



Customer Relationship Management And its Effect on Service Quality Perception in ICICI Bank

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Abstract : *Customer Relationship Management entails all aspects of interaction a company has with its customer, whether it is sales or service related; it starts with the foundation of relationship market ICICI. CRM is a systematic approach towards us ICICI information and ongoing ICICI dialogue to built long los ICICI mutually beneficial customer relationship. The use of CRM technology forms the crucial front-end of any e-business strategy, essentially CRM has emerged as convivial weapon in the hands of the industry laggards as well as leaders to cascade the business suites; the only touch point which is formulat ICICI this base is the awareness amongst the corporatists to suffice the customers already available to the companies to large extent. The purpose of the study is to evaluate the CRM in banking sector in developing the service Quality in banking sector*

Key words: *Evolution of CRM, CRM Issues, Successful CRM and Traditional Banking Service quality Activities*

Introduction

In today's first-paced competitive business environment it's more important than ever to create and maintain long-los ICICI business relationships. Today, Customer Relationship Management (CRM) manages business process spann ICICI sales, support, and market ICICI create ICICI effective customer interactions. Given the purpose of CRM, the functionality is straightforward, and the benefits of successful deployments clearly generate value and profitability for any company. Grate CRM solutions need to encourage users to interact with the application as well as be in-tune with the business and IT cost-sav ICICI needs.

"For the modern-day CRM to be world class it needs to be revolutionary in

market incursion and evolutionary in technological up gradation." Today the major business focus is towards endow ICICI value addition to the sales cycle, and customer retention rather than construct ICICI a new customer base which is costlier and also an uncertain chase from business perspective. The basic philosophy behind CRM is that a company's relationship with the customer would be the biggest asset in the long-run.

It is now vital for CRM vendors to develop a sound understand ICICI of their target organizations customer and deliver them with solutions which help in achieve ICICI long-term business relations with their customers. Vendors must also build long-term customer relationship management strategies with the end-user organizations to assure a



series of deployments, and hence ensure ICICI a regular revenue stream for themselves as well as their customers.

Evolution of CRM – A Diagrammatic Representation

Before implement ICICI any Customer Relationship Management solution in the organization there are many questions which need a comprehensive explanation from the user's point of view.

- What is the added value proposition of the CRM to the organization?
- What would be the environment under which the implementation done?
- How would the synergies be reflecting ICICI in the processes of the company?

These are mere stencils of the holistic scenario prevalent right now, and are to a great extent a factor which harms the opportunities of long-term survival for any CRM vendor.

Need For the Study

- Organization ICICI is competitive environment with relationship management of customer and they are attracting ICICI the customer with some effective sale promotions.
- Some organizations need to evaluate the purpose, utility, effectiveness of customer satisfaction.
- They are fails to evaluate this customer relationship management.
- So these study has been undertaken to assess the customer relationship management in the organization.

Objectives of the Study

The broad objective is to study the perception of "Customer Relationship

Management and its effecton Service Quality Perception in ICICI Bank".

- To find out the factors that influences the buy ICICI decision of an ICICI bank services.
- To identify and study the problems faced by the consumers of ICICI BANK SERVICES.
- To study the satisfaction level of exist ICICI consumer of ICICI BANK SERVICES.
- To assess the role of brand image in the purchase ICICI decision of ICICI BANK SERVICES.
- To offer conclusions and suggestions.

Scope of the Study

- ❖ The scope is confirmed only to examine the "Customer relationship management with reference to ICICI BANK SERVICES" and to find possible remedies to counteract their competition.
- ❖ The scope of project work is to get the opinions from respondents on the issues mentioned earlier.
- ❖ It is limited to the twin cities of and is confined to the urban areas as the respondents are the subscribers of ICICI BANK are one form or the other.

Research Methodology

Research design

"Research design is the plan, structure. And strategy of investigation conceived so as to obtain answers to research questions and to control variance" KERL ICICIER. The research designs are both descriptive and exploratory in nature. The objectives of this study is to answer



the "who, what, when, where and How" of the subject under investigation.

Source of Data

Data, which is to be used for the project, has come both from primary sources as well as secondary sources

Primary Data Sources

The crux of the report is based on the information collected from the respondents with the help of questionnaires. The primary source of information have been consumers who have filled up the questionnaire. Consumer who interviewed separately and the respondents jotted down in the questionnaire for the purpose.

Secondary Data Sources

Information has also been borrow from both internal sources such as company records and external sources like journal, magazines and book on market ICICI research

Limitations of the Study

- As the time given for the completion of the project was limited.
- The survey was restricted to and Secunderabad only.
- They may be few opinions, which might have been missed out.
- The accuracy of the analysis and conclusion drawn entirely depends upon the reliability of the information provided by the employees.
- Sincere efforts were made to cover maximum departments of the employees, but the study may not fully reflect the entire opinion of the employees.

- In the fast moving/changing employees behaviour, name new and better things may emerge in the near future, which cannot be safeguard in this report.

Review of Literature

CRM stands for Customer Relationship Management. It is a strategy used to learn more about customers' needs and behaviors in order to develop stronger relationships with them. After all, good customer relationships are at the heart of business success. There are many technological components to CRM, but thinking about CRM in primarily technological terms is a mistake. The more useful way to think about CRM is as a process that will help bring together lots of pieces of information about customers, sales, marketing effectiveness, responsiveness and market trends.

It doesn't happen by simply buying software and installing it. For CRM to be truly effective, an organization must first decide what kind of customer information it is looking for and it must decide what it intends to do with that information. For example, many financial institutions keep track of customers' life stages in order to market appropriate banking products like mortgages or IRAs to them at the right time to fit their needs.

Next, the organization must look into all of the different ways information about customers comes into a business, where and how this data is stored and how it is currently used. One company, for instance, may interact with customers in a myriad of different ways including mail campaigns, Web sites, brick-and-mortar stores, call centers, mobile sales force staff and marketing and advertising efforts. Solid CRM systems



Link up each of these points. This collected data flows between operational systems (like sales and inventory systems) and analytical systems that can help sort through these records for patterns. Company analysts can then comb through the data to obtain a holistic view of each customer and

pinpoint areas where better services are needed. For example, if someone has a mortgage, a business loan, an IRA and a large commercial checking account with one bank, it behooves the bank to treat this person well each time it has any contact with him or her.



Strategy Choosing and implementing a system is a major undertaking. For enterprises of any appreciable size, a complete and detailed plan is required to obtain the funding, resources, and company-wide support that can make the initiative successful. Benefits must be defined, risks assessed, and cost quantified in three general areas:

Processes

Technology

People

Implementation Issues

Dramatic increases in revenue, higher rates of client satisfaction, and significant savings in operating costs are some of the benefits to an enterprise. Proponents emphasize that technology should be implemented only in the context of careful strategic and operational planning. Implementations almost invariably fall short when one or more facets of this prescription are ignored.

- Poor planning
- Poor integration
- Toward a solution

Successful CRM implementation

- Break your CRM project down into manageable pieces by setting up pilot programs and short-term milestones.
- Starting with a pilot project that incorporates all the necessary departments and groups that gets projects rolling quickly but is small enough and flexible enough to allow tinkering along the way.
- Make sure your CRM plans include a scalable architecture framework.
- Don't underestimate how much data you might collect (there will be LOTS) and make sure that if you need to expand systems you'll be able to.



- Be thoughtful about what data is collected and stored. The impulse will be to grab and then store EVERY piece of data you can, but there is often no reason to store data. Storing useless data wastes time and money.
- Recognize the individuality of customers and respond appropriately. A CRM system should, for example, have built-in pricing flexibility.

INDUSTRY PROFILE

Bank is a financial institution that accepts deposits and channels those deposits into lending activities. Banks primarily provide financial services to customers while enriching investors. Government restrictions on financial activities by banks vary over time and location. Banks are important players in financial markets and offer services such as investment funds and loans. In some countries such as Germany, banks have historically owned major stakes in industrial corporations while in other countries such as the United States banks are prohibited from owning non-financial companies. In Japan, banks are usually the nexus of a cross-share holding entity known as the keiretsu. In France, bancassurance is prevalent, as most banks offer insurance services (and now real estate services) to their clients.

The level of government regulation of the banking industry varies widely, with countries such as Iceland, having relatively light regulation of the banking sector, and countries such as China having a wide variety of regulations but no systematic process that can be followed typical of a communist system. The oldest bank still in existence is Monte dei Paschi di Siena,

headquartered in Siena, Italy, which has been operating continuously since 1472. The name *bank* derives from the Italian word *banco* "desk/bench", used during the Renaissance by Jewish Florentine bankers, who used to make their transactions above a desk covered by a green tablecloth. However, there are traces of banking activity even in ancient times, which indicates that the word 'bank' might not necessarily come from the word 'banco'.

In fact, the word traces its origins back to the Ancient Roman Empire, where moneylenders would set up their stalls in the middle of enclosed courtyards called *macella* on a long bench called a *banco*, from which the words *banco* and *bank* are derived. As a moneychanger, the merchant at the *banco* did not so much invest money as merely convert the foreign currency into the only legal tender in Rome—that of the Imperial Mint.

The earliest evidence of money-changing activity is depicted on a silver drachm coin from ancient Hellenic colony Trapezus on the Black Sea, modern Trabzon, c. 350–325 BC, presented in the British Museum in London. The coin shows a banker's table (*trapeza*) laden with coins, a pun on the name of the city. In fact, even today in Modern Greek the word Trapeza (*Τράπεζα*) means both a table and a bank.

Traditional banking activities

Banks act as payment agents by conducting checking or current accounts for customers, paying cheques drawn by customers on the bank, and collecting cheques deposited to customers' current accounts. Banks also enable customer payments via other payment methods such as telegraphic transfer, EFTPOS,



and ATM. Banks borrow money by accepting funds deposited on current accounts, by accepting term deposits, and by issuing debt securities such as banknotes and bonds. Banks lend money by making advances to customers on current accounts, by making installment loans, and by investing in marketable debt securities and other forms of money lending. Banks provide almost all payment services, and a bank account is considered indispensable by most businesses, individuals and governments. Non-banks that provide payment services such as remittance companies are not normally considered an adequate substitute for having a bank account.

Banks borrow most funds from households and non-financial businesses, and lend most funds to households and non-financial businesses, but non-bank lenders provide a significant and in many cases adequate substitute for bank loans, and money market funds, cash management trusts and other non-bank financial institutions in many cases provide an adequate substitute to banks for lending savings to.

COMPANY PROFILE

ICICI Bank is India's second-largest bank with total assets of Rs. 4,062.34 billion

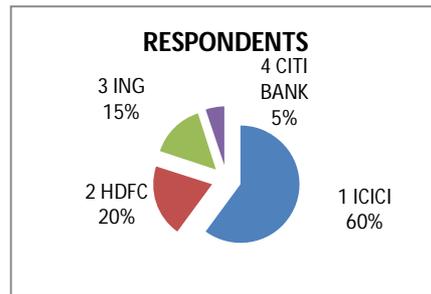
(US\$ 91 billion) at March 31, 2011 and profit after tax Rs. 51.51 billion (US\$ 1,155 million) for the year ended March 31, 2011. The Bank has a network of 2,556 branches and 7,440 ATMs in India, and has a presence in 19 countries, including India. ICICI Bank offers a wide range of banking products and financial services to corporate and retail customers through a variety of delivery channels and through its specialised subsidiaries in the areas of investment banking, life and non-life insurance, venture capital and asset management. The Bank currently has subsidiaries in the United Kingdom, Russia and Canada, branches in United States, Singapore, Bahrain, Hong Kong, Sri Lanka, Qatar and Dubai International Finance Centre and representative offices in United Arab Emirates, China, South Africa, Bangladesh, Thailand, Malaysia and Indonesia. Our UK subsidiary has established branches in Belgium and Germany. ICICI Bank's equity shares are listed in India on Bombay Stock Exchange and the National Stock Exchange of India Limited and its American Depositary Receipts (ADRs) are listed on the New York Stock Exchange (NYSE)



DATA ANALYSIS & INTERPRETATION

1. Which bank you are using?

S. NO	PRODUCT	RESPONDENT	%
1	ICICI	60	60
2	HDFC	20	20
3	ING	15	15
4	CITY BANK	5	5



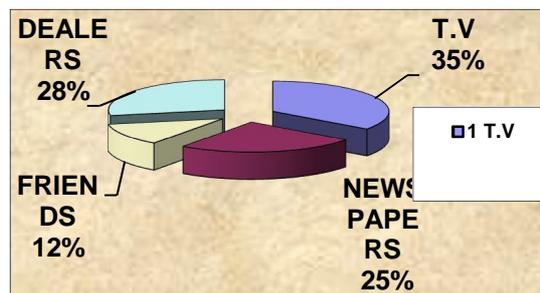
Interpretation:

From above it can be stated that the general satisfaction level of for ICICI in twin cities of and is 60%.

2. SOURCES OF AWARENESS

The customer was enquired about the sources of awareness with regard the ICICI. This will help to know us to which sources is playing a major role in creating awareness among the customers.

S.NO	ADVERTISEMENT	RESPONDENT	%
1	T.V	35	35
2	NEWSPAPER	25	25
3	FRIENDS	12	12
4	DEALERS	28	28



Interpretation

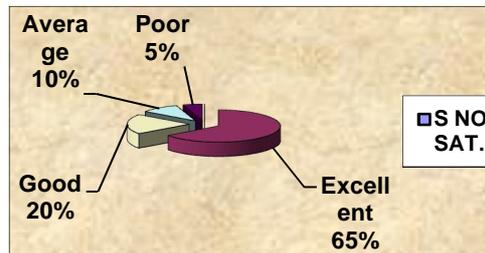
Out of the responses obtained from 100 customers 28% said that they became aware of the Friends. And through the friends 35% of the customers are aware from the T.V. And another 25% are aware of by the NEWS PAPERS. And only 12% are aware by the DEALERS.



3. LEVEL OF SATISFACTION

The customer was enquired about the level of satisfaction with regard to the ICICI.

S.NO	SATISFACTION	RESPONDENT	%
1	EXCELLENT	30	65
2	GOOD	10	20
3	AVERAGE	50	10
4	POOR	10	5



Interpretation:

Out of the responses obtained from 100 customers 65% said that they are EXCELLENT satisfied and 20% were GOOD and 10% were AVERAGE and 5% were vehicle is poor. This data is obtained by most of members were satisfied by ICICI services.

3. What are the voluble attributes you normally look while purchasing an account?

S.NO	ATTRIBUTES	RESPONDENT	%
1	SERVICES	50	50
2	PRICE	10	10
3	SAFETY	30	30
4	OTHERS	10	10



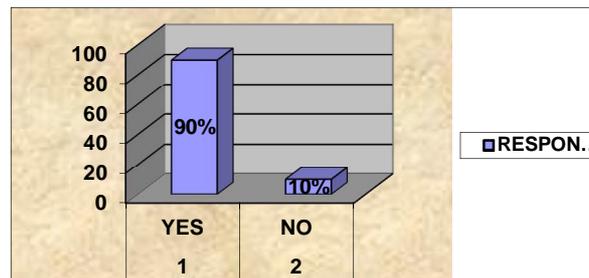
Interpretation:

From the above it can be stated that general normally any one while purchasing a four wheeler most of the members are seeing 50% of members are seeing SERVICES and 30% of members are seeing SAFETY And 10% of members are seeing PRICE and 10% of members are others.

5. SUGGESTING TO FRIENDS

The following table is regarding the customer likeliness in suggesting this bank to other friends. This is an indicator of customer satisfaction also. Let's see the responses.

S.NO	SUGGEST FRIENDS	RESPONDENTS	%
1	YES	90	90
2	NO	10	10



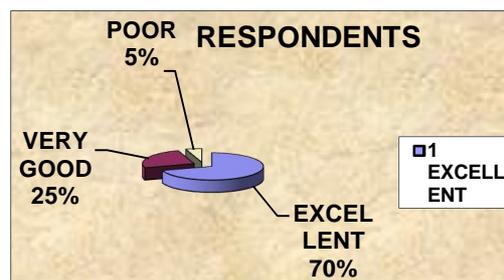
Interpretation:

A look at the chart shows that 90% of the members are suggesting and 10% of the members are not suggesting.

6) BANK EXECUTIVE PERFORMENS

The following table shows "bank executive" role in explaining the features of the cat to customer. This helps to know how effective he is in his job let's seeing the response.

S.NO	EXPLANATION	IN NUMBERS	%
1	EXCELLENT	70	70
2	VERY GOOD	25	25
3	POOR	5	5



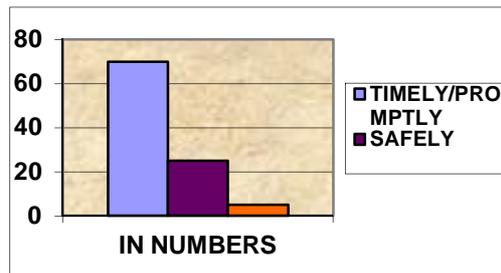
Interpretation:

Out of 100 respondents 60 % of them felt the explanation to be "EXCELLENT". And 35% of them "VERY GOOD" and rest of 5% felt to be "POOR". According to them sales executives does knotty explain all feature POOR this kind of responses need to be considered with seriousness.



7) **RESPONSE TERMS** One of the major factors, which has great role in “CRM”, is the response terms with regard to customer query or grievance.

RESPONDENT TERMS	IN NUMBERS
TIMELY/ PROMPTLY	70
SAFELY	25
INCONDITION	5

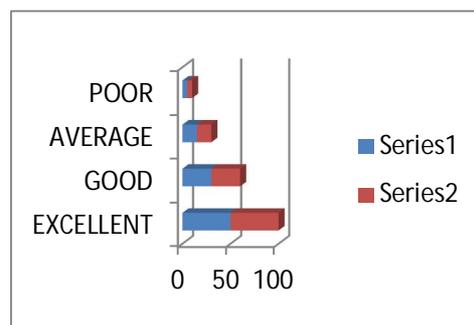


Interpretation:

From the above chart we conclude that most of the customer that is 70% of found the delivery process is to be “TIMELY” and 25% of delivery process to be “SAFELY” and 5% of delivery process to “INCONDITION”.

8) **What is your opinion about bank?**

S.NO	Opinion	RESPONDENT	%
1	EXCELLENT	50	50
2	GOOD	30	30
3	AVERAGE	15	15
4	POOR	5	5



Interpretation:

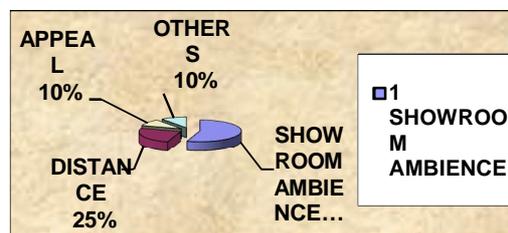
Out of the 100 respondents 50% of them told “EXCELLENT” and 30% of them told “GOOD” and 15% of them told “AVERAGE” and 5% of them told “POOR”.



9) AMBIENCE OF BANK

The other factor, which has much influence on the customer, is the “AMBIENCE” of the show room. This will help to know how the customer perceives this particular show room in comparison with the other showroom.

S.NO	SCALE RATING	RESPONDENT	%
1	BANKING AMBIENCE	55	55
2	DISTANCE	25	25
3	APPEAL	10	10
4	OTHERS	10	10
5	TOTAL	100	100

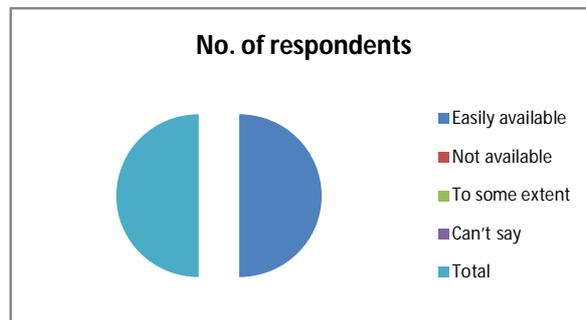


Interpretation:

From the above graph we can conclude that out of 100 customers interviewed 40% were telling that the ambience of showroom is “PLEASANT” and 38% was telling as “EXCELLENT” and 22% says “APPEAL” is very good.

10. What is your Opinion on the service availability of fixed lines?

	NO OF RESPONDENTS	%
Easily available	100	100
Not available	00	00
To some extent	00	00
To some extent	00	00
Can't say	00	00
Total	100	100



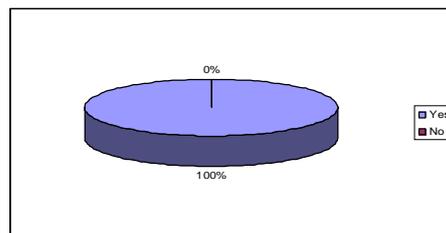
Interpretation:

The above table indicates that the ICICI fixed line services are easily available in urban areas, this is clarified from 100 respondents surveyed.



11) Is CLIP facility providing by the services is sufficient & convenient to you?
 Opinion about CLIP facility:

Opinion	No of Respondent	%
Yes	100	100
NO	00	00
TOTAL	100	100



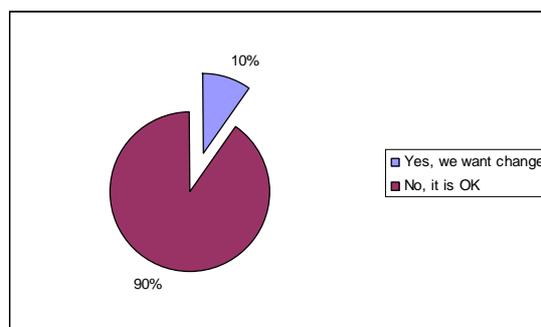
Interpretation:

From the above analysis it is clear that 100% of the respondents are feeling happy and feel the clip facility is sufficient and convenient to them.

12). Do you feel that the instruments being provided along with the services is ok or you want a change (as per choice)?

Instruments provided with service are ok or not:

Opinion	NO OF RESPONDENT	%
Yes we want change	10	10
No, it is OK	90	90
total	100	100



Interpretation:

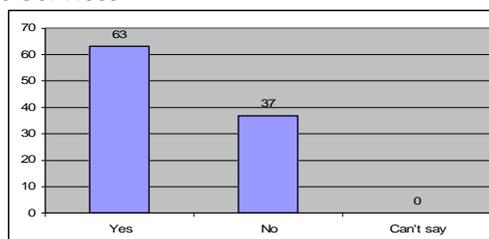
From the above table it is clear that 90% of the total 100 respondents doesn't want any change in the instruments being provided by the company, they want as it is. But the remaining 10% of the respondents are willing to have change in that at some choice, in terms of certain features as compared with the competitors.



13. Do you recommend these services to your friends, Colleagues & Family?

Opinion	No of Respondents	%
Yes	63	63
No	37	37
Can't say	00	00
Total	100	100

Recommendation of the Services



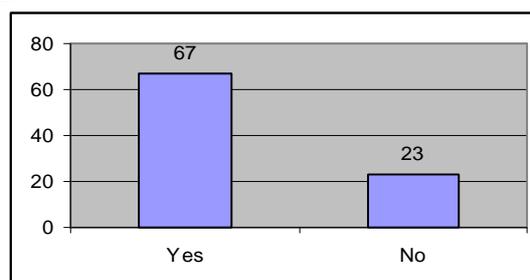
Interpretation:

It is clear that 63% of the respondents would recommend the service, while a significant 37% of the respondents do not want to recommend the service to their friends, colleagues & family.

14) Do you want any additional features to be included to you service in future?

Opinion	NO OF RESPONDENTS	%
YES	67	67
NO	23	23
TOTAL	100	100

Any additional feature



Interpretation:

From the above table it is clear that 67% of the total respondents are desirous of having some new features like Net banking, Mobil banking, online banking etc., to be included in this service in future, and the remaining 23% respondents do not want any changes as far as the additional features are concerned.

SUMMARY OF FINDINGS

Most of the respondents were aware by the friends and relatives



(48%). Advertisements (28%) also helped in providing information to the respondents. 82% of the respondents were aware of ICICI brand. In advertisement media newspapers (56%) were much affective and motor (38%) was also a major advertising media. Many factors like family members advertising were responsible for influencing the customers to buy ICICI BANKING. 6% of the customers were very much satisfied with ICICI BANKING. Whereas 58% was satisfied with ICICI BANKING. 39% of the respondents were satisfied with the service of the ICICI BANKING. After sales service at door step 38% was one of the factors which help the purchaser to buy a ICICI BANKING. Prompt service 52% also help to attract the purchaser. 54% of the respondents considered the price of the ICICI BANKING. As higher whereas only 8% considered as economical and 38% of the respondent said it as reasonable.

SUGGESTIONS AND RECOMMENDATIONS

The most important media for consumer durables is BANKING. So, they should go for television advertisements rather going for newspaper, the television advertisements influences more on the people. They should spend some expenditure for T.V. advertisements. Being the price of the ICICI BANKING is high they should try to reduce prices because there are many other TV's which can be purchased at lower cost, and then these people are selling. If not, the sales may decrease. More features should be added to the television according to the needs of the customer, because their competitors are coming with new models. According to the competitors changing models also these people should change the models also these people should

change the models or change the technology. Company should give some incentives to the dealers for promoting the products of ICICI BANKING. They should not neglect dealers. They should select good dealers, b which they can give customer satisfaction. Company should setup service centres at dealer level itself. They should train some personnel for exclusive maintenance of these Televisions. They should provide home service to the customers. The personnel should be appointed by company to the dealers. The service should be accurate.

CONCLUSION

A study was useful in understanding the customer relationship management of banking among a various customers launching new formulations can make BANKING to the pioneer in many market segments. BANKING was inferred that most customers of high-income group preferred the supply about 70% of customers is aware of BANKING. Most of the customers agree that ING is best quality with reasonable price the attitude 50% of customers towards price of ACCOUNT is reasonable. But 10% of the customers of asking for improvement in the quality.

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