Excel Journal of Engineering Technology and Management Science
(An International Multidisciplinary Journal) (Impact Factor 2.119) IIFS
Vol. I No. 17 December – January 2020 (Online) ISSN 2277-3339

Sales Force CRM: An Opportunity for the Growth of Banking Sector

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Abstract: *For any business in the world organizations need to realize the need of CRM. Customers play an important role in any service industry. CRM helps in retaining lost and existing customers. It also helps in acquiring new customers. It also helps in increasing lifetime values of customers. In this competitive era of banking, it is very difficult to win market and customers for banks. CRM provides an opportunity to influence in banking sector. Banks needed to hold their present customers, which can be possible with the help of IT media like social networking, email, mobile and web. This can make long-term relationship of banks with their customers. Sales Force is a cloud based CRM with many features those helps in the growth of a business. The marketing cloud of Sales Force has many advanced modules like email, social, advertisement, web and mobile. These modules generate higher level of customer satisfaction. The paper tries to throw light on the potential of Sales Force cloud based solution to CRM. Here we shall be discussing CRM and Sales Force cloud with present results of Sales Force cloud. The paper shall introduce with data analysis before conclusion.*

Keywords: *CRM, Banks, Customers, Segment, Commitment, Satisfaction, Sales, Cloud*

I. Introduction

Banks have to invest great efforts to create added value and one way to do that is to generate and support the development of long-term customer relationships that provide greater value. Customer orientation is a key in the success of business. Retail banks are facing challenges in provision of service which is the need of the hour for the growth of any business. Customer retention refers to the activities and actions of companies and organizations to reduce the number of customer defections and making them loyal [1]. Customer retention helps companies develop loyalty in customers and brand. Customer's satisfaction is result of service quality provided by bank. Quality of services can measure through perception. In first case, if customer has exceptions for good services from own bank and after getting services if customer fells that perceptions is not equal to exceptions, its mean something gap missed by bank so these types of gap in future can left own effect on relationship. In second case, if customer fells that exceptions equal to perceptions, its mean customer are perceiving satisfaction after getting services and in third case, if customer fells that, perceptions is more than exceptions; its mean customer is accomplishing delight. In edge of globalisation [2], customer is not in banking nexus so it is more important that customer perceive delight after services not satisfy.

Transaction marketing (4Ps: product, price, place and promotion) [3] is insufficient if organizations are competing in complex environment. Today we are required to divide customers in groups in order to serve them better. In product-based industries it is critical to maintain the right inventory levels. [4] It allows us to instantly determine on-hand inventory balances, track raw materials and stocked items, sort different and similar products, record works in progress and finished products, manage lots and more. Even though banking industry has faced significant changes in different business segments during the last two decades, such as: distribution changes, reduction of transaction costs, increased speed of service, supplier-customer relationship management is a crucial issue in banking sector.

Customer Relationship Management (CRM) helps in marketing, which establishes relationship with customers [5]. CRM can be a strategic tool to manage customer. CRM provides an approach for customer relationships with the organization. CRM accomplishes the strategic needs of the Indian banking Sector which is one of the largest banking sectors in the entire world. It provides every financial institution with the process to acquire, retain and grow its customer's base. The adoption of Customer Relationship Management (CRM) is widely seen as a way to achieve competition strategies in the service rendering companies [10]. Companies implementing CRM creates relationships with customers and develop loyalty besides increasing revenue and reducing cost. CRM is one of the major sources of competitive advantage in banking sector. CRM is regarded to be among the best strategies and practices for banks in order to develop their performance and thus to make sure that their long-term business is survival. CRM helps the customer retention practices of the organization which thought to improve profitability, principally by reducing costs incurred in acquiring new customers [7]. Change in customer behaviour and technology made CRM implementation a success. CRM is helping banks in coordinating with individual customer. Hence customer can be proposed through the mode of communication of his choice electronically.

The technology in this regard used to manage and facilitate the organization's business processes and activities. Therefore, CRM considered as a strategic business and process rather than a technical issue [8]. Moreover, it's important to recognize that CRM has a long-term aim which is to enhance the quality and to improve the interface with the customers which lead toward customer satisfaction. CRM helps in managing relation with customers. CRM and knowledge management are directed towards improving and continuously delivering good services to customers [9]. CRM is an intelligent blend of marketing and information technology for serving the customer with greater care and value and indeed it's a new way of doing business covering all aspects. CRM is an integrated approach of dealing with customers with smart use of Information Technology. Computerisation of records, maintenance of customer data base, on-line customer service will enhance the customer loyalty apart from exploring new opportunities for cross selling/sell ups. Conventional business applications are expensive and it needed team to implement with all software and hardware support. New trend in IT is Cloud computing [11], Businesses are running all kinds of apps in the cloud, such as customer relationship management (CRM), accounting, HR and more, and with a cloud app, you just open a browser, log in, customize app, and start using it. Cloud computing means simply storing, accessing data and programs over an Internet instead of your computer's hard drive, as well as with an online connection, cloud computing can be done anytime, anywhere. Cloud computing is all about, configuring, manipulating and accessing the applications online. Cloud services are based on three service models i.e. SaaS (Software as a Service), PaaS (Platform as a Service), IaaS (Infrastructure as a Service) and four deployment models i.e. Public Cloud, Private Cloud, Hybrid Cloud and Community Cloud [12].

Sales Force is the world's leading cloud service provider. We do not need to install any application on the computer. What we need is the Internet connectivity so that we can login from anywhere to access the Sales Force. Sales Force organizes data into objects and records. All the information is stored securely on the cloud. Force.com is the first platform which provided PaaS, and Sales Force CRM is the first platform providing Software as a service. Sales Force manages all the organization's interactions with customers. This platform is divided into two clouds i.e. sales and service Sales cloud increases the effectiveness of the sales team of an organization and thus enhancing the company sales. Service cloud helps in satisfying the customer with the services and provides continuous support. Sales Force provides solutions that are individual and unique to each enterprise [13]. It allows companies to manage and share information and also get the highest benefits from sales automation, marketing automation etc. One more important aspect of Sales Force is the database security. Here we are introducing the concept of multilevel security to the database build upon the multitenant architecture. This application supports multi-tenancy [14] where single huge database is logically divided into number of tenants that can be accessible to number of end users. Integrating multiple charting libraries we can generate reports more precisely so that calculations regarding the quantity and the selling-purchasing level can be easily done.

In this study we are dealing with the possible opportunities of cloud based Sale Force CRM system for the growth of banking sector in India. We are considering Kerala based "Janalakshmi" bank to show the impact of Sales Force CRM. In the paper later we are following the literature review to discuss the theoretical aspects of CRM and cloud based Sales Force CRM. In the next chapter we are discussing the technological introduction of Sales Force CRM on cloud. Here we are discussing the important features and aspects of cloud based system. In next chapter we are showing some growth related data of "Janalakshmi" bank before conclusion.

II. Literature Review

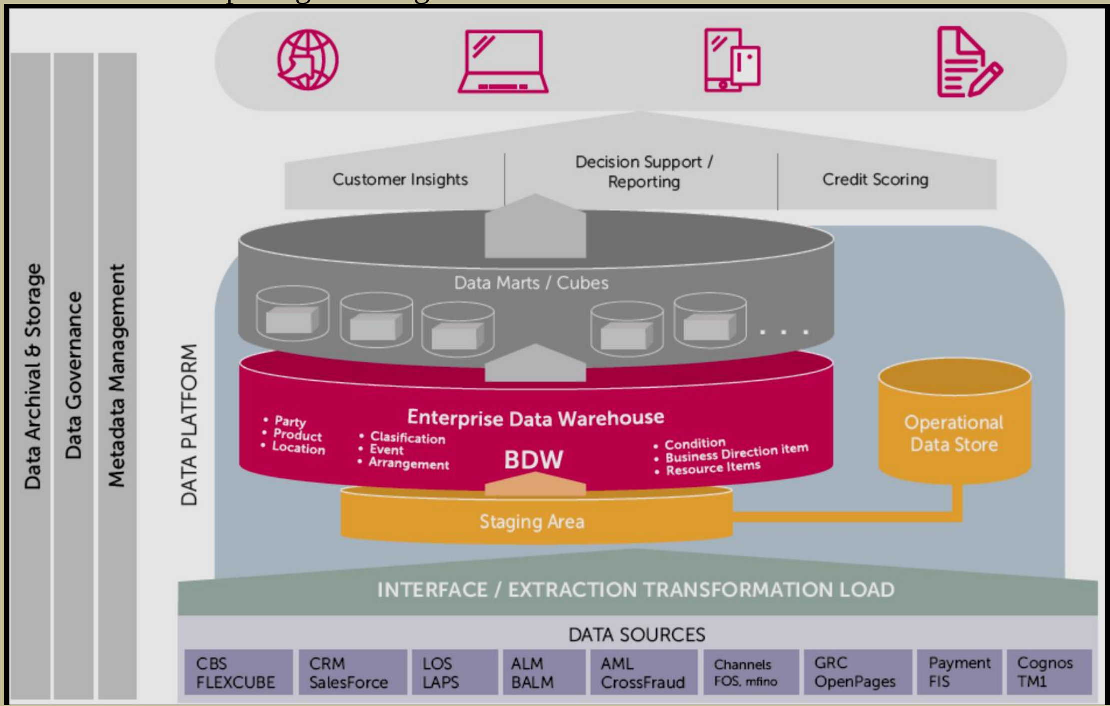
- **N Tamilarasi and M Praveen (2019)[1]** in their research paper discussed that; there was a demand of a CRM application for banks due to the change in consumer behaviour. They concluded that, different customized banking services and products are needed and that consumers are segmented accordingly. They also emphasized on regular innovations in products and services. They further said that, CRM created loyalty amongst customers towards banks. This in-turn generated huge revenue. Shailja Pal (2018)[2] in her study stressed that, banks needed to maintain a healthy relationship with its customers and employees. She also mentioned that important points like attitude of staff, resolution of complaints and quality of service are to be integrated as a strategic step to gain customer loyalty. She thought that CRM plays a vital role in achieving this. Dr. Sujata Rao and Jinali Patel (2018)[3] through their research paper showed concern that banks needed to adopt CRM as changes are observed in cultural behaviour of organisation. They further said that target achievement can be easy with the support of CRM, thereby increasing profitability of bank. Their research summarizes that CRM helps in maintaining good relation with customers, pass-on the information in an easy way to the customers and satisfies the need of customer in an efficient way. Even further they said that, CRM is safe and secure system. Alemu Muleta Kebede and Zewdu Lake Tegegne (2018)[4] in their research study examined performance of bank with CRM. They concluded that there is a great performance hike due to technology based knowledge management using CRM. They suggested that CRM helps in building customer and increasing profitability of banks. They further suggested that banks can reduce complaints and satisfy customers using CRM. Pawan Kumar Gupta (2018)[5] discussed that customer behaviour is highly changed with the present day technical enhancements in almost all the fields. As per his paper customers are in more demanding position regarding satisfaction of service. He felt that globalisation has put customer in the position of King. He thought that CRM is the key to achieve it. He also says that CRM provides a cost effective solution.
- **Harshi Garg and Uma Kumari (2018)[6] and Raed A. M. Iriqat and Mohammad A. M. Abu Daqar (2017)[7]** emphasises that customer satisfaction can be handled

efficiently with the help of CRM. They discussed a new cloud based platform named Sales Force CRM. They said that this is an integrated system showing significant customer satisfaction. They observed that the system helps in complaint management increasing the satisfaction level of the customer and behaves a good communication medium between customers and bank employees. It also helps in handling transactions. Jelena Cvijovic, Milica Kostic-Stankovic and Marija Reljic (2017)[8] in their research paper depicts that, customer relationship is a big challenge. They say that CRM is a crucial factor for the success of business in this era of internet banking. J. Munaiah and G. Krishnamohan (2017)[9] published in their study that customer retention is easily and efficiently possible by using CRM. It provides with database of customer and other details to maintain their loyalty. Prof Sandeep Kaur (2016)[10] speaks about Indian banks and CRM to create consumer loyalty. She discussed CRM's role in banks. She also thinks that the challenge of customer satisfaction can be solved with the help of CRM. She says that private banks are more satisfying their customers than government owned public sector private banks are employing CRM and other technological solutions for customer satisfaction. She suggested that if public sector banks provide quality of service using CRM, than they could be retaining old customers and acquiring new ones. Marko Laketa, et. al. (2015)[11] observed that, banks were first to use the potential of CRM. Banks benefited from CRM in terms of targeting group of people, providing quality service, managing complaints and generating high profitability. They also observed that data sensitivity and security of information is reliable with CRM. With the help of CRM, it becomes easy to manage a call centre and follow the customer's queries online. It also helps in generating new customers and providing necessary in time information to all. Other services like reminders, account's status, etc can be easily covered using CRM, which will build a trust in customer's mind. CRM covers product, market, services and personnel sections as a concrete step in attaining profitability.

- **Rakesh Kumar, et. al. (2014)[12]** in their research work discussed the concept of Sales Force a cloud based CRM platform. They observed that there is ease in operation to this product, it is fast and powerful tool for developing and implementing different strategies and business models. Cloud computing concept is a cost effective solution based on tenancy. Sales Force is dynamic to use and provide excellent management. They concluded that, Sales Force is a good CRM for e-commerce based firm. Juee Daryapurkar and Anjali Raut (2014)[13] in their work concluded that Sales Force help in generating dynamic reports by compiling huge data. The Sales Force CRM works as Software-as-a-service (SaaS) of the three features of cloud computing. This tool is a small budget, highly efficient and big result oriented for banks. Saheba Khanam and Prof. Farah Naaz Gauri (2018)[14] in their paper concluded that cloud computing has three basic concepts of Platform-as-a-service (PaaS), Software-as-a-service (SaaS) and Infrastructure-as-a-service (IaaS). They emphasized that banks needed to understand the customer's need and work accordingly to generate profit. They further mentioned that Sales Force cloud based CRM plays an important role in managing different modes of transactions like internet banking, credit cards transaction, mobile banking, customer and employees data management which initiates and take the bank at the path of growth. This helps in the concept of reports anytime, anywhere accessible.

What is Sales Force?

Banks have huge data related to customer's personal details and its transactions. It is difficult to analyse the data and use it for research purpose for the improvement of the bank. With the help of computer software based customer relation management (CRM) the data is stored in digital format in servers and that can be used whenever needed. CRM is a concept to manage the customers need and issues. It can be easily and effectively handled using CRM software. Software stores customer personal data and also keeps a track on the online activities performed by the customer. [21] The activities can be visiting banks website, making a telephonic enquiry, writing an email, etc. CRM play a connection medium between bank and customers. It also helps in generating leads in case of new customers.



(Source: Annual report of Janalakshmi Bank 2015-16, pg no 61)

Fig 1: Sales Force CRM Framework implemented by Janalakshmi Bank [20]

These all helps in the growth of bank. Cloud is a collection of infrastructure, software and platform made available on the internet web-server that can be taken on rent basis. There are many advantages in cloud computing like

- Data space i.e. infrastructure is not required to be purchased which reduces the cost.
- Software like CRM is not needed to purchase as it can be bought on rental basis.
- Platform is also available on subscription basis reducing the cost.
- Cloud computing as available anytime and anywhere on any device like laptop, PC's, mobile phones, etc.

Sales Force CRM is a cloud based system. It is flexible and allows dynamic modelling and implementations. It gives anytime anywhere service on all available media. There are following modules of Sales Force CRM as discussed below.

Email Studio: It personalises all emails and data from different clouds of sales & service. This module is capable of sending promotional messages to clients. It is a powerful tool to be used for reporting. It has good prediction system, segmentation capabilities and fully automated.

Mobile Studio: This module helps in sending text and multimedia messages over mobile phones. It has facility of managing groups based on events and locations.

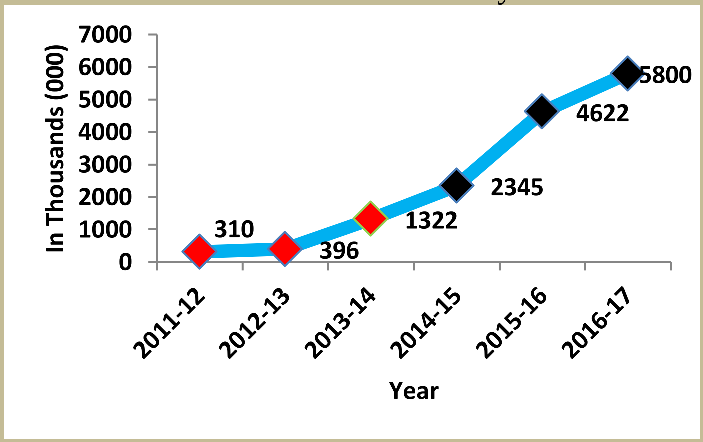
Social Studio: This module works for social media. It listens and analyses the conversations and understands the need of the customers and brand the appropriate product to the customer accordingly.

Advertising Studio: This module manages digital advertisements and ad campaigns. It motivates new customers to get connected with the product for which it is advertising.

Web Studio: This module helps in creating attractive web-pages and website. It help in personalising the contents and keeps track of every step taken by the customer or visitor of the site.

Data Analysis and Interpretations

Janalakshmi Financials is a Kerala based banks with its three ventures viz Janalakshmi Financials, Janalakshmi Bank and Janalakshmi Micro Finance. There are in all 34 branches of Janalakshmi Financials, 23 branches of Janalakshmi banks, 58 branches of Janalakshmi Micro Finance and around 21 ATM's spread in all six administrative divisions of Maharashtra state. Janalakshmi introduced Sales Force CRM in the financial year 2014-15.



(Survey Data)

Chart 1: Year wise increase in Customers

Since then the rate of growth increased in terms of online transactions. As per the annual report of 2018-19, around Rs 1.25 crore transactions per day is recorded using online Jana Card (Annual report of Janalakshmi Bank 2015-16) transactions mode. This all was possible with the help of Sales Force a cloud based CRM.

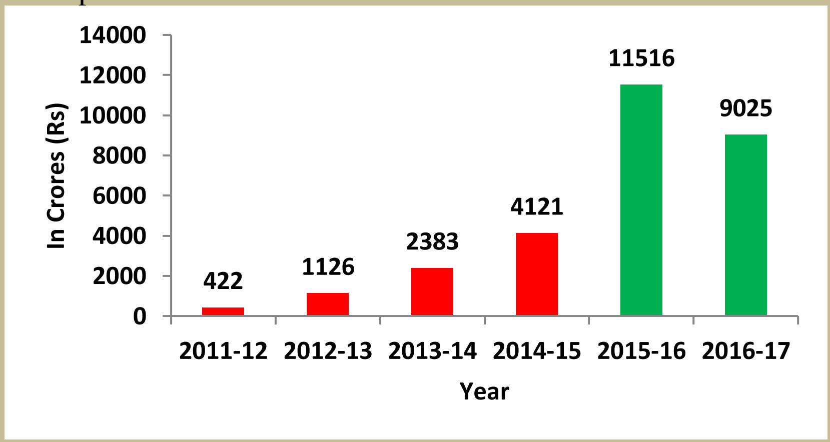


Chart 2: Year wise increase in Disbursement

The bank is having a vision to improve financial need of customers by providing various products and services. Sales Force CRM is helping the bank in providing quality of services. It is also helping the bank by providing technology based support like credit cards, internet banking, online transactions using mobile banking, etc. It is helping the bank in generating new leads, data security like biometrics authentication, analysing target customers, etc. Sales Force has helped Janalakshmi bank in sustaining 100% growth after its implementation.

Conclusion

From the study it can be concluded that Sales Force a cloud based CRM can be playing a key role in banking sector. The results from Janalakshmi bank showed that there is huge opportunity for already running and newly upcoming banks in implementing the Sales Force CRM. It provides latest Artificial Intelligence based technological support. It is helpful in developing and maintaining a strong relationship with customers. Even employee management is an added advantage in it.

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