THINK INDIA (Quarterly Journal)

ISSN:0971-1260

Vol-22-Issue-2-April-June-2019

Effect Of Demographic Variables On The Factors Of Crm Strategies - An Empirical Study Of Axis Bank In Malout

Ajay Samyal [1], Dr.Rupali Dilip Taru [2]

1 Ph.D Research Scholar, Shri JJT University, Jhunjhunu

2 Assistant Professor, Deptt. of Management, Shri JJT University, Jhunjhunu

Abstract

Nowadays all the banks are offering the similar types of products or services to the customers. Every bank has become a close competitor of other one. Therefore, it has become important for banks to deal with their customer in a personalized way which is unique. Every individual is different from other. Hence there are individual differences exists. Every individual customer is having different priorities in service industry. To attract the fresh customers and retain the existing one, banks are adopting the CRM strategies. On the basis of priority set by the different customers banks are working on the different dimensions of CRM strategies which are known as factor of CRM strategies. In this paper, five factors of CRM strategies are taken like Reliability, Responsiveness, Empathy, Tangible, Assurance and the effect of demographic variable of customers' profile on factors of CRM strategies is also analyzed. In this paper, seven variables of customers' profile is taken age, gender, marital status, occupation, annual income, education and length of association to measure the effect on factors of CRM strategies adopted by AXIS Bank in Malout such a with bank. 100 customers of AXIS Bank as respondents are taken in this study. To collect the responses of the customers, questionnaire method is used. To measure the effect of variables on factors of CRM strategies ANOVA test is applied.

Corresponding Author:
Ajay Samyal
Assistant Professor
Department of Management
MIMIT, Malout, Punjab, India
E-mail: aksamyal@gmail.com

ISSN:0971-1260

Vol-22-Issue-2-April-June-2019

Introduction

CRM (customer relationship management) is a broader term includes various factors influencing the performance of any organization. There are various factors of CRM strategies but only five factors are studied in this paper which are very important as per the various study related to service quality or SERVQUAL models. In this paper Reliability, Responsiveness, Empathy, Tangible, Assurance is taken as five prime factors of CRM strategies. In respect of these factors CRM assists the banks to perform numerous activities for establishing the quality relationship with customers for the long run. CRM provides the competitive advantages to the banks in understanding the customers' needs and preferences, to keep contact with customers through effective communication and delivering the best service to the customers. it assists the banks to develop quality relationship with their customers. Now banks are facing numerous problems in maintaining association with customers. Every individual customer is different from other one on the basis of personal profile. In this paper the various variables of personal profile of the customers are studied and also examined the impact of those variables on the CRM factors based on customers' views. CRM is a blend of people, process and technology. The strategies of CRM are customer centric to ensure the customers' satisfaction (Samyal, A., 2019).

CRM strategies:

Nowadays banking is a detachable part of the human life. Peoples used to interact with the banks in routine. It has become the backbone of every households, business and enterprise. For the successful implementation of CRM strategies there should be effective links between the information technology, management and marketing. Ther are four things which increases the succession ration of implementation of CRM strategies such as people, technology, process and strategy (Crosby, A.L. and Sheree, J.L., 2001; Ryals, L. and Knox, S.,2001). Various factors of CRM strategies are taken in study are as below:

ISSN:0971-1260

Vol-22-Issue-2-April-June-2019

Reliability: In the sector of banking the reliability is considered as an important factor for the customers (Kheng et, al, 2010). In other word, reliability means trust of customers towards banks. It reflects the ability of banks to deliver committed services with accuracy

Empathy: The factor empathy reflects the caring behavior of banks towards their customers. In this bank give personal and individualized attention to customers (Parasuraman et al. 1988). This factor is directly related with the loyalty of customers. in other words this leads to customers loyalty through satisfaction.

Assurance: Assurance factors are depending upon the creditability, competency, ability, safety & security measures of banks (Parasuraman et al. 1988). Assurance is related to the knowledge of banks official, courtesy behavior and ability of employees which encourage trust and confidence among customers. It assists the banks to share understanding by exchanging information is the essential part of the selling and relationship marketing in earlier days (Ndubisi, 2006; Lymperopoulos et al., 2006)

Responsiveness: The factor responsiveness of CRM strategy represents the sense of willingness of banks employees to help their customers and deliver fast & prompt services to customers without delay. Responsiveness is having significant and affirmative relationship with customers' satisfaction (Joseph et al., 2005; Diaz, A.B.C& Ruiz, F.J.M., 2002; Glaveli et al., 2006).

Tangibles: Most of the banks are adopting the CRM strategies of providing the comfort to the customers through physical appearance and facilities like layout of branch, proper signage, and proper display of POP material. Issues related branches with regard to the convenience of customers are based on this factor of the CRM strategies (Bellini, C.G.P. et al., 2005). Physical structure of the branch like layout, equipment and appearances of employees makes customers to feel comfortable.

Objective of the study

ISSN:0971-1260

Vol-22-Issue-2-April-June-2019

To analysis the effect of demographic variables of customers' profile on factors of CRM strategies in AXIS Bank in Malout (Punjab).

Research Methodology

In this paper the empirical research design is applied to analyze the effect of variables of customers' profile on various factors of CRM strategies. Customers of AXIS Bank is the sample unit and 100 customers of AXIS Bank is a sample size in this paper. For data collection a structured questionnaire is used. One way ANOVA test and t-test is performed on the views of the selected customers as a statistical tool.

Data Analysis & Findings

In this paper significant effect of demographic variables of customers' personal profile on various factors of CRM strategies is tested by applying the t-test and one way ANOVA test. In this paper t-test is applied on gender and marital status and one way ANOVA test is applied on age, education, occupation annual income and association with bank to analyze the significant relationship with various factors of CRM strategies like reliability, empathy, assurance, responsiveness and tangibles.

Effect of Demographic Variables on reliability

Table1. Effect of Demographic Variables on Reliability

Variable	Category	Number	Mean	SD	Value of t/F	Sig.
Age	Below 20	7	37.23	6.25	3.892	0.007*
	20-30	20	38.45	6.25		
	30-40	20	39.25	5.45		
	40-50	39	36.35	5.25		
	50-60	13	39.78	6.79		
	60 Above	1	34.75	6.25		
Gender	Male	63	36.25	6.1	t=1.908	0.161**

ISSN:0971-1260

Vol-22-Issue-2-April-June-2019

	Female	37	35.81	6.25		
Marital Status	Unmarried	16	38.23	6.23	t=0.228	0.813**
	Married	84	37.65	6.25		
Education	Below 10th	4	37.25	6.25	3.543	0.023*
	Metric	27	34.25	5.24		
	10+2	26	39.75	6.89		
	Graduate	26	38.39	6.63		
	P.G.	16	34.12	6.23		
	Professional	1	35.82	6.45		
Occupation	Business	16	37.34	6.9	1.112	0.313**
	Profession	18	34.76	6.98		
	Service	6	32.34	6.56		
	Agriculture	36	30.31	6.45		
	Others	24	36.98	5.65		
Annual Income	Below 1 Lac	12	38.48	6.57	1.21	0.305**
	1-5 Lac	53	39.03	6.39		
	5-10 Lac	23	30.38	6.76		
	Above 10 Lac	12	37.29	6.04		
Length of association	<1 year	15	32.56	5.82	1.399	0.234**
	1-5 years	46	36.98	6.39		
	>5 years	39	39.63	5.46		

*Significant, **Non-Significant

Table 1 represents that there is significant influence of demographic variables on reliability with regard to the age (P=0.007) and education (P=0.023). It also represent that there is no significant influence of demographic variables like Gender, Marital Status, Occupation, Annual Income and Length of association on the reliability of the employees in AIXIS Bank.

Effect of Demographic Variables on Empathy

Table 2. Effect of Demographic Variables on Empathy

ISSN:0971-1260

Vol-22-Issue-2-April-June-2019

Variable	Category	Number	Mean	SD	Value of t/F	Sig.
Age	Below 20	7	39.45	6.56	2.815	0.016*
	20-30	20	30.45	4.23		
	30-40	20	32.82	6.25		
	40-50	39	34.13	6.62		
	50-60	13	38.65	4.25		
	60 Above	1	33.21	5.45		
Gender	Male	63	33.21	6.45	t=2.151	0.022*
	Female	37	34.75	6.21		
Marital Status	Single	16	37.45	6.45	t=0.319	0.699**
	Married	84	38.15	6.52		
Education	Below 10th	4	34.25	4.13	2.819	0.013*
	Metric	27	31.25	6.56		
	10+2	26	38.26	5.45		
	Graduate	26	39.11	6.62		
	P.G.	16	30.36	6.26		
	Professional	1	38.45	6		
Occupation	Business	16	30.45	6.43	1.069	0.369**
	Profession	18	35.34	6,12		
	Service	6	39.9	6.9		
	Agriculture	36	37.21	5.57		
	Others	24	31.84	6.23		
Annual Income	Below 1 Lac	12	31.24	6.44	0.838	0.451**
	1-5 Lac	53	30.73	6.58		
	5-10 Lac	23	37.42	5.87		
	Above 10 Lac	12	38.39	4.34		
Length of association	<1 year	15	34.23	5.72	0.309	0.811**
	1-5 years	30	30.73	6.56		
	>5 years	23	39.92	4.63		

*Significant, **Non-Significant

ISSN:0971-1260

Vol-22-Issue-2-April-June-2019

Table 2 shows the results that onle age, gender and education of customers is having the significant influence on Empathy factor of CRM strategies in AXIS Bank. As the value of P is founded for age is 0.016, gender is 0.022 and education is 0.013 which is less than the significance level 0.05. Marital Status, Occupation Annual Income and Length of association are having no significant influence on empathetic behavior of employees in AXIS Bank.

Effect of Demographic Variables on Assurance

Table 3. Effect of Demographic Variables on Assurance

Variable	Category	Number	Mean	SD	Value of t/F	Sig.
Age	Below 20	7	33.15	6.25	2.81	0.012*
	20-30	20	32.51	5.26		
	30-40	20	36.48	6.15		
	40-50	39	35.95	6.34		
	50-60	13	39.78	4.26		
	60 Above	1	37.25	5.7		
Gender	Male	63	39.15	6.25	t=2.516	0.029*
	Female	37	34.42	6.78		
Marital Status	Single	16	36.45	6.48	t=0.012	0.899**
	Married	84	38.95	5.67		
Education	Below 10th	4	33.88	6.78	2.968	0.041*
	Metric	27	35.12	6.26		
	10+2	26	34.35	6.48		
	Graduate	26	32.89	6.25		
	P.G.	16	39.48	6.25		
	Professional	1	33.15	5.17		
Occupation	Business	16	35.89	6.1	1.799	0.116**
	Profession	18	39.21	6.27		
	Service	6	30.36	5.29		
	Agriculture	36	37.98	6.01		
	Others	24	31.4	5.72		

ISSN:0971-1260

Vol-22-Issue-2-April-June-2019

Annual Income	Below 1 Lac	12	36.83	6.56	1.015	0.389**
	1-5 Lac	53	38.62	6.46		
	5-10 Lac	23	35.68	6.91		
	Above 10 Lac	12	36.21	6.76		
Length of association	<1 year	15	36.23	6.63	1.453	0.223**
	1-5 years	30	34.58	6.91		
	>5 years	23	38.42	6.11		

*Significant, **Non-Significant

Table 3 represents that the p value corresponding to age, gender and education is 0.012, 0.029 and 0.041 respectively which is less than the significance level. This shows that there is a significant influence of these variables is having significant influence on assurance factor of CRM strategies in AXIS Bank. No significant relationship is founded in between Marital Status, Occupation, Annual Income, Length of association and assurance of employees of AXIS Bank.

Effect of Demographic Variables on Responsiveness

Table 4. Effect of Demographic Variables on responsiveness

Variable	Category	Number	Mean	SD	Value of t/F	Sig.
Age	Below 20	7	34.83	6.23	3.312	0.004*
	20-30	20	34.25	6.05		
	30-40	20	13.25	5.41		
	40-50	39	28.15	5.01		
	50-60	13	37.78	6.77		
	60 Above	1	30.75	6.23		
Gender	Male	63	34.03	6.04	t=1.149	0.241**
	Female	37	33.21	6.23		
Marital Status	Single	16	35.03	6.19	t=159	0.799**
	Married	84	35.25	6.23		
Education	Below 10th	4	33.05	6.23	2.765	0.038*
	Metric	27	8.25	5.2		

ISSN:0971-1260

Vol-22-Issue-2-April-June-2019

	10+2	26	31.55	6.83		
	Graduate	26	36.39	6.61		
	P.G.	16	30.12	6.03		
	Professional	1	27.82	6.41		
Occupation	Business	16	31.34	6.8	0.91	0.453**
	Profession	18	32.76	6.9		
	Service	6	30.12	6.52		
	Agriculture	36	27.71	6.43		
	Others	24	34.78	5.61		
Annual Income	Below 1 Lac	12	36.28	6.51	0.435	0.781**
	1-5 Lac	53	30.83	6.19		
	5-10 Lac	23	28.38	6.74		
	Above 10 Lac	12	33.29	6.04		
Length of association	<1 year	15	24.56	5.76	0.323	0.725**
	1-5 years	46	33.78	6.19		
	>5 years	39	37.23	5.06		

*Significant, **Non-Significant

Table 4 represents that the views of customers with regard to responsiveness factor of CRM strategies is significant. The p value from age and education with regard to responsiveness of employees of AXIS Bank is founded as 0.004 and 0.038 which is lower than significance level. This result shows that out of 7 variables only two variable such as age and education is having significance influence on responsiveness factor of CRM strategies.

Effect of Demographic Variables on Tangibles

Table 5. Effect of Demographic Variables on Tangibles

Variable	Category	Number	Mean	SD	Value of t/F	Sig.
Age	Below 20	7	31.45	6.5	1.316	0.003*

	20-30	20	27.25	3.83		
	30-40	20	29.82	5.65		
	40-50	39	31.93	6.42		
	50-60	13	36.05	4.19		
	60 Above	1	30.01	5.19		
Gender	Male	63	31.01	6.25	t=2.137	0.013*
	Female	37	32.75	5.81		
Marital Status	Single	16	35.05	6.43	t=1.391	0.521**
	Married	84	35.55	6.48		
Education	Below 10^{th}	4	31.05	4.07	1.891	0.041*
	Metric	27	28.85	6.54		
	10+2	26	35.86	5.25		
	Graduate	26	36.51	6.58		
	P.G.	16	28.16	6.2		
	Professional	1	36.05	5.94		
Occupation	Business	16	28.45	6.37	3.641	0.312**
	Profession	18	32.94	6.1		
	Service	6	31.7	6.7		
	Agriculture	36	35.21	5.53		
	Others	24	27.84	6.17		
Annual Income	Below 1 Lac	12	23.24	6.24	3.047	0.025*
	1-5 Lac	53	27.53	6.54		
	5-10 Lac	23	35.02	5.81		
	Above 10 Lac	12	35.99	4.14		
Length of association	<1 year	15	31.83	5.62	5.032	0.011*
	1-5 years	30	28.13	6.48		
	>5 years	23	37.92	4.43		

*Significant, **Non-Significant

Tangible factor of CRM strategies in AXIS bank is majorly influenced by Age, gender (P=0.013), education (P=0.041), annual income (P=0.025) and length of association (P=0.011). Table 5 shows that there is a no significant relationship between marital status as well as

ISSN:0971-1260

Vol-22-Issue-2-April-June-2019

occupation and tangibility of AXIS Bank. It is observed that marital status and occupation having no significant influence on the tangibility of AXIS Bank.

Conclusion and future scope

This paper concludes that the factors of CRM strategies is influence by the demographic variables of customers' profile such as age, gender, education, marital status, occupation and length of association. Age and education variables are having the significant effect on all the factors of CRM strategies like reliability, empathy, assurance, responsiveness and tangibles. Views of the customer towards reliability and responsiveness is influenced by age and gender, views towards empathy and assurance is effected by age gender and education, views of customers towards tangibility is effected by age, gender, education, annual income and length of association with bank. These factors of CRM strategies are also having the strong and positive effect of customers' satisfaction which may vary from individual to individual with regard to their personal demographic variables. In future the study related to the impact of demographic variables on customers' satisfaction in other sector may be conducted.

References:

Bellini, C.G.P., Lunardi, G.L. and Henrique, J.L. (2005). Service quality in banks: Insights from the Brazilian Experience. Journal of Internet Banking and Commerce, 10(3).

Crosby, A.L. and Sheree, J.L., (2001), "High Performance Marketing in the CRM Era," Marketing Management, <<volume>> (September–October), 10–11.

Diaz, A.B.C., and Ruiz, F.J.M. (2002). The consumer's reaction to delays in service. International Journal of Service Industry Management, 13(2), 118-140.

Glaveli, N., Petridou, E., Liassides, C., and Spathis, C. (2006). Bank service quality: evidence from five Balkan countries. Managing Service Quality, 16(4), 380-391.

Joseph, M., Sekhon, Y., Stone, G., and Tinson, J. (2005). An exploratory study on the use of banking technology in the UK. A ranking of importance of selected technology on consumer perception of service delivery performance. International Journal of Bank Marketing, 23(5), 397-413.

ISSN:0971-1260

Vol-22-Issue-2-April-June-2019

Kheng, L.L., Osman, M., Ramayah, T. and Mosahab, R., (2010), The Impact of Service Quality on Customer Loyalty: A Study of Banks in Penang, Malaysia, International Journal of Marketing Studies, 2(2), 57-66.

Lymperopoulos, C., Chaniotakis, I.E., and Soureli, M. (2006). The importance of service quality in bank selection for mortgage loans. Managing Service Quality, 16(4), 365-379.

Ndubisi, N. O. (2006). A structural equation modeling of the antecedents of relationship quality in the Malaysia banking sector. Journal of Financial Services Marketing, 11(2), 131-141.

Parasuraman, A., Zeithaml, V.A. and Berry, L.L. (1988). SERVQUAL: a multiple-item scale for measuring consumer perceptions of service quality. Journal of Retailing, 64(1).

Ryals, L. and Knox, S., (2001), "Cross-functional Issues in the Implementation of Relationship Marketing through Customer Relationship Management," European Management Journal, 19 (5), 534–542.

Samyal, A. (2019), Customer Satisfaction toward Saving & Loan Schemes of Co-operative Bank, International Journal of Scientific Research and Reviews. 8(1), pp. 1459-1474.