

# A Case Study of Customer Relationship Management in J&K Grameen Bank Samba of J&K

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## **Abstract**

This study aims at making contribution to the literature on understanding the relationship between customer relationship management, customer satisfaction and customer loyalty in context to J&K Grameen Bank. This study attempts to investigate the dimensions of customer relationship management (CRM) and Customer satisfaction (CS) that influence customer loyalty (CL). Today the banking sector is making significant contribution to the economic development and redefining the consumption habits of Indians. The constantly changing consumer attitudes and buying behavior is making it difficult for bankers and service providers to take their customers for granted. The highly demanding and knowledgeable consumers are compelling banks to stock a huge product range, offer attractive discounts, in an aesthetically set up environment and so on- all in the hope of having a loyal customer base. But high lead times, seasonal fluctuations, evolving consumer preferences are some of the issues creating a stiff competition in the business environment. So, banks and service providers have realized that it is very essential to work towards getting into customer relationship management programmes. For this, banks and service providers are working out ways to understand the opportunity and having preferences of individual customers that chart out strategies and programs so as to develop a base of loyal customers who will patronize the banks and service providers frequently. The study is based on descriptive and exploratory style using primary data.

**Keywords:** Customer Relationship Management, Financial Inclusion, J&K Grameen Bank Finacle, Engendering Empowerment.

## **Introduction**

Customer Relationship Management (CRM) is a business philosophy, a set of strategies, programmes and systems which focuses on identifying and building loyalty with institution's most valued customers. The role of CRM is to improve existing customer relationship as well as to acquire new customers to the institution. This means that CRM will work on the principle that banking institution have to chart out programmes which will help them to raise their profitability on a continuous basis through building long term relationships with their customers. This is possible through adopting efficient CRM software which ensure better operational, analytical and collaborative customer relationship with the institution employees as well as with the stakeholders.

J&K Grameen bank is a regional rural bank primarily focused on rural financial inclusion that ensured that vulnerable groups, such as the weaker sections and low-income groups, have affordable access to the necessary financial services and products. It aims to provide universal access to a broad range of financial services at reasonable costs, including reaching out to the unbanked and underbanked populations. The objective is to unlock the growth potential by extending financial services to these populations. The bank has taken the message of “Engendering Empowerment” in the remote villages of J&K.

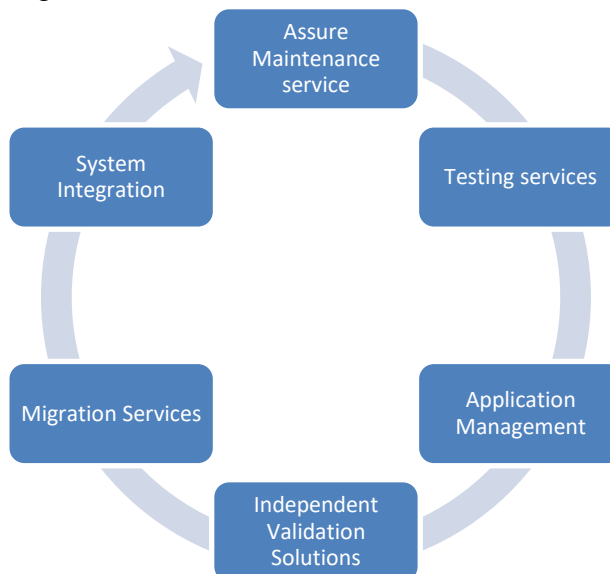
**Contribution of CRM to bank**



**J&K Grameen bank: CRM Software**

J&K Grameen bank have Infosys Finacle banking software for the management of Customer records, daily basis transactions as well as for the customer relation management.

Key features of Finacle banking software:



**Objectives of the Study:**

1. To find out if the existing CRM practices of J&K Grameen bank are satisfactory for customers in Samba, J&K
2. To ascertain whether a bank should include essential changes in its existing CRM practices that can improve the reputation of J&K Grameen Bank
3. To ensure customer satisfaction and retention within the J&K Grameen Bank
4. To make operational efficiency as well as grievance redressal system

**Review of Literature:**

Yee<sup>47</sup> et al. (2010) found that service quality has positive influence on Customer satisfaction.

Jasveen (2012)<sup>120</sup> Customer Relationship Management is emerging as the core marketing activity for business operating in fiercely competitive environment. CRM is a customer-focused business strategy designed to optimize revenue, profitability, customer loyalty and develops marketing strategies to delight the customers. In the light of above observations, this exploratory study focuses on determining the strategic benefits of implementing the CRM program to the bankers in India, as strive towards customer satisfaction and retention.

Partha et al (2014)<sup>164</sup> analyzed the perceptions of the customers regarding the impact of CRM on service quality and evaluates the impact of CRM on customer retention. The results bring out the comparative ratings by customers, ICICI being rated first in implementation of CRM. Customer relationship management has become essential to banks' expansion and financial success in the current environment of intensifying competition, advancing technology, and empowered consumers. The formula to achieve success in a competitive world and it is to focus on maintaining relationship with customers. Hojjat (2015)<sup>174</sup> assessed the impact of electronic customer relationship management, customer orientation in various branches of banks in the city of Tehran. The overall result was a positive correlation between E-CRM and customer service there. Also, the E-CRM and customer service parameters including the quality of services provided, Cost of services provided access to services and understands customer sentiment with respect to the surface, there was a significant positive correlation of Pearson.

Pushpa and Gayathri (2016)<sup>187</sup> indicated that there was no significant difference in means between customers awareness on CRM policies among banks based on these demographic factors. This would simply that customer's awareness on CRM policies in SBI was similar regardless of demographic variables. The customer perception on customer relationship management practices adopted by the SBI is agreed about nine practices. In order to assess the impact of different antecedents of customer relationship management, multiple regressions is also used. The results clearly revealed that there is a significant impact exists among the variables. E-CRM has significant attention on the maintaining relationship with the customers In the current environment of increased competition, technological innovation, and empowered clients, customer relationship management has become essential to the expansion and profitability of banks.

Munaiah and Krishna (2017)<sup>189</sup> suggested that Bankers should educate and inform customers about the various services offered to the customer through customer meets. Today's competitive environment,

customer's expectations are reaching the heights that bankers are unable to predict. In order to prevent this, banks must work to innovate and provide distinctive goods and services that will draw in and keep both current and potential consumers. They concluded that the concept of "CRM" may be emphasized so that the customers are treated royally in relation to bank services. To be successful a bank need to be not just high tech but high touch as well.

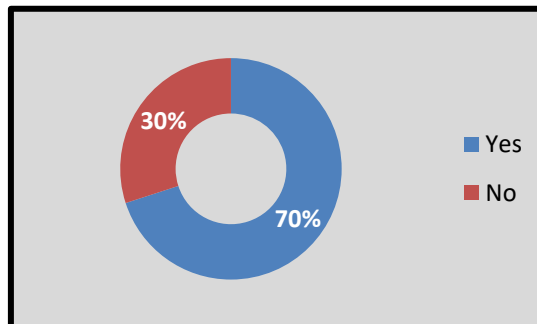
### Research Methodology:

In this study, 220 customers of J&K Grameen Bank, Samba to be randomly selected for the collection of data through questionnaire for this valid research. This study was based on descriptive and exploratory style using primary data. This sample will be collected from J&K Grameen Bank, Samba by visiting the branch and using a simple random sampling technique. The questionnaire will be used to collect quantitative data on Customer Relationship management of J&K Grameen bank, Samba.

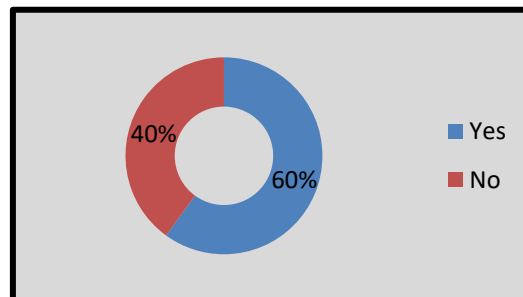
### Analysis of Data:

The analysis and interpretation of data will be done by utilizing various statistical tools and techniques. The pie-chart and t-test methods are used to analysis the proposed research.

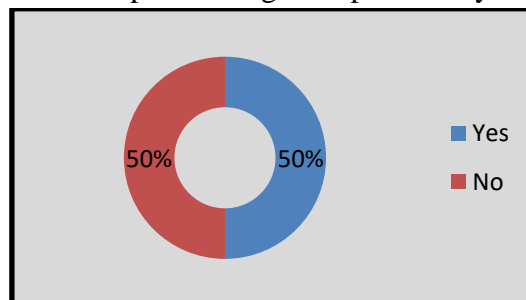
1. Does the bank provide quick and fast transactions?



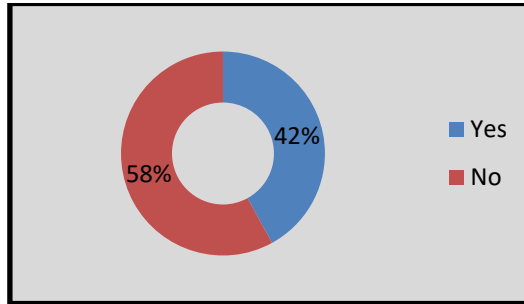
2. Does the bank attentively understand your concerns?



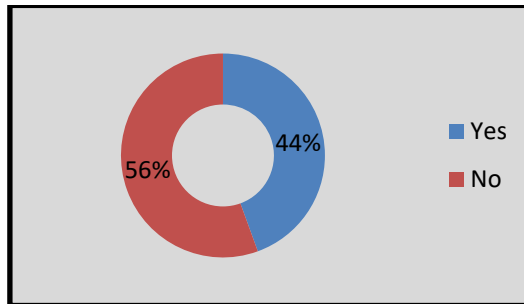
3. Does the bank provide regular updates of your account?



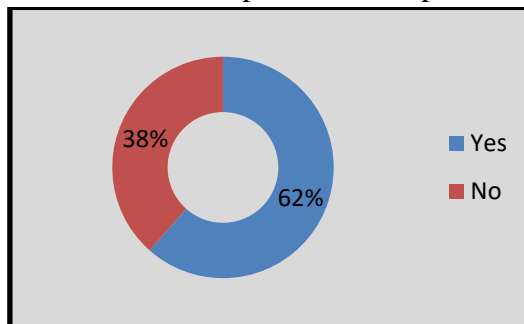
4. Do you have any privacy/security concerns?



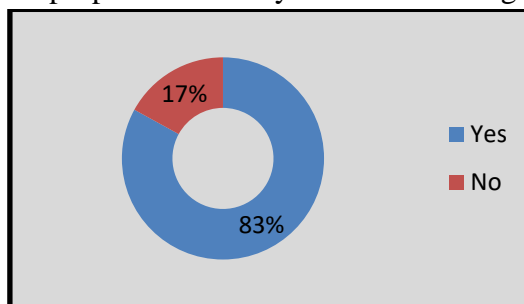
5. Does the bank provide latest technology for transactions?



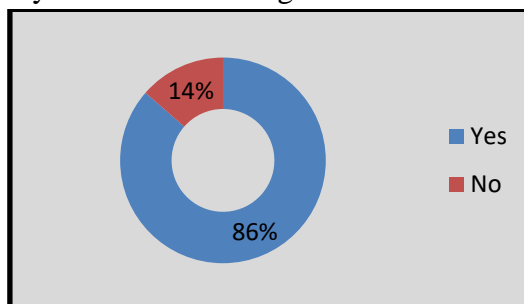
6. Do the bank personnel cooperate?



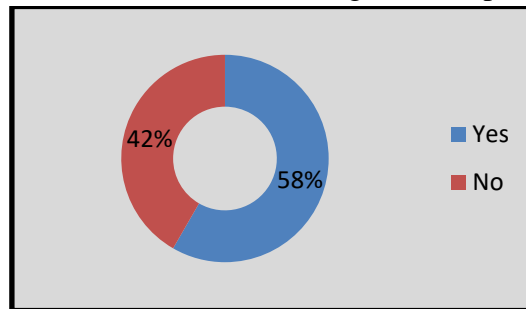
7. Does the bank have proper redressal system for handling customer grievances?



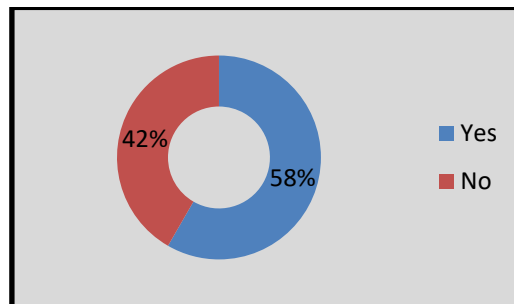
8. Is your feedback being asked and considered?



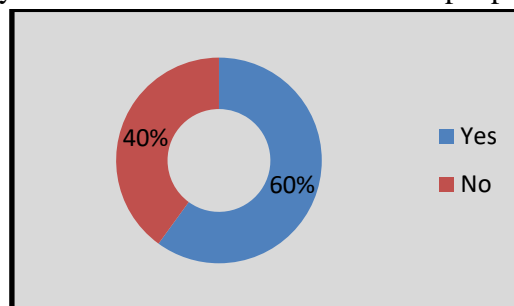
9. Are you satisfied with the overall banking services provided by the bank?



10. Would you like to stick/switch?



11. Would you recommend this bank to other people you know?



**T-test Calculation:**

S.NO	Yes	No	p value	Check
1	70	30		Significant
2	60	40	0.00133476	0.05 Significant
3	50	50		
4	42	58		
5	44	56		
6	62	38		
7	83	17		
8	86	14		
9	58	42		
10	58	42		
11	60	40		
Mean	61.1818182	38.8181818		
S.D	14.0770606	14.0770606		
S.E	4.24439348	4.24439348		

<b>t-Test: Two-Sample Assuming Equal Variances</b>			
	<b>Variable 1</b>	<b>Variable 2</b>	
Mean	61.18181818	38.81818182	
Variance	198.1636364	198.1636364	
Observations	11	11	
Pooled Variance	198.1636364		
Hypothesized Mean Difference	0		
df	20		
t Stat	3.725733486		
P(T<=t) one-tail	0.00066738		
t Critical one-tail	1.724718218		
P(T<=t) two-tail	0.00133476	0.05	Significant
t Critical two-tail	2.085963441		

### Expected Outcomes

- This study will provide insights into the Customer relationship management in J&K Grameen bank, Samba.
- The findings of the study will help regional rural banks and banking regulators to design effective Customer relationship management through software as well as by organizing programs to improve Customer relation to make Customer aware for the consideration of Customer retention as well as satisfaction.
- The study will also help Customer to make informed about the CRM practices that introduced in banking which will ultimately contribute to the customer awareness and awakens.

### Significance of Study

The research has been carried out with the purpose of measuring and analyzing the Customer Relationship Management (CRM) for J&K Grameen Bank that have several significant implications and benefits for the organization. CRM is a strategic approach that focuses on building and maintaining strong relationships with customers to enhance customer satisfaction and loyalty

- This research promote Customer Satisfaction and Retention as well as efficient service delivery within J&K Grameen bank
- The technological upgradation and utilization of Finacle Software for the purpose of smooth conduct of banking services for Customer satisfaction.
- This research ensured improvement in customer experiences that contribute to a strong brand image.
- CRM research can assist the bank in ensuring that its customer relationship practices align with regulatory requirements.

By investing in research in CRM, J&K Grameen Bank can enhance its understanding of customer dynamics, improve operational efficiency, and strengthen its position as a customer-centric financial institution in the region.

**Conclusion**

This research study shows that irrespective of customer relationship management every customer have day to day transaction in the bank. CRM is the backbone of the banking industry. Its reputation can be negatively impacted if attention is not paid to develop strong CRM in the banks. it has been observed that regional rural banks are somehow lacking in building strong CRM with their customers. During the analysis of data, it has been identified that customers are satisfied with J&K Grameen bank, Samba but still they are looking for some important factors to be improved. It will enhance the satisfaction level of customers. In banking sector, it is essential to have deeper information regarding the customers, make sure that the customers like the way to fund them, get to understand the customers, detain bit with the customers, make sure that the customers get what he desires from bank as a service supplier. Banks are looking for some more personalized treatment and trying employees help in making situations easier for customers. Once bank works upon these lacking factors, it would be able to have long term relation with customers, contented and profitable business in the market.

**References**

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**QUESTIONNAIRE**

**NOTE:-** Please answer all the questions including the main page in which you have to fulfill your details and designation. Your answers will be used only for educational purposes. While answering the questions, please cooperate by giving your answer ticking against YES or NO.

**PERSONAL DETAILS:-**

Name:- .....

Designation:.....

E-Mail ID: .....

<u>S.NO</u>	<u>QUESTIONS</u>	<u>YES</u>	<u>NO</u>
1.	Does the bank provide quick and fast transactions?		
2.	Does the bank attentively understand your concerns?		
3.	Does the bank provide regular updates of your account?		
4.	Do you have any privacy/security concerns?		
5.	Dose the bank provide latest technology for transactions?		



6.	Do the bank personnel have enough knowledge and experience?		
7.	Does the bank have proper redressal system for handling customer grievances?		
8.	Is your feedback being asked and considered?		
9.	Are you satisfied with the overall banking services provided by the bank?		
10.	Would you like to stick/switch?		
11.	Would you recommend this bank to other people you know?		