CHAPTER 3

REVIEW OF LITERATURE

In this chapter, the researcher has endeavored to present the literature review in two sections; Section-A a theoretical perspective of Customer Relationship Management and Section-B the previous researches conducted in the relevant area.

3.1 SECTION A: CUSTOMER RELATIONSHIP MANAGEMENT A THEORITICAL PERSPECTIVE

The approaches in relation to marketing functions are constantly changing in tune with the changing challenges in the market. Today, in the context of growing competition, marketers consider retaining customers as more challenging than acquiring customers. Thus the traditional transactional approach of marketing became insufficient to achieve the marketing goals. This scenario necessitated the emergence of a new approach namely relationship marketing.

The relationship marketing approach has gradually taken the shape of customer relationship management. Customer relationship management focuses more widely on customers and on the entire functions connected with the value creation and delivery chain of the organization.

Some of the select views of marketing theorists, practitioners and researchers on customer relationship marketing is given below.

Relationship marketing attracts, maintains and enhances customer relationship as viewed by Berry (1983). He proposes the following sequence of
activities for performing relationship marketing i.e. developing core services to build customer relationship, customization of relationship, augmenting core services with extra benefits, enhancing customer loyalty and fine tuning internal marketing to promote external marketing success\(^1\).

Christopher et al (1991) considers relationship marketing as a “tool to turn current and new customers into regularly purchasing clients and then progressively move them through being strong supporters of the company and its products to finally being active and vocal advocates for the company\(^2\).

Customer Relationship Management is a comprehensive strategy and process of acquiring, retaining and partnering with selective customers to create superior value for the company and the customer as viewed by Jagdish N Sheth and Atul Parvatiyar (2001)\(^3\).

The customer relationship management in general is operationally defined by Peeru Mohamed and Sagadevan (2002) as a management process of acquiring customers by understanding the requirements, retaining customers by fulfilling their requirements and attracting new customers through customer specific strategic marketing approach. The process invites total commitment of the entire organization in evolving and implementing relationship strategies that would be rewarding to all concerned\(^4\).

---


\(^4\) Peeru Mohamed H and Sagadevan A 2002, Customer Relationship Management, Vikas publishing house (p) ltd., New Delhi, p.3.
The primary goal of customer relationship marketing is to build and maintain a base of committed customers who are profitable for the organization.

As far as banks are concerned, there exist, a committed, often inherited relationship between the bankers and the customers. This is in view of limited banking services that was available, together with more or less limited expectations of the customers concerned. Today, banks can no longer rely on these committed relationships and the previously established marketing techniques to attract and retain customers. As markets break down into heterogeneous segments, a more precisely targeted marketing technique is required, which creates a dialogue with smaller groups of customers and identifies individual needs. For hundreds of years, systematic experimentation has been in progress in respect of all aspects connected with banking. Advances in banking products, the tools that make them, and the value they create for both service provider and service users have emerged through carefully designed and executed experiments. For example, Bank of America during the past three years has been running a series of formal experiments aimed at creating a new service concept for retail banking. The bank has turned a set of its branches into, in effect, a laboratory where the corporate research team conducts service experiments with actual customers during regular business hours, measures results precisely and compares them with those of control branches, and pinpoints attractive innovations for broader rollout with the objective of building and enhancing sustainable customer relationships. This situation, coupled with the pressures of competitive and dynamic markets, has contributed to the growth of Customer Relationship Management as a new marketing strategy for the banks.

To achieve this goal, the bank has to focus on the attraction, retention and enhancement of customer relationships.

---

5 Stefan Thomke, “R & D comes to services – Bank of America’s path breaking experiments”, Harvard Business Review, April 2003, p.71
Customer relationship marketing involves the following.
- Attracting the prospects,
- Retaining best customers,
- Enhancement of customer relationships,
- Attrition and
- Reacquisition of lost customers.

**Attraction**

Attracting customers in today's competitive environment is a very difficult and challenging task for banks. Even though Customer relationship management focuses more on retaining customers rather than on attracting customers the process of attracting customers cannot be ignored completely. In doing so, banks practicing customer relationship management may rely on building long term relationships which will result in increasing the base of loyal customers. The loyal customers themselves will frequently help in bringing, through word of mouth, new customers with similar relationship potential.

**Retention**

Once customers are attracted to begin a relationship with the bank, they are more likely to stay in the relationship when they are consistently provided with quality products and services and good value over a period of time. Customers are less likely to be pulled away by competitors if they feel the bank understands their changing needs and seems willing to invest in the relationship by constantly improving and evolving its product and service mix, matching to the requirements of customers.

**Enhancement**

Customer relationship management suggests that, loyal customers can be even better customers if they buy more products and services from the bank over a
period of time. Loyal customers not only provide a solid base for the bank, they may also represent growth potential. A bank customer becomes a better customer when he sets up a savings account, takes a loan, and/or uses the financial advising services of the bank. The overriding goal is to move as many profitable customers up to being highly valued, enhanced customers by cross selling and up selling.

The customers are also benefited by relationship marketing in terms of improved service quality, personalized care, reducing customer stress, increased value for money, etc.

**Attrition**

Attrition is basically undesirable decline in the numbers of customers or specific customer groups, or a decline in their level of activity. Those customers who are not satisfied with the service provided, will definitely send signals of their dissatisfaction, which are called as attrition signals before they finally switch the bank. Such signals are to be captured by developing effective strategies based on the behaviour of customers, their frequency of transaction and their interest in the service provided. Thus, customer retention efforts are to be employed to curb attrition; and customer reactivation efforts are to be employed to reactivate attritors.

**Reacquisition**

Attritors who leave the bank, cannot be left to be grabbed by the competitors. Efforts should be taken to ensure such defectors are convinced, motivated and reacquired. Major reasons which forces customers to leave the bank has to be identified and their grievances redressed for customers to rejoin the bank. Computer generated patterns could be used for identifying customers grievances and proper relationship oriented strategies could be adopted to bring back the lost customers into the bank's fold.
In this context, bankers are to familiarize themselves with effective customer interaction management, customer complaint management, estimate the value of lost customers and other related aspects.

Customer relationship management 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 the customer starts demanding. This is possible through the integration of three important components:

♦ People,
♦ Process and
♦ Technology

People

Employees within a bank have the basic role in developing and maintaining relationship with customers. Everyone in the bank must realize the fact that their work is towards satisfying customers. The marketing department should coordinate integrated activities towards customer satisfaction. The contribution that employees make to the acquisition and retention of customers cannot be overemphasized. Ultimately, it is people who develop and achieve Relationship marketing strategies. For this reason, the creation of a genuine customer focus among all employees, which motivates them to deliver consistent, reliable, responsive and flexible service is vital. In the context of retail banking, front-line employees of the bank who interact with the customers represents the total bank, as far as the customer is concerned. To ensure that these front line employees meet customer expectations, they must be trained, prepared and motivated to service customers on a day-to-day basis in a responsive manner. Recruitment, evaluation and reward policies should be based on responsiveness to customer needs. Obviously, people within the organization form the basis for building customer relationship.
Process

Process is a logical sequence of activities right from the need identification of potential customers to need fulfillment. Need fulfillment requires manufacture of products with desired attributes. The process has to be derived from the customer's view, which paves way for total customer satisfaction. The performance of each link must be objectively analysed and corrected in tune with the internal and external customer's expectations.

Process management also involves the procedures, task schedules, mechanisms, activities and routines by which a product or service is delivered to the customer. Traditionally, banks have had a strong process orientation in handling transactions. However, as the range of retail banking products and delivery channels has grown, the use of modern technology and process re-engineering to improve and simplify processes both for banks themselves and for customers has also grown. For example, by reconfiguring the way in which they deliver service through the introduction of ATMs, banks have been able to free staff to handle more complex customer needs by diverting cash-only customers to the ATMs. Process simplification is essential and must be implemented in conjunction with and aided by new technologies that provide the opportunity to displace much of the paper, create automatic work-flow control and reduce banks' heavy cost of data entry.

Technology

In order to build customer relationships the bank should be aware of technology advancements and provide quality services in tune with the customer's expectations. The coming of information technology and computerization has made the job of data collection, storing and retrieval; faster, easier and economical with the help of data warehousing and date mining techniques. Technology should be made use of in giving total customer satisfaction and to respond to the requirements of
customers faster than the competitors. The responsive and learning nature of the bank must build confidence in the mind of the customers and that will go a long way in building customer relationships.

The use of Internet and Information technology in Customer relationship management has lead to eCRM. eCRM provides banks a means to conduct interactive, personalized and relevant communication with customers across both electronic and traditional channels. Advocates of eCRM recognize that a comprehensive understanding of customer activities, personalization, relevance, permission, timeliness and metrics is a means to optimizing the value of the most important asset; the customer. Today, with the help of these advancements in the field of customer service some of the banks have also started using CRM and eCRM software packages that are readily available in the market.

3.2 SECTION B : VARIOUS STUDIES

Government of India has appointed several committees and task force groups on the basis of specific needs with the overall aim of enhancing the efficiency of the banking system in the country. Following is the review of select reports and studies. Further, select research studies, in the area pertaining to the field of research has also been reviewed.

Various committees have been appointed from time to time to study service quality in banks and to provide concrete recommendations. The banking commission appointed Saraiya Committee in 1972 which provided 77 recommendations, followed by Talwar committee (1975) with 176 suggestions and Goipuria committee (1980) which studied the causes of below par customer service in banks and suggested 97 recommendations for improvement of work culture in Indian banking.
The National Institute of Bank Management, Pune, conducted a survey in 1974 to evaluate the quality of customer service in commercial banks in Bombay. The main finding of the survey was the inordinate delay in rendering service to customers. There were delays in encashment of cheques, collection of cheques, issue of passbooks, issue of drafts and sanction of advances. Another major finding was the dissatisfaction reported regarding employees' behavior and their attitude towards customers. More important than this was the finding that there was a cold and impersonal attitude on the part of bank employees. Equally important was that the customer perceived the banker as unhelpful. Another finding which had a bearing on employees' attitudes was that customers rarely come to know details of bank's services through the employees. Their only source reported was costly medium of advertising.

Varadhachary (1977) Chairman of Working Group on Customer Service in Banks was appointed by the Government of India in April 1975 to give unified directions to banks for improvement in customer services. The committee has identified the following causes for low level of customer satisfaction; they are delay and inaccuracy in putting through transactions, delay and inadequacy in correspondence, delayed, faulty and unhelpful decision-making, absence of elementary discipline, Undue emphasis on rules and procedures, in regard to credit application various points were mentioned, i.e. personal problems being ignored, difficulty in obtaining information asked by the bank, all queries being not raised at the same time and certain undesirable practices observed in certain banks, lack of uniformity in bank charges, customer being viewed as face less and lack of meaningful relationship between banker-and the customer and general attitude of unconcern and apathy for clients.

The working group aptly summed up by observing that, "There is a general feeling today, both amongst bankers themselves and in the public at large, that customer service rendered by banks leaves much to be desired and in certain respects has indeed reached very low levels. This can be ascribed to many reasons. May be
the enormous branch expansion programme undertaken by banks, along with the ever-widening range of their activities and responsibilities, particularly after nationalization has weakened the structural fabric of the organizations along with public expectations increasing”. The Working Group made a full scale review of the whole gamut of issues involved and made wide ranging recommendations to improve customer services. It was stated in the report that banks must continuously assess and reassess how customers perceive their services what are the new and emerging customer expectations and how these can be satisfied on an ongoing basis.

Similarly an all India Survey conducted by the National Institute of Bank Management in 1984 covering 90,000 households and 10,000 institutions on behalf of Indian Banks Association provided two eye-opening lacunae in Indian banking. Firstly, many customers (respondents) expressed dissatisfaction over the delays in collection of cheques and other instruments. Secondly, the banking sector has not effectively adopted any promotional strategy on the various end products offered by the banks. While studying the reasons for customer’s preference for a particular bank, this study indicated that suitable location of bank branches and quality of service offered are two main reasons for choosing a particular bank.

Kamal Nayan (1984) of Himachal Pradesh University in a study on Customer Service and Efficiency in Commercial banks found that customers were facing many difficulties, namely long waiting at the counters, non availability of necessary forms, inadequate sitting arrangement. It was further found out that customers are getting proper assistance only at the time of opening the account in the bank and once they have become the customer of the bank, they do not find helping attitude of the bank staff. Customers are of the opinion that bank staff does not pay proper attention on the cleanliness and hygienic environment and drinking water facility. There was also a general complaint that banks are not preparing statement of accounts regularly, and banks do not follow Reserve Bank of India norms in time
Department of Banking Operations and Development of Reserve Bank of India conducted a survey in 1985 with regard to customer service in banks. The RBI has tried to identify certain key areas having direct impact on the public mind regarding customer service rendered by commercial banks. Some of these key areas are: Opening and closing of bank counters in time, Time taken for encashment of cheques and drafts and also for issue of cheque books and drafts, Collection of instruments drawn on outstation centers, Delay in credit of telegraphic transfer remittances, Rendering statement of accounts and Posting of pass books in time.

In January 1988, Operation Research Group carried out a National survey on public sector banks, covering 2,100 account-holders from 35 urban locations in the country. The findings of the survey are: half the people in urban areas who use services of public sector banks did not discern any recent improvement in their services, Two-thirds of account holders were not found to be generally satisfied with the services provided by banks; barely a quarter of them attribute improvements to the nationalization of banks and staff attitude, slow service and unfavorable procedures and terms were among the other more frequently mentioned complaints against banks.

Mathur and Archana6 (1988) University of Jodhpur in a study on Customer Service in Public Sector Banks – A Comparative Study on two branches of two banks State Bank of Bikaner and Jaipur and State Bank of India at Jaipur found that most of the customers were taking advantage of only Saving Bank Accounts, Customers report that excessive time was taken in performing jobs such as depositing money, withdrawing money, Customers were also dissatisfied regarding passbook entries because of mistakes, illegible handwriting and excessive time taken, Customers also

---

6 Mathur and Archana (1988), University of Jodhpur, 'A study on Customer Service in Public sector banks'.
face difficulties in receiving pension, Counter clerks provide the special assistance in case of need mostly at their own level, in terms of general environment and layout of bank, satisfied customers outnumbered dissatisfied customers, by and large the experience of customer at the time of entry had been quite happy and a very large majority of customers held that there was need for improvement in customer services.

Renu Sobti (1990) of University of Delhi, conducted a study to examine the extent of the customer’s satisfaction in transacting with Indian Public Sector and foreign banks. Major findings of the study were that the foreign banks are more quick and efficient in the provision of services in comparison to the Indian public sector banks. It was also found that that the customers of foreign and private banks are found to be highly satisfied in a greater number than the customers of the Indian banks, customers of both foreign banks and public sector banks are satisfied with the time required to get the money credited after submitting local cheques of some other bank/branches. In the case of outstation cheques, it is the customer of the Indian banks rather than foreign banks who in a large number have reported to have required less time in getting the money credited to their accounts. Thus, on this account the Indian banks emerge to be more efficient compared to the foreign banks. The study also revealed that foreign and private banks are preferred by the customers because of the high quality of services provided, variety of services provided, neat and clean environment and good layout and association of status symbol in being a foreign bank customer, in spite of the fact of having a good number of public sector banks in the same location.

Barbara R Lewis\(^7\) (1991), in a research on service quality, an empirical research findings presented from an investigation of consumer expectation and perception of service quality customers of banks, in the UK and US, indicated the importance of a range of elements of service quality and their perceptions of service

actually received. Number of similarities and differences between UK and US respondents are highlighted together with evidence of the success to date of the banks in their delivery of service quality. In their findings in respect of increasing consumer expectations both UK and US respondents were found to have very high expectations of service from their banks across most of the dimensions which were investigated, in particular with respect to the reliability elements, honesty, trustworthiness and discretion of contact staff. UK bank customers gave higher rating to privacy, interior and staff appearances, and using customer suggestions to improve service and US respondents were more concerned about location and parking, opening hours, number of staff available to serve and several of the personal characteristics of bank staff they came in contact with.

Median and Arthur\(^8\) (1994), in a study investigates the main dimensions and attributes that Greek cardholders consider of importance, when selecting a card. They review the Greek credit and charge card market characteristics, competitive environment and cardholders profiles in relation to credit cards by investigating a representative quota sample of Greek cardholders taking into account demographic factors such as age, sex and income-on the relative important of the main attributes that play a role in card selection. The data collected were analyzed by factor analysis, which suggests that there are five main factors that affect card selection are: convenience of use in Greece; security (safety); economy; prestige and shopping abroad. The weightings and relative importance of each of these factors were calculated, and this could be used for more optimal marking mix allocations. They further suggest that Greek cardholders are more "practical" and less "prestige" oriented than previously thought. They conclude by saying that more emphasize should be given to convenience, security (fraud/loss) and economy aspects of credit

card usage, by appropriate advertising, promotion, product development and distribution allocation by banks and credit card issuers.

Freeman and Andrew\(^9\) (1996) have examined an electronic-banking experiment by an American bank, First Union, at a branch in Asheville, North Carolina, the use of so-called customer relationship managers and challenges the bank faces from customer behavior. The findings show that customer get elated by a new look. The walls knocked out to create open areas and desks repositioned to seem; less intimidating. The ATM in the branches, being enhanced to offer such services as instant cheque-cashing, mini-statements of recent transactions, split deposits and coin facilities.

Adolf and Ruediger, Grant-Thompson and Stacey\(^10\) (1997), have shattered the five myths of building successful Customer Relationship Management. Myth 1: Excellent Customer Relationship Management capabilities constitute a successful strategy. Myth 2: To capture value from Customer Relationship Management, a bank must organize around customer segments rather than products. Myth 3: Successful Customer Relationship Management means building a large integrated data bases with complete customer profiles, behavioral data and profitability measures. Myth 4: The most sophisticated analytical techniques are needed to mine historical data. Myth 5: Everything needs to be in place-database, infrastructure, and processes – before Customer Relationship Management can begin to work.

A nationwide survey on the 27 public sector bank’s Customers Service conducted during January 1997 by IBA (Indian Banker’s Association) provided useful findings. The Western region of our economy showed excellent results with 26 banks

---


given “A” rating (above 75% quality and satisfaction service) followed by Southern and Northern region (which includes the field of study -Delhi) with 22 and 21 banks in the “A” category respectively. In terms of quality standards and customer satisfaction, the central region was lagging far behind with only 1 bank in the “A” group and majority in “B” category (60-75% satisfaction)\(^{11}\).

A recent study conducted by Sangeeta Aurora and Minakshi Malhotra (1997) concludes that routine operation factors (like Cash withdrawal time, time in opening account, etc) and staff factors (staff attitude, knowledge of staff) are the activities of highest satisfaction among customers of both public sector banks and private sector banks respectively. On the other hand, interactive factors (banker-customers) and situational factors (location of the bank) are least satisfying in public sector and private banks respectively.

Puccinelli and Bob\(^{12}\) (1999) while dealing with customer relationship management in banking brought out the importance of efficient customer service in banking.

Garmhausen and Stephen\(^{13}\) (1999), in a study, focuses on the growing interest of consumers on non traditional products and services offered by banks in United States, according to the 1999 American Banker/Gallup Consumer Survey. They further stated that, the proportion of bank customers who said they would be interested in buying at least one investment-related service from the banks-financial planning, securities, mutual funds, insurance; rose to 62% from 54% in 1996. They

---

\(^{11}\) Indian Banks Association bulletin March 1997, p.125


conclude by underscoring the need for banks to boost marketing campaigns to promote their other financial services.

An anonymous study Poll (1999), carried out in US brings out the following:

- 73% make deposits at teller window.
- 62% use ATMs.
- 48% phone their bank at least once a month.
- 45% visit a branch at least three times a month.
- 11% use a personal computer for banking

and concludes that bank customers still value personal touch.

Ptacek, Megan 14 (2000) highlights a survey conducted by American Management Systems showing that the financial services companies that get the most profit from their retail customers do so with integrated cross-departmental strategies. He also says “the process of Customer Relationship Management should involve identifying your most valuable customers and making sure to put together special tactics that help them through the transition”. He concludes by saying “in a merger one of the key factors of success is the systematic management of the 20% who are profitable while not ignoring the other 80% and ensuring that the key value segments are experiencing minimal disruption”.

Tynan and Thomas 15 (2000) reported on the Internet’s influence on bank customer relationship management in United States. They went into the importance of Customer Relationship Management to banks profits; Customers comparison of the level and customization of services and the use of customer service to generate sales.

The findings suggest the optimal program for banks as Managing the customer experience, generate customer insight and managing customer value.

Weiner and Jerry\textsuperscript{16} (2000), focuses on customer relations management in a way to better understand customers and markets and thereby become more profitable. According to them the best way to understand retail banking customers' buying behaviour is to ask customers themselves why they buy various financial products from various institutions. In their findings they found that the banks let their customers use the bank's products and services in an unprofitable way, not because the customer did anything inherently evil or correct. By providing a lower level of services to these customers, the bank is in the danger of driving them away to institutions that provide better service. They also found that given the step-fixed nature of bank operating expenses, eliminating 80% of customers that are not profitable won't lower expense by a corresponding percentage. On the other hand, in many cases, driving off apparently unprofitable customers may actually result in loss of more revenue than expense. They conclude by saying that understanding the behaviour of the costs of delivering various products and services to customers is critical to interpreting the meaning of profitability measurement results.

Anonymous\textsuperscript{17} (2001), a study conducted by Gomez Inc. reports that using the internet to handle banking tasks tend to increase customers' satisfaction with their banks. Gomez found that online bankers to perform majority of their banking tasks via internet are realizing the time savings and at-your-service availability of information that the internet delivers. Online banking customers have an average satisfaction of 5.1 on a scale of 1 to 7. Customers older than 55, and those who use internet as their primary means of banking, reported higher levels of satisfaction.


Gomez also found that 31% of online banking customers who are unsatisfied with their web experience have considered switching banks because of it. Customers who have stopped getting into their accounts online said they did so primarily because of a lack of benefit, convenience, or interest; concern about security; or unreliable site performance.

Bach, Deborah18 (2001) discusses how a Financial Service Company perceive the merit of Customer Relationship Management projects. They also emphasize the need for banks to find ways to measure the profitability of Customer Relationship Management strategies and also strategies used by companies in assessing return on Customer Relationship Management investments. They illustrate the example of a company that spent about $9 million on its Customer Relationship Management strategy, wanted to measure the return on its investment at the end of a year. “That’s way too shortsighted, customer value and customer behavior which is at the heart of Customer Relationship Management, doesn’t work that way”. They conclude that measuring return on Customer Relationship Management investments is hard but not impossible, it’s just a matter of whether companies have the organizational will to do it.

Dver, Alyssa19 (2001), deals with the prospect of Customer Relationship Management technology for community banks in United States. He says “We’ve been using Customer Relationship Management Software for many years. It helps us get a better picture of our Customers, who they are, what products and services they have and how profitable they are. Once we have that picture, it help us create better sales and service models to attract and retain those customers”. He also concludes by saying that Customer Relationship Management programmes greatly enhance Bank’s share of customers and ultimately its customer profitability.

---

Forrester Research Inc. (2001) finds out many companies have made no formal evaluation of the Customer Relationship Management programme and as much as 20% of typical Customer Relationship Management implementation is wasted due to overlapping software and lack of coordination across functions like Marketing, Sales and Call centers. In an effort to control Customer Relationship Management costs, Forrester advises retail cataloguers to replace broad based paper-catalog tactics with highly focused e-mail based marketing. He also suggests that cataloguers should work to identify frequent buyers, offer timely sales and revamp the content centers so as to encourage customer self-service. The report also found that manufacturers spend 51% of the Customer Relationship Management budgets on communications between Corporate and Field channels. To reduce these costs, companies must evaluate the need for full-blown sales force automation and improve yield management. Forrester concludes by saying “Firms need to realize that Customer Relationship Management technology is more than just software. It involves critical business decisions about production, customer data and workflow that affect the entire organization”.

Tulley, John\(^{20}\) (2001) in a study on the Royal Bank of Canada determine that the bank clients really wanted a Banking Relationship in which they are well understood, their needs were anticipated and their business was valued. The bank subsequently developed the Customer Relationship strategy and augmented its client value model. The author observes that if the client value measurement is to have a significant impact, bank’s need to integrate the application of the client value metrics into the day-to-day activities of the frontline staff, via an accessible user interface.

Yasin, Rutrell\(^{21}\) (2001) discusses the decision of more banks in United States to utilize Customer Relationship Management technology to attract and retain


clients. He brings out the importance of Customer Relationship Management by saying “more banks are turning to Customer Relationship Management Technology in a search for more effective ways to woo and retain clients. The primary goal is to uncover cross-selling opportunities and provide more customized services to retain customers. The whole Customer Relationship Management push is driven by bank’s realization that they no longer expect to own their customer relationships”.

3.3 SUMMARY

The literature reviewed above brings to light that, in India the subject of customer relationship management in general and with reference to banks has not been a matter of serious research so far. Understanding the perceptions of customers vis-à-vis bankers as regards the components contributing to relationship building is obviously necessary in the context of growing competition in the banking sector; so that, value delivery can be maximized and all concerned with banking may be benefited. On this background a study of the present nature assumes significance and hence attempted.