

Chapter-6

CHAPTER 6 FINDINGS, CONCLUSION AND RECOMMENDATIONS

The study investigated the customer relationship management practices adopted by banks to retain their clients. The current chapter presents a discussion on the findings derived from the study. All hypotheses have been discussed in relations to their related literature and where they do not support studies, possible explanation is given. Future research ideas are also presented for further studies. The chapter finally ends up with the summary and conclusion of this research study. The chapter includes the findings, suggestions and further scope of the study.

6.1 Findings of Bank Employees

6.1.1 Demographic Profile of the Respondents (Bank Employees):

- It is observed that majority of the respondents are male belonging to the age group of 25 to 40 years and are married.
- It is also found that mostly respondents are Graduate with a total experience of 1-5 year, earning an income of Rs. 30,000 - 70,000.

6.1.2 Demographic Profile of the Respondents (Bank Customer):

- It is observed that majority of the respondents are male belonging to the age group of 25 to 44 years and are married.
- It is also found that mostly respondents are Graduate, having four members in their family, doing their own business with an earning income of Rs.10000-25000.
- Further, it is discovered that maximum number of respondents prefers having an account in State Bank of India.

6.2 Findings on type of Customer's Bank Account

6.2.1 Saving Account and Current Account

It is found that majority of respondents are male and belongs to the age group 25-40 years with an income of 10000-25000 and have saving account while in case of current account maximum respondents are female with age group of 25-40 years, earning an income of 10000-25000.

6.2.2 Fixed Deposit Account and Recurring Deposit Account

It is observed that maximum numbers of respondents are male belonging to the 25- 40 years age group, earning an income of below 10000. Regarding Recurring Deposit Account, majority of respondents are male with age group of 25-40 years and earning income of 10000-25000.

6.2.3 Cash Credit/Overdraft and Loan Account

It is found that majority of respondents are male that belongs to the 25-40 years of age group with an income of 10000-25000. While in case of current account, maximum respondents are female with 25-40 years of age group, earning an income of 10000-25000.

6.3 Findings on reasons of customers contacting with bank

Here, Business purpose with 4.37 mean values is most important reason for contacting in the bank while Demat Account having mean values of 6.63 is the least important reason for contacting in the bank.

6.4 Chi-Square analysis of Banking Services used by Respondents

It revealed from chi-square test that most of the respondents are using banking services from last 1-3 years and least of respondents are using banking services since more than 10 years. It is also observed that there is significant relationship between the customers and the banking services used by them as the value of chi-square test is more than 0.5 at 95 percent of significant level.

6.5 Finding on frequency of visit in the Bank by customers in respect to chi-square test

It is found that out of total respondents, maximum number of respondents (332) visit banks 2-4 times in a month for dealing purpose whereas only a few respondents (98) visit banks once in a month.

It is also analyzed that Pearson chi-square value is 43.793 with 9 percent degree of freedom. The calculated value is more than 0.5 which indicates that there is significant relationship between the customers and the frequency level of visit in the bank level of respondents.

6.6 The most important persons who influence the respondent to deal with particular Bank

It is observed that from the given aspects employer influence the customers most with mean value 3.92 while banks marketing executives also affects the decision of the respondents with mean value 5.28.

6.7 Finding on Preferred mode of contacting to branch

6.7.1 Telephone/Mobile

It is analyzed that male respondents having the age group of 40-60 years use telephone or mobile services for their business purpose.

6.7.2 Internet

It is found that maximum of the respondents are male with age group of below 40 years use internet services for their own purposes.

6.7.3 ATM

It is observed that majority of the respondents are male having age group of 25-40 years that use ATM services for their professional services.

6.7.4 Going to branch physically

Male respondents with the age group of 25-40 years visit the branch for their dealings.

6.8 Finding on Banking Services Offered and Availed by Respondents

It is found that out of 780 respondents, 574 (73.6%) respondents availed and 206 (26.4%) respondents did not avail the information and customer enquiry services provided by banks,

whereas, 548 (70.3%) respondents availed and 232 (29.7%) respondents did not avail the ATM withdrawal services. Furthermore, 519 (66.5%) respondents availed while 261 (33.5%) respondents did not avail the cash withdrawal services, 507 (65%) respondents availed and 273 (35%) respondents did not avail the credit card services. Although, 455 (58.3%) respondents availed and 325 (41.7%) did not avail the demand draft /mail transfer services, on the other hand, 455 (58.3%) respondents availed and 325 (41.7%) respondents did not avail the bill of payment services, moreover 455 (58.3%) respondents availed and 325 (41.7%) respondents did not avail loan services. Regarding complaints desk, 467 (59.9%) respondents availed and 313 (40.1%) respondents did not avail the service, while 480 (61.5%) respondents availed and 300 (38.5%) respondents did not avail the internet banking services. About locker facilities, 453 (58.1%) respondents availed and 327 (41.9%) respondents did not avail this facility. 521 (66.8%) respondents availed and 259 (33.2%) respondents did not avail the mobile banking service, on the other hand, 494 (63.3%) respondents availed and 286 (36.7%) respondents did not avail the various account services.

6.9 Factors considered by respondents regarding dealing of Public and Private Bank

It is observed that most of the respondents i.e. 574 (73.6 percent) feel safety of money in fixed deposit with Public Bank, while 327 (41.9 percent) respondents prefer efficient online transaction provided by Private Bank.

6.10 Finding on Best services provided by the Public Bank

It is revealed that for the provision of the safety, locker system with mean value of 3.37 for customer satisfaction is given the first rank. On the other hand, internet banking with mean value of 5.63 has assigned the last rank.

6.11 Finding on Best services provided by the Private bank

It is observed that in the various account systems with mean value 3.53 assigned the first rank for customer satisfaction. Mobile banking with mean value of 5.53 ranked at last.

6.12 Reliability of Scales

In order to achieve the objectives of the study, CRM Practices were categorized on the basis of five factors viz., Effective Behaviour of Employees, Products and Services offered by Banks, Facilities & Infrastructure, Effective Grievance Redressed System and Focus on Customers Satisfaction and Customers Loyalty. Total 14 statements were included in the first and second factor each. The third factor i.e. “Facilities & Infrastructure” is having the 12 statements to be analyzed. 10 statements are included in the fourth factor “Effective Grievance Redressed System” and fifth factor “Focus on Customers Satisfaction and Customers Loyalty” includes the 18 statements. The fourth objective of the study is to analyze the “Problems faced by Banks in Client Retention”. For achieving this objective, 17 statements were taken in the self structured questionnaire and analyzed.

6.13 Cronbach’s Alpha test for Reliability of the Scales

The values of Cronbach's Alpha Coefficients of scales used for data collection in the present study is shown in table 2 which clearly depicts that all the values are more than 0.60, therefore the scales may be considered reliable and appropriate (pallant, 2011).

6.14 Factor Affecting Effective Behaviour of Employees

Effective behaviour of employees is considered to be one of the important components of CRM Practices and contributes in client Retention. Therefore, there are multiple factors that affect the Behaviour of Employees and are observed and analyzed through the 14 statements and each statement focus on a specific aspect. The response of 14 statements was collected by applying the five point likert scale i.e. SA- Strongly Agree, A- Agree, N- Neutral, D-Disagree, SD- Strongly Disagree. With the intention to test the suitability of factor analysis technique, Kaiser-Meyer-Olkin (KMO) and The Bartlett’s test of sphericity is used to measure the sample adequacy. Factor analysis Principal Component Analysis and Varimax Rotation Extracted method has been used.

From above analysis, it is observed that Bank operator is consistent in providing services and has assigned the first rank with the highest mean scores of 2.00. 90 respondents (45 percent) strongly agree with the statement while only 7 (3.5 percent) respondents strongly disagree with the statement. On the other hand, Employees show sincere interest in solving customers Problems, very helpful and serve beyond their expectation” is given fourteenth rank with the mean score of 1.62 and SD of 0.855. Total of 54.5 percent respondents are strongly agreed to this statement while 2 percent of the respondents strongly disagree to the statement. The above table represents the rejection of null hypothesis specifically, the population correlation matrix is an identity matrix, and is rejected by Bartlett's Test of Sphericity. The value of Chi-square is 155.217 with 91 degree of freedom, at 5 percent level of significance. It is also found that the value of KMO is 0.608 which is greater than 0.5. Therefore, it is suitable to use factor analysis to measure the correlation matrix.

In this study, only the first six variables will be retained as the Eigen values are greater than one. On the other hand, the remaining factors will not be retained. For the purpose of analysis and interpretation, concentration is on Extraction Sums of Squared Loadings. It shows that the first factor accounts for 15.025 of the variance, second 9.012, third 8.735, the fourth 8.422, the fifth 7.887 and sixth factor accounted for 7.244 of the variance. This means that the first six factors together accounted for 56.325 percent of the variance. Therefore, six rows corresponded to six factors to be retained. All the remaining factors are not significant.

It is also observed that highest factor loading is 0.875 for E-2 statement i.e. “Front desk employees have adequate knowledge about the banking services”. On the other hand “Bank employees understand the specific needs of the customers and offer services accordingly” and “Executives in bank are ready to solve out the queries of customers” with 0.662 factor loading are the least contributing variables.

6.15 Factors Affecting Products and Services offered by Banks

From the analysis it is observed that “Bank provides higher rates of interest than its competitors on deposits” is given the first rank having the highest mean scores of 3.20. From the total respondents, 18.5 percent strongly agree while 20.5 percent strongly disagree with the statement. “Bank provides the facility of cash deposit or withdrawal from customer’s place of residence/work” has given fourteenth rank with the mean score of 1.67. From the total

respondents, 54 percent strongly agree while 2 percent respondents strongly disagree with the statement.

It is observed that null hypothesis has been rejected due to the correlation coefficients in an identity matrix. As the value of Chi-square is 255.251 with 91 degree of freedom, we reject the null hypothesis at a 0.05 level of significance because this is not an unexpected result from a random distribution. It shows that the Eigen value is greater than 1.0 (default option) and results in three factors being extracted. It is found that five factors account for 53.232 percent of the total variance, contributed by first component 12.450 percent with Eigen value of 1.743, followed by second factor cumulative percentage of variance 12.146 percent with Eigen value of 1.700, third factor variance 10.769 percent with Eigen value of 1.508, fourth factor variance 9.431 percent with Eigen value of 1.320 and followed by fifth factor cumulative percentage of variance 8.526 percent with Eigen value of 1.194. With respect to the factor loading, the factor "Product and Services offered by banks" in which the statement "Bank provides flexible rate of return for various products and services" is having the uppermost factor loading value i.e. 0.790.

0.703 factor loading value considered the lowest value for statement "Bank provides locker facility on discounted rates to its existing customers" because its contribution is less for this factor.

6.16 Analysis of Facility and Infrastructure provided by Bank

Among the various statements of the facility and infrastructure of the banks, the highest mean score of 1.99 has been observed for Bank provides Modern Banking Techniques like ATMs, E-banking, Net banking, Tele-banking \ Mobile banking. The lowest mean score of 1.79 has been recorded on the statement; Separate departments are available in banks with proper Counters to understand the needs of the customers.

The value of KMO test is 0.813 which is also acceptable as it is more than 0.5. Therefore, researcher can apply factor analysis to evaluate the significant factors contributing towards facility and infrastructure of the banks

The percentage of variance of the first factor is 16.801 with Eigen value of 2.016, followed by second factor cumulative percentage of variance 32.670 with Eigen value of 1.904, and

followed by third factor cumulative percentage of variance 46.584 percent with Eigen value of 1.670.

There are only two statements that have the factor loading values which concluded all of the above statements i.e. Separate departments are available in banks with proper Counters to understand the needs of the customers with factor loading 0.745 and Bank has accuracy in performing financial transactions with factor loading value 0.707.

6.17 Effective Grievance Redressed adopted by Bank System

From the given statements “Bank planning to establish customer redresser cell” is given the first rank having the highest mean scores of 2.96. 42 (21 percent) respondents strongly agree and 48 (24 percent) respondents strongly disagree to this statement and last rank goes to G-6 statement having the mean score of 2.54 with the strongly agree percentage of 30.5 and strongly disagree percentage of 11.5. It is also revealed that the reliability of the data by the Kaiser – Meyer – Olkin measure of sampling adequacy is 0.933, which represents the sample size 200 for the scale that is largely adequate. Bartlett’s test of Sphericity with the approximation of chi-square value of 1336.58 with 45 degree of freedom and the P value is 0.0001 (less than 0.05) indicates that the factor model is significant.

In this study only one factor will be retained due to Eigen values greater than 1. All the other factors will not be retained. For analysis and interpretation purpose, we are concerned with Extraction Sums of Squared Loadings. It gives information regarding the extracted factors or components. The percentage of variance of the first factor is 61.921 with Eigen value of 6.192.

6.18 Analysis of bank Focus on Customers Satisfaction & Customers Loyalty

The mean scores and standard deviation reveals the respondents view point towards Focus on Customers Satisfaction & Customers by banks are displayed in table 18. Among the various statements, the highest mean score of 3.28 has been observed for the statement “Bank did not care for its existing customers”. The lowest mean score of 1.82 has been recorded on the “Bank wishes his customers on different occasions”.

The approximate value of Chi-square statistic is 561.959 with 153 degree of freedom, which is significant at 5 percent level. The value of KMO statistic (0.744) is also greater than 0.5. Thus, factor analysis may be considered as appropriate technique for analyzing the correlation matrix.

Factor Analysis revealed that six factors are extracted from 18 statements. These factors were further rotated to orthogonal rotation by using quartimax with Kaiser Normalization approach. Out of six factors, first factor accounts for 19.797 of the variance with 3.563 Eigen value, the second 10.237 with Eigen value of 1.843, the third factor accounted for 7.184 and Eigen value of 1.293, the fourth factor accounted for 6.272 with 1.129, the fifth factor accounted for 5.868 and Eigen value is 1.056 and the sixth factor accounted for 5.700 of the variance with Eigen value of 1.026. This means that the first six factors together accounted for 55.058 of the variance. The highest factor loading is 0.814 for L1 statement i.e. “To facilitate its customers bank organize seminar is customer meet.

6.19 Analysis of Problems faced by Banks in Customer Retention

From the various statements of problems faced by Banks in customer retention, the statement “There is lack of co-operation from fellow colleagues” got the first rank with the highest mean scores of 2.37, whereas the percentage of strongly agree respondents is 26.5 and strongly disagree is 7.5. “Bank did not adopt effective Market leader strategies and practices” is given seventeenth rank with mean score of 1.99. Moreover 74(37 percent) of the respondents strongly agree with this statement, while only 2 (1 percent) respondents strongly disagree with this statement.

The chi- square value which is a measure of Bartlett’s test of sphericity was 794.034 and degree of freedom 136 at significance level of 0.000 (Table 23). The value above obtained was highly significant at 0.05 levels as a result null hypothesis of uncorrelated matrix was rejected.

To identify the factors that explain the problems faced by banks in client retention, data collected from the respondents on 17 variables have been analyzed. The process of extraction have stopped where the eigen value has gone less than 1.0 and at that level, it explained 56.229 of total variance.

Five factors were extracted which accounted for 56.229 percent of variance. It shows that 56.229 percent of the total variance is explained by information contained in the factor matrix. The percentages of variance explained by factors 1 to 5 are 28.295, 8.054, 7.393, 6.426 and 6.061 percent respectively.

6.20 Initiatives taken by the Bank for Client Retention

Out of the 200 respondents, 65 (32.5 percent) i.e. almost one third of the bank employees say that they give special recognition to their customers.

6.21 CRM Practices related to Client Retention adopted by Selected Banks

It is observed that SBI bank provides better products and services at concessional rate to their customers and for this SBI got 1st rank with 2.35 mean values as compared to other banks. It is also found that SBI bank provides better products and services at concessional rate to their customers and SBI got 1st rank with 2.35 mean values as compared to other banks.

6.22 Overall Satisfaction Level with the CRM Practices Adopted by the Banks for Client Retention

It is also found that 125 (62.5 percent) i.e. almost two third of the respondents are satisfied with the CRM practices adopted by their banks for client retention and 75 (37.5 percent) respondents are dissatisfied by CRM practices. Respondents of public sector banks were dissatisfied as compared to private sector banks. It may be because in public banks, special type of attention may not be given to the employees that decline the morale of the employees and there would be no coordination between top management and bank employees.

6.23 Reasons of Satisfaction

Table no. 31 indicates the reasons for the satisfaction of the bank employees regarding the CRM practices adopted by their banks in client retention. From the mentioned reasons of satisfaction, the first rank goes to the statement ‘Leverage 360⁰ view of Every Customer’ with the lowest

mean value of 2.43 and Standard Deviation of 1.098 and ‘CRM leads to customer satisfaction’ got the last rank with mean value of 4.41 because CRM helps in the improving the services of the bank as it helps in enhancing the satisfaction level of the respondents.

6.24 Reasons of Dissatisfaction

Out of given reason of dissatisfaction ‘Bank did not provide proper training to implement CRM practices’ is at 1st rank with the mean value of 2.53 ‘Not putting the customer at the centre’ is at last rank with mean value of 4.73.

6.25 Customer’s findings

6.26 Analysis of Behaviour and Dealing of Employees

It is observed that “Front desk employees are courteous with the customers” is given the first rank having the highest mean scores of 3.38. Likewise 17 (2.2 percent) of the respondents strongly agree with the statement while 121 i.e. 15.5 percent of the respondents strongly disagree with the statement

The statement B-14 got the fourteenth rank with mean value of 3 and SD of 1.276. However 110 (14.1 percent) respondents strongly agree while 125 (16 percent) respondents strongly disagree to this “Employees of the bank are very Patience” statement. Computed value of Chi-square is 7705.197 with 91 degree of freedom, at 5 percent level of significance. The above table also indicates the value of KMO 0.902 which is greater than 0.5. Therefore, it is suitable to use factor analysis to measure the correlation matrix.

This table shows that the first factor accounts for 35.768 of the variance and second factor accounted for 9.459 of the variance. Therefore, it is observed that first two factors together accounted for 29.339 percent of the variance. In this study, two rows corresponded to two factors to be retained. All the remaining factors are not significant. The highest factor loading is 0.902 for B-2 statement i.e. “Bank plays attention to individual customer”. Attention is a powerful weapon to win the hearts of any customer and it is the most significant statement which will eventually contribute to the effective behavior of the bank employees. The least contributing variable is “The Executives in the bank are ready to solve out the queries of customers” with 0.695 factor loading.

6.27 Analysis for Quality of Product and Services offered by Banks

From the analysis, it is observed that “Service counters are well labeled by bank” is given the first rank having the highest mean scores of 3.28. The respondents strongly agree with 9.1 percent and strongly disagree with 19.1 percent. Last ranks goes to the statement “Bank providing cheque collection facility from customer’s place of residence or work” with 3.02 mean values and 1.309 of SD. Likewise 136 (17.4 percent) respondents strongly agree and 120 (15.4 percent) respondents strongly disagree to this statement.

Given the Chi-square value of 17413.391 and with 300 degree of freedom in the above table, we can reject the null hypothesis at a 0.05 level of significance because this is not an unexpected result from a random distribution. Moreover, the value of KMO test is 0.901 which is also acceptable as it is more than 0.5.

It is found that four factors account for 69.173 percent of the total variance, contributed by first component is 53.388 percent with Eigen value of 13.347, second factor cumulative percentage of variance 6.316 percent with Eigen value of 1.579, third factor variance 5.002 percent with Eigen value of 1.251, and fourth factor cumulative percentage of variance 4.467 percent with Eigen value of 1.117. With respect to the factor loading, the factor “Product and Services offered by banks” in which the statement “Bank provides overdraft facility to its existing customers” is having the uppermost factor loading value i.e. 0.786 because it is beneficial for the customers during recession period.

6.28 Analysis Customer Satisfaction and Customer Loyalty provided by Banks

The mean scores and standard deviation revealing the respondents view point towards Customer Satisfaction provided by Banks is found in table 25. Among the various statements of the facility and infrastructure of the banks, the highest mean score of 3.35 has been observed for The bank employees give customers individual attention. The lowest mean score of 2.98 has been recorded on the statement “Bank/Branch holds monthly meeting with its customers”. Given the Chi-square value of 6121.676 with 91 degree of freedom in the above table, we reject the null hypothesis at a 0.05 level of significance because this is not an unexpected result from a random distribution. Moreover, the value of KMO test is 0.827 which is also acceptable as it is more than 0.5.

The cumulative percentage of variance extracted from the analysis is found that the three factors account for 64.137 percent of the total variance. The Eigen value and the percentage of variance is discussed further which represents the most crucial factors contributing towards facilities and infrastructure provided by banks. The percentage of variance of the first factor is 45.227 with Eigen value of 6.332, followed by second factor cumulative percentage of variance 10.121 percent with Eigen value of 1.417, and followed by third factor cumulative percentage of variance 8.788 with Eigen value of 1.230. There are only three statements that have the factor loading values which concluded the all of the above statements i.e. All forms, slips and brochures kept at proper place in bank with factor loading 0.825, Customers are free to take their own time in decision making related to their financial transactions with factor loading value 0.792 and Customer feedback procedure helps to maintain long term relations with the customers with factor loading value 0.774.

6.29 Analysis for Services of banks regarding Customer Retention Management

From the various statements of Services of banks regarding Customer Retention Management by the table 29, “Bank planning to establish customer redresser cell” is given the first rank having the highest mean score of 2.96. 42 (21 percent) respondents strongly agree and 48 (24 percent) respondents strongly disagree to this statement. Last rank goes to G-6 statement having the mean score of 2.54 with the strongly agree percentage of 30.5 and strongly disagree percentage of 11.5.

In this study, four factors will be retained due to Eigen values greater than 1. All the other factors will not be retained. For analysis and interpretation purpose, we are concerned with Extraction Sums of Squared Loadings. It gives information regarding the extracted factors or components. The percentage of variance of the first factor is 38.896 with Eigen value of 5.445, variance of second factor is 19.814 with Eigen value of 2.774, variance of third factor is 12.114 with Eigen value of 1.696 and last factor is 9.599 of variance with Eigen value of 1.344.

6.30 Services of banks regarding Grievance Management System: Statement Wise Analysis

The mean scores and standard deviation revealing the respondents view point towards Focus on Customers Satisfaction & Customers by banks are displayed in table 18. Among the various statements, the highest mean score of 3.28 has been observed for Bank did not care

for its existing customers. The lowest mean score of 1.82 has been recorded by “Bank wishes his customers on different occasions”. The approximate value of Chi-square statistic value is 7125.635 with 91 degree of freedom, which is significant at 5 percent level of significance. The value of KMO statistic (0.744) is also large (greater than 0.5). Thus, factor analysis may be considered as appropriate technique for analyzing the correlation matrix. Following this method, four factors are extracted from 10 statements. These factors were further rotated to orthogonal rotation by using quartimax with Kaiser Normalization approach. For this, first factor accounts for 42.343 of the variance with 4.234 Eigen value, the second 25.203 with Eigen value 2.520, the third factor accounted for 15.630 and Eigen value 1.563 and the fourth factor accounted for 10.364 with 1.036. In this study, four rows corresponded to four factors to be retained. All the remaining factors are not significant. The factor loading of analysis 0.50 or above is considered to be significant and rotated matrix is taken into consideration. Table 36 shows that all the eighteen statements loaded significantly on this factor with factor loading with more than 0.5. The highest factor loading is 0.962 for G3 and G9 statement i.e. “Behavior of the officials is fair while dealing with Customer’s complaints, Bank use total employee involvement in bank”.

6.31 Analysis of Services provided banks regarding Problems faced by Bank Customers

Among the various statements, the statement “There is lack of co-operation from fellow colleagues” got the first rank with the highest mean scores of 2.37 and the respondents strongly agree with the percentage of 26.5 and strongly disagree percentage of 7.5 and “Bank did not adopt effective Market leader strategies and practices” is given last rank with mean score of 1.99. 74 (37 percent) respondents strongly agree with this statement, while only 2 (1 percent) respondents strongly disagree with this statement.

The chi- square value which is a measure of Bartlett’s test of sphericity was 7563.125 and degree of freedom 91 at significance level of 0.000 (Table 38). The value above obtained was highly significant at 0.05 levels as a result null hypothesis of uncorrelated matrix was rejected.

The method of Principal component Analysis has been applied to draw the result of factor analysis. Four factors were extracted which accounted for 96.875 percent of variance. It shows that total variance is explained by information contained in the factor matrix. The percentages of variance explained by factors 1 to 4 are 43.337, 27.829, 17.158 and 8.551 percent respectively.

6.32 Overall Satisfaction Level with the CRM Practices Adopted by the Banks for client Retention

It is found that 470 (60.3 percent) i.e. more than half of the respondents are satisfied with the CRM practices adopted by their banks for client retention and 310 (39.7 percent) respondents are dissatisfied by CRM practices. It may decline the morale of the customers and there would be no coordination between top management and bank employees.

6.33 Reasons of Satisfaction

The first rank goes to the statement 'Effective Behavior of employees' with the lowest mean value of 2.45 and Standard Deviation of 1.098, while 'Reasonable cost of services' got 7th rank with mean value of 5.20 and SD of 21.02.

6.34 Reasons of dissatisfaction

Out of given reasons of dissatisfaction, it is found that 'Reasonable cost of services' is at 1st rank with the mean value of 2.73. Lack of Proper Grievance Redressal System got last rank with mean value of 5.10.

6.35 Conclusion

The study has been a satisfying and rewarding implementation as it helps in identifying various aspects of banking sector. A variety of services are provided by banks but all are not satisfying the needs of customers. Customer satisfaction is a challenging task for the banking sector as aggressive competition in this sector also exists. The research concludes that the relationship management strategies influence the customer satisfaction and customer satisfaction influence the customer retention in banking sector. The demographic profile of the customers also influences the relationship marketing, customer satisfaction and customer retention in both the banks and it also plays an important role in the present study. So, the banks provide schemes and services based on customers' profile and their requirements. So, the banks consider all the dimensions and fulfill the needs of their customers. Also the banks need to follow good relationship marketing strategy to satisfy and retain their customers. Banks also implement e-commerce facilities to reduce the employee's burden and help to maintain a long term relationship between the employees and the customers. Economic development of a country

deeply depends on its banking system. Like other economies of the world, banking system of India is widespread and developed. In India, CRM is a prominent factor which influence the customer relations, now helps in maintaining sturdy relationships with the customers and encouraging them to spread positive news about the business of banking. Furthermore, CRM practices enable the banking industry to create competitive advantage by communicating, understanding, delivering and developing existing customers and acquiring new customers. Adoption of best practices initiates differentiation between how much to invest to keep existing customers and how much to spend on attracting new customers. Today banks are giving more importance to valued relations with customers than thinking of increasing their market share. Listening to customers' complaints and grievances plays a major role. CRM practices help resolve complaints in a way that provides solutions for business and customers. Customer loyalty, an important aspect of CRM, is considered as a key to profitability, as the cost to acquire a new customer is higher than to keep a current one. Hence, considering the significance of CRM, in all the banking companies in India, irrespective of the sectors, CRM best practices are being used extensively to retain and develop new customers as well as to win the confidence of lost customers. The study highlights CRM practices in selected four banks in southern western region of Haryana. The study will help both public and private sector banks to improve the awareness and the satisfaction of the customers. CRM is a powerful concept for the success of any industry. It paves the way to maintain an optimistic relationship with customers to increase the business and profitability. The customers have identified practices like good manners in dealing with customers over telephone, ensuring enough cash balance in ATMs, adopting new marketing techniques, ensuring front office to be neat/tidy, adopting good manners in dealing with customers, providing net banking facilities with necessary security measures, computerized services to ensure fast services to customers, ensuring quality in all its services, keeping good relationship with customers, and implementing marketing techniques to delight customers as excellent CRM practices. But the officers have identified practices like providing customized services, adopting new marketing techniques, computerization of all services, conducting customer exit interviews to know the reason for shifting to another bank, updating the brochures and other materials to ensure accuracy in services, and ensuring quality in all its services as excellent CRM Practices.

6.36 Scope for Further Research

There are only four banks that have been taken for the study. Further research can be undertaken by taking up more number of banks and respondents to analyze the CRM practices of them.

1. A study on CRM practices in foreign banks.
2. A study can be conducted to examine the effectiveness of CRM strategies.
3. A further study can be carried out to measure the results of CRM efforts.
4. Study can be conducted to analyze the extent to which the quality of the product contributes to service quality.
5. Comparative study can be conducted on customer satisfaction using CRM in rural and urban banks.
7. Comparison between customer satisfaction using CRM and e-CRM in different banks is suggested.
8. Research can be conducted in the areas of relationship management and customer retention in the following sectors:
 - a) Development Banks
 - b) Insurance Companies
 - c) Cooperative Banks
 - d) Telecommunications
 - e) Hospitality
 - f) Transport

6.37 Suggestions Based on the Findings of the Study

The suggestions are made to improve CRM practices and service quality in banking sector with reference to southern western region of Haryana.

6.37.1 Specific Suggestions

6.37.1. A Suggestions for Public Sector Banks

1. The public sector banks should be flexible in serving to the needs of customers and must adopt effective sales promotions.

2. The public sector banks must provide information timely to their customers and should encourage open discussion for finding solution to the problems related to banking services.
3. The public sector banks should solve conflicts before creating problems and must meet its obligation to customers.
4. The public sector banks should have knowledge about market trends and must give due respect to their customers.
5. The employees of public sector banks should have a neat and professional appearance and the public sector banks must have modern equipments.
6. The employees of public sector banks must be dependable in handling customer's service problems and they should provide services at right time.
7. Banks should perform their service as they want and bank must offer fast and efficient service.
8. The employees of public sector banks must deal with customers in a caring way and they should understand the individual needs of their customers.
9. The employees must have knowledge to answer customer questions and bank employees should be consistently courteous.
10. The employees of public sector banks should be always willing to help customers and they must provide prompt service to customers and public sector banks should provide online filling.
11. To improve the satisfaction of customers, employees of public sector banks should give individual care to customers and they must be well behaved.
12. They should give proper response to the complaints and must improve their speed of providing services.

6.37.1. B Suggestions for Private Sector Banks

1. The private sector banks must solve conflicts before creating problems and should give trustworthy promises.
2. The private sector banks should allow open discussion for finding solution to the problems in banking services.

3. The employees of private sector banks must provide services at right time and they should perform their service as customers want.
4. The employees of private sector banks must have the knowledge to answer customer questions and they should be consistently courteous.
5. The employees of private sector banks must be always willing to help customers and they should provide prompt service to customers.
6. To enhance the satisfaction of customers, employees of private sector banks should give proper response to the complaints.
7. Banks should be flexible in serving to the needs of customers and must adopt effective sales promotions and create confidence among customers in bank services.
8. Banks should provide trustworthy information, timely information and accurate information and must allow open discussion for finding solution to the problems relating to banking services.
9. Banks must attempt to solve conflict before creating problems and meet its obligation to customers and the co-operative banks should have knowledge about market trend and help customers to plan their investment and concerned with safe and secured transactions.
10. Banks should have visually appealing material associated with the service and the facilities of co-operative banks must be visually appealing and they should have modern equipments.
11. The employees of private banks must provide services as promised and they should provide services at right time.
12. Private Banks must perform their service as consumers want and they should offer fast and efficient service.
13. The employees of private banks must give customers individual attention and they should be always informed when their service is done.
14. Bank employees should have knowledge to answer customer questions.
15. The employees of private banks must be always willing to help customers and they should provide prompt service to customers and banks must provide security for ATMs and they should provide online filling.
16. To improve the satisfaction of customers, the private banks should have adequate infrastructure facilities and must give accuracy in operations.

17. The private banks must adopt modern technologies and should response properly to the complaints and must improve the speed of providing services.

6.37.2 General Suggestions

1. Both Public and Private Sector Banks have to conduct periodical meeting to know customers expectations and existing discrepancies which ensures a good customer relationship.
2. The banks should also scientifically evaluate the various factors associated with the CRM practices in order to find out the most appropriate tools, technologies and techniques which would deliver services to ensure high satisfaction of the customers.
3. Both Public and Private Sector Banks should conduct periodical customer contact programmes and understand their customer's grievances which ensure the feeling of security among the customers.
4. Banks should provide proper training and development programme to the front line bank personnel who are the key persons and have direct contact with the customers.
5. The branch managers need to be encouraged and trained to use the word of mouth as a promotional tool for using referral marketing programe for enhancing the customers.
6. Regional offices (RO) need to design the cross selling product policies so it can increase the customer base for its rural and urban branches.
7. The regional offices need to design work schedule and action plans for saving the time and resources in managing customer relationship management.
8. Definite targets have to be assigned to the branch managers to achieve customer relationship like retention of existing customers and recovery of service failure.
9. Front line employees need to be encouraged and rewarded based on customer feedback about their service delivery to the existing customers.
10. The regional office and the branches have to collect customers and employees feedback for measuring service satisfaction and job satisfaction.
11. Every branch should have a system for exit interview and lost customer survey with the aim to win back the customers who have strong profit potentials.
12. Bankers should have a human touch and warmth in dealings.
13. The customer should feel like he is the most wanted person in the branch.

14. Banks must train all the employees in the areas of customer care, customer approach, body language, customer communication, customer need assessment and complaint management. This helps to pave the way for maintaining cordial relationship.
15. Banks must have simple, open, efficient customer friendly communication.
16. Special training must be given to personnel in being receptive, encouraging, positive, optimistic and friendly behavior to customers.
17. Banks should establish complaint monitoring cell to receive, register and classify complaints, forward them to the respective departments to initiate action and to follow up until the complaint is attended giving utmost satisfaction to the customer concerned.