

Adopting E-CRM in Banking: A Comprehensive Survey of Customer Perspectives in Haryana

Revista Review Index Journal of
Multidisciplinary | e-ISSN: 2583-0031
Double-blind peer-reviewed | Refereed
Quarterly Online Journal
4(2) 27-33, 2024
©The Author(s) 2024
DOI: 10.31305/rrijm2024.v04.n02.004
<https://rrijm.com/>



Date of Publication: 30 Jun, 2024

*¹Vaishali Devi, ²Prof. Anil Kanwa and ³Dr. Jayant Hooda

¹Research Scholar, Department of Commerce, Faculty of Management and Commerce, BMU, Rohtak

²Professor, Department of Management, Faculty of Management and Commerce, BMU, Rohtak

³Assistant Professor, Department of Commerce, SRM University, Sonipat

Abstract: Nowadays all the banks are using E-CRM practices to streamline the various banking processes and to adopt Customer-centric approach. In this paper, we aim to provide a comprehensive analysis of the awareness, perception, and influencing factors of Electronic Customer Relationship Management (E-CRM) practices among bank customers in Haryana using a primary survey. The research captures various aspects of E-CRM from the customers' perspective. It assesses the level of awareness about E-CRM practices, examining customers' understanding of the digital tools and techniques employed by banks to manage relationships. The study also explores customers' perceptions of different dimensions of E-CRM, such as effectiveness, efficiency, and convenience. Additionally, it identifies the key factors influencing the adoption and success of E-CRM in the banking sector. By analyzing these elements, the research provides valuable insights into the perception and implementation of E-CRM practices in Haryana.

Keywords: Banking, Customer Perspectives, E-CRM, Customer-centric approach

1 | INTRODUCTION

Electronic Customer Relationship Management (E-CRM) is an advanced form of Customer Relationship Management (CRM) that utilizes digital technologies to manage and enhance a company's interactions with its customers. E-CRM integrates software, hardware, and online processes to facilitate the collection, storage, and analysis of customer data. This approach aims to improve customer service, retain existing customers, attract new ones, and ultimately increase profitability. By leveraging tools such as personalized emails, chatbots, online customer service platforms, and social media engagement, E-CRM enables organizations to provide more efficient and customized experiences for their customers. The adoption of E-CRM practices is particularly beneficial in today's digital age, where customers expect prompt, personalized, and seamless interactions with businesses.[1-4]

*Corresponding Author

Vaishali Devi, Research Scholar, Department of Commerce, Faculty of Management and Commerce, BMU, Rohtak
Email: vaishalibisla[at]gmail.com

27



Creative Commons Attribution-NonCommercial 4.0 License (http://www.creativecommons.org/licenses/by-nc/4.0/) which permits non-Commercial use, reproduction and distribution of the work without further permission provided the original work is attributed.

Access Online



The banking sector in Haryana is a critical component of the state's economy, playing a pivotal role in financial inclusion, economic development, and the provision of essential banking services to both urban and rural populations. Haryana, being one of the more industrialized and agriculturally prosperous states in India, has a diverse banking landscape that includes a mix of public sector banks, private sector banks, regional rural banks, and cooperative banks. These institutions offer a wide range of financial products and services, including savings and checking accounts, loans, mortgages, and investment services. The banking sector in Haryana is also actively involved in supporting state-level economic initiatives and schemes aimed at boosting agriculture, small and medium enterprises (SMEs), and rural development. [5-8]

E-CRM techniques are revolutionizing the operational methods of banks in Haryana by fostering a more customer-centric approach and streamlining various banking processes. Banks in the region are increasingly adopting E-CRM tools to enhance customer engagement, improve service delivery, and achieve greater operational efficiency. For instance, the use of customer data analytics allows banks to gain deeper insights into customer preferences and behaviors, enabling them to offer personalized financial products and services. Automated customer service solutions, such as chatbots and AI-driven assistance, provide quick and accurate responses to customer queries, reducing wait times and improving satisfaction. Moreover, E-CRM facilitates better management of customer relationships through consistent and targeted communication, fostering loyalty and trust. By integrating these digital solutions, banks in Haryana are able to reduce operational costs, mitigate risks, and remain competitive in a rapidly evolving financial landscape. [9-12]

This study aims to provide a comprehensive analysis of the awareness, perception, and influencing factors of E-CRM practices among bank customers in Haryana. The research involves a detailed survey designed to capture various aspects of E-CRM from the perspective of the customers. The survey will assess the level of awareness about E-CRM practices, examining how well customers understand the digital tools and techniques employed by banks to manage relationships. Additionally, it will explore customers' perceptions of different dimensions of E-CRM, such as the effectiveness, efficiency, and convenience of these practices. The study will also identify the key factors that influence the adoption and success of E-CRM in the banking sector, including technological infrastructure, customer readiness, and institutional support. By analyzing these elements, the research will provide valuable insights into how E-CRM practices are perceived and implemented in Haryana, offering recommendations for banks to enhance their digital customer relationship strategies.

2 | HYPOTHESIS

In this study, several aspects of Electronic Customer Relationship Management (E-CRM) practices have been examined to understand the level of awareness, perception, influencing factors, and challenges different respondent profiles face. The following hypotheses guide the investigation:

1. Awareness of E-CRM Practices:

- **Null Hypothesis (H_0):** There is no significant difference in the awareness about E-CRM practices among the respondents.

This hypothesis postulates that the level of awareness regarding E-CRM practices is similar among different groups of respondents. This implies a uniform understanding of E-CRM concepts across the surveyed population.

2. Perception of E-CRM Dimensions:

- **Null Hypothesis (H_0):** There is no significant difference in the perception about different dimensions of E-CRM practices in relation to the profile of the respondents.

This hypothesis suggests that respondents' perceptions of various E-CRM dimensions (such as customer service, personalization, and technology usage) do not significantly differ when considering their demographic and professional profiles.

3. Factors Influencing E-CRM:

- **Null Hypothesis (H₀):** There is no significant difference in the factors influencing E-CRM among the respondents.

According to this hypothesis, the factors that influence the adoption and effectiveness of E-CRM practices are perceived similarly by all respondents, indicating a consensus on what drives E-CRM success.

These hypotheses aim to provide a comprehensive understanding of the landscape of E-CRM practices and their perception among different respondent profiles. By testing these hypotheses, the study seeks to uncover whether there are uniformities or variances in awareness, perception, influencing factors, and challenges related to E-CRM practices, as well as potential associations between these factors and respondent profiles.

3 | SURVEY DETAILS

In this study, the sample population comprised clients from six of the most prominent public and private sector banks currently functioning in the Indian state of Haryana. The selected banks included Public Sector Banks (State Bank of India (SBI), Punjab National Bank (PNB), Bank of Baroda (BOB)) and Private Sector Banks (ICICI Bank, HDFC Bank, Axis Bank).

To determine an acceptable and representative sample size for this investigation, we utilized Cochran's formula, developed in 1977. This formula is particularly useful when assuming that the population is either infinite or extremely large. According to Cochran's calculations, the sample size was rounded to 400 to ensure it was a whole number.

For sampling, a stratified random sampling approach was employed. This method ensures that various subgroups within the population are adequately represented. Primary data was collected directly from the individuals who participated in the survey through a standardized questionnaire. This approach ensured that the data was current, detailed, and relevant to the research objectives.

The questionnaire, designed by the researcher to align with the study's goals, comprised 41 items evaluated using a Likert scale. The scale ranged from "Strongly Disagree" to "Disagree" to "Neutral" to "Agree" to "Strongly Agree," providing a nuanced measure of respondents' attitudes and perceptions. Participants completed the questionnaire independently, ensuring candid and unbiased responses. The questionnaire consisted of three distinct sections. First section discussed the electronic customer relationship management (E-CRM) practices employed by banks in Haryana. Second section focused on customers' opinions regarding these E-CRM practices. While last section explored other factors influencing E-CRM adoption and effectiveness.

Customers from the selected six public and private sector banks in Haryana were invited to participate in the survey with their consent. In the survey, 54% are male while 46% are female. Approximate 50% of participants in the survey are below the age of 30 while remaining were above the 30 age. The same ratio is also followed in graduates and post-graduates. This stratified approach, combined with the robust data collection method, ensured that the survey results would provide comprehensive insights into E-CRM practices and their perception among bank customers in Haryana.

4 | FINDING AND ANALYSIS

The survey participants were assessed on multiple dimensions through a series of questions aimed at eliciting their genuine opinions. The data reveals that 65% of respondents engage regularly with digital channels for banking services, while 35% abstain entirely from such engagement. The level of satisfaction with E-CRM processes is depicted in Figure 1. According to the figure, 30% of respondents expressed dissatisfaction, 35% reported satisfaction, and the remaining 35% were neutral, indicating neither satisfaction nor dissatisfaction with the E-CRM practices.

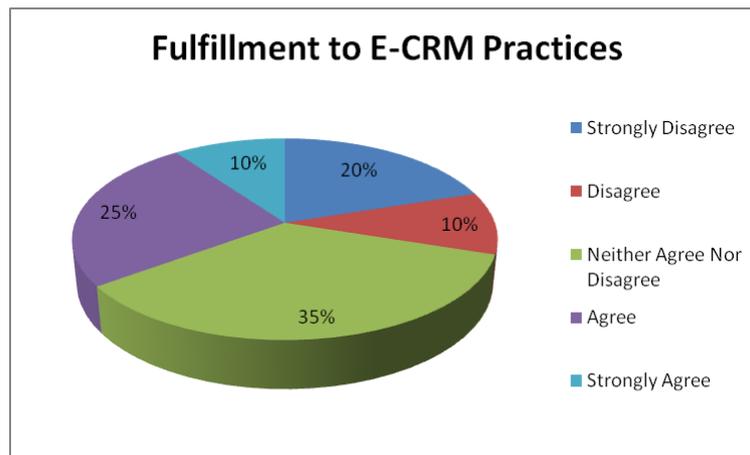


Figure 1.

Subsequently, the survey inquired about the perceived usefulness of various E-CRM practices. Among the respondents, 40% identified ATMs as the most useful, while 22% favored Internet banking. Participants were then questioned on the impact of E-CRM practices on customer experience. The responses indicate that 40% believe customer experience has improved, 30% disagree, and the remaining 30% neither agree nor disagree with this assertion. Further, the survey explored the importance of E-CRM practices for customer satisfaction. Here, 40% of respondents concurred that E-CRM practices are essential for customer satisfaction, 35% disagreed, and 25% remained undecided. Lastly, respondents were asked about their intention to stay with their current bank based on the E-CRM services provided. The findings show that 52% of participants intend to remain with their current bank, 23% are inclined to switch, and 25% have not yet made a decision.

The survey also aimed to assess customer perceptions of E-CRM practices, as well as their awareness and experience with E-CRM practices in banks within Haryana. It was found that 41% of participants consider the customization and personalization of Internet banking services to be essential, while 29% disagree with this view. Regarding the importance of real-time transaction information, 45% of respondents affirmed its significance, whereas 30% disagreed. When queried about their satisfaction with the Internet banking process, 63% of respondents expressed satisfaction, whereas 24% reported dissatisfaction. Additionally, in terms of customer service provided through Internet channels, 49% of participants were satisfied with the promptness of the service, and 50% were pleased with the accessibility of customer service via Internet channels.

Next, participants were asked about their satisfaction with the online banking security measures. In response, 55% indicated satisfaction, while 15% expressed dissatisfaction. Additionally, 45% of the participants believed that their online feedback is utilized by banks for service enhancement. Regarding the safeguarding of personal information, 48% of respondents felt that their information is

adequately protected, whereas 20% disagreed. When questioned about the relevance of marketing information sent by the bank, 46% agreed that it is relevant, while 32% disagreed. Finally, the survey addressed the participants' opinions on the use of robots and virtual helpers. Only 25% found these tools helpful, 35% disagreed, and 40% did not have a clear opinion on their usefulness.

H1: There is no significant difference in the awareness about E-CRM practices among the respondents.

To understand the survey data, we applied mean and standard variance calculations. These statistical measures helped us identify the central tendencies and variability within the responses. Based on the values obtained, we conducted further analysis using Levene's Test for Equality of Variances and t-tests for Equality of Means. These tests were crucial for determining the consistency and differences in E-CRM practice factors among the respondents. The results from Levene's Test indicated that variances in the data were homogeneous, thereby justifying the application of the t-test for further analysis. The t-test results showed that, for most E-CRM practice factors, there were no significant differences in awareness between male and female respondents. This suggests that gender does not influence the overall knowledge of E-CRM practices among the customers surveyed. However, an interesting finding emerged regarding satisfaction with digital payments. The data revealed a notable distinction between male and female respondents in this area. Male respondents reported significantly higher levels of satisfaction with digital payment systems compared to female respondents. This differentiation underscores a gender-specific perception and experience of digital payment solutions provided by the banks.

Results: It appears that gender has no bearing on knowledge of E-CRM practices, with the exception of digital payment satisfaction, where men seem to be more satisfied than women.

H2: There is no significant difference in the perception about different dimensions of ECRM practices in relation to the profile of the respondents (Gender, Age, Education and Experience).

To examine whether male and female respondents' views on E-CRM practices differed significantly, an independent sample t-test was employed. This test is useful for comparing the means of two independent groups to determine if there is a statistically significant difference between them. Additionally, Levene's Test for Equality of Variances was used to assess whether the variances of the two groups were equal.

The Levene's Test results revealed that the variances were equal for most E-CRM practices, indicating homogeneity of variances. However, an exception was found in the area of responsiveness to questions and concerns, where the variances were not equal, suggesting a significant gender difference in perceptions of this E-CRM aspect.

Result: The data analysis reveals that gender impacts specific aspects of E-CRM practices, such as responsiveness to customer inquiries, but does not significantly affect other areas of E-CRM. Additionally, demographic factors like age, education, and experience do not substantially influence respondents' perceptions of E-CRM practices. These findings highlight the overall effectiveness and uniform reception of E-CRM strategies among diverse customer groups, while also pointing out areas where gender-specific improvements could enhance customer satisfaction.

H3: There is no significant difference in the factors influencing E-CRM among the respondents

The study employed independent sample t-tests and Levene's test for equality of variances to examine whether demographic factors (gender, age, education, and experience) influence perceptions of E-CRM practices among bank customers in Haryana.

Result: Gender significantly impacts perceptions of certain E-CRM practices. Male and female respondents show noticeable differences in their views on specific aspects of E-CRM, highlighting the need for gender-specific strategies in E-CRM implementation. Age influences the factors determining E-CRM. Respondents under 30 and those over 30 have significantly different perceptions of E-CRM, indicating the importance of age-specific approaches.

Educational background affects E-CRM perceptions. Differences between respondents with undergraduate and postgraduate degrees suggest that education shapes customer views on E-CRM practices. Experience level significantly impacts perceptions of transaction transparency within E-CRM practices, but not other E-CRM factors. This indicates that while experience influences views on transparency, it does not affect overall perceptions of E-CRM.

5 | CONCLUSION

The findings of this study indicate that while E-CRM practices are generally well-received across different demographic groups, there are specific areas where demographic factors play a significant role. Gender differences were notable in perceptions of digital payment satisfaction and responsiveness to inquiries. Age and education also influenced perceptions of E-CRM practices, while experience level particularly affected views on transaction transparency. These insights highlight the need for banks in Haryana to adopt tailored E-CRM strategies that address the specific needs and preferences of different customer segments. By focusing on gender-specific improvements, age-appropriate approaches, and educationally informed strategies, banks can enhance the overall effectiveness of their E-CRM practices. Additionally, addressing the unique needs of customers based on their experience levels can further improve satisfaction and loyalty. Overall, the research underscores the importance of E-CRM in the modern banking sector and provides valuable recommendations for banks to refine their digital customer relationship management strategies to serve their diverse customer base better.

REFERENCES

- Fairhurst, Patrick. "e-CRM." *Journal of Database Marketing & Customer Strategy Management* 8 (2001): 137-142.
- Lee-Kelley, Liz, David Gilbert, and Robin Mannicom. "How e-CRM can enhance customer loyalty." *Marketing Intelligence & Planning* 21, no. 4 (2003): 239-248.
- Džopalić, Marija, Jovan Zubović, and Aleksandra Bradić-Martinović. "Effective implementation of e-CRM strategy." *Polish journal of management studies* 1, no. 1 (2010): 54-65.
- Farooqi, R., and D. K. Dhusia. "A comparative study of CRM and e-CRM technologies." *Indian journal of computer science and engineering* 2, no. 4 (2011): 624-627.
- Goel, Isha, and Yamini Bhardwaj. "Development and contribution of banking sector in Haryana." *International Journal of Management, IT and Engineering* 5, no. 6 (2015): 293-303.
- Madan, Rupali, Rachna Agrawal, and Mitu G. Matta. "Service quality in Indian banking sector "With special reference to Haryana". " *ZENITH International Journal of Multidisciplinary Research* 2, no. 11 (2012): 155-165.
- Kumar, Rajiv, and Dr Jasmindeep Kaur. "A Study of Cooperative Banking in Haryana." *Gyan Jyoti E-Journal* 3, no. 4 (2013): 37-44.

https://www.shanlaxjournals.in/wp-content/uploads/special_issue_management_redinno_publication_11.pdf

PANDEY, SEEMA, and MUKESH KUMAR. "E-CRM: A COMPARATIVE STUDY OF SERVICE QUALITY BETWEEN PUBLIC AND PRIVATE SECTOR BANKS IN HARYANA."

Mann, Pravesh Kumar, and Ravi Kumar. "Effectiveness of E-CRM in banking sector." *GLOBAL JOURNAL OF BUSINESS MANAGEMENT* (2014).

Singh, Saurabh, and Kavita Chauhan. "E-CRM and customer satisfaction an overview of banking sector." *CPJ Global Review* 10, no. 2 (2018): 86-89.

Kaur, Jasveen, and Baljit Kaur. "The influence of e-CRM competitive advantage on e-CRM performance in the Indian banking industry." *Strategic Change* 25, no. 5 (2016): 537-550.

Author's Biography:

Vaishali Devi received his Bachelor of Commerce from PIG GCW Jind, Haryana, India and Master of Commerce from Govt. College Jind, Haryana, India. She is currently pursuing his Ph.D. Degree from Department of Commerce, Faculty of Management and Commerce from Baba Mastnath University, Rohtak. She is also currently working as Assistant Professor in Commerce at Govt. College Alewa (Jind) affiliated to Chaudhary Ranbir Singh University, Jind (Haryana). She is also a member of Board of Under graduate Studies, Department of Commerce of Chaudhary Ranbir Singh University, Jind (Haryana).

Dr Anil Kanwa acquired his Bachelor of Science degree from Maharshi Dayanand University, Rohtak, Haryana. He received his Masters in Business Administration from Birla Institute of Technology (Deemed University), Mesra, Ranchi. He obtained his M Phil in Management from Madurai Kamaraj University, Madurai, Tamil Nadu. He received his Ph D in Management from Maharshi Dayanand University Rohtak, Haryana. He has worked as Head, Faculty of Business Studies, Hindu College, Sonapat, Haryana. He has been member of UG Board of Studies in Management in Maharshi Dayanand University, Rohtak Haryana. Currently he is Dean, Faculty of Management and Commerce, Baba Mastnath University, Rohtak, Haryana.

Dr. Jayant Hooda is a distinguished scholar and Assistant Professor at SRM University, Delhi NCR, Haryana, Sonapat. He completed his Bachelor of Commerce (B.Com) at (MDU), Rohtak, and subsequently earned his Master of Commerce (M.Com) from the University of Delhi. Dr. Hooda further enhanced his expertise by obtaining a Ph.D. from the Central University of Haryana. His research and pedagogical endeavors are concentrated on commerce and management, demonstrating his profound dedication to the discipline.

How Cite this article?

Devi, V., Kanwa, A., & Hooda, J. (2024). Adopting E-CRM in Banking: A Comprehensive Survey of Customer Perspectives in Haryana. *Revista Review Index Journal of Multidisciplinary*, 4(2), 27-33. <https://doi.org/10.31305/rrijm2024.v04.n02.004>