

## **Analysis of E-CRM Services of Banks: from the View of Bankers**

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**Abstract:** In this article the researcher has analyzed the E-CRM services of banks in Virudhunagar District in the point of view of employees. The main objective of the study is analyzing the opinion of bank employees about e-CRM services of banks in Virudhunagar District and also offers suitable suggestions on the basis of findings of the study. The data required for the study has been collected during the year 2014. This study is both descriptive and analytical in nature. This study covers both Primary data and Secondary data. The Primary data have been collected from 83 bank officials in Virudhunagar District with the help of pre-tested interview schedule and questionnaire respectively. The Secondary data have been collected from the records of banks, published books, journals, reports and circulars issued by the Reserve Bank of India, encyclopedia and through web sites. The researcher has used the percentage analysis throughout the report to express the opinion of the respondents and in order to test the opinion of the bank employees about the e-CRM services with the help of Kolmogorov Smirvo Test.

**Keywords:** E-CRM; Services; Banks

**JEL Classification:** G20; G21; G29

### **1. Introduction**

The advancement in information and communication technology has made the new millennium an e-millennium. The dividing line between the banking and non-banking financial institutions like mutual funds is getting blurred. Competition from players in the market has resulted in products and services which were traditionally offered by banks and financial institutions but are now being offered by non-banking financial organizations more efficiently and effectively. In India,

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the monopoly of banks over payment system has been broken by the launching of satellite – based money order service by the Postal and Telephone Departments.

Now, banking activities are not only confined to borrowing and lending, but also to a large number of other services keeping in mind the requirement and convenient of customers. In the fast changing banking environment World Wide, banks in India will not only have to learn the new rules but also upgrade the skills, as well as the tools of banking. The challenge lies in addressing these issues and at the same time keeping the wheels of growth moving.

In the early 1990s, the concept of relationship marketing was formally introduced into the services of marketing literature. Financial service institutions, airlines and other service providers found it profitable to retain and reward existing customers rather than run after new customers. It has been established that building closer relationships with the customers resulted in better returns to organizations through the following means:

1. Increasing use of services by loyal customers
2. Changing of price premiums for customized services
3. Referrals by satisfied customers that brought in new customers.

The Customer Relationships Management (CRM) is a well–reflected series of functions, skills, processes and technologies which together help organizations to more profitably manage customers as tangible assets. CRM recognizes that success over a period stems from customer loyalty and that long–term profitability lies in fostering unique lifetime relationship with small number of carefully chosen customers. It calls for increasing customer share that is, retaining customers and selling them new customer made, higher margin products over time and also to increase the profitability of each customer and therefore, of the organization as a whole. The concept of CRM when seen in the context of e-business or transactions over an electronic media translates into e-CRM, which essentially deals with managing customer interaction over the web. After the adaptation of Internet and availability of electronic channels of communications, it has become possible to capture customer–related information intelligently at the stage of interaction itself. E-CRM applications are the generic of application systems, which handle customer interactions over this new electronic channel of communications. (Vernekar, Goel, & Bhardwaj, pp. 55-64).

## 2. Related Work

The available literature in the field of customer relationship management in banks is extensive and keeping track of all of them and making a review is a formidable job. But efforts were made to present an evaluation of the earlier studies and research works done relating to the present study.

Haverty (1998, pp. 40-44) demonstrates E-CRM providing cost savings, opportunism and threats drive action and innovation even in conservative banks. They have influenced how banks must re-position themselves to take advantage of new service delivery channels and new markets for existing services. (Loans, letter of credit and so on) Many banks have already built web sites on the Internet, offering banking services. Leveraging the power of the web is a move from static pages to dynamic applications that are connected to bank data. A web service gives real-time access to merchants for payment information rather than waiting for hardcopy from bank. Elias Awad (2000, pp. 14-33) has analyzed the most popular tool for customer service is e-mail. Inexpensive and fast, e-mail is used to disseminate information (e.g. catalogues), to send product information and order confirmations, to conduct correspondence regarding any topic with customers and business partners and responding to enquiries from customers, To answer a large number of e-mails quickly and cost-efficiently automated e-mails quickly e-mail reply systems are increasingly implemented. Automated e-mail reply response to customer inquiries is developed using intelligent agents that recognize key words and quickly respond to common queries. However, the greatest advantage of e-mail as a communication tool is that of providing quick and accurate information to all customer queries. E-mails can include forms, reviews, referral and new contacts sent to customers as attached files and how e-CRM bringing bridge between bank and customer through e-mail business communication. (Sims, 2000) has pointed out that e-CRM systems support all stages of the interaction with the customer for example order delivery and after-sales service. E-CRM systems cover online banking, e-mail, knowledge bases that can be used to generate customer profiles and customer personalize services and the generation of automatic help through customer e-bank interaction. (Singh, 2002, pp. 434-446) has indicated that faster processing of the transaction by e-CRM, the fact e-response to customer queries, order acknowledgement, delivery and payment information via e-mails or automated responses are greatly appreciated by customers. It has also been highlighted that the nature of e-response also helps strengthen the relationship between the supplier and the customer and makes up for the personal response that prevails in the traditional shopping area. One of the business respondents emphasized that "via e-mail order acknowledgement, we recognize and address our customers by their first names", strengthening e-relationships with this service.

Another business viewed that “a close relationship with customers can be developed from a distance with e-responses”. E-mail responses were widely used business to acknowledge receipt of order, payment and delivery of information. An e-response to say thank you, an apology for any delays, tailored e-mails from analysis of shoppers profile to provide online shopping guidance and to announce the release of new products and special supported online shoppers. Customer responses confirmed the value of e-responses in the B2C e-space, e-CRM how timely responds to customer for their requirements. (Singh, 2002, pp. 434-446) say that the fact that e-response to customer queries, order acknowledgement, delivery and payment information via e-mail or automated response are greatly appreciated by customers. Further he explained that online business organization investigated that secure transactions and transmission of information are important services offered to customers. It was emphasized by one of the respondents that many potential web shoppers abort their transactions due to security fears. (Aihie & Eddine, 2007, pp. 139-164) have studied that a CRM is an idea, which has its heredity line in the technology. In the earlier days relationship marketing’s sole aim to get information about the preferences of the customers and the information, which was stored by them in their databases so as to protect and deal with one to one relationship with customers CRM, was developed. Once when the organization acquires the customers and is able to have them lastingly forever, this implies that the customer becomes more loyal and making good use of the services of the organization. Trust, co-operation and satisfaction have to be soon as the face of assurance between both the parties, for a long lasting relationship with customers. Organizations need to be in constant touch with their customer’s in order to buildup long-term relationship. (Sudalaimuthu & Lilly, 2007, pp. 73-91) have observed that the demographic factors such as sex, educational qualification, occupation, marital status and income of the respondents have a direct impact on the customer’s perception of the service rendered by the banks and have a significant relationship with the respondent’s frequency of transaction and with the respondent’s opinion on e-banking services. (Selvakumar & Ramar, 2010, pp. 24-26) have studied that the customer relationship management in banking sector. The study concludes that a customer is the King under the customer relationship management concept. CRM helps the banking to develop an enduring relationship with customers thereby ensuring profitability, service at the right time, the used of innovative method creation of a large customer base, installation of a simple and customer friendly system and welcoming customers complaints are some of the quality services which should be provided by the bank, in order to ensure a better life-long-term relationship with the customers. Implementing the CRM concept will attract more customers and consequently more revenue to the bank. (Selvakumar & Ramar, 2012, pp. 28-32) have presented e-CRM techniques used by banks in India. The article concluded that maintain and managing the customer relationship will become more competitive by added development and

development of e-CRM convenience, customer interaction and satisfaction are more advantage provided by the online banking industry through the usage of e-CRM. The usage of e-CRM has speeded up the transactions with a better rate of accuracy and trust in the banking industry.

There are many research work carried out on customer relationship management in banking sector but in case of electronic customer relationship management in the banking sector is less one. Particularly in this study, the researcher has concentrated electronic customer relationship management services of banks from the view of employees.

### **3. Statement of the Problem**

The process of globalization and liberalization has exerted its huge influence on the Indian banking sector. In banks, the service sector, the customer service should not only be considered as a function, but a way of life also. The success of a bank depends on how much it fulfills the customer needs. Therefore, the bank should be customer-oriented to meet challenges of to-day's competitive environment.

Customer needs and expectations change from time to time, since it is highly dynamic with respect to societal influence. To-day's customers are aware of their needs. Entry of new branches of foreign banks in India and their better services to customers have broadened and enlarged the customers' expectations of services from Indian banks. So, it is the time for Indian banks to innovate new products and services and also to refine the existing services.

A way to remain competitive in the more and more complex banking environment is the use of CRM concept. The CRM is a business strategy geared towards acquiring, retaining and growing more profitable customers. The basic approach of CRM in a banking context is to centre all operations of a bank on its customers, creating a "CRM State of Mind" in an enterprise wide manner. To-day, Indian banks are also trying to develop service quality with customers. They are continuously involved to redefine and to provide new ideas and techniques to the customers. They are searching new concepts for maintaining and enhancing the relationship with customers and getting feedback from them about the product offerings and suggestions on improvement of the products.

With the implement of e-CRM services, banks can expect several advantages such as streamlined processing, reduced transactions cost, better security and operational control, multiple delivery channels for the customers, time to market, easy latent of new products and the like. At the same time the banker has to take lot of initiation and implementation steps to get success in that issue and the evaluation of the e-CRM services from the point of view of bankers gives the real position of the e-CRM. Therefore, a sincere attempt has been made by the researcher to analyze the

efforts taken by the bankers to implement of e-CRM services and to what extent the e-CRM is beneficial to the customers. Thus, the complete evaluation of the electronic customer relationship management in banking sector is being undertaken from the point of view of bankers. Particularly, this study is focused on Virudhunagar District, as this is an important industrial as well as commercial centre in Southern part of Tamil Nadu, India.

The researcher has recorded the opinion of bankers about e-CRM services of banks in Virudhunagar District by means of implementation of e-CRM services, users of e-CRM services, performance of e-CRM services.

#### **4. Concepts and Terms**

##### **Customer Relationship Management (CRM)**

Customer Relationship Management (CRM) is neither a product nor a service, but a business strategy to learn more and more about the customers' behaviour and requirements in order to create a long-term relationship with them.

##### **Electronic Customer Relationship Management (e-CRM)**

E-CRM or web-based CRM system is fundamentally less cumbersome and less expensive to implement than traditional CRM because e-CRM can be extended more easily to users everywhere in the company through the internet. The value of e-CRM goes beyond mere cutting of costs. The adoption of technology allows companies to capture customer feedback at more of the "touch points" between a company and its customers.

#### **5. Solution Approach**

##### **Scope of the Study**

This study is mainly planned to analyze the view of bank employees about e-CRM services of banks in Virudhunagar District.

##### **Objectives of the Study**

The present study has been undertaken with the objectives of analyzing the opinion of bank employees about e-CRM services of banks in Virudhunagar District and to offer suitable suggestions on the basis of findings of the study.

##### **Hypothesis of the Study**

In this study, the hypothesis that there is no significant difference in the opinion of the bank employees about the e-CRM services has been framed.

### Methodology

The data required for the study has been collected during the year 2014. This study is based on both primary and secondary data. The primary data have been collected from the bankers (employees of banks in Virudhunagar District) with the help of pre-tested interview schedule and questionnaire respectively. The secondary data have been collected from the records of banks, published books, journals, reports and circulars issued by the Reserve Bank of India, encyclopedia and through web sites.

### Sampling Design

There are 131 branches of 15 public sector banks and 8 private sector banks in Virudhunagar District. The opinion of the bank officials connected with the banking system on the implementation of e-CRM services of banks has been collected by means of questionnaire. It is decided to collect the opinion from one employee, who is responsible for CRM activities, per branch. Therefore all the 131 branches are contacted with questionnaires. Only 83 bank employees ready to give their opinion. Therefore, the researcher has collected the opinion from 83 bank officials about e-CRM services.

### Plan of Analysis

The data are analyzed by using appropriate statistical techniques such as *Percentage, and K.S. Test*. The *Percentage Technique* has been used throughout the report to express the opinion of the respondents.

For the purpose of analysis of the opinion of the bank employees on specific statements, null hypothesis was formulated. The formulated hypothesis was tested with the help of the *Kolmogorov Smirvo Test (K.S.Test)* which has the following form.

$$D = O - E$$

Where

D – refers to calculated value

O – refers to cumulative observed proportion and

E – refers to cumulative expected proportion.

## 6. Results and Discussions

### Analysis of Opinion of Employees about E-CRM Services in Banks

The researcher has analyzed the opinion of employees about e-CRM services of banks in Virudhunagar District. The result is presented in the following tables

### Types of Banks

In the day-to-day operations of banks, the age old systems were replaced by new and better service. Almost all banks have computerized majority of their branches. After 1970, the system of security oriented lending was replaced by a system, based on purpose and economic importance of the activity financed. Improved systems of credit appraisal, monitoring and supervision were put in place. Banks started offering new deposit schemes to attract the savings of residents as well as non-resident Indians. The introduction of ELECTRONIC BANKING enhanced the availability of several banking facilities like deposit, loans, overdraft, cheque clearing, transfer of funds and so on based on well laid rules and procedures. Banks are providing various services and facilities to the customers. In Virudhunagar District, there are 22 public sector banks and 8 private sector banks. The researcher has analyzed the responses given by the public sector and private sector banks. The details are shown in the Table 1.

**Table 1 Types of Bank**

Sl. No.	Types of Bank	No. of Respondents	Percentage to Total
1.	Public Sector Bank	45	54.22
2.	Private Sector bank	38	45.78
	<b>Total</b>	<b>83</b>	<b>100.00</b>

*Source: Primary Data*

From the Table 1, it is very clear that 54.22 per cent of the bank branches belong to public sector banks and the remaining 45.78 per cent of the bank branches belong to private sector banks.

### Category of the Place of Branch

After 1970, the banks came in for stringent regulations in matters relating to branch expansion and social obligations in lending. As a result, there was a sea change in banking operations. Banks moved from class banking to mass banking whereby banks were no longer the exclusive privilege of affluent people but open to low income and poor people. Banks till their confined to metro cities and urban areas were made to spread into rural and unbanked areas in order to promote the banking habit among the common people. It is necessary to study the place of branch. Therefore the researcher made the study and the results are enlisted in the Table 2.

**Table 2. Category of the Place of Branch**

Sl. No.	Branches of the Place	No. of Respondents	Percentage to Total
1.	Rural	11	13.25
2.	Urban	42	54.22
3.	Semi urban	27	32.23
	<b>Total</b>	<b>83</b>	<b>100.00</b>

*Source: Primary Data*

Table 2 conveys the information that 54.22 per cent of bank branches belong to urban area, 32.23 per cent of bank branches belong to semi-urban area and the remaining 13.25 per cent of bank branches belong to rural areas.

### **Providing E-CRM Services in the Branch**

The concept of adding “e” to CRM and make it as ‘e-CRM’ seems to get attached to everything in CRM space. The “e” stands for electronic or web-based technology and architecture. The “e” enables an organization to extend its infrastructure to customers and partners in ways that offer new opportunities

- I. To reach new customer
- II. To do all this in real time,
- III. To learn customer needs,
- IV. To gain new economics, and
- V. To add value,

The researcher confirmed about whether the branch provides e-CRM services or not. The details are shown in the Table 3.

**Table 3 Providing E-CRM Services in the Branch**

Sl. No.	Particulars	No. of Respondents	Percentage to Total
1.	Providing e-CRM Services	83	100.00
2.	Not Providing e-CRM Services	0	0.00
	<b>Total</b>	<b>83</b>	<b>100.00</b>

*Source: Primary Data*

It is inferred from the Table 3 that all the sample bank branches provide e-CRM services to their customers.

### Existence of CRM Cell in the Branches

Demonstrating good communication skills and building good relationships means consistently providing response to the customer enquiries. Communication skills are more important in the area of tele-communications, mails and phone calls. Emphatic listing and responding to customers enquiries will provide more satisfaction to customer and so reflect in service standards. Face to face interaction between the customers and the bankers in crucial issues relating to any services will make the customer understand, how the banker cares for his needs. Good communication means instantly answering customer's queries about the status of a particular transaction. That amounts to providing best service. The researcher analyzed whether the branches having CRM cell or not. The details are shown in Table 4.

**Table 4. CRM Cell Exists in the Branches**

Sl. No.	Particulars	No. of Respondents	Percentage to Total
1.	CRM Cell Exist	64	77.11
2.	CRM Cell not Exist	19	22.89
	<b>Total</b>	<b>83</b>	<b>100.00</b>

Source: Primary Data

From Table 4, it is clear that 77.11 per cent of the branches have CRM cell and the remaining 22.89 per cent of the branches do not have CRM cell.

### Types of E-CRM Services Provided

E-CRM which is the latest buzzword in the corporate sector is perceived as one of the effective tools in this direction by the banks. Banks leveraging technology can develop innovative customer solutions to attain growth with profitability within the framework of sound risk-management practices. Techno-savvy banks are tapping into online services to initiate a new era in relating management to create one to one relationship as well as one too many relationships to enhance their competitive advantage. Recent developments in critical areas of IT have changed the way banks are managing their customer's relationships. The following are some of the latest e-CRM techniques used by banks in offering new products and services to its customers.

1. Internet banking
2. Data warehousing and data mining
3. Automated teller machine (ATM)
4. Mobile banking
5. National electronic fund transfer (NEFT)

6. Real time gross settlement (RTGS)
7. Society for worldwide inter-bank financial telecommunications (SWIFT)
8. Electronic clearing services (ECS)

The investigator investigates the E-CRM services provided by the bank branches. The leading E-CRM services are internet banking, automated teller machine and mobile banking. Therefore, the researcher asked the bank branches about the availability of these e-CRM services in the bank branches. Table 5 shows the availability of E-CRM services.

**Table 5. Types of E-CRM Services Provided**

Sl. No.	Types of e-CRM Services	No. of Responses	No. of Respondents	Percentage to Total
1.	Internet banking	83	83	100
2.	Card system	83	83	100
3.	Mobile banking	83	83	100

*Source: Primary Data*

It is apparent from the Table 5 that all the bank branches provide the leading e-CRM services to their customers.

#### **Most Used E-CRM Services of the Bank**

It is necessary to study the types of e-CRM services which are mostly used by the customer. Therefore, the researcher made the study and the list is shown in Table 6.

**Table 6. Most used E-CRM Services of the Bank**

Sl. No.	Services used by the Customer	No. of Responses	No. of Respondents	Percentage to Total
1.	Internet banking	61	83	73.49
2.	Card system	79	83	83.13
3.	Mobile banking	40	83	48.19

*Source: Primary Data*

Table 6 reveals that 79 out of 83 bank branches feels that majority of the customers are used card system, followed by internet banking (61 out of 83) and mobile banking (40 out of 83).

#### **Percentage of Customers Using E-CRM Services**

It is the main duty of the banker to check the number of customers who use e-CRM services year after year especially whenever new technology is implemented in the branch. So the researcher collected data in that area and the results are enlisted in Table 7.

**Table 7. Numbers of Customers are Using E-CRM Services**

Sl. No.	Particulars	No. of Respondents	Percentage to Total
1.	Less than 25%	31	37.35
2.	26% to 50%	22	26.51
3.	51% to 75%	25	30.12
4.	More than 75%	5	6.02
	<b>Total</b>	<b>83</b>	<b>100.00</b>

*Source: Primary Data*

From the Table 7, it is clear that 30.12 per cent of the bank branches feel that 51% to 75% of customers are using e-CRM services, 26.51 per cent of the bank branches indicate that 26% to 50% of customers are using e-CRM services, 37.35 per cent of the bank branches feel that less than 25% of the customers are using e-CRM services and 6.02 per cent of the bank branches clearly mentioned that more than 75% of the customers are using e-CRM services.

#### **Methods Adopted by the Bank to Attract the New Customer**

Motivation is the main tool to make proper utilization of the new service offered especially on banking industry. To check that, the researcher took special attention towards what are methods adopted by the bank to attract the new customer. The findings are listed in Table 8.

**Table 8 Methods Adopted by the Bank to Attract the New Customer**

Sl. No.	Particulars	No. of Responses	No. of Respondents	Percentage to Total
1.	Advertisement	61	83	73.49
2.	Toll free number	36	83	43.47
3.	Website and Email Id	49	83	59.05
4.	Mobile/SMS	53	83	63.86
5.	Existing Customers	70	83	84.34
6.	Personal Approach	61	83	73.49
7.	Agents	8	83	9.64

*Source: Primary Data*

It is highlighted from the Table 8 that out of 83 respondents, 70 bank branches attract the new customers by using existing customers, 61 bank branches attract the new customers by the way of advertisement and personal approach, 53 bank branches attract the new customers by using mobile/SMS service, 49 bank branches attract the new customers by following website and E-mail Id, 36 bank branches attract the new customers by using toll free number and 8 bank branches attract the customer by using agents.

### Customer Clubs

Formation of customer clubs is another way to promote relationship. These clubs would focus a sense of mutual belonging, understanding and sharing of common problems and emotions. An ideal customer club can act as a bridge between organizations and the customers. Regular meetings can be organized on behalf of the clubs and in those meeting representatives of the organizations can understand the attitude of customers and react accordingly. Customer clubs would act as a forum that enables performance of customer related activities in a smooth manner. The club serves as an effective platform for communicating organizations marketing activities. On behalf of the customer clubs, regular entertainment meets, pleasure trips awareness programs, consumer education programs and so on can be organized involving the family members of the customer. This approach would enhance the level of satisfaction and customers would obviously respond favourably towards relationship building. The investigator has studied whether the branch has organized customer club or not and its outcome is presented in Table 9.

**Table 9. Customer Club in the Branch**

Sl. No.	Particulars	No. of Respondents	Percentage to Total
1.	Organizing Customer Club	37	44.58
2.	Not organizing Customer Club	46	55.42
	<b>Total</b>	<b>83</b>	<b>100.00</b>

*Source: Primary Data*

Table 9 conveys the information that 55.42 per cent of bank branches do not organize customer clubs and 44.58 per cent of bank branches organize customer club.

### Redressal Cell

Every bank has redressal cell in its branches. It should be sensitive to customer's complaints and act immediately on the receipt of complaint. The investigator has studied whether any complaints are received regarding e-CRM services or not and its outcomes is presented in Table 10.

**Table 10. Redressal Cell in the Branch**

Sl. No.	Particulars	No. of Respondents	Percentage to Total
1.	Complaints Received	82	98.80
2.	No Complaints Received	1	1.20
	<b>Total</b>	<b>83</b>	<b>100.00</b>

*Source: Primary Data*

Table 10 indicates that 98.80 per cent of bank branches receive complaint regarding e-CRM services. At the same time 1.20 per cent of bank branch do not receive any complaint regarding e-CRM services.

### **The Average Number of Complaints Received by the Bank per Month**

It is necessary to study the average number of complaints received by the bank branches per month. Therefore the researcher made the study and the result is enlisted in Table 11.

**Table 11. The Average Number of Complaints Received by the Bank Per Month**

Sl. No.	Particulars	No. of Respondents	Percentage to Total
1.	Less than 10	63	75.90
2.	10 – 20	14	16.87
3.	20 – 30	6	7.23
	<b>Total</b>	<b>83</b>	<b>100.00</b>

*Source: Primary Data*

Table 11 shows that 75.90 per cent of bank branches have received the complaints less than 10 per month, 16.87 per cent of bank branches have received the complaints 10 to 20 per month and the remaining 7.23 per cent of bank branches have received the complaints 20 to 30 per month.

### **Steps taken to redress the complaint received regarding E-CRM Services**

The study becomes valid, only if the researcher examines the steps taken to redress the complaints. Table 12 narrates the steps made to redress the complaints. The information collected from the respondents have been analyzed and tabulated and inferences drawn from them are presented here under:

**Table 12. Steps Taken to Redress the Complaint Received Regarding E-CRM Services**

Sl. No.	Particulars	No. of Respondents	Percentage to Total
1.	Immediately	73	87.95
2.	Within the stipulated time	10	12.05
	<b>Total</b>	<b>83</b>	<b>100.00</b>

*Source: Primary Data*

It is apparent from the Table 12 that 73 branches take steps immediately followed by 10 branches that take steps within the stipulated time to redress the complaint regarding e-CRM services.

### **Nature of Complaint Received on E-CRM Services**

The next step is to know the nature of complaints received by the banker. Table 13 shows the details of the nature of complaint made by the customers.

**Table 13 Nature of Complaint Received on E-CRM Services**

Sl. No.	Particulars	No. of Respondents	Percentage to Total
1.	Internet Banking	26	31.33
2.	Mobile Banking	42	50.60
3.	Electronic Fund Transfer	15	18.07
	<b>Total</b>	<b>83</b>	<b>100.00</b>

*Source: Primary Data*

Table 13 brings to light that 50.60 per cent of the bankers say that majority of complaints are received on mobile banking, 31.33 per cent of bank branches received the complaint on internet banking and the remaining 18.07 bank branches received the complaint on electronic fund transfer.

### **Bank Currently Offer New Services**

The survey focused on the current available e-CRM services and the area to assist potential customers by the banks in promoting e-CRM services. The results about the current available e-CRM services provided by the banks are displayed in Table 14.

**Table 14. Bank Currently Offer New Services**

Sl. No.	Particulars	No. of Responses	No. of Respondents	Percentage to Total
1.	Online Inquiry and Transfer	73	83	87.95
2.	Online bill – pay	73	83	87.95
3.	Online Mortgage Applications	7	83	8.43
4.	Online small business loan	8	83	9.64
5.	Online Trust Funds	9	83	10.84
6.	Online deposit accounts	60	83	72.29
7.	Online Cheque order	8	83	9.64
8.	Online order of the travelers cheque	16	83	19.28
9.	Online Money order	8	83	9.64
10.	E – Signature	7	83	8.43
11.	Brochures	45	83	54.22
12.	Any other new services	3	83	3.61

*Source: Primary Data*

It is highlighted from the Table 14 that out of 83 respondents, each 73 bank branches currently offer online inquiry and transfer and online bill-payment, 60 bank branches currently offer online deposit accounts, 45 bank branches currently offer brochures, 16 bank branches currently offer online order of the travellers cheque, 9 bank branches currently offer online trust funds, each 8 bank branches currently offer online small business loan, 8 online cheque order and online money order and each 7 bank branches currently offer online mortgage applications and e-signature.

### Available Help or Assistance Provided to E-CRM Banking Customers

A positive sign is that a majority of bank branches currently provide some kind of help to their customers. This assistance includes training, online banking demo, employee assistance, personal service over the telephone and e-mailed instructions. The result is presented in Table 15.

**Table 15. Available Help or Assistance Provided to E-CRM Service Banking Customers**

Sl. No.	Particulars	No. of Responses	No. of Respondents	Percentage to Total
1.	Training	16	83	19.28
2.	Online banking demo	25	83	30.13
3.	Employee assistance	53	83	63.86
4.	Personal service over the telephone	52	83	62.65
5.	E – mailed instructions	32	83	38.55

*Source: Primary Data*

Table 15 reveals that 53 out of 83 bank branches offer employee assistance to their customers, 52 bank branches provide personal service over the telephone to their customers, 32 bank branches offer assistance to their customer through e-mailed instruction, 25 bank branches offer online banking demo to their customers and 16 bank branches offer customer training.

### About Transaction Time in E-CRM Services

An E-CRM service is operated through on-line. Therefore, it is essential to know the transaction time for one particular transaction. The researcher made an attempt to study the period of updating on particulars transaction, its results are presented in Table 16.

**Table 16. About Transaction Time in E-CRM Services**

Sl. No.	Particulars	No. of Respondents	Percentage to Total
1.	Between 5 and 10 minutes	63	75.90
2.	More than 10 minutes	20	24.10
	<b>Total</b>	<b>83</b>	<b>100.00</b>

*Source: Primary Data*

It is seen from the Table 16 that 75.90 per cent of the bank branches take 5 to 10 minutes and the remaining 24.10 per cent of the bank branches take more than 10 minutes to update one particular transaction.

### Mode of Intimation about E-CRM Services

Customer intimation plays a vital role in utilization of new services offered on any industry. The bank staffs intimate the customers to make use of e-CRM services at their branch by using three different methods. The results are exhibited in Table 17.

**Table 17 Mode of Intimation about E-CRM Services**

Sl. No.	Particulars	No. of Responses	No. of Respondents	Percentage to Total
1.	Through Advertising Media	65	83	78.31
2.	Appoint specialized staff to explain its features	27	83	32.53
3.	Arranging programs through staff	24	83	28.92
4.	Other	1	83	1.20

*Source: Primary Data*

From the Table 17, it is clear that 65 out of 83 bank branches feel that explaining the benefits of e-CRM services through advertising media is the best method to intimate their customers to avail of e-CRM services, 28 bank branches feel that better to appoint specialized staff to explain its features and 24 bank branches feel it more useful explain the benefits of e-CRM services through their staff.

### Number of Staff Members Trained for E-CRM Services

The study was made to know the number of staff members working with e-CRM services. The findings are listed in Table 18.

**Table 18. Number of Staff Members Trained for E-CRM Services**

Sl.No.	Particulars	No. of Respondents	Percentage to Total
1.	Less than 3	41	49.40
2.	3 – 6	11	13.25
3.	6 and above	31	37.35
	<b>Total</b>	<b>83</b>	<b>100.00</b>

*Source: Primary Data*

It can be found that 41 out of 83 bank branches have less than 3 trained staff in e-CRM services, followed by the 31 bank branches that have 6 and above trained staff in e-CRM services and the rest of 11 bank branches have 3 to 6 trained staff for e-CRM services.

### Staff reactions towards implementation of E-CRM Services

Positive response is essential for implementation of services in the banking industry. Hence the researcher tested the staff reactions towards implementation of e-CRM services. The findings are listed in the following Table 19.

**Table 19. Staff Reactions towards Implementation of E-CRM Services**

Sl. No.	Reaction	No. of Responses	No. of Respondents	Percentage to Total
1.	They play a vital role in implementation of E- CRM services	61	83	73.49
2.	They dedicate them to their work sincerely	23	83	27.71
3.	They provide ideas and suggestions as and when required	31	83	37.35
4.	They find it difficult to work	5	83	6.02

*Source: Primary Data*

From the Table 19, it is clear that there is a positive staff response towards implementation of e-CRM system, in 61 bank branches, the staff play a vital role in implementation of e-CRM services and provide ideas and suggestions as and when required in 31 bank branches and they dedicate themselves to their work sincerely 23 in out of 83 and other find it difficult to work 5 out of 83 bank branches.

### Purpose for Frequently Availing of E-CRM Services by Customers

Necessity is the mother of invention. To support this fact, there must be a special purpose to avail of the e-CRM services. So the researcher was eager to know the special purpose for frequently availing of e-CRM services by the customers. The findings are listed in Table 20.

**Table 20. Purpose for Frequently Availing E-CRM Services by Customers**

Sl. No.	Particulars	No. of Responses	No. of Respondents	Percentage to Total
1.	Mobile banking services	38	83	45.78
2.	Internet banking services	67	83	80.72
3.	ATM services	70	83	84.34

*Source: Primary Data*

It is obvious from the Table 20 that the frequently availing of e-CRM services by customers are ATM services (70 out of 83 bank branches), followed by internet banking services (67 out of 83 bank branches) and mobile banking (38 out of 83 banks branches).

**Customer's Reaction towards E-CRM Services (From the View of Banker)**

Success of e-CRM services depends on the part of proper customer's utilization. The researcher has an idea to know the customers' reaction to operate their accounts under e-CRM services. The information collected from the bank officials has been analyzed and tabulated. The inference drawn from them is presented in Table 21.

**Table 21. Customers' Reaction towards e-CRM Services (from the View of Bankers)**

Sl. No.	Customers' Reaction	No. of Responses	No. of Respondents	Percentage to Total
1.	Bank staff trained the customers well in advance	29	83	34.94
2.	They require assistance while operating accounts	22	83	26.51
3.	They follow operational procedures easily	59	83	71.08

*Source: Primary Data*

It is clearly stated from the Table 21 that 59 out of 83 bank branches feel that the customers follow operational procedures easily, followed by the bank staff who trained the customers well in advance (29 out of 83) and those who require assistance while operating accounts (22 out of 83 bank branches).

**Methods used to Motivate Customers to Make Use of E-CRM Services**

Motivation is the main tool to make proper utilization of the new services offered especially in banking industry. To check that, the researcher examined the methods used to motivate the customers to make use of e-CRM services. The findings are listed in Table 22.

**Table 22. Methods Used to Motivate Customers to Make Use of E-CRM Services**

Sl. No.	Methods	No. of Responses	No. of Respondents	Percentage to Total
1.	Explaining Benefits	63	83	75.90
2.	Organizing various programmes	6	83	7.23
3.	Advertising through media	52	83	62.65
4.	Any other	2	83	2.41

*Source: Primary Data*

From the Table 22, it is clear that 63 out of 83 bank branches feel that explaining benefits of e-CRM services is the effective method of motivation.

### Performance of Branch after implementation of E-CRM Services

Performance evaluation in every stage of banking activities takes the bank one step ahead from other competitor bank. Hence, the researcher tried to know the performance of branch after implementation of e-CRM services. The information collected from the respondents has been analyzed and tabulated and inferences drawn from them are presented in Table 23.

**Table 23. Performance Evaluation of Branch after Implementation of E-CRM Services**

Sl. No.	Implementation of e-CRM Services	No. of Responses	No. of Respondents	Percentage to Total
1.	Increase in goodwill	18	83	21.69
2.	Popular among customers	25	83	30.12
3.	Better services	63	83	75.90
4.	Better customer satisfaction	46	83	55.42

*Source: Primary Data*

It is apparent from the Table 23 that 63 out of 83 bank branches can provide better service after implementation of e-CRM services, followed by better customer satisfaction (46 out of 83 bank branches). They are also popular among customers only after implementation of e-CRM services (25 out of 83 bank branches).

### Profitability of Bank after implementation of E-CRM Services

It is the main duty of the banker to check the profitability ratio year after year especially whenever a new technology is implemented in the bank. So the researcher collected data in that area and the result is enlisted in Table 24.

**Table 24 Profitability of Bank after Implementation of E-CRM Services**

Sl. No.	Opinion	No. of Respondents	Percentage to Total
1.	High	36	43.57
2.	Medium	26	31.33
3.	Reasonable	21	25.30
	<b>Total</b>	<b>83</b>	<b>100.00</b>

*Source: Primary Data*

Table 24 conveys the information that 43.57 per cent of the bank branches clearly mentioned that the bank could increase their profitability ratio after implementation of e-CRM services. It high level, 31.33 per cent of the bank branches indicate that the profitability ratio is medium and 25.30 per cent of the bank branches feel that their profitability ratio is reasonable after the implementation of e-CRM services.

**Overall Opinion of Bank Officials about E-CRM Services**

The drivers aiding the growth of the bank industry are called opinion. The following opinions are aiding the growth of the bank industry in Virudhunagar District. These opinions are presented in Table 25.

**Table 25. Overall Opinion of Bank Official about e-CRM Services**

Sl. No.	Opinion	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1.	Benefits outweigh the cost	36	39	8	--	--
2.	Allows banks to increase customer base	48	35	--	--	--
3.	Improve customer services	49	34	--	--	--
4.	Lowers transaction costs	38	43	1	1	--
5.	Offers opportunities to provide additional services	50	21	12	--	--
6.	Maintenance cost of Accounts is economical	27	48	6	2	--
7.	More customer training/ customer education is needed for promoting e-CRM banking sectors	36	33	5	9	--
8.	e-CRM services enhance your competitive position in the market	44	38	1	--	--
9.	Your e-CRM services increased with the degree of customer satisfaction	46	37	--	--	--
10.	Your bank believes that the customer's personal information security is better now than it was before	27	50	5	1	--
11.	Essential for Bank's survival	37	41	5	--	--
12.	Gives the impression of cutting edge Bank	36	45	1	1	--
13.	Important to complete effectively in the near future	42	38	2	1	--
14.	Banks not offering e-CRM banking services will lose their potential customers	33	41	9	--	--
15.	Improve bank's efficiency so that banks can offer better services	35	47	1	--	--

16.	Your bank has established e-CRM banking services into your bank's future strategic planning	41	40	2	--	--
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Source: Primary Data

Table 25 exhibits the opinion of banking business in Virudhunagar District. Bank officials tell their opinion about 16 statements of banking business in Virudhunagar District like offers opportunities to provide additional services, improve customer services, allows banks to increase customer base, e-CRM services increases the degree of customer satisfaction and so on.

Competition plays an important role in banking business. In banking business there should be stiff competition. To overcome the competition, the bank officials can satisfy the needs and wants of the customers.

#### **Opinion of the Bank Officials about E-CRM Service – Reliability Test**

In order to test the reliability for opinion of bank officials about e-CRM banking services, Cronbach's Alpha Test has been applied and the results have been shown in Table 26.

**Table 26. Reliability Statistics for Opinion of the Bank Officials about e-CRM Banking Services**

Particulars	Cronbach's Alpha Score
Opinion of the Bank Officials about e-CRM Banking Services	0.911

Source: Primary Data

Table 26 shows that the calculated value of Cronbach's Alpha for the opinion of bank officials about e-CRM banking services is more than 0.7. Hence, it is concluded that the opinion of bank officials about e-CRM banking services could be relied upon.

#### **Opinion of the Bank Officials about E-CRM Service – Application of Kolmogorow Smirnov Test (K.S.Test)**

In order to study the opinion of the bank employees about the various statements regarding e-CRM services, the K.S. Test has been used. For the purpose of this study, the following null hypothesis is framed.

***“There is no significance difference in the opinion of the bank employees about the statements regard with e-CRM services”.***

In K.S. test, the cumulative observed proportion is calculated on the basis of observed number. In each case, the observed proportions are calculated by dividing the respondents. For all graduations, the same method of calculation is followed. On the basis of observed proportion cumulative proportion is calculated on the basis of expected proportion. Since there are five graduations each gradation (i.e. 20) is assigned as expected proportion on the basis of proportion and the cumulative expected proportion is calculated.

For each gradation, the difference between cumulative observed proportion and cumulative expected proportion is calculated. The largest difference will be taken as calculated value.

The table value at both 95 per cent and 99 per cent confidence level is  $\frac{1.36}{\sqrt{n}}$ , that is  $\frac{1.36}{\sqrt{83}} = 0.15$ . If the calculated value is greater than the table value, the null hypothesis is rejected otherwise accepted.

The result of K.S. Test is given in Table 27.

**Table 27. Result of K.S. Test on the Opinion of Bank Officials about E-CRM Services**

Sl. No.	Statement	Calculated Value of K.S. Test	Table Value of K.S. Test	Results
1.	Benefits outweigh the cost	0.10	0.15	S.
2.	Allows banks to increase customer base	0.20	0.15	N.S
3.	Improve customer services	0.21	0.15	N.S
4.	Lowers transaction costs	0.12	0.15	S
5.	Offers opportunities to provide additional services	0.22	0.15	N.S
6.	Maintenance cost of Accounts is economical	0.03	0.15	S.
7.	More customer training/ customer education is needed for promoting E – CRM banking sectors	0.10	0.15	S.
8.	E – CRM services enhance your competitive position in the market	0.17	0.15	N.S
9.	Your E – CRM services increased with the degree of customer satisfaction	0.18	0.15	N.S.
10.	Your bank believes that the customer's personal information security is better now than it was before	0.03	0.15	S
11.	Essential for Bank's survival	0.11	0.15	S.
12.	Gives the impression of cutting edge bank	0.10	0.15	S

13.	Important to complete effectively in the near future	0.16	0.15	N.S
14.	Banks not offering E – CRM banking services will lose their potential customers	0.08	0.15	S
15.	Improve bank's efficiency so that banks can offer better services	0.09	0.15	S
16.	Your bank has established E- CRM banking services into your bank's future strategic planning	0.14	0.15	S

**S. – Significant, N.S. – Not Significant**

The result of K.S. test gives clear idea about the opinion of bank employees about the e-CRM services in Virudhunagar District. According to K.S. Test, the bank employees have different opinion about the individual statement of e-CRM services of banking sector.

With regard to the statements number 1, 4, 6, 7, 10, 11, 12, 14, 15 and 16, the bank employees have the same opinion and regard to statements number 2, 3, 5, 8, 9 and 13 there is a difference in the opinion of bank employees about the e-CRM services.

## **7. Summary of Findings, Suggestions and Conclusion**

### **Summary of Findings**

Majority of the public sector bank branches are giving more response, bank branches which are belonging to urban areas, all the sample bank branches provide e-CRM services to their customers, bank branches have CRM cell, 83 bank branches provide card services to their customers, Customers use card system under e-CRM services, Customers are using e-CRM services and bank branches attract the new customers by using existing customers.

The researcher finds that Majority of the bank branches do not organize customer clubs, Vast majority of the bank branches have received complaints regarding e-CRM services, 63 bank branches have received complaints less than 10 per month, bank branches take steps immediately to redress the complaint received regarding e-CRM services, most of the complaints were received on mobile banking and vast majority of the bank branches currently offer online inquiry and transfer and online bill payments.

It is found that majority of the bank branches offer employee assistance to their customer, bank branches take 5 or 10 minutes to update one particular transaction under e-CRM services, bank branches intimate their customers through advertising media to avail of e-CRM services, bank branches have only less than 3 staff who take special training for the e-CRM services, bank branches feel that the staff play

a vital role in implementation of e-CRM services and Majority of the bank branches said that the customers frequently availed of ATM services.

It is clear from the study that the majority of bank branches feel that the customers follow operational procedures easily while operating their accounts under e-CRM services, bank branches feel that explaining benefits of e-CRM services is the effective method of motivation, The bank branches can do better services after implementation of e-CRM services and Most of the bank branches mentioned that the bank could increase their profitability ratio especially after implementation of e-CRM services at high level.

According to K.S. Test, the bank employees have different opinion about the individual statement of e-CRM services of banking sector with regard to the statements number 1, 4, 6, 7, 10, 11, 12, 14, 15 and 16, the bank employees have the same opinion and regard to statements number 2, 3, 5, 8, 9 and 13. There is a difference between the opinions of bank employees about the e-CRM services.

### **Suggestions**

The following suggestions are offered for improving electronic customer relationship management services of banks.

It is found from the study that in order to increase the usage of internet banking services, the banks may reduce the service charge.

As majority of the respondents have been encouraged to voice out their grievances to the Bank as and when they feel that they are not satisfied with the system.

It is found that customers of the bank use the ATM card only for the purpose of cash withdrawal. It is also suggested that the bank shall encourage the customers to use ATM card for different purposes like payment of electricity bills, telephone bills, payment of insurance premium and payment for railway and air tickets through the ATM card.

It is found from the study that the customers expect the service of fund transfer through ATM card. Therefore, the researcher suggested that the banks should take steps to provide such service.

As majority of the respondents feel that the internet banking services are not secure, the banks should make the people aware about the security system in internet banking.

As majority of the respondents are uncomfortable in using mobile devices for banking purposes, the banks should form a separate department in the bank itself to take care of the mobile banking services.

The banks have been brought into notice the insufficient number of staff posted in different branches and have been requested to take adequate steps to post the requisite strength of staff to meet the services of the customers.

The bank authorities have been asked to conduct an awareness camp to customers about the other services available to them apart from ATM services.

All banks should take steps to form customer club to maintain better relationship with customers.

### **Conclusion**

To-day bank officials must distinguish themselves by meeting the needs of their customers better than those of their competitors. Bank Officials should prepare service plans that include decision on target customers, product and services and service atmosphere. There is a general agreement that a basic banking strategy for creating competitive advantage is the delivery of high service quality. Therefore, by giving better service and product, definitely the banks can taste the success.

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