KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY

Customer Relationship Management in Ghanaian Rural Banks: A Case Study of Upper Manya Kro Rural Bank

by

Josephine Adjepong (BA)
[PG4078810]

A thesis submitted to the Institute of Distance Learning Kwame Nkrumah University of Science and Tecnology (Knust) Kumasi in partial fulfilment of the requirement for the award of a masters degree in COMMONWEALTH EXECUTIVE MASTERS IN BUSINESS ADMINISTRATION

JULY, 2012

DECLARATION

I, **JOSEPHINE ADJEPONG,** do hereby declare that this work is the result of my own research carried under the supervision of Nana Nimo Appiah-Agyekum and has not been presented by anyone for any academic award in this or any other university. All references used in the work have been fully acknowledged.

I do bear sole responsibility for any shortcomings

………………………………………….   ………………………………

JOSEPHINE ADJEPONG   DATE

(STUDENT)

…………………………………………   …………………………...

NANA NIMO APPIAH-AGYEKUM   DATE

(SUPERVISOR)

DEDICATION

I dedicate this work to my family for their support.

ACKNOWLEDGEMENT

My profound gratitude goes to my supervisor Nana Nimo Appiah-Agyekum of University of Ghana Business School Legon, for availing his expertise, suggestions, advice, comments and constructive criticisms to the completion of this write up.

Special note of appreciation also goes to all officers of Upper Manya Kro Rural Bank who helped in granting me interviews for this purpose.

TABLE OF CONTENT

KNUST

LIST OF TABLES

LIST OF APPENDICES

KNUST

ABSTRACT

CRM has become widely recognized as an important business approach and it is basically about finding, getting and retaining customers. The primary goals of CRM are to: build long-term and profitable relationships with chosen customers; get closer to those customers at every point of contact; and maximize the company's share of the customer's wallet. On this note the study therefore set out to investigate the dynamics of customer relationship management in Upper Manya Kro Rural Bank Limited in Ghana. In pursuit of this goal, the study reviewed relevant secondary data gathered from the internet, journals and publications on the subject of the research.

Primary data was collected from ten (10) customer relationship officers purposively selected from 6 branches of Upper Manya Kro Rural Bank. The responses gathered from the interviews were analysed, interpreted and presented qualitatively and contrasted with the empirical evidence provided in the literature review.

At the end of the analyses, the study determined that indeed customer relationship management played an important role in the survival, growth and profitability of rural banks in Ghana. The study also identified constraints faced by rural banks in managing their customer relationship and therefore recommended that UMKRB as well as other small scale and rural financial institutions create an appropriately resourced customer relations unit solely tasked with customer relationship management.

CHAPTER ONE

INTRODUCTION AND BACKGROUND TO THE STUDY

1.0   INTRODUCTION

Increasing global competition and transparency amongst suppliers and prices, make customers more demanding and mobile between firms. As a result, service quality alone is not anymore sufficient to increase customer loyalty and repeat purchases. In this vein, customer relationship management (CRM) has nowadays been widely argued as a strategic necessity for enhancing the competitiveness and performance of a firm.

Interest in customer relationship management (CRM) began to grow in 1990s (Xu et al., 2002). Since gaining a mass following in the mid-1990s, companies have poured millions into customer relationship management (CRM) software and solutions. Massey (2002) however notes that the basics of CRM have been around ever since the birth of commerce deriving from the fact that at the heart of every business transaction lies the process of interaction between customer and vendor. Managing this interaction so that customers willingly return should be the goal of every customer-facing organization.

Regardless of the size of an organization, businesses are still motivated to adopt CRM to create and manage the relationships with their customers more effectively. An enhanced relationship with one's customers can ultimately lead to greater customer loyalty and retention and, also, profitability. In addition, the rapid growth of the internet and its associated technologies has greatly increased the opportunities for marketing and has transformed the way relationships between companies and their customers are managed (Bauer et al., 2002).

Deriving from the above, Massey et al. (2001) aver that CRM is about attracting, developing and maintaining profitable customer relationships over time. In this respect it is nothing ground-breaking. What has made it increasingly significant, however, is heightened global competition and new ways of working which mean that the balance of power is shifting firmly into the hands of the paying customer.

This growing significance is strongly anchored in the service economy where CRM systems and technologies offer multiple opportunities to deal with service characteristics like intangibility, inseparability, heterogeneity and perishability (Parasuraman et al., 1985). First, specifically for service firms having an important dematerialized part of offering, like airlines companies, hotels or banks, CRM is expected to multiply opportunities for delivering information to customers, providing offerings and answers to complains (Willcocks and Plant, 2001).

Second, CRM is expected to contribute to existing or new relationships (Liliander and Strandvik, 1993). As services are delivered through processes, their use is very often dissociated from the purchasing process. Rather than having a transaction for each purchase, the interaction with customers encompasses acts, episodes and sequences, the whole process resulting into a relationship (Grönroos, 2007). For example, a credit card is purchased once while its use is daily. In such systems, what matters is the established long-term relationship and consequently the coordinated contribution of all interactions to this relationship building.

Third, CRM has the potential to facilitate the customization of the offerings (Gilmore and Pine, 1997) by gathering and processing available information on customers in the purpose of increasing their loyalty. Finally, CRM is expected to reduce the transaction costs by adapting the interaction to the kind of answer expected by the client. Consequently, the pivotal role of CRM

systems in increasing loyalty of profitable customers is of first importance for most of services companies (Claycomb and Martin, 2002).

Recognizing not only the importance of CRM to the success and growth of rural banks but also the dearth of information on the subject matter in developing countries, this study attempts to investigate the concept of CRM in using the Upper Manya Kro Rural Bank [UMKRB] as an example.

1.1   STATEMENT OF THE PROBLEM

Customer Relationship Management (CRM) is an attractive area for research because of its relative novelty and exploding growth. CRM may be seen as a strategic weapon in attracting and retaining customers and has become one of the most significant factors in the success of both manufacturing businesses and service providers (Woodruff, 1997), especially in the banking sector. Jensen (2001) suggests that firms should reorient their operations towards the creation and delivery of superior customer value through an improved CRM performance if they are to survive in the modern day competitive industry.

Despite the importance attached to CRM, Wang et al (2004) assert that the growing body of knowledge on the subject is rather fragmented; different points of view are advocated with no widely accepted way of pulling views together. Additionally, related empirical study on CRM in the banking sector is very limited and the few relevant studies have not yet yielded any unambiguous interpretations of the key dimensions of CRM (Lapierre, 2000).

A preliminary investigation on the subject also identified the paucity of empirical information on CRM in Ghana and other developing countries with the limited information available having

relatively little empirical basis. Additionally, only a few studies on CRM have focused on the rural banks in developing countries.

This study therefore aimed to address the paucity of information on the subject and further fill the knowledge gap on CRM in the rural banking sector in Ghana and other developing countries.

1.2   RESEARCH OBJECTIVES

The study purposed at investigating the CRM practice in UMKRB and further made prescriptions to the enhancement of CRM activities. Specifically, the study drew on relevant situations in UMKRB to

- assess the CRM practice and processes in Rural Banks
- determine how customer relationship is managed in Rural Banks
- identify the determinants of CRM in Rural Banks
- identify the prospects and constraints of CRM in Rural Banks

1.3   RESEARCH QUESTIONS

In pursuit of the objectives above the study sought to answer the following questions

- How is customer relationship managed in rural banks?
- What factors influence the success or otherwise of CRM in rural banks?
- What benefits will be derived by firms that pay optimal attention to CRM?
- What factors inhibit the success of effective CRM in rural banks?
- How can effective CRM be enhanced in the rural banks?

1.4 SIGNIFICANCE OF THE STUDY

The dearth of information on CRM in developing countries makes it almost impossible for managers to determine and identify those value creation and delivery processes and activities that contribute the most to the intended performance aspect of CRM to maximize customer equity of their firms (Wang et al, 2004). In practice therefore, empirically investigating the key dimensions of CRM is extremely important – because it will help firms understand the effects of each dimension of CRM and allocate their limited resources accordingly.

Besides contributing to the area of CRM performance in general as mentioned above, this study also makes important contributions to this subject by examining the rural banking sector in the Ghanaian context. This study thus aids Ghanaian rural banks to have a deep understanding of the key dimensions of CRM, to build up sustained differential advantages and accordingly, superior firm performance.

Furthermore, comparatively speaking, less related knowledge has been accumulated on CRM in the rural banking sector to provide special guidance in developing countries than that for developed economies. This study, conducted within the context of a Ghanaian rural bank, may help to redress this imbalance in empirical work.

1.5 LIMITATIONS OF THE STUDY

Although this study is applicable to most rural banks in Ghana and other parts of the developing world, it was limited to Upper Manya Rural Bank Limited in the Eastern Region of Ghana.

1.6 CHAPTER DISPOSITION

The work was organized into 5 chapters with chapter one embodying the introduction and background of the study. Chapter two reviewed literature on CRM while chapter three presented

the instrumentation and methodological approach to the study. Chapter four analyzed and discussed the data gathered while chapter five presented the summary, conclusions and recommendations of the study.

CHAPTER TWO

LITERATURE REVIEW ON CRM

2.0   INTRODUCTION

This chapter embodies a review of empirical and normative literature on CRM. The chapter

begins with a review of the definition of the concept of CRM and the functional areas of CRM.

The review also draws the line between relationship marketing (RM) and CRM and further goes

on to examine some of the key issues in the CRM practice and implementation of CRM. The

review penultimately focuses on relevant empirical studies of CRM before a conclusion of the

review is made.

2.1   UNDERSTANDING CRM

2.1.1   Definition and concept

Although CRM has become widely recognized as an important business approach, there is no

universally accepted definition of CRM. CRM has therefore been described, defined and

conceptualized in several ways, reflecting a variety of viewpoints of different authors. Some

have defined it as a process, others as a strategy, a philosophy, a capability, or as a technological

tool (Zablah et al., 2004). However, it has become clear that CRM is definitely more than just

technology. While technology is a key enabler, it is only a means to the end and most authors

view CRM as a combination of strategy and information systems focusing company's attention

on customers in order to serve them better (Chan, 2005).

Accordingly, Swift (2001) defines CRM as an "enterprise approach to understanding and

influencing customer behaviour through meaningful communications in order to improve

customer acquisition, customer retention, customer loyalty, and customer profitability". Kincaid (2003) on the other hand views CRM as "the strategic use of information, processes, technology, and people to manage the customer's relationship with your company (Marketing, Sales, Services, and Support) across the whole customer life cycle".

From another perspective, Parvatiyar and Sheth (2001) define CRM as "a comprehensive strategy and process of acquiring, retaining, and partnering with selective customers to create superior value for the company and the customer. It involves the integration of marketing, sales, customer service, and the supply-chain functions of the organization to achieve greater efficiencies and effectiveness in delivering customer value". This definition and the others provided above emphasize the importance of viewing CRM as a comprehensive set of strategies for managing those relationships with customers that relate to the overall process of marketing, sales, service, and support within the organization.

In the marketing literature however, CRM has been placed in the overall context of marketing thought and especially that of relationship marketing strategies, as "an ongoing process that involves the development and leveraging of market intelligence for the purpose of building and maintaining a profit-maximizing portfolio of customer relationships" (Zablah et al., 2004). CRM in this vein is considered to unite the potential of relationship marketing strategies and IT to create profitable, long-term relationships with customers and other key stakeholders. It also provides enhanced opportunities to use data and information to understand customers and co-create value with them.

CRM requires a cross-functional integration of processes, people, operations, and marketing capabilities that is enabled through information, technology, and applications (Payne and Frow,

2005). In this line of thought, Boulding et al. (2005) suggests a broad definition of CRM as the outcome of the continuing evolution and integration of marketing ideas and newly available data, technologies, and organizational forms.

It is evident from the definitions provided above that not only does CRM build relationships and use systems to collect and analyze data, but it also includes the integration of all these activities across the firm; linking these activities to both firm and customer value; extending this integration along the value chain; and developing the capability of integrating these activities across the network of firms that collaborate to generate customer value, while creating shareholder value for the firm (Ryals and Knox, 2001). These definitions also underline the large spectrum of a company's functions, processes, operations that are involved in and affected by the design and the implementation of CRM.

2.1.2 Functional areas of CRM

According to West (2001) and Xu et al. (2002), CRM comprises three major functional areas:

1. Marketing;
2. Sales; and
3. Services and Support

These three components may be seen as the life cycle of a customer relationship that moves from marketing, to sales, to service and support. In addition, Kincaid (2003) suggests that IT and IS are the other crucial components that supports and maintains these three functional areas as well as the whole CRM process. Thus, the classification of the functional areas of CRM is based on four areas of Marketing, Sales, Services and Support, and IT and IS as explained below:

1. *Marketing* is the function most often associated with CRM with CRM being founded in marketing and relationship marketing. West (2001) have also described that CRM evolved from direct sales to mass marketing, target marketing, and then to customer relationship marketing thus emphasizing that marketing and CRM are inseparable.

2. The *sales* function is direct interaction with customers, which makes up CRM. As explained by Ingram et al (2002), it is important to develop sales strategies at the customer level to build and maintain relationships with customers to achieve revenue goals.

3. High quality customer *service and support* is the key to improving customer retention rates and maintaining a good relationship with customer. Xu et al (2002) therefore explain that in today's highly competitive environment, companies must pay attention to fulfilling the needs of each customer quickly and accurately. Consequently, customer satisfaction is hard to win and easy to lose because if customers are not satisfied, they will simply move on to other companies.

4. *Information Technology and Information Systems* play a key role in the development of CRM. According to Kincaid (2003), IT and IS can be used to automate and enable some or all CRM processes. Appropriate CRM strategies can be adopted through the assistance of technology, which can manage the data required to understand customers. Moreover, the use of IT and IS can enable the collection of the necessary data to determine the economics of customer acquisition, retention, and life-time value. Advanced technology involves the use of databases, data warehouses, and data mining to help organizations increase customer retention rates and their own profitability.

2.1.3 Who should use CRM?

CRM has been described as "a customer-focused business strategy that aims to increase customer satisfaction and customer loyalty by offering a more responsive and customized service to each customer" (Croteau and Li, 2003). Potentially, most firms can make use of CRM technology, but there are certainly some that are better suited for CRM than others. The Harvard Management Update (2000) identifies companies who are most likely to benefit from CRM and those who are less likely:

> Most likely to benefit are companies who "accumulate lots of data on each customer's buying patterns in the course of their business"; for example, financial or telecommunications companies. Clearly, a key component to CRM is lots of information about the firm's consumer.

> Least likely to benefit are businesses where the consumer is not in contact with the marketers, where the lifetime value of a customer is low, or businesses with huge customer churn. It is important to note, though, that some of these problems might actually be overcome with a better understanding of the customer via the use of CRM.

Additionally, the article emphasizes the differentiation of the consumer needs as well as a good understanding of the lifetime value of a customer to the firm. Essentially, firms with customers whose needs and value are very uniform will receive less benefit from CRM (i.e. a gas station). Whereas, those firms whose customer needs and product value are highly differentiated (i.e. pharmacies) will receive the most benefit.

2.2   CRM SYSTEMS

2.2.1   Evolution of CRM systems

In the early twentieth century, managing customer relationships was a fairly simple task because merchants had fewer customers and most were local. Also, recordkeeping was done in the merchant's head or in a simple ledger and merchants knew who their customers were and what they wanted.

In the last 20 years, however, Seeman and O'Hara (2006) explain that the super store concept, the internet, the rise of the suburbs, and increased consumer mobility, have made the customer relationship more complex. Customers had more choices and marketing needed to become customer-centric. While information systems provided far more customer-related data, making sense of that data became nearly impossible. Attempting to glean useful information from myriad sources was also very labor intensive because the organization needed to identify, acquire and retain new customers, to understand what they wanted, and to develop customer loyalty.

CRM systems arose to accomplish this task by consolidating information from all customer touch points into a central repository accessible by all business areas (Yelkur, 2000). CRM systems accordingly enable customers to interact with the business in an individualized, need-specific manner, and include processes to bring together information about both the customer and the business. Ling and Yen (2001) also explain that the tasks performed by CRM systems in this respect falls into two main areas – operational and analytical. In brief, the operational side gathers data from various touch points; the analytical systems make sense of it.

Although CRM systems employ sophisticated technology, a CRM initiative involves more than just technology. CRM is both a business strategy and a technology-software set. The technology

and software automate and enhance the processes associated with managing customer relationships. The business strategy positions the customer as the focus of the organization, creating a "customer centric" orientation (Grant and Anderson, 2002).

2.2.2   Implementing and classifying CRM systems

Deck (2001) provides that in implementing a CRM system, the firm must first decide what information it needs about the customer and what it will do with it. Next, it must determine how the information is gathered, where the data are stored, how it is used, and who uses it. In the typical firm, information about a customer might be gathered from a web site, a physical store location, sales reports, and mail (electronic or traditional) campaigns. Using the data gained from these customer touch points, analysts can develop a complete view of each customer and pinpoint where additional services are needed.

While CRM efforts are often daunting, the benefits achieved are impressive. This is evidenced by Chen and Popovich (2003) who account that firms who successfully implement CRM systems report improved customer data and process management, increased number of transactions and improved analysis and reporting. Information is also more timely and accurate and customer complaints are reduced (Integrated Technologies Corporation, 2005).

A key issue in the implementation of CRM systems is the classification of the nature and form of CRM system to be implemented. Despite the fact that an extensive proposition exists, a widely accepted classification of systems connected to CRM is provided by Schwede (2000) as follows:

- Operational CRM systems improve the efficiency of CRM business processes and comprise solutions for sales force automation, marketing automation, and call center/customer interaction center management.

- Analytical CRM systems manage and evaluate knowledge about customers for a better understanding of each customer and his or her behavior. Data warehousing and data mining solutions are typical systems in this area.

- Collaborative CRM systems manage and synchronize customer interaction points and communication channels (e.g. telephone, e-mail, and Web).

Whereas operational CRM systems focus on the support of distinct front-office business processes, analytical and collaborative CRM systems only have a supporting role in operational CRM.

2.3 RM AND CRM

The origins of CRM can be traced back to the management concept relationship marketing (RM), with Levitt (1983) being one of the first to propose a systematic approach for the development of buyer-seller relationships. Relationship marketing was seen as an integrated effort to identify, maintain, and build up a network with individual customers and to continuously strengthen the network for the mutual benefit of both sides through interactive, individualized and value-added contacts over a long period of time (Shani and Chalasani, 1992). However, RM is largely strategic and as such, lacks a holistic view of the business processes connected to it, although business processes are regarded as important.

CRM, on the other hand, was influenced by several information systems concepts, focusing on distinct application areas. For example, computer aided selling (CAS) and sales force automation (SFA) systems are responsible for the control and automation of sales processes, whereas other systems for service or marketing automation focus on service as well as marketing processes. In

the course of process integration, these systems continually merge towards integrated CRM suites (Parvatiyar and Sheth, 2000).

Owing to the relationship between RM and CRM, Gebert et al (2003) provide that any discussion on RM would be incomplete without referring to CRM. The study of literature also reveals that there is still a lot of confusion as to how RM differs from CRM. Some of the researchers have used both the terms almost interchangeably (Sin et al., 2005). However, there do exist significant differences between the two constructs.

- First, RM is relatively more strategic in nature, whereas CRM is more tactical in its approach (Ryals and Payne, 2001). According to Ryals and Payne (2001), CRM is all about implementing RM using information technology (IT).

- Second, RM goes beyond the traditional customer-supplier dyad and encompasses building of relationships with the entire range of stakeholders (Mitussis et al., 2006. On the other hand, CRM is more focused on building relationships with profitable customers.

- Finally, RM is relatively more emotional and behavioural, focusing on concepts such as bonding, empathy, reciprocity and trust. While CRM is relatively more managerial per se, focussing on how management can make concerted efforts in attracting, maintaining and enhancing customer relationships (Yau et al., 2000).

RM and CRM also have strong similarities: both strongly focus on individual buyer-seller relationships, accept that these relationships are longitudinal in nature, and that both parties benefit in the process (Sin et al., 2005). From the discussion so far, CRM can be regarded as, to some extent, a subset of RM.

2.4   CRM IN PRACTICE

2.4.1   CRM activities and processes

CRM refers to utilizing extensive strategies and engineering to find, obtain, and cultivate advantaged customers, and hence maintain long-term partnerships (Sin et al., 2005). CRM can, in this vein, be seen as activities that manufacturers practice for understanding customer demands and improving customer satisfaction. The customer-centered approach of CRM activities is a critical success factor for businesses and guides organizations to focus on their customers (Ranjan and Bhatnagar, 2008).

Generally, there are two streams of literature on CRM activities, the process of developing CRM and the content of CRM. Reinartz et al. (2004) divided CRM process into initiation, maintenance, and termination from the points of process view. In contrast, Sin et al. (2005) indicates that CRM content is related to various activities to enhance customer relationships, For instance, CRM involves activities that manufacturers practice to satisfy customer needs, identify customer preferences, resolve customer complaints, provide after-sale service, and establish long-term relationships with their customers.

Researchers also classify various CRM mechanisms into internal and external programs. Internal programs emphasize organization structure, culture, and knowledge management, while external programs involve interaction with customers (e.g. information sharing and customer involvement). Whether internal or external, Lin et al (2010) present the following as the five most popular CRM activities:

- *Information sharing*. It refers to the sharing and exchange of essential and exclusive information through interactive activities between manufacturers and their customers.

16

The commonly shared information includes market demand, customer preferences, sales promotion, and new product introduction.

- *Customer involvement.* It is related to customer participation in new product development (NPD) activities, technical meetings, supply chain annual conference, and market evaluation conferences. Customers normally provide market trend/direction and technical support in the process, which should lead to better understanding of future demands

- *Long-term partnership*. It is a business relationship with trust and commitment between two firms. Both firms must share similar goals and pursue mutual profits on a reliable and dependable basis. Numerous studies have proven that a long-term partnership entails high degrees of commitment and mutual trust in which both parties are willing to provide resources, in a fair and dependable manner, in order to maintain and reach the goals of both parties.

- *Joint problem solving*. It refers to collaboration between manufacturers and customers in solving problems together and sharing responsibilities when they encounter difficult or unexpected situations

- *Technology-based CRM*. It involves manufacturers using computer technologies to facilitate various CRM activities and actively offer technology assistance to customers, including data storage, data mining, and CRM software systems.

2.4.2 Approaches to CRM

Many authors have given their interpretation of the CRM approach and offered a variety of definitions of CRM. In particular, a systemic bibliographical study done by Valsecchi, Renga and Rangone (2007) enables us to define three different approaches to CRM.

The first approach is the technological one which considers CRM to be a data-processing instrument to support marketing activities. Twogood (1998) supports this way of thinking, underlining the operative tools (e.g. the data warehouse) that help the company to create and maintain a relationship with the client.

The second approach is the process approach. In this light, CRM is the process of linking client knowledge and management: CRM extends the concept of selling from a discrete act performed by a salesperson to a continual process involving every person in the company. It is the art/science of gathering and using information about your customers to build customer loyalty and increase customer value. Similarly, Craw Cour (2000) supports that CRM is the active process of the knowledge (not the data) about clients widening, so that the company could use that knowledge to personalize the corporate business and strategies in order to satisfy every client individual need.

Finally, there is the conceptual approach which identifies CRM as a philosophy. The authors taking up this approach consider the CRM to be a complex strategy involving all the corporate organizing structure in order to strengthen the relationship with the client; they avoid considering CRM only as an instrument of data collection. According to the conceptual theory, through the CRM the business culture becomes client-oriented.

2.4.3   Characteristics of CRM

Several characteristics of an effective CRM has evident across literature. Davenport et al. (2001) in broadly defining CRM in every process of a business transaction asserts that a well-designed CRM shares the characteristics of:

- *Relationship management:* The features include instant service response based on customer input, one-to-one solutions to customers' requirements, direct online communications with customer anytime and anywhere, and customer service centers that help customers solve their questions.

- *Salesforce automation*: The functions include automation of sales promotion analysis, automatically tracking a client's account history for repeated sales or future sales, and coordinating sales, marketing, call centers, and retail outlets to realize the salesforce automation.

- *Use of technology:* It includes enabling new technology and skills to deliver value, using technology to make "up-to-the-second" customer data available, and applying data-warehousing technology to aggregate transaction information, to merge the information with CRM solutions, and to provide key performance indicators.

- *Opportunity management*: The features include the flexibility to manage unpredictable growth and demand and a good forecasting model to integrate sales history with sales projections.

From another angle Day (2000) suggests that customer-oriented CRM processes are mostly unstructured and non-transactional, and their performance is predominantly influenced by the

underlying supply of knowledge on products, markets, and customers. CRM processes can therefore be considered knowledge-oriented processes with the following, strongly correlated, characteristics identified by Eppler et al. (1999):

- *Knowledge intensity:* CRM processes require knowledge from heterogeneous, not necessarily computational, sources to pursue process goals.

- *Process complexity:* CRM processes mostly have complex structures or even no clear structure at all. This implies that a high degree of knowledge is necessary for the execution of a process. Such knowledge flows according to Garcia-Murillo and Annabi (2002) in CRM processes can be classified into three categories:

(1) Knowledge for customers is required in CRM processes to satisfy customers' knowledge needs. Examples include knowledge on products, markets and suppliers.

(2) Knowledge about customers is accumulated to understand customers' motivations and to address them in a personalized way. This includes customer histories, connections, requirements, expectations, and their purchasing activity.

(3) Knowledge from customers is customers' knowledge of products, suppliers and markets. Through interactions with customers this knowledge can be gathered to sustain continuous improvement, e.g. service improvements or new product developments.

2.5   CRM IMPLEMENTATION ISSUES

2.5.1   Benefits of CRM

In some organizations, CRM is simply a technology solution that extends separate databases and sales force automation tools to bridge sales and marketing functions in order to improve targeting

efforts. Other organizations consider CRM as a tool specifically designed for one-to-one customer communications, a sole responsibility of sales/service, call centers, or marketing departments (Peppers and Rogers, 1999). Goldenberg (2000) also believes that CRM is not merely technology applications for marketing, sales and service, but rather, when fully and successfully implemented, a cross-functional, customer-driven, technology-integrated business process management strategy that maximizes relationships and encompasses the entire organization.

Additionally, a CRM business strategy leverages marketing, operations, sales, customer service, human resources, R&D and finance, as well as information technology and the Internet to maximize profitability of customer interactions. For customers, CRM offers customization, simplicity, and convenience for completing transactions, regardless of the channel used for interaction (Gulati and Garino, 2000).

Reichheld (1996) also explains that CRM initiatives have resulted in increased competitiveness for many companies as witnessed by higher revenues and lower operational costs. Managing customer relationships effectively and efficiently further boosts customer satisfaction and retention rates.

CRM applications also help organizations assess customer loyalty and profitability on measures such as repeat purchases, dollars spent, and longevity (Jackson, 1994). CRM applications therefore help answer questions such as "What products or services are important to our customers? How should we communicate with our customers? What are my customer's favorite colors or what is my customer's size?" In particular, customers benefit from the belief that they are saving time and money as well as receiving better information and special treatment

(Kassanoff, 2000). Furthermore, regardless of the channel or method used to contact the company, whether it is the Internet, call centers, sales representatives, or resellers, customers receive the same consistent and efficient service (Creighton, 2000).

Under the Internet age, CRM accesses the new markets everywhere throughout the World Wide Web (www) to access world-class capabilities and consequently increase commoditization by shortening the product life cycle, and eroding margins. CRM improves competitiveness by increasing the customer choices while purchasing product, making use of technology to perform the information empowerment, developing new markets and new business models and also increasing the connectivity between all related parties within a business (Choy, Fan and Lo, 2003). Thus, CRM solutions not only improve customer loyalty, but also the internal processes which in turn increase efficiency.

From a marketing perspective, Corner and Hinton (2002) explain that CRM identifies and targets best customers based on recency, frequency and monetary scoring. It helps manage marketing campaigns with clear goals and quantifiable objectives. It also creates and manages solid sales leads for field and telesales representatives. Marketing and cross-selling opportunities are also increased. The enabled tight and accurate targeting and one-to-one marketing increases returns on marketing investments. CRM solutions also add more valuable knowledge gained directly from customer interaction. This knowledge improves product development process.

From sales perspectives, CRM solutions improve telesales, field sales and sales management through real time information sharing among multiple employees. Sales efficiency is increased through wireless and Internet-based order entry. Territory management is improved with real time account information updates. The entire salesforce is improved by capturing, distributing

and leveraging the success and expertise of your highest performers. By focusing on growing the best accounts, the revenue per call is also increased (Cox, 2000).

From the field service perspective, customer satisfaction and retention are ensured by solving customer problems quickly. The management of people and materials within the service organization are smoothly integrated. Also, customer satisfaction is ensured by allocating, scheduling and dispatching the right people, with the right parts, at the right time.

From the perspective of customer support, shared relationships with individualized customer care based on specific customer history and preferences are strengthened. Through automated scripting based on known solutions, call center efficiency and help desk support's quality are improved. Support and service costs are decreased when customer satisfaction is increased by extending Web-based support functionality directly to the customers (Malthouse and Blattberg, 2005). All customer contact from sales, support, field service and marketing are centralized.

2.5.2 CRM implementation failure

While there are many compelling reasons to consider a CRM strategy, caution and careful analysis is prudent. Hackney (2000) warns that although CRM software vendors may entice organizations with promises of all-powerful applications, to date there is no 100 percent solution.

Possible risks such as project failure, inadequate return on investment, unplanned project budget revisions, unhappy customers, loss of employee confidence, and diversion of key management time and resources must be well thought out (Schweigert, 2000).

In one example, a large telecommunications company rolled out a major CRM application to more than 1,000 sales reps in late 1999, at a cost of $10,000 per user, only to find a year later

that fewer than 100 were using the system (Patton, 2001). Recent surveys further reveal that the average investment in CRM applications is $2.2 million dollars (CIO Research Reports, 2002), and that CRM implementation failure rate is as high as 65 percent (Apicella et al., 1999).

It is becoming increasingly clear that stalled or failed CRM projects are often the result of companies lacking a thorough understanding of what CRM initiatives entail.

2.6   EMPIRICAL STUDIES

The term customer relationship management (CRM) gained widespread recognition in the late 1990s. Researchers and practitioners both in the academic area and the business field enthusiastically have shared their viewpoints and experiences in applying CRM. It has attracted such great attention because of the emphasis that it can give mutual benefit to both the customer and the company (Gronroos, 1996).

CRM can be viewed as a macro-level process. A macro-level process is highly aggregated and is comprised of numerous sub-processes (Srivastava et al., 1999). These sub-processes can be separated into micro-level processes. CRM is one of the eight macro business processes identified by the Global Supply Chain Form research team of academics and executives (Lambert and Cooper, 2000)

Chen and Popovich (2003) in their study unearthed that Ritz-Carlton, an upscale chain of hotels, records guest preferences gleaned from conversation with customers during their stay and uses them to tailor the services that customers receive on their next visit at any other Ritz-Carlton in the world. Requests for items such as hypoallergenic pillows and additional towels are recorded for future use so that personalized goods and services can be added for repeat customers.

Also, Evans and Laskin (1994) suggest there are benefits of lowered sales costs and increased revenues, which are supported by the survey done by Kalawani and Narayandas (1995). Using the concept of relationship marketing (RM) as the basis, it is stressed that this approach can create long-term value for customers.

Fundamentally however, CRM systems can also be viewed as information systems aimed at enabling organisations to realise a customer focus. In 1998 global corporate expenditure on CRM was estimated to be in the region of US$1.9 billion (IDC and AMR Research, 2001) and it is predicted that by 2004, it will reach approximately US$23.5 billion (Datamonitor, 2001)

Even though CRM systems are proving an incredibly popular choice for implementation, success is proving illusive. One study of 202 CRM projects found that only 30.7 per cent of the organisations said that they had achieved improvements in the way they sell to and service customers (Dickie, 2000). Moreover, a recent and broader survey estimates that 70 per cent of companies will ultimately fail (Giga, 2001). The Giga survey revealed that: companies generally underestimate the complexities of CRM, lack clear business objectives and tend to invest inadequately in the provision of CRM software.

While the findings by Giga highlight a fairly gloomy scenario, it is clear that not all organisations are facing failure. First Manhattan are just one of the many examples of diverse companies highlighted by Newell (2000) that have applied CRM methods and experienced success. It is clear that there is still a need for further empirical studies of CRM however, only a few are available. The availability ranges from the study of Abselon (Van Bennekom and Blaisdell, 2000) to that of IBM (Ciborra and Failla, 2000).

2.7 CONCLUSION

CRM is an integration of technologies and business process used to satisfy the needs of a customer during any given interaction. In brief, CRM is a process by which a company makes good use of customer information to enhance customer loyalty. The primary goals of CRM are to: build long-term and profitable relationships with chosen customers; get closer to those customers at every point of contact; and maximize the company's share of the customer's wallet.

In fact, CRM is an information industry term for methodologies, software, and usually Internet capabilities that help an enterprise manage customer relationships in an organized way. Simply stated, CRM is about finding, getting, and retaining customers.
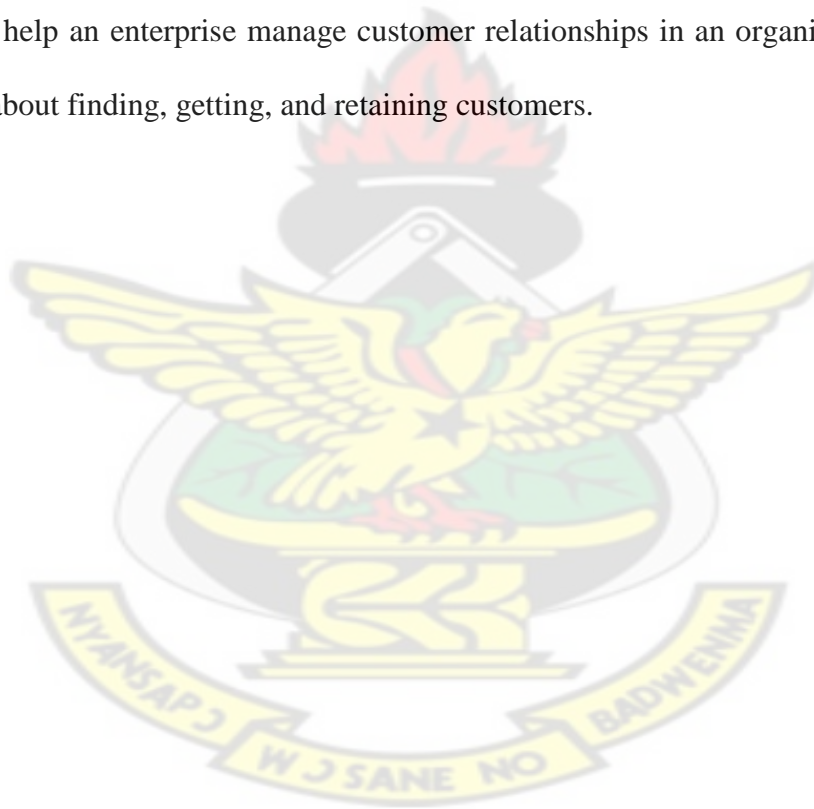
CHAPTER THREE

METHODOLOGICAL APPROACH TO THE STUDY

3.0   INTRODUCTION

This section of the study dealt with the details of the research methods that were used in this study. Emphasis was placed on the population and sample, sampling plan, the sources of data, and the instruments used for the data collection during the research. Other areas covered were the administration of the research instrument, the data collection procedure and the elements of the data analysis. .

3.1   RESEARCH DESIGN

The case study approach was adopted for the study. The case study was considered appropriate because it provided the most suitable means of describing the characteristics, perceptions and preferences of the organization under study as well as the central issues being discussed. In addition, it enabled a specific coverage area, giving respondents the opportunity to critically analyze their organizations from both personal and professional points of view (Appiah-Agyekum, 2009).

3.2   SOURCES OF DATA

Both primary and secondary data were used in the research. The primary data for the study was collected through interviews specially designed along the research questions and objectives of the study. Though the interview was the main instrument for primary data collection, informal consultations were also conducted with the respondents for further insight into some key questions. Particular attention was also paid to the attitudes and remarks of respondents in order to informally gather their reactions and opinions on issues relating to the study.

The secondary data used for the study was collected from policy documents, reports, articles, textbooks, journals and other publications on the subject of the dissertation. The internet also served as another major source of secondary information.

3.3   SAMPLING TECHNIQUE

The purposive sampling technique was employed in the administration of the research instrument for data collection. This was in line with Saunder et al's (1997:145) stance that the purposive sampling enables you to use your judgments to select cases which will best enable you answer your research question in detail and meet your objectives.

3.4   POPULATION AND SAMPLE SIZE

The population for the study was mainly made up of customer service officers of the Upper Manya Kro Rural Bank [UMKRB]. To achieve the objectives of the study, 10 customer service officers were purposively sampled from the 6 operational branches of UMKRB and the Head Office. Because all respondents were customer service officers and were exposed to the intricacies of customer relations in the bank, they were better placed to give a detailed yet holistic account of CRM activities in the bank. Table 1 below shows the respondents sampled for the study

TABLE 1:   LIST OF RESPONDENTS

Branch	Number of officers interviewed
Asokore Branch	1
Head Office	2
Somanya	2
Asesewa	1
Koforidua	2
Agogo	1
Suhum	1
TOTAL	**10**

Source: Fieldwork 2012

3.5   INSTRUMENT FOR DATA COLLECTION

This study used structured interviews as the main research instrument. The interview was used because it enabled the researcher gain deeper insight into the phenomenon under investigation. In addition, the interviews enabled the respondents give elaborate responses and express themselves better from both personal and professional points of view.

The interview guide was structured and had two main sections. The first section asked questions on the background of the respondents while the second part asked questions on CRM.

3.6   DATA COLLECTION PROCEDURE

A period of one (1) month was used to conduct the interviews. For convenience of the respondents, the interviews were conducted at their usual place of work after appropriate

permissions had been sought from their respective branch managers. To ensure the accurate collection of data, the interviews were tape-recorded and later transcribed.

3.7   VALIDITY AND RELIABILITY OF DATA

The interview guide used in the study was pretested. Three (3) management level staff of UMKRB was randomly selected for the pretesting. The pretesting was aimed at identifying and eliminating problems of ambiguity in the interview guide and increasing the validity and reliability of the data. The answers and suggestions provided by the pre-testing helped to restructure some of the major interview questions.

3.8   METHOD OF DATA ANALYSIS

To be able to draw meaningful, valid and reliable conclusions from the data gathered as well as make relevant conclusions and recommendations the responses derived from the interview were mainly be discussed qualitatively within the context of the literature reviewed.
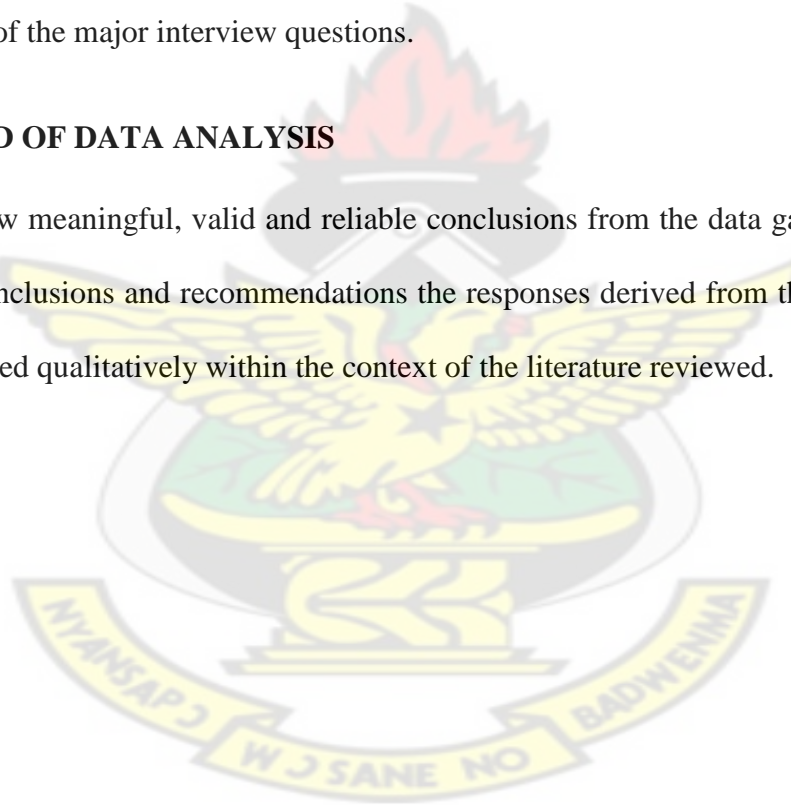
CHAPTER FOUR

DATA ANALYSES AND DISCUSSION OF FINDINGS

4.0   INTRODUCTION

This chapter provided evidence from the sampled customer relations officers from UMKRB to assess the management of customer relationships in rural banks. This chapter therefore embodied the qualitative presentation and discussion of the field data obtained from structured personal interviews conducted with the sampled population.

4.1   MODE OF DATA ANALYSIS

The data collected was analyzed qualitatively by presenting the respondents' perspectives and opinions on Customer Relationship Management (CRM) practices in UMKRB. The responses derived from the interviews were also compared with general CRM practices, empirical studies and principles provided by authorities on the subject in the literature reviewed in the second chapter.

For meaningful presentation and discussion, the field data analysed was grouped into four distinct parts. The first part covered the demographic data of respondents whiles the second part covered information on CRM in UMKRB. The third also covered the challenges faced by UMKRB in managing customer relationships and the respective recommendations to mitigate the challenges respectively. The final part provided a conclusion of the analyses.

4.2   DISCUSSION OF FINDINGS

4.2.1   Demographic data

The objective of the gathering of data under this section was to get a background of the respondents of the questionnaire. This was in lieu of the fact that perspectives and choices persons make about concepts in an organizational setting are in some way influenced by their level of exposure on the matter as well as the position they hold, the department they serve in and the level of management they belong to in the organization.

Appiah-Agyekum (2006) also provides that public and individual perception and opinion on every subject also largely depends on their background and knowledge on the subject matter. Especially in the traditional Ghanaian business environment, some factors including the academic qualification, experience, age and gender of the respondents of the survey have a major bearing on such issues. Consequently, the first section of the analyses looks at the demographic background of respondents.

It must be however noted that this section was of minute importance and only explained the bases of the data and did not in any way influence the data gathered and presented. Such information therefore was not solely relied on in drawing meaningful conclusions. The bio-data of the respondents are presented in Table 4.2

Table 4.2   Characteristics of respondents

Total number of respondents	**10**
Branch	
Asokore	1 (10%)
Head office	2 (20%)
Somanya	2 (20%)
Asesewa	1 (10%)
Koforidua	2 (20%)
Agogo	1 (10%)
Suhum	1 (10%)
Gender	
Male	4 (40%)
Female	6 (60%)
Academic qualification	
Degree	5 (50%)
Post-graduate degree	3 (30%)
Professional qualification	0 (0%)
Both degree and professional qualification	1 (10%)
Other (GCE 'A' level)	1 (10%)
Age	
20 to 30 years	2 (20%)
31 to 40 years	4 (40%)
41 to 50 years	4 (40%)
Experience	
0 – 5 years	4 (40%)
6 – 10 years	1 (10%)
11 – 15 years	0 (0%)
16 – 20 years	5 (50%)

The study focused solely on those persons who are actively and directly involved in the management of customer relationships in UMKRB. Persons with whom interviews were conducted were therefore customer relations officers of UMKRB. By selecting only customer relations officers, the study sought to identify and limit the information gathering to the range of specific activities, processes and relationships that are key to the customer relationships of the bank.

Even though the nature of the Ghanaian traditional working environment encourages males than females to take professional careers, Brown et al (2002) explains that there are likely to be more female than male employees in the banking industry. Further most of these female employees are in the front office services rather than the mainstream or back office banking services. Generally, for the purpose of this research, responses from both sexes were given equal consideration as there was no distinct correlation between gender and perception of the subject of the study.

Table 4.1 also shows that though no respondent was below twenty (20) years, twenty percent (20%) of respondents were between the ages of 20 and 30 years, fourty percent (40%) between 31 and 40 years, and the remaining fourty percent (40%) between 41 to 50 years. Though seemingly irrelevant, age is a prime indicator of CRM adoption and used by persons in the banking industry. This was supported by Hocutt and Stone (1998) who suggests that persons in the middle ages of life are more likely to understand, initiate and sustain activities in CRM than the younger and older generations. They explained that CRM processes and activities being a modern day revolutionary concept has facets (like IT systems) which are better embraced by relatively younger persons. However, understanding of customer relations in any particular industry also require continuous experience and assessment of customers and the consumption trends which is lacking in most young employees. This, by inference, places employees in the

middle ages (between 30 and 50) in a better position in CRM activities. The UMKRB personnel involved in the study are thus better placed in CRM activities.

To get accurate, valid and reliable information that may be used to draw meaningful conclusions on the customer relationship management across the breadth of UMKRB, data was gathered customer relationship officers in all six branches of UMKRB as well as the Head office. This is shown in table 4.2

Further, the effectiveness of customer relationship management activities within the UMKRB as well as the quality of information provided by respondents largely depends on the understanding, experience and training of respondents of the subject under study. The importance of the experience and academic qualifications of persons actively involved in CRM activities was further underscored by Engstrom et al (2003) who identified education and experience as the premier determinants of the understanding, use and improvement in CRM by owners and managers in the hotel industry. The study, thus sought to find out the academic backgrounds of the respondents as well as the number of years they had been in service in UMKRB. As shown in table 4.1, fifty percent (50%) of respondents possessed degrees; thirty percent (30%) possessed post graduate degrees; ten (10%) of respondents possessed a GCE 'A' level while the remaining ten percent (10%) had both a professional qualification and degree. Further, even though no respondent had served at UMKRB for between eleven (11) and fifteen (15) years, 40%, 10% and 50% of respondents had respectively worked in UMKRB for less than five (5) years, six (6) to ten (10) years, and sixteen (16) to twenty (20) years. It is worth noting that the only respondent that possessed GCE 'A' level certificate was also the longest serving employee among the respondents involved in the study. Thus an inference may be drawn to the effect that she makes up for in experience, what she lacks in education.

A conclusion may thus be drawn based on the examination of the background of the respondents above that all respondents involved in the study are adequately informed and resourced to partake meaningfully in the study. Further inference was drawn that UMKRB possess qualified personnel to manage customer relationships in its day to day activities.

4.2.2   CRM in UMKRB

The first question under this section sought to appraise respondents understanding of the concept of customer relationship management. This is based on Sumathy and Tamilselvan's (2008) assertion that adequate appreciation of the concept of customer relationship management is a major determinant of the success of CRM policies.

Evidence gathered from the interview strongly indicates that all respondents were deeply knowledgeable on the concept of customer relationship management. In their responses, some respondents perceived CRM as the process for achieving a continuing dialogue with customers through customised treatments, such that contribution from each customer to overall profitability of the company is maximized. Other respondents also saw CRM as the process that covers areas such as marketing communications, pricing, customization of products and services, resource allocation across different customers or customer groups, and customer support services. Some other respondents also viewed CRM as the utilisation of customer related information or knowledge to deliver relevant products or services to customers on a continual basis. All respondents also pointed out that UMKRB actively practiced CRM.

Respondents were further asked about how customers were selected for CRM in UMKRB. According to the responses provided, even though all customers were offered one form of CRM service or another, particular customers were provided with customized services like call-in

banking etc. UMKRB selected customers for these CRM by looking at a variety of factors. These factors included, but were not limited to, the potential to provide business, the volume of business transacted by customers, the frequency of patronage and customer loyalty. However, an inference may be made based on table 4.2 that the main factors considered in customer selection in UMKRB were volume of business and the frequency of patronage of services.

All respondents however provided that the underlying factor behind the selection of clients for CRM was the appropriate gathering of customers' profile and transaction information. Based on the customers' profile and transaction information, UMKRB then selected those customers with high volume of patronage as well as high frequency of patronage. Though the selection of customers based on these two yardsticks is supported by Bouncken (2002) and Yelkour (2000), Buttle (2004) in contrast believes that customers generating different profitability levels should be served differently thus frequency of patronage as well as the volume of business must not serve as the sole determinants of CRM involvement. Rather, he emphasizes that every customer may be a potential target for CRM such that customers can be segmented based on their "profitability" as this allows the company to maximize the profits by offering differentiated products and services to different segments. In effect, a different type of CRM may be offered each for customers with small volume of business, those with high volume of business, those who patronize frequently, and those who patronize infrequently.

Table 4.3   Determinants of customer selection for CRM

Total number of respondents	10 (100%)
Determinants	
Volume of business	3 (30%)
Potential to provide business	1 (10%)
Frequency of patronage	4 (40%)
Customer loyalty	1 (10%)
All customers	1 (10%)

Respondents were also asked to elucidate on how customer relationships was managed in UMKRB. According to respondents, the CRM process in UMKRB began with the collection of information about their customers at during the account creation. As Minghetti (2003) suggested, UMKRB collected three types of information, which included front-line data (customer profile information), spontaneous data (information provided by the customer) and behavioral data (csutomer transaction data or preference information input by staff into the computer system).

UMKRB, according to respondents also believed in the importance of understanding the needs of customers. The customer information collected was therefore examined. Particular attention was paid to customer details such as preferences, special requests, and incidents, as a means of servicing the clients when they came to the bank, for instance noticing customers who wanted large denominations or small denominations when withdrawing funds. Further, UMKRB had invested in computer- based banking systems which allowed them to store customers' information, special requests, and transaction details. These systems were regularly audited and upgraded by the Apex Rural Bank.

Even though the customer data collected was then made available to those involved in service, operations, sales, and marketing, some respondents however pointed out that UMKRB sometimes limited employee access to the guests' information to ensure customer privacy. The restriction on the access to employee data is in line with Parvatiyar and Sheth (2002). In all, respondents who proposed that such measures be made part of CRM policies in the service industry unanimously agreed that the CRM process in UMKRB was geared towards communication, trust, value creation, social bonds and financial bonds at the same time respecting the integrity and privacy of the customer.

Table 4.4   Existence of a policy, plan or department for CRM

Total number of respondents	**10 (100%)**
Determinants	
Yes	10 (100%)
No	0 (0%)

All respondents also expressed that UMKRB had a clear cut policy on CRM. Though most respondents could not provide the contents of the policy verbatim, they pointed out that the CRM policy for UMKRB embodied a set of practices that provided a consolidated and integrated view of customers across all business areas to ensure that each customer receives the highest level of service. As a plan, respondents provided that CRM was seen in UMKRB as a customer-focused business strategy that aimed to increase customer satisfaction and customer loyalty by offering a more responsive and customized service to each customer. Respondents further explained that even though CRM was the general duty of all employees in UMKRB, the sales and marketing

departments, often with the support of front office were the specific departments tasked with CRM.

In IT terms, CRM according to Bose (2002) means an enterprise-wide integration of technologies working together such as data warehouse, Web site, intranet/extranet, phone support system, accounting, sales, marketing and production. Wells et al. (1999) have also noted that both marketing and IT need to work together with a high level of coordination to produce a seamless process of interaction if CRM is to be successful. Clearly therefore, IT systems are the backbone CRM. In confirmation of the importance of IT systems in CRM, all respondents admitted that various IT systems were the main tool for CRM activities in UMKRB. Responses further provided that IT systems were used to provide a deep analysis of consumer account preferences, as well as gather data which can then be used to develop information required to create a more personal interaction with the customer. Also respondents emphasized the ability of CRM to produce a method of continuous analysis and refinement in order to enhance customers' lifetime value with the bank.

In recognition of the importance of IT systems in CRM, the UMKRB, according to respondents had made investments and currently had a variety of IT software to facilitate the CRM process. As explained by one respondent, the UMKRB's investment in IT for CRM is based on the contemporary one-to-one marketing paradigm that suggests that organizations will be more successful if they concentrate on obtaining and maintaining a share of each customer rather than a share of the entire market, with IT being the enabling factor. By inference therefore, IT systems must be used to understand each customers peculiar taste and preferences and in able to provide him with a unique service experience over a long term period. Also the IT systems provide a platform for analyzing and providing appropriate customer services to customers at all branches

such that customers received the same level of service even if they go to branches other than their mother branches. Thus UMKRB employs a variety of IT software provide customers with a sustained differentiated service aimed at building loyalty.

According to Light (2001), CRM evolved from business processes such as relationship marketing and the increased emphasis on improved customer retention through the effective management of customer relationships. Relationship marketing emphasises that customer retention affects company profitability in that it is more efficient to maintain an existing relationship with a customer than create a new one. CRM extends this relationship marketing principle to both new and existing customers. Ultimately therefore, CRM as a process must provide customers with a unique service that will not only assure them of quality service delivery to their exact taste but also cement their loyalty with the firm. CRM must also enhance repeat purchases over time and provide customers with the motivation to recommend the organization to other potential customers. Against this background, respondents were asked whether or not customers involved in CRM had become loyal or recommended UMKRB to other potential customers. Interestingly, all respondents acknowledged that majority of new customers were introduced to their services based on recommendation by other customers. Thus, CRM yields more new business than the conventional marketing approaches used. Further, respondents added that not only had CRM enhanced new business generation but it had also built loyalty and in effect business sustenance in the long term. To illustrate this point, one respondent stated that though new savings and Loans companies and rural and commercial banks had been established in all their areas of operation, majority of their customers still patronized their services and they always improved their customer base annually. Respondents believed that this was possible because customer felt assured that they will be provided a particular service of their preference at

no extra cost. Additionally, the trust and social bond that is established between customers and UMKRB through CRM was an important factor.

The study went on to ask respondents about the benefits that the customers of UMKRB derive from their involvement in CRM. As explained by Vargo and Lusch (2008), customers are unlikely to continue a relationship of any sort if they feel that they are not getting any essential benefits from the relationship. In UMKRB, respondents believed that customers involved in the CRM process most importantly achieved satisfaction with the service delivery. In their words, customer satisfaction is the core platform for building and sustaining CRM. Customer satisfaction is defined as the degree to which a consumer believes that the use of service or possession of a product evokes his or her positive feelings (Rust and Oliver, 2000). Accordingly, it is considered as both affective and evaluative response to consumption experience and critical outcome variable related directly to service quality and value. In the case of UMKRB, customers benefitted from being satisfied in terms of increased comfort, reduced stress and better treatment from repeat encounters. Other notable benefits to customers which were identified by respondents include priority services, preferential services, regular interaction and annual awards.

On the other hand, respondents also acknowledged that UMKRB benefitted immensely from CRM. One major benefit derived by UMKRB is customer loyalty together with re-patronization and recommendation. Respondents saw customer loyalty as the pivotal element linked to the foregoing success of the services offered in UMKRB. In a broad sense, some respondents linked CRM with customers' commitment to use and recommend preferred services consistently over period of time, despite the existence of financial and location barriers. Thus CRM in UMKRB, in line with Ruyter and Bloemer (1999) and Kotler (1998), acts as a barrier to switching behaviour

and has an impact on the development of sustainable competitive edge. Some respondents also considered CRM to be positive for building long lasting bond through re-patronization and recommendations.

UMKRB also benefitted from CRM through the enhancement of its overall performance. According to respondents, the increased customer base, increased market share, higher profitability, reduced consumer acquisition cost, etc. are significant output dimensions that are derived as a result of implementation of aggregative CRM. Additionally, respondents acknowledged that CRM systems and technologies offer multiple opportunities to deal with service characteristics like intangibility, inseparability, heterogeneity and perishability. Other notable benefits derived from the CRM process by UMKRB include customer feedback that aids in new product development and the enhancement of existing services, increased volume of business and in effect higher savings.

Penultimately, respondents were asked to identify, if any, the challenges faced by UMKRB in CRM. According to respondents, CRM in UMKRB was inhibited by inaccurate and incomplete information provided by clients, lack of understanding and training for the entire staff body on CRM and the associated benefits, poor communication between UMKRB and customers, competition from other rural and commercial financial institutions, end of month pressures (especially when paying salaries of public sector workers), and inadequate feedback from customers. Additionally, respondents provided that UMKRB lacked a customer relations department that would focus on CRM as a core function rather than making it secondary function of sales, marketing and front office services. Another important challenge raised was manpower. As respondents explained, without sufficient staff to be able to interact with customers and play the role of "internal sales manager", the CRM system will not work.

On how CRM could be enhanced in UMKRB, respondents firstly pointed out that a Customer Relations department be created and tasked with CRM as a core function. This department must be appropriately resourced and well staffed. Respondents also called for the introduction of more electronic banking means and software to provide customers with ATM services, internet banking and e-statements. Other respondents also called for an increase in the volume and scope of loyalty programs and rewards, incentives for CRM oriented staff, improved service quality and continuous interactions with customers, more training for staff on CRM, and an appropriate client database that recognises and notifies staff on special events in the life of clients like their birthdays, anniversaries and so on.

4.3   CONCLUSION OF ANALYSES

This chapter discussed data gathered from customer relations officers of UMKRB concerning the pertinent issues of customer relationships management within the banking industry in Ghana. The findings suggested that indeed CRM played an important role in the everyday lives of businesses and ultimately results in survival, growth and profitability of businesses in rural banks. Though some setbacks were uncovered, the analyses also identified some clear benefits to be derived by businesses from proactive CRM.

Considering the limitations of the study – that the study was not conducted on a national scale and involved only 10 interviewees – the analyses has still been able to provide meaningful insights into CRM in Ghana. Further, the present findings appear to have practical and theoretical implications that may merit attention in future research.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.0   INTRODUCTION

This chapter provides a summary, presents the findings and draws conclusions on the study. This chapter also embodies the lessons learned and recommendations made from the study.

5.1   SUMMARY OF THE RESEARCH

The study set out to investigate the dynamics of customer relationship management in UMKRB in Ghana. In pursuit of this goal, the study reviewed relevant secondary data gathered from the internet, journals and publications on the subject of the research.

Primary data was collected from ten (10) customer relations officers purposively selected from UMKRB through structured interviews. The responses gathered from the interviews were analysed, interpreted and presented qualitatively and contrasted with the empirical evidence provided in the literature review.

At the end of the analyses, the study determined that indeed customer relationship management played an important role in the survival, growth and profitability of UMKRB and other banks in general in Ghana. The study also identified constraints faced by UMKRB in managing their customer relationship and further proposed means through which the process could be enhanced.

5.2   SUMMARY OF KEY FINDINGS

The following findings were made by the study

- The fundamental goal of CRM in UMKRB was to improve organisational profitability through efficient and effective customer relations. CRM in UMKRB also impacts on customer loyalty, satisfaction, re-patronization and recommendation of services

- While CRM efforts in UMKRB are not on a large scale, the benefits achieved are impressive. UMKRB gains from CRM through improved customer data and process management, increased number of transactions and improved analysis and reporting. Information is more timely and accurate and customer complaints are also reduced.

- UMKRB provided general CRM services to all its customers. However, it selected customers for the specialized or customised CRM by looking at a variety of factors. These factors included, but were not limited to, the potential to provide business, the volume of business transacted by customers, the frequency of patronage and customer loyalty. However, the underlying factor behind the selection of clients for CRM was the appropriate gathering of customer's profile and transaction information.

- Customer relationships were managed in UMKRB through the collection of front-line data (customer profile information), spontaneous data (information provided by the customer) and behavioral data (customer transaction data or preference information input by staff into the computer system). The information is stored in customer databases, examined and used in subsequent visits by customers. The information is also sent to the front office department to update the customer database and help in other front office services like accounts balance checking and cheque book requests. Further UMKRB

46

sometimes limited employee access to the customers' information to ensure customer privacy.

- Though most respondents could not provide the contents of the policy verbatim, they pointed out that the UMKRB had a policy for CRM which embodied a set of practices that provided a consolidated, integrated view of customers across all business areas to ensure that each customer received the highest level of service. Also, even though CRM was the general duty of all employees in UMKRB, the sales and marketing departments, often with the support of front office were the specific departments tasked with CRM.

- Various IT systems were the main tools for CRM activities in UMKRB. These IT systems were used to provide a deep analysis of consumer behaviour, as well as gather data which can then be used to develop information required to create a more personal interaction with the customer.

- UMKRB customers involved in the CRM process most importantly achieved satisfaction with the service delivery. Customers also benefitted from being satisfied in terms of increased comfort, reduced stress and better treatment from repeat encounters. Other notable benefits to customers which were identified by respondents included priority services, preferential services, regular interaction and annual awards.

- UMKRB benefitted immensely from CRM through enhanced customer loyalty together with repatronization and recommendation. UMKRB also benefitted from CRM through the enhancement of its overall performance.

- CRM in UMKRB was inhibited by inaccurate and incomplete information provided by clients, lack of understanding and training for the entire staff body on CRM and the

47

associated benefits, poor communication between UMKRB and customers, lack of a Customer relations department, competition from other financial institutions, and inadequate feedback from customers.

5.3   RECOMMENDATIONS

Based on the analyses and findings of the study, it is recommended that critical attention be paid to enhancing customer relationship management not only in UMKRB but also in the entire business sector in Ghana. Emerging trends in customer relationship management like electronic and digital applications and sustainable customer relationship management techniques must be prioritized among businesses in Ghana. To establish strong CRM practices, UMKRB must also understand what customer needs are and deliver the same to them with higher attached value while satisfying its employees as well

Also, the study recommends that UMKRB as well as other small scale and rural financial institutions create and appropriately resource a customer relations unit solely tasked with customer relationship management. In addition to the traditional customer relationship management activities, these departments may be made to take on much wider roles including customer event management, customer complaints and requests etc.

UMKRB must also pay attention to the supporting conditions for CRM in the service sector raised by Lo et al (2010). These supporting conditions for effective CRM include committed and strategy-inclined leadership; favourable organizational culture; well resourced, trained and enthusiastic employees; efficient and organizationally-tuned IT systems IT including front office applications that support service, sales, and marketing; depositories of customers' data; and back office applications which integrate and analyze the data; and processes that are designed and

implemented to facilitate the creation of value to the customers and the achievement of CRM objectives

The study also pointed out the existence of some problems which served as hindrances to customer relationship management not only in UMKRB but also in the general Ghanaian business environment. It is thus recommended that immediate attention be paid to the resolution of these problems.

Further, the study has made it evident that there is little information about the dynamics, role and nature customer relationship management as a tool for effective business development in Ghana. A cursory look at the subject of the study will unearth that secondary data are not available or are outdated or too foreign to apply to the Ghanaian situation or to these current times. It is therefore recommended that further studies be carried out in this area to furnish all stakeholders with the necessary information for decision making and Academic purposes.

Finally, it is recommended that more studies be carried out on the subject to provide solid grounds for establishing trends and relationships between CRM and business growth and profitability in Ghana. Such trends and relationships apart from addressing the challenges faced in CRM in Ghana will also provide valuable information for evidence based practices in marketing.

5.4   CONCLUSION

The study has been able to prove that the UMKRB and indeed other rural banks in Ghana have developed policies, systems and techniques to manage their relationships with their customers. It has also been able to identify the principal challenges faced by Ghanaian businesses in customer relationship management and what can be done to remedy the situation.

Though the study has been able to adequately address the research questions asked in the first chapter and fulfilled its objectives, notice must however be taken of the fact that there are other varying dimensions on the subject that continually arise due to multifaceted nature and ever changing scope of the Ghanaian business environment and ever changing phase of competition.

There is therefore more room for further studies to unearth the aspects of CRM that were not captured by this study as well as delve into more sustainable ways of enhancing the marketing management function of Ghanaian service providers.
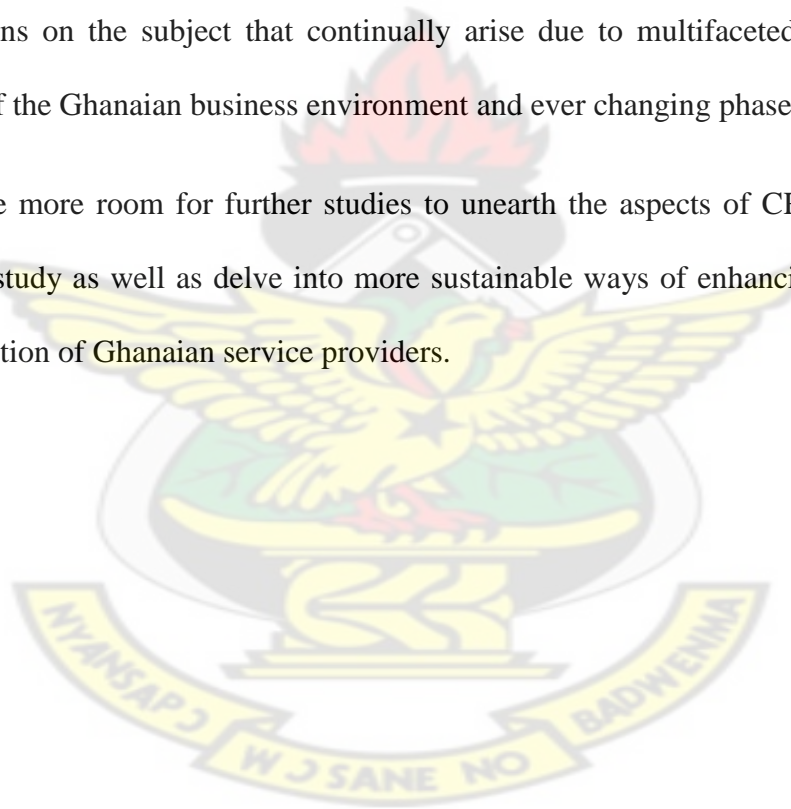
REFERENCES

Apicella, M., Mitchell, K., Dugan, S. (1999), "Customer relationship management: ramping up sales service", InfoWorld, Vol. 21 No.33, pp.68-80

Appiah-Agyekum (2006), "The impact of NGOs on decentralization and Local government in Ghana – the GAIT II example", unpublished Long Essay, UGBS, PAHSM

Bauer, H.H., Grether, M., Leach, M. (2002), "Building customer relations over the internet", *Industrial Marketing Management*, Vol. 31 No.2, pp.155-63

Bose R. (2002), "Customer relationship management: key components for IT success", Industrial Management & Data Systems, Vol. 102 No. 2, pp. 89-97

Boulding, W., Staelin, R., Ehret, M., Johnston, W.J. (2005), "A customer relationship management roadmap: what is known, potential pitfalls, and where to go", Journal of Marketing, Vol. 69 pp.155-66

Bouncken, R.B. (2002), "Knowledge management for quality improvements in hotels", Journal of Quality Assurance in Hospitality and Tourism, Vol. 3 No.3/4, pp.25-59

Brown, T.J., Mowen, J., Todd, D., Licatta, J. (2002), "The customer orientation of service workers: personality trait determinants and effect on self and supervisor performance ratings", Journal of Marketing Research, Vol. 39 No.1, pp.110-19.

Buttle, F. (2004), Customer Relationship Management: Concepts and Tools, Elsevier Butterworth-Heinemann, Oxford

Chan, J.O. (2005), "Toward a unified view of customer relationship management", The Journal of American Academy of Business, March, pp.32-8

Chen I J. and K. Popovich (2003), "Understanding customer relationship management (CRM) People, process and technology" *Business Process Management Journal,* Vol. 9 No. 5, pp: 672-688

Choy K.L., Fan K. K.H., and V. Lo (2003), "Development of an intelligent customer-supplier relationship management system: the application of case-based reasoning", *Industrial Management & Data Systems,* Vol. 103 No. 4, pp. 263-274

CIO Research Reports (2002), "CRM: are companies buying it?", CIO Magazine, Vol. 15 No.1

Claycomb, C., Martin, C. (2002), "Building customer relationships: an inventory of service providers' objectives and practices", *The Journal of Services Marketing*, Vol. 16 No.7, pp.615

Corner, I., Hinton, M. (2002), "Customer relationship management systems: implementation risks and relationship dynamics", Qualitative Market Research, Vol. 5 No.4, pp.239-51

Cox, T. (2000), "Research reveals UK manufacturers attitude to customer relationship management", Supply Chain Practice, Vol. 2 No.2, pp.16-26

Craw Cour, R. (2000), "Crm.Talk South Africa", South African Networks, CRM.Talk No. 056

Croteau, A., Li, P. (2003), "Critical success factors of CRM technological initiatives", Canadian Journal of Administrative Sciences, Vol. 1 No.1, pp. 21-34

Davenport, T.H., Harris, J.G., Kohli, A.K. (2001), "How do they know their customers so well?", MIT Sloan Management Review, Vol. 42 No.2, pp.63-73.

Day, G.S. (1994), "The capabilities of market-driven organizations", *Journal of Marketing*, Vol. 58 No.4, pp.37-52

Day, G.S. (2000), Capabilities for Forging Customer Relationships, Marketing Science Institute, Cambridge, MA

Development of an intelligent customer-supplier relationship management system: the application of case-based reasoning

Engstrom, T.E., Westnes, P., Westnes, S.F. (2003), "Evaluating intellectual capital in the hotel industry", Journal of Intellectual Capital, Vol. 4 No.3, pp.287-303

Eppler, M., Seifried, P., Röpnack, A. (1999), "Improving knowledge intensive processes through an enterprise knowledge medium", Proceedings of the 1999 ACM SIGCPR Conference on Computer Personnel Research, ACM Press, New Orleans, pp.222-30

Evans, J.R., Laskin, R.L. (1994), "The relationship marketing process: a conceptualization and application", Industrial Marketing Management, Vol. 23 No.5, pp.439-52

Garcia-Murillo, M, and Annabi, H. (2002), "Customer knowledge management", Journal of the Operational Research Society, No.53, pp.875-84

Gebert H, Geib M, Kolbe L and W Brenner (2003), "Knowledge-enabled customer relationship management: integrating customer relationship management and knowledge management concepts

Gilmore, J.H., Pine, B.J. (1997), "The four faces of mass customisation", *Harvard Business Review*, Vol. 75 No.1, pp.91-101.

Goldenberg, B. (2000), "What is CRM? What is an e-customer? Why you need them now", in Proceedings of DCI Customer Relationship Management Conference, Boston, MA, 27-29 June

Gronroos, C. (1996), "Relationship marketing: strategic and tactical implications", Management Decision, Vol. 34 No.3, pp.5.

Grönroos, C. (2007), *Service Management and Marketing, Customer Management in Service Competition*, 3rd ed., Wiley, Hoboken

Gulati, R., Garino, J. (2000), "Get the right mix of bricks & clicks", Harvard Business Review, Vol. 78 No.3, pp.107-14

Hackney, D. (2000), "Business intelligence technology and tools for CRM", in Proceedings of DCI Customer Relationship Management Conference, Boston, MA, 27-29 June

Harvard Management Update (2000), "A crash course in customer relationship management", pp.5, Harvard

Hocutt, M.A., Stone, T.H. (1998), "The impact of employee empowerment on the quality of a service recovery effort", Journal of Quality Management, Vol. 3 No.1, pp.117-32

IDC and AMR Research (2001), "CRM spending by type", Computing, No.10 May, pp.44

Ingram, T.N., LaForge, R.W., Leigh, T.W. (2002), "Selling in the new millennium: a joint agenda", *Industrial Marketing Management*, Vol. 31 No.7, pp.559-67

Integrated Technologies Corporation (2005), "CRM benefits", available at: www.intechpr.com/sections/BusinessSolutionsGroup/CRM/Benefits.htm, .

Jackson, D. Jr (1994), "Relationship selling: the personalization of relationship marketing", Asia-Australia Marketing Journal, No.August, pp.45-54

Jensen, H.R. (2001), "Antecedents and consequences of consumer value assessments: implications for marketing strategy and future research", *Journal of Retailing and Consumer Services*, Vol. 8 No.6, pp.299-310

Kalawani, M.U., Narayandas, N. (1995), "Long-term manufacturer-supplier relationships: do they pay off for supplier firms?", Journal of Marketing, Vol. 59 pp.1-16

Kassanoff, B. (2000), "Build loyalty into your e-business", in Proceedings of DCI Customer Relationship Management Conference, Boston, MA, 27-29 June

Kincaid, J.W. (2003), "Customer Relationship Management: Getting it Right!", Prentice-Hall PTR, Upper Saddle River, NJ

Lapierre, J. (2000), "Customer-perceived value in industrial contexts", *Journal of Business & Industrial Marketing*, Vol. 15 No.2/3, pp.122-140

Levitt, T. (1983), ''after the sale is over'', *Harvard Business Review*, Vol. 63 No. 5, September/October, pp. 87-93

Light, B. (2001), "A review of the issues associated with customer relationship management systems", Proceedings of the 9th European Conference on Information Systems, pp.1232-41

Liliander, V., Strandvik, T. (1993), "The nature of customer relationship in services", in Bowen, T.A., Brown, S.W. (Eds),*Advances in Services Marketing and Management*, JAI Press, Greenwich, CT, Vol. 4.

Lin R, Chen R, and K K Chiu (2010), "Customer relationship management and innovation capability: an empirical study", Industrial Management & Data Systems, Vol. 110, No. 1, pp. 111-133

Ling, R., Yen, D.C. (2001), "Customer relationship management: an analysis framework and implementation strategies", *Journal of Computer Information Systems*, Vol. 41 No.3, pp.82-97.

Lo A. S., L. D. Stalcup, and A. Lee (2010), "Customer relationship management for hotels in Hong Kong" International Journal of Contemporary Hospitality Management, Vol. 22 No. 2 pp: 139-159

Malthouse, E.C., Blattberg, R.C. (2005), "Can we predict customer lifetime value?", Journal of Interactive Marketing, Vol. 19 No.1, pp.2-16

Massey P. (2002), "Demystifying the CRM conundrum" *Strategic Direction,* Vol. 18 No. 7, p. 21-24

Massey, A., Montoya-Weiss, M., Holcom, K. (2001), "Re-engineering the customer relationship: leveraging knowledge assets at IBM", *Decision Support Systems*, No. December, pp.155-170.

Mitussis, D., O'Malley, L., Patterson, M. (2006), "Mapping the re-engagement of CRM with relationship marketing", European Journal of Marketing, Vol. 40 No.5/6, pp.572-89

Papazoglou, M.P., Ribbers, P., Tsalgatidou (2000), "Integrated value chains and their implications from a business and technology standpoint", Decision Support Systems, Vol. 29 pp.323

Parasuraman, A. (1997), "Reflections on gaining competitive advantage through customer value", *Journal of the Academy of Marketing Science*, Vol. 25 No.2, pp.154-161

Parasuraman, A., Zeithaml, V.A., Berry, L.L. (1985), "A conceptual model of service quality and its implications for further research", *Journal of Marketing*, Vol. 49 pp.41-50

Parvatiyar, A. and Sheth, J.N. (2000), ''The domain and conceptual foundations of relationship marketing'', in Sheth, J.N. and Parvatiyar, A. (Eds), *Handbook of Relationship Marketing*, Sage Publications, Thousand Oaks, CA, pp. 3-38

Parvatiyar, A., Sheth, J.N. (2001), "Customer relationship management: emerging practice, process, and discipline", *Journal of Economic & Social Research*, Vol. 3 No.2, pp.1-34

Parvatiyar, A., Sheth, J.N. (2002), "Customer relationship management: emerging practice, process, and discipline", Journal of Economic and Social Research, Vol. 3 No. 2, pp.1-34

Patton, S. (2001), "The truth about CRM", CIO Magazine, Vol. 14 No.9, .

Payne, A., Frow, P. (2005), "The role of multichannel integration in customer relationship management", Industrial Marketing Management, Vol. 33 No.6

Peppers, D., Rogers, M. (1993), The One to One Future – Building Relationships One Customer at One Time, Currency Doubleday, New York, NY

Peppers, D., Rogers, M. (1999), The One to One Manager: Real-World Lessons in Customer Relationship Management, Doubleday, New York, NY

Ranjan, J., Bhatnagar, V. (2008), "A holistic framework for mCRM-data mining perspective", Information Management & Computer Security, Vol. 17 No.2, pp.151-65

Reichheld, F.F. (1996), "Learning from customer defections", Harvard Business Review, No.March-April, pp.56-69

Reinartz, W., Krafft, M., Hoyer, W.D. (2004), "The customer relationship management processes: its measurement and impact on performance", Journal of Marketing Research, Vol. 41 No.3, pp.293-305

Rust, R.T., Oliver, R.L. (2000), "Should we delight the customer?", Journal of the Academy of Marketing Science, Vol. 28 No.1, pp.86-94.

Ryals, L., Knox, S. (2001), "Cross-functional issues in the implementation of relationship marketing through customer relationship management", *European Management Journal*, Vol. 19 No.5, pp.534-42

Saunder et al (1997), "Mark Research Methods for Business Students", Sage, US

Schwede, S (2000), Vision and reality of CRM. *Information Management & Consulting,* 15 (1), 7-11

Schwede, S. (2000), "Vision und wirklichkeit von CRM", Information Management & Consulting, Vol. 15 No.1, pp.7-11

Schweigert, D. (2000), "Balancing idealistic vs realistic processes", in Proceedings of DCI Customer Relationship Management Conference, Boston, MA, 27-29 June

Seeman E. D. and M O'Hara (2006), Customer relationship management in higher education: Using information systems to improve the student-school relationship, Campus-Wide Information Systems, Vol. 23, No. 1, pp. 24-34

Shani, D. and Chalasani, S. (1992), ''Exploiting niches using relationship marketing'', *The Journal of Consumer Marketing*, Vol. 9 No. 3, pp. 33-42.

Shani, D., Chalasani, S. (1992), "Exploiting niches using relationship marketing", The Journal of Consumer Marketing, Vol. 9 No.3, pp.33-42.

Sin, L., Tse, A., and F. Yim, (2005), "CRM: conceptualization and scale development", European Journal of Marketing, Vol. 39 No.11/12, pp.1264-90

Slater, S.F. (1997), "Developing a customer value-based theory of the firm", *Journal of the Academy of Marketing Science*, Vol. 25 No.2, pp.162-167

Sumathy, M., Tamilselvan, M. (2008), "CRM: concepts and implementation", in Shanmugansundaram, S. (Eds),Customer Relationship Management: Modern Trends and Perspectives, Prentice Hall, New Delhi, pp.3-8

Swift, R.S. (2001), "Accelerating Customer Relationships Using CRM and Relationship Technologies", Prentice-Hall PTR, Upper Saddle River, NJ

Twogood, C. (1998), Customer Relationship Management: Data Warehouse Imperative for Obtaining True Customer Relationship Management, NCR Corporation, Dayton, OH

Valsecchi M, F. M. Renga, and A. Rangone (2007),"Mobile customer relationship management: an exploratory analysis of Italian applications", Business Process Management Journal, Vol. 13 No. 6, pp. 755-770

Vargo, S.L., Lusch, R.F. (2008), "Why service?", Journal of the Academy of Marketing Science, Vol. 36 pp.25-38.

Wang, Y.G., Lo, H.P., Chi R. and Y. Yang (2004), "An integrated framework for customer value and customer-relationship-management performance: a customer-based perspective from China", *Managing Service Quality,* Vol. 14 No 2/3, pp 169 – 182.

Wells, J.D., Fuerst, W.L., Choobineh, J. (1999), "Managing information technology (IT) for one-to-one customer interaction", Information & Management, Vol. 35 pp.54

West, J. (2001), "Customer relationship management and you", IIE Solutions, Vol. 33 No.4, pp.34-7

Willcocks, L.P., Plant, R. (2001), "Getting from bricks to clicks", *Sloan Management Review*, Spring, pp.50-59

Woodruff, R.B. (1997), "Customer value: the next source for competitive advantage", *Journal of the Academy of Marketing Science*, Vol. 25 No.2, pp.139-153.

Xu, Y., Yen, D.C., Lin, B., Chou, D.C. (2002), "Adopting customer relationship management technology", *Industrial Management & Data Systems*, Vol. 102 No.8/9, pp.442-452

Yau, O., McFetridge, P., Chow, R., Lee, J., Sin, L., Tze, A. (2000), "Is relationship marketing for everyone?", European Journal of Marketing, Vol. 34 No.9/10, pp.1111-27

Yelkur, R. (2000), "Customer satisfaction and the services marketing mix", *Services Marketing Quarterly*, Vol. 21 No.1, pp.105-15

Zablah, A.R., Bellenger, D.N., Johnston, W.J. (2004), "An evaluation of divergent perspectives on customer relationship management: towards a common understanding of an emerging phenomenon", Industrial Marketing Management, Vol. 33 pp.475-89

APPENDIX

INTERVIEW GUIDE

KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY

TOPIC: CUSTOMER RELATIONSHIP MANAGEMENT IN UMKRB

The study is being conducted as part of an academic requirement for the award of an CEMBA degree. The information collected would be used solely for this purpose and will be treated with utmost confidentiality.

PART 1: BACKGROUND OF RESPONDENTS

1. Gender _____

2. Age _____

3. Academic qualification _____

4. Position _____

5. No. of years in UMKRB _____

PART 2: CRM IN UMKRB

6. How are customers selected for CRM in UMKRB?

7. How is Customer Relationship managed in UMKRB? [i.e, communication, trust, value creation, social bonds, financial bonds]

8. Is there a policy, plan or department specifically for CRM?

9. How does IT help in this CRM process?

10. Do you have special software or system to generate customer data for CRM?

11. Have the customers involved in the CRM process become loyal and/or increased their purchases over time and/or recommended UMKRB to other people?

12. What benefits are derived by customers from CRM in UMKRB?

13. What benefits are derived by UMKRB from CRM?

14. What challenges are faced by UMKRB in CRM?

15. How can CRM be enhanced in UMKRB?

    THANK YOU