

**CRM Employee Preferential Study On Demography Factors For Public And
Private Sector Banks With Reference To Ahmadabad District**

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Abstract- Customer Relationship Management (CRM) was developed as a popular tool in today's competitive business environment. The technique enables the business firms to identify and target their most profitable customers. For applying CRM technique in any business process, a systematic analytical study is required. In this paper an attempt is made to compare the various demography factors of employees' services provided by private and public sector banks of Ahmadabad district. Also concluding summery is given about effects of demography factors on CRM for both types of banks.

Key Words: Relation Marketing, CRM, Demography Factors, Classification of Data, Statistical Analysis, Testing of Hypothesis, Chi-square Distribution.

1. Introduction & Literature Review

Customer Relationship Management (CRM) was developed as a popular tool in today's competitive business environment. The technique enables the business firms to identify and target their most profitable customers. CRM involves cultivating systematic steps for new development and improvement in strategies which not only retain the existing customers but also acquire new customers. It has been invented as a unique technique capable of significant changes in total output of business firms. The concept of relationship marketing was initially introduced in early 90s when financial services, airline and other services firms has started to give reward to the existing customers by introducing various loyalty programmes. CRM is only technique through which the customers can release the differences in various organizations' services working in the same business.

There are many definitions for CRM and all of them are more or less correct. It is important that the customer is in the centre, not the product in CRM. According to Michael Otto, (Erste Bank) [7] "Having the right offer for the right customer, at the right time via the right channel" is CRM". According to Radi Badidi, (ABM AMBRO) [7] "CRM to be a business strategy than anything else, not just technology, not just analytics, not just an impressive story of how customer focused you are". Dyche (2001) [6] define CRM as "The infrastructure that enables the delineation of and increasing customer value and the correct means by which to motivate valuable customers to remain loyal-indeed to buy again". According to Gopal Sondur (Infosys) [7] "CRM is the essential instrument to build a customer-centric organization". In the literature, after the growth in the relationship marketing viewpoint the phrase CRM appeared. **Berry** (1983) [7] has defined the relationship marketing as 'attracting, maintaining and enhancing the customer's relationships in multi-service organization'. After a few decades the development in relationship marketing view point reformed the word relationship marketing to Customer Relationship Marketing (CRM). According to **Brown** (2000) [4] CRM is process of procuring new customers, retaining the existence customers, and at the same time recognizes, anticipates and manages the needs of an organization's current and potential customers. Furthermore, **Mylonakis** (2009) [11] described CRM as an innovative process to create a long term relationship and acquisition of trust. From the above, it can be concluded that the purpose of CRM is bring about Customer focused Services.

Almossawi (2001) [1] examined the bank selection criteria and observed that there are four selection criteria of banks in Bahrain namely technology, convenience, financial benefits and employees or customer interactions. **Want** (2004) [15] developed an integrative framework for customer value and CRM performance based on the identification of the key dimensions of customer value viz. functional value, social value, emotional value and perceived sacrifices. The organizational performance is enhanced because marketing efficiency is achieved due to the cooperative and collaborative process. These bring about two important processes of proactive customer business development and building partnering relationships with the most important customers (**Chitanya**) (2005) [5]. **Bansal and Sharma**, (2008) [2] has suggested that a

strong idea of CRM along with appropriate strategies if applies in bank is beneficial in maintaining the customer's service quality, customer's satisfaction and customer's retention with the bank which ultimately leads to the growth of organization and profitability. **Girdhar** (2009) [8] observed that by satisfying the internal customers and building good relationships with them, the relationship with the external customers can also be retained and satisfied by the financial organization.

Kumar & Rajesh (2009) [10] reveals that any bank that wishes to either growth in size of its banking operation or improves its profitability must consider the challenges affecting its Customer Relationship Service quality in banking implies consistently anticipating and satisfying the needs and expectations of customers also the challenge before the banks is not only to obtain updated information for each customer, but also to use the information to determine the best time to offer various products to bring in profit for the bank, it becomes necessary for the bank to provide excellent services to those customers, otherwise they switch to other banks. **Ray** (2007) [13]. **Parasuraman** (1985) [12], CRM is a key to create a customer relationship by creating a clear understand, by emerging services and products based on the added value for target groups. **Hussain** (2009) [9] Many researchers have been done in various industries especially in the banking service that focusing on customer oriented services **Rootman** (2008) [14] The literature on CRM suggests that banks should consider the customer relationship life cycle is in six dimensions namely customer acquisition, customer response, customer knowledge, customer information system, customer value evaluation, and customer information process.

2. Research Methodology And Design

The population for the study consists of public sectors and three private sector banks of Ahmadabad district. Our study is limited for the three Public sector banks State Bank of India, Bank of Baroda and Canara Bank and three Private sector banks HDFC Bank, ICICI Bank and AXIS Bank. Determining the sample size plays critical role in any research. The time taken by researcher for collecting sample is played major role in research, research scolder detailed interaction with bank customer. The population of the study consists of all types of customers of above six Public and Private sector banks of Ahmadabad district. Primary data was collected by researcher from bank customer from six above sample banks by online and offline mode. From collecting the sample of 210 for bank employee, sample of 169 for bank employee is finalized after removing defective samples or not traceable samples. The finalized sample consist of 46 State bank of India, 19 Bank of India, 21 Canara bank, 22 HDFC bank, 28 ICICI bank and 33 of AXIS bank employee. The data are processed through SPSS.

3. Classification Of Data

As our study focus on comparison of bank type to various demographics of employee for services provided by the different types of bank, here we have made an attempt to tabulated and visualize various tables of bank type and customer related demographics based on the data collected through survey. .

3.1 Bank Type And Age Groups

Age plays important part of in service industry, in any service institute balance of youth and experience is the slogan of service. The study of different age group of bank employee helps find whether this slogan is perfect or not.

Table 3.1

Bank Type	Age				Total
	Up to 20 year	21 to 30 years	31 to 40 years	41 to 50 years	
Public	0	43	38	5	86
Private	1	50	31	1	83
Total	1	93	69	6	169

Above table 3.1 shows out of 86 respondents of public sector banks 43 are between 21to 30, 38 are between 31 to 40 and 5 are between 41 to 50 year age group. In private sector banks out of 86 respondents of public sector banks 50 are between 21 to 30, 31 are between 31 to 40 and 1 are between 41 to 50 year age group.

3.2 Bank Type and Gender

The study of selecting bank and proportion of gender in employee is very valuable for banks. The gender of the employee is insignificant factor for public and private sector banks services.

Table 3.2

Bank Type	Gender		Total
	Male	Female	
Public	63	23	86
Private	48	35	83
Total	111	58	169

Above table 3.2 shows out of 86 respondents of public sector banks 63 are male and 23 are female. In private sector banks out of 83 respondents 48 are male and 35 are female.

3.3 Bank Type And Level of Education

It is observed that the educational qualification of employee highly affect choice the type of bank for the financial transactions. By keeping such point in mind we have analyze the data.

Table 3.3

Bank Type	Level of Education		Total
	Up to Graduation	Up to Post Graduation	
Public	54	32	86
Private	46	37	83
Total	100	69	169

Above table shows out of 86 respondents of public sector banks 54 are up to graduate level educated and 32 are up to post graduation level. In private sector banks out of 83 respondents 46 are up to graduate level educated and 37 are up to post graduation level education.

3.4 Bank Type And Bank Has CRM Department.

CRM department take care of customer as well as employee, an active CRM department helps banks to fulfill employees needs and solves problems of employee.

Table 3.4

Bank Type	Bank has CRM Department			Total
	Yes	No	Not Aware	
Public	22	24	40	86
Private	38	15	30	83
Total	60	39	70	169

Above table shows out of 86 respondents of public sector banks 22 say yes, 24 say no to CRM department and 40 employees are not aware on it. In private sector banks out of 38 say yes, 15 say no to CRM department and 30 employees are not aware on it.

3.5 Bank Type And Understanding The CRM Strategies In Your Bank

If employee understand CRM strategies of their banks entirely then it can serve customer appropriately. It will help bank to satisfy their customer and maintain their customer base.

Table 3.5

Bank Type	Do you understand the CRM strategies in your Bank?		Total
	Yes	No	
Public	69	17	86
Private	60	23	83
Total	129	40	169

Above table shows out of 86 respondents of public sector banks 22 understand and 17 not understands the CRM strategies of their bank. In private sector banks out of 83 respondents of public sector banks 60 understand and 23 not understand the CRM strategies of their bank.

3.6 Bank Type And Arrangement Of Employee Training Programs By Bank Regularly

For perfect execution of CRM every bank should arrange employee training programs regularly. It also helps employees to improve their working process.

Table 3.6

Bank Type	Is the bank arranging employee training programs regularly?		Total
	Yes	No	
Public	53	33	86
Private	61	22	83
Total	114	55	169

Above table shows out of 86 respondents of public sector banks 53 say yes and 33 say no to for arranging training programs regularly. In private sector banks out of 86 respondents of public sector banks 61 say yes and 22 say no to for arranging training programs regularly.

3.7 Bank Type and feeling that CRM increase the Number of customers.

If CRM implicated correctly in banks, customer satisfaction level rapidly and it will help banks to increase the customer base significantly.

Table 3.7

Bank Type	Do you feel CRM increase the number of customers?		Total
	Yes	No	
Public	69	17	86
Private	59	24	83
Total	128	41	169

Above table shows out of 86 respondents of public sector banks 69 say yes and 17 say no to feeling that CRM increase the number of customer. In private sector banks out of 86 respondents of public sector banks 59 say yes and 24 say no to feeling that CRM increase the number of customer.

4. Testing of Hypothesis

As per the objective of the study we framed various hypotheses for employee data. Based on data collected from employees, we have verified the various statements on Chi-Square test at 5% level of significance for Bank type and various Demographic factors based on the objective of the study was established.

Table 4.1 Chi-square test for various demographic factors for CRM on employee

Sr. No	Factor	Null Hypothesis	Significant value	Decision
1	Age Groups	There is no significant difference between Bank Type and Age Groups.	0.183	Accept
2	Gender	There is no significant difference between Bank Type and Gender.	0.025	Reject
3	Level of Education	There is no significant Difference between Bank Type and Level of Education.	0.351	Accept
4	Bank has CRM Department	There is no significant Difference between Bank Type and Bank has CRM Department.	0.021	Reject
5	Understanding the CRM Strategies in your Bank	There is no significant Difference between Bank Type and Understanding the CRM Strategies in your Bank.	0.151	Accept
6	Arrangement of Employee Training Programs by Bank Regularly	There is no significant difference between bank type and Arrangement of Employee Training Programs by Bank Regularly.	0.105	Accept
7	Felling that CRM Increase the Number of Customers	There is no significant difference between bank type and Felling that CRM Increase the Number of Customers.	0.209	Accept

5. Conclusion

- (1) As per study we can say that selection of bank does not depend on age of employee.
- (2) Based on findings we observed that selection of bank depends on gender of employee. Data shows more proportion of female in private sectors banks compare to public sector banks.
- (3) Analysis reveals that selection of bank does not depend on Education Qualification of employee.
- (4) It shows that selection of bank depend on Bank has CRM department or not. Private Banks employees are more aware on CRM department then public sector employee.
- (5) Data suggest that selection of bank does not depend on whether employee Understands the CRM strategies in their Bank or not.
- (6) Here we conclude that selection of bank does not depend on whether banks Arrange Employee Training Programs regularly or not.
- (7) As per analysis we conclude that choice of bank does not depend on whether employees believe that CRM increase the Number of customers or not.

6. References

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