ABSTRACT

The Indian bank customers are presently left with unlimited choices of retail products and with ever increasing expectations. In this context the bankers to remain competitive have to meet the expectations of the customers much better than the competing players in the market. This scenario has lead the bankers to focus attention on customer relationship management, to have the customers as life long profitable partners; which in turn lead the bankers to perform better and sustain better performance for an unending period. The customer relationship in retail banking throws open a number of issues and these issues have induced the researcher to take up this study.

The issues identified includes, influences contributing towards relationship building, sustaining the relationship and influences leading to dissolution of relationship. The perception of such influences, differ between the bank customers and bank officials. A meaningful understanding of those influences would obviously contribute towards arriving at profitable relationship building strategies and misunderstanding of the influences leading to inappropriate relationship strategies. And, this appears to be the focal point in customer relationship building in retail banking and the same is identified as the problem for the study with the following objectives.
The broad objectives are:

1. To study the practices of Customer Relationship Management in the retail banks in India and
2. To analyse the Customer Behavior with respect to retail banks in India.

The Specific Objectives are:

1. To evolve a relationship framework (Customer Relationship Management model) as applicable to Retail Banks.
2. To analyse the Bankers as well as Customers perception of Customer Relationship Management practices in banks and to identify the key variables that contribute to relationship building in the order of their relative significance.
3. To analyse the behavioral pattern of customers with respect to retail banking and to identify the variables influencing the behavioral pattern.
4. To analyse the customer satisfaction levels and also to expose the gaps if any between actual and expected levels of service.
5. To offer suggestions to the policy makers for improving the customer relationship management practices.

The study is based on the survey conducted on the selected banks. The selected banks are HDFC bank, ICICI bank (Private sector banks), Indian Overseas Bank, State Bank of India (Nationalized banks), Standard Chartered
Bank/ANZ Grindlays bank and Citi bank (Foreign banks). The data for the study has been collected through two different interview schedules; one interview schedule was administered to the customers and another interview schedule to the bank executives of the six banks. A pilot study was conducted to ensure the accuracy and adequacy of data collection tools.

The study provides an insight into the development of banking in India with focus on retail banking; that would enable, all concerned to have a clear understanding of Indian banking industry both in the retrospective and prospective perspectives.

The study brings to light the various aspects relating to relationship building in retail banking industry. The variables identified, which contribute to relationship building and dissolution of relationship will definitely help bankers to evolve appropriate strategies towards relationship building. The study also found that there is difference in the perception of customers and bankers as regard to several aspects of relationship management. Such perception gaps are to be minimized so that the bankers can gain advantage in the competitive environment. The relationship models identified in the study would throw further light on strategic decisions pertaining to relationship building. An effective customer relationship management programme designed and executed will obviously provide a win win platform to both the service provider namely, the bankers and the service user namely, the customers. It is hoped that this study is a humble contribution to achieve this goal.