



Application and adoptability of salesforce.com CRM in banking industry

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Abstract

The traditional goal of selling strategies is achieved through the expansion of latest customers; customer loyalty becomes the most goal of customer relationship management. It is usually more beneficial and fewer costly to stay existing customers who shop regularly and in large volumes than to constantly attempt to find new customers. If you know your customers, you will be enabled to serve them in a better way keeping them loyal for a longer duration. This is the main theme of Customer Relationship Management (CRM). Customer relationship management is used to define the process of creation and maintain relationship with business consumers. CRM act as a process for customer identification, attraction, differentiation and retention. CRM integrate firm's entire supply chain to make customer value at every step, either through increased benefits or lowered costs. It leads to higher profits through increased business from a firm's customer base.

Keywords: CRM, satisfaction, retention, banks, salesforce.com (SFC)

Introduction

CRM is the seamless coordination between sales, customer service, marketing ^[1], field's support and other customer touching functions. Familiarity with client was one which later depicted as Customer intimacy. This is one of the few initial developments that lead to the generation of concept CRM and customer relationship management came into existence. With growing time and increase penetration of web based tools CRM again transformed into web based contact management ^[2]. As a consequence of these technologies, big data improves customer relationship management (CRM) efforts of a firm. They commonly champions firm's marketing ^[3]. The role of B2B firms in facilitating positive experiences of producers and final consumers can't be carpeted. The review of related literature revealed that there is no generally accepted definition of B2B organization, but researchers had described B2B establishment by their operations and practices ^[4]. CRM that uses technologies can transform different techniques of cultivating a loyalty base customer ^[5]. Customer Relationship Management (CRM) is an organizational strategy to develop mutually profitable long term relationships with the customer ^[6]. Most companies are uncertain about productivity of CRM program and thinks that it's a burden on marketing budget ^[7]. CRM can be understood as a business philosophy ^[8], a business strategy, a business process, or a technological tool. Effective CRM has become a critical challenge in business competition and marketing and economic advancement of a country ^[10]. Every organization seeks to maintain and use critical information regarding the needs, expectations and choices of customers to make them satisfied and loyal ^[11]. Many businesses such as banks, insurance companies, and other service providers realize the importance of CRM and its potential to help them acquire new customers retain existing ones and maximize their lifetime value ^[12]. In the era of service economy, software enterprises are facing transformation. CRM has gradually become an important choice of software enterprises in transition period; this is different from the traditional enterprises ^[13]. Customer

relationship management, as a combination of individuals, processes, and defined technology, is the perception and management of customer relationship by focusing on developing relationship and retaining customers, and is aimed at maximizing the profit through achieving a desired balance between major company's investment and customer satisfaction ^[14]. Information Technology (IT) is constantly implemented by organizations to help improve competitiveness although it seems that as new IT based systems and concepts become available, they are overwhelmed by organizations with little thought for existing and past practice ^[15]. Market trends have given rise to digitalization ^[17], the use of technology ^[18], and the transformation of businesses, in an era called Industry 4.0. The business environment is changing year by year, and marketing and business practices have witnessed an ever-growing tendency to focus on the customer and his/her needs ^[19]. The goal of CRM is to understand and anticipate the needs of current and potential buyers and to increase customer retention and loyalty while expanding the way product and services are sold ^[20].

The study is on the opportunities and growth of banking sector with the help of SFC customer relationship management system. As per the topic of research, it was concentrated on the use of SFC-CRM in banking sector in the state of Maharashtra. Unfortunately only one Indian bank has till now implemented SFC-CRM system. The bank implementing this system is Jana Small Finance Bank also known as Janalakshmi Small Finance Bank. This is a Bengaluru based microfinance bank spread throughout the country. For the study purpose branches of bank only in Maharashtra state were considered and concentrated. Total of 115 branches of bank spread in all Maharashtra were taken for the study. A structured questionnaire was prepared and data was collected using all modes like personal interviews, Google forms, postal / courier mode, telephonic interview, etc. Due to COVID-19 pandemic it was difficult to visit all branches and collect data personally from each branch, so electronic mode was used for data collection.

Customer relationship management

CRM as a business process defined as a macro-level process that subsumes numerous sub-processes, such as prospect identification and customer knowledge creation. Any CRM initiative or program consists of three elements; people, processes, and technology. The failure rate of CRM implementation is quite high^[9]. From the point of computer science view, CRM is a set of customer data analysis system based on database. From the perspective of management science, it is not only a set of software system, but also reflects a kind of management concept, which takes the customer as the center. It can be said that CRM is the combination of client - focused management concept and computer technology.

The principal and ultimate objective of customer relationship management is to be able to know the customers well to provide more efficient service for keeping them forever. Nonetheless, understanding the concept and the main objective of customer relationship management has not been brought to the end, and it is still under development. Indian companies did not focus a lot on their customers. But now the trend is changing they are using pull strategy instead of push strategy. Initially they make product Sampling network is designed in such a way that selected banks and its branches represent the whole study area. A total number of 115 branches spread across the state of Maharashtra were covered under study. From each branch a Manager and one of its associated bank officers were asked to respond to the queries in the form of a structured questionnaire prepared for the study making the sample size to 230. The reference period of the study is from year 2010 to 2015 in bulk and send it to the retail outlets. But now they have adopted a strategy of customization. They make product according to the demand of the customer and do one to one marketing. For that purpose companies are also prevailing CRM. Customer Relationship Management (CRM) is a management approach that seeks to create, develop and enhance relationships with carefully targeted customers in order to maximize customer value, corporate profitability and thus shareholders' value. Managing relationship with the customers has been of importance since last many centuries, but with invent of information technology a new discipline in name of CRM has emerged. Data analytics is expected to transform firm CRM strategy in all key areas encompassing marketing effectiveness, pricing and revenue management, segmentation and personalization, customer lifecycle assessment, and customer loyalty and churn analysis. Unlike traditional CRM systems, big data technologies enable firms to collect and analyze unfiltered customer opinions, understand customer attitudes and behaviors, and engage in a two-way dialogue with their customers. Web, text, sentiment, social network, mobile, and sensor-based analytics can be used to analyze multi-structured customer data to build predictive models that outperform those that can be generated using legacy CRM tools, thus enabling firms to offer its customers highly personalized products and services that meet their needs better than rivals, often in real-time, and at a lower cost^[3]. The companies on the market are aware of this trend, which leads to their introduction of various CRM. For global companies, priority is given to those with a global reach, predominantly monolingual and "cloud". At a fundamental level, global companies operate in a very similar way, regardless of their segment of activity^[19].

CRM is a process that helps to collect information about customers, sales, marketing effectiveness, responsiveness and market trends. CRM helps in creating more value for the customers. This is important as in present competition CRM practices can help an organization get an upper hand in the market by supporting customers before the sale of the product or service, in the actual sale and after the sale has been completed.

Role of CRM in banking

CRM in banking sector is still in evolutionary stage, it is the time for taking ideas from customers to enrich its service. The use of CRM in banking has gained importance with the aggressive strategies for customer acquisition and retention being employed by the bank in today's competitive environment. Customer satisfaction is a business philosophy which tends to the creation of value for customers, anticipating and managing their expectations, and demonstrating ability and responsibility to satisfy their needs. Qualities of service and customer satisfaction are critical factors for the success of any business. It is pointed out that enterprises exist because they have a customer to serve. The key to achieve sustainable advantage lies in delivering high quality service those results in satisfied customers. Companies are facing their toughest competition ever. To win customers and encourage them to stay loyal or repurchase the service, most companies have resorted to meeting and satisfying customer needs by not being only reactive but proactive. They are also interested in finding new ways and means to satisfy the customer^[8].

Sampling network is designed in such a way that selected banks and its branches represent the whole study area. A total number of 115 branches spread across the state of Maharashtra were covered under study. From each branch a Manager and one of its associated bank officers were asked to respond to the queries in the form of a structured questionnaire prepared for the study making the sample size to 230. The reference period of the study is from year 2010 to 2015

Architecture of CRM

Philosophically, CRM is seen from three perspectives.

1. Stakeholder model: Relationship management and marketing are powerful tools for developing long-term relationships with clients, suppliers and distributors.
2. Supply chain model: Relationship between channel participants is the key strategy for pursuit of efficient supply chain. This minimizes the costs of transactions and the entire supply chain costs.
3. Marketing concept model: Every customer relationship is important for profitability. Relationship with existing customers is the lifeblood of a business organization and is paramount for the future direction of the business.

Organization must deliver what the market needs and wants. Deliver more efficiently, effectively and add more value than competitors. Both internal and external marketing efforts are necessary to do this successfully. The aim of marketing is to create a customer, who is enthusiastic about company. The customer whose expectations are met or exceeded by the actual performance is satisfied and delighted. The company's interest in customer welfare and its motive to benefit customer would naturally lead to

mutual trust and this will gradually develop into an emotional bond of commitment, eventually leading to loyalty. Customer becomes more loyal, making significant use of the entire range of company services (cross selling) patronizing the company over its competitors. Furthermore, this is accompanied by positive word-of-mouth communication and tolerance to unintentional lapses and benevolence to share the information for mutual benefit. Contrarily, in case the customer is dissatisfied, it is possible that the customer may even turn into a 'terrorist towards the company, causing the firm extra costs'. Dissatisfied customer may also dissuade other current or potential customers from dealing with the firm.

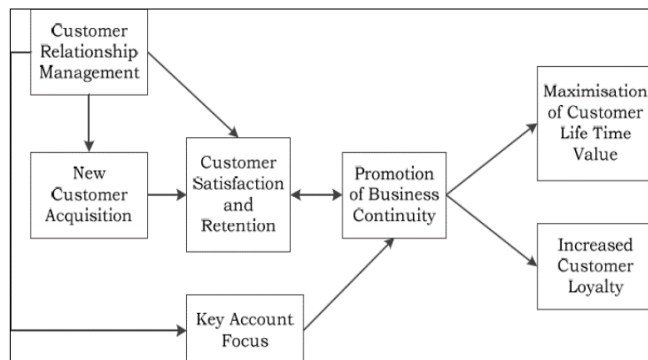


Fig 1: CRM and business promotion

Acquire new customers

CRM is a corporate level strategy, focusing on customer acquisition by creating and maintaining relationships with customers.

Retention

An effective CRM system is able to identify factors important to clients, promote a customer oriented philosophy, adopt customer based measures, develop end-to-end processes to serve customers, provide successful customer support, handle customer complaints, track all aspects of sales, create a "holistic" view of customers' sales and service information. The long-term success of an organization depends mainly on how well it attracts and retains a large customer base.

Key account focus

As business develops, companies start accumulate accounts/segments which are unviable and non-profitable, yet place demands on the resources of organization disproportionate to the returns, resulting in the dilution of focus on the accounts and segments which are key to business success. Key account management would help continuous review, identification of key accounts/segments and allocate resources proportionate to their contribution to the business.

Business continuity

Managing relationships with customers is very important for organizations since improved relationships increase business value. CRM helps in leveraging information regarding customer behavior to make repeat buying possible and improves average revenue per user through repeat purchase, cross selling and up selling.

Loyalty and life time value

CRM helps to achieve high levels of customer satisfaction, retention, and loyalty - all resulting in improved profitability over a life time of customer.

Customer service

In an organization, customer service is the process of providing information and services to all products and brands. Customer satisfaction depends on the quality of service provided by the supplier.

Salesforce.com

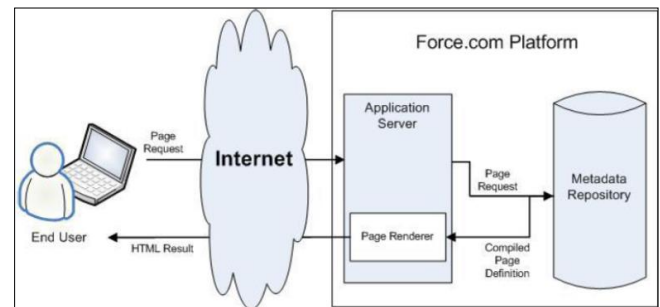


Fig 2: Architecture [13]

Fig.2 exhibits the rough overview of application whereas end user easily works on the on demand service provider platform. Visual force charting gives an easy way to create customized business charts, based on data sets created directly from queries, or by building the data set in our own Apex code. By combining and configuring individual data series, charts that display data in ways meaningful to organization.

SOQL (Salesforce object Query Language) is to build custom query strings, and these query strings can be used in the following places like:

1. Apex statements
2. Visual force getter methods as well as controllers
3. In query String parameter passed in query() call
4. Use Schema Explorer in Eclipse Toolkit

SOQL uses "SELECT" statement combined with any filter statements to bring back sets of data, as well as data sets returned may be optionally ordered as well (just like in SQL).

Force.com IDE is a client application for creating, modifying as well as deploying Force.com applications. Force.com IDE is mainly based on Eclipse platform and built on Tooling API, which provides a comfortable environment for programmers familiar with integrated development environments, letting you code, compile, test, package, and deploy all from within IDE. Force.com IDE has also features an embedded schema explorer for a live view of your database as well as metadata components. Using synchronization features of IDE, you can also create a project which lets multiple team members develop against a shared source code repository.

Highlights of Salesforce.com CRM

SFC is a number one on demand CRM, which runs on force.com platform, as well as, it reduces development cost and deliver application in short time. SFC was officially launched in 1999 and Founded by Mark Benioff.

- It is a Number one on demand Customer Relationship Management.

- It uses Force.com platform that reduce development cost.
- It is good market place to sell our custom applications and also to buy applications from App Exchange.
- It is available on cloud, so no need to install software and also no hardware required.
- Salesforce Improves Customer Data Quality & Management as well as Customer Service and Support.
- Salesforce helps acquire New Customers and increases efficacy of Marketing Campaigns.
- Salesforce reduces Costs Associated with Sales, Services, and Marketing.
- Salesforce increases Customer Satisfaction, Retention, and Loyalty as well as Profit Margins.
- Salesforce improves Mobility of Business.

Salesforce is hot technology in IT industry and with CRM, can easily store customer and prospect contact information, accounts, leads and sales opportunities in one central location, ideally in cloud so information is accessible by many, in real time. Customer relationship management (CRM) is a system for managing a company’s interactions with current as well as future customers. CRM often involves using technology to organize, automate and synchronize sales, marketing, customer service, and technical support. CRM cloud apps need to be easy to use for sales, marketing, and service professionals in industry. An effective CRM infrastructure is based on multi-tenancy, and with multi-tenancy, no need to worry about application or infrastructure upgrades because they happen automatically.

Data analysis

In this section, data collected from the questionnaire was converted into tables and represented graphically for easy understanding. Each response was analyzed and interpreted. The details are as follows.

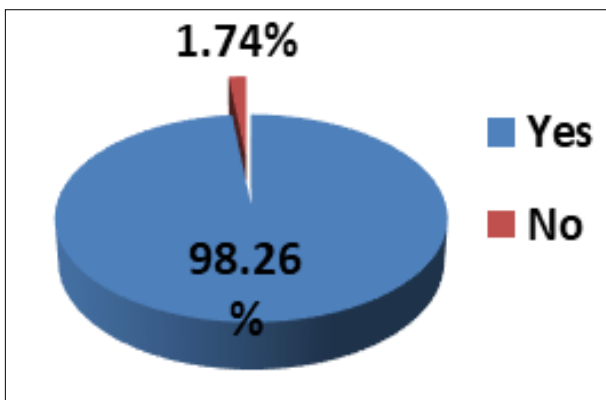


Fig 3: Bank services in promised time

With the help of SFC-CRM banks can provide services in promised time. This can be possible only with the help of highly potential product like SFC-CRM. As per the data analyzed almost all respondents agreed to the role of SFC-CRM in bank services in promised time. It can further be interpreted as with the help of SFC-CRM the efficiency of bank has increased. With these banking services in promise time, customers will be aware of time requirement in bank. This will be one of the points of highlight for the marketing of bank.

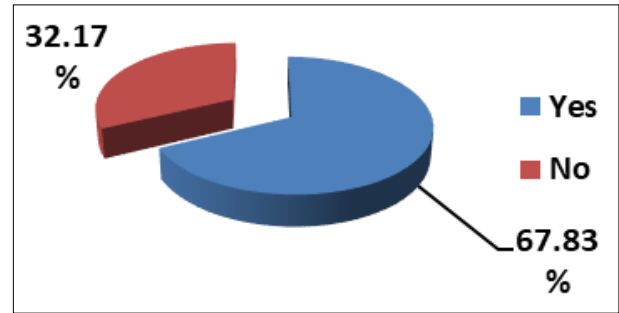


Fig 4: Bank adapt different measures for urgent requirements

Banks are adopting different measures for urgent requirements. Here urgent requirements are related with customers and their queries. It is always appreciable to give quick response and solve the problems of customers with the earliest. Banks are adopting different measures to urgently solve the requirements of customers. SFC-CRM helps in urgent solving the requirements of customers for bank. With the help of SFC-CRM, the requirements of customers shall be fulfilled in time or in a fast mode, that will be an added advantage of the bank towards customer satisfaction and retention.

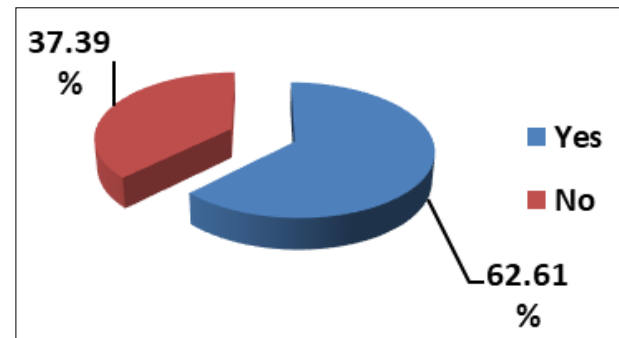


Fig 5: Bank approach attract targeted customer

With the help of SFC-CRM banks are approaching to attract targeted customers. With the help of all features of SFC-CRM it becomes easy for the bank to approach the customers and to attract the target customers. This was a difficult task for the bank before the implementation of SFC-CRM. This will be helping the bank in getting new customers and increasing the business. As the bank shall grow customers face will also be developed which will be directly helping the bank.

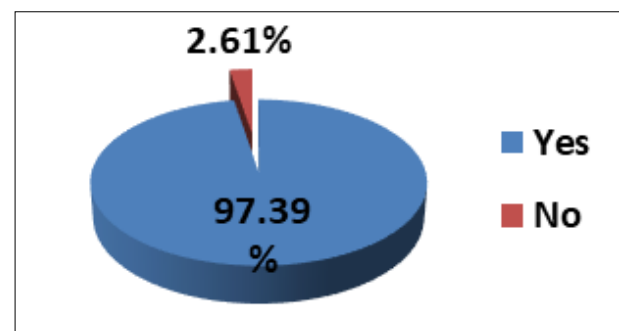


Fig 6: Bank disseminate information attracts new customers

The dissemination of information by the bank to the customers is an important process add feature of the bank. With the help of SFC-CRM if banks can disseminate

information to their customers it will definitely be attracting new customers thereby increasing the business. SFC-CRM is a great tool or product that will help in dissemination of information to the customers which will indirectly be helpful for the bank for attract new customers and also to retain old ones.

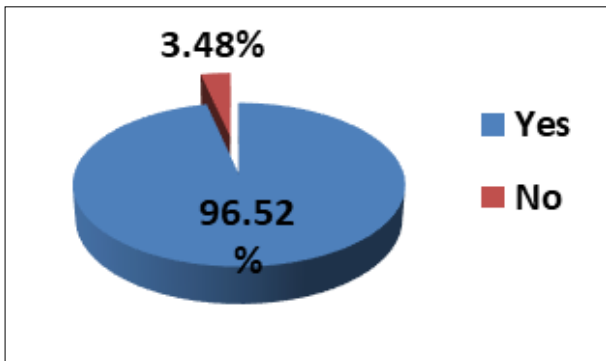


Fig 7: Bank offers Variety of service items and information

Bank is offering variety of service items and information because it is possible now with the help of SFC-CRM which was very difficult previously. By offering these service items and information, bank is trying to create an image among the customers and other targeted people that we are sophisticated and information technology equipped. This shall also be making a high profile of the bank which will always be helpful for the growth of bank.

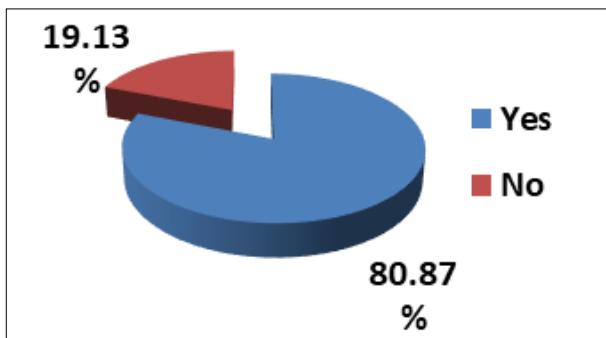


Fig 8: SFC-CRM helps in increasing lead generation

In any business client generation or lead is an important issue. It requires lot of efforts and time to generate leads. SFC-CRM is helping bank in increasing lead generation. SFC-CRM is a great product that helps the institution with possible lead generation that will be helpful to bank for increasing the customers primarily and efficiency and productivity secondarily.

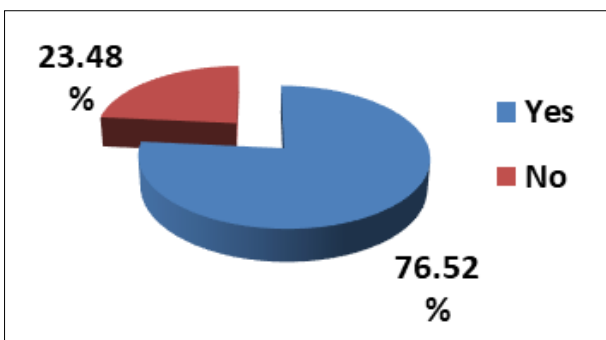


Fig 9: SFC-CRM helps in increase in lead conversion

Lead conversion has been increased due to SFC-CRM. Leads identification, Leads generation, Leads conversion and Leads maintenance are few activities required for expansion of business. Banking products depends on personal interest and needs. Even needs can be created or developed in an individual Lead is one of the potential customers. SFC-CRM helps in Leads generation and conversion into customer. It was difficult in days without information technology. With the advent of information technology and internet, world has shorten and it has become easy to analyze data. Even data is available in a structured format.

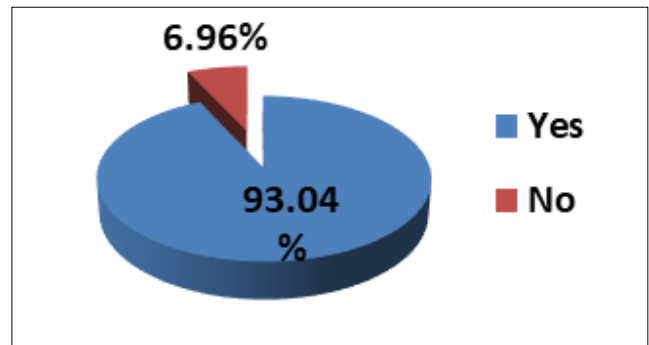


Fig 10: SFC-CRM helps in reducing customer complaints

SFC-CRM is helping the bank in reduction of complaints of the customers. SFC-CRM is a tool to produce desired data or information. This information can be used to reduce the complaints of the customers. The data required to reduce the complaints, is also made available to SFC-CRM. Thus if the complaints of the customers are reduced, it means the satisfaction level of customers are increased. This helps in customer retentions and attraction of other customers thus increasing the business.

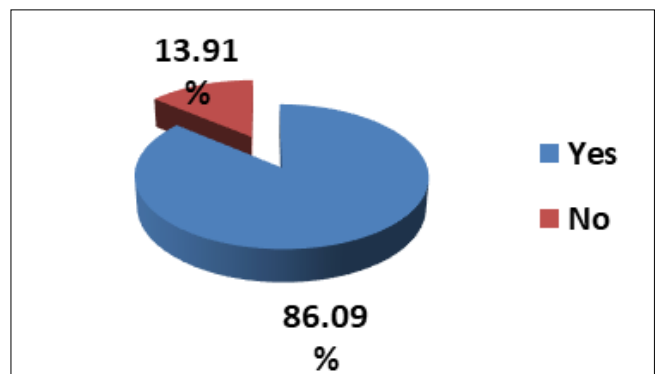


Fig 11: SFC-CRM helps in Increasing Customer Loyalty

SFC-CRM helps in increasing customer loyalty. This happens because the customer complaints are resolved fast as discussed above. This creates a sense of satisfaction in the customer. Dissemination of information is quick, which helps the customer at the time data or information is required. Customer relationship is strengthening because of these features of SFC-CRM and hence loyalty increases. Thus SFC-CRM increases the customer loyalty.

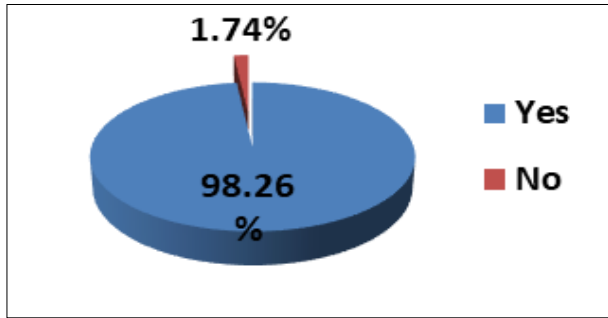


Fig 12: Application of SFC-CRM is profitable

The product and services handled by the SFC-CRM are profitable to bank. There are multiple benefits of the product SFC-CRM like it helps in passing the information to the customers. It helps in generating and converting leads. It also helps in many other modules of CRM making it a profitable application.

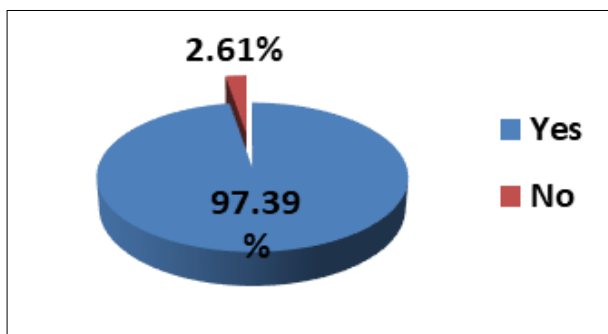


Fig 13: Easy to adopt SFC-CRM

It is easy to implement the SFC-CRM. The next part of the question being asked in the questionnaire is adoptability of the product. The responses for adoptability of SFC-CRM are positive. This can be interpreted that it is easy to adopt the salesforce.com CRM and similarly it is easily adapted.

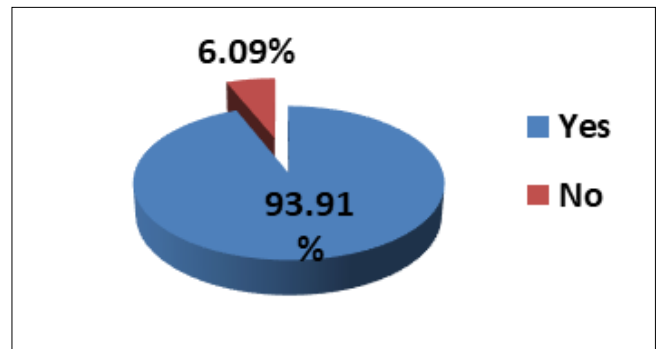


Fig 14: Customers are Satisfied with Services they Receive

Customer satisfaction is key concept in terms of business. It is very difficult to manage the customers. There are many methods to increase the satisfaction level of the customers. To provide proper services to the customers also helps in increasing the satisfaction level of the customers. SFC-CRM thus helps the bank in by making the customers more satisfied.

Table 1: Role of Salesforce.com in Banks performance (survey data)

Sr. No.	Particulars	Yes	%	No	%
1	Services performed within promised time.	226	98.26%	4	1.74%
2	Adapt different measures for urgent requirements.	156	67.83%	74	32.17%
3	Bank approaches are attracting targeted customers.	144	62.61%	86	37.39%
4	Bank disseminate information attracts new customers.	224	97.39%	6	2.61%
5	Bank offers a variety of service items and information.	222	96.52%	8	3.48%
6	Salesforce.com CRM Increases lead generation.	186	80.87%	44	19.13%
7	Salesforce.com CRM Increases lead conversion.	176	76.52%	54	23.48%
8	Salesforce.com CRM Improves in sales turn-around-time.	224	97.39%	6	2.61%
9	Salesforce.com CRM Reduces in average customer complaints.	214	93.04%	16	6.96%
10	Salesforce.com CRM Increases customer loyalty index	198	86.09%	32	13.91%
11	Application of Salesforce.com CRM is profitable.	226	98.26%	4	1.74%
12	Easy to adopt Salesforce.com CRM.	224	97.39%	6	2.61%
13	Customers are satisfied with the services they receive.	216	93.91%	14	6.09%

Conclusion

Customer Relationship Management is the need of the time. In this era of internet and E-commerce, it is difficult to manage the customer as the customer is at remote location away from the seller. It is also difficult to provide service to the customer. Over these points, the market is highly competitive. Hence it is required to manage the customer and maintain a good relation. Paper creates a very conscience picture of SFC-CRM in terms of human. This paper also discusses perception of customers taking into account of banks and their way of working and maintaining loan accounts and customer satisfaction. It has been observed that SFC-CRM has helped the institution is maintaining customer loyalty and customer retention. It has

also depicted a clear picture of customer perception regarding the SFC-CRM and its features helping it.

Suggestions

1. SFC-CRM should be implemented in all banking sector because of its features and cost effectiveness in providing services.
2. SFC-CRM needs to be marketed in a proper and structured way, as it is not known to many commercial institutions.
3. Power of cloud computing has to be promoted for the sake of better and cost effective solution
4. International presence of Indian commercial institutions can be easily achieved with the help of SFC platform.

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