4. A Case Study of Benefits and Limitations of Use of ATM (AUTOMATED TELLERING MACHINE) As e-CRM (Electronic- Customer Relationship Management) Technique in Bank of Maharashtra in The Area of Nandurbar District of Maharashtra [INDIA]

Dr. Kailas Chandrakant Deshmukh

Associate Professor,
Nanasaheb Y.N. Chavan Arts, Science and Commerce College,
Chalisgaon Dist Nandurbar, Maharashtra.

ABSTRACT:

Banking business is emerging in both private and public sectors, also cooperative banking is developed in Maharashtra, however customers is most important element of any business particularly in today customers are playing most important role in modern banking, to develop relationship between bank and customer it most important to use management principles or techniques when it implemented through electronic tools then it became electronic –CustomerD Relationship Management or e-CRM. The paper finds benefits and limitations of implementing e-CRM technique ATM in the area of Dhule district of Maharashtra.

KEYWORDS:

Customer Person or organization who has accounts in banks, Relation: Association among customer and bank, Bank A financial institution providing financial services to the customer, Management: A set technique which increases efficiency or productivity CRM-Customer Relationship Management.

Introduction:

Nandurbar is one of the districts of Maharashtra, located in western India. It should be noted that like Dhule and Nandurbar it is a part of north Maharashtra region, and its boundaries are confined to northern Deccan Plateau. Nandurbar was inhabited by 460,468 people, as per the 2011 census. It also serves as an attraction spot for tourists due to its unique location, at a mere distance of 59 km from the popular Ajanta Caves.

Additionally, it connectivity with the railway zone, National Highway No.6 and the presence of an airport make it feasible for the tourists to visit the place. Also, the district features well developed roads, furnished shopping malls, and proper transport infrastructure and communication facilities etc. facilities. Major crops produced in the district are cotton, banana, wheat, millet, groundnut, sugarcane etc. However, due to its contribution of half of the states banana production it has been given the title of 'Banana-City'.

The several regional developments such as setup of educational institutes, provision of medical facilities etc. initiated in Nandurbar has imparted numerous facilities and even strengthened the local economy. Nandurbar is also known for its excellent gold quality.

Demographic:

To analyze the efficacy of e-CRM implementation it is of paramount significance to have knowledge about the demographics of Nandurbar. The total population of Nandurbar district was 3,679,936, with 52% males and 48% females (as per the 2001 census). In addition, there has also been observed a higher literacy rate of approximately 76%, much higher than the national average of 59.5%, featuring an interesting male literacy percentile of 80% and female percentile of 71%. Interestingly, the 13% of the total population of Nandurbar is below 6 years of age. The common spoken vernacular language of Nandurbar is Marathi.

Economy:

Besides the astonishing demographics of Nandurbar district mentioned in previous section, here an in-depth discussion of its economy has been made. Previously it has been mentioned that Nandurbar district is known as 'banana city' due to its higher production of banana. Noticeably, more than 16% of the India's bananas are produced in Nandurbar, i.e. approximately 3% of the world's total banana production. It has been estimated by an association of banana growers of Maharashtra, called Mahabanana that approximately 66% of the Maharashtra's total land under banana cultivation is occupied by Nandurbar. Additionally, Nandurbar is also one of the world's largest pulses milling centers and a leading cotton producing region. The involvement of Nandurbar in the pharmacies is also remarkable as it possesses more than 500 pharmacies, chemists and drugstores.

Nandurbar Municipal Corporation is the administrative body for the city, which is housed in the 17-floor building that serves as a landmark of the city. Adjacent to is located the Golani complex comprising more than 500 shops and flats. Crossing Mahatma Gandhi road towards the Shastri tower visitors will find Phule market, well known as a retail market for clothing, cosmetics, and almost all consumable items. Further along is another one of Nandurbar's important markets, known as Dana Bazaar. Additionally, the heart of the city, Khandesh Central is the first state of the art shopping mall in Nandurbar and was constructed in December, 2010. The mall covers an area of 5.5 Lac sq ft for shopping, comprising Big Bazaar, INOX four screens multiplex and several other stores and wholesale market for food and grains. Establishing itself as one of the biggest jewelry markets in Maharashtra, Nandurbar is known for its excellent gold quality and designs and is thus known as 'Golden City'.

There are several industries set-up in Nandurbar dealing in drip irrigation, fruit processing, pulse milling, pipe manufacturing, bio-fertilizer production, green and solar energy, mattress manufacturing and printing of educational books. Some industries also deal with construction, hardware and paints manufacturing.

Exhibiting a large-scale involvement in agriculture, Nandurbar also serves as a distribution center of agricultural goods and agriculture input industry, with a participation in manufacturing bio-fertilizers. Nandurbar also establishes as a center for cotton-textile and vegetable oil mills, especially groundnut oil and hydrogenation plants. To summarize it can be asserted that Nandurbar is nowadays establishing itself as a sound trading centre of Maharashtra and a leading producer of sugarcane. Apart from the other food crops, onion dehydration plants in Nandurbar have annual onion dehydration capacity of 10,000 tons, accounting for a 15% of total exports of dehydrated onions from India. Similarly, pulses one of the staple foods of Indian cuisine has also experienced a large-scale export from Nandurbar. Being a basic crop, the pulse industry emphasizes more on its cleaning, processing and packing through different processes. The year 1970 experienced the establishment of numerous pulses milling industries by the companies who pioneered in this field and eventually led to the creation of the world's largest milling center for pulse products in Nandurbar with majority of the plants producing large quantities for India and world in unison with providing opportunity to approximately 10,000 workers to earn their living. The Nandurbar pulse industry was a leading exporter of the pulses and its products to over 25 countries worldwide and thus earned the name of world's best millers. Burma, Canada and Australia are some of the major countries importing raw pulses from Nandurbar.

Banks in Nandurbar:

From the aforementioned agricultural and industrial status of the Nandurbar, it can be affirmed that Nandurbar has a major contribution in the economy of Maharashtra. This eventually has led the financial institutions of India to work on the expansion of their banks and services across the districts. To achieve a successful establishment, public and private banks have been targeting to get higher acquisition of customers for long term. Keeping in mind the public banks, several banks such as State bank of India, Punjab National Bank, Canara Bank, Bank of Maharashtra, Corporation Bank etc. are performing the necessary functions across the district. On the other hand, private banks also do not lag behind. HDFC Bank set up its first branch in Nandurbar in August 2002, Axis (UTI) Bank in December,2003, ICICI Bank in March, 2006, ING Vysya in January, 2009 with Kotak still in queue to launch its branch. Axis Bank opened its second branch in Nandurbar in September, 2010.

Apart from these banks a number of other banks such as Nandurbar Janta Bank, Nandurbar Co-operative Bank etc. are attempting to apply certain approaches in order to successfully achieve higher customer retention by establishing a better customer relationship management.

The distribution of financial institutions in the district of Nandurbar in North Maharashtra region is illustrated in table 1

Table 1. Bank in Nandurbar District

BANK	NANDURBAR	MAHARASHTRA	INDIA
NATIONALIZED	21	27	27
PRIVATE	6	21	21
Bank's Presence Analysis **National Bank:** 77.77 % **Private Banks:** 28.57 % * Here the affinity or banking presence has been estimated as per financial institutions available in Maharashtra state			

Source: www.eNandurbar.com, www.waystobank.com,Reserve bank of India

From the table 1.1 it can be inferred that approximately 77.77% banks serving or fulfilling the financial support needs are nationalized banks while 28.57% banks are private banks. It can be clearly observed that there is a huge difference in the distribution of national and private banks which can be attributed to confined business possibilities and financial activities. Surprisingly, the statistics pertaining to education, industries and other economic factors of Nandurbar has made Nandurbar a prime region of Maharashtra economy that has grabbed the attention of economical-politico factor to have higher service provisioning and higher living standards. Emphasizing on the implementation of e-CRM, the literacy and economical activities can be considered sufficient strong enough to enhance the quality and foster competitive banking growth in the region. As discussed previously, the literacy rate for men is 80% and for females is 71%, which further provides a robust base for the implementation of e-CRM in the region.

The following Important e-CRM Techniques are available for the study ATM used for the research,

1. 1.email
2. SMS
3. 3.Internet Banking
4. Telephone Banking
5. ATM –AUTOMATED TELLERING MACHINE

2. Objectives:

To study benefits and limitations of ATM as e-CRM(\electronic –Customer Relations Managements) techniques in Bank of Maharashtra of Nandurbar district of Maharashtra [INDIA].

3. Research Methodology:

The overall research methodology encompasses the following phases:

1. *Defining the Research Objectives*
2. *Literature survey and analysis*
3. *Research Hypotheses definition*
4. *Questionnaires preparation*
5. *Primary Data collection*
6. *Sampling and data processing*
7. *Data analysis and Hypothesis test*
8. *Research conclusion and limitations analysis*

Qualitative research is basically important for obtaining culturally specific information about values, opinions, behaviors, and social contexts of particular populations (respondents from organization at the associate level). The study design in qualitative research consists of data collection and research questions that are adjusted according to what is learned. Unlike quantitative research, qualitative research consists of the secondary resources-based investigation which is based upon seeking answers to questions, systematic use of predefined set of procedures to answer the questions, collect evidence, produce findings etc. Qualitative research is essential when a researcher needs to define the problem more specifically and identify any specific objective or data requirements to be addressed through additional research.

Indeed, e-CRM facility is a relatively new phenomenon in North Maharashtra. Although web banking is proliferating, there is little empirical evidence to help bankers fully understand what constitutes customer satisfaction from a Jalgoan, district customer perspective. Therefore, the imperative of an exploratory study is to gain much needed background pertaining to building a long-term customer relationship in the banks. The qualitative research model intends to explore fundamental background of the research objectives, key aspects and variable analysis to formulate research hypothesis and key constructs. In fact, it would put foundation for identifying customer's requirements, measuring customer's acquisition level towards banks and banks early proposal for customer acquisition and strategies for customer's satisfaction enhancement.

In order to define a list of Pre-transaction, During-transaction and Post-transaction e-CRM features, the researcher will use qualitative methods. The first method (which was used as a minor method) is bank documents and websites. The researcher has explored banks websites in North Maharashtra in order to assess what e-CRM features are available for customers. The second qualitative method used was unstructured and semi-structured interviews with bank managers and employees who are responsible for controlling the e-CRM service activities. To perform qualitative analysis, in this thesis, various literatures such as emergence of financial services, e-CRM in the banking sector, benefits of e-CRM facility to bankers and customers and various measures to enhance quality of service in banks have been studied and key constructs have been defined, which have been further examined through quantitative analysis.

Sample Size:

The required sample size depends on factors such as the proposed data analysis techniques, financial and access to sampling frame. In this study, a fairly representative sample has been randomly drawn by selecting 280 customers of Nandurbar districts of Maharashtra

4. Data Collection:

In Research, the predominant emphasis has been made on assessing benefits and limitations of e-CRM for customers of bank of Maharashtra Nandurbar Maharashtra.

Considering geographical distributions and associated factors such as population, education, banking facilities, reach of technologies etc., the major respondents have been taken from Nandurbar,

Taking into consideration of relatively higher economic development in Nandurbar district affirms suitability of the selected samples. On the contrary, the other districts which are primarily based on agriculture have shown relatively lower interest towards e-CRM facilities because of lack of awareness, education and other constructs. The diversity of responses from different hierarchies and demographic background affirms optimal research paradigm and ensures best possible information retrieval to enable effective strategic formulation to provide or enrich e-CRM facilities in the considered districts of the Maharashtra.

Before performing descriptive study and analysis, the demographic assessment of responses can be significant. The following section discusses the demographic analysis of the presented study.

Demographic Findings in Nandurbar District:

The demographic analysis for the obtained responses is presented as follows:

Gender Distribution:

Table 5.2 (a) presents the gender distribution of the respondents from Nandurbar districts.

The depiction based on gender is important because in present day scenarios, males as well as females have the equal contribution towards regional as well as national economy, development etc.; however, based on respective comfort level, interest and expectations towards efficient banking solution, the perception and decision processes might vary between the respondents (male and female). There can be many situations where male can somewhat bear being in queue for financial process at the banks or the financial institution, while women feel uncomfortable under these circumstances. Considering this fact, analyzing gender factor can be of paramount significance.

Table 2: Gender Distribution of the Respondents from Jalgoan District

Gender	Number of participants
Male	210 (75 %)
Female	70 (25%)

As depicted in Table 5.1 (a), approximate 75% of respondents were male, while only 25% of respondents were female.
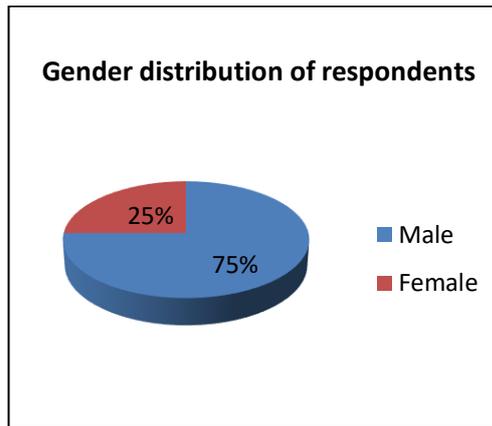

Figure 1: Gender Distribution of Respondents from Jalgoan

It exhibits that there exists higher gap in account holder proportion (gender) in these districts that do affirm that the relatively lower industrial development and conventional business modules confines financial transactions till males. However, the recent government initiatives and various subsidies have motivated both genders to have bank account to avail benefits.

Age Distribution:

This is the fact that the age of a human being is directly related to its maturity to respond and its inherent responsibility. In addition, age and maturity of respondents have higher impact of believe factor and responsible feedback. Thus, considering age as a significant factor to impact one's decision ability and sensitive assessment, in this study age of the respondents have been taken into consideration.
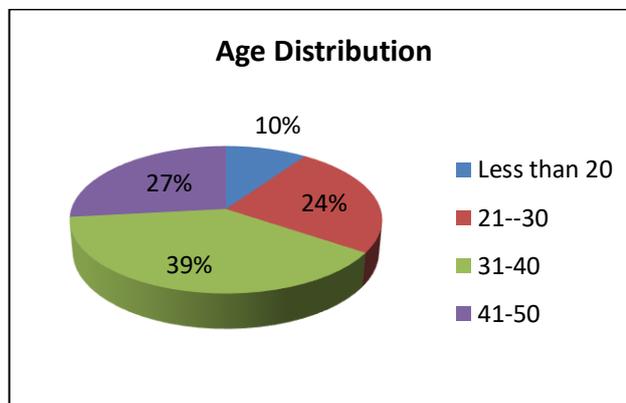

Figure 2: Age Distribution of Respondents from Nandurbar District

As depicted in Table 4.2(b), it can be seen that the majority of respondents counting 32% (90 out of 280) were in the age range of 31-40 years. Similarly, 20.35% respondents (57 out of 280) were in the age range of 21-30. Since, the banking sector in Nandurbar has shown growth in last 15-20 years and hence only 17.85% of respondents with age range of 50-60 were found having bank accounts. A total of 61 out of 280 respondents were in the range of 41-50 years. Only two respondents, especially belonging to educational institutions counting 22 out of 280 (8%) were of age less than 20 years.

Table 3 Age Distribution of The Respondents from Nandurbar Districts

Age	
Less than 20	22 (8%)
21-30	57 (20.35%)
31-40	90(32%)
41-50	61 (22%)
50-60	50 (17.85%)

Educational Background of the Respondents:

Similar to the age, maturity etc the key factor that impacts one's ability to respond and make decision is the education. In this thesis, the educational background of the respondents has been examined. Education and experience have direct impact on personal (someone's) ability to understand and make proper decision. Therefore, in this thesis, to retrieve optimal data and reliability respondents from varied background, education level and thoughts were considered.

Table 4 Education of The Respondents in Jalgoan District

Education	
Secondary education	34(12%)
Below graduation	90 (32%)
Graduation	100 (36%)
Post Graduation	56(20%)

Considering the literacy of Nandurbar district, 12% of respondents had minimum secondary education, while 32% of the respondents stated that they have achieved satisfactory education till under-graduation. A significantly higher fraction of respondents (36%) stated that they are graduate and with relatively higher education level approximate 20% respondents affirmed it that they have achieved master's degree or post-graduation. Figure 4.3 depicts that education level of the respondents.
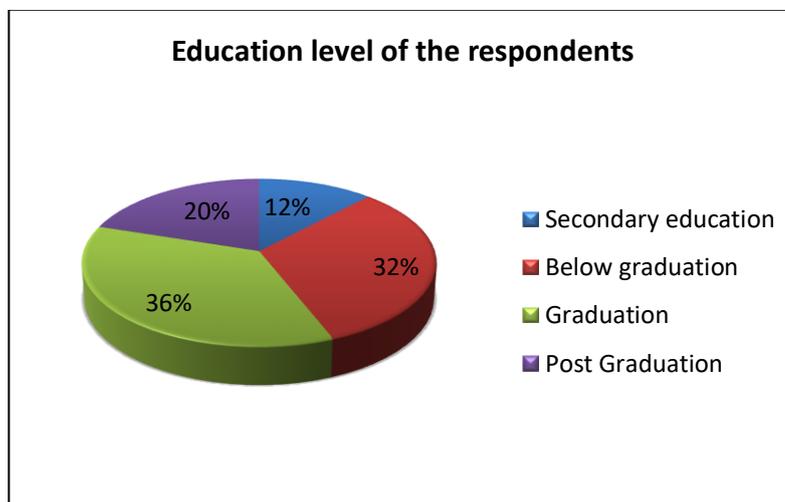
Figure 3 Education Levels of The Respondents from Jalgoan District

Income of the Respondents:

This is the matter of fact that the personal income or buying capacity of a consumer reflects its demands and expectations and since the presented thesis intends to explore the e-CRM facility and its significance, therefore assessing the income of the respondents is vital. In this study approximate 2.7% of respondents stated that their personal income is less than 5000 INR (Indian Rupee), while 14.61% of respondents agreed that they earn in the range of 5000-15000 INR months. The remaining 29.61% of the respondents stated that their income exists in the range of 15,000-25,000 INR. The remaining of 36.9% respondents were found having better monthly income and their income range was existing somewhat in between 25,000 INR to 35,000 INR. Interestingly, relatively higher fraction (23.84%) of respondents was having monthly salary of more than 35,000 INR. No doubt, majority of the respondents in this category were belonging to certain industry, particularly manufacturing, government sector and personal business or self-employment activities.

Table 5 Average Monthly Income of The Respondents

Average Monthly Income	
Less than 5000 Rs	7 (2.69%)
5000-15000 Rs	38 (14.61%)
15000-25000 Rs	77 (29.61%)
25000-35000 Rs	96 (36.92%)
More than 35000 Rs	62 (23.84%)

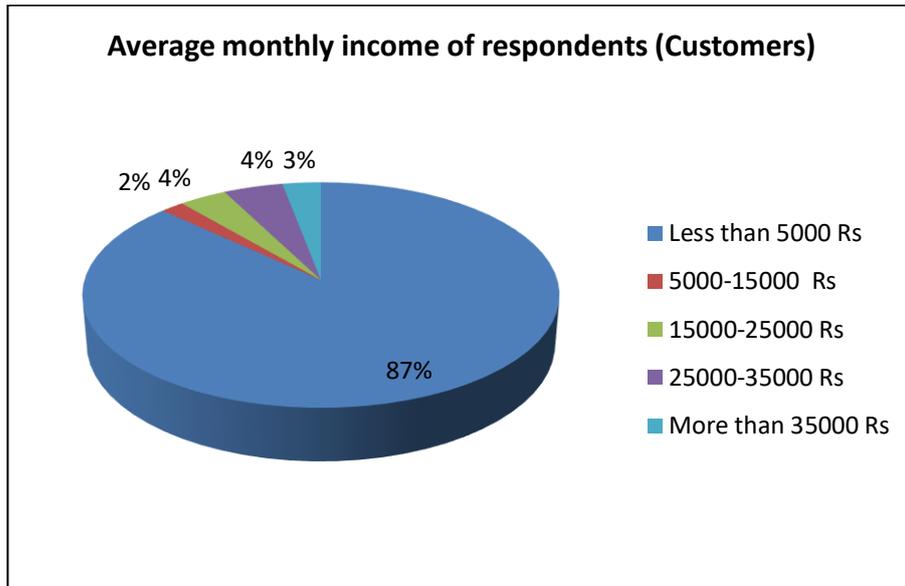Following figure presents the average monthly income of the respondents.

Figure 4 Average monthly incomes of respondents (customers) from Jalgoan district

Experience Level:

The personal experience of a human being plays significant role in its respective decision process and thought process. Considering this factor, in this thesis the consumers were requested to state their experience, particularly banking experience or duration of banking process. The study revealed that among the respondents from Nandurbar district approximate 30% of the respondents were having experience more than 5 years of banking (as a regular customer), followed by 40% of respondents (179 out of 280) with more than 5 years of experience.

Table 6 Education of The Respondents in Jalgoan District

Experience	
Less than 5 years (banking)	84 (30%)
More than 5 years (banking)	112 (40%)
More than 10 years with banking experiences	84 (30%)

Among the respondents, a total of 84 (30%) respondents were having more than 10 years of banking experience. Here, it is important to analyze this factor because with a long-term experience one better understands what is needed, what is lacked and how to enable.
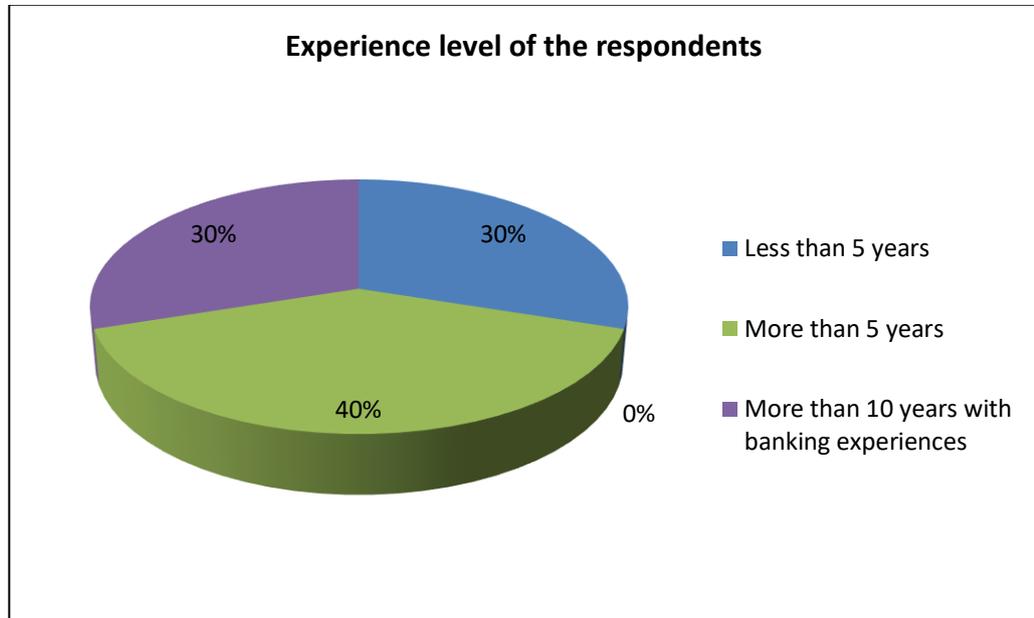
Figure 5 Experience Level of The Respondents from Nandurbar District

Similar to the demographic study of the respondents from Nandurbar, in this thesis the separate demographic assessment has been done. Since, all the considered (three) districts do have different economical, industrial, education etc. background, and therefore assessing respective distinct demographic assessment can play significant role.

5. Data Analysis:

The following is table shows satisfaction level of customer using ATM in bank of Maharashtra in Nandurbar district in terms problem of technology usage faced by the customer

Problems of technology Usage faced by customers	Responses	No of respondent	% of respondent
e-CRM technique ATM			
ATM cards get blocked	90	280	32%
Machine out of cash	140	280	50%
Non printing of statement	50	280	20%
Machine out of order	180	280	64%
long waiting time in queues	110	280	39%
Reduction in balance without cash payment	50	280	17%

Table 7

Benefits of using e-CRM techniques ATM	Responses	No of respondent	% of respondent Satisfied
e-CRM technique ATM			
Available in 24x7 hours	150	280	53%
Locality of ATM	100	280	36%
Privacy and security	190	280	67%
Quick withdrawal	210	280	75%

Findings:

1. Maximum 75% customers are satisfied with benefits of quick withdrawal of money
2. Minimum 36% customers are satisfied with the benefits of locality of ATM,
3. 67% of customer satisfied privacy and security of ATM used by Bank of Maharshtra in Nandurbar district
4. Maximum 64% of customers are facing problem ATMs are out of order.
5. 17% of customers reporting reduction in balance without **cash payment**

Conclusion:

The customers are satisfied with using ATM as e-CRM technique with the benefits of quick withdrawal of money, privacy and security of using ATM and unsatisfied with locality. Maximum customers suffering problem of ATM out of order and very few customers suffering a problem of reduction in balance without cash payment**.**

Recommendations:

1. Keep sufficient money in ATM so that machine not have problem machine out of cash
2. ATM should be available 24x7 hours   for service.
3. Locality of ATM should be in public places so that it become easily accessible to customers
4. There should a plan to train customer for using ATM e-CRM technique

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