CHAPTER 2

REVIEW OF LITERATURE
2.1 Review of Literature

A literature review is a text of scholarly paper, which includes a current knowledge including substantive findings, as-well -as theoretical and methodological contributions to a particular topic. Literature review use secondary sources, and do not report new or original experimental work [L. Banglione [19]]. One who is not fully conversant with what has gone before has little chance of making a worthwhile contribution [O. R. Krishnaswami and M. Ranganatham [20]]. This chapter deals with literature reviews that support the researcher to have a keen understanding over the concepts of Customer Relationship Management (CRM) to conduct the present research.

C.R Sharma [21] studied the impact of Liberalization and Globalization and role of IT in the organisations, with this influence major changes was identified in Indian banking system, present clients are demanding more interactive access to their accounts, it is more important to make the customers perceive that they are getting good services, the quality of customer service must be beyond their imagination and expectation, it is possible by maintaining healthy relations with the customers.

Berry and Parasuraman [22] study reveals that the improvement of morale and loyalty in banking employees and customers stimulates favourable word-of-mouth communications to enhance value of customer’s perception. Customers are selecting among available service providers, trust and service efficiency are the key factors in selecting service providers.

Gummerson [23] explored the extent of application of RM in banking sector. According to his findings, the service users hold good image of the company if it provides effective CRM services. He found that poor RM causes discontinuation of services by many customers.

Hallowell Roger [24] conducted a research on customer satisfaction, loyalty, and profitability. It was found that when compared to public sector, private sector bank customers’ level of satisfaction is higher in particular point of view.

A. Parasuraman, A. Zeithaml and L. L. Berry [25] found the gap between expectations of the customer and actual perceived performance, which is the base for measurement of customer satisfaction also known as satisfaction gap. Many factors will influence customers in expecting performance standards, at the same time the same factors may not influence the customer in perceiving performance standards.
J. W. Gosney and Thomas P. Boehm [26] examines CRM when customers cannot easily find what services they want then different communication tools are required to design to assist them. The relationship with the customer begins as much after the sale as it does before the sale.

N. Abeysekera and J. A. S. K. Jayakody [27] in their study explained about importance of RM in banking, they also explained about how well RM is practiced by private banks than in public banks, important information is that the majority of corporate customers who deals with the banks are males. The study contributes to the RM practice by shedding light on how salespersons can create, develop, maintain and practice RM.

W. A. Arnoud Boot and V. Anjan Thakor [28] concluded that the banks can return to their relationship lending roots. This is a fundamental option for banks and also of great relevance for regulators because much of bank regulation is rooted in the way banks fund themselves and in the way of loans raised from customers. The analysis is policy relevant because it identifies the conditions under greater competition.

Joe Peppard [29] revealed that the financial services organisations are rushing to become more customer focused. A key component of many initiatives is the implementation of customer relationship management software. Our research has highlighted that most institutions take a rather narrow view of CRM and as such, benefits have been limited. While second generation CRM has emerged to embrace the total organisation, success in general has still not been widespread. In the paper, a framework is presented which is based on incorporating e-business activities, channel management, relationship management and backoffice/front-office integration within a customer centric strategy.

S. Tandon [30] his study revealed that customer satisfaction is one of the formidable challenges in marketing of services in banking industry in our country. The thrust on customer service has increased after liberalization of Indian economy. This can be achieved by efficient customer service and immediate tactful handling of customer’s grievances. Better customer relationship management leads to customer satisfaction and a good public image is to win over the customers. Hence, public relations should be one of the strategies to achieve customer satisfaction.
Atul Parvatiyar and J. N. Sheth [31] investigation revealed that recent prominence facilitated by the several other paradigms of marketing and by corporate initiatives which developed CRM business activity, and if the phenomenon of cooperation and collaboration with customers becomes the dominant paradigm of marketing practices in research, CRM has the potential to emerge as the predominant perspective of marketing. Building long-term relationship with customers is a fundamental business of every enterprise, and it requires a holistic strategy and process to make it successful.

Sajal Kabiraj, D. P. Agrawal and Deepali Singh [32] discovered the reasons of strategic CRM for evaluating profitable opportunities with assessment of competition from other financial institutions like banks and money market funds. They also conclude about new methods of delivering financial services may affect the role of the retail banks in regard to money, the payment system, banking supervision and long term relationship with customers through the use and implementation of strategic CRM business models. The research study enables managers to assess CRM activities and processes in retail banks.

Jiaqin Yang, Mike Whitefield and Rina Bhanot [33] investigated internet banking operations in small and community banks in rural areas, focused on some emerging issues and challenges of on-line banking operations. Found as the banking industry is playing crucial role in on-line banking transactions. Particularly in case of customer acceptance, satisfaction, services rendered, operational risk and competition from institutions conducting non-banking operations are the achievements of online banking operations. Smaller community banks are interested in e-banking services to build strength over competition.

Babin Pokharel [34] found in his study the critical factors that explain CRM in Indian banking sector as organisational structure and customer support, service quality, trust, technology, personalization and market orientation. The study has developed a reliable and valid CRM scale specifically catering to Indian banking sector.

Reiny Iriana and Francis Buttle [35] results show that many private and public sector banks are still following the traditional ways of marketing and only few banks are adopting CRM, an attempt towards the idea that CRM can be adopted uniformly in the banking industry for betterment of banking services. Lack of understanding on
CRM is always a concern among the service providers especially banks because banks have their own way of managing their customer relationship. The perception of customers on CRM practices among banks should also be taken into consideration.

It is observed that the approach of CRM by SBI and other nationalized banks are same and one to some extent but, the reach is quiet distinguishable. It is due to the perception and belief of the bank officials.

Evangelia Blery and Michalis Michalakopoulos [36] results shows that now a days the bank have recognized the value of CRM system for its development and CRM success in the market and has established a strategic analysis and CRM department. The study analysed the design and implementation of CRM in banks to identify benefits, problems, as well as success and failure factors of the implementation for better understanding of CRM and its impact on competitiveness as well as provide a greater understanding of what constitutes good CRM practices.

Hsin Hsin Chang [37] revealed the actual implementation of CRM is believed by the respondents to contribute to an improvement in relationship quality and organisational performance, and the consensus is that implementation of a CRM system should be preceded by which it leads to improve customer relationship quality, smoother business processes, building and maintaining a good relationship with customers, is essential for long-term business survival.

T. R. Coltman [38] said that the CRM programs require a combination of technical, human as well as business capabilities. The first implication for managers is that CRM programs should be directed towards combination of capabilities that competitors may struggle to match. On this point the results are quite clear, high performing banks base their CRM program success on business structures first, human skills second, and IT third CRM suffers when it is poorly understood, improperly applied, and incorrectly measured and managed.

S. F. King and T. F. Burgess [39] carried out the research on understanding the success and failure in CRM. CRM has been accompanied by vendor hype and stories of implementation failure. Work on critical success factors should encourage more appropriate implementation practice. Identified need for stronger theoretical models of the entire CRM innovation process which can be used by managers to understand better the underlying causes of success and failure.
Madhu Josola and Shivani Kapoor [40] aimed to explore while the concept of RM was formally introduced in early 90s when financial services, airlines and other service institutions stated to ‘reward to retain’ the existing customers by introducing loyalty programs, CRM is only a product of the late nineties.

Iftikhar Hussain, Mazhar Hussain, Shahid Hussain and Sajid M.A [41] concluded that CRM performance is influenced by organisational culture. All the organisational members should share the same perceptions about culture with front-line staff, or back-office management, it may perceive organisational culture differently.

Alok Mishra and Deepti Mishra [42] their study revealed that customer relationship management can help organizations to manage the customer interactions more effectively to maintain competitiveness in the present economy. Many organizations realize the significance of becoming customer-centric in today’s competitive era, they adopted CRM as a core business strategy and invested heavily. 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. Successful CRM implementation is a complex, expensive and rarely technical projects.

Babatunde B. O and Ajayi E. O [43] revealed that the banking industry is highly competitive and dynamic. The cost for customers to switch banks is low resulting in increased competitive pressures. The customers perception of customers service is often the key purchases influence and, the typical customer base is spread between high and low value customers with a small proportion of customers contribution most of the profits.

However, some of the benefits that accrue to banks undertaking the CRM initiative includes better communication with the customer, increased efficiency and effectiveness in dealing with customers’ achieve via integrating front and back office operations into a single customers focused operation which enables the bank to collaboratively service customers and simultaneously improve customer acquisition and retention rates.

B. A. M. Al-alak and I. A. M. Alnawas [44] conducted research on evaluating the marketing activities and performance of relationship quality in five private
commercial banks in Jordan and identified structural characteristics of relationship management between the bank employees and clients.

This study suggested that bank managers emphasizing relational orientation, client orientation, and financial service providers, it should be equipped with expertise, experience and professional appearance to enhance client trust and satisfaction. It will eventually lead to improved performance related to relationship continuity and word of mouth.

Ashfaq Ahmad, Kashif-ur-Rehman and Muhammad Iqbal Saif [45] identified the relationship between service quality and customer satisfaction regarding Islamic banks as well as conventional banks in Pakistan. This study said the importance of an emerging trend of Islamic banking practices in Pakistan in the existence of conventional banking system, which leads to stronger and positive relationship between service quality and customer satisfaction in Islamic banks as compared to conventional banks.

Mohammad Majid and Mohmood Bangram [46] identified in their study about those factors like trust, perceived value, satisfaction, switching barriers, and culture that affect customer loyalty. After measuring relationship of these factors with each other, this research study contributes in identifying the affects of customer trust, customer perceived value, customer satisfaction, customer switching barriers, and customer culture on customer loyalty in the banking sector of Pakistan. It is also a fact that precondition to customer loyalty is customer satisfaction as this research study has also proved it.

Dissatisfied customers of any bank easily switch to another bank at any time. Therefore, it is essential for banks to understand and recognize the value of customer switching barriers. This research study proved that if customer-switching barriers are high then the chances of switching customers to other banks decreases and if the customer switching barriers are low then the chances of switching customers to other banks increases.

Puja Khatri and Yukti Ahuja [47] revealed in their study about variables of service quality and the reasons of customer dissatisfaction and the opportunity areas were in these banks need to focus and strengthen their CRM practices.

Private banks seem to have satisfied its customers with good services and they have been successful in retaining its customers by providing better facilities than public
sector banks. But, still private banks need to go a long way to become customer’s first preference.

R. K. Uppal [48] concluded that each and every bank should establish a customer care centre to solve the complaints of the customers. Private and foreign banks are taking the lead in making customers happier. Moreover, Indian public sector banks are still not taking the initiative in solving the most common complaints of their customers. Consequently the Indian public sector banks will not improve themselves to mitigate the complaints of the bank customers, their survival will become difficult in the competitive era.

Azhdar Karami, Ebrahim Gharleghi, Fatemeh Nikbakht and Samaneh Mirasadi [49] explored the extent of CKM with the focus on the human resource like people, technology and processes as important factors of Customer Knowledge Management (CKM). Study revealed that human, technology and processes factors positively and significantly influenced the implementation of CKM practices. These findings tend to corroborate our conceptual model. Human factor of CKM was found to be more significantly affecting appropriate CKM implementation than others CKM factors, indicating that this factor is more important than the others aspects of CKM.

Christina Koutzia koutzidou and Nikolaos Sariannidis [50] expressed their view and proved that the competence of the bank’s customer service personnel due to its training and education leads to development of customer trust and commitment. RM is essential for extending and deepening businesses with bank customers. Crucial factors are the trust and commitment for the building enduring relationship. It is clear that the basic goal for the bank is attaining trustful and profitable customers. The bank has to know that not all relationship have to be managed in current strategic context, rather than real customer needs. This might be useful for the development of competent customer service personnel capable of creating and providing customized products and services to meet specific customer needs.

Tim Coltman, T. M. Devinneyand and D. F. Midgley [51] carried out to infer how well RM is practiced by private banks than in nationalized. The specific human capabilities and business structures revealed in their study are critical to transform what is essentially a passive resource into actionable decisions such as whether a customer is more or less important.
Mornay Roberts Lombard [52] revealed that organisations such as banks and short-term insurance organisations become more aware of the importance of customer relationship management and its potential to help them acquire new customers, retain existing ones and maximise their lifetime value. A close relationship with customers will require a strong coordination between information technology and marketing departments to provide a long-term retention of selected customers.

K. Tara Shankar, Parul Khanna [53] their study revealed that public sector banks are not good in providing internet banking facility to the customers when comparing to the private sector banks, customers are feeling positive about availability of required information in the bank websites because websites are user friendly, customers are also satisfied with the online payment system. Private banks maintaining promptness in sending internet user id and password as well as sending responses to email query to customers when compared to public sector banks.

J. K. Pal [54] Identified critical success factors for information systems in general and ERP in particular on CRM. Outcomes are explicitly included in the model, as are causal relationship. To simplify the model and ease understanding, saucer’s model of information systems innovation is used to group the factors together and to add a higher level set of relationship emphasising the role of organisational context, support management and evaluation of outcomes in particular.

K. Chitra and B. Subashini [55] explained about the future churn for banking customers and then extended to formulating intervention strategies based on churn prediction to reduce the investment by increasing customer retention. It is expected that, with a sound intervention strategies it is easy for better understanding customer characteristics; bank managers can develop a customized approach to customer retention activities within the context of their CRM efforts.

Deepika Jindal and Vivek Bhambri [56] in their study recognized the importance of Knowledge Management (KM) and retrieval of relevant knowledge as per the requirement of the organisation. The data mining techniques help the bank professionals and financial institutions in this arena for acquiring new customers, providing segment based products and customized services, analysis of the customers’ purchase patterns over time for better retention and relationship, detection of emerging
trends to take proactive approach in a highly competitive market adding a lot more value to existing products and services launching of new product and service bundles.

Ramin Rakhsha and Majidazar M [57] evaluated the effect of green marketing mix on satisfaction and loyalty of the customers it was concluded that green marketing mix has significant effect on consumer satisfaction. It was also concluded that consumers’ satisfaction has significant influence on their loyalty, by considering the effect of green marketing mix on customers and their satisfaction which leads to customer loyalty,

Sijie Wang [58] Originated the importance of improving the existing CRM implementation process and enhance the success rate of the CRM. The study presented the most important critical successful factors for the CRM implementation through literature reviews, the chosen CSFs were based on previous studies in the CRM implementation field, focus on the identification of CRM projects and how it gives success with better understanding the current situation.

V. Padmaja Rani, Mohammed Abbas Ali and Vijaya Kumar Gudep [59] analysis reveals the nature of the customers’ and their demographical characteristics and its impact on CRM awareness and efficiency. Analysis of the data revealed that the tenure of banking of the respondents has an influence on the CRM efficiency. It was also observed that the occupation of the respondents has an influence on the consumers’ awareness of CRM.

S. Fatima Holy Ghost S and M. E. Gnanadhas [60] explained in their study about perception on service quality factors in commercial banks among the different group of customers based on their demographics. The study concludes that there is a close link between the customer's perception on the service quality factors and customer satisfaction. But, the impact of service quality factor on customer satisfaction. It depends upon the demographic profile of the customers.

Faizan Mohsan, Muhammad Musarrat Nawaz and Sarfraz Khan M [61] study revealed that there is no significant relationship between the demographic variables of the respondents and the satisfaction level except personal choice of bank with the status of the customer and satisfaction and how customer needs and demands are met to build customer loyalty and repeat purchase behaviour of the customer. Loyalty is vulnerable because even if consumers are satisfied with the services they will continue to defect if
they think they can get better value, convenience or quality elsewhere. Therefore, customer satisfaction is not only an indicator of loyalty. Satisfaction is essential but, it is not only sufficient for loyalty building. In other words, we can have customer satisfaction without loyalty but, it is too hard or even impossible to have loyalty without satisfaction.

Bidyut Jyoti Bhattacharjee and B. H. College [62] explained in their study the nationalized commercial banks of India come under pressure in their business due to privatization and globalization. One of the reasons is the presence of private banks which are maintaining good relationship with customers as primary function of the banking business and to increase the profitability of the banking units it is necessary to emphasis on the business which is located in rural and semi urban areas in particular. The banking units need to satisfy the customers of semi urban areas along with the customers of urban and metropolitan cities. Keeping in mind the above facts, the result shows that the customers are not satisfied with the banking services at all and especially with the ATM services. Therefore, awareness programs should be conduct in different timings regarding the use of other e-technology devices to make smooth and prompt business transaction, necessary remedial measures should take to adopt by the top management in banks to ensure better quality services.

Mohammad Taleghani, Shahram Gilaninia and Seyyed Javad Mousavian [63] their research provides empirical evidence for the influence on customer loyalty achieving with RM were trust, commitment, communication, conflict handling, bonding, shared values, empathy and reciprocity, banks wishing to retain and develop loyal customers for trustworthy transactions, service ethic, right and timely communication, resolving conflicts in a manner that will eliminate unnecessary loss and inconvenience to customers.

Zainab Abdulshaheed Mohsen, Mai Ali and Akram Jalal [64] their analysis revealed that the availability of KM techniques for greater benefit through improving the efficiency in different banking operations. Employees' capabilities and awareness in enhancing interest in a system that provides information with easy retrieval process for better decision making. It is recommended that more expenditure should be allocated by organisations for the improvement of MIS and KM projects.
Christoph Ako-Nai [65] research highlights what CRM is and what benefits can achieve in organisation by implementing CRM as well as to identify major challenges associated with the implementation of CRM programme. CRM is practiced with awareness of employees about the contemporary issues and challenges of CRM, adoption of CRM offers advantages as increased customer base, increased profitability, customer loyalty and retention.

T. Satya Narayana Chary and Ramesh [66] found from their study the approach of CRM by SBI and HDFC are same and one but, the reach is quiet distinguishable. It is due to the strategy of CRM in making it and reaching down to customers. CRM is an inevitable tool of marketing that can be considered as major responsibility of banks with regard to customer transactions. Customers have a lot more choices and they do not have to be loyal to any company in general, so companies are now trying to figure out ways to manage customer relationship effectively. CRM has become a major corporate strategy for any type of organisations. It is concerned with the creation, development and enhancement of individual relationship with customer and also with targeted customer groups resulting in maximizing the life time value of customers.

Shahram Gilanian, Seyyed Javad Mousavlan and Samaneh Mohammadi Moaf [67] in their observation revealed the relationship between bank employees in the given market conditions about services providing to customers. Essential factors are effective communication with customers, trust and conflict management are variables which effect on customer satisfaction and loyalty. Increasing competition causes to raise the expectations of customers such as providing the customized services in the shortest time and the best form. In higher market competition every bank should try to keep their customers by RM and customer oriented services.

Namita Rajput and Harish Handa [68] concluded as one can measure loans as output and assets and deposits as inputs. In other words how well banks are performing the basic task for which they have been striving to gain profits. There is no significant difference between private and public sector banks in case of deposit mobilization and lending procedure, when economy grows, more and more opportunities come into the way so the banks must focus on increasing their efficiency in maintaining relationship with customers.
A. O. Fagbemi and F. F. Olowokudejo [69] explained the importance of the study about CRM as a marketing strategy and also the variables employed by these organisations to achieve CRM differ in banks, variables revealed that banks in Nigeria engage in CRM, this practices employed by these institutions to achieve CRM differ in all aspects. It facilitates the development of a new conceptual model, bank employee perception is different from customer perception, there is need for all banks to concentrate more on customer focused services, complaint management, friendliness of employees, competitive charges on services, information and communication technology, high quality service, and other CRM variables of the study, commitment to the use of these variables lead to customer satisfaction, customer retention, increase in profit and increase in number of customers for the organisation.

Izah MohdTahir and Zuliana Zulkifli [70] in their study recognized that the CRM practices among banks from the customers’. A framework which includes five dimensions namely, customer acquisition, customer response, customer knowledge, customer information system and customer value evaluation. Especially banks have realized the importance of becoming more customers oriented and practicing CRM because it is seen to be very important to these firms.

Mehdi Rouholamini and S. Venkatesh [71] Study revealed that customers are becoming harder to please, because customers become more price conscious, smarter, more demanding, less forgiving, and they are approached by many competitors with better offers. CRM practice is widely acknowledged as an important component of marketing management and corporate communication management processes in Iranian banks but, unfortunately applications of CRM is not favorable.

Manvinder Singh Pahwa and Karunesh Saxena [72] Analysis reveals that the trend in banking has evolved and transformed from cash economy to cheque economy which has further, been converted to plastic card economy. Intense competition from inter and intra bank group along with the global forces put pressure on banks to adopt new technology to face electronic age.

Bogdan Ubiparipovic and Emina Durkovic [73] explored business intelligence solutions for banks, which require for decision makers from all business segments of a bank with the ability to manage and exploit information resources, in order to solve the
problems and make timely and high-quality business decisions. Business intelligence systems in banks must be comprehensive and yet simple for the end user.

Vivek Bhambr [74] found that information technology leading banking performance, latest information technology techniques and tools increasing overall performance. Data mining is the best source to obtain valuable information to provide customized services, all the banks are identifying the need of data mining techniques to obtain economical, technical and operational efficiency. To implement data mining techniques banks require facilitating suitable infrastructure (latest hardware and software). Banks are available technically skilled manpower because it is a routine activity, so anyone can learn this software and work with the system of data mining without difficulty.

M. Malla Reddy and A. Suresh [75] analysis revealed that the implementation of CRM yields number of benefits to the bank, one of the important benefits is cost reduction. Second most important is the integrated view of the customer provides the bank an opportunity to understand its customers well and accordingly satisfy their needs of each individual. Implementation of CRM helped the bank to come closer to its customers and emphasis on customers emerging needs. Bank employees must show courtesy towards customers in providing timely services at bank. It should be customer oriented from all the areas of the bank to work in synchronization towards a marketing goal of stronger and long-term customer relationship.

T. S. Uma Rani and N. Panchanatham [76] stated that change is continuous process in all sectors of the world. The customer feels that obtaining loans require a process that is extremely complicating and time consuming. The observation and findings of the study have helped to give useful recommendations to bank to improve strategies and build competencies over the competitors.

Rozita Shahbaz Keshvari and Taeibe Zare [77] concluded that there are eight RM tactics which gives meaningful relationship with customer for trust, satisfaction, commitment, conflict management. It implies that in banking industry at any level confidence-building increases customers’ loyalty, building trust and avoiding conflict among customers depend on the new philosophy concerning perceived high-quality services at perceived competitive prices during searching process and for higher satisfaction of the banking customer.
Van Dinh and Lee Pickler [78] explore interrelationship between service quality dimensions (tangibility, reliability, responsiveness, assurance, and empathy) and correlation between customer perceived service quality and satisfaction in retail banking in Vietnam. The study can help bank leaders evaluate and improve the service quality of retail banking in the context of financial liberalization and globalization.

S. Gayathri [79] explained in her study about successful implementation of CRM requires a strategic approach, which encompasses developing customer-centric processes, employee empowerment, customer information and knowledge generation capabilities to differentiate them, the ability to learn from best practices. CRM environment is challenging to implement, manage, and upgrade, the business benefits. In today’s competitive scenario characterized by changing customer values, banks are finding it extremely difficult to retain customers to realize long term benefits. With all the information at his command, the customer has become very powerful. The customer demands wide range of value added products.

Bankers can now manage every single contact with the customer to build lasting relationship and glean information and insight about customer’s needs and their buying behaviour to design and develop services, which help create value for the customers as well as the bank.

S. Vijay Anand and M. Selvaraj [80] focused on the study of market orientation and customer orientation for their growth in the competitive market. Due to rapid changes in technology and competition among the banking sectors, it is inevitable for the service organisations like bank to study the impact on customer satisfaction. The result revealed that there is no significant relationship between the demographic variables and customer satisfaction except the choice of the bank and the status of residential area.

E. E. Ogbadu and Abdullahi Usman [81] examined the essentials of CRM to overcome poor handling of customer complaints, lack of courtesy, poor service quality, inadequate information to the customers. It ascertains the contribution of effective CRM to customer loyalty and profitability or performance of the banks. Findings revealed that there is a direct relationship between CRM and customer loyalty as well as banks profitability.
Arun Kumar Agariya and Deepali Singh [82] originated the importance of CRM scale specifically catering for Indian banks. The findings of this study validate the long held belief that CRM is a multidimensional construct and also serves as a critical success factor for business performance.

Sahila Chaudhary [83] explained in his study about the management of the banks for taking crucial decisions depending on its risk perception. It sets vision and goals for the organisation and sees that it achieves them. This parameter is used to evaluate management as to assign premium for better quality banking transactions for converting from poorly managed ones to sound banking system.

U. Devi Prasad and S. Madhavi [84] originated the importance of formulating intervention strategies based on prediction to reduce losses in producing revenue by increasing customer retention and loyalty. It is expected that better understanding of these characteristics bank managers can develop a customized approach to customer retention activities within the context of their CRM efforts.

Ashok Sharma, Tapsaya Julka and M. S. Sonali Bhardwaj [85] originated the importance of CRM in enhancing organisational growth with reference to the banking industry. CRM which helps the organisation to develop brand image in customer’s mind. This paper analyses the actual impact of CRM in enhancing the organisational performance. It is concluded that the adoption of specific measures to enhance the impact of CRM in organisational growth of Banks.

N. Abeysekera and V. Kumaradeepan [86] identified CRM concepts to increase effectiveness of banking operations. RM has been operationalised by using the model of trust and commitment.

Sonia Kalra [87] measured the difference between the employees of public and private banks in Punjab about the practices considered for influencing CRM, analysis shows that the private banks are well organized and taking feedback to have long term bonding with customers. However private banks need to concentrate more on their distribution channels so that they can provide prompt services to its customers. Public sector banks enjoy the trust of customers but, they need to improve their physical facility, infrastructure, guarantees for service failures and customer feedback system. Both the public and private sector banks are not actually making an attempt to measure the effectiveness of CRM. Continuous effort of banks is needed to improve service
quality and deliver better customer service in order to maintain long term relationship with customers to retain.

Sanjay Kanti Das [88] expressed this study is significant to banks as they get information on what are items that are important to customers so as to maintain the relationship. Particularly in marketing approach, considering customer retention as a big challenge, provisioning the facilities attending the needs without delay in time, meeting the changing needs creating the database, employee approach to customers, customer awareness impact of CRM relationship with customer impact over bank objectives.

M. V. S. Srinivas Rao [89] concluded that CRM practices in insurance companies are quite satisfactory. From the findings of the study it is clearly identified that the CRM practices of the organisations have partially failed in reaching to all sorts of customer segments. There is a need on the part of the organisations to analyse the existing practices to find out the constraints in meeting the goals of these practices. Organisations should improve the existing CRM practices.

Waqarul Haq and Bakhtiar Muhammad [90] pointed out how customer satisfaction varies from person to person and banks need to conduct more researches to evaluate customer satisfaction more strongly.

Muhammad Abduh, Salim Kassim and Zainurin Dahari [91] identified the dimensions of customer satisfaction which effect customers’ switching behaviour. The methods used in this study are factor analysis and logistic regression model.

Subhash Chand, Rohit Kumar and Shiwali [92] analysis revealed that private sector banks have been successful in case of attracting young and qualified customers from higher income groups. Customers of private sector banks are more satisfied with customer care services when compared to public sector banks regarding and other parameters of satisfaction in a competitive banking environment in order to retain and widen the customer base.

Richa Raghuvanshi and Rashmi Tripathi [93] studied direct relationship between perception and satisfaction. Employing CRM may only strengthen the relationship between perceptions. Banks are realizing that CRM as the magic bullet that helps financial institutions to build stronger and more profitable relationship.
CRM goes beyond the transactional exchange and enables the marketer to estimate the customer's sentiments and buying intentions so that the customer can be provided with products and services before they start demanding.

Waqarul Haq and Bakhtiar Muhammad [94] their analysis shows that customer satisfaction different according to the nature of the services, highest customer satisfaction, price charged by banks, convenient location of bank branches and staff attitude toward solving the problems of the customers. Comparatively customers of private sector banks are more satisfied than the public sector because they are maintaining multiple branches at convenient locations with implementation of latest technology. If we talk about public sector banks customers of public sector banks were more satisfied regarding reputation, reliability and the prices impose by public sector banks.

Both public and private sector bank customers are satisfied with their banks but, due to different factors, both public and private sector banks should concentrate on their weak areas to meet customer expectations.

Deepti Kanojia and D. R. Yadav [95] concluded that the indian banking Industry is one of the largest industry in the world. There has been a great importance for efficient customer services. The curtsey, accuracy and speed are most influential factors of banks.

E. I. Essawy and Nermine [96] revealed that the use of technology, organisational culture, corporate strategy and customer perceptions affect e-CRM readiness while the employees’ perception does not affect e-CRM readiness. Results illustrated that organisational culture and corporate strategy have a strong effect on e-CRM readiness, whereas use of technology has a modest effect on it.

S. A. Aminu [97] investigated the effect of RM on customer loyalty towards service quality, trust, complaint handling and customer satisfaction were employed to measure RM, which is the independent variable of the study. All factors are significantly correlated with customer loyalty, those factors are higher the level of service quality by the banks, the greater the ability of banks to resolve customers' complaints.

G. O. Melodi and T. O. Olufayo [98] in their research explained the need to vigorously promote the use of other mediums that customer can use to transact business
with them. Banks should invest in appropriate technology and carry out enlightenment campaign to promote the use of internet, fax and telephone services for banking transactions.

Daniel Mihal Vasiluu [99] discovered the reasons in order to win customer trust and loyalty. Offering a consistent and positive customer experience through product development, it is to be observed in each customer transaction. This must be seen as an opportunity to increase revenue, build loyalty and strengthen a brand. CRM help a bank to connect with customers satisfy their needs and deliver products and services what customer want.

Mesay Sata Shanka [100] pointed out the need to measure the quality of service offered by private banks operating in Ethiopia, found relationship between service quality, customer satisfaction and loyalty. The five dimensions like reliability, assurance, tangibility, empathy and responsiveness were used to measure the quality of service offered by the private banks. The correlation results indicate that there is a positive correlation between the dimensions of service quality and customer satisfaction. Service quality positively impacts on overall customer satisfaction.

Karuppu Swamy and R. Lumina Julie [101] concluded research on the role of CRM in banking sector and the need for CRM to increase customer value by using some analytical methods in CRM applications. Major respondents said that customer relationship is most important for bank development. At this point, close relationship with customers will require a strong coordination between IT and marketing departments to provide a long-term retention of selected customers.

Manoj Dash, Saroj Dash and Jai Prakash Sharma [102] this research paper highlighted on customers’ perception regarding service attributes offered by private sector and public sector banks in Odisha. It is also highlighted on calculating the impact of service attributes on overall customer satisfaction in both private sector and public sector banks. The challenges lie before the bankers are to satisfy customer needs which are complex and difficult to manage, increased competition from within the sector from new entrants coming into the financial sector market, they need to address the demands based on supply chain. The comparative analysis of the service attributes among two major segments revealed that private sector banks dominated public sector banks in terms of delivering qualitative customer service.
Elijah E. Ogbadu and Abdullahi Usman [103] revealed that current marketing emphasis has shifted from satisfying customers to building relationship through a long term value creation. The study examined the imperatives of customer relationship management motivated by the poor handling of customers complaints, lack of courtesy, poor service quality, inadequate information to the customers and long line being experienced in the banks. Information technology ascertains the contribution of effective customer relationship management to customer loyalty and profitability or performance of the banks.

Shirmila Stanley [104] Her study revealed that customer relationship management is an organizational strategy to develop mutually profitable long term relationships with the customer. In service industries, the goal is especially emphasized since a repeat customer is believed to cost merely a fraction of what needs to be spent in servicing a new customer in service transaction. Banking is now basically a business of trust. Banks are able to lend a major portion of their deposits and play the role of an intermediary and also constitute the payment system because of the trust of the people that the banks will honor their commitments. It is observed that banks lose their best clients who are sometimes their high net worth individuals to competitors due to a variety of reasons. Experts opine that inefficient and improper service is one major reason. The remedies suggested by them are that banks should adopt customer relationship building approaches to improve customer life time value and customer delight thereby resulting in a long term relationship.

CRM has, therefore, become a new mantra in service management, which is both relationship based & information intensive. Banks need to differentiate themselves by offering value-added service and building long-term relationships with their customers.

Monal Deshmukh [105] the study is determined the usefulness of CRM implementation on customer contentment and perceived business performance. Various references in respective field conclude that successful CRM implementation requires complete efforts for the development of the three segments, i.e. attainment, enhancement and service recovery phases.
revealed that customers are regarded as an article of trade. With the growth of service marketing, Customer relationship management advanced and became popular in India. CRM became crucial to cope up with exceeding competitive global market.

Mahendrasing Gangasing Rathod [106] said that customer relationship management has become the key word in all marketing organizations & banking sector is no exception to it. The need is to understand that in today’s world of globalization not a single bank whether, private, co-operative or national can afford to ignore their potential customers. Now-a-days maintaining & developing customer relations has become the mantra of success in today’s world of cut-throat competition.

Within the past decade the move from physical branch to e-branch has been significant. Your banking transactions may be through mobile phone, home computer or any other electronic device– faceless and nameless. Generally, over one-half of a retail banks’ customers use some form of e-banking. It is not unusual for a customer, once an account is opened, never have a visit to the branch again. This begs the question: How do you satisfy the electronic customer, how can you cross-sell or up sell to an unseen customer? Though the banks senior decision makers fully understand the branch process and the necessity for it, they are somewhat less understanding of their electronic customer base. It is this gap in knowledge that in many cases causes a reluctance to institute a CRM system. There are concerns about expenses associated with the system, the ease at which the system can be accessed by front line personnel and the relinquishing of authority to the front lines. Even more frightening to the entrenched bank establishment is the relinquishing of choice to the customer themselves. An integrated CRM system can help to shift these resources through equal access to customer information. The concept of the process driven workflow in a retail bank needs a CRM system.

Duygu Kocoglu and Sevcan kirmaci [107] their results showed that banks should make one-to-one and individualized relationships with their customers, offer privatized services and determine the customers’ needs. Important milestones of customer relationship management is not only collecting data about the customers but also giving information to them arouses customer loyalty, forming and sustaining healthy and long-term customer relationships have become an important means of competition in the banking sector. The attempt to retain the customer affects the success
of the banks due to the fact that one-to-one communication is achieved with the customer especially in the field of commercial credit and the rate of profitability is taken from the credit customers.

Nastaran Mohammadhossein and Nor Hidayati Zakaria [108] their study revealed that customer relationship management is a strategic approach that integrates people, business and technology to understand the needs of customers to be more satisfied. Customers are the vital for each business and company to help them to grow. So, implementing CRM applications is one of the important tools that help managers and companies to increase the satisfaction and loyalty of customers more than before. These benefits will help the customers to become happy and pleasant of using the companies that is offering their products and services from using CRM facilities.

The study helped to find eight benefits of CRM which are important and beneficial for customers such as improved customer services, increased personalized service, responsive to customer’s needs, customer segmentation, improve customization of marketing, multichannel integration, time saving, and improve customer knowledge. Companies can increase their customer’s satisfaction and retention by more attention to these benefits.

Nowadays, managers and owners are gradually convinced about using of CRM in their company to improve the revenue and profit, quality of products and services, customer’s retention and satisfaction. By implementing a successful CRM, the benefits are emerging and the companies are more interested in using CRM systems. Although there are so many benefits for companies which are the result of implementing CRM but there are some benefits that will have a positive impact on customers too. So it would be beneficial to classify and group those benefit that can affect customers. It is clear that using and implementing CRM will have an impact on customers, since they are using CRM applications indirectly. So satisfying the customers means increasing revenue and income for business.

Pavnesh Kumar [109] revealed that financial sector has forced the banking sector to invest more in CRM technologies. Customer relationship management is a process or methodology used to learn more about customer’s needs and behaviors in order to develop stronger relationships with them. CRM increases customer revenues and discover new customers. CRM is now a vital part of bank in organizations as after
financial sector reforms in nineties, new players are investing more and more in it to attract new customers and retain the older one.

Samson Ifejinou Nwankwo [110] this study found interrelationship among CRM, customer retention and value creation, the study proves a significant and a positive relationship between CRM and customer retention, the goal of organisation is attracting new customers and creating transactions and to retain existing customers. Long-term relationship leads to lower relationship costs, higher profits.

Mihir Dash and Vineetha Rajsekhar [111] the present study examines RM in the context of banking. The primary objective of the study is to analyse customer perceptions of RM in public and private sector banks in India. It further, discusses various barriers to the implementation of RM in Indian banking sector. CRM is an integrative activity which involves in organisational functions for facilitating, building and maintaining relationship over time. Challenge for top management is need a deep sense of commitment towards the customers to develop customer-centered organisation.

Jayshree Chavan and Mr. Faizan Ahmad [112] study revealed that RM has become most important success factor for the corporate banking. Study focuses on major factors that lead to customer satisfaction in retail banking, developing a conceptual frame work useful for relationship marketing practices in Indian banks regarding satisfaction with various services. Customer satisfaction, a transaction-specific attribute is dependent on nine different attributes like tangibility, e-fulfillment, convenience and availability, accuracy, responsiveness, empathy, promptness, Personal Assistance.

K. Krishnamoorthy and R. Srinivasan [113] studied about the impact of different dimensions of CRM towards achieving customer loyalty and maintaining reliability in promising about services to the customers as per changing requirement, banks should concentrate more on giving advices to the customers how and where to invest to get maximum profitability which will increase customer loyalty.

Preety Awasthi and P. S. Sangle [114] found in their study the interactions existing among the identified factors and how these factors are influencing on adoption intention and understand for better CRM strategies, the value of the perceptions, the value of the usefulness and the influence of critical components, perception on perceived security assurance, perceived trust, perceived cost and perceived risk on
perceived value as well as perceived usefulness shows significant influence. Every bank should focus on increasing the value of customer perception by communicating the usefulness in various service contexts.

Ajay Kumar Behera, C. Narayan Nayak, C. Harish and C. Das [115] explained in their study about relationship between CRM performance with Information technology usage, online system implementation in core banking activities to increase the convenience of the customers but, it is require to improve literacy level of the existing bank staff to utilize information technology for branch work. Even though customers are popularly using ATMs they are not happy with availability of ATMs, still many branches are not exploring e-mail communication with customers for further, improvement of service levels.

Nishikant Jha and Shraddha Mayuresh Bhome [116] studied about how the banks are implementing the whole concept an philosophy of CRM to get competitive advantage, study was conducted on both employees and customers to evaluate what an organisation want to attain with CRM implementation, found that CRM process capabilities cannot be copied from other organisations. To strengthen the relationship CRM is the only source for any type of organisation.

R. C. Bhatnagar, Rajesh Verma and Aditi Goel [117] CRM is not a product or service, CRM is an approach to build better relationship with customers to retain with loyalty to reduce competition and lower switching cost, CRM is also a strategy it follows “Customer is King, and They have the Power”. Explained how CRM helps in meeting the customer’s expectations to adapt to the changing needs, public sector banks are successful in achieving loyalty and trust rather than private banks, but, private sector banks are innovating new techniques to understand customers and also good in implementing CRM.

Manol Simo and Magdalena Bregasi [118] they discussed about CRM training programmes and utilization of information technology on customer database, specialized employees who can observe the need of CRM training programmes. Managers who can take part in the development of CRM tools and strategies development as part of their marketing concepts for the achievement of customer satisfaction, customer retention, implementation of hardware and software and also transparency regarding banking procedure.
Manish Dhingra and Vaishali Dhingra [119] they found in their study about the necessary of customer retention, service quality, the model of service quality has dimensions like tangibility, reliability, responsiveness and assurance, found correlation between these dimensions and also revealed the role of reliability, assurance and enabling in meeting customer needs and to satisfy customers.

Pratap Chandra Mandal and Sujoy Bhattacharya [120] study revealed that when competition increases, it is necessary to concentrate on customer satisfaction. Application of ground theory method as a tool for qualitative analysis to when banks become able to face the competition better if the requirements and expectations of the customers are well known. It is require understanding the constructs of customer satisfaction in retail banking through qualitative approach.

H. Snehal Kumar Mistry [121] studied about SERVEQUAL methods and provided evidence for the usefulness of SERVEQUAL dimensions to predict overall service of banks, among all SERVEQUAL dimensions customers are giving highest importance to the reliability dimension, next more importance given by the customers are responsiveness of the bank employees, how the employees are responding to the fulfillment of the promises made by the banks and how much interest showing the employees toward work, customers are giving preference to the assurance which includes safety in conducting transaction, consistency in service.

Nyarku and Kwamena M [122] said that customers are not given good reasons to stay, competitors will give them a reason to leave. Many banks are constantly formulating strategies to increase their share of the market by getting, keeping and growing its customer base through the provision of quality services, good customer care and creating customer value.

Financial institutions have a great deal of information concerning their customers and should develop strategic segmentation of their customer base using value based parameters and compare to some indicators of customer loyalty such as length of relationship, breadth of products purchased, and volume of interactions.

Charity wairimu wanjau [123] study revealed that customer relationship management is a combination of organizational strategy, information systems, and technology that is focused on providing better customer service. The main objective of CRM is to acquire new customers, retain the current customers, and nurture a
favorable relationship with the existing customers. CRM as a methodology of creating and evolving an organization in the marketplace while at the same time influencing positively the perception of the organization in individual customers. Today, consumers are more educated, better informed, more technology savvy, have more purchasing power and hence, more demanding in the products and services they buy. Therefore, companies should use CRM as a strategy that goes beyond simply making the customer feel important and strives to make the customer an extension of the research and development team, the marketing team, the advertising team, and any other line of business that can benefit from direct contribution by the ultimate consumer.

Shivani Dixit and Tazyn Rahman [124] their study revealed that Indian banks have recorded a phenomenal growth in the past decade with the initiation of economic reforms. The banks, both public and private, have transformed themselves into profit-oriented business organizations besides playing a developmental role in the economy. In the backdrop of this scenario, this paper emphasizes on the implementation of customer relationship management in banking sector.

The top concern in the mind of every bank is increasing or at least maintaining the market share in every line of business. To address this challenge, there have been active efforts in the banking circles to opt for a customer-centric business approach. Banks have realized that they need to ensure through their services that the customers do not leave them. So, banks are now stressing on retaining customers and increasing market share and this has contributed to the growth of CRM in the banking sector. Implementing CRM involves collecting and reviewing the most relevant customer data. Relevant customer data can uncover needed information about behavior patterns and attitudes.

Rashid Saeed, Rab Nawaz Lodhi, Sarwat Nazir, Muzammil Safdar, Zahid Mahmood and Moeed Ahmad [125] revealed that relationships have different types and have different meanings. Among different relationships existing in this word, there is a very influencing relationship between customer relationship management and customer satisfaction.

Customer relationship management is concerned with attracting, maintaining and enhancing the relationships with customers in organization and customers are the
backbone of any kind of business activities, maintaining relationships with them generate better results.

Adeyeye, Tolulope Charles [126] this study investigated the impact of customer relationship management on perceived bank performance and revealed that commitment independently predicted perceived organizational performance. Also, there was a significant difference between bonding and perceived organizational performance. Furthermore, there was main and interaction effect of bonding and trust on perceived organizational performance. In addition, trust, communications, satisfaction, commitment and bonding jointly and independently predicted perceived organizational performance. Based on the findings, it was recommended that there is a need for organizations especially banks to have a good relationship with their customers who can sustain competitive advantage.

The research work concluded that trust, bonding, communication, satisfaction and commitment jointly and independently predicted perceived organizational performance. This means that these variables were predictors of perceived organizational performance. The test conducted indicated a significant difference between bonding and perceived organizational performance. There was a strong association between trust and perceived organizational performance. The study also concluded that there was main and interaction effect of communication and trust on perceived organizational performance. Furthermore, there was a significant relationship between commitment and perceived organizational performance. The study showed a significant difference between satisfaction and perceived organizational performance. The results also indicated a significant relationship between satisfaction and perceived organizational performance. This study supported earlier studies on the impact of customer relationship management on perceived organizational performance. Successful relationship marketing efforts improve customer loyalty and firm performance through stronger relational bonds.

Ying-Yueh Su, Dr. Yen-Ku Kuo, and Bang-Lee Chang [127] more and more organisations and companies have realised that they need to put their customers at the front and centre of their businesses, and to support an effective customer care process, while customer relationship management becomes essentially about better managing
all aspects of a company’s relationship. CRM is not a new concept for organisations or companies. Nowadays, many businesses such as banks, insurance companies, and other service providers realise the importance of CRM and its potential to help them acquire new customers, retain existing ones and maximise their lifetime value.

The people-driven CRM is capable of the responsibility of the executives or front-line service staffs. Banks should apply not only the technological aspects of CRM, but also people-driven aspects in their marketing strategy. Customers, employees, and bank managers are all key parties in this process of CRM implementation.

William George A. J and Manoj P. K [128] study revealed that private sector banks are more sincere in solving and handling of customers’ complaints. Staffs of the private sector banks have better courtesy and willingness to help customers, more knowledgeable and more effective in replying to customers’ questions. In private sector banks, the knowledge of the banks staff, their helpfulness nature and courtesy are the factors leading to customer satisfaction.

Anu Putney and M. M. Puney [129] in their study discussed the role of CRM in Indian banking sector. To survive in the competitive world, Indian banking sector is realizing the importance of customer’s relationship and adopting customer relationship management. Each and every interaction with customer can give as opportunity to build a long-term relationship.

Rizwan Qaiser Danish, Affaf Asghar and Sumera Asghar [130] revealed in their study about importance of KM to sustain competitive edge, which factors are influencing the impact of KM in public and private sector banks, banks should not hesitate to share knowledge with co-employees. The attitude of sharing information with people without hiding in this competitive world, banks are requiring technological system which support effective KM. They focused on presence and absence of factors contributing KM.

K. P. Malathi Shiri [131] study found that competence of bank employees related to the flexibility is the strong determinant shared between the banker and customer which leads to the satisfaction of the customers. Customer satisfaction depends on many factors, the important factors are knowledge of the employees, planning and implementation of the supposed system. Contribution of technical services
towards customer satisfaction is the benchmark of service quality, but, it requires customer segmentation. Trainings are most required to employees about engagement and empowerment of employees to become competitive in case of conducting banking transactions.

R. A. Karim and Tabassum Chowdhury [132] revealed that customer satisfaction as a critical business requirement, in the present competitive market service quality is becoming an essential factor, it can be achieved by identifying the determinants of service quality as reliability, accessibility, responsiveness, tangibles, and empathy. Service quality impact is more on customer satisfaction, the bank should concentrate more on responsiveness as one of the most important dimensions of service quality. Finally, the combination of all these dimensions (tangibility, reliability, responsiveness, assurance, and empathy) together have significant effects on customer satisfaction.

Gurjeet Kaur, R. D. Sharma, and Neha Mahajan [133] researched on customer loyalty and retention to gain a greater understanding of the firm-customer relationship. It is also true that research on the dissolution and termination of relationships has begun to create its own field of interest. They aim to study all those factors that directly or indirectly lead to customer switchover. The analysis indicates that the majority of respondents have no intentions to switch and their staying intentions can best be predicted by customer loyalty, followed by switching costs.

Mazin Ahmed, Mohamed Bilail, Peter Charles Woods, and Nour Eldin Mohamed Elshaiekh [134] customer relationship management focuses on handling the relationship between institutions and its current and prospective customer base as a key to success, while knowledge management distinguishes the knowledge obtainable to the institutions as a major success factor. From a commercial procedure manager’s perspective, both customer relationship management and knowledge management methods promise a positive impact on cost structures and revenue streams in return for the allocation of resources. The main ideas of customer relationship management and knowledge management both used to emphasize the organizations' resources to improve the performance of all activities in order to gain competitive advantages.

Andrea Almeida D'Costa and Faye Xavier Colaco [135] customer relationship management is basically a model which helps the company to manage its present and
future customers. Due to constant innovations in the marketplace and with the changes in the economy, there has been a shift from the seller’s market to that of a buyer’s.

Marketers are constantly trying to gain new customers, however at the same time aiming to retain existing customers. As per research it is found that it costs six times more to gain a new customer as opposed to retaining a customer. CRM helps the company develop and maintain relationships with existing and new customers with key important links to technology, people and processes.

It is important that an organization is able to meet the expectations of its customers and thereby satisfy their needs, this would help generate positive customer lifetime value for the firm.

H. Balakrishnan and R. Krishnaveni [136] the banks found it more profitable to retain and reward the existing customers rather than running after new customers. The essence of CRM is to create customers and retain them. So banks emphasize on total customer satisfaction which indicates that the customer is satisfied and delighted with respect to using a service. The proper CRM practices will increases the customer satisfaction and builds relationship with present and prospective customers by managing information and improves performance of delivering products and services at a great speed that facilitates customer creation and retention. Hence the concept of CRM may be emphasized so that the customers are treated royally in relation to banking services. Thus the banks need to improve the customer satisfaction in the utilization of various modern banking services and should provide more customer friendly services to make the modern banking activity a delight for the customer to use.

Manoj D. Puthukulangara and R. Moses Daniel [137] private sector banks do have a better CRM initiative. The public sector banks have to focus more on the CRM aspect and need to try on the profit maximization to sustain in the highly competitive market environment. The public sector banks need to focus on more the customer general services and other key CRM parameters like cross selling, customer retention, customer referrals, and customer empowerment by product customization.

Love Kumar Patwa and Kush Kr. Patwa [138] Said that the current economic environment calls for aggressiveness. This is because customers are more
knowledgeable, have a variety to choose from, have more money and there is high competition from other companies. For the company to stay ahead of the market and be a market-oriented one, it needs to go where their customers are. Technology can enable the company to offer good customer services as long as it has appropriate technology. It can also help the company to offer reliable and prompt service for example ATM’s, mobile banking and on-line banking. The use of technology also enables the company to offer customized products and services by using the collected customer data e.g. using CRM software. A business operating in a market with low competitor dynamism will benefit most from technology. This is because technology is a vital element of a bank’s competitive advantage especially in the process of customer relations management.

They recognize the importance of monitoring their performance in meeting, evolving customer expectations and implementing and initiating changes when appropriate. Hence there is need for the organization to adopt a consistent customer relationship culture that is up to date with the market and consumer changes.

S. Suresh and David Jawahar P [139] that customer relationship management process have very low success rate in banks which can be solved by better understanding and measurement of CRM process. Measurements of customer facing operations in banks focus only on the process of the banks which uses the CRM software and its interaction with customers. It is a self evaluation tool for managers to know the how good is their CRM specifically.

Banks whether they are private or public banks they have a specific structure and business process and the mentioned CRM process can be redesign or refine their existing process.

C. Bhanu Kiran and Belgam Syed Shazia Firdos [140] the biggest management challenges in the new millennium of liberalization and globalization for a business is to serve and maintain good relationship with the king i.e. the customer. The changing business environment is characterized by economic liberalization, increasing competition, high consumer choice, demanding customer, more emphasis on quality and value of purchase etc.

The process of developing a cooperative and collaborative relationship between the buyer and seller is called customer relationship management shortly
called CRM. The CRM is a new technique in marketing where the marketer tries to develop long term relationship with the customers to develop them as life time customers and aiming to make the customer climb up the ladder of loyalty.

Ahed Al-Haraizah, [141] the study found that role of electronic customer relationship management pillars in achieving competitive advantage for banking sector in Jordan.

The results showed that most commercial banks in Jordan use electronic customer relationship management through interacting with all business activities that require direct contact or indirect communications with clients to achieve maximum competition. In light of the results of this research the researcher has introduced a set of recommendations that promote the use of electronic customer relationships management as well as enhance the competitive advantage of commercial banks in Jordan.

This explains the importance assigned by management for the polarization and maintaining existing and potential customers in order to achieve competitive advantage for the banks.

M. H. Salim [142] Study revealed that customer retention is a major benefit that is accruable to an industry and to firms and can be achieved through better understanding of customer needs and addressing of issues. Promotional activities and quick service delivery are the strategies adopted by players in this industry to facilitate customer loyalty.

CRM thus is strong in showing effective strategy for the retention of customers. Benefits in relation with telecommunication firms having CRM initiative attain better communication with customer, along with the increased level of effectiveness and efficiency. While dealing with customers, determined firms must integrate CRM into single mode of operation. This can assist telecom firms towards a simultaneous development of customer acquisition as well as rates of retention.

Cand. Aurela Ramaj [143] Said that the implementation and operation of a CRM system by the bank is particularly important. The use of a CRM system will contribute significantly to increasing the degree customer satisfaction by the Bank. The most important conclusion, however, has to do with the specific characteristics that are good to have a CRM system in order to achieve the objectives. Such a system
therefore should be able to use large amounts of data on their customers, to allow their classification based on the characteristics, needs and/or their behavior, so that the bank can develop different strategies for each category. These strategies are relevant to the promotion of new goods, their service, approving loans, informing them through appropriate communication channels, etc. but the data be refreshed and updated at regular intervals to enable the recording of customer profile and its evolution through time.

Robert Anuforo, Bashir M. Ogungbangbe and Georgina Edeoga [144] revealed that the impact of customer relationship management on bank growth in Nigeria, with special focus on one first generation bank. The study recommended that management of commercial banks in Nigeria should pursue customer relationship management programmes with vigour to achieve their business objectives.

The study results indicate a strong positive relationship between banks’ performance and CRM programme implementation. It reveals that strategic management and marketing of banking services should involve the process of examining both the present and future marketing environments, formulating organizational objectives, implementing and controlling policy decisions focused the accomplishment of set objectives. The study finally stated that CRM strategies and marketing management of their service products have a direct relationship with the survival of commercial banks in Nigeria.

P. Sopna and R. Saravanan [145] explained that the efficiency of a banking sector depends upon how best it can be provided to the customer and differentiated by the service provider from the rest of the service providers if it poses some unique selling proposition. In the changing world of business, customer relationship management, practices may need several changes to ensure better functionality data, creating unique and consistent approach to deal with customers. The objective of customer relationship management is to attract, maintain and enhance customer relationship with the existing and potential customers. The study discussed to discuss various aspects of customer relationship management and their adoption of technology and its benefits in banker’s perspective in public sector banks.
It was concluded that CRM is a strategy that is implemented by the banks in India for effective service delivery to their customers to achieve higher levels of customer satisfaction and strive for customer delight.

Vikram B. B and Anuradha [146] revealed that close relationship with customers will require a strong coordination between IT and marketing departments to provide a long-term retention of selected customers. Customer relationship management systems have been adopted to have better relationships with customers by having detailed knowledge of their requirements through using different information technologies. Implementing CRM systems correctly can provide many benefits both for the customers and to the business as well. Banks have large numbers of customers and to fulfill their customer requirements most banks have adopted CRM systems. CRM involves new and advance marketing strategies which not only retain the existing customers but also acquire new customers and also analyzes their efforts in terms of a strategic framework and points out some of the deviations that have occurred in the implementations.

Mahaswar Sahu and Sweta Leena Hota [147] revealed that the modern day banking has moved from pure banking to need based banking. This need based banking is all about customer satisfaction as customers are the focal point in the success of an organization. Customer Relationship Management has become inevitable for the growth and profitability of banks in the present age, which is the age of competition and innovation. Indian banks are realizing the concept of need based banking and the importance of CRM which links people, process and technology to optimize an organization’s revenue and profits through optimum customer satisfaction. CRM focus on creating, satisfy and retaining customer through uncompromising services.

The banks have now become more profit oriented and are also playing an important part in the development of the economy. Customer satisfaction has become the key to success for the banks in this competitive age. CRM is one of the tools which helps in meeting the customer’s expectations and improve the service quality of the banks thus leading to retention of the customers and improve profitability. Banks have realised that CRM is that magical tool which will help them to build stronger and more profitable relationship with their clients.
Anbuoli Parthasarathy and Thiruvenkatraj Ramasamy [148] the customer is having access to the information about a variety of products and services, it is fetching very difficult for banks to endure. In this circumstances, when customer inquiries are not met easily or transactions are convoluted, the customer will asks for new levels services, and only choose those banks who are making a real effort to provide a high level of quality, fast and efficient service through the bank touch points, ATMs, and other e-banking services. Hence the commercial banks are considering this fact with the maintenance of good relationship. The findings of the study show that the influence of demographic factors on customers awareness towards CRM policies in canara bank. The results indicate that there was no significant difference in means between customers awareness on CRM policies among banks based on these demographic factors. This would imply that customers awareness on CRM policies in Canara bank was similar regardless of demographic variables. The customer perception on customer relationship management practices adopted by the Canara bank is agreed about nine practices. This research identified six key dimensions of various antecedents of CRM; they are physical service, reliability in service, openness in service, service delivery, need understanding and personal welfare.

Chacha Magasi, [149] study revealed that satisfaction is not an antecedent to customer retention and that a satisfied customer with services provided with the bank will not always remain to be a loyal customer to the firm. The study found that satisfaction with bank services, image of the bank, availability of electronic banking services and perceived service quality were the determinants of loyalty.

P. Thirumoorthi and V. Manjula [50] the banking sector has been facing stiff competition among intra and inter-banks on one side and foreign banks on other side after economic reforms. Banks have to make efforts to survive in a competitive global market. They have realized that managing customer relationships is a very important factor for their success in the long-run.

Customer relationship management is a strategy that can help them to build long-lasting relationships with their customers and increase their profits through the effective customer relationship management system and the application of customer-focused strategies. CRM strategy in the banking sector is of strategic importance.
Banking can be mysterious for consumers and how they interact with their finances can be a complex matter. The challenges faced by banks and their customers are many but the trick lies in de-mystifying complex financial relationships.

Rupali Madan, Rachna Agrawal and Mitu G Matta [151] revealed that relationship marketing offers benefits to the banks, customers as well as employees of the organization. Relationship marketing gives the banks way to develop mutually beneficial and valuable long term relationships. These long term relationships are further helping banks in reducing operating cost and attracting new customers.

Soumya Sreedhar V and Jancy Davy [152] customer relationship management is necessary in business such as banks, insurance companies and other service providers. It helps to acquire new customers, retain existing ones and maximize their lifetime value. A sound and close relationship with customers is essential for success of any business. CRM is a sound business strategy to identify the bank’s most profitable customers and prospects, and devotes time and attention to expanding account relationships with those customers through individualized marketing, reprising, discretionary decision making, and customized service—all delivered through the various sales channels that the bank uses.

Shivani Malhan [153] revealed that customers enjoy complete luxury in terms of customized technical solutions and banks use the same to cement long-term, mutually-beneficial relationships. For a bank to succeed in adopting a CRM philosophy of doing business, bank management must first understand CRM as a holistic concept that involves multiple, interlocking disciplines, including market knowledge, strategic planning, business process improvement, product design and pricing analysis, technology implementation, human resources management, customer retention, and sales management and training.

P. Sandhya [154] the survey indicated the knowledge and understanding in Indian banking from the customers’ point of view. If bank wants to increase their market share and competitive advantage, CRM should be efficiently applied. CRM can strengthen the relationship between banks and customers. Hence banks must focus on delivering

From the review of attraction and retention policies in order to sustain customers to competitors CRM strategies has to enhance the business viability.
Customers best interest have a significant impact on CRM nowadays banks have realized that CRM is an important factor for their success formula.

Summary of literature review regarding CRM on customers are presented in Table 2.1 and summary of literature review regarding CRM on bank employees are presented in Table 2.2.
<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Year</th>
<th>Sample size</th>
<th>CRM Factors</th>
<th>Findings</th>
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<tr>
<td>S. Tandon [30]</td>
<td>2001</td>
<td>111-customers</td>
<td>Customer satisfaction</td>
<td>Better customer relationship management leads to customer satisfaction and a good public image is to win over the customers. Hence, public relations should be one of the strategies to achieve customer satisfaction.</td>
</tr>
<tr>
<td>Madhu Jasola and Shivani Kapoor [40]</td>
<td>2008</td>
<td>120 customers</td>
<td>Perceptions and Satisfaction, satisfaction and Loyalty, Loyalty and commitment</td>
<td>Their study revealed that customer relationship management has emerged as a popular business strategy in today's competitive environment. It is a discipline which enables the companies to identify and target their most profitable customers.</td>
</tr>
<tr>
<td>Mahmoud Mohammad Migdadi, Ali Ibraheem A wartany and Mohamed Yasser Khayata [155]</td>
<td>2010</td>
<td>154 bank employees</td>
<td>Information quality, system quality, service quality and technological readiness</td>
<td>Successful implementation of CRM initiatives depends on a number of factors such as information quality, system quality; service quality, top management support, and technological readiness were empirically tested. Moreover, major indicators of successful implementation of CRM initiatives such as increasing customer retention rate, increasing</td>
</tr>
</tbody>
</table>
Mornay Roberts-Lombard [52]  
2011  
254 Insurance employees  
Communication-CRM CRM- Customer loyalty  
It is required to communicate with the customer, and the customer is expected to listen. Both parties in a relationship have to communicate with each other. A short-term insurance organisation can nurture the loyalty of customers by providing accurate information that is easy to understand and that is tailored to address the customers' needs, and finally by making and fulfilling promises.

Elijah E. Ogbadu and Abdullahi Usman [103]  
2012  
600-customers and employees  
Customer loyalty and customer profitability  
The study revealed that current marketing emphasis has shifted from satisfying customers to building relationship through a
<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Year</th>
<th>Sample Size</th>
<th>Variables</th>
<th>Findings/Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adeyeye, Tolulope Charles [126]</td>
<td>2013</td>
<td>113 Bank employees</td>
<td>Trust-organisational performance, Communication-organisational performance, Satisfaction, Commitment</td>
<td>The study found that there was significant interaction effect of communication and trust on Perceived Organizational Performance.</td>
</tr>
<tr>
<td>William George A J and Manoj P K [144]</td>
<td>2013</td>
<td>120-customers</td>
<td>Customer satisfaction</td>
<td>Staffs of the private sector banks have better courtesy and willingness to help customers, more knowledgeable and more effective in replying to customers’ questions. In private sector banks, the knowledge of the banks staff, their helpfulness nature and courtesy are the factors leading to customer satisfaction.</td>
</tr>
<tr>
<td>Robert Anuforo, Bashir M. Ogungbangbe and Georgina Edeoga [144]</td>
<td>2013</td>
<td>total400 230-customers 170-employees</td>
<td>Customer loyalty, Revenue growth, Market share of banks</td>
<td>There is a positive moderate relationship between select variables. This implies that it is not only CRM practice that contributes to the revenue growth of the select bank, other factors/units also contribute. There is a very strong relationship between CRM and market share. The descriptive results of the study indicate that good CRM practice enhances sales of the</td>
</tr>
<tr>
<td>Authors</td>
<td>Year</td>
<td>Sample Size</td>
<td>Methodology/Findings</td>
<td></td>
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<tr>
<td>Charity Wairimu Wanjau [123]</td>
<td>2013</td>
<td>employees 142</td>
<td>Customer retention, Customer loyalty, Brand visibility</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Respondents felt that KCB bank sales promotion activities created customer retention. Technology, brand and promotion were extensively used which had led to increased customer retention and profitability but had created resentment by customer with most of them thinking that the bank was using them to make huge profits and that the bank did not genuinely care about their relationship.</td>
<td></td>
</tr>
<tr>
<td>Nyarku, Kwamena M [122]</td>
<td>2013</td>
<td>150-customers</td>
<td>CRM retention strategies</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>To understand how to best serve your customers, you must understand how and where they interact with your business and exactly what will persuade them to stick to you through thick and thin. Research findings suggest that the costs of customer retention activities are less than the costs of acquiring new customers.</td>
<td></td>
</tr>
<tr>
<td>Dr. H. Balakrishnan and R. Krishnaveni [136]</td>
<td>2014</td>
<td>150 customers</td>
<td>Customer interaction management practices,</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>The study found that there is positive correlation between the</td>
<td></td>
</tr>
<tr>
<td>Authors</td>
<td>Year</td>
<td>Study Design</td>
<td>Findings</td>
<td></td>
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<tr>
<td>----------------------------------------</td>
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</tr>
<tr>
<td>Ahed Al-Haraizah (156)</td>
<td>2014</td>
<td>70 employees</td>
<td>E-Customer relationship management</td>
<td></td>
</tr>
<tr>
<td>Authors</td>
<td>Year</td>
<td>Sample Size</td>
<td>Topic</td>
<td>Details</td>
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<tr>
<td>----------------------------------------------</td>
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</tr>
<tr>
<td>Love Kumar Patwa and Kush Kr. Patwa [138]</td>
<td>2014</td>
<td>328-customers and employees</td>
<td>Analytical CRM practices</td>
<td>The banks, both public and private, have transformed themselves into profit-oriented business organizations besides playing a developmental role in the economy.</td>
</tr>
<tr>
<td>C. Bhanu Kiran and Belgam Syed Shazia Firdos [140]</td>
<td>2014</td>
<td>100-customers</td>
<td>Quality service Communication</td>
<td>Influence of quality services rendered by ING VYSYA bank upon the satisfaction of consumers is significant statistically. Communication provided by bank employees is significantly influencing the satisfaction of consumers during the transactions.</td>
</tr>
<tr>
<td>L. Sampath and S. Narender [157]</td>
<td>2014</td>
<td>50-customers</td>
<td>retention</td>
<td>The study explored the traditional approaches in implementing CRM projects in the banking or financial industry. It also highlights the major issues facing the industry in implementing solutions.</td>
</tr>
<tr>
<td>Mahaswar Sahu, Sweta Leena Hota [147]</td>
<td>2015</td>
<td>50-customers</td>
<td>service quality</td>
<td>CRM is one of the tools which helps in meeting the customer’s expectations and improve the service quality of the banks thus leading to retention of the customers and improve</td>
</tr>
</tbody>
</table>
Banks have realised that CRM is that magical tool which will help them to build stronger and more profitable relationship with their clients. The study helped to understand that CRM helped in establishing customer relationship with clients and will go a long way in developing a lifelong relationship.

<table>
<thead>
<tr>
<th>Authors</th>
<th>Year</th>
<th>Number of Customers</th>
<th>Study Title</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anbuoli Parthasarathy, Thiruvenkatraj Ramasamy [148]</td>
<td>2015</td>
<td>100 customers</td>
<td>CRM Practices in Canara Bank</td>
<td>The customers’ awareness on CRM policies in Canara bank was similar regardless of demographic variables. The customer perception on customer relationship management practices adopted by the Canara bank is agreed about nine practices.</td>
</tr>
<tr>
<td>Chacha Magasi [149]</td>
<td>2015</td>
<td>200 customers</td>
<td>Customer loyalty Customer Retention</td>
<td>The study found that satisfaction with bank services, image of the bank, availability of electronic banking services and perceived service quality were the determinants of loyalty. Customer retention is extremely vital for business to remain competitive. It has recently become more significant compared to customer acquisition.</td>
</tr>
<tr>
<td>Study Authors</td>
<td>Year</td>
<td>Sample Size</td>
<td>Study Focus</td>
<td>Findings</td>
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<tr>
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</tr>
<tr>
<td>Heba Sadek And Passant Tantawi (158)</td>
<td></td>
<td>300 employees</td>
<td>Customer satisfaction</td>
<td>The findings showed that the selected banks apply the CRM components but the level of application differs from one bank to another. Furthermore, it showed that there is a significant positive relationship between CRM and customer satisfaction in the Egyptian banking sector, when applying the four components of CRM altogether not separately.</td>
</tr>
<tr>
<td>P. Sopna R. Saravan [145]</td>
<td>2015</td>
<td>150 Bank employees</td>
<td>Technology (Call center automation, Campaign management, Contact management, Data warehousing, knowledge management and Timely decision making) Benefits (Personalization, Long term relationship, Reduced transaction cost, Success &amp; Survival in market, Customer satisfaction, Customer retention &amp; loyalty and Higher profitability)</td>
<td>The study revealed that the efficiency of a banking sector depends upon how best it can be provided to the customer and differentiated by the service provider from the rest of the service providers if it poses some unique selling proposition.</td>
</tr>
</tbody>
</table>
| Cand. Aurela Ramaj [143]              | 2015 | 40 Bank employees | CRM implementation and                                                       | The efficient management of information provided by the }
CRM benefits

<table>
<thead>
<tr>
<th>Soumya Sreedhar. V [152]</th>
<th>2015</th>
<th>100-customers</th>
<th>Customer satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRM benefits customer is a key point of a customer relationship management system, which demonstrates that the same bank employees consider it imperative to implement CRM system. Finally, it was observed that the majority of workers come either in a direct or indirect contact with customers.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Shivani Malhan [153]</th>
<th>2015</th>
<th>32 (bank employees) 62 (bank customers)</th>
<th>customer loyalty, brand value, service value, product value, business value CRM, service value, product value, business value, customer loyalty, brand value, bank services</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRM is a sound business strategy to identify the bank’s most profitable customers and prospects, and devotes time and attention to expanding account relationships with those customers through individualized marketing, reprising, discretionary decision making, and customized service—all delivered through the various sales channels that the bank uses.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>The study revealed that customers enjoy complete luxury in terms of customized technical solutions and banks use the same to cement long-term, mutually-beneficial relationships.</td>
<td></td>
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</tr>
</tbody>
</table>
The study revealed that customer relationship management in banks has evolved from a customer facing application to a customer-centric strategy that manages the complete cycle from customer interactions to branch operations through central operations.

### 2.2 Summary of literature– CRM – Employees -Studies

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Year</th>
<th>Independent variable</th>
<th>Dependent variable</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joe Peppard [29]</td>
<td>2000</td>
<td>Customer interaction</td>
<td>CRM</td>
<td>Research has highlighted that most institutions take a rather narrow view of CRM and as such, benefits have been limited.</td>
</tr>
<tr>
<td>Mornay Roberts-Lombard [52]</td>
<td>2011</td>
<td>CRM, customer loyalty, two-way communication and conflict handling</td>
<td>Customer Loyalty</td>
<td>A close relationship with customers will require a strong coordination between information technology and marketing departments to provide a long-term retention of selected customers.</td>
</tr>
<tr>
<td>Elijah E. Ogbadu and Abdullahi Usman (103)</td>
<td>2012</td>
<td>Customer loyalty and customer profitability</td>
<td>CRM</td>
<td>The study revealed that current marketing emphasis has shifted from satisfying customers to building relationship through a long term value creation.</td>
</tr>
<tr>
<td>Duygu KOÇOGLU and Sevcan KIRMACI</td>
<td>2012</td>
<td>Customer Loyalty</td>
<td>CRM</td>
<td>Important milestones of customer relationship management is not only</td>
</tr>
<tr>
<td>Author(s)</td>
<td>Year</td>
<td>Data Points</td>
<td>CRM Focus Area</td>
<td></td>
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<tr>
<td>-----------</td>
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<td></td>
</tr>
<tr>
<td>Anu Putney and M. M. Puney (159)</td>
<td>2013</td>
<td>Reliability, Responsiveness, Empathy, Tangibles, Assurance, Satisfaction Loyalty and Commitment</td>
<td>CRM</td>
<td></td>
</tr>
<tr>
<td>Charity Wairimu Wanjau [123]</td>
<td>2013</td>
<td>Brand Visibility (Brand awareness, Brand loyalty), Customer recognition (Customer adoption, New customers' Referrals'), Technology (Integration, Technology)</td>
<td>Customer retention (Customer acquisition, Customer incentives)</td>
<td></td>
</tr>
</tbody>
</table>

Collecting data about the customers but also giving information to them arouses customer loyalty, forming and sustaining healthy and long-term customer relationships have become an important means of competition in the banking sector.

To survive in the competitive world, Indian banking sector is realizing the importance of customer’s relationship and is adopting customer relationship management. So, with each and every interaction with customer can give opportunity to build a long-term relationship.

The study results indicate a strong positive relationship between banks’ performance and CRM programme implementation.

The study revealed that customer relationship management is a combination of organizational strategy, information systems, and technology that is focused on providing better customer service.
<table>
<thead>
<tr>
<th>Authors</th>
<th>Year</th>
<th>Topics</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>S. Suresh David Jawahar. P</td>
<td>2014</td>
<td>Advancement (Promotion, Public Relations, Sales promotion)</td>
<td>Banks whether they are private or public banks they have a specific structure and business process and the mentioned CRM process can be redesign or refine their existing process.</td>
</tr>
<tr>
<td>Anbuoli Parthasarathy, Thiruvenkatraj Ramasamy</td>
<td>2015</td>
<td>Expansion management, Relationship management, Termination Management, Win back management</td>
<td>The study revealed that the customer is having access to the information about a variety of products and services, it is fetching very difficult for banks to endure.</td>
</tr>
<tr>
<td>Chacha Magasi</td>
<td>2015</td>
<td>Constant Physical Service Reliability in Service, Openness in Service, Service Delivery, Need Understanding, Personal Welfare, Trust, Commitment, Satisfaction and Relationship</td>
<td>The study revealed that satisfaction is not an antecedent to customer retention and that a satisfied customer with services provided with the bank will not always remain to be a loyal customer to the firm. Found that satisfaction with bank services, image of the bank, availability of electronic banking services and perceived service quality were the determinants of loyalty.</td>
</tr>
</tbody>
</table>
2.4 CONCEPTUAL FRAMEWORK

The literature survey presented in the above section provides good understanding of CRM practices in banking sector, the above study results supported in designing the proposed model for the present study.

The model has been designed as shown in figure 2.1 to study CRM practices in select banks of Chittoor District of Andhra Pradesh.

2.4.1 Constructs for Proposed Model: -

The figure 1.9 represents the constructs used for the present research proposal. The description of constructs is as follows.

a) Communication (CM): Communication in banks is the process of transformation of information between employees and customers. It is an attempt to motivate customers to satisfy and be positive about bank and bank employees. Communication plays important role in building customer relationship through maintaining proper and convenient channel to provide valuable information within the time limits for better output. Finding customer opinion in different aspects regarding banking transactions to know how this communication factor influences in building long term relationship.

![Figure 2.1 Proposed model](source: Researcher’s own CRM model)
b) Customisation (CU): Banks need to be flexible in personalization of services to suit the needs of the customers. Banks should customize activities by keeping potential customer in mind to target them. Appropriate changes in the products are required in order to provide modified services to match with personal specifications and preferences.

c) Interaction (IN): Services require interface between service provider and the user for the smooth running of the process. Interaction between banks and its customers which leads to positive environment in sharing and using information for the betterment of both the customers and employees

Maintaining professional and ethical behaviour and coordinating daily interaction with customers to ensure standards in meeting customer changing needs [T. M. Farhathullah [160]].

d) SERVEQUAL factors (SF): Reliability, assurance, empathy and responsiveness constitutes SERVEQUAL factors which plays key role in the service industry. The above said factors influence the financial transactions that happen in banks.

e) Switchover (SO): Customer behaviour is not static, with the changing needs he can switch over to other products to get advantage. Customers are advantageously switching from one bank to another bank easily, because of some technical feasibility, customer switching behaviour damages market share and profitability in case of service firms. It is better to develop bonding with existing customers instead of investing to acquire new customers.

f) Dissatisfaction (DS): Many factors are causing dissatisfaction, due to technological development banks are contributing for relationship building among the negative sides of satisfaction including dissatisfaction, regret, complaining and turnout behaviour. Banks should find out the reasons for dissatisfaction in quick time and take the measures to overcome.

g) Retention (RT): Successful customer retention starts with the reduction of customer defection. Purpose of retaining the customers is to continue relationship with the customer throughout the entire lifetime. Banks with high retention grows faster than the others. Service firms should make an eye on retaining the customer as they add value to the organisation through repeat purchase [Amit Chakrapani [161]].

h) Trustworthiness (TW): Financial services are basically attached with assurance, reliability and responsiveness by the service provider to the customer to improve trust in banking services, what the banks are promising, how the bank is going to fulfill the promises will relate in the development of trust.
i) **Long-term relationship (LR):** Customer relationship marketing’s focus on extending the customer life-cycle ultimately results in increased profitability. To start, the cost of acquisition occurs only once, at the beginning, so the longer the relationship, the lower the cost. Long-term customers tend to be more loyal, and also less price sensitive.