

An analysis of satisfaction among the customers and Successful factors of Customer Relationship Management

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1.1 Introduction

CUSTOMER RELATIONSHIP MANAGEMENT emerged as leading business strategy adopted by all the organizations to have an interactions with the customers and to maintain a good rapport. The effectiveness of CRM can be measured by the satisfaction level of customers through the CRM activities. CRM system brings together lots of pieces of information about customers, customer characteristics, sales transactions, and marketing effectiveness, responsiveness, and market trends, however the main goal of a CRM system are to Enhance customer service, Improve customer service, identifying the valuable customer of the firms, Ensure customer retention by aligning business processes with technology integration.

The increasing number of organizations realizes the importance of customer-centric in today's competitive economy; The basic objective of this study is to improve quality of relationship between the bank and the customer and enriches with the long term relationship benefits. To convert a prospective customer into a loyal customer, one of the important aspects is the quality of services offered by the bank which acts as the foundation for the company to attract, maintain and enhances customer relations. hence this paper analyses the critical success factors of customer relationship management (CRM) which influences the satisfaction of the customers.

1.2. Statement of the Problem

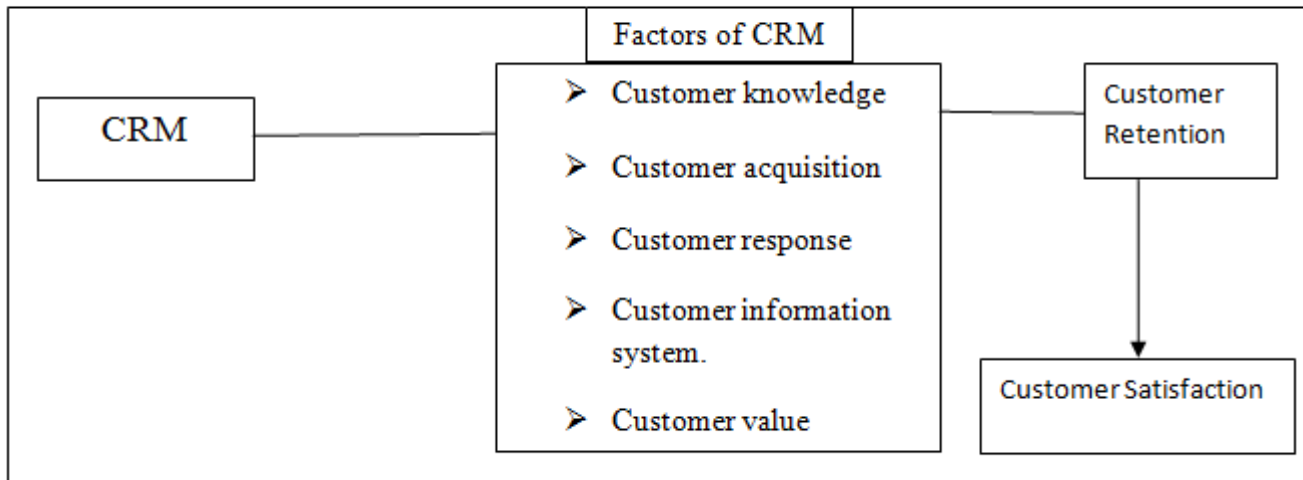
Modern Marketing philosophy advocates the concept of CRM that creates customer delight. This applies to all sectors of Sales and Marketing includes the banking. In the banking field a unique 'Relationship' exists between the customers and the bank. "Customers are the kings" is the slogan of all the banking industry. Hence the fundamental principle behind the banking industry is the customer satisfaction. Satisfied customers are more likely to be loyal and loyal customers with longer lifetimes increases the market shares and profits

But because of various reasons and apprehensions like financial burdens, risk of failure, marketing inertia etc., many banks are still following the traditional ways of marketing and only few banks are making attempts to adapt CRM. It is with this background, the researcher has made an attempt towards CRM which can be adapted uniformly in the banking industry for betterment of Banking Services. The role of CRM is to retain the customers with a greater satisfaction. Therefore the study focuses on the factors of CRM which influence the satisfaction level among the customers.

1.3. Objectives

1. To analyze the various factors of CRM.
2. To find out the satisfaction level among the loyal customers.

Conceptual model for the study



Conceptual model for the study

1.5. Data collection and Methodology

The present study has used both primary and secondary data. The primary data are collected through questionnaires prepared on five point scaling technique from the customers of State Bank of India. The researcher randomly selected 160 customers of state bank of India, in trichy region, Tamil Nadu, India. It includes all the customers who avail both loan facility and deposit.

1.4. Reliability Test

The researcher checked the reliability of the data through **cronbach's alpha** and the results confirmed that by a high consistency of **89.2 percent**.

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1.6. Questionnaire Design

The questionnaire framed for customers consists of two parts. The first part was designed to collect the data on demographic and personal characteristics. The second part includes the successful factors of CRM and the satisfaction level of customers. There are 40 items in the scale. The scale measures customer acquisition, customer information system, customer value evaluation, Customer Knowledge and customer satisfaction.

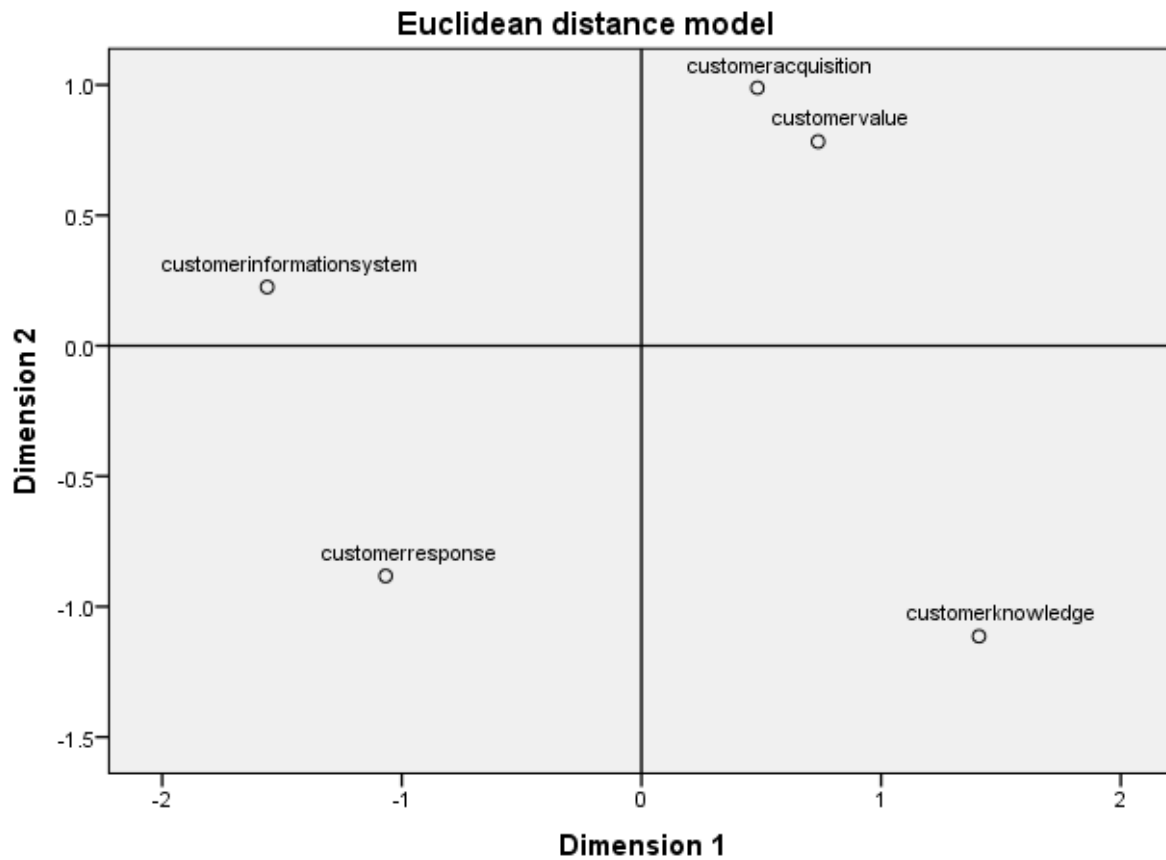
1.7. Tools and Techniques:A database was created using Statistical Packages for Social Sciences (SPSS). Data Editor with appropriate coding and statistical analysis was carried out. The tools such as Multi Scale dimension and descriptive statistics were applied to analyze the study.

1.8. Data Analysis and Interpretation:

1.8.1. Factors of CRM

Based on the first objective of this study, multi dimensional analysis is used to find out the successful factors of CRM.

TABLE 1.7.1.1
MULTI SCALE DIMENSION
Derived Stimulus Configuration



WORKING WELL	LOOKED IN TO	NEED ATTENTION
➤ Customer acquisition ➤ Customer value	➤ Customer knowledge ➤ Customer Information System	➤ Customer response

1.8.2. Analysis of Satisfaction level of Customers:

Based on the Second objective the level of satisfaction of customers is found out by taking the median values. By calculating the median, high level and low level are found out. When the value is less than median then it is considered as low level and when the value is at the median point and above median then it is considered as high level.

Table -1.7.2.1
LEVEL OF CUSTOMER SATISFACATION

Level of Satisfaction	Frequency	Percent
High level	100	62
Low level	60	38
Total	160	100.0

Customers - respondents were segmented on the basis of opinion towards the satisfaction level. Majority of the respondents falls in the high level and rest are in the low level opinion.

1.8.3. Examining the relationship between the customer Satisfaction and Factors of CRM, Customer retention.

Null Hypothesis: There is no significant association between the customer Satisfaction and Factors of CRM, Customer retention.

$\alpha = 0.05$

Pearsons Correlation between Customer satisfaction and Factors of CRM, Customer retention.

S.no	Variables	Correlation value	Statistical inference
1	Overall Factors of CRM	.077	P<0.05 Significant
2	Customer Retention	.096	P<0.05 Significant

The value under correlation, i.e., 0.96 is the r-value of Customer Retention. Since the r-value is positive and significance (2-tailed) value of .035(the p-value) is below 0.05, the null hypothesis is rejected and alternate hypothesis is accepted. It is inferred that overall factors of CRM and Customer Retention influences the Customer Satisfaction.

1.9 Suggestion:

- CRM in banking industry would enhance only if there is a personalized attention, face to face personal contact and interaction between the employees and customers takes place. Hence the customer Response is an important aspect contributing towards effective CRM.
- Awareness programs should be provided by the Bankers in order to educate and inform customers about the various facilities and services offered to the customers thereby increasing the customer Knowledge which is a contributing factor for the customer satisfaction.
- Bank employees should create a good rapport with customers without diluting the rules and regulations of the bank.
- Banks may adopt new methods with the latest technologies for the services offered to make its customer highly delighted with its quality of services.
- Bank employees must take immediate steps for grievances of the customers within a short span of time to win over the confidence of customers.

1.10. Conclusion

CRM is need of an hour in the banking industry to enhance the relationship and satisfaction of the customers. To maintain and retain the customer, banks must focus on technological advancement, effective grievance handling system and customer friendly services. Understanding the customer requirement and incorporating the ongoing changes that take place in banking sector is must for banking sector to provide genuine customer relationship management. This study strongly revealed that customers were more satisfied with the services provided by the employees. Moreover, finding revealed that regardless of services context, customers expect service provider to be courteous in responding them. One of the difficult challenges faced by banking sector today is to maintain good relationship with the customer and retention of customer. Hence the concept of CRM may be emphasized so that a good rapport may be created between the customers and the employees. Therefore the researcher concluded that particularly in banking sector, the role of CRM is very vital in leading the banks towards brand image and achieving high volume of profits.

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