

An analytical study of CRM practices of Bajaj Finserv

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Abstract:

CRM is a business model that aligns product and sales strategies with customer requirements and preferences. Services are then provided in a timely manner using the channels that are preferred by the customers.

The online communities can be used for various CRM functionalities like Campaign Management, Consumer Segmentation, Response Management and Response Modeling, Contact Management and Account Management. Business Online communities can hence serve as an online platform for Campaign Management, providing an opportunity to segment consumers on the basis of their interactions with the organization, rather than those based on simple demographics. Appropriate targeting strategies can be developed for different consumer segments. Consumers interacting with organizations can be segmented on the basis of their Individual Network Values, their Degree information comprising details of interactions with partner organizations. The models developed for respective campaigns can be used for future segmentation and targeting efforts. If a suitable model is developed, for consumer profiling or analysis, then the model can be run for other segments to find better prospects. They can be made the targets of subsequent campaigns. This research thesis aims at developing.

With the aim of learning how to attract Customer are carried out in Bajaj Finserv. Researcher has chosen the Bajaj Finserv Wardha While carrying out the research Researcher will also learn how to deal with the customer what sort of activity they are carried out to maintain relationship with customer and also Researcher will try to figure out what are the problems or errors in there system at the end of research Researcher will provide them possible solution.

Keyword: CRM, Bajaj Finserv, customer retention

1. Introduction

Customer relationship management (CRM) is a system for managing a company's interactions with current and future customers. It often involves using CRM to organize, automate, and synchronize sales, marketing, customer service, and technical support.

CRM is a business model that aligns product and sales strategies with customer requirements and preferences. Services are then provided in a timely manner using the channels that are preferred by the customers. Effective CRM starts by focusing on the development of business strategies and by aligning an organization to serve customers. These business strategies are then executed using CRM technology solutions. The most successful business strategies are developed only after an organization learns about customers' behavior patterns and attitudes. Behavior studies show what products or services have been purchased in the past and what products or services are currently being bought. Attitudes studies show what customers are thinking and feeling about future buying decisions. Uncovering customers' behavior patterns and attitudes involves collecting relevant transactional and survey data, placing the data into a data repository, and then applying analytical techniques. After the information is collected from the data, an actionable business plan can be developed to create the multi-channel customer contact strategies that offer the optimal

products or services. This paper explores the traditional approaches to implementing CRM in the financial industry. It also highlights the major issues facing the industry in implementing such solutions.

There are four trends reshaping the world of business technological advances and the speed with which new technologies are created and copied, the loss of geographic advantage resulting from globalization, the shake-up of traditionally stable industries as a result of deregulation and the rising power of the consumer and their ability to get what they want, when they want it, from never they want. With this in mind, the relationship experience becomes one of the greatest competitive aspects for a business's survival. This has made companies realize the significance.

The value of targeting the right kind of customers has become so important that the entire success and failure of an organization depends on customer acquisition and retention. It is for this reason that CRM has become very important in marketing in the form of CRM. To provide a wholesome understanding about customers, effective data generation understanding about customers, effective data generation and data analysis is very important. Backed with appropriate data mining, organizations can reap such benefits.

1.1 Need of the Study

A detailed literature review helped understand the lacunae in the existing literature. Significant research had been undertaken by researchers worldwide with respect to classifying online community typologies, understanding individuals online, the role of online community in shaping and impacting individual behavior, the power of social networks and so on. While research has been pursued in the domains of CRM, CRM using Online Communities on the internet seemingly appeared to be an untapped area. Also, use of Online Communities as a useful tool for Customer Experience Management was an untouched arena.

Internet Marketing and CRM perspective appears to have been inadequately handled. As part of my previous work in my previous organization, "Standard Chartered Bank" I have worked with Content data, Contextual data and Analytical data. There are three fundamentally different types of CRM information resources-Content data, Contextual data and Analytical data. Each requires different tools and methods for appropriate management and use within an organizational CRM strategy. It is the effective integration of information across these resources that drives an organizational CRM strategy and related business intelligence processes.

Contacts management applications through the collection and maintenance of more robust contextual customer information. An online community can be used in this reference by preserving the context of the consumer interaction. I proceeded to derive both research questions and hypotheses to test within future studies after considering already published research in the domain.

1.2. Objective of Study

- To study the current practices of Customer Relationship in Bajaj Finserv.
- To find out the new Technique to attract the customer in Bajaj Finserv.

2. Literature Review

Khurana (2010), on the other hand, discusses the concept of customer relationship management in a great detail, and also addresses advantages and disadvantages associated with a range of relevant software applications. The third edition of Pradan's (2009) "Retailing Management" is another noteworthy source that is going to be used in the study.

CRM system helps companies to keep and record the customer information, like their goals, needs and events. Moreover, saved knowledge is updated into the CRM system, so that the customer's information will be up to date without being outdated. With these connections the information is always expands in the CRM system that enhances the profile data for customers and works like a strong instrument in making business decisions.

Greenberg stated that through developing the total lifetime value of customer, CRM can raise the true economic worth of a business. Moreover successful CRM strategies promote customers to purchase more products, stay loyal for longer periods and be in touch effectively with a company.

Curry and Kolou quoted some benefits and reasons for adoption of CRM. Customers from the competition will desire come your organization, Simplify customer-focused internal organization will make simpler the infrastructure, decrease the workflow and remove non-productive information process, and Profits will increase from more satisfied customers and more integrated focused company.

Since adopting CRM will provide a lot of benefit in firms and their process, it would be helpful to clarify results and benefits of implementing CRM for them. Therefore, they will have a good background about the results and incomes from using CRM applications.

As we mentioned above, most of the previous studies on customer relationship management (CRM) focused mainly on exploring CRM benefits from organizational and managerial point of view, and there is a few studies that specifically concentrate on customer's point of view. However, finding this benefits and reinforcing them in the company will effect on the satisfaction of the customers. We had reviewed some of the previous research and studies since 2005 to 2012 which were about the CRM and its benefits. It will help to find the benefits which are critical for customers. For this reason we reviewed around 60 papers and select those studies that were mentioned benefits of CRM for customers too. Because of the limitation of our domain search, only 15 papers were recognized that were exactly mentioned and discussed about the CRM benefits from customer's sides. Of course, these studies and others had mentioned some other benefits of CRM form other views but, here we focused on the benefits which are for customers only.

3. Research Methodology

The study is based on both primary and secondary data. 40 Customers of Bajaj Finserv were observed during the study. Standard questionnaire have been used during the study. The data from these customers were collected by taking interviews.

Socioeconomic factors such as age, income, occupation and gender are some of the important determinant in the decision of Bajaj Finserv. The study is conducted with reference to the customers of Wardha city, Maharashtra. The demographic profile of the respondents is analyzed on the basis of age, monthly income, gender and occupation

4. Findings

- The consumer decision to purchase Bajaj Finserv product from different finance companies can be affected by several factors like age, gender and income level,
- Out of the responses obtained from 40 Customers. 12 customers who are Housing finance purchased from Bajaj Finserv, 8 customers who are Vehicle finance purchased from Bajaj Finserv, 20 customers who are personal loan purchased from Bajaj Finserv, 0 customers who are other product purchased from Bajaj Finserv,
- Out of the responses obtained from 40 Customers. 36 customers refers to other people to purchase the services of BajajFinserv& 6 customers are not refers to other people to purchase the services of Bajaj Finserv.

- Out of the responses obtained from 10 Employees. 3 employees are extremely satisfied, 3 employees are satisfied, 4 employees are neutral, 0 employee are dissatisfied & 0 employee have no experience of CRM assist to increase productivity.
- Out of the responses obtained from 10 Employees. 2 employees are extremely satisfied, 6 employees are satisfied, 2 employees are neutral, 0 employee are dissatisfied & 0 employee have no experience of CRM is tool for enhancing employees performance.

5. Recommendations

- Provide support to CRM (processes and financial products) in a more systematic manner, with pre-feasibility studies and pilot tests to ensure that key CRM contribute to design and better manage risks.
- CRM Technology affects overall organization so adopt new CRM technology which may lead to higher profit.
- Outdated CRM technology leads to higher cost so there need to adopt new CRM technology according to upcoming time.
- In present competitive world, customer satisfaction has become an important aspect to retain the customers, not only to grow but also to survive. Customer service is the critical success factor and private finance Company through their best services would be able to reposition and differentiate itself from Bajaj Finserv.
- Bajaj Finserv should come up with innovative tailor-made products with high risk cover, more return and low Interest Rate to attract more number of customers.
- Bajaj Finserv should devise policies which provide effective risk coverage rather than focusing on the tax benefits and also encourages them for long term investment.
- Don't underestimate how much time it will take to migrate existing data Make sure key staff are involved Use this as a chance to rethink how you do things
- There should be more and more emphasis given by the company for satisfying the customer up to a apex limit and by providing the utility of every penny of his money
- There should be more use of information technology.
- The company should be flexible to bend its rules and procedures in the client's favors.
- The company can communicate and develop stronger customer bonding by providing social and financial benefits

6. Conclusion

Bajaj Finserv is an important form of Finance and essential for every individual. Bajaj Finserv penetration in India is very high as compare to developed nation where almost all the lives are covered and stage of saturation has been reached. Customers are the real pillar of the success of Finance business and thus it's important for insurers to keep their Customers satisfied and retained as long as possible and also get new business out of it by offering need based innovative. There are many factors which affect customers investment decision in financial and from the study it has been concluded that demographic factors of the people play a major and pivotal role in deciding the purchase of Bajaj Finserv. Customer & employee both people satisfied CRM system.

Improving current CRM technologies will help gather information faster in order to perfect and expand better decision making. From the above study we can conclude CRM affect overall organization. The attention toward the CRM technology is very important because CRM technology is very flexible thing for change. The impact on financial position, employee performance, and customer satisfaction. The CRM technology may lead to low cost transaction of organization.

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