ABSTRACT

Customer Relationship Management (CRM) can help organizations to manage customer interactions more effectively to maintain competitiveness in the present economy. Organizations realized the significance of becoming customer-centric in today’s competitive era; they adopted CRM as a core business strategy and invested heavily. CRM is a combination of people, processes and technology that seeks to understand a company's customers. CRM, an integration of information technology and relationship marketing, provides the infrastructure that facilitates long-term relationship building with customers at an enterprise-wide level. The present study is aimed to provide a systematic understanding (both in the bank customer and bank employee perspective) on the existing CRM practices applied in banks at Chittoor District of Andhra Pradesh.

The thesis is organized into six chapters. The chapters are organized in the following way. The first chapter introduces the transactional marketing, relationship marketing, stages of relationship with customers, key elements of CRM, the benefits of CRM, IDIC model, loyalty model, traditional customer relationship model, integrated framework model, CRM model, banking system in India, role of banks, problems and prospects in banks, competition, CRM in banks. They form the basis of the material for research work since awareness of the theory is essential.

Second chapter comprise of literature survey. These help the investigator to understand the concept of CRM to develop the proposed model and the factors i.e. communication, customisation, customer retention, trustworthiness, SERVEQUAL factors, dissatisfaction, switchover and long-term relationship that are included in the model.

Third chapter includes the methodology which paves the path for conducting research study. A questionnaire has been designed and used to collect data from both the employees and customers of select banks in Chittoor District on the basis of stratified random sampling.
The data collected from the respondents (both from the bank customer and bank employee) have been analyzed using quantitative methods i.e. mean, standard deviation, skewness, kurtosis, confirmatory factor analysis and structural equation modeling. The analyzed results are presented in two chapters’ i.e. chapter four and chapter five.

Fourth chapter includes the detail analysis and interpretation of the bank customers’ opinion on CRM practices. The results of data analysis reveal that customers agree with regard to the significance of CRM in banks due to its various benefits.

The fifth chapter includes the opinions of the employees on CRM practices and its requirements are analyzed. The results support that the employees agree with regard to the need and importance of CRM in banks.

The sixth chapter includes findings and conclusion that are required for the banks to improve the existing practices based on the results.

The opinion of the respondents (customers and employees) support to continue the CRM, and further, improvement required for more effectiveness to satisfy the existing customers and new ones. Another contribution of this study is aimed to present a suggested CRM model which can be considered by the banks to improve the CRM programmes. An effective CRM programme, designed and well executed, will obviously provide a win-win platform to both the banks and their customers.

A study on customer relationship management in banking sector represents an appreciable contribution to the field of banking industry and financial management. It provides insights through empirically investigation of the role of customer and employees in the Indian banking sector. The outcome of the research finds immense benefit to the banking industry which is going through ups-and-downs and stiff competition in the recent past. The customer expectations are ever increasing and banks are finding it difficult to cope with these expectations and to satisfy all types of customers. This research study comes at the right time when there is lot of uncertainty in the future of banking industry.