



## E-CRM SERVICES OF PRIVATE BANKS IN SIVAKASI

**DR. R. SORNA PRIYA**

Assistant Professor,

Post Graduate and Research Department of Commerce,

Ayya Nadar Janaki Ammal College,

Sivakasi. (Tamil Nadu)

**MR. K. GANESHA MOORTHY**

Department of Commerce (Corporate Secretaryship)

Assistant Professor,

Ayya Nadar Janaki Ammal College,

Sivakasi. (Tamil Nadu)

[kgmoorthygm@gmail.com](mailto:kgmoorthygm@gmail.com)

---

### ABSTRACT

Now it is the turn of e-CRM activities to create a better relationship with the customers. The private sector banks have brought the necessary competition into the industry and spearhead the change towards higher utilization of technology improved customer services and innovative products. The e-services pave the way for taking certain decisions or improving customer services. For the purpose of the study has based on both primary and secondary data. Primary data have been gathered from the customers of private banks in the study area. The researcher has collected data from the 196 sample respondents for the research study. The researcher used statistical tools like percentage analysis and Factor Analysis. This study has covered the e-services provided by private banks in the study area. It is analyse the opinion of customers towards e-CRM services of private banks in Sivakasi.

**Key Words: e-CRM, e-services, private bank.**

## **INTRODUCTION**

In the last two decades, new technologies have played a crucial role in human life and have greatly altered his/her lifestyle. E-business revolution has changed the landscape of customer relationship management (CRM). The electronic Customer Relationship Management (e-CRM) applications have developed quickly from a new idea to a strategic imperative for businesses. Using information technology (IT), firms are moving toward the intellectual and knowledge oriented based methods and CRM is getting more effective. Using e-CRM in a company, connection with customer gets less time and becomes faster. In today's turbulent environment, the competition power is increasing. Customers want to get services from linking channels such as email, website and the others.

Customer Relationship Management (CRM) can prove a vital tool in ensuring the success of a business through enhancing customer loyalty. CRM recognizes that customers are the core of a business and that the success of a company depends on effectively managing relationships with them. It focused on building long term and sustainable customer relationships that add value to both the customer and the company.

## **STATEMENT OF THE PROBLEM**

For every organization the customer relationship management is most important to attain their goal or objectives. The expectations of customers are changing from time to time. So, there is a need for every organization to update their technology and must provide better services to retain their customer. Banking industries are in a position to accept changes according to their customer expectation by providing efficient services particularly in case of electronic services. The private sector banks have brought the necessary competition into the industry and spearhead the change towards higher utilization of technology improved customer services and innovative products. With the changing environment banks implemented the e-CRM services of Internet Banking, Mobile Banking, ATM Services and so on. Now it is the turn of e-CRM activities to create a better relationship with the customers. The e-services pave the way for taking certain decisions or improving customer services. So, a sincere attempt is made by the researcher to analyse the opinion of customers towards e-CRM of private banks in Sivakasi.

## **OBJECTIVES OF THE STUDY**

- To know the socio, economic and demographic profile of the Customers in the study area.
- To analyze the customer opinion about e-CRM services provided by the private banks in the study area.
- To offer suitable suggestions on the basis of findings of the study.

## METHODOLOGY

The survey has based on both primary and secondary data. Both the data were collected and presented in this research paper. Primary data have been gathered from the customers of private banks in the study area. The primary data have been collected through a well-designed, pre-tested interview schedule constructed for the purpose of the study. The interview schedule consists of open ended questions and closed ended questions. The secondary data needed for the study have been collected from various books, journals, magazines, related research report and web sites.

## SAMPLE DESIGN

There are 10 private banks offering online services in the study area. Since the banking sector hesitates to give information about their customer details, the researcher has used judgment sampling for this study.

## PLAN OF ANALYSIS

After data collection, the data were edited properly and analyzed through Statistical Package for Social Sciences (SPSS). The researcher has used the percentage analysis and factor analysis analyze and interpret the data.

## FACTOR ANALYSIS

The technique adopted to identify and analyze the special attractions that galvanized the customers in bank is factor analysis. The principal factor analysis method is mathematically satisfying because it yields a unique solution feature which is the extraction of maximum amount of variation as each factor is calculated.

## OVERALL OPINION ABOUT E-CRM SERVICES

The rotated factor matrix for the variables relating to the opinion of the customers about mobile banking services is given in Table 1.

**TABLE 1**

**Rotated factor Matrix for the Opinion of Customers towards e-CRM Services**

S. No	Factors	1	2	3	4	H <sub>2</sub>
1.	Information content and texts are easy to understand.	<b>0.595</b>	0.186	-0.149	0.136	0.430
2.	Links are problem free, accurate and the pages download quickly.	<b>0.684</b>	0.224	0.100	-0.162	0.557
3.	The bank provides the updated technology regularly for internet banking.	<b>0.563</b>	-0.002	0.097	0.164	0.353
4.	The web pages do not freeze after you have put in all your information.	<b>0.514</b>	0.199	-0.103	0.371	0.452
5.	The bank provides financial security and confidentiality.	<b>0.570</b>	-0.181	0.266	0.141	0.448
6.	The bank is willing to help customers provide appropriate information and prompt service.	<b>0.503</b>	0.086	0.149	0.277	0.360

7.	It is easy to find policy and notice statement on the bank's site.	0.055	<b>0.566</b>	-0.004	0.325	0.429
8.	The bank takes care of problems properly and compensate for the problems they create.	0.085	<b>0.749</b>	-0.093	0.043	0.579
9.	The online services will develop your knowledge & skill	-0.109	<b>0.543</b>	-0.006	0.200	0.347
10.	You are able to talk to a customer service representative in the bank over mobile phone.	0.078	<b>0.627</b>	0.238	-0.099	0.465
11.	The website is available in the language you can understand.	-0.122	-0.061	<b>0.576</b>	0.395	0.507
12.	The bank's site provides information about the transaction history	-0.009	0.110	<b>0.636</b>	0.271	0.490
13.	Personalization of bank's site for customer's personal requirements.	0.374	0.104	<b>0.501</b>	0.068	0.406
14.	You can rely on the bank for not misusing your information.	0.146	0.057	<b>0.581</b>	-0.073	0.368
15.	The bank is easy to approach and contact.	0.213	0.186	0.140	<b>0.547</b>	0.399
16.	The bank's site easy to navigate and simple to use.	0.346	-0.030	0.027	<b>0.648</b>	0.541
17.	The speed of login of your account is fast.	0.031	0.227	0.127	<b>0.679</b>	0.530

Source:Computed Data Table1 represents the matrix of common factor co-efficient or factor loadings. The number of factors extracted was six. The ratio which have the highest loadings ( $\geq 0.50$ ) in each factor are grouped, that is the ratios which are more closely related to a particular group are boxed. The last column in the table is communality ( $h^2$ ) that is the variance explained by the factor.

**RESULTS AND INTREPRETATION FOR THE OPINION OF THE CUSTOMERS TOWARDS e-CRM SERVICES IN BANKS**

The factors with identified new names which influence the opinion of customers towards e-CRM services in banks are discussed in following Tables.

**Factor 1**  
**CONFIDENTIALITY**

S. No.	Factor	Factor Loading	Communality (h <sup>2</sup> )
1	Information content and texts are easy to understand.	0.595	0.430
2	Links are problem free, accurate and the pages download quickly.	0.684	0.557
3	The bank provides the updated technology regularly for internet banking.	0.563	0.353
4	The web pages do not freeze after you have put in all your information.	0.514	0.452
5	The bank provides financial security and confidentiality.	0.570	0.448
6	The bank is willing to help customers provide appropriate information and prompt service.	0.503	0.360

Source: Computed Data

The items with high factor loadings on Factor I are Information content and texts are easy to understand. (0.595), Links are problem free, accurate and the pages download quickly (0.684), The bank provides the updated technology regularly for internet banking (0.563), The web pages do not freeze after you have put in all your information (0.514), The bank provides financial security and confidentiality (0.570) and The bank is willing to help customers provide appropriate information and prompt service (0.503). the factor I is characterized as “**Confidentiality**”.

**Factor II**  
**ACCESSIBILITY AND RESPONSIVENESS**

S. No.	Factor	Factor Loading	Communality (h <sup>2</sup> )
1	It is easy to find policy and notice statement on the bank’s site.	0.566	0.429
2	The bank takes care of problems properly and compensate for the problems they create.	0.749	0.579
3	The online services will develop your knowledge & skill	0.543	0.347
4	You are able to talk to a customer service representative in the bank over mobile phone.	0.627	0.465

Source: Computed Data

In the Second factor, It is easy to find policy and notice statement on the bank's site (0.566), The bank takes care of problems properly and compensate for the problems they create (0.749), The online services will develop your knowledge & skill (0.543) and You are able to talk to a customer service representative in the bank over mobile phone (0.627). The Factor II is named as “**Accessibility and Responsiveness**”.

**FACTOR III  
RELIABILITY AND SECURITY**

S. No.	Factor	Factor Loading	Communality (h <sup>2</sup> )
1	The website is available in the language you can understand.	0.576	0.507
2	The bank's site provides information about the transaction history	0.636	0.490
3	Personalization of bank's site for customer's personal requirements.	0.501	0.406
4	You can rely on the bank for not misusing your information.	0.581	0.368

Source: Computed Data

The third factor, The website is available in the language you can understand (0.576), The bank's site provides information about the transaction history (0.636), Personalization of bank's site for customer's personal requirements (0.501) and You can rely on the bank for not misusing your information (0.581) the factor III is named as “**Reliability and Security**”.

**FACTOR IV  
USER FRIENDLINESS**

S. No.	Factor	Factor Loading	Communality (h <sup>2</sup> )
1	The bank is easy to approach and contact.	0.547	0.399
2	The bank's site easy to navigate and simple to use.	0.648	0.541
3	The speed of login of your account is fast.	0.679	0.530

Source: Computed Data

The fourth factor, The bank is easy to approach and contact (0.547), The bank's site easy to navigate and simple to use (0.648) and The speed of login of your account is fast (0.679). the Factor IV is named as “**User friendliness**”.

## **RECOMMENDATIONS**

- ✓ It is found from the study that most of the customers are dissatisfied with e-CRM services due to lack of information. Therefore it is suggested that the banks should provide necessary information about their e-CRM services by posting mail to their customers mail ID or by displaying detailed information their e-CRM practices in their bank premises.
- ✓ Most of the customers opined that the many times ATM Systems are out of order. Therefore it is suggested that the bank should give attention to the technical faults of ATM machines and also ensure the availability of cash at all times.
- ✓ Majority of the respondents are having security problems. Therefore it is suggested that the bank should enhance the confidence level of their customers about the security system in e-services.
- ✓ It has been found from the study that the customers are not satisfied with e-CRM services. Hence the researcher suggested that the banks should provide effective services for the expectation of the customers.
- ✓ To introduce new products and services banks are trying to make the “near” customer to “dear” ones.

## **CONCLUSION**

The researcher has made an attempt through his study to present the opinion of customers towards Electronic Customer Relationship Management of Private Banks in Sivakasi. The e-services help the banks in understanding their needs and expectation of the customers. In this way with the utilization of various e-services long term relationships with their customers can be maintained. As a result e-CRM in banks has enabled banks to get a global presence.

## **References**

- ✓ T.M. Bhasin, “e-commerce in Indian Banking”, **IBA Bulletin**, Vol.XXXII, Nos.4 and 5, April-May 2001.
- ✓ Wai-ching Poon and Boo-chen Tan, “Speed of e-banking in Malaysia: A Customer Perspective”, **The ICAI Journal of Bank Management**, Vol.VII, No.4, 2008, p.79.
- ✓ Shamsuddoha and Mohammad, “Electronic Banking in Bangladesh”, **Journal of Business Solution**, Vol.1, No.2, December 2008.
- ✓ R.K. Uppal, “Customer Perception of e-banking Services of Indian Banks: Some Survey Evidence”, **The ICAI University Journal of Bank Management**, Vol.VII, Issue 1, February 2010, pp.63-78.

- ✓ M. Selvakumar and E.L. Ramar, “e-CRM in Indian Banks: An Overview”, **Monthly Public Opinion Survey**, October 2012 New Delhi, pp.28-32.
- ✓ <https://en.wikipedia.org/wiki/ECRM>
- ✓ [https://www.academia.edu/5015607/Effective\\_Customer\\_Relationship\\_Management\\_through\\_e-CRM](https://www.academia.edu/5015607/Effective_Customer_Relationship_Management_through_e-CRM)
- ✓ <http://docplayer.net/8983881-An-insight-into-e-customer-relationship-management-strategies-of-some-public-and-private-sector-banks-master-of-philosophy-economics.html>