



Customer Relationship Management in Kaveri Grameena Bank

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ABSTRACT

Today, banking sector has been facing stiff competition among intra and inter-banks on one side and foreign banks on other side after economic reforms. Banks have to make efforts to survive in a competitive global market. They have realized that managing customer relationships is a very important factor for their success in the long-run. Customer Relationship Management (CRM) is a strategy that can help them to build long-lasting relationships with their customers and increase their profits through the effective customer relationship management system and the application of customer-focused strategies. CRM strategy in the banking sector is of strategic importance. In this paper, a single descriptive case study of Kaveri Grameena Bank has been discussed in detail. The aim of this paper is to analyze the design and implementation banking environment for CRM in the bank, identify the benefits and challenges, as well as the success factors of the implementation and develop a better understanding of impact of CRM on banking competitiveness as well as to provide a greater understanding of what constitutes good CRM practices.

KEYWORDS :

INTRODUCTION

Customer Relationship Management (CRM) in banking has a number of strategies & techniques that are used to build stronger relationship between bank & their customer. In a global market, there is high competition in banking sector, so banks provide best service to the customers. The new customers are also attracted. The close relationship with customers will acquire a strong co-ordination; the marketing departments provide long term retention of selected customers. Thus bank deals with the role of customer relationship management to increase customer value. In today's challenging global economy, strengthening customer relationships and improving operational efficiencies are top priorities for banks and financial institutions. As competition for deposits and pressure to reduce risk increases, banks continue to seek ways to gain greater customer knowledge and collaborate across divisions to improve service and retain profitable customers. Connected systems along with a data store that centralizes data across channels are essential for banks to retain customers, collect information at every interaction point, segment customers by profitability levels, behaviors and preferences and build share-of-wallet through targeted cross-selling and up-selling strategies. Banking institutions face many challenges including global competition for deposits, loans, underwriting fees, increasing customer demands, shrinking profit margins, and the need to keep up with the new technologies to banks and other service providers realize the importance of CRM and its potential to help them acquiring new customers, retain existing ones and maximize their lifetime value. CRM came into the power when banking institutions were getting more and more competitive. The Kaveri Grameena Bank also working on the same Mantra.

CRM is one of the strategies to manage customer as it focuses on understanding customers as individuals instead of as part of a group (Lambert, 2010). Managing customer relationships is important and valuable to the business. The effective relationship between customers and banks depends on the understanding of the different needs of customers at different stages. The ability of banks to respond towards the customers' needs make the customers feel like a valuable individual rather than just part of a large number of customers. CRM manages the relationships between a firm and its customers. Managing customer relationships requires managing customer knowledge. CRM and knowledge management are directed towards improving and continuously delivering good services to customers. To understand more in customer relationship management, we first need to understand three components they are customer, relationship and their management (Peppers and Rogers, 2004).

More often, managers always make mistakes by seeing customers' satisfaction from their eye not from customers' eye (Peppers and Rogers,

2004). Banking sector is a customer-oriented service where the customer is the KEY focus. Research is needed in such sector to understand customers' need and attitude so as to build a long relationship with them. Customer Relationship

Management includes all the marketing activities, which are designed to establish, develop, maintain, and sustain a successful relationship with the target customers. CRM identifies the present and future markets, selects the markets to serve and identifies the progress of existing and new services. Thus, CRM is a managerial philosophy that seeks to build long term relationships with customers. CRM can be defined as the development and maintenance of mutually beneficial long-term relationships with strategically significant customers (Buttle, 2002). It is the establishment, development, maintenance and optimization of long term mutually valuable relationships between consumers and the organizations. Successful customer relationship management focuses on understanding the needs and desires of the customers and is achieved by placing these needs at the heart of the business by integrating them with the organization's strategy, people, technology and business processes.

INTRODUCTION OF CUSTOMER RELATIONSHIP MANAGEMENT

Today, many businesses such as banks, insurance companies, and other service providers realize the importance of Customer Relationship Management and its potential to help them acquire new customers retain existing ones and maximize their value. At this point, close relationship with customers will require a strong coordination between IT and marketing departments to provide a long – term retention of selected customers. This paper deals with the role of Customer Relationship Management in banking sector and the need for Customer Relationship Management to increase customer value by using some analytical methods in CRM applications.

CRM in a banking industry is extremely mandatory to create trust among your consumers. You can establish customer support during on and off working hours, make timely information about interest payments, maturity of time deposit, create awareness regarding e-banking and any upcoming products, adopt mobile requests, track customer requests and analyze the timeline of customer complaints and how it progresses and so on. CRM is a sound business strategy to identify the bank's most profitable customers and prospects, and devotes time and attention to expanding account relationship with those customers through individualized marketing, reprising, discretionary decision making, and customized service- all delivered through the various sales channels that the bank uses.

In today's challenging global economy, strengthening customer relationships and improving operational efficiencies are top priorities for banks and financial institutions. As competition for deposits and pressure to reduce risk increases, banks continue to seek ways to gain greater customer knowledge and collaborate across divisions to improve service and retain profitable customers. Connected systems along with a data store that centralizes data across channels are essential for banks to retain customers collect information at every interaction point; segment customers by profitability levels, behaviors, and preferences; and build share-of-wallet through targeted cross-selling and up-selling strategies.

CUSTOMER RELATIONSHIP MANAGEMENT GLOBAL SCENARIO:

The battle for banks to greater slice of the market share is increasing year by year as with the globalization effect banks are finding increasingly difficult to meet the high growth of customer expectations. In other their economic lines banks are increasingly looking at ways of achieving organic growth through acquisition of new customers and retaining existing customers. In this 21st century one of the approaches which are creating the buzz in the banking sector is Customer Relationship Management. Banks are realizing that the magical formulae for attaining success in such a competitive environment is to focus on maintaining relationship with customers leading to customer loyalty and retention. In fact Customer Relationship Management involves organizing activities around the sole customer which can ensure differentiation at each point of sales by creating a unique customer experience to customer. But in reality the paradox is that since the word customer is associated with CRM, many banks are under the misconception that they secure competitiveness by implementing CRM as a piece of software.

In the globalized economy markets across the world have been witnessing keen competition from both indigenous and external competitors. India is no exception to this trend. In order to retain and further expand the Indian market share in the global market, it is necessary to face competition and win over the rivals. This requires an improvement not only in terms of quality and price of their products/services, but also in terms of application of Customer Relation Management (CRM) in the long run. CRM is the latest marketing 'mantra' adopted to gain customer loyalty and retention of customers for a long term. Once the needs are created it is the duty of the producer/distributor to satisfy the needs of the customers at affordable cost and keep them with the organization for a long time.

No doubt customer relation management concept is more successful in the manufacturing industries. However some of the service sector industries information technology, financial services, insurance, hotel, hospital, telecommunication etc., have also successfully tried out this strategy. They are effectively implementing CRM by providing guaranty, warranty, after sale service, business replay, opening customer care centres and effective customer compliant management. This type of customer relation management is also very essential in the institutions of higher education especially in the university education system. This could be one of the effective instruments to satisfy the growing needs of the students in the changing environment.

Customer relationship management is a technique largely followed by commercial service providers. Educational services have already become a marketable service and competition has become inevitable. The students have started choosing educational institutions based on varied aspects both related to physical infrastructure and the quality of human resources. The students here are the consumers of educational services and therefore need to be treated with care and caution. Hence, an effective Student Relationship Management is the need of the hour

The Shorter Oxford Dictionary defines 'relationship' as "a connection or association". Therefore Student relationship management can be defined as: "The ways in which learning providers organize their connections with students over the lifetime of their association" "Consumer" means any person who

- (i) buys any goods for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any user of such goods and services other than the person who buys such goods and services for

consideration paid or promised or partly paid or partly promised, or under any system of deferred payment when such use is made with the approval of such person, but does not include a person who obtains such goods and services for resale or for any commercial purpose; or

- (ii) any services for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any beneficiary of such services other than the person who ¹[hires or avails of] the services for consideration paid or promised, or partly paid and partly promised, or under any system of deferred payments, when such services are availed of with the approval of the first-mentioned person;

CRM AS MARKETING STRATEGY:

Several commercial CRM software packages are available, and they vary in their approach to CRM. However, as mentioned above, CRM is not just a technology but rather a comprehensive, customer-centric approach to an organization's philosophy of dealing with its customers. This includes policies and processes, front-of-house customer service, employee training, marketing, systems and information management. Hence, it is important that any CRM implementation considerations stretch beyond technology toward the broader organizational requirements.

The objectives of a CRM strategy must consider a company's specific situation and its customer's needs and expectations. Information gained through CRM initiatives can support the development of marketing strategy by developing the organization's knowledge in areas such as identifying customer segments, improving customer retention, improving product offerings (by better understanding customer needs), and by identifying the organization's most profitable customers.

CRM strategies can vary in size, complexity, and scope. Some companies consider a CRM strategy only to focus on the management of a team of salespeople. However, other CRM strategies can cover customer interaction across the entire organization. Many commercial CRM software packages provide features that serve the sales, marketing, event management, project management, and finance industries.

CRM IN BANKING SECTOR

Over the last few decades, technical evolution has highly affected the banking industry. For more than 200 years, banks were using branch based operations. Since the 1980s, things have been really changing with the advent of multiple technologies and applications. Different organizations got affected from this revolution; the banking industry is one of it (Sherif, 2002). In this technology revolution, technology based remote access delivery channels and payment systems surfaced. ATM displaced cashier tellers, telephone represented by call centers replaced the bank branch, internet replaced the mail, credit cards and electronic cash replaced traditional

Cash transactions, and interactive television will replace face-to-face transactions (Sherif, 2002).

In recent years, banks have moved towards marketing orientation and the adoption of relationship banking principles. The key motivators for embracing marketing principles were the competitive pressure that arose from the deregulation of the financial services market particularly in India. This essentially exposed clearing banks and the retail banking market to increased competition and led to a blurring of boundaries in many traditional product markets (Durkin, 2004). The bank would need a complete view of its customers across the various systems that contain their data. If the bank could track customer behavior, executives can have a better understanding, a predicative future behavior and customer preferences. The data and applications can help the bank to manage its customer relationship to continue to grow and evolve (Dyche, 2001). According to Stone et al. (2002) most sectors of the financial services industry are trying to use CRM techniques to achieve a variety of outcomes. In the area of strategy, they are trying to:

- Create consumer-centric culture and organization;
- Maximize customer profitability;
- Integrate communications and supplier – customer interactions across channels;
- Identify sales prospects and opportunities;
- Support cross and up-selling initiatives;

- Manage customer value by developing propositions aimed at different customer segments;
- Support channel management, pricing and migration.

OBJECTIVES OF CUSTOMER RELATIONSHIP MANAGEMENT IN BANKING:-

1) Increase in Customer Service:

Establishing customer loyalty as one of your top CRM goals is absolutely fundamental to CRM successful implementation. For this task it is essential that the whole organization realize that they play a part in this goal. This objective cannot be achieved with the help of a few employees only. Customers need to feel that they have received excellent service. This ensures their continued patronage. This is by far one of the most essential goals of customer relationship management. Customer retention and brand loyalty is absolutely essential to ensure success. Undoubtedly it is far harder to gain a new customer than to actually keep one. Customer service is the pivotal point around which CRM revolves.

2) Increasing Efficiency:

One of the most important goals of CRM is the increase in organization efficiency and effectiveness. This is almost always adopted by every organization. It is necessitated by the fact that increase in efficiency is required to boost success. CRM achieves this through cost reduction and customer retention. Adequate CRM training achieves this goal.

3) Lowering Operating Costs

CRM goals also include the reduction of costs of operation. This goal should be clearly established and conveyed to all those involved in the CRM implementation process. CRM manages to reduce operating costs through a workforce management system. This helps to maximize skills and thus reduce cost. These reduced costs enable an organization to achieve greater efficiency. If cost reduction is management's objective then the CRM implementation should be carried out in such a way that this is achieved. Throughout the process maximum reduction in costs should be adhered to in order to meet this particular CRM goal.

4) Aiding the Marketing Department

Another goal of CRM is generally aiding the marketing department in all its efforts. This includes marketing campaigns, sales promotions etc. If this is fixated as one of the goals of CRM, then it should be communicated to those involved. This goal is fundamental as it boosts sales indirectly thereby increasing the profitability.

In banks today, customers have more power in deciding their bank of choice. Consequently, keeping existing customers, as well as attracting new ones, is a critical concern for banks. Customer satisfaction is an important variable in evaluation and control in a bank marketing management. Poor customer satisfaction will lead to a decline in customer loyalty, and given the extended offerings from the competitors, customers can easily switch banks. Banks need to leverage effectively on their customer relationships and make better use of customer information across the institution.

REVIEW OF LITREATURE

Berry (1983) defined relationship marketing as attracting, maintaining and enhancing the Customers' relationships in multi-service organization. After a few decades, the evolution in relationship marketing philosophy changed the word relationship marketing to CRM.

Sheth and Sisodia, (1995) the organisational performance is enhanced because marketing efficiency is achieved due to the cooperative and collaborative processes introduced by CRM which helps in reducing transaction costs and overall development costs for the company.

Puccinelli (1999) looks the financial services industry as entering a new era where personal attention is decreasing because the institutions are using technology to replace human contact in many application areas.

Brown (2000) CRM is a process of acquiring new customers, retaining the existence customers, and at the same time understands, anticipates and manages the needs of an organization's current and potential customers.

Ramachandran (2002) the study has stressed on improving customer loyalty and to measure the depth, stages of relationship development in banks. The study proved that the concept of CRM needs to make its impact in the banking scenario, especially, in the nationalized bank, state bank group and old private banks. Being customer centric rather than product centric goes a long way in laying the right foundation for better CRM. Retention of old customer must be given precedence over acquisition of new customer for it to promote cross selling of products and thereby increase profitability.

Vishuprasad and Nagadevara (2002) presented a paper on the strategy of using data mining techniques to identify, categorize and segmentize the customer and profile them for a specifically targeted product and to cross sell other products has been demonstrated in this paper. In the study of demographic clustering was one of the commonly used tools for customer segmentation. Few of the customers were analyzed to demonstrate the appropriate strategies for acquisition of new customers as well as cross selling. The objective is to use the characteristics of their customer segments to maximize life time value.

Panda (2003) described customer expectations are difficult to manage but are often the cause of dissonance which results in loss of existing customer base. So understanding of customer expectations with regard to service delivery levels and product quality is essential for establishing a long term symbolic value relationship.

Lau et al., (2003) The challenge before the banks is not only to obtain updated information for each customer, but also to use the information to determine the best time to offer the most relevant products.

Injazz, Chen and Karen Popuich (2003) in their study provide an integrated by focusing on customer retention and relationship by focusing on customer retention and relationship development. CRM has evolved from advances in IT and organizational changes in customer centric processes. Although a large portion of CRM is technology viewing CRM as a technology-only solution is likely to fail. Managing a successful implementation requires an integrated and balanced approach to technology, process and people.

Arvind Singh (2004) in his article argues that the truly most productive and desirables assets are not buildings and fixtures but a profitable customer base. He also states that enhanced customer relationship implies taking customer service and associated profitability to new heights by increasingly interactive banking and client links. He also suggests that banks globally must consider themselves as innovative solution providers satisfying the customer rather than just a product driven or a profit driven distribution. He also discusses extensively, now the advancements in technology have changed the face of banking and have compelled banks in UK and the use to rethink their strategies. He also suggests that banks must reassess their strategies and must acquire a mindset in managing customer relationship to be successful in the ever changing markets.

Chitanya, (2005) these brings about two important processes of proactive customer business development and building partnering relationships with the most important customers.

Lu and Shang (2007) explored the CRM perceptions in freight forwarder services from managerial perspectives. They had come out with six dimensions of CRM namely customer acquisition, customer response, customer knowledge, customer information system, customer value evaluation, and customer information process.

Bansal and Sharma, (2008) Further, a clear vision of CRM along with appropriate strategies if applies in banking sectors found out that beneficial in maintaining the customer service quality, customer satisfaction and customer retention which ultimately leads to the growth of the organization and profitability.

Girdhar (2009) observed that by satisfying the internal customers and building good relationship with them, the relationship with the external customers can also be retained and satisfied by the banks.

Kumar & Rajesh (2009) reveals that any bank that wishes to either grow in size of its banking operation or improve its profitability must consider the challenges affecting its customer relationship.

OBJECTIVES OF THE STUDY

1. To study the CRM strategy in banking industry.
2. To study the status of CRM in Kaveri Grameena Bank.
3. To study the gap between expectation of customers and performance of banking services.
4. To analyze the perception of the customers towards CRM strategies.
5. To suggest various measures to strengthen the CRM in Rural Banks

SCOPE OF THE STUDY

In these days, customer relationship management is very important in banking sector. The level customer's satisfaction will impact on the quality of banking services. In this regard customer relationship management in banking sector will plays vital role. The present paper will cover how; banks are looking towards customer by considering CRM strategy. This paper is based on the consumers with in Kaveri Grameena Bank. The study will be able to reveal the basic needs, level banking services and satisfaction of the customers regarding the banking services, It also help banks to know whether the existing products or services they are offering are really satisfying the customers' needs.

RESEARCH METHODOLOGY

Primary data: Information collected by observation, interaction and structured administered questionnaires. Sample size 100 respondents selected on the basis of **SIMPLE RANDOM SAMPLING.** **Secondary data:** The article also based on secondary data as well literature, reports, annual reports, statistical figures and books, journals published by Government and also visited to various websites.

STATEMENT OF THE PROBLEM

In Modern Marketing scenario advocates the concept of CRM that creates customer delight. This applies to all sectors of Sales and Marketing includes the banking sector. In the banking field a unique 'Relationship' exists between the customers and the bank. But because of various reasons and apprehensions like financial burdens, risk of failure, marketing inertia etc., many banks are still following the traditional ways of marketing and only few banks are making attempts to adapt CRM. It is with this background, the researcher has made a modest attempt towards the idea that CRM can be adapted uniformly in the banking industry for betterment of Banking Services. The role of CRM is quite different and distinguishable to traditional type of Marketing CRM participate not only in Marketing but also in implementing the business as a strategy to acquire, grow and retain profitable customers with a goal of creating a sustainable competitive advantage. Particularly in rural banking sector, the role of CRM is very vital in leading the banks towards high level and volume of profits. So there is a need to study the role of CRM in development and promotion of rural banking sector through the sidelines of the practices, problems and impact of the CRM on banking sector all the time.

PROFILE OF KAVERI GRAMEENA BANK

History of Kaveri Grameena Bank:

Kaveri Grameena Bank came into existence on 1st November 2012 (Sponsored by State Bank of Mysore) by Amalgamation of Cauvery Kalpatharu Grameena Bank, Chiko Grameena Bank and Visveshwaraya Grameena Bank, Sponsored by State Bank of Mysore, Corporation Bank and Vijaya Bank respectively.

The three transferor banks viz., Cauvery Kalpatharu Grameena Bank was Established on 24-05.2006 (After Amalgamation of erstwhile Cauvery Grameena Bank which was established on 2nd October 1976 and Kalpatharu Grmeena Bank which was established on 31st March 1982), Visveshwaraya Grameena Bank was established 27-03-1985 and Chikamagalur-kodagu Grameena Bank was established on 28-04-1984. They have become household name in their respective area of operation spread over 07:01:2 district respectively.

The Regional Rural Banks established under Regional Rural Banks Act, 1976.

Jointly owned by Government of India, State Bank of Mysore and Government of Karnataka, share capital contributed in the ration of 50:35:15 respectively.

A scheduled Commercial Bank permitted to carry all kinds of business.

ANALYSIS AND INTERPRETATION:

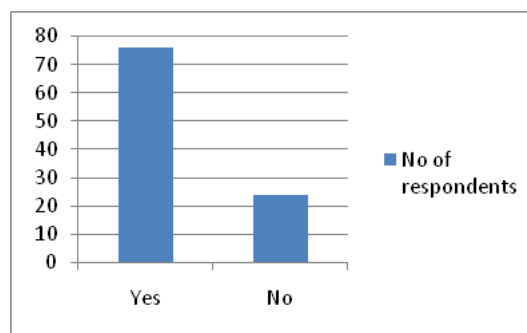
From how long years you are the customers of Kaveri Grameena Bank?

To know the how many customers in this bank.

Table No: 1

Sl. No.	Particulars	No. Of respondents	Percentage
1	Less than 1 year	40	40
2	One to five year	30	30
3	Five to ten years	30	30
	Total	100	100

Source: primary data



Analysis and interpretation:- Table 1 clearly shows that 40% customers is less than 1 year , 30% customers is 1-5 year and 30% customers is 5 – 10 years. This table indicates to highest customers is less than 1 year.

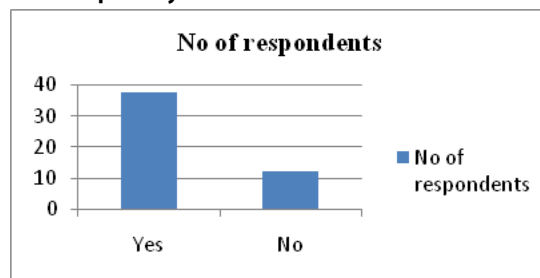
Are you receiving any benefit of this bank?

To know what are the benefits receiving the customers?

Table No: 2

Sl.No.	Particulars	No of respondents	Percentage (%)
1	Yes	76	76
2	No	24	24
	Total	100	100

Sources: primary data



Analysis and interpretation:- Table2 clearly make it 76% respondents says more benefit receiving in Kaveri Grameena Bank But 24% respondents opinion is No.

Are you satisfied with this bank's performance under the light of CRM?

It highlights overall performance of this bank.

Table No: 3

Sl.No.	Particulars	No of respondents	Percentage (%)
1	Yes	100	100
2	No	0	0
	Total	100	100

Source: Primary Data

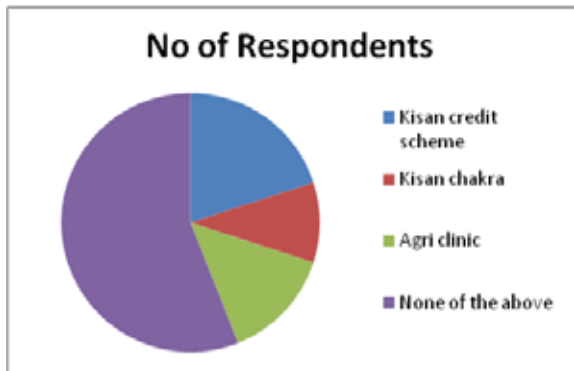
Analysis and Interpretation:- Table 3 clearly states that 100% respondents says that the Kaveri Grameena Bank in customer relationship is good performance.

4. Under which type of schemes you are taking the loan?
To know what are schemes available in this bank?

Table No: 4

Sl.No.	Particulars	No of Respondents	Percentage
1	Kisan credit scheme	20	20
2	Kisan chakra	10	10
3	Agri clinic	14	14
4	None of the above	56	56
	Total	100	100

Source: - Primary Data



Analysis and Interpretation:- Table 4 shows that the Kisan credit schemes 20% respondents are taking loan, Kisan chakra is 10%, Agri clinic is 14% and none of the above is 56%. It means all the 3 are indicates agricultural loan But 56% respondents taking the loan for other purposes. Example: - Housing loan, vehicle loan. .

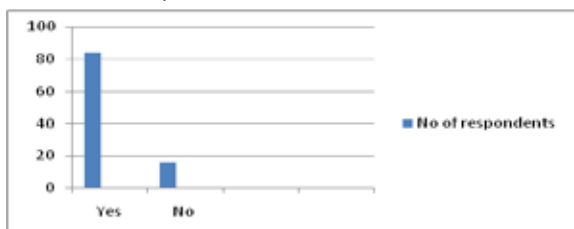
4.11 Are you enjoying the benefits from the above schemes?

To know the customers satisfaction in this schemes.

Table 5

Sl.No.	Particulars	No of respondents	Percentage (%)
1	Yes	84	84
2	No	16	16
	Total	100	100

Source:- Primary Data



Analysis and Interpretation:- Table 5 clearly explains that 84% respondents is Yes But 16% respondents are No Because it is depend on what type of loan the customers are received.

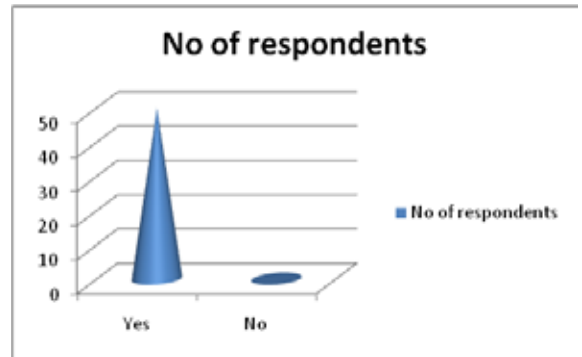
6. Do you feel the customer relationship is good when compared to other bank?

To find out the good relations to customers.

Table No 6.

Sl.No.	Particulars	No of respondents	Percentage (%)
1	Yes	100	100
2	No	0	0
	Total	100	100

Source:- Primary Data



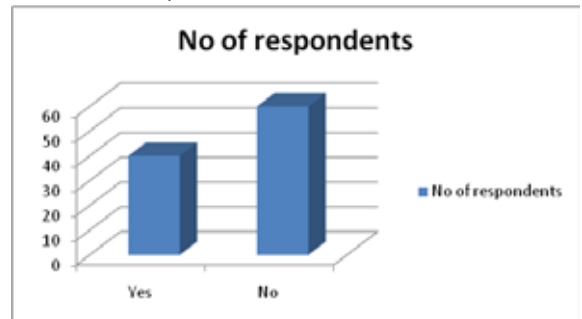
Analysis and Interpretation:- Table 6 shows that clearly make it 100% respondents says good

7. Do you think this bank is more effective to other bank?
To know the more effective to compare the other banking so asking this question.

Table No: 7

Sl.No.	Particulars	No of respondents	Percentage (%)
1	Yes	40	40
2	No	60	60
	Total	100	100

Source :-Primary Data



Analysis and Interpretation:- 4.16 Table states that 60% customers opinion is No and 40% customers opinion is Yes Because the Cauvery Kalpahtaru Grameena Bank is less effective to compare to other bank.

FINDINGS:

- The respondents have shown unfavorable views with respect to banking experience, transaction accuracy and promptness. However, customers share positive views concerning bank trustworthiness and accuracy of banking solutions. Therefore, it can be argued that customers trust their bank. Indeed, trust is seen as a critical construct in a range of discipline areas including CRM. Further, within the realm of relationship marketing, trust has been recognized as an important variable for the success of relationships in the banking sector.
- The study demonstrates that most of the customers have positive perceptions pertaining to their Bank keeping them up to date with the best ways of investing money and they are of the opinion that the information provided by their banks are up to their expectations. Nevertheless, the overall satisfaction with website being informative and easy to retrieve information is quite favorable

and banks are striving to sell their experience through electronic technologies in order to create a seamless banking experience. New communication and information technologies and self-service systems provide some utilities of space and time which can be valued by the consumers. Banking customers will gain several feedbacks that they know their job well, there are areas that they need to work on and they are working on them too.

- This result has to do with the new system and technology-based process adopted by the Indian banking industry. The Indian Banking Industry has seen a revolution in the way it has been operating and rendering their service. Consumer banking services have become easier and convenient. Apart from technology, the changing demographic structure of Indian population that shows a young working population has created a demand for better services.
- There is lack of adoption of modern technology in Kaveri Grameena Bank as a result the attraction of customers are less when compared to other banks.
- There is no sufficient credit facility for customers.
- This branch is not reaching the customers satisfaction level.

SUGGESTIONS

- The Kaveri Grameena bank needs to attract the new customers so as to maximize the wealth.
- To adapt the modern technology in Kaveri Grameena bank so that the performance increases and better relationship can be maintained with the customers.
- The Kaveri Grameena Bank needs to provide better services to the customers which automatically build the good relationship with the customers.
- To encourage the self help groups.
- Employ more relationship executives for catering the needs of the people visiting the banks.
- Try to reduce the customers visits to the bank by redressing the problems on phone, e-mail etc.

CONCLUSION

Customer Relationship Management is concerned with attracting, maintaining and enhancing customer relationship in multi service organizations. CRM goes beyond the transactional exchange and enables the marketer to estimate the customer's sentiments and buying intentions so that the customer can be provided with products and services before the starts demanding. Customers are the backbone of any kind of business activities, maintaining relationship with them yield better result. This study provides a step in understanding the existing CRM strategies in Kaveri Grameena Bank. The findings indicate that there are several loop holes in the

existing tactical CRM strategies in Kaveri Grameena Bank. This study is an example of the knowledge that can be gained in understanding the effectiveness of front end CRM strategies in the Indian banking sector from the customer perspective and further in-depth case study analysis can be executed to give more on CRM strategies in the Indian banking sector. This study shows that if organizations want to attain a sustainable competitive advantage through CRM, they should efficiently apply all the CRM resources to create CRM process capabilities which are unique and cannot be copied by other organizations. There is a direct relationship between perception and satisfaction, important. And employing CRM may only strengthen the relationship between perceptions and up-buying and cross buying which is all in support of introducing CRM in service sector. Banks are realizing that CRM is the magic bullet that helps financial institutions to build stronger and more profitable relationships. Hence Banks should focus on delivering to customers by having a concise and precise ways of doing things through effective CRM solutions rather than developing product strategy.

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