

EFFECTIVENESS OF CRM IN PRIVATE SECTOR BANKS

Submitted in partial fulfillment of the requirements for the award of

Master of Business Administration

by

SHEEBA.S

Reg. No. 39410195



SCHOOL OF BUSINESS ADMINISTRATION

SATHYABAMA

INSTITUTE OF SCIENCE AND TECHNOLOGY

(DEEMED TO BE UNIVERSITY)

Accredited with Grade "A" by NAAC | 12B Status by UGC | Approved by AICTE

JEPPIAAR NAGAR, RAJIV GANDHI SALAI, CHENNAI - 600 119

April 2021



SATHYABAMA

INSTITUTE OF SCIENCE AND TECHNOLOGY
(DEEMED TO BE UNIVERSITY)

Accredited with “A” grade by NAAC | 12B Status by UGC | Approved by AICTE
Jeppiaar Nagar, Rajiv Gandhi Salai, Chennai – 600 119
www.sathyabama.ac.in

SCHOOL OF BUSINESS ADMINISTRATION

BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of Ms. R. SHEEBA (Reg. No. 39410195) who carried out the project entitled “**Effectiveness of CRM in private sector banks**” under our supervision from January 2021 to March 2021.

Dr. Y.AYSHA FATHIMA, M.Com, MBA, M. Phil, Ph.D
Internal Guide

Dr. BHUVANESWARI .G, MBA., Ph.D
Dean – School of Business Administration

Submitted for Viva voice Examination held on _____

Internal Examiner

External Examiner

DECLARATION

I SHEEBA.S (Reg.No. 39410195) hereby declare that the Project Report entitled “**Effectiveness of CRM in private sector banks**” done by me under the guidance of Dr.Y. Aysha Fathima, M.Com, MBA, M.Phil, Ph.D is submitted in partial fulfillment of the requirements for the award of Master of Business Administration degree.

DATE:
PLACE:

SIGNATURE OF THE CANDIDATE

ACKNOWLEDGEMENT

I am pleased to acknowledge my sincere thanks to Board of Management of **SATHYABAMA** for their kind encouragement in doing this project and for completing it successfully. I am grateful to them.

I convey my thanks to **Dr. G. Bhuvaneswari**, Dean, School of Management Studies and **Dr. A. Palani**, Head, School of Management Studies for providing me necessary support and details at the right time during the progressive reviews.

I would like to express my sincere and deep sense of gratitude to my Project Guide **Dr .Y. Aysha Fathima**, for her valuable guidance, suggestions and constant encouragement paved way for the successful completion of my project work.

I wish to express my thanks to all Teaching and Non-teaching staff members of the Department of Business Administration who were helpful in many ways for the completion of the project.

ABSTRACT

The whole of humanity has moved to the digital world and banking is no exception. Gone are the days when people stood in queues in banks to withdraw money or made a demand draft. ATM's were the beginning of technology banking. It was a gradual growth from ATM's to online banking and then to mobile banking. The last 10 years has seen a quantum leap in virtual banking and the type of users has also been wide spread. This brought in the need for Banks to be conscious of the quality of the services they offer to customers to attract new customers and also to retain the existing customers. This research work is a study to explore how the Banks can have an exhaustive CRM that could have a fine data mining that could predict the customers future needs and give solutions that would be useful for the customer. From the Banks side the CRM must be a tool to offer customer delight, by means of which the Banks can retain their customers in the competitive arena and also acquire new customers. In this study that was done in the survey method, a questionnaire was sent out to the customers of private sector banks. The questionnaire was designed to get the customers perspective of how they think that Customer Relationship's were managed by the Private Sector Banks. The Study was done only with Private sector banks as most of the Private sector banks have a robust CRM system in place. The effectiveness of the CRM practices was to be determined. Once the data was collected, Statistical tools like Anova, T-Test, Chi Square and co-relation were done. In the co-relation test, there was a strong co-relation between service quality and customer retention. From the Anova, there was a significant difference in the perception of the service quality in relation to occupational status of the participants. Also, the other important findings were that age and gender did not change the perception of service quality. While seeing the weighted average the most important finding was that customers perceived that Safety was the most important aspect in a Bank that made them have longer relationship with the bank. The second important aspect was on how they perceived that their bank took their feedback and the third was value added services. It was found that the charges of the bank took the last place.

TABLE OF CONTENTS		
CHAPTER NO.	TITLE	PAGE NO.
	ABSTRACT	I
	LIST OF TABLES	IV
	LIST OF CHARTS	VI
1	INTRODUCTION	1
	1.1 Introduction	1
	1.2 Industry Profile	3
	1.3 Need for Study	4
	1.4 Scope and significance	5
	1.5 Objectives of the study	5
	1.6 Limitations of the study	5
2	REVIEW OF LITERATURE	7
3	RESEARCH METHODOLOGY	22
	3.1 Research Design	22
	3.2 Sampling Technique	22
	3.3 Sources of Data	23
	3.4 Structure of Questionnaire	23
	3.5 Sample Size	25
	3.6 Period of study	26
	3.7 Hypothesis and Analytical Tools	26
4	DATA ANALYSIS	27
	4.1 Percentage Analysis	27
	4.2 Inferential Test	61
	4.2.1 Anova Test-I	61
	4.2.2 Correlation	63
	4.2.3 Anova Test-II	63
	4.2.4 T-Test	64
	4.2.5 Chi Square Test	65
	4.2.6 Weighted Average of Customer Retention	66
5	FINDINGS,SUGGESTIONS AND CONCLUSION	68
	5.1 Findings of the Study	68
	5.2 Suggestions	72
	5.3 Conclusion	72
	REFERENCES	74

	APPENDIX-I(Questionnaire)	
	APPENDIX-II(Article)	

LIST OF TABLES		
TABLE NO	PARTICULARS	PAGE NO
4.1	Age of the respondents	27
4.2	Gender	28
4.3	Marital status	29
4.4	Educational status	30
4.5	Occupational status	31
4.6	Annual income	32
4.7	Number of banks they have relationships	33
4.8	Type of bank account	34
4.9	Tenure of relationship	35
4.10	Perception on whether banks give individual attention	36
4.11	Convenience of working hours of the banks	37
4.12	Bank employees understand the specific needs of the customer	38
4.13	Customers perception on how important they are made to feel	39
4.14	Promptness of Banks	40
4.15	Customers confidence that the Bank will recommend the right product	41
4.16	Convenience of parking space in the Bank Branches	42
4.17	Ambience of the Bank Branches	43
4.18	Politeness of Branch staff	44
4.19	Speed of resolution of complaints by Bank branches	45
4.20	Reputation of the management of the Bank.	46
4.21	Customers having all the savings in one bank	47
4.22	Customers Perception of positive experience to customers by Bank staff.	48

4.23	Capacity of Branch staff to keep promises	49
4.24	Ability of Bank staff to value sentiments	50
4.25	Technical knowledge of bank staff and their ability to operate high tech environment	51
4.26	Human side of the Bank staff	52
4.27	User friendly service skills of the Bank staff	53
4.28	New and innovative services being offered	54
4.29	Effectiveness of complaint Management	55
4.30	Whether the Banks have a customer centric approach	56
4.31	Specific strategies Banks deploy to do customer segmentation	57
4.32	Value added services	58
4.33	Analysis on the charges that the Bank levies on transactions	59
4.34	Safety Measures taken by banks	60
4.35	Perceived customer feedback	61
4.36	Descriptives of ANOVA Test – Service quality and occupation	62
4.37	ANOVA Test – Service quality and occupation	62
4.38	Correlations between Service quality and Customer retention	63
4.39	Descriptives – ANOVA Service quality and Age	64
4.40	ANOVA Service quality and Age	64
4.41	T-Test - Gender to Customer Centric approach	65
4.42	One Sample T-Test - Gender to Customer Centric approach	65
4.43	Chi-Square Test - Age to Service Quality	66
4.44	Weighted Average of Customer Retention	66

LIST OF FIGURES		
TABLE NO	PARTICULARS	PAGE NO
4.1	Age of the respondents	27
4.2	Gender	28
4.3	Marital status	29
4.4	Educational status	30
4.5	Occupational status	31
4.6	Annual income	32
4.7	Number of banks they have relationships	33
4.8	Type of bank account	34
4.9	Tenure of relationship	35
4.10	Perception on whether banks give individual attention	36
4.11	Convenience of working hours of the banks	37
4.12	Bank employees understand the specific needs of the customer	38
4.13	Customers perception on how important they are made to feel	39
4.14	Promptness of Banks	40
4.15	Customers confidence that the Bank will recommend the right product	41
4.16	Convenience of parking space in the Bank Branches	42
4.17	Ambience of the Bank Branches	43
4.18	Politeness of Branch staff	44
4.19	Speed of resolution of complaints by Bank branches	45
4.20	Reputation of the management of the Bank.	46
4.21	Customers having all the savings in one bank	47

4.22	Customers Perception of positive experience to customers by Bank staff.	48
4.23	Capacity of Branch staff to keep promises	49
4.24	Ability of Bank staff to value sentiments	50
4.25	Technical knowledge of bank staff and their ability to operate high tech environment	51
4.26	Human side of the Bank staff	52
4.27	User friendly service skills of the Bank staff	53
4.28	New and innovative services being offered	54
4.29	Effectiveness of complaint Management	55
4.30	Whether the Banks have a customer centric approach	56
4.31	Specific strategies Banks deploy to do customer segmentation	57
4.32	Value added services	58
4.33	Analysis on the charges that the Bank levies on transactions	59
4.34	Safety Measures taken by banks	60
4.35	Perceived customer feedback	61

CHAPTER - 1

INTRODUCTION

1.1 INTRODUCTION

The change in the banking system in the last twenty years can be described as a revolution. Traditionally, banks were used by the common man to save money, have a running SB account and save in FD's and RD's. Banks lent to big companies and a Bank loan was looked as a commercial product. With Credit cards, Retail loans and a whole gambit of loan products, Banking has become so accessible for the common man. The growing competition among Private sector banks with the foreign banks and the nationalized banks have kept them on their toes in offering good customer services. Customers are more aware and their demands are also high. The look for good customer service, better products to invest in, ready to take in fair amount of risks for higher returns and look for a banker who could guide them, and help them grow wealth.

Earlier people used to save money to buy products and the economy has changed so much that people, buy things, and then save. From Home loans to personal loans all of which is available at the tap of a button, the psyche of people has changed big time. Customers are always on the lookout for products that gives them good returns with less risk, convenience, low coast loan, professional service, good advice on investments, simple procedures, and easy accessibility. Customers are now on the look for customer friendly services and the Banks also have moved from customer satisfaction to customer delight as their target.

If we go into the history of Banking, it was always not customer oriented. Earlier Banks were keepers for money and used it to invest in projects by lending. This was the primary job on a bank, but when things evolved and with more products on the shelves Banks had to represent themselves and get the attention of the customers. It was after ICICI Bank, the first Private sector Bank opened in 1994 that things started to change and the customers perspective came to play.

Even during this period Banks were only into retail business, and had only products like Savings account Current accounts, FD's, RD's etc. Even retail loans were not big. Citi Bank HSBC, Grindlays were foreign banks who offered facilities like Credit cards, and this was also not available to the lower salaried class and only to the High Net worth Individuals.

In 1994 ICICI LTD, opened its banking arm and soon they decided to bring in ATM's which seemed to work out cheaper when you compared the cost per transaction as against branch banking. Citi bank woke up to realize that mass banking strategy of ICICI seem to increase their base and started Suvidha accounts, with a minimum balance requirement of Rs. 10000 and they increased the number of ATM's.

In May 1996 K V Kamath took over ICICI Bank as MD and changed the history of Banking ever since. Banks became super markets selling all financial products. Credit cards and retail loans became easy. Many Private sector banks opened, HDFC, UTI, IDBI had all opened their Banking arms. Suddenly banking changed. Technology was introduced, which meant ledgers and branch banking changed to universal banking. ATM's were spread across the country. This was a giant leap for banking.

The days when customers had to wait in a queue's with tokens had changed. Suddenly the customer became king and with many Private sector Banks opening, competition became high and Customer satisfaction moved to customer delight. Banks started selling many products, and retail loans became easy. Indians were basically very conservative and our economy was also conservative. After the liberalization in 1990, many things changed and so did people's mind set and expectation. Indian's had the mind set of saving and buying, be it a house or car. In the onset of liberalization and with easy retail loans Indians started buying and saving, the reverse economy.

With the advent of internet, technology and smart phones, the world shrunk and the Indian customers wanted their share of respect and demanded service for their money. Private sector Banks started wooing customers with attractive Bank Branches, customer friendly employees, technology driven banking, easy accessibility via ATM's and Kiosks. Banks also brought in Customer Management services and made sure the customer was happy and met with all the expectations of the customer.

Earlier only the affluent had accounts in foreign banks like Citi Bank, Anz Grindlays, Standard chartered Bank etc, and the minimum balance in these banks were close to 1 to 3 lakhs, making it unreachable for the salaried class. The private sector Banks started their segmentation, and started offering different kinds of accounts for people who had different levels of balances.

This is when exclusive banking, started for High net worth individuals. They were given priority and extra attention. Banks hired Relationship Managers, who handled these clients exclusively. Banks also started selling all their products starting from Insurance to retails loans. There is no one financial product that banks don't sell now. In insurance, Life, medical and also vehicle insurances are sold by banks. Banks also sell mutual funds, investment products that give the customer more options to invest other than the outdated Fixed Deposits and Recurring Deposits.

The dynamics has changed so much that Banks also offer three in one accounts, which is online trading accounts and also offer PMS services. Banks also offer Portfolio management services to individuals and corporate.

In this research paper the sample size taken was 172. The questionnaire was sent to more than 200 people from all walks of life that have a relationship with private sector banks. The questionnaire covered all aspects of the services quality offered by the banks and also checked the kind of services offered for customer retention. The details collected were then analyzed and tested using annova for the demographic details.

1.2 INDUSTRY PROFILE:

Indian Banking system is regulated by the Reserve Bank of India. Recent studies have revealed that banks in India are resilient to the ups and downs of the Global economy. Indian Banking system has seen a lot of innovation and Banks, especially the Private sector Banks have upgraded their technology and customer service to match the developed countries. RBI also play a vital role in keep the Banks on tracks and generally safe guarding public money.

IMPS, the Immediate payment service of Indian Banks is the only system at level five in the Faster Payments Innovation Index. (FPPII).

IN India there are currently 22 private sectors banks. Earlier the banking sector was dominated by public sector banks, but their totally unempathetic attitude towards customer service and lack of upgraded systems gave way to Private banks to grow their business. In the year 2009 all the four major private sector banks ICICI, HDFC, AXIS and Kotak Mahindra Bank have shown positive returns to ratio. Private sector banks also measure the efficiency of the employees using

the profit per employee tool. As much as they are paid higher than their counterparts in the Public sector banks they are also measured by the value they add to the business of the bank.

As of 2009 ICICI bank ranked highest in operating profit.

The capital adequacy ratio has been fixed as 8% by RBI. The capital adequacy ratio is the Capital of the bank divided by the risk weighted assets. If the Capital adequacy ratio is high then the Bank can withstand losses comfortably. This is also been matched by the Private sector banks in India.

The only big expense for the private sector banks is the operation costs. This is high because they give customer value for money by employing good talent, having better technology and also because they give importance to the ambience of the branches and ATM's. HDFC and ICICI have the highest operation expenses of their branches among all the other private sector banks.

1.3 NEED FOR THE STUDY.

In the current scenario all business understands that customer is the key to success. Banks should have both long term and short term strategies to keep their customers happy. The days of customer satisfaction are out, and the goal is customer delight. With internet and access to business models across the globe, the consumer has also become more demanding.

Globalization and growth of technology has helped service industry to excel in their customer service and Banks deal with finances of people. This makes it a very sensitive matter and customers not only expect good service, but also good advice for good investment products and trust worthiness.

CRM is adopted by Banks to not only give good service and retain the customers, but to also offer all the services that they have to the customer. Banks must also realize that different segment of customers have different needs. For example a salaried customer in the middle income group might just need a few products and some savings as SIP's in mutual fund etc. Whereas an High net worth client will have more needs. The quantum of amount will vary and he might need to diversify his investments according to his risk appetite. Hence offering services based on the customers need is very important.

The problems may be summarized as

1. Does offering good service suffice to retain the customers?
2. Do the customers in the high income group perceive that they are given extra attention?
3. What are the basic needs of the middle income group and are they happy with the service that they get.
4. Does sentiment play a role in Indian Banking system?

1.4 SCOPE AND SIGNIFICANCE

The scope of this study is to find the inter relatedness between service quality and the customer retention. From the Banks perspective this may give an insight of the needs of the customer and his perspective when it comes to service. The study is to find if Customer Relationship management is being effectively used by Private sector banks, to deepen their relationship and get in loyal customers which will be beneficial in the long run. It is to be noted that Service quality has a huge significance in retaining new customers and also in bringing in new customers. This study signifies the level which service quality plays an important role.

1.5 OBJECTIVES OF THE STUDY

The Primary Objective is

1. To study the effectiveness of CRM practices in Private Sector Bank.

The Secondary Objectives are

1. To measure the service quality and its relationship to customer retention in Private Sector Banks
2. To analyze the effectiveness of Bank staff interaction with customers with customers of all segments.
3. To examine if the efforts for customer retention is sufficient.

1.6 LIMITATIONS OF THE STUDY

The study is limited to the area chosen to study, which was mostly south India. The perspectives and the requirements of customers in other areas might vary marginally as India is of diverse culture.

The study has been on customer interaction, Customer service quality and the

customer retention only. A questionnaire detailing the investment details, the risk appetite and the value addition of the banks cannot be asked in a general questionnaire as these are very sensitive issues. Many respondents may not be eager to share such details unless they are confident that the details will not be used otherwise. If such details can be obtained then the exact value addition by banks in helping customers with Investment banking can also be studied.

The study was also limited to only 172 participants out of the huge population in India. Hence the effectiveness of the results may not be accurate or might be limited to the area that it was taken.

The number of respondents above forty years of age was very high which again brings in an imbalance to the results. These might be clients with banks for a longer period of time and hence their perspective might be based on personal relationships that they share with the customers.

CHAPTER 2

REVIEW OF LITERATURE

Atul Parvatiyar et.al.,(2002) has stated how more and more companies are adopting customer-centric strategies, programs, tools and technology for efficient and effective customer relationship management. He goes on to explain how the development of new channels and technologies has altered the interface of companies with their customers. He states that, In the marketing literature the term customer relationship management and relationship marketing are used interchangeably. As Nevin (1995) points out, these terms have been used to reflect a variety of themes and perspectives. Some of these themes offer a narrow functional marketing perspective while others offer a perspective that is broad and somewhat paradigmatic in approach and orientation. A narrow perspective of customer relationship management is database marketing emphasizing the promotional aspects of marketing linked to database efforts. He gives a glimpse of the CRM process framework where there is a formation and then the management and governance and finally the performance. He also studies the relationship between customer revenue and cost and finds the opportunity zone. He concludes that as an intervention strategy, it would be highly desirable for relationship marketing and CRM scholars to organize their own association and their own scholarly journal.

Gupta, S., Lehmann D. R., & Stuart J. A. (2004) Thus customer intimacy has to be the focal point of any growing financial organization. In the same way there has to be an interactive customer management to enhance customer retention. So managers should try to acquire customers that have the greatest potential as long as the costs of acquiring such customers do not outweigh the benefits.

Shahzeb Ali Malik (2010) has done a comparative study of CRM in banking Industry in UK and Pakistan. She believes that the adoption of the CRM within the banking industry chiefly depends on the overall adoption of IT culture within the country. She talks about the differences between a developed country and a developing nation where UK enjoys innovative technologies and tailor made systems and high level of IT maturity in their banking system where as Pakistan is still dealing with several technological issue like lack of IT alignment in the banking

industry. In her research she has investigated and covered the overall operational issues of the CRM system within the banking industry for both developed and developing countries. She quotes Bhaduri (2005) that CRM is misunderstood as a fancy sales strategy an expensive software product and even a new method of data collection. She emphasizes that CRM is none of these, and it is a simple philosophy that places the customers at the heart of banks business processes activities and culture to improve customers satisfaction of service and in turn it maximizes the profits of the banks. She further quotes Bhaduri that a successful CRM strategy aims at understanding the needs of customers and integrating them with the bank's strategy, people, technology, and business process. Therefore, one of the best ways of launching a CRM initiative in banks is to start with what banks are doing now and working out what should be done to improve its relationship with its customers. Then and only then, it should link to an IT solution. She has done a comparison of Pakistani banks with UK bank on query response and time using the CRM system and major products and services and goes on to show the difference when CRM and technology is used effectively and when it is not.

Hisham (2011) explores the relationship of customer relationship management to marketing performances and found them closely connected. His definition for CRM was described as Writers diverged in formulating a specific definition for CRM. This divergence may be owed to a difference in the scientific background of these writers. He defined CRM as a method of understanding the customer behavior through intense communication with him/her to improve the performance which is represented in attracting the customer, keeping him/her and increasing his/her loyalty and profitability. His sample data was 197 financial institutions and in conclusion he feels the giving a good CRM and the staff enough time to be experienced in CRM is the ideal thing to do.

The write up talks of the key impediment, which is the lack of understanding and acceptance of CRM as an organization wide strategy and need for reorientation of organization structure to adopt this. The paper attempts to investigate these issues and suggests a framework for reaping the benefits of this investment in CRM by various banks.

Zaidan (2011) in his thesis paper has done extensive research to investigate the effect of applying the concept of customer relationship management on customer's acquisition, satisfaction, and retention. The responses of 393 customers were used as sampling and the customers were classified according to their commitment to pay their monthly water bills which is very high in Rafah, Palestine. Zaidan has gone on to have 4 hypothesis on how CRM will affect customer satisfaction, acquisition, retention, and customer loss and this knowledge was for the coastal municipalities water utility (CMWU). The importance of this study is that it will provide assistance to CMWU management to satisfy its customers, respond to their need efficiently and in time. The researcher concluded that adopting CRM model in CMWU will positively correlate with achieving customer satisfaction acquisition retention and decreasing customer loss as it was statistically observed.

Arun Kumar Agariya et.al.,(2012) in his study to develop a reliable and valid CRM index specifically catering to Indian banking sector. This index can be a strategic tool in enhancing the customer responsiveness and overall performance of the banking organizations. He states that the study has three fold objectives that are Identification of current status, preparedness and implementation. In conclusion he states that the banks have to implement effective CRM practices to achieve and maintain their place in the banking industry.

C Padmavathy et.al., (2012) states that the purpose of the study is to investigate the effect of CRME Dimensions on customer satisfaction, trust and commitment. She quotes the definition of CRM as In the universe of marketing management, CRM is abounded by multiple definitions (Yim, Anderson, & Swaminathan, 2004). Payne & Frow (2005) identified three different perspectives in the definitions of CRM, namely, emphasis on information technology (IT) implementation, wide range of customer oriented IT and Internet applications, and customer centric focus. She further explains the effect of CRME dimension on customer satisfaction and the effect of customer satisfaction on customer trust and finally the trust leading to customer commitment. A set of 13 purified items were retained for measuring CRME. She explains that this study has provided clear conceptualization for CRME construct from customer perspective. Second

conceptual framed work between CTME and its consequent performance indicators is developed. She comes to the conclusion that the study has identified four dimension of CRME such as reliability, process focus, customer focus and technology focus. The limitations of this study is based on cross-sectional data and future studies can use longitudinal frame work to provide further insights on the dimension

T Satya Narayana Chary et.al.(2012), in his comparative study of customer relationship management in Banking sector, makes it clear that CRM is not a product or service, it is an overall business strategy that enables companies to manage relationships with their customers. He adds that it is concerned with the creation, development and enhancement of individual customer relationship with carefully targeted customer groups resulting in maximizing the total customer life time value. He very clearly points out that CRM is carefully managing all the touch points with the customer with the aim of maximizing customer loyalty. He has also dealt with the problems of CRM. Other than maintain huge data of customers, he states it is difficult to collect the right data of all the interactions with the customer. He also adds that it might be of concern about the privacy and security of the customer. His research problem states the usage of CRM to create customer delight. Earlier customer satisfaction was considered ideal, but in a competitive background customer delight has been the target of marketers. His sample was from PSU bank, SBI and private sector bank HDFC and a comparative study was done and it was clear that there is a significant difference between the perceptions of customers of SBI and HDFC towards CRM. It was surprising to note that the study found both the public and private sector bank the working performance were similar, yet SBI though being a public sector bank had taken good care in implementing CRM When compared to HDFC a private sector bank.

Nirmaljeet Virk et.al.,(2012) in his research on customer satisfaction and the difference between public and private sector banks in India has taken a sample of 160 customers. And the study concluded that the majority of customers preferred private sector banks. MR. Virk also sees the complex situation banks are in now as customers come from different social groups. In his objectives he examines the expectations of customers, and to study the preference of the customers. Further

he states that, this research shows that private banks managers are ahead of public banks in making relationship with their customer thus winning their satisfaction. This can be attributed to the fact that today larger client base in India is banking with Private sector banks as compared to Public sector banks. Most of the respondents were of the view that public sector banks are lagging behind in use of modern technology and techno savvy staff.

Md. Rashid Farooqu et.al.,(2013)in his paper has provided an important insight for e-CRM in leading commercial banks of India from its present and future growth prospects. E- CRM is considered as strategic technology centric relationship marketing business frame work and its purpose is to serve the customer in a better way to retain valuable customer and enhance the capabilities of the organization. He adds that the concept of Electronic Customer Relationship derived from Customer Relationship techniques. Shani and Chalasani define relationship marketing as “an integrated effort to identify, maintain, and build up a network with individual consumers and to continuously strengthen the network for mutual benefit of both sides, through interactive, individualized and value-added contacts over a period of time”. Some of the E-CRM Techniques used by commercial banks are ATM, Internet Banking, Smart cards, mobile banking etc and he foresees the future trends in e-CRM. He notes that worldwide trend shows that net banking is perceived as a convenient and fast way of doing banking business and is fast gaining grounds. E- CRM has the benefit of creating long term relationship with customers with minimum cost, and the specific benefits of e-CRM is enhanced customer interaction and managing customer touch points, personalization, e-loyalty and source of competitive advantage He concludes that the commercial banks in India are on the learning curve of e-CRM and must adopt E-CRM customer centric approach. He concludes that the success of e-CRM depends upon the development of robust and flexible infrastructure.

Mbizi R. & Muzvidzi D.(2013) The major CRM practices are collaboration, customization and customer prospecting as well as key account management practices. Customization is the most popular and used practice, the reason is that today's customer is dynamic and each financial product has to be tailored to his/her requirements at any given time. Thus customer intimacy has to be the focal

point of any growing financial organization. In the same way there has to be an interactive customer management to enhance customer retention.

Md. Rashid Farooqu et.al.,(2013)in his paper has provided an important insight for e-CRM in leading commercial banks of India from its present and future growth prospects. E- CRM is considered as strategic technology centric relationship marketing business frame work and its purpose is to serve the customer in a better way to retain valuable customer and enhance the capabilities of the organization. He adds that the concept of Electronic Customer Relationship derived from Customer Relationship techniques. Shani and Chalasani define relationship marketing as “an integrated effort to identify, maintain, and build up a network with individual consumers and to continuously strengthen the network for mutual benefit of both sides, through interactive, individualized and value-added contacts over a period of time”. Some of the E-CRM Techniques used by commercial banks are ATM, Internet Banking, Smart cards, mobile banking etc and he foresees the future trends in e-CRM. He notes that worldwide trend shows that net banking is perceived as a convenient and fast way of doing banking business and is fast gaining grounds. E- CRM has the benefit of creating long term relationship with customers with minimum cost, and the specific benefits of e-CRM is enhanced customer interaction and managing customer touch points, personalization, e-loyalty and source of competitive advantage. He concludes that the commercial banks in India are on the learning curve of e-CRM and must adopt E-CRM customer centric approach. He concludes that the success of e-CRM depends upon the development of robust and flexible infrastructure.

Sunil Kumar Roy (2014) says that High degree of automation, era of e-commerce e-businesses have revolutionized the business processes where markets have become boundary less. Transactions in present era takes place on-line reducing the significance of buyers-sellers meetings and face to face interactions to a great extent. CRM has also travelled a big distance changing its shape from time to time. With the evolution of social media in 21st century, CRM is again changing its shape. He has collected both primary and secondary data, but his research is more inclined towards Primary data. He has used SERVQUAL instrument. His findings were All the factors (independent variables) have been found to be

significantly significant thus indicating their influence on the CRM and Service Quality. HI recommendations are quite clear, he says the communication between the bank and client is very important and installing automated machines brings efficiency in banks services. The attitude and knowledge of the employees are important, and personal attention is also an important aspect that contributes towards improved CRM. Making the client feel secured is the most important part of the relationship management.

Naser Azad .et. al., (2014) talk of CRM's used in various systems such as call centres, social media, Banks etc. He has gone on to explain that CRM codifies the interactions between the organizations and the customers to maximized sales and profit using analytics and gives the users information in where to concentrate for maximizing revenue. The paper presented an investigation to determine the effective factors influencing the CRM. In his research he clearly observes that customer preference is the number one priority and the second is customer perception and wishes and the third is customer engagement. In conclusion, after the empirical investigation on the important factors that influence CRM development and summarized that being customer oriented is the factor influencing CRM and among the many factors, Customer preferences is number one in priority followed by customer perception and customer engagement.

Dr. P Anubuoli et.al.,(2014) in his paper on a study on CRM in banks feel that customers do not change banks very often, But now the customer base of banks have increased and so has choices of customers for selecting their banks. HE feels that the banks have both mass and class acquisition as a need and attention from getting new customers to retaining them is also happening. The pressure of competitive market has contributed to the growth of CRM in the Banking sector. He emphasizes that CRM is a marketing strategy that unites the IT with marketing. Studying the needs and behavior of customer is essential to develop a strong relationship with them and CRM enables effective relationship growth when the bank has the right leadership, strategy and culture. Dr. Anubuoli has effectively tracked the history of CRM and its benefits and has concluded that CRM is a comprehensive approach of creating and maintaining long term relationships and one to one marketing approach has impacted a lot on different aspects of the

organization.

Y-Chiang Wang et.al., (2015) from the city of Taiwan had done an empirical study of five Taiwanese banks of the impact and interaction effect of HR and IT application of the performance of CRM in banking industry. The study was done on 800 people in Taiwanese banks which had applied e- CRM system to their customer service operations. The analysis was carried out with two samples, the sales personnel and the customers. The findings showed that the positive performance of HR and IT capabilities along to the direct influences of the resources. MR. Y-Chiang Wang Information Technology is very important for collecting and analyzing customer information and feedback. In his conclusion he feels that HR and IT applications have a high impact on Customer Relationship management and these tools can be used effective for customer retention and acquisition.

Bhat, S.A Darzi MA (2016), the main purpose of the research was to explain the impact of Customer relationship management on customer loyalty and competitive advantage of a bank. It also explored the mediating role of customer loyalty in relationship with CRM and competitive advantage in retail banking. The data was collected from 278 private bank customers and the data was analyzed using Structural equation modeling .The finding was that Customer Knowledge was the most influential of all the dimensions for customer loyalty from the four variables that were included in the study.The research had given practical guidance for managers to add resources towards developing a better CRM system and to concentrate on customer knowledge to enhance loyalty and competitiveness.

Sandeepkaur, (2016) believed that Banks offer several facilities to enhance the standard of living or people, and the customer is the king in the Market, and it is important for banks to focus on customer. The focus of CRM is to create, satisfy and retain customer. He says that Indian Banking Industry is one of the largest in the world and Customer relation management in the Banking sector is very important for the holistic growth of banks. His study is to understand the recent trends in CRM and implementation of CRM in Indian Banking sector. He has also analyzed the different kinds of CRM's, Analytical CRM, Operational CRM and collaborative CRM. He has also spoken about Cloud CRM or e- cRM and the

online products like Internet banking, Smart card, mobile banking etc. He has analyzed and concluded that to survive in the competitive world, CRM is very important and it is one of the biggest challenges for the public sector banks in India.

Kaur (2016) also feels that the market position of Public sector banks in India is not as good as the Private sector banks and a proper CRM technology used effectively will help them in the long run. He says that CRM is a holistic process of acquiring, retaining and growing customers. The Indian banking system will gain with CRM he says, as the competition is high and the customers expectations have also changed as they are well informed. With globalization of services a better distribution and channel management is required. His paper is based on secondary data and he concludes that to survive in this competitive world Indian banking.

V Renuga et.al.,(2016) feels that banks have still not moved from traditional banking to CRM. Her research is based on secondary sources and in her quest to study the benefits of CRM in Banking sector, she has researched based on available data. Her study reveals that the customer orientation is more in public sector banks than private sector banks which is actually contradicting to many studies that have been done with sampling. In (1979) Kamath studied in "Bank Service Marketing(BSM) with special reference to syndicate branches in Bombay city " has concluded in his study that earlier services offered by bank will be the most important variable in attracting and retaining customers in banking sectors. In (1985) S.G.Saha has stated in his article that quality is important factor to retain the customer in bank to improve the services and binding the customer. In (2006) Dr.B.C.Saraswathy studied that main objective of CRM is to built long term relationship to the costumers by providing the value added service with respective the time. CRM focus on customer's value to maximizing profit over life time. Certainly CRM is a important potential instrument for sustaining and boosting sales business in competitive world. In (2002) Swift pointed out in his article that "Implementation of CRM in an organization can gain lots of profit such as lower cost for customers" and protects a constant volume of business. Apart from this he acknowledged that the cost regarding selling are also reduced. In (2003) Maoz

depicted that “CRM is a business strategy for business, not a technology oriented.” CRM is a strategy by which organization maximize the profitability through improving customer satisfaction and retention. I.e. involves method, technology and people issues

Bajwa (2017) says the focus on CRM has helped banks to understand the customer needs and helps them reach their financial goals and in his research paper he has highlighted the problems and challenges faced by banking sector of India while using CRM. He explains how India among all the developing countries the customers in India has access to variety of product and services worldwide. His paper highlights some of the major problems and challenges in the banking sector of India using the customer relationship management (CRM). He quotes Dyche (2002) definition of CRM “The infrastructure that enables the delineation of and increase in customer value, and the correct means by which to motivate valuable customer to remain loyal-indeed, to buy again.” He breaks down CRM as IT CRM and operational CRM and hope CRM can help business to Provide better customer service; Make call centres more efficient; Cross sell products more effectively; Help sales staff close deals faster; Simplify marketing and sales processes; Discover new customers and The research was done by getting questionnaires filled by bank employees on how the CRM packages brought by banks now are efficient. He concludes that India has been selected for the purpose of current research since the current CRM strategy in the banking sector is not acquiring desired results and suggests designing and suggesting an ideal CRM strategy which covers the weaknesses and fulfils the requirements of CRM in the banking sector in India.

Jelena Cvijovic (2017) had done research on the identification of the characteristics of the modern approach to CRM and he has discussed the factors that influence the implementation of the Customer relation management and to use it effectives to make the relationship between the Bank and the Customers a mutually beneficial one that the banks have invested lots of money in Technology that can be user friendly and also in Human resources to see to it that their employees are not only customer focused but also updated in technology and knowledgeable about all the products that the bank sells. He feels that in spite of

the increasing role of self service in banking, personal contact is very important, and Banks have to have excellent Human resources that add value to the customer. He conclude that the changes in the changes in the environment and with the customers who have all the knowledge easily available on their phones, and with the varying customer preferences and the demanding technology challenges application of Customer Relationship Management is a must in the Banks as this will not only help in segmentation of customers, it will enable to being a friendly relationship with the customer who is now were demanding and with changing needs.

Marzoup Ayed Al-Qeed et.al., (2017) has done research on CRM achieving service quality in Banking sector in Jordan. He starts with how customers needs, expectations desires and preferences have become more severe now and how organizations must step up to meet their expectations. This research was done from data obtained from 150 respondents. He too reiterates the fact that, as much as customer acquisition is important, retention is equally important. The problems that he saw in the Jordan Banking sector was, whether CRM was given attention in Jordan, the relationship between CRM and quality of services in the banking sector and does CRM affect the quality of service provided by banking sector. The variables Marzoup took to research were customer satisfaction, loyalty, attraction, value, retention, and culture and customer knowledge. His research found a positive correlation between customer relationship management and the quality of banking services and also showed that lack of or negative relationships between customer satisfaction and customer loyalty of the CRM and service quality of banking services. He goes on to say that the final study showed that customer knowledge, customer retention and customer culture were the most influential dimensions in the services quality of banking services followed by customer value, attraction, loyalty and satisfaction. Hence customer knowledge is very critical in the new era of technology development.

Hardik Panchal et.al.,(2018) had studied if CRM has an impact on customer loyalty and compared performance of public and private sector banks. 160 respondents survey was taken and the interpreted that there was a significant difference among the level of customer satisfaction and CRM practice between public and private

sector banks.

Pawankumar (2018) Gupta starts by describing the banking sector in economy is just like blood in human body. He explains that CRM is a sound business activity that is helpful for promoting and improving relationship at global level. His paper highlights the purpose of increasing awareness between banks and its customers. He describes CRM as the root of any service sector for facing global competition and gaining good will and to increase market share. This study is relevant now as there is a hyper scenario competitive edge in the Indian banking sector. His main objective was to study the role of IT in CRM and the importance of CRM in banking for delivering quality service by banks. His data collection was based on secondary sources of data collection such as news papers, books, journal and magazines. He goes onto say that CRM changes with technology and the few forms of CRM which is used by the banking sector are Mobile CRM, electronic CRM, Social CRM. For Banks he says there are 3 parts in CRM, forming enduring relationship, Global banking development engine and Gaining maximize profit through satisfaction. He concludes that with help of developed technology banks can take benefits of CRM at a low cost.

G C Rootman Al et.al., (2018) has taken one part of Customer relationship management i.e., the view of a bank manager's view on relationship marketing. He feels that banks can use relationship marketing and customer retention to attract and maintain profitable clients. This paper has findings that revealed what the Bank managers felt about relationship marketing. The main focus areas of prior research on relationship marketing were theoretical in nature; focused only on the relationship marketing of specific firms and focused extensively on the practical implementation of relationship marketing, namely the use of customer relationship management (CRM) processes and systems. In order to differentiate between relationship marketing and CRM for the purpose of this study, it is important to realize that most authors regard relationship marketing as the strategy used by firms to create and maintain client relationships. CRM is mainly regarded as the processes, systems and technology implemented in order to put relationship marketing into practice (Rootman 2011:70). The findings of this research showed that bank managers regard communication and fees as the most important

variables influencing client relationships, and there is a need for banks to align their managers view points and focus areas with those of clients to ensure the satisfaction of clients.

Shilaja Pal (2018) states that the customer plays a predominant role in service marketing, and financial services are challenging and Banking is the oldest and important financial service sector. She feels that the lack of understanding on CRM is always a concern among the services providers especially banks. According to Ms. Shailaja Pal CRM manages the relationships between a firm and its customers and believes that the customer the service provider and their relationship are the 3 key components of CRM. Ms. Shailaja has a different take on CRM, which she considers promises faster customer service with lower costs and more customer satisfaction leading to better customer retention and ultimately achieving customer loyalty. As many described customer delight, she goes to say that customer is King. The entry of foreign banks in India has woken up the banking industry and the private and public sector banks are now doing everything to match their services with the foreign banks. With tele banking, internet banking, mobile banking and ATM's the services of the banks are almost 24X7. Interesting information in this study about how RBI in the year 1984 formed a committee on mechanism in the banking sector. It was then MICR technology was introduced. IN 1994 there was an emphasis on public sector banks to be computerized. Her study was to see the role of CRM, in 1. Customer satisfaction 2. Customer retention 3 Hardware and software implementation 4. Transperancy regarding procedures. In her conclusion she says the key drivers to customer loyalty are 1. Efficient complaints resolution 2. Superior quality service 3. Positive staff attitude, but the most import aspect of the study was that, Integrity, Honesty and Reliability is also a important factor in the reference of customer.

G T Ayo-Oyebiyi et.al., (2019) discusses the CRM dimensions and the performance in Nigerian Banks. He suggests that all customers look for benefits from their banks, good serves high interest rates, low transaction feels and along with that a prestige factor. They also look for different channels for banking and his paper evaluates the influence of CRM in the performance of the banks. He feels that Nigerian banks are still facing a distressed syndrome and the confidence of

investors in the sector is low. With the advent of CRM brought in, in the late 90's it has been directed to build long term relationships with customers. In his research he feels that employing the CRM strategy is beneficial to any organization in this era of high competition and volatile business environment. His study has been very specific to study the influence of CRTM on deposit mobilization and on bank profitability. In his sampling technique he has selected one bank, Zenith Bank which has 35 branches. He concludes that the study established that CRM strategies adopted by Zenith bank did help it tremendously in deposit mobilization and profit level. Hence the CRM dimension was major predictors of banks performance in Nigerian banks. He went on further to recommend that Banks should employ technology and innovation to meet customer's expectation.

Virendra M Chaudhari (2020) feels that banking field has a unique relationship between customers and the bank and because of various reasons like lack of training, new technology literacy, financial targets risk of failure etc, some bank still follow the traditional way of marketing and some have moved on to CRM. He aims to examine CRM as a new methodology to look forward and identify and attract customer through the process of developing relationships. He feels the aim of CRM is to maintain customer satisfaction and increase customer loyalty. He explains how the study is beneficial and critical to build a safe and sound banking system for the Indian economic growth. He has covered the study of importance of CRM in banking sector, and the role of technology and how it is in Indian banking sector. The study is based of secondary sources of books, journal, newspapers and internet resources. In his study he see that CRM is for Making strong relationship with clients, maximizing profit through satisfaction, keeping the customers informed, improved quality for customer retention and to get new customers and for the customer it is availability of new technologies and getting all the needed information. He concludes that every bank wants to use effective and good technology for fulfillment of their purpose, and with the help of good technology banks can take benefits of CRM, achieve their goals at low costs.

Biswamohan Das et.al.,(2020) in his study has simplified CRM as a marketing strategy and integrated approach to make the customer close to the company and its officials and agents. The study's objective was to observe the perception of the

customer regarding service quality management of banks and in his survey he finds and concludes that customers belonging to different occupation have difference in opinion towards bank's service and hence he sees a need for banks to design products and services to cater to the needs of customers from all sections.

Alauddin Golde (2021) in his research on the effectiveness of CRM practices at different customer life cycle stage identifies the relationship of the customer and the supplier over a period of time. He explains that the customer life cycle has five phases, acquisition, conversion, penetration, Retention, and Reactivation and his intent is to suggest measures to enhance the effectiveness of CRM practices. The paper was based on secondary data. He gives an example of CRM on customer life cycle in banking industry. For example in Banking Sector bank starts targeting teenagers. These are the people that have high possibility of opening a saving account for them. Thus the bank target this people and try to convert them into potential customer by giving them more offer such as offering them student loan account. After this is the penetration stage. In this stage the bank does more business with them, so the bank tries them to give graduate account when this teenager enters into the working profession. Then they offer car loan to them, home loan or mortgage property for life settlement. The bank again takes care of them by offering the customer saving accounts or life insurance policy to protect from any future problem. Then in the retention phase, they try to hold the customer by giving them offers that will hold the customers.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 RESEARCH DESIGN

The research design used is the descriptive research. Descriptive research is defined as a research method that describes the characteristics of the population studied. This focuses more on the “what” of the research subject than the “why”. This research has also focused on the demographic segment, without focusing on the “Why” it is so. There have been many studies in the Customer relationship practices of banks in the past years. This research is to further explore the perspective customer hold about how their relationship is managed by the Banks and also if there is scope for improvement. The questionnaire was prepared to get the demographic details of the customers and also their perspective on the Service quality. The RATER model tool was also used to rate the quality of service of the banks.

This descriptive research was done to describe the perspectives of customers on the Customer relationship management done by the banks. It focuses more on what the customers perceive about the services they get from the bank and not on why or how such services are given.

The main purpose of the study is to see the effective use of CRM in private sector banks. There are many tools for customer relationship management and almost all private sector banks have started using the technologies developed. This must give them an additional advantage when offering their services to the customers. How the customer perceives the efforts taken by these private sector banks is the plan of this research.

3.2 SAMPLING TECHNIQUE

The Sampling technique that was used was Simple random sampling. The population that was considered was the people of Chennai and their perspective of how Private sector banks used Customer Relationship to make them want to stay with the Bank.

Survey researches are procedures in quantitative research in which the person who is investigating does a survey to a sample instead of the entire population to describe the attitudes, opinions, behaviors or characteristics of the population. In

this procedure, survey researchers collect quantitative, numbered data using questionnaires (e.g., mailed questionnaires) or interviews (e.g., one-on-one interviews) and statistically analyze the data to describe trends about responses to questions and to test research questions or hypotheses Tahima Ferdous Tanny (2018). Hence a questionnaire was sent out by mail to random customers of private sector banks. A few questionnaires were also filled by customers of public sector banks and they were rejected along with the incomplete ones. Hence a sample of 172 responses was finalized to run the tests.

3.3 SOURCES OF DATA

A Structured questionnaire was designed to collect the primary data. Sampling method is used for collection of data and this data was collected by conducting personal interviews with the customers. The questionnaire was sent out as goggle form and data was collected from 172 participants. All the participants had relationship with private sector banks and mostly all of them gave details about their personal savings account. All the data was collected and collaborated and mean and SD was found. The satisfaction and dissatisfaction level of customers towards CRM have been qualified on a basis of Likert scale having 5 points. The five points and their scores are given below: Table-1: Likert Scale. Parameters Score Very Satisfied 5 Satisfied 4 Neutral 3 Dissatisfied 2 Very Dissatisfied 1 A High Score corresponds to customer is extremely satisfied and vice versa. Various parameters have been taken into consideration with is given below. The mean and T test is used for testing the hypothesis.

3.4 STRUCTURE OF QUESTIONNAIRE

The model was designed to study the customer interaction of the bank staff with the respondents and how they perceived it. The second part of the questionnaire was to check the service quality offered by banks and the third part was how the respondents perceived the measures taken by the banks to retain them.

The customer interaction questions were based on the Rater model that evolved from the SERVQUAL study. The five service dimension of customer care which is Reliability, Assurance, Tangibles, Empathy and Responsiveness was taken into consideration. Each segment had 2 questions and only reliability had 4 questions as much weightage was given to reliability with directly is connected to customer

retention.

The second segment of the questionnaire was designed to meet the quality of customer service as perceived by the customer. The third segment was to check how the customers perceived the efforts taken by the Bank for customer retention. The questionnaire had 30 questions and a google form was made and sent to customers of private sector banks. During distribution some also reached customers of public sector banks. After the final date, a total of 220 respondents had filled the forms and only 172, details were taken into consideration after eliminating the unfilled and public sector bank details.

There are many dimensions of customer relationship management and the focus was on

1. Customer satisfaction: This is the key to basic business and in financial business it is almost vital. Infact Bankers now work toward customer delight rather than customer satisfaction as the competition is fierce. A satisfied customer may not only be retained but also has the potential to bring in more business. Hence the satisfaction level of the respondents was assessed. Customer satisfaction is an emotional reaction or positive feelings of expressing the difference between perceived service and customer expectations regarding specific product or service (Jeong and Lee, 2010).
2. Customer loyalty- A loyal customer is one who does not look beyond. This essential factor of customer retention is vital for long term gains of business. Often, there are three levels of loyalty according to the model of customer loyalty; a) strong loyalty where the customer is willing to buy all the times, b) moderate loyalty where the customer has a loyalty to more than two trademarks, and c) weak loyalty where the customer's preferences are varied from brand to another (Casalo et al., 2010; Lin and Wang, 2006)
3. Customer Retention- In the growing competitive scenario customer retention is the most important aspect of business, and more so in the service industry of banking. Banking deals with the most important aspect of human life, money. It is a sensitive matter and building loyalty and retaining a customer long term needs more than just services that give satisfaction. There must be solid follow-ups that lead to the customer feeling that he is the priority for the bank.

4. Customer knowledge: Customer knowledge refers to refers to the dynamic combination of experience, value and insight information which is analyzed, interpreted, and converted to know how to exchange of knowledge between business organizations and their customers (Zanjani, Rouzbehani, and Dabbagh, 2008; Ogunde et al, 2010).

The data of 172 respondents was then analyzed using SPSS. One way Anova, T-Tests, Chi square tests, correlation between service quality and customer retention and weighted average for customer retention were done.

3.5 SAMPLE SIZE

The total population would be the people of Chennai who transact with private sector banks and have a savings account or Current account with the Bank. With the view of obtaining 200 samples, the Questionnaire was designed and sent by Google form to customers of Private sector banks.

The final sample size was 172 and most of them were customers of Axis, ICICI and HDFC Bank..The method chosen was probability sampling and a random sampling technique was used. Questionnaires were sent out randomly to all contacts, all over Chennai, and a few NRI's who had relationships with banks in Chennai. The participants were requested to give details of their relationships with private sector banks only, but a few had sent details of Public sector banks and hence after rejecting the unwanted data, a total of 172 responses were finalized for the study.

Most of the samples were from Chennai and the age group was also above 40. This was in a way good, as the study was in a city and many parameters do not change between other cities too. When the age group is also on the higher side, their perspectives were genuine and also the lengths of the relationships with the banks were long enough to get authentic data.

The population taken into consideration is the entire population in Chennai who have banking relationships with private sector banks. The sample taken was 200 out of which only 172 had filled all the details required. The customers were from various fields and backgrounds, different age groups and different income levels.

The questionnaire had the linkert scale and there were no descriptive answers to be given. There were 35 questions in all, which included the demographic details and perception of customer interaction by banks, service quality and perception of

customer retention tactics of Banks.

3.6 PERIOD OF STUDY

The period of study was from Jan 2020 till March 2021.

3.7 HYPOTHESIS AND ANALYTICAL TOOLS

Hypothesis 1

Null Hypothesis (H_0) There is no significant difference in the perception of the service quality in relation to occupational status of the participant.

Hypothesis 2

Null Hypothesis (H_0) There is no relationship between service quality and customer retention.

Hypothesis 3

Null Hypothesis (H_0) There is no significant difference in the perception of the service quality in relation to age of the participant.

Hypothesis 4

Null Hypothesis (H_0) There is no difference between gender and Customer centric approach.

Hypothesis 5

Null Hypothesis (H_0) There is no association between age and service quality.

CHAPTER 4

DATA ANALYSIS AND INTERPRETATION

4.1 PERCENTAGE ANALYSIS

Table 4.1: Age of the respondents

Particulars	No. of Participants	Percentage
Below 30	21	12.21
31 - 40	58	33.72
41 - 50	37	21.51
Above 50	56	32.56

Source primary Data

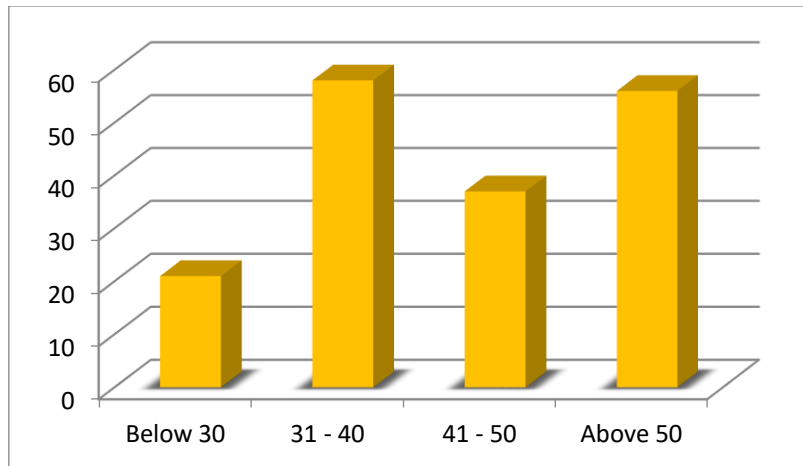


Fig 4.1: Age of the respondents

Interpretation

12.21% of the customers were below 30, 33.72% were in the age group 31 to 40, 21.51% were in the age group 41 – 50 and 32.56% were above 50. Most of respondents was in the 31 to 40 years range followed by above 50. 65% of the respondents were above 31 years, making the data more authentic as they have had long relationships with their banks.

Table 4.2: Gender

Description	No. of Participants	Percentage
Female	91	52.91
Male	81	47.09

Source primary Data

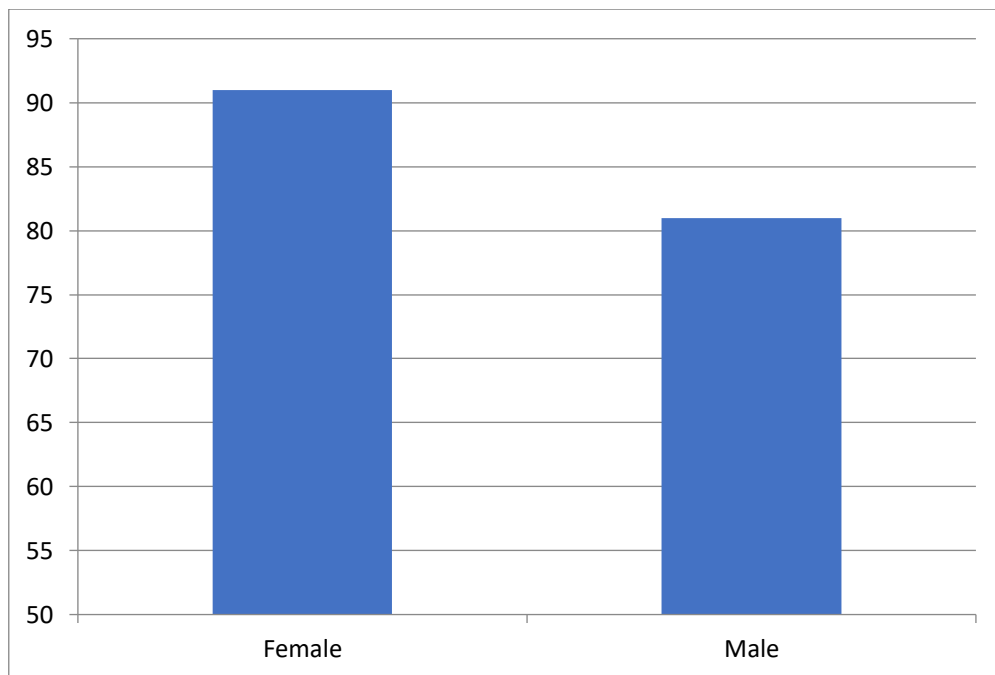


Fig 4.2 Gender

Interpretation

52.91% were women and 47.09% were men .The majority of respondents were women, yet it was closely followed by men. IT was almost equal number of men and women, bringing in more balance to the research.

Table 4.3: Marital status

Description	No. of Participants	Percentage
Married	150	87.21
Unmarried	22	12.79

Source primary Data

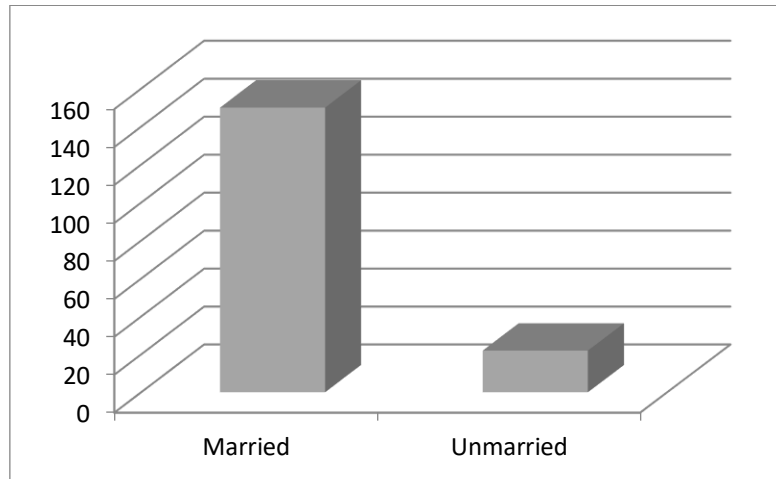


Fig 4.3 Marital status

Interpretation

87% of the respondents were married people and 12.79% were unmarried. Majority of the respondents were married.

Table 4.4 Educational status

Description	No. of Participants	Percentage
School Level	3	1.74
College Level	74	43.02
Self Employed Professional	88	51.16
Others	7	4.07

Source primary Data

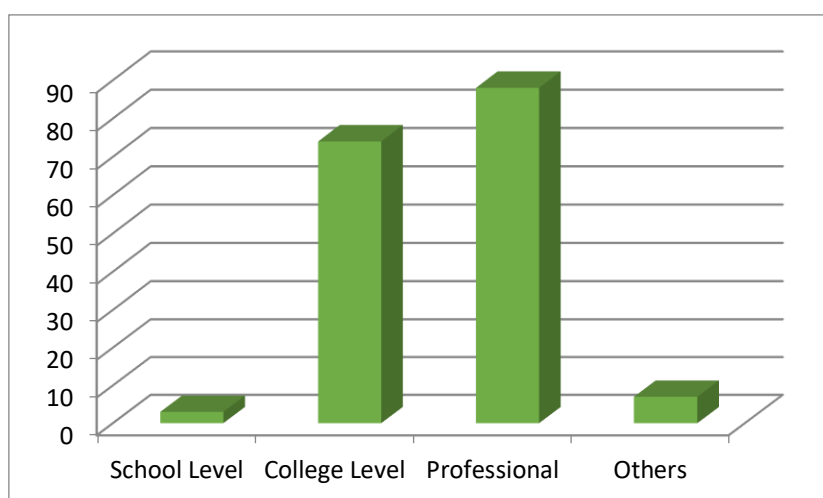


Fig 4.4: Educational status

Interpretation

43.02% were college level and 51% were self employed professionals. The majority of respondent were self employed professionals and school level at a mere 3 numbers. The college level was the second, making the data more from the educated and well read group of the society.

Table 4.5 Occupational status

Description	No. of Participants	Percentage
Salaried	78	45.35
Profession	21	12.21
Business	23	13.37
Others(House wives , Retired)	50	29.07

Source primary Data

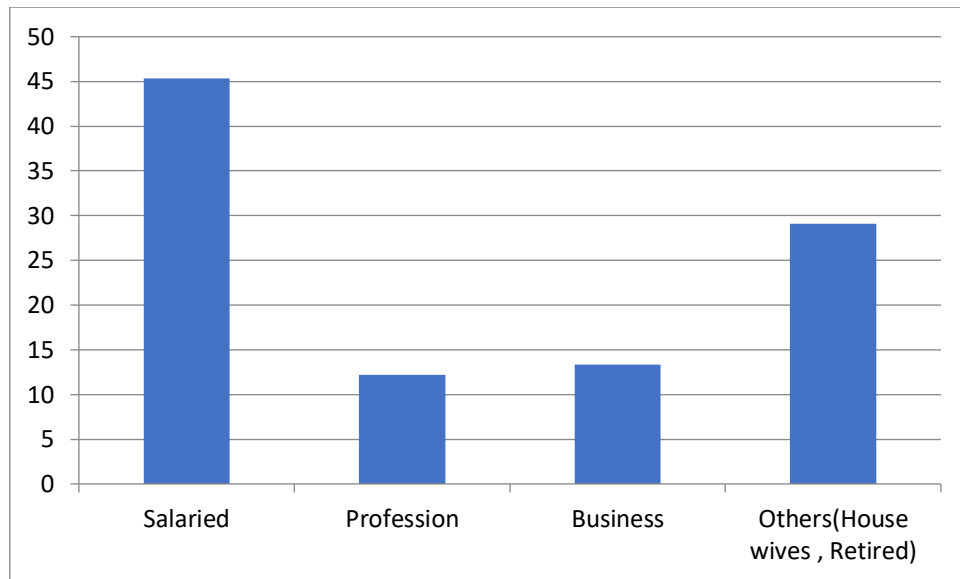


Fig 4.5 Occupational Status

Interpretation

42.35% were salaried, 12.21% were self employed professionals, 13.37% were doing business and 29.07% were house wives and retired people. Most of the respondents were salaried class and the self employed professions were the least.

Table 4.6: Annual income

Description	No. of Participants	Percentage
Below 2,00,000	34	19.77
2L - 3L	18	10.47
3L - 5L	34	19.77
5L - 10 L	48	27.91
10L and above	38	22.09

Source primary Data

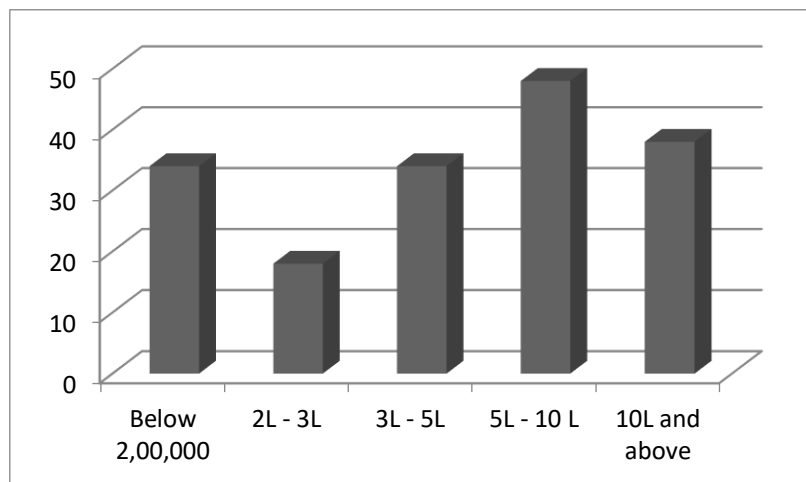


Fig 4.6 Annual income

Interpretation

19.77% were Below 2 lakhs of annual income, 10.47% were between 2 lakhs to 3 lakhs, 19.77% were between 3 Lakhs to 5 Lakhs, 27.91% were between 5 Lakhs to 10 lakhs and 22.09% were above 10 Lakhs. Most of the respondents were in the bracket of 5 lakhs to 10 lakhs of annual income was the highest followed by above 10 lakhs. The lowest was in the segment 2 lakhs to 3 lakhs which again suggest that the respondents fall in the active banking category. Almost 50% of the respondents were above 5 lakhs per annum. The rest 50 % were from the lower income bracket, making the data well spread and the perspectives of all kinds of customers are taken into consideration.

Table 4.7 Number of banks they have relationships

Description	No. of Participants	Percentage
1	28	16.28
2	70	40.7
3	40	23.26
4	20	11.63
5	14	8.14

Source primary Data

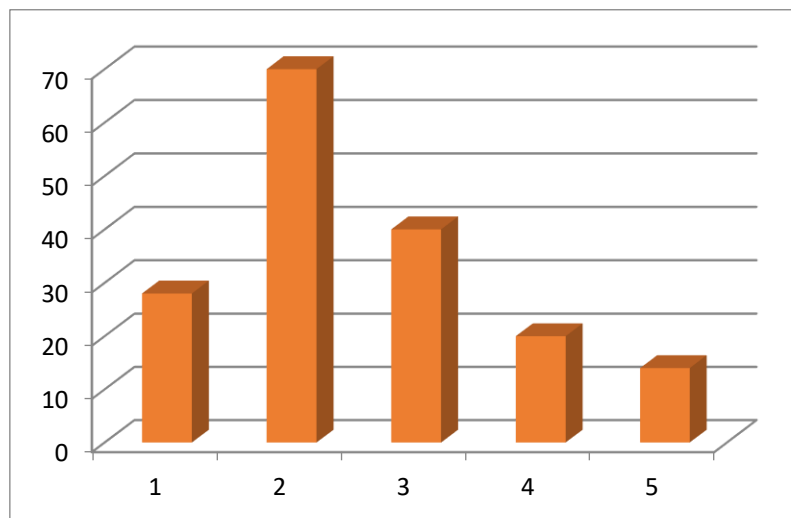


Fig 4.7 Number of bank they have relationships

Interpretation

16.28% have relationship with 1 bank, 40.7% have relationship with 2 banks, 23.26% have relationship with 3 banks and 8.4% have relationship with 5 banks. Most of the respondents have banks accounts in 2 banks and the second highest is relationship with 3 banks. The lowest was relationships with 5 banks.

Table 4.8 Type of bank account

Description	No. of Participants	Percentage
Savings Bank Account	168	97.67
`Current Bank Account	3	1.74
FD/RD	1	0.58

Source primary Data

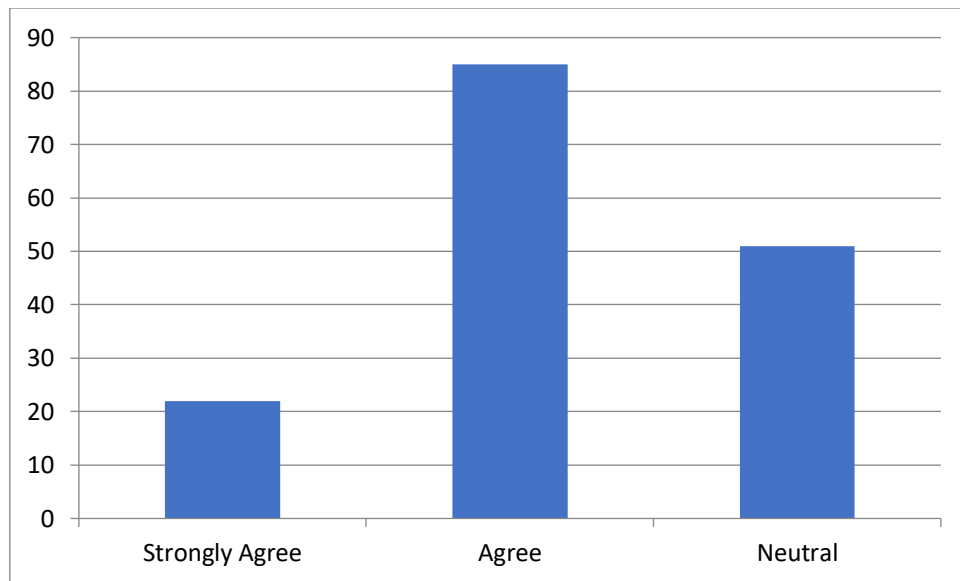


Fig 4.8 Type of bank account

Interpretation

97.67% had savings bank account, 1.74% had current account as their primary account and 0.58% only had FDs and RDs. Majority of the users were domestic users as 97% of the respondents have only Savings bank accounts as their primary relationship. The lowest was loans relationship.

Table 4.9 Tenure of relationship

Description	No. of Participants	Percentage
Below 5 Years	22	12.79
6 - 10 Years	55	31.98
11 - 15 Years	35	20.35
15 Years and Above	60	34.88

Source primary Data

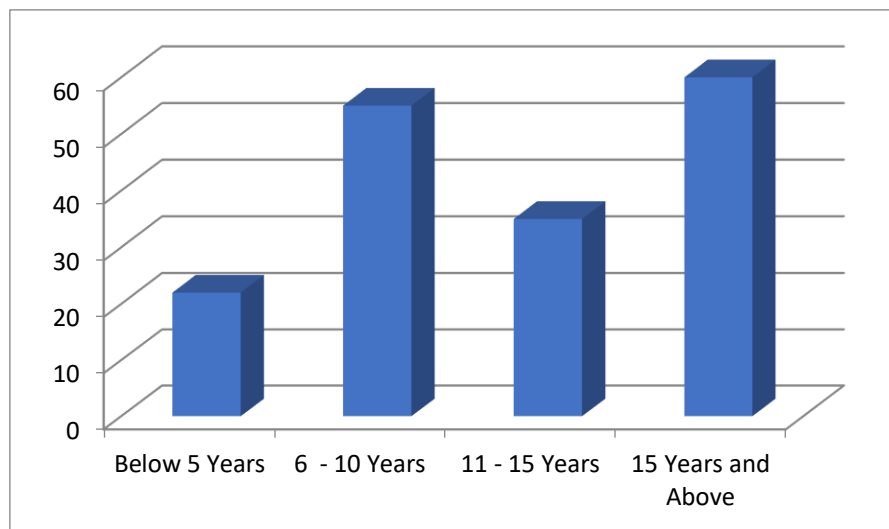


Fig 4.9 Tenure of relationship

Interpretation

12.79% had relationship with a bank for less than 5 years, 31.98% had relationship with a bank for 6 to 10 years, 20.35% had relationship with a bank for 11 to 15 years, 34.88% had relationship with a bank for above 15 years.

Majority of the respondents have had relationship with their bank for more than 15 years, which is actually long term. Taking into consideration that the age group of most the respondents being above 31 years, it is only right that their banking relationship is also longer with the banks. The number of respondents who have had a relationship below 5 years is the least and the number is 22 out of 172.

Table 4.10: Perception of customers on whether banks give individual attention

Description	No. of Participants	Percentage
Strongly Agree	28	16.28
Agree	91	52.91
Neutral	38	22.09
Disagree	11	6.4
Strongly Disagree	4	2.33

Source primary Data

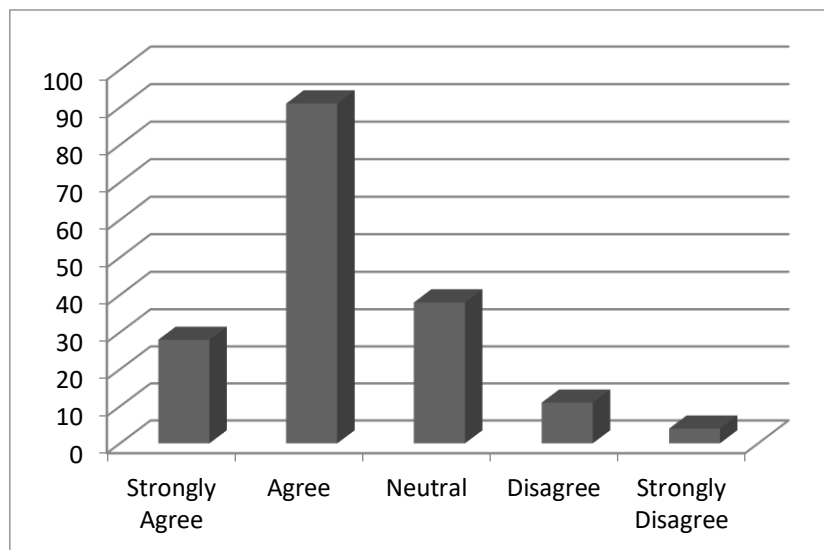


Fig 4.10: Analysis on whether banks give individual attention

Interpretation

16.28% strongly agree that the banks give personal attention and 52.91% agree, 22.09% are feel its Neutral and 6.4% disagree while 2.33% strongly disagree Majority of the respondents agree that they are given individual attention and the lowest is the people who strongly disagree and categorically say that they have not been given individual attention.

Table 4.11 Convenience of working hours of the banks

Description	No. of Participants	Percentage
Strongly Agree	31	18.02
Agree	111	64.53
Neutral	28	16.28
Disagree	2	1.16

Source primary Data

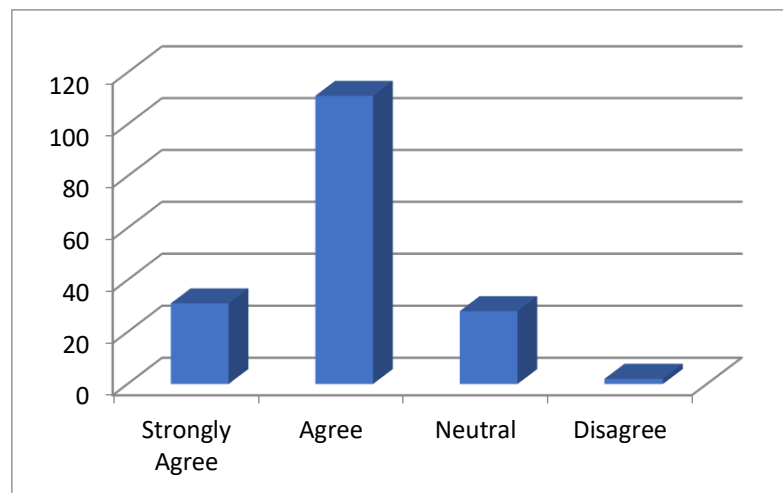


Figure 4.11: convenience of working hours of the banks

Interpretation

18.02% strongly agree that the banks have convenient working hours and 64.53% agree, 16.28% are feel its Neutral and 1.16 % disagree.

Majority of the respondents have agreed that it is convenient and 18 percent strongly agree, making it 82 percent, either agreeing or strongly agreeing. Only 2 out of the 172 have disagreed with it.

Table 4.12: Banks understanding of the specific needs of the customer

Description	No. of participants	Percentage
Strongly Agree	27	15.7
Agree	90	52.33
Neutral	36	20.93
Disagree	13	7.56
Strongly Disagree	6	3.49

Source primary Data

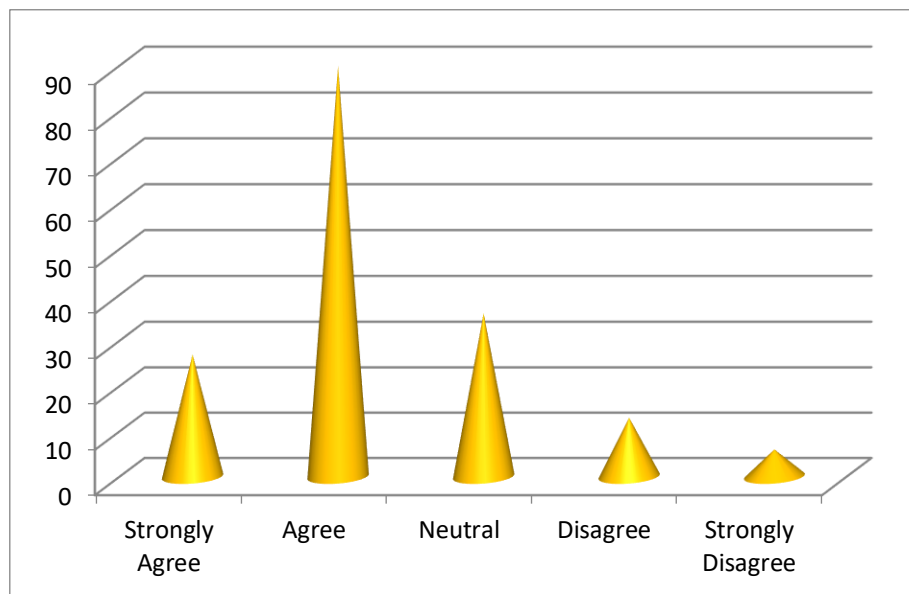


Fig 4.12: Bank employees understand the specific needs of the customer

Interpretation

15.7% strongly agree that the employees of the banks understand their specific need and 52.33% agree, 20.93% are feel its Neutral and 7.56% disagree while 3.49% strongly disagree. Majority of the respondents agree that the Bank employees understand the specific needs of the customer. The lowest is that they strongly disagree and feel that the bank employees do not understand the specific needs of the customer. It may also be noted that 20% chose to be neutral.

Table 4.13 Customers perception on how important they are made to feel

Description	No. of Participants	Percentage
Strongly Agree	27	15.7
Agree	86	50
Neutral	41	23.84
Disagree	15	8.72
Strongly Disagree	3	1.74

Source primary Data

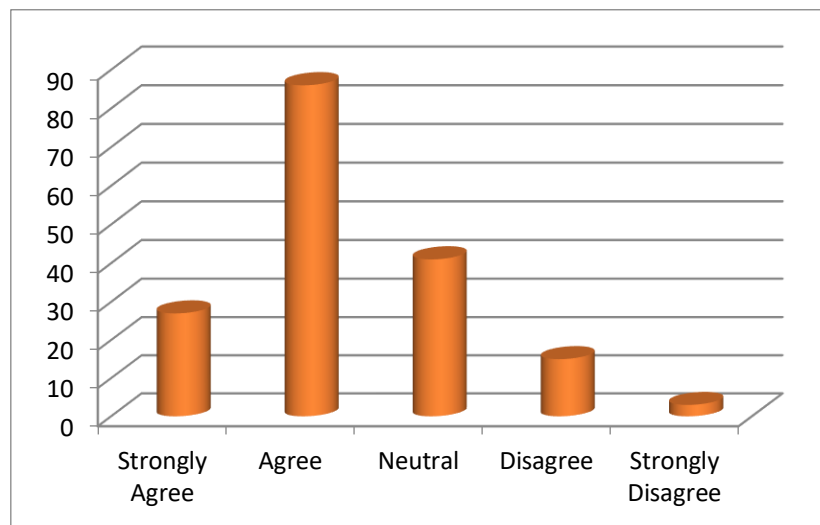


Fig 4.13: Customers perception on how important they are made to feel

Interpretation

15.7% strongly agree that they are made to feel important by the employees of the banks and 50% agree, 23.84% are feel its Neutral and 8.72% disagree while 1.74% strongly disagree. Majority of the respondents feel that they are made to feel important and the lowest number of people feel that they are not made to feel important.

Table 4.14 Promptness of Banks

Description	No. of Participants	Percentage
Strongly Agree	22	12.79
Agree	77	44.77
Neutral	59	34.3
Disagree	10	5.81
Strongly Disagree	4	2.33

Source primary Data

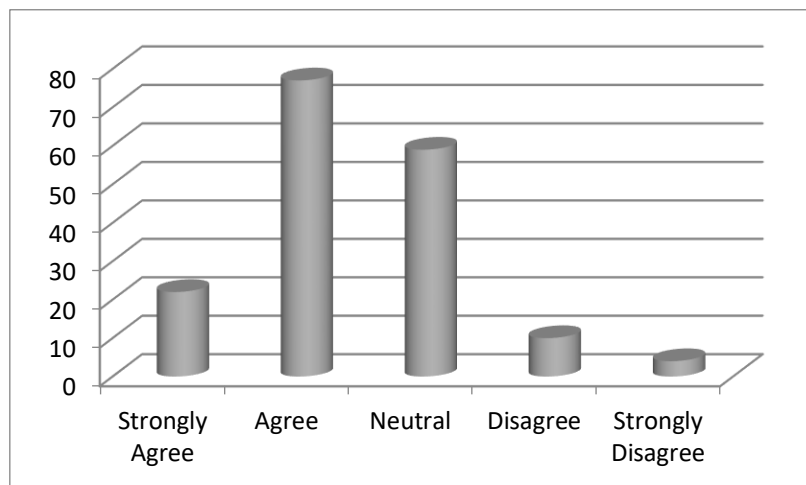


Fig 4.14: Promptness of Banks

Interpretation

12.79% strongly agree that the banks are prompt in their service, 44.77% agree, 34.3% are feel its Neutral and 5.81% disagree while 2.33% strongly disagree. Most of the participants agreed that the banks are prompt in their service and a very small percent of 2 percent did not feel that they banks gave prompt service..

Table 4.15 Customers confidence that the Bank will recommend the right product

Description	No. of Participants	Percentage
Strongly Agree	27	15.7
Agree	57	33.14
Neutral	56	32.56
Disagree	23	13.37
Strongly Disagree	9	5.23

Source primary Data

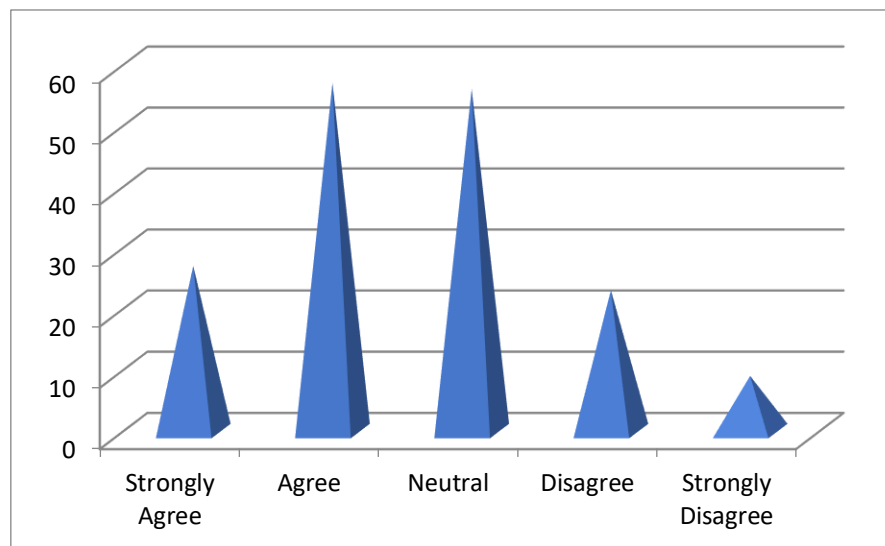


Fig 4.15 Analysis on the confidence that customers have that the Bank will recommend the right product

Interpretation

15.7% strongly agree that the banks will recommend the right financial product, 33.14% agree, 32.56% are feel its Neutral and 13.37% disagree while 5.23% strongly disagree. Most of the respondents agreed that the bank will recommend the product for them, and the one who felt that the banks do not recommend the right product was the lowest.

Table 4.16 Convenience of parking space in the Bank Branches

Description	No. of Participants	Percentage
Strongly Agree	19	11.05
Agree	59	34.3
Neutral	41	23.84
Disagree	47	27.33
Strongly Disagree	6	3.49

Source primary Data

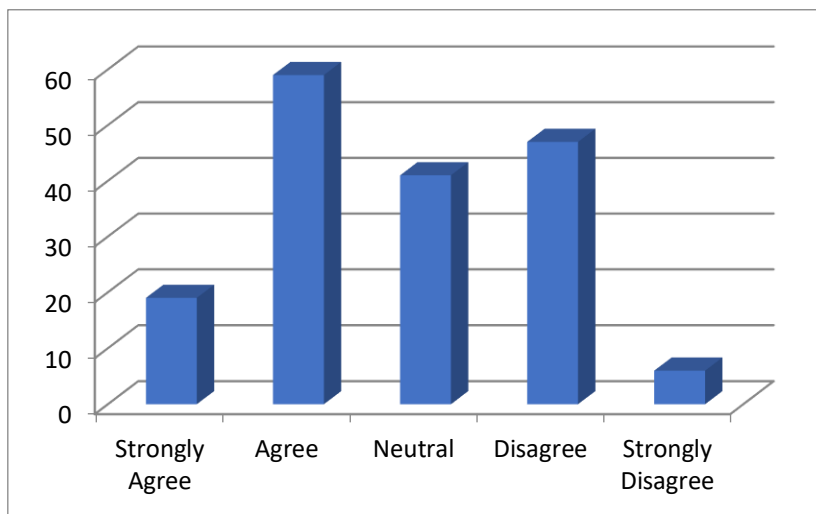


Fig 4.16: convenience of parking space in the Bank Branches

Interpretation

11.05% strongly agree that the banks will have convenient parking space, 34.30% agree, 23.84% are feel its Neutral and 27.33% disagree while 3.49% strongly disagree. Majority of the participants felt that the banks offered convenient parking space and the lowest number of participants felt that banks did not offer convenient parking space

Table 4.17: Ambience of the Bank Branches

Description	No. of Participants	Percentage
Strongly Agree	21	12.21
Agree	103	59.88
Neutral	40	23.26
Disagree	8	4.65

Source primary Data

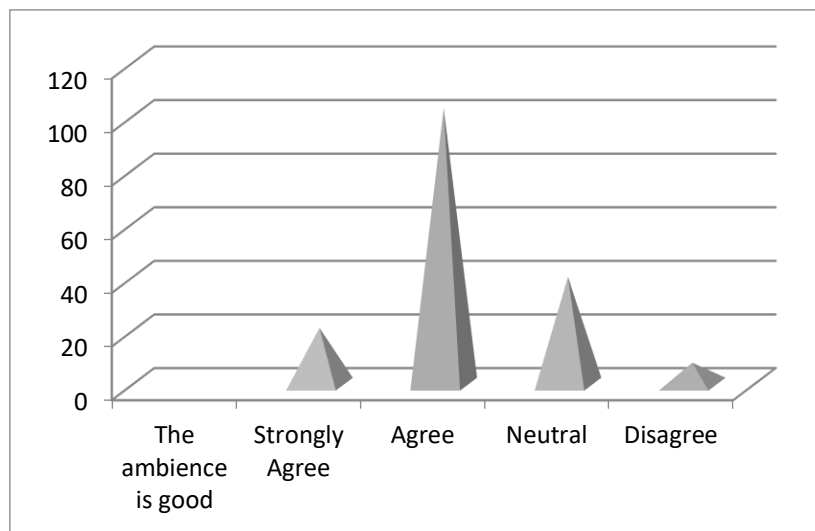


Fig 4.17: Ambience of the Bank Branches

Interpretation

12.21% strongly agree that the banks have a good ambience, 59.88% agree, 23.26% are feel its Neutral and 4.65% disagree. Majority of the respondents agreed that the ambience of private sector banks are good and if you add the strongly agree to it, then, it is close to 72 % while a mere 5 percent disagreed and that was the lowest.

Table 4.18: Politeness of Branch staff

Description	No. of Participants	Percentage
Strongly Agree	26	15.12
Agree	98	56.98
Neutral	39	22.67
Disagree	8	4.65
Strongly Disagree	1	0.58

Source primary Data

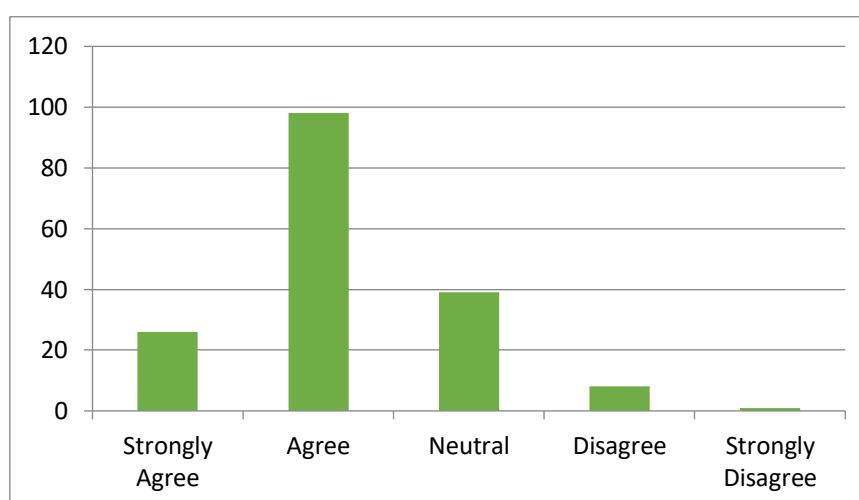


Fig 4.18 Analysis on politeness of Branch staff

Interpretation

15.12% strongly agree that the employees of the banks are polite, 56.98% agree, 22.67% are feel its Neutral and 4.65% disagree while 0.58% strongly disagree. Majority of the respondents had agreed that the bank staffs are indeed polite while about 5 percent which was the lowest disagreed and strongly disagreed. There was a sizeable number who were neutral about it.

Table 4.19 Speed of resolution of complaints by Bank branches

Description	No. of Participants	Percentage
Strongly Agree	17	9.88
Agree	97	56.4
Neutral	35	20.35
Disagree	17	9.88
Strongly Disagree	6	3.49

Source primary Data

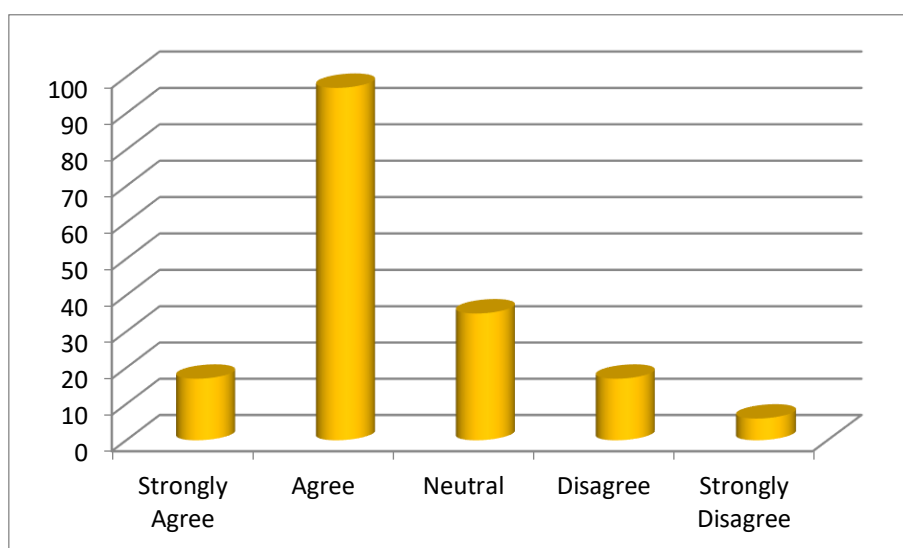


Fig 4.19 Analysis of resolution of complaints by Bank branches

Interpretation

9.88% strongly agree that the complaints are resolved easily, 56.4% agree, 20.35% are feel its Neutral and 9.88% disagree while 3.49% strongly disagree. Majority of the respondents were in agreement that banks resolved the complaints on time and the lowest for people who strongly disagreed and did not think that banks did not resolve the complaints.

Table 4.20 Management of the Bank and its reputation

Description	No. of Participants	Percentage
Strongly Agree	29	16.86
Agree	96	55.81
Neutral	45	26.16
Disagree	2	1.16

Source primary Data

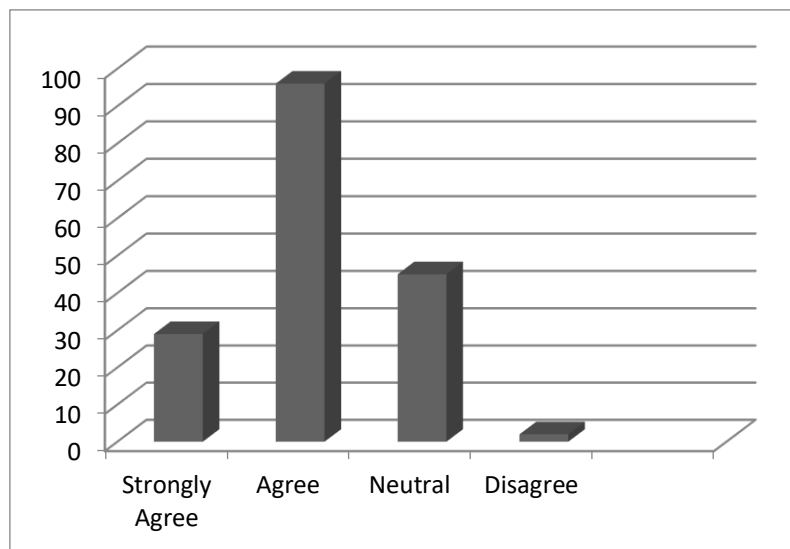


Fig 4.20 Management of the Bank and its reputation

Interpretation

16.86% strongly agree that the management has a good reputation, 55.81% agree, 26.16% are feel its Neutral and 1.16% disagree. The majority of the respondents agreed that the Management of the Banks had a good reputation while there was no one who strongly disagreed, only 2 were in disagreement.

Table 4.21: Customers having all the savings in one bank

Description	No. of Participants	Percentage
Strongly Agree	25	14.53
Agree	103	59.88
Neutral	30	17.44
Disagree	9	5.23
Strongly Disagree	5	2.91

Source primary Data

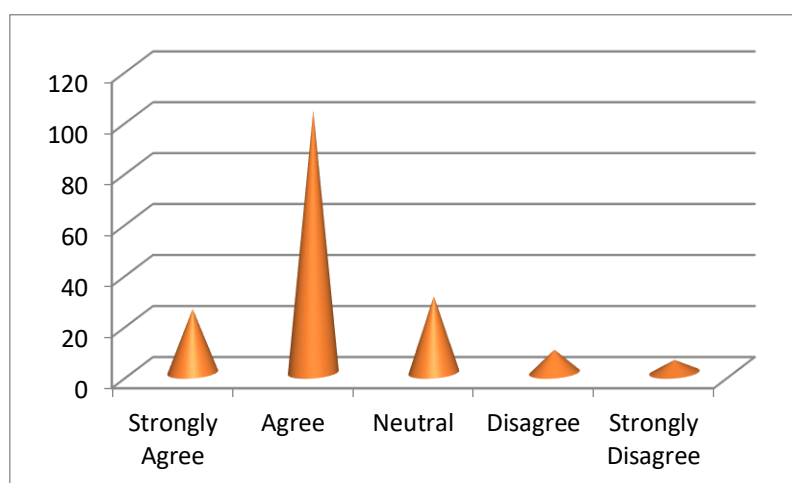


Fig 4.21 Customers having all the savings in one bank

Interpretation

14.53% strongly agree that its ok to have all their savings in one bank, 59.88% agree, 17.44% are feel its Neutral and 5.23% disagree while 2.91% strongly disagree. The majority of respondents seem to agree with having all the eggs in one basket and only 3 percent strongly disagreed.

Table 4.22 Customers Perception of positive experience to customers by Bank staff

Description	No. of Participants	Percentage
Strongly Agree	19	11.05
Agree	100	58.14
Neutral	45	26.16
Disagree	6	3.49
Strongly Disagree	2	1.16

Source primary Data

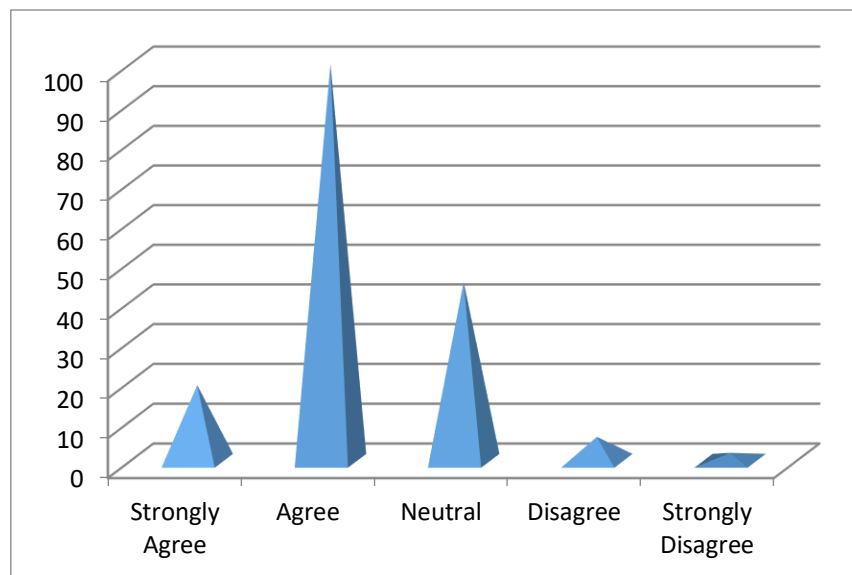


Fig 4.22 Customers Perception of positive experience to customers by Bank staff

Interpretation

11.05% strongly agree that the banks give them a positive experience, 58.14% agree, 26.16% are feel its Neutral and 3.49% disagree while 1.16 % strongly disagree. Majority number of respondents agreed to the positive experience, whilst 26% chose to be neutral and 1 percent strongly disagreeing.

Table 4.23 Capacity of Branch staff to keep promises.

Description	No. of Participants	Percentage
Strongly Agree	21	12.21
Agree	86	50
Neutral	50	29.07
Disagree	12	6.98
Strongly Disagree	3	1.74

Source primary Data

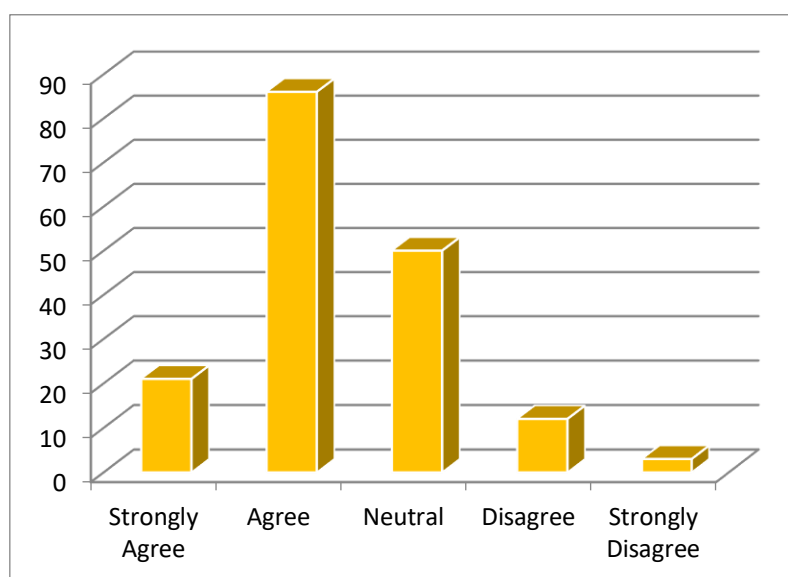


Fig 4.23 Capacity of Branch staff to keep promises

Interpretation

12.21% strongly agree that the banks keep up their promise, 50% agree, 29.07% are feel its Neutral and 6.98% disagree while 1.74% strongly disagree. Majority of the respondents agreed that the branch staff kept their word, while 12 percent strongly agreed. A mere 1 % strongly disagreed with it.

Table 4.24: Ability of the Bank staff to value sentiments

Description	No. of Participants	Percentage
Strongly Agree	12	6.98
Agree	84	48.84
Neutral	61	35.47
Disagree	14	8.14
Strongly Disagree	1	0.58

Source primary Data

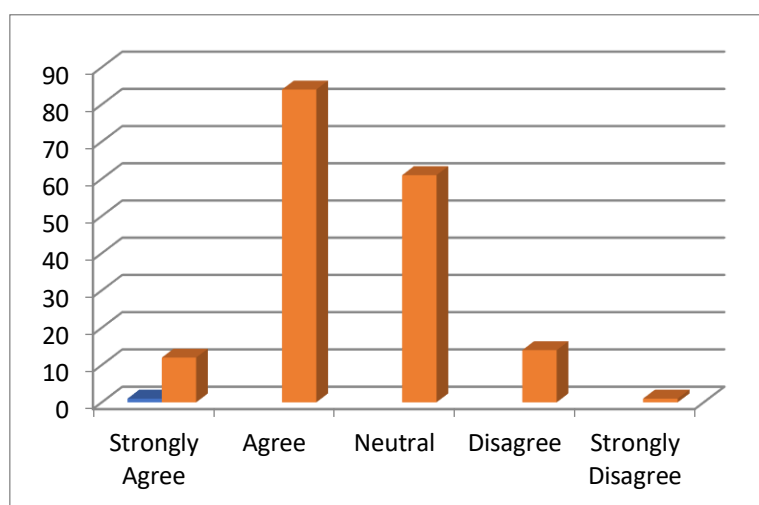


Fig 4.24 Ability of the Bank staff to value sentiments

Interpretation

6.98% strongly agree that the banks respect sentiments and values, 48.84% agree, 35.47% are feel its Neutral and 8.14% disagree while 0.58% strongly disagree. Most of the respondents agreed that the Bank staff valued sentiments while only 1 respondent strongly disagreed.

Table 4.25 Technical knowledge of bank staff and their ability to operate high tech environment

Description	No. of Participants	Percentage
Strongly Agree	22	12.79
Agree	85	49.42
Neutral	51	29.65
Disagree	11	6.4
Strongly Disagree	3	1.74

Source primary Data

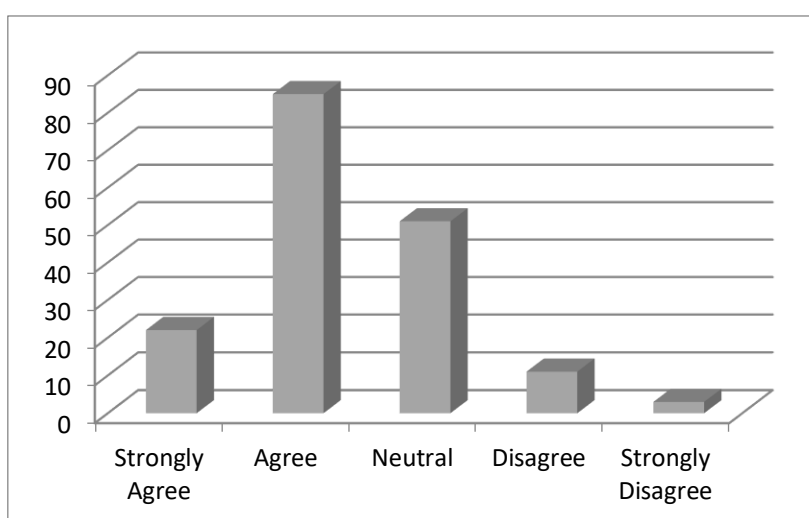


Fig 4.25 Technical knowledge of bank staff and their ability to operate high tech environment

Interpretation

12.79% strongly agree that the banks employees had the ability to operate technology well, 49.42% agree, 29.65% are feel its Neutral and 6.4% disagree while 1.74% strongly disagree. Majority of respondents agreed that the Bank staff had good technical knowledge and their ability to operate high tech environment. The number that strongly disagreed was the lowest.

Table 4.26 Human side of the Bank staff

Description	No. of Participants	Percentage
Strongly Agree	12	6.98
Agree	101	58.72
Neutral	50	29.07
Disagree	8	4.65
Strongly Disagree	1	0.58

Source primary Data

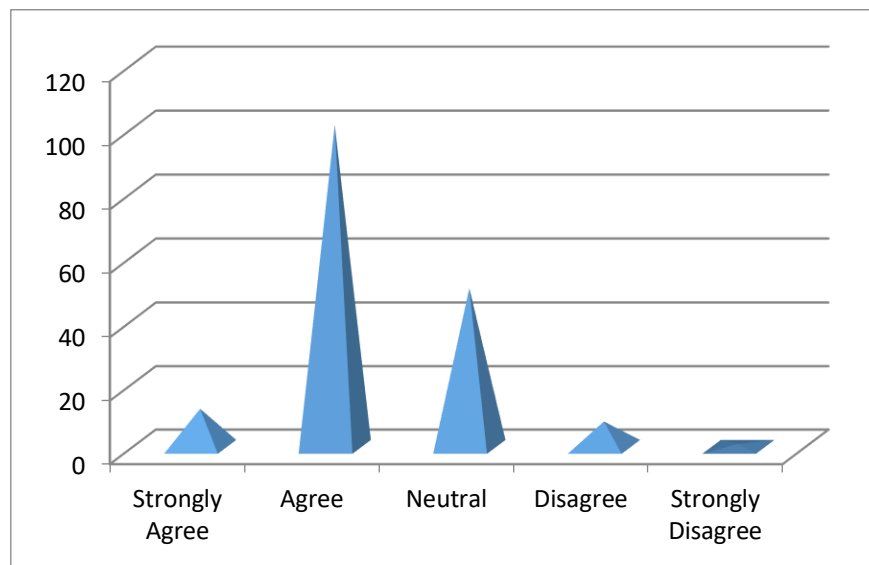


Fig 4.26: Human side of the Bank staff

Interpretation

6.98% strongly agree that the banks employees value the human side, 58.72% agree, 29.07% are feel its Neutral and 4.65% disagree while 0.58% strongly disagree. Majority of respondents agreed that the banks of Human side and only one respondent strongly disagreed.

Table 4.27: User friendly service skills of the Bank staff

Description	No. of Participants	Percentage
Strongly Agree	18	10.47
Agree	105	61.05
Neutral	44	25.58
Disagree	4	2.33
Strongly Disagree	1	0.58

Source primary Data

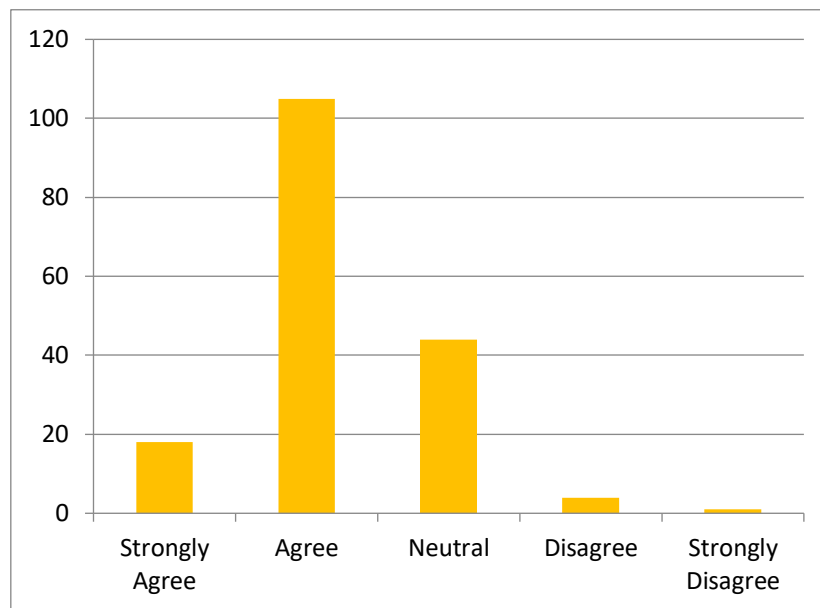


Fig 4.27 Analysis of the user friendly service skills of the Bank staff

Interpretation

10.47% strongly agree that the banks employees have user friendly service skill, 61.05% agree, 25.58% are feel its Neutral and 2.33% disagree while 0.58% strongly disagree. Majority of the respondents felt that the Bank staff had user friendly service skills. The lowest number of respondents strongly disagreed that the Bank staff had user friendly skills. Here again the Private sector banks seem to have a way with customers with the highest number agreeing and a small percentage strongly agreeing the ones who strongly disagree was very small and dismal.

Table 4.28 : Customers perspective on the banks offering new and innovative services

Description	No. of Participants	Percentage
Excellent	58	33.72
good	71	41.28
Fair	32	18.6
poor	8	4.65
Very Poor	3	1.74

Source primary Data

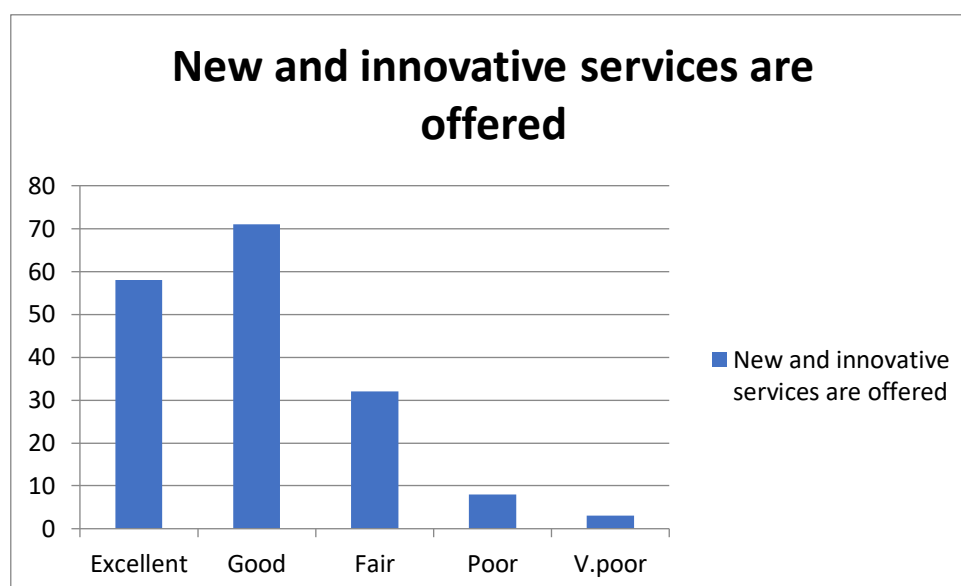


Fig 4.28 New and innovative services

Interpretation

33.72% of the customers feel that new and innovative services are excellent, 41.28% feel that it is good, 18.6% feel it is fair and 4.65% feel its poor and 1% feel it is very poor. Most of the respondents feel that it good and Banks do offer good innovative services. Most number of participants had accepted that it was good and innovation is happening and the lowest was very poor innovation by a mere 2 percent.

Table 4.29: The effectiveness of complaint Management as perceived by customers

Description	No. of Participants	Percentage
Excellent	53	30.81
good	69	40.12
Fair	29	16.86
poor	14	8.14
Very Poor	7	4.07

Source primary Data

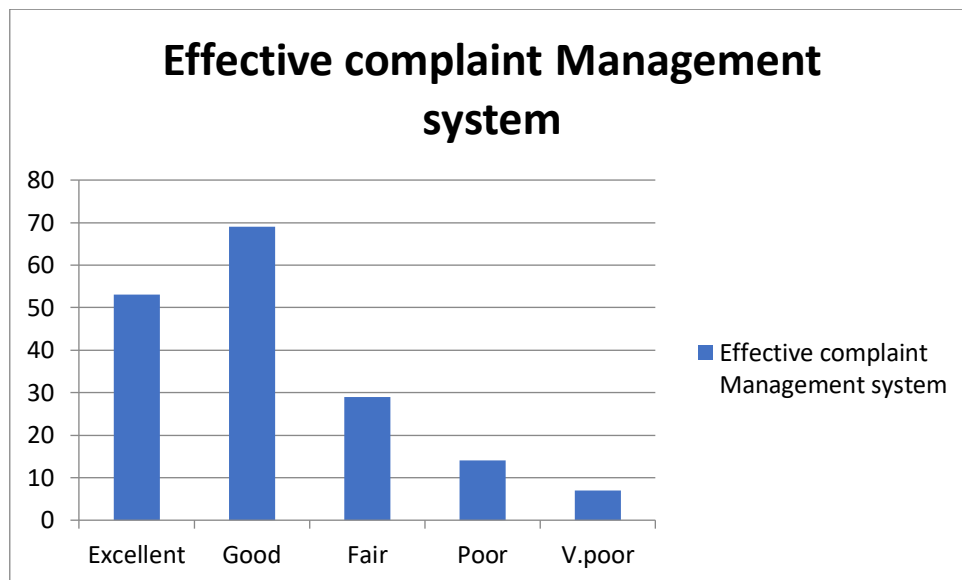


Fig 4.29 Effectiveness of complaint Management

Interpretation

30.81% of the customers feel the bank's complaint management is excellent, 40.12% feel that it is good, 16.86% feel it is fair and 8.14% feel its poor and 4.07% feel it is very poor. Most of the respondents feel that it good and Banks do offer good innovative services.

Table 4.30 Customer centric approach of Banks as perceived by customers

Description	No. of Participants	Percentage
Excellent	53	30.81
good	73	42.44
Fair	27	15.70
poor	15	8.72
Very Poor	4	2.33

Source primary Data

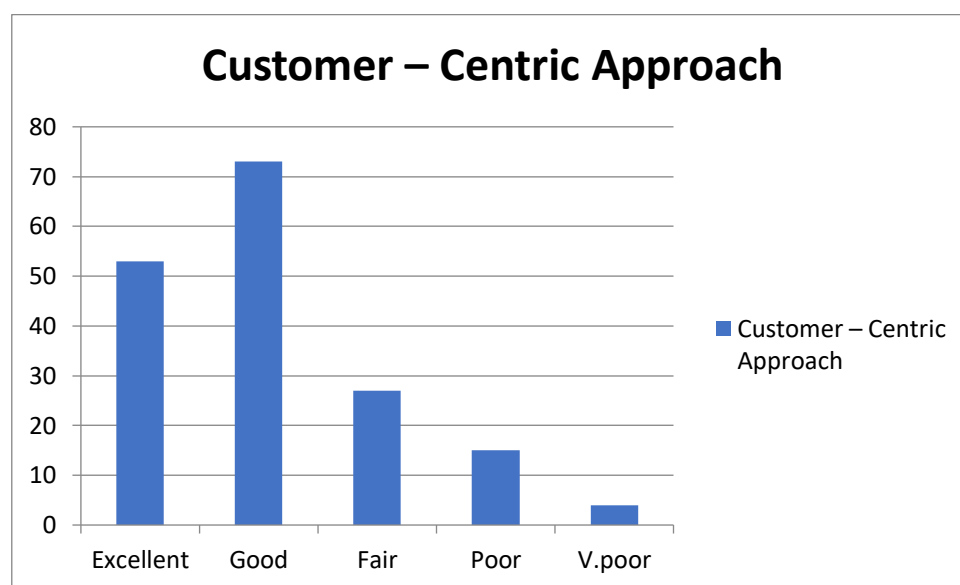


Fig 4.30 Customer centric approach of Banks

Interpretation

30.81% of the customers feel the bank's customer centric approach is excellent, 42.44% feel that it is good, 15.70% feel it is fair and 8.72% feel its poor and 2.33% feel it is very poor. Majority of the respondents felt that the Banks have a customer centric approach and the lowest was that the service was very poor.

Table 4.31: Specific strategies of Banks deployed to do customer segmentation

Description	No. of Participants	Percentage
Excellent	48	27.91
good	73	42.44
Fair	39	22.67
poor	9	5.23
Very Poor	3	1.74

Source primary Data

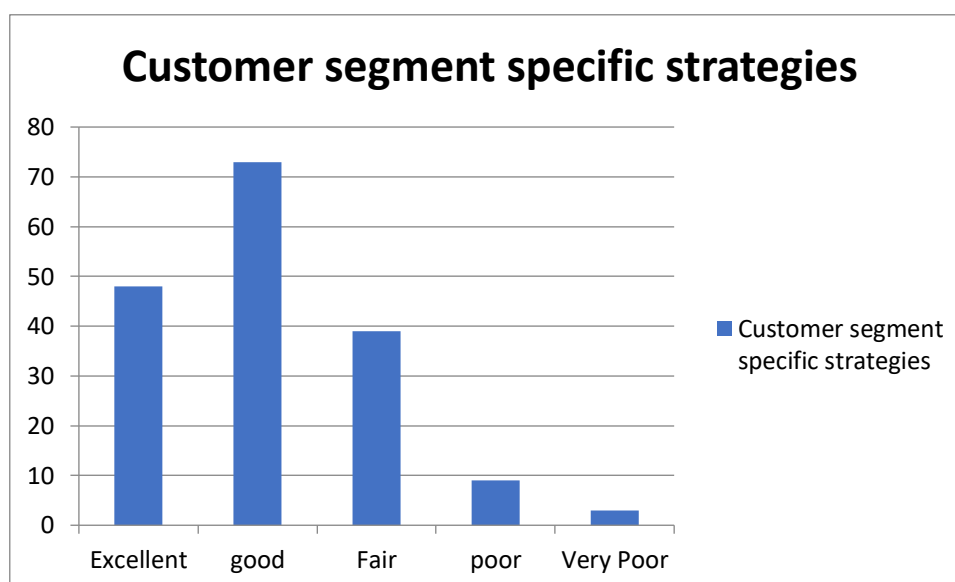


Fig 4.31 Specific strategies of Banks deployed to do customer segmentation

Interpretation

27.91% of the customers feel the bank's customer centric approach is excellent, 42.44% feel that it is good, 22.67% feel it is fair and 5.23% feel its poor and 1.74% feel it is very poor. Most of the participants feel that Banks have a good strategy to segment customers. About 1 percent feels that it is very poor.

Table 4.32 Value added services

Description	No. of Participants	Percentage
Excellent	48	27.91
good	94	54.65
Fair	20	11.63
poor	6	3.49
Very Poor	4	2.33

Source primary Data

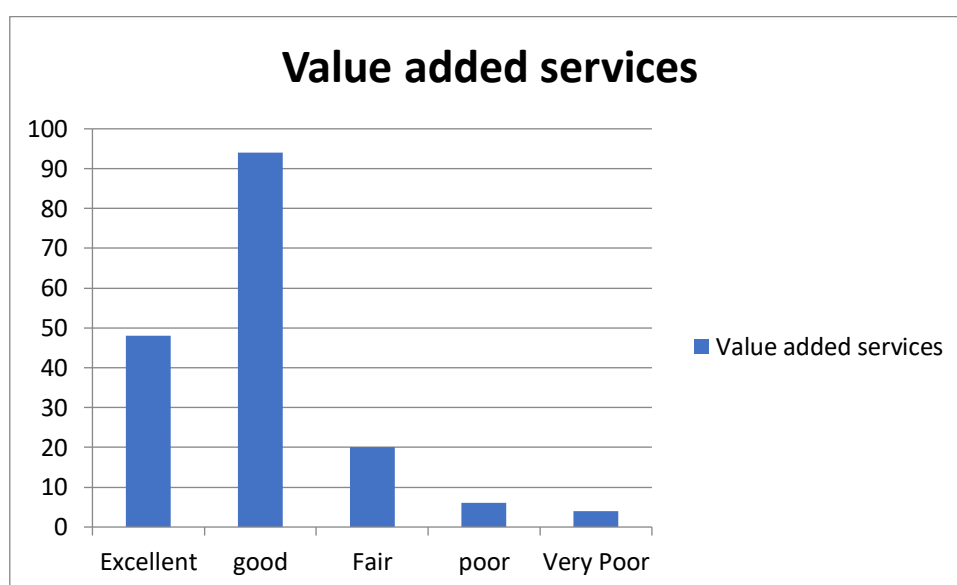


Fig 4.32 Value added services

Interpretation

27.91% of the customers feel the bank's value added service is excellent, 54.65% feel that it is good, 11.63% feel it is fair and 3.49% feel its poor and 2.33% feel it is very poor. Majority of the participants that good value added services were given by the banks and the number of respondents who felt that it was very poor was the lowest.

Table 4.33 Charges that the Bank levies on transactions

Description	No. of Participants	Percentage
Excellent	35	20.35
good	82	47.67
Fair	39	22.67
poor	11	6.40
Very Poor	5	2.91

Source primary Data

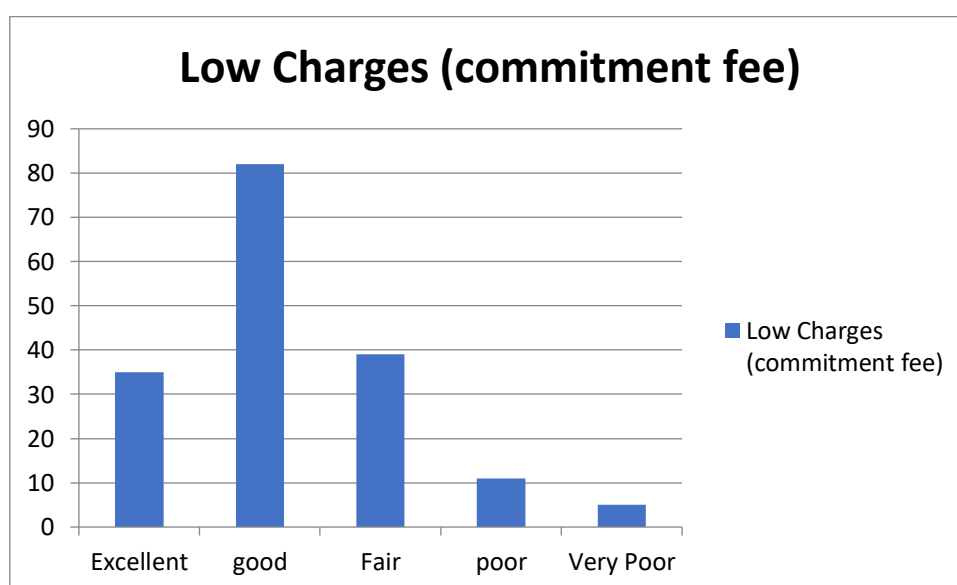


Fig 4.33 Low Charges

Interpretation

20.35% of the customers feel the charges that the bank levies on transaction is excellent, 47.67% feel that it is good, 22.67% feel it is fair and 6.40% feel its poor and 2.91% feel it is very poor. Most of the participants felt the charges are low (good category) and lowest number of participants feel that it is not applicable at all.

Table 4.34 Safety Measures taken by banks

Description	No. of Participants	Percentage
Excellent	67	38.95
good	99	57.56
Fair	4	2.33
poor	1	0.58
Very Poor	1	0.58

Source primary Data

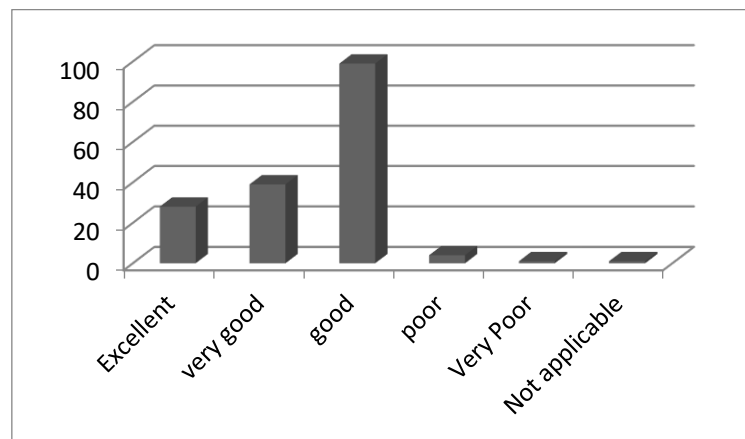


Fig 4.34 Safety Measures taken by banks

Interpretation

38.95% of the customers feel that the safety measures taken by Banks is excellent, 57.56% feel that it is good, 2.33% feel it is fair and 0.58% feel its poor and 0.58% feel it is very poor. Majority of the participants felt that the safety measures taken by banks are good. It's about 1 % of the sample group who feels either very poor or not applicable.

Table 4.35 Customer feedback

Description	No. of Participants	Percentage
Excellent	62	36.05
good	93	54.07
Fair	11	6.40
poor	5	2.91
Very Poor	1	0.58

Source primary Data

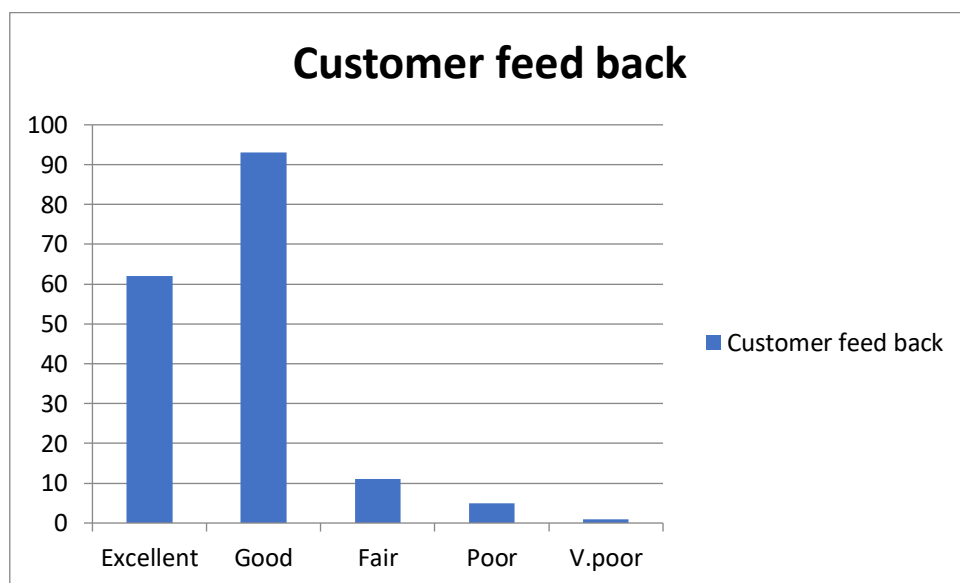


Fig 4.35 Customer feedback

Interpretation

36.05% of the customers feel that the customer feedback taken by Banks is excellent, 54.07% feel that it is good, 6.40% feel it is fair and 2.91% feel its poor and 0.58% feel it is very poor. Majority of the respondents felt that banks accepted customer feedback and only 5 participants feel that it is very poor.

4.2 INFERENTIAL TEST

4.2.1 ANOVA TEST - I

One-way ANOVA is a statistical technique that is used to compare the means of more than two groups.

Statistical Hypothesis:

Null Hypothesis (H_0) There is no significant difference in the perception of the service quality in relation to occupational status of the participant.

Alternate Hypothesis (H_1) There is a significant difference in the perception of the service quality in relation to occupational status of the participant.

Table 4.36 Descriptives of ANOVA Test – Service quality and occupation

Service Quality

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
2	78	2.2750	.63475	.07187	2.1319	2.4181	1.00	4.05
3	21	2.1381	.51379	.11212	1.9042	2.3720	1.00	2.95
4	23	2.6565	.50594	.10550	2.4377	2.8753	1.50	3.50
5	50	2.3620	.55975	.07916	2.2029	2.5211	1.00	3.85
Total	172	2.3346	.59627	.04547	2.2448	2.4243	1.00	4.05

Table 4.37 ANOVA Test – Service quality and occupation

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.509	3	1.170	3.430	.018
Within Groups	57.288	168	.341		
Total	60.797	171			

Results

ANOVA was performed to examine the difference among various customers of private sector banks on relationship between the occupational status and perceived service quality.

Results of ANOVA showed P value .018 is less than 0.05 hence null hypotheses is rejected. There is significant difference in the perception of the service quality in relation to occupational status of the participants.

4.2.2 CORRELATION:

Correlation is a statistical technique for investigating the strength and direction of the relationship between quantitative continuous variables. Correlation measures the degree of association between two variables.

Statistical Hypothesis:

Null Hypothesis (H_0) There is no relationship between service quality and customer retention.

Alternate Hypothesis (H_1) There is relationship between service quality and customer retention.

. Table 4.38 Correlations between Service quality and Customer retention

		SQ1	CR
SQ1	Pearson Correlation	1	.800**
	Sig. (2-tailed)		.000
	N	172	172
CR	Pearson Correlation	.800**	1
	Sig. (2-tailed)	.000	
	N	172	172

** . Correlation is significant at the 0.01 level (2-tailed).

Results

The results from Table (write table no) indicates that service quality and customer retention are positively and significantly correlated with each other ($p < .01$). The correlations between service quality and customer retention exhibit a positive correlation. The correlation coefficient is 0.800 hence the two variables are highly correlated

4.2.3 ANOVA TEST - II

One-way ANOVA is a statistical technique that is used to compare the means of more than two groups.

Statistical Hypothesis

Null Hypothesis (H_0) There is no significant difference in the perception of the service quality in relation to age of the participant.

Alternate Hypothesis (H_1) There is a significant difference in the perception of the service quality in relation to age of the participant.

.Table 4.39 Descriptives – ANOVA Service quality and Age

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
1	21	2.0833	.51777	.11299	1.8476	2.3190	1.00	3.00
2	58	2.4095	.61945	.08134	2.2466	2.5724	1.00	4.05
3	37	2.2919	.62211	.10227	2.0845	2.4993	1.00	3.85
4	56	2.3795	.56887	.07602	2.2271	2.5318	1.00	3.85
Total	172	2.3346	.59627	.04547	2.2448	2.4243	1.00	4.05

Table 4.40 ANOVA Service quality and Age

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.831	3	.610	1.739	.161
Within Groups	58.965	168	.351		
Total	60.797	171			

Results

ANOVA was performed to examine the difference among various customers of private sector banks on relationship between the age and perceived service quality.

Results of ANOVA showed P value 0.12 is more than 0.05 hence null hypotheses are accepted. There is no significant difference in the perception of the service quality in relation to the age of the applicant.

4.2.4 T TEST

The t test compares two averages (means) and test they are different from each other.

Statistical Hypothesis:

Null Hypothesis (H_0) There is no difference between gender and Customer centric approach.

Alternate Hypothesis (H_1) There is difference between gender and Customer

centric approach.

Table 4.41 T-Test - Gender to Customer Centric approach

	N	Mean	Std. Deviation	Std. Error Mean
Gender	172	1.49	.524	.040
CR3	172	2.97	1.189	.091

Table 4.42 One Sample T-Test - Gender to Customer Centric approach

	Test Value = 0					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Gender	37.380	171	.000	1.494	1.42	1.57
CR3	32.703	171	.000	2.965	2.79	3.14

Results

T test was performed to examine the difference among gender and Customer centric approach.

Results of T test of independence showed P value.000 is greater than 0.05 or $p > .005$ hence null hypothesis is accepted. There is no significant difference in the customer centric approach services offered between Man and woman.

4.2.5 CHI SQUARE TEST

A chi-square statistic is one way to show a relationship between two categorical variables.

Statistical Hypothesis:

Null Hypothesis (H_0) There is no association between age and service quality.

Alternate Hypothesis (H_1) There is association between age and service quality.

Table 4.43 Chi-Square Test - Age to Service Quality

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	174.154 ^a	135	.013
Likelihood Ratio	174.459	135	.013
Linear-by-Linear Association	1.146	1	.284
N of Valid Cases	172		

Results

A chi-square test of independence was performed to examine the association between age and service quality.

Results of chi-square test of independence showed P value.013 is greater than 0.05 or $p > .005$ hence null hypothesis is accepted. There is no significant association between age and service quality.

4.2.6 WEIGHTED AVERAGE OF CUSTOMER RETENTION:

Table 4.44 Weighted Average of Customer Retention

Particulars	Excellent	Good	Fair	Poor	V.poor	Weighted average	Rank
New and innovative services are offered	58	71	32	8	3	4.01	4
Effective complaint Management system	53	69	29	14	7	3.85	7
Customer – Centric Approach	53	73	27	15	4	3.91	5
Customer segment specific strategies	48	73	39	9	3	3.90	6

Value added services	48	94	20	6	4	4.02	3
Low Charges (commitment fee)	35	82	39	11	5	3.76	8
Safety	67	99	4	1	1	4.34	1
Customer feed back	62	93	11	5	1	4.22	2

Findings were that customers stayed longer with the banks and the first criteria for staying with the bank was the “Safety” aspect, and the second aspect was how they perceived the banks took their feedback (“customer feedback”). The charges being low were the last for the client in customer retention.

CHAPTER 5

FINDINGS, SUGGESTIONS AND CONCLUSION

5.1 FINDINGS OF THE STUDY

The findings of this research are that there is a direct relationship with quality of customer service to customer retention. Hence the effective use of Customer relationship management by banks will definitely be of great advantage to them. The other most important finding is that the customers in the lower income bracket feel that they get good service while the ones in the higher income group do not perceive that they get better treatment than the regular customer. This is a most surprising factor. As all of us know Private sector banks in India offer, many levels of services for customers of various levels. There are banks like ICICI who have even opened exclusive branches for their wealth management customers. These branches can't be accessed by the regular customer, and is of excellent ambience and with exclusive wealth managers who take care of their investment needs. Banks also offer home banking and exclusive relationship managers for High Net worth individuals. Even in the ordinary Savings bank account they offer variants which offer higher services depending on the minimum balance maintained. Most private sector banks have the minimum balance of Rs. 10000/- and those customer are offered, all that technology that the bank has to offer. Most of these salaried class people seem to be happy with the kind of services they get from their banks. It maybe because they do not have much expectation from the Banks as they might not have huge surplus that they invest and the tracking of the same need not be done by the banks. Also these clients also have loan needs that are met easily by the banks. Almost all retail loans are pretty easy to get and this maybe the reason that these customers are happy. Also the banks take many initiatives to make the customers in the higher income group feel more special, but the study shows that they do not perceive that their services are exclusive. This is where the banks must wake up and make sure the distinction is evident to the customer. It was the same case with age and service quality. Usually banks to take steps to make the elderly feel comfortable. The study does not suggest the same. They too don't seem to perceive the difference. After all the efforts to bring in exclusive women's accounts and more facilities for women, even they did not

feel privileged. This study clearly proves that the common man, who has the basic account and uses only the ATM's and online banking seems to be more satisfied because he has lesser expectation and the technology is sure something that is helping the bank make him feel happy.

1. Most of the respondents were in the 31 to 40 years range.
2. The majority of respondents were women.
3. Majority of the respondents were married.
4. The majority of respondent were self employed professionals.
5. Most of the respondents were salaried class and the self employed profession were the least.
6. Most of the respondents were in the bracket of 5 lakhs to 10 lakhs of annual income.
7. Most of the respondents have banks accounts in 2 banks.
8. Majority of the users were domestic users as 97% of the respondents have only Savings bank accounts as their primary relationship.
9. Majority of the respondents have had relationship with their bank for more than 15 years.
10. Majority of the respondents agree that they are given individual attention.
11. Majority of the respondents have agreed that banks have convenient working hours.
12. Majority of the respondents agree that the Bank employees understand the specific needs of the customer.
13. Majority of the respondents feel that they are made to feel important.
14. Most of the participants agreed that the banks are prompt in their service.
15. Most of the respondents agreed that the bank will recommend the right product.
16. Majority of the participants felt that the banks offered convenient parking space.
17. Majority of the respondents agreed that the ambiance of private sector banks is good.
18. Majority of the respondents had agreed that the bank staffs are indeed polite.
19. Majority of the respondents were in agreement that banks resolved the complaints on time.

20. The majority of the respondents agreed that the Management of the Banks had a good reputation.
21. The majority of respondents seem to agree with having all the eggs in one basket.
22. Majority number of respondents agreed to the positive experience.
23. Majority of the respondents agreed that the branch staff kept their word.
24. Most of the respondents agreed that the Bank staff valued sentiments.
25. Majority of respondents agreed that the Bank staff had good technical knowledge and their ability to operate high tech environment.
26. Majority of respondents agreed that the banks of Human side.
27. Majority of the respondents felt that the Bank staff had user friendly service skills.
28. Most number of participants had accepted that it was good and innovation is happening.
29. Most of the respondents feel that it good and Banks do offer good innovative services.
30. Majority of the respondents felt that the Banks have a customer centric approach.
31. Most of the participants feel that Banks have a good strategy to segment customers.
32. Majority of the participants that good value added services were given by the banks.
33. Most of the participants felt the charges are low (good category).
34. Majority of the participants felt that the safety measures taken by banks are good.
35. Majority of the respondents felt that banks accepted customer feedback.

5.2 SUGGESTIONS AND RECOMMENDATIONS

The recommendations for the banks would be to make sure that their efforts to bring in segmentation and making customers feel privileged works effectively. Their technology for CRM must be able to provide them with more data to be proactive about their High net worth client needs. Banks must make sure that whenever they offer an exclusive product to customers, they must have a good technology that is better than what is offered to the regular customers so that they

will feel the difference. Banks also must focus on Customer retention, but focusing on the quality of the services offered.

Private sector Banks have always been proactive in offering clients the best of service, but in the current scenario they must realize that customers give most importance to the safety features that the banks offer. As much as the study suggests that they are happy with the safety offered, in this sample size, it is important for Banks to keep updating themselves in technology too. With mobile banking and online banking becoming the mode these days, it is important to have proper firewalls and security features that would give the clients more confidence. A further study can be done exclusively on the privileged group such as senior citizens, HNI's, Wealth clients and women for banks to know if they have been effective in their segmentation and if they have made the customer feel important.

5.3 CONCLUSIONS

The most important conclusion is that the service quality and customer retention has a strong correlation. Hence it is important for banks to form effective long term relationships using CRM and technology to gain customer loyalty and grow in business.

The relationship between the income of the customer and the service they get also seem to have a significant relationship. This is something that is perceived by the customer and banks have to keep in mind that.

There is also a relationship between the occupation of the customer and the service quality. This means customers in their perspective feel that there is a difference in the service quality based on their occupation.

The most important finding has been that the customer retention happens when customers feel that the bank is safe. Safety seems to be the key. With the current NPA's of public sector banks going up in alarming numbers, maybe this could be a sudden change in the customer perspective. The next is "customer feedback". Which means customers value it when their feedback is taken well by banks and most surprisingly, "Low charges" seem to be last in the weighted average. This clearly shows that the customers are ready to pay a price for the safety of their money and for getting good service. Banks have to keep this in mind when they do the segmentation and make sure that each segment gets what they need, in order to have effective customer retention.

In this advanced age of technology, when most of the banks work gets done in the phone or laptop, banks have to ensure that they do not lose contact with the customer. This is needed the most as technology is not capable of bring in customer loyalty and retaining the customer. It is in the hands of the employees of the Banks to make sure that the customer is contacted regularly and it is in such situations that a robust CRM technology along with a good service with human touch can bring about a revolution in Banking. Finance is one of the most private and sentimental part of any customers life, hence a service with privacy and sincerity and a lot of human values will be ideal for banks to grow in size and stature. .

REFERENCES

- [1]. Jelena Cvijović, Milica Kostić- Stanković, Marija Reljić(2017) "Customer Relationship Management In Banking Industry" : Modern Approach Industrija Volume 45, No.3 2017 Pp.151-165
- [2]. Bhat, S.A Darzi(2016) Ma Customer Relationship Management: An Approach To Competitive Advantage In The Banking Sector By Exploring The Meditational Role Of Loyalty. International Journal Of Bank Marketing 34(3) 2016 388-410
- [3]. Prof Sandeep Kaur(2016)"Importance of Customer Relationship Management(CRM) in the Indian banking Sector: Imperial Journal Of Interdisciplinary Research (Ijir) Vol-2, Issue-12, 2016
- [4]. Naser Azada And Fatemeh Ahmadi Assistant(2015) "The Customer Relationship Management Process: Its Measurement And Impact On Performance" Uncertain Supply Chain Management 3 (2015) 43–50
- [5]. Dr. P. Anbuoli, T. R. Thiruvengat Raj (2014)"A Study On Customer Relationship Management In Banks" Proceedings Of The Intl. Conf. On Information, Engineering Management and Security, 2014 [Iciems 2014]
- [6]. Yu-Chiang Wang, Shu-Te University, Kaohsiung City, Taiwan Yi-Feng Yang,(2015), "The Impact And Interaction Effect Of Hr And It Applications On The Performance Of Customer Relationship Management In The Banking Industry: An Empirical Study Of Five Taiwanese Banks", Information Resources Management Journal, 28(3), 29-41, July-September 2015
- [7]. G. T. Ayo-Oyebiyi, I. O. Ladokun And D. Jooda Taiwo(2019) "Customer Relationship Management Dimensions And Nigerian Banks' Performance": Zenith Bank Plc South Asian Journal Of Social Studies And Economics 3(2): 1-8, 2019; Article No.Sajsse.47685 Issn: 2581-821x
- [8]. Gupta(2018)"Importance Of CRM In Indian Banking System" - Issn (Print): 2394-6962 Volume-8, Issue-2, April 2018 International Journal Of Engineering And Management Research Page Number: 124-127
- [9]. Marzouq Ayed Al-Qeed, Basem Yousef Alsadi & Zeyad F Al-Azzam(2017) "The Impact Of Customer Relationship Management On Achieving Service Quality Of Banking Sector Of Jordan", International Journal Of Business

- And Management; Vol. 12, No. 3; 2017 Issn 1833-3850 E-Issn 1833-8119 published By Canadian Center Of Science And Education
- [10]. Zaidan A. Zaidan Dhman,(2011)"The Effect Of Customer Relationship Management (Crm) Concept Adoption On Customer Satisfaction" A Thesis Submitted In Partial Fulfillment Of The Requirements For The Degree Of Master Of Business Administration 2011-1432 H
- [11]. Sunil Kumar Roy,(2014)" Factors Affecting (Crm) Practices In Commercial Banks", International Journal Of Current Research Vol. 6, Issue, 11pp-10344-10351,November, 2014
- [12]. Dr. T. Satya Narayana Chary R.Ramesh(2012)"Customer Relationship Management In Banking Sector- A Comparative Study" KkimrcIjrhbm Vol-1, No-2 Dec-Feb 2011-2012 - Issn: 2277 -1190
- [13]. Shailja Pal,(2018)"A Study On Customer Relationship Management Practices In Banking Sector", Wwww.Theinternationaljournal.Org>Gra : Volume: 02, Number: 02, February 2018.
- [14]. Atul Parvatiyar & Jagdish N. Sheth,(2001)"Customer Relationship Management: Emerging Practice, Process, And Discipline", Journal Of Economic And Social Research 3(2) 2001, 2002 Preliminary Issue, Pp 1-34
- [15]. Virendra M. Chaudhari(2020) "Role Of CRM In Indian Banking Sector" International Journal Of Engineering And Management Research E-Issn: 2250-0758 | P-Issn: 2394-6962 Volume-10, Issue-1 (February 2020)
- [16]. SA Malik Shahzeb Ali(2011) "On The Use Of Customer Relationship management (Crm) In The Banking Industry: A Qualitative Cross-Case Analysis Between The Banks In Pakistan And The Uk" Thesis]. Manchester, UK: The University of Manchester; 2011
- [17]. Md. Rashid Farooqi, ShardaKumari, & Dr.Mohd. Shoeb(2013) "Recent Trend Of E-Crm In Commercial Banks Of India" Bihar International Journal Of Application Or Innovation In Engineering And Management Issn 2319-4847 Volume 2, Issue 4, April 2013.
- [18]. Alauddin Golder (2021) "A Study On Effectiveness Of CRM Practices For Business At Different Customer Life Cycle Stage "Ijcrt | Volume 9, Issue 2 February 2021 | Issn: 2320-2882

- [19]. Rootman, M Tait, G Sharp(2012)“Bank Managers’ Views On Relationship Marketing”Journal of Contemporary Management Volume 8 Pages 315 – 336
- [20]. Arun Kumar Agariya, Deepali Singh(2012)“Crm Index Development And Validation In Indian Banking Sector”10 International Journal Of Customer Relationship Marketing And Management, 3(2), 10-32, April-June 2012
- [21]. C. Padmavathy, V.J. Sivakumar (2012) “Dimensions Of Crm Effectiveness And Its Effect On Relationship Quality ”India.International Journal Of Customer Relationship Marketing And Management, 3(1), 1-17, January-March 2012.
- [22]. D.R. Bajwa(2020) “Customer Relationship Management In Banking Sector : Problems And Challenges”DOI: 10.13140/RG.2.2.20719.25767 Project: Minor research projects
- [23]. Nirmaljeet Virk, Prabhjot Kaur (2012) “Customer Satisfaction: A Comparative Analysis Of Public And Private Sector Banks In India”International Knowledge Sharing Platform Information Vol 2, No.3, 2012
- [24]. Md. Rashid Farooqi, Sharda Kumari & Dr.Mohd. Shoeb, “Recent Trend Of E-Crm In Commercial Banks Of India Muzaffarpur” Bihar International Journal Of Application Or Innovation In Engineering And Management Issn 2319-4847 Volume 2, Issue 4, April 2013
- [25]. Mbizi, R. & Muzividzi D. (2013). “Customer Relationship Management (Crm) Practices In Financial Sector: Role And Implications To Commercial Bank Performance In Zimbabwe.” Research Journal Of Finance And Accounting, 4(8), Pp. 96- 103
- [26]. Gupta, S., Lehmann D. R., & Stuart J. A. (2004). Valuing Customers. Journal Of Marketing Research, 41, 7- 18.
- [27]. Hisham Sayed Soliman (2011) “Customer Relationship Management And Its Relationship To The Marketing Performance” Dr.International Journal Of Business And Social Science Vol. 2 No. 10; June 2011
- [28]. Banking Finance.In Portal – Crm In Banking Sector. May 6 2017.
- [29]. Biswamohan Dash, Sabyasachi Das, Radhakrishna Mishra & Nirmal Ku.Routra(2020)“The Impact Of Customer Relationship Management On

- Banking Industry; An Empirical Study In Bhubaneswar Market”International Journal Of Mechanical And Production Engineering Research And Development (Ijimperd) Issn(P): 2249-6890; Issn(E): 2249-8001 Vol. 10, Issue 3, Jun 2020, 11911-11918
- [30]. Hardik Panchal, Rushab Shah “Customer Relationship Management (Crm) In Banking Sector” Vol-4 Issue-4 2018 Ijariie-Issn(O)-2395-4396
- [31]. V. Renuga D. Durga (2016) “Customer Relationship Management In Banking Sector “ Dr. V Renuga D. Durga Ijesc 2016 Volume 6 Issue No. 8
- [32]. Mishra, V., & Vaithianathan, S.(2015) “Customer Personality And Relationship Satisfaction: Empirical Evidence From Indian Banking Sector”, International Journal Of Bank Marketing 33(2) 2015 122-142
- [33]. Paul, J., Mittal, A., & Srivastav(2016), G Impact Of Service Quality On Customer Satisfaction In Private And Public Sector Banks International Journal Of Bank Marketing 34(5) 2016 606-622
- [34]. Anu Putney, M Puney(2013) “A Study On The Role Of Customer Relationship Management (Crm) In The Indian Banking Sector” IjmbsVolme 3, Issue 2. 2013 88-89
- [35]. Dr.P. Anbuoli, T.R.Thiruvengkataj (2013)“A Study On Customer Relationship Management In Banks” International Research Journal Of Business And Management – Irbm Volume No – Vi 2013 1 To10
- [36]. Marzouq Ayed Al-Qeed, Basem Yousef Alsadi & Zeyad F Al-Azzam(2017) “The Impact Of Customer Relationship Management On Achieving Service Quality Of Banking Sector” International Journal Of Business And Management, 12(3) 2017 80-190
- [37]. Rashmi,(2015) “A Study On Customer Relationship Management Practices In Banking Sector In India”, “Volume 4, Issue 5 (May, 2015) Online Issn-2277- 1166” Print.
- [38]. Vikram B.B, Anuradha (2015) Lecturer, “Customer Relationship Management In Banking Sector” (An Iso 3297: 2007 Certified Organization) Vol. 3, Special Issue 7, October 2015.
- [39]. Anderson, C and Zeithaml, C.P. (1984), “Stage Of The Product Life Cycle, Business Strategy And Business Performance”, Academy Of Management Journal, Vol.27, March, Pp.5-24.

- [40]. Anthanassopoulous, Antresa. D (1997), "Service Quality And Operating Efficiency Synergies For Management Control In The Provision Of Financial Services: Evidence From Greek Bank Branches", European Journal Of Operational Research, 98, P. 300-313.
- [41]. Aurora, S. And Malhotra, M. (1997); "Customer Satisfaction: A Comparative Analysis of Public and Private Sector Banks", Decision, 24(1-4), (January – December); Pp. 109 - 130.
- [42]. Babakus, E and Boller, G W (1992). "An Empirical Assessment of The Servqual Scale," Journal Of Business Research, 24(3), 253-68.
- [43]. Berry, L.L. (1983), Relationship Marketing, In Berry, L.L, Shostack, G.L And Upha, G.D, Emerging Perspectives In Service Marketing, American Marketing Association, Chicago, 25-28.
- [44]. Bhatt, A. (1990); Study Of Marketing Research In Banking, Nibm Pune

APPENDIX - I

QUESTIONNAIRE

I. PERSONAL DATA

1.1 Name-----

Age(Years)

- a) Below 30 b) 31–40 c) 41–50 d) 51 and above

1.2 Gender

- a) Male b) Female

1.3 Marital Status

- a) Married b) Unmarried

1.4 Education Status

- a) Illiterate b) School level c) College level d) Professional e) Others, specify

1.5 Occupational status:

- a) Agriculture b) Salaried c) Profession d) Business e) Others, specify

1.6 Annual Income(Rs.)

- a) Below 2,00,000 b) 2L to 3L c) 3L to 5 L d) 5L to 10 L e) Above 10 L

II. RELATIONSHIP WITH BANK

2.1 Number of Banks you have relationship with

- a) 1 b) 2 c) 3 d) 4 e) 5

2.2 Type of Account with Primary Bank

- a) Savings Bank Account b) Current Bank Account c) Loans d) FD/RD e) Others

2.3 Tenure of relationship with each bank

- a) Below 5 Years b) 6 - 10 Years c) 11 - 15 Years d) 15 Years and Above

2 SERVICE QUALITY: (for primary bank only)

Primary Bank Name----- Branch-----

Based on your experience with the bank, please state the level of service quality as to the following factors.

S. No	a) Empathy	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	Banks gives individual attention	()	()	()	()	()
2	Convenient operating hours	()	()	()	()	()
3	Employees understand specific needs of the customer	()	()	()	()	()
4	Customer is made to feel important	()	()	()	()	()
	b) Reliability	()	()	()	()	()
5	Promptness In service and returning calls	()	()	()	()	()
6	Feeling confident that the Bank will give you advice for the best product	()	()	()	()	()
	c) Tangibles	()	()	()	()	()
7	Has enough parking space	()	()	()	()	()
8	The ambience is good	()	()	()	()	()
	d) Responsive	()	()	()	()	()
9	Staff are polite and answer all questions	()	()	()	()	()
10	Complaints get resolved easily	()	()	()	()	()

	e) Trust	()	()	()	()	()
11	Management has a good reputation	()	()	()	()	()
12	You are ok with having all your savings in this bank	()	()	()	()	()

CUSTOMER INTERACTION MANAGEMENT

State the level of effectiveness of the branch and its staff as to customer interaction.

S. No		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	Skill to provide positive experience (5)	()	()	()	()	()
2	Ability to keep up promises (3)	()	()	()	()	()
3	Ability to respect sentiments and values (4)	()	()	()	()	()
4	Ability to operate under high technical environment (2)	()	()	()	()	()
5	Skill to retain human side (1)	()	()	()	()	()
6	User friendly service skills (6)	()	()	()	()	()

APPENDIX – II (Article)
EFFECTIVENESS OF CRM IN PRIVATE SECTOR BANKS
S.Sheeba¹, Y.Aysha Fatima²

¹ Research Scholar, School of Management Studies, Sathyabama Institute of Science and Technology, sheebasojanar@gmail.com, 9940120763

² Assistant Professor, School of Management Studies, Sathyabama Institute of Science and Technology

ABSTRACT

The whole of humanity has moved to the digital world and banking is no exception. Gone are the days when people stood in queues in banks to withdraw money or made a demand draft. ATM's were the beginning of technology banking. It was a gradual growth from ATM's to online banking and then to mobile banking. The last 10 years has seen a quantum leap in virtual banking and the type of users has also been wide spread. This brought in the need for Banks to be conscious of the quality of the services they offer to customers to attract new customers and also to retain the existing customers. This research work is a study to explore how the Banks can have an exhaustive CRM that could have a fine data mining that could predict the customers future needs and give solutions that would be useful for the customer. From the Banks side the CRM must be a tool to offer customer delight, by means of which the Banks can retain their customers in the competitive arena and also acquire new customers. In this study that was done in the survey method, a questionnaire was sent out to the customers of private sector banks. The questionnaire was designed to get the customers perspective of how they think that Customer Relationship's were managed by the Private Sector Banks. The Study was done only with Private sector banks as most of the Private sector banks have a robust CRM system in place. The effectiveness of the CRM practices was to be determined. Once the data was collected, Statistical tools like Anova, T-Test, Chi Square and co-relation were done. In the co-relation test, there was a strong co-relation between service quality and customer retention. From the Anova, there was a significant difference in the perception of the service quality in relation to occupational status of the participants. Also, the other important findings were that age and gender did not change the perception of service quality. While seeing the weighted average the most important finding was that customers perceived that Safety was the most important aspect in a Bank that made them have longer

relationship with the bank. The second important aspect was on how they perceived that their bank took their feedback and the third was value added services. It was found that the charges of the bank took the last place.

INTRODUCTION

The change in the banking system in the last twenty years can be described as a revolution. Traditionally, banks were used by the common man to save money, have a running SB account and save in FD's and RD's. Banks lent to big companies and a Bank loan was looked as a commercial product. With Credit cards, Retail loans and a whole gambit of loan products, Banking has become so accessible for the common man. The growing competition among Private sector banks with the foreign banks and the nationalized banks have kept them on their toes in offering good customer services. Customers are more aware and their demands are also high. They look for good customer service, better products to invest in, ready to take in fair amount of risks for higher returns and look for a banker who could guide them, and help them grow wealth.

Earlier people used to save money to buy products and the economy has changed so much that people, buy things, and then save. From Home loans to personal loans all of which is available at the tap of a button, the psyche of people has changed big time. Customers are always on the lookout for products that gives them good returns with less risk, convenience, low cost loan, professional service, good advice on investments, simple procedures, and easy accessibility. Customers are now on the look for customer friendly services and the Banks also have moved from customer satisfaction to customer delight as their target.

If we go into the history of Banking, it was always not customer oriented. Earlier Banks were keepers for money and used it to invest in projects by lending. This was the primary job on a bank, but when things evolved and with more products on the shelves Banks had to represent themselves and get the attention of the customers. It was after ICICI Bank, the first Private sector Bank opened in 1994 that things started to change and the customers perspective came to play.

Even during this period Banks were only into retail business, and had only products like Savings account Current accounts, FD's, RD's etc. Even retail loans were not big. Citi Bank HSBC, Grindlays were foreign banks who offered facilities like Credit cards, and this was also not available to the lower salaried class and

only to the High Net worth Individuals.

In 1994 ICICI LTD, opened its banking arm and soon they decided to bring in ATM's which seemed to work out cheaper when you compared the cost per transaction as against branch banking. Citi bank woke up to realize that mass banking strategy of ICICI seem to increase their base and started Suvidha accounts, with a minimum balance requirement of Rs. 10000 and they increased the number of ATM's.

In May 1996 K V Kamath took over ICICI Bank as MD and changed the history of Banking ever since. Banks became super markets selling all financial products. Credit cards and retail loans became easy. Many Private sector banks opened, HDFC, UTI, IDBI had all opened their Banking arms. Suddenly banking changed. Technology was introduced, which meant ledgers and branch banking changed to universal banking. ATM's were spread across the country. This was a giant leap for banking.

The days when customers had to wait in a queue's with tokens had changed. Suddenly the customer became king and with many Private sector Banks opening, competition became high and Customer satisfaction moved to customer delight.

Banks started selling many products, and retail loans became easy. Indians were basically very conservative and our economy was also conservative. After the liberalization in 1990, many things changed and so did people's mind set and expectation. Indian's had the mind set of saving and buying, be it a house or car. In the onset of liberalization and with easy retail loans Indians started buying and saving, the reverse economy.

With the advent of internet, technology and smart phones, the world shrunk and the Indian customers wanted their share of respect and demanded service for their money. Private sector Banks started wooing customers with attractive Bank Branches, customer friendly employees, technology driven banking, easy accessibility via ATM's and Kiosks. Banks also brought in Customer Management services and made sure the customer was happy and met with all the expectations of the customer.

Earlier only the affluent had accounts in foreign banks like Citi Bank, AnzGrindlays, Standard chartered Bank etc, and the minimum balance in these banks were close to 1 to 3 lakhs, making it unreachable for the salaried class. The private sector Banks started their segmentation, and started offering different kinds

of accounts for people who had different levels of balances.

This is when exclusive banking, started for High networth individuals. They were given priority and extra attention. Banks hired Relationship Managers, who handled these clients exclusively. Banks also started selling all their products starting from Insurance to retail loans. There is no one financial product that banks don't sell now. In insurance, Life, medical and also vehicle insurances are sold by banks. Banks also sell mutual funds, investment products that give the customer more options to invest other than the outdated Fixed Deposits and Recurring Deposits.

The dynamics has changed so much that Banks also offer three in one accounts, which is online trading accounts and also offer PMS services. Banks also offer Portfolio management services to individuals and corporate.

In this research paper the sample size taken was 172. The questionnaire was sent to more than 200 people from all walks of life that have a relationship with private sector banks. The questionnaire covered all aspects of the services quality offered by the banks and also checked the kind of services offered for customer retention. The details collected were then analyzed and tested using ANOVA for the demographic details.

REVIEW OF LITERATURE

Atul Parvatiyar et.al.,(2002) has stated how more and more companies are adopting customer-centric strategies, programs, tools and technology for efficient and effective customer relationship management. He goes on to explain how the development of new channels and technologies has altered the interface of companies with their customers. He states that, In the marketing literature the term customer relationship management and relationship marketing are used interchangeably. As Nevin (1995) points out, these terms have been used to reflect a variety of themes and perspectives. Some of these themes offer a narrow functional marketing perspective while others offer a perspective that is broad and somewhat paradigmatic in approach and orientation. A narrow perspective of customer relationship management is database marketing emphasizing the promotional aspects of marketing linked to database efforts. He gives a glimpse of the CRM process framework where there is a formation and then the management

and governance and finally the performance. He also studies the relationship between customer revenue and cost and finds the opportunity zone. He concludes that as an intervention strategy, it would be highly desirable for relationship marketing and CRM scholars to organize their own association and their own scholarly journal.

Gupta, S., Lehmann D. R., & Stuart J. A. (2004) Thus customer intimacy has to be the focal point of any growing financial organization. In the same way there has to be an interactive customer management to enhance customer retention. So managers should try to acquire customers that have the greatest potential as long as the costs of acquiring such customers do not outweigh the benefits.

Shahzeb Ali Malik (2010) has done a comparative study of CRM in banking Industry in UK and Pakistan. She believes that the adoption of the CRM within the banking industry chiefly depends on the overall adoption of IT culture within the country. She talks about the differences between a developed country and a developing nation where UK enjoys innovative technologies and tailor made systems and high level of IT maturity in their banking system where as Pakistan is still dealing with several technological issue like lack of IT alignment in the banking industry. In her research she has investigated and covered the overall operational issues of the CRM system within the banking industry for both developed and developing countries. She quotes Bhaduri (2005) that CRM is misunderstood as a fancy sales strategy an expensive software product and even a new method of data collection. She emphasizes that CRM is none of these, and it is a simple philosophy that places the customers at the heart of banks business processes activities and culture to improve customers satisfaction of service and in turn it maximizes the profits of the banks. She further quotes Bhaduri that a successful CRM strategy aims at understanding the needs of customers and integrating them with the bank's strategy, people, technology, and business process. Therefore, one of the best ways of launching a CRM initiative in banks is to start with what banks are doing now and working out what should be done to improve its relationship with its customers. Then and only then, it should link to an IT solution. She has done a comparison of Pakistani banks with UK bank on query response and time using the CRM system and major products and services and goes on to

show the difference when CRM and technology is used effectively and when it is not.

Hisham (2011) explores the relationship of customer relationship management to marketing performances and found them closely connected. His definition for CRM was described as Writers diverged in formulating a specific definition for CRM. This divergence may be owed to a difference in the scientific background of these writers. He quotes Swift, 2000 , p.p. 12-13)) who defined CRM as a method of understanding the customer behavior through intense communication with him/her to improve the performance which is represented in attracting the customer, keeping him/her and increasing his/her loyalty and profitability. His sample data was 197 financial institutions and in conclusion he feels the giving a good CRM and the staff enough time to be experienced in CRM is the ideal thing to do.

This write up talks of the the key impediment, which is the lack of understanding and acceptance of CRM as an organisation wide strategy and need for reorientation of organisation structure to adopt this. The paper attempts to investigate these issues and suggests a framework for reaping the benefits of this investment in CRM by various banks.

Zaidan (2011) in his thesis paper has done extensive research to investigate the effect of applying the concept of customer relationship management on customer's acquisition, satisfaction, and retention. The responses of 393 customers were used as sampling and the customers were classified according to their commitment to pay their monthly water bills which is very high in Rafah, Palestine. Zaidan has gone on to hve 4 hypothesis on how CRM will affect customer satisfaction, acquisition, retention, and customer loss and this knowledge was for the coastal municipalities water utility (CMWU). The importance of this study is that it will provide assistance to CMWU management to satisfy its customers, respond to their need efficiently and in time. The researcher concluded that adopting CRM model in CMWU will positively correlate with achieving customer satisfaction acquisition retention and decreasing customer loss as it was statistically observed.

Arun Kumar Agariya et.al.,(2012) in his study to develop a reliable and valid CRM index specifically catering to Indian banking sector. This index can be a strategic

tool in enhancing the customer responsiveness and overall performance of the banking organizations. He states that the study has three fold objectives that are Identification of current status, preparedness and implementation. In conclusion he states that the banks have to implement effective CRM practices to achieve and maintain their place in the banking industry.

C Padmavathy et.al., (2012) states that the purpose of the study is to investigate the effect of CRME Dimensions on customer satisfaction, trust and commitment. She quotes the definition of CRM as In the universe of marketing management, CRM is abounded by multiple definitions (Yim, Anderson, & Swaminathan, 2004). Payne & Frow (2005) identified three different perspectives in the definitions of CRM, namely, emphasis on information technology (IT) implementation, wide range of customer oriented IT and Internet applications, and customer centric focus. She further explains the effect of CRME dimension on customer satisfaction and the effect of customer satisfaction on customer trust and finally the trust leading to customer commitment. A set of 13 purified items were retained for measuring CRME. She explains that this study has provided clear conceptualization for CRME construct from customer perspective. Second conceptual framed work between CTME and its consequent performance indicators is developed. She comes to the conclusion that the study has identified four dimension of CRME such as reliability, process focus, customer focus and technology focus. The limitations of this study is based on cross-sectional data and future studies can use longitudinal frame work to provide further insights on the dimension

T Satya Narayana Chary et.al.(2012), in his comparative study of customer relationship management in Banking sector, makes it clear that CRM is not a product or service, it is an overall business strategy that enables companies to manage relationships with their customers. He adds that it is concerned with the creation, development and enhancement of individual customer relationship with carefully targeted customer groups resulting in maximizing the total customer life time value. He very clearly points out that CRM is carefully managing all the touch points with the customer with the aim of maximizing customer loyalty. He has also dealt with the problems of CRM. Other than maintain huge data of customers, he

states it is difficult to collect the right data of all the interactions with the customer. He also adds that it might be of concern about the privacy and security of the customer. His research problem states the usage of CRM to create customer delight. Earlier customer satisfaction was considered ideal, but in a competitive background customer delight has been the target of marketers. His sample was from PSU bank, SBI and private sector bank HDFC and a comparative study was done and it was clear that there is a significant difference between the perceptions of customers of SBI and HDFC towards CRM. It was surprising to note that the study found both the public and private sector bank the working performance were similar, yet SBI though being a public sector bank had taken good care in implementing CRM When compared to HDFC a private sector bank.

Nirmaljeet Virk et.al.,(2012) in his research on customer satisfaction and the difference between public and private sector banks in India has taken a sample of 160 customers. And the study concluded that the majority of customers preferred private sector banks. MR. Virk also sees the complex situation banks are in now as customers come from different social groups. In his objectives he examines the expectations of customers, and to study the preference of the customers. Further he states that, this research shows that private banks managers are ahead of public banks in making relationship with their customer thus winning their satisfaction. This can be attributed to the fact that today larger client base in India is banking with Private sector banks as compared to Public sector banks. Most of the respondents were of the view that public sector banks are lagging behind in use of modern technology and techno savvy staff.

Md. Rashid Farooqu et.al.,(2013)in his paper has provided an important insight for e-CRM in leading commercial banks of India from its present and future growth prospects. E- CRM is considered as strategic technology centric relationship marketing business frame work and its purpose is to serve the customer in a better way to retain valuable customer and enhance the capabilities of the organization. He adds that t he concept to Electronic Customer Relationship derived from Customer Relationship techniques. Shani and Chalasani define relationship marketing as “an integrated effort to identify, maintain, and build up a network with individual consumers and to continuously strengthen the network for mutual

benefit of both sides, through interactive, individualized and value-added contacts over a period of time". Some of the E-CRM Techniques used by commercial banks are ATM, Internet Banking, Smart cards, mobile banking etc and he foresees the future trends in e-CRM. He notes that worldwide trend shows that net banking is perceived as a convenient and fast way of doing banking business and is fast gaining grounds. E- CRM has the benefit of creating long term relationship with customers with minimum cost, and the specific benefits of e-CRM is enhanced customer interaction and managing customer touch points, personalization, e-loyalty and source of competitive advantage He concludes that the commercial banks in India are on the learning curve of e-CRM and must adopt E-CRM customer centric approach. He concludes that the success of e-CRM depends upon the development of robust and flexible infrastructure.

Mbizi R. & Muzividzi D.(2013) The major CRM practices are collaboration, customization and customer prospecting as well as key account management practices. Customization is the most popular and used practice, the reason is that today's customer is dynamic and each financial product has to be tailored to his/her requirements at any given time. Thus customer intimacy has to be the focal point of any growing financial organization. In the same way there has to be an interactive customer management to enhance customer retention.

Md. Rashid Farooqu et.al.,(2013)in his paper has provided an important insight for e-CRM in leading commercial banks of India from its present and future growth prospects. E- CRM is considered as strategic technology centric relationship marketing business frame work and its purpose is to serve the customer in a better way to retain valuable customer and enhance the capabilities of the organization. He adds that the concept of Electronic Customer Relationship derived from Customer Relationship techniques. Shani and Chalasani define relationship marketing as "an integrated effort to identify, maintain, and build up a network with individual consumers and to continuously strengthen the network for mutual benefit of both sides, through interactive, individualized and value-added contacts over a period of time". Some of the E-CRM Techniques used by commercial banks are ATM, Internet Banking, Smart cards, mobile banking etc and he foresees the future trends in e-CRM. He notes that worldwide trend shows that net banking is

perceived as a convenient and fast way of doing banking business and is fast gaining grounds. E- CRM has the benefit of creating long term relationship with customers with minimum cost, and the specific benefits of e-CRM is enhanced customer interaction and managing customer touch points, personalization, e-loyalty and source of competitive advantage. He concludes that the commercial banks in India are on the learning curve of e-CRM and must adopt E-CRM customer centric approach. He concludes that the success of e-CRM depends upon the development of robust and flexible infrastructure.

Sunil Kumar Roy (2014) says that High degree of automation, era of e-commerce e-businesses have revolutionized the business processes where markets have become boundary less. Transactions in present era takes place on-line reducing the significance of buyers-sellers meetings and face to face interactions to a great extent. CRM has also travelled a big distance changing its shape from time to time. With the evolution of social media in 21st century, CRM is again changing its shape. He has collected both primary and secondary data, but his research is more inclined towards Primary data. He has used SERVQUAL instrument. His findings were All the factors (independent variables) have been found to be significantly significant thus indicating their influence on the CRM and Service Quality. His recommendations are quite clear, he says the communication between the bank and client is very important and installing automated machines brings efficiency in banks services. The attitude and knowledge of the employees are important, and personal attention is also an important aspect that contributes towards improved CRM. Making the client feel secured is the most important part of the relationship management.

Naser Azad .et. al., (2014) talk of CRM's used in various systems such as call centres, social media, Banks etc. He has gone on to explain that CRM codifies the interactions between the organizations and the customers to maximized sales and profit using analytics and gives the users information in where to concentrate for maximizing revenue. The paper presented an investigation to determine the effective factors influencing the CRM. In his research he clearly observes that customer preference is the number one priority and the second is customer perception and wishes and the third is customer engagement. In conclusion, after

the empirical investigation on the important factors that influence CRM development and summarized that being customer oriented is the factor influencing CRM and among the many factors, Customer preferences is number one in priority followed by customer perception and customer engagement.

Dr. P Anubuoli et.al.,(2014) in his paper on a study on CRM in banks feel that customers do not change banks very often, But now the customer base of banks have increased and so has choices of customers for selecting their banks. HE feels that the banks have both mass and class acquisition as a need and attention from getting new customers to retaining them is also happening. The pressure of competitive market has contributed to the growth of CRM in the Banking sector. He emphasizes that CRM is a marketing strategy that unites the IT with marketing. Studying the needs and behavior of customer is essential to develop a strong relationship with them and CRM enables effective relationship growth when the bank has the right leadership, strategy and culture. Dr. Anubuoli has effectively tracked the history of CRM and its benefits and has concluded that CRM is a comprehensive approach of creating and maintaining long term relationships and one to one marketing approach has impacted a lot on different aspects of the organization.

Y-Chiang Wang et.al., (2015) from the city of Taiwan had done an empirical study of five Taiwanese banks of the impact and interaction effect of HR and IT application of the performance of CRM in banking industry. The study was done on 800 people in Taiwanese banks which had applied e- CRM system to their customer service operations. The analysis was carried out with two samples, the sales personnel and the customers. The findings showed that the positive performance of HR and IT capabilities along to the direct influences of the resources. MR. Y-Chiang Wang Information Technology is very important for collecting and analyzing customer information and feedback. In his conclusion he feels that HR and IT applications have a high impact on Customer Relationship management and these tools can be used effective for customer retention and acquisition.

OBJECTIVES OF THE STUDY

The Primary Objective is

1. To study the effectiveness of CRM practices in Private Sector Bank.

The Secondary Objectives are

1. To measure the service quality and its relationship to customer retention in Private Sector Banks
2. To analyze the effectiveness of Bank staff interaction with customers with customers of all segments.
3. To examine if the efforts for customer retention is sufficient.

Analysis and findings

The demographic profile of the respondents has been identified to find the perspective of the customers on the services given by the Banks and the relationship they maintain.

6.1 Classification of Respondents based on demographic values

Age of the respondents

Age		
Description	No. of Participants	Percentage
Below 30	21	12.21
31 - 40	58	33.72
41 - 50	37	21.51
Above 50	56	32.56

Gender

Gender		
Description	No. of Participants	Percentage
Female	91	52.91
Male	81	47.09

Marital status

Marital Status		
Description	No. of Participants	Percentage
Married	150	87.21
Unmarried	22	12.79

Educational status

Educational Status		
Description	No. of Participants	Percentage
School Level	3	1.74
College Level	74	43.02
Self Employed Professional	88	51.16
Others	7	4.07

Occupational status

Occupational Status		
Description	No. of Participants	Percentage
Salaried	78	45.35
Profession	21	12.21
Business	23	13.37
Others(House wives , Retired)	50	29.07

Annual income

Annual Income		
Description	No. of Participants	Percentage
Below 2,00,000	34	19.77
2L - 3L	18	10.47
3L - 5L	34	19.77
5L - 10 L	48	27.91
10L and above	38	22.09

(Source primary data.)

From the data above it has been found that majority of the respondents were above 41 years with annual income above 5 lakhs. Majority of them were also married, and the number of Male and Female respondents were almost equal. 6.2

TEST - I

One-way ANOVA is a statistical technique that is used to compare the means of more than two groups.

STATISTICAL HYPOTHESIS:

Null Hypothesis (H_0) There is no significant difference in the perception of the service quality in relation to occupational status of the participant.

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.509	3	1.170	3.430	.018
Within Groups	57.288	168	.341		
Total	60.797	171			

RESULTS

ANOVA was performed to examine the difference among various customers of private sector banks on relationship between the occupational status and perceived service quality.

Results of ANOVA showed P value .018 is less than 0.05 hence null hypothesis is rejected. There is significant difference in the perception of the service quality in relation to occupational status of the participants. The mean scores shows that 1.170 between groups and 0.341 within groups.

CORRELATION:

Correlation is a statistical technique for investigating the strength and direction of the relationship between quantitative continuous variables. Correlation measures the degree of association between two variables.

STATISTICAL HYPOTHESIS:

Null Hypothesis (H_0) There is no relationship between service quality and customer retention.

		SQ1	CR
SQ1	Pearson Correlation	1	.800**
	Sig. (2-tailed)		.000
	N	172	172
CR	Pearson Correlation	.800**	1
	Sig. (2-tailed)	.000	
	N	172	172

** . Correlation is significant at the 0.01 level (2-tailed).

RESULTS

The results from Table (write table no) indicates that service quality and customer

retention are positively and significantly correlated with each other ($p < .01$). The correlations between service quality and customer retention exhibit a positive correlation. The correlation coefficient is 0.800 hence the two variables are highly correlated

T TEST

The t test compares two averages (means) and test they are different from each other.

STATISTICAL HYPOTHESIS:

Null Hypothesis (H_0) There is no difference between gender and Customer centric approach.

	N	Mean	Std. Deviation	Std. Error Mean
Gender	172	1.49	.524	.040
CR3	172	2.97	1.189	.091

	Test Value = 0					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Gender	37.380	171	.000	1.494	1.42	1.57
CR3	32.703	171	.000	2.965	2.79	3.14

RESULTS

T test was performed to examine the difference among gender and Customer centric approach.

Results of T test of independence showed P value .000 is greater than 0.05 or $p > .005$ hence null hypothesis is accepted. There is no significant difference in the customer centric approach services offered between Man and woman.

CHI SQUARE TEST

A chi-square statistic is one way to show a relationship between two categorical variables.

STATISTICAL HYPOTHESIS:

Null Hypothesis (H_0) There is no association between age and service quality.

Alternate Hypothesis (H_1) There is association between age and service quality.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	174.154 ^a	135	.013
Likelihood Ratio	174.459	135	.013
Linear-by-Linear Association	1.146	1	.284
N of Valid Cases	172		

RESULTS

A chi-square test of independence was performed to examine the association between age and service quality.

Results of chi-square test of independence showed P value .013 is greater than 0.05 or $p > .005$ hence null hypothesis is accepted. There is no significant association between age and service quality.

WEIGHTED AVERAGE OF CUSTOMER RETENTION:

Parameters	Excellent	Good	Fair	Poor	V.poor	Weighted average	Rank
New and innovative services are offered	58	71	32	8	3	4.01	4
Effective complaint Management system	53	69	29	14	7	3.85	7
Customer – Centric Approach	53	73	27	15	4	3.91	5
Customer segment specific strategies	48	73	39	9	3	3.90	6
Value added services	48	94	20	6	4	4.02	3
Low Charges (commitment fee)	35	82	39	11	5	3.76	8
Safety	67	99	4	1	1	4.34	1
Customer feed back	62	93	11	5	1	4.22	2

Findings were that customers stayed longer with the banks and the first criteria for staying with the bank was the “Safety” aspect, and the second aspect was how they perceived the banks took their feedback (“customer feedback”). The charges being low was the last for the client in customer retention.

FINDINGS

1. Results of ANOVA showed P value .018 is less than 0.05 hence null hypothesis is rejected. There is significant difference in the perception of the service quality in relation to occupational status of the participants.
2. The results from Table (write table no) indicates that service quality and customer retention are positively and significantly correlated with each other ($p < .01$). The correlations between service quality and customer retention exhibit a positive correlation
3. There is no significant difference in the customer centric approach services offered between Man and woman.
4. There is no significant association between age and service quality.
5. Findings were that customers stayed longer with the banks and the first criteria for staying with the bank was the "Safety" aspect, and the second aspect was how they perceived the banks took their feedback ("customer feedback"). The charges being low was the last for the client in customer retention.

CONCLUSIONS

The most important conclusion is that the service quality and customer retention has a strong correlation. Hence it is important for banks to form effective long term relationships using CRM and technology to gain customer loyalty and grow in business.

The relationship between the income of the customer and the service they get also seem to have a significant relationship. This is something that is perceived by the customer and banks have to keep in mind that.

There is also a relationship between the occupation of the customer and the service quality. This means customers in their perspective feel that there is a difference in the service quality based on their occupation.

The most important finding has been that the customer retention happens when customers feel that the bank is safe. Safety seems to be the key. With the current NPA's of public sector banks going up in alarming numbers, maybe this could be a sudden change in the customer perspective. The next is "customer feedback". Which means customers value it when their feedback is taken well by banks and most surprisingly, "Low charges" seem to be last in the weighted

average. This clearly shows that the customers are ready to pay a price for the safety of their money and for getting good service. Banks have to keep this in mind when they do the segmentation and make sure that each segment gets what they need, in order to have effective customer retention.

In this advanced age of technology, when most of the banks work gets done in the phone or laptop, banks have to ensure that they do not lose contact with the customer. This is needed the most as technology is not capable of bring in customer loyalty and retaining the customer. It is in the hands of the employees of the Banks to make sure that the customer is contacted regularly and it is in such situations that a robust CRM technology along with a good service with human touch can bring about a revolution in Banking. Finance is one of the most private and sentimental part of any customers life, hence a service with privacy and sincerity and a lot of human values will be ideal for banks to grow in size and stature.

REFERENCES

- [1].NaserAzada And Fatemeh Ahmadi Assistant(2015) "The Customer Relationship Management Process: Its Measurement And Impact On Performance" Uncertain Supply Chain Management 3 (2015) 43–50
- [2].Dr. P. Anbuoli, T. R. Thiruvén Kat Raj (2014)"A Study On Customer Relationship Management In Banks" Proceedings Of The Intl. Conf. On Information, Engineering Management and Security,2014 [Iciems 2014]
- [3]. Yu-Chiang Wang, Shu-Te University, Kaohsiung City, Taiwan Yi-Feng Yang,(2015), "The Impact And Interaction Effect Of Hr And It Applications On The Performance Of Customer Relationship Management In The Banking Industry: An Empirical Study Of Five Taiwanese Banks", Information Resources Management Journal, 28(3), 29-41, July-September 2015
- [4].Zaidan A. Zaidan Dhman,(2011)"The Effect Of Customer Relationship Management (Crm) Concept Adoption On Customer Satisfaction" A Thesis Submitted In Partial Fulfillment Of The Requirements For The Degree Of Master Of Business Administration 2011-1432 H
- [5].Sunil Kumar Roy,(2014)" Factors Affecting (Crm) Practices In Commercial Banks", International Journal Of Current Research Vol. 6, Issue, 11pp-10344-10351,November, 2014

- [6].Dr. T. Satya Narayana Chary R.Ramesh(2012)“Customer Relationship Management In Banking Sector- A Comparative Study” Kkimrcljrhrm Vol-1, No-2 Dec-Feb 2011-2012 - Issn: 2277 -1190
- [7].Atul Parvatiyar & Jagdish N. Sheth,(2001)“Customer Relationship Management: Emerging Practice, Process, And Discipline”, Journal Of Economic And Social Research 3(2) 2001, 2002 Preliminary Issue, Pp 1-34
- [8].SA Malik Shahzeb Ali(2011) “On The Use Of Customer Relationship management (Crm) In The Banking Industry: A Qualitative Cross-Case Analysis Between The Banks In Pakistan And The Uk” Thesis]. Manchester, UK: The University of Manchester; 2011
- [9].Md. Rashid Farooqi, ShardaKumari, & Dr.Mohd. Shoeb(2013) “Recent Trend Of E-Crm In Commercial Banks Of India” Bihar International Journal Of Application Or Innovation In Engineering And Management Issn 2319-4847 Volume 2, Issue 4, April 2013.
- [10]. Rootman, M Tait, G Sharp(2012)“Bank Managers’ Views On Relationship Marketing”Journal of Contemporary Management Volume 8 Pages 315 – 336
- [11]. Arun Kumar Agariya, Deepali Singh(2012)“Crm Index Development And Validation In Indian Banking Sector”10 International Journal Of Customer Relationship Marketing And Management, 3(2), 10-32, April-June 2012
- [12]. C. Padmavathy, V.J. Sivakumar (2012) “Dimensions Of Crm Effectiveness And Its Effect On Relationship Quality ”India.International Journal Of Customer Relationship Marketing And Management, 3(1), 1-17, January-March 2012.
- [13]. Nirmaljeet Virk, Prabhjot Kaur (2012) “Customer Satisfaction: A Comparative Analysis Of Public And Private Sector Banks In India”International Knowledge Sharing Platform Information Vol 2, No.3, 2012
- [14]. Md. Rashid Farooqi, Sharda Kumari & Dr.Mohd. Shoeb, “Recent Trend Of E-Crm In Commercial Banks Of India Muzaffarpur” Bihar International Journal Of Application Or Innovation In Engineering And Management Issn 2319-4847 Volume 2, Issue 4, April 2013

- [15]. Mbizi, R. & Muzividzi D. (2013). "Customer Relationship Management (Crm) Practices In Financial Sector: Role And Implications To Commercial Bank Performance In Zimbabwe." Research Journal Of Finance And Accounting, 4(8), Pp. 96- 103
- [16]. Gupta, S., Lehmann D. R., & Stuart J. A. (2004). Valuing Customers. Journal Of Marketing Research, 41, 7- 18.
- [17]. Hisham Sayed Soliman (2011) "Customer Relationship Management And Its Relationship To The Marketing Performance" Dr.International Journal Of Business And Social Science Vol. 2 No. 10; June 2011
- [18]. Mishra, V., & Vaithianathan, S.(2015) "Customer Personality And Relationship Satisfaction: Empirical Evidence From Indian Banking Sector", International Journal Of Bank Marketing 33(2) 2015 122-142
- [19]. Anu Putney, M Puney(2013) "A Study On The Role Of Customer Relationship Management (Crm) In The Indian Banking Sector" Ijmb Volme 3, Issue 2. 2013 88-89
- [20]. Dr.P. Anbuoli, T.R.Thiruvengkataj (2013)"A Study On Customer Relationship Management In Banks" International Research Journal Of Business And Management – Ijbm Volume No – Vi 2013 1 To10
- [21]. Rashmi,(2015) "A Study On Customer Relationship Management Practices In Banking Sector In India", "Volume 4, Issue 5 (May, 2015) Online Issn-2277- 1166" Print.
- [22]. Vikram B.B, Anuradha (2015) Lecturer, "Customer Relationship Management In Banking Sector" (An Iso 3297: 2007 Certified Organization) Vol. 3, Special Issue 7, October 2015.