

Service Quality of CRM: With Reference to Public and Private Banks in Nagpur City

Gangu Naidu Mandala^{1,*}, Meenakshi Verma¹, Anuj Verma¹, Pushpanatham Arumugam²

¹Symbiosis Institute of Business Management, Symbiosis International Deemed to be University, Nagpur, India

²Department of Human Resource Management, Dwaraka Doss Goverdhan Doss Vaishav College, Chennai, India

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Abstract Purpose: The banking business is significant for each country yet with the extreme rivalry between the public and private area banks, it is the service given that surprisingly recognizes the banks. The bank's execution relies upon how they fulfill and draw in their modern clients. Deals are straightforwardly identified with consumer loyalty. As the deals are expanding there is a necessity of improving the quality of services they conveyed. The item is utilized by the client and the abundance expansion is relying upon their fulfillment level. **Design/methodology/approach:** The examination broke down the public and private area bank clients' conclusions on CRM concerning service quality and furthermore analyzed their assessment on it. The examination likewise attempts to establish the general correlation of the clients' insight. For the investigation, 240 clients were chosen as a respondent from public and private area banks. **Findings:** The examination found the view of clients and attempts to advise the path to the banks that how they can hold the old ones and pull in the new ones (clients). **Originality/value:** The examination demonstrated that in the assessment of public bank clients they scarcely have service quality in their bank and the private bank clients indicated that their bank has better service quality. It very well may be deciphered that in the event that there is an absence of service quality, at that point long-haul relationship with the client may influence. It is inferred that banks need to reinforce their services to satisfy their prerequisites to profit the advantage over the long haul.

Keywords Competitive Advantage, Commercial Banks, Quality, Customer Relations, Competitive Strategy

JEL Classification: M1, G2, G4, M5

1. Introduction

Retail banking in India has quickly emerged as one of the first drivers of the total banking industry and has seen enormous development in the new past. Khatab, J.J., Esmaeel, E.S., Othman, B [1] The Retail Banking Report incorporates wide-going examination and investigation of this quickly developing area. It chiefly covers examination of the current status, latest things, central questions, and difficulties in the development of the retail banking area. Sharma, R., Mittal, A., Bagga, T [2] This report helps Banks, monetary organizations, MNC Banks, academicians, advisors, and specialists to have a piece of superior information on the thriving breaks in retail banking in India.

Ammara Noreen, Rabia Asif, Sabahat Nisar, Noman Qayyum [3] Banks in India have begun the British example at the start of the nineteenth century. Choudhury, K., [4] In the main portion of the nineteenth century, The East India Company set up 3 banks: The Bank of Bengal, The Bank of Bombay, and The Bank of Madras. These three banks were considered as administration banks. These three banks in 1920 were combined and the

Imperial bank of India was shaped. At that period, all the banks were joint-stock banks and the greater part of the banks were minor and feeble. What's more, in the time of 2 and world battle in India around 1500 joint-stock banks were working and out of those, the greater part of them were non-booked banks. Ogilo Fredrick, Omwoyo Jeremiah, Zipporah Onsomu [4] In view of untrustworthy just as terrible administration, there were a number of bank disappointments. Accordingly, the public authority needed to venture into the banking organization's demonstration, which prompted the expulsion of the little just as powerless banks that were not in the situation to stand and satisfy the colossal necessities of the demonstration. To fortify their powerless units and survey public trust in the banking framework, another segment 45 was passed in the Banking Regulation Act in the year 1960, empowering the Government of India to vital amalgamate powerless units with the harder ones on the reference of the RBI. Choudhury, K [5].

Customer Perception of service: This is a promoting origination that includes client mindfulness, awareness, or impression about any banking establishment or organization and their contributions. Sujatha, J, Ananthanarayanan, N.R., Kannan, M [6] Essentially, the client view of service is regularly affected by online media, promoting, a word from the mouth of some reliable individual or and so on Client's view of service can ordinarily be apportioned into the impression of dependability, responsiveness, affirmation, sympathy, and effects. Sharma, R., Mittal, A., Bagga, T [7].

Statement of the Problem

The main role of the executives and showcasing technique is to build up an upper hand. An upper hand furnishes clients with prevalent worth contrasted and serious contributions. Banking has generally worked in a moderately steady climate for quite a long time. The motivation behind the examination is to hypothetically and exactly build up a superior comprehension of quality and client relationship the executives (CRM) sway on banking intensity.

Objectives of the Study

The principle targets of this examination is to

hypothetically and observationally build up a superior comprehension of the connection between client relationship, service quality and bank key serious situating

1. To compare the opinion of customers on service quality statements of public and private sector banks.
2. Overall comparison of customer's perception on service quality

2. Research Methodology

This examination utilized an expressive exploration configuration to gauge the effect of service quality on CRM. The examination has been directed on 240 clients of public and private area banks in Punjab. Utilizing a defined irregular testing method, the region for research was chosen. For the examination, Nagpur city was chosen dependent on the quickly developing zone as indicated by the enumeration of Maharashtra. For the exploration, the banks were chosen dependent on the most noteworthy bank offices in the locale and the eight banks are in particular SBI, PNB, PSB, OBC (public banks) and ICICI, HDFC, AXIS, Yes Bank (private banks). From each bank, 20 respondents were picked by utilizing the persuade examining. A self-organized poll with 22 things cover five elements of service quality was utilized to record the reaction of clients. The outlined poll depended on the SERVPERF. SERVPERF instrument considers by numerous analysts as a more exact proportion of the quality of service than SERVQUAL (Toloie-Eshlaghy, , Ghafelehbash, , Alaghebandha, M [8]). Clients were approached to offer their input with respect to their banks' CRM works on keeping in view the parts of service quality. A pilot overview was led to 40 clients. For checking the unwavering quality of the assertions, the estimation of Cronbach's alpha has been registered and discovered to be satisfactory (for example 0.795 utilizing SPSS 21). Factual instruments, for example, illustrative insights, theory testing utilizing one example t-measurements, and autonomous t-insights used to dissect the information. All the five aspects of service quality are assessed using five-point Likert scales where 1-5 denote the following: 1 for strongly disagree to 5 for strongly agree.

Table 1. Analysis and Interpretation

Demographic profile		Frequency	Percentage
Gender	Male	141	58.75
	Female	99	41.25
	Total	240	100
Marital Status	Married	156	65
	Unmarried	84	35
	Total	240	100
Age	15-25	46	19.16
	26-35	84	35
	36-45	60	25
	46-55	24	10
	56-65	10	4.16
	65 and Above	16	6.66
	Total	240	100
Educational Status	Illiterate	8	3.33
	High School	29	12.08
	Graduation	72	30
	Diploma	26	10.83
	Post-Graduation	64	26.66
	Professional Course	35	14.53
	Other	6	2.5
	Total	240	100
Occupation	Student	22	9.16
	Govt. Employee	13	5.41
	Retired	9	3.75
	Business/Professional	116	48.33
	House Wife	34	14.16
	Farmer	39	16.25
	Other	7	2.91
	Total	240	100
Monthly Income	Below 25000	52	21.66
	25000-35000	68	28.33
	35000-45000	46	19.16
	45000-55000	5	2.08
	55000-60000	9	3.75
	60000 and above	2	0.83
	Not applicable	58	24.16
	Total	240	100

Sources: Primary Data

From table no. 1, it tends to be seen that out of 240 respondents, 58.7 percent are male and 41.3 percent are females. The wedded respondent comprises 65 percent of the aggregate though 35 percent are unmarried. It is obvious from the above table that almost 19.1 percent fall in the classification of 15-25 years while 35 percent of respondents fall between 26-35 years' age gathering. 25 percent of respondents are in the age gathering of 36-45 years, 10% fall in the age gathering of 46-55 years, 4.16 percent of 56-65 age gathering, and just 6.66 percent fall in over 65 years' age gathering. As appeared in the above table, graduation and post-graduation framed most of the example respondents with 30% and 26.66 percent individually. It is trailed by proficient course 14.53 percent and confirmation 10.83 percent individually. The secondary school and unskilled comprise 3.33 percent

separately. Different respondents comprise 6 percent. It is uncovered from the table that calling/business has a dominant part of 48.3 percent of test respondents and the remaining was 9.1 percent understudy, 5.41 percent were government workers, resigned 3.75 percent, and others 2.91 percent. 16.25 percent are ranchers and 14.1 percent of respondents are housewives. The above table shows that, 21.5 percent and 29.2 percent. Respondents in the gathering of procuring under 25000 and 25000 to 35000 separately. Procuring of not material respondents is put with 24.1 percent which incorporates housewives, understudies, and jobless individuals. Those are having profit between 35000 to 45000 is 19.1 percent and 3.75 percent for 55000 to 60000. Finally, the excess gatherings procuring having a similar rate for example 2.08 and 0.83 percent lies between 45000 to 55000 and 60000 and above.

In the examination, the service quality is estimated banks through 22 proclamations for both public and private area

Table 2. Comparison between the public sector and private sector banks on service quality variable

Service Quality Statements	Type of Bank	T-stats.	Sig.
Tangibility- appearance of physical facilities, equipment and personnel			
Bank has up to date equipment	Public Bank	-1.083	.122
	Private Bank		
Bank's physical facilities are visually appealing	Public Bank	-1.002	.133
	Private Bank		
Bank's employee are well dressed and appear neat	Public Bank	-1.273	.133
	Private Bank		
The appearance of the physical facilities of bank is in keeping with the type of service provided	Public Bank	-1.442	.003*
	Private Bank		
Reliability-ability to perform the promised service accurately and dependably			
Bank is dependable	Public Bank	-1.410	.006*
	Private Bank		
Bank provides its services at the time it promise to do so	Public Bank	-1.214	.175
	Private Bank		
When bank promise to do something by certain time, it does within timeframe	Public Bank	-2.300	.005*
	Private Bank		
When customer face problem, bank is sympathetic and reassuring	Public Bank	-2.346	.003*
	Private Bank		
Bank keeps its record accurately	Public Bank	-1.707	.060
	Private Bank		
Responsiveness-willingness to help customers and provide prompt service			
Bank tell customers when the services will be performed	Public Bank	-2.266	.001*
	Private Bank		
You receive prompt service from bank's employees	Public Bank	-1.544	.088
	Private Bank		
Employees of the bank are willing to help customers	Public Bank	-2.410	.002*
	Private Bank		
Employees of the bank respond to customer requests	Public Bank	-2.251	.008*
	Private Bank		
Assurance-courteous employees who can inspire confidence			
You can trust employees of bank	Public Bank	-.428	.480
	Private Bank		
You feel safe in your transactions with bank's employees	Public Bank	-1.244	.065
	Private Bank		
Employees of bank are polite	Public Bank	-1.363	.030
	Private Bank		
Employees get adequately support from bank to do their jobs well	Public Bank	-1.024	.200
	Private Bank		
Empathy-personalized attention and care			
Bank give you individual attention	Public Bank	-1.056	.133
	Private Bank		
Employees of bank give your personal attention	Public Bank	-1.463	.006
	Private Bank		
Employees of bank understand customer needs	Public Bank	-1.461	.007
	Private Bank		
Employees of bank have your best interest at heart	Public Bank	-2.342	.005*
	Private Bank		
Bank has convenient operating hours	Public Bank	-3.108	.001*
	Private Bank		

Sources: Primary Data, significant at 5 percent level

Independent t-Test

Table no. 2 shows the correlation between the assessments of clients of public and private banks on service quality. With the assistance of an Independent t-test, the examination analyzed the critical contrast in their feelings. The estimation of t-insights and p-esteem are appeared in the table 2.

Every assertion quantifies the unmistakable measurement that is examined and dissected exclusively. The theory was planned to investigate the assertions.

Ho: There is no significant difference in customers' opinion of both banks with respect to service quality.

Ha: There is a significant difference in customers' opinion of both banks with respect to service quality.

Table 2 indicated that the outcomes discovered to be huge at five percent level for the assertions. The presence of the actual offices of the bank is with regards to the kind of service gave. Bank is trustworthy, when banks guarantee to accomplish something by a certain time, it does inside time period when the client face issue, a bank is thoughtful and consoling. Banks tell clients when the services will be performed. Employees of the bank are eager to help clients, react to client demands and have your wellbeing on a basic level. Bank has advantageous working hours, implies that the invalid theory was dismissed. The investigation broke down that there is a critical distinction in the assessment of public and private bank clients.

Contrasting aftereffects of clients' sentiments, it very well may be summarized that in private banks the service quality is moderately better than that of public banks. In any case, it very well may be investigated that the clients are indicating that in their bank there is lower service quality which may influence their drawn out a relationship with the bank.

In general correlation of public area bank and private area bank on service quality variable, Table No. 02 shows the general examination between the public and private area banks on service quality variable with the assistance of an Independent t-test. To check the hugeness contrast in the assessment of the clients' speculation was planned and Independent t-test was applied to establish the outcomes thereof.

Ho: There is no significant difference in the opinions of customers of public and private sector banks on service quality of banks. **Ha:** There is a significant difference in the opinions of customers of public and private sector banks on service quality of banks.

Table 3. Overall Comparison of Bank Customers Opinion on Service Quality Variable

Type of Bank	N	Mean	Std. Deviation	t-statistics	p-value
Public Sector Bank	120	2.5887	1.0113	-2.376	0.000*
Private Sector Bank	120	2.8543	1.1104		

Sources: Primary Data, Significant at 5 percent level

From the table no. 3 shows that the mean score of

public area banks (2.5887, SD = 1.0113) and the mean score of private area banks (2.8543, SD = 1.1104) as the t-test was discovered huge t-esteem = 2.376, df = 240, p-esteem = 0.000. It was found from the examination that invalid speculation was dismissed. The examination means that there was a huge distinction in the assessment of clients of public area banks and private area banks on the service quality variable.

3. Suggestions

1. The investigation recommended that they should finish their guarantee in a specific time, the appearance of actual offices should be kept with the sort of service supplier, advise their client when precisely the service going to perform, the bank should be thoughtful and furthermore consoling their client on the off chance that they face any issue.
2. Employees ought to react to their solicitation speedily, representatives show their eagerness to help them, and banks have advantageous working hours and their wellbeing on a fundamental level.
3. The investigation uncovered that the private area bank clients indicated that their bank has better service quality when contrasting with the public area bank clients.
4. Organizations ought to underline more on client relations to persuade them with their items and services not exclusively to address their issues yet need to go further above and beyond. At the end of the day, creating and expanding closeness with clients is the main methodology to improve the client dependability.

4. Conclusions

The banks are not dependable and solid, banks don't have outwardly engaging offices, banks are not thoughtful and consoling in the event that they face any issues and banks additionally never complete their guarantee. Aside from this, they are not happy with bank representatives and have the assessment that they don't give brief services to them, not ready to help them, generally appear to be excessively occupied, and don't tell when service will precisely be given and performed. The banks do not give them individual consideration, not indicated their premium in necessities of the client on the most fundamental level, and furthermore don't have the foggiest idea about the requirements of their client. The clients of private banks are not accepting the brief services from their bank representatives and they likewise not offer types of assistance on an ideal opportunity to their clients. Representatives seem perfect and fashionable and they react to clients' solicitations expeditiously. Representatives are dependable and amiable to them as

clients have a sense of security when they execute with them. Further, they advise clients when the service will perform and consistently complete their responsibility as expected.

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