From the analysis it is found that the factors responsible for customer relationship management among the employees of the selected public sector banks and selected sample customers have significant association in Madurai city.

CHAPTER VII

SUMMARY OF FINDINGS, CONCLUSION AND SUGGESTIONS

7.1 INTRODUCTION

In many places in the world, the banking sector has been elevating the role of the customer to that of a key person over the past twenty years. Customers are viewed as a group whose satisfaction with the bank must be incorporated in strategic planning efforts. Forward-looking banks are finding value in directly measuring and tracking customer satisfaction as an important strategic success indicator. Evidence is mounting that placing a high priority on customer
satisfaction is critical to improved organizational performance in a global marketplace.

With better understanding of customers' perceptions, banks can determine the actions required to meet the customers' needs. They can identify their own strengths and weaknesses, where they stand in comparison to their competitors, chart out the path for future progress and improvement. Customer satisfaction measurement helps to promote an increased focus on customer outcomes and stimulates improvements in the work practices and processes used within the bank. Hence, the present study is an attempt to analyse the customer relationship management in public sector banks in Madurai city. The specific objectives of the study are:

7. To analyse the socio-economic profile of the selected customers and factors influencing the choice of one’s bank.

8. To discuss the customers’ perception of customer relationship management in the selected public sector banks in Madurai city.

9. To find the relationship between the level of perception regarding customer relationship management and the socio-economic profile of the selected customers.

10. To identify the dimension of perception regarding customer relationship management.
11. To compare the dimension-wise perception of customer relationship management among the category of male and female customers.

12. To offer suitable suggestions to improve the customer services of the banks based on the findings.

For the purpose of analysis, both primary and secondary data were used. For the purpose of primary data collection, the leading public sector banks in Madurai city namely the State Bank of India, the Canara Bank, the Indian Overseas Bank, the Indian Bank and the Union Bank of India were selected. As for customers, 500 were identified and selected out of the 68 branches from the five categories of bank branches according to the proportionate stratified random sampling method. In the case of bank employees, 250 were identified and selected out of the 68 branches from the five categories of bank branches in the same way.

The primary data were collected by personal interview with a well designed pre-tested interview schedule. The primary data were collected during the period 2010-11.

In the foregoing chapters, the profile of the selected customers and their perception regarding customer relationship management, identifying and analysing the dimension of CRM and factors responsible for CRM were
discussed. In this chapter, the major findings along with the conclusion and suggestions are presented.

7.2. SUMMARY OF FINDINGS

It is found that the important age group of the customers is 41 to 60 years and it constitutes 50.00 per cent of the total in public sector banks. The customers who are in the age group of 21 – 40 years constitute 22.00 per cent and it is followed by above 60 years and below 20 years which constitute 14.40 per cent and 13.60 per cent respectively.

It is seen that the married respondents have availed of more services from the banks than the unmarried customers. That may be due to the life style and the family requirements of the married customers.

It is clear that the customers who have school and college level of education, availed of more services from the banks than those of professional and those who are belonging and those are illiterates.
It is found that the important occupational patterns of the customers are business and agriculture constitute 39.00 and 23.60 per cent to the total customers respectively.

The analysis shows that the important family sizes among the customers in public sector banks are three to five members and five and above members.

It is understood that the monthly income groups of Rs.10001 to 15000 and Rs.5001 to10000 of the customers dominate the selected public sector banks in Madurai city.

It is seen that out of the 500 customers in public sector banks, 262 (52.40 per cent) hold Savings Bank Accounts and it is followed by Current Accounts, Fixed Deposits and Recurring Deposits which constitute 26.40 per cent, 13.20 per cent and 8.00 per cent respectively.

It is concluded that the majority of the customers are availing depository services and it is followed by credit/loan services.

It is found that the majority of the customers do not use internet banking services.
It is shown that out of the 500 customers in selected public sector banks, 436 (87.20 per cent) do not use mobile banking services and only 64 (12.80 per cent) are using mobile banking services.

It is observed that out of the 500 customers in selected public sector banks, 270 (54.00 per cent) use the ATM cum Debit Card and it is followed by Credit Card, Travel Card, Petro Card and other Corporate Card which constitute 17.60 per cent, 11.20 per cent, 10.40 per cent and 6.80 per cent respectively.

It is found that the majority (59.60 per cent) of the customers use Cards for withdrawal of cash only.

It is shown that out of the 500 customers in the public sector banks, 394 (78.80 per cent) do not avail of value added services and only 106 (21.20 per cent) are availing of value added services.
It is found that the important variables that influence the choice of the bank among the male customers are large number of branches, advertisement, brand name, efficient and timely services and due to salary account since their respective mean scores are 3.8681, 3.8181, 3.7976, 3.7172 and 3.6026. Among the female customers, the identified variables are innovative and new technology based services, safety of funds, attractive appearance of the bank both interior and exterior, proximity to workplace, father’s bank and proximity to home since the mean scores are 3.8681, 3.8625, 3.8086, 3.7874, 3.7611 and 3.7078 respectively.

It is seen from the Factor Analysis that the major factors influencing the choice of the bank by the customers are service quality, product, proximity and promotion.

It is understood that there is some association between the profile of the customers and the perception on the factors influencing the choice of the bank, especially service quality.
It is borne out that out of the 500 sample respondents, 224 (44.80 per cent) come under the category of high level of perception, 92 (18.40 per cent) under the category of low level of perception and 184 (36.80 per cent) have medium level of perception towards customer relationship management.

From the Chi-Square test, it is found that there is significant relationship between the profile variables such as age, sex, occupation, family size, monthly income, residential area and type of account and level of perception regarding customer relationship management. In the case of marital status and educational qualification of the customers, they have no significant relationship with customer relationship management.

The test of sampling adequacy for administering Factor Analysis revealed that it is the appropriate technique for analysing the data.
In the case of the public sector banks, the variables with the highest factor loading for the perception of the customers regarding CRM are:

(i) The selection of bank influenced by the range of services (0.7432)

(ii) The interest rate offered for F.D.is high (0.7131)

(iii) The customer always feels that borrowing from the bank is more easy (0.6812)

(iv) Bank normally accepts the installment repayment method (0.6612)

(v) Collection of cheque (0.6136)
(vi) All the services are given quickly
(0.5872)
(vii) The bank is easily accessible
(0.5972)

The identified seven dimensions are
(i) Selection of bank and opening of an account
(ii) Interest on deposits and loans
(iii) Borrowing from bank
(iv) Repayment of loan and recoveries
(v) Non-material services offered by bank
(vi) Time taken by banker to offer services, and charges
(vii) General Utilities provided by the bank.

The dimension-wise comparison of the consistency in perceptions between the male and female customers revealed that the interest on deposit and loans for the male respondents and general utilities provided by the bank for the female respondents were found to be consistent in perception.

The higher mean score was received by the dimension selection of bank and opening of an account for males whereas in the case of females, the general utilities provided by the bank got it.

The t-test was carried out to examine the difference in perception. It is revealed that out of the seven dimensions, bank customers have differed significantly only in three dimensions namely ‘interest on deposit and loan’, ‘repayment of loan and
recovery’ and ‘non-material services offered by the bank’.

Spearman’s Rank Correlation coefficient revealed that the relationship of perceptions between male and female is positive and statistically significant.

It is found that the top scoring components or the marketing mix of banking industry from the employees as well as customers’ point of view of the product/service mix, fixed deposits, term loans and collection of negotiable instruments scored the highest from the point of view of employees and customers; uniformity in interest rates on deposit, varied service charges and sufficiency of urban branches and personal canvassing scored the highest from employees and customers. Among the procedural strategies mechanisation of operation was given more importance by employees as well as customers. Promptness in rendering service receives more importance from employees while customers attention, irrespective of
customer status was considered more important by customers. As a overall strategy for improving customer satisfaction quick transaction of business scored higher with employees as well as customers.

From the analysis it is concluded that the factors responsible for customer relationship management among the employees of the selected public sector banks and selected sample customers have significant association in Madurai city.

7.3. SUGGESTIONS

The following suggestions are offered for improving customer relationship management, as emanating from the research findings and also from the interactions the researcher had with the respondent bankers and customers.

Implementation and Overall Strategy of Quick Transaction of Business
It has been found from the study that both bankers and customers perceive quick transaction of business as a powerful strategy for successful banking and creating customer satisfaction. Therefore this strategy should be implemented by all banks.

Developing Comprehensive Customer Information System

The study shows that customer satisfaction, namely, depositors’ satisfaction and borrowers’ satisfaction levels vary according to their demographic characteristics and banking services usage characteristics. Taking advantage of computerisation and technological upgradation banks need to develop a customer information system at branches so as to know the customer better and understand his needs accurately. Data base on various aspects of customers like age, educational qualification, income level, frequency of transactions, type of account, size of account and purpose of
account holding should be created which will help in providing feedback for anticipating customer needs.

Enforcing Price Variations

It is found from the study that bankers and customers favour varied service charges. So, as in the case of foreign banks, posts, railways, hotels, etc., higher service fee for efficient and personalised service to those who are willing to pay higher service charges should be enforced in public sector banks as a step for improving quality of customer service.

Use of Sophisticated Communication Devices

Sophisticated communication devices like fax, telex, e-mail, etc., should be used in public sector banks which will help in the delivery of satisfactory services to customers.

Technological Innovation
Technological innovation should be harnessed for evolving a speedy and efficient system with specific focus on cutting delay in the collection of cheques and delay in sanctioning of loans so as to remove a major irritant in the way of improved customer service.

Training to Staff

As regards attitudinal grievances banks should wake up to the behavioural deficiencies of their employees and train them to become competent in imparting good customer service. Existing training systems are not considered the top most priority in most public sector banks. So training programmes should be made more effective.
Making Complaint and Suggestion Box Scheme and Customers Meet More Effective

The study reveals that the complaint and suggestion box scheme and customer meet are common areas of customer dissatisfaction because of the non-operation of the schemes and the scant attention paid to the relevance of these two schemes by the banks. So it is imperative to make them operational.

Provision of Separate Seating Facility for Woman Customers

It is found that woman customers of the bank are on the increase while no separate seating facility is provided by the bank for them. Separate seating facility will make woman customers feel at ease when they have to wait for a long time at the bank premises to get their work done. ‘May I Help You Counter’ should be manned
Urban bank branches have “May I Help You Counter” which is unmanned. It is therefore suggested that this counter be manned during banking hours so that queries can be made by customers.

Mobile Banking

It is found from the study that there is need for more rural branches. Mobile banking system should be followed for the convenience of rural customers. Rural market is one area whether public sector banks can score over private sector banks.

7.4. CONCLUSION

The researcher’s aim throughout the study has been to examine the customer relationship management in the selected public sector banks in Madurai city. Customers are the most important assets of any business. The success and failure of any business depends upon how far it satisfies the expectation of customers. Banks are an important social organisation rendering various financial services to customers. Realising the importance of customer service, recommendations are made by various committees to improve the services quality of banks. The nationalization of major commercial banks led to ‘Mass banking’ which in turn increased the volume of customers. The increase in volume of customers automatically led to deterioration in the quality of customer services.

Banking business is now becoming more competitive, and customer benefits have come under sharp focus at the customer’s end. There are several reasons for this intensified interest. The important one is that customers are