



PERCEPTION AND SATISFACTION OF BANK CUSTOMERS TOWARDS E-CRM WITH REFERENCE TO MALAPURAM DISTRICT

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Abstract:

Today, among the Indian customers' high expectations and technological innovations have increased a lot. For such a need, E-CRM is the best tool. This study provides a step in understanding the existing E-CRM Practices in Public Sector Banks from the E-Banking perspective. To achieve the customer requirement and to survive in the competition, the banks need to deliver best quality service. The banks have to upgrade and constantly think of new innovative customized packages and services to remain competitive. The banks have come to realize that survival in the new e-economy depends on delivering some or all of their banking services on the Internet. The rise of E-banking is redefining business relationships and the most successful banks will be those that can truly strengthen their relationship with their customers. E-banking has become a necessary survival weapon and is fundamentally changing the banking industry worldwide. Today, the click of the mouse offers customers banking services at a much lower cost and also empowers them with unprecedented freedom in choosing vendors for their financial service needs. With rapid advances in telecommunication systems and digital technology, E-banking has become a strategic weapon for banks to remain profitable. Digitalization of the entire banking services has become the mutual need of the bankers and customers. Cashless transaction is the buzz word of today's Indian financial system. The E-CRM practice of Public Sector Banks is enriched through E-Banking and digitalization of banking services. The banking sector contributes positively in marching towards achieving the dream of "Digital India".

Key Words: E-Customer Relationship Management, Bank customers and E-banking

Introduction to the Study:

Customer relationship management (E-CRM) is an approach to manage an organization's communication with present and probable future customers. The E-CRM approach tries to examine the data about customers past record with an organization, to get better business rapport with customers, purposely focusing on customer withholding, and ultimately to increase the sales growth of the firm. One important aspect of the E-CRM approach is the systems of E-CRM that compile information from a range of different communication channels, including a website, telephone, email, live chat, marketing materials, social media, and more.

Statement of the Problem:

After the review of relevant literature it is understood that Banking sector has always felt the importance of customers. Private sector banks try to dominate the E-CRM practices in the existing financial and banking sector, the public sector banks have started reacting proactively. Though there are enough literature on E-CRM in banking sector very little effort is made to understand and analyse the role of technology in maintaining and enhancing the E-CRM activities of the banks. eBusiness being the need of the hour so is eBanking there are certain areas where we still feel that there cannot be a replacement for the man hours in the place of machine. E-CRM practice is one such activity in a bank which creates a psychological bonding between the bank and end user. The shift from traditional banking to e-banking has changed customer's expectations significantly. Though, there are few studies conducted in the field of e-banking in India, there are no such research works documented on the E-CRM practices in eBanking of the Public Sector Banks in Malapuram District. Therefore, the researcher felt that the present study is a pioneering one and is intended to bridge this gap to some extent. This study focuses on "E-CRM practices in public sector banks in eBanking Perspective".

Need for the Study:

Information technology offers a chance for banks to build new systems that address a wide range of customer needs including many that may not be imaginable today. This obviously resulted in a number of changes. The tremendous advances in technology and the aggressive infusion of information technology have brought in a paradigm shift in banking operations. For the banks, technology has emerged as a strategic resource for achieving higher efficiency, control of operations, productivity and profitability. This study is a modest

attempt in understanding how technology has impacted the implementation of E-CRM practices in eBanking Perspective in Public Sector Banks.

Objectives of the Study:

- To study Socio-economic and demographic profile of the customers.
- To study the perception of bank customers about E-CRM Practices of their Bank.
- To study the level of satisfaction among the customers towards E-CRM Practices.

Scope of the Study:

The present study highlights the extent of utilization of the e-banking services offered by the public sector banks by the sample respondents. It also highlights the customers perception towards E-CRM practices and satisfaction level of E-CRM practices offered by public sector banks. The study helps in identifying the lacuna in implementing the E-CRM practices in e Banking Perspective and to suggest various measures in making 100% technology based E-CRM in Public Sector Banks. In this Global environment the customer is more knowledgeable, their expectations are very high and they need more convenience in any services they avail. The major services offered by the public sector Banks are taken into consideration in order to study the customers relationship practices offered by the public sector banks. As such, there is a scope to examine whether the services provided by the Banks cater to the needs of various classes of customers. The present study not only brings to light the relationship strategies adopted, but also satisfaction towards instilled technological support by the banks.

Significance of the Study:

In modern competitive environments services are gaining increasingly more importance. Nowadays, great attention is paid to all the Bank-customer touch points, aiming to optimize the interaction and user friendly services. Higher penetration of technology and increase in global literacy levels has set up the expectations of the customer higher than never before. To compete in an economy which is opening up, it is imperative for the Indian Banks to observe the latest technology and modify it to suit their environment. Not only banks need greatly enhanced use of technology to the customer friendly, efficient and competitive existing services and business, they also need technology for providing newer products and newer forms of services in an increasingly dynamic and globalize environment.

Research Methodology:

Research methodology is a way to systematically solve the research problem.

Research Design:

The design of the study is Descriptive in nature. It is a fact finding investigation with adequate interpretation, it gathers the information for formulating more sophisticated studies.

Data Collection:

Both the primary and secondary data are collected and used in the present study.

Primary Data:

The primary data is collected from the respondents through questionnaire.

Secondary Data:

The researcher collected the secondary data from books, journals, web sites etc. The data relating to the banking industry is collected from the personal manual and the records of the respective banks

Dimensions Used for the Study:

The dimensions used for the study are focusing on the issue of perception of bank customers about E-CRM Practices of their Bank, factors influencing better E-CRM practices and to understand the role of Technology services in enhancing E-CRM practices in eBanking Perspective..

Sampling Design:

The study proposes to cover the e-crm in public sector banks in Malapuram. Out of 29 public sector bank the Ten leading public sector Banks were selected for this study, 50 to 60 account holders were selected from each bank. The Researcher rejected some incomplete questionnaire. Finally the researcher selected 50 questionnaire from each bank. The Total sample is 10.

Sampling Technique:

Simple random Sampling Method is adopted to collect the primary data. The respondents for the purpose of the study are selected randomly. A sample of 10 banks was selected from broad categories of 29 public sector banks and these banks are selected based on Market capitalisation and data was collected from 50 respondents from each banks. The following samples are selected for the study : State Bank of India, Bank of borada, Punjab national bank, Central bank, IDBI, Canara Bank, Bank of India, Union Bank of India, Indian bank, and Syndicate bank.

Tools Used for Collection of Data:

Frequency analysis, Chi square with cross tabulation, rank correlation.

Limitations of the Study:

- The study is carried out through the selected public sector banks branches, so the findings may not represent the entire banking sectors.

- The survey was conducted only in Malapuram District. Hence, the results arrived from the study may or may not be applied to other areas. Further the survey method which was adopted for collecting the data in this study has its own limitations.
- The sample has been restricted to 150 customers from selected public sector banks in Malapuram District.
- Time factor is also considered to be a constraint.

Analysis and Interpretation:

Demographic Variables of the Study:

	Particulars	Frequency	Percent
Age	Below 20	4	2.6
	21-30	68	45
	31-40	43	28.4
	41-50	34	22.4
	Above 50	2	1.6
	Total	150	100
Gender	Male	91	60.8
	Female	59	39.2
	Total	150	100
Education	Below SSLC	11	7.4
	HSC	41	27.4
	Graduate	67	44.6
	Postgraduate	20	13.6
	Professional	11	7
	Total	150	100
Occupation	Business	26	17.4
	Employed in Government organization	15	10.2
	Employed in Private organization	79	52.8
	Agriculture	10	6.4
	Others	20	13.2
Total	150	100	
Annual Income	< 2 lakhs	30	20.2
	2-4 lakhs	53	35.6
	4-6 lakhs	41	27.2
	6-8 lakhs	13	8.8
	8 lakhs	12	8.2
	Total	150	100
Marital Status	Single	41	27.4
	Married	109	72.6
	Total	150	100

Out of 150 respondents 45% of them are from the age group of 21-30years; 28.4% of them are from the age group of 31-40years; 22.4% of them are from the age group of 41-50 years, 2.6% of them are from the age group of below 20 years and 1.6% of them are from the age group of above 50 years. 60.8% of them are male, and 39.2% of them are female. 44.6% of them are graduates; 27.4% of them have studied up to higher secondary; 13.6% of them are postgraduates; 7.4% of them have studied up to SSLC and 7% of them are professionals. 52.8% of them are employed in private organizations; 17.4% of them are doing business; 13.2% of them are doing other business; 10.2% of them are employed in Government organizations and 6.4% of them are agriculturists. 35.6% of the respondents' annual income is between 2 lakhs and 4 lakhs; 27.2% of the respondents' annual income is between 4 lakhs; 20.2% of the respondents' annual income is less than 2 lakhs and 6 lakhs; 8.8% of the respondents' annual income is between 6 lakhs and 8 lakhs; and 8.2% of the respondents' annual income is more than 8 lakhs. 72.6% of them are married and 27.4% of them are single.

Perception towards E-CRM Practices:

Statements	Scales	Frequency	Percent
Level of acceptance towards best communication channels provided	Strongly agree	12	8
	Agree	37	24.4
	Neutral	41	27.2
	Disagree	43	28.4
	Strongly disagree	18	12
	Total	150	100

Level of acceptance towards bank websites userfriendly.	Strongly agree	7	4.4
	Agree	52	34.8
	Neutral	12	8
	Disagree	59	39.2
	Strongly disagree	20	13.6
	Total	150	100
Level of acceptance towards meeting bank officials easily	Strongly agree	30	20
	Agree	49	32.8
	Neutral	37	24.4
	Disagree	34	22.8
	Total	150	100
Level of acceptance towards best online support provided	Strongly agree	11	7.6
	Agree	64	42.8
	Neutral	35	23.6
	Disagree	11	7.6
	Strongly disagree	28	18.4
	Total	150	100
Level of acceptance towards loan intimation	Strongly agree	10	6.4
	Agree	38	25.2
	Neutral	51	34
	Disagree	46	30.4
	Strongly disagree	6	4
	Total	150	100
Level of acceptance towards promptly giving alert messages for minimum balance maintenance	Strongly agree	23	15.2
	Agree	25	16.4
	Neutral	72	48
	Disagree	19	12.8
	Strongly disagree	11	7.6
	Total	150	100

The above table shows the percentage analysis for the factors related to perception towards E-CRM practices with reference to communication. A maximum of (28.4%) of the respondents disagreed with banks providing best communication channels; a maximum of (39.2%) of the respondents disagreed towards easily using bank websites; a maximum of (32.8%) of the respondents agreed that they could meet the bank officials easily; most (42.8%) of the respondents agreed that they banks provided them with best online support; most (34%) of the respondents remained neutral towards banks giving intimation about loans, and most (48%) of the respondents remained neutral towards banks giving prompt alert messages for maintain minimum balance.

Perception of Customers towards Facilities Provided By the Bank Vs Level of Satisfaction towards E-CRM Practices:

- H0: There is no significant relationship between perception of customers towards facilities provided by the bank and level of satisfaction towards E-CRM practices.
- H1: There is a significant relationship between perception of customers towards facilities provided by the bank and level of satisfaction towards E-CRM practices.

Chi-Square Test			
	Value	Df	Asymp. Sig. (2-sided)
Pearson's Chi-Square	1.786	13216	0
Likelihood Ratio	4.63	13216	1
Linear-by-Linear Association	524.65	1	0
N of Valid Cases	845		

a. 13447 cells (100.0%) have expected count less than 5. The minimum expected count is .00.

The above table shows the relationship between perception of customers towards facilities provided by the bank and level of satisfaction towards E-CRM practices. The level of significance is at 0.000 which is less than 0.05. It shows that there is a relationship between perception of customers towards facilities provided by the bank and level of satisfaction towards E-CRM practices. While taking decision on satisfaction towards banking services the factors related to perception of customers towards facilities provided by the bank has to be taken for decision-making process of the study.

Rank Correlation for Reason for Preferring Banks:

S.No	Particulars	X	Y	R1	R2	D	D ²
1	Computerized Services	9	74	9	2	7	49

2	Availability of Staff at Counter	1	12	13	10.5	2.5	6.25
3	Provide wide range of customized products and services	24	12	6	10.5	-4.5	20.25
4	Service quality and delivery	2	13	12	9	3	9
5	Accessible communication network	6	11	11	12	-1	1
6	Core banking facility	66	201	3	1	2	4
7	Commitment of Employee	25	24	5	5	0	0
8	Skilled, Knowledgeable Employee	11	19	8	8	0	0
9	Reliable Services	15	23	7	6.5	0.5	0.25
10	Availability of Online banking services	7	23	10	6.5	3.5	12.25
11	Availability of Mobile Banking services	26	8	4	13	-9	81
12	Greater spread of ATMs	250	46	1	4	-3	9
13	Employer's insistence for salary a/c	58	48	2	3	-1	1
							89.5
N	13					1-R	0.25
						R	0.75

The above table shows the rank correlation of the factors taken for the study. The correlation is at 0.75 which shows that the correlation is at moderate level. The priority was given to greater spread of ATMs by the customers as it was given first rank, second rank was given to employer's insistence for salary a/c, third rank was given to core banking facility, fourth rank was given to availability Mobile Banking service, fifth rank was given to commitment of employee, sixth rank was given to providing wide range of customized products and services, seventh rank was given to reliable services, eighth rank was given to skilled and knowledgeable employee with the bank, ninth rank was given to computerized services provided by the bank, tenth rank was given to availability of online banking services, eleventh rank was given to accessible communication network, twelfth rank was given to service quality and delivery given by the bank, and thirteenth rank was given to availability of staff at counter. It shows that the highest priority was given to greater spread of ATMs by the customers.

Findings:

- Majority of the respondents are from the age group of 31-40.
- Male respondents are more than Female respondents.
- 44.6% of the respondents are graduates.
- Majority of the of the respondents are employed in private organizations.
- Majority of the of the respondents are earning an income of 2-4 lakhs per annum.
- 72.6% of the respondents are married.
- 31.4% of the respondents are holding their account with the bank for 3-6 years.
- 89.2% of the respondents taken for the survey are having savings account with the banks concerned.
- In analyzing the opinion of respondents towards facilities provided by the bank the factors opinion about deposit facility with the bank, opinion about transfer of money facility with the bank, opinion about travelers cheque facility with the bank, opinion about utility bill payment facility with the bank, opinion about Electronic Fund Transfer facility with the bank, opinion about installation of ATM facility with the bank have been taken for decision- making process.
- Maximum of (40%) of the respondents have said that solving complaints quickly by their banks is good; most (28%) of the respondents have said that providing online services by their banks is good; most (35.2%) of the respondents remained neutral towards SMS/Call alerts for new offers given by the banks; most (33.6%) of the respondents have said that taking their feedback seriously and replying by their banks is good; most (35.2%) of the respondents have said that Electronic Fund Transfer facility with the banks is good; a maximum of (40%) of the respondents remained neutral about the statement "employees willing to help them in a responsive manner" and most (40%) of the respondents have said that SMS/ Call alerts for any due payment is poor; and most of the respondents remained neutral towards availability of internet banking.
- Maximum (52.4%) of the respondents have stated that the level of influence of data protection and privacy of individual details is average; most (50.0%) of the respondents have stated that the level of influence of account security is low; majority (60.2%) of the respondents have stated that the level of influence of biometric system for using lockers is average and majority (46.0%) of the respondents have stated that the level of influence of security system of their internet banking services is low.

Suggestions:

- Efforts be may take to create awareness among the general public about online facilities. The banks should also emphasize more on popularizing internet usage among customers which results into improvement in customer satisfaction and cost reduction.
- The Public sector Banksshouldexpandthe corebanking solution clearing services, facility of debit and credit cards to rural branches of the banks also.

- The other major problem is the lack of customer education and awareness about the features and benefits of e-payment. So there should be arrangement of systematic educational campaign for the clients to educate them.

Conclusion:

The conclusion of the study is that, E-banking has become a necessary survival weapon and is fundamentally changing the banking industry worldwide. Today, the click of the mouse offers customers banking services at a much lower cost and also empowers them with unprecedented freedom in choosing vendors for their financial service needs. With rapid advances in telecommunication systems and digital technology, E-banking has become a strategic weapon for banks to remain profitable. Digitalization of the entire banking services has become the mutual need of the bankers and customers. Cashless transaction is the buzz word of today's Indian financial system. The E-CRM practice of Public Sector Banks is enriched through E-Banking and digitalization of banking services. The banking sector contributes positively in marching towards achieving the dream of "Digital India".

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