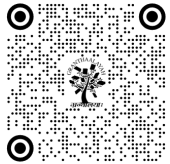


RECENT TRENDS OF CRM PRACTICES IN NATIONALISED BANKS WITH SPECIAL REFERENCE TO COIMBATORE CITY

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ABSTRACT

In today's competitive banking environment, Customer Relationship Management (CRM) has become essential for nationalised banks striving to enhance customer satisfaction and loyalty, especially in urban areas like Coimbatore City. This study aims to explore recent trends in CRM practices within nationalised banks, with a focus on assessing their effectiveness in improving customer service utilization and satisfaction. The problem addressed is the need for nationalised banks to adapt CRM strategies that meet customer expectations and maintain loyalty amid growing competition from private and digital banks. The research objectives are to analyze the effectiveness of CRM strategies in enhancing service utilization and to assess their impact on customer satisfaction in Coimbatore. A Descriptive Research Design was employed, and data was collected from a sample of 134 respondents using Convenience Sampling. The study uses statistical tools such as ANOVA, Correlation Analysis, and Multiple Linear Regression to examine relationships among CRM strategies, service utilization, and customer satisfaction. Key findings reveal that digital banking tools, personalization, and user-friendly interfaces are highly valued by younger customers. Moreover, locality and educational level significantly influence CRM effectiveness, highlighting the need for location-specific strategies. Recommendations include enhancing digital banking platforms, expanding ATM networks, and investing in customer service training to improve conflict resolution. In conclusion, effective CRM strategies are essential for boosting customer satisfaction and fostering loyalty, underscoring the importance of continual adaptation and innovation in nationalised banks' CRM practices to meet evolving customer needs in Coimbatore City.

Keywords: CRM Trends, Customer Satisfaction, Nationalised Banks, Banking Services, Service Utilization, Coimbatore City, Customer Loyalty



1. INTRODUCTION

In recent years, Customer Relationship Management (CRM) has gained prominence as an essential strategy within the banking sector, particularly among nationalised banks seeking to retain customers and enhance service utilization in increasingly competitive markets. CRM represents a strategic shift from traditional customer acquisition methods toward building and nurturing long-term relationships with existing customers (Niranjani et al., 2022). This change is especially relevant for nationalised banks, which, due to intensified competition from private and digital banking entities, are under pressure to adopt CRM strategies that improve customer satisfaction and loyalty. In regions like Coimbatore City, where customers have access to numerous banking options, the effectiveness of CRM practices can be a key determinant of a bank's success. CRM in the banking industry involves understanding customer behavior, preferences,

and needs to tailor services that foster a positive banking experience. As Ponniah (2021) observes, the Indian banking sector has undergone significant transformations due to liberalization and technological advancements. These changes have driven banks to re-evaluate their customer engagement strategies, focusing more on personalized services. Moreover, Ahmed (2018) points out that CRM tools enable banks to analyze customer interactions and develop a deep understanding of their clients, thereby enhancing service offerings. For nationalised banks in Coimbatore, CRM practices can help bridge the gap between customer expectations and service delivery, making these banks more competitive against their private counterparts.

The evolution of CRM has been significantly influenced by advancements in technology. Gupta (2018) discusses how CRM systems that incorporate digital solutions such as mobile and online banking have become critical in delivering efficient, accessible services. By integrating these technologies, banks can offer convenient services that align with the expectations of today's customers, who increasingly prefer digital channels. Technology-enabled CRM practices allow banks to streamline their operations, improve customer service, and personalize interactions. As Karthikeyani (2020) explains, the use of digital tools in CRM not only improves operational efficiency but also helps banks gather insights into customer behavior, enabling them to respond proactively to customer needs. This is particularly relevant for nationalised banks, which may face challenges in customer retention due to traditional, less tech-savvy approaches to service delivery. The role of CRM in enhancing customer satisfaction is critical in banking. According to Jisha and Karpagam (2016), CRM strategies that prioritize customer needs can significantly improve customer satisfaction levels. By focusing on factors such as timely service delivery, personalized assistance, and efficient dispute resolution, banks can foster positive relationships with customers, leading to higher satisfaction rates. Nationalised banks, especially in areas like Coimbatore City, where customer expectations are continuously evolving, can leverage CRM to create personalized banking experiences that meet the diverse needs of their customer base. Joselin Sandra et al. (2024) further support this notion, highlighting that customer satisfaction and loyalty are often the results of consistent, high-quality customer service, which CRM practices can help deliver. The competitive landscape in the banking industry also necessitates the adoption of CRM practices that focus on customer retention. Verma et al. (2024) emphasize that CRM helps banks create a customer-centric approach, which is essential for building trust and loyalty. Nationalised banks can benefit from CRM by improving customer retention, which is more cost-effective than acquiring new customers. By implementing CRM strategies that include personalized communications and targeted marketing efforts, nationalised banks can foster a sense of loyalty among their customers, who are more likely to engage with the bank's services over the long term. This study focuses on Coimbatore City, where customers have a variety of banking options. In this context, nationalised banks must ensure their CRM practices are not only competitive but also aligned with the needs of local customers.

The present study aims to explore recent trends in CRM practices among nationalised banks in Coimbatore City, with a focus on understanding how these strategies influence customer satisfaction and service utilization. Given the critical role of CRM in modern banking, particularly as a tool for enhancing customer experience and retention, it is important to assess the effectiveness of CRM practices in Coimbatore's nationalised banks. The objectives of the study include analyzing the impact of CRM on customer service utilization and evaluating its role in improving customer satisfaction. By understanding these aspects, the study seeks to provide insights into the strengths and weaknesses of CRM practices in nationalised banks, ultimately offering recommendations for enhancing CRM to better serve the Coimbatore market. Through this research, the study aims to contribute to the broader understanding of CRM in the Indian banking sector, with specific insights into its application within nationalised banks and its potential to drive customer satisfaction and loyalty.

1.1. STATEMENT OF THE PROBLEM

In the dynamic and highly competitive banking industry, customer relationship management (CRM) has become a critical strategy for fostering strong customer loyalty and enhancing service utilization. Nationalised banks, in particular, face growing pressures to retain customers who now have an array of options with the increasing presence of private and digital banks. To address this, these banks are adopting various CRM practices aimed at improving customer experiences and streamlining banking processes. However, the effectiveness of these strategies in meeting customer expectations remains an area that requires further exploration, especially in specific urban markets like Coimbatore City.

Customer utilization of banking services is a key indicator of the success of CRM strategies in nationalised banks. Through personalized services, targeted communications, and technology-driven solutions, banks aim to encourage

customers to engage more fully with the range of services available. Despite these efforts, there is a need to understand how well these CRM strategies translate into actual service utilization, whether customers are able to access the full range of offerings, and what factors may hinder their engagement. Analyzing the effectiveness of these practices can help identify gaps and opportunities for improving service uptake among customers.

Customer satisfaction remains a crucial aspect of CRM practices, as it directly influences customer loyalty and long-term retention. Nationalised banks, which often serve a diverse demographic, must ensure that their CRM practices are not only effective but also aligned with customer needs and expectations. Evaluating the impact of these CRM strategies on customer satisfaction can offer valuable insights into the strengths and weaknesses of current approaches, helping banks to refine their CRM initiatives to better meet customer demands and enhance overall satisfaction in the context of Coimbatore City.

1.2. OBJECTIVES OF THE STUDY

- 1) To analyze the effectiveness of CRM strategies implemented by nationalised banks in enhancing customer utilization of banking services in Coimbatore City.
- 2) To assess the impact of CRM practices on customer satisfaction in nationalised banks within Coimbatore City.

2. REVIEW OF LITERATURE

Customer Relationship Management (CRM) is increasingly recognized as a vital strategy in the banking industry to foster long-term customer relationships. According to Niranjani et al. (2022), CRM emphasizes maintaining and strengthening customer connections rather than merely acquiring new ones. This shift reflects the growing need for banks to adopt relationship marketing to enhance profitability by retaining customers and deepening their engagement. The focus on relationship-building, particularly in nationalised banks, provides an opportunity to explore how CRM practices can not only sustain customer loyalty but also encourage broader utilization of banking services. Research by Ponniah (2021) and Ahmed (2018) highlights the transformation in Indian banks' CRM strategies driven by liberalization and technological advancements. These studies underscore that CRM in banking is not only about implementing new technologies but also about enhancing customer orientation and responsiveness. Verma et al. (2024) affirm that effective CRM strategies require coordinated efforts across bank departments, enabling institutions to offer personalized, seamless experiences to customers. This aligns with the study's objective of evaluating CRM practices in Coimbatore's nationalised banks to see how well they foster customer satisfaction and retention.

In recent years, CRM has evolved with technological integration, improving service quality and customer experience. Gupta (2018) and Karthikeyani (2020) discuss how CRM tools allow banks to better understand customer behavior, which aids in tailoring services to meet individual needs. The emphasis on technology-driven CRM has led banks to prioritize digital platforms, addressing customer expectations for accessible and efficient service options. This evolution of CRM practices in response to customer demands underlines the need to assess their impact on service utilization, a key focus of this study. Sathiya (2013) and Jisha & Karpagam (2016) suggest that CRM is crucial in public sector banks due to its role in customer retention and operational efficiency. They note that while private sector banks often lead in innovation, public sector banks are increasingly adopting CRM strategies to stay competitive. By examining CRM practices in Coimbatore's nationalised banks, this study seeks to understand how these strategies translate into customer satisfaction and whether they meet the service expectations in a competitive landscape. Joselin Sandra et al. (2024) highlight the critical link between CRM and customer loyalty, noting that personalized communication and efficient service delivery are essential for fostering long-term customer relationships. Their findings indicate that CRM systems that prioritize customer-centric strategies lead to enhanced satisfaction and loyalty. The insights from these studies collectively reinforce the objectives of this research, which aims to analyze the effectiveness of CRM in improving customer utilization of banking services and assess its impact on customer satisfaction within the nationalised banks of Coimbatore City.

3. RESEARCH METHODOLOGY

The research methodology for this study is designed to analyze the recent trends in Customer Relationship Management (CRM) practices in nationalized banks with a specific focus on Coimbatore City. This section outlines the approach used to collect, analyze, and interpret data to meet the objectives of this research.

3.1. RESEARCH DESIGN

This study adopts a Descriptive Research Design, which is suitable for systematically examining and describing the current CRM practices in nationalized banks and their impact on customer satisfaction and service utilization in Coimbatore City. This design enables a thorough observation of CRM practices without altering the environment in which they are implemented, providing valuable insights into their effectiveness.

3.2. SAMPLING DESIGN AND TECHNIQUE

The research employs a Non-Probability Sampling method, specifically Convenience Sampling. This method allows for the selection of participants who are easily accessible and willing to participate in the study. Given the localized focus on Coimbatore City, this sampling technique ensures that data collection is both practical and feasible within the study's constraints.

3.3. SAMPLE SIZE

The sample size for this study is 134 respondents, representing customers of nationalized banks in Coimbatore City. This sample size is selected to ensure a reliable and representative basis for statistical analysis, facilitating meaningful insights into the impact of CRM practices on customer satisfaction and utilization of banking services.

3.4. TOOLS USED

To analyze the data, the study employs a range of statistical tools, including Simple Percentage Analysis, Descriptive Statistics, ANOVA (Analysis of Variance), Correlation Analysis, and Multiple Linear Regression Analysis. These tools are chosen to provide a comprehensive assessment of the relationships between CRM practices and key outcomes such as customer satisfaction and service usage.

3.5. DATA COLLECTION

Primary data is collected directly from the target respondents using structured questionnaires. This method enables the gathering of direct insights into customer perceptions and experiences with CRM practices in nationalized banks, allowing for a nuanced understanding of how these practices influence customer satisfaction and banking service utilization.

4. ANALYSIS AND INTERPRETATION`

Table No.1: Demographic Profile of the respondents

Demographic Factor	Options	No. of respondents	Percent	Total Percent
Age Group	Upto 25 years	37	26.6	100.0
	26 to 35 years	48	34.5	
	36 to 45 years	30	21.6	
	Above 45 years	24	17.3	
Educational Level	School Level	28	20.1	100.0
	UG	52	37.4	

Locality of living	PG	42	30.2	100.0
	Ph.D	17	12.2	
	Urban	67	48.2	
	Suburban	39	28.1	
	Rural	33	23.7	

Source : Computed from Primary data

INTERPRETATION: Table No. 1 provides insights of the demographics of participants surveyed in the study focused on CRM practices in nationalised banks in Coimbatore. The age distribution shows the largest group of respondents (34.5%) is between 26 to 35 years, with the next substantial group up to 25 years old at 26.6%. The 36 to 45 years category and those above 45 years account for 21.6% and 17.3% respectively, highlighting a varied age representation among participants. In educational terms, undergraduates form the majority (37.4%), followed by postgraduates (30.2%). School-level educated respondents and Ph.D. holders make up 20.1% and 12.2%, respectively, indicating a diverse educational landscape. Locality-wise, a significant proportion of the respondents (48.2%) reside in urban areas, with 28.1% in suburban and 23.7% in rural locations, reflecting the diverse residential settings of the banking customers in the study.

Table No.2: CRM Strategies in Nationalised Banks

Factors	Mean	St.Dev
CRM systems in the bank are user-friendly and efficient.	3.463	1.284
The bank uses customer data effectively to personalize services.	3.261	1.376
I receive timely and relevant communication from the bank.	2.918	1.425
The bank's CRM strategies help improve customer service quality.	3.119	1.327
CRM tools are seamlessly integrated into the bank's operations.	3.149	1.443
The bank proactively addresses customer needs using CRM insights.	2.993	1.422
I feel valued as a customer due to the bank's CRM efforts.	2.940	1.465
The bank frequently updates its CRM strategies to meet customer expectations.	3.090	1.368
CRM initiatives at the bank make it easier to access services.	3.075	1.444
The bank's loyalty programs are beneficial thanks to CRM.	3.015	1.403
CRM strategies at the bank enhance customer retention.	2.978	1.395
The bank's CRM practices are transparent and trustworthy.	2.918	1.420
CRM strategies help resolve customer issues more quickly.	2.963	1.489
I receive personalized offers based on my transaction history.	2.933	1.410
The bank's CRM tactics improve overall customer satisfaction.	2.978	1.422

Source : Computed from Primary data

INFERENCE : From Table no. 2, the descriptive statistics for CRM Strategies in Nationalised Banks show varied mean scores, indicating diverse effectiveness across strategies. The highest mean score of 3.463 was achieved by 'CRM systems in the bank are user-friendly and efficient,' making it the top-ranked strategy. This is followed by 'The bank uses customer data effectively to personalize services' with a mean score of 3.261. Next, 'CRM tools are seamlessly integrated into the bank's operations' ranks third with a mean score of 3.149. Other notable strategies include 'The bank's CRM strategies help improve customer service quality' at a mean score of 3.119 and 'The bank frequently updates its CRM strategies to meet customer expectations' with 3.090. Middle-ranked strategies such as 'CRM initiatives at the bank make it easier to access services' and 'The bank's loyalty programs are beneficial thanks to CRM' scored 3.075 and 3.015 respectively. The strategies concerning customer engagement and satisfaction, like 'CRM strategies help resolve

customer issues more quickly' and 'I feel valued as a customer due to the bank's CRM efforts,' scored closer to the average, with the lower scores indicating areas for potential enhancement. Lastly, the strategies 'I receive timely and relevant communication from the bank' and 'The bank's CRM practices are transparent and trustworthy' both recorded a mean score of 2.918, indicating room for improvement in these areas.

Table No.3: Customer Utilization of Banking Services

Factors	Mean	Rank
I frequently use online banking services provided by the bank.	3.552	1.284
The availability of ATMs influences my utilization of banking services.	3.597	1.239
I use mobile banking apps to conduct most of my transactions.	3.545	1.278
The ease of internet banking encourages me to use it more often.	3.425	1.329
Customer service availability impacts my use of banking services.	3.545	1.218
I often use customer support provided by the bank.	3.455	1.307
Banking service fees affect how frequently I use these services.	3.560	1.289
I prefer using digital over traditional banking methods.	3.537	1.260
Security measures at the bank make me confident in using its services.	3.440	1.266
I use multiple banking services based on my financial needs.	3.545	1.230
Promotional offers influence my utilization of specific banking services.	3.522	1.296
I recommend the bank's services to others based on my satisfaction.	3.493	1.285
The user interface of the bank's digital tools affects my usage.	3.485	1.325
I value the bank's efforts to continuously improve its services.	3.463	1.278
Accessibility of banking services influences my overall usage.	3.493	1.302

Source : Computed from Primary data

INFERENCE: In Table no.3, the descriptive statistics for Customer Utilization of Banking Services in Nationalised Banks highlight the key factors influencing customer engagement. The top-ranked factor, 'The availability of ATMs influences my utilization of banking services,' recorded the highest mean score of 3.597. It is closely followed by 'Banking service fees affect how frequently I use these services' with a mean score of 3.560, and 'I frequently use online banking services provided by the bank' at 3.552. Mobile banking usage is also prominent, with 'I use mobile banking apps to conduct most of my transactions' scoring 3.545, which is tied with the impact of customer service availability and the diversity of banking services used, each also scoring 3.545. Preferences for digital over traditional banking methods garnered a mean score of 3.537. Lower on the list, 'Security measures at the bank make me confident in using its services' and 'The ease of internet banking encourages me to use it more often' show room for improvement with scores of 3.440 and 3.425 respectively, suggesting these areas might benefit from enhanced focus to boost customer satisfaction and engagement.

Table No.4 : Customer Satisfaction

Factors	Mean	Rank
I am satisfied with the customer service at the bank.	3.575	1.204
The bank offers competitive rates which satisfy my financial needs.	3.575	1.191
I am pleased with the variety of services offered by the bank.	3.545	1.230
The bank's response time to inquiries meets my expectations.	3.560	1.205
Overall, I trust the services provided by the bank.	3.455	1.278
The bank addresses my complaints and feedback effectively.	3.537	1.284
I feel secure in my transactions with the bank.	3.463	1.313

The bank's financial advice has been beneficial for me.	3.440	1.301
I find the bank's branches well-located and convenient.	3.545	1.278
The bank's website and mobile app are easy to use.	3.567	1.247
I appreciate the professionalism of the bank's staff.	3.478	1.284
The bank maintains confidentiality and privacy of my information.	3.537	1.272
I am satisfied with the resolution of disputes by the bank.	3.597	1.257
The bank's ATM services meet my expectations.	3.396	1.280
Overall, my experience with the bank has been positive.	3.463	1.290

Source : Computed from Primary data

INFERENCE : In Table no.4, the descriptive statistics for Customer Satisfaction in Nationalised Banks reveal various facets of customer contentment. Leading the satisfaction rankings, 'I am satisfied with the resolution of disputes by the bank' scored the highest with a mean of 3.597. This is closely followed by both 'I am satisfied with the customer service at the bank' and 'The bank offers competitive rates which satisfy my financial needs,' each scoring 3.575. Additionally, ease of use of the bank's website and mobile app is highly rated at 3.567. Response times to inquiries also rated well with a mean of 3.560. Other notable scores include the satisfaction with the variety of services and the convenience of branch locations, both at 3.545. Privacy and complaint handling scored 3.537 each, reflecting effective management in these areas. Lower scores were seen in the bank's financial advice and ATM services with means of 3.440 and 3.396, respectively, suggesting areas that might benefit from targeted improvements to enhance overall customer satisfaction.

Hypothesis No.: 1

Null Hypothesis (H_0): There is no significant association between the age group and the dimension of Customer Relationship Management Effectiveness

Alternative Hypothesis (H_a): There is a significant association between the age group and the dimension of Customer Relationship Management Effectiveness

Table No.5: ANOVA analysis between the age group and the dimension of Customer Relationship Management Effectiveness

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
CRM Strategies in Nationalised Banks	Between Groups	191.125	3	63.708	2.130	.100
	Within Groups	3889.025	130	29.916		
	Total	4080.149	133			
Customer Utilization of Banking Services	Between Groups	698.422	3	232.807	3.627	.015
	Within Groups	8343.787	130	64.183		
	Total	9042.209	133			
Customer Satisfaction	Between Groups	721.744	3	240.581	3.375	.020
	Within Groups	9266.584	130	71.281		
	Total	9988.328	133			

Source : Computed from Primary data

INFERENCE : Table No. 5 displays the ANOVA analysis results for different components of Customer Relationship Management Effectiveness. The analysis for 'CRM Strategies in Nationalised Banks' shows no significant association, as indicated by an F-value of 2.130 and a significance level of .100. In contrast, both 'Customer Utilization of Banking Services' and 'Customer Satisfaction' exhibit significant associations, with F-values of 3.627 and 3.375 and significance

levels of .015 and .020, respectively. These results suggest that age differences significantly influence customer utilization and satisfaction, leading to the rejection of the null hypothesis for these areas.

Hypothesis No.: 2

Null Hypothesis (H_0): There is no significant association between the educational level and the dimension of Customer Relationship Management Effectiveness

Alternative Hypothesis (H_a): There is a significant association between the educational level and the dimension of Customer Relationship Management Effectiveness

Table No.6: ANOVA analysis between the educational level and the dimension of Customer Relationship Management Effectiveness

ANOVA		Sum of Squares	df	Mean Square	F	Sig.
CRM Strategies in Nationalised Banks	Between Groups	306.306	3	102.102	3.517	.017
	Within Groups	3773.844	130	29.030		
	Total	4080.149	133			
Customer Utilization of Banking Services	Between Groups	1416.908	3	472.303	8.052	.000
	Within Groups	7625.301	130	58.656		
	Total	9042.209	133			
Customer Satisfaction	Between Groups	1157.376	3	385.792	5.679	.001
	Within Groups	8830.952	130	67.930		
	Total	9988.328	133			

Source : Computed from Primary data

INFERENCE : Table No. 6 presents the ANOVA analysis results for the association between educational level and the dimension of Customer Relationship Management Effectiveness within nationalised banks. The analysis indicates significant associations across all measured sub-dimensions. Specifically, 'CRM Strategies in Nationalised Banks' shows a significant relationship with an F-value of 3.517 and a significance level of .017. 'Customer Utilization of Banking Services' and 'Customer Satisfaction' also demonstrate significant associations with F-values of 8.052 and 5.679, and p-values of .000 and .001, respectively. These results affirm the alternative hypothesis, suggesting that educational level significantly impacts CRM effectiveness, influencing both how customers utilize services and their overall satisfaction within the banking sector.

Hypothesis No.: 3

Null Hypothesis (H_0): There is no significant association between the locality of living and the dimension of Customer Relationship Management Effectiveness

Alternative Hypothesis (H_a): There is a significant association between the locality of living and the dimension of Customer Relationship Management Effectiveness

Table No.7: ANOVA analysis between the locality of living and the dimension of Customer Relationship Management Effectiveness

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
CRM Strategies in Nationalised Banks	Between Groups	307.376	2	153.688	5.336	.006
	Within Groups	3772.773	131	28.800		
	Total	4080.149	133			
Customer Utilization of Banking Services	Between Groups	1391.859	2	695.930	11.917	.000
	Within Groups	7650.350	131	58.400		
	Total	9042.209	133			
Customer Satisfaction	Between Groups	1555.936	2	777.968	12.086	.000
	Within Groups	8432.393	131	64.369		
	Total	9988.328	133			

Source : Computed from Primary data

INFERENCE : Table No. 7 ANOVA analysis indicates a significant association between the locality of living and Customer Relationship Management Effectiveness in nationalised banks in Coimbatore City, supporting the alternative hypothesis. The analysis for 'CRM Strategies in Nationalised Banks' demonstrates a notable association with an F-value of 5.336 and a p-value of .006. Similarly, 'Customer Utilization of Banking Services' and 'Customer Satisfaction' show even stronger associations with F-values of 11.917 and 12.086, and p-values of .000, respectively. These results confirm that the locality of living significantly influences how customers utilize banking services and their satisfaction levels, underscoring the importance of localized CRM strategies.

Hypothesis No.: 4

Null Hypothesis (H₀): There is no significant correlation between the dimension of Customer Relationship Management Effectiveness

Alternative Hypothesis (H_a): There is a significant correlation between the dimension of Customer Relationship Management Effectiveness

Table No.8: Correlation analysis between the dimension of Customer Relationship Management Effectiveness

Correlations				
		CRM Strategies in Nationalised Banks	Customer Utilization of Banking Services	Customer Satisfaction
CRM Strategies in Nationalised Banks	Pearson Correlation	1	.334**	.329**
	Sig. (2-tailed)		.000	.000
	N	134	134	134
Customer Utilization of Banking Services	Pearson Correlation	.334**	1	.591**
	Sig. (2-tailed)	.000		.000
	N	134	134	134

Customer Satisfaction	Pearson Correlation	.329**	.591**	1
	Sig. (2-tailed)	.000	.000	
	N	134	134	134
**. Correlation is significant at the 0.01 level (2-tailed).				

Source : Computed from Primary data

INFERENCE : Table No. 8 from the correlation analysis indicates significant correlations among the dimensions of Customer Relationship Management Effectiveness in nationalised banks. Specifically, CRM Strategies in Nationalised Banks shows a Pearson correlation of .334 with Customer Utilization of Banking Services and .329 with Customer Satisfaction, both significant at the .000 level. Moreover, a stronger correlation of .591 is observed between Customer Utilization of Banking Services and Customer Satisfaction, also significant at the .000 level. These results substantiate the alternative hypothesis, demonstrating significant interrelations among these CRM dimensions, which collectively enhance the effectiveness of CRM practices in the banking sector.

Hypothesis No.: 5

Null Hypothesis (H_0): There is no significant linear relationship among Customer Utilization of Banking Services, CRM Strategies in Nationalised Banks, and Customer Satisfaction.

Alternative Hypothesis (H_a): There is a significant linear relationship among Customer Utilization of Banking Services, CRM Strategies in Nationalised Banks, and Customer Satisfaction.

Table No.9: Model Summary and ANOVA analysis between Customer Utilization of Banking Services, CRM Strategies in Nationalised Banks, and Customer Satisfaction.

Model Summary ^b						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson	
1	.607 ^a	.369	.359	6.93695	1.755	
a. Predictors: (Constant), Customer Utilization of Banking Services, CRM Strategies in Nationalised Banks						
b. Dependent Variable: Customer Satisfaction						
ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3684.437	2	1842.218	38.283	.000 ^b
	Residual	6303.891	131	48.121		
	Total	9988.328	133			
a. Dependent Variable: Customer Satisfaction						
b. Predictors: (Constant), Customer Utilization of Banking Services, CRM Strategies in Nationalised Banks						

Source : Computed from Primary data

INFERENCE: Table No. 9 presents the model summary and ANOVA analysis, examining the relationships among Customer Utilization of Banking Services, CRM Strategies in Nationalised Banks, and Customer Satisfaction. The model summary indicates an R-square of .369, suggesting that Customer Utilization of Banking Services and CRM Strategies explain approximately 36.9% of the variance in Customer Satisfaction. The ANOVA results provide further support, with an F-value of 38.283 and a significant p-value of .000, confirming a significant linear relationship among these variables. These findings validate the alternative hypothesis, demonstrating that Customer Utilization of Banking Services and CRM Strategies in Nationalised Banks substantially influence Customer Satisfaction.

Table No.10: Coefficients between Customer Utilization of Banking Services, CRM Strategies in Nationalised Banks, and Customer Satisfaction.

Coefficients^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	12.129	5.518		2.198	.030
	CRM Strategies in Nationalised Banks	.232	.115	.148	2.016	.046
	Customer Utilization of Banking Services	.569	.077	.541	7.353	.000
a. Dependent Variable: Customer Satisfaction						

Source : Computed from Primary data

INFERENCE: Table No. 10 provides an analysis of the coefficients for Customer Utilization of Banking Services and CRM Strategies in Nationalised Banks in relation to Customer Satisfaction. The coefficient for CRM Strategies in Nationalised Banks is .232 with a t-value of 2.016 and a significance level of .046, indicating a modest impact on Customer Satisfaction. In contrast, Customer Utilization of Banking Services has a much stronger influence, evidenced by a coefficient of .569, a t-value of 7.353, and a p-value of .000. These results indicate that both factors significantly contribute to Customer Satisfaction, with Customer Utilization of Banking Services having a more pronounced effect.

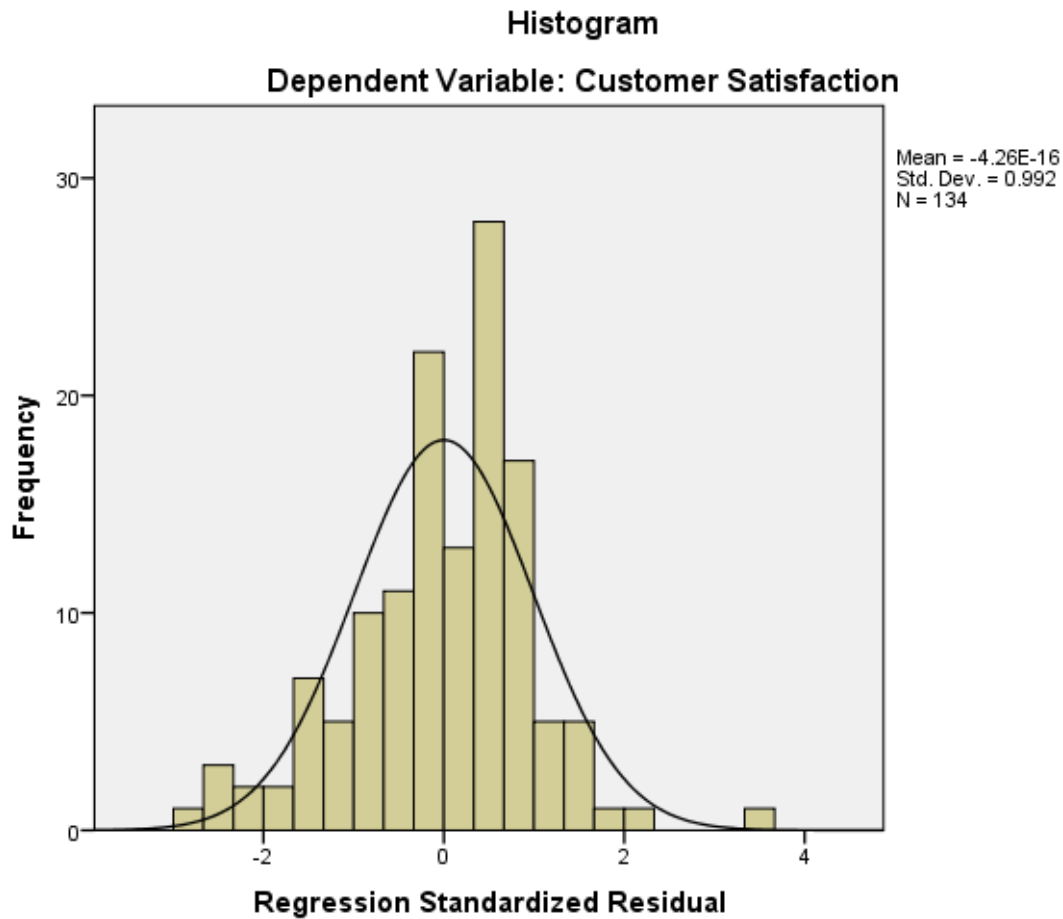
Table No.11: Residuals Statistics between Customer Utilization of Banking Services, CRM Strategies in Nationalised Banks, and Customer Satisfaction.

Residuals Statistics^a					
	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	41.4427	64.2988	52.7313	5.26332	134
Residual	-19.74295	23.55733	.00000	6.88460	134
Std. Predicted Value	-2.145	2.198	.000	1.000	134
Std. Residual	-2.846	3.396	.000	.992	134
a. Dependent Variable: Customer Satisfaction					

Source : Computed from Primary data

INFERENCE: Table No. 11 presents the residuals statistics for the analysis between Customer Utilization of Banking Services, CRM Strategies in Nationalised Banks, and Customer Satisfaction. The predicted values for Customer Satisfaction range from 41.4427 to 64.2988, with a mean of 52.7313 and a standard deviation of 5.26332, indicating consistent model predictions across the dataset. The residuals, which measure the discrepancies between observed and predicted values, vary from -19.74295 to 23.55733 with a mean of exactly 0 and a standard deviation of 6.88460. These statistics demonstrate a good fit of the model, as the residuals are symmetrically distributed around zero, suggesting no significant biases in the predictions.

Chart No.1 Histogram between Customer Utilization of Banking Services, CRM Strategies in Nationalised Banks, and Customer Satisfaction.



5. FINDINGS OF THE STUDY

- 1) The largest age group among survey participants is between 26 to 35 years, representing 34.5% of respondents, indicating a young adult predominance in banking clientele.
- 2) A significant majority of respondents reside in urban areas, accounting for 48.2%, which suggests a high urban concentration of banking service usage.
- 3) The CRM strategy related to user-friendly systems received the highest effectiveness score, reflecting a strong preference for easy-to-use banking interfaces.
- 4) Strategies focusing on personalization and seamless integration of CRM tools scored well, emphasizing the importance of tailored banking services and operational efficiency.
- 5) Customer service quality improvement strategies and periodic updates to CRM strategies were also effective but indicated areas for potential enhancement.
- 6) ATM availability and banking service fees are the top factors influencing customer utilization of banking services, affecting the frequency of engagement.
- 7) There is a significant use of digital banking tools, including mobile and online banking, pointing towards a preference for digital over traditional banking methods.
- 8) The highest customer satisfaction scores are associated with dispute resolution and customer service, indicating effective conflict resolution and service delivery.
- 9) Significant variations in customer utilization and satisfaction based on age were observed, suggesting that younger demographics might have different expectations and experiences.

- 10) Educational levels significantly impact CRM effectiveness, with notable differences in how various educational groups utilize and perceive CRM strategies.
- 11) The locality of living (urban, suburban, rural) significantly affects CRM effectiveness, highlighting the need for location-specific CRM strategies.
- 12) There are significant correlations among CRM strategies, customer utilization, and satisfaction, demonstrating interconnected impacts on overall CRM effectiveness.
- 13) The combined influence of CRM strategies and customer utilization explains approximately 36.9% of the variance in customer satisfaction, underscoring their crucial roles.
- 14) Coefficient analysis confirmed that customer utilization of banking services has a more substantial impact on satisfaction than CRM strategies, emphasizing the importance of practical service engagement.
- 15) Residuals analysis from predictive modeling showed no significant biases, indicating that the model effectively predicts customer satisfaction based on CRM and utilization factors.

5.1. SUGGESTIONS

Based on the findings that the largest age group using banking services falls between 26 to 35 years, and given their preference for digital solutions, banks should prioritize enhancing their digital banking platforms. Investments in technology that streamline online and mobile banking services will likely capture and retain this key demographic. Additionally, creating personalized banking experiences through these platforms can cater to the individual preferences and expectations of younger customers.

The study highlights the importance of CRM strategies that focus on user-friendliness and personalization. Nationalised banks should continue to develop and integrate advanced CRM tools that not only ease the use of banking services but also ensure that these tools are fully integrated across all customer service channels. This would enhance operational efficiency and customer satisfaction. Moreover, given the significant role of location in CRM effectiveness, banks should tailor their strategies to fit the specific needs and preferences of urban, suburban, and rural customers, thus ensuring all demographic groups are optimally serviced.

Since ATM availability and service fees significantly influence customer utilization, banks should strategically expand their ATM networks in high-demand areas and consider revising fee structures to enhance customer satisfaction. Also, given that customer satisfaction is highly impacted by the resolution of disputes and the quality of customer service, banks should invest in training programs for customer service staff and implement more effective conflict resolution processes to maintain high service quality standards.

5.2. CONCLUSION

The study provides comprehensive insights into how various CRM strategies impact customer behavior and satisfaction within nationalised banks. The findings reveal that younger adults predominantly utilize banking services, showing a strong preference for digital banking solutions. This demographic, along with the clear demand for enhanced customer service and personalized banking experiences, underscores the need for banks to adapt and innovate continually. The effectiveness of CRM strategies is not only central to improving customer satisfaction but also essential in fostering customer loyalty and engagement.

Furthermore, the results indicate that well-implemented CRM strategies, tailored to specific educational backgrounds and localities, significantly enhance the effectiveness of banking operations. The significant correlations found among CRM strategies, customer utilization, and satisfaction illustrate the interconnected nature of these factors and their collective impact on overall service effectiveness. Ultimately, the study fulfills its objectives by identifying key areas for improvement and providing actionable recommendations that can help banks in Coimbatore enhance their CRM practices, thus improving customer satisfaction and operational efficiency.

CONFLICT OF INTERESTS

None.

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