The Impact of CRM Application on Customer Satisfaction in Financial Institutions
(Case Study: Financial Institutions in Iran)

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Abstract: The current business environment is very different from the past and the competition has a special role . In this space, without a doubt the most important factor discrimination between competitors after quality is time and delivery cost of goods or services with added value. The added value occurs through a continuous and stable relationship with the customer. Customer relationship management(CRM) is an important step in creating this value added. CRM as a tool in the hands of banks and institutions is important for communicating with customers and attract and retain them. The main object of study is CRM application impact on customer satisfaction in financial and credit institutions. Method of study is descriptive – analytical and causal analysis and statistical community is customers of financial and credit institutions in Iran(Tehran) and measurement tools is questionnaires.statistical test is Regression analysis After hypothesis testing the was determined thatthe elements of CRM (quality of service, service features, service availability and system complaints) has an impact on customer satisfaction.

I.　INTRODUCTION

In today's business environment is characterized by increasing competition, more forward fighting is going to win every day. No business, including manufacturing, service and can't be to continue "satisfied and happy customers" stable and able. More important than the demands, an expectation of consumers increased every day and with this trend is growing along. Today, technology has brought systems for business thatcan help to companies for engage customers and share information. This allows employees retrieve all the information to customers, quickly. This paradigm called customer relationship management system. If it is used properlycan increase a company's ability to achieve the ultimate goal that is retaining customers. Thus to achieve a strategic advantage over competitors [15]. Customer relationship management is a strategy that usedto gain more information about the needs and behavior and relationships with their customers.Customer good relations are successkeys in business. In other words CRM is constant way to identify satisfy customers and to keep their customers [12]. Now with the advent of credit and financial institutions inside the state banks, we saw an increase in the intensity of competition in the banking industry of Iran. In order he moved to maintain with customer's andcreationlong term relationships. Because the unfriendly relations with the client's loss of competitive position and will be removed from the scene. Customer Relationship Management as a customer-centric strategy is taken IT-based and increasingly by various companies, including banks and financial institutions and various institutions have invested a lot on CRM. Considering the importance of topic, the goal of this research is to measure the variables following in the study population.

1- Measure the dimensions of customer relationship management system

2-Measure user's satisfaction of banking services

3- Rating aspects of customer relationship management system in customer view.

II.   FRAMEWORK RESEARCH

In years past, in our country banking industry, due to various problems of economic, social and to be public and most of all exceeds demand to supply, Elements of the Customer Orientation and the pillars of it has neglected. But with the arrival of private sector banks, the industry gradually takes towards to be the competition [1]. The bank, like any organization, need to improve their relationships with customers and customer satisfaction of services provided, explore to assess customer satisfaction or dissatisfaction of the services received, causes and factors affecting satisfaction, understanding customer expectations and ways to attract customers and meet expectations[8]. Today with the advancement in communication technology salient and the bank's information have turned to new strategy for the deployment of customer relationship management systems. In fact, interest in customer relationship management system has started to grow since 1990s. [15].Customer relationship management to be included all of processes and technologies. Organizations get to identify, select, promote, develop, maintain and service the customer. Customer relationship management enables managers because use of customer knowledge to enhance sales, service, Extend itand increase profitability ongoing relations [7].

Customer relationship management is a business strategy focused on the customer that its aims is to increasing customer satisfaction and loyalty through better and more provision of services customized to each customer and respond to them [17]. CRM helps organizations until customer loyalty are evaluated in the repeat purchases, purchase amounts and terms. CRM also helps organizations to respond to these questions: What is an important good service for our customers? How should we communicate with your customer? [9]. the main aim of customer relationship management is simply expression: understand and better behavior with customer in order to increase loyalty and benefits [20]. The main research question is as follows: Do deployment of elements of the system to communicate with customers in private financial and credit institutions in Iran (Tehran) has an impact on customer satisfaction?

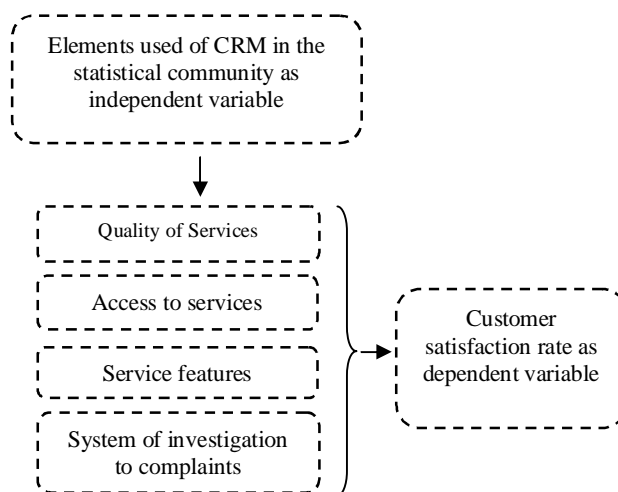Following Analytic chart shows that the dependent and independent variables in this study

Fig. 1. Conceptual model for research [16]

III.   CRM

Customer relationship management is a term used to describe how management is defined as active communication with customers. Customer relationship management is that all components that in organization communicate with the customer and an intelligence way. Customer management processes by support of business technology and operational is technology and roles necessary in order to management clients in various stages of the lifecycle. It is beyond the department, is a separate to a certain level in any organization. A salesperson using CRM in a corner of the country has no need to access all information relevant to the current position for a client in another corner of the country. However they may need to have access to the customer or a reference until help to conclusion of a deal. Power of related information at the right time is most a distinguishing successful system [5] CRM is part of a strategy to identify and satisfy their customers and become a permanent customer. Also toward customer relationship management assists with the company and in order to maximize the value of each customer [18].

Table I: summarizes some of the benefits of Customer Relationship Management [3]

Sharingcustomer information throughout the organization	Technology innovation, customer relationship management
-Increased levels of customer service -Opportunities to sell complementary and valuableproducts -ExtensionInformation about the characteristics and preferences of customers -Integrity and complete customer point of view -Improving goals of the sector and unique customers -Efficiency of call center / services center	-customer capacity development for Unique service and Internet applications -attract of new customers andExistingby personalrelationships and improving goals -Integration of customer and supplier relationships ,to analysis unique and general designs of customer surveys

IV.   CRM lifecycle

In Kalakota's model, CRM is consists of three stages attract, promote and maintain that each step support of knowledge and understanding of the relationship between organization and customer.

Table II: the CRM process and Attentionand organizational strategies corresponding them [10]

Stage	focus of Organization	Strategy
Attract	Make distinctive	Innovation
Promote	Make category	Reduce customer service costs
Maintain	Adaptation	Listen to the customer, New supply of products

Market leaders are divided CRM into three areas for example: Dean introduces three layers for determinethe complexity ofCRM (fig 2).

The first layer of CRM is Operational CRM, which aims to manage all customer contact points (Service, sales and marketing). This Layer is integrated process automation of business. By which, places contact with customer at the front counter (sales, marketing, customer service) are connected through multiple distribution channels and provides integration between the front counter and back counter . (For example, calls sales of automatic data of storage systems, customer billing and customer service)

The second layer is a corporate CRM that to Customers give visual of organizationand them with receive update information through organization operating channel; enable to do some affairs of communication with organization. In fact this layer, through corporate inductors (E-mail, conferencing, chat, real-time applications) will facilitate Interaction between company customer and interactions within a company when dealing with customer data (Such as customer service to sales, sales to marketing)

The third layer is analytical CRM. Analytical CRM is createdon operational CRM.By using statistical methods and data provides entry section of customer and behavior and knowledge them [16]. This layer contains technologies is that the data received can analyze through interactions with customer. The analyze helpsto future action that either is beneficial to the customer and the organization. The purpose of data analysis is management of business performance. That deals with analysis, modeling and evaluation of data in data storage, data marketor different databases is stored because establish mutually relationship and beneficial between

companies and customers, so CRM is known as and customer-oriented and management approach .where information systems, required informationis providing for support the operational analytical and participatory processes of CRM and can help to maintain profitability and customer satisfaction [14].

V. CUSTOMERSATISFACTIONS

The emergence of customer satisfaction at financial institutions has been widely studied and focus on customer satisfaction is the primary goal of any organization, especially bank. Full understanding of this issue is important for researchers and officials [2]. Researchers has found that the impact of a successful business is customer satisfaction.Almost any business cannot continue survive without the consent of the customer. [19] The researchers stressed the importance of customer satisfaction in the banking industry and its role in the maintenance of the client is non-negligible. [6]. Customer satisfaction is a result that is obtained a comparison of actual performance Before buying with expected performance of the client perceived And costs are paid [4]. High level of satisfaction increases customer loyalty, price sensitivity of customers to reduce, costs of marketing failure and create new customers reduce. It reduces operating costs to increase the number of customers. Improves the effectiveness of the ads and increases the firm's credit [11].

Mittal and Kamakura showed the relationship between satisfaction and repeat purchase behavior. The major findings showed that despite same categories the satisfaction based on characteristics of respondents such as age, education, marital status, sex and place of residence no significant difference was observed in repeat buying behavior. This study

suggests consumers have different characteristics, different threshold levels and thus have different probably of repeat purchase. Their Investigate show the impact of demographic factors on relationship satisfaction and loyalty.

Johnson research has been topics consistent (compatibility) in the relationship between satisfaction and loyalty. They stated this topic such that when information is used price and quality similarly and the same in the evaluation of satisfaction and loyalty, relationship between the two constructions is stronger .According to research Auh, if the weight given to information, assessment of satisfaction and loyalty, the same relationship between satisfaction and loyalty is stronger. Consistent theory is effective in explaining the difference between satisfaction and loyalty and it is dependent how to weight the data in the assessment of satisfaction and loyalty, Also will change according the strength of relationship between satisfaction and loyalty [3]. The survey was conducted by the Institute of Strategic Planning in Washington DC showed that return 20% of the investment banks that have been important to their customers requires almost has been double than banks that don't have to pay attention to this subject.

Metawa and almossawi in his research among Islamic banks believe that competence and expertise in Islamic banking is an important factor for success in establishing and maintaining relationships of banks with customers [13].

Molina & etal(2007)survey the effect of long-term customer relationships with their bank and satisfaction. Their results showed ensure customer to bank hasa significant effect on customer satisfaction of bank.

Yuksel& et al (2010) study to recognizing impacts on and customer satisfaction on customer loyalty Structural equation modeling results of this study suggest that thisthe positive feelings of Customer can increase loyalty.

Seeman&O Hara (2006) in the study found that the implementation process of customer relationship management in university cause improve the management process, increased loyalty of students to the university and make satisfied in students .

In research as the impact of CRM on customer satisfaction in agricultural Bank by sarlak and sanaefard (2009) that the dimensions of the customer

relationship management system have the same dimensionsthat was used in this study.These results indicate that dimensions have a positive impact on customer satisfaction.

Jamal & Nasser (2003) about the relationship between service quality and customer satisfaction research was a Pakistani bank and found that this relationship is generally stronger although the relationship did not between customer satisfaction and scale of tangible services.

VI.   RESEARCH HYPOTHESES

A.   Main Hypothesis

Deployment of elements of the system to communicate with customers in private financial institutions and credit in Iran (Tehran) has an impact on customer satisfaction.

B. Sub-Hypotheses

1- Quality of services provided by private financial and credit institutions in Iran (Tehran) has an impact on customer satisfaction.
2- Access to services provided by private financial and credit institutions in Iran (Tehran) has an impact on customer satisfaction.
3- Service features provided by private financial and credit institutions in Iran (Tehran) have an impact on customer satisfaction.
4- System of investigation to complaints provided by private financial and credit institutions in Iran (Tehran) has an impact on customer satisfaction.

VII.   Research Methodology

In terms of methodology and implementation of research is descriptive– analyticaland causal analysis and in terms of type monitoring and degree of control is thefield research. Questionnaire of research is validated because validate or validity of it has confirmed bysupervisors and consultants of faculty. In practice to calculate the reliability coefficient of questionnaire,the first prototype of 20 questionnaire a pre-test. Then, using data obtained was calculated Cronbach's alpha coefficient. Questionnaire to measure the reliability of each variable using Cronbach's alpha coefficient was greater than 70% shows that questionnaire is reliability. Regression method is used to test

research hypotheses also the Friedman test was used to prioritize the variables. In this study, statistical communities are all clients'private financial and credit institutions in Iran (Tehran). In this research, sampling method is cluster. According to the number of financial institutions and credit institutions in Tehran, which is 10 and all of customers are more than 200,000.

VIII. DATA ANALYSIS

46.3 percent of male respondents and 53.7 percent of respondents are female

63.2% of respondents married and 36.8% of respondents are single.

12.1 percent of respondents under 25, between 26 to 35 years 35.3%, 27.4% between 36 to 45 years, 16.1 percent among 46 to 55 years, 9.2% are older than 55 years.

6.1% of the respondents under diploma, 32.9 percent of respondents diploma, associate degree 16.1 percent, 37.6 percent and 7.4 percent of bachelor's and master's degree and higher.

according to the following table can be said that in main hypothesis the correlation coefficient between the main elements of CRM and customer satisfaction is equal to 0.74and the coefficient B is equal to 0.98 And considering that the SIG is equal to 0.000 .These results indicate that the main research hypothesis is confirmed and CRM elements effect on customer satisfaction. In Sub-hypotheses of study also found that the SIG is less than 0.05 can say with 95%confidencethat there search hypothesis is confirmed.

also multiple regression test was performed that according to the results obtained R = 0.77 that shows there is a correlation among the independent variables(Access to services, Service features, System of investigation to complaints, Quality of Services) of study and dependent variables.

Table III: Results of the regression testing

Variables	Mean Rank	Chi-Square	df	Asymp. Sig.
Access to services	2.48	163.084	3	.000
Quality of Services	3.13			
System of investigation to complaints	2.35			
Service features	2.03			

Table IV: Results of Friedman test

Research hypotheses	R	B	SIG	Hypotheses status
main hypothesis	.744	.988	.000	confirmed
The first sub-hypothesis	.723	.943	.000	confirmed
The second sub-hypothesis	.501	.562	.000	confirmed
The third sub-hypothesis	.646	.736	.000	confirmed
The fourth sub-hypothesis	.726	.780	.000	confirmed

The table can be seen that the most important factor affecting on customer satisfaction are following:

1 - Access to Services
2 - Quality of Service
3 - System of investigation to complaints
4 - Feature Services

IX. CONCLUSIONS AND SUGGESTIONS

Considering customer relationship management can provide numerous benefitsfor financial institutions and credit. A customer of banks and financial institutions and credit is equal to at least one asset andby using this approach,retain current customers and encourage them to future referenceis re-underlying to their survival for competition that is the main goal every financial and credit institution. According to the results of research can be said thatdeployment of customer relationship management system that is customer satisfaction and loyalty. And considering the quality, features and service availability as well as complaints system therefore following suggestions for improving the customer relationship management systems are offered:
- Deployment of Employees who have higher speed in offering banking services especially when is causedthe overcrowding and also put enough of workforce for behind the counter:
- Create two-way channels between banks and customers.
- Identify hidden needs and expectations of customers and expand the range of services.

- Presence sufficient knowledge ofspeed indo bank operations through presence sufficient knowledge than customers.
- Create work groups or a committee that deal with reviews complaints and requests from customers that are require of time and cost.
- Employee performance and offering bonuses them is based on to meet customer needs and their successful service.
- Measure efficiency and effectiveness unit of customer serviceand its impact on customer satisfaction and loyalty.
- Be nice decorationand also supplies and forms used by customers and staff cover
- The extent of branches for better service availability
- The use of new technolog

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