

CRM Practices in Public Sector Banks with Reference to Coimbatore City

R. Ganapathi

Assistant Professor, Directorate of Distance Education, Alagappa University, Tamil Nadu

Email: meenaramganapathi@yahoo.co.in, meenaramganapathi@gmail.com

Abstract

Customers need friendly approach under the competitive world while rendering services to them. In the case service sector, it should find many innovative services in order to attract and retain them in the long run. In the public sector banks are established in order to render service to the public irrespective of considering age, gender, community, religion, education, occupation and the like. Rate of interest is common to everybody except senior citizens. Hence there is a need of close and smooth relationship with the all types of customers. In this context, the public sector banks are functioning and follow the traditional customer relationship management practices in rural areas and follow many innovative customer relationship management practices in urban areas. By keeping this view in mind, there researchers has conducted a study to find out the Customer Relationship Management (CRM) practices followed by the public sector banks in Coimbatore City. The present study covers the awareness of customers about the CRM practices of public sector banks, the factors influencing to select public sector banks by the customers and the opinion and experience of customers towards the CRM practices developed by the public sector banks.

Keywords: CRM Practices, Public Sector Banks, Customers Opinion, Coimbatore City

Introduction

The competitive climate in the Indian financial market has changed dramatically over the last few years and at the same time changes have also been taking place in the government regulations and technology. The expectations of the customers are also changing. Business houses are entering into financial service activities. The government has permitted public sector banks to start mutual fund trusts and other financial service subsidiaries. These subsidiaries have introduced many new products in the market which have competitive advantages over the products of private sector banks. Private sector banks and foreign banks have also introduced some new innovative services. Few Indian Banks initiated experimenting with new innovative services by offering Automatic Teller Machine (ATM) which provides 24 hours services. The Reserve Bank of India (RBI) has fixed the minimum floor rate for lending with no upper limit for corporate customers. More and more corporate customers prefer to raise money directly from the market than from banks. Many household customers now prefer to take consumer durables loans or buy on instalment credit rather than save for few years for buying the consumer durables. As a result of this growing level of competition and the rapid pace of change, marketing is emerging as an important element in bank's activities. Traditionally, Indian Banks have not really paid adequate attention to marketing and market research. There is a need for Indian banks to keep pace with their competitors by using marketing techniques for business growth.

Most of the conceptual skills of marketing introduced in banks have their origin in consumer goods manufacturing industry. However, it is important to understand and recognize that in many respect

banking and particularly Indian Banking is a very difficult industry. A number of concepts, relationships and techniques used for the marketing of goods may not be wholly applicable to the service industry. Therefore, it is imperative to understand marketing and market research and its applications to Indian Banking Industry for Business growth in competitive environment.

Marketing for service industry like banks is a philosophy to be understood by the whole organization from the chief executive to the person working at the counter. The first and most important step in applying the marketing concept is to have a whole hearted commitment to customer orientation by all the employers. Marketing is an attitude of mind. This means that the central focus of all the activities of a bank is customer. Marketing is not a separate function for banks. The marketing function in Indian bank is required to the integrated with operation.

Statement of the Problem

Among the service sector, banking sector has undergone dramatic changes which led to significant development. The term banking sector includes both private and public sector banks. Unlike private sector banks, public sector banks have certain limitations which normally arise due to traditional way of functioning. But these banks have to compete with private sector banks in providing services to their customers overlooking such limitations. It is an observation that private sector banks are performing better and seem to compete with public sector banks. Under these circumstances it becomes necessary for public sector banks to do much better than what they were and hence this study.

Objectives of the Study

The following are the specific objectives of the study.

1. To study the awareness of customers about CRM practices in public sector banks.
2. To study the factors that influenced the customers to select public sector banks.
3. To study the customer's ideas, opinion and preference towards public sector banks.
4. To study the customer's opinion towards CRM practices in public sector banks.
5. To offer suggestions on the basis of results of the study.

Methodology

The study used primary data collected through interview schedule from 300 respondents. The interview schedule has been properly designed in order to get full information from 300 respondents. Area of the study refers to Coimbatore city. The data were collected from 300 respondents using convenient sampling method. For purpose of analysis of the data, the following tools like Descriptive analysis, Chi-square analysis, Average rank analysis and Average score analysis.

Review of Literature

Aslam Chaudhary (2007), in his study "CRM making it simple for the banking industry", has stated that Executing Customer Relationship Management (CRM) for the financial and banking industry involves many issues, including the use of unique processes and solutions. To be successful with CRM, financial and banking organizations must define and develop a business strategy as well as a supporting infrastructure for that strategy. He has concluded in his study with the following suggestions for effective business strategy: focus on customer equity assets, enable organizational structures to support a customer-centered business model (as well as a product-centered or function-centered model), provide a mechanism to develop data that supports the customer-centered model and incorporate a technology infrastructure that optimizes customer relationships.

Saumithra Bhaduri (2008), has stated in an article entitled "CRM in banks - Serve the customer" that according to a RBI road-map, India will have a competitive banking market after 2001. As one of the most attractive emerging market destinations, India will see foreign banks come in, grow and acquire. A greater focus on CRM, the only way the banking industry can protect its market share and boost growth. CRM would also make Indian bankers realize that the purpose of their business is to "create and keep a customer" and to "view the entire business process as consisting of a tightly integrated effort to discover, create, and satisfy customer needs."

Innoever (2009), has made a study on "Achieving CRM success within the High-technology industry" and has stated that Executives in the technology industry -

tasked with customer oriented and loyalty objectives. By offering high-technology companies better customer information, they can easily automate customer service, improve sales forecasting, or increase marketing campaign effectiveness, to name a few. Beyond these business benefits, new and advanced CRM capabilities further increase customer "intimacy," that all-important factor in generating new customers and retaining existing ones.

Daniel Flint (2010), in his article "Innovation, symbolic interaction and customer valuing", states there are two broad notions of customer value. One concerns the value of customers to the firm (i.e., extracting value from customers: customer value appropriation: maximizing the lifetime value of the customers). The second concerns how customers perceive value, in other words the value of products, services, providers, ideas and so forth to the customer. Clearly, marketers at the end of the day are interested in the former, but understanding the latter is a critical precursor in that regard. This article focuses on the numerous ways in which customers perceive value.

Analysis and Interpretation of Data

The data collected through the well structured interview schedule is analyzed and interpretation is made on the basis of such analysis are represented as below:

Table 1: Age group of Respondents

Sl. No.	Age Group	Number of Respondents	Percentage
1.	Less than 25 years	95	32
2.	25 - 35 years	99	33
3.	35 - 45 years	52	17
4.	45 - 55 years	34	11
5.	55 years and above	20	7
	Total	300	100

Source: Primary Data

The Table 1 shows that out of the total respondents 33% of the respondents belong to the age group of 25-35 years, 32% of the respondents belong to the age group of less than 25 years, 17% of the respondents are in the age group of 35-45 years, 11% of the respondents in the age group of 45-55 years and 7% of the respondents are 55 years & above. It is concluded that majority (33%) of the respondents belong to the age group of 25-35 years.

Table 2: Gender of Respondents

Sl. No.	Gender	Number of Respondents	Percentage
1.	Male	221	74
2.	Female	79	26
	Total	300	100

Source: Primary Data

The Table 2 discloses that out of the total respondents taken for study, 74% of the respondents are male and 26% of the respondents are female. It is concluded that majority (74%) of the respondents are male.

Table 3: Marital Status of Respondents

Sl. No.	Marital Status	Number of Respondents	Percentage
1.	Married	155	52
2.	Unmarried	145	48
	Total	300	100

Source: Primary Data

The Table 3 mentioned that out of the total respondents taken for study, 52% of the respondents are married and 48% of the respondents are unmarried. It is concluded that majority (52%) of the respondents are married.

Table 4: Educational Level of Respondents

Sl. No.	Level of Education	Number of Respondents	Percentage
1.	No Formal Education	6	2
2.	School Education	23	8
3.	College Level	124	41
4.	Professional Qualifications	147	49
	Total	300	100

Source: Primary Data

From the above Table 4, it is clear that out of the total respondents taken for study, 49% of the respondents have professional qualifications, 41% of the respondents are studied up to college level, 8% of the respondents have studied upto school level and 2% of the respondents have no formal education. It is concluded that majority (49%) of the respondents have professional qualification.

Table 5: Occupational Status of Respondents

Sl. No.	Occupational Status	Number of Respondents	Percentage
1.	Agriculture	12	4
2.	Business	21	7
3.	Employed	117	39
4.	Professional	117	39
5.	Others	33	11

Total	300	100
-------	-----	-----

Source: Primary Data

The Table 5 shows that out of the total respondents taken for study, 39% of the respondents are employed, another 39% of the respondents are professionals, 11% of the respondents belong to other categories such as pensioners, housewives, students and the like, 7% of the respondents are doing business, 3% of them are agriculturists and 1% are agriculturists. It is concluded that employed and professional people are using the public sector banking services at the maximum.

Table 6: Monthly Income of Respondents

Sl. No.	Monthly Income	Number of Respondents	Percentage
1.	Below Rs.5,000	19	6
2.	Rs.5,001 – Rs.10,000	87	29
3.	Rs.10,001 – Rs.15,000	86	29
4.	Rs.15,000 – Rs.20,000	63	21
5.	Rs.20,000 & above	45	15
	Total	300	100

Source: Primary Data

The Table 6 discloses that out of the total respondents taken for study, 29% of the respondents belong to the monthly income group of Rs.5,001 – Rs.10,000, another 29% of the respondents belong to the income group of Rs.10,001 – Rs.15,000, 21% of the respondents monthly income is ranging from Rs.15,001 to Rs.20,000, 15% of the respondents earn Rs.20,000 and above and finally 6% of the respondents have their monthly income below Rs.5,000. It is concluded that middle income group of people are preferring public sector banks than other banks for the convenience.

Chi-Square Analyses

Hypothesis 1: The personal factors of the respondents have no significant influence on the source of awareness about public sector banks.

Table 7: Personal Factors and Source of Awareness

Personal Factors	Chi-square Value		Significant / Not Significant
	Calculated	Tabulated	
Age Group	17	15.5	Significant
Gender	0.303	5.99	Not Significant
Marital Status	10.543	5.99	Significant
Educational Level	13.974	12.6	Significant
Occupational Status	14.278	15.5	Not Significant
Monthly Income	11.243	15.5	Not Significant
Nature of Account	1.573	5.99	Not Significant
Number of Account Holders	6.24	12.6	Not Significant

Source: Calculated from Primary Data

It is found from Table 7 that the hypothesis is accepted (not significant) in five cases and in three cases the hypothesis is rejected (significant). It is concluded that age group, marital status and educational level have significant influence on the source of awareness about public sector banks. It is inferred that the different age group of respondents are knowing the services of public sector banks through different sources. Moreover, the married respondents have worried about the services of public sector banks, since, they have more commitment in their life than unmarried respondents. Besides, highly educated respondents use different sources to know about the services of public sector banks.

Hypothesis 2: The personal factors of the respondents have no significant influence on the on the media of advertisements about public sector banks.

Table 8: Personal Factors and Media of Advertisements about Public Sector Banks

Personal Factors	Chi-square Value		Significant / Not Significant
	Calculated	Tabulated	
Age Group	9.82	15.5	Not Significant
Gender	10.424	7.81	Significant
Marital Status	1.293	7.81	Not Significant
Educational Level	3.577	9.49	Not Significant
Occupational Status	18.149	21	Not Significant
Monthly Income	21.027	15.5	Significant
Nature of Account	10.808	5.99	Significant
Number of Account Holders	5.063	12.6	Not Significant

Source: Calculated from Primary Data

The Table 8 discloses that the hypothesis is accepted (not significant) in five cases and in three cases the hypothesis is rejected (significant). It is concluded that Gender, monthly income and nature of account have significant influence on the media of advertisements about public sector banks. It is inferred that male respondents are watching over the different media of advertisements about public sector banks. Besides, low monthly income group of respondents are considering the media of advertisement selected by the public sector banks. Moreover, fixed deposit holders are considering the media of advertisement which conveys rate of interest very clearly.

Hypothesis 3: The personal factors of the respondents have no significant influence on the source of awareness about various deposit schemes.

Table 9: Personal Factors and Sources of Awareness about Various Deposit Schemes

Personal Factors	Chi-square Value		Significant / Not Significant
	Calculated	Tabulated	
Age Group	12.49	21	Not Significant
Gender	2.077	7.81	Not Significant
Marital Status	2.641	7.81	Not Significant
Educational Level	7.95	12.6	Not Significant
Occupational Status	10.33	21	Not Significant
Monthly Income	13.273	21	Not Significant
Nature of Account	6.277	7.81	Not Significant
Number of Account Holders	1.441	16.9	Not Significant

Source: Calculated from Primary Data

The Table 9 shows that the hypothesis is accepted (not significant) in all the eight cases. It is concluded that the personal factors of the respondents have no significant influence on the sources of awareness about various deposit schemes.

Hypothesis 4: The personal factors of the respondents have no significant influence on the schemes in which they have deposited.

Table 10: Personal Factors and Schemes in which they have Deposited

Personal Factors	Chi-square Value		Significant / Not Significant
	Calculated	Tabulated	
Age Group	22.745	21	Significant
Gender	12.074	9.49	Significant
Marital Status	2.336	7.81	Not Significant
Educational Level	7.95	12.6	Not Significant
Occupational Status	21.658	21	Significant
Monthly Income	30.946	21	Significant
Nature of Account	6.277	7.81	Not Significant
Number of Account Holders	1.441	16.9	Not Significant

Source: Calculated from Primary Data

From the above Table 10 it is clear that the hypothesis is accepted (not significant) in four cases and in four cases the hypothesis is rejected (significant). It is concluded that the age group, gender, occupational status and monthly income have significant influence on the schemes in which they have deposited. It is inferred that different age group of respondents has preferred different deposit schemes. The preference of male respondents towards the deposit schemes is differing from female respondents. Besides, a deposit scheme which influence the employed and professional respondents does not influence the businessmen. Likewise, high monthly income group of respondents are preferring one type of deposit scheme and low monthly income group of respondents are preferring another type of deposit scheme.

Hypothesis 5: The personal factors of the respondents have no significant influence on the types of loan availed by them.

Table 11: Personal Factors and Types of Loan

Personal Factors	Chi-square Value		Significant / Not Significant
	Calculated	Tabulated	
Age Group	13.529	31.4	Not Significant
Gender	25.464	11.1	Significant
Marital Status	0.64	11.1	Not Significant
Educational Level	28	18.3	Significant
Occupational Status	29.138	31.4	Not Significant
Monthly Income	19.986	31.4	Not Significant
Nature of Account	12.795	11.1	Significant
Number of Account Holders	14.928	25	Not Significant

Source: Calculated from Primary Data

The Table 11 shows that the hypothesis is accepted (not significant) in five cases and in three cases the hypothesis is rejected (significant). It is concluded that gender, educational level and type of account have significant influence on the types of loan availed by them. It is inferred that a type of loan influence the male respondents does not influence female respondents. Low educated people are preferring one type of loan and highly educated people are preferring another type of loan. Savings bank account holder preferring one type of loan and fixed deposit holders are preferring another type of loan.

Hypothesis 6: The personal factors of the respondents have no significant influence on the nature of difficulty faced by them in getting the loan.

Table 12: Personal Factors and Nature of Difficulty Faced in Getting the Loan

Personal Factors	Chi-square Value		Significant / Not Significant
	Calculated	Tabulated	
Age Group	17.674	16.9	Significant
Gender	21	9.49	Significant
Marital Status	7.279	9.49	Not Significant
Educational Level	25.66	15.5	Significant
Occupational Status	10.754	21	Not Significant
Monthly Income	14.346	21	Not Significant
Nature of Account	8.15	9.49	Not Significant
Number of Account Holders	19.204	16.9	Significant

Source: Calculated from Primary Data

The Table 12 mentioned that the hypothesis is accepted (not significant) in four cases and in four cases the hypothesis is rejected (significant). It is concluded that the age group, gender, educational level and number of account holders have significant influence on the nature of difficulty faced by the respondents in getting the loan. It is inferred that less age group of people are facing different difficulty when compared to aged people. Likewise, male respondents are facing one nature of difficulty and female respondents are facing different nature of difficulty. Less educated people are facing one nature of difficulty and highly educated people are facing another nature of difficulty. The nature of difficulty is differing when the number of accounts increased.

Hypothesis 7: The personal factors of the respondents have no significant influence on the reason for having accounts in public sector banks.

Table 13: Personal Factors and Reason for Having Accounts in Public Sector Banks

Personal Factors	Chi-square Value		Significant / Not Significant
	Calculated	Tabulated	
Age Group	5.796	15.5	Not Significant
Gender	1.352	7.81	Not Significant
Marital Status	1.181	7.81	Not Significant
Educational Level	5.64	9.49	Not Significant
Occupational Status	17.348	15.5	Significant
Monthly Income	8.874	15.5	Not Significant
Nature of Account	3.954	5.99	Not Significant
Number of Account Holders	21.277	12.6	Significant

Source: Calculated from Primary Data

The Table 13 shows that the hypothesis is accepted (not significant) in six cases and in two cases the hypothesis is rejected (significant). It is concluded that occupational status and no of account holders have significant influence on the reason for investing in public sector banks. It is inferred that accounts are opened by the respondents according to their needs. In this context, different occupational respondents are having different accounts. In other words employed people are preferring savings accounts and businessmen are preferring current accounts. Likewise, farmer needs only one account but the businessman requires different accounts. Hence, number of account holders influences the reason for having account in public sector banks.

Hypothesis 8: The personal factors of the respondents have no significant influence on the reason for investing in public sector banks.

Table 14: Personal Factors and Reason for Investing in Public Sector Banks

Personal Factors	Chi-square Value		Significant / Not Significant
	Calculated	Tabulated	
Age Group	15.798	21	Not Significant
Gender	7.263	9.49	Not Significant
Marital Status	8.304	9.49	Not Significant
Educational Level	5.64	9.49	Not Significant
Occupational Status	17.348	15.5	Significant
Monthly Income	18.726	16.9	Significant
Nature of Account	7.093	7.81	Not Significant

Number of Account Holders	12.666	16.9	Significant
---------------------------	--------	------	-------------

Source: Calculated from Primary Data

The Table 14 discloses that the hypothesis is accepted (not significant) in five cases and in three cases the hypothesis is rejected (significant). It is concluded that occupational status, monthly income and no of account holders have significant influence on the reason for investing in public sector banks.

Table 15: Average Rank - Age Group and Factors that Influenced to Choose Public Sector Banks

Age Group		Factors				
		Security	Various Services Offered	Size of the Banks	Goodwill	Others
Less than 25 years	AR	1.36	2.74	2.96	2.95	5
	FR	1	2	4	3	5
25 – 35 years	AR	1.33	2.74	3.27	2.62	5
	FR	1	3	4	2	5
35 – 45 years	AR	1.29	2.82	3.12	2.82	3
	FR	1	2	4	2	5
45 – 55 years	AR	1.31	3.65	3.09	2.88	-
	FR	1	4	3	2	-
55 years and above	AR	1.24	2.76	2.9	3	-
	FR	1	2	3	4	-

AR – Average Rank

FR – Final Rank

It is found from the Table 15 that the respondents irrespective of the age have given top preference (rank 1) for security and the respondents in the age group of less than 25 years, 35 - 45years, 55 years and above have given second rank to various services offered in influencing to choose public sector banks. It is concluded that the respondents irrespective of the age have opined that security has high priority in influencing the respondents to choose the public sector banks. It is inferred that the respondents does not consider the size, goodwill and various services provided by the banks. But, they give importance only to security of their savings.

Table 16: Average Rank – Gender and Factors that Influenced to Choose Public Sector Banks

Gender		Factors				
		Security	Various Services Offered	Size of the Banks	Goodwill	Others
Male	AR	1.7	2.73	3.2	2.8	4
	FR	1	2	4	3	5
Female	AR	1.46	2.84	2.87	2.84	5
	FR	1	2	4	2	5

AR – Average Rank

FR – Final Rank

The Table 16 shows that the respondents irrespective of gender have given top preference (rank 1) to security and second rank to various services offered. It is concluded that the respondents irrespective of gender have opined that security has the high priority in influencing the respondents to choose public sector banks. It is inferred that both male and female respondents does not consider the size of the bank before opening account in a bank.

Table 17: Average Rank - Marital Status and Factors that Influenced to Choose Public Sector Banks

Marital Status		Factors				
		Security	Various Services Offered	Size of the Banks	Goodwill	Others
Married	AR	1.27	2.77	3	2.8	5
	FR	1	2	4	3	5
Unmarried	AR	1.38	2.73	3.16	2.72	5
	FR	1	3	4	2	5

AR – Average Rank

FR – Final Rank

The Table 17 discloses that the respondents irrespective of the marital status have given top preference (Rank 1) to security and the respondents who have married have given second rank to various services offered. Those respondents who are unmarried have given second rank to Goodwill. It is concluded that the respondents irrespective of the marital status have opined that security has the high priority in influencing the respondents to choose public sector banks. It means that security plays a vital role in mobilizing deposits from both married and unmarried respondents.

Table 18: Average Rank – Level of Education and Factors that Influenced to Choose Public Sector Banks

Level of Education		Factors				
		Security	Various Services Offered	Size of the Banks	Goodwill	Others
No Formal Education	AR	1	3	2.8	3.5	-
	FR	1	3	2	4	-
School Level	AR	1.32	3	2.8	3	-
	FR	1	3	2	3	-
College Level	AR	1.28	2.71	3	3	5
	FR	1	2	3	3	5
Professional Qualifications	AR	1.36	2.77	3.14	2.63	5
	FR	1	3	4	2	5

AR – Average Rank

FR – Final Rank

The Table 18 mentioned that the respondents irrespective of the educational level have given top preference (Rank 1) for security and the respondents without any formal education and those with school level education have given second rank to size of banks. It is concluded that the respondents irrespective of the educational level have opined that security has the high priority in influencing the respondents to choose public sector banks. It shows that the modern banking service does not influence the respondents to open an account in a bank.

Table 19: Average Rank - Occupational Status and Factors that Influenced to Choose Public Sector Banks

Occupational Status		Factors				
		Security	Various Services Offered	Size of the Banks	Goodwill	Others
Agriculture	AR	1.3	2.2	3	3.1	-
	FR	1	2	3	4	-
Business	AR	1.24	2.48	3	3.29	-
	FR	1	2	3	4	-
Employed	AR	1.38	2.88	3.03	2.77	5
	FR	1	3	4	2	5
Professional	AR	1.3	2.8	3.5	2.66	4
	FR	1	3	4	2	5
Others	AR	1.26	2.56	3.12	3	5
	FR	1	2	4	3	5

AR – Average Rank

FR – Final Rank

From the above Table 19 it is clear that the respondents irrespective of the occupational status have given top preference (Rank 1) for security and the respondents in the occupational status of agriculture, business and others have given second rank to various services offered. It is concluded that the respondents irrespective of the occupational status have opined that security has the high priority in influencing the respondents to choose public sector banks. It means that no public sector banks does not get any goodwill among the respondents so that security gets first rank.

Table 20: Average Rank – Monthly Income and Factors that Influenced to Choose Public Sector Banks

Monthly Income		Factors				
		Security	Various Services Offered	Size of the Banks	Goodwill	Others
Below Rs.5,000	AR	1.42	2.95	3.05	2.63	-
	FR	1	3	4	2	-
Rs.5,001 – Rs.10,000	AR	1.36	2.58	3.09	2.97	5
	FR	1	2	4	3	5
Rs.10,001 – Rs.15,000	AR	1.23	2.83	3.1	2.81	5
	FR	1	3	4	2	5
Rs.15,001 – Rs.20,000	AR	1.26	2.72	3.16	2.57	4
	FR	1	3	4	2	5
Rs.20,000 and above	AR	1.41	2.93	3.09	2.89	-
	FR	1	3	4	2	-

AR – Average Rank

FR – Final Rank

The Table 20 shows that the respondents irrespective of monthly income have given top preference (Rank 1) for security and the respondents in the monthly income group of below Rs.5,000, Rs.10,001 – Rs.15,000, Rs.15,001 – Rs.20,000, Rs.20,000 and above have given second rank to Goodwill in influencing to choose public sector banks. It is concluded that the respondents irrespective of the monthly income have opined that security has the high priority in influencing the respondents to choose public sector banks. It means that the banking services does not influence any class of monthly income of the respondents.

Table 21: Average Rank - Nature of Account and Factors that Influenced to Choose Public Sector Banks

Nature of Account		Factors				
		Security	Various Services Offered	Size of the Banks	Goodwill	Others
Savings Account	AR	1.31	2.8	3.13	2.78	4.33
	FR	1	3	4	2	5
Current Account	AR	1.65	2.39	3.17	2.91	-
	FR	1	2	4	3	-

AR – Average Rank

FR – Final Rank

The Table 21 discloses that the respondents irrespective of the type of account held by them have given top preference (Rank 1) to security and the respondents maintaining savings account have given second rank to Goodwill. The respondents who are maintaining current account have given second rank to various services offered. It is concluded that the respondents irrespective of the type of account held have opined that security has the high priority in influencing the respondents to choose public sector banks. It is inferred that current account holders are availing many services satisfactorily from the public sector banks. Hence, they are providing rank two to various services provided next only to security.

Table 22: Average Rank - Number of Account Holders and Factors that Influenced to Choose Public Sector Banks

Number of Account Holders		Factors				
		Security	Various Services Offered	Size of the Banks	Goodwill	Others
Only 1	AR	1	3	3	3	-
	FR	1	2	2	2	-
2	AR	1.27	2.78	2.98	2.06	5
	FR	1	3	4	2	5
3	AR	1.32	2.88	2.95	2.85	-
	FR	1	3	4	2	-
4	AR	1.33	2.76	3.11	2.85	-
	FR	1	2	4	3	-

Above 4	AR	1.48	2.36	3.45	2.76	4
	FR	1	2	4	3	5

AR – Average Rank

FR – Final Rank

The Table 22 mentioned that the respondents irrespective of the number of account holders in a family have given top preference (Rank 1) for security and the respondents where the number of account holders are 4, above 4 and only 1 in a family have given second rank to Various services offered in influencing to choose public sector banks. It is concluded that the respondents irrespective of the number of account holders in a family have opined that security has the high priority in influencing the respondents to choose public sector banks. It is inferred that the public sector banks are concentrating for providing better and many services to the one account holder in a family and four and above account holders in a family.

Table 23: Average Score – Age Group and Rate of Interest, Repayment Period and General Services

Age Group	Factors		
	Rate of Interest	Repayment Period	General Services
Less than 25 years	3.64	3.03	3.45
25 - 35 years	3.54	3.14	3.53
35 - 45 years	3.69	3.25	3.3
45 - 55 years	3.87	3	3.27
55 years and above	3.36	3.09	3.6
Overall Mean Score	3.62	3.102	3.43

It is found from the Table 23 that the level of opinion on the rate of interest charged on loan is moderate to high irrespective of the age of the respondents. The level of satisfaction on repayment period is just moderate and the level of opinion on the general services rendered by public sector banks is also moderate irrespective of the age of the respondents. It is concluded that the respondents in the age group of 45 - 55 years, 35 - 45 years and 25 - 35 years have informed respectively that the rate of interest charged is moderately high (3.87), moderate satisfaction on repayment period (3.25) and moderately high on general services (3.53) rendered by the public sector banks. It is inferred that the senior Citizens are getting better services from the public sector banks than others.

Table 24: Average Score – Gender and Rate of Interest, Repayment Period and General Services

Gender	Factors		
	Rate of Interest	Repayment Period	General Services
Male	3.7	3.2	3.44
Female	3.43	2.82	3.4
Overall Mean Score	3.565	3.01	3.42

It is found from the Table 24 that the level of opinion on the rate of interest charged on loan is moderate to high irrespective of the gender of the respondents. The level of satisfaction on repayment period is just moderate and the level of opinion on the general services rendered by the public sector banks is also moderate irrespective of the gender of the respondents. It is concluded that the male respondents have informed that the rate of interest charged on loan is moderately high (3.7), moderate satisfaction on repayment period (3.2) and moderate on the general services rendered by public sector banks. It is inferred that male and female respondents are equally getting services from the public sector banks.

Table 25: Average Score – Marital Status and Rate of Interest, Repayment Period and General Services

Marital Status	Factors		
	Rate of Interest	Repayment Period	General Services
Married	3.64	3.24	3.39
Unmarried	3.66	2.96	3.41
Overall Mean Score	3.65	3.10	3.40

The Table 25 mentioned that the level of opinion on the rate of interest charged on loan is moderate to high irrespective of the marital status of the respondents. The level of satisfaction on repayment period is just moderate

and the level of opinion on the general services rendered by the public sector banks is also moderate irrespective of the marital status of the respondents. It is concluded that the unmarried respondents have informed that the rate of interest charged on loans is moderately high (3.66). Respondents who are married have moderate satisfaction on the repayment period (3.24) and those respondents who are not married have moderate satisfaction (3.41) on the general services rendered by the public sector banks.

Table 26: Average Score – Level of Education and Rate of Interest, Repayment Period and General Services

Level of Education	Factors		
	Rate of Interest	Repayment Period	General Services
No formal education	4	4.25	4
School level	3.79	2.79	3.64
College level	3.57	3.11	3.44
Professional qualifications	3.65	2.92	3.62
Overall Mean Score	3.75	3.27	3.68

From the above Table 26 it is clear that the level of opinion on the rate of interest charged on loans is moderate to high irrespective of the educational level of the respondents. The level of satisfaction on repayment period and the level of opinion on the general services rendered by the public sector banks is moderate to high irrespective of the educational level of the respondents. It is concluded that the respondents without any formal education have high satisfaction towards the interest charged on loan (4), repayment period (4.25) and the general services (4) rendered by the public sector banks.

Table 27: Average Score – Occupational Status and Rate of Interest, Repayment Period and General Services

Occupational Status	Factors		
	Rate of Interest	Repayment Period	General Services
Agriculture	3.92	3.25	3.75
Business	3.95	3.05	3.52
Employed	3.5	7.04	3.46
Professionals	3.65	3.08	3.29
Others	3.42	2.73	3.66
Overall Mean Score	3.688	3.83	3.536

The Table 27 shows that the level of opinion on the rate of interest charged on loan is moderate to high irrespective of the occupational status of the respondents. The level of satisfaction on the repayment period is moderate to high and the level of opinion on the general services rendered by the public sector banks is also moderate to high irrespective of the occupational status of the respondents. It is concluded that the respondents in the occupational status of business, employed and agriculture have informed respectively that the rate of interest charged on loan is moderately high (3.95), the employed sets high satisfaction on repayment period (7.04) and moderately high on general services (3.75) rendered to the agriculturist by the public sector banks.

Table 28: Average Score – Monthly Income and Rate of Interest, Repayment Period and General Services

Monthly Income	Factors		
	Rate of Interest	Repayment Period	General Services
Below Rs.5,000	3.67	3.6	3.53
Rs.5,001 – Rs.10,000	3.61	3.02	3.48
Rs.10,001 – Rs.15,000	3.58	3.67	3.35
Rs.15,001 – Rs.20,000	3.81	3.09	3.54
Rs.20,000 and above	3.58	2.97	3.34
Overall Mean Score	3.65	3.27	3.45

It is found from Table 28 that the level of opinion on the rate of interest charged on loan is moderate to high irrespective of the monthly income of the respondents. The level of satisfaction on the repayment period is moderate and the level of opinion on the general services rendered by the public sector banks is also moderate irrespective of the monthly income of the respondents. It is concluded that the respondents in the monthly income group of

Rs.15,001 – Rs.20,000 have informed that the rate of interest charged on loans (3.81) and the general services (3.54) rendered by public sector banks is moderately high. The respondents in the monthly income group of Rs.10,001 – Rs.15,000 have moderately high satisfaction (3.67) on the repayment period. The respondents who have monthly income up to Rs.10,000 and high monthly income respondents are dissatisfied with regard to rate of interest, repayment period and general services provided by the public sector banks.

Table 29: Average Score – Type of Account and Rate of Interest, Repayment Period and General Services

Type of Account	Factors		
	Rate of Interest	Repayment Period	General Services
Savings Account	3.63	3.13	3.38
Current Account	3.62	2.81	3.29
Overall Mean Score	3.63	2.97	3.34

The Table 29 discloses that the level of opinion on the rate of interest charged on loan is moderate to high irrespective of the type of account of the respondents. The level of satisfaction on repayment period is just moderate and the level of opinion on the general services rendered by the public sector banks is also moderate irrespective of the type of account of the respondents. It is concluded that the respondents holding savings account have moderately high satisfaction (3.63) on the rate of interest charged and moderate satisfaction on the repayment period (3.13) and on the general services (3.38) rendered by public sector banks. It is inferred that both account holders are having the same opinion with regard to rate of interest.

Table 30: Average Score – Number of Account Holders and Rate of Interest, Repayment Period and General Services

Number of Account Holders	Factors		
	Rate of Interest	Repayment Period	General Services
Only 1	2	3	2.5
2	3.66	3.17	3.59
3	3.55	3.15	3.39
4	3.64	2.85	3.13
Above 4	4	3.17	3.53
Overall Mean Score	3.37	3.07	3.23

The Table 30 mentioned that the level of opinion on the rate of interest charged on loans is moderate to high irrespective of the number of account holders in the family of the respondents. The level of satisfaction on the repayment period is just moderate and the level of opinion on the general services rendered by the public sector banks is also moderate irrespective of the number of account holders. It is concluded that the respondents having 2 account holders in their family have moderate to high satisfaction (3.66) on the rate of interest charged on loans and moderate satisfaction (3.59) on the general services rendered. It is inferred that only one account holder is dissatisfied with rate of interest, repayment period and general services provided by the public sector banks.

Table 31: Average Score – Age Group and Personal Services, Customer Care, Feedback System and Various Products Offered

Age Group	Factors			
	Personal Services	Customer Care	Feedback System	Various Products Offered
Less than 25 years	3.36	2.93	2.87	3.28
25 – 35 years	3.37	2.91	2.95	3.25
35 – 45 years	3.26	2.96	2.98	3.12
45 – 55 years	2.94	2.82	2.64	2.94
55 years and above	3.45	3.15	3	3
Overall Mean Score	3.28	2.95	2.89	3.12

It is found from Table 31 that the level of opinion on the personal services and customer care is just moderate irrespective of the age group of the respondents. The level of opinion on the feed back system and the various

products offered is also moderate. It is concluded that the respondents in the age group of 55 years and above have informed that the level of satisfaction towards personal services (3.45), customer care (3.15) and feed back system (3) is moderate. The respondents in the age group of less than 25 years have moderate satisfaction (3.28) towards the various products offered by the public sector banks. It is inferred that the middle level age group of respondents are dissatisfied with regard to personal services, customer care, feedback system and various products offered by the public sector banks.

Table 32: Average Score – Gender and Personal Services, Customer Care, Feedback System and Various Products Offered

Gender	Factors			
	Personal Services	Customer Care	Feedback System	Various Products Offered
Male	3.34	2.22	2.57	2.35
Female	3.21	2.86	3	3.25
Overall Mean Score	3.28	2.54	2.79	2.80

It is found from Table 32 that the level of opinion on the personal services is moderate irrespective of the gender of the respondents. The satisfaction level on customer care, feed back system and the various products offered is low to moderate. It is concluded that the male respondents have moderate satisfaction (3.34) on the personal services. The female respondents have informed that the satisfaction towards customer care (2.86), feed back system (3) and various products offered (3.25) is moderate.

Table 33: Average Score – Marital Status and Personal Services, Customer Care, Feedback System and Various Products Offered

Marital Status	Factors			
	Personal Services	Customer Care	Feedback System	Various Products Offered
Married	3.27	3.45	2.88	3.09
Unmarried	3.41	3.06	3.04	3.23
Overall Mean Score	3.34	3.26	2.96	3.16

The Table 33 shows that the level of opinion on the personal services, customer care, feed back system and various products offered is just moderate irrespective of the marital status of the respondents. It is concluded that the respondents who are married have moderate satisfaction (3.45) towards the customer care. The respondents who are unmarried have moderate satisfaction towards personal services (3.41), feed back system (3.04) and various products offered (3.23) by the public sector banks.

Table 34: Average Score – Level of Education and Personal Services, Customer Care, Feedback system and Various Products Offered

Level of Education	Factors			
	Personal Services	Customer Care	Feedback System	Various Products Offered
No formal education	3	2.5	2.33	2.33
School level	3.23	2.82	2.82	3.18
College level	3	3	2.96	3.13
Professional Qualifications	3.41	3.05	2.92	3.19
Overall Mean Score	3.16	2.84	2.76	2.96

The Table 34 discloses that the level of opinion on personal services is just moderate irrespective of the educational level of the respondents. The level of satisfaction on customer care and feed back system is low to moderate and towards various products offered is just moderate. It is concluded that the respondents with college level education have moderate satisfaction (2.96) towards feed back system. Those respondents with professional qualification have informed that the level of satisfaction towards personal services (3.41), customer care (3.05) and various products offered (3.19) is moderate. It is inferred that uneducated and less educated respondents are

dissatisfied with regard to personal services, customer care, feedback system and various products offered by the public sector banks.

Table 35: Average Score – Occupational Status and Personal Services, Customer Care, Feedback System and Various Products Offered

Occupational Status	Factors			
	Personal Services	Customer Care	Feedback System	Various Products Offered
Agriculture	3.17	2.83	2.67	2.58
Business	3.26	2.91	2.91	2.91
Employed	3.3	2.98	2.94	3.28
Professionals	3.29	2.97	2.88	2.99
Others	3.69	3.47	3.31	3.59
Overall Mean Score	3.34	3.79	3.68	3.84

The Table 35 mentioned that the level of opinion on personal services is just moderate irrespective of the occupational status of the respondents. The satisfaction level on customer care, feed back system and various products offered is low to moderate. It is concluded that the respondents in the occupational status other than agriculture, business, employed and professionals have informed that the level of satisfaction is moderate towards the personal services (3.69), customer care (3.47), feed back system (3.31) and various products offered (3.59) by the public sector banks. It is inferred that the public sector banks are not considering providing better services to their customers.

Table 36: Average Score – Monthly Income and Personal Services, Customer Care, Feedback System and Various Products Offered

Monthly Income	Factors			
	Personal Services	Customer Care	Feedback System	Various Products Offered
Below Rs.5,000	3.32	2.68	2.79	2.84
Rs.5,001 – Rs.10,000	3.41	3.06	3.11	3.19
Rs.10,001 – Rs.15,000	3.29	3.04	2.94	3.125
Rs.15,001 – Rs.20,000	3.25	2.95	2.84	3.04
Rs.20,000 and above	3.32	3	2.98	3.32
Overall Mean Score	3.32	3.68	3.67	3.88

From the above Table 36 it is clear that the level of opinion on the personal services is just moderate irrespective of the monthly income of the respondents. The satisfaction level on customer care and feed back system is low to moderate and that of various products is just moderate. It is concluded that the respondents in the monthly income group of Rs.5,001 – Rs.10,000 have informed that the level of satisfaction towards personal services (3.41), customer care (3.06) and feed back system (3.11) is moderate. The respondents in the monthly income group of Rs.20,000 and above have moderate satisfaction (3.32) on the various products offered by public sector banks. It is inferred that the middle level monthly income respondents (Rs.10,001 to 20,000) are not satisfied with regard to personal services, customer care, feedback system and various products offered by the public sector banks.

Table 37: Average Score – Type of Account and Personal Services, Customer Care, Feedback System and Various Products Offered

Type of Account	Factors			
	Personal Services	Customer Care	Feedback System	Various Products Offered
Savings Account	3.36	3.03	2.95	3.18
Current Account	3.17	2.75	2.96	2.92
Overall Mean Score	3.36	3.03	2.95	3.18

It is found from Table 37 that the level of opinion on the personal services and customer care is just moderate irrespective of the type of account held by the respondents. The satisfaction level on feed back system and various products offered is low to moderate. It is concluded that the respondents having savings a/c have moderate satisfaction on the personal services (3.36), customer care (3.03) and various products offered (3.18). The respondents holding current a/c have informed that the level of satisfaction on the feed back system is moderate (2.96). More over, it is inferred that both account holders are having equal satisfaction with regard to feedback system followed by the public sector banks.

Table 38: Average Score – Number of Account Holders and Personal Services, Customer Care, Feedback System and Various Products Offered

Number of Account Holders	Factors			
	Personal Services	Customer Care	Feedback System	Various Products Offered
Only 1	2.5	2.5	2.5	3
2	3.65	3.15	3.11	3.34
3	3.44	3.09	2.71	3.24
4	2.77	2.64	2.53	2.72
Above 4	3.53	2.53	2.86	3.03
Overall Mean Score	3.178	2.782	2.742	3.066

The Table 38 shows that the level of opinion on personal services and customer care is moderate irrespective of the number of account holders in the family of the respondents. The level of satisfaction towards feed back system and various products offered is low to moderate. It is concluded that the respondents having 2 account holders in the family have informed that the satisfaction level towards personal services (3.65), customer care (3.15), feed back system (3.11) and the various products offered (3.34) is just moderate. It is inferred that the public sector banks does not provide better services to the more number of account holders.

Suggestions

On the basis of findings of the study, the following suggestions are made.

1. The study revealed that majority of the customers are aware of public sector banks through both advertisements and friends and relatives. It is a valid point that the public sector banks should note down that the awareness through advertisements is not very significant but only through other customers. This indicates that there is no need for spending much for advertisements.
2. The study also shows that out of those who were aware through advertisements, were aware through advertisements in newspapers and magazines. Therefore it is worth to choose this media for giving advertisements for public sector banks.
3. The study revealed that majority of the customers prefers public sector banks to private sector banks for that reason of security for the money invested. Hence the public sector banks should take this as an advantage and give best of services to attract more number of customers and investors.

4. Majority of the customers expressed that they faced lot of problems in getting loans from public sector banks and these problems are due to the lengthy procedures adopted by public sector banks. Hence it is recommended that the management of public sector banks make the system and procedure simpler and see that the customers do not have any difficulty in getting the loans.
5. On the basis of level of satisfaction of the customers and their opinion towards general and other services, it is suggested that the public sector banks should improve the customer relationship management (CRM) practices for long term success and for ensuring better customer relationship.

Conclusion

For any industry customer is the base and hence the industry has to serve them better to win over the competitions. This is so applicable to service industry also including public sector banks. Under the existing circumstances where the private sector banks bring significant changes in providing services to customers, the traditional way of functioning and outdated services by public sector banks need to be fully dispensed with immediately. These banks have not only modernized their services to fulfill the larger expectation of customers but also implement the technological advancement at a lower cost. This will certainly facilitate the public sector banks to have better relationship and thereby do better business also. Though the public sector banks need to follow the Reserve bank rules and regulations regarding deposits, interests and the like. It is very important that they have to work on providing customer satisfaction with variety of services but positively at low cost with simple and

customer friendly approach. This will enable the public sector banks to have good business and better customer relationship in the long run. Also, the public sector banks need to adopt lot of changes in their style of functioning to suit to the changes that are happening in the banking industry so as to ensure better customer satisfaction.

References

1. Aslam Cahudhary, "CRM Making it Simple for the Banking Industry", SAS Institute Inc., Cary, 2007, pp. 180 - 229.
2. Daniel J. Flint "Innovation, Symbolic Interaction and Customer Valuing: Thoughts Stemming from a Service - Dominant Logic of Marketing"- Marketing Theory, New Delhi, 2010, pp. 349-362.
3. Innoveer "Achieving CRM Success within the High-Technology Industry", Bank Systems and Technology, Knowledge Storm, July 2009.
4. Saumitra Bhaduri, "CRM in Banks - Serve the Customer", The Hindu Business Line, November 4, 2008, p.7.