

In this age of globalization, businesses are facing big challenges due to rapid changes in the market place. Since the last decade customers have become the main pillar for the success of every organization. So every organization of the world is try to establish a strong and long lasting relationship with their customers. Similarly, banks also think that their customers are a key factor in their success.

To develop a strong and long lasting relation with their customers, organizations had adopted different strategy, but since the last two decades CRM business's strategy has been evolving rapidly in the business community of the world. The activities that a business performs to identify, qualify, acquire, develop and retain increasingly loyal and profitable customers by delivering the right product or service, to the right customer, through the right channel, at the right time and at the right cost is called CRM. Like banks of the world, Pakistani banks are also using CRM business strategy to develop a strong relation with their customers. Since CRM based on computer technology and required a huge investment, therefore some school of thought are against CRM business strategy but it has been proved that CRM is a best strategy in this age of technology and high competition. CRM business strategy becomes fruitless when its functions are not used properly.

In the light of such conflicts, this research is conducted to see whether CRM business strategy is best for banks or not. In this regard, the researcher selects all the banks of Faisalabad as population that are belonged to public as well as private sector.

The objectives behind this study are, to investigate the relation between CRM's practices and performance of the banks and the impact of market turbulence on this relation. Data is collected through survey method with the help of a questionnaire and a sample of 300 banks is selected randomly. The employees of the banks related to marketing, trade, advances and operational are respondents of this study. Then this data is treated in SPSS software and regression is applied to see the impact of CRM's practices on the performance of the banks.

All the results are found significant that mean CRM's practices have a positive impact on the performance of the banks. More over the moderator role of market turbulence also has a positive impact of the relation. The findings of this study will be prove a mile stone in future researches in this regards and will provide a guide line for managers as well as researchers.