ENHANCEMENT ON CUSTOMER SATISFACTION BY EXAMINE THE CUSTOMER RELATIONSHIP MANAGEMENT DIMENSIONS MODEL FOR THE EFFICIENCY OF PRIVATE BANKS OPERATIONS

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ABSTRACT

The present research study is an attempt to enhance customer satisfaction with the combination of tested Customer Relationship Management dimensions model for the efficiency of private banks operation. The combination of tested Customer Relationship Management dimensions model consists of Customer Service, Customer Recall, Customer Friendly and Technology based Customer Relationship Management. The applied structure of this investigation depends upon Banking Customer Relation Management factors like Banking Openness Service, Banking Physical Services, Banking Customer needs Understanding and Banking Service Delivery. The influence of Customer Relationship Management Dimensions, as well as banking CRM factors, increases the efficiency of private banks' operation. The correlation was conducted to understand the relation between Customer service, customer recall, customer-friendly, Technology-based CRM, and customer satisfaction. There exist there are a strong relation and positive correlation between customer recall and customer friendly. A moderate correlation between customer service and customer-friendly between customer service and Technology based CRM between customer friendly and customer satisfaction and between customer service and customer satisfaction. The Customer Relation Management dimension model highly impacts customer satisfaction, especially in the private banking sector. The multiple regression analysis indicates the variation in customer satisfaction is influenced by all the factors of the customer relationship management dimensions model.

Keywords: Banking Services, Customer Relationship Management, and Customer Satisfaction.

INTRODUCTION

Relationship building with customers is now accepted as an over-riding goal of marketing and the business as a whole. In service industries, the goal is especially emphasized since a repeat customer is believed to cost merely a fraction of what needs to be spent in servicing a new customer is a service transaction. It is believed that relationships flourish when marketers play the book, meet customers'" core expectations, and exceed in respect of other features of their

total offering. Service firms have been the pioneers in adopting the practice of Customer Relationship Management practices.

 Indian privates banking has witnessed rapid development in the recent past with the initiation of financial sector reforms. The thrust of financial sector reforms was to improve the efficiency, competitiveness, and productivity of the financial system. The entry of new generation private sector banks which provided technology-aided services like Internet banking, Mobile banking, Inter Branch network, etc., has electrified the banking environment in India and has added a new dimension to automation in Indian banking.

 Customer Relationship Management is a vital factor to improve the performance of private banks. Most of the private banks in India are now turning to CRM as they are increasingly realizing that the cost of acquiring new customers is higher than the cost of retaining existing customers. This quest has led to the implementation of CRM in private banks. The concept of CRM is in the initial stage of implementation in private banks, as getting the CRM philosophy work in a private bank is quite complex as well as a challenging task for, its implementation is based on certain key principles, namely,
 ☐ Theprivate banks must realize that all customers are not equal;
 ☐ Customer profitability varies from person to person;
 ☐ Not all customers are evenly desirable for the banks;
 ☐ Theprivate banks must differentiate their customers based on the „Value Criteria‟;
 ☐ Value is the profit that the customer adds to the bank account; and
 ☐ A more profitable customer is a High Value‟ customer and a less profitable customer is a Low Value‟ customer.

LITERATURE REVIEW
During the study, the following related Literature reviews were referred.
Shruti Agrawal, Manish Mittal, Ratish Gupta (2016) international journal paper on customer relations with respect to banking sector hundreds performance they found an unimportant aspect of economic competitiveness they have extremely stressed Don the present Indian banking sector and its competitive service quality gaps where customer expectation and banking service satisfaction was being found during the service gaps they lowered private sector banks than public sector banks. They found that reliability and assurance are the two measurements that can create big contrast among the public and private sector banks

Dilip Kumar Jha in (2016) research titled to beat the exceptional rivalry in the utilization of you applications with respect to banking services in the years ahead. He stressed the service quality of banking sectors to measure the outcome of their performance and satisfaction level customers during the process he found a lot of inspecting measurements where II-II awareness shall be created during the service provision in the bags the study found that there are significant differences in fulfilling the different level of measurements well-creating awareness among the nationalized bank customers

Rohtash Kumar Garg, Monica Pawar (2016) research study found that constant expansion of banks had forced them to provide quality of service to the customers. After the passage of private sector banks on foreign banks, they are giving much better services who were nationalized banks this created impact on nationalized banks to enhance their service quality. So they started an inquiry about how these foreign and private sector banks are preferred by customers and how nationalized banks can improve their services against them. So as per the reviews made by the research person, they found that National banks are not behind in service quality but they are much better on a few measurements of service quality compared to their rivalries.

K Rajamani, R S Lakshmi, A.Nirmala Raj (2016) during the research deform the basic importance of a banking sector is creating a loyalty relationship and satisfying the customers is very important they found there is a connection between the behavioral goal and explain the satisfaction of customers in the banking segment which can n.b. a fundamental indicator of overall satisfaction.

T. Ashwath Narayana, Seema Joseph, Mohan Kumar M (2016) The research led to the latest progressive improvement of data and correspondence innovation in the banking sector. Today ATM is a very well-known and most utilized e-banking service in the present Indian Banking sectors. The customers confronted on the maintenance of cash state in the ATM s. Customers who are very happy about the maintenance of ATM are fulfilling their cash necessity.

Ranjith PV (2016) in the research they found the importance of service quality in enhancing customer relationship in the areas of compassion reliability affirmation and many which are going to enhance the association of customers and reducing the expenses of banks where banking organizations can administer in managing cash can constantly concentrate on giving significant services to the customers and Happy customers can create a good association among the banks.

Mani Kumari (2016)in her research keep on that having an access to to the customer decisions Badal to hold current customer and make new customers iron important dynamic decisions making which would put banks underwear criteria of trouble, can better improve their services in providing desire services to the consumer whether he is new or old.

Naeem Fakhra (2016) in her research she found that today's customers' online shopping virtual banking online study CEO managing virtual account turns into atm capability of service provision which can expand customer satisfaction and make their service provision very simple.

RESEARCH METHODOLOGY

STATEMENT OF THE PROBLEM

Customers are now becoming increasingly conscious of their rights and are demanding more than ever before. The changing customer expectation has compelled private banks to provide value-added service to the customer requirement. This is made possible only through customer-centric services. There is a great demand in the private banking sector; speed, services, quality, and customer satisfaction are going to become the key differentiator for the successes of the banking industry in India. Therefore the private banks must get useful feedback on their actual response time and customer service quality and perception, which will help the private banks to take positive steps to maintain a competitive edge in the banking industry. Today customers are

highly informed and more demanding in an ever-growing city like Bangalore. Private banks have to adopt suitable CRM strategies to attract new customers and retain the existing ones. In this environment, private banks are forced to examine their performance because their survival in the dynamic economics of the coming years will depend upon their overall efficiencies. In this context, it is necessary *to understand the application of CRM dimensions model practices in private banks toward customer satisfaction,* sustainable business growth, and development.

OBJECTIVES

To construct and examine the customer relation management dimensions models for enhancing customer satisfaction for the efficiency of private banking operations.

RESEARCH DESIGN

The Research design is empirical since the study is conducted in both analytical and diagnostic types of research.

DATA COLLECTION

Primary Data has been collected randomly from 600 customers from various private banks in Bangalore with the help of a structured pilot-tested questionnaire.

Secondary Data was collected from the Internet, books, journal papers, and RBI Reports.

SAMPLING TECHNIQUES

A convenient sampling method was employed for collecting sample respondents.
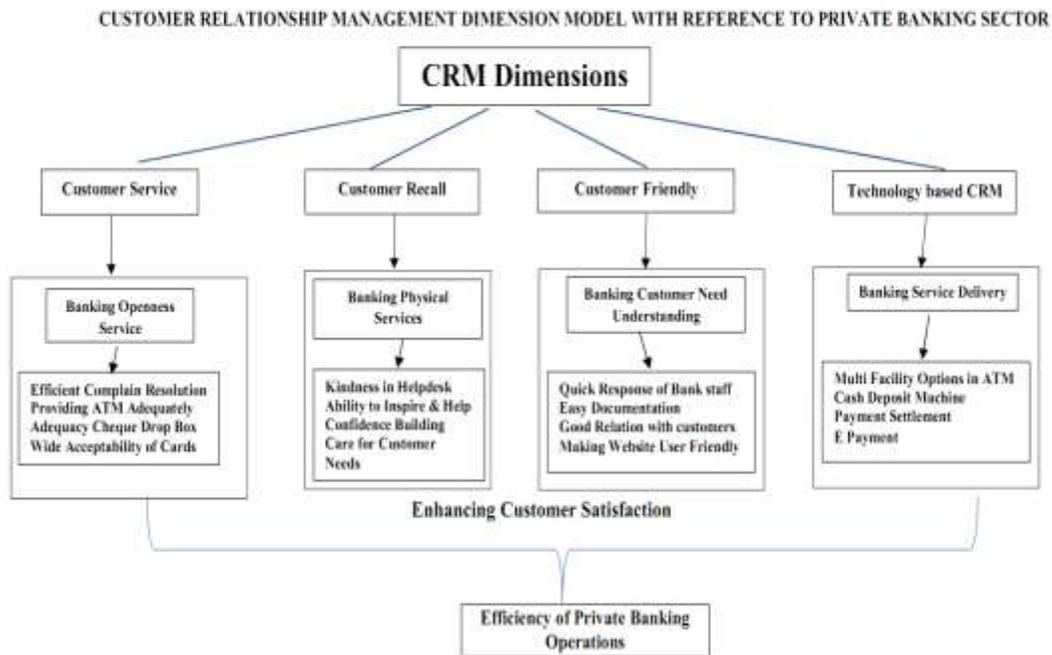
Fig1. Customer Relationship Management Dimension Model

STATISTICAL TOOLS

The data collected was organized as simple tables and further analysis is completed with the help of appropriate statistical tools like Anova, Correlation, and Regression Analysis.

Table No-1 Correlation relation between Customer Service, Customer Recall, Customer Friendly, Technology-based CRM, and Customer Satisfaction

		Customer Service	Customer Recall	Customer Friendly	Technology-based CRM	Mean Customer Satisfaction
Customer Service	Pearson Correlation	1.00	**0.818****	**0.783****	**0.708****	**0.681****
	Sig(2-tailed)		0.00	0.00	0.00	0.00
	N	600	600	600	600	600
Customer Recall	Pearson Correlation	**0.818****	1.00	**0.859****	**0.801****	**0.819****
	Sig(2-tailed)	0.00		0.00	0.00	0.00
	N	600	600	600	600	600
Customer Friendly	Pearson Correlation	**0.783****	**0.859****	1.00	**0.802****	**0.796****
	Sig(2-tailed)	0.00	0.00		0.00	0.00
	N	600	600	600	600	600
Technology-based CRM	Pearson Correlation	**0.708****	**0.801***	**0.802****	1.00	**0.835****
	Sig(2-tailed)	0.00	0.00	0.00		0.00
	N	600	600	600	600	600
Mean Customer Satisfaction	Pearson Correlation	**0.681****	**0.819****	**0.796***	**0.835***	1.00
	Sig(2-tailed)	0.00	0.00	0.00	0.00	
	N	600	600	600	600	600

** Correlation is significant at 0.01 level(2-tailed)

Table No-2 Model Summary(Regression Results for Customer Service, Customer Recall, Customer Friendly, and Technology based CRM)

Model	R	R Square	Adjusted R Square	Std. An error of the Estimate
1	0.813[a]	0.721	0.701	0.3432

A Predictors(constant) CS, CR, CF. TBCRM

Table No3 Co-efficient (Estimated Regression Results for Customer Service, Customer Recall, Customer Friendly, and Technology based CRM)

Model		Unstandardized Co-efficient		Standardized Co-efficient	t	Sig.
		B	Std Error	Beta		
1	(Constant)	0.869	0.088		8.743	0.000
	Customer Service	-0.021	0.033	-0.0.26	-0.65	0.36
	Customer Recall	0.332	0.501	0.233	4.532	0.000
	Customer Friendly	0.431	0.052	0.355	6.532	0.000
	Technology based CRM	**0.483**	**0.053**	**0.535**	**9.062**	**0.000**

a Dependent Variable: Mean Customer Satisfaction

Table No4 ANOVA Results for Mean Customer Satisfaction towards Customer Service, Customer Recall, Customer Friendly, and Technology based CRM

Model	Sum of Squares	df	Mean Square	F	Sig
Regression	120.31	3	41.66	314.171	0.000
Residual	50.34	396	0.133		
Total	170.65	399			

a. Dependent Variable: Mean Customer Satisfaction
b. Predictors: (Constant), Customer Service, Customer Recall, Customer Friendly, and Technology based CRM

FINDING AND DISCUSSION

From the above Table no-1, it is found that correlation was conducted to understand the relation between Customer service, customer recall, customer-friendly, Technology-based CRM, and customer satisfaction. From the above table, it is found that there are a strong relation and positive correlation between customer recall and customer friendly(**r=0.859**) at a level of significance level 0.01. There are a strong relation and positive correlation between customer service and customer recall **(r = 0.819),** between customer-friendly and Technology based CRM(**r =0.802),** between customer recall and Technology based CRM (**r = 0.801),** and Technology-based CRM and customer satisfaction (**r = 0.835).** A moderate correlation between customer service and customer-friendly (**r = 0.783),** between customer service and Technology based

CRM (**r = 0.708**), between customer friendly and customer satisfaction (**r =0.796)** and between customer service and customer satisfaction (**r = 0.681),**

From the above Table No-2, it is found that the regression analysis indicates that high degree of model fit between the five components such as Customer Service, Customer Recall, Customer Friendly, Technology-based CRM, and customer satisfaction. These are confirmed by a high square value of 0.721. Hence it is confirmed that 72.1 % variation of customer satisfaction is greatly influenced by Customer Service, Customer Recall, Customer Friendly, and Technology based CRM which know as Customer Relation Management Dimension.

From the above Table no-3, it is found that the estimated regression equation on the predicted model is :

Customer Satisfaction =0.897, Customer Service = -0.021,Customer Recall= 0.332, Customer Friendly=0.431, and Technology based CRM = 0.483. However, the high Beta Co-efficient 0.535 for Technology-based CRM of Customer Relationship Management Dimensions for customer satisfaction further confirmed there are significant influences the customer satisfaction in the operation of private banking sectors.

From the above Table no-4, it is found that P-value (.000) given is lesser than the level of significance which is 0,05. Therefore null hypothesis is accepted, which states that there is a significant difference in the customer satisfaction of private banks under the influence of Customer Service, Customer Recall, Customer Friendly, and Technology based CRM which is called Customer Relationship Management Dimensions.

The ANOVA test was administered to validate the test. As shown in table no the result of the theoretical model shows that all the Customer Relationship Management dimensions for Customer satisfaction towards the operation of private banking sectors significantly explain the model. The proposed hypothesis is tested using multiple regression analysis.

The outcome of the Study- All the theories from above Fig.1explain how to satisfy the individual customer and the efficiency of private banking operations. However, the researcher has proposed an extension of four Customer Relationship Dimensions clubbing together to enhance customer satisfaction i.e "**Customer Delightness and Efficiency of private banking operations.**

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