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**The Effect of Customer Relationship Management Practice on Marketing
Performance: the case of CBE in Addis Ababa City Branches**

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The effect of customer relationship management practices on marketing performances in commercial bank of Ethiopia in Addis Ababa city braches.

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Declaration

I am announcing a study entitled the Effect of Customer Relationship Management on Market Performance in Commercial Bank of Ethiopia in Addis Ababa Areas branches. This is my first work and has never been presented at Addis Ababa University and any other university.

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Abstract

The aim of the study is examine and analyze the effects of customer relationship management Practices such key customer focus, customer knowledge management, CRM based technology, CRM based organization on the marketing performance in terms of customer retention, customer satisfaction, sales growth, market share in case of CBE in Addis Ababa city branches. In this study qualitative and quantitative approach were employed. Besides, explanatory research approach employed to explain the relation between CRM practice and marketing performance and descriptive research approach employed. To achieve this objective data collected from primary source through 5 point likert scale and questionnaires were completed by 166 customers and interviewed 15 branch managers of the commercial banks in Addis Ababa city branches. To select respondent multistage sampling method was employed where bank categorized branches into spatial, grade4 grade3 and grade2 grouped by banks. Proportional stratified sampling was used to consider the number of customers to be sampled from each stratum of the banks and select the branches and customer to participate in the study. Purposive sampling was used to select branch managers because they have enough information on CRM practices. To analyze data the researcher used descriptive tool such as frequencies, percentage, and standard deviation and mean to present result. Correlation analysis assessed the relationship between Customer Relationship Management and market performance and multiple regression analysis analyzed the effect of Customer Relationship Management on market performance. The finding confirm that all the independent variables (key customer focus, knowledge management, CRM based organization and Customer relationship based technology) have a strong and significant relationship with market performance. The study explored that there was a positive and significant effect of Customer Relationship Management on market performance. Therefore, CBE should perform Customer Relationship Management appropriately and continuously to gain Competitive advantage and building long lasting relationships with its customers in order to achieve their market performance.

Key words: *customer relationship management practice, Marketing performance, Knowledge management, CRM based technology, CRM based Organization, Key Customer Focus*

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List of Abbreviation

CRM:	Customer relationship management
CBE:	Commercial bank of Ethiopia
KCF:	Key customer focus
KM:	Knowledge management
CRMT:	CRM based technology
CRMO:	CRM based organization
VIF:	Variance of inflation factor
SPSS:	Statistical package of social science
ATM:	Automated teller machine
IT:	Information technology

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Customer Relationship Management (CRM) was introduced by Berryin (1983), he stated CRM attracts, maintains and enhances customer relationships at the levels of organizations that provide multiple services. Christopher et al. (1991) noted emergence of Customer Relationship management is found in the marketing concept of relationships aimed at improving long-term customer relationships by switching from transaction-based marketing with a strong focus on attracting new and maintaining existing customer ultimately through effective customer relationship management. These relationship scholars developed CRM concept from relationship marketing principle to establish and maintain long lasting relationship with customer instead of transaction based approach is better for organization

A better organization can manage the relationships it has with customers and the effectiveness of the organization will become. Customer Relationship Management (CRM) is a strategy to learn more about customer needs, buying behavior and better understanding in order to develop strong customer relationships. CRM is a customer-focused approach that aims to improve organizational performance by building long-term relationships with customers. In the business world the importance of retaining existing customers and expanding the business is of paramount importance. Many opportunities where a customer has to do business with your company the best and one way to achieve this is to open channels like direct sales and online sales etc. However, if you have multiple channels, there is a great need to manage your customer interactions. Customer Relationship Management (CRM) helps businesses gain an understanding of their customers' behavior and transform their business operations to ensure that customers are delivered in the best possible way. In fact, CRM helps a business identify its customer value and implement improved customer relationships practices. Therefore, CRM can be accessed by finding out about your customers' buying habits and preferences , using technology, organizing organization structure, operation and organization to market better and increase sales that change the way you work to improve customer purchases and marketing. The major benefits can be the development of better relationships with your existing customers to identify needs more

effectively by understanding specific customer needs, trading other products by highlighting and promoting alternatives or enhancements, identifying which of your customers are profitable leading to improved customer satisfaction and retention, market share, increased value from existing customers and increase Your overall efficiency and reduction of the total cost of sales improved profits by focusing on highly profitable customers.

<https://www.infoentrepreneurs.org/customer-relationship-management/>

According to Nayab,(2017 Customer relationship management is a powerful tool for maintaining and satisfying a customer and essential business strategy. However, all banks understand the need for customer relationship management, but not all banks make sense of CRM. Banks have used CRM to some degree, but it is in the first phase. Banks need to be aware of the needs and requirements of their customers and develop their own strategies and training to deliver them efficiently or effectively.

According to (Shah, 2015) banks do not take care of their customer and banks do not meet customer needs and require a customer who lowers the level of satisfaction can switch to another bank, because customers have many other options and awareness . According to Rashid Saeed, (2013) the focus of banks should be on customer relationship management (CRM), how it can improve customer satisfaction because a satisfied customer can be maintained for a long time which can ultimately increase the performance of organization.

Ethiopia has been gradually liberalizing its banking sector since 1992 and according to (NBE Banking (amendment) proclamation number, 1159/2019) many banks are under formation. These increased number of new entrants (banks) to market; increased competition and the increasing customer need have led to reduction in marketing performance as well. Banks keep their customers safe and retain their customer to repurchase is to develop a customer relationship management practices that focuses on the use of technology, organizing around CRM, maintaining critical customer that aims to increase marketing performance by fostering customer long-term relationships. With the use of technologies are able to access the wider market, better understand each customer, choose who to do business with and better manage customer behavior and behavior. As a result, there is a growing need for a customer-focused approach to marketing (Thuo.et al, (2011).

The CRM strategy development in the banking sector is the most needed especially in the recent era of information technology. In addition, Ethiopian the rapid growth of banks and other financial services provides financial infrastructure resources for economic growth (Shifera,2011). This is clearly reflected in the growth of assets in the financial sector and its contribution to the economy. In that case, banks use the CRM strategy to build, maintain, and develop strong relationships with their customers to protect their market performance

1.2 Statement of the Problem

Hellen, (2016) confirmed that in order to continue to compete in today's market, banks must strive to establish strong relationship with customers. The competitive advantage of CRM lies in learning to win, retain and grow customers better and more organized than their competitors. Customers should be seen as an integral part of the business, and their needs must be met specifically to achieve significant customers, customer satisfaction and customer retention. She also concludes that customer relationship management helps to establish, build and maintain customer relationships, increase customer satisfaction and improve the level of customer retention. Effective CRM practices leads to better organizational performance by maximizing marketing effectiveness, as Chege (2013) puts it. CRM's successful practice yields results such as customer retention and improvement in customer satisfaction and up-selling and cross-selling. Successful customer relationship management also focuses on understanding customer needs and desires and achieving these needs by integrating them with the company's strategy, people, technology and business processes (Preetesh et al., 2010). CRM practices helps organization to be competitive in competitive market and enhances organization performances through establishing long lasting relationship with customer.

However, CBE had problems maintain existing customers and gaining new customers. Ugarah-hahuman et al. (2011) found that most banks use CRM tools to gain more customers and maintain relationships with existing customers. Banks, on the other hand, realize that the magic formula for success in such a competitive environment is to focus on maintaining relationships with customers. In Commercial bank of Ethiopia from a practical point of view as researcher observed, the CBE believes that the bank is dominant it focus on new customers rather than keeping existing customers, but in fact there is a clear possibility of losing existing customers.

Secondly, banks are facing high competition in the banking sector, liberalization has led to the growth of new banks being created, which will further increase competition. And increases in the number of new entrants and customer requirements have intensified competition among commercial banks in Ethiopia (NBE Banking Amendment Number, 1159/2019). As we are in an interconnected world, competition between companies has become tougher and tougher and creating an environment of sustainable change, gaining and capturing customers has become crucial to the success of any organization. This encouraged commercial banks to differentiate their services using CRM.

Other challenges poor CRM practices includes knowledge gap, technology gap and lack of responsible employee for CRM practices. Knowledge from customer is very important in the process of gaining customer knowledge and knowledge of business as well as clear and rational knowledge. Knowledge takes two perspectives: the knowledge that the customer has about the issues that are related to the product or services that he is interested in buying, and the knowledge that the firm should have that can be used to assist the customer in making a purchase decision. The customers' approach to knowledge is learning from customers and understanding their knowledge needs. However, delivering service not based on understanding customer need impact on organization performance Xie,(2011).

And the introduction of e-banking (ATM, mobile banking and internet banking) replaced the old business model of customer banker relationships. Therefore, technology plays an important role in every aspect of the business world. It is important for customers to establish a good technology so that their needs are met properly. Technology will help companies get more updates so that they can beat the competition and make their company one of the best and Technical integration has many implications for the good of CRM Nayad, (2017).

However, there is a huge gap in supporting customer relationship management with technology due to lack of skilled human resources. Today, due to modern and sophisticated means of service such as the Internet, mobile banking and card banking customer around the world are increasingly aware and prioritizing various products and services. They now realize the value of their customers and this need motivates banks to seek solutions through technology. This has led to the need for banks to differentiate their through CRM that more profitable clients are attracted and retained (Thuo et al. (2011). CBE has given due attention and high priority to credit

management processes. Subsequently, customer relationship managers were assigned to the credit management process only to meet the demands of credit customers. The work of the Customer Relationship Manager for credit management processes has almost reduced the concept of CRM at the corporate level. In other words, the scope of customer relationship management is arbitrarily defined only in the sense that it can meet the demand of credit customers. Focusing on not other areas of customer service, such as banking business operations has led to a gap in CRM practices CBE credit procedure, (2016)

Studies on CRM and banking done in Ethiopia have not focused on CRM and its effect on marketing performance. As, researcher tried to refer different published paper such as the impact of relationship marketing on loyalty Addis Ababa University Shifera, (2011). He was confirmed that relationship marketing has effect on loyalty and positively related to customer loyalty in Bank of Abyssinia. Esubalew, (2018) investigated the effect CRM on marketing performance in four star hotels. He was investigated effect of CRM practices namely key customer focus, knowledge management, CRM based organization and CRM based technology on four hotels in Addis Ababa and found that CRM practices explained marketing performances. According to his finding CRM practice resulting low hotel marketing performance. This shows CRM has been faced with challenges. Therefore, there was a scarcity of research conducted on this topic independently and in detail before to indicate the effect of CRM on marketing performances in Ethiopia, specifically in commercial bank of Ethiopia and no identified challenges associated with CRM Practices. The aim of this study is to investigate the effect CRM dimensions on marketing performances. This thesis sought to establish the magnitude and the direction of the relationship between CRM practices and marketing performances in terms of, customer satisfaction and customer retention, market share and sales growth in context of CBE.

1.3 Basic Research Questions

The study was conducted to provide answer for basic questions

1. What is the perception of customer towards CRM Practices?(quantitative)
2. What is the perception of branch managers towards CRM Practices? (qualitative)
3. What are challenges of CRM practices of CBE (qualitative)

4. What is the effect of CRM on marketing performance and relationship between CRM and marketing performance?(quantitative)

1.4 General Objective

The major objective of this study was examine and analyze the effect of customer relationship management on market performance on commercial banks of Ethiopia operating in Addis Ababa area branches..

This section focused on

1. To assess the perceptions of branch management towards CRM in the commercial bank of Ethiopia?
2. To assess perceptions customers towards CRM in the Commercial bank of Ethiopia.
3. To identify the relationship between CRM and marketing performance
4. To identify challenges of CRM practices of CBE
5. To identify the effect of CRM (key customer focus, knowledge management, CRM based technology, CRM organizations) on market performance.

Research hypothesis

H1: Key customer focus has positive and significant effect on marketing performance.

H2: knowledge management has positive and significant effect on marketing performance

H3: CRM based organization has positive and significant effect on marketing performance

H4: CRM base technology has positive and significant effect on marketing performance.

1.5 The Significance of the study

The findings of this study will provide valuable inputs and directions for the banks to consolidate their business strategy and also gives a direction for the bank how to maintain the existing customer and acquire new customer in order to increase their market performance by pinpointing the needs of customers. This study also contributes to the existing knowledge by providing further empirical evidence of the relationship between the CRM and marketing performance and it fill the research gap and benefits further reference.

1.6 Scope of the study

In terms of variables to be considered, the study has examined CRM as a four-dimensional construct and its effect on marketing performance. Other elements or underpinnings measurements of customer relationship management are less important variables excluded from this study. In terms of geographical scope, it is limited only in Addis Ababa and covered branch management and customer of the bank considering Commercial Bank of Ethiopia, branch located in Addis Ababa town this limits the generalization of the findings to other parts of service industry.

This study limited to examine and analyze CRM and its effect on marketing performance on CBE in Addis Ababa branches.

1.7 Limitations of the Study

This study is limited on commercial bank of Ethiopia in Addis Ababa branches due to constraints of cost and time. Willingness of respondent questionable to researcher but regardless of this challenges researcher solved through assuring to the customer data only needed for academic purpose. And it was difficult to obtain adequate data from published articles; journals concerning the financial institution working in the country (Ethiopia) and addressed by including other countries studies.

CHAPTER TWO

2. LITERATURE REVIEW

This chapter presents theoretical, empirical and conceptual frameworks relevant to this subject of study from different sources and issues associated with CRM such as definitions, benefits of CRM, and barriers of CRM.

2.1 Theoretical review

The IDIC model (Identifying, differentiating, interaction and customizing) is one of the most common CRM-related models. The IDIC model was developed by Peppers and Rogers (2004). According to the IDIC model, companies must take four steps to build a closer face with customers. **Identifying** the company's customers and build a deeper understanding of them. Identifying their customers to see which of them are more important now and which contributes the most to the future. **Differentiating** may allow companies to develop and implement customer-oriented strategies designed to meet the unique needs of individual customers. Clients represent different levels of value in a company and their needs are very different from the business. He also said that the job differentiating customers will involve the business in separating its customers by their importance to the company and what their needs are. **Interaction** with customers to ensure that companies understand customer expectations and their relationships with other suppliers or products. Therefore, companies need to improve the performance of their relationship with customers. Each subsequent customer contact must take place in the context of all previous relationship with that customer. **Customizing** should take the place of the latter. Effective customer interaction provides a better understanding of customer needs. Customize delivery and communication to ensure customer expectations are met. Indeed, a company needs to change a certain aspect of its behavior toward its customers, depending on the needs of the individual and his or her value. To involve the customer in a relationship, the company needs adjust its behavior to meet the expressed needs of the customer. This may include “customizing the product in bulk part of its service

2.1.1 Customer relationship management

There is no standard definition for customer relationship management. Many definitions have been given to define customer relationship management (CRM). The marketing framework emphasizes the marketing side of the definition while others look at IT perspective of Customer relationship management. In marketing perspective, customer relationship management is process of managing detailed individual customer information and all customers to maximize long lasting customer relationship and in IT perspective; customer relationship management is applications of electronic service like mobile banking, ATM and internet banking and other IT infrastructure. Therefore the definitions of CRM as follows:

Suifder, (2001) defined CRM is an organization's approach to understanding customer behavior to attract customers. Christopher, (2003) noted “CRM is information that helps companies understand customer needs and evaluate their behavior when compared to operating procedures”. (Payne, 2004) defined “CRM is the whole process of retaining profitable customers”.

However, Baduri (2005) argues the misconceptions about CRM that in some banks: CRM is not understood as a popular marketing strategy, expensive software product, and a new way of data collection. CRM is not one of these; it is a simple practice that puts customers at the heart of business processes, operations, and culture to improve customer satisfaction with the service and, in turn, enhances the commercial performance of banks. She also suggests that an effective CRM strategy aims to understand customer needs and integrate them with people, technology, and business processes.

Therefore, the definition of CRM is best suited for this research in the context of the bank; CRM is a practice and supports a business strategy to build long-term, profitable relationships with customers Ling and Yen, (2001).The main purpose of CRM is to retain existing customers and improve customer value by better understanding the needs and preferences of each customer, providing customized services using well-organized resources. CRM enables banks gain competitive advantage by the knowledge of customer behaviors through creating continuous customer communication and using information and insights gained from all customer contact points (Payne, 2004). Banks uses CRM strategies to be competitive advantages and to overcome faced challenges in all aspects, especially market competition, technological innovation and

diverse customer needs. Today, introducing the best performance on marketing is of paramount importance management and they strive to achieve high performance by exploiting the various practices most widely used by CRM. It is considered to be one of the most innovative ways to help build customer base to meet the needs of market competition (Mylonakis, 2009). Banks and other small financial services providers therefore understand the importance of Customer Relationship Management (CRM) and its ability to help them find new customers, retain existing ones, and increase their value for life. Banks also understand that CRM is a solution to help them maintain long-term relationships with their customers.

According to Xu, et al. (2002) CRM has enhanced banks' ability to understand the current needs of their customers more accurately and to help them understand how their customers behave, as they did in the past, and what they plan to do in the future. Doing so has enabled banks to develop practices based on individual customer preferences to meet the needs of their customers. Customer information is important to banks and the prudent use of that information can create long-term customer relationships with Crosby (2002). Such relationships can bring several benefits to banks because long-term customers are less expensive to use and more efficient relationships do not require resources

2.1.2 Components of CRM

According to Sin et al (2005) CRM practice contains a number of important elements in organization. Each element has a significant effect on the marketing performance of the bank. Based on related literature, CRM was highly regarded as a multidisciplinary case structure consisting of four broad components: Key customer focus, CRM-based organization, information management, and CRM-based technologies

2.1.2.1. Key customer focus

The key customer focus is a subset of CRM, which manages critical customers or important customers of the business Homburg et al. (2002). According to his finding the growing emphasis on key account management is one of the most fundamental changes in the marketing of companies today.

Other finding of research studies is that the best customers do not get their fair share and some companies oversee marginal customers (Renzart et al., 2004). According to a Soliman (2011) study, the strongest direct and statistically significant correlation between the two is the key customer focus and marketing performance with a coefficient of 0.765 at 0.01, with a level of importance. Key customer activities include: special pricing, product customization, providing specialized services, providing better customers, and adding key customers through customized offers. Hence the key elements of this dimension are personal attention, spatial care, and value added service.

2.1.2.2. CRM based organization

Organization organizing the whole around Customer relationship management practices According to Hoffman and Kashmiri, (2000) Changes in the way organization organize themselves as organization change from product based to customer centric culture and business process conducted .Organizations need to consider the organizational challenges inherent in any CRM approach (Agarwal et al., 2004). The key consideration organization around CRM is as follows: organizational structure, organization-wide commitment to resources, and human resource management (Sadek et al., 2011).

Organizational Structure: CRM requires overall organizational functions to build and enhance strong customer relationships. Additionally customer relationship includes the formation of process teams, customer-centric teams, and cross-functional teams. All structural designs require strong inter-functional coordination and integration. The organizational structure should be flexible and, if necessary, restructured to improve the coordination of customer-centric values and customer-centric, cross-functional teams.

Organization wide resources commitments are follow the design of the resource organization structure and the proper integration of those components. Furthermore, marketing resources and resource promoting service excellence should be in place. Customer acquisition, development, retention and reactivation make the organization's commitment successful through customer requirements (Nycomp, 200). In addition, there must be an organizational commitment of resources, consistent endeavors and comprehensive efforts in all organizational functions to provide a flow of customer results (Ahmed et al. 1990).

According to Alkalha et al., 2012 human resource management is considered to be the main factor ticking the organization, without human resource management nothing can be done in the organization and goal of every organization is to attract and retain the best ones. When employees leave the company, it not only reduces the number of employees, but also loses the knowledge and experience they have accumulated over the years (Obidat et al., 2017). The key to CRM are integration people the technology as well processes but employees who are building the blocks for customer relations.

2.1.2.3. Knowledge management

From CRM's point of view, knowledge can be defined as the information used from customer. It includes the collection and analysis of customer transactions, communications, service experience and purchasing behaviors to important customer information that is later used to predict future customer usage patterns (Sin et al, .2005). And knowledge management is developed within the organization to manage customer relationships profitable.

Managing customer knowledge can be a competitive tool for firms. Good knowledge management plays an important role for CRM in this regard: information is important in understanding customer needs, product development, and new service delivery, providing a single and integrated customer perspective, calculating customer life time, customizing transactions and establishing and maintaining relationships. (Pepered etal (2000) note that to deliver customized service and customized products, banks should use customer information.

The knowledge in this study takes two forms: the information the customer has about problems related to the product or services they are interested in buying, and the information the company should have that can be used to help the customer make a purchase decision. The customer approach to knowledge management aims to learn from customers and understand their information needs. Chege (2013) in a study conducted by Kenyan banks found that 88.9% of respondents had planned their products as a result of customer feedback and that 77.8% reported that their service delivery standards improved significantly after receiving customer feedback.

CRM strategies require organizations to adopt for the use of information and sharing. To make a profit, customer information must be collected by contacting or contacting points in all functional areas of the firm and converted into customer information. Knowledge management

therefore empowers organizations to come up with new ideas for creating and developing new products and customer information services developed from CRM and its related programs.

2.1.2.4. CRM based on technology

CRM based technology plays an important role in CRM in adding to firm intelligence. In fact, advances in information technology have the potential to collect, analyze, and share customer information. CRM seeks information technology strategies that use computer technology to build relationships (Harding et al., 2004) such as data warehouses, and data mining that enable firms to provide greater customization with better quality at lower cost. In addition, it helps employees in all areas of communication to serve customers in a better way.

Oconnor and Galvin described many aspects of IT CRM deployment including data bases and repositories. It empowers organizations to build strong personal relationships with their customers and to understand their needs. This was confirmed by Shaw who believes that the amount of information held by customers today is alarming but goes on to say that the use of the impact of the information available on banking marketing performances.

Liu, (2007), argues that a proper CRM system requires banks to invest in IT infrastructure and specialized software and IT hardware. Software used in communication channels to help bank employees communicate easily with their customers, record, track, and analyze Customer communication. Similarly, software are used to share information between employees, with the help of IT hardware and software, banks can easily store and retrieve valuable customer information, which continues to help them evaluate each customer value. The IT management component in banks is particularly important when using different management strategies.

Kotler and Keller (2009: 141) incorporating banking information technology services are defined as an integrated collection of information and strategies through supporting hardware and software in which an organization collects and translates relevant information from business and environment and transforms it into a marketing action. Talvinen (2005: 26) IT is built on three main components namely Database, Hardware, and Software Systems. Hardware a device used as a decision-making tool, including computer hardware, communications, ATMs and other computer hardware (Ali 2009). Software applications are available to the end user, the main categories of software and application software.

2.2 Marketing Performance

Marketing performance demonstrates how the organization achieves its goals; the organization has a goal that can contain many points of objectives such as market share, customer satisfaction, sales growth, customer retention (Boisvert, 2006). Marketing performance is accurately measured by customer and branch management perspective. Today, introducing the best performance in marketing is of paramount importance to corporate executives and they strive to achieve high performance by exploiting the various strategies most widely used by CRM. Understanding how an organization can benefit from their customer relationships in marketing performances is very important for both marketing practitioners and academicians. Therefore, in this study Market performance has the following elements.

2.2.1. Customer satisfaction

Beard, (2014) said that "Customer Satisfaction is a marketing term that measures how a product or service delivered by a company meets or exceeds customer expectations". A competitive market where businesses compete with customers; Customer satisfaction is seen as the key to separating keys, satisfied customers was the company's free advertising tool. It is important to put customers 'in the middle of business in the banking industry because it is easier and more profitable to sell and provide existing customers than to get new ones. Banks set themselves strategies to ensure customer satisfaction. Ismail et al, (2013) banks' vision is to achieve and achieve higher customer satisfaction and in proportion to the current situation there is intense competition between these banks to gain more customers and increase their market share in the local market. Customer satisfaction in the banking industry has long been regarded as a determinant of business performances

2.2.2. Market share

The market share is the total sale that the bank receives in a specified period. The market share is said to be an important indicator of market competitiveness i.e., how well the bank performing well in competition with its competitors. On the other hand, the loss of market share may indicate major long-term problems that require strategic adjustment. Within the product line, market sharing styles for each product are considered early indicators of future opportunities or problems. As the total market for a product or service grows, the company that maintains its

market share grows the revenue of Farris, Neil, Phillip and David, (2010). A company that increases its market share will grow revenue faster than its competitors. Companies increase their market share by introducing products to more people, increasing access to services and promoting (www.investopedia.com)

2.2.3. Sales Growth

According to Alan W.H.Grant et al, (1995) basically, sales is one of the most effective marketing strategies achieved by an organization during this period, compared to operating objectives, standards and standards set previously. Growth in sales organization increases sales revenue over a set period of time. Apart from growing revenue the organization is at risk of being overtaken by its competitors. The organization increases sales growth by improving profits at the customer level. Also, at the three most basic levels, the first to find new customers is to increase the number of people using the product or service. The second is to develop existing customers to encourage people to engage in high-yielding behavior. Third is to extend the duration of the customer relationship to maintain those improved characteristics for a longer period of time. Thus placing customer-focused performance increases organizational sales.

2.2.4. Customer retention

Customer retention can be defined as the marketing goal of keeping your customers out of competition. Customer retention is particularly important in commercial banks. The main concern of banks is to increase market access and increase the level of customer justice. Bank managers need to identify and develop factors that can reduce customer vulnerability. These include staff performance, problem-solving willingness, communication skills, site maintenance, working time. In addition, customer reductions can also be mitigated through adjustments to acquisitions and bank policies (Leeds, 1992).

2.3 CRM in Banking Sector

In the banking sector, customer relationship management can be defined as practices and using in-depth customer information, ensuring that the customer, get to know the customer, communicates with the customer, ensures the customer gets what they want from the service provider and understands where they are dissatisfied. According to Das, et al. (2009), CRM in

the banking industry is completely different from other sectors, in that the banking industry is closely related to financial services, which requires establishing customer care support during working hours or closing hours, making timely information, issuing ATM payment card, creating awareness about e-banking are required to maintain relationships with customers.

CRM involves improving customer base, accordingly, the bank should pay close attention to maximizing customer base in every way, it is possible that if performance is satisfactory, existing clients may recommend others to have a bank connection with the bank in which they operate. Asking for reference from existing customers can also improve their customer base. As Customer base grows, the effectiveness of market also increases. According to Saeed, et al., (2011) the bank should practice CRM to capture and retain the customer and from the product centric to the customer centric functions. CRM in the banking sector is in the evolutionary stage, it is time to take ideas from customers to enrich its service. The use of CRM in banking has gained advantage with aggressive strategies to find and retain customers by the bank in today's competitive environment.

2.4 Commercial Bank in Ethiopia

The Commercial Bank of Ethiopia (CBE) dates back to the establishment of the bank Abyssinia in 1905 and the State Bank of Ethiopia in 1942. CBE was officially established as a share company in 1963. In 1963, a new banking law split the activities of the Ethiopian State Bank into commercial banks and National Bank of Ethiopia.

According to Boru (2014), the end of the Derge regime, a new market economy has been introduced which has significantly increased market size since the establishment of private banks since 1991. The Ethiopian financial sector is closed to foreigners despite being open to Ethiopian private investors. The new policy has fundamentally changed the structure and functioning of the financial sector. As a result of this fundamental policy transformation due to socialism from the economic system, Ethiopia transformed its financial services industry. Transformation measures include the complete restructuring of state-owned financial institutions and the opening up of the sector for the participation of private equity shares. Following this major shift in the country's financial system, the banking industry has become increasingly competitive where there is a need to make customer relationships keep existing customers while customer growth has become

common place. However, the adoption of CRM as a business strategy is a new phenomenon in the Ethiopian banking industry. Among the public banks operating in the country, CBE has been making significant progress in improving customer management to maintain its leading role and competitiveness.

In terms of advanced CBE banking business procedure, 2020 CRM is one of the business strategies among strategic themes such as customer relationship management, service access, service efficiency. And uses CRM to retain existing customers, develop stronger relationships with customers and gain new customers.

According to the CBE Credit Procedure, the Customer Relation Officer is responsible for consulting and providing adequate information to customers on the credit process while the Branch Manager is responsible for seeking potential customers, promoting the Bank in general and the Branch in particular and leading the monitoring of all Branch CRM practices. Customer segregation or classification is defined as internal banking classification that allow it to identify those customers who bring the highest value to the Bank and are deserve better treatment. The Bank segregates its customers to ensure flexible and efficient service delivery, which means meeting their needs and interests accordingly. In addition, classification is used to assist the Bank to build and maintain long-term relationships with high value customers and to reduce the risk (Bulleton, 2016).

2.5 Value of CRM for customers and CBE

Value is benefits for both customer and banks. According to several authors, in customer relationships, customers benefit from higher value, better quality and greater satisfaction with purchases, while the organization benefits from higher sales, improved customer feedback and retention (Buttle, 1996).

According to Srivastava et al. (1999) confirms that the practices of customer relationship management produces a fair value to customers, which in turn creates a number of shares holder's values. Customer relationship management processes create product awareness quickly, throughout the original product testing and promote repeat purchases and high customer retention; each of these results supports accelerating and improving sales growth. (Reinartz and Kumar, 2000) long term relationships with customers often mean lower service costs (the

organization becomes more aware of its customers' needs and is able to provide better services at a lower cost) and marketing costs (as the Organization needs to spend less on persuasive customers) and, as a result improves profits.

According to (Keith et al. 2008) following benefits of organization managing customer relationships :, effective employee performance and efficiency, individualized marketing messages, customized products by CRM customers also enhances the sense of familiarity and even social relationships with their providers they learn that competitors have a higher level of service, product or value. Therefore, relationships with customers contribute to the organization's market performance

2.6 Challenges of CRM

Irrespective of wide contributions on CRM benefits, its successful CRM practice remains elusive to many organizations. This has been caused by firm's lack of understanding of CRM practices .According to Reinartz, et al. (2004) CRM performance failure has been fueled by organizations considering CRM as an IT solution and a technology for a marketing strategy. Moreover, Appiah-Kubi (2010) stresses that most organizations have failed to mainstream CRM benefits into their activities to enable them develop closer relationship with their customers thus failing in their CRM practices. This implies that successful CRM practices requires organizations to change the organizational culture; share information and coordinate marketing efforts across all departments; use CRM technology as an enabler to pursue enhanced opportunities by efficiently using available data to better understand customers' needs and preferences so as to develop customer centric strategies

2.7 CRM objectives in Banking Industry

According to review of different literature in broadly speaking, the general aim of CRM strategy is to develop more profitable relationships with customers in turn to improve marketing performance.

2.8 Empirical Review

This section covers reviewed empirical literature on customer relationship management practices such as key customer focus, knowledge management, CRM based organization and CRM based on technology and marketing performance such as satisfaction, customer retention, market share and sales growth.

Reinartz et al (2004) Conducted study on Customer relationship management practices includes methods used by firms to enhance and strengthen existing customer relationships. The company's main goal is to retain existing customers; up sell and cross sell their products or services with new customized and personalized offerings and referral management.

Collecting and managing customer information can be a competitive tool for firms. Good knowledge management plays an important role for CRM in that important information in understanding customer needs, product design, new service delivery, providing a individual and integrated customer perspective, customizing services and building relationships.

Pepered, etal. (2000) study on customer relationship management in financial services noted that in order to deliver customized and customized products, banks must use customer information. The information in this study takes two forms: the information the customer has about issues related to the product or services they are interested in buying, and the information the company should have that can be used to help the customer make a purchase decision.

(Crosby & Johnson, 2005) state that clients approach knowledge management with the aim of learning from customers and understanding their needs. To create enhances customer relationships firms need to develop knowledge management that are about desirability of prospects, customer defection intentions, needs and customer preferences, which may benefit existing customers.

(Badrinarayan and Arnett, 2005 found that the end result of knowledge management systems is the use of information in a way that creates a greater value for the organization and its customers. Their research supports the argument that these systems provide guidelines to help manage customer information and interact with customers in a manner consistent with CRM requirements. Chege (2013) in a study conducted by Kenyan banks found that 88.9% of

respondents had planned their products as a result of customer feedback and that 77.8% reported that their service delivery standards improved significantly after receiving customer feedback. Alhawari (2012) found that customer relationships, customer information capture and customer data analysis have a significant impact on customer acquisition which also increases a marketing performance. Soliman (2011) found that there is a strong direct and significant link between knowledge management and marketing performance with a coefficient of 0.765 at the 0.01 significance level. Yim et al. (2005) found that managing customer knowledge has a profound effect on customer satisfaction and customer retention.

CRM strategies require organizations to adopt both internal and external systems and implement both internal and external processes that are appropriate for the use of information and sharing. To make a profit, customer information must be collected by meeting or touching points in all functional areas of the firm and converted into customer knowledge (Brohman et al., 2003). A study by Constantinos and Sarmaniotis (2003) on CRM and customer Knowledge Management found that 50% of organizations took samples of commonly used or frequently customer knowledge Management that obtain information from customers, while another 50% of organizations did not use any management methods of the Customer information and had not received any CRM Philosophy. Only 25% conducted a marketing survey, 41.5% reported having a customer satisfaction recording system, 61.7% had a customer complaints recording system and 90% CRM assessed its importance or significance. Chege (2013) found that 44% of the respondents had taken customer care centers as the source of feedback, 88% indicated that they were more receptive to relationship management as a source of feedback from clients. The least available source of reports in the banking sector were the suggestion boxes and research companies of On use the information available 44.6% of respondents indicated that there was a challenge in obtaining complete customer information. Jayachadran et al. (2005) argue that providing qualified employees with new information should be a priority for firm's practices of CRM. In their study of Enhancing Customer needs led CRM Strategies, the author reported that staff found that the issue of access to information was more important than distribution and that providing faster and more effective responses to customers, could improve customer satisfaction.

Other useful CRM based technology practices data mining, customization, integrated customer communication and channel integration. In mature markets, where customer acquisition is

difficult or costly, retained customer development is an important source of additional revenue (Buttel, 2010). Liu and Wu (2007) state that banks should use a customer database to deliver highly customized products and services to meet specific customer needs and thus promote sales. Their study of customer retention and a strong reputation and strong expertise are the attributes of service that have a significant impact on customer retention and revenue.

CRM Based organization assists banks in differentiating resources allocation different to types of customers. CRM's strategic vision emphasizes the fact that resources designed for relationship building and management efforts, should be allocated according to the value of customer life in the factory. Ryals, (2003) found that greater profits can only be achieved if the resources available are invested in customer relationships that provide the desired profit. Firms must continue to ensure the quality of life of their customers and invest in the creation and acquisition of a combination of resources that enable them to change the behavior of individual customers or customer groups on an ongoing basis.

Key Customer-focused services include: customization products, specialized service delivery and creating value.

Focus on Key Customers the Research agrees that it is not all customers, who are of equal value to the firm. Therefore, it is important for firms to identify their right customers so as to ensure profitable allocation of resources (Kotler et al., 2009). Key customer focus involves offering more personalized products and services to the more profitable customers in order to cultivate long-term relationships (Kotheri & Armstrong, (2002).

Creating Customer Value was a way to maintain relationships. Bringing a high number of customers has become a matter of ongoing concern in building and maintaining the competitive advantage of firms. Customer value has also become an important metric to find, grow and retain the right customers by driving CRM operations. A higher customer value position is created when the seller creates more value for the customer than its competitor. Kotler et al. (2009) customer value can be increased in two main ways; increasing the values customers get from the product and reducing the sacrifices customers make in acquiring, purchasing and using the product. Ryals, (2005) notes that delivering good customer value has many immeasurable consequences for firms including: High customer retention, high market share, reduced operating

costs and a positive attitude from employees and customers. Studies have shown that firms that bring good value to their customers protect loyal customers and also reap favorable results in terms of maintaining customers and fewer costs (Buttel, 2010).

Creating customer values is the key to the success of all organizations but the challenge that firms face is the fact that customer expectations are always changing, today's value may be out of date tomorrow. Therefore, firms must continue to add value to their products as customer preferences and preferences change. The question arises as to how much of these activities should be followed. Feinberg et al.(2002) showed the risk of crossing the line of alternative treatment. They reported that there was a lot change to other organization and a little bit of customer focus when another customer received the best treatment at the same organization. when the same customers get the best treatment from competing firms. They have realized that customers have ethical regarding unfair practices of differential treatment. And that it is easy for firms to cross the line in terms of what customers consider unfair. The successful practices of CRM require firms to carefully consider the issues of customer inequality.

A study by Chege and Mwang(2013) on CRM found that Kenyan banks build customer value at competitive prices, manage effective relationships, provide high quality products, corporate and customer proximity, ease of use of working hours, use of technology-friendly technologies, efficiency in dealing with customer requests availability of credit and providing personalized services. All of these measures record an average consumption rate of between 3.5 and 3.9 out of five. A study by Soliman (2011) found that there was a strong direct correlation between statistics focused on key customer focus and marketing performance with a coefficient of 0.765 to 0.01, value of the scale.

Therefore, a key reason for practices of CRM is that it improves marketing performance by improving customer satisfaction, retention, market share and revenues.

As customer satisfaction grows, so does the customer's intention to repurchase, this influences and actual purchasing behaviors that affect business performance (Buttel, 2010). Customer satisfaction is determined by how well perceived equal or exceed with customer expectations. If the apparent perceived is in line with customer expectations, then customers will be satisfied and will have the opportunity to repurchase (Kotler et al., 2009). Customers build expectations on

their previous shopping experience, the opinion of friends, contacts, families, competition information and promises made to them. Mithas et al. 2005 found that there was a positive relationship between CRM applications and customer satisfaction. The most satisfied customers produce several profits for the company; they are less sensitive to price, speak well of others about the company and its products and remain loyal for a long time. High customer satisfaction also means that fewer customers will be dissatisfied and the long-term impact marketing performance can be seen (Wang et al., 2004).

CRM applications are likely to affect customer satisfaction in the following ways: enables firms to customize their products thereby improving visual quality, enabling timely processing of customer orders and requests and ultimately effective customer relationship management. By using customer information collected over a series of contacts or contact points and using CRM-based technology, companies can respond effectively to changing customer needs. This creation of products and services continues to lock customers into long-term relationships by adding to the cost of switching customers. Customers experience satisfaction at different levels and even a slight decline from total satisfaction can result in a significant decrease in loyalty.

According to Kotler et al, (2009) Satisfied customers are almost 42% more likely to be loyal than dissatisfied customers and that 70% of customers who say they are satisfied with a product or service, are still willing to switch to a competitor. This means that companies must target the most satisfied customers, if they want to maintain their customers.

Customer retention on the other hand benefits the company for the following reasons, customers tend to increase their purchases over time, reduce customer management costs over time, dedicated customers are more likely to spread positive word and that customers are willing to pay premium prices for this product (Buttel, 2010). According to he stated, not all customers retaining worth; companies should focus on valued customer. The choice of these customers should depend on the current number of clients, the ability to increase that number and the cost of maintaining and improving relationships. He was pointing out three key questions that should guide final decisions: which customers will be targeted? What customer retention strategies will be used and how customer performance will be measured?

Finding new customers can cost up to five times as much as maintain existing customers (Kotler et al. 2009). Studies have shown that on average, a 5% reduction in customer failure rate can increase profits by 25% to 85% depending on the industry and that these profits and revenue often increase beyond the lives of retained customers.

2.9 Conceptual framework of CRM

This study focuses on four independent variables including a focus on key customer, knowledge management, a CRM-based organization and CRM-based technology and examined how each of these independent variables relates to marketing performance. Research has predicted that the effect of CRM practices on marketing performance. Marketing performance dependent variables were measured interims customer satisfaction, customer retention, market share and sales growth.

Four independent variables consist of 16 items measuring four marketing performance with 9 items. According to Mamoun N, etal (2011) CRM based technology plays an important role in the development and implementation of CRM. In particular, CRM-related technologies include software tools, data mining and CRM-enabled practices and integrating these practices within the organizational framework. Knowledge management plays supportive role collecting and analyzing customer information by using data mining. This helps to turn customer data into useful information and information, which is considered to be a key asset of the organization needed in today's customer-focused environment IT includes database retention and hardware capabilities that are compatible with software capabilities that can enable an organization to serve its customers improve its commercial performance. In that sense maintaining critical customer focus on the part of the highest standards in the organization is critical to the success of the impact of CRM's efforts on organizational performance. Independent variance greatly affects marketing performance.

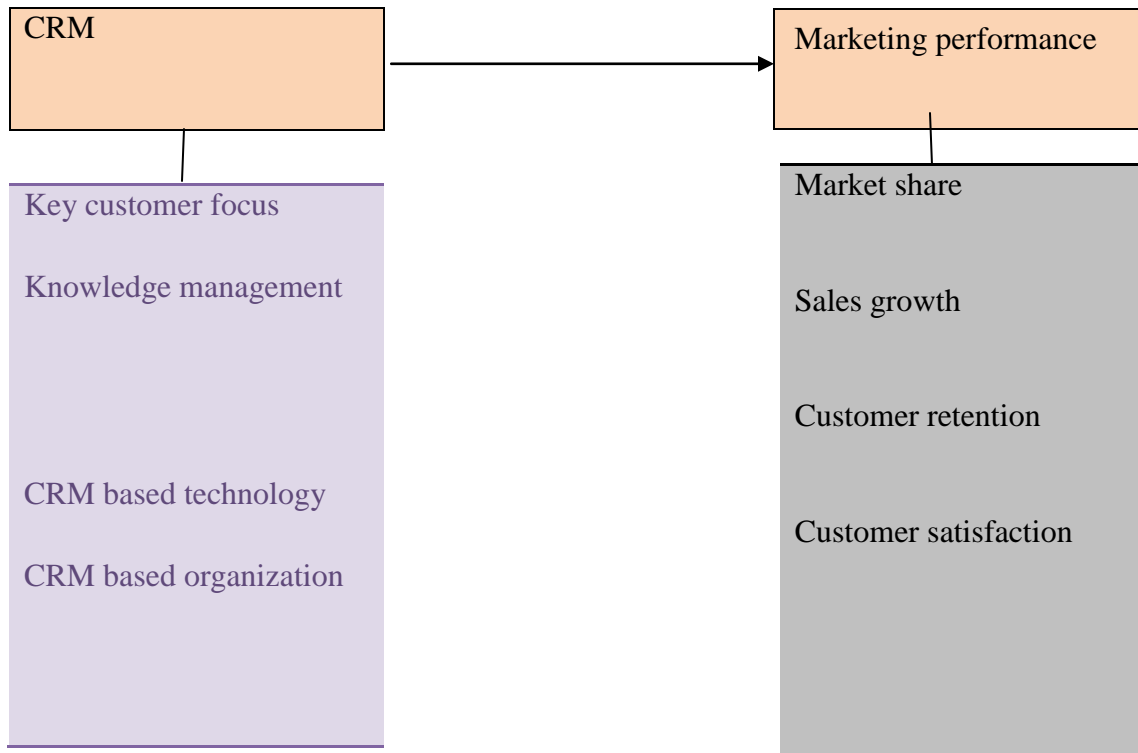


Table 1: conceptual Model

CHAPTER THREE

METHODOLOGY

3.1 Research approach

This study was employed both qualitative and quantitative methods. Quantitative research method involves a numeric or statistical approach to research design. Quantitative research is also specific in its surveying as it builds upon existing theories. As a result, data is used to objectively measure reality. Quantitative researchers seek explanations and predictions that will generate to other persons and places. The intent is to establish, confirm or validate relationships and to develop generalizations that contribute to theory (Leedy and Ormrod, 2001, p. 102). Creswell (2003) states quantitative research employ strategies of inquiry such as surveys and collect data on predetermined instruments that yield statistical data” (p. 18). The findings from quantitative research can be predictive, explanatory and confirming.

Qualitative research involves purposeful use for describing, explaining, and interpreting collected data. Leedy and Ormrod (2001) alleged that qualitative research is less structured in description because it formulates and builds new theories. Qualitative research can also be described as an effective model that occurs in a natural setting that enables the researcher to develop a level of detail from being highly involved in the actual experiences (Creswell, 2003).

3.2 Research design

The possible types of research design undertaken for this study; descriptive and explanatory. Descriptive design the study describes effect CRM on marketing performance in case CBE in Addis Ababa and Explanatory research was used to examine and explain that relationship between variables in order explain problems or events to estimate effect of CRM on of marketing performance.

3.3 Method of data collection

The study carried out research by using both primary and secondary sources. In regards to primary source, data was collected from branch managers and customers in Addis Ababa through questionnaires and structured interview. This study has used closed-ended questionnaires and

structured interviews. Closed ended questionnaires were prepared on the basis of customer relationship management dimensions and marketing performance of the study. Thus, closed ended questionnaires helped to measure respondent's knowledge about the topic. Secondary sources was collected data from published research ,journals , banks report from public portal, banks procedure ,bank corporate strategy and supervisory directives. This enabled the researcher to gather information about CRM and market performance in commercial bank of Ethiopia.

3.4 Measures of the Variables

Section of questionnaire contained both close ended and semi structured interview which were used to measure the respondents' specific details. Section I comprised of five point Likert scale questions. The respondents were to rate the statements on a scale of 1 to 5 where 1 was strongly disagree, 2 was disagree, 3 was neutral, 4 was agree and 5 was strongly agree. This allowed for standardization of responses. The Likert scale questions were followed by semi structured interview question for each construct aimed at generating more in-depth information.

Table 3. 1 Measure of the variables

Variable name	Items	Sources
Dependent variables		
Customer satisfaction	Customer received Perceived service Employee take Care of customer Customer Satisfied with materials and facilities associated with bank service	Hellen (2016) and Bilkila ,(2017 with researcher modification
Customer retention	Recommend to relatives usage of service will continue Received acknowledgement for long time relationship.	Hellen,2016 with researcher modification
Market share	Introducing Varies product and services. Promoting and attracting new customer. Branch expansion	Hellen,2016 and Bikla,2017 with researcher modification
Sales growth	Putting customer centered operation	Tadele,2016
Independent variables		
Key customer focus	Employee providing personalized attention employee continuously delivers value add and superior services employee treat key customer with spatial care	Alice ,(2016) and Bikila, 2017 with researcher modification.
Knowledge management	Understanding the need of customer Delivering required need of customer Meeting customer needs	Esubalew 2018 and Bikila 2017 with researcher modification
CRM based organization	Organized resources Employee and management commitment Motivated and trained employee Customer Compliance handling	Esubalew,(2018) and Bikila with researcher modification
CRM based technology	Maintain customer comprehensive database Providing E-banking service Technology decreases completion of processing transaction time	Tadele,(2016) and Bikila,(2017) with researcher modification

3.5 Target Population

The target population of the study was both customer and branch management of the commercial bank of Ethiopia

3.6 Method of Sampling

According to Kothari (2004) sampling method is the process of obtaining information about an entire population by examining only part of the population. The sampling method employed in this research were probability sampling and non-probable sampling techniques. The study has used multistage sampling for probable sampling method and purposive sampling for non-probable sampling method.

Multistage sampling method was used to get sample from branches and from customers. In stage one branch were categorized into spatial grade, grade 4 and grade 3 as per CBE Branch banking procedure, 2019. A sample of 2 spatial branches, 1 grade 4 and 1 grade 3 is shown in 3.1

In stage two proportional stratified random sampling considered the number of customers to be sampled from each groups of the branches. The sample size for each group or branch was calculated based on numbers of account holders of the branch. There were 215,560 accounts holders for four branches according to the data received from branches. Proportional allocation was done under which the sizes of the samples were kept proportional to the sizes of the branch. This helped to ensure all the customers an equal chance of inclusion Kothari et al,(2014). A total of 64 customers were targeted from the Gullele(spatial)branch and 57 customers from Megenagna(spatial branch, 46 customers Gerji(grade4) and 7 customers from the from grade 3 branches making total 174. At stage 3 four branches and 174 customers were selected.

3.6.1 Sample size of each branch

Table 3.2 sample size of each branch

No	Branches	Account holder	Percent	Sample size
1.	Gullele(spatial)	79,722.00	36%	64
2.	Satin Tera(grade3)	5,585.00	3%	7
3.	Gerji(grade4)	56,585.00	26%	46
4.	Megenagna(spatial)	73,668.00	34%	57
Total		215,560.00	100%	174

In addition, purposive sampling was used to select branch manager and branch business, operation managers from each selected banks. A total of 15 management staff willing to be interviewed. Branch management staff selected purposively because they have enough

information in CRM practices. Purposive sampling is allowed researcher to get cases that have required information with respect required data and it allows greater accuracy of results (patton,1990)

3.7 Sample Size Determination

In the determination of sample size three criteria are very important to gather the required data from sample respondents. These included the level of precision, the level of confidence or risk and the degree of variability in the attributes being measured that enable the researchers to determine appropriate sample size. According to Cochran (1963;75) yields representative population.

This study used formula to calculate the sample sizes a 95% confidence level and P= 5%

$$n = \left(\frac{ZSD}{E} \right)^2$$

$$26 = \left(\frac{1.96 SD}{0.05} \right)^2$$

Where, p=1-SD

SD=0.13

$$n = \left(\frac{1.96^2 0.87 \times 0.13}{0.05^2} \right)$$

$$n = 174$$

Hence, researcher performed pilot study to estimate population portion failure, randomly selected 26 respondents, n= 26. A pilot study is a small scale trial of the proposed procedures and instruments to detect any problems so that they can be remedied before the real study is carried out (Frankael&Wallen, 2006).

Where,

n=sample size

Z=confidence interval

P=population portion of success

Q=population portion of failure

E=sample error

In addition to customer, 15 Branch management staff selected for this study. According to Bertaux (1981) fifteen sample sizes is acceptable for ethnographic studies (study of people behavior and perceptions) of homogenous group.

3.8 Method Data of Analysis

After the data was collected from primary source it was checked and edited to detect an error. Then, the edited data was coded and manually entered into statistical package for social science (SPSS) computer software. This study employed descriptive statically method to analyze data like frequency, mean and inferential statics such as correlation and regression. Cronbach Alph was used to test reliability of data measured. Correlation analysis used to analyze the relationship between CRM and marketing performance and regression analysis used to examine the influence of CRM on marketing performance as well as investigating the influence of independent variable on dependent variables.

This study consisted of Independent variables CRM (CRM dimensions) Key customer focus, Knowledge management, CRM organization and Technology based CRM. Marketing performance is a dependent variable comprising customer retention, market growth, sales growth and customer satisfaction.

Once data was collected and processed by using both descriptive and inferential statistical parameters, such as standard deviations, mean, ANOVA, correlations from SPSS output. Pearson correlation was employed to determine the relation between CRM and marketing performance. Therefore, a linear regression analysis was conducted to determine by how much percent the independent variable i.e. customer relationship management explains the dependent variable which was market performance.

CHAPTER FOUR

4.1 Data Presentation, Analysis and Interpretation

This chapter presents data analysis. Data collected from the customers and branch managers, business and operation managers of the Addis Ababa branches of CBE. The collected data from respondents was analyzed and interpreted in order to achieve the ultimate objective of the study using both quantitative and qualitative analysis which also involves descriptive and inferential analysis employed to investigate the effect of customer relationship management on marketing performance. To analyze the collected data in line with the overall objective of the research, statistical procedures were carried out using SPSS version 20.

4.2 Response Rate

Response rate refers to the number of questionnaires completed and returned from the respondents divided by the number distributed to respondents and multiplied by 100. 95% collected from respondents, 174 questionnaires were distributed out of which 166 were completed and returned. 8 questionnaire rejected due to incomplete and inconsistency.

4.3. Demographic Information of Respondents

4.3.1 Gender of the respondents

Table 4.1 Gender of the respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Male	95	57.2	57.2	57.2
Valid Female	71	42.8	42.8	100.0
Total	166	100.0	100.0	

Source: survey data, 2021

Regarding gender category among 166 of the total respondents of 95(57.2%) respondents were male and the remaining respondents of 42.8 %(71) were female. This shows that the majority of male respondents sampled were higher relative to female respondents and good representation of both male and female to generalize the results.

4.3.2 Age of respondents

Table 4.2 Age Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid below 18	4	2.4	2.4	2.4
18-28	62	37.3	37.3	39.8
29-39	67	40.4	40.4	80.1
40-50	25	15.1	15.1	95.2
51-60	8	4.8	4.8	100.0
Total	166	100.0	100.0	

Source, survey data, 2021

With regard to age category table 4.2 shows respondents; 67(40.4%) were found age interval between 29 and 39 years, 62(37.3%) respondents were found age interval between 18 and 28 years, 25(15.1%) respondents were found age interval between 40 and 50 years and 8(4.8%) respondents were found age interval between 51-60 and 4 (2.4%) of the respondents were found age below 18 years old. This shows majority of respondent's age interval between 29 and 39 and second respondent's age interval between 29-39 years, these shows that the most respondents of accessing banking service by these age interval group and this age groups interaction with bank than other age categories. The last of respondents aged below 18 and respondents aged with 50-60.

4.3.3 Education level of respondents

Table 4.3 Education background of respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Primary	10	6.0	6.0	6.0
Secondary	28	16.9	16.9	22.9
Diploma	54	32.5	32.5	55.4
Degree	62	37.3	37.3	92.8
Masters	6	3.6	3.6	96.4
phD and above	1	.6	.6	97.0
Illiteracy	5	3.0	3.0	100.0
Total	166	100.0	100.0	

Source: survey data, 2021

Respondents were asked to answer education level they have to establish the level of understanding the practices of CRM. The table 4.3 shows that respondents 62 (37.3%) were degree holders, 54 (32.5%) were diploma holders, 28(16.9%) were secondary level ,10(6%) primary level ,6(3.6%) were masters, 5(3%) illiteracy respondents were responded by the help of researcher and by coordination of CBE Lobby man staff , 1(0.6%) were PhD holders .This shows that highest levels of education 37.9 % of the respondents had a Bachelor’s degree, and 32.5% were diploma. The educational background of the participants is implied that majority respondents are moderately well educated and have the ability to understand the questions well and able to relate banking service with study question.

4.3.4 Occupation of the respondents

Table 4.4 Occupation of the respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid government employee	38	22.9	22.9	22.9
privet business employee	50	30.1	30.1	53.0
trader or business man	45	27.1	27.1	80.1
Farmer	1	.6	.6	80.7
Pensioner	7	4.2	4.2	84.9
NGO Employee	15	9.0	9.0	94.0
Student	8	4.8	4.8	98.8
daily worker	2	1.2	1.2	100.0
Total	166	100.0	100.0	

Source: survey data, 2021

With regard to occupation of respondents 50(30.1%) were private business employee, 45 (27.1%) were trader or business man and 38(22. 9%) were government employee, 15(9%) were NGO employee, 8(4.8%) were student. 7(4.2%) were pensioner, 2(1.2%) were daily worker and1 (0.6%) were farmer. As per occupation status of respondents as table 4.4 shows the majority of respondents were privet business employee and the second a respondents engaged in their business run.

4.3.5 Length of relationship of customer with CBE

Table 4.5 How long time you have been the customer of CBE

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Less than 1 year	3	1.8	1.8	1.8
1-5 years	66	39.8	39.8	41.6
6-10 years	57	34.3	34.3	75.9
Above10 years	40	24.1	24.1	100.0
Total	166	100.0	100.0	

Source: survey data, 2021

With regard to the length of relationships respondents had with CBE, respondents asked length of time established relationship with CBE. Accordingly 66(39.8%) respondents were 1-5years, 57(34.3%) respondents were 6-10 years, 40(24.1%) were above 10 years and 3(1.8%) respondents were less than one year's relationship. This implies majority of the respondents were 1-5 (39.8) years length of relationship with CBE and the second highest respondents with 6-10 (34.3%) years and also the third highest respondents length of the relationship with bank were above 10 years .The lowest related the length of relationship with less than 1(1.8) years.

4.3.6 Frequency customer of visiting

Table 4.6 Frequency of visiting CBE

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid More than once a day	8	4.8	4.8	4.8
Daily	25	15.1	15.1	19.9
Bi weekly	36	21.7	21.7	41.6
Weekly	28	16.9	16.9	58.4
Monthly	42	25.3	25.3	83.7
Bi annually	1	.6	.6	84.3
Annually	3	1.8	1.8	86.1
Whenever Necessary	23	13.9	13.9	100.0
Total	166	100.0	100.0	

Source: survey data, 2021

With regard to frequency of respondents visit to CBE branches the table 4.6 shows 25.3% (42) monthly , 21.7% (36) biweekly , 16.9(28) weekly , 15.1% (25.1) daily, 13.9%(23)whenever

necessary, 8(4.8) more than once a day, 1.8%(3) annually and 0.6%(1) bi annually respondents visits branches to access service .

The result shows that majority of customer come monthly to branches for banking services with rate 25.3% (42). The second highest respondents frequency of visiting bank bi weekly 27.1%%(36), the third highest respondents visiting banks weekly 16.9%(28), the fourth highest respondents visit bank daily with rate 15.1(25) and also 8 (4.8%) respondents were visiting more than once a day, 13.9%(13) respondents were comes bank whenever necessary .And the least related to the respondents are visiting bank annually 0.6%(1) respondents were visit banks to receive banking service.

4.3.7 Customer profile by product and service type

Table 4.7 Customer profile by product/service type

	Frequency	Percent	Valid Percent	Cumulative Percent
saving account	91	54.8	54.8	54.8
current account holder	38	22.9	22.9	77.7
account to account transfer	4	2.4	2.4	80.1
users of interest free banking service	11	6.6	6.6	86.7
credit service	5	3.0	3.0	89.8
saving and current account	17	10.2	10.2	100.0
Total	166	100.0	100.0	

Source, survey data, 2021

With regards various product/service type using by respondents that asked to identify account they have with CBE were saving account 91(54.8%), 38(22.9%) current account holder, 17(10.2%) both saving and current holder ,11(6.6%) interest free bank service user, 5(3.0%) credit service users and 4(2.4%) account to account transfer service users.

This indicates that majority of customer have bank saving account holder, this account is typically pay interest and keeps money safety of customers than others product types.

4.4 Reliability and validity

4.4.1 Reliability

Cronbach Alpha was used to determine the reliability of the instrument by establishing how variables of the study related to each other. It is commonly used as a measure of the internal consistency. It was first named by Lee Cronbach in 1951, as he had intended to measure reliability. The Coefficients of 0.90 high degree of acceptable, 0.80 or greater is acceptable in most situations, and 0.70 may be appropriate in some exploratory studies for some indices. The researcher tested the reliability of the items which were developed for respondents and results reliability above 0.758 as per table 4.8 below shows.

Table 4. 8 Cronach’s alpha for each variables

No	Statement	No items	Cronbachs Alpha	Cronach’s alpha for each variables
1.	Key customer focus	3	0.758	
2.	Knowledge management	3	0.797	
3.	CRM based organization	6	0.889	
4.	CRM based technology	4	0.798	
5.	Marketing performance	10	0.926	
	Total	26		

Source: survey data, 2021

4.4.2 Validity

Validity is the appropriateness, correctness, meaningfulness and usefulness of the specific inferences that researchers make based on the data they collect using a particular instrument (Fraenkel & Wallen, 2006).The researcher measured what intended to measure. That is, it is concerned with what degree the expected targets are actually measured by the designed scale or questionnaire. For this study the questionnaire were tested through logic where a logical link between the questioners and the objectives of the study was sought.

4.5 Descriptive Statistics of customer relationship practice(CRM)

Descriptive statistics such as frequencies, mean, standard deviation and percentage were used to analyze data on descriptive statistics. Mean scores and standard deviations were also computed for Likert scale questions. The mean indicated the practice of the CRM. Where, mean score of below 3.00 indicated that a particular dimension of CRM was practiced to a less extent, a mean of between 3.00 and 3.99 was considered to be moderate while that of above 4.00 indicated that practiced a large extent.

On the other hand, the standard deviations were used to show the extent of variance on customer perception. A standard deviation of more than one was interpreted as high variation statistics, while a standard deviation of less than one indicated less variation. Inferential analysis which included correlations and regression analysis were used to test the relationship between the marketing performance and the in CRM dimensions (components). Before running to inferential analysis, data analyzed by descriptive statistics as per below.

4.5.1 perceptions of respondents towards key customer focus

Table 4.9 Perceptions respondents towards key customer focus

Statements		strongly disagree	Disagree	Neutral	Agree	Strongly agree	mean	SD
CBE provides personalized attention to customers	Freq	11	35	36	74	10	3.22	1.058
	%	6.6	21.1	21.7	44.6	6		
CBE continuously delivers superior and added value service to me	Freq	4	36	51	70	5	3.23	.902
	%	2.4	21.7	30.7	42.2	3		
CBE employees treat me with special care	Freq	5	42	55	55	9	3.13	.955
	%	3	25.3	33.1	33.1	5.4		

Source: survey data, 2021

The result in Table 4.9 shows that 44.6 % of the respondents agreed that their banks often provide personalized attention to customer. Providing personalized attention to key customers is recommended as one of the tools for maintaining and developing relationships. It also increases cross-buying of the existing and new products.

The findings also show that 42.2 % of the respondents agreed that their banks continuously delivers superior and added value service , 33.1% respondents agreed that their banks employee treat customer with special care . And mean score ranging from 3.13 to 3.23 out of 5, the results indicate that the practices had been performed to a moderate extent. The standard deviations were below 1.00 indicating not divergent perception among the respondents.

The highest mean figure shows high level of agreement with the scale item while the lowest indicate high level of disagreement with the particular item being tested. As can be seen from the table 4.9, the output of the spss,20 reveal that mean was recorded for CBE`s practice on key customer components found nearly similar range with mean score ranges 3.13 to 3.23 out of 5. This result shows customers are moderately agreed the practice of key customer focus of CBE. This finding consistence with the finding of Reinartz et al. (2004) and Hormburg etal (2002).According to Reinartz et al. (2004) a finding is that best customers do not receive their fair share of attention and that some companies overspend on marginal customers. CRM should therefore assist banks in differentiating resource allocation for different types of customers. The strategic view of CRM emphasizes the fact that resources destined for relationship building and maintenance efforts, should be allocated based on customer deposit balance and customer life time to the firm. And a study by Hormburg etal (2002) revealed that increasing emphasis on key customer is one of the most fundamental changes in marketing of organizations today.

4.5.2 Perceptions of respondents towards knowledge management

Table 4.10 perceptions of respondents towards knowledge management

Statements		strongly disagree	disagree	Neutral	Agree	Strongly agree	mean	SD
CBE is understanding needs of customer and meets	Freq	4	26	38	85	13	3.46	.932
	%	2.4	15.7	22.9	51.2	7.8		
CBE delivering required product and service	Freq	2	17	41	92	14	3.53	.843
	%	1.2	10.2	24.7	55.4	8.4		
CBE meeting my needs	Freq	3	18	44	90	11	3.60	.831
	%	18	10.8	26.5	54.2	6.6		

Source: survey data, 2021

The results in Table 4.10 show that 51.2 % of the respondents agreed with the statement that their banks understanding their needs, 55.4 respondents agreed that their banks deliver required products and service, 90 % of respondents agreed that their banks meeting their needs. With mean ranging between and 3.46 to 3.60 standard deviations ranging between 0.83 and 0.932, the results indicate a moderate agreement with all the statements and that the respondents were fairly homogenous in their responses. This indicates that commercial banks in Addis Ababa had relatively effective knowledge management practices in terms of understanding, delivering and meeting customer needs. This study consistence with findings of chege, (2013) he was noted the customer had tailored their products as a result of customer understanding and that their service provision levels had improved significantly after acquiring customer knowledge.

4.5.3 Perceptions of respondents towards CRM based organization

Table 4.11 CRM based organization

Statements		strongly disagree	Disagree	Neutral	Agree	Strongly agree	Mean	SD
CBE has customer centric business culture	Freq	1	22	41	93	9	3.52	.814
	%	0.6	13.3	24.7	56	5.4		
CBE employees are ready to respond customer request	Freq	7	32	47	69	11	3.27	.987
	%	4.2	19.3	28.3	41.6	6.6		
CBE has organized resources	Freq	5	17	52	78	14	3.48	.899
	%	3	10.2	31.3	47	8.4		
CBE management and employees are committed	Freq	5	30	54	61	16	3.32	.979
	%	3	18.1	32.5	36.7	9.6		
CBE handle my complain within possible time	Freq	6	20	46	82	12	3.22	.962
	%	3.6	12	27.7	49.4	7.2		
CBE employees are trained and motivated	Freq	4	37	56	56	13	3.45	.924
	%	2.4	22.3	33.7	33.7	7.8		

Source: survey data, 2021

The key considerations in order to successfully organize the whole company around CRM are as follows: management and employee commitment, employee readiness ,organized resources, trained and motivated employees and complain handling and transformed product centered cultured to customer centered.

Respondent responded the question that there were customer centric business culture 56% agreed, 47% of the respondents agreed that their CBE has organized resources, 36.7% of the respondents agreed that CBE management and employees are committed, 49.7% of the respondents agreed that CBE handling customer complain with possible time, 33.7% of the respondents agreed that employees trained and motivated time and 33.7% of respondents neutral with employees trained and motivated. According to above table 4.11 in concerning CRM organization with mean scored ranging 3.22 to 3.52 out 5 and standard deviation 0.93 which indicates CBE perform practices moderate extent. This study consistencies with Lynette Ryals etal.(2002)

4.6.4 Perceptions of respondents towards CRM based technology

Table 4.12 CRM based technology

Statements		strongly disagree	disagree	Neutral	Agree	Strongly agree	Mean	SD
CBE maintains comprehensive data base of customer	Freq	4	26	53	73	10	3.36	.901
	%	2.4	15.7	31.9	44	6		
CBE provides e-banking service(ATM, mobile banking)	Freq	3	26	44	70	23	3.51	.977
	%	1.8	25.7	26.5	42.2	13.9		
CBE technology decreases completion time customer processing transaction	Freq	8	48	49	56	5	3.01	.972
	%	4.8	28.9	29.5	33.7	3		
CBE employees friendly and easily accessible IT infrastructure	Freq	9	38	57	56	6	3.07	.963
	%	5.4	22.9	34.3	33.7	3.6		

Sources: survey data, 2021

The results Table 4.12 reveals that 44% of the respondents agreed CBE maintains comprehensive customer data base, 42.2% of the respondents agreed that CBE Provides e-banking services(ATM, mobile banking),33.7% of the respondents agreed that CBEs technology decreases completion time process transaction.

In concerning CRM based technology respondents perceptions of technology mean score of maintains comprehensive customer data base 3.36, providing e-payment(ATM and mobile banking) service high mean score 3.51, technology decreases completion times of customer processing transaction is 3.01 and employees friendly and easily accessible it infrastructure

scores mean 3.07 .And average mean cored 3.24 with standard deviation 0.95 which indicates CRM based technology practice is moderate in perception of customer.

This study consistence with Faraj Mazyed etal.(2018) finding noted that the practices of E-banking service enables customer to complete financial transaction easily and obtain service shortest time this reflects the ability of bank to retain customer and ensure best service to customer.

4.6 Descriptive statistics of marketing performance

Table 4. 13 Descriptive statistics of marketing performance

Statements		strongly disagree	Disagree	Neutral	Agree	Strongly agree	mean	SD
I am satisfied with service provided	Freq	2	16	45	98	8	3.57	.781
	%	1.2	9.6	22.3	59	4.8		
CBE employees take care personal attention	Freq	2	35	53	70	6	3.26	.873
	%	1.2	21.1	31.9	42.2	3.6		
I am satisfied with facilities and materials associated with service bank provides	Freq	1	26	63	71	5	3.32	.794
	%	0.6	15.7	38	42.8	3		
my usage of service of CBE will continues	Freq	4	11	58	79	14	3.53	.836
	%	2.4	6.6	34.9	47.6	8.4		
I will recommend CBE to my relatives and friends	Freq	6	25	68	57	10	3.24	.909
	%	3.6	15.1	41	34.3	6		
I have received acknowledgement for long relationship with CBE	Freq	7	46	64	45	4	2.96	.904
	%	4.2	27.7	38.6	27.1	2.4		
CBE introduces different products(saving, current and others)	Freq	3	17	47	87	12	3.53	.843
	%	1.8	10.2	28.3	52.4	7.2		
CBE promoting and attracting new customer	Freq	4	23	64	64	11	3.33	.883
	%	2.4	13.9	38.6	38.6	6.6		
CBE expanding branches near to customers	Freq	2	18	45	87	14	3.56	.842
	%	1.2	10.8	27.1	52.4	8.4		
putting customer centered operation enables the bank to increase sales	Freq	2	19	50	86	9	3.49	.815
	%	1.2	11.4	30.1	51.6	5.4		
Average mean and SD							3.4	0.848

Source: survey data, 2021

The results in Table 4.13 reveal that favorable agreement with statements with a majority of the respondents agreeing to have experienced satisfaction with the services they received from CBE. The result shows 59% of the respondents agreed that they were received quality service, 42.2 % respondents agreed that they were satisfied with bank gives personal attention, 42.8 % respondents agreed that they were satisfied with bank facilities and material associated with service.

The result shows 52.4 % of the respondents agreed that they were received variety of products. This result shows the majority of the respondents were willing to remain with their CBE were making deliberate effort to retain their existing customers.

Above table 4.13 shows 47.6% respondents agreed that the services they receive from their banks encouraged them to continue doing business with their CBE but 27.7 % respondents disagreed with the acknowledgement they received from CBE, 27.1 % agreed and 38.6% neutral with the statement that discourage them to continue doing business with CBE,34.3% of the respondents agreed that they can recommend CBE to family and friends, the 38.6% respondent's agreed and 38.6% neutral that CBE promoting and attracting to new customer,52.4% of respondents agree that CBE expands branches near to customer and 51.6% respondents agreed with customer centered operation increases sales growth.

Therefore, the findings reveal that favorable agreement with statements with a majority of the respondents agreeing with statements. The findings of perceptions of respondents of descriptive statistics CRM the study found average mean of CRM scored 3.339 and average mean of marketing performance below table 4.14 scored 3.4 with average standard deviation scored 0.848. This implies that the practices of CRM contributed positively value to customer and consequently to marketing performance effectiveness.

Table 4.14 mean and standard deviation of marketing performance

Marketing performance Variables	Standard deviation	
Sales growth	3.49	0.815
Market share	3.47	0.856
Customer satisfaction	3.38	0.816
Customer retention	3.24	0.88
Average mean	3.4	0.84

Source: survey data, 2021

4.7 Assumptions

After correlation analysis, required to test basic assumptions before conducting multiple regression.

Homoscedasticity

Assumption states that the variance the values of the independent variables should be equal to at all values of dependent variables. The residuals or difference between observed and predicted variables have constant variance. A plot of standardized residuals versus predicted values can show whether points are equally distributed across all values of the independent variables. See annex 1

Linear relationship

This assumptions, there must be a linear relationship between the marketing performance and customer relationship management. This indicates marketing performance is assumed to be effected with the change in CRM or independent variables linearly. The pilot annexed shows the relationship between marketing performance and customer relationship management. See annex2

No multicollinearity

This assumption assumes that the independent variables are not highly correlated with each other. Correlations between the outcome variables (i.e. dependent variables) and predictor variables (i.e. independent variables) are tested. The relation among variables is measured by variance of inflation factor. If the variance inflation factor (VIF) is equal to 1 there is no multi co linearity among variables, and if the VIF is less than 5, the regression acceptable, so in this study VIF is below 2 that indicates there is no multi co linearity according collinearly statics. A VIF between 5 and 10 indicates high correlation that may be problematic. it can be assumed that the regression coefficients are poorly estimated due to multi co linearity which should be handled.

No-Autocorrelation

This assumption used testing for autocorrelation is the Durbin-Watson test. Statistical software such as SPSS may include the option of running the Durbin-Watson test when conducting a regression analysis. The Durbin-Watson tests produce a test statistic that ranges from 0 to 4.

Values close to 2 (the middle of the range) suggest as no autocorrelation which means no correlations across different observations of data.

4.8 Correlations analysis

Table 4.15 Correlations

		Satisfacti on	Retentio n	Market share	Sales growth
KM	Pearson Correlation	.680**	.624**	.610**	.562**
	Sig. (2-tailed)	.000	.000	.000	.000
	N	166	166	166	166
KCF	Pearson Correlation	.672**	.690**	.494**	.503**
	Sig. (2-tailed)	.000	.000	.000	.000
	N	166	166	166	166
CRMO	Pearson Correlation	.700**	.514**	.547**	.609**
	Sig. (2-tailed)	.000	.000	.000	.000
	N	166	166	166	166
CRMT	Pearson Correlation	.614**	.477**	.614**	.559**
	Sig. (2-tailed)	.000	.000	.000	.000
	N	166	166	166	166

Source: survey data, 2021

The relationship between CRM and marketing performance was determined based on questionnaire filled by respondents of CBE branches in Addis Ababa and used Pearson correlation analysis. Strong and significant relationship between CRM and marketing performance was observed as table shows 4.15. This relationship measured as per the following correlation developed by Mac Each Ron(1982). According to he was noted 0.4 to 0.6 moderate relations between variables, 0.6 to 0.8 strong relations between variables, 0.8 to 1 very strong relation between variables and below 0.4 the variables had weak relations.

The 4.15 table shows, the correlation of key customer focus with satisfaction (.0.672), customer retention(0.692), market share(0.494),sales growth(0.503) of bank, the correlation of knowledge management with customer satisfaction (0.680),retention(0.624),market share(0.610) and sales growth(0.562) ,the correlation of CRM based organization with satisfaction(0.7), retention(0.514),market share(0.547) and sales growth(0.609) and CRM based the technology

relationship with customer satisfaction(0.614),retention(0.477),market share(0.614) and sales growth(0.559).

The finding consistence with Reinartz et al.(2004) that there is strong and a statistically significant relationship between the CRM and marketing performance.

Table 4. 16 Correlation analysis

		KM	KCF	CRMO	CRMT	Marketing performance
Knowledge management (KM)	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	166				
Key customer focus (KCF)	Pearson Correlation	.502**	1			
	Sig. (2-tailed)	.000				
	N	166	166			
CRM based organization (CRMO)	Pearson Correlation	.566**	.425**	1		
	Sig. (2-tailed)	.000	.000			
	N	166	166	166		
CRM based Technology (CRMT)	Pearson Correlation	.255**	.434**	.555**	1	
	Sig. (2-tailed)	.001	.000	.000		
	N	166	166	166	166	
Marketing performance (MP)	Pearson Correlation	.700**	.696**	.646**	.619**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	166	166	166	166	166

** . Correlation is significant at the 0.01 level (2-tailed).

Source: survey data, 2021

All variables such as key customer focus, knowledge management, CRM based organization, CRM based technology and marketing performance was investigated using Pearson product correlation coefficient.

Knowledge management is important element of CRM dimensions that is taken as into account explains marketing performance. Based on correlation result table 4.16 shows knowledge management is strongly and significantly correlated with marketing performance at 0.01 significant level, $r=0.7$. This shows that customer knowledge management practice is the

determinants of market performance that organizations understand the needs of customer, deliver required products and services. This result agrees with (Pepered etal. (2000)

With regard to key customer focus based on Pearson correlation test, key customer focus and marketing performance has positive and strong relationship with $r=0.696$ at significance level 0.01; it has power to influence marketing performance of bank. Therefore, the result consistence with finding of Hisham Sayed Soliman, (2011).

With regard to CRM based organization has a significant role in building long-term relationship with customers and achieving market performance. Based on correlation conducted to know the degree of relationship between CRM based organization and marketing performance, the result of the study showed strong and significantly correlated with CRM based organization and marketing performance at significance level 0.01 , $r= 0.646$ this result consistence with Frederick etal.(2004).

Organization function deeply embedded throughout its CRM system, the entire organization should be organized around cultivating these valuable relationships. For CRM success and enhances marketing performance there also must be an organization with commitment of employee and management, ability of customer complain handling , employee trained and motivated, organized resource and employee ready to respond customer request.

CRM based technology is strong and statistically correlated with market performance. The correlation coefficient between these variables is $r=. 619$ with 0.01 significance level .CRM based technology helps customer to complete financial transaction easily and obtain service shortest time and this reflects banks ability to build and maintain profitable customer relationship and improve marketing performances. Hence, this study is consistent with finding of Faraj etal. (2018).

The result correlation analysis in table 4.16 shows that all the independent variables were positive and significantly correlated with the dependent variables i.e. market performance at 0.01 significance level. The highest signified by customer knowledge management $r= 0.7$, followed by Key customer focus($r=0.696$), CRM based organization $r=0.646$), CRM based technology ($r=0.619$), based on Pearson correlation test.

4.9 Multiple Regression

In multiple regressions there are a number of independent variables to predict or estimate dependent variables. Linear regression is used to predict the value of a variable based on the value of another variable. The variable predicts is called the dependent variable (marketing performance). The variable using to predict the other variable's value is called the independent variable (or sometimes, the predictor variable. If we have two or more independent variables, rather than just one, we need to use multiple regressions.

And multiple regression analysis is to be performed in order to investigate the effect of the independent variables as the key customer focus, knowledge management, CRM based organization and CRM technology and a dependant variable, i.e. marketing performance.

4.9.1 Model summery

Table 4. 17 Model summery

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df 1	df2	Sig. F Change	
1	.875	.766	.760	3.50230	.766	131.562	4	161	.000	1.837

a. Predictors: (Constant), CRMT, kA, kCF, CRMO

b. Dependent Variable: marketing performance

Source: survey data, 2021

As table 4.17 indicates in concerning this study adjusted R=76% and R square= 0.77.

Almost R square 76.6% portion of the variance of marketing performance is explained by CRM variables and the remaining 23.4% explained by other variables. 76% Adjusted R squared is the variation in the dependent variable due to changes in the independent variable. R in model summary shows the relationship between the study variables, from the findings shown in the table 4.17 there was strong and positive relationship between the study variables as shown by 0.87(87%).

4.10.2 ANOVA

Table 4.18 ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	6455.021	4	1613.755	131.562	.000 ^b
	Residual	1974.841	161	12.266		
	Total	8429.861	165			

Source: survey data, 2021.

Dependent Variable: marketing performance

Predictors: (Constant), CRM based technology, knowledge management, key customer focus, CRM based organization

Table 4.18 shows variables in regression model significantly explaining marketing performance. It is identified that the value of $p = 0.000$ is significant at the level of significance ($p < 0.05$). This indicates that the overall model was a reasonable fit and there was a statistically significant association between CRM components and marketing performance. Hence it is concluded that CRM components have a significant effect on marketing performance. Regression fit is able to predict marketing performance to a good extent.

4.10.3 Correlation coefficients

Table 4.19 Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	2.906	1.526		1.905	.059		
	CRMO	.177	.088	.109	2.020	.045	.500	2.000
	KCF	.878	.135	.307	6.485	.000	.647	1.545
	KM	1.204	.151	.402	7.975	.000	.573	1.745
	CRMT	.701	.105	.323	6.660	.000	.619	1.615

Source: survey data, 2021

In Multiple Linear Regression analysis, the standardized coefficients are expressed in form of Beta, β . All the variables in standardized coefficients are converted into a single metric i.e. standard deviation unit. Then it represents each variable in form of β . The beta magnitude of each variable can be compared easily. The variables which have the highest value are considered to have a strong relationship with the dependent variable. Standardized coefficients from the multiple linear regression models provide an estimate of the variables. It tells us which of the independent variables have the highest association with the dependent variable. Standardized coefficients are also termed as standardized regression coefficients it has been concluded that knowledge management has a strong relationship with marketing performances. Since, it has the highest Beta value 0.402.

The second dimension is CRM based technology with beta value $\beta=0.323$ There is a positive relationship of CRM based technology with marketing performance. The Beta value for key customer focus is 0.307 it is the third most correlated dimension with marketing performance the next is CRM based organization with beta value 0.109.

4.10 Assigning Ranks to CRM components

Standardized coefficients are useful while comparing effects across different measures. In the context of present study CRM dimensions are the measuring variables which are trying to assess the effect on marketing performance. It becomes easy to identify the most important dimensions on the basis of the Beta value. The standardized regression coefficient having the highest magnitude value is ranked as the top most important variable among other variables under the study. The standardized coefficients are used as rank predictors. It provides the absolute ranking to the factors as per their magnitude. The important variable will have maximum absolute value. A standardized coefficient compares the strength of the effect of each independent variable taken up for study. Highest the magnitude value of the beta, strongest is the relationship of the variable with the dependent variable. The standardized coefficient may be referred to as Betas, Beta Coefficients, Beta weights or Standardized regression coefficients.

1. Customer knowledge management (KA)= 0.402
2. CRM based technology(CRMT) =0.323
3. Key customer focus(KCF)=0.307
4. CRM based organization(CRMO) =0.109

Regression equation

Marketing performance (MP) = 2.906+0.42KA+0.323CRMT+0.307KCF+0.109CRMO.

The beta value on the coefficient table indicates level effect of each variable has on dependent variables of marketing performance; the highest beta value is for knowledge management beta 0.402 this means CBE practice on customer knowledge management to enhance marketing performance .The knowledge management practice increases on average by unit(1%), it increases marketing performance by 0.402(40.2%) at 5% significance level assuming other variables remains constant, it implies knowledge management had significant effect on marketing performance. CRM based technology increases by one unit (1%), it increases marketing performance by0.323(32.3) at 5% significance level assuming other variables remains constant, key customer focus increase by one unit it increases marketing performance by0.307 at 1% significance level assuming other thing remains constant and fourth dimensions, CRM based organization increases by unit (1%) it increases marketing performance by0.109 (10.9%) at 5% significance level assuming other variables remains constant

4.11 Hypothesis Testing

The result of multiple regression shows that in table 4.19 that four variables significant effect on marketing performance ($p<0.05$).hence, the proposed hypothesis not rejected.

H1: Key customer focus has positive and significant effect on marketing performance

The result of multiple regression analysis table 4.19 shows that key customer focus has positive and significant effect on marketing performance ($p<0.05$). Hence the proposed hypothes is not rejected.

H2: knowledge management has positive and significant effect on marketing performance

The result of multiple regression analysis table 4.19 shows that knowledge management has positive and significant effect on marketing performance ($p<0.05$). Hence the proposed hypothesis is accepted

H3: CRM based organization has positive effect significant on positive and significant effect on marketing performance

The result of multiple regression analysis table 4.19 that CRM based organization has positive and significant effect on marketing performance ($p < 0.05$). Hence the proposed hypothesis is accepted

H4: CRM base technology has positive and significant effect on marketing performance

The result of multiple regression analysis table 4.19 that CRM based organization has positive and significant effect on marketing performance ($p < 0.05$), Hence the proposed hypothesis is accepted

4.12. Discussion of Interview on customer relationship management practices

Interviews were conducted with selected CBE branch, business and operation managers concerning with customer relationship management practices are presented here to triangulate with customer responses.

Question forwarded to management staff, how Commercial bank of Ethiopia improved customer relationship Practices to improve their marketing performance and what challenges associated with practice with in CBE in Addis Ababa. According to interview management staff with respect to key customer focus bank maintains relationship with customer categorized customer's three types such as corporate customer, business customer and individual customer. These three types of customer have different account balances, if the customer balances goes up branch manager's contacts customers and informs extra benefits he or she can get while maintaining that balances and individual customers through contact center. However, Branch management staff responded were CBE doesn't provide different types of products like foreign and local currency our key customers. With respect to knowledge management bank provides different products and services such as saving, current, and loan and interest free banking service to their customer. However, lack of understanding customer requirement .Banks should know customer requirement and application CRM practice based on their needs which attributes in bank performances and provide new products and services because our products and service similar with competitors.

With respect to CRM based technology the bank provides E- banking services for their customers. However, banks effort to improve service for its customer is well aware of problems

are encountered by customers such as network and electric problem (generator service present depend on branch level) are challenges faced by CBE attributed to the marketing performances. According to finding of Tesefaye Niguse(2018) network and power interruption affect bank performances.

With respect to CRM based organization that bank flexible organization structure, team work and employee commitment enables bank to improve bank performances. However, Lack of employee motivation, employee restricted on bank procedure or rigid, lack of employee Commitment and Some of employee exhibit unacceptable behavior these are challenges faces CBE .CBE should have good and well established Customer complain handling system, the responsible staff should be assigned at branch, CBE can improve the customer by delegating responsible staffs of customer and handling customer complain. And bank need to work on staff by training should granted to employees continuously how to handle customer, Bank need to have strong motivation system employee would serve customer in line with standard of behavior set for organization .

Other question forwarded to management staff was suggested solutions for challenges. The suggested solution for challenges faces were delivering products and service based on identifying customer requirement like local currency loan and foreign loan and actively responding loan service in short period of time , making employee motive, delivering quality service and one window service by increasing speed and serve through polite communications ,flexible organization structure and procedure, Technical support by skilled man power during employee need their support, Maximum effort should be exerted to overcome unacceptable behavior being exhibited by some staffs at the same time the bank should provide training to its employees their emotion and behavior there by strive to satisfy customer , bank need to take different actions for example by expansions of e-banking (mobile banking.) service that customer process financial transaction any time to increase service accessibility.

CHAPTER FIVE

5.1 Summery

The main objective of this study is to investigate the effect of customer relationship management on market performance in commercial banks of Ethiopia, Addis Ababa. Specifically, the study examined the relationship between customer knowledge management, key customer focus, CRM based organization, and CRM based technology and marketing performances. In this study both quantitative and qualitative researches were implemented due to the purpose a descriptive research and explanatory research design were used. The target populations of the study were customer and branch managers. In this study, primary data were used as source of information. Based on the research objective questionnaires were prepared for one hundred seventy four (174) customer and 166 forms are completed and 8 rejected due incompleteness. Regarding the reliability of the questionnaire table 4.8 shows that all the questionnaires were reliable and acceptable based on Cronbach's Alpha test resulted above 0.75. The collected data was analyzed and interpreted by the use of descriptive and inferential statistics. With respect to descriptive statistics of CRM result shows of perceptions of respondent's average mean of CRM scored 3.339 and average mean of marketing performance table 4.14 scored 3.4 with average standard deviation scored 0.848. With respect to inferential statistics of correlation analysis in table 4.16 shows that all the independent variables were positive and significantly correlated with the dependent variables i.e. market performance at 0.01 significance level. The highest signified by customer knowledge management $r= 0.7$, followed by Key customer focus($r=0.696$), CRM based organization $r=0.646$), CRM based technology ($r=0.619$) based on Pearson correlation test. In concerning this study adjusted $R=76\%$ and $R\text{ square}= 0.76.6$. $R\text{ square }76.6\%$ portion of the variance of marketing performance is explained by CRM variables and the remaining 23.4% explained by other variables. And the relationship between the study variables from the findings shown in the table 4.17 there was strong and positive relationship between the study variables as 0.87(87%). And also there is a statistically significant association between CRM components and marketing performance at significance level $p<0.05$.

5.2 Conclusion

This study was examined the effect of customer management relationship practice on marketing performance in the commercial of bank of Ethiopia particularly focus in Addis Ababa areas branches.

Descriptive statistics of CRM practice result shows average mean scored 3.38 with 0.95 standard deviations, which indicates CRM practices moderate and effect on marketing performance moderate extent with scored mean. It is possible to conclude, banks continually improve existing CRM practices as customers needs change and also in line with changes in technology, learning to win, maintain and their needs met more systematically than the competitors improves marketing performances of bank. In addition, inferential statistics of CRM and marketing performances are positive and statistically significant as result shows. This is an observed relationship between CRM and marketing performance (0.87). The statistical results of correlation coefficient were key customer focus $B=0.307$, knowledge management $B=0.402$, CRM based organization $B=0.109$ and CRM based technology $B=0.323$. Thus result indicates that there is positive and significant effect of CRM practices on marketing performance. The study concluded that the rate that the bank would carry out the functions that are customer key customer focus, knowledge management, CRM based organization, and CRM base technology effect the marketing performance in a different way. It was found that each of the dimensions of the CRM practices has a different effect on the marketing performance. The largest effect was found in the knowledge management and the second CRM based technology. This also shows that it is more effective to practices in the CRM, which will allow organization to get a much better result in terms of marketing performance and poor in the CRM practices has resulted in the CRM performance is below expectations.

Therefore, CRM practices are key customer focus, knowledge management, CRM based technology and CRM based organizations to have a positive and significant effect on the bank's marketing performance of the bank

5.3 Recommendation

Based on inference obtained from this study the suggestions are forwarded in order to show the effect of CRM practices on marketing performance in CBE with in Addis Ababa areas branches by taking evidence from customer and management ,the recommendation forwarded on the base of finding with the respect of CRM dimensions

With respect of CRM based organization CBE should organize the whole organization around CRM through good organization structure, motivated and trained employee, ability to handle customer complain and customer centered business culture.

CBE should motivate and train employees. Reward system can provide direct motivation for employee to adopt new attitudes and behavior in harmony with CRM practices. It is important for organization to enforce employee to CRM oriented conduct and behavior. And potential payoff higher customer satisfaction, retention, sales growth and market share of organization. Training programs with CRM components are crucial for employee especially employee who regularly interact with customers. In particular, training programs are essential in conveying the importance and nature of a CRM practice to employee so that they acquire the requisite relationship development skills and sensitivity to changing needs such training programs are crucial because customer expectations tend to be infinity and communication of CRM practices to all employees. Train employees to gain necessary knowledge how to serve and handle customer complain establish well complain handling system and bank to overcome unacceptable behavior of employee.

CRM responsibility must be clearly defined, assigned and understood with CRM practices. Employees were primary source of interaction and communication with customer so they in particular and in need accurate information to effectively and efficiently build customer relationship.

With respect of Knowledge management CBE should provide different products based on customer requirement like foreign and local loan ,should differentiate its product or service from competitors because limited variety of products easily substituted by other bank ,CBE understanding and identify the need of customer and deliver quality service by increasing speed with polite communications. Improve knowledge management by enable understanding the requirement of customer, delivering their required products and service and meeting their best interest.

With respect of Key customer focus, CBE should identify important customer and provide better service or special care, CBE has segregate the premium customer with having separate window, however, all branches haven't separated window and special care for them, be should improve

key customer focus practices through providing personal attention to customer; continuously delivers superior and added values service, treat customer with special care and meeting their needs.

With respect of CRM based technology Employee of CBE should be skilled with hard and soft ware of the organization, CBE should improve the CRM based technology through maintain comprehensive customer data base, employee easily accessible IT infrastructure (hard ware and soft ware) and processing transaction minimum time or standard time .Generally, improved CRM practice improves marketing performance level of the bank. Improve CRM through build and maintain a base of committed customer who is profitable for bank.

5.4 Implication for future research

The aims of this study were met and the limitations were identified in the course of this study. But this limitation creates an opportunity for future research in this area. This study focuses on only the banking industry. Such concentration could limit generalization of the findings to the whole service industry. The future research may replicate this study in other service sectors other than banking for example tourism, hospitality, health care, education, small business enterprise etc. The future research direction is to include other less common customer relationship management practices were not included in this research, for example, communication, trust and organization commitment. These were excluded from this research because concentrated only on the stronger components as identified by pervious study. This study carried out by using strong customer relationship management variables, Future studies may also investigate the possible mediation effects of satisfaction. By examining these effects, these future studies will add value to the present knowledge in this area.

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Appendix

College of Business and Economics

Department of Management

Post Graduate Program in M.Sc in Management

Questionnaire to be filled by Customer

The effect of CRM on marketing performance (in case of CBE under Addis Ababa branches)

Dear Respondents: I would like to express my deep appreciation for your generous time, honest and prompt Responses. This questionnaire is designed to collect data about Customer Relationship Management and Market Performance of CBE under Addis Ababa city.

The Information that you fulfill with this questionnaire used as a primary data in my case Study which I am conducting as a partial fulfillment of the requirements for the degree of Masters of Science in management in Addis Ababa University. You are selected as the best source of information for the purposes of the study.

All your response to the given question would be used for the research and will be kept confidential. I highly appreciate your cooperation and thank you in advance for cooperation in research process

Direction: Please put mark (√) on the appropriate box

Part I- General information of the respondents

1. Gender: Male 2. Female

2. Age group: Below18 18-28 29-39 40 – 50 51-60 above 60

3. Education Level

Primary Secondary School Diploma

Degree Masters PhD and above

4. Respondents' Profile by Occupation

Government employee Private business employee Trade/business

Farmer Pensioner NGO employee Student Other

5. How long you have been the customer of Commercial Bank of Ethiopia?

<1years 1-5 years 6-10years above 10years

6. Frequency of visit CBE

More than once a day daily weekly bi weekly Monthly

Quarterly Bi-annually annually whenever necessary

7. Customer profile by product/service type

Saving account holder Current account Local money transfer service

Users of interest free banking services Women saving account Credit service users

Part II: Please indicate how much you agree or disagree with each of the following statements

by circling the number that best represents your opinion. 1=strongly disagree 2=disagree

3=neutral, 4= agree and 5= strongly agree.

No	Statement of Customer relationship management	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
	Focus on key customer	1	2	3	4	5
1	CBE provides personalized attention to customer	1	2	3	4	5
2	CBE Continuously delivers superior and added value service to me	1	2	3	4	5
3	CBE employees treat me with special care	1	2	3	4	5
	Knowledge management	1	2	3	4	5
4	CBE is understanding needs of customer	1	2	3	4	5
5	CBE delivering required products and service	1	2	3	4	5
6	CBE Meeting my needs	1	2	3	4	5
	CRM Organization					
7	CBE has customer centric business culture	1	2	3	4	5
8	Employee in CBE are ready to respond customer request	1	2	3	4	5
9	CBE has organized resources	1	2	3	4	5
10	CBEs Management and employee committed	1	2	3	4	5
11	Well trained and motivated employees	1	2	3	4	5
12	CBE handle my complain with in possible time	1	2	3	4	5
	CRM based Technology					
13	CBE maintains comprehensive database of customer	1	2	3	4	5
14	CBE provides E-banking service(ATM, mobile banking)	1	2	3	4	5
15	CBE's technology decreases completion times of customer processing transaction.	1	2	3	4	5

16	CBE employee's friendly and easily accessible IT infrastructure (hard ware and soft ware).	1	2	3	4	5
	Marketing performance					
	Satisfaction					
17	I am satisfied with service provided	1	2	3	4	5
18	CBE's employees take care personal attention	1	2	3	4	5
19	I am satisfied with facilities and materials associated with service bank provides	1	2	3	4	5
	Retention					
20	My usage of service of CBE will continues	1	2	3	4	5
21	I will recommend CBE to my relatives and friends	1	2	3	4	5
22	I have received acknowledgement for long relationship with bank	1	2	3	4	5
	Market share					
23	CBE introduces different products(education ,woman, time, current account and etc) based on demographics(age,sex,income etc)	1	2	3	4	5
24	CBE promoting and attracting new customer	1	2	3	4	5
25	Expanding branches near to customers	1	2	3	4	5
	Sales growth					
26	Putting customer- centered operation enables the bank to increase sales	1	2	3	4	5

የንግድ እና ኢኮኖሚክስኮሌጅ

የአስተዳደር ክፍል

የድህረ ምረቃ ፕሮግራም ኤም.ኤስ.ሲ በአስተዳደር

የኢትዮጵያንግድ ባንክ ደንቦች መጠይቅ

ውድ መጠይቁን የምትሞሉ ደንቦች:- በቅድሚያ ይህን መጠይቅ በመሙላት ፊቃዮኛስ ለሆኑ ልባዊ አድናቆትና ምስጋና ለመግለጽ እፈልጋለሁ።

ይህ መጠይቅ በአዲስ አበባ ከተማ ስር ስላለው የኢትዮጵያ ንግድ ባንክ የደንቦች ግንኙነት አስተዳደር እና የገቢያ አፈፃፀም ለመዳሰስ የሚሥሩ መረጃ ለማሰባሰብ ነው። በመሆኑም ይህንን መጠይቅ እንዲሞሉ ትብብር ትን እጠይቃለሁ።

በዚህ መጠይቅ ላይ የሚያሰፍሩት ማንኛውም መረጃ ለትምህርታዊ አገልግሎት ብቻ እንደሚውል እና ለሌሎች ፣ ከዚህ በተጨማሪም መረጃዎች ሚሥጥራዊነቱ የተጠበቁ በመሆኑ በቅድሚያ አረጋግጣለሁ። መጠይቁን በሚሞሉበት ጊዜ፡ ስም መፍረስ አያስፈልግም

የደንቦች ቁጥር ቃላይ መ

ክፍል 1:- የ (✓) ምዕ በማድረግ የሚመርጡትን ያ ለክቱ።

1. ያታ: ዓ.ዓ ሴት
2. እድሜ ክልል:- ከ18 በታች 18-28 29-39 40-50 51-60 ከ 60 በላይ
3. የትምህርት ደረጃ: የመጀመሪያ ደረጃ ሁለተኛ ደረጃ ዲፕሎማ ዲግሪ ሁለተኛ ዲግሪ
 ሊኔትዲ እና በቢያ በላይ ሌላ
4. የደንበኛ መገለጫ በሙያ (ሥራ)
የመግቢያ ሰራተኛ የድርጅት ሠራተኛ ገቢ ጠረተኛ መንግስታዊ ያልሆነ
ድርጅት ሰራተኛ ተማሪ ሌላ
5. የኢትዮጵያን ግድ ባንክ ምን ዓይነት ሆነው ምን ጊዜ ቆዩ;

ከአንድ አመት በ 1-5 6-10 ከ10 አመት በላይ

6. ወደ ንግድ ባንክ ግለሰብን ለማግኘት የመምጣት ድግግሞሽ
በቀን ከአንድ ጊዜ በላይ በየ ቀኑ በየ ሳምንቱ በሳምት ሁለት ጊዜ

ወርሃዊ በየ ሩብዓቱ በዓመት ሁለት ጊዜ በየ አመቱ
አስፈላጊ በሚሆንበት ጊዜ ሁሉ



7. በባንክ የሚጠቀሙት አገልግሎት፣ ዓይነት

የተቀማጭ ሂሳብ ተንቀሳቃሽ ሂሳብ የብድር አገልግሎት የሃዋላ አገልግሎት የክሬዲት አገልግሎት
 ከወለድነባ የባንክ አገልግሎት ለላ

ክፍል 2- የደንበኞች ግንኙነት አገልግሎት ንበተመለከተ

ከዚህ በታች ለተዘረዘሩት መግለጫዎች (✓) ምልክት በማድረግ የሚመርጡትን ያመልክቱ።

1, በጣም አልሰማምም 2, አልሰማምም 3, አስተያየት የለኝም 4, እስማማለሁ 5, በጣም እስማማለሁ

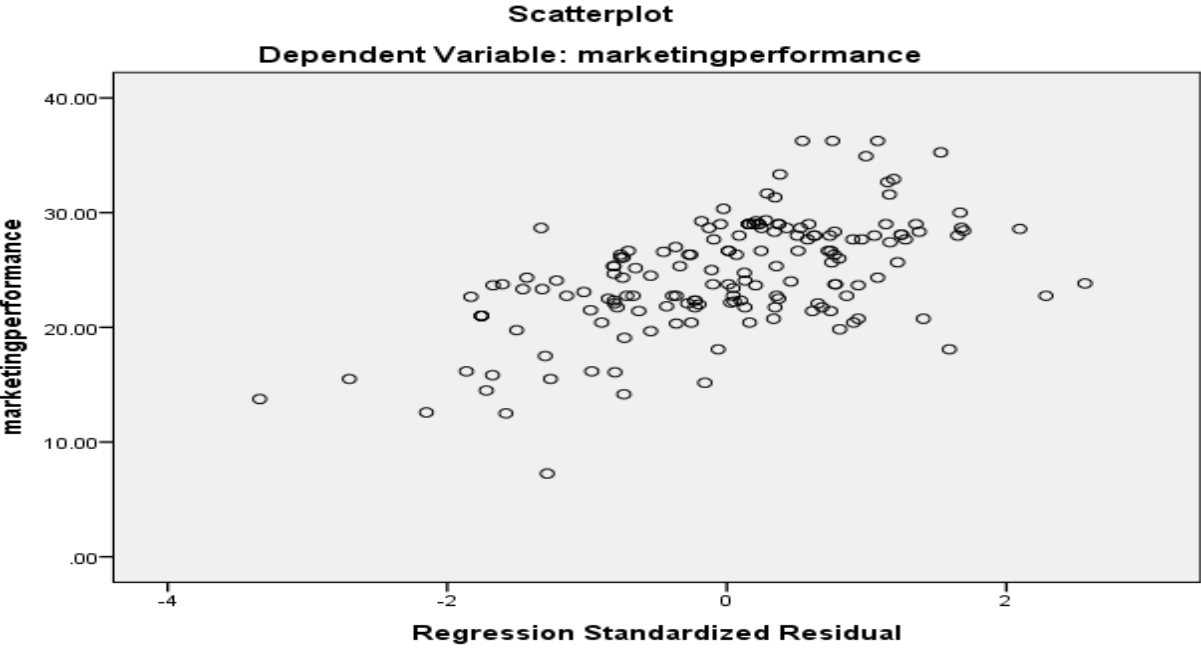
ቁ	መግለጫ	1	2	3	4	5
1.	የኢትዮጵያ ንግድ ባንክ ለደንበኛ የግል ትኩረትን ይሰጣል					
2.	የኢትዮጵያ ንግድ ባንክ በተከታታይ የላቀ እና ተጨማሪ እሴት ለደንበኞች ያቀርባል					
3.	የኢትዮጵያ ንግድ ባንክ ፍላጎቴን ያሟላል					
4.	የኢትዮጵያ ንግድ ባንክ ሰራተኞች ለደንበኞች ልዩ እንክብካቤ ያደርጋሉ					
5.	የኢትዮጵያ ንግድ ባንክ ደንበኞችን ማዕከል ያደረገ የአገልግሎት ባህል አለው					
6.	በኢትዮጵያ ንግድ ባንክ ውስጥ ያሉ ሰራተኞች የደንበኞችን ጥያቄ ለመመለስ ዝግጁ ናቸው					
7.	የኢትዮጵያ ንግድ ባንክ አስተዳደር እና ሰራተኞች ለደንበኞች ግንኙነት አያያዝ ተግባራት ቁርጠኞች ናቸው					
8.	የኢትዮጵያ ንግድ ባንክ የተቀናጀ ሀብቶች አሉ					
9.	የኢትዮጵያ ንግድ ባንክ የሰለጠኑና ለሰራተኞች ተገቢነት ያላቸው ሰራተኞች አሉት					
10.	የኢትዮጵያ ንግድ ባንክ ቅሬታዬን ወዲያውኑ ይፈታል					
11.	የኢትዮጵያ ንግድ ባንክ የደንበኞችን ሁሉን አቀፍ የመረጃ ቋት ይይዛል					
12.	የኢትዮጵያ ንግድ ባንክ የኢ-ባንክ አገልግሎት (ኤቲኤም፣ የሞባይል ባንክ ንግድ ዘዴ) ይሰጣል					
13.	የኢትዮጵያ ንግድ ባንክ ቴክኖሎጂ መሳሪያዎች ለደንበኞች አገልግሎት የሚወስድበትን ጊዜ ቀንሷል					
14.	የኢትዮጵያ ንግድ ባንክ ሰራተኞች በቀላሉ የአይ.ቲ.ቴክኖሎጂ (hardware and software) ለደንበኛ አገልግሎት ይጠቀማሉ					

15.	የኢትዮጵያ ንግድ ባንክ የደንበኞችን ፍላጎት የሚረዳ እና የሚያሟላ ነው					
16.	የኢትዮጵያ ንግድ ባንክ ለደንበኞች የሚያስፈልጉ አገልግሎቶችን ይሰጣል					
17.	በኢትዮጵያ ንግድ ባንክ በተሰጠኝ አገልግሎት ረክቻለሁ					
18.	የኢትዮጵያ ንግድ ባንክ ሰራተኞች ለግለሰባዊ ትኩረት ያደርጋሉ					
19.	ከኢትዮጵያ ንግድ ባንክ አገልግሎት ጋር በተያያዙ መገልገያዎች እና ቁሳቁሶች ረክቻለሁ					
20.	የኢትዮጵያ ንግድ ባንክ አገልግሎት መጠቀሜ ይቀጥላል					
21.	ለዘመዶቼ እና ለጓደኞቼ የኢትዮጵያ ንግድ ባንክ ደንበኛ እንዲሆኑ አመክራለሁ					
22.	ከኢትዮጵያ ንግድ ባንክ ጋር ለረጅም ጊዜ የዘለቀ ግንኙነት እውቅና አግኝቻለሁ					
23.	የኢትዮጵያ ንግድ ባንክ በእድሜ፣ በጾታ፣ በገቢ ወዘተ ላይ በመመርኮዝ የተለያዩ ምርቶችን (ትምህርትን፣ ሴቶችን፣ ጊዜን፣ የወቅቱን አካውንት እና የመሳሰሉትን) ያስተዋውቃል።					
24.	የኢትዮጵያ ንግድ ባንክ ለአዳዲስ ደንበኞች በማስተዋወቅና በመሳብ ላይ ይገኛል					
25.	የኢትዮጵያ ንግድ ባንክ ቅርንጫፎችን በማስፋፋት ላይ ይገኛል					
26.	በደንበኞች ላይ የተመሠረተ ሥራን ማከናወኑ የኢትዮጵያ ንግድ ባንክ ሽያጮችን እንዲጨምር ያስችለዋል					

Part III: - Questions for interview with managers

1. What are challenges faced with customer relationship management practices in your branch?
2. Please give your opinion, regarding how CBE improve customer relationship management practices to obtain long lasting relationship with customer and in turn improves marketing performance of your branch.
3. Suggest solution to reduce challenges you faced with CRM practice with your branch?

Annex 1



Annex 2

Linearity relationship

