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## CUSTOMER RELATIONSHIP MANAGEMENT IN BANKS

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### ABSTRACT

Just as in other industries like retail or business in banking, CRM stands for Customer Relationship Management. A Customer Relationship Management solution in banking helps banks manage customers and better understand their needs in order to provide the right solutions, quickly. This research paper's objectives are study the concept of CRM. , examine the opinion of customers regarding service facilities, internet services, and customer interactions of management. To examine the objectives a survey method was conducted with 43 respondents. Data regarding this study is analysed with pie charts, line graphs and bar graphs. The research shows that positive impact of CRM in banks.

**Keywords:** CRM, Banks, Services, Relationships, Management

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### I. INTRODUCTION

Customer relationship management is the combination of practices, strategies and technologies that companies use to manage and analyze customer interactions and data throughout the customer lifecycle, with the goal of improving customer service relationships and assisting in customer retentions and driving sales growth.

Today, Indian banking industry is one of the largest in the world. CRM in the banking sector is of strategic importance. CRM is a holistic process of acquiring, retaining and growing customers. CRM assists banks in sales management with its sales module. It helps to identify and convert leads into prospective customers. CRM assists in the acquisition of new customers through the use of past track records and value they brought to the bank.

### II. LITERATURE REVIEW

In the research of wisskirchen (2006) , obtained results showed that banks perceived six crucial imperatives for attracting new customers and strengthening relationships with existing ones: appealing marketing messages, precise targeting of prospects, managing the experience, providing extra services along with basic ones, being different ,allowing customers lead conversations and making the foundation for customer led growth.

Giridhar (2009) observed that by satisfying the internal customers and building good relationships with them, the relationships with the external customers can also be retained satisfied by the banks.

Kumar Rajesh (2009) revealed that any bank that wishes to either grow in size of its banking operation or improve its profitability must consider the challenge affecting its customer relationships.

K .Ganeshmurthy (2010) mentioned in own study about various benefits of CRM just like lower cost of recruiting customers, no need to recruit so many customers to preserve a steady volume of business, reduce cost of sales, increased customers retentions and loyalty and evaluation customer profitability.

The research of Dahistrom et.al (2014) showed that trust is an element of a crucial importance in banking industry since establishment of relationships between customers and banks appeared to be a double sided problem since both parties can approach differently depending on the level of trust they have in other party.

Prof Sandeep Kumar mentioned(2016) that customer relationship management is one of the biggest challenges for the Indian banking sector especially for the public banking sector, because the customer satisfaction level in public sector banks are not satisfactory as compared to private sector banks.

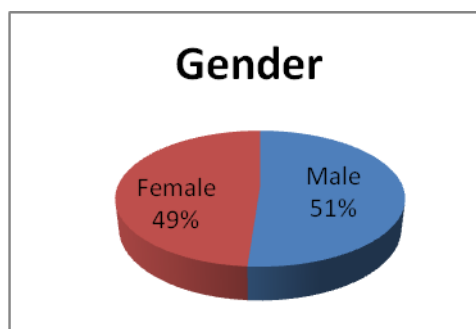
**OBJECTIVES OF STUDY**

- To study the concept of CRM
- To examine the opinion of the customers as to CRM of the banks with respect to services offered
- To analysis the opinion of customers as to CRM of the banks with respect to customer interactions of management
- To study the opinion of the customers as to CRM of the banks with respect to internet services.

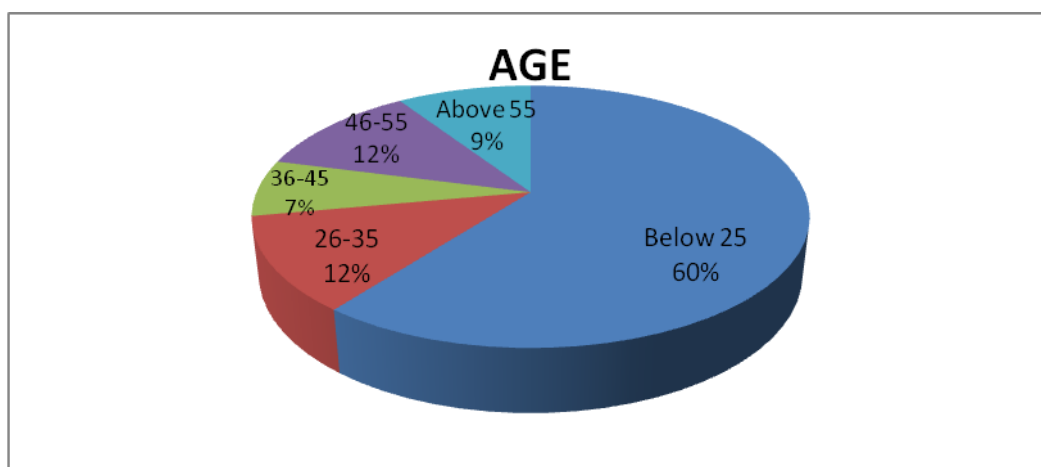
**III. RESEARCH METHODOLOGY**

This research work entirely depends on both primary and secondary data. Primary data is collected by ways of structured questionnaire by sending in social media like whatsapp, facebook. The secondary data is collected from published articles, bank authorities standard text book and internet sources. The data is analyzed through various diagrams like pie charts bar graphs, line graphs.

To examine the above objectives a survey method was conducted using a well structured questionnaire. In a total of 60 questionnaires distributed through social media, out of which only 43 questionnaire were received back.

**DATA ANALYSIS****Figure-5.1**

Pie chart 5.1 shows that 51% of the respondents were male and 49% of were female.

**Figure-5.2**

This figure shows the percentage of all respondents' age. It shows that it covers all the ages of groups for survey.

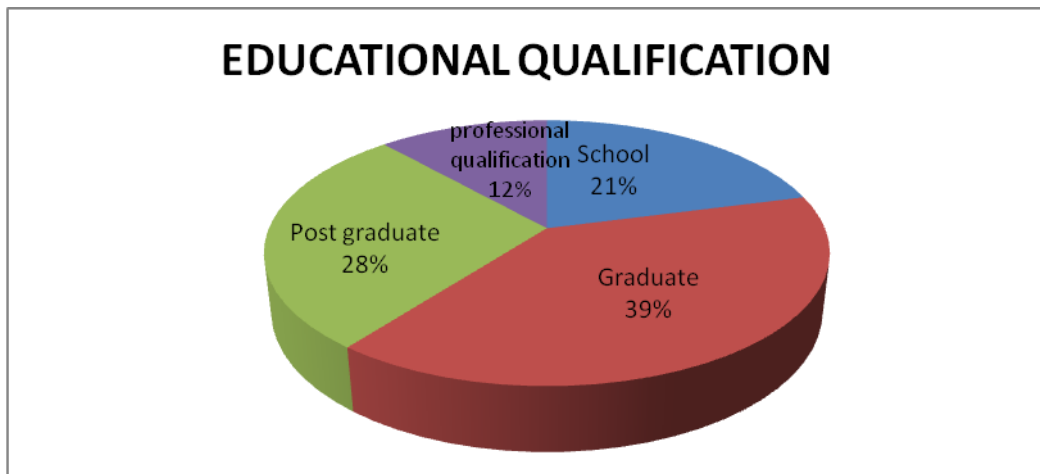


Figure-5.3

India’s literacy rate is increasing day by day. The overall literacy rate in India is 69.1 percent. This figure shows that how much the respondents are literate according to their educational qualification.

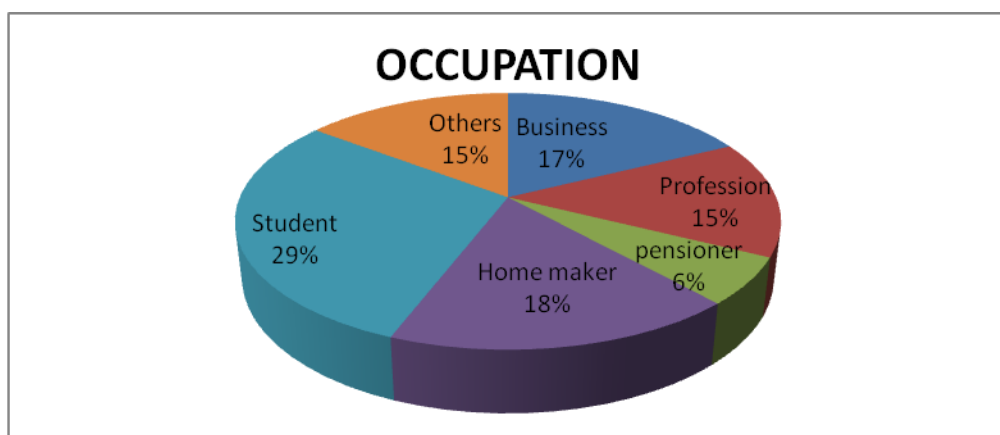


Figure-5.4

The above pie chart describes the percentage about the occupation of respondents.

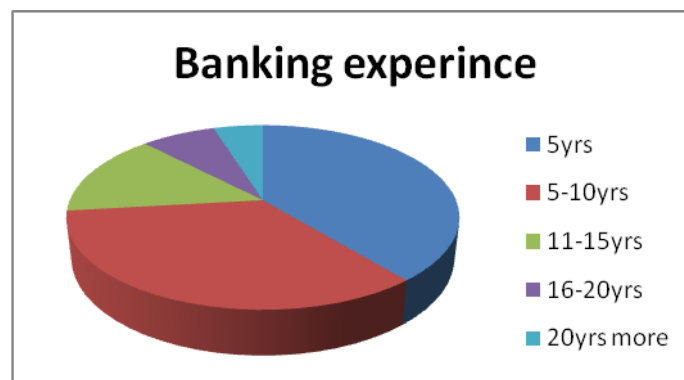


Figure-5.5

The above figure shows that how many years peple are dealing with banks for their service facilities.

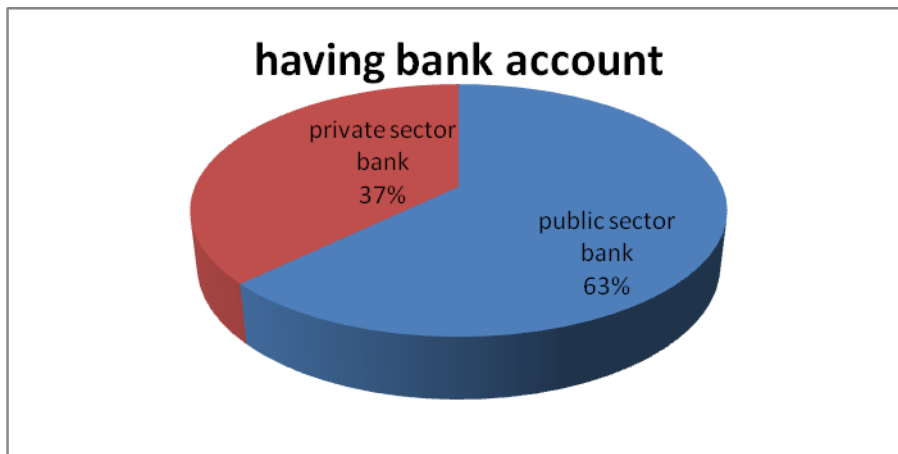


Figure-5.6

This pie chart indicates that people are using both private and public sector bank for their banking facilities

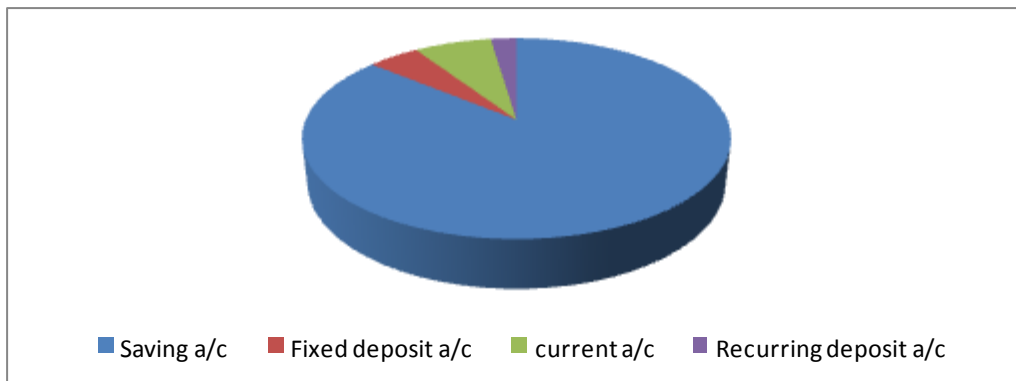


Figure-5.7

This figure indicates that most of the respondents have saving account with their banks

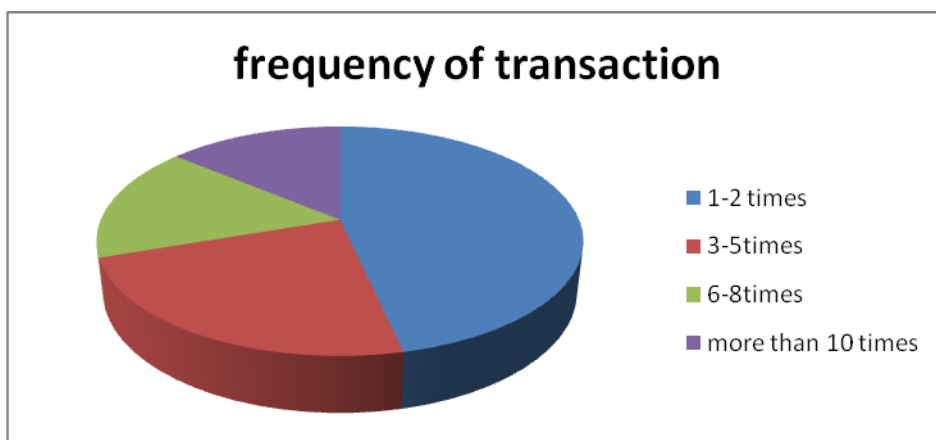


Figure-5.8

The above pie chart shows that how many times in a month people are contacting with bank in a month.

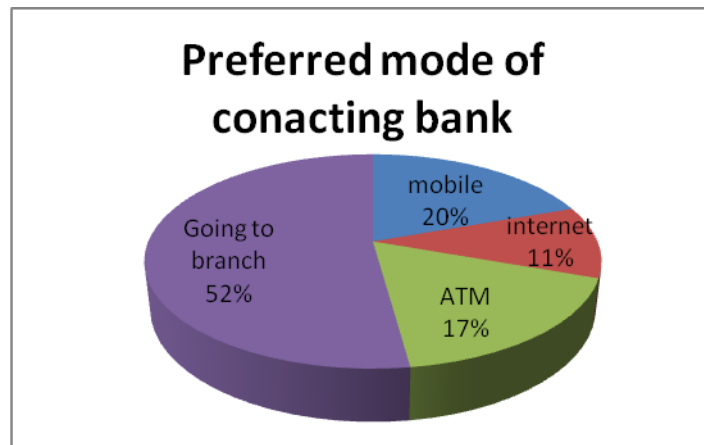


Figure-5.9

The above pie –chart shows that most of the people are still preferring to going to bank physically instead of internet facilities.

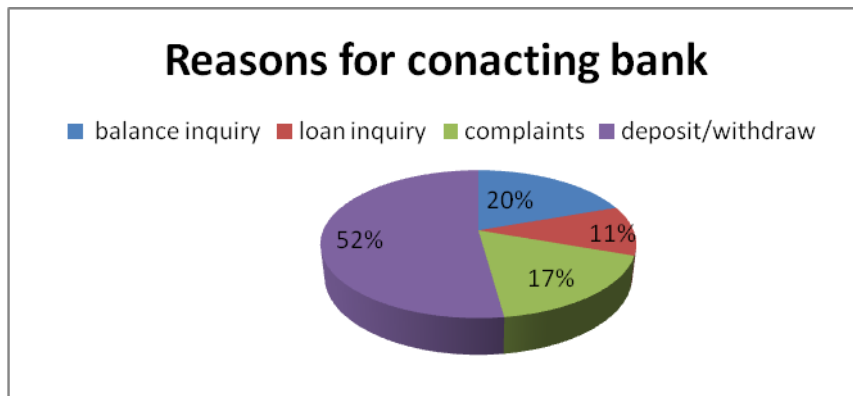


Figure-5.10

The above 5.10 figure pie chart indicates that most of the respondents are contacting bank either deposit or withdraw.

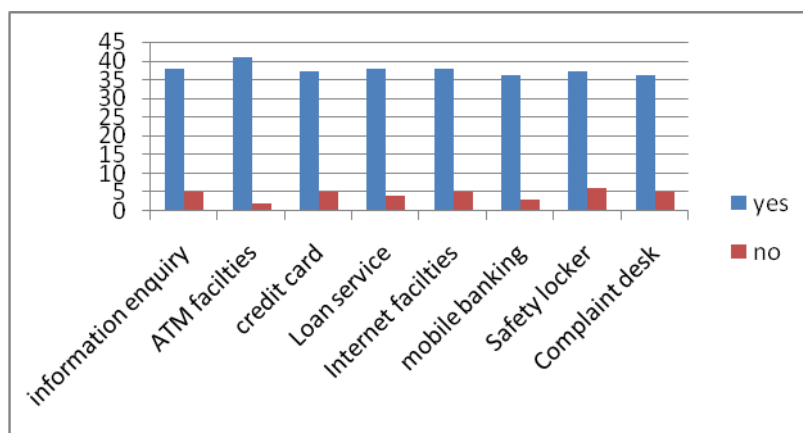


Figure-5.11 ( services offered by banks)

The above graph shows that banks are giving all the facilities to their customers.

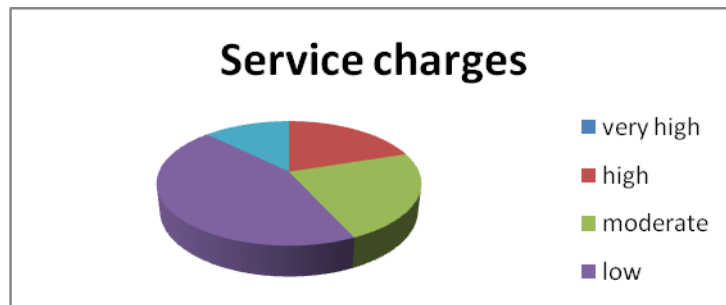


Figure-5.12 (opinion about service charges of bank)

The above pie chart shows that banks are charging their customers a nominal rate for their service .

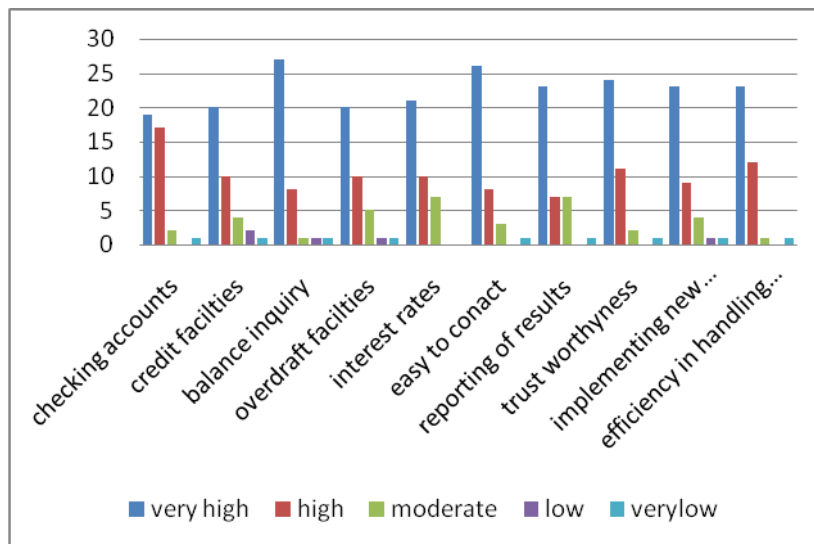


Figure-5.13(opinion regarding customer satisfaction)

The above line graph indicates that respondents are highly satisfied with the banking services.

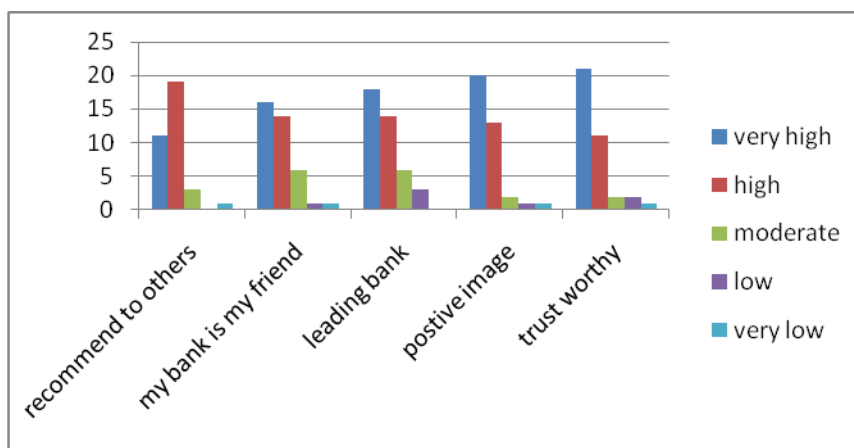


Figure-5.14( opinion regarding customer loyalty )

The above bargraph shows that customers are very loyal to their banks as they recommend to others ,they trust with their banks blindly etc.

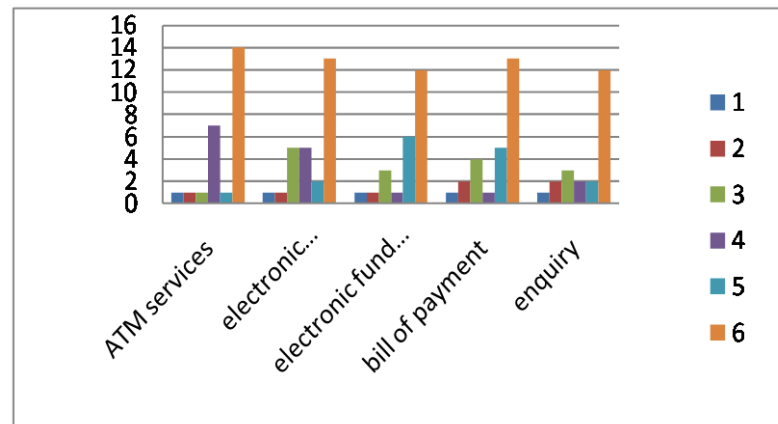


Figure-5.15 ( opinion regarding internet services 1 very low to 7 very high )

The above bargraph shows that respondents are highly satisfied with the internet services provided by their banks.

#### IV. RESULTS

The research work reveals that there is a positive impact of CRM in banking sector. Now banks are providing all the financial services like ATM, safety locker system, mobile banking internet banking services. Respondents are getting all other services like loan facilities, overdraft facilities, and various recent govt schemes for educational loan, home loans and for small medium business. Customers are highly satisfied with overall banking services.

#### V. CONCLUSION

With the research conducted, it has been found that there is a relationship between customer relationship management and customer satisfaction. CRM is one of the greatest approach and tool for gaining customer base and thereby surviving in this competitive environment. Now a day CRM with customer by banking sector used to get customer database, customer satisfaction level, customer loyalty, long time service, customer retention, to identify profitable customer for their bank.

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