CONTENTS

		Page No.
DECLARATION		i
PREFACE		ii
ACNOWLEDGEMENTS		iv
CONTENTS		v
LIST OF TABLES		x
LIST OF CHARTS		xii
LIST OF FIGURES		xiii
PART I	**BACKGROUND AND RATIONALE OF STUDY**	**1**
1.1	Historical Background of the Indian Financial System	1
1.1.1	The criticality of customer relationships	6
1.1.2	The link between CRM and IT and few other associated terms	12
1.1.3	Why should businesses adopt CRM	16
1.1.3.1	Rising Customer Expectations	16
1.1.3.2	Affordable Technological Advances	18
1.1.4	Implementing CRM	22
1.1.5	The shift in orientation	26
1.1.6	Benefits of CRM	29
1.1.7	CRM in Marketing	31
1.1.8	Building customer relationship management	32
1.1.8.1	The Acquisition Stage	32
1.1.8.2	The Retention Stage	33
1.1.8.3	The Loyalty Stage	34
1.1.9	The attributes of CRM	35
1.1.10	Technical functionality	37
1.2	Rationale of the study	40
PART II	**THE INDIAN BANKING INDUSTRY**	**48**
2.1	Organizational structure	48
2.1.1	Financial markets	48
2.1.2	Financial institutions/ intermediaries	51
2.1.3	Financial instruments/ assets/ securities	53
2.2	Indian banking system	55
2.2.1	Commercial financing	63
2.2.2	New generation banking	65
2.2.3	Central banking in India (Reserve bank of India)	66

2.2.4 Financial sector reforms 76
2.2.5 Banking on Retail 86
2.2.6 IT in banking 90
2.2.7 The new face of banking 94

PART III REVIEW OF LITERATURE 103

3.1 Real time core banking-replacing the core systems 105
3.2 Literature review 109
3.2.1 Role of technology in improving operating efficiencies 109
3.2.1.1 International Retail banking as a strategy 109
3.2.1.2 Technology, firm, strategies and jobs in Retail banking 110
3.2.1.3 Using technology to enable better business 115
3.2.1.4 Core banking transformation 120
3.2.1.5 Customer service using the right banking technology 124
3.2.1.6 Technology can build relationships 127
3.2.1.7 Database 129
3.2.1.8 Internet banking 130
3.2.1.9 Electronic fund transfer (EFT) 136
3.2.2 Specifics of CRM initiatives 138
3.2.2.1 CRM systems 139
3.2.2.2 Banks and better service 144
3.2.2.3 Where Workflow automation is headed 148
3.2.2.4 Future challenges for Indian banks 152

PART IV RESEARCH METHODOLOGY 166

4.1 Objectives of the proposed study 167
4.2 Conceptual framework 169
4.2.1 Research design 169
4.2.2 Data sources 170
4.2.3 Data types 171
4.2.4 Communication approach 172
4.2.5 Data collection 173
4.3 Samples surveyed 175
4.3.1 Sample size determination 175
4.3.2 Banks surveyed 176
4.3.3 The respondents for the 3 Questionnaires 194
4.4 Data editing 198
4.5 Data computerization, interpretation and analysis 199
4.6 Secondary data collection 199

PART V DATA ANALYSIS 203

5.1 Main focus of the study 203
5.2 Research questions 205

5.2.1 Objective 1 205
5.2.1.1 Objective1 – Category 1: Significance of CRM in banks 206
5.2.1.2 Objective1 – Category 2: Role of IT in CRM applications 223
5.2.1.3 Objective1 – Category 3: Budget allocation to CRM timeline 237
5.2.2 Objective 2 243
5.2.2.1 Objective2 – Category 1: Identify customers' reason To bank
5.2.2.2 Objective2 – Category 2: Capture a particular Customer-bank interaction 251
5.2.2.3 Objective2 – Category 3: CRM expectations of customers 259
5.2.3 Objective 3 277
5.2.3.1 Objective3 – Category 1: Future plans on implementation 277
5.2.4 Objective 4 283
5.2.4.1 Objective4 – Category 1: Employee distribution across CRM applications 283
5.2.4.2 Objective4 – Category 2: Level of IT knowledge in employees 293

PART VI SYNTHESIS, SUGGESTIONS AND CONCLUSIONS 305

6.1 Synthesis 306
6.1.1 The research 306
6.1.2 Advantages of using technology based services in general 307
6.2 Findings and suggestions 308
6.2.1 Level of IT knowledge and professionalism in the employees of the bank 311
6.2.1.1 Findings 311
6.2.1.2 Suggestions 314
6.2.2 Improvement in IT and non-IT based service offerings by the banks 315
6.2.2.1 Findings 315
6.2.2.2 Suggestions 317
6.3 Conclusions 319

APPENDIX 1 Customer Questionnaire 323
APPENDIX 2 Head of Business Unit Questionnaire 327
APPENDIX 3 CRM Initiatives Manager Questionnaire 331
APPENDIX 4 Head of technology Department Questionnaire 335
APPENDIX 5 Letter to Banks for data collection 337
APPENDIX 6 Letter to Bank of Baroda from Prof. Jadeja 338
APPENDIX 7 Pretest of documents for dissertation 339

APPENDIX 8	Suggested changes to Questionnaires by evaluators	340
APPENDIX 9-15	Pretest evaluation 1 to 7	
APPENDIX 16	Methodology Plan	
Glossary of Terms and Abbreviations		342
Bibliography		344