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A Study on Role of Customer Relationship Managemen in Rural Cooperative Bank in Madurai District

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Abstract

In India, the banking business is become more and more complex and tremendously changes from the liberalization and globalization. Rural development is the process of improving the quality of life and economic well being of people living in rural areas. In past decades, the government has taken initial steps of accelerating the rural areas development and welfare activities. The opening of new bank, the customer creation is very important one and develops to maintain the relationship is difficult. Customer relationship management is helpful to remove these difficulty in various aspect of services provided to the people. CRM facilitates the cooperative banks to provide one to one services and also maintain the transactions security of the customers. The main purpose of CRM in cooperative banking sector is to create and keep customer and view the entire banking transactions as consisting of highly integrated effort to create and satisfy the customer needs. A customer satisfaction is silent advertiser of cooperative banks product. In this study, the researcher has analyze the customer satisfaction of cooperative banking services in rural areas and what they are expecting form cooperative banks etc. It helps to bring out the results related to benefit cooperative banks to build better CRM services to rural areas. CRM facilitates the cooperative banks to provide one to one services and also maintain the transactions security of the customers.

Keywords: CRM, Cooperative Bank, Customer, Strategy

Introduction

Cooperative bank is an institution established on the cooperative bank and dealing in ordinary banking business. These banks are generally concerned with the rural credit facilities to customers and provide financial assistance for agricultural and rural activities. In rural areas, cooperative bank role is very crucial one. It's mainly financed agricultural based activities including farming, dairy, self employment activity and developing small scale industries.

Customer relationship management in banking sector is important strategic for doing banking business. It has become inevitable for growth and development of banking activities and profitability of

banks in present scenario .Customer orientations is the ultimate key to success of any business. CRM helps to cooperative banking sector for purpose of using technology and human resources. In rural area, the cooperative bank must decide as what type of customer information that they are asking. Efficiently dealing with all type of customers need and proving information to them what they actually need increase the customer satisfaction. If the customer is satisfied the cooperative banking services, they will always be loyal to the bank and result is increasing customer base and enchasing the growth of banking sector field.

Need of CRM in Cooperative Banks

CRM in cooperative banking sector is entirely different from other sectors because cooperative bank provides a service is purely related on financial aspects. The main aim is to create trust among the people. In rural areas of cooperative banking services provides to establish the customer care support, making timely information about interest payment, maturity of deposit period, debit/credit card facilities, provide agricultural loan faculties etc.,

The present day, CRM includes developing the customers' base. The bank has to intimate adequate attention to the customer at right time. It will increase the customer counting by all means. So in rural areas, the cooperative bank has to implement lot of innovative CRM measures to capture and retain the customers.

Objectives of the Study

1. To assess the role of CRM in rural cooperative banks.
2. To study about the performance of cooperative banking services in rural areas.
3. To analyze the perception and satisfaction level of customers in cooperative banks services.

Scope of the Study

The study focuses on the opinion of the respondents regarding cooperative banking in rural areas and service provided by banks like service quality, customer satisfaction, customer expectation of services from banks and customer relationship with bank etc., The present study also covers the level of customer satisfaction, level of customer loyalty and level of customer relationship have been considered to bring out the facts of cooperative banking services on the basis of customer opinion survey. The study has been undertaken from the point of rural areas and sample customers are taken in Madurai District talukas.

Area of the Study

The study is based on customer relationship management towards cooperative banking services in rural areas. Therefore the study covers Madurai talukas to the fulfillment of objectives of the study.

Research Methodology and Data Collection

The present study is based on both primary data and secondary data. The required data have collected from the various books and Journals.

Limitations of the Study

- The study is limited to concept of CRM in Cooperative banking services of rural areas.
- The information collected from 50 respondents in Madurai district.
- In Madurai district only talukas cover in rural area.

Analysis and Interpretation

The following table addressed that the level of satisfaction regarding about the various cooperative banking services provided to the customers.

Table 1 Level of Satisfaction about Cooperative Banking Services by the Respondents

S.No	Service Quality	HS %	S %	N %	DS %	HDS %	Total
I	Physical Facility:						
1.	Convenience	78	16	4	-	2	50
2.	Appearance	64	20	-	8	8	50
3.	Promises	56	24	4	12	4	50
II	Perception Level:						
1.	Computerized service	16	24	-	52	8	50
2.	Speed of operation	12	18	-	62	8	50
3.	Handling grievance	26	14	-	54	6	50
4.	Responsiveness of staff	28	10	-	50	12	50
5.	Simplicity in operation	38	18	8	16	20	50
6.	Convenient banking hours	36	10	6	44	4	50
III	Loan Services						
1.	Awareness of loan scheme	30	14	16	24	16	50
2.	Intimation at right time	12	30	2	48	8	50
3.	Easy to get loan	76	12	-	6	6	50
4.	Simple formalities	52	24	8	10	6	50
IV	Personal Related Services						
1.	Availability of staff	5	20	15	10	50	50
2.	Courtesy	40	56	-	4	-	50
3.	Attentiveness	30	50	4	6	10	50
4.	Trust fullness	20	60	2	8	10	50
5.	Helpfulness	-	50	20	20	10	50

Source: Primary Data

From the above table exhibit that 78% of respondents are highly satisfied about convenience of banking facilities in rural areas, 60% of respondents are said that satisfied about trustfulness of banking employees in the point of banking operations to the customers, 20% of respondents are given neutral opinion regarding about helpfulness of banking employees to customers, 62% of respondents are dissatisfied about low speed of operation of cooperative banking services in rural areas and 50% respondents are highly dissatisfied about most of the bank employees are not available in places during the banking hours.

Table 2 Level of Satisfaction About Customer Expectation of Cooperative Bank Services

S.No	Expectation	HS	S	N	DS	HDS	Total
1.	Internet banking facility	4	5	30	2	9	50
2.	Listened complaints from customers	6	7	11	9	7	50
3.	Awareness given about agricultural credit scheme	3	18	6	14	9	50

4.	Customer satisfaction	20	12	2	9	7	50
5.	Rate of interest	17	8	1	16	8	50
	Garrett's Table Value	75	60	50	40	25	

Source: Primary Data

HS- Highly satisfied; S – Satisfied; NO –neutral; DS-Dissatisfied; HDS- highly dissatisfied

Ranking (1, 2, 3....)

Sl.no	Expectation	Ranking	Average	Rank
1.	Internet banking facility	2405	48.1	III
2.	Listened complaints from customers	2390	47.8	IV
3.	Awareness given about agricultural credit scheme	2855	57.1	I
4.	Customer satisfaction	2645	52.9	II
5.	Rate of interest	2205	44.1	V
	Garrett's Table Value	75	60	50

Source: Primary Data

From the above table shows that, majority of respondents are given first rank to awareness given to customers regarding agricultural credit schemes in cooperative banking sector. Its total score is 2855. The second rank is customer expected high level of satisfaction from the cooperative banking services. The third rank is rural customers are expected internet banking facilities because easy operation of banking services in sitting at one place. The cooperative banking staff members are heard customers complaints and solving frequently. So the respondents are given fourth rank to this category and finally, the customers are expected low rate of interest by banks because the most of the customers are felt that difficult to repay their loans in long term period for the reason of high rate of interest

Suggestions

- Cooperative banks should change their loan policies according to convenient of customer schemes utilization in rural areas.
- The cooperative bank must motivate to the customers for using the internet banking facility because most of the customers have not sufficient knowledge about to utilize these facility.
- The cooperative banks must maintain cordial relationship between the customers.
- The cooperative banking employees must intimate customers bank balances, repayments, new government schemes etc at the right time.

Conclusion

Cooperative bank are main banks in India supporting development of agriculture and rural areas. Now a days, cooperative banking sector have faced various problems like deposit, government schemes, customer expectation towards the best services, difficult to handle customer grievance etc., because of tight competition. Here, always focus on the customer centric approach. Cooperative bank in rural areas are provide various services to fulfill the customer needs and wants and also their satisfaction and expectation level. It is very important to create customer relations with banking performance and maintain it for all the time. CRM is always positive approach to all aspects of banking sector to generate correct result and right relationship.

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