

**Project Dissertation Report on**  
**Customer Relationship Management in State**  
**Bank of India**

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## **DECLARATION**

I Mimansa Som, student of MBA 2017-19 of Delhi School of Management, Delhi Technological University, hereby declare that Project Dissertation Report on **“CUSTOMER RELATIONSHIP MANAGEMENT IN STATE BANK OF INDIA”** submitted in partial fulfilment of Degree of Masters of Business Administration is the original work conducted by me.

The information and data given in the report is authentic to the best of my knowledge.

This report is not being submitted to any other University for award of any Degree, Diploma and Fellowship.

Place: New Delhi

(Mimansa Som)

Date:

## **CERTIFICATE FROM INSTITUTE**

This is to certify that Project Dissertation Report on “**CUSTOMER RELATIONSHIP MANAGEMENT IN STATE BANK OF INDIA**” is a bona fide work carried out by Mimansa Som who is a student of MBA 2017-19 Batch. The project is submitted to Delhi School of Management, Delhi Technological University in partial fulfillment of the requirement for the award of degree of Masters of Business Administration.

Signature of Guide

Signature of Head (DSM)

Place:

Seal of Head

Date:

## **ACKNOWLEDGEMENT**

It gives me great pleasure to declare that my project “Customer Relationship Management in State Bank of India” has been prepared purely from the point of view of student requirements.

I have tried my best to write project in simple and lucid manner & tried to avoid unnecessary discussions and details. At the same time, it provides all the necessary information. I feel that it would be of immense help to the students as well as all others referring in updating their knowledge.

I am indebted to our HOD Mr. Rajan Yadav, my Faculty Guide for this Project for giving us such an awesome opportunity. I am also thankful to my colleagues for their valuable support by filling the forms for the research and help me distribute it to their connections, also co-operation and encouragement by my classmates in completing my project.

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## **EXECUTIVE SUMMARY**

Although banking is an old activity and has roots on Economics, Finance and Commerce, the concept of Customer Relationship Management is of recent origin. To many people Customer Relationship Management means “A co-ordinate approach to the selling process allowing the various operational, customer contact and sales promotional functions of an organization to functions as a whole”.

**Universally conducting efficient banking operations and associated business involves managing;**

- The information and communication technology that drives banks core business.
- Customer relationships.
- Risk associated with conducting business with customers and other banks and financial institutions.

Successful banks all over the world have invested considerably in customer relationship management technologies, which in turn would increase banks’ profits considerably on one hand and improve the level of their customers in doing business with them on the other hand. Further such banks are very sensitive to the risks they face in dealing with money in the form of credit risk or market risk or operational risk. Banks continuously embrace, with great favor the latest development in customer relationship management and information and communication technologies in order to service better and reap more profits.

# **1. INTRODUCTION**

## **WHAT IS CRM?**



Every business unit emphasizes on spurring a long term relationship with customers to nurture its stability in today's blooming market. Customer's expectations are now not only limited to get best products and services, they also need a face-to-face business in which they want to receive exactly what they demand and in a quick time.

Customer Relationship Management is an upright concept or strategy to solidify relations with customers and at the same time reducing cost and enhancing productivity and profitability in business.

An ideal CRM system is a centralized collection all data sources under an organization and provides an atomistic real time vision of customer



information. A CRM system is vast and significant, but it can be implemented for small business, as well as large enterprises also as the main goal is to assist the customers efficiently.

The key drivers for a CRM programme within the public sector tend to be the improvement of services to citizens, together with some real expectation of improving the efficiency and the effectiveness of the organization. Other drivers could be to focus limited resources on those in most need or to maximize revenue from customer facing activities.

At the heart of a perfect CRM strategy is the creation of mutual value for all the parties involved in the business process. It is about creating a sustainable competitive advantage by being the best at understanding, communicating, and delivering, and developing existing customer relationships in addition to creating and keeping new customers.

## **Definitions**

“An enterprise-wide business strategy for achieving customer-specific objectives by taking customer-specific actions.” *Peppers & Rogers (2004)*

“CRM is a philosophy and a business strategy, supported by a system and a technology, designed to improve human interactions in a business environment. “*Greenberg (2004)*”

## **EMERGENCE OF CRM:**

Customer Relationship Management (CRM) is one of those magnificent concepts that swept the business world in the 1990's with the promise of

forever changing the way businesses small and large interacted with their customer bases. In the short term, however, it proved to be an unwieldy process that was better in theory than in practice for a variety of reasons. First among these was that it was simply so difficult and expensive to track and keep the high volume of records needed accurately and constantly update them.

In the last several years, however, newer software systems and advanced tracking features have vastly improved CRM capabilities and the real promise of CRM is becoming a reality. As the price of newer, more customizable Internet solutions have hit the marketplace; competition has driven the prices down so that even relatively small businesses are reaping the benefits of some custom CRM programs. Following explanation gives us the idea about emergence of CRM:-

### **In the beginning...**

The 1980's saw the emergence of database marketing, which was simply a catch phrase to define the practice of setting up customer service groups to speak individually to all of a company's customers.

In the case of larger, key clients it was a valuable tool for keeping the lines of communication open and tailoring service to the client's needs. In the case of smaller clients, however, it tended to provide repetitive, survey-like information that cluttered databases and didn't provide much insight.

As companies began tracking database information, they realized that the bare bones were all that was needed in most cases: what they buy regularly, what they spend, what they do.

## **Advances in the 1990's**

In the 1990's companies began to improve on Customer Relationship Management by making it more of a two-way street. Instead of simply gathering data for their own use, they began giving back to their customers not only in terms of the obvious goal of improved customer service, but in incentives, gifts and other perks for customer loyalty.

This was the beginning of the now familiar frequent flyer programs, bonus points on credit cards and a host of other resources that are based on CRM tracking of customer activity and spending patterns. CRM was now being used as a way to increase sales passively as well as through active improvement of customer service.

## **True CRM comes of age**

Real Customer Relationship Management as it's thought of today really began in earnest in the early years of this century. As software companies began releasing newer, more advanced solutions that were customizable across industries, it became feasible to really use the information in a dynamic way.

Instead of feeding information into a static database for future reference, CRM became a way to continuously update understanding of customer needs and behavior.

Branching of information, sub-folders, and custom-tailored features enabled companies to break down information into smaller subsets so that they could

evaluate not only concrete statistics, but information on the motivation and reactions of customers.

The Internet provided a huge boon to the development of these huge databases by enabling offsite information storage. Where before companies had difficulty supporting the enormous amounts of information, the Internet provided new possibilities and CRM took off as providers began moving toward Internet solutions.

With the increased fluidity of these programs came a less rigid relationship between sales, customer service and marketing. CRM enabled the development of new strategies for more cooperative work between these different divisions through shared information and understanding, leading to increased customer satisfaction from order to end product.

Today, CRM is still utilized most frequently by companies that rely heavily on two distinct features: customer service or technology. The three sectors of business that rely most heavily on CRM -- and use it to great advantage -- are financial services, a variety of high-tech corporations and the telecommunications industry.

The financial services industry in particular tracks the level of client satisfaction and what customers are looking for in terms of changes and personalized features. They also track changes in investment habits and spending patterns as the economy shifts. Software specific to the industry can give financial service providers truly impressive feedback in these areas.

## **1.1 INDUSTRIAL PROFILE**

### **CUSTOMER RELATIONSHIP MANAGEMENT IN BANKS**

Today, customers have more power in deciding their bank of choice. Consequently, keeping existing customers, as well as attracting new ones, is a critical concern for banks. Customer satisfaction is an important variable in evaluation and control in a bank marketing management. Poor customer satisfaction will lead to a decline in customer loyalty, and given the extended offerings from the competitors, customers can easily switch banks. Banks need to leverage effectively on their customer relationships and make better use of customer information across the institution.

#### **1.1.1 CRM IN BANKING SECTOR:**

Over the last few decades, technical evolution has highly affected the banking industry. For more than 200 years, banks were using branch based operations. Since the 1980s, things have been really changing with the advent of multiple technologies and applications. Different organizations got affected from this revolution; the banking industry is one of it (Sherif, 2002).

In this technology revolution, technology based remote access delivery channels and payment systems surfaced. ATM displaced cashier tellers, telephone represented by call centers replaced the bank branch, internet replaced the mail, credit cards and electronic cash replaced traditional cash transactions, and interactive television will replace face-to-face transactions (Sherif, 2002).

In recent years, banks have moved towards marketing orientation and the adoption of relationship banking principles. The key motivators for embracing marketing principles were the competitive pressure that arose from the deregulation of the financial services market particularly in India. This essentially exposed clearing banks and the retail banking market to increased competition and led to a blurring of boundaries in many traditional product markets (Durkin, 2004). The bank would need a complete view of its customers across the various systems that contain their data. If the bank could track customer behaviour, executives can have a better understanding, a predictive future behaviour and customer preferences. The data and applications can help the bank to manage its customer relationship to continue to grow and evolve (Dyche, 2001). According to Stone et al. (2002) most sectors of the financial services industry are trying to use CRM techniques to achieve a variety of outcomes. In the area of strategy, they are trying to:

- ❖ Create consumer-centric culture and organization;
- ❖ Secure customer relationships;
- ❖ Maximize customer profitability;
- ❖ Integrate communications and supplier – customer interactions across channels;
- ❖ Identify sales prospects and opportunities;
- ❖ Support cross and up-selling initiatives;
- ❖ Manage customer value by developing propositions aimed at different customer segments;
- ❖ Support channel management, pricing and migration.

CRM is a sound business strategy to identify the bank's most profitable customers and prospects, and devotes time and attention to expanding account relationship with those customers through individualized marketing, reprising, discretionary decision making, and customized service through the various sales channels that the bank uses. Any financial institution seeking to adopt a customer relationship model should consider six key business requirements, they are:

1. Create a customer-focused organization and infrastructure.
2. Gaining accurate picture of customer categories.
3. Assess the lifetime value of customers.
4. Maximize the profitability of each customer relationship.
5. Understand how to attract and keep the best customers.
6. Maximize rate of return on marketing campaigns.

### **1.1.2 CRM STRATEGIES**

The basic CRM strategy is to align an entire organization for better customer services.

**CRM Customer Service Strategy-** CRM tools are capable of delivering all customer information to everybody in need. Detailed customer reports can be accessed with customer service histories, priorities and customer preferences.

**CRM Sales Management Strategies-** CRM offers plenty of tools for automating and managing sales processes. All sales persons have access to

key customers, product and company data and all sales managers can effectively monitor and co-ordinate their team.

**CRM Document Management Strategies**-Bank hosts all the enterprise data in a web based centralized always updated CRM database accessible from everywhere at every time. No duplicate data, no double entry, no data loss. Superior encryption techniques with safe data transfer and sharing tools. Real time data backup strategy.

**CRM Marketing Strategy**- Banks know that the best ever marketing strategy is to combine all enterprise resources to find new customers, retain existing customers and to make them referrers. A wide range of CRM marketing tools are available for this purpose.

**CRM strategies also cover many other business processes.** The simplicity in use, open source features, and web based CRM allows users to develop right CRM strategies according to their industry, customers preference, sales territories etc.

### **1.1.3 CRM-A POWERFUL TOOL**

CRM is a powerful management tool that can be used to exploit sales potential and maximize the value of the customer to the bank. Generally, CRM integrates various components of a business such as sales, marketing, IT and accounting. This strategy may not increase a business's profit today or tomorrow, but it will add customer loyalty to the business.

In the long term, CRM produces continuous scrutiny of the bank's business relationship with the customer, thereby increasing the value of the



Customer's business. Although CRM is known to be a relatively new method in managing customer loyalty, it has been used previously by retail businesses for many years.

The core objective of modern CRM methodology is to help businesses to use technology and human resources to gain a better view of customer behavior. With this, a business can hope to achieve better customer service, make call centres more efficient, cross-sell products more effectively, simplify marketing and sales processes, identify new customers and increase customer revenues.

As an example, banks may keep track of a customer's life stages in order to market appropriate banking products, such as mortgages or credit cards to their customers at the appropriate time.

The next stage is to look into the different methods customers' information are gathered, where and how this data is stored and how it is currently being used. For instance, banks may interact with customers in a countless ways via mails, emails, call centres, marketing and advertising. The collected data may flow between operational systems (such as sales and stock systems) and analytical systems that can help sort through these records to identify patterns. Business analysts can then browse through the data to obtain an in-depth view of each customer and identify areas where better services are required.

#### **1.1.4 NEED OF CRM IN BANKS**

Bank merely an organization it accepts deposits and lends money to the needy persons, but banking is the process associated with the activities of banks. It includes issuance of cheque and cards, monthly statements, timely announcement of new services, helping the customers to avail online and mobile banking etc. Huge growth of customer relationship management is predicted in the banking sector over the next few years.

Banks are aiming to increase customer profitability with any customer retention. In banking sector, relationship management could be defined as having and acting upon deeper knowledge about the customer, ensure that the customer such as how to fund the customer, get to know the customer, keep in touch with the customer, ensure that the customer gets what he wishes from service provider and understand when they are not satisfied and might leave the service provider and act accordingly.

The present day CRM includes developing customer base. The bank has to pay adequate attention to increase customer base by all means, it is possible if the performance is at satisfactory level, the existing clients can recommend others to have banking connection with the bank he is operating. Hence asking reference from the existing customers can develop their client base. If the base increased, the profitability is also increase. Hence the bank has to implement lot of innovative CRM to capture and retain the customers.

## **1.2 ORGANIZATIONAL PROFILE**

### **1.2.1 STATE BANK OF INDIA: INRODUCTION**

**State Bank of India (SBI)** is a multinational banking and financial services company based in India. It is a government-owned corporation with its headquarters in Mumbai, Maharashtra. As of March 2018, it had assets of over INR 34547 billion, 24000 branches including 195 foreign offices spread over 34 countries and more than 59000 ATMs making it the largest banking and financial services company in India by assets.

The bank traces its ancestry to British India, through the Imperial Bank of India, to the founding in 1806 of the Bank of Calcutta, making it the oldest commercial bank in the Indian Subcontinent. Bank of Madras merged into the other two presidency banks—Bank of Calcutta and Bank of Bombay—to form the Imperial Bank of India, which in turn became the State Bank of India. Government of India nationalized the Imperial Bank of India in 1955, with Reserve Bank of India taking a 60% stake, and renamed it the State Bank of India. In 2008, the government took over the stake held by the Reserve Bank of India. SBI was ranked 216th in the Fortune Global 500 rankings of the world's biggest corporations for the year 2018.

SBI provides a range of banking products through its network of branches in India and overseas, including products aimed at non-resident Indians (NRIs). SBI has 16 regional hubs and 57 Zonal Offices that are located at important cities throughout the country.

SBI is a regional banking behemoth and has 20% market share in deposits and loans among Indian commercial banks.

The State Bank of India was named 29th most reputed company in the world according to *Forbes* 2009 rankings and was the only bank featured in the "top 10 brands of India" list in an annual survey conducted by Brand Finance and *The Economic Times* in 2010.

### **Banking subsidiaries**

They are Associate banks under SBI

- State Bank Of Bikaner and Jaipur (SBBJ)
- State Bank Of Hyderabad (SBH)
- State Bank Of Mysore (SBM)
- State Bank Of Patiala (SBP)
- State Bank Of Travancore (SBT)

### **Non-Banking Subsidiaries**

They are non-banking subsidiaries under SBI comprising 6 organs

- SBI cards and Payments services Ltd.  
Credit card issuer under SBI joining with GE Capitals.
- SBI Pension Funds Pvt Ltd.
- SBI Capital Markets Ltd. (SBICAP)

Financial advisory and investment services company under SBI. It has five subsidiaries. They are,

- SBICAP Securities Ltd.
- SBICAP Trustees Co Ltd.

- SBICAP Ventures Ltd.
- SBICAP (UK) Ltd.
- SBICAP (Singapore) Ltd.
- SBI Funds Management Pvt Ltd  
Asset Management Company under SBI.
- SBI Global Factors Ltd.  
Forfeiting servicing company under SBI.
- SBI DFHI Ltd  
Dealing with government security bills and treasury bills etc.

### **Joint Ventures**

They are other Joint venture companies with vast purposes.

- SBI Life Insurance Company Ltd (SBI Life)  
Joint venture of SBI (74% share) and PNB Paribas Cardif(26%)
- SBI General Insurance Company Ltd.  
General Insurance Company under SBI joining with Insurance Australia Group (IAG).
- SBI SG Global Securities services Pvt Ltd.

SSBI-SG Global Securities Services Pvt Ltd (SBISGGSS), is a joint venture between State Bank of India (SBI) and Societe Generale Securities Services (SGSS). This Joint venture has been set up to offer high quality Custody Services, Fund Accounting & Fund Administration, Risk Analysis & Performance Measurement and Registrar & Transfer Agency Services to domestic investors.

## **Foreign Subsidiaries**

- They are foreign subsidiary banks registered under the Brand name of SBI and are registered in their respective countries.
- They are, SBI (Canada), SBI (California), SBI (Botswana), SBI (Mauritius), SBI Singapore, Nepal SBI Bank Ltd, Commercial Indo Bank LLC (Russia), Bank of Bhutan Ltd, Bank SBI Indonesia etc.

## **Other initiatives**

SBI has also been tying up with many financial services industries. The last among them is with Reliance to start payment Bank.

In March 2001, SBI (with 74% of the total capital), joined with BNP Paribas (with 26% of the remaining capital), to form a joint venture life insurance company named SBI Life Insurance company Ltd. In 2004, SBI DFHI (Discount and Finance House of India) was founded with its headquarters in Mumbai.

### **1.2.2 HISTORY OF SBI**

The roots of the State Bank of India lie in the first decade of 19th century, when the Bank of Calcutta, later renamed the Bank of Bengal, was established on 2 June 1806. The Bank of Bengal was one of three Presidency banks, the other two being the Bank of Bombay (incorporated on 15 April 1840) and the Bank of Madras (incorporated on 1 July 1843). All three

Presidency banks were incorporated as joint stock companies and were the result of the royal charters. These three banks received the exclusive right to issue paper currency till 1861 when with the Paper Currency Act, the right was taken over by the Government of India. The Presidency banks amalgamated on 27 January 1921, and the re-organized banking entity took as its name Imperial Bank of India. The Imperial Bank of India remained a joint stock company but without Government participation.

Pursuant to the provisions of the State Bank of India Act of 1955, the Reserve Bank of India, which is India's central bank, acquired a controlling interest in the Imperial Bank of India. On 1 July 1955, the Imperial Bank of India became the State Bank of India. The government of India recently acquired the Reserve Bank of India's stake in SBI so as to remove any conflict of interest because the RBI is the country's banking regulatory authority.

In 1959, the government passed the State Bank of India (Subsidiary Banks) Act, which made eight state banks associates of SBI. A process of consolidation began on 13 September 2008, when the State Bank of Saurashtra merged with SBI.

SBI has acquired local banks in rescues. The first was the Bank of Behar (est. 1911), which SBI acquired in 1969, together with its 28 branches. The next year SBI acquired National Bank of Lahore (est. 1942), which had 24 branches. Five years later, in 1975, SBI acquired Krishnaram Baldeo Bank, which had been established in 1916 in Gwalior State, under the patronage of Maharaja Madho Rao Scindia. The bank had been the *Dukan Pichadi*, a small moneylender, owned by the Maharaja. The new bank's first manager

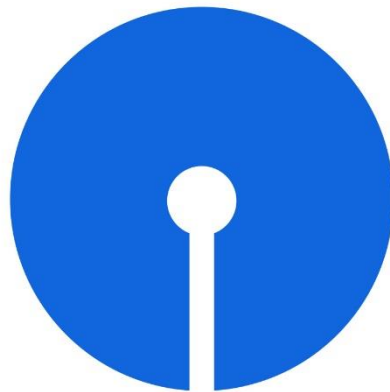
was Jall N. Broacha, a Parsi. In 1985, SBI acquired the Bank of Cochin in Kerala, which had 120 branches. SBI was the acquirer as its affiliate, the State Bank of Travancore, already had an extensive network in Kerala.

The State Bank of India and all its associate banks are identified by the same blue *keyhole* logo. The State Bank of India wordmark usually has one standard typeface, but also utilises other typefaces.



### **1.2.3 LOGO AND SLOGAN**

- The logo of the State Bank of India is a blue circle with a small cut in the bottom that depicts perfection and the small man the common man - being the center of the bank's business.



## **State Bank of India**

- Slogans: "PURE BANKING, NOTHING ELSE", "WITH YOU - ALL THE WAY", "A BANK OF THE COMMON MAN", "THE BANKER TO EVERY INDIAN", "THE NATION BANKS ON US"

### **1.3 OBJECTIVE OF THE STUDY**

The objectives of the Study are as follows:

- To assess the Role of Customer Relationship Management in the State Bank of India.
- To Assess the Perception of the employees towards the Implementation of Customer Relationship Management in the Banks.
- To Assess the Perception and Satisfaction of the Customers with the banks.

## **2. LITERATURE REVIEW**

As the business world moves forward and evolves, so too does the nature of business and best practices used by companies to successfully operate in business. Technology has had a significant effect on all facets of many business and industries in the last couple decades. This is more and more the case as time goes on. Technology alone does not guarantee accomplishment, however. Success comes when companies are able to leverage the strengths of new technologies, while at the same time maximizing business and cost efficiencies, and delivering products and services that consumers demand.

### **2.1 TRENDS IN CRM**

One of the biggest trends in business in the last fifteen years has been the emphasis on customer relationship management (CRM). CRM is essentially the linking together of basic marketing principles of customer loyalty and retention, and the emergence of database technology. Marketing gurus have long professed the importance of customer retention and customer loyalty. The challenge for many businesses was that there were limited tools available to effectively capture new customers and manage relationships with them. Customer retention was a concept with little backbone or front-end emphasis.

Database technology has arguably been the second greatest technological breakthrough in marketing, only behind the internet. Database development enabled companies an efficient and practical way to capture data about new customers and monitor behaviors of those customers over time. This has helped some companies. develop new market opportunities, segment

existing markets more effectively, target specific customer segments with direct marketing promotions, and most importantly, identify the best customers and maintain a close working relationship with them.

Databases alone are actually of little use. A database is simply a collection, storage and retrieval solution for dumping and mining data. Of course, this is a key part of the CRM process. However, an effective CRM and marketing program combined with excellent customer service are what make database capabilities meaningful.

The first marketing issue tied to using a database for CRM is establishing touch points for collection of customer data. Retail stores often do this at the point of sale. Telemarketers may do this over the phone. However, much of the growth in database use and data collection has centered on web-based interfaces and software solutions that allow companies to capture data directly from customer interaction with their websites. Why is the internet medium a key driver of customer data collection? It is extremely economical and efficient. All internet touch points do have behind-the-scenes people and resources serving as their engine and parts. But, connecting with a customer through a web touch point also typically requires no immediate human employee contact and allows for instantaneous collection and fast service for the customer.

For a business to truly grasp the point of CRM, it has to realize that the basic concepts as to what good customer service is about have changed. In today's fast-paced, internet and technology-crazed environment, service is no longer just a personalized approach to helping customers. Do not be confused.

Personalized ‘delivery’ of service is still a necessary component to customer service. People like to be treated well by those who deliver service to them.

However, customer service has expanded to include service components such as ‘efficiency’ and ‘convenience’. Consumers have always wanted immediate gratification to whatever extent it was available. The difference for today’s consumer is that he is used to finding what he wants and accessing it immediately using the most advanced internet and technology applications. Thus, a customer service business must include these new service components in their offering to truly achieve the success that CRM is intended to provide.

Efficient service now means the ability to quickly and accurately serve oneself if immediate help is not available. It means having an easy to use and quick purchase and pay process available through the web. The good news for businesses is that this desire of customers for web-based applications plays right into the ability to quickly and automatically collect customer data. What’s more, e-mail marketing is now used to target select customers effectively as opposed to mass customers ineffectively. Consumers also like the ability to buy and shop on their own time and from the convenience of home, or wherever else they happen to be.

Once companies are able to offer solutions that meet new customer service expectations and allow for collection of data, they can embark on the rest of the CRM process. Data mining and analysis can be used to achieve marketing results previously indicated. Companies can pinpoint select audiences for promotions and marketing campaigns. Customer relationships

mean better service, efficient business, and in the long run, better profitability.

## **2.2 FEATURES OF CRM:**

Customer Relationship Management is a strategy which is customized by an organization to manage and administrate its customers and vendors in an efficient manner for achieving excellence in business. It is primarily entangled with following features:

**1. Customer Needs-** An organization can never assume what actually a customer need. Hence it is extremely important to interview a customer about all the likes and dislikes so that the actual needs can be ascertained and prioritized. Without modulating the actual need it is arduous to serve the customer effectively and maintain a long-term deal.

**2. Customers Response-** Customer response is the reaction by the organization to the queries and activities of the customer. Dealing with these queries intelligently is very important as small misunderstandings could convey unlike perceptions. Success totally depends on the understanding and interpreting these queries and then working out to provide the best solution. During this situation if the supplier wins to satisfy the customer by properly answering to his queries, he succeeds in explicating a professional and emotional relationship with him.

**3. Customer Satisfaction-** Customer satisfaction is the measure of how the needs and responses are collaborated and delivered to excel customer

expectation. In today's competitive business marketplace, customer satisfaction is an important performance exponent and basic differentiator of business strategies. Hence, the more is customer satisfaction; more is the business and the bonding with customer.

**4. Customer Loyalty-** Customer loyalty is the tendency of the customer to remain in business with a particular supplier and buy the products regularly. This is usually seen when a customer is very much satisfied by the supplier and re-visits the organization for business deals, or when he is tended towards re-buying a particular product or brand over times by that supplier. To continue the customer loyalty the most important aspect an organization should focus on is customer satisfaction. Hence, customer loyalty is an influencing aspect of CRM and is always crucial for business success.

**5. Customer Retention-** Customer retention is a strategic process to keep or retain the existing customers and not letting them to diverge or defect to other suppliers or organization for business. Usually a loyal customer is tended towards sticking to a particular brand or product as far as his basic needs continue to be properly fulfilled. He does not opt for taking a risk in going for a new product. More is the possibility to retain customers the more is the probability of net growth of business.

**6. Customer Complaints-** Always there exists a challenge for suppliers to deal with complaints raised by customers. Normally raising a complaint indicates the act of dissatisfaction of the customer. There can be several reasons for a customer to launch a complaint. A genuine reason can also exist due to which the customer is dissatisfied but sometimes complaints are launched due to some sort of misunderstanding in analyzing and interpreting

the conditions of the deal provided by the supplier regarding any product or service. Handling these complaints to ultimate satisfaction of the customer is substantial for any organization and hence it is essential for them to have predefined set of process in CRM to deal with these complaints and efficiently resolve it in no time.

**7. Customer Service-** In an organization Customer Service is the process of delivering information and services regarding all the products and brands. Customer satisfaction depends on quality of service provided to him by the supplier. The organization has not only to elaborate and clarify the details of the services to be provided to the customer but also to abide with the conditions as well. If the quality and trend of service go beyond customer's expectation, the organization is supposed to have a good business with customers.

### **2.3 IMPORTANCE OF CRM:**

Customer Relationship management is the strongest and the most efficient approach in maintaining and creating relationships with customers. Customer relationship management is not only pure business but also ideate strong personal bonding within people. Development of this type of bonding drives the business to new levels of success.

Once this personal and emotional linkage is built, it is very easy for any organization to identify the actual needs of customer and help them to serve them in a better way. It is a belief that more the sophisticated strategies involved in implementing the customer relationship management, the more strong and fruitful is the business. Most of the organizations have dedicated



world class tools for maintaining CRM systems into their workplace. Some of the efficient tools used in most of the renowned organization are Batch Book, Sales force, Buzz stream, Sugar CRM etc.

**Looking at some broader perspectives given as below we can easily determine why a CRM System is always important for an organization.**

1. A CRM system consists of a historical view and analysis of all the acquired or to be acquired customers. This helps in reduced searching and correlating customers and to foresee customer needs effectively and increase business.
2. CRM contains each and every bit of details of a customer, hence it is very easy for track a customer accordingly and can be used to determine which customer can be profitable and which not.
3. In CRM system, customers are grouped according to different aspects according to the type of business they do or according to physical location and are allocated to different customer managers often called as account managers. This helps in focusing and concentrating on each and every customer separately.
4. A CRM system is not only used to deal with the existing customers but is also useful in acquiring new customers. The process first starts with identifying a customer and maintaining all the corresponding details into the CRM system which is also called an 'Opportunity of Business'. The Sales and Field representatives then try getting business out of these customers by sophisticatedly following up with them and converting them

into a winning deal. All this is very easily and efficiently done by an integrated CRM system.

5. The strongest aspect of Customer Relationship Management is that it is very cost-effective. The advantage of decently implemented CRM system is that there is very less need of paper and manual work which requires lesser staff to manage and lesser resources to deal with. The technologies used in implementing a CRM system are also very cheap and smooth as compared to the traditional way of business.

6. All the details in CRM system is kept centralized which is available anytime on fingertips. This reduces the process time and increases productivity.

7. Efficiently dealing with all the customers and providing them what they actually need increases the customer satisfaction. This increases the chance of getting more business which ultimately enhances turnover and profit.

8. If the customer is satisfied, they will always be loyal to you and will remain in business forever resulting in increasing customer base and ultimately enhancing net growth of business.

In today's commercial world, practice of dealing with existing customers and thriving business by getting more customers into loop is predominant and is mere a dilemma. Installing a CRM system can definitely improve the situation and help in challenging the new ways of marketing and business in an efficient manner. Hence in the era of business every organization should be recommended to have a full-fledged CRM system to cope up with all the business needs.

## **2.4 BENEFITS OF CRM:**

Excellent customer service is about being aware of customer needs and reacting to them effectively. CRM can:

- Develop better communication channels
- Collect vital data, like customer details and order histories
- Create detailed profiles such as customer preferences
- Deliver instant, company-wide access to customer histories
- Identify new selling opportunities

Following are some of the benefits of CRM:

### **1. Centralization and Sharing of Data:**

With Customer Relationship Management (CRM) systems, data is stored in one centralized location, making it readily accessible to all members of an business or organization. This enables the company's staff to more easily communicate with and market to their customers. If one sales person is on vacation, for instance, the information about his customers is available to the entire sales team, and they are able to pick up where he left off without jeopardizing a customer relationship.

### **2. Better Customer Service:**

Customer Relationship Management (CRM) systems are capable of storing detailed information about each customer, such as their history of orders, correspondence, survey responses, and marketing emails. Having such information easily accessible can significantly improve the speed and quality

of customer service. This in turn gives employees more time to focus on sales, marketing, and other priorities.

### **3. Higher Customer Satisfaction:**

Customer Relationship Management (CRM) systems make customers feel more like they are part of a team than merely a sales statistic. This sense of partnership often makes for a happier customer who is more likely to do repeat business and refer a potential new customer.

### **4. Improved Marketing Efforts:**

Records contained within a Customer Relationship Management (CRM) system may be analyzed in order to more effectively market to each individual in a company's database. Customer demographics, order histories, and survey results may be studied in order to determine which group(s) are best to target in each specific marketing campaign. Also, details about a customer's previous orders can be used to predict when he is likely to place his next order, and what type of products he is interested in ordering. Cross-selling and up-selling can also be more effective when companies are equipped with this information.

### **5. More Profit:**

The combination of more efficient customer service, more effective marketing, happier customers, and more sales translates to a more profitable business.

## **6. Save Time:**

A CRM automates a lot of the usual time-devouring tasks, giving salespeople more time to do what they are actually paid to do: namely, sell to prospects. More time spent in front of potential customers (instead of shuffling paper) means more sales, which makes everyone happy.

## **7. Look Professional:**

Which do you think looks better to a prospect: a salesperson who keeps all their information in a computer database and can pull up vital details immediately, or one who keeps their information on Post-It notes and has to scramble for ten minutes just to find the scheduled appointment time?

## **8. Save Money:**

Sure, the more impressively arrayed CRMs can cost a lot of money. But if you don't need quite that much technology working for you, it's easy to find less expensive or even free alternatives. And just think how much you'll save on Post-It notes if you're putting all that information into the computer instead.

## **9. Convenient:**

If the whole sales team is using the same CRM, then it's easy to share that information as needed. Most CRMs allow you to develop templates for phone scripts or frequently used emails, and the team can share these templates. Many CRMs even support mobile devices, so you can access all

that information from your iPhone or enter a few quick notes right from the prospect's office.

### **10. Secure:**

What happens when the nightly cleaning crew accidentally throws out someone's Post-It archive? With a CRM, information is usually stored either in a central database or in the CRM provider's system. At the very least each salesperson can back up copies of their individual databases to another computer.

### **11. Faster Lead Generation:**

A good CRM can help immensely with lead generation. For instance, many CRMs can integrate with website and social media campaigns, sending leads from these sources directly to the appropriate salesperson. That means the sales team is spending less time cold calling and more time working warm leads, which tend to be far more fruitful. And by tracking each salesperson's activities, it can keep lead lists up to date – so that you don't have five different salespeople calling the same lead.

### **12. Simplified Goal-Setting:**

By pulling all the data together into one place, CRMs make it easy to track performance both within and across the team. CRMs can also bring all this information together into reports that help with forecasting. Having this level of analysis available makes setting the next period's goals much easier... and makes it more likely that these goals will align with reality.

### **3. RESEARCH METHODOLOGY**

In order to conduct the research an appropriate methodology became necessary. In this direction both primary as well as secondary data were attempted to be collected. The methodology is concentrated in the following area:

- **Primary Data**

The primary data collection is specially designed to have information from the customers of the bank. The questionnaire was presented to them to collect the data.

- **Secondary data**

The methodology for collecting data with reference to the secondary data was taken from the following: - 1) Reference books 2) Internet

# **CUSTOMER RELATIONSHIP MANAGEMENT IN STATE**

## **BANK OF INDIA**

### **4.1 SERVICES PROVIDED BY SBI TO CUSTOMERS**

The vision statement unambiguously spells out the centrality of the customers in the bank's business strategies and operations. A multi-tiered structure of committees constantly reviews existing services and suggest improvements. Important issues raised by these committees and action taken thereon as well as analysis of consolidated data for customer grievance for all circles are placed before the customer service committee of the board every quarter, to identify common systematic and policy issues that require rectification.

The bank has a well-defined and documented grievance redressal policy which provides for:

- A dedicated customer care cell.
- Banks web-based COMPLAINT MANAGEMENT SYSTEM (CMS) has been redesigned and launched as a single online GRIEVANCE LODGING AND REDRESSING SYSTEM for the bank. Customers can lodge their complaints through various channels including written complaint at branch by calling at toll free number of bank contact center, online through bank's website, sending SMS message etc. all complaints are lodged through CMS and are acknowledged with a unique ticket number immediately on lodging.



Bank has mandated and has been able to redress a majority of customer grievances within a maximum period of three weeks of receipt as against the time limit of 30 days prescribed in the BCSBI code. All ATM related complaints of bank customers are redressed within the RBI prescribed 7 days.

- While the bank strives to achieve the highest standards in customer service, it has also put in place a board approved compensation policy to compensate the customer financially in the unlikely event of any slippage in service extended. The policy ensures that the aggrieved customer is compensated without having to ask for it.
- Over 70% of the recommendations of Damodaran committee have already been implemented.
- Suitable structure has been put in place at the Branches, Regional Business Offices, Local Head Offices, Administrative Offices and at Corporate Centre of the bank for handling requests and appeals under the RTI ACT 2005, Consumer Forum, etc.

### **Customer friendly initiatives:**

On 8<sup>th</sup> August 2018 The State Bank of India on Wednesday launched the latest customer-friendly digital initiative of the bank MOPAD (Multi Option Payment Acceptance Device). Under the initiative, the customer will be able to make payments through cards, Bharat QR, UPI and SBI Buddy (e-Wallet) on a PoS terminal. The initiative aims at providing digital convenience to customers and Ease of Doing Business for merchants at the same time. This product takes forward bank's objective of 'Cash ki Aadat Badlo'. After all types of transactions, the customer gets a charge-slip as a proof of payment. This is not available for traditional Bharat QR, UPI, SBI Buddy transactions.

The merchants get single MIS for all types of digital transactions helping them to have total control of the cash flows. It is expected that this multipurpose initiative will enhance the digital ecosystem and help the bank in driving the economy towards a cashless society, said Mani Palvesan, Chief General Manager, State Bank of India, Amaravati Circle, who launched the MOPAD at Lucky Shopping Mall in the city. It is expected that this multipurpose initiative will enhance the digital ecosystem and help the bank in driving the economy towards a cashless society, said Mani Palvesan, Chief General Manager, State Bank of India, Amaravati Circle, who launched the MOPAD at Lucky Shopping Mall in the city.

#### **4.2 TRANSACTION BANKING UNIT (TBU)**

TBU oversees cash management products, trade finance and supply chain finance and has expanded its activities over last decade.

- STATE BANK OF INDIA provides cash management services to Corporate Clients under the brand name SBI FAST (Funds Available in Shortest Time).
- SBI FAST ensures optimization of collections and payouts while ensuring predictability in the cash flows.
- SBI FAST ensures getting Funds in time, quick transfers, account reconciliation, easy disbursements, controlled processes and customized MIS.
- SBI FAST eliminates the inherent delays of the traditional funds transfer mechanism and enhances liquidity to ensure optimum planning and utilization of funds.

- SBI FAST also offers File upload facility on our web based portal and provides complete Host to Host facility (a secure, seamless file transfer facility).

### **FEATURES & BENEFITS:**

- Centralized Control of cash.
- Interest Cost reduction on borrowings.
- Enhanced Liquidity.
- Interchange of Information between Treasury & Operating units.
- Cash forecasting & scheduling.
- Effective control over disbursements.
- Efficient Financial Management.

### **SBI FAST Cash Management Services Offerings:**

#### **COLLECTIONS:**

##### **LOCAL COLLECTIONS: (Cheques/drafts etc)**

- Collection of instruments tendered at various CMP collection centers. Depending on the clearing practices prevailing at the various centers (i.e. Day-0, Day-1, or Day-2), credit is afforded, as mandated, to the client's main account at the pooling center the same day as the proceeds are cleared.
- Convenient collecting locations across the country with pooling facility at any of our branches as per client's choice, which are physically connected to our central hub at Mumbai.

- Instruments can be deposited at the collection centers either by their dealers/ distributors/representatives or through couriers as per the arrangement.
- Client is not required to open any account at the Centre from which this facility is availed.
- Collection of instruments in General/MICR Clearing, drawn on local branch and drawn on other local SBI Branches.
- No correspondent arrangements. Collections are handled exclusively through our own network and hence cost effective.
- SBI is the acknowledged leader in the collection services.
- Centralized Reconciliation Support.

#### **OUTSTATION CHEQUES COLLECTION:**

- Outstation Cheques can also be deposited at our CMP Cell branches and we afford Guaranteed Credit facility with credit available on Day 1 to Day 7.
- Outstation cheques drawn on our own branches are paid the same day at very concessional charges.

#### **CASH COLLECTION:**

- We also offer the facility of Cash Deposit at our CMP Cell branches on CMP software which facilitates automatic pooling of funds with MIS.
- Cash pick up facility from client's end available at most major centres

**UNCLEARED FUNDS:**

- Option of credit against Uncleared Instruments presented in General/MICR or High Value clearing offered selectively at Bank's discretion.
- A nominal limit is required to be set up to take care of returns.

**BALANCE SWEEP:**

- Transfer of day-end-balances in collection accounts maintained at various CMP centers across the country to the pooling account.
- Clients can use the account for crediting local and outstation collections as well as for meeting payments and the residual balance at the end of the day swept to the main account.
- Swept balances can be swept back to the respective accounts by reverse sweep at the beginning of next day.

**DEBIT TRANSFERS:**

- Debit Balances in operating accounts, where drawals are permitted up to a pre-fixed daylight limit, maintained at CMP centres transferred to the main account at the end of the day.
- The facility dispenses the use of allocated limits and thereby ensures better control, for the client over debits.

**CUSTOMISED MIS:**

- Daily presentation/credit/return reports provided to the representative/dealer at the local center.

- Daily location-wise/product-wise presentation/credit/return reports provided to the Corporate Office through E-mails.
- Customized weekly/fortnightly/monthly consolidated reports in soft-form, compatible with the clients accounting system, through E-Mail/Floppy/CD-ROM as required, for easier and speedier reconciliation.
- Daily Credit forecast reports through E-Mail.
- Uncluttered/Pure MIS is our USP since the product is operated entirely through SBI's own network.

### **ELECTRONIC COLLECTIONS:**

#### **DIRECT DEBIT**

- For Collection of invoice payment from Dealers, SIP/Premium etc.
- Payment can be pulled from any account at any of our CBS (12,500).
- Mandate of Account holders required, which is validated by us.

#### **RTGS/NEFT RECEIPTS**

- Dealer codes are set up by the corporate.
- Funds received through RTGS/NEFT modes are credited to the Corporate pooling Account.
- MIS is generated giving Dealer Name, Invoice no and amount received.

#### **PRICING**

- The pricing of the product is competitive but volume driven and depends on the location, type of facilities and amount of individual instruments.

## **PAYMENTS**

### **Real Time Gross Settlement**

- Inter Bank Product - Settlement through RBI.
- Minimum Transaction Amount Rs.2.0 lac.
- Settlement on the day of transaction.
- Competitive market related rates
- Payment file upload facility available through SBI CMP Portal / Host to Host Connectivity

### **National Electronic Fund Transfer**

- Inter Bank Product - Settlement through RBI.
- Used for amount less than Rs.2.0 lac.
- Settlement on the same day or next day.
- Any NEFT enabled Bank anywhere.
- Payment file upload facility available through SBI CMP Portal / Host to Host Connectivity

### **Electronic Clearing Scheme**

- Electronic mode of payment at all 72 ECS centers and across India through NECS for banks on corp. Banking.
- Useful for payment of interest, dividend, salary, pension to a large number of investors/ shareholders/ employees/ ex-employees.
- Payment file upload facility available through SBI CMP Portal / Host to Host Connectivity

## **Direct Credit**

- Intra-Bank of SBI for electronic payment that uses ' Core Power '.
- Settlement online & available between CBS branches (Over 12,500 & growing).
- Can be used for payment for Purchases, Rent, Incentives, and Salaries etc.
- Payment file upload facility available through SBI CMP Portal / Host to Host Connectivity

## **DRAFTS**

- Meets Bulk Drafts requirement on day '0'.
- Facsimile signature enabled up to Rs.5.0 lacs.
- Printed with forwarding letter also.
- Provision for direct dispatch to the beneficiary from our office.
- Payment file upload facility available through SBI CMP Portal / Host to Host Connectivity

## **Multi City Cheques**

- Client's facsimile signatures affixed for amount up to Rs.5 lacs.
- Printed with customized forwarding letter.
- Provision for direct dispatch to the beneficiary.
- Maximum amount per cheque Rs.10 lacs.
- Payable at all CBS branches of the Bank.
- Payment file upload facility available through SBI CMP Portal / Host to Host Connectivity



## **Dividend Warrants**

- All electronic and paper modes handled with widest reach.
- ECS – Across all 72 RBI/SBI/Other Bank Centres.
- RTGS/NEFT – Across all RTGS/NEFT enabled banks branches.
- Direct Credits – Across all branches of SBI.
- Dividend Warrants Payable at par at all 12500 plus branches
- Validation of Instrument No. & amount at the time of payment.
- Drafts issued at any of the 12500plus branches.
- Regular paid / unpaid status provided.

## **e-Trade SBI:**

It is a web based portal to enhance customer comfort and provide easy access to trade finance services, by enabling customers to lodge Letters of Credit, Bank Guarantees and Bill Collection/ negotiation requirements online from any corner of the world.

## **e- VFS (Electronic Vendor Financing Scheme) and e-DFS (Electronic Dealer Financing Scheme):**

These are fully operated and secured products, designed to ensure efficient management of working capital cycle of the corporate and sustained growth and profitability of business partners

**Financial Institutions Business Unit (FIBU):**

It is a dedicated vertical created for capturing potential business opportunities from financial institutions, has been able to bring on board 15 insurance companies, 26 mutual fund companies, 45 NBFCs and 15 banks.

**ATM Network:**

State Bank of India has ATM network in the country, which has expanded further during the years, to provide better ATM facilities to the customers.

### **4.3 RURAL BUSINESS UNIT**

#### **Financial Inclusion:**

- Bank has set up 38,480 BC Customer Service points, through alliances both at national and regional level.
- SBI is offering various technological-enabled products, through Business Correspondents (BC) channels, such as saving bank, RD, STDR, remittances and OD facilities.
- Opened 2.03 crores small accounts with simplified KYC.
- Bank has covered 12,931 FI villages (population >2000) and 7600 FIP villages (population <2000)
- Transactions volume through BC Channels has grown 2.4 times during FY 17-18 at Rs13,033 crores over FY 16-17.
- Around 99% households covered & 9085 lac accounts linked with Adhaar in 43 pilot districts.

#### **Multiple IT enabled channels for Financial Inclusion include:**

- **Kiosk Banking**: The Bank's own technology initiative, operated at internet enabled PC(Kiosk) with bio-metric validation at 20,178 CSPs, covering 83 lacs customer enrolments, has been rolled out in 31 states and 479 districts.
- **SBI Tiny Card**: About 14 lacs customers have been enrolled during FY13 (cumulative more than 76 lacs customers)
- **Mobile Rural Banking**: Bank's own technology on mobile platform introduced. This technology works on even very inexpensive mobile handsets.

- **Cell Phone Messaging Channels:** This cost effective model, working on low-cost simple mobile phones and well secured through PIN/signature based security has been rolled out in 12 states across 50 districts and covered 2025 CSP outlets.

### **Credit Flow to Agriculture:**

The bank has disbursed loans aggregating Rs 63,936 crores in FY13 surpassing the annual GOI target of Rs 60,000 crores and 11.89 lakh new farmers were brought into the bank's fold during the year.

### **New Products launched:**

- The revised Kisan Credit Card scheme provides for comprehensive short term credit limit, assessed for 5 years with 10% step up every year for past 5 years with 10% step up every year, with inbuilt post harvest/ household/ consumption requirement, maintenance expenses of farm assets, Crop Insurance, Personal Accidental Insurance Scheme (PAIS), asset insurance and investment credit. In addition, loan account is operated through multi-delivery channels using State Bank Kisan Cards.
- The new Tractor Loan Scheme was rolled out to cater to emerging needs with relaxations in eligibility norms, margin, securities, coupled with competitive interest rates and EMI mode of repayment.
- Special campaigns were launched to accelerate agri-business growth: 'Swarna Dhara Campaign' for agri-gold loans was continued, with quarterly competitions and garnered Rs 14345 crores business. 'Tractor Carnival' launched to regain the market share, resulted in a business growth of Rs 328crores.

### **Growth enablers:**

- Corporate and Partnership Tie-ups: Bank has entered into 14 new corporate tie-ups for driving growth, major being PepsiCo (KCC), Rallis India (KCC), ITC Ltd (KCC) and National Bulk Handling Corporation(Warehousing receipt financing).
- Special interest concessions: Special interest concessions ranging from 1.5% to 3.5% were extended to promote loan growth in high value agriculture activities like horticulture, minor irrigation, seed processing, warehousing, rural godowns, fishery, dairy, poultry, dealers in agri- inputs, farms machinery etc.
- Relaxed collateral security norms upto Rs1.00 lac for all agri loans and Rs 3.00 lac for loans with recovery tie up arrangements have been leveraged to improve quality Agri-Business.

### **Bonding with Farmers:**

During the year 209 new villages were adopted under “SBI Ka Apna Gaon Scheme” for overall development taking the total to 1272. 373 new Farmer Clubs were formed for fostering continued relationship with the farming community taking the total to 10648.

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#### **4.4 REGIONAL RURAL BANKS:**

Particulars	Levels as on	
	31.03.2017	31.03.2018
No. of RRBs	18	15
States covered	16	15
Districts covered	129	138
Branches	3180	3380
Deposits (Rs in crores)	29491	33379
Advances (Rs in crores)	17833	20681
CD Ratio	60.47	61.95
Profit after tax (RS in crores)	320	386

SBI has 15 sponsored RRBs, which operate in 138 districts of 15 states and have a network of 3380 branches. During FY2012-13, 4 RRBs viz Sharda Gramin Bank, Rewa Sidhi Gramin Bank, Nainital Almora Kshetriya Gramin Bank and Rushikulya Gramin Bank, sponsored by othe commercial banks, have amalgamated with SBI sponsored RRBs and three RRBs sponsored by the Bank viz Parvatiya Gramin Bank, Samastipur Kshetriya Gramin Bank and Vidisha Bhopal Kshetriya Gramin Bank have amalgamated with RRBs, sponsored by other Banks. All the RRBs are operating on Core Banking platform and are leveraging technology in electronic banking services such as NEFT, RTGS, ATM linked KCC and ATM, to provide better customer service. The RRBs are endeavouring to increase the size and business volumes by implementing financial inclusion.

### **RURAL SELF EMPLOYMENT TRAINING INSTITUTES (RSETIS):**

Particulars	31.03.2017	31.03.2018
No. of RSETIs	106	111
States/UT covered	19	24
Persons trained	111049	143190
Persons settled	45285	56630

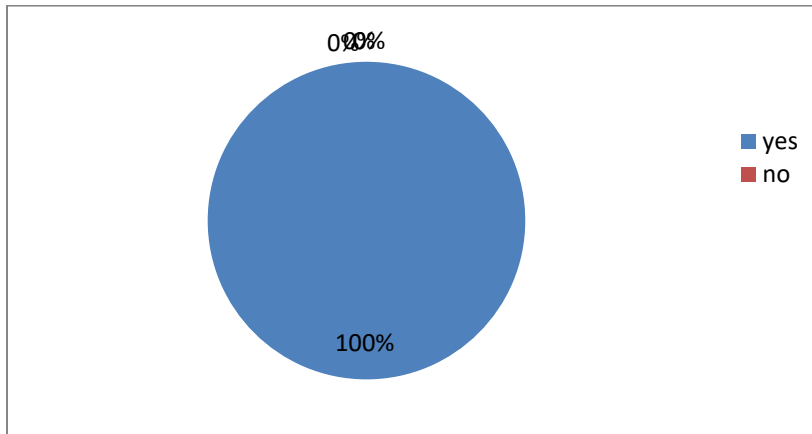
RSETIs offer free, unique and intensive short term residential self employment training programmes with free food and accommodation, designed specially to empower rural youth. Bank has set up 111 RAETIs across the country. The SBI-RSETIs in aggregate conducted 5371 training programmes, trained 143190 candidates and 56630 trainees are settled under self employment/wages employment.

#### **4.5 OTHER HIGHLIGHT:**

- Under Prime Minister's programme for the welfare of Minorities and implementation of Sachar Committee recommendations, against GOI stipulated target of 15% of the total priority sector lending (PSL) to Minority Communities, the Bank has achieved a level of 16.77% of the total PSL.
- The bank has opened 172 new branches in under-banked/unbanked areas in Minority Community District (MCDs) taking the total number of such branches to 3,438.

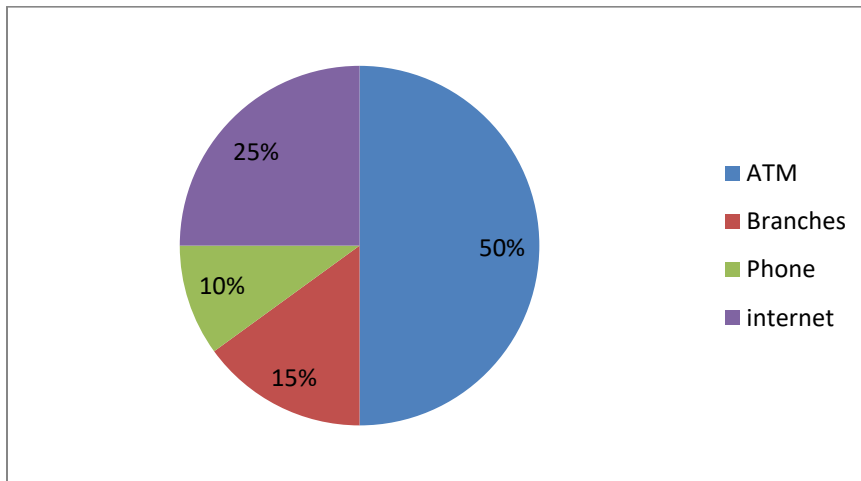
## DATA ANALYSIS AND FINDINGS

1. Are you a customer of SBI?



100% customers are of SBI

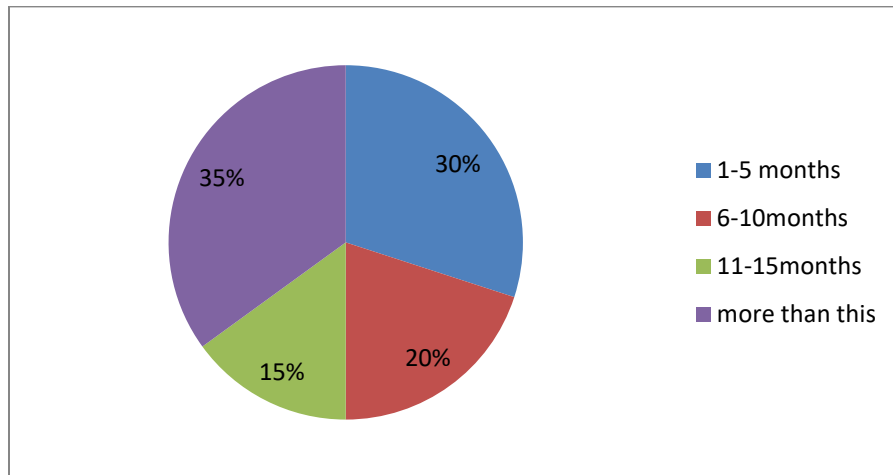
2. Which Banking services channels do you frequently use?



AS per the data taken from 20 people, 50% use ATM, 15% use branch channel, 10% use phone and 25% use internet services.

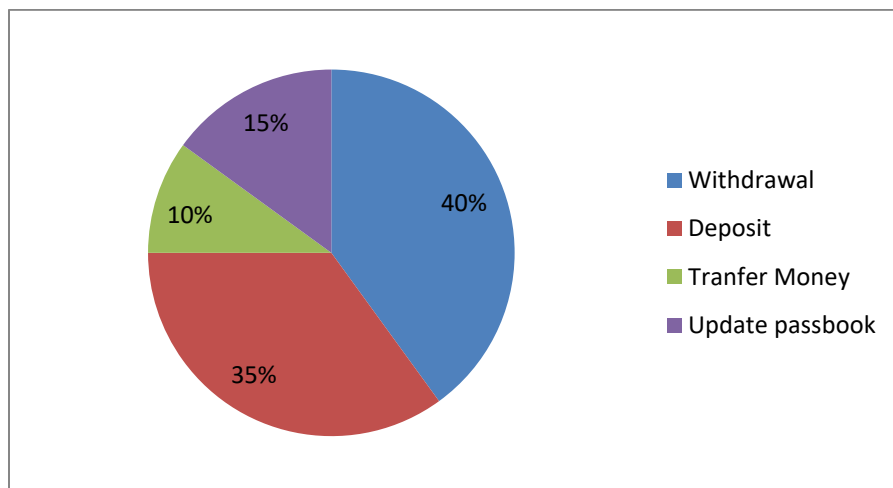


### 3. How often do you use the services per month?



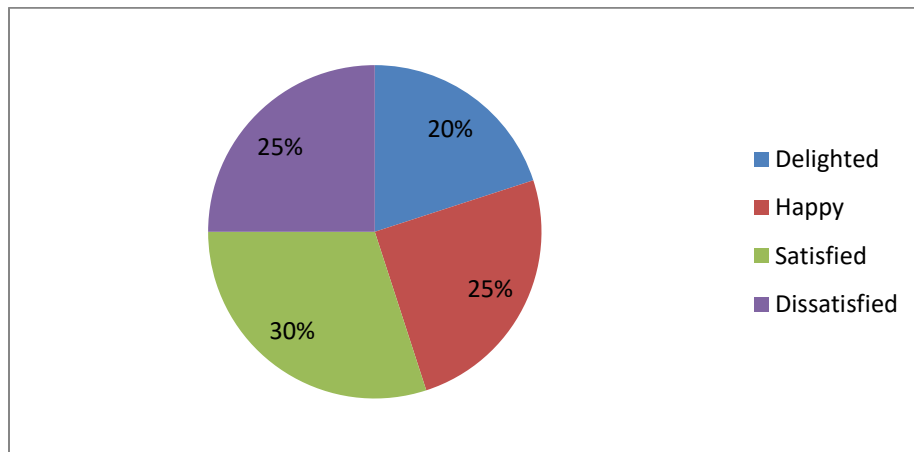
30% people use services for 1-5 months, whereas 20% people use services for 6-10 months, 11-15 months respectively and 35% use more than this.

### 4. What kind of services do you usually use?



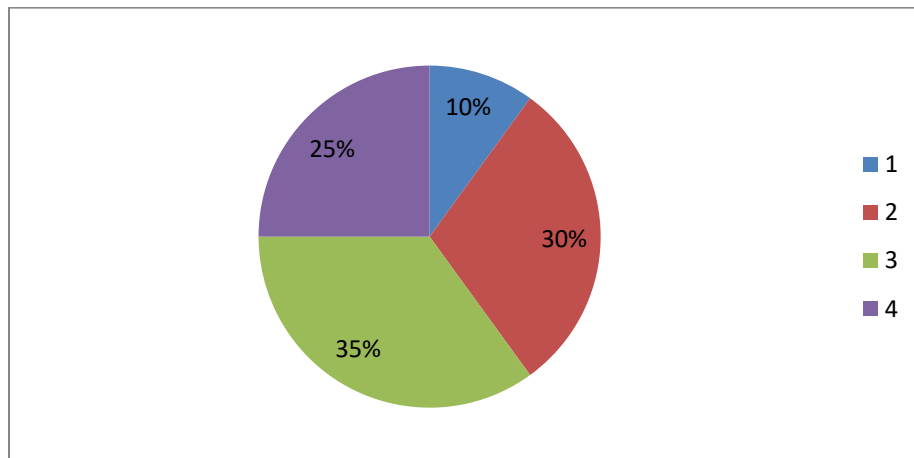
40% use withdrawal services, 35% use banking for deposits and 10% and 15% use services like transfer money and update passbook respectively.

5. Indicate your level of satisfaction with each aspect of banking services?



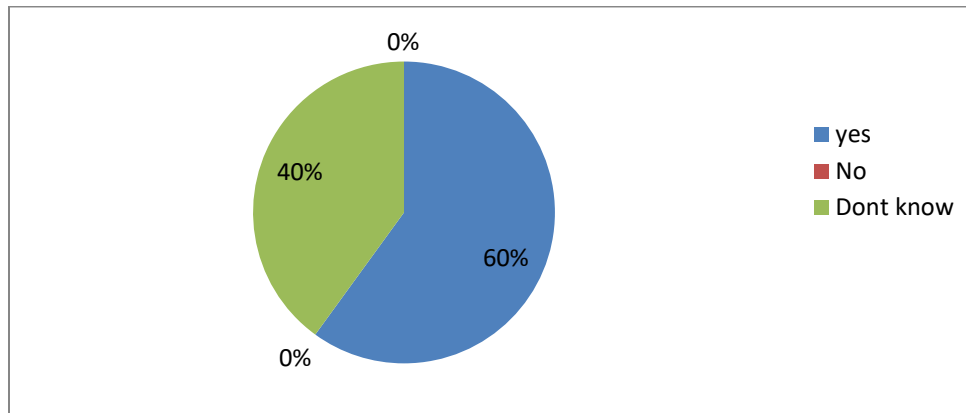
20% people are delighted with the services offered, 25% are happy whereas 30% people are satisfied and only 25% people are dissatisfied.

6. On basis of security measure how would you rate your bank?  
(1-very dissatisfied 4-very satisfied)



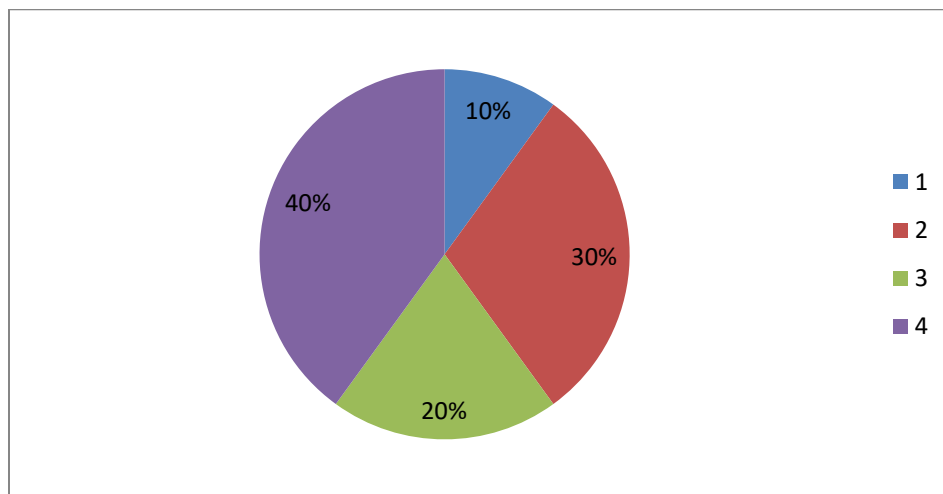
As per security measures are concerned 25% are very satisfied, 35% are satisfied, 30% are happy and 10% are very dissatisfied.

7. Does your bank provides customized services and premium offers?



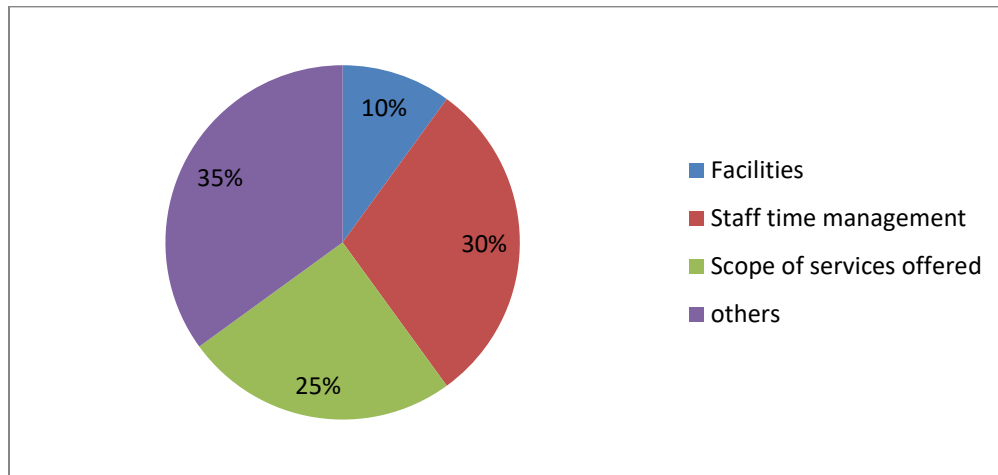
Regarding customized services and premium offers 60% people are aware about it and 40% are unaware.

8. How will you rate the scope of the services offered?(1-very dissatisfied 4-very satisfied)



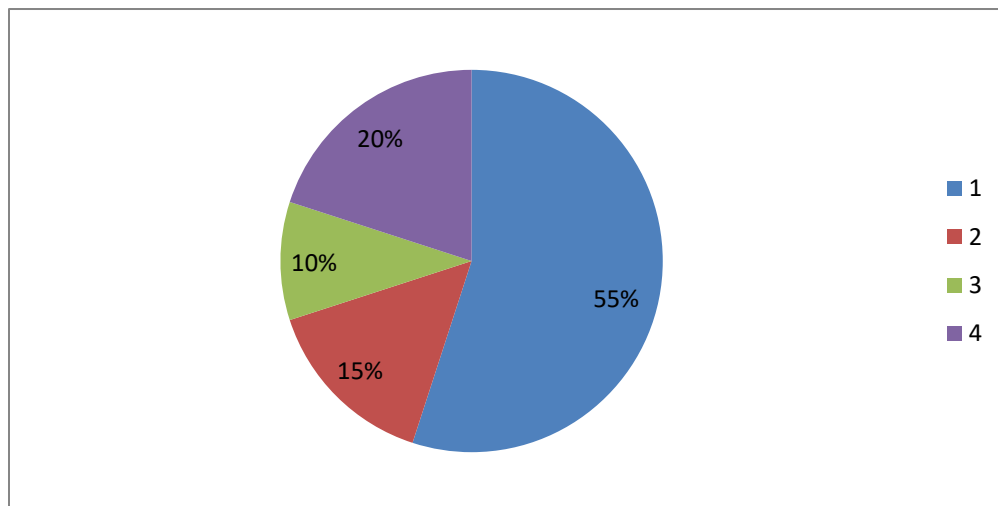
By rating scope of services 10% people are very dissatisfied, 30% are happy, 20% are satisfied and 40% people are very satisfied.

9. What improvement will you suggest to existing banking services?



As far as improvements are concerned 10% people think that facilities must be improved and 30% people think that staff time management must be done, 25% think that scope of services must be improved and 35% suggests some other improvements.

10. How would you rate your loyalty level towards banking services provided by SBI? (1-highest 4-lowest)



Loyalty level of customers ranks from 55% being highest, 15% being higher, 10% being low and 20% being lowest.

## **5. CONCLUSION**

Banking can be mysterious for consumers and how they interact with their finances can be a complex matter. The challenges faced by banks and their customers are many but the trick lies in de-mystifying complex financial relationships.

Technical solutions deployed by banks today are flexible, user-friendly and meant to facilitate specific workflow and requirements in implementation processes. In order to simplify lives, banks have begun to implement end-to-end technologies through all departments with the intention of removing human error from processes. Previously existing manual environments could not have been adequate for future visions, growth plans and strategies.

In this day and age, customers enjoy complete luxury in terms of customized technical solutions and banks use the same to cement long-term, mutually-beneficial relationships. For a bank to succeed in adopting a CRM philosophy of doing business, bank management must first understand CRM as a holistic concept that involves multiple, interlocking disciplines, including market knowledge, strategic planning, business process improvement, product design and pricing analysis, technology implementation, human resources management, customer retention, and sales management and training.

Turning the business strategy into actionable items is a difficult undertaking. For which Customer Relationship Management works a magic wand.

## **6. RECOMMENDATION**

Customer Relationship Management (CRM), the most exciting strategies that emerged from networking technology revolution of the nineties, is today fast emerging & one of the most important cooperates strategies. A well-executed Customer Relationship Strategies can result in number of quantitative benefits, including greater ability to sell and cross sell, improved retention besides cost of services.

Customer Relationship Management is do-able. However, the following must take into consideration before embarking upon its implementation. All aspects of customer relationship management, including technology solution, must be fully explored effectively deliver the competencies required to realize the business benefits.

1. Tackling any one competence alone will lead to a dysfunctional business. One competence does not customer relationship management make.
2. Take pragmatic steps with a clear view on delivery of all the components in the medium term, rather than piecemeal in the short term.
3. Successful mass customization is crucial to reducing customer acquisition cost and improving the cross-selling capacity.
4. Channels are a delivery mechanism. The effectiveness of the mechanism is achieved when it is faultless!
5. 75% of all Customer Relationship Management projects have failed due to lapses in implementation. Technology is not enough, implementation is the key and this is where the people aspect comes into the forefront.
6. Customer Relationship Management implementation is effective when companies are able to identify the internal and external customer and integrate them with its core business process.

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## **ANNEXURE**

### **QUESTIONNAIRE**

1. Are you a customer of SBI?
  - a. Yes
  - b. No
2. Which Banking services channels do you frequently use?
  - a. ATM
  - b. Branch
  - c. Phone
  - d. Internet
3. How often do you use the services per month?
  - a. 1-5 months
  - b. 6-10 months
  - c. 11-15 months
  - d. More than this
4. What kind of services do you usually use?
  - a. Withdraw



- b. Deposit
- c. Transfer money
- d. Update passbook

5. Indicate your level of satisfaction with each aspect of banking services?

- a. Delighted
- b. Happy
- c. Satisfied
- d. Dissatisfied

6. On basis of security measure how would you rate your bank?

(1-very dissatisfied 4-very satisfied)

- a. 1
- b. 2
- c. 3
- d. 4

7. Does your bank provides customized services and premium offers?

- a. Yes
- b. No
- c. Don't know

8. What is the scope of the services offered?

- a. 1
- b. 2
- c. 3
- d. 4

9. What improvement will you suggest to existing banking services?

- a. Facilities

- b. Staff time management
- c. Scope of services provided
- d. Others

10. How would you rate your loyalty level towards banking services provided by SBI? (1-highest 4-lowest)

- a. 1
- b. 2
- c. 3
- d. 4