



## Short Review Paper

# Cross selling: A tool for customer satisfaction

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## Abstract

*Effective cost management is at the core of every organizational strategy. To reduce the cost, bank focuses on utilizing the customer relationship. If the customer is holding more than one product of bank, it reveals that the customer values the bank high. Banks are adopting smarter tools to fascinate more customers by maximizing its services which directly adds value to the customer. This value addition is done by providing the services and products to the customers in a strategically planned way by formulating cross selling strategies. Cross selling gives an opportunity to sell an additional product or services.*

**Keywords:** Cross selling, Customer satisfaction, Perceived benefits.

## Introduction

In the competitive world the retail banking industry formulates certain strategies to add more and more values to the customer so that customer retains with the bank. Cross selling are the undisclosed plans formulated and designed by the banks to facilitate customers by increasing added product line. The customers can have the options to choose the product best suits as per the customers' requisites. The Cross selling being the undisclosed plans are presented to customers in the form of various services of banks.

The customer measures the services of banks when he is obliged by using services of bank.

The planning department of the bank conducts the research prior designing a new product and presenting the product in front of customers. The banks does the research to understand the need and requirement of customers by knowing the satisfaction of customers with the bank in perspective of all the products and services which are actually served by the banks, not only the products and services but also the involvement of its employees and chromatic appearance of the banks are measured.

To maximize the involvement of its employees and to satisfy the customers by every dimension the researches are carried out by banks.

## The customer value for cross selling

In the terminology of marketing the value to customer is also known as customer perceived value. The customer makes a difference between prospective evaluations of the benefits and cost of a product with other products and cross selling increases the value to be added to customer with respect to the addition of sale of banks products to the existing customer.

## Link between customer satisfaction and cross selling

The quality of service retains customers coming back for more products and services. The customer demands the friendly face, and a warm voice that finds easy to serve the product or services, and feel like having a conversation with someone interested in understanding and helping them to have any product or services when customer comes to the branch with a problem and bank can cross sell the products or services to those customers.

The more business the customer do with the bank, the better value they receive and become more loyal towards the bank. The customer is unknown of the term cross selling, but if employee sales an additional product to customer that is cross selling by the employees. If one explains the concept of cross selling and then sale the product the customer may feel of some marketing strategy which only focuses on revenue generation. The bank cross sells with, an additional product to satisfy the customers need and serves the products which matches best with customer's requirements. Although cross selling is a strategy practiced by the bank unknown to customer's but, does not allow to take the undue advantage of customer other than, to know the customer requirement and then only to match it with the banks various available products.

The customer relationship may be measured using a system that pulls together all components of the customer relationship management. The employees are responsible for managing those relationships based activities and those employees can be rewarded who understands and cross sells, what is right product or services for the customer.

The cross selling is not only transaction based exercise of the bank, but basically a relationship building exercise.

Cross selling is the practices used by the bank to attract more customers. The cross selling practices are strategically implemented in the banks. This strategy occupies the employees in understanding the customers' needs and satisfying the customers. Cross selling is a substantial avenue to increase the sale of products and upsurge customer satisfaction. The banks have to focus on trace point of customer as a possible cross selling prospect. The banks have to dissect all interfaces to fit relevant cross sell and confirm the cross sell. The vital to attainment of cross selling is basically the interest of customer, valuing relationships with customer, complete analysis of customer, and serving the product and having the feedback. The banks should get the process of cross selling in place rather than calculating the success.

## Literature Review

Rekha K.G studied cross selling of financial products and found the main source of information were insurance agents. The customers revealed expertise, goodwill, popularity, financial strength, and credit rating the significant roles for investment agency<sup>1</sup>.

Sonia Bansal and S. Bhatia identified cross selling strategies in Indian banks, and adverse effects of cross selling strategies on employees of banks. The study found that few factors like ethics of employees, self-appraisal, performance appraisal which may result in negative impact on implementation of cross selling strategies<sup>2</sup>.

Dan Sarel and Howard Marmorstein studied the implementations of CRM practices that none of the single practice can lead to success. The HR practices such as involvement, recruitment, training, evaluation methods and incentives etc, also contributes towards success<sup>3</sup>.

Les Goldmann based on the source of information by Roy Morgan Research Source pointed on holding less superannuation wallet due banks poor cross selling of superannuation. The study analyzed key barriers such as not to easily change superannuation providers, alert with competitors, and super annuities decisions<sup>4</sup>.

Komal and Vandana Rani study focused on customer satisfaction of banks for electronic banking. E-Banking services with four aspects of services and the problems in serving services such as ATM, credit cards, mobile banking, and internet banking and resulted the substantial variance in present banking picture<sup>5</sup>.

Gautam and Kumar studied the attitudes towards services of insurance of Indian customers and assessed the awareness and attitudes for insurance products the study found the basic socio demographic and economic variables as the major factors that led the customer satisfaction<sup>6</sup>.

The review of literature gives insight to the association between cross selling and customer satisfaction and many authors have

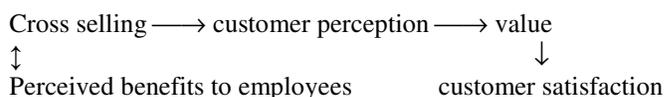
put the light either on cross selling or on customer satisfaction but the area of link between both the aspects are less studied. The study is endeavoring to bestow some light in the context.

The cross selling is directly linked with the perceived benefits of customers as the acuity of the services provided by banks, the pledge by the banks, the efficacy by employees of the banks and the complications by customers. The perceived benefits are associated with the values felt and measured by customers. The Cross selling is indirectly related with the perceived benefits of employees of the banks as what is alleged to the employees, the efforts by the banks for employees, the benefits to employees, and the hurdles faced to Cross sell a product.

The employees are the mediators between banks and customers who have directly communicated and convinced the customer about the use and purchase of product, thus creating value to customer and successfully Cross selling another product.

The interconnection between banks services and cross selling can better be understood by a model representing relationship of Cross selling and services provided by banks and customer satisfaction.

## The model demonstrating Cross selling a tool for customer satisfaction



This model represents what the customer values. The values generated by customers are exclusively reliant on individual perception of the banking services and the satisfaction by the services; as a result the satisfaction will influence the purchase intention and value of the bank to the customer.

To realize the cross selling and implement effectively it requires putting through analysis of different dimension to explore the elements to realize cross selling potential by means of employees. The bank before any direct contact with the customer will plan pre-requisites of cross selling. The customer satisfaction is depended on the perception of customer. The customer has number of choices available in competitive era and by matching his needs, prospects of banks, involvement of employees, and all set of predetermined stuff as perception of customer is compared by his realized perceived benefits. The cross selling is viewed by two standpoint the customer view and employees view.

The cross selling has to be done with effectiveness and, if effectiveness is defined by management perspective it state right thing at right time. The cross selling slogan holds up to effectiveness. The cross selling effectiveness is headed by two perspectives one of employees and other of customer.

The employees are the populace who intercede between customer and banks, the employees endure the customers and have to work in customer centric perspective consequently the pressure by bank has to be abided accordingly the employees have to be cherished by banks with certain perceived benefits and thus by gratifying the employees may be self motivated which possibly will amplify the cross selling. The customer persistently are with perspective for some value to be added and if customers deem some addition in value than will lead to gratifying them and hence will lead to satisfaction. The customer centric approach holds up the effectiveness of the bank and will confer prospects for cross selling.

## Conclusion

Cross selling is the practices used by the bank to attract more customers. The cross selling practices are strategically implemented in the banks. This strategy occupies the employees in understanding the customers' needs and satisfying the customers. Cross selling is a substantial avenue to increase the sale of products and upsurge customer satisfaction. The banks have to focus on trace point of customer as a possible cross selling prospect. The banks have to dissect all interfaces to fit relevant cross sell and confirm the cross sell. The vital to attainment of cross selling is basically the interest of customer, valuing relationships with customer, complete analysis of customer, and serving the product and encompass the feedback as to uncover customer satisfaction. The banks should change the process of cross selling from product oriented to customer oriented.

Banks works in an organized system which starts with regress market research to ensure its own existence, process it by

various learning and training process. By means of certain knowledge and skills can construct a new vision or new output. More specifically cross selling initiatives has to be merged in the basic system of banking and revise the policies along with the central policies and customer requirement.

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