A STUDY ON ASSOCIATION BETWEEN THE DEMOGRAPHICAL VARIABLES AND THE DIMENSIONS OF CRM IN PUBLIC SECTOR AND PRIVATE SECTOR BANKS IN KANYAKUMARI DISTRICT

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ABSTRACT The abstract entitled "A study on association between the demographical variables and the dimensions of CRM in public sector and Public Sector banks in Kanyakumari District" was undertaken to find out the association between the demographical variables and the dimensions of CRM in public sector and Public Sector banks in Kanyakumari District. This study provides a step in understanding the existing customer relationship management practices in banks in the public sector and private sector banks. This study is an example of the knowledge that can be gained in understanding the effectiveness of customer relationship management strategies in the banking sector, the customer relationship management is one such tool which helps in meeting the customer's expectations according to their changing needs. The study is a descriptive one. Primary data collected with the help of structured questionnaire administrated to Customers of Private and Public Sector Banks at Kanyakumari District. 335 respondents were selected by adopting simple random sampling using lottery method. The Data is collected from the top two banks (Private Sector and Public Sector Banks). The collected data were analyzed by using relevant statistical techniques like Mean Score, ANOVA, Factor analysis, Multiple Regression, Structural Equation Modelling using AMOS. This study is an example of the knowledge that can be gained in understanding the effectiveness of customer relationship management strategies in the banking sector, the customer relationship management is one such tool which helps in meeting the customer's expectations according to their changing needs.

INTRODUCTION

Bring new customers and retain old customers are the primary motivation behind business. Customer Relations is the critical key to success of any business. Customer Relationship Management (CRM) is a complete methodology for attracting, retaining and extending customer relationships. CRM doesn't simply have a place with deals and advertising. CRM is a smart mix of showcasing and data innovation for serving the customer with more remarkable consideration and worth. It is another method for working together covering all angles. On the off chance that any region is kept separate from CRM, the organization is exposed to more serious risk.

Customer relationship management is one of the techniques to oversee customer as it centers around understanding customers as people rather than as a component of a meeting. CRM deals with the relationships between a firm and its customers. Today, numerous businesses, for example, banks, insurance companies, and other specialist organizations understand the significance of Customer Relationship management and its capability to assist them with procuring new customers hold existing ones and amplify their lifetime esteem.

In the past few decades, globalization of banking services has expanded challenge in the banking business. Hence, the banking business has encountered a noticeable move from profit-centric business model to customer-centric business model. In such a situation, it is fundamental for banking associations find imaginative approaches to pull in and hold customers.

CRM is considered as an incredible asset in the banking business to procure new customers, hold the current ones, and expand their lifetime esteem. As talked about before, CRM is a business methodology utilized by an association to manufacture, keep up, and extend relationships with customers. It causes an association to comprehend the necessities and inclinations of present and forthcoming customers.

Need for the Study

Banking industry is experiencing enormous changes because of Liberalization, Privatization and Globalization (LPG). Passages of private players have gotten a daily practice right now. This has improved client support past minds. Items, administrations are accessible in bounty. Clients today have a wide assortment of decisions before them. Beforehand, the clients never had such chances to pick, before them. Further, innovation is making ponders in regard of items and administrations in banks. At present there are developments and inventiveness penetrating into the banks items and administrations. With competition getting hotter and hotter day-by-day, all the banks in the industry were giving a valiant effort for endurance.

Statement of the Problem

Indian Banking sector is highly influenced by Globalization and liberalization. Bank as a service sector, customer service is not considered as a function, but as a way of life also. The success of any bank depends on how much it fulfills customer needs. Therefore, the bank should be customer oriented to meet challenges to today's competitive environment

In service marketing competition becomes keen; many firms have utilized the customer relationship management tool for enhancing the customer relations, to provide good quality of services and also help to enhance the product offerings.

Research Objectives

1. To identify the factors influencing Customer Relationship Management practices in public sector and private sector banks in Kanyakumari District.
2. To study the association between the demographical variables and the dimensions of CRM in public sector and Public Sector banks in Kanyakumari District.
3. To examine the Relationship quality dimensions leads to Customer Satisfaction and Retention in public sector and Public Sector banks in Kanyakumari District.

Research Design

The study is a descriptive one. Primary data collected with the help of structured questionnaire administrated to customers of private and public sector banks at Kanyakumari District. Data was collected from various customers of private and public sector banks at Kanyakumari District. 335 respondents were selected by adopting simple random sampling using lottery method. To find out the suitability of the questionnaire a pilot study was carried out among 50 respondents and necessary additions and deletions were made in the questionnaire.

Selection of Bank

The Data is collected from the top two banks (Private Sector and Public Sector Banks). The selection is based on the secondary data. The top two banks are selected based on the total asset of the company. In Private Sector Banks, HDFC Bank and ICICI Bank are taken for the study. In Public Sector Banks, State Bank of India and Punjab National

Bank are taken for the study.

Mean Value of the Dimensions: Mean for Trust Factors

Mean for Atmosphere	Public Sector Banks	Private Sector Banks		
	Mean	SD	Mean	SD
Reliable services	3.68	1.008	3.16	1.289
Customers' obligations	4.00	0.879	3.48	1.388
Values	3.79	0.862	3.58	1.216
Sets the new trends	3.75	0.952	3.42	1.233
Compromise acceptable quality	3.84	0.997	3.42	1.216
Not having any hidden charges	3.91	1.024	3.39	1.329
Customers have better opinion	3.65	1.047	3.32	1.287
Ownership of the banks	3.32	1.115	2.90	1.320
Mean Score	3.79	0.674	3.46	0.764

Findings

The overall respective mean score of 3.79 from the table indicates that the respondents agreed with Trust Factors variable which are a dimension of CRM practices of public sector banks. And the overall respective mean score of 3.46 from the table indicates that the respondents agreed with Trust Factors variable which are a dimension of CRM practices of private sector banks.

The overall respective mean score of 3.64 from the table indicates that the respondents agreed with Security Factor variables which are a dimension of CRM practices of public sector banks. And the overall respective mean score of 3.64 from the table indicates that the respondents agreed with Security Factors variable which are a dimension of CRM practices of private sector banks.

The overall respective mean score of 3.64 from the table indicates that the respondents agreed with Word of Mouth Factors variables which are a dimension of CRM practices of public sector banks. And the overall respective mean score of 3.64 from the table indicates that the respondents agreed with Word of Mouth Factors variable which are a dimension of CRM practices of private sector banks.

The overall respective mean score of 3.58 from the table indicates that the respondents agreed with Service Quality Factor variables which are a dimension of CRM practices of public sector banks. And the overall respective mean score of 3.52 from the table indicates that the respondents agreed with Service Quality Factor variables which are a dimension of CRM practices of private sector banks.

The overall respective mean score of 3.66 from the table indicates that the respondents agreed with Customer Satisfaction variables which are a dimension of CRM practices of public sector banks. And the overall respective mean score of 3.59 from the table indicates that the respondents agreed with Customer Satisfaction variables which are a dimension of CRM practices of private sector banks.

The overall respective mean score of 3.63 from the table indicates that the respondents agreed with Customer Retention variables which are a dimension of CRM practices of public sector banks. The overall respective mean score of 3.56 from the table indicates that the respondents agreed with Customer Retention variables which are a dimension of CRM practices of private sector banks.

CONCLUSIONS

Now-a-days the banking sector is marked by high customer expectations and technological innovations. Technology is playing a prominent role in day-wise operations of banks. Banks are also trying to use advanced technology to have an edge over competition in the industry. All the efforts of banks are directed towards developing long-term relation with the customers, which benefits both customers and the bankers. In the present study, banks customers have been taken into consideration for analysis to validate the research model. This study provides a step in understanding the existing Customer relationship Management practices in banks in the public sector and private sector banks.

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