

Role of Customer Relationship Management Practices and Integrated Marketing Communication in Customer Satisfaction—A Study With Reference to Banking Sector in India

Dr.T.Arunmozhi

(Asst.Professor in Commerce, K.C.S.KasiNadar College of Arts & Science. Chennai, India)

Abstract

Indian Banking sectors are emerged with global standards creating more expectation from customers and it becomes very big challenge for banks to keep their customers satisfied. Factors influencing customer satisfaction such as price, product, brand, etc. become older one. Customer's expectations are more than all these factors. Before long, the key focus of an affiliation's elevating attempts is to make satisfying relationship with customers that advantage both the customer and the affiliation. It is imperative to hold the gainful clients on the grounds that there is a general thought that holding a current client is less expensive than obtaining another one. Customer Relationship Management (CRM) is currently being one of the new advancements in marketing which can address this problem. It is being seen as an instrument to secure and hold clients utilizing the one of the productive channels known as web. The fundamental target of this paper is to think about the idea of CRM and coordinated showcasing correspondence (IMC) and its advantages. Further the investigation likewise analyzes the job of CRM in consumer loyalty. This subjective research depends on auxiliary information which is gathered through various sites, diaries, business magazines, course readings and papers.

Keywords: CRM, IMC, Banking sector, customer satisfaction

INTRODUCTION

In the present competitive business environment banks could not survive with a transactional attitude towards customers. For their survival, banks need focused marketing strategy to retain their potential customers and to satisfying them. Service sector like banking is a customer-oriented sector where customers are the key focus. Understanding Customers' perception, expectation and switching behaviour is not a onetime process. It is a constant system and for which agents need to produce an included colleague with them. Customer Relationship Management consolidates all the publicizing works out, which are planned to develop, make, keep up, and bolster a productive relationship with the goal customers. CRM recognizes the present and future markets, picks the business parts to serve and perceives the progression of existing and new administrations. CRM helps the investors not exclusively to draw in new clients yet in addition to hold the current potential clients. In India, numerous banks particularly people in general division banks are as yet following the conventional methods for showcasing and just couple of banks is making endeavors to adjust CRM. With this foundation, the specialist has made an endeavor towards the possibility that CRM can be adjusted consistently in the managing an account industry for improvement of Banking Services just as for consumer loyalty.

OBJECTIVES OF THE STUDY

The principle targets of the examination are:

1. To assess the possibility of CRM and Integrated promoting correspondence.
2. To perceive the prerequisite for CRM Practices and Integrated promoting correspondence in Banking Sector.
3. To evaluate the Process and Benefits of CRM setting in Banking Sector.

4. To take a gander at the confirmation of e-CRM practices in banks in India.
5. To examination the activity of CRM with IMC in shopper reliability

CONCEPT OF CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

Relationships are the essence of life. Its miles are difficult to consider any society or agency to live to tell the tale without relationships. They're the invisible threads, which build a completely unique bond between people and businesses. On the one hand these bonds may be as robust as iron pillars lasting for lifetime, while alternatively they're as sensitive as feather which can be broken inside no time. Coping with relationships is a completely tough and complex phenomenon. Agencies understand the importance of the essential role performed with the aid of relationships in accomplishing and maintaining the reducing part on the marketplace.

The success of any enterprise generally depends upon the maintaining the customer benefit that is maintaining the clients for lifetime. Developing complexities and uncertainties at the market region together with intensifying worldwide opposition are forcing the enterprise organization to invest in building patron relationships. New and sophisticated marketing device kits are being designed to draw, fulfill and hold clients for accomplishing sustainable aggressive gain. CRM has recently emerged as a strategic answer to trendy enterprise troubles. It has its roots in the age antique business philosophy which recognizes that each one enterprise activities have to revolve around customers.

CONCEPT OF INTEGRATED MARKETING COMMUNICATION

Integrated marketing communications (IMC) is the utilization of showcasing techniques to streamline the correspondence of a steady message of the organization's brands to stakeholders. Integrated advertising interchanges is an all encompassing arranging process that centers around coordinating messages crosswise over interchanges disciplines, innovative executions, media, timing and partners. A coordinated methodology has developed as the overwhelming methodology utilized by organizations to design and execute their advertising correspondence programs and has been depicted as a change in perspective. Coordinated promoting correspondence is a piece of the client relationship the executives. A standout amongst the most essential explanations behind utilizing advertising correspondence is to assemble trust in the bank and its image. Trust in the bank's capacity to perform quality administrations and trust in the banks dissolvability prompts reliability and long haul connections. As correspondence is the motor which drives connections, overseeing correspondence in a coordinated way turns into a need. The bank must have the capacity to convey a similar message to the clients paying little mind to whether it is from a commercial, a front office representative or a paper embed. Contemplating the previously mentioned and the reality of quick segment advancement, the significance of relationship promoting in the saving money region ends up self-evident. In contrast with value-based showcasing, relationship advertising focuses rather on participation, than on struggle. This changeless social trade is actually what makes an incentive for branch parties and guarantees clients' fulfillment. Client Relationship Management – CRM makes relationship promoting a stride further by coordinating client needs in each part of the banks movement and its connection with providers, wholesalers and other vital accomplices. As indicated by the meaning of the German Direct-Marketing Association, "CRM incorporates and enhances at the dimension of

the whole organization the entire procedures with respect to customers in the promoting region, conveyance, customer administration and innovative work." thus, CRM is best portrayed as a companywide system, involving every one of its areas of expertise. By the methods for incorporated coordination of customers, of staff and of procedures inside the organization and by the utilization of innovation, CRM upgrades the association bank-customer created through all correspondence and conveyance channels. As a general system, CRM surpasses the region of customer information handling. It speaks to an organization rationality, ready to guarantee focal customer introduction and disregarding the points of confinement of offices and interfaces between jumpers forms.

NEED FOR CRM AND IMC IN BANKING SECTOR

In the present Indian Banking Scenario, two perceptible changes are required in making practices and methodologies. These are 'Improvement' and 'Relationship Marketing'. The advancement had taken a more prominent help of innovation in conveying items and administrations to the clients. The word alternative banking is the result of technological innovative banking. The alternative banking alone is not helping to retain customers, but it needs to build a banker customer relationship. Application of technology into banking services, brought innovation in product service delivery and maintenance of customer relationship, everything implies that Indian banking is customer centric. All the effort taken by the bankers is to satisfy customers and to bring customer loyalty. Core Banking Solution (CBS) is a bench marking innovation in banking sector. It was the position that all the banks had teething problems of CBS and it becomes a challenge for banking performance. Banks have placed assets into advancement enabled Customer Relationship Management Software to utilize CBS created customer information for enhancing business openings, access to customers and support. E-CRM is the mix of two focal issues, for instance, advancement and

relationship the board. CRM acquired powerful changes the managing an account promoting practices and satisfies a definitive object of consumer loyalty.

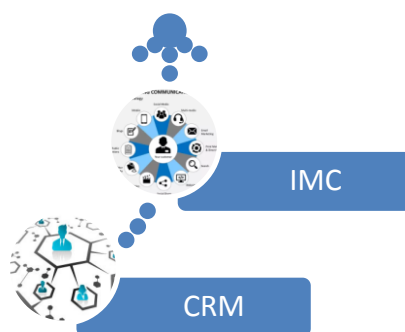


Figure 1: CRM and IMC in customer satisfaction

Banks have to create awareness about the product and service to the customer to survive, hence the Integrated communication strategies work best in the development banking services. It is extremely fundamental to speak with the client so as to esteem the bank's administrations. This can be accomplished through mix of various channels, for example, Advertisement, Internet, Exhibition and Direct showcasing. These channels is named as advertising specialized apparatuses these distinctive devices of showcasing correspondence contain diverse highlights, advantages and confinements .There is a ceaseless enhancement in the nature of managing an account administrations and it is to be imparted as and when it presented. The Integrated showcasing correspondence achieves the clients with the important data, cautions, cautioning, update, and so on through all conceivable medium to the clients.

PROCESS OF CRM IN BANKING SECTOR

Methodically gathering, breaking down and spreading client data and utilization of this client data for getting, holding and better overhauling clients is a procedure of CRM.

The Processes for CRM are as follow

1. Collection of Data
2. Storage of data
3. Customized services
4. Integrated marketing communication
5. Cross – selling
6. Feedback forms

Collection of Data

Bank gathers every one of the information through client application frame and gets the customized data which distinguishes the item to be offered for the potential client.

This strategy helps in get-together the data and grasping what the customer needs

Storage of Data

The whole data accumulated through customer application outlines is open at one server or the brought together programming and can be gotten to at whatever point, wherever.

This aides in the further procedure of promoting endeavors, for example, cross – moving and up-moving.

Customized services

Analysing the customer data, the specialized team segmented a customer and market and match product and services for the possible customers. Customized services are offered to valuable customers. A wide range of offerings allotted to the specified customers.

Integrated marketing communication

IMC communicate with its customers primarily on the principle of banking.

Communication must support the overall corporate image of the bank and customer care.

Technology development brought IMC become more standard. The continuous and repetitive information about banking services, transaction alert, reminders, safety warnings, exclusive offers, manual instructions, revised policies, state of art function, extension of services, etc through various reachable medium to customers facilitate transform the ordinary customer into potential customers and to bring long-term, banker-customer relationship.

Cross-selling and up-selling

Cross-selling and up-selling is an marketing effort of a banker to enhance the business with the existing potential customers. For example, a customer having savings account with routine transaction to the account or having more balance in the account will be offered by a bank for fixed deposit with attractive interest or for insurance. Bankers identifies the loyal customer or the customer who are seeking for an advice for cross-selling and up-selling

Feedback

CRM process comprises of criticism gathering. Input gathered from clients through physically and electronically on the saving money administrations, innovation utilized, bank representative conduct and administration quality encourages the investors to know the necessities and needs of the clients. Clients will feel cheerful and fulfilled as they will get what they require. The fulfilled clients help in the informal advancement to the bank that builds the brand esteem.

BENEFITS OF CRM CONTEXT IN BANKING SECTOR

CRM unites information and empowers diverting of information and data properly to bank staff for proactive basic leadership and upgraded educated client administration and bolster

exercises. It gives methods for data sharing to all worried in convenient way and incorporates client as a maker of administration.

The critical focal points of CRM to banks are:

1. Customer Retention
2. Fraud Detection
3. Optimizing promoting attempts as per customer life time regard
4. Credit Risk Analysis
5. Development of revamp new things planning the specific tendencies and necessities of customers.
6. Providing proficient client correspondence over an assortment of channels
7. Online administrations to lessen client benefit costs
8. Providing access to client information while communicating with clients.

E-CRM PRACTICES IN BANKS IN INDIA: A SNAP SHOT

Significance of Relationship Marketing and expanding customer associations transversely over different customer parts has been recognized and cleaned by all banks in India, in any case the advancement enabled CRM is still at a making stage. Unmistakable Banks are at different components of CRM gathering and execution and a lot of them can be seen as at starter stages. Operational CRM is the most wide spread, yet network CRM is most obvious in web dealing with a record, convenient keeping cash, ATM limits, POS contraptions and exercises like openness of pass book printing machines to enable customers to revive their passbooks themselves. In like manner SMS alerts at various tremendous customer advantage events are duplicating. Explanatory CRM is being utilized anyway not by all banks. Here furthermore two or three blueprints of Indian banks using CRM will portray a clearer picture of CRM in Indian dealing with a record.

Genuinely Bank has made YCCRM (Yes Bank Collaborative CRM), the indisputable features of which are 'trade sheets' and 'designs'. These engage sharing of appropriate customer information to all concerned staff people to structure new things, give proactive organization, and instructed customer dealing with driving better organization. It engages facilitated exertion among staff and customers to make higher customer regard through usage of CRM programming.

Punjab National Bank passed on CRM programming with modules of Prospect Management, Lead Management, Activity Management, Product Management, Complaint Management and Business Intelligence Reporting. The alterations are the extent that extended customer base, deliberately pitching, bargains compel headway, viable lead the board and higher gainfulness.

ICICI recognized five helpful domains which when joined will give Bank its CRM Business Transformation Map. Focus regions of progress were business focus, affiliation structure, business network, displaying focus and development. The remuneration offs were : cut down total cost of ownership, beneficial organization of volume improvement, progressively unmistakable responsiveness to publicize needs, upgraded exercises, decrease in operational costs, decline in turnaround time, and composed stage for all employments of bank. The progressing CRM application is enabling ICICI customers to perform trades by methods for the phase of face book, a long range relational correspondence site. This brings the bank one phase ahead in giving solace and organization through CRM.

SBI's Business Intelligence system facilitates data from very nearly 70 databases to shape a singular undertaking data dispersion focus demonstrate. The system produces 248 reports step by step for best organization and all of the branches approach reports made particularly

for them. This has drawn in pioneers to have significant data advancing to speedier fundamental initiative reliant on last's information.

Bank of Maharashtra has made in-house programming which delivers and updates a collection of reports on point by point customer information and sends to branches. These reports are utilized for better customer seeing, better customer support and organization by access to critical customer information with all accomplices to enable fundamental administration and Business Development similarly as upkeep works out.

ROLE OF CRM AND IMC IN CUSTOMER SATISFACTION

CRM and IMC plays a major role in customer satisfaction. Satisfied customers are the real asset to the organization, as they will make repeated purchases and become profitable customers. Satisfied customers will be a tool of viral marketing, promoting the organization through words of mouth. Data base management and Data mining helps for market segmentation, identify target customers, product mix, niche marketing, understanding the customers taste, attitudes, preferences and decision making factors. The relevant information reaches the concerned customer at the right time. The required information, offer that suits their needs, timely alert, reminders, etc. makes customers feel happy and satisfied. CRM paves way for customers to their express their grievance and complaints. The electronic grievance redressal mechanism saves time of the customers. This helps in securing customer's trust on firm and develops a bond between organization and customers. CRM practices continuously chasing customers till it turns the ordinary customer to potential customers. In the competitive world, customer satisfaction is the only key for the organizations to survive in the market. CRM with IMC is a major tool to achieve customer satisfaction.

FINDINGS OF THE STUDY

Real finding of the examination are:

- Customer relationship the executives has progressed toward becoming need of a hour without which it is hard to get by in the aggressive market.
- It is agreeable for the clients in long haul associations with the administrations, the association, strategies and techniques.
- CRM helps in lessening working expense
- Mass correspondence about the different managing an account administrations accessible and how to utilize them is conceivable with CRM
- Grievance redressal system in CRM affects more on consumer loyalty.
- CRM must depend on with IMC in order to prevail in its procedure.
- Foreign and private division banks actualized CRM rehearses all the more successfully contrasted with Public part banks.
- CRM with IMC assumes a noteworthy job in consumer loyalty.

CONCLUSION

CRM practices and an Integrated marketing communication have an impact on customer satisfaction. Knowledge management is a key factor to implement the CRM effectively. A bank's capacity to distinguish client needs, client portions relies upon how viably it gathers, oversee and use client information. Information stacking isn't an ability, yet changing over the information into business advantage is a genuine ability. Thus a compelling CRM rehearses needs great innovation, learning the executives and coordinated promoting correspondence.

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