FINDINGS & SUGGESTED MODEL
It has been established in last chapters that the CRM must be seen as an enabler of business processes and the business processes are the goals based activities of value to the customer. To sustain the benefits of CRM in dynamic & uncertain business environment, the need for continuous evaluation of CRM is called for. Though CRM can be evaluated on a number of parameters, the most important parameter which defines its use from business point of view is effectiveness. The existing literature on CRM is having very limited inputs and addressed partial view So there must exit a way to identify the overall effectiveness of CRM and also the scope of improvement. This chapter will highlight various findings on existing CRM, Limitations of existing CRM systems and finally will suggest Models that satisfies the needs as established in chapter 1. They are

- Findings of existing details, literature, responses & brain storming.
- Working styles, structure, economic objectives of various Nationalize Banks in comparison to Pvt. Banks
- Customer account management in banks
- Customer satisfaction index
- Control criterion for reducing paper work, level of automation, level of computerization by banks to provide efficient services to customers

Identification of barriers to successful implementation of CRM

- Assessments of customer loyalty towards banks (customer relationship bonds)
- A model for successful CRM implementation

In Chapter 2 number of studies has been mentioned where relationship of different set of variables had been studied by different authors in their studies. CRM is the central issue of the present study, which may be attributed by number of variables. The working definition of CRM in Banks on which the whole thesis has been built "It is rather a standard of performance in a specific work situation that some individuals are said to manifest. Although there are countless variables which may be contributing toward the managerial effectiveness to make CRM more effective. Main factors were extracted from various researches, literature reviews studied in chapter 2. They are mentioned below

1. Relationship with customer
2. Customer Prospecting
3. Interactive Management
4. Empowerment
5. Understanding customer expectation
6. Partnership
7. Personalization
8. Presence on Internet
9. Interacting on internet
10. Speedy Service
11. Speed of ATM and related service
12. Staff Cooperation
13. Staff Behaviour
14. problem solving attitude / specific staff
15. Variety of service
16. Better rate of interest
17. Online Service, payment and other facility
18. Home service like delivery of cash
19. Frequency of response
20. New product and services
21. Presence Geographically
22. Quality of Service and Staff
23. Well trained and responsive staff
24. Better Competitor Offerings
25. Data protection and privacy of individual details
26. 24X7 –Telephonic support

After a details review and analysis it is found that following factors play more vital role as compared to other factors.

1. Interactive Management
2. Empowerment to customers
3. Understand Customer Expectation
4. Presence of internet facility without Risk
5. Loan and related Facilities with clear and standard terms and conditions
6. Variety of services
7. Online service, payment and other services
8. Well trained & Mature staff to handle Errors and critical situations etc.
7.1 FINDINGS

During the research various factors have been analyzed and documented. Same factors were asked to rate by respondents to understand the importance of factors. After having a response on 26 factors it was analyzed that 8 factors are more significant and play important role in Banking Sector. For each factor frequency response is take from both Public and Private bank respondents.

After analyzing the various factors considered in research it is observed that following 8 factors are significant as compared to other factors.

- Interactive Management
- Response from various respondents indicates that Bank initiative with customer plays very important role. Comparing Public and Private Banks it is observed that in Public Bank only 37 % of respondents are very Highly Satisfied where as in case of Private Banks it is 55.6 %.Calculating and understanding the Chi Value that is 6.877 and p value 0.032 it shows that this factors is significant and need to be focused by Public Banks

- Empowerment to customers
- Response from various respondents indicates that Empowerment to customers is still have a neutral response .Comparing Public and Private Banks it is observed that in Public Bank customer 54.3 % of respondents are neutral where as in case of Private Banks it is 28.9 %.Calculating and understanding the Chi Value that is 17.806 and p value 0.0 it shows that this factors is significant and need to be focused by both Public Banks and Private banks.

- Understanding Customer expectation
- Response from various respondents indicates that customers from both banks are moderately dissatisfied. Comparing Public and Private Banks it is observed that in Public Bank 52.2 % of respondents are moderately dissatisfied where as in case of Private Banks it is 51.1%.Calculating and understanding the Chi Value that is 4.670 and p value 0.097 it shows that this factor is significant and need to be focused by both banks.

- Presence of internet facility without risk
- Response from various respondents indicates that though now both Public and Private sector Bank provide this facility but risk factors play still an important concern. Comparing
Public and Private Banks it is observed that in Public Bank 56.5% of respondents are neutral where as in case of Private Banks it is 28.9%. Calculating and understanding the Chi Value that is 14.888 and p value 0.002 it shows that this factor is significant and need to be focused. Above details shows that respondent from Private Banks feel higher risk while using internet facility from bank as compared to Public bank customers.

- Loan and related facilities with clear and standard terms and conditions
- Response from various respondents indicates that Bank initiative with customer plays very important role. Comparing Public and Private Banks it is observed that in Public Bank only 56.5% of respondents are neutral where as in case of Private Banks it is 28.9%. Calculating and understanding the Chi Value that is 14.666 and p value 0.032 it shows that this factor is significant and need to be focused by Private Banks. Though it is easy to get loan in Private Banks but still respondent feel that Public banks terms and conditions are more clear and they follow the same where as in case of Private banks respondent feel that terms and conditions changes fast with subject to market conditions.

- Variety of Services
- Response from various respondents indicates that Bank services play important role. Comparing Public and Private Banks it is observed that in Public Bank only 39.1% of respondents are highly satisfied where as in case of Private Banks it is 57.8%. Calculating and understanding the Chi Value that is 6.825 and p value 0.033 it shows that this factor is significant and need to be focused by Public Banks.

- Online service, payment and other services
- Response from various respondents indicates that Bank in Public Bank only 34.8% of respondents are Highly Satisfied where as in case of Private Banks it is 66.7%. Calculating and understanding the Chi Value that is 9.651 and p value 0.008 it shows that this factor is significant and need to be focused by Public Banks.

- Well trained and Mature Staff to handle Errors and critical situations etc
- Response from various respondents indicates that in Public Bank have 47.8% of respondents who are moderately satisfied where as in case of Private Banks it is 26.7%. Calculating and understanding the Chi Value that is 8.181 and p value 0.085 it shows that this factor is significant and need to be focused by Private Banks. Though Private banks have more young staff who is well trained as compared to Public banks but respondents still feel that mature staff is present in Public Sector Banks who can handle errors or similar critical situations with there experience.
Detail Analysis have been done to understand the relation between various questions put to various staff members of Private and Public Banks. Question set has been divided into different form to have a clear view of individual segment. Question Set Main I was having 45 questions and all questions were discussed with Bank Staff to understand their views on the same. To understand the response of staff on each question table were made with response from different level from Top Management, Middle Management and Lower Management in each Bank. Response was aligned in form of tables and final Total is calculated from the Frequency count against each response. Then Chi Square and p value is calculated using SPSS software as shown below table. Each response was analyzed with graph to understand and conclude the results from the same

- It is found that in case of Public Banks CRM implementation is still a high concern. Most respondents that is 34.7 % are moderately dissatisfied and in case of Private Banks 20.5% respondents are moderately dissatisfied. Where as highly satisfaction level in Private Banks is 15.5% and in Public Banks it is 12.8 %. So CRM Implementation to full extend in both sectors is very important and need to be focused by individual sectors

- It is found that in case of Public Banks respondents are still not happy with CRM implementation. Most respondents that is 36.7 % are moderately dissatisfied and in case of Private Banks 23.5% respondents are moderately dissatisfied. Where as highly satisfaction level in Private Banks is 12.0% and in Public Banks it is 9.1 %. So CRM Implementation to full extend in both sectors is very important and need to be focused by individual sectors.

- It is found that in case of Public Banks respondents fell that customers are not managed as per CRM Policy Most respondents that is 33 % are neutral. Employees feel once policy framed then there is no issue but if any thing not defined in policy that is not followed .In case of Private Banks 33.5% respondents are moderately satisfied. Where as highly satisfaction level in Private Banks is 23.5% and in Public Banks it is 10.8 %.

- It is found that in case of Public Banks respondents fell that customers are not as per customer orientation Most respondents that is 30.7 % are moderately dissatisfied. In case of Private Banks 44.5% respondents are moderately satisfied. Where as highly satisfaction level in Private Banks is 31.0% and in Public Banks it is only 15.1 %.So CRM Practices need to be modified in case of Public Sector where as in case of Private Banks it need some alignment only.
• It is found that in case of Public Banks respondents fell that they are ready for competition. Most respondents that is 59.3% states YES. In case of Private Banks 69.5% respondents says YES. So here is the major significance in highly satisfaction level in both sectors. Employees in private sector feel that customer’s expectations from private banks are very high so need 100% accuracy to retain them. Public banks feel they are ready and slowly and slowly improving to face competition.

• It is found that in case of Public Banks respondents fell that they have resources and there is an improvement on date but still 64.6% says YES. Employees feel they have started rotational job but still results are to be achieved as compared to private banks. In case of Private Banks 55% respondents stated YES. Employees in private sector feel that customer’s expectation from private banks are very high so need 100% accuracy to retain them.

• It is found that in case of Public Banks respondents fell that there is an improvement as compared to last financial year. Most respondents says YES that is 52.6%. In case of Private Banks 69% respondents say YES on improved performance.

• It is found that in case of Public Banks respondents fell that customers are satisfied. Most respondents that is 67.3% says YES. Employees feel that they have limited customers and public sector has improved a lot in terms of last impression. In terms of ATM networks they have largest as compared to private sector. In case of Private Banks 53.5% respondents says YES. Employees in private sector feel that customer’s expectation from private banks are very high so need 100% accuracy to retain them.

• It is found that in case of Public Banks the respondents fell that in present scenario private Banks are getting more business as compared to Public sector. Only 48.6% respondents feel that they are having better business opportunity as compared to private sector. In case of Private Banks 75% respondents say YES. Private sector is more confident on business growth as compared to public sector.

• The service provided by the private banks is far better than the nationalized banks. Quick and satisfactory replies to queries then we get in the nationalized bank. The private banks are fully technology oriented which makes the work easier and faster, whereas most of the branches of nationalized banks are still to have a taste of technology.
7. Findings and Suggested Model

- As due to over competition the bargaining power order of clients increases whereas the nationalized banks don’t care about retaining the clients.

- Young staff in private banks who are quick and aggressive compared to the aged staff in nationalized banks who are rather slow. For instance when you go to withdraw or deposit cash in nationalized banks the time they take lot of time for accepting or giving cash even with the counting machines with in that time in a pvt bank employee would have paid to 3 customers.


- Little/ no attention to understand the expectations of the customers in public sector. Paying little or no attention to the behaviour of the customers in public sector. Poor data base about the totality of the customers in public sector.

- Poorly developed/ inadequate processes for combining customer data base with their own experiences and views. No link between employees’ rewards and their treatment of customers in public sector. Little attention while developing new products for the customers in public sector.

- Poor/non-adoption of quality management practices in public sector. Throughout the country, the Internet Banking is still in the development Phase in both banks. Private banks are much advanced in terms of the number of sites & their level of development.

- Almost all the banks both private and public have websites passing valuable information to their customers. Real e-banking & m-banking business is done by HDFC Bank Ltd, providing list of services and also provides online help about e-banking services so they were more eager to literate customers regarding it. ICICI is having highest level of networks found the same result at national level figures Between Nationalized banks State Bank of India takes the lead having highest number of ATM’s in public sector.

The Private Sector Banks have been perceived to be having higher mean values of CRM than the Public Sector Banks. While analyzing the Public Sector Banks, it has been observed that SBI is taking initiatives on the technological front and is perceived to be better when compared to the other Public Sector Banks considered in this study. However, on comparing the average grand
mean with the bank means, it has been concluded that all the Private Sector Banks have scored above average when compared to the Public Sector Banks. It shows that Private Sector Banks are using Customer Relationship Management technique aggressively to enhance their base.

7.2 Suggested Model

For successful implementation of CRM it has been found out that changes need to be done. More efforts are needed. After analysis of data certain strategies are suggested which will help in better implementation of CRM in banks.

Banks needs to understand its customers better. It has to set up its customer information centrally. Based on such customer information, we can segment the customers and provide the best service as required by the best customers. In the end, we can achieve higher customer value through servicing the targeted customers better. Information Collection and Investigation

We need to collect customer information so that we can determine if a customer is better/worse than the other from the Bank's point of view.

A) Segment the customers

The criteria for segmenting Fund Services customers, in order of descending importance, can be: a) Total amount of Deposit; b) Total amount of Profit; c) Estimated future growth potential of the customer.

Each of these criteria can be given different weighting in order to reflect the importance of each of these factors. The summation of the weighted total of these criteria can then be used as an indicative figure to tell how important a customer is relative in the whole customer base.
CRM Implementation Model
7. Findings and Suggested Model

Customer Segmentation

a) Total amount deposit
b) Total amount of Profit
c) Estimated future growth

Customer Value Improvement Strategies

Develop Customer Pyramid

On going customer value improvement

CRM IN BANKS

Customer Targeting

Comprehensive approach to implement the initiative

Customer
Customer
Customer
7. Findings and Suggested Model

Figure 7.1

Customer Segmentation
a) Total amount deposit
b) Total amount of Profit
c) Estimated future growth

Customer Value Improvement Strategies

Develop Customer Pyramid

Customer Targeting

CRM IN BANKS

On going customer value improvement

Comprehensive approach to implement the initiative

Customer Touch Point
Customer Based Accounting
Customer lifetime value
B) Develop Customer Pyramid

Based on 20/80 rule, I propose to maintain the "Top" 1% of the customers, "Big" 4% of the big customers, "Medium" 15% of the customers and "Small" the rest of the 80% customers.

For business development and planning purpose, we should also include the customer groups:
Inactive - those used to be our customers but they have no longer had any business with Fund Services in the past 1 year;
Prospect - potential customers who have contacted us and expressed the interest to use our service(s);
Suspect - those who have never contacted us but we think they may need our services.

In essence, we should come up with a pyramid similar to below:

C) Customer Targeting

After we segmented our customer base, we can now focus our resources to provide new or
improved services to the preferred segment(s), say the upper 20% of the customers. The next question now becomes: what these customers value as the improved services?

D) Customer Value Improvement strategies

a) Identify Customer Value

In the funds industry, the cost of customer acquisition is very high and the selling cycle is quite long. It takes easily 1-2 years, if not longer, for prospecting a customer. Thus, the capability to retain existing customers, specially the good ones, is crucial to Fund Services. Hence, it is of paramount importance to:

1) Find out what these customers value most;
2) Deliver such value to satisfy them (or exceed their expectations);
3) Nurture the existing relationship;
4) Keep them as our loyal customers all the time.

To find out what are the services valued most by the targeted 20% of the customers, we need to conduct face-to-case interview sessions with the customers individually to solicit their direct feedback. Having said so, I recommend that a standard questionnaire to be designed to facilitate the interview sessions. By doing so, we allow the flexibility to obtain any unsolicited input from customers yet we can also set the scope of the interview so that we can have a common and meaningful base to further our investigations.

b) Decide and Develop Value Improvement Initiatives

After we find out the customer expectation and value gap, we have to plan the detailed actions to bridge the gaps.

c) Implement Improvement Initiatives

After we work out the improvement initiatives, we have to form task force(s) to implement them.

E) On-Going Customer Value Improvement

On an on-going basis, we need to review the existing operation to actively identify
opportunities to deliver further customer value. The areas to be reviewed are suggested below.

a) **Analyze Customer Touch Points**

As customers form the perception about what we are through the contacts we made during the business encounter. We therefore have to review the customer touch points regularly to identify critical moments for service improvements.

b) **Perform Customer-Based Accounting**

Customer profitability is an important dimension to reflect how important a customer is. Due to the diversified product line nature of Fund Services, it is sometimes difficult for the management to tell how profitable a customer is in total. I therefore suggest Fund Services to develop its customer-based accounting on profitability and/or AUM for each of its customers in order to manage the customer relationship appropriately. It is recommended such to be updated and reviewed regularly say, quarterly.

c) **Evaluate Customer Lifetime Value**

As mentioned, the cost to acquire new customers is very high and that Fund Services has to invest on customer retention programs to keep customer loyal. Thus, it is suggested Fund Services start to collect the marketing cost data together with the historical profit data for its customers so as to arrive at the expected CLTV. After data collection, we can then compile the CLTV model for Fund Services, anticipated to be similar to below:

F). **The Total and Comprehensive Approach to implement the Initiative**

In order to improve the rate of success, the Bank needs to take a systematic and comprehensive approach to implement this Initiative.

a) **Business Case and Project Objective Development**

To start with, we need to build the business case for this CVII. The project objective on what this CVII is to achieve has to be stated very clearly in the business case. The business case should list out all the costs and benefits of implementing this CVII. Foreseeable tangible and
intangible costs and benefits relating to implementation have to be included.

In addition, we have to establish the performance metrics to measure this initiative. This is very important as we need such to review and measure the Initiative throughout and after implementation.

b) Project Team Set up

It is proposed that staff from at least the following departments need to join:

- Customer Servicing
- Call Center
- Operations and
- Information Technology

As this CVII is sensitive in nature, we have to appoint a strong manager to lead the project team. He/she needs to have the full support from the management. Project team structure and organization on who to do what and the issue escalation process shall have to be discussed. This helps the project team members to understand the details of each role as well as what contribution is expected from each of the team members.

c) Project Planning and Implementation

A project plan with all the key project tasks, milestone dates and key deliverables have to be prepared, discussed in details and agreed with all the responsible parties. People can then know the timeliness and extent of task involvement and avail themselves for these tasks accordingly.

d) Project Review and Monitoring

In order to ensure that this CVII will be implemented in the right direction and tasks are well under control, we need to review and monitor the project closely. Regular project status review meeting will have to be held, say, every other two weeks. Progress to-date against plan has to be reviewed. The key areas for review should include: timeliness, budget and quality of work performed.

Project related problems and issues need to be tracked, rectified and monitored to close in
order to ensure a smooth and successful implementation throughout the project life cycle.

e) Change Management

We need to manage the organizational changes brought about to Fund Services by this initiative.

Affected business processes and the owners of those processes would have to be fully briefed about such changes well ahead they are introduced for implementation. The impact details as well as the reasons why we need such changes have to be made clearly to all affected staff in order to obtain staff buy-in.

f) Performance Metrics Review

If there are any roles changes brought about by this Initiative, we need to review the existing performance metrics to make sure such will be revised to reflect the changes in roles and responsibilities. Affected staff needs to be positively motivated for the additional workload, and/or the expanded job scope so that he/she will devote full support to implement this Initiative.

g) Management Commitment and Support

In order to ensure high project success rate, we need strong management commitment and support from Fund Services throughout the project life cycle. This will be a critical factor for a successful implementation.

7.3 Suggested Strategies

The broad framework of CRM process should comprise of four sub-processes:

Figure 7.3
STEP 1: CRM FORMATION PROCESS

In the formation process, three important decision areas are:

a) **CRM PURPOSE**:

The purpose of CRM is to improve marketing productivity and enhance mutual values for the parties involved in the relationship. CRM has the potential to improve marketing productivity and create mutual values by increasing marketing efficiencies and enhancing marketing effectiveness. By seeking and achieving operational goals such as lower distribution costs, streamlining order processing and inventory, reducing the pressure of excessive customer acquisition cost, and through customer retention economics, firm could achieve greater marketing efficiency. They can enhance marketing effectiveness by carefully selecting customers for its various programs, individualizing and personalizing their market offerings to anticipate and serve the emerging needs of individual customer, building customer loyalty and commitment; partnering to enter new markets and develop new products, and redefining the competitive playing field for their company.

b) **Defining the purpose would help in**:

- Clarify the nature of CRM programs and activities ought to be performed by the partners.
7. Findings and Suggested Model

- Identifying suitable relationship partners who have the necessary expectations and capabilities to fulfill mutual goals.
- Evaluating CRM performance by comparing result achieved against objectives. These objectives could be specified as financial goals, marketing goals, and strategic goals operational goals.

c) SELECTING PARTIES FOR APPROPRIATE CRM PROGRAMS

Customer partner selection is another important decision. Therefore in the initial stage company has to decide which customer type and specific customer or customer groups will be focused for their CRM effort.

d) DEVELOPING PROGRAMS FOR RELATIONSHIP

STEP2: CRM GOVERNANCE PROCESS

The governance and management responsibilities are independently or jointly under taken by relational partners several issues must be addressed.

- **ROLE SPECIFICATION**

  Determining the role of partners fulfilling the CRM tasks as well as the role of specific individuals or teams in managing the relationship and related activities.

- **COMMUNICATION WITH CUSTOMERS**

  It helps in Relationship development, fosters trust, and provides the information and knowledge needed to undertake cooperative and collaborative activities of relationship marketing.

- **PLANNING PROCESS**

  For managing cooperative and collaborative relationship with customers should be involved in planning process but practically it is not possible to involve all customers so important and large customers should be involved.

- **PROCESS ALIGNMENT**
Company operating process need to be aligned with customer partners, this alignment depends upon the nature and scope of the existing relationship.

• **HUMAN RESOURCE DECISION**

Decision related to human resource is necessary for creating the right organization and climate for managing relationship marketing. For this right kind of training to the employees, motivation through incentives, rewards and compensation systems towards building stronger relationship bonds and customer commitment.

• **PROPER MONITORING PROCESS**

Monitoring process includes periodic evaluation of goals and results, initiating changes in relationship structure. Overall governance process helps in maintenance, development and execution aspects of CRM.

**STEP 3: CRM PERFORMANCE EVALUATION PROCESS**

Periodic assessment of results in CRM is needed to evaluate if programs are meeting the expectations and if they are sustainable in the long run. Performance evaluation also helps in making corrective actions in terms of relationship governance or in modifying relationship marketing objectives and program features.

**STEP 4: CRM EVOLUTION PROCESS**

Individual customer relationships and CRM programs are likely to undergo evolution as they mature. Some evolution paths may be preplanned, while others would naturally evolve. In any case, several decisions have to be made by partners involved about the evolution of CRM programs. These include decision regarding continuation, termination, enhancement and modification of relationship engagement. When performance is satisfactory, partners would be motivated to continue or enhance their CRM programs. When performance does not meet expectations; partners may consider terminating or modifying the relationship.
7. Findings and Suggested Model

RECOMMENDATIONS FOR BETTER CUSTOMER RELATIONSHIP MANAGEMENT

P-factors in implementation

For implementing CRM, the company has to start with three P-factors namely people, processes, and planning. The P factors affect sales, productivity, service, and profitability. The well management of the banks and right mix of these factors will lead the company to grow and prosper.

People factor

A positive interaction among employees, customers, and vendors will create a successful enterprise. Contact with the customers and vendors will create a successful enterprise. Contact with the customers and vendors are essential in order to understand their likes and dislikes of a company's product and the way for further improvement of company's business. The next people factor is employees. If there are complaints from employees about the customers, vendors, other departments as well as complaints about employees from the side of customers, the gaps have to be bridged before starting a CRM initiative.

The importance of people's change favorable towards the work and interaction with each other is a valuable contributor for the successful implementation with each other is a valuable contributor for the successful implementation of the CRM concept. Establishing a consistent process of reviewing and resolving the issues will create a good image on the company's management. The perception of employees, customers, on the bank also reflect on a positive mood.

Process factor

The CRM success is also influenced by the process factor. Before introducing a new technology, the bank management needs to review their business and workflow processes. In reviewing the workflow, it is essential to look at the natural flow of orders, product and information. It is also important to note at the source of order namely internet, the mail or the call center and continues through the shipment of product. This will facilitate to notice any bottlenecks, employee conflicts and inter departmental issues. Once these are mitigated, the next step is to document the procedures, policies and processes.

Planning Factor
Planning is a particular kind of decision-making that addresses the specific future that managers desire for their organizations. A well-developed plan will give the managers to stretch boundaries and achieve organization goals.

**The primary features of a good plan are:**

- Specific particulars: each goal and the step must be indicated. For example increase customer retention by 20%.
- Responsibility: the responsibility should be assigned to a team or person for completion.
- Deadlines: Specific deadlines and contingencies need to be mentioned.
- Flexibility: Modifications are essential for the plan when necessary.
- Integration: the area affected by CRM must be integrated in to the plan.
- Metrics: Benchmarks are essential in order to measure the success or failure.

Addressing the P factors will reflect on small gains initially and latter there will be tremendous growth in profitability. There will be a rise in profits, decline in cost, satisfactory customers and motivating employees.

**Conclusion**

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 an attempt to be more profitable, the banks have become competitive and more customer – oriented. This new orientation has compelled them to take a more pragmatic approach for conducting the business. The CRM is one such tool which helps in meeting the customer’s expectations according to their changing needs. While analyzing the CRM Implementation in both the sectors, it was found that the Private Sector Banks have been able to implement the CRM practices more effectively when compared to their Public Sector counterparts. This indicates that strategically speaking, the Private Sector Banks have been more innovative in understanding their customers and in building good relations with them.

However, a micro analysis reveals that the Public Sector Banks have highest scores in terms of reliability and assurance whereas the Private Sector Banks have lower in terms of tangibility,
reliability and assurance. This indicates that the banks are in a dire need to make proper strategies to improve their working. This will make the banks more efficient in serving the customers and in maintaining the long term relations with them. The analysis of the results received suggests that the banks (whether Public or Private) are equally affected by the kind of CRM initiatives they undertake. The banks are now under tremendous pressure to retain the older customers because of the competition in the Banking Sector. This would not only ensure better customer relations but also loyalty among them, which is very critical and important in today’s competitive world. Banks have started acknowledging the importance of the customers in developing their business. They have recognized that it is essential to protect and grow its customer base and ultimately its profitability. The banks can do this by building a strong relationship with the customers. To meet the customer needs and to beat the competition, they must deliver superior quality service. The CRM approach adopted by banks focuses on maximizing the value for the customer and the bank. The key drivers to customer loyalty are:

(a) Positive Staff Attitude.
(b) Honesty, Integrity and Reliability.
(c) Productive advice and delivery of the promised service.
(d) Consistent delivery of superior quality service.
(e) Simplicity and easiness of doing business.
(f) A fair and efficient complaints resolution.

To There is an immense need of adequate training and motivation to the bankers to create fruitful and everlasting relations with their valuable customers. They should also come out with more efforts to make their customer literate in order to incorporate the best potential available. No doubt CRM is here to take on the business world and essential to compete effectively in today’s market place. The more effectively you can use information about your customers to meet their needs, higher the satisfaction the more profitable we will be. Operational CRM needs analytical CRM with predictive data mining models at its core. The route to a successful business requires that you understand your customers and their requirements, and data mining is the essential guide. Extensive usage of Internet is going to be a standard and it’s the challenge for the corporate world to fulfill desire of the customers. Customer Relationship Management, as referred to in some literature, is 10% strategy and 90% action. It is a business strategy that adds value to the customer service in Banks and brings the customers near and dear to your business. A proper strategic alliance e between various partners in the process of implementing CRM should be decided well ahead and once the concept is accepted it should be implemented in good faith and spirit so as to derive customer delight.
7.4 Limitations of existing study

Any generalized idea is not right due to variations in size, goal, and region followed. The limitation of the present study is that it suffered from lack of representative of the sample. The support staff was not taken into consideration. Secondly there was lack of response from some respondent. Finally the study was restricted to a particular sample size as otherwise the study scope would have been extremely wide. Further response rate was also sometime slow. How ever given the length, complexity and subject matter we consider it reasonable.

7.5 Directions for Further Research

The present efforts are directed to study the Customer relationship management in banks. This is an empirical study which would be a useful contribution. However, for arriving at any generalization it is highly desirable to undertake more such empirical studies. The further research must direct itself for conducting such investigations. This will make the applications more meaningful to make CRM more effective.

Further the suggested model needed to be tested for its application across the sector and benchmarks to be identified for others to follow. Further the views suggested are macroscopic; this can be further extended to microscopic level.