

A Study on Customer Care Management Factors in Banking Sector of Haryana State India

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Abstract

Today, many businesses such as banks , insurances, manufacturing, trading companies and other service providers realize the importance of customer care management and its potential to help them attract new customers, retain existing ones and maximize their lifetime value. At this point, close relationship with customers will require a strong coordination between customers and banks to provide the expected performance of that bank. This paper focused on the important factors as determinants of customer satisfaction for better performance of the banks. The factors identified are Quick services delivery, Productivity, Clear defined customer policy, Communication, Responsiveness, being friendly and approachable, Creativity, Access, Honor promise Competence. In order to gathering the data for study, a random sampling technique was used. The data had been collected and analyzed by using statistical tool from 150 customers and banking staff.

Keywords: Customer care management.

1. Introduction

Customer care management is the process of meeting and exceeding your customer expectation of service. It involves putting systems in place to maximize your customers' satisfaction with your business. It should be prime consideration for every business. Sales and profitability depends on keeping your customers happy is more directly important in some roles than others (MEE, St.2003). Unlike physical product, the person can't see the results of the services before they purchase. Therefore for receptionist, sales staff and other employees in customer facing roles, customer interest and customer care should be a clear element of their job description, training and a care

criterion when one is recruiting (Garry and Philip, 1991). In order to satisfy customers need, the banks' should know that the customer is always the king any time he /she visits the bank or business, he/she must be welcomed with the good words of mouth so that the customer will feel at home, comfortable and assured of quality service. A good beginning makes a good ending and the reverse is true. In many banks there is a lack of good customer care for the services offered to the clients. That's why we have brought to bring out some important factors which can contribute to customer satisfaction which customer and staff is likely to take into amount.

2. Research Objectives

- 1) To identify the different factors which can contribute to customer care management in the banks.
- 2) To find out the roles of banking staff in customer care management.

3. Hypotheses

The study has been pursued to test the following hypotheses:

- H1 - There are no factors affecting customer care management in banking system.
- H2 - There is no role played by banking staff to customer care management.

4. Literature Review

Customer satisfaction is regarded as a key factor in the business strategy of every organization. It is a target to which an organization must set its objectives. An organization such as bank is successful when its products or services meet expectations and requirements of customers. If a company aims for customer preservation, customer satisfaction is the best way to keep customers' future purchases (Taylor and Baker, 1994). Jamal and Naser (2003) stated, service quality has been described as a form of attitude that results from the comparison of expectations with performance. Individual needs, wishes and expectations with regard to the value of the product or service can be measured by some of the following elements, such as friendly and helpful salespersons, informed advice, reasonable price, quality high, and a long guarantee period (Raab and Ajami, 2008). The steps to determine the relationship between Customer Care Management and bank performance, elements of customer care management are refined to consolidate their effects on bank performance. By the use of factor analysis, primary effects of this relationship are retained to explain the contribution of customer care management on bank performance. (Tran et al 2010). Customer is a person or organization that buys something like a service or product from a shop or a business. Other way customer is person who brings us the wants. It is our job to handle customer as profitability of the bank and to ourselves. He says a customer is not dependent on bank, the bank is dependent on customer (Philp Kolter, 1992). Customer care is the process of the meeting and exceeding your customer expectations of service. Customer care involves putting systems in place to maximize the customer's satisfaction with your business. It should be prime consideration for

every business, sales and profitability depends on keeping your customers happy. Customer care is more directly important in some roles than others (MEE Standard, 2003). Unlike physical products, the person cannot see the results of the services before they purchase. Therefore for receptionists, sales staff and other employees in customer facing roles, customer roles, and customer care should be a core element of their job description, training and a core criterion when one is recruiting (Garry and Philip, 1991).

Ryals and Knox (2001) have identified the three main issues that can enable the development of Customer Relationship Management in the service sector; the organizational issues of culture and communication, management metrics and cross-functional integration especially between marketing and information technology.

5. Research Methodology

Research design of this study is based on both primary data and secondary data. Primary data is collected through questionnaire. Different statistical tools have been used such as mean, standard deviation and correlation with help of SPSS package to analyze the data. The secondary data is collected through the library, journals and books. The results are tabulated and discussed. I have taken two banks, distribution of 150 questionnaires, 120 was received in response.

Table 1: Factors that contribute to customer care management in Banks.

No	Banks	Factors
1	Bank of India	
2	State Bank of India	1.Quick Services Delivery 2.Productivity 3.Clear define customer policy 4.Communication 5.Responsiveness 6.Be friendly and approachable 7.Creativity 8.Access 9. Honor promise 10. Competence

Table 2: Age range of respondents.

Ages	Frequency	Percentage
18-25	15	12.5
26-35	50	42
36-45	30	25
45 above	25	20.5
Total	120	100

The table 2 shows the age of respondents, the respondents with the age between 18-25 is 12.5%, 42% are representing the age group of 26 up to 35, the group of ages between 36-45 is 25% and finally 20.5% are representing the group of 45 and above .

Table 3: Factors contributing to customer care management between Bank of India and State Bank of India.

No	Factors	Bank of India		State Bank of India		
		Mean	Standard Deviation	Mean	Standard Deviation	Ranking T value
	Quick services delivery	12.83	3.22	11	3.51	14.672
	Productivity	10.27	2.21	9.5	2.07	13.237
	Clear define customer policy	9.03	1.78	8.5	2.04	11.328
	Communication	8.05	1.68	8.2	1.97	10.752
	Responsiveness	7.51	1.38	7.3	1.50	9.274
	Be friendly and approachable	6.58	1.01	6.3	1.24	8.672
	Creativity	6.24	0.89	6	1.27	6.789
	Access	5.97	0.050	5.8	0.85	4.369
	Honor promise	4.75	0.034	5.4	0.70	3.768
	Competence	3.88	0.24	5.3	0.01	2.988

Note *Significant at 0.10 level ;** Significant at 0.05 level ;***Significant at 0.01 level

Table 3 revealed that, among all factors that contributes to customer care management, Quick service delivery scored highest of ranking with T value of 14.672. This means that, it is contributing more on customer care management. The findings are matched with the results of (Al-hawari et al., 2005 and Angelies et al., 2005) which found that, customers who are satisfied with service quality are less likely to shift to other banks, therefore increasing such thing as loyalty and retention. In fact, customer determine the frequency of their contacts with the companies based on the experiences they have with the services, and this exerts substantial impact on profitability of organizations in the long run (Baltan & Lemon, 1999) (Mukherjee et al., 2003) (Bhat, 2005).

The second highest factor that contributes to the customer care management is Productivity with T value of 13.237. It indicates that customer become more and more conscious of quality and other aspects. The customers are looking for great good services or product at lowest price, therefore, productivity is introduced to fulfill their needs. An organization's productivity is optimal when organization procedure achieves great results as possible resources are used. The table revealed that third factor that

contributes to customer care management in Banks is 'Having clear defined customer services policy' with T value of 11.328. A clear defined customer service helps the company to solve the problem and on time in long run. There is nothing more annoying for a client than being passed from person to person or not knowing whom to turn to. (Microsoft internet customer care framework 2012, redefining customer experience 2007). Communication between customers and Banking staff is the fourth factor which contributes more to customer care management with T value of 10.752. As it has also supported by Ryals and Knox (2001). They have identified the three main issues that can enable the development of customer relationship management in the service sector, the organizational issues of culture and communication, management metrics and cross-fuctional integration especially between marketing and information technology.

The table 3 revealed that the fifth factor contributor to the customer care management among Banks is Responsiveness with T value of 9.274. The findings are matched with the results of Armstrong and Philip, K. (2002) that the level of satisfaction has great impact on the destiny of any business activity, thus the customers and their needs must be considered as a priority in business ventures. The level of satisfaction mostly reflected by determinant as the fallowing, Responsiveness: which means that employees should respond quickly and accurately to the customer's request and problems understood in order to avoid communication barriers. The sixth factor contributing to the customer care management is being Friendly and approachable with the T value of 8.672. It is very important to be friendly, courteous and make clients feel like friend and that the company is there to help them out. The table revealed that the seventh factor contributing to the customer care management is Creativity with T value of 6.789. According to the eighth factor contributing to customer care management is Access with the T value of 4.369, a customer should easily reach a convenient location of the service courtesy. All the employees of the company should be involved on service provision to their customer is responsible and considerable manner (Armostrong and Philip, 2002). The ninth contributor to the customer care management in Banks is Honor promise with T value of 3.768. The last factor that contributes to customer care management is Competence with the T value of 2.988. Employees serving customers should possess the required skills and knowledge. In this view institution should have modern knowledge.

6. Conclusion and Recommendation

Generally the performance of any company depends on the customer's satisfaction, when the customers are satisfied they will stay longer, will buy more and will be favorably disposed to others about the company. From the products and services will pay less attention to competing brands and advertisement will offer product which will consequently lead to improved profitability. Based on the findings in this research, that is not to say the presence of above factors determinants the customer care management in Banks, one is high or less, each one has the impact positive or negative to the company, the customer satisfaction will lead to improved business performance. For

this reason, the research has recommended that the Banks should try to maintain customer by giving them good products or services, should have appropriate customer perception and improve the services delivery to all customers.

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