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**[THE ROLE OF CUSTOMER RELATIONSHIP MANAGEMENT IN HANDLING
COMPLAINTS [THE CASE OF ETHIOPIAN INSURANCE CORPORATION]**

BY:

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**PRESENTED IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE
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**THE ROLE OF CUSTOMER RELATIONSHIP MANAGEMENT IN HANDLING
COMPLIANTS [THE CASE OF ETHIOPINA INSURANCE CORPORATION]**

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DECLARATION

I, Kassahun Bekele declare that this work entitled “THE ROLE OF CUSTOMER RELATIONSHIP MANAGEMENT IN HANDLING COMPLAINTS IN THE CASE OF ETHIOPIAN INSURANCE CORPORATION”, is outcome of my own effort and study and that all sources of materials used for the study have been duly acknowledged.

I have produced it independently except for the guidance and suggestion of the research advisor.

This study has not been submitted for any degree in this University or any other University. It is offered for the partial fulfillment of the Masters of Marketing [MM]

By: Kassahun Bekele

Signature _____

Date _____

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ACRONYMS

CRM: Customer Relationship Management

EIC: Ethiopian Insurance Corporation

CK: Customer Knowledge

CA: Customer Acquisition

CR: Customer Response

CIS: Customer Information System

CH: Complaints Handling

ABSTRACT

The study examined the Role of Customer Relationship Management (CRM) in Handling Customer Complaints by taking for dimension from CRM; Customer Knowledge, Customer Acquisition, Customer Response and Customer Information System. The data was collected from Customers by distributing questionnaire. The data collected by the questionnaires were analyzed by using correlation, regression, and other mathematical tools by applying SPSS version20 software. The four dimensions in the study have positive and significant relationship with Customer Complaints Handling and based on the findings, Ethiopian Insurance Corporation needs to improve customers complains management by taking these four dimensions in to consideration. The study used explanatory research method to understand the casual relationship between CRM dimensions under the study and Complaints Handling. The finding showed that the three of the four CRM dimensions Customer Acquisition, Customer Response and Customer Information System have moderate and significant relationships with Customer Complaints Handlings and the only variable Customer Knowledge was found to be rejected to have significant relationship with Complaints Handling. EIC, as recommendation, needs to have a system to respond customer complaints promptly, develop services that tailed to address individual needs and well developed information system that enable the company to manage complaints.

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CHAPTER ONE

1. INTRODUCTION

The concept and practice of Customer Relation Management has been growing through time following the dynamic changes in the market and the ever growth of customers' bargain power that demands companies to be highly concerned about the relationships they have with their customer.

1.1 Background of the Study

The discussion by researchers about Customer Relationship Management (CRM) was started in 1960s with consumer brand and store loyalty. Latter in 1970s the researchers tried to develop theories and frameworks on industrial marketing and marketing channels based on the two groups of relationships; sellers and buyers. Some authors also claimed that CRM as a business strategy that developed to select and manage the most valuable customer relationships was emerged in 1990s. The relationship which was simply between a business company and a customer, following changing in market philosophy regarding relationships, advanced the term to Customer Relationship Management (CRM) (Zulinan 2011, Ali *et al*, 2013)

Various researchers define the term CRM in different ways like it is overall process of developing and having a strong relationship through delivering superior customer value and satisfaction in a way that enables the company makes profit. CRM most of the time concerned with aspects of acquiring, keeping, and growing customers. (Kotler, 2014). Wikipedia defines CRM as an activity that enables the company to manage its relationships with current and future customers and manage their data regarding their details, analyze the data to figure out customer values and address them to improve business relationships that guarantee customer retention and sales growth. According to John, CRM is a business processes aiming at winning, knowing and keeping profitable customers through applying technology (John 2002). Brukitt says Customer Relationship Management is managing the customer database, contact centre, magazine, direct mail and the website, as well as overall management of other customer communications (Burkitt, 2006). (Zerres,Roger & Zerres, 2014) defined CRM as a processes that maximize customer value through on-going marketing activity founded on intimate customer knowledge established through collection,

management and leverage of customer information and contact history. Stephen F.K & Thomas F.B (2007), say CRM has developed on maintaining positive relationships that enhances customer loyalty and long term customer line. CRM is a strategy that focuses on a business that aims at increasing customer satisfaction and loyalty by considering individual customers interest through customized products or services (Biswamohan & Bidhubhusan, 2012, Masoomah. *et al* 2015).

Companies need to know the benefit of CRM. It is critical issues to have well developed relationship with customers that guarantee long term profitability. It gives opportunity for cross selling and reduce expenditure companies spend on customers; customers will buy from a company where there are products/services that satisfy them. Building strong relationship reduce customers' interests to incline to competitors' service or products. Investing on CRM helps to manage costs of customer retention which is less costly than finding new ones. Understanding the needs and wants of customers is a base to deliver quality services to the market, CRM plays a great role in identifying key customers, addressing their needs and wants effectively, it improves customer retention and loyalty, develop strong social relationships and make customers feel like family that reduce significantly the probability of switching to others even though they know that there is a market that can provide quality products/services with better price (Kubu & Duki, 2010, Mohd et al, 2014).

In the insurance industry, insurance companies provide services which are a promise to pay when customers experience incidents that may affect their life, loss of property, sustain bodily injury and third party liabilities. In return, customers will pay some amount in the form of premium. It is to say there has to be trust between the two parties. Providing quality services by the insurance companies will enable them to remain competent in the competitive world because the quality of the service will address the needs and wants of the customers that will satisfy them and will enable to develop strong market relationship with the insurance company (Vazifehdus & Farokhian, 2011).

Insurance clients are sensitive for the losses they experience; they need to get back to their previous position. However, insurance companies may fail to understand of urgent need of recovery and fast reaction expected by clients. This scenario may create customer dissatisfaction. This dissatisfaction may be expressed by different complaining behaviors such as voice which is a complaining behavior directly to the service provider through in person, in writing or by making call; third party action that refers to reporting the complaints to third party i.e. authority that has a power to take corrective actions; finally private actions

which is demonstrated by warning friends or families or others in the same circle not to make purchases from that company. (Lernman, 2006)

Handling complaints has to be part of CRM and customers have to be encouraged to forward their feelings. Encouraging customers to complain to the company that defect the service will provide a great opportunity to improve services and address the gap. Having appropriate means of complaints handling such as policy and procedures, assigning independent office to follow customers' dissatisfaction, and other alternatives may enable the company to reduce the likelihood of the customers dissatisfaction and break up with the company. Dissatisfied customers, as many studies shows have a tendency to tell their dissatisfaction to third party or their friends rather than to the company that defects the service. Consequently, the dissatisfaction will decrease customers' trust and loyalty.

CRM in this regard plays a great role by developing relationships with customers and helping by understanding what the customers really need through different ways especially having strong customers data base, developing customers relationship by providing mechanisms to help them forward their feelings and other alternatives in this regard.

1.2 Background of the Company

The study will be conducted by taking Ethiopian Insurance Corporation as a case study. Ethiopian Insurance Corporation was established in by proclamation No.68/1975 on 1st January 1976 with the vision to be world class insurer by the year 2025 and has a mission to provide customers with efficient and reliable insurance service and engage in investment activates by developing the right mix of expertise, the state of the art technology and cost effective strategy. EIC is contributing to the sustainable development of the national economy and play a vital role in the industry.

EIC has more than 60 branches all over the country to be accessible by its clients. It is state owned insurance company that has largest market share and the leader in the market.

Ethiopian Insurance Corporation believes, providing swift claim service is mandatory to its survival and to the fulfillment of the satisfaction of its customers. To do so, all districts and branches of the corporation are divided in four levels by their authorization limit to approve claims payments. It will enable customers to receive prompt claims handling services which are the very sensitive area of customer complaints. (Source: EIC Company Profile, 2014)

Clients need security about their properties, life and liabilities. To provide such greater security, EIC also maintains a comprehensive range of outward reinsurance contracts with the leading international reinsurance companies representing first class security in the world reinsurance market such as Munich Re & Swiss Re reinsurance companies, and also deals with other reinsurers in Africa and Asia. In addition to that, EIC accepts reinsurance businesses from abroad insurance companies operating in Africa and Asia.

EIC, even though it is an insurance company, has investment in enterprises such as: African Import and Export Bank; African Reinsurance Corporation; Motor Engineering Company of Ethiopia (MOENCO); and United Investors Share Company.

Internationally, the Corporation has long standing and strong relations with many international insurance organizations and associations and a member of three regional organizations: Federation of Afro Asian Insurers and Reinsurers (FAIR), African Insurance Organization (AIO) and Organization of Eastern and Southern African Insurers (OESAI).

EIC is administered by the Board of Management which reports to the Public Financial Enterprises Agency which is accountable to the Prime Minister's Office. The Top Management Team comprises the Chief Executive Officer, five Deputy Chief Executive Officers and four directorates. The senior management is supported by six directors of district A's & Eight Managers of district B's and a network of 51 local branches all under the supervision of their respective Districts. (Source: EIC Company Profile, 2014)

1.3 Statement of the Problem

To retain existing customers in the contemporary insurance market where customers are cancelling insurance policies for various reasons is a top priority issue. Insurance companies should understand how communication and conflict handling through the application of CRM can contribute to customer loyalty. If companies understand to maintain long term relationship with customer, that would be a guarantee for high profitability. Therefore, it would be very difficult for companies to remain competent in the market unless they understand the importance of CRM in handling complaints. (Lombard, 2011)

Companies use CRM in order to understand their existing customers and attract new one to achieve successes and growth in the competitive and rapid technological advancement market (Dhakar, 2014). Unable to understand the role of Customer Relationship Management in handling customer complaints' properly will have devastating impact on firm's successes. The role of CRM is tremendous in this perspective. (Benjamin, 2010)

In this highly competitive market, customers are demanding their interests badly, become sensitive, fast and quality service seekers. The general market is full of alternatives and softens loyalty customers have. Even though firms may not avoid service related problems 100%, they have to strive for better customer relationship management by analyzing customer problems and acknowledging complaints that at the end enable the firm retain its customers. (Dugyun, 2014)

Unable to address complaints will have adverse effect on the company to remain competent in the market. Customer's satisfaction is a pillar of marketing concept and a great source of customer loyalty. A complaint is an expression of customer dissatisfaction. Encouraging customers to complain their dissatisfaction gives chance to a company to correct problems. (B.L. Forge, 2014). When customers' complaints denied, customers lose their faith in the firm. As a result, they communicate their dissatisfactions informally to friends and sometimes, if the case worse, take their complaints to third parties like courts. (Dawn Lerman, 2006).

CRM plays a great role in identifying key customers, addressing their needs and wants effectively improves customers retention and loyalty, develop strong social relationships and make customers feel like family that reduces significantly the probability of switching even though they know that there is a market that can provide quality products/services with lower price (Duki 2010, Nastaran & Nor 2012)

Insurance companies in insurance industry in Ethiopia are increasing and the competition to retain existing customers and to win a new one is intense.

Ethiopian Insurance Corporation, the largest insurance company in the market, is competing with more than 16 private insurance companies to keep its market share and leadership. In doing so, the corporation needs to apply ample effort to maintain its relationship with its customers by paying due attention to their complaints.

These days, the dynamic market gives a great deal of bargain power to customers. They are well aware of what options they have in the market. Failure to keep closer to customers' feelings, complaints and disappointments may negatively affect the relationships customers have with the company.

The basic point to be considered under the study is the role of CRM in complaint handling based on the four CRM dimensions which are independent variables: Customer Acquisition, Customer Response, Customer Knowledge and Customer Information System. The

relationship or the influence each variable will have on the dependent variable, handling customer complaints, will be investigated.

Current Studies on CRM and its role on Customer Complaints handling are very limited. Most of the CRM studies focus on the general customer relation management. On the other hand, studies regarding customer complaints focus on customer complaints behavior. This study aims to analyze the Role of CRM on Customer Complaints handling by considering four CRM dimensions: Customer Acquisition, Customer Response, Customer Knowledge and Customer Information System.

1.4 Research Questions

In Insurance industries complaints are common; some of them are serious one to the extent of taking them to courts. This is because complaints coming from insurance customers, who sustain bodily injury, lost property, or liable to third party which, are very frustrating experiences nobody wants to have in life time. Such clients need very fast reaction and care from insurance companies. When such expectations were not met, customers lose faith in the company and may decide to make better alternative that can take care of their emotions and respond in time. CRM role in these perspectives are very critical.

This study will try to address the following research questions:

1. What is the role of Customer Responses in handling customer complaints?
2. What kind of contribution Customer Acquisition in CRM has to handle customer complaints?
3. What are the roles of Customer Information System in CRM in handling Complaints?
4. What kind of Customers' knowledge management the company has to manage its relationships with customers?

1.5 RESEARCH OBJECTIVES

1.5.1 General Objective

The general objective of the study is to investigate the role of CRM in handling customer complaints by taking four CRM dimensions: Customers Acquisition, Customer Response, Customer Knowledge and Customer Information Systems.

1.5.2 Specific Objective

- To investigate whether the company customer knowledge management affects or helps complaints handling
- To show how the company's complaints responding mechanisms significantly contribute to manage customers' complaints
- To review the general management of CRM in acquiring customers and its contribution in handling complaints
- To show the role and contribution of Customer Information System in CRM in handling complaints.

1.6 Significance of the Study

The role of CRM in insurance industry is paramount, especially in handling and solving customers' complaints. As CRM plays significant role in narrowing the gap between the company and the customer by identifying customer needs, addressing the needs, developing relationships and customer loyalty. Customers are loyal when they are not taken by competitors even though competitors may have quality services with lesser price. Such loyalty comes through the closest relationship between the two parties. Customers may not be happy always with the service provisions; but receiving their feedback/complaints and react immediately will keep them to stay loyal to the company. This study will try to bring important findings to the attention of the company that may enable to reconsider the roles CRM plays in handling customer complaints that help to remain in the contemporary competitive market.

Researchers interested in doing research papers around such topics to widen the finding or to come up with new perspectives, this study will do them good in revealing important findings related to CRM in general and the four dimensions Customers Acquisition, Customer Response, Customer Knowledge and Customer Information Systems specifically.

1.7 Scope of the Study

CRM is a vast concept that almost being practiced all over the world. Conceptually it has different dimensions. However, the study focuses only on four of them; Customer Acquisition, Customer knowledge, Customer Response and Customer Information System.

In Ethiopian insurance industry, there are about 18 insurance companies; one is state owned Ethiopian Insurance Corporation and the rest 17 are private insurance companies. To conduct the study on all the companies would make the study complex and uncontrolled to see every company's CRM role and complaints handlings. Even though insurance companies have their own market strategies and organizational structure, from the nature of the business, complaints may have some similarities. To conduct the study in controlled and manner, it will be conducted taking Ethiopian Insurance Corporation as case study for EIC is the leading insurance corporation in the industry with largest market share by taking the five districts, which are located in Addis Ababa.

1.8 Operational Definitions

Customer Knowledge: a collection of data that specifies details of individual customers that helps the company to analyze it and produce services or products to meet customers need

Customer Acquisition: a process companies uses to acquire customers through addressing individual customer needs

Customer Response: a process that responds customers' complaints through applications of communication Medias

Customer Information System: It is systems that enable companies to accumulate, process and interprets Customers data.

1.9 Organization of the Study

Chapter one: General Introduction: background of the study, statement of the problem, objectives of the study, significance of the study, scope, hypothesis and related parts, chapter two discussed review of literature that introduce what other writers or sources say about the issues under the study, the third chapter dealt with the methodology of the paper; the study use Explanatory type of research methodology, the fourth chapter summarized, analyzed and discussed finding and finally, the fifth chapter described summary, conclusions and recommendations.

CHAPTER TWO

2 REVIEW OF RELATED LITERATURE

Literatures generally support that good customer relationship enables companies to retain their customers. With the support of technology, companies are creating new mechanisms to address the ever changing need customers through well organized Customer relationship management.

2.1 Theoretical Review

The cost of getting a new customer is more expensive than the cost of retaining the existing one. CRM plays a great role in maintaining a good relationship with existing and also the potential customers. As customers expect marketers to meet their needs, building market relationship maintained through superior customer value and satisfaction. Satisfied customers stays longer with the marketer that means customers are loyal to that product or brand. CRM role in creating customer value and satisfaction is tremendous. Some companies or hotels are following advanced CRM to maintain existing customers and to attract potential one by providing superior product value and satisfaction through very friendly manner (Kotler, 2014).

Marketing relation in today's competitive market is emerging as a very important activity to retain customers. Service providing companies are well known in developing and using customer relation management and have marketing relation managers to customize their services to customers and to make CRM very successful and contribute to the effective management and growth of an organization. The term CRM also vied as a process to understand and react to customers' growing desire, understanding customer behavior and transaction information to secure customer acquisition, loyalty and profitability. (Rani 2012, Vijay & Pooja 2014)

The most critical part of CRM is the integration of business processes and the technologies that support them. The ultimate aim should be to provide a single view of the individual customer across the organization, and to provide that view to anyone who needs it. Customers are becoming more demanding, competition is growing, and the number of ways that customers will want to interact – the customer channels – will continue to multiply. The ability to service an individual customer cost-effectively, with quality and consistency – no matter what the channel – will be one of the key success factors for any business.

The twenty first century will continue to bear witness to rapid technological changes that will provide new mechanisms which the customer may be served. Customers are finding themselves much information about the market and can make better purchase decisions ever than before. The concept of globalization and customer oriented marketing strategies and approaches force firms to operate in the market in transparent manner. Customers are influential and can secure their demands in various ways and able to get product or service that can meet their need in a price they are willing to pay. (CII, Marketing Insurance products & Services 945, 2013)

It has been amazing that the last twenty years has manifested that the appetite of customers for information exchange, concern for what Medias says, closeness to each other and the ways they buy products or services have changed. This dramatic shift forced firm to consider and evaluate their old thinking about marketing concepts; even the time demands the scholars to evaluate the emerging new market philosophies. This is because the old thinking of marketing has been changed; firms can not be as competent as before with their out dated marketing philosophies in handling relationships with customers, and so forth (Sunil, 2013).

Complaints are dissatisfactions of customers one way the other and complaints have to be managed, reduced or eliminated totally if it is possible. Customer satisfaction is in the center of marketing concept that will give a birth to customer loyalty. Customers with complaints about our services or products mean they are not satisfied. Such state of mind will kill customers' loyalty. Smart marketers never see complaints lightly. They know that dissatisfied customers may not tell their dissatisfaction right away to the firm rather they would like to tell their friends or sometimes to the third party. Maintaining satisfaction among customers is unquestionable because finding new customers is harder than maintaining the existing one. Encouraging customers to complain about their dissatisfactions will give a chance to correct problems that bother its clients, to retain sales and prevent further destructions. (Bearden, 2004)

Some companies or stores have separate department/s to follow clients complaints .In small enterprises managers may handle the case. The purpose of forming such departments or managers is just to look at the complaints from the view points of the customers and resolve them as fast as possible. Settling the complaints is not the end story. Having done with the complaints, firms go back and check the sources of the complaints and the responsible

person. If a member of the staffs responsible for the complaint/s, disciplinary measure will be taken; but if the problem emanates from the system, it will be corrected and service improvement actions will be taken. (Davar, 2005)

Customers' complaints to a sort of firm have dual effects. If there is a chance to handle the complaints and correct the problems, the firm may have good chance to regain its existing customers and a chance of attractive a new one. On the other hand, if such complaints escalated, the chance of losing both of them is high. In today's competitive environment companies try follow various alternatives to remain competitive in the complex market of these days. As strategy, companies focus on efforts on customers that have various interests with it by doing important marketing activities to solve their complaints and keep them satisfied. Satisfied customer is a birth place of reputation for the company that will bring new customers and sustainable profitability by far better than competitors in the market (Adna, 2014)

Most of the time customers complain to employees in the organization seeking solution for their problems faced while dealing with the organization. This means the behavior and personality of employees matter a lot in developing customers' perceptions toward the complaint handling and quality of the service being rendered by the organization. The role of these employees in fixing complaint related problems and regaining customer satisfaction and loyalty is tremendous. On this regard managers can play great roles by providing training to employees who have contacts with customers to shape their behavior in a way that can help to meet customers' expectations. (Gruber, 2009).

2.2 Definition of CRM

These days' different researchers define the term CRM is given various ways like it is overall process of developing and having a strong relationship through delivering superior customer value and satisfaction in a way that enable the company make profit. CRM most of the time concerned with aspects of acquiring, keeping, and growing customers. (Kotler, 2014), Wikipedia defines CRM as an activity that enable the company to manage its relationships with current and future customers and manage their data regarding their details, analyze the data to figure out customer values and address them to improve business relationships that guarantee customer retention and sales growth. According to John, CRM is a business processes aiming at winning, knowing and keeping profitable customers through applying technology (John, 2002). Customer Relation Management is managing the customer database, contact centre, magazine, direct mail and the website, as well as overall

management of other customer communications. (Zerres, Roger & Zerres, 2014) defined CRM as a processes that maximize customer value through on-going marketing activity founded on intimate customer knowledge established through collection, management and leverage of customer information and contact history. CRM is a strategy that focuses on a business that aims at increasing customer satisfaction and loyalty by considering individual customers interest through customized products or services (Biswamohan & Bidhubhusan, 2012).

Companies need to know the benefit of CRM. It is critical issues to have well developed relationship with customers that guarantee long term profitability. It gives opportunity for cross selling and reduce expenditure companies spend on customers; customers will buy from a company where there are things that satisfy them. Building strong relationship reduce customers' interests to incline to competitors' service or products, investing on customers considers long term relationship, developing CRM better help to manage costs of customer as retention of customers less costly than finding new customers. Understanding the needs and wants of customers is a base to deliver quality services to the market, CRM plays a great role in identifying key customers, addressing their needs and wants effectively, CRM improves customer retention and loyalty, develop strong social relationships and make customers feel like family that reduce significantly the probability of switching even though they know that there is a market that can provide quality products/services with lower price (Kubu & Duki 2010).

2.3 The Relationship between CRM and Customer Complaints

The relationship between CRM and Complaint Handling concepts are clear. As CRM strives to secure developed relationship with customers that guarantee long term profitability relationships. To do so CRM involves in different activities that enable the company to manage its relationships with current and potential customers and manage their data regarding their details, analyze the data to understand customer values and address them to improve business relationships that guarantee customer retention and sales growth. However, customers became dissatisfied when they found the performance of services or products are below their expectations. At this point, the CRM strives for approach and address these complaints by providing different means's such as visiting the client, responding fast for the complaints and making medium of communications to collect complaints by email, phones or assigning individuals or departments that handles the matters (Thogerse 2003, Muntean et al 2002)

A good complaints management is a prerequisite for an effective CRM. To establish a good customer relation to attract, manage and reinforcing customer relationship, it is a must to welcome relational management. But there are incidents that challenge CRM and the service provider has to deal with such incidents and needs to have efficient complaints management.

Complaints management may not be successful without applying some effort. Service providers need to have feedback from customers and needs to improve their service qualities to make customers loyal through good complaints management. Therefore the main objective of complaint management is to bring back a complaining customers' satisfaction to restore the previous good relationships. This concept blends or connects itself to CRM. (Hakir 2002). Many companies apply much effort to reach customers needs and even to exceed the expectations to address customer complaints. Customer satisfaction and company profitability have direct relationship. Unable to satisfy customers may have devastating impact on company's profitability, especially unable to handle complaints and fail to restore the relationship. CRM plays a great role here in collecting customers' data to identify what they really needs, to manage relationship and make profitable multidirectional relationship with customers. Therefore, the two concepts or views are related.

2.4 CRM Perspectives and Implementations Process Models

CRM and its application in organizations give it different definitions. In some cases it can be extremely seen as a particular technological solution that companies send millions of dollars to expand their sales ; on the other hand is observed as a business strategy combined with technology to effectively manage the complete customer life-cycle and it is an e-commerce application that enable companies to manage customer relationship through a comprehensive strategy and process of acquiring, retaining and partnering with selective customers to create superior value for the company and the customer some views CRM from the perspectives that develops and maintain long term relationships with strategically significant customers that enable both parties to be mutually is beneficiary from the relationship by being more customer centric. The other view of CRM is individual base that applies one to one marketing relation that focuses on individual customer interest by listening to them and adding what the company knows. A management approach sees CRM in a way that enables organizations to identify, attract and increase retention of profitable customers by managing relationships with the organization that uses existing customer information to improve company profitability and customer service and finally CRM is seen as something that Seeks

to provide a strategic bridge between information technology and marketing strategies aimed at building long-term relationships and profitability (Ali et al, 2013).

In general, CRM can be defined narrowly and tactically or sometimes defined broadly and strategically. It also about adopting and implementing specific, customer oriented technology solution and is a holistic approach to manage customer relationships to create values. In addition to that companies apply CRM to describe their courage to address customers' requirements by being customer-centric that enable to create values.

Defining CRM matters a lot. The definition can determine how CRM is accepted and applied by the entire organization. IT is not simply a solution or CRM does not come up with solutions by simply IT applications to get right customer base and growing it. These days CRM is much more than what it was perceived. It involves great activities to produce strategic vision, a corporate wide understanding of the nature of customer value, the utilization of the appropriate information management and CRM applications and high quality operations, fulfillment and service. Managing customer relationship is a very complex activity and not a one time job that is supposed to be responsive enough and reflection of rapidly changing marketing environment. These scenarios are emphasized by CRM and that is why it is really advocated applying CRM in any organization in a broad strategic context. CRM, to achieve its goals, can be considered from different perspectives and CRM life cycle model by Kalakota has three phases which are attraction, promoting and maintenance. Every phase mentioned above enhances knowledge and comprehends the relationship between the firm and its customer. According to this theory, firms may not use every phase uniformly; every step has its own different effect on customer communications and firms may have different strategies on every phase. The other theory regarding the process of CRM is Swifts Model that has various steps: (Payne 2005, Ali *et al*, 2013).

- Knowledge discovery: It deals with analysis of customer information that enables to identify customer characteristics and investment strategies by identifying, classification and predicting customer of organization.
- Interaction with customers: it is all about implementation and customer relationship management by using relevant information at the right time and using various interaction channels to provide products.
- Market Planning: identifying means of distributions and producing customized products that be offered to specific customers and developing strategic communications pans and programs.

- Analysis of refinement: firms have strong reason of attraction and analysis of customer data through the communication that organizations have acquired by interactive paths. CRM here, according to Swift, is defined as information oriented process of customers. He says it is a continuous learning process customers in a way that finding information about them and establish the relationship with them. The information collected about customers has a great deal of importance in understanding our customers and also the data should be collected and analyzed, and appropriate responses should be given.
- Steps of Serving Clients in Customer Relationship Management: in the first place, the first step to serve customers is preparing the database our customers that will enable us to strive it to have well organized information. The data collected need to be analyze base on different techniques. The company selects customers that are supposed to be profit potential for the company by applying probability method to select them. Having done this, the next step will be developing and designing appropriate marketing mixture for targeted customers. Then, finally, based on the data or information collected in the previous steps, the communication with customers is started. After the implementation of relation management marketing, the result obtained has to be monitored and evaluated based on what we intended when we designed CRM (Payne 2005, Ali *et al*, 2013).

2.5 Types of CRM System

CRM can be classified into different categories:

- Operational CRM: it deals with the area that focuses on automation of business processes involving front-office customer contact points. The automation includes sales automation, marketing automation and customer service automation. It is a major concern for companies that consumes company's expenditure to develop sales forces or call centers. It can be seen also from a perspective that the entire process of customer communication such as marketing and sales, after sales services, feedbacks from customers should be handled by a person. Therefore, the sellers and service engineers are privileged to the history of customers.
- Analytical CRM – it is about customers' data base management that involves the capture, storage, organization, analysis, interpretation and use of data that was collected from the operational side of the business. The two types of CRM, analytical CRM and operational CRM should come to together for better result. In additions to that, this part uses various tools and techniques to analyze the data that come from the operational CRM from data collection and processing until concerned officials receive customer referrals within short period of time.

- Collaborative CRM – with the purpose of developing and applying CRM is to improve qualities of products or services a company delivers to its customers that results in increased customer satisfaction and loyalty which is the end goals in customer relationship management. For these reasons different units such as sales, marketing and other related units share information amongst of them that is obtained from customer interaction. In addition to the above, this step, as multiple units are involved, uses collaborative services and infrastructure to make interaction between a company and its multiple channels possible in a way that support interactions between the company and the customer.(Payne 2005, Ali *et al*, 2013, Suryawanshi V.K, 2013).

2.6 CRM Criticisms

Even though CRM has undeniable benefits in enabling good customer relationship that increases customer loyalty, a number of companies do not have clear picture of it to invest on and implement CRM in their company, because of the failure of the CRM concept to be up to the expectation by companies to retain customers that secure profitability. This gave an interpretation or perception that CRM on a number of occasions have been described as CRM concept may not help company and it has failed to meet its purposes. Even some writers report that 1in 5 CRM investments failed and even destroyed customer relationships. In other related sturdy, Customer Value Groups, a business advisory firm came across that CRM systems have found to be the basic or root problem in Europe's top 1,000 publicly-quoted businesses experiences loses up to 14 billion Euros profit. The concept has been cursed and found to be at the bottom line of satisfaction of popular management tools. In addition to this, one in every five users reported, according to Cranfield School of Management, that CRM failed to meet their expectations to secure profitability and growth and also destroyed long standing relationship with customers. As some sources show '69 per cent of CRM projects have little importance on sales performance and some companies think that their CRM projects are significantly were not that much successful, some studies shows that 70 per cent of CRM initiatives will fail soon and 60 per cent of CRM projects end in failure.

Such reports and worse experiences by companies may push them backward to have a positive view for CRM concepts. Even though there are various attributes to the failure of CRM at the time of implementation or development, the CRM concept by itself may not be a disaster. However, because the effectiveness of CRM may not be felt right away of at its implementations for the reason that relationship with customers needs time and consider long term relationships that may require continuous investment and support by the management.

However, because of the above experiments and bad experiences by some companies, the concept of CRM criticized and some loses faith in CRM for its ability to secure long term market relationships with customers that enables profitability and customer loyalty. (Kuni 2010, Payne 2005)

2.7 CRM Empirical Review

Insurance Companies should improve their services through customer relationship management by maintaining separate database; to visit their customers frequently managerial roles should be clearly defined and applied in make use of CRM, develop their attitude toward CRM to remain competent in cut throat competition, provide trainings to customers, and need to have proper CRM plans. (Kerbao, 2013)

Besides CRM encounters various challenges, its benefits are tremendous such as increasing customer values, increase short and long term organization profitability, reduce costs to maintain customers. To tap the overall advantage of CRM, senior management decisions are very critical with basic organizational change that agrees with the anticipated CRM initiatives. Successful CRM, to be adopted in an organization requires the organization to effectively bring together people, process and technology that have great important for CRM to be accepted by management and employees (Aliyu et al., 2013).

Customer in insurance industry request for insurance coverage, assistance in filling proposal forms, complaints lodgment, renewal of policies, claim request others have to be high concern of the organization and adoption and encouragement of information technology facilities be used as means of maintaining and managing customers relationships, maintaining customers' relationships, maintaining customers and value creation. This finding will help insurance companies, to evaluate customer relationship management to incorporation/ integrate customer retention and value creation; they have to review the customer data base. (Nwankwo & Ajemunigbohun, 2013)

Managers in insurance industry should believe in the benefit of CRM. In the insurance industry, to retain & develop loyal customers, insurance companies have to trustworthy and committed, communicating clients adequately and properly, by resolving complaints by timely and acceptable manner, limiting the complexity and disappointment felt by customers. These situations can be managed by different manners or alternatives such as monitoring complaints, communicating with customers, conducting regular survey, to make sure that how far trust worthy and committed the insurance companies are and weather the

improvements about such matters are required (Lombard, 2012).

Commitment from insurers' side to satisfy their customers will enable them is very preferable in the market. Commitment, that gives a birth to trust, is very important factor for customers' satisfaction. Insurance companies demonstrate their commitment through having well developed customer relationships with customers. The long term relationship they create with customers matter a lot that would at the end enable them remain competent in the market. As this long term relationship designed to secure customer satisfaction that as a result produce customer loyalty, insurance companies would seriously mind factors contribute for better customer satisfaction. (Vazifehudust & Frankhiah 2013).

Insurance companies have to implement CRM in their organization for various advantages of administration costs reduction, enhancing effectiveness of marketing competitiveness and increases customer responsiveness. Even though factors such as customer employees, leadership, organizational culture, strategy and structure are very important, IT takes the major share in implementing CRM strategy. (Feizal, 2013)

The Success in relation marketing strategy depends on the needs of the retailer, trust, satisfaction; management, communication, and competence are the major variables that directly affect customer loyalty through marketing relationship (Abtin & Pooromri, 2016)

This study considered organizational commitment and employee's job reform. CRM has major effect on customer satisfaction and companies who have strong Customer Relationship Management will have better satisfaction and there is a high probability of remaining with the company. the increase in the level of customer satisfaction will allow the customer to repurchase from the company and it enable the company to operate in better manner and secure its profit from the market i.e having strong Customer Relationship Management increases customer loyalty that comes up with or increase market competitiveness. The finding in general shows that CRM plays a great role in enhancing customer satisfaction, profitability, increase the size of customers, increases competitive advantage and also decreases the cost of finding potential customers. (Rana *et al.* 2015)

CRM covers managerial, personal, technical, and economical. Government or standards, environment and technology aspects in order to make if successful i.e CRM is a combination of people, strategy, technology, and process that enable of help to understand customers. It is a general approach to manage relationships through customer retention advanced relationships. It has undergone major shifts from advancement in IT and organizational

changes to applying and adopting processes which are customer centric. (Gholami & Rahman, 2012)

To make CRM or market relationships effort and practice successfully, major respondents agree that such as ease of accesses, effort to maintain relationship employee willingness, product/services diversification, adequate knowledge about customers and systems, projective employees attitudes, employees performance assessment based on relationship effort, interpersonal skills, latest software and technology, infrastructure, availability and access of individual customers information, personal connection, enjoyable interaction and others that are out comes successful CRM implementation. (Alamgir & Shamsuddohn, 2015)

High customer satisfaction justifies increased loyalty, lower cost of transaction; lower cost of attracting new customers and good will/reputation to the firm keeping customers satisfied can enhance repeat purchase and customer loyalty. These days, most companies are highly concerned about customer complaints and even consider customer complaints as a measure of Customer Satisfaction. According to some statistics, encouraging customers to complain would help cost efficient way to improve satisfaction and loyalty. (Fornell, 1992). However, if organizational channels and opportunities to complain are weak, customers may take their dissatisfaction to somewhere else other than the company. The author of this finding shows the “complain dealing with” is influential factor, representing complain management of the company. Direct complaining to increase customers’ satisfaction depends on the ability of the company to “Complain dealing with”.

Companies interest in hearing complaints from customers have been increased, particularly the dissatisfied ones. Customers can complaint in different ways like by voice, private action or third party action. The author finds that polite customers less likely to complain and may use voice to complain and both polite and non-polite customers may prefer to use third party method for their complaints (Lermon, 2006)

According to Cipriana, (2006) Customers may be dissatisfied. But they may not complain for various reasons such as lack of time and lack of trust that their problems will be solved. Customer complaints in an organization aim at improving qualities of products and services. Complaints management policy and procedure would be very useful that enables the company to keep its customers satisfied and such policies are adopted as strategy to address customer problems. In services providing companies, doing such things enable the company to regain customers trust. Customers demanding that complains should be dealt by the company.

Customers will serve as an ambassador of the company if their complaints are properly

heard, considered and solved properly. To handle customers' complaints, there should be ample effort to apply to make it effective that would restore a complaining customer satisfaction in order to stable the relationship with the company. This approach matches itself with customer relationship management by following the complain to make sure that he/she is satisfied with the service and the feedback (Hakiri, 2012)

The complaint satisfaction depends on the difference between the expectations before complaining and after complaining scenario. When the difference between justice perceived by the client and justice expected varies negatively, the understanding would be justified as the customers are not happy with the solution give for the complaints. According to the author of this research study, the compliant satisfaction has a positive impact on corporate reputation. (Duygun, 2014)

Information Technology has produced impact of companies' successes. Insurance companies and banks are now days operating using Information technology to provide quality services that at last produce profitability and strong customer relationship.CRM become more effective with the help of information technology. It enable it yield optimal results for organization. Using IT in combination of CRM is a major importance for customers' satisfaction and brings successes for the company (Oghojafor *et al* 2011).

In order to increase customers' trust in the company, companies need to have a maximum level of responsiveness, the insurance company needs to transfer correct insurance information and timely respond for customers enquires. Proper attention must be paid to customers, staffs needs to have good communication with the customers.(Tooraj & Sahel 2011).

2.8 CRM Conceptual Framework

As CRM is the most significant strategy that has to be followed by companies to remain competitive in today's market. This will be effective when a company understands how to make customers happy and by developing trustworthy relationship. It is a must that companies need a new view of the market that almost operate with a multiple options for clients that degrade the loyalty. Because of these and other reasons companies must be customer-centric by delivering quality services that meet or exceed customers' expectations and by developing strong relationship with them. The relationship needs to do a lot in bringing customer loyalty through responding their requirements, complaints, dissatisfactions suggestions promptly.

The conceptual frame work for this study is by considering four basic CRM dimensions which are believed to be related with customer complaint handling. These are Customer Acquisition, Customer Response, Customer Knowledge and Customer Information System.

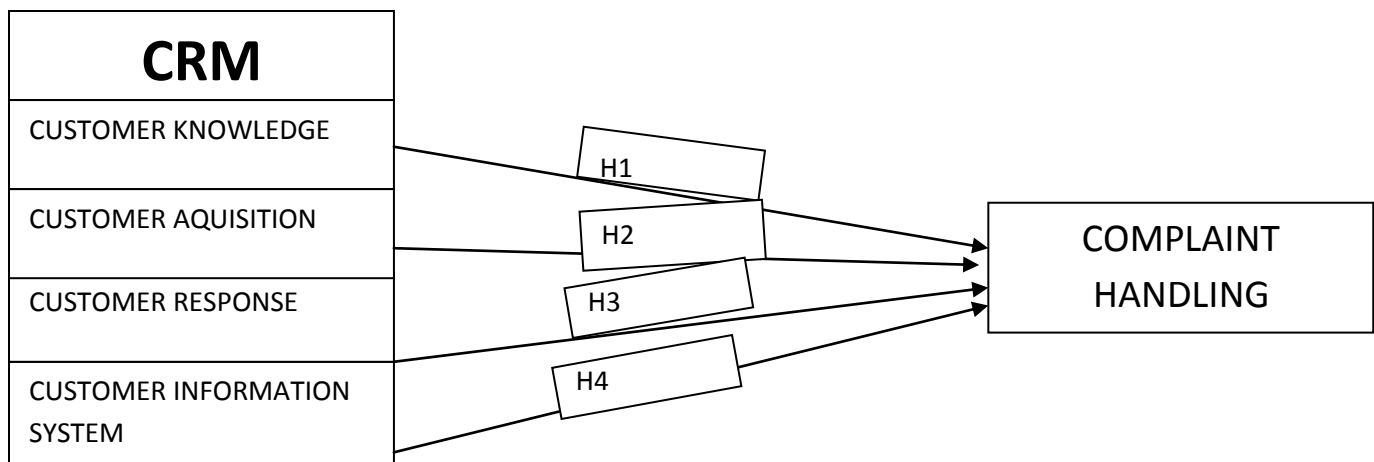
Customer Acquisition: customers may have urgent needs and may need flexible services that meet the requirement from them, customers may have individual need that has to be customized and various services are also required. Ethiopian Insurance Corporation needs to have activities to address the above requirements from customers.

Customer Response: it is about how the insurance company responds to customers' problems, complaints and suggestions promptly, using different means to communicate with customers such as phone calls, e-mails, letters, customer visits and the like, the level of understanding of customer service requirements and expectations;

Customer Knowledge: it is about whether the insurance company has enough knowledge to retain main customers, understands major customers service requirements and also understands the level of awareness about the service.

Customer Information System: it is about Information System that enables the insurance company to deal with complaints through CRM. It describes that the insurance company able to store, identify and use customer data to handle complaints, it has a computer system that helps to handle customers' information, and the insurance company has a management system that enable to check the complaints and customers relationships.(Kubi 2010, Zulkifli and Tahir 2011)

Fig.2.1: Conceptual Framework for CRM and Customer Complaints' Handling.



2.9 RESEARCH HYPOTHESES

Hypothesis is used to introduce new experiments and observation in the research world. Various researches are conducted with the purpose of testing hypothesis.

The following hypotheses were formulated and tested in the study:

- H1 There is a significantly positive relationship between Customers Knowledge and Customers' Complaint Handling.
- H2 There is a significantly positive relationship between Customer Acquisition and Customers' Complaint Handling.
- H3 There is a significantly positive relationship between Customer Response and Customers' Complaint Handling.
- H4 There is a significantly positive relationship between Customer Information Systems and Customers' Complaint Handling

CHAPTER THREE

3. RESEARCH DESIGN AND METHODOLOGY

This chapter provides methodologies used in the study. It describes the research approaches, designs, populations, samples, sampling techniques, source of data, data collection, method of data collections, reliability test and data analysis.

3.1 Research Approach and Design

As mentioned in the study, hypothesis testing is a must to get new findings. In this study, the hypothesis tested was based on conceptual frame work which was developed by reviewing various literatures. There are various types of researches available to conduct a study: Exploration research, Descriptive research and explanatory research etc. Explanatory Research type was used in conducting the study. The reason behind this research type is to find the causal relationship between customer relationship management and Customer Complaints Management to find out that customer Complaint Handling may be affected by the CRM dimensions considered under the study. These are Customer Knowledge, Customer Acquisition, Customer Responses and Customer Information Technology. In general, the study with the purpose of investigating the role of CRM in handling customer complaints used Explanatory research type to investigate valid relationship of variables under the study based on the research questions and to test the hypothesis stated in the Conceptual Frame work. (Creswell, 2008, C.R Kothari, 2004).

In evaluation of the role of CRM in handling customer's complaints, various questions will be forwarded to customers regarding their complaints and how the company handles them. To collect the data the questionnaire will be distributed. It is divided into two sections. The first section will be the general profile of respondents such as, age, career, educational qualification and the second section will ask questions based on the four dimensions customer acquisition, customer response, customer knowledge and customer information system (Zulkifli & Tahir, 2011) under CRM from the customer side from the perspectives of complaints handling.

Under this study, there are various methods, procedures and techniques used. In general research design and methodologies are applied or used to describe, under the following sub topics, data sources, sampling size, sampling techniques, data collection instruments, data analysis methods, questionnaires and the like.

3.2 Population Size

Population is the group of the whole elements that we will to make inferences (C.R Kothari, 2004) it would be very difficult to conduct a research by considering the whole population. To do so, it would be time consuming and requires a great deal of money and energy. (C.W. Emory, 1980) the study will consider Ethiopian Insurance Corporation retail and corporate clients of five districts as its population. To understand CRM in handling Customer Complaints, questionnaire will be distributed to clients of the company.

Table 3.1: Population of Respondents

Source: Business Development and Risk Management Office

No.	Name of the Districts	Number of Clients
1	Southern Addis District	1,491
2	Eastern Addis District	1,018
3	Western Addis District	1,799
4	Northern Addis District	1,555
5	Central Addis District	2,557

3.3 Sampling Size and Sampling Techniques

Sample size matters a lot in research. It has represent the population, flexible, reliable, efficient, and cost effective with less time constraints to come up with a good representation the population. It is a total number of elements taken from the population that represents the characteristics of the whole population. (Kothari, 2004, Slukla 2008)

The study considered five districts of EIC for various reasons such as homogenous characteristics of the clients all over the corporation, the accessibility of the selected districts to conduct the study and their representative capacity. Even though Ethiopian Insurance Corporation has more than 60 districts, branches and contact offices, the five districts, which

are located in Addis Ababa, take the lion share of the company's revenue and major clients. The study took 405 samples from the whole districts proportionally: from Southern Addis District 72, Eastern Addis District, 49 Western Addis District 87, Northern Addis District 75 and Central Addis District, 123.

3.4 Data Collection

In conducting studies, various tools can be used to collect data. The study uses quantitative data. To collect data from customers of the five main districts Ethiopian Insurance Corporation: Southern Addis District, Eastern Addis District, Western Addis District, Northern Addis District and Central Addis District, a questionnaire will be distributed and the respondents are selected randomly.

3.5 Data Sources and Collection Methods

The data is collected directly from customers of the five districts which is primary source of data which is very convenient for the study. This Primary data will be collected by distributing questionnaires directly for customers visiting these districts. The four CRM dimensions that selected to conduct the research will be measured based on a five-point Likert Scale with five degrees of responses. These are: 1-Strongly Disagree, 2-Disagree, 3-Neutral, 4-Agree and 5-Strongly Agree. (Zulkifli & Tahir, 2011)

3.6 Questionnaire

The questionnaire has two parts: the first part will be the general profile of the customers such as age, sex, level of education and like that which will serve for statistical purpose to say that these numbers of respondents are male or female or with this kind of academic status etc. In the second part, the customers will be asked about their complaints, how they are treated and how they feel about the overall perception they have about CRM and complaints handling by using the five-point Likert Scale. The items in the questionnaire such as the company use phone calls, usually respond customer complaints, has a computers system to handle customers' information, has a management system to handle customer relationship, the computer system is capable of storing and analyzing customer data, positive attitude about customer complaints, willing to help customers, and others are adopted from Zulkifli & Tahir, 2011 and Mohammed. & Mohammad 2015 in their research papers titled "A conceptual frame work for Customer Relationship Management practices among banks from the customer perspective and Customer Relationship Management Success Factors: An Exploratory Study" respectively.

3.7 Method of Data Analysis

As the data collected was two types: demographic and the questions regarding variables under the study, the study used descriptive statistics to give details of the characteristics of demographic nature of respondents and inferential statistics to examine the role of CRM in Customers' Complaints handling by considering the effect of the four variables under the study on complaints handling. The data collected was sorted out, arranged and analyzed using SPSS version 20 software.

The study used descriptive statistical results which are represented by tables, frequency distributions and percentages to analyze the data obtained. By using descriptive statistical results, the mean values and percentages and other descriptions will be computed for every variable in the study.

The Pearson's correlation coefficient is simply used to determine the relationships between CRM dimensions (Customer Knowledge, Customer Acquisition, Customer Response and Customer Information System) and Customers' Complaints Handling.

Multiple regression analysis was also used to examine the effect of CRM dimensions (Customer Knowledge, Customer Acquisition, Customer Response and Customer Information System) and Customers' Complaints Handling.

Regression functions

The multiple regression analysis was used in the study to analyze the relationship between the dependent variable (Customers Complaints Handling) and the independent variables (Customer Knowledge, Customer Acquisition, Customer Responses and Customer Information System)

Regress on customer complaints handling on CRM dimensions

$$CH_i = \beta_1 + \beta_2CK + \beta_3CA + \beta_4CR + \beta_5CIS$$

Where CH is the dependent variable- Customers' Complaints Handling 2CK, 3CA, 4CR, and 5CIS are the explanatory variables

β_1 is the intercept term- it provides the average effect or the mean on the dependent variable CH_i assuming all the variables are not considered or disregarded. The general interpretation of the equation under normal mathematical application is the average value of the dependent variables when we kept the independent variables equal to zero.

β_2 , β_3 , β_4 , and β_5 represent the coefficient of each independent variable respectively

measures the change in the mean value of CHI, when a unit changes in the respective independent variables.

3.8 Reliability and Validity

Validity is the most important principle that shows the degree to which an instrument measures what it is supposed to measure. It is to say, validity is the extent to which differences found with a measuring instrument shows true differences among those being tested. The relevancy, evidence often depends upon the nature of the research problem in the study and the judgment of the researcher C.R. Kothari (2004). Validity also a very important term used in research to check out that whether the research study is conceptually and scientifically sound. In research there could be some variables that may affect the findings negatively. Validity helps to eliminate or decrease the probability of confusing values or variables (Marczyk et al., 2005).

Reliability is used in a study to make sure the consistency of scores used to collect data from respondents and also the dependability the measurement techniques used in the study. The measurements instrument matters in collecting data through score. The logic behind using reliability is to make sure that our instruments are appropriate that would help to avoid or minimize the chance of errors (Marczyk et al. 2005).

Reliability can be checked out by taking some samples from the study before conducting the research at the full scale. Such process would enable us to decide whether the instruments or the scores we adopted help us to carry on the study or to make some adjustments. Measuring scales, questions in the questionnaires and other related issues most of the time are experienced from other sources or generally standardized. To make them compatible to our specific issue in the study, there must be some sort of word or body modifications. Having done all these, we need to make sure whether the instruments or scores are reliable by applying software or mathematical procedures. For this study, the reliability test would be used. From various models, Cronbach's alpha is adopted here to test reliability. According to this alpha, to accept internal reliability of data, the alpha figure has to be 0.8 or a bit more (Jonker & Pennik, 2010).

3.8.1 Reliability of the General Instrument

Instruments used in the study have to be reliable and their reliability has to be tested. The study used Cronbach's Alpha, the result would be advisable to be $>.7$. According, reliability

of the general instruments was tested by using respondents' responses to check that the instrument under the study was reliable

Table 3.2 Reliability statics for the general instruments

Source: SPSS output (2017)

Reliability Statistics	
Cronbach's Alpha	N of Items
.823	350

As Saunders, et al, (2012), the Cronbach alpha for reliability test has to be > 0.7 and each variable has to be tested in according to this philosophy to justify that the instrument used in the study is reliable. The table below shows the Cronbach alpha of each CRM dimensions.

Table 3.3 Reliability Statistics

Source: SPSS output (2017)

Variables	Cronbach's Alpha	N of Items
Customer Knowledge	0.77	350
Customer Acquisition	0.90	350
Customer Response	0.74	350
Customer Information System	0.73	350

3.9 Ethical Consideration

According to Marczyk (2005), respondents' consent has to be guaranteed while collecting data. Respondents must give their consent, free from any pressure and should understand the risks and benefits involved. The questionnaires distributed to collect data stated such information as; the reasons why the study is conducted, names and other related information is not required, the information they provide is kept confidential. In addition to this respondents are not insisted, forced or pressurized to fill the questionnaire.

As the will of respondents were a must to collect data, the research also requested Ethiopian Insurance Corporation, Human Resource Department to collect data from the five districts by producing form letter from marketing Department Head office. Having secured the permission from Human Resource Department the questionnaire were distributed to customers of the five districts by disclosing the purpose of the study and telling them that the information they provide is confidential. The research paper exerted ample effort to collect, analyze, interpret the data and generally to conduct the study ethically.

CHAPTER FOUR

4 RESULTS AND DISCUSSION

4.1 Introduction

The general outcome of the study is presented in this chapter. The analysis gives the summary of the demographic characteristics of the respondents, the mean scores, and others in detail.

4.2 Demographic Analysis of Respondents

A total number of questionnaires distributed were 405 and 364 were returned and 14 questionnaires inappropriately filled and excluded from the data analysis and the rest 350 found to be qualified to be used in the study. Accordingly, the demographic characteristics or distribution of the respondents was described as follows:

Table 4.1 Demographic Characteristics of Respondents

Source: Own Survey (2017)

Gender	Frequency	Percent
Male	203	58.0
Female	147	42.0
Total	350	100
Age		
<=30	114	32.6
31-45	148	42.3
46-60	67	19.1
>60	21	6.0
Total	350	100.
Marital Status		
Married	166	47.4
Single	161	46.0
Others	23	6.6
Total	350	100.
Educational background		
secondary	24	6.9
certificate	16	4.6
diploma	71	20.3
degree	212	60.6
Master	27	7.7
Total	350	100.
Occupation		
Salaried	156	44.6
private	162	46.3
pension	12	3.4
others	20	5.7
Total	350	100.0

As the above Table shows 52% of respondents are male and the remaining 42% respondents are female. Regarding age, 32.6% of respondents are below 30 years, 42.3% respondents are between 31 and 45, 19.1% respondents are between 46 and 60, and 6.0 % are respondents above the age of 60. In terms of marital status 47.4% of the respondents are married, 46.0% are single and the remaining 6.6 % are in others category. Academically, certificate holders are 4.6% which is the list from respondents, secondary school graduates are 6.6%, and diploma 20.3%, degree 60.6%, and masters 7.7%. It shows that the respondents' academic ground is very high. Finally, based on the job respondents of 41.6% are salaried, 46.3 private (engaged in the business they ran), 3.4% pension and 5.7% other kind of category. This implies that from the respondents, the majorities are engaged in the business they ran. It means, they are individual clients which are cold “retail clients”. The salaried group comes next. Most of the time they are corporate clients which means the organizations is clients not individuals. These companies assign people on salary base who come to Ethiopian Insurance Corporation to follow up cases and they are believed to know much about the relationship they have with management the insurance company has and the last two may fall in to one of the categories previously stated.

4.3 Descriptive Analysis

Table 4.2 Mean score on each variable

Source: SPSS output (2017)

	N	Mean	Std. Deviation	Ranking
Customer Knowledge	350	3.7269	.80109	1
Customer Acquisition	350	3.3297	.85309	2
Customer Response	350	3.1993	.89956	3
Customer Information System	350	3.0500	.97332	4
complaints handling	350	2.7066	1.02875	5

The mean score of each independent variable is computed. As table 4.4 shows mean score of Customer Knowledge is the highest in the list and the remaining three dimensions are the list one.

4.4 Analysis of Relationship

The Pearson correlation coefficient is used to determine the relationship between variables under the study. The correlation Coefficient falls between -1.0 and +1.0. The value of coefficient closer to 0.0 is interpreted as a weak relationship between variables, the value of coefficient closer to the both sides away from 0.0 said to be strong. Specifically, Coefficients or correlation results greater than 0.7 are considered strong. The value of correlation which is less than 0.3 is considered as weak, and finally the correlation value between 0.3 and 0.7 are moderate values (Cronk 2008)

Pearson correlation coefficient was used in this study to determine the relationship between Customer Relationship Managements variables (Customer Knowledge, Customer Acquisition, Customer Response and Customer Information System) and Customer Complaints Handling. Using the Pearson's Correlation Analysis method, the relationship was analyzed in the table below.

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

Table 4.3: Pearson Correlation

Source: SPSS output (2017)

		Correlations				
		Customer knowledge	Customer acquisition	Customer response	Customer information system	Complaint handling
Customer knowledge	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	350				
Customer acquisition	Pearson Correlation	.712**	1			
	Sig. (2-tailed)	.000				
	N	350	350			
Customer response	Pearson Correlation	.600**	.613**	1		
	Sig. (2-tailed)	.000	.000			
	N	350	350	350		
Customer information system	Pearson Correlation	.509**	.595**	.627**	1	
	Sig. (2-tailed)	.000	.000	.000		
	N	350	350	350	350	
Complaints handling	Pearson Correlation	.442**	.491**	.557**	.484**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	350	350	350	350	350

Table 4.5 shows, shows the range of the relationship between 0.442 to 0.557. This reveals moderate relationship between the variables and every independent variable. The highest value is Customer Responses which is 0.557, and Customer Acquisition 0.491, Customer Information Systems 0.484, and finally Customer Knowledge 0.442.

There is positive and significant relationships between Customer Knowledge and Customers' Complaints Handling even though the significance can be said moderate one at the value ($r=0.442$, $p<0.01$), Customer Acquisition and Customers' Complaints Handling ($r=.491$, $p<0.01$), Customer Response and Customers' Complaints Handling ($r=.557$, $p<0.01$), and Customer Information System and Customers' Complaints Handling ($r=.484$, $p<0.01$).

4.5 Effects of Independent Variables on Dependent Variables

Multiple regression analysis was used to analyze the effect of independent variables under this study Customer Knowledge, Customer Acquisition, Customer Response and Customer Information System on the dependent variable, Customers' Complaints Handling. One of the regression analysis output, the model summary, shows R square and standard error. R square determines the proportion of the variance of dependent variable in terms of the independent variables.

4.6 Multicollinearity

According to Kothari (2004) high degree of correlation between independent variables, we face the multicollinearity problem. When the value of correlation Coefficient is greater than .80, it is an indication that one of the variables has to be avoided or create a new in place of the removed one. We can check this in the collinearity statistics under 'Tolerance' column. If tolerance value less than 0.01, and also the VIF are greater than 10, it shows that we have faced a multicollinearity problem. As we can understand from table 4.8, the VIF value and tolerance for Customer knowledge = 2.226 and .449, Customer acquisition=2.467 and .405, Customer response=2.068 and .484 and Customer information system=1.868 and .535 respectively. It showed that the data collected in the study can be analyzed with out face a big problem of multicollinearity.

The **ANOVA** summary table takes how acceptable the model used in the study is. Accordingly, we have significant details in the table. The significant level must be below 0.05 and also the F value is 48.68 at .000 sig value. This shows that the model we used in the study is acceptable.

Table 4.4 ANOVA
Source: SPSS output (2017)

ANOVA ^a					
Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	133.260	4	33.315	48.682	.000 ^b
Residual	236.095	345	.684		
Total	369.355	349			

a. Dependent Variable: Complaints handling

a. Predictors: (Constant), Customer information system, Customer knowledge, Customer response, Customer acquisition

Table 4.5 Model Summary
Source: SPSS output (2017)

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.601 ^a	.361	.353	.82724	.361	48.682	4	345	.000

b. Predictors: (Constant), Customer information system, Customer knowledge, Customer response, Customer acquisition

The study has developed multiple regressions analysis models that represents the beta coefficients of every dimension in CRM: Customer Knowledge, Customer Acquisition, Customer Response and Customer Information System. The formula is presented below.

$$CH_i = \beta_1 + \beta_2CK + \beta_3CA + \beta_4CR + \beta_5CIS$$

Where CH is the dependent variable- Customers' Complaints Handling

2CK, 3CA, 4CR, and 5CIS are the explanatory variables

Where: CK = Customer Knowledge, CA = Customer Acquisition

CR= Customer Response, CIS= Customer Information System

Table 4.6: Multiple Regression Analysis rustles of Customer Relation Management dimensions and Customers' Complaints Handling

Source: Own SPSS output (2017)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	.112	.217		.517	.605		
1 Customer knowledge	.063	.082	.049	.759	.448	.449	2.226
Customer acquisition	.193	.082	.160	2.372	.018	.405	2.467
Customer response	.380	.071	.333	5.372	.000	.484	2.068
Customer information system	.164	.062	.155	2.639	.009	.535	1.868

$$CHI = \beta_1 + \beta_2CK + \beta_3CA + \beta_4CR + \beta_5CIS$$

$$\beta_1 = .112$$

$$\beta_2 = .063$$

$$\beta_3 = .193$$

$$\beta_4 = .380$$

$$\beta_5 = .164$$

$$CHI = .112 + .063CK + .193CA + .380CR + .164CIS$$

Beta coefficients enable us to evaluate models by checking multicollinearity of the study which is critical aspect in interpretation in regression analysis. The value of variance inflation factor (VIF) must be less than 10. Rather further investigation may be required. Under this study, the requirement of VIF is met. Regarding tolerance level, values have to be greater than 0.01 and this requirement also met under this study.

The general outcome shows that the beta values in the above formula shows that the customer relationship management dimension except one variable as an exception, have important influence in handling customer complaints handling in Ethiopian Insurance Corporation.

Hypothesis Testing

Hypothesis testing is described to check that whether the hypothesis in the study is to be accepted or rejected. It is based on Sig. value (Significance Value which has to be <0.05).

Summary of Hypothesis Testing Outcomes

Hypothesis	Analysis Used	Results	Reason
H1: There is a relationship between Customers Knowledge and Customers' Complaint Handling.	Multiple Regression	H1: is not supported	sig = .448
H2: There is a relationship between Customer Acquisition and Customers' Complaint Handling.	Multiple Regression	H2: is Supported	Sig =.018
H3: There is a relationship between Customer Response and Customers' Complaint Handling	Multiple Regression	H3: is Supported	Sig =.000
H4: There is no a relationship between Customer Information system and Customers' Complaints' Handling	Multiple Regression	H4: is Supported	Sig =.009

CHAPTER FIVE

5 CONCLUSION AND RECOMMENDATION

5.1 Introduction

The study has gone far through to come up with results using various methods. This part tried to give a general summary of findings, conclusion and recommendation.

5.2 Summary of Findings

The general objective of study look of the role of CRM in handling customer complaints by taking four CRM dimensions: Customers Acquisition, Customer Response, Customer Knowledge and Customer Information Systems. Accordingly, the study presented the summary of findings as follows.

As demographic characteristics, reliability tests for the dimensions in the study and also the reliability of the research instrument employed, descriptive statistics, Cronbach alpha and other techniques were used to make sure that the test gives a green light to carry on the study.

The results of the mean values of customer relationship management in handling complaints show various figures. The mean of respondent for Customer Knowledge is 3.7269, 3.3297 for Customer acquisition, 3.1993 for customer response and finally 3.05 for customer information system. It shows that customer knowledge has a better rank from respondents even though it could not be related with complaints handling which is the dependent variable and the customer knowledge hypothesis was rejected.

The relationship between customer relationship management variables: customer knowledge, customer acquisition, customer response and customer information systems are moderate one. As Pearson correlation coefficient determines it that values fall between -1.0 to +1.0 The values closer to 1.0 shows that the relationship between two variable are strong, if the values closer to 0.0 there is no relationship at all and if the values closer to 1.0 it shows that there is strong relationships between variables but the relationship is negative. If the values fall in between of 0.3 and 0.7, the relationships between variables would be said moderate.

Pearson correlation coefficient applied in this study showed that the relationship is between 0.442 to 0.557 that demonstrate there is moderate relationship between dependent variable and every independent variable. The highest value is Customer Responses which is 0.557,

and Customer Acquisition 0.491, Customer Information Systems 0.484, and finally Customer Knowledge 0.442.

The multiple regression outcomes produced that the beta values in the finding showed the customer relationship management dimension except one variable as an exception, have important influence in handling customer complaints handling in Ethiopian Insurance Corporation. Customers Knowledge is not related with Customer Complaints Handling even though other studies show its value to maintain customer relationships under this study which tried to see it in the perspective of complaints handling, the outcome Sig value (sig = .448), at 95% confidence level ($p < 0.05$) showed that it has no relevance for it. The rest variables hypothesis is accepted for they have relationships with complaints handling. Customers Acquisition is related with Customer Complaints Handling Sig. value (Sig = .018), at 95% confidence level ($p < 0.05$), Customers Response is related with Customer Complaints' Handling with Sig. value (Sig = .000), at 95% confidence level ($p < 0.05$) and Customer Information system is related with Customer Complaints Handling with Sig. value (Sig = .009), at 95% confidence level ($p < 0.05$).

5.3 Conclusion

The main purpose of conducting this research study is to check that whether the customer relationship management dimensions: Customer Acquisition, Customer Knowledge, Customer Response and Customer Information System have significant effect on Handling of Customer Complaints in Ethiopian Insurance Corporation Selected Districts.

The result of the analysis showed that the corporation regard to handling customer complaints is somehow weak. Respondents displayed that they are not happy with the customer complaints management of the corporation, the data management systems, information technology applications for customer complaints management is not satisfactory, developing services, making services to the level that can address individual needs also is not successful in EIC as the respondents disclosed.

The result showed that the strongest relationship is observed between customer response and customer complaints management. The majority of respondents did not believe that Ethiopian Insurance Corporation responds customer complaints promptly, does not have access or means of communications such as phone calls, emails and other means to serve customers and even respondents do not agree that the corporation knows its customers' service requirements and expectations.

Regarding Customer Acquisition which, the findings shows respondents did not agree that the company has Variety of services that attracts its customers, customized services to address individual customers' needs, has flexible measures for customers' urgent requirements, uses customers' information to develop a new market and to develop marketing planning.

Customer Information system was one of the variable to be examined its effect on compliant handlings. Still data from respondents shows that the corporation is left with assignments in improving using computer systems. The computer system did not accumulate enough data of complaints. They should be organized in a way that it enables the corporation resolve complaints relate problems and maintain long term relationships.

5.4 Recommendation

Based on the findings of this study, the following recommendations are forwarded to increase the role of CRM in Handling Customer Complaints to have well developed and trust worthy relationships with customers in Ethiopian Insurance Corporation. As the significant values of the research findings showed that the variables under the study significantly related with the dependent variable Customers' Complaints Handling:

- ✓ To handle customers' complaints the company has to manage customer knowledge to understand customers' service requirements.
- ✓ The Corporation has to improve its services by developing its Customer Response efforts. Timely and prompt responses to complaints and service requirements; in insurance we may summarize them as claims and under writing practices. The claim handling process is the back bone of service in insurance industry. If a company fails to manage it, there would be a great deal of complaints. As mentioned above, a sensitive customer would not wait long for his claims.
- ✓ Ethiopian Insurance Corporation needs to have short and precise claims handling procedures that its customers are very familiar with.
- ✓ The corporation needs to organize office/offices and personnel assigned to handle customer complaints.
- ✓ The office has to collect complaints and responds promptly to Customers. Otherwise customers may not come again unless they are considered valuable and their complaints are responded in time. EIC has to improve its services by developing Variety of new polices, by responding customer quires promptly, communicate with clients regularly by using emails, phone calls, paying visits and by other means and in addition, it has to use a strategy that enable it to address individual customers needs.
- ✓ The corporation needs to produces new services that attract new customers, producing customized services to show how far it goes to address its client's individual needs, and adopt flexibility for customer immediate service requirements.

- ✓ The corporation needs to address exceptional and out of standard insurance requests by consulting the re-insurance companies.
- ✓ Policies are with risk exclusions. That means some risks are not covered by that policy. However, the customer may come and insist the cover. The company still has to be ready to address such requests by the customer.
- ✓ The corporation also has to consider Customers' Information System in improving relationship with their customers. It would be very important to have well developed computer system to manage customers' data and it has to be used to improve complaints management.
- ✓ The system should enable customer to send their complaints from where they are, to follow up their complaints from anywhere. Comments and suggestions from them need to be incorporated with the information system; then the system has to analyze and make it ready to be used by the concerned body.
- ✓ Finally, the corporation needs to have clear policy and procedure to handle customers' complaints properly.
- ✓ Not only that the policies, the plans and strategies need to be developed considering customers complaints. If customers' complaints are not part of the company's strategy or plan, there would not be place, personnel and other resources to handle it. Rather, complaints may be lost or fall wrong place. This by itself may worsen the case.

5.5 Limitation of the Study

The study was conducted in Ethiopian Insurance Corporation selected five districts found in Addis Ababa. Since the study did not consider the whole braches and districts of the corporation, this limits the generalization of the study.

Further Studies have to conduct considering the remaining various dimensions of Customer Relationship Managements and taking the whole districts and braches of Ethiopian Insurance Corporation and also the insurance industry at large.

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APPENDICES

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	133.260	4	33.315	48.682	.000 ^b
	Residual	236.095	345	.684		
	Total	369.355	349			

a. Dependent Variable: Complaints handling

c. Predictors: (Constant), Customer information system, Customer knowledge, Customer response, Customer acquisition

ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE
MARKETING MANAGEMENT GRADUATE PROGRAMME

Customer Relation Management and Complaints Handling
Questionnaire to be filled by Customers of Ethiopian Insurance Corporation

The purpose of this questionnaire is to collect primary data for conducting a study on the topic, “The Role of Customer Relationship Management in Handling Customer Complaints in the case of Ethiopian Insurance Corporation “for the partial fulfillment of the Master of Art Degree in Marketing Program at Addis Ababa University School of Commerce. I kindly request you to forward your genuine information. The data collected is confidential and will only be used for analysis of the study and not for other purpose.

Thank you in advance for your cooperation

N.B

- No need to write your name
 - ***please circle inside the box or table for an alternative you think is right.***

Part I: Demographic Profile

1. Gender : ☐ Male ☐ Female

2. Age : ☐ < 30 ☐ 31-45 ☐ 46-60 ☐ > 60

3. Marital Status: ☐ Married ☐ Single ☐ other _____

4. Highest Level of Education: High School

☐ Certificate

☐ Diploma

☐ Degree

☐ Masters and above

5. Occupation: ☐ Salaried ☐ Self-employment ☐ Retired ☐ Other _____

Part II: Customer Relationship Management and Customer Complaints Handling

1= Very dissatisfied 2= Dissatisfied 3= Neutral 4= Satisfied 5= Very satisfied

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
		1	2	3	4	5
CK1	The Company is knowledgeable about how to obtain main customers	1	2	3	4	5
CK2	The Company understands its customers' service requirements	1	2	3	4	5
CK3	The Company has fruitful capabilities to obtain new customers	1	2	3	4	5
CK4	I often introduces other customers to purchase the company's services	1	2	3	4	5
CK5	I often insists on using the company's services	1	2	3	4	5
CA1	The Company has a Variety of services that attracts its customers	1	2	3	4	5
CA2	The company has customized services to address individual customers needs	1	2	3	4	5
CA3	The company has flexible measures for customers' urgent requirements.	1	2	3	4	5
CA4	The Company uses customers information to develop a new market	1	2	3	4	5
CA5	The Company uses customers information to develop a new marketing planning	1	2	3	4	5
CR1	The company responds to customers' complaints promptly	1	2	3	4	5
CR2	The company uses phone calls, emails & other means to communicate with customers	1	2	3	4	5
CR3	The company would initiatively knows customers service requirements and expectations	1	2	3	4	5
CR4	The Company has great reputation, therefore customers would initiatively requires bout services company renders	1	2	3	4	5
CIS1	The Company is capable of using its computer systems to handle customer's complaints	1	2	3	4	5
CIS2	The Company computer system is capable of organizing, classifying interactions between Service providing staffs and customers	1	2	3	4	5
CIS3	The company has computer system sufficient to handle customers' information	1	2	3	4	5

CIS4	The company has a management system to check transactions and customer relationships	1	2	3	4	5
CH1	The company has organized customer complaints handling procedures	1	2	3	4	5
CH2	The company assigned independent personnel to handle complaints					
CH3	Customers know where to take their complaints	1	2	3	4	5
CH4	Employees are very cooperative with Customer's complaints	1	2	3	4	5
CH5	Managers are committed enough and accessible to solve problems customers complained about	1	2	3	4	5

Thank You!!!

አዲስ አበባ ዩኒቨርሲቲ የንግድ ስራ ትምህርት ቤት

የገበያ አመራር የማስተርስ ዲግሪ ፕሮግራም

የደንበኛ ግንኙነት አመራርና ቅሬታ አያያዝ መጠይቅ በኢትዮጵያ ኢንሹራንስ ኮርፖሬሽን ደንበኞች የሚሞላ

የዚህ መጠይቅ አላማ “በደንበኞች ቅሬታ አያያዝ በኢትዮጵያ ኢንሹራንስ ኮርፖሬሽን ውስጥ የደንበኞች ግንኙነት አመራር ሚና” የሚለውን ርዕስ በተመለከተ በአዲስ አበባ ዩኒቨርሲቲ የንግድ ስራ ትምህርት ቤት ውስጥ ለሚሰጠው የማርኬቲንግ ፕሮግራም ማስተርስ ዲግሪ ማሟያ የሚውል ጥናት ለማከናወን የመጀመሪያ ደረጃ መረጃ ለማሰባሰብ ነው፡፡ ትክክለኛ ሃሳብዎን እንዲገልፁልኝ በማክበር እጠይቃለሁ፡፡ የተሰበሰበው መረጃ ሚስጥራዊ ሲሆን አገልግሎቱም ጥናቱን ለመተንተን እንጂ ለሌላ አገልግሎት አይውልም፡፡

በቅድሚያ ለትብብርዎ አመሰግናለሁ፡፡

ማስታወሻ

- ስምዎን መፃፍ አያስፈልገውም
- እባክዎን በሳጥኑ ውስጥ ወይም በሰንጠረዡ ውስጥ ትክክለኛ መልስ ነው ብለው የሚያስቡትን አማራጭ ያክብቡ፡፡

ክፍል 1 : የግል መረጃ

1. ፆታ ☐ ወንድ ☐ ሴት
2. እድሜ ☐ እስከ 30 አመት ☐ ከ31-45 ☐ ከ46-60 ☐ ከ60 በላይ
3. የጋብቻ ሁኔታ ☐ ያገባ ☐ ያላገባ ☐ ሌላ _____
4. ከፍተኛው የትምህርት ደረጃ

☐ ሁለተኛ ደረጃ ትምህርት
☐ ስርተፊኬት
☐ ዲፕሎማ
☐ ዲግሪ
☐ ማስተርስና ከዚያ በላይ
5. ስራ ☐ ደመወዝ ☐ የግል ስራ ☐ ጡረተኛ ☐ ሌላ _____

ክፍል 2: የደንበኛ ግንኙነት፣ የአስተዳደር እና የደንበኛ ቅሬታ አያያዝ

1= በጣም አልረካሁም 2 = አረካሁም 3 = መካከለኛ 4 = ረክቻለሁ 5 = በጣም ረክቻለሁ

		በጣም አልበላማም	አልበላማም	መካከለኛ	እስከማለሁ	በጣም እስከማለሁ
ሲኬ 1	ኩባንያው ደንበኞች የመያዝ ክህሎት አለው	1	2	3	4	5
ሲኬ 2	ኩባንያው የደንበኞች የአገልግሎት ፍላጎቶች ይረዳል	1	2	3	4	5
ሲኬ 3	ኩባንያው አዳዲስ ደንበኞች የመያዝ ክህሎት አለው	1	2	3	4	5
ሲኬ 4	አንዳንድ ጊዜ ደንበኞች የኩባንያውን አገልግሎት እንዲገዙ አስተዋውቃለሁኝ	1	2	3	4	5
ሲኬ 5	የኩባንያው አገልግሎቶች አጠቃቀም አልፎ አልፎ አስተያየት እሰጣለሁኝ	1	2	3	4	5
ሲኤ1	የኩባንያው የተለያዩ አገልግሎት ስለሚሰጥ ደንበኞችን የሚማርክ ነው	1	2	3	4	5
ሲኤ2	ኩባንያው የእያንዳንዱ ደንበኛ የአገልግሎት ፍላጎት ላይ ተደራሽ ነው	1	2	3	4	5
ሲኤ3	ኩባንያው አስቸኳይ ለሆኑ መስፈርቶች ተለዋዋጭ የሆነ እርምጃዎች የመውሰድ አቅም አለው	1	2	3	4	5
ሲኤ4	ኩባንያው አዳዲስ ገበያዎች ለማስፋፋት የደንበኞች መረጃ ይጠቀማል	1	2	3	4	5
ሲኤ5	ኩባንያው የደንበኞች መረጃ በመጠቀም የግብይት እቅድ ያወጣል	1	2	3	4	5
ሲአር 1	ኩባንያው የደንበኞች አቤቱታዎችን በአግባቡና በጥብቅ ይቀበላል	1	2	3	4	5
ሲአር 2	ኩባንያው የስልክ ጥሪዎች፣ ኢማይል እና ሌሎች የመገናኛ ዘዴዎች በመጠቀም ከደንበኞች ግንኙነት ያደርጋል	1	2	3	4	5
ሲአር 3	ኩባንያው የደንበኞች አገልግሎት ፍላጎቶች እና የሚጠብቁት ነገር ያውቃል፡፡	1	2	3	4	5

ሲኦር 4	ኩባንያው አገልግሎት በሚሰጥበት ጊዜ ለደንበኞች ትልቅ ክብር ይሰጣል፡፡	1	2	3	4	5
ሲኦይኤስ1	ኩባንያው የደንበኞች አቤቱታ የሚቀበልበት ወይም የሚመዘግብበት የኮምፒውተር ስርዓት አለው	1	2	3	4	5
ሲኦይኤስ2	ኩባንያው በአገልግሎት ሰጪ ሰራተኞችና ደንበኞች ያለው ግንኙነት ለማድረግ የኮምፒውተር ስርዓት ዘርግቷል፡፡	1	2	3	4	5
ሲኦይኤስ3	ኩባንያው የደንበኞች መረጃ የሚመዘግብበት የኮምፒውተር ስርዓት አለው	1	2	3	4	5
ሲኦይኤስ4	ኩባንያው የግብይትና የደንበኛ ግንኙነቶች በተመለከተ ጥሩ የማይገኝበት የአስተዳደር ስርዓት አለው	1	2	3	4	5
ሲኤች1	ኩባንያው የደንበኞች አቤቱታ የአያያዝ ስርዓት አደራጅቷል	1	2	3	4	5
ሲኤች2	ኩባንያው አቤቱታዎችን የሚያይ የሚመረምር እራሱን የቻለ ፐርሶኔል መድቧል	1	2	3	4	5
ሲኤች3	ደንበኞች አቤቱታቸውን የት እንደሚያቀርቡ ያውቃሉ	1	2	3	4	5
ሲኤች4	ሰራተኞቹ የደንበኛ አቤቱታ በሚቀርብበት ጊዜ በጣም ይተባበራሉ	1	2	3	4	5
ሲኤች5	ስራ አስኪያጆቹ የደንበኞች አቤቱታ ለማየት በትጋት ችግሩን መፍታት ይሞክራሉ	1	2	3	4	5