Chapter - V

Conclusion and suggestions

The concept of electronic Customer Relationship Management (eCRM) is gaining ground in the banking sector of Haryana. The core attribute of eCRM being its focus on customer is being increasingly implemented in banks whether public or private ones. In view of the literature survey the researcher believed firmly that for enhanced customer satisfaction, the delivery mechanism of customer-centric banking services played a significant role in the customer delight movement. In addition, it is also believed that the service providers’ (employees) positive frame of mind and respect for their clients would delight the customers of banking sector of Haryana.

Level of Adoption of eCRM

A vital aspect of the present research was to analyze the level and objective of adoption of eCRM technologies amongst the banks. The foremost factors like to improve our ability to increase market share, To improve customer retention statistics, to improve our ability to conduct real-time analysis of data when interacting with customers to predict the buying behaviour of the customer, to improve collaboration with customers and/or partners in the supply chain, to improve bank efficiency by automation, to improve quality of services to increase the level of customer satisfaction, to improve our marketing information and associated capabilities, to improve our contact with customers in terms of the number of touch points and different channels to market, to reduce risk of frauds and errors, to involve customer in self service mode which ultimately minimise customer grievances regarding banking services etc. had been included in this study. The results firmly indicated, inter-alia,

- on the overall basis, to improve our ability to increase market share (mean 4.10) was assigned first rank and To involve customer in self service mode which ultimately minimise customer grievances regarding banking services (mean 8.42) was the least inspiring factor for employees to work towards the better customer satisfaction.
that the results of inter comparison of the selected banks’ employees responses regarding objective of offering eCRM were diverse from overall results.

that a significant relation existed between objective of offering eCRM and selected banks.

Hence, the officials of the selected banks’ should take instant steps to consider these factors considered as sources of motivation for employees to enhance the customer satisfaction and loyalty level.

**Customer Knowledge and Usage**

In this regard study concludes that respondents were aware regarding eCRM services offered by their banks. The respondents were educated. The inter-comparison score revealed that respondents of HDFC banks were more aware (96.06 per cent) followed by ICICI Bank (95.67 per cent), PNB (91.12 per cent) and respondents of SBI were least aware (89.29 per cent).

Not only this, the study revealed that out of 788 respondents, 265 respondents used the eServices daily, 204 weekly, 212 respondents fortnightly and 107 respondents in a month.

On overall basis regarding purpose of using eCRM services offered by selected banks, the study revealed that 198 respondents used eCRM services for account statements and only 8 respondents used eCRM services for 24 hours toll free customer care tele-services. The inter-comparison of individual bank score showed that:

- 34.5 per cent (69) of SBI respondents used eCRM services for account statements and only 6.5 per cent (13) used eCRM services for T.D.S. enquiry.
- 45.64 per cent (89) of PNB respondents used eCRM services for account statements and only 4.61 per cent (09) respondents used eCRM services for fund transfer.
- 52.02 per cent (103) of ICICI respondents used eCRM services for online
shopping and only 2.52 per cent (05) respondents used eCRM services for toll free customer care tele-services.

- 43.08 per cent (84) of HDFC respondents used eCRM services for online trading and only 3.07 per cent (06) respondents used eCRM services for e-ticketing.

Thus in the last, the study on the basis of results concluded that customer were well aware regarding eCRM services and well user of e-services.

**Level of eCRM Service Quality**

The main objective of the present research work was to assess the level of quality of electronic customer relationship management (eCRM) services offered by the selected banks. The accountholders/respondents view point on the traditional mechanism of services delivery regarding the eCRM services offered by the selected banks had been studied. This study demonstrated the usefulness of the GAP analysis as a measure of service quality. This not only highlights areas for specific action and also addresses perceived service shortcomings. The study of using eCRM services facilities offered by the selected banks revealed, inter-alia,

- that the overall unweighted (0.69) and overall weighted (9.31) GAP score both were in positive zone meaning thereby that the accountholders/respondents’ perceived the eCRM services provided to them were of good quality.

- that the respondents accorded maximum weight to Security (16.80) closely followed by Convenience (16.70) and Easy to use (16.24) dimensions of eCRM services. Reliability (15.19) ranked fourth closely followed by Responsiveness (14.46), Competence (11.60) and Product Portfolio (9.36) was ranked lowest in eCRM services quality dimensions. Meaning thereby, the accountholders/ respondents were more concerned with security, convenience and easy to use eCRM services as compare to other dimensions of eCRM services quality offered by selected banks. The accountholders/ respondents were ready to compromise on Reliability, Responsiveness of the employees, Competence and Product Portfolio offered by the selected banks.
that the overall dimension wise unweighted and weighted gap score in all of the dimensions of eCRM services were found to have positive gap, implying that respondents expectation regarding eCRM services dimensions were met by the selected banks. Accountholders/respondents were consistently more satisfied with convenience dimension [both in unweighted (0.85) and weighted (13.71) gap score] which was ranked higher than all other service dimensions.

that there was a significant correlation, both positive and negative, existing between most of the dimensions of eCRM services offered by the selected banks.

that the accountholders/respondents rated the quality of eCRM services provided by State Bank of India[both unweighted (0.46) and weighted (6.17) GAP score] were above than their expectations and higher than the other selected banks.. The State Bank of India was also accorded the best Unweighted and Weighted gap score in all the seven quality dimensions of eCRM services offered.

It is pertinent to note that all the selected banks were providing eCRM services at or above par than expected by their respective accountholders/respondents. However, the perception level of State Bank of India accountholders/respondents was significantly higher than the accountholders/respondents of remaining the selected banks.

Although all the selected banks were providing eCRM services at or above par than expected by their customers. As quality improvement is a never ending process, governing bodies of these banks should train personnel professionally and upgrade information communication technologies to improve overall customers’ experiences and satisfaction. The best way for the management is to look at the improvement of the physical facilities for eCRM services, training of the personnel and providing precise information on all functions related to eCRM services offered by the banks.

The results of the study indicated that the GAP scale could make a valuable contribution by enhancing the understanding of the quality of eCRM services in banking sector of Haryana. The measurement scale also serves to identify symptoms
and the underlying problems that inhibit the effective provision of quality eCRM services in banking sector of Haryana.

**Impact of eCRM Technologies on Customer Satisfaction and Customer Loyalty Level**

A vital aspect of the present research was to analyse the level of influence of electronic Customer Relationship Management (eCRM) on customer satisfaction & loyalty. While comparing the level of overall customer satisfaction level and overall customer loyalty level before and after using eCRM services provided by the selected banks, it was revealed, inter-alia,

- that in the case of overall customer satisfaction level after experiencing eCRM services, the overall mean value of all the selected banks had exceptionally increased i.e. from 3.44 to 5.24. This showed that the account holders/respondents were more satisfied.

- that the individual customer satisfaction level mean value of all the selected banks had improved after experiencing eCRM services. It was also clearly depicted that the account holders/respondents of State Bank of India [by replacing Punjab National Bank (5.13)] were having high mean score (5.46) after experiencing eCRM services. It indicated that account holders/respondents of SBI were more satisfied.

- that in the case of overall customer loyalty level after experiencing eCRM services, the overall mean value of all the selected banks regarding overall customer loyalty level was admirably increased i.e. from 3.41 to 4.86. This showed that the account holders/respondents were more satisfied.

- that the individual customer loyalty level mean value of all the selected banks had enhanced after experiencing eCRM services. It was also revealed that the account holders/respondents of HDFC [by replacing ICICI (4.94)] were having high mean score (5.00) after experiencing eCRM services, which showed that the account holders/respondents of HDFC were more satisfied.
Apart from the above facts the significance value of both Paired Samples t-Test [overall customer satisfaction level (0.000) and overall customer loyalty level (0.000)] (Table Nos. 4.45, 4.46, 4.47 & 4.48) strongly confirmed that there was a significant positive influence of eCRM services offered by the selected banks on customer satisfaction and loyalty level.

In the context of banks of Haryana, it could be concluded that service quality had a greater influence on satisfaction and loyalty. The top management of banks must, therefore, focus more on delivering quality eCRM services to their accountholders/respondents.

**Impact of eCRM on Different Aspects**

A noteworthy aspect of the present research was to measure the impact of eCRM on different aspects of banks viz. business (loans and deposits, no. of branches), reduction in frauds and errors, increase in efficiency. Key factors like Bank business has been increased after launching of eCRM services, Efficiency of employees has been increased because of eCRM services, eCRM services is a better mechanism to provide better services as compare to traditional (face to face) mode of banking, Online services offered by bank is a better mechanism to understand the needs of customers and it certainly helps in customer retention, With the help of eCRM services bank employees have the knowledge to answer questions of customers promptly, Bank provides 24/7 online customers services, Online banking is more secure and reliable mechanism as compare to traditional (face to face) banking, Risk associated with online transactions in low, Level of work stress on bank employees has been decreased because of eCRM services, etc were incorporated in this regard. The results firmly indicated, inter-alia,

- that on the overall basis bank business has been increased after launching of eCRM services was assigned first rank (mean 3.11) means that the employees considered it as a major impact of eCRM services. While Level of work stress on bank employees has been decreased because of eCRM services was considered least important (mean 7.41) by the respective employees.
that the individual results of the selected banks’ regarding impact of offering eCRM services were diverse from overall results.

that a significant relation existed between factors related to impact of offering eCRM services and the selected banks except bank provides 24/7 online customers services variable (Significance Value .056)

Hence, the governing bodies of the selected banks should take instant steps to manage all these factors considered as impact of offering eCRM services.

The battle for customer satisfaction and retention has never been more intense. Deregulation, diversification and globalization have stimulated a dramatic rise in competition - and these unforgiving marketplace realities have forced banks of India to switch from a product-centric approach to a customer-centric approach. In today’s competitive business environment, customer retention by increasing the level of customer satisfaction is the core focus of almost all the banks of Haryana. Therefore, banks of Haryana are now focusing more on customer service standards. Such standards are now also being incorporated in long term planning of banks. Similarly, the attitude of the top management regarding ‘customer satisfaction’ is an essential pre-requisite for eCRM projects. Moreover, each and every service provider should be trained for ‘customer delight’ so that a right culture could be built up in banking sector of India. A proper reward system was also needed as a motivational factor to improve customer care services in banking sector of India.

Quality services calls for right quality of inputs. In this regard, selection of mode of delivery, eCRM technologies and eCRM technologies vendors becomes an important task. The integration is really a challenging task. Technology alone cannot do this. The banks also need to understand how they are going to fill these gaps. It is a journey. Any company committed to eCRM must continuously invest in its relationship with its customers because this is the only competitive advantage remaining to an organization.
RECOMMENDATIONS

Isaac Netwon’s 3rd Law of Motion, ‘for every action there is an equal and opposite reaction’ suggests that for all the opportunities there are challenges to eCRM. It is evident that electronic Customer Relationship Management (eCRM) is gearing towards creating a greater customer focus and value. But very often, companies fail to do the obvious. Organisations need to rethink from the customer point of view and align their eCRM projects more towards needs of the customers. Keeping in view of eCRM service quality, customer satisfaction, retention, and eCRM projects failures, the banks of India should take into consideration the following recommendations for further improvements to meet the challenges of the millennium.

- There should be greater synergy amongst the branches and departments failing which effective eCRM cannot take place and process efficiency will also drop. Banks need to prioritise customer centricity and this will lead to a positive effect on corporate performance. Otherwise, this will further reflect in high customer churn, low customer satisfaction, falling employees morale, decreasing market share and increasing costs because of fragmented business approach.

- In order to target the messages more effectively, more reliable information about the customer is required. This will of course, result in increase in sales and reduction in general as well as administrative costs. The customers can be approached more effectively if accurate information is available.

- A customer-centric bank must have a eCRM package from the core of the technology platform, but it should optimise for Customer Life Cycle Care (CLC). eCRM will fulfill its potential of maximizing profit and value only when the foundation (customer-centric technology, data quality, people and process) are integrated and leveraged fully.

- An integrated customer-centric technology backbone ensures that the total requirements of the customer is in consistent with the entire organization and provides the right information at the right time, to the right person and
optimise the customer enterprise relationship. The technology backbone should also be extended throughout the enterprise to include value added networks.

√ For any bank, it is essential to identify customers with respect to their net worth and retaining them. Customer demand personalized services across all channels, and organizations must align their resources appropriately to cater to the needs of the customers. A successful organisation should have a deep insight into the departmental initiatives as well as the departmental jurisdictions, which should be kept flexible.

√ There are many pieces of software available that offer customer relationship management features, but in reality, eCRM goes beyond software implementation. It’s business strategy that often involves using multiple pieces of software, as well as implementing policies that promote the collection of customer information, and the use of that information by individuals throughout the company in order to maximize customer service and increase sales.

√ While eCRM is an organisation-wide strategy, best results will be achieved by rolling it out on a phased basis, rather than across the whole company at once. By testing and proving the strategy and business case before incrementally rolling it out to further channels, divisions, customer groups and product sets, companies can see what's working and what's not in a relatively low-risk environment and make improvements accordingly.

These humble recommendations emanating from the present research work may mark the end of this particular thesis but there is a strong hope it will mark the beginning of a new chapter of ushering in the concept of eCRM and customer retention in banking sector of India.