CRM in ING VYSYA Bank: A Study on Customer Attitude with Reference to Anantapuram Region

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Abstract: The biggest management challenge in the new millennium of liberalization and globalization for a business is to serve and maintain good relationship with the king – the customer. The changing business environment is characterized by economic liberalization, increasing competition, high consumer choice, demanding customer, more emphasis on quality and value of purchase etc. The process of developing a cooperative and collaborative relationship between the buyer and seller is called customer relationship management shortly called CRM. The CRM is a new technique in marketing where the marketer tries to develop long term relationship with the customers to develop them as life time customers and aiming to make the customer climb up the ladder of loyalty. The Researcher aims to analyze Customer Relationship Management of Ananthapuram ING Vysya Bank. The satisfaction of customers towards online banking products and services which are supported by CRM are studied and analysed. Suitable suggestions are given at the end.

Keywords: Customer Relationship Management, Customer Satisfaction, Online Banking.

I. INTRODUCTION

Indian banking industry has witnessed rapid development in recent past with the initiation of financial sector reforms. The thrust of financial sector reforms was to improve efficiency, competitiveness and productivity of the financial system. The entry of new generation private sector banks which provided technology aided services like Internet banking, Mobile banking, Inter Branch network, etc., has electrified the banking environment in India and has added a new dimensions to automation in Indian banking. Customer Relationship Management is a vital factor to improve the performance of the banks (Sugnadhi: 2003).

II. REVIEW OF LITERATURE

Several studies have been conducted pertaining to relationship marketing and customer loyalty. The following literature review section provides a discussion and argument for the service quality and CRM practices. The phrase CRM appeared in the literature after the evolution in the relationship marketing philosophy. Berry (1983) defined relationship marketing as attracting, maintaining and enhancing the customers' relationships in multiservice organization. After a few decades, the evolution in relationship marketing

Philosophy changed the word relationship marketing to CRM. According to 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. Furthermore, Mylonakis (2009) described CRM as an innovative process to create a long term relationship and gaining trust. Further, a clear vision of CRM along with appropriate strategies if applied 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 (Bansal and Sharma 2008). 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. The challenge before the banks is not only to obtain update dating formation for each customer, but also to use the information to determine the best time to offer the most relevant products (Lau et al., 2003). It is also important to understand that if customers bring in profits for the bank, it becomes imperative for the bank to provide excellent services to those customers, otherwise they switch to other banks (Ray, 2007). Service quality in banking implies consistently anticipating and satisfying the needs and expectations of customers. Relationship Marketing is becoming important in financial services. Even through several studies have been conducted, most of the studies have been conducted in big metropolitan cities, only very few studies have been conducted in tier 2 cities. The present study intended to fill the gap by studying the consumer's opinion towards online banking services supported by CRM of ING Vysya Bank Anantapuram town, Andhra Pradesh.

III. STATEMENT OF THE PROBLEM

The core issues faced by banks today are on the fronts of customer's service expectations, Customer Relations, cutting operational costs, eliminating inflexibility to change, Technological advancements and managing competition.

So, to truly understand the available solutions and to choose the appropriate strategy for the said environment and its application, you must understand the perception and attitude of the people towards banking Services. As it is not possible to study the entire banking Industry in short period, it has been decided to study the customers of ING Vysya Bank and Anantapur region in particular.

IV. OBJECTIVES OF THE STUDY

To investigate the customer attitude towards online banking products and services which are supported by CRM in ING Vysya Bank in Anantapuram town To offer suggestions for improving Customer Service

V. RESEARCH METHODOLOGY

The present study is empirical in natured based on primary data and secondary data. The secondary was collected from the books, journals, websites, magazines, etc. Simple random sampling method is used for selecting consumers of the ING Vysa Bank to collect primary data by using well designed questionnaire and personal interactions. The study uses descriptive research design.

To collect primary data, a well-structured interview schedule was constructed with both open-ended and close-ended questions. Using the interview schedule a survey was conducted in Anantapuram Region among 100 customers of ING Vysya Bank. Data was collected during June and July, 2014. SPSS software is used for data interpretation and data analysis to figure out findings and give suggestions for improvement.

VI. ANALYSIS OF THE STUDY

The demographic factors which effect the satisfaction of consumers on banking services and customer satisfaction towards CRM are presented here.

Table-1: Consumers Annual Income by Age group wise

Age Group	Annual Income					Total
	< Rs 2 lakh	Rs 2 – 4.5 lakh	Rs 4.5 - 7.5 lakh	Rs 7.5 - 10 lakh	Rs 10 lakhs & above	
18-25	21	0	0	0	0	21
26-35	20	12	0	0	0	32
36-50	0	27	7	0	0	34
51-60	0	0	7	2	0	9
61 above	0	0	0	2	2	4
Total	41	39	14	4	2	100

Source: Primary data and SPSS

From the table-1, it is found that 21 respondents are of age group 18-25 whose annual income was less than Rs 2 lakh, 32 respondents were in the age group of 26-35 and out of 32, 20 respondents were in less than Rs 2 lakh annual income and 12 consumers were in the annual income of Rs 2 lakh to 4.5 lakh, 34 respondents are in the age group 36-50 and out of 34, 27 consumers were in the annual income of Rs 2 – 4.5 lakh and seven consumers were in the income group of 4.5 lakh to 7.5 lakh, 9 respondents were in the age group of 51-60 and out of them 7 consumers were in the income group of 4.5 lakh to 7.5 lakh and two consumers were in the income group of 7.5 lakh to 10 lakh. 4 respondents are of age group 61 above and out of them, 2 consumers were in the income group of 7.5 lakh to 10 lakh and 2 consumers were in the income level of Rs 10 lakh and above. Thus it has been observed that most of the respondents were in the age group 36-50 followed by 26-35. Also, Majority of the respondents (41) was in the annual incomes of range 0 – 2lakhs and 39 respondents were in the annual income of 2 lakhs – 4.5lakhs.

The Influence of Quality services on the consumers satisfaction:

Ho: The influence of quality services rendered by ING Vysya Bank upon the satisfaction of consumers is not significant statistically.

H_1: The influence of quality services rendered by ING Vysya Bank upon the satisfaction of consumers is significant statistically.

From the Table-2, it is found that 6 respondents were satisfied superiorly, 50 respondents were very satisfactory, 42 respondents were satisfied above average, 2 respondents were Somewhat satisfied with the customer service, no respondent experienced very poor customer service of ING Vysya Bank. Thus, it is observed that most of the respondents are Very Satisfactory with regard to the quality of services rendered by ING Vysya Bank.

The Chi-square calculated value = 139.69 more than the critical value at 0.01 level of significance for 12 degrees of freedom as significant level (p=0.000) <0.01. Ho is rejected and Hence, H_1 is accepted. Therefore, it is concluded that the *influence of quality services rendered by ING Vysya Bank upon the satisfaction of consumers is significant statistically*

Table-2 :Consumers satisfaction on Quality of Service Received by occupation

Occupation	Quality of Service Received				Total
	Some What Satisfactory	Above Average	Very Satisfactory	Superior	
Employee	2	42	14	0	58
Professional	0	0	5	0	5
Business man	0	0	27	0	27
student	0	0	4	1	5
Retired	0	0	0	5	5
Total	2	42	50	6	100

Source: Primary data and SPSS

Note: Pearson Chi-Square Calculated value = 139.69 is significant at 0.01 level for 12 d.f as Asymp.sig.(P=0.00) < 0.01

Occupation wise Consumers Satisfaction with regard to the problems addressed

Table-3 shows that 58 consumers were employees and out of them 30 consumers satisfaction level was above average with regard to addressing consumer's problems, 23 consumers were very satisfactory, and five were somewhat satisfied. All 5 Professionals expressed their opinion as very satisfactory. Out of 27 business people, 21 were very satisfied and 6 were superiorly satisfied. All five students and retired people were superiorly satisfied with regard to the consumer's problems addressed by ING Vysya Bank.

Table-3: Occupation wise Consumers satisfaction regarding problems addressed

Occupation	Satisfaction regarding Problems Addressed				Total
	Somewhat Satisfactory	Above Average	Very Satisfactory	Superior	
Employees	5	30	23	0	58
Professionals	0	0	5	0	5
Business man	0	0	21	6	27
Students	0	0	0	5	5
Retired Employees	0	0	0	5	5
Total	5	30	49	16	100

Source: Primary data and SPSS

It is also found that 16 respondents are satisfied superiorly, 49 respondents are very satisfactory, 30 respondents are satisfied above average, five respondents are somewhat satisfied with the customer service, and no respondent experienced very poor customer service of ING Vysya Bank. Thus, it has been observed that most of the respondents are Very Satisfactory.

Table-4: Consumers satisfaction in Communication during the transaction process

Occupation	Communication during the transaction process				Total
	Average	Fair	Good	Excellent	
Employee	6	41	11	0	58
Professional	0	0	5	0	5
Business man	0	0	20	7	27
student	0	0	0	5	5
Retired	0	0	0	5	5
Total	6	41	36	17	100

Source: Primary data and SPSS

Note: Pearson Chi-Square Calculated value = 111.37 is significant at 0.01 level for 12 d.f as Asymp.sig.(P=0.00) < 0.01

Ho: The communication support provided by bank employees are not significantly influencing the satisfaction of consumers during the transactions.

H_1: The communication support provided by bank employees are significantly influencing the satisfaction of consumers during the transactions.

Table-4 shows that 17 respondents rated the communication provided during the transaction by the employees of the bank are excellent, 36 respondents rated good, 41 respondents rated fair, six respondents rated as average and no respondent rated the communication as poor. Thus, it has been observed that most of the respondents rated fair. Moreover, majority of the employees rated as fair about the communication provided by the bank employees during the transaction process. 11 employees, five professionals and 20 business people were rated as good where as 7 business people, five students and five retired employees were rated the communication as excellent.

The Chi-square calculated value = 111.37 is more than the critical value at 0.01 level of significance for 12 degrees of freedom as significant level (p=0.000) <0.01. Ho is rejected and Hence, H_1 is accepted. Therefore, it is concluded that the *communication support provided by bank employees are significantly influencing the satisfaction of consumers during the transactions.*

Table -5: Consumers Usage of Online banking

ısumers by Occupation wise	Usage of Online banking		Total
	Yes	No	
Employee	58	0	58
Professional	5	0	5
Business man	15	12	27
Student	0	5	5
Retired	0	5	5
Total	78	22	100

Source: Primary data and SPSS

Note: Pearson Chi-Square Calculated value = 61.15 is significant at 0.01 level for 4 d.f as Asymp.sig. (P = 0.00) < 0.01

Ho: The usage of online banking and occupation of consumers are not dependent

H₁: The usage of online banking and occupation of consumers are dependent

From the table -5, it is found that all the employees, all professionals and majority of business people used online banking services. But, 12 business people, all the students and retired people are not using online banking services. It is observed that 78 % of the customers are using online banking services, where 22% are not using.

The Chi-square calculated value = 61.15 is more than the critical value at 0.01 level of significance for 4 degrees of freedom as significant level (p=0.000) <0.01. Ho is rejected and Hence, H₁ is accepted. Therefore, it is concluded that the *usage of online banking and occupation of consumers are dependent. i.e, the consumers of different occupations is significantly influenced by online banking services.*

Table-6: Mostly Used Online Banking Services by Consumers						
	Mostly Used Online Banking Services					Total
Occupation	Savings	Investments	Bank Transfers	Mobile Banking	Net Banking	
Employee	3	4	11	40	0	58
Professional	0	0	0	5	0	5
Business man	0	0	0	3	24	27
student	0	0	0	0	5	5
Retired	0	0	0	0	5	5
Total	3	4	11	48	34	100

Source: Primary data and SPSS

From the table-6, it is found that 34 respondents are using Net banking, 48 respondents are using mobile banking, 11 respondents are utilizing bank transfer, four respondents are using for Investments, and three respondents are using savings online service.

It is observed that majority of the employees are using mobile banking followed by bank transfers, investments and savings. All professionals are using mobile banking only. Majority of the business people are using net banking and very few of them are using mobile banking. All students and retired employees are used net banking only. Thus, it has been observed that most of the respondents are using mobile banking and net banking and also majority of the employees, all professionals and very few business people are using mobile banking.

From table-7, it is found that 56 consumers are completely trusting online services, 31 consumers opinioned that security system is up to the mark, 11 consumers opinioned that security is somewhat trustable, two consumers were opinioned that security of online services are not at all trusty.

Table-7: Trusting   the Security of Online Banking Services by Consumers

Occupation	Trusting the security of online banking services				
	Not at all	Some what	Up to the mark	Completely	Total
Employees	2	11	31	14	58
Professionals	0	0	0	5	5
Business Man	0	0	0	27	27
Students	0	0	0	5	5
Retired employees	0	0	0	5	5
Total	2	11	31	56	100

Source: Primary data and SPSS

Thus it has been observed that 56 percent of the consumers completely trust the online services. All consumers (such as retired employees, students, business people and professionals) except few employees trust the security of online banking services offered by ING Vysya Bank in Anantapuram town.

Table-8: Reasons for choosing mostly used online banking services

Mostly used Online banking services	Reasons for Choosing online banking services				
	Convenience	To save time	24 hours access	other	Total
Savings	3	0	0	0	3
Investments	4	0	0	0	4
Bank Transfers	11	0	0	0	11
Mobile Banking	7	41	0	0	48
Net Banking	0	10	17	7	34
Total	25	51	17	7	100

Source: Primary data and SPSS

From the table -8, it is found that 25 respondents are using online services for their convenience, 51 respondents are using online banking to save their time, 17 respondents are using because of 24 hours access and seven respondents are using for other reasons such as costs savings, secrecy, portfolio management, etc. Moreover, it is found that Majority of the consumers are using mobile banking to save their time and very few of them are using because of convenience, 34 consumers are using net banking because of 24 hours access followed by saving time and other reasons such as cost savings, secrecy, portfolio management, etc. 11 consumers are using bank transfers, four consumers are using for investments and three consumers are using for savings stating the reason as convenience. Therefore, it is observed that majority of the consumers are using mobile and net banking for saving time, 24 hours accessibility, convenience and other reasons such as secrecy, cost savings, portfolio management, etc.

VII. SUGGESTION

- I would recommend the bank to organize regular training programs to its employees regarding banking related operations as it can minimize the dissatisfactory levels of the customers.

- Continuous monitoring should be there on the attitude of the bank employees while addressing the customers as it reflects the customer's perception in long term.

- Awareness programs should be planned regarding online services, as a feasible set of customers are not aware of online services catered by the bank.

- I recommend the bank to study the feasibility of providing different loans other than gold loans and agricultural loans which will help in building CUSTOMER RELATIONS.

- Activities should be planned to build trust between bank and its customers for long term perspective.

VIII. CONCLUSION

The present study is to analyze Customer Perception on Products and Customer Relationship Management of ING VYSYA Bank. Customers have become more demanding with the passage of time. This study is useful in understanding the Customer Relationship Management of ING and launching new formulations can make this bank pioneer in many market segments. This study also revealed that very limited numbers of Customers are asking for improvement of facilities.

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