

AN ANALYSIS OF CRM IN STATE BANK OF INDIA AT VIRUDHUNAGAR DISTRICT

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Abstract: In India, the banking service is an vital component of services sector. The share of banking and insurance sector within the services industry has burgeoned from 2.88 per cent of Gross Domestic Product in 1980-81. In the recent years the presence of a number of private sector and overseas banks has made the Indian Market more competitive. Increasing rivalry has forced the banks to think of better ways and means of generating revenues from different sources, other than conventional borrowing and lending services. (CRM-Customer Relationship Management, SBI –State Bank of India , ATM-Automated Teller Machine ECS-Electronic clearing system)

INTRODUCTION

The services sector in India is the most significant sector, which contributes mostly to the national economy. In India, the banking service is an vital component of services sector. The share of banking and insurance sector within the services industry has burgeoned from 2.88 per cent of Gross Domestic Product in 1980-81 to 6.77 percent in 1997-98.¹ It has been so due to the enlarged significance of financial services in post-reforms era.

In the recent years the presence of a number of private sector and overseas banks has made the Indian Market more competitive. Increasing rivalry has forced the banks to think of better ways and means of generating revenues from different sources, other than conventional borrowing and lending services. The onset of competition from the private players and initiation of banking reforms since early 1990s have led to an increased stress on efficient customer service.² Besides, in the hard-hitting aggressive field in which these banks work today, keeping up the nature of administration is a pre-essential for survival. Consequently, estimation of CRM nature of administration has progressively made an enthusiasm among the banks and researchers alike.

The incredible changes complete over the world because of the gigantic upsurge in the field of data innovation have begun reflected in all actualities of our life. Contrasted with the speed at which the imaginative changes are occurring far and wide, even the pace at which it is shown in India seems, by all accounts, to be bit moderate. Interconnectivity of PC the nation over and universally through the web has opened a flourishing of chances in each field of life. Greatest use of innovation based digital instruments with an intend to arrive at the customers worldwide is the advertising methodology each business outfit is wanting to confront the worldwide challenge.

The outcome has prompted the surfacing of CRM. Electronic banking is an online administration that empowers a bank's buyers ideal to utilize their record. It allows the record holder to enter to the bank's authentic site with the client's interesting ID number. The Information innovation frame works check the recipient and offer authorization to utilize the administrations. The assortment of items and administrations are offered by each bank generally in their substance. Despite the fact that most banks offer CRM as a worth included administration, CRM has additionally prompted the development of another sort of banks called "virtual banks" which work through the web and don't exist physically.

The most huge advantage of web banking is the precise one, one can utilize the banking consistently. No compelling reason to hang tight for the financial exchange in line. It keeps away from client whittling down and improves the altruism of the bank among the customers. From the brokers side, CRM significantly diminish exchange costs for the banks.

STATEMENT OF THE PROBLEM

Banks assume an essential job in the financial improvement of our nation. Banks offer a few offices to upgrade the way of life of our natives. Today client is the ruler of the market. To accomplish the upper hand, Indian banks need to concentrate on the client. In present day time, every single bank is understanding the significance of association with client to make due in the aggressive world. CRM is center around making, fulfill and holding client through solid administrations.

In India there is huge number of open part banks yet there market position isn't exactly great when contrasted with private areas. Legitimate CRM procedure can be utilized by these banks to endure adequately in this focused world. Deep rooted association with clients is the way to progress for any bank. Client Relationship Management is significant for the development and productivity of banks in the present age. In this way, in this paper the analyst has talked about the Role of Customer Relationship Management (CRM) in SBI in Virudhunagar District.

OBJECTIVES OF THE STUDY

1. To examine the customer opinion regarding the various CRM dimensions in SBI
2. To offer suggestions based on the findings, for improving the CRM.

¹Economic Times, 2000, p.4.

²Narsimham Committee Report, 1991, p.27.

HYPOTHESIS

H₀: There is no significant difference between expected and perceived with respect to Competence.

H₀: There is no significant difference between expected and perceived with respect to Access & Courtesy.

H₀: There is no significant difference between expected and perceived with respect to Communication

H₀: There is no significant difference between expected and perceived with respect to Credibility.

H₀: There is no significant difference between expected and perceived with respect to Security.

H₀: There is no significant difference between expected and perceived with respect to Understanding.

Difference between expected and perceived with respect to Competence

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Difference between expected and perceived with respect to Competence

Competence	Expected		Perceived		Paired Differences		t value	p value
	Mean	SD	Mean	SD	Mean	SD		
Transfer of fund is easier through CRM	3.96	0.566	4.25	0.872	-0.287	0.702	-9.717	0.000**
CRM provides more punctuality, transparency, accountability	4.03	0.685	4.18	0.602	-0.147	0.881	-3.968	0.000**
Transfer of funds is faster as compared to manual banking system.	4.07	0.532	4.25	0.872	-0.179	1.170	-3.634	0.000**
It is trusted by young generation.	3.92	0.850	4.35	0.719	-0.433	1.243	-8.263	0.000**

Note: ** denotes significant at 1% level of significance.

The value of P is less than 0.01, null hypothesis is rejected at 1% level of significance with reference to the measurement of Transfer of fund is easier through CRM, CRM provides more punctuality, transparency, accountability, Transfer of funds is faster as compared to manual banking system and It is trusted by young generation. Hence there is significant difference between expected and perceived with reference to the measurement of Transfer of fund is easier through CRM, CRM provides more punctuality, transparency, accountability, Transfer of funds is faster as compared to manual banking system and it is trusted by young generation.

Difference between expected and perceived with respect to Access & Courtesy

H₀: There is no significant difference between expected and perceived with respect to Access & Courtesy.

Difference between expected and perceived with respect to Access & Courtesy

Access & Courtesy	Expected		Perceived		Paired Differences		t value	p value
	Mean	SD	Mean	SD	Mean	SD		
CRM services are accessible	4.07	0.752	4.36	0.613	-0.287	0.838	-8.139	0.000**
Online purchases of goods and services including online payment are easier	4.21	0.491	4.25	0.635	-0.037	0.777	-1.138	0.256
It provides convenient location of service facility	4.07	0.841	4.21	0.490	-0.145	1.125	-3.070	0.002**
It reduces the waiting time to receive the service.	3.93	0.751	4.10	0.673	-0.176	1.069	-3.899	0.000**
It helps in better customer relationship, attracting and retaining them.	4.04	0.905	4.06	0.931	-0.028	1.246	-0.541	0.589

Note: ** denotes significant at 1% level of significance.

The value of P is less than 0.01, null hypothesis is rejected at 1% level of significance with reference to the measurement of CRM services are accessible via Internet banking, Mobile banking, EFT, ECS, ATM, It provides convenient location of service facility (location of ATM, POS terminals) and It reduces the waiting time to receive the service. Hence there is significant difference between expected and perceived with reference to the measurement of CRM services are accessible via Internet banking, Mobile banking, EFT, ECS, ATM, It provides convenient location of service facility (location of ATM, POS terminals) and It reduces the waiting time to receive the service.

There is no significant difference between expected and perceived with reference to the measurement of Online purchases of goods and services including online payment are easier and It helps in better customer relationship, attracting and retaining them. The value of P is greater than 0.05. Hence the null hypothesis is accepted with reference to the measurement of Online purchases of goods and services including online payment are easier and It helps in better customer relationship, attracting and retaining them.

Difference between expected and perceived with respect to Communication

H₀: There is no significant difference between expected and perceived with respect to Communication

Difference between expected and perceived with respect to Communication

Communication	Expected		Perceived		Paired Differences		t value	p value
	Mean	SD	Mean	SD	Mean	SD		
CRM explains the service itself	4.18	0.804	4.10	0.728	0.078	1.197	1.548	0.122
It explains the cost of service being used	3.86	0.988	4.25	0.738	-0.392	1.316	-7.074	0.000**
It assures the customer that problem will be handled	4.11	0.818	3.93	0.999	0.181	1.134	3.789	0.000**
It explains the tradeoff between service and cost	4.11	0.673	4.14	0.637	-0.032	1.084	-0.699	0.485
CRM provides up to date information	4.00	0.756	3.82	0.852	0.188	1.081	4.128	0.000**
It also provides information for well educated customers	4.07	0.652	4.04	0.682	0.030	0.947	0.756	0.450
CRM provides effective medium of promotion of various schemes	4.14	0.744	3.97	0.824	0.174	0.891	4.631	0.000**

Note: ** denotes significant at 1% level of significance.

The value of P is less than 0.01, null hypothesis is rejected at 1% level of significance with reference to the measurement of It explains the cost of service being used, It assures the customer that problem will be handled, CRM provides up to date information and CRM provides effective medium of promotion of various schemes. Hence there is significant difference between expected and perceived with reference to the measurement of It explains the cost of service being used, It assures the customer that problem will be handled, CRM provides up to date information and CRM provides effective medium of promotion of various schemes.

There is no significant different between expected and perceived with reference to the measurement of CRM explains the service itself, It explains the tradeoff between service and cost, It also provides information for well educated customers. The value of P is greater than 0.05. Hence the null hypothesis is accepted with reference to the measurement of CRM explains the service itself, It explains the tradeoff between service and cost, It also provides information for well educated customers.

Difference between expected and perceived with respect to Credibility

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Difference between expected and perceived with respect to Credibility

Credibility	Expected		Perceived		Paired Differences		t value	p value
	Mean	SD	Mean	SD	Mean	SD		
CRM increases the reputation of the banks	4.03	0.780	3.93	0.703	0.106	0.772	3.272	0.001**
It increases believability, honesty and trustworthiness of the customers in banks	4.03	0.780	4.14	0.519	-0.110	0.901	-2.897	0.004**
It ensures the ability to fulfill the requirement	4.15	0.695	4.14	0.641	0.002	0.706	0.060	0.952
Degree of reliability involved in Interaction with customer is more in e- banking	4.11	0.725	3.82	0.657	0.285	0.919	7.380	0.000**
It provides unlimited network to the banks to approach customers	3.93	0.842	3.93	0.704	-0.004	1.252	-0.067	0.946

Note: ** denotes significant at 1% level of significance.

The value of P is less than 0.01, null hypothesis is rejected at 1% level of significance with reference to the measurement of CRM increases the reputation of the banks, It increases the believability and Degree of reliability involved in Interaction with customer is more in e- banking. Hence there is significant difference between expected and perceived with reference to the measurement of CRM increases the reputation of the banks, It increases the believability and Degree of reliability involved in Interaction with customer is more in e- banking.

There is no significant different between expected and perceived with reference to the measurement of It ensures the ability to fulfill the requirement and It provides unlimited network to the banks to approach customers. The value of P is greater than 0.05. Hence the null hypothesis is accepted with reference to the measurement of It ensures the ability to fulfill the requirement and It provides unlimited network to the banks to approach customers.

Difference between expected and perceived with respect to Security

H₀: There is no significant difference between expected and perceived with respect to Security.

Difference between expected and perceived with respect to Security

Security	Expected		Perceived		Paired Differences		t value	p value
	Mean	SD	Mean	SD	Mean	SD		
CRM ensures physical safety of the transaction	4.25	0.635	4.11	0.674	0.142	0.743	4.535	0.000**
Password facilities provide confidentiality to transaction	4.18	0.805	4.18	0.603	0.000	1.034	0.000	1.000**
It also increases the financial security	4.18	0.928	4.21	0.560	-0.034	1.177	-0.680	0.497
Privacy can be easily maintained	4.08	1.066	4.21	0.620	-0.137	1.188	-2.729	0.007**

Note: ** denotes significant at 1% level of significance.

The value of P is less than 0.01, null hypothesis is rejected at 1% level of significance with reference to the measurement of CRM ensures physical safety of the transaction, Password facilities provide confidentiality to transaction and Privacy can be easily maintained. Hence there is significant difference between expected and perceived with reference to the measurement of CRM ensures physical safety of the transaction, Password facilities provide confidentiality to transaction and

Privacy can be easily maintained.

There is no significant different between expected and perceived with reference to the measurement of It also increases the financial security. The value of P is greater than 0.05. Hence the null hypothesis is accepted with reference to the measurement of It also increases the financial security.

Difference between expected and perceived with respect to Understanding

H₀: There is no significant difference between expected and perceived with respect to Understanding.

Difference between expected and perceived with respect to Understanding

Understanding	Expected		Perceived		Paired Differences		t value	p value
	Mean	SD	Mean	SD	Mean	SD		
It provides individualized attention to the customers	3.79	0.939	4.07	0.706	-0.282	1.222	-5.481	0.000**
It provides necessary information	4.04	0.865	4.10	0.559	-0.067	1.132	-1.414	0.158
Website of the bank is designed according to the need of the customer.	4.29	0.750	4.00	0.803	0.287	1.064	6.411	0.000**
CRM learns the specific requirement	4.29	0.701	4.03	0.824	0.252	1.089	5.488	0.000**
Banks use advanced Computer/IT to serve clients	4.18	0.602	4.25	0.739	-0.073	0.996	-1.734	0.083

Note: ** denotes significant at 1% level of significance.

The value of P is less than 0.01, null hypothesis is rejected at 1% level of significance with reference to the measurement of It provides individualized attention to the customers, Website of the bank is designed according to the need of the customer. It ensures to provide necessary information to the customer and CRM learns the specific requirement of the customer. Hence there is significant difference between expected and perceived with reference to the measurement of It provides individualized attention to the customers, Website of the bank is designed according to the need of the customer. It ensures to provide necessary information to the customer and CRM learns the specific requirement of the customer.

There is no significant different between expected and perceived with reference to the measurement of It provides necessary information to the customers and Banks use advanced Computer/IT to serve clients. The value of P is greater than 0.05. Hence the null hypothesis is accepted with reference to the measurement of It provides necessary information to the customers and Banks use advanced Computer/IT to serve clients.

CONCLUSION

Viable CRM programming has many propelled highlights which enable banks to connect with their clients and consequently assemble a long haul relationship, separates the challenge. CRM is never again discretionary for banks yet is significant for its prosperity. So the opportunity has already come and gone to be the bank your clients love with ideal CRM execution. To get by in the focused world, Indian financial part is understanding the significance client relationship the board to make the client steadfastness.

In this paper, I have examined the job of CRM in Indian Bank Sector. In a nutshell I might want to infer that client relationship the executives is probably the greatest test for the Indian financial area particularly for the open division banking segment, on the grounds that the consumer loyalty level in open segment banks are not attractive when contrasted with private segment banks. Dealing with the client is the thing that CRM is about. Only attention to CRM isn't adequate, legitimate complementation of CRM is must. Toward the end I need to recommend open banks to actualize CRM to hold the old clients. For gaining new customers open parts banks must need to give quality administration at less handling time and cost.

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