- ICICI Bank
- CANARA Bank
- HDFC Bank

6. How long associated with the bank?

- 1-3 Years
- 4-6 Years
- 7-9 Years
- More than 9 Years

7. What are the various techniques provided by the bank?

- Reputation/brand name
- Value added services
- Better service
- Convenience
- Cost effective
- Other influence

8. What is the advantage obtained through CRM techniques?

- Leverage a 360 degree of view of every customer
- Improve customer retention
- Enable quicker process
- Use insights to improve sales
- Make your staff more productive
- All of the above

9. What is the barriers faced while implementation of CRM techniques?

- Lack of knowledge and skills of customers
- Data security
- Highly expensive
- All of the above

10. Which is the best customer retention strategy used by banks?

- Robust customer journey
- Database management
- Setting expectations
- Listening to customers
- Make it personal
- Stay in touch

11. Do you think CRM technique improved your banking experience?

- Yes
- No
- Maybe

12. Have you ever received any personalised offers from the bank based on your banking needs?

- Yes
- No
- Maybe

13. Have you ever been contacted by bank customer services team to address your concern?

- Yes
- No
- Maybe

14. Has your bank implemented any advanced CRM technique such as machine learning or predictive analysis?

- Yes
- No
- Maybe

Rate your level of agreement with each factor

15. Bank collects customer feedback in a proper manner

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

16. CRM creates customer awareness about different services offered by bank

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

17. Bank offers loyalty reward or incentive for being a regular customer

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

18. Bank ensures data privacy and security

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

19. Redressal of complaints

- Excellent
- Good
- Average
- Bad
- Worst

20. CRM creates all round friendly environment

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

21. CRM is implemented at the quest of customer argue

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

22. How likely are you to recommend the bank to your friends or family

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

23. How do you rate the overall experience of using the bank CRM system?

- Excellent
- Very good
- Good
- Fair
- Average

