



**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES**

**THE IMPACT OF CUSTOMER RELATIONSHIP MARKETING ON
CUSTOMER SATISFACTION:
(The case of Commercial Bank of Ethiopia)**

**BY
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**MAY, 2015
ADDIS ABABA, ETHIOPIA**

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ID NO. SGS/0129/2006

**THESIS SUBMITTED TO ST. MARY UNIVERSITY, SCHOOL OF
GRADUATE STUDIES IN PARTIAL FULFILMENT OF THE
REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS
ADMINISTRATION**

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Acknowledgments

First of all, my hearty thanks go to Almighty God for His blessing-full knowledge, inspiration and diligence required for the successful completion of this Thesis and for making my dream a reality.

My special thanks and recognition go to my research advisor *Temesgen Belayneh (PhD)*, for his stimulating advice and constructive comments at every step of writing this thesis as well as for his unreserved efforts to assist me.

I would like to thank customers and CSMs' in those selected branches of the four districts of CBE who Cooperated with me by filling up the questionnaires, lobby persons' who are actively participated in facilitating in the filling of the questioners and Managers of CBE branches for their cooperation and providing valuable information during the interview session for completing the thesis. I also convey my grateful thanks to the writers of literature and secondary source materials which have contributed a lot to my thesis.

My appreciation and thanks extend to my family who directly or indirectly contribute their unlimited initiation and facilitation. Last but not the least, I would like to thank all who encouraged me and provided necessary materials for the study. Especially Megbaru Misikir (Ato) and Menur Yassin (Ato) deserves warm thanks for their valuable assistance and advice.

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Acronyms

No	Acronyms	Description
1	ATM	Automated Teller's Machine
2	CBE	Commercial Bank of Ethiopia
3	GTP	Growth and Transformation Plan
4	CRM	Customer Relationship Marketing
5	CSM	Customer Service Managers
6	CATS- CPC	Customer Accounts Transaction Service-Central Processing Center
7	F	Frequency
8	%	Percentage
9	C	Customer
10	CS	Customer Satisfaction
11	TRU	Trust
12	COM	Commitment
13	CON	Communication
14	COP	Competence
15	COH	Conflict Handling
16	POS	Point of Sale or Point of Service

ABSTRACT

The main objective of this study is to investigate the impact of customer relationship marketing on customer satisfaction. It is explanatory type of research. Data were collected through a five points Likert scales of questionnaire. The questionnaire was physically distributed to 210 customers and 42 customer service managers. Out of 210 customers and 42 customer service manager questionnaires 193 customer and 42 customer service managers were completed and collected. Descriptive, correlation and econometric analysis methods were used to analyze the collected data. Descriptive tools such as frequency, percentages, mean and standard deviation were employed to present results. Statistical analysis tool such as correlation coefficients was worked out and used to explore the relationships between variables. Econometric analysis through ordered logit regression was performed to study the effect of explanatory variables on customer satisfaction. Research findings indicate that there is a significant relation between relationship marketing components including trust, commitment, communication, conflict handling and competence on customer satisfaction and also to regression testing that all variables were examined simultaneously on customer satisfaction; results showed that all components have a significant impact on customer satisfaction. Lack of welcoming and smile face and deficiency in Customers' treatment, cooperative, politeness and willingness to help customers by some employees, there is Frequent network problem, long wait in queue specially at the end of the month, invisible advice issued, and delay in Check clearance were viewed by respondents as a customer relationship marketing practice weakness. Therefore, based on the findings the researcher has recommended that the bank Should provide consistent quality services by minimizing frequent network failure/internet connection problems, Should regularly visit customers; making a discussion about customer needs, communicating policy changes and other important issues. The bank should work hard on improving conflict handling practice through designing and continuously providing comprehensive training to employees that could improve conflict handling skill, attitude and ability gap.

Keywords: *Customer satisfaction, Customer, Bank, Customer Relationship Marketing.*

CHAPTER ONE

INTRODUCTION

In this chapter, topics used as a road map for the remaining parts of the research like; the background of the study, statement of the problem, research questions, and objectives of the study, significance of the study, scope of the study, definition of terms, limitations of the study and organization of the paper are discussed.

1.1. Background of the study

As a result of globalization of businesses and the evolving recognition of the importance of customer retention, customer loyalty, market economies and customer relationship economies, there has been a shift in marketing paradigm that emphasized long term and close relations with customers. Therefore transaction-based marketing that focus only on the selling of the product and only devoting effort to attracting new customers shifted to interactive marketing that focus on the establishment of sustainable and long term relations with customers which recognize retaining companies' existing customers and attracting new profitable customers.

Walsh *et al.*(2004) viewed that relationship marketing as a strategy to attract, maintain and enhance customer relationships in order to acquiring new customers and retaining existing customers. It is a core strategy used by firms to establish, maintain and enhance profitable relationships with clients, while ensuring benefits for both the firm and its clients. Based on the empirical literature evidences, the fundamental customer relationship marketing variables that can possibly influence customer loyalty and retention include communication, competency, social and financial bonding, empowerment, conflict handling mechanisms, trust, commitment, ethical behavior and technology. Each of these variables comprises organizational activities, actions and methods that are necessary to establish and maintain organization–client relationships and thus possibly ensure long-term relationships and higher customer retention levels. Therefore, the correct adaptation of these variables in an organization is vital to ensuring customer loyalty that influences customer's commitment and decision to repeatedly re-buy or re-patronize product and service provided.

With increasing competition, banking sector around the world is always in search of finding solutions to sustain and increase the efficiency of their businesses. Commercial banks worldwide started restructuring and re-engineering their business processes to cut costs and become more efficient and competitive. Smart banks are now changing their business practices by refocusing their efforts on external and internal environment i.e. customers and employees. In past, creating and maintaining a good relationship with the customer was comparatively easy than today because of small businesses and identifiable customers. Today, the extended size of the businesses and the wide range of customers have compelled organizations to explicitly manage good customer relationships if they want to be successful. This need led to the adaptation of customer relationship marketing concept in banking sector.

Satisfaction is a person's feelings of pleasure or disappointment that result from comparing a product's perceived performance (or outcome) to expectations. If the performance falls short of expectations, the customer is dissatisfied. If it matches expectations, the customer is satisfied. If it exceeds expectations, the customer is highly satisfied or delighted. Customer assessments of product performance depend on many factors, especially the type of loyalty relationship the customer has with the brand. Consumers often form more favorable perceptions of a product with a brand they already feel positive about.

The study conducted on relationship marketing and commercial bank performance in South Africa, Canada and UK among clients as well as bank managers articulated that proper relationship marketing result in lower marketing costs enhanced customer satisfaction, customer loyalty and possibly increased customer retention levels for banks. On the other hand, the study outlined that customers were benefited from banks which focused on relationship marketing in three countries i.e. customized offerings, empathy, appreciation, friendliness, communality as well as experiencing feelings of trust in the firm and customer satisfaction. As a result, commercial banks which focused on relationship marketing gain higher sales of deposit products, higher profitability, lower costs of acquiring new clients and word-of-mouth recommendations. Lastly, the study identified trust, bonding, commitment, communication, conflict handling and competence as fundamental variables for relationship marketing and as main tool to gain competitive advantage in customer attraction and retention (Rootman C. et al, 2010).

By considering the above evidences, this study was conducted by taking appropriate customer relationship marketing variable that persuade customer satisfaction of banks which can go with the condition and situations of selected commercial bank of Ethiopia branches' in Addis Ababa and come up with concrete results.

1.2. Statement of the Problem

With increasing competition in trade, rapid technological changes and increasing power and consumer choice, the success will depend on the ability of the companies which are capable to understand customer expectations and values, and respond them favorably. The banking sector is becoming increasingly competitive around the world. So, maintaining a sustainable long-term relationship with customer is a major factor of gaining a competitive advantage in commercial banking sector (Rahemi, 2012). In several studies (Rosenberg and Czepiel ,2004 and Reichheld and Sasser ,2010) and other studies estimate that the cost of winning a new customer is higher than that of maintaining an existing customer. despite the fact that, building a valuable customer relationship enlarge customer loyalty, enhance repeat purchase and attract new customer, which will increase the volume of deposit and credit transactions of banks.

An assorted empirical study indicates that customer relationship marketing practices can significantly lead to improvement of commercial bank performance in respect to customer attraction, customer satisfaction, and customer retention. The findings in Kenya and Ghana commercial banks also reveal some measures of relationship marketing such as bonding, trust commitment, communication, and conflict handling as a tool to enhance organizational performance of the commercial banks (Rosemond B. et al, 2013 and Hellen J., 2008).

Over the years, the commercial bank of Ethiopia is the leading bank in the country and won the trust and support of its esteemed customers. But in the last two decades a number of private commercial banks have come into the picture with the flourishing of free market economy.

CRM came into power when banking institutions became more and more competitive. They now realized the value of their customers and this need is pushing banks to seek solutions through technology. Banks are focusing on managing customer relationships in order to minimize the challenges like global competition for deposits, loans, underwriting fees, increasing customer demands, shrinking profit margins, and the need to keep up with the new

technologies (Malik & Harper, 2009). So to improve the quality and magnitude of their businesses, companies must design and implement their own CRM programs (Soch & Sandhu, 2008).

Globalization and Technological advancement has put banks into tough competition. Banking now has become a fragmented market with a large number of banks offering mostly the same products and services and thus making it easier for customers to leave one bank for another. This scenario gave rise to the importance of relationship marketing and CRM is part of it that is providing an opportunity for banks to develop actual relationship with customers. Today marketing doesn't only means developing and selling a product, rather it is moving towards developing and maintaining long-term customer relationships.

Thus, this study was conducted to analyze the impact of customer relationship marketing on customer satisfaction by taking five explanatory variables representing trust, commitment, communication, conflict handling and competence and dependent variable represented by customer satisfaction.

1.3. Research Question

The study was conducted with the aim of providing answers to the following basic research questions:

1. What are the major components of Relationship Marketing that lead to customer satisfaction in Commercial Bank of Ethiopia?
2. What is the existing Customer Relationship Marketing practice prevalent in Commercial Bank of Ethiopia?
3. To what extent managers and employees perception of Customer Relationship Marketing affect customer satisfaction of Commercial Ban of Ethiopia?
4. What is the relationship between components of Customer Relationship Marketing and customer satisfaction?
5. What is the effect of Customer Relationship Marketing on level of customer satisfaction?

1.4. Objectives of the Study

1.4.1 General objective of the study

The general objective of this study was to examine the impact of customer relationship marketing on customer satisfaction by taking evidence from selected branches of CBE in Addis Ababa.

1.4.2 Specific objectives of the study

The specific objectives of this study were:

1. To identify components of Relationship Marketing affecting customer satisfaction.
2. To examine the existing Customer Relationship Marketing practice of Commercial Bank of Ethiopia.
3. To assess the perception of managers and employees on Customer Relationship Marketing in relation to customer satisfaction.
4. To assess the effect of components of Customer Relationship Marketing on customer satisfaction.
5. To suggest Commercial Bank of Ethiopia managements' as how to build, maintain and enhance customer value.

1.5. Scope of the study

The study was limited to assessing the impact of customer relationship marketing on customer satisfaction in the commercial bank of Ethiopia. However, due to time and financial constraints in taking large sample size, it was difficult and unmanageable to include all branches found in the country. Thus, the study is delimited to collect data from the selected branches which are found in the four districts in Addis Ababa. i.e, branches in South, North, and East and West districts were the focus of the study.

1.6. Significance of the study

Commercial bank of Ethiopia has a vision to be becoming a world-class commercial bank by the year 2025 by surpass service excellence and business growth. Likewise, the bank is striving to keep up with changes and technological developments in financial sector in Ethiopia and making unreserved efforts to mobilize deposits & meet the growing credit demand of the economy in order to achieve its vision and to be more responsive to the GTP. As per empirical

and theoretical literature evidences, customer relationship marketing is one of the strategic tool of maintaining a sustainable long-term relationship with customer to gain a competitive advantage in financial sector through fostering customer loyalty, attraction new customer, customer satisfaction, customer retention and finally contributes to the financial strength of commercial banks. Thus, the study will have primarily significant for the researcher to have a detail understanding about customer relationship marketing practice in Commercial Bank of Ethiopia. Next, the finding of the study will also help in identifying possible gaps of relationship marketing practice of commercial bank of Ethiopia and its contribution on customer satisfaction; hence, it would help management bodies of commercial bank of Ethiopia at every level to take actions to fill the gaps. Lastly, study will serve as a good base for the forthcoming researchers who want to do a further research on this topic in Commercial Bank of Ethiopia.

1.7. Definition of Terms

In order to avoid the difficulty in understanding the study, important terms associated with the research are briefly defined as follows

Commercial Bank of Ethiopia

A government owned financial institution, which has given the authority to give financial service in Ethiopia.

Trust

A willingness to rely on an exchange partner in whom one has confidence.(Moorman et al ,1993).

Commitment

Commitment is an enduring desire to maintain a valued relationship. (Moorman et al, 1993).

Communication

Keeping in touch with valued customers, providing timely and trustworthy information on service and service changes, and communicating proactively if a delivery problem occurs.(Ndubisi ,2005).

Conflict Handling

Complaint handling is a supplier's ability to avoid potential complaints, solve conflicts before they create problems, and discuss solutions openly when problems do arise. (Ndubisi , 2005).

Competence

Perceptions of each of the party relationship amount of skills, abilities and knowledge needed the opposite party to effective function (Smith and Barclay, 1996).

Customer Satisfaction

Customer Satisfaction means feeling or attitude of customer towards the goods or services that could affect consumer buying behavior (Maleki & Darabi, 2008).

1.8. Limitations of the Study

Some factors were found as the limitations of the study. Some of the respondents were not volunteer to fill the questionnaire because they were busy of their daily routine task. And also, some respondents were not punctual in returning the questionnaire.

1.9. Organization of the Paper

The paper has five chapters, chapter one includes background of the study, statement of the problem, research questions, objectives of the study, definition of terms, significance of the study, scope of the study, and limitation of the study. Chapter two covers literatures which are relevant on the subject matter under study. Under chapter three, the methodology part of the study is described in detail. The findings of the study are presented, analyzed and discussed in chapter four. Finally, in chapter five summary, conclusions, and recommendations are forwarded based on the study findings.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

In this chapter, theoretical, empirical and the conceptual framework that guides the study are briefly highlighted.

2.1 Theoretical Literature

2.1.1 Concepts of Customer Relationship Marketing

Relationship marketing contains all steps that company takes to identify and provide better services to our valuable customers. The relationship marketing is the process to identify and create new value for customers, in which the mutual benefit has been considered. This benefit is shared with customer during his life. Customer relationship marketing is one of the best contemporary marketing strategies for all companies to satisfy their customer needs and wants. In customer point of view, trust, commitment, mutuality and long term relationship with customers which are very essential factors to satisfy their customer needs and wants. Customer relationship marketing concerns attracting, developing, and retaining customer relationship. (T.Velnampy & S.Sivesan , 2012).

Christopher *et al.* (1991) explained that transactional marketing is focused on a single sale in the short term. Transaction marketing is said to be oriented towards product features with low emphasis in service, and involves moderate customer contact and limited customer commitment, when compared with relationship marketing which emphasizes product benefits with high service, customer contact, and customer commitment.

Relationship Marketing refers to marketing activities that attract, develop, maintain, and enhance customer relationships (Berry and Parasuraman, 1991; Grönroos, 1994). It has changed the focus of marketing orientation from attracting short-term, discrete transactional customers to retaining long-lasting, intimate customer relationships. The objectives of relationship marketing include the delivery of sustained or increasing levels of satisfaction, and the retention of those customers by the maintenance and promotion of the relationship (Ravald and Grönroos, 1996).

2.1.2 Foundation of Relationship Marketing

Researchers in different countries and cultures have considered different basis for relationship marketing. The first foundation of relationship marketing is trust. According to Morgan and Hunt

(1994), success in relationship marketing requires trust and commitment. They debated that trust and commitment are the key mediators in the exchange between members, which fundamentally leads to building a relational cooperation.

The second foundation for relationship marketing is commitment. (Morgan and Hunt, 1994) defined that commitment is as “an ongoing relationship with another that is as important as to warrant maximum efforts at maintaining it”. The third variable of relationship marketing is communication which is defined as the exchange and sharing of timely and reliable information in a formal or informal relationship between the parties. The concept of this definition emphasizes more on accuracy and appropriateness of information, not the volume and the repetition of information. Others believe that communication, especially timely communication by helping to resolve the differences and unite perceptions and expectations help to promote confidence between the parties (Sin et al., 2005). Fourth foundation considered for relationship marketing is conflict management. (Dwyer et al, 1987) believed that conflict in relationships is foreseeable and its consequence is inaccurate perceptions of the parties about the goals and their role in the relationship, conflict points the ability to minimize negative impacts and the obvious potential but before that can lead to problems. (Sin et al., 2005) indicated that the conflict in relationships is due to the lack of commitment to relationship between members and also the increase of conflict in a relationship reduces the mutual trust and the desire to maintain a long term relationship.

The fifth foundation, (Hunt et al., 2006) has been introduced the merit of agency as a factor affecting the success of our marketing strategy. They defined the perception of each party in skills, abilities and knowledge needed of opposite side for effective function. (Kandampully & Duddy, 1999) in their investigation on relationship marketing and performance of banks indicated that competence and expertise is an important factor for success in establishing and maintaining relationships of banks with customer.

Researchers have a number of factors that underlie the emergence of relationship marketing have been identified such as increasing intensity of global competition, increasing customer’s knowledge and demand, fragmentation of markets, rapid changes in customer buying patterns-continuous improvement in quality standards, impact of technology on all aspects, and Discredited traditional marketing (such as reducing the effectiveness of advertising)(Kandampully & Duddy, 1999)

(Mokhtari, 2008) indicated that Relationship Marketing and Modern Customer Orientation creates benefits for banks. Such as maintaining the current customer without fear of threatening competitors, gaining more revenue and benefits from main existing customers and increase the share of the bank from each customer, Significant decrease in costs of resources and increase in efficiency of use, attracting main and first level customers of banks, attracting customers from other banks through the positive word to word advertising by current customer and It is proved that an old customer satisfied with the banking services is effective same as ten new clients in advertising that contributes positively for resource mobilization of banks and profitability of the bank. Weak attention to general principle of customer marketing oriented causes banks to face the risk.

2.1.3 Customer relationship marketing practices key mediating variables and customer satisfaction

Trust

In the service industry, an important part of selling is to be able to convince customers and gain their trust. Banking is not an exception. Trust is an important dimension that banks can use to develop long-lasting relationship and make their customers loyal. There is a diverse definition of trust. Trust involves believing that the actions of the exchange partner are in our favor and best interest (Anderson & Narus, 1990). Trust has been defined as “A willingness to rely on an exchange partner in whom one has confidence .Trust is the level of dependence of the customer on his partner” (Moorman et al., 1993). Trust is an important component in establishing and maintaining successful inter organizational systems” (Meier, 1995). Therefore, within the context of banking, the direct implication of trust in a banking relationship is that customers can trust banks to deliver on their promises; trust them to safeguard their funds; trust them to provide services that satisfy their needs; trust banks’ employees to listen to and satisfactorily solve their complaints; and trust banks that they can keep their account and transaction information confidential. There is a litany of theoretical and empirical evidences in the extant literature that prove that the existence of trust strengthens a relationship in businesses (. The length of a relationship between a customer and a company is positively related to the customer’s perceptions of the trustworthiness of the company. This implies that loyal customers tend to trust their banks more than less loyal customers and vice-versa (Millar & Rogers, 1987). (Harrison,

2000) urges financial institutions to increase their trustworthiness in the eyes of their customers in order to improve relationship with them. Trust can be built by exchanging information, handling foreseen problems and conflicts, and flexibly adjusting products to the customers' demands. A relationship built on trust produces certain benefits, including savings on relationship termination cost, relationship benefit, effective communication, shared values and useful construct for the likelihood of customer loyalty and increasing future purchase frequency of customers. In this study trust variable is measured by factors such as bank security in transactions, bank service quality, reliability promises of bank, staff behavior towards clients, safeguard their funds, and their account and transaction information

Commitment

Commitment is an ongoing relationship with another that is so important as to warrant maximum efforts at maintaining it (Morgan and Hunt, 1994). In this study commitment is measured to compatible and consistent of bank services with customer needs and bank flexibility towards the customer and change services. Commitment can be defined as the sacrifices made by the bank and customers to maintain a relationship. It is meet customer needs and Information sharing with customers. Commitment is another important determinant of the strength of a marketing relationship, and a useful construct for measuring the likelihood of customer loyalty and predicting future purchase of deposit product frequency. In the marketing literature,(Moorman et al. ,1993) have defined commitment as an enduring desire to maintain a valued relationship. (Wilson, 1995) observed that commitment was the most common dependent variable used in bank-customer relationship studies. Since, commitment is higher among individuals who believe that they receive more value from a relationship; highly committed customers are willing to demonstrate higher levels of commitment due to the value they placed on the existing relationship derived from past positive experience. Thus, committed customers are expected to be loyal to the organization resulting in positive relationship between commitment and customer loyalty. Consequently, highly committed firms are expected to continue to enjoy the benefits of such reciprocal exchanges.

Communication

Communication is defined as 'all formal and informal exchanges that make meaningful and timely information exchange between buyer and seller' (Ranjbarian & Barari, 2009). Also communication is defined as the formal as well as informal exchanging and sharing of meaningful and timely information between bank employees and customers (Sin et al, 2002). Communication refers to the ability to provide timely and trustworthy information. Today, there is a new view of communications as an interactive dialogue between the company and its customers, which takes place during the pre-purchasing, purchasing, and post purchasing stages. Communication in relationship marketing means keeping in touch with valued customers, providing timely and trustworthy information on service and service changes, and communicating proactively if a delivery problem occurs. It is the communicator's task in the early stages to build awareness, develop customer's preference, convince interested customers, and encourage them to make the purchase decision. Communications also tell dissatisfied customers what the organization is doing to rectify the causes of dissatisfaction. When there is effective communication between employees and its customers, a better relationship will result and customers will be more loyal (Ndubisi, 2007). Bidirectional communication leads to a strong relationship satisfying both parties, which in turn leads to increased loyalty and purchase of deposit products. Communication is a vital component in business relationships establishment (Andersen, 2001). Communication is important in marketing relationships; it plays a central role in providing an understanding of the exchange partner's intentions and capabilities, thus forming groundwork for building trust among exchange partners. In this study Communication is measured with factors such as timely and reliable information, providing information on new services and promises and accuracy in information.

Competence

Competence is defined by perceptions of each of the party relationship amount of skills, abilities and knowledge needed the opposite party to effective function (Smith and Barclay, 1996). In this study competence is measured with factors such as necessary knowledge and skill about bank service, market trends, consulting and planning about the investment to customers and effective advertising.

Conflict handling

Conflict handling is defined as cooperative supplier in minimizing negative results from significant potential involvement. In this study conflict handling is measured with factors such as to avoid conflict, trying to solve problems before they occur, the ability to solve problems in time problem.). It is the organization's ability to minimize the negative consequences of manifested and potential conflicts. Conflict-handling includes the organization's ability to avoid potential conflicts, to solve manifested conflicts before they create problems, and to discuss solutions when problems arise. How conflicts are handled will influence customer loyalty directly (Ndubisi, 2007). The degree to which the different parties in the relationship engage in conflict-handling processes will depend on their prior satisfaction with the relationship, the magnitude of the investment in the relationship, and the alternatives that the parties have (Sauers, 2008). Organizations' that encourage disappointed customers to complain and empower employees to remedy the situation at the time and place of its occurrence have been shown to achieve higher customer loyalty and greater profits (Kotler & Keller, 2006)

Customer Satisfaction

Customer Satisfaction means feeling or attitude of customer towards the goods or services that could affect consumer buying behavior (maleki & Darabi, 2008). Customer satisfaction is measured with factors such as completely happy, customer pleasure bank providing the services, good customer experience and reelection bank. Customer satisfaction is a major goal of business organizations, since it affects customer retention and companies' market share (Hansemark and Albinsson, 2004). The quality of the services provided determines in great extent the level of customer satisfaction and analyzing the latter can help banks identify their weak points and act as a wake-up call for management and employees alike. If the ultimate goal is to maximize customer satisfaction, it is essential to understand what it is that customers want from a bank. This new focus on understanding and meeting the needs of each customer has come to be known as one- to-one marketing. Research has shown that customer expectations for quality service can be categorized into five areas: responsiveness, assurance, empathy, reliability, and tangibles. (Leonard L.Berry, David R.Bennet, and Carter W. Brown, 1989).

Conceptualization

In the present study according to model of Ndubisi & Wah (2005) variables of trust, commitment, communication, conflict handling and competence as fundamental variables of relationship marketing have been studied.

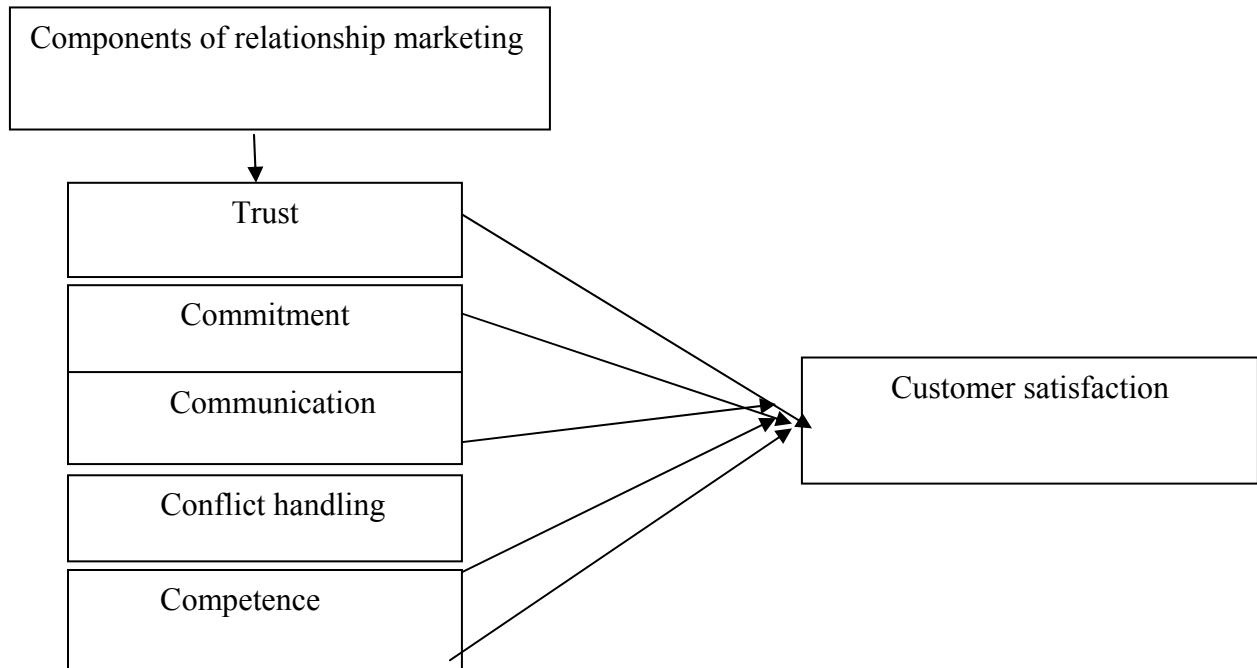


Figure 1.1 Conceptual framework

Trust

Trust indicates that each person of relationship, to what extent can considered other person promise and is defined as the willingness to trust and reliance to audience (Wong & Shoal, 2002). In this study trust variable is measured by factors such as bank security in transactions, bank service quality, reliability promises of bank, staff behavior towards clients and the bank commitment to our customers. So the hypothesis of trust and customer satisfaction can be expressed as follows:

1. There is a significant positive relationship between trust and customer satisfaction.

Commitment

Commitment is intention to continue or maintain a relationship with the other party (Rashid, 2003). In this study commitment is measured to compatible and consistent of bank services with

customer needs and bank flexibility towards the customer and change services. So the hypothesis of commitment and customer satisfaction can be expressed as follows:

2. There is a significant positive relationship between commitment and customer satisfaction.

Communication

Communication is all formal and informal exchanges that make meaningful and timely information exchange between buyer and seller (Ranjbarian & Barari, 2009). In this study Communication is measured with factors such as timely and reliable information, providing information on new services and promises and accuracy in information. So the hypothesis of Communication and customer satisfaction can be expressed as follows:

3. There is a significant positive relationship between Communication and customer satisfaction.

Conflict handling

Conflict handling is defined as cooperative supplier in minimizing negative results from significant potential involvement (Ndobisi & Wah, 2005). In this study conflict handling is measured with factors such as to avoid conflict, trying to solve problems before they occur, the ability to solve problems in time. So the hypothesis of conflict handling and customer satisfaction can be expressed as follows:

4. There is a significant positive relationship between conflict handling and customer satisfaction.

Competence

Competence has defined by perceptions of each of the party relationship amount of skills, abilities and knowledge needed the opposite party to effective function (Smith and Barclay, 1996). In this study competence is measured with factors such as necessary knowledge about bank service, market trends, consulting and planning about the investment to customers and effective advertising. So the hypothesis of competence and customer satisfaction can be expressed as follows:

5. There is a significant positive relationship between competence and customer satisfaction.

2.2. Empirical Literature

Rootman C. et al (2010) have conducted a study on relationship marketing and customer retention best lessons from banks in South African Canada and the UK. In the investigations, insight has been given into the relationship marketing and customer retention strategies of banks in South Africa, Canada and the UK and its contribution. More specifically, the article provided insight into the extent to which selected independent variables (relating to banks' activities, actions and methods) influence banks' relationship marketing and customer retention, and into practical strategies that can be learned from successful international banks. As banks are important contributors to any economy, sustained client relationships and stability through maintained clients, or customer retention, are essential for the survival of these institutions. Banks therefore need to familiarize themselves with service delivery activities and methods and should constantly adjust to improve their relationship marketing efforts and customer retention levels.

The empirical findings of this study have established that six relationship marketing variables to have a positive influence on the customer retention and loyalty of South African, Canadian and UK banks. The study revealed that trust, bonding, commitment, communication, conflict management and competence are important for South African and other developing banks to partner with Canadian and UK banks and to regularly benchmark themselves against these banks in order to develop as institutions and to discover how to adapt their banking aspects. If banks follow these strategies, their relationship marketing would improve, and relationships with clients would be better maintained. As the study showed, this would also increase banks 'customer retention rates, recruiting potential of new customers, customer loyalty and potential of mobilizing deposit, which is crucial in the competitive banking environment in which these banks operate.

Christiana B. and Amy E. (2011) have conducted a study on the practice of relationship marketing and customer retention and its impact on resource mobilization performance in the banking industry in Ghana. The study summarizes the banking sector in Ghana has witnessed significant improvement in relationship marketing. The purpose of the study is to bring deeper understanding and insight into the practice of relationship marketing and customer retention by banks in Ghana. For this study, 12 out of the 27 banks in Ghana were selected as the sample size.

The research explains the role of relationship marketing in customer retention and also demonstrates relationship marketing applied and practiced by the banks in Ghana affects its resource mobilization performance and customer loyalty. A qualitative research approach was chosen and deductive research was conducted based on twelve case studies from both local and international banks. The findings of the study showed that indeed, all the banks have reasons for adopting relationship marketing in customer retention. The most popular reason for believing in the success of relationship marketing is customer retention.

On practice, even though all the banks are similar in terms of their capacity, while human behavior (trust, commitment, communication, conflict management and competency) influence relationship marketing and therefore brought differences in practices. The study found that banks apply relationship marketing in their customer retention efforts and all work towards retaining customers in order to make customer more loyal and recruiting new customer and increases deposit and credit transactions. As human behavior (trust, commitment, communication, conflict management and competency) is of great importance in relationship marketing activities of the banks, it was recommended among other things that banks staff training plan should be strengthened if they want success in their relationship marketing activities.

Kuria, E. (2010) has investigated a study on relationship marketing practices among commercial banks in Kenya. The purpose of the study was to establish the nature of relationship marketing practices and to determine the extent to which relationship marketing is practiced among commercial banks in Kenya. This study was a cross-sectional survey undertaken among the commercial banks in Kenya. The population of the study was the 44 commercial banks. A survey of all banks was undertaken. The study found that the banks have applied products oriented Customer Relationship Marketing practices to a great extent. The findings indicate that employee oriented Customer Relationship Marketing strategies are present and enhanced top a great extent. From the findings it emerges that communication oriented CRM strategies have been applied to a moderate extent. The study further found that loyalty oriented CRM activities are not enhanced in the commercial banks in Kenya. The study recommends that that the Kenyan commercial banks need to critically reconsider several aspect of the customer relationship marketing strategies especially on the areas of technology adoption and its interaction with CRM.

The last decade the banking industry has been in the process of fundamental changes. These changes brought new competitors into the marketplace. Banks have become more customer-orientated aiming at the satisfaction of their customers. Relationship marketing is essentially about extending and deepening businesses with bank customers. Crucial factors are the trust and commitment for the building enduring relationships. Christina K. And Nikolaos S. (2011) have conducted a study on building enduring customer relationships marketing in the corporate banking sector. This study contributes to the understanding of benefits that can be achieved from relational customers and their loyalty to banks. Also extends the existing literature on trust and commitment. Over the years these two key characteristics have emerged as a central construct in the study of relationship marketing. This study centralizes on the interaction between customers and banks in the Greek banking industry. The process of interaction means a lot for successful long-term relations and also for the maintenance of existing customers relationships and increase the frequency product repurchase intentions of customers.

Kosile B. and Ajala O. (2006) have conducted a study on relationship marketing and bank performance in Southwestern Nigeria This paper examines the effect of relationship Marketing process on Bank performance of selected Commercial Banks in Southwestern Nigeria. It examines the management and performance of marketing relationships from the perspectives of bonding, commitment, communication, conflict management, direct marketing, banks' relationship quality and customer's relation benefits in Nigeria context. The research design used was a descriptive design. The data for the study were gathered, through questionnaire from three out of six states in the Southwestern geopolitical zone of Nigeria. Multistage Random sampling technique was used. High rate of return of 91% was achieved because it was a self-administered questionnaire using drop and collect method. The reliability test of instrument was done using Factor Loading and Cronbach Alpha. Data collected were analyzed using both descriptive and regression analysis statistics. The Statistical Package for Social Scientists (SPSS) 17.0 version was used in data analysis. The finding reveals a positive and significant relationship between relationships marketing and bank performance indicators. The bonding, commitment, communication, conflict management, relationship quality and Relation Benefits were found to be positively and significantly determinants of Bank performance. The findings revealed further that direct marketing are insignificant predictors of bank performance.

Seyyedeh M. et al (2011) have investigated on relationship between relationship marketing and customer loyalty case study on Pasargad Bank in Mazandaran province. The main objective of the study is to add to understanding about the role of relationship marketing tactics in customers' loyalty. We determined the amount of the sample size with the used of Cochran sampling method which the statistical sample is 352 of these bank customers which have been selected through the simple random sampling method. For data gathering, the study used questionnaires with 37 items. Questionnaires reliability was estimated by calculating Cronbach's Alpha. In order to analyze the data resulted from collected questionnaires deductive and descriptive statistical methods are used and to display some statistical data the study used column diagram and in deductive level to test the hypothesis of the research the study used Pearson Correlation coefficients and Multivariate regression. Finding show that correlation results show a positive relationship between trust, commitment, communication, conflict management and competence as independent variable and customer loyalty as dependent variable. On the other hand, based on the correlation analysis results, there is also a positive relationship between relationship marketing as independent variables and the customers' loyalty as dependent variable. Therefore, the increase in relationship marketing enhances the customers' loyalty.

Empirically, Shahram G. et al (2009) have concentrated on examination of the relationship between relationship marketing and customer satisfaction and effect on Iran banking sector. The main objective of this study is to investigate the relationship between the components of relationship marketing and customer satisfaction. In terms of implementation, this study has been a correlation and conducted as field. Statistical population of present study is all customers with an account in Tejarat Bank in the province of Guilan. Sampling method is non-probability available, method of data collection is field and data collection tool have been questionnaires. After the questionnaires distributed, 378 questionnaires were analyzed. Method of data analysis was the correlation coefficient and regression that performed by using spss software. Research findings indicate that there is a relation between relationship marketing components including trust, commitment, communication quality and competence on customer satisfaction and also on financial performance of a bank but did not confirm the relationship between the components of conflict management and customer satisfaction and also to regression testing that all variables were examined simultaneously on customer satisfaction and financial performance of a bank ; results showed that all components have an impact on customer satisfaction.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Chapter Overview

This chapter involves the research design and method employed. To get reliable answer for each question of this research: various sources of data, methods of sampling, tools of data gathering and analyzing of data were employed

3.2 Research design

According to R. Kothari, (2004), a research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. In fact, research design is the conceptual structure within which research is conducted; it constitutes the blueprint for the collection, measurement and analysis of data.

As this study establishes causal relationships between variables it is explanatory research. The emphasis here was on studying a situation or a problem in order to explain the relationships between variables. Questioners were analysed using statistics and interview was conducted with branch managers therefore it is mixed research type.

3.3 Sampling Design

3.3.1 Population of the Study

Target population is defined as the entire group a researcher is interested in. According to Zikmund (2003), the definition of population was identifiable total set of elements of interest being investigated by a researcher. According to data from Cats-CPC, there are 15 districts and over 950 branches. Therefore, the target population of this study was the customers, customer service managers and the managers in those districts.

3.3.2 Sample Size

In addition to the purpose of the study and population size, three criteria usually will need to be specified to determine the appropriate sample size for large population: population standard deviation (approximated by S), magnitude of acceptable error (E), and confidence level (Z).

(Cochran,1999). Due to large number of customers in branches of Commercial Banks of Ethiopia in Addis Ababa, sample size for populations that are large will be determined through the equation developed by Cochran (1999). :

$$n_0 = \frac{(ZS)^2}{E^2}$$

n_0 is the sample size, Z^2 is the abscissa of the normal curve that cuts off an area α at the tails ($1 - \alpha$ equals the desired confidence level, e.g., 99%), more heterogeneous the population the higher expected population standard deviation and accordingly the larger sample size is required. Thus, as a rule thumb that most commonly used Z-value of 2.57 where two standard deviations away from the mean cover 99% of the normal curve (Cochran, 1999). Thus to determine the sample size of customers, the study was used 99% confidence level and assuming 90% population heterogeneity under two standard deviation which is approximately equal to 210

3.3.3 Sampling Technique

The main instrument for data collection was questionnaire that was administered through the help of customers and customer service managers of the selected CBE branch's in Addis Ababa. Researcher normally determines sample size and technique to validate the objective of the study. The researcher used stratified sampling technique to select strata made up of customers of CBE branch's chosen for the study, making a sample of 210 respondents. Thus, the stratified sampling method is the process of dividing members of the customers of Commercial Bank of Ethiopia into four strata's based on their mixture of branches in four districts, i.e., North Addis Ababa, South Addis Ababa, West Addis Ababa and East Addis Ababa district.

According to data from Cats-CPC, there are 5 grade four and 4 grade three branches in North Addis Ababa, as well as in West Addis Ababa, 5 grade four and 3 grade three branches in East Addis Ababa and 8 grades four and 2 grade three branches in the South Addis. Then the study was randomly selected 40 % grade 3 and grade 4 branches from each stratum as sampling units. 16 Customers were selected from each selected branches through purposive sampling technique and census technique was applied to customer service managers from each selected branch. The data were collected only from grade 4 and grade 3 branches by considering relatively elongated year of establishment, having most of corporate customers, large number of customers served, volume of transaction and deposit comparing with other grade branches. In addition to

questionnaires, interview method was employed to triangulate the finding of the study which was collected from 12 branch managers of those selected branches.

Table 3.1: Status of Questionnaires Distributed to the customers

no.	DISTRICT	Total no. of Grade 3 and 4 branches	proportion % of branches	No. of branches questionnaire distributed	No. of Questionnaires distributed in each branches	Total Questionnaire Dis. In Each Branch
1	South	10	40%	4	16	64
2	East	8	40%	3	16	48
3	West	9	40%	3	16	48
4	North	9	40%	3	16	48
	TOTAL	36		13		208

3.4 Sources of Data

Appropriate structured questionnaire was prepared and was used to collect primary data from customer and customer service managers. Detailed information on customer and employees demographic characteristics, trust, commitment, communication, conflict handling, competence and customer satisfaction data was collected by questionnaire. In order to support the questionnaire survey, primary data was also obtained through interview with branch managers of selected branches. Secondary data was collected from empirical evidences to supplement the finding of primary data.

3.5 Research Instrument

The data collection tools that were employed in this study were questionnaire and interview from primary sources of data and document analysis from secondary sources. The questionnaire was used commonly to gather data for descriptive survey. The questionnaires were having structured with closed ended type. Accordingly, 5 point Likert scale items were prepared for respondents because it is helpful to choose one option from the given scaling that best align with their views. In addition to this, interview was conducted with the selected branch managers in order to give opportunities to express their feelings, perceptions, and intentions related to the customer relationship marketing practice in Commercial Bank of Ethiopia. The questionnaires were having different parts to obtain necessary information

3.6 Method of Data Analysis

Data processing and analysis is an important part of the whole survey operation. It includes manual editing, coding, data entry, data cleaning and consistency checking. The researcher made all these activities of data processing. Descriptive, correlation and econometric analysis methods were used to analyze the collected data. Descriptive tools such as frequency, percentages, mean and standard deviation were employed to present results. Statistical analysis tool such as correlation coefficients was worked out and used to explore the relationships between variables. Econometric analysis through ordered logit regression was performed to study the effect of explanatory variables on customer satisfaction. STATA version 11 was used for the analysis.

3.7 Validity and Reliability

3.7.1 Validity

According to R. Kothari, (2004), Validity is the most critical criterion and indicates the degree to which an instrument measures what it is supposed to measure. Validity is the extent to which any instrument measures what is intended to measure. Content validity of the survey questionnaire was validated by professionals and the research advisor. The results led to make minor changes in the instrument, which were made prior to administering the survey.

3.7.2. Reliability

In this study reliability was examined on all items. As a test of reliability Cronbach's Alpha was adopted to represent internal consistency. Table 3.2, shows the reliability test with all values greater than threshold of 0.60(Walsh, 1995). Hence it can be conclude that the items reliably measure the defined constructs and variables.

Table 3.2: Cronbach's a of Constructs

Construct	Number of Item	Cronbach's a	Internal consistency
Trust	5	0.783	good
Commitment	6	0.791	good
Communication	6	0.712	good
Competence	4	0.705	good
Conflict Handling	5	0.766	good
Customer satisfaction	5	0.808	good

Source: STATA Cronbach's a result based on questionnaire survey

3.8 Ethical Issues

The researcher treated all the information given by customers and customer service managers kept confidentially without disclosing the respondent's identity and would not be used for any personal interest. Furthermore the questionnaires were distributed only to voluntary participants. Lastly, all secondary sources were quoted to keep the rights of ownership of all materials.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

This chapter presents the results of the data analysis. The first section of this chapter provides the demographic profiles of the final survey respondents. The second part of the chapter deals with the analysis of the different questions in the questionnaire.

4.1 Background Information about Respondents

This sections that follow present profile of respondents' like gender, age, year of relationship and the type of deposit account they have at Commercial Bank of Ethiopia.

Table 4.1 Respondents' profile

Gender	Male				Female			
	Frequency		Percentage		frequency		percentage	
	131		67.88		62		32.12	
Age	18-25		26-45		46-65		Above 65	
	frequency	percentage	frequency	percentage	frequency	percentage	frequency	percentage
	28	14.5	98	50.78	59	30.56	8	4.14
How long have you been a customer	Less than 1		1-5 years		5-15 years		Above 15 years	
	frequency	percentage	frequency	percentage	frequency	percentage	frequency	percentage
	8	4.14	93	48.18	77	39.89	15	7.77
Type of accounts	Saving account				Current account			
	frequency		Percentage		frequency		percentage	
	89		46.11		104		53.89	

Source: STATA descriptive analysis result based on questionnaire survey,2015

According to the survey taken, 67.88% of the respondents were male customers whereas 32.12% were female respondents. The study tried to represent of the customer respondents however is fairly balanced but the selected customers had more male than females. In terms of age, 50.78 % of survey respondents were under age 26-45 years, 30.56% under age 46-65, 14.5% under the age 18-25. The remaining 4.14% respondents were under the age above 65.

On the other hand, 58.18% of respondents had 1-5 years of relationship with CBE, 39.89% had a customer of CBE for 5-15 years, 7.77% of the respondents had more than 15 year of relationship experience. The remaining 4.14% respondents had less than 1 year of relationship experience

with the bank. The fact that majority of the respondents had 1-5 years experience relationship with Commercial Bank of Ethiopia. In addition to the above, respondents were asked to identify the type of deposit accounts that respondents have with CBE. As a result majority of customer respondents were current account holders i.e. 53.89% and the remaining 46.11% of respondents have saving account with CBE.

4.2. Data Analysis on components of Customer Relationship Marketing

4.2.1 Trust Practice

In this section the descriptive analysis result for trust as a customer relationship marketing practice was presented.

Table 4.2 Descriptive Statistics of items that measure Trust Practice of respondents

Variables		Strongly agree		agree		neutral		disagree		Strongly agree		MEAN (standard deviation)
		C	CSM	C	CSM	C	CSM	C	CSM	C	CSM	
Consistent in providing quality service	F	27	8	69	25	17	4	44	2	36	3	3.03 (1.37)
	%	13.99	19.05	35.75	59.5	8.81	9.52	22.80	4.76	18.65	7.14	
Feel no risk when dealing with CBE	F	39	15	117	17	21	6	10	2	6	2	3.89 (.88)
	%	20.21	37.71	60.62	40.4	10.88	14.29	5.18	4.76	3.11	4.76	
Treated customers in a sense of fair mindedness, polite with positive attitude and are cared sincerely	F	29	6	107	24	15	3	29	7	13	2	3.56 (1.12)
	%	15.03	14.29	55.44	57.1	7.77	7.14	15.03	16.67	6.74	4.76	
Customer personal, bank transaction and account related information is protected adequately	F	44	14	90	13	23	4	24	10	12	1	3.67 (1.12)
	%	22.80	33.33	46.63	30.9	11.92	9.52	12.44	23.81	6.22	2.38	
CBE and employees are highly concerned on management(safeguarding) and absolutely meticulous and transparent record keeping of customers deposit accounts	F	41	6	100	17	19	5	24	13	9	1	3.72 (1.07)
	%	21.24	14.29	51.81	40.4	9.84	11.90	12.44	30.95	4.66	2.38	

Source: STATA descriptive statistics result based on questionnaire survey, 2015

Under table 4.2 the study assessed the trust of customers on Commercial bank of Ethiopia and its service performers by taking five sub variable through questionnaire survey from customers and customers service managers. Regarding providing consistent service quality to customers the survey result depicted that, 13 % customers and 19.05% CSM respondents were strongly agreed, 35.75% customers and 59.5% CSM respondents were agreed that the quality service in CBE is

reliable, while 41.5% customers and 11.9% CSM respondents were disagree about the consistency of service quality at Commercial Bank of Ethiopia. Lastly, 8.81 % customer and 9.52 % CSM respondents were decided that consistency of service quality in Commercial Bank of Ethiopia is nor superior neither paucity. Majority of the respondents agreed that CBE has providing a consistent quality service to customers.

The table 4.2 sought to establish how CBE and service performers makes customers to feel safe when they dealing with CBE in order to build customers confidence and trust. From the table aforementioned, 20.21 % customer and 37.71 % CSM respondents were strongly agree and 60.62 % customer and 40.4 % CSM respondents were agree that CBE and service performers dedicated to build trust and confidence of customers and making them feeling no risk when dealing with CBE. However, 8.29 % customers and 9.52% CSM respondents were disagreeing regarding the issue. Majority of the respondents agreed that customer feeling confident when they are dealing with CBE and they didn't suspect any risk of losing their funds.

With regard to the treatment of customers in a sense of fair mindedness, polite with positive attitude and are cared sincerely by employees, 55.44% customers and 57.1% CSM respondents were agreed with the statement that staff in CBE treated customers in a sense of fair mindedness, polite with positive attitude and are cared sincerely. On the other hand, 21.77% customers and 21.43% CSM respondents were responding opposite. Overall the majority of respondents were agreed that employees at CBE treat customers in a sense of fair mindedness, polite with positive attitude and are cared sincerely.

The findings of the study in table 4.1 depicted that majority of the respondents replied that Customer personal, bank transaction and account related information is adequately protected at CBE, i.e. represented by 69.13% customers and 64.23% CSM respondents. While, 18.66% customer and 26.19 % CSM respondents were refuse the statement.

The table above 4.2 depicted that 73.05% customers and 54.69% CSM respondents replied that CBE and its employees are highly concerned on management (safeguarding deposit funds) and absolutely meticulous and transparent record keeping of customer's deposit accounts. However, 17.1% customers and 33.33 CSM respondents level this practice with less extent. From this result the study infer that majority of the respondents were contented with the trust parameter.

Consequently, according to the mean scores, the findings in Table 4.2 imply that commercial bank of Ethiopia has, to a moderate extent, adopted trust as a one customer relationship marketing practice. This is because all trust parameters used under this study had a mean score of between 3.00 and 3.99. The practices are listed in order of the magnitude of the mean score in a descending order.

- Customer feel no risk when dealing with CBE
- CBE and employees are highly concerned on management(safeguarding) and absolutely meticulous and transparent record keeping of customers deposit accounts
- Customer personal, bank transaction and account related information is protected adequately
- treated customers in a sense of fair mindedness, polite with positive attitude and are cared sincerely
- consistent in providing quality service

However, it is to be noted that just like the extent of adoption of trust as one of relationship marketing practices, there were variations among respondents on the degree of adoption of trust parameters by Commercial Bank Ethiopia. The variation is exhibited in the differences of responses to the respective of trust parameter practices by different proportions of respondents on the likert scale options. The variations are indicated by the standard deviations of the practices and they range from the low of 0.88 standard deviations for Customers feel no risk when dealing with CBE to the high of 1.37 standard deviations for consistent in providing quality service. This implies that Low standard deviations indicated no significant variations of the extent of adoption of a specific trust parameter relationship marketing practices while high standard deviations indicated significant variations.

The study findings, therefore, support the arguments in the literature about the practice of trust as a Customer relationship marketing in banks to a moderate extent. For instance the findings are in consonance with the characteristics of customer relationship marketing practice as presented by Lee *et al.*, (2011) and Harrison (2000), according to the literature commercial banks that seeking to enhance customer trust should show effort to keep promises made to customers, keep customers information confidential, polite and respect to customers by the staff and provide quality service and then will win the confidence of their customers and customer loyalty.

Therefore, the results under trust practice conclude that not to be doing something wrong and staffs have complete information about matters and have polite behavior and create trust. reputation of the bank, integrity and empathy of the staff at Commercial Bank of Ethiopia had impact in increased customer confidence and also by making promises to customers and eliminate the worry of security transactions, provide quality service to customers and respect to customers by the staff and the obligations undertaken by the bank caused trust in customers.

The study inquired customers and customer service manager's respondents through questionnaire survey about the weakness observed in CBE and its service performers. Thus the following are some weaknesses pointed out by customers.

- ✚ Long wait in queue specially at the end of the month
- ✚ Frequent network problem
- ✚ Invisible advice issued by the bank for Fund transfer, and other service.
- ✚ Deficiency in Customers' treatment and politeness by some employees has been also identified as a weakness.

In order to support the questionnaire survey, primary data was also obtained through interview with branch managers of selected CBE branches. A total number of 12 interviews were conducted with branch managers.

At the interview, branch managers were asked to provide relationship marketing efforts which have been noticed at branches that lead to customer retention and loyalty. The main key practices of customer relationship marketing mentioned by branch managers are as follows;

- Deliver quality services with courtesy, sensitivity and minimum delay Commitment practice
- The use of telephone calls has also become a critical strategy put in place by the branches to verify the issuance of cheques as well as protect the customers of fraudulent withdrawals from their accounts. In line with this telephones services are the use of text messages that provide customers on the transactions that take place on their accounts.
- Technological innovations to augment the services provided are the introduction e-statements by CBE. This is the electronic statements that enable customers to have access to their statements wherever there are if they have internet access. Internet and mobile banking was also revealed as the new service the bank is putting in place to allow

customers to transact banking services conveniently. Likewise, the other major move by the bank has been the commitment for expansion of ATMs and POS to provide customers access to their money and obtained banking services conveniently.

4.2.2. Commitment Practice

In this section the descriptive analysis result for commitment as a customer relationship marketing practice was presented

Table 4.3 Descriptive Statistics of items that measure Commitment Practice of respondents

Variables		Strongly agree		agree		neutral		disagree		Strongly disagree		Mean (Standard deviation)
		C	CSM	C	CSM	C	CSM	C	CSM	C	CSM	
strongly value customers and devoted to respond the questions of customers	F	29	7	61	22	44	6	56	6	3	1	3.29 (1.09)
	%	15.03	16.6	31.61	52.3	22.80	14.2	29.02	14.2	1.55	2.38	
Do customers feel the staff of CBE works in betterment of them when they are serving	F	22	6	65	17	50	7	47	10	9	2	3.22 (1.08)
	%	11.40	14.2	33.68	40.4	25.91	16.6	24.35	23.8	4.66	4.76	
staff are always willing to help customers	F	9	6	99	16	29	9	27	8	29	3	3.16 (1.19)
	%	4.66	14.2	51.30	38.1	15.03	21.4	13.99	19	15.03	7.14	
CBE have commitment towards understanding and filling customers needs	F	42	8	83	16	23	3	33	13	12	1	3.56 (1.18)
	%	21.76	19.5	43.01	39	11.92	7.32	17.10	31.7	6.22	2.44	
CBE commitment of providing electronic banking services (ATM, mobile and internet banking) makes customers to conduct banking transactions conveniently	F	14	6	87	17	24	5	42	13	26	1	3.1 (1.22)
	%	7.25	14.2	45.08	40.4	12.44	11.9	21.76	30.9	13.47	2.44	
CBE developing new bank products to meet customers financial needs	F	19	8	98	24	23	3	36	6	17	1	3.34 (1.15)
	%	9.84	19	50.78	57.1	11.92	7.32	18.65	14.2	8.81	2.44	

Source: STATA descriptive statistics result based on questionnaire survey, 2015

Under table 4.3 the study assessed the commitment of CBE and its employees by taking six parameters through questionnaire survey from customers and customers service managers. From the findings, it was established that 46.64% of customer participated as a respondent under this study replied that CBE and its employees are strongly value customers and devoted to respond any service question raised from customer, i.e. also supported by 68.97% CSM participated as a respondent under this study. On the other hand, 30.57% customer and 16.58% CSM replied that

there is lack of commitment regarding strongly value customers and devoting to respond any service question rose from customer. From this result the study infer that majority of the respondents were contented with this commitment parameter.

With regard to customers feeling about dedication of CBE staff to work towards betterment of customers when they are serving, 45.08% customers and 54.69% CSM respondents were replied that CBE employees works towards betterment (best interest) of customers. However, 29.01% customer and 28.56% CSM respondents were responding opposite. Lastly, 25.91% customer and 16.6% CSM respondents were decided that employees at CBE are neither better nor worse when they serving customers towards their best interest. From this result the study infer that majority of the respondents were contented with this commitment parameter.

The table above depicted that 55.96% customers and 52.39 % CSM respondents replied that CBE staffs are always willing to help customers. But, 29.02% customers and 26.14 CSM respondents level this practice with less extent. Likewise, the study inquired respondents about commitment CBE towards understanding and filling customer's needs, 61.77% customers and 58.51% CSM respondents replied that CBE commitment towards understanding changes in customer needs and filling change in customer's needs was creditable. While, 23.32% and 34.14% customer and CSM respondents respectively replied that lack of commitment that CBE is having towards understanding and filling customer's needs. From this result the study infer that majority of the respondents were contented with this two commitment parameter.

The findings of the study in table 4.3 depicted that majority of the respondents' replied that electronic banking services such as ATM, mobile and internet banking provided by CBE makes customers to conduct banking transactions conveniently and build up relationship between customers and CBE, i.e. represented by 52.33% customer and 54.69% CSM respondents. While, 35.23% customer and 33.28 % CSM respondents were refuse the statement. Likewise, the study inquired respondents about CBE commitment towards developing new bank products to meet customers financial needs, findings in table 4.3 depicted that majority of the respondents' replied that CBE is developing new bank products to meet expectation and the rising of financial needs of customers, i.e. represented by 60.62% of customers and 76.1% CSM respondents. While,

27.46% customers and 16.64% CSM respondents were refuse the statement. From this result the study infer that majority of the respondents were contented with this two commitment parameter.

Consequently, according to the mean scores, the findings in Table 4.3 imply that CBE has to a moderate extent, adopted commitment as a one customer relationship marketing practice. This is because all commitment parameters used under this study had a mean score of between 3.00 and 3.99. The practices are listed in order of the magnitude of the mean score in a descending order.

- CBE have commitment towards understanding and filling customers needs
- CBE developing new bank products to meet customers financial needs
- strongly value customers and devoted to respond the questions of customers
- Do customers feel the staff of CBE works in betterment of them when they are serving
- staff are always willing to help customers
- CBE commitment of providing electronic banking services (ATM, mobile and internet banking) makes customers to conduct banking transactions conveniently

However, it is to be noted that just like the extent of adoption of commitment as one of relationship marketing practices, there were variations among respondents on the degree of adoption of commitment parameters by CBE. The variation is exhibited in the differences of responses to the respective of commitment parameter practices by different proportions of respondents on the likert scale options. The variations are indicated by the standard deviations of the practices and they range from the low of 1.08 standard deviations for customers feel the staff of CBE works in betterment of them when they are serving to the high of 1.22 electronic banking services (ATM, mobile and internet banking) makes customers to conduct banking transactions conveniently. This implies that Low standard deviations indicated no significant variations of the extent of adoption of a specific commitment parameter in relationship marketing practices while high standard deviations indicated significant variations.

The study inquired customers and customer service manager's respondents through questionnaire survey about the weakness observed in CBE and its service performers. Thus the following are some weaknesses pointed out by customers.

- ✚ Willingness to help customers by some employees
- ✚ Lack of patient of some employees to explains /responding customer requests
- ✚ Delay in Check clearance

Commitment proved to be a strong positive determinant of customer loyalty, customer retention, and recruitment of new customer and then improves performance of banks. This confirms earlier findings by Rashid, (2004), Hocutt (1998) and Vesel and Zabkar (2010), thus, the aforementioned result and literature proved that CBE showed keen enthusiasm and commitment in making frequent changes to meet the ever-changing customer needs and requirements. By this, CBE and its employees was committed to the needs of the customers by making adjustments to suit customers' needs, showing genuine commitment to customer relations by clearly understanding and filling customers' needs, staff willingness to help customers and huge investments in branch expansion and electronic banking services to increase accessibility.

4.2.3. Communication Practice

In this section the descriptive analysis result for communication as a customer relationship marketing practice was presented

Table 4.4 Descriptive Statistics of items that measure Communication Practice of respondents

Variables		Strongly agree		Agree		neutral		disagree		Strongly agree		Mean (Standard deviation)
		C	CSM	C	CSM	C	CSM	C	CSM	C	CSM	
When there is a change in the policy of the bank, or any other relevant issue, CBE communicates to customers in time	F	17	4	52	15	19	6	60	11	45	6	2.66 (1.32)
	%	8.81	9.52	26.94	35.7	9.84	14.2	31.09	26.2	23.32	14.2	
The information provided by the bank is trustworthy and timely on new or important services	F	32	4	65	18	17	7	45	11	34	2	3.08 (1.39)
	%	16.58	9.52	33.68	42.8	8.81	16.6	23.32	26.2	17.62	4.76	
Staff in CBE branches are friendly and approachable	F	53	9	67	21	20	3	40	7	13	2	3.55 (1.27)
	%	27.46	21.4	34.72	50	10.36	7.14	20.73	16.6	6.74	4.76	
CBE conveyed accurate and timely information about the status customers account when requested	F	39	10	87	15	21	2	25	9	21	6	3.5 (1.25)
	%	20.21	23.8	45.08	35.7	10.88	4.76	12.95	21.4	10.88	14.2	
Electronic or broadcasting message displayed by CBE are helpful to easily acquire necessary information about the service	F	33	7	58	15	48	11	33	7	21	2	3.25 (1.23)
	%	17.10	16.6	30.05	35.7	24.87	26.1	17.10	16.6	10.88	4.76	
bank employees inviting customers to discuss about in build-up of your relationship with CBE and service problems(customer regular visit)	F	12	4	43	11	19	3	67	15	52	9	2.46 (1.27)
	%	6.22	9.52	22.28	26.1	9.84	7.14	34.72	35.7	26.94	21.4	

Source: STATA descriptive stastics result based on questionnaire survey,2015

Under table 4.4 the study assessed the way CBE and its staff communications with customer in influencing purchase intentions of deposit products by taking six parameters through questionnaire survey from customers and customer service managers. From the survey response, it was established that 54.41% customers participated as a respondent under this study replied that when there is a change in the policy of the bank products, or any other relevant issue, CBE lacks to communicate to customers in time i.e. supported by 40.4% CSM respondents. Conversely, 35.54% of customers and 45.22% of CSM respondents replied that CBE and its employees communicate in time, when there is a change in policy of bank products and any other relevant issues. From this result the study infer that majority of the customer respondents were discontented with this communication parameter.

The table above 4.4 depicted that 16.58% customer and 26.94% CSM respondents strongly agreed information provided by the bank is trustworthy and timely on new or important services. In the same way, 33.68% customers and 42.8% CSM respondents level this communication practice with high extent at CBE. On the contrary, 23.32% customers and 26.2% CSM respondents disagree about the statement, likewise 17.62% of customers and 4.76% of CSM respondents were strongly disagree about the statement. From this result the study infer that majority of the respondents were contented with this communication parameter.

The findings of the study in table 4.4 depicted that majority of the respondents were replied that Staff in CBE are friendly and approachable i.e. represented by 62.18% customers and 71.43% CSM respondents. While, 27.43% customer and 21.36% CSM respondents were refuse the statement.

With regard to communicating accurate and timely information about the account status when requested by customers, 65.29% customers and 58.89% CSM respondents were agreed with the statement that customers were obtained with accurate and timely information about their account status information at CBE. On the other hand, 23.83% customers and 35.6% CSM respondents were responding opposite. Overall, the majority of respondents were agreed that employees at CBE communicating accurate and timely information about the customer account status and related transaction information when requested by customers.

The table above 4.4 depicted that 47.15% customers and 52.37 % CSM respondents replied that Electronic or broadcasting message displayed by CBE are helpful to easily acquire necessary information about the service. But, 27.98% customers and 21.43% CSM respondents level this communication practice with less extent. From this result the study infer that majority of the respondents were contented with this communication parameter.

The study inquired respondents about communication of CBE towards build-up bank-client relationship(regular customer visit) and discussion regarding customer service problems, 61.66% customers and 56.64% CSM respondents replied that bank and employees have a deficiency in inviting customers (regular customer visit) in order to discuss bank-client relationship to strength (build-up) relationship of customers with CBE and taking corrective action on customer service problems, While, 28.5% customer and 35.74 % CSM respondents level this communication practice with higher extent. From this result the study infer that majority of the respondents were discontented with this communication parameter.

The study findings in Table 4.4 indicate that Commercial Bank of Ethiopia has, to a moderate extent, adopted communication practices. Key among them was as follows;

- Staff in CBE branches are friendly and approachable s (mean score- 3.55)
- CBE conveyed accurate and timely information about the status customers account when requested (mean score- 3.5)
- Electronic or broadcasting message displayed by CBE are helpful to easily acquire necessary information about the service (mean score- 3.25)
- The information provided by the bank is trustworthy and timely on new or important services(mean score- 3.08)

Other communication practices that were pointed out by the respondents as being adopted to a less extent includes: When there is a change in the policy of the bank, or any other relevant issue, CBE communicates to customers in time (mean score- 2.66), and bank employees inviting customers (regular customer visit) to discuss about customer relationship with CBE and service problems (mean score- 2.46).

This was also supported by the interview which was conducted with the selected branches managers. They mentioned that:

- Branches use relationship marketing in different channel i.e. telephone calls, and regular customer visits.
- Provide customers with accurate and trustworthy information on services, customer accounts and anything requested by customers.
- Lack of welcoming and smiley face of some employees

Generally, some employees lack customer handling skills

Whereas, lacking regular customer visit (interaction), communication skill, and customer service handling skill gaps has been identified by customer service managers as problem of customer relationship marketing practice in branches. In line with this, respondents recommend that continuous and aggressive customer service handling training should be provided to employees in order to improve the weakness of customer relationship marketing practice.

Finally, Regular meetings/discussions with staff and feedbacks offered for each staff regarding customer handling were taken as a way out for improving branch service excellence and relationship marketing weakness which revealed from branch managers interview.

The study findings, therefore, support the arguments in the literature about the practice of communication as a customer relationship marketing in banks to a moderate extent. For instance the findings are in consonance with the characteristics of customer relationship marketing practice as presented by Naoui and Zaiem, (2010), that is a communication perspective aimed at the long-term customer retention, customer loyalty, and deposit mobilization; conveyed accurate and timely information about the status customers account, having friendly and approachable employees with customers, providing necessary information through using electronic or broadcasting message transmissions, provided trustworthy and timely information on new or important services.

4.2.4. Competency Practice

In this section the descriptive analysis result for competence as a customer relationship marketing practice was presented

Table 4.5 Descriptive Statistics of items that measure Competency Practice of respondents

variables		Strongly agree		agree		neutral		disagree		Strongly disagree		Mean (Standard deviation)
		C	CSM	C	CSM	C	CSM	C	CSM	C	CSM	
The staff of CBE is quite knowledgeable about all the products/Services features provided	F	17	7	73	15	29	5	57	15	17	-	3.08 (1.17)
	%	8.81	16.67	37.82	35.7	15.03	11.90	29.53	35.65	8.81		
The clarification provided by the branches about different product/service is explicit	F	26	4	48	14	52	11	54	12	13	1	3.1
	%	13.47	9.52	24.87	33.33	26.94	26.19	27.98	28.57	6.74	2.38	
If customers share problem with staff of CBE, do staff of CBE would respond constructively and caringly	F	-	14	73	10	50	4	50	13	17	1	2.92 (1)
	%		33.33	37.82	23.81	25.91	9.52	27.46	30.95	8.81	2.38	
The efficiency (speed) of CBE employees in dealing with customers requests such as account opening, money transfers and in delivering of other service is quite admirable	F	25	13	54	10	58	5	44	11	12	3	3.18 (1.11)
	%	12.95	30.95	27.98	23.81	30.05	11.90	22.08	26.19	6.22	7.14	

Source: STATA descriptive stastics result based on questionnaire survey,2015

Under table 4.5 the study assessed CBE employees having intelligent professionals and comprehensive skill in deliver services by taking four parameters through questionnaire survey from customers and customer service managers. From the survey response, it was established that 46.63% of customer participated as a respondent under this study replied that CBE staffs were quite knowledgeable about all the products/Services features provided and comprehensive skill in delivering services, i.e. supported by 52.37% CSM respondents. Conversely, 38.34% of customers and 35.62% of CSM respondents replied that staffs of CBE having knowledgeable deficiency about all the products/Services features provided and lacks comprehensive skill in delivering services. From this result the study conclude that majority of the respondents were contented with this competency parameter.

The table above depicted that 38.34% customers and 42.85% CSM respondents replied that the clarification provided by the branches and employees about different product/service is explicit. But, 34.72% customers and 30.95% CSM respondents level this competency practice with less extent. From this result the study infer that majority of the respondents were contented with this competency parameter.

The study inquired respondents about competency of CBE employees towards responding constructively and caringly when customers share problem, 37.82% customers and 57.14% CSM respondents replied that employees has responding customer service problems constructively and caringly, While, 36.27% and 33.33 % customer and CSM respondents respectively level this competency practice at CBE with lowly extent. From this result the study infer that majority of the respondents were discontented with this competency parameter.

With regard to the efficiency (speed) of CBE employees in dealing with customers, 40.9% customers and 54.76% CSM respondents were replied that CBE employees were efficient in dealing with customers such as in account opening, money(fund) transfers and in delivering of other banking service. However, 28.3% customer and 33.33% CSM respondents were responding opposite. Lastly, 30.05 % customer and 16.6% CSM respondents were decided that efficiency (speed) of employees at CBE are neither excellent nor worse when they dealing with customers such as in account opening, money(fund) transfers and in delivering of other banking service. From this result the study infer that majority of the respondents were contented with this competency parameter.

The study findings in Table 4.5 indicate that Commercial Bank of Ethiopia has, to a moderate extent, adopted competency as a one customer relationship practices.

Key among them was as follows;

- The efficiency (speed) of CBE employees in dealing with customers requests such as account opening, money transfers and in delivering of other service is quite admirable.
- The clarification provided by the branches about different product/service is explicit.
- The staff of CBE is quite knowledgeable about all the products/Services features provided.

Other competency practice that was pointed out by the respondents as being adapting to a Less extent include: If customers share problem with staff of CBE, do staff of CBE respond constructively and caringly (mean score- 2.92).

4.2.5. Conflict handling Practice

In this section the descriptive analysis result for conflict handling as a customer relationship marketing practice was presented

Table 4.6 Descriptive Statistics of items that measure Conflict handling Practice of respondents

Variables		Strongly agree		Agree		Neutral		Disagree		Strongly agree		Mean (Standard deviation)
		C	CSM	C	CSM	C	CSM	C	CSM	C	CSM	
CBE handled every your complaints wholeheartedly in a positive and active manner	F	10	4	59	9	38	12	66	10	20	7	2.86 (1.12)
	%	5.18	9.52	30.57	21.4	19.69	28.5	34.20	23.8	10.36	16.67	
CBE makes customers feel safe and encourages them to raise complaints	F	3	1	55	14	72	6	60	15	3	6	2.97 (.85)
	%	1.55	2.38	28.50	33.3	37.31	14.2	31.09	35.7	1.55	14.29	
CBE is very courteous and fast at responding your complaints	F	13	4	42	15	60	10	69	13	9	-	2.90 (1.01)
	%	6.74	9.52	21.76	35.7	31.09	23.8	35.75	30.9	4.66		
Staff at CBE are good at listening and solving problems in customers best interests at heart	F	3	5	55	16	60	5	66	14	9	2	2.88 (.93)
	%	1.55	11.9	28.50	38.1	31.09	11.9	34.20	33.3	4.66	4.76	
The bank shows sincere interest in solving customer service problems	F	13	4	53	17	43	5	75	10	9	6	2.92 (1.05)
	%	6.74	9.52	27.46	40.4	22.28	11.9	38.86	23.8	4.66	14.29	

Source: STATA descriptive analysis result based on questionnaire survey,2015

Under table 4.6 the study assessed how CBE and employees manages customer complaints by taking five parameters through questionnaire survey from customers and customer service managers. From the survey response, it was established that 44.56% of customer participated as a respondent under this study replied that the staffs of CBE has deficiency in handled every customer complaints wholeheartedly in a positive and active manner, i.e. supported by 40.48% CSM respondents. Conversely, 35.75% of customers and 30.95% of CSM respondents replied that staffs of CBE handled every customer complaints wholeheartedly in a positive and active

manner. From this result the study conclude that majority of the respondents were discontented with this conflict handling parameter.

The table 4.6 above depicted that 32.64% customers and 50% CSM respondents replied that CBE and its employee's lacks to make customer feel safe and encourage them to raise complaints. But, 30.05% customers and 35.66% CSM respondents level this conflict handling practice with higher extent. From this result the study infer that majority of the respondents were discontented with this conflict handling parameter.

The study inquired respondents about conflict handling of CBE at responding customer complaints in the way of courteously and quickly, 40.41% customers and 30.95% CSM respondents replied that employees lacks courteous and speed at responding customer complaints, While, 28.5% and 45.23 % customer and CSM respondents respectively level this conflict handling practice at CBE with high extent. From this result the study infer that majority of the customer respondents were discontented, while CSM respondents contented with this conflict handling practice.

With regard to the listening and solving customer service problems by CBE employees at customer's best interests, 38.86% customers and 38.09% CSM respondents were replied that Staff at CBE has deficiency at listening and solving problems in customers best interests at heart. However, 30.05% customer and 50% CSM respondents were responding opposite. Lastly, 31.09% customer and 11.9% CSM respondents were decided that Staff at CBE were neither excellent nor worse at listening and solving problems in customer's best interests at heart. From this result the study infer that majority of the customer respondents were discontented, while CSM respondents contented with this conflict handling practice.

The findings of the study in table 4.6 depicted that majority of the customer respondents' were replied that Staff in CBE lacks to show sincere interest in solving customer service problems; i.e. represented by 43.52% customers, and 38.1% CSM respondents. While, 34.2% customer and majority of the CSM respondents i.e. 50% were replied that Staff in CBE shows sincere interest in solving customer service problems. From this result the study infer that majority of the customer respondents were discontented, while CSM respondents contented with this conflict handling practice.

Consequently, according to the mean scores, the findings in Table 4.6 imply that CBE has, to a less extent, adopted conflict handling as a one customer relationship marketing practice. This is because all conflict handling parameters used under this study had a mean score of below 3.00.

The practices are listed in order of the magnitude of the mean score in a descending order.

- CBE makes you feel safe and encourages you to raise complaints
- The bank shows sincere interest in solving customer service problems
- CBE is very courteous and fast at responding your complaints
- Staff at CBE are good at listening and solving problems in your best interests at heart
- CBE handled every your complaints wholeheartedly in a positive and active manner.

However, it is to be noted that just like the extent of adoption of conflict handling as one of relationship marketing practices, there were variations among respondents on the degree of adoption of conflict handling parameters by commercial bank Ethiopia. The variation is exhibited in the differences of responses to the respective of conflict handling parameter practices by different proportions of respondents on the likert scale options. The variations are indicated by the standard deviations of the practices and they range from the low of .85 standard deviations for CBE makes you feel safe and encourages you to raise complaints to the high of 1.12 standard deviations for CBE handled every your complaints wholeheartedly in a positive and active manner. This implies that Low standard deviations indicated no significant variations of the extent of adoption of a specific conflict handling parameter in relationship marketing practices while high standard deviations indicated significant variations.

On the contrary, interview with branch manager revealed certain constraints in customer relationship marketing that were observed in branches such as:

- ✚ Delay in handling customer complaints
- ✚ Problem in handling every customer complaints wholeheartedly in a positive and active manner by some employees
- ✚ Handling every customer complaints professionally and revert promptly.

Similarly, the findings of the study were largely reflective of an observation by Amin et. al, (2011) that banks adopted conflict handling at less extent as a customer relationship marketing practice exemplify by not admirable in handling customer complaints wholeheartedly in a positive and active manner, lack of listening, sincere interest and solving problems in customer's best interests at heart, delaying at responding customer complaints, and lacks to make customer feel safe and encourage them to raise complaints.

4.2.6. Customer satisfaction Practice

In this section the descriptive analysis result customer satisfaction practice in the Commercial Bank of Ethiopia is presented

Table 4.7 Descriptive Statistics of items that measure customer satisfaction of respondents

Variables		Strongly agree		agree		neutral		disagree		Strongly disagree		MEAN (standard deviation)
		C	CSM	C	CSM	C	CSM	C	CSM	C	CSM	
The bank strives in enhancing its customer satisfaction	F	27	8	69	25	17	4	44	2	36	3	3.03 (1.37)
	%	13.99	19.05	35.75	59.5	8.81	9.52	22.80	4.76	18.65	7.14	
The bank staffs are devoted to serve their customer	F	42	8	83	16	23	3	33	13	12	1	3.56 (1.18)
	%	21.76	19.5	43.01	39	11.92	7.32	17.10	31.7	6.22	2.44	
The bank has a reputation for using highly skilled employees	F	17	7	73	15	29	5	57	15	17	-	3.08 (1.17)
	%	8.81	16.67	37.82	35.7	15.03	11.90	29.53	35.65	8.81		
The bank regularly visit its customers	F	12	4	43	11	19	3	67	15	52	9	2.46 (1.27)
	%	6.22	9.52	22.28	26.1	9.84	7.14	34.72	35.7	26.94	21.4	
Overall, I am satisfied with the bank service	F	9	6	99	16	29	9	27	8	29	3	3.16 (1.19)
	%	4.66	14.2	51.30	38.1	15.03	21.4	13.99	19	15.03	7.14	

Source: STATA descriptive statistics result based on questionnaire survey, 2015

Under table 4.7 the study assessed how much CBE customers are satisfied with the bank service by taking five parameters through questionnaire survey from customers and customer service managers. Regarding enhancing its customers satisfaction the survey result depicted that, 13.99 % customers and 19.05% CSM respondents were strongly agreed, 35.75% customers and 59.5% CSM respondents were agreed that CBE strives in enhancing its customer satisfaction, while 41.5% customers and 11.9% CSM respondents were disagreed that the bank works in enhancing its customer satisfaction. Lastly, 8.81 % customer and 9.52 % CSM respondents were decided

that customer satisfaction in Commercial Bank of Ethiopia is neither superior nor small in number. Majority of the respondents agreed that CBE is striving to enhance its customers satisfaction.

The table above depicted that the study inquired respondents about commitment of CBE staffs towards understanding and filling customer's needs, 61.77% customers and 58.51% CSM respondents replied that CBE commitment towards understanding changes in customer needs and filling change in customer's needs was creditable. While, 23.32% and 34.14% customer and CSM respondents respectively replied that lack of commitment that CBE is having towards understanding and filling customer's needs. From this result the study infer that majority of the respondents were contented with this two commitment parameter.

The study assessed whether CBE use skilled employees or not. From the survey response, it was established that 46.63% of customer participated as a respondent under this study replied that CBE staffs are skilled, i.e. supported by 52.37% CSM respondents. Conversely, 38.34% of customers and 35.62% of CSM respondents replied that staffs of CBE lacks comprehensive skill in delivering services. From this result the study conclude that majority of the respondents were contented with the skills of CBE employees.

The study inquired respondents about communication of CBE towards build-up bank-client relationship(regular customer visit) and discussion regarding customer service problems, 61.66% customers and 56.64% CSM respondents replied that bank and employees have a deficiency in inviting customers (regular customer visit) in order to discuss bank-client relationship to strength (build-up) relationship of customers with CBE and taking corrective action on customer service problems, While, 28.5% customer and 35.74 % CSM respondents level this communication practice with higher extent. From this result the study infer that majority of the respondents were discontented with this communication parameter.

The table above depicted that 55.96% customers and 52.39 % CSM respondents replied that they are satisfied with CBE's service. But, 29.02% customers and 26.14 CSM respondents level this practice with less extent. Likewise, the study inquired respondents about the overall satisfaction about CBE's service, 61.77% customers and 58.51% CSM respondents replied that CBE overall service is creditable. While, 23.32% and 34.14% customer and CSM respondents respectively

replied that CBE's lacks satisfying its customers with service. From this result the study infer that majority of the respondents were satisfied with CBE's overall service.

Consequently, according to the mean scores, the findings in Table 4.7 imply that commercial bank of Ethiopia has, to a moderate extent, satisfy it's customers. This is because most customer satisfaction parameters used under this study had a mean score of between 3.00 and 3.99 except one which is below 3.00. The practices are listed in order of the magnitude of the mean score in a descending order.

- The bank staffs are devoted to serve their customer(mean score- 3.56)
- CBE customers are satisfied with the overall service(mean score- 3.16)
- The bank has a reputation for using highly skilled employees(mean score- 3.08)
- The bank strives in enhancing its customer satisfaction(mean score- 3.03)
- The bank regularly visit its customers(mean score- 2.46)

4.4 Correlation Analysis

The correlation analysis was done to analyze the relationship between Customer Satisfaction (CS) and trust (TRU), commitment (COM), communication (CON), competency (COP), and conflict handling (COH). To examine the relationship among these variables, Pearson correlation coefficients were calculated. In this section of the study, the analysis and interpretations of the correlation results between dependent and independent variables are presented.

Table 4.8: Correlation Matrix

	CS	TRU	COM	CON	COP	COH
CS	1.0000					
TRU	0.4214 (0.0019)***	1.0000				
COM	0.5069 (0.0000)***	-0.2784 (0.0001)	1.0000			
CON	-0.3315 (0.0164)**	-0.3197 (0.0000)	0.6536 (0.0000)	1.0000		
COP	0.1012 (0.1613)	0.2617 (0.0002)	-0.5181 (0.0000)	-0.2027 0.0047	1.0000	
COH	-0.2400 (0.0008)***	0.4528 (0.0000)	-0.7443 (0.0000)	-0.4831 (0.0000)	0.6477 (0.0000)	1.0000

Figures in parenthesis denote p-values, ***significant at 1 percent, **significant at 5 percent, * significant at 10 percent

Source: STATA coorelation analysis result based on questionnaire survey,2015

The correlation matrix in Table 4.8 above resulted that customer satisfaction has a positive correlation with trust and commitment. Thus, these relations are statistically significant at 1 percent level.

Nevertheless, variable conflict handing and communication have resulted in a negative relationship with customer satisfaction. These relations are statistically significant at 1 and 5 percent respectively. While, the variable competency was insignificantly correlated.

On the other hand, Table 4.8 reveals the extent of relationship between dependent and all independent variables. The correlation coefficients for trust and commitment respectively with customer satisfaction were 42.14 percent and 50.69 percent respectively. Likewise the correlation coefficients for communication and conflict handling with customer satisfaction were -33.15 percent and -24 percent respectively.

Moreover, pair-wise correlation matrix is one method of detecting multicollinearity among explanatory variables. If the pair-wise correlation among two regressors is in excess of 0.8, we suspect that multicollinearity poses serious challenge to our estimates (Gujarati, 2004). Thus, when compared to the standard, there is no any variable having coefficient more than 80%. So, it is not a problem for the study.

To sum up the correlation analysis, although the pair wise correlations give proof of relationship between two variables; these measures do not allow us to identify causes and effect relationships between such variables. From the results of correlation analysis, it is difficult to say whether independent variables are determinants for customer satisfaction. Simply the correlation result shows the coefficient and the direction of relationship between two variables with the level of significance. Another shortcoming of correlation analysis is that it does not provide reliable indicators or coefficients of association in a manner which control for additional explanatory variables. However, it should be noted that a complete assurance about the significance of the relationship between the endogenous and exogenous variables can be obtained from the regression results which are discussed in the forthcoming section.

4.5 Regression Analysis

This section of the study presents the results and discussions of the econometrics/regression analysis. So far, the study established a framework of literature review and data analysis of descriptive Statistics and correlation analysis were established in order to investigate customer relationship marketing practice and its relationship with customer satisfaction at Commercial Bank of Ethiopia. To investigate the significant factors of customer relationship marketing that influence customer satisfaction in Commercial Bank of Ethiopia, ordered logit regression model were computed.

Before running the regressions, the data sets were tested for heteroskedasticity and model specification to test goodness of model specified. Breusch-pagan/cook test for heteroskedasticity was used to test heteroskedasticity problem of the data sets. If the p-value is greater than the level of significance, the null hypothesis which says error variance is homogeneous or constant is accepted otherwise rejected(Gujarati, 2004). As the results indicated in the appendix, the model was with heteroskedasticity problem because the p-value is less than the level of significance, thus the research rejects the null hypothesis. Therefore, robust standard error was used to make the model free from the problem of heteroskedasticity.

The ovtest command that performs the Ramsey regression specification error test for omitted variables of the model was used. If p value is insignificant, say, at the 5 percent level, one can accept that the model has no omitted variables (Gujarati, 2004). As the results indicated in the appendix, that the p value is insignificant, greater than 5 percent level of significance, so, the model has no omitted variables using any of the standard significance levels. Thus, the regression analysis based on the model is presented here under table 4.10 below.

Table 4.9; Summary of ordered logit regression analysis for the study variables

	CS
TRUST	.6136621 (0.022)**
COMMITMENT	.8364377 (0.000)***
COMMUNICATION	.9890601 (0.000)***
COMPETENCY	1.259835 (0.000)***
CONFLICT HANDLING	-.141311 (0.053)*
Number of observation=193 Pseudo R ² =0.2769 LRchi2(5)=116.94 Prob>chi2= 0.0000 Figures in parenthesis denote p-values, ***significant at 1 percent, **significant at 5 percent, * significant at 10 percent	

Source: STATA regression result based on questionnaire survey,2015

Table 4.9 shows the summarized ordered logit regression for the study variables i.e. coefficients, p-values, number of observation, R squared and F- statistics. The overall significances of logit regressions when measured by their respective F statistics are 116.94 with P-values of 0.0000 indicated that the model are well fitted at 1 percent level of significance. In addition, the R squared values show that explanatory powers of the explanatory variables in regressions. In the regression independent variables explain the variability of the dependent variable to the extent of 27.69 percent.

Accordingly, table 4.9 gives the findings of the study on the impact of customer relationship marketing on customer satisfaction in Commercial bank of Ethiopia. Thus, its detail interpretation on each variable based on the respective coefficients and p-values of ordered logit regression analysis can be discussed in paragraphs as follows.

The customer relationship marketing practice, represented by trust, had statistically significant at 5% level of significance and positive impact on customer satisfaction. The positive influence of trust on customer satisfaction at CBE may signify that there is good security in Customer

personal, bank transaction and account related information, reliable service quality, large customer base, strong capital base as well as success at past years financial performance, good treatment of customers in a sense of fair mindedness, polite with positive attitude and are cared sincerely, meticulous and transparent record keeping of customers deposit accounts at Commercial Bank of Ethiopia. Thus, increases the bank trustworthiness in the eyes of customers and building up bank- client relational cooperation. Consequently, possibly ensure long-term relationships and higher customer retention levels.

4.6 Triangulation of Data

Therefore, the positive significant effect of trust as customer relationship marketing practice at CBE was contributed to customer satisfaction through ensuring customer loyalty that influences customer's decision to repeatedly re-buy deposit products. This finding is supported by empirical studies conducted Customer Relationship Marketing and Customer Satisfaction (T.Velnampy & S.Sivesan, 2012).which revealed that trust has a significant positive effect on customer satisfaction.

Commitment had significantly positive effect on the branch customer satisfaction in Commercial Bank of Ethiopia and the impact is statistically significant at 1 percent level of significance. This result is consistent with prior studies conducted on the practice of relationship marketing and customer retention and its impact on customer satisfaction in the banking industry in Srilanka by (T.Velnampy & S.Sivesan, 2012) and in Iran by Shahram G. et al (2009), which revealed that commitment an important determinant for customer satisfaction.

The significant positive effect of commitment may signify that CBE is strongly value customers and devoted to respond the questions of customers, great dedicated to invest in banking technology, human resource development, and branch expansion in order to bring transformation in its service delivery, understanding and responding to the ever-growing needs of customers, commitment of the bank in introducing newly developing banking service such as mobile and internet banking and expansion ATM makes its customers to conduct banking transactions conveniently and to meet their financial need. Thus, the aforementioned efforts (commitment) of the bank to maintaining a valued relationship with customers, enlarge customer loyalty, attracted customers repeat purchase of deposit products and new customer, which was contributed positively to deposit mobilization performance of CBE.

Communication had positive effect on customer satisfaction and the impact is statistically significant at 1 percent level of significance. This positive effect of communication result is supported by descriptive analysis that Commercial Bank of Ethiopia adopted communication practices to a moderate extent according to mean score as well as majority of respondents agreed that Staff in CBE branches are friendly and approachable, trustworthy, accurate and timely information provided by CBE on new or important services and customers account, and electronic or broadcasting message displayed are helpful to easily acquire necessary information about the service.

Likewise, aforementioned sharing of timely and reliable information in a formal or informal relationship between bank and customers build up awareness, develop customer's preference, convince interested customers, resolving the differences and unite perceptions and expectations, which promoted confidence between CBE and customer and influenced customers to purchase deposit products and then enhances deposit mobilization performance. Thus, this finding is consistent with empirical study in South Africa, Canada and UK banks by Rootman C. et al, (2010), in Kenya banks by Kuria, E. (2010) and in Nigeria banks by Kosile B. and Ajala O. (2006), which revealed that the communication has a positive effect on customer satisfaction.

The finding on relationship marketing, represented by competency, indicated that competency has significant positive impact on customer satisfaction. This positive impact result is supported by descriptive analysis that Commercial Bank of Ethiopia adopted competency practices to a moderate extent according to mean score of competency parameters as well as majority of respondents agreed that employees at CBE having knowledgeable about all the products/Services features provided, admirable efficiency (speed) in dealing with customers requests and delivering service, capable of explicitly clarifying different product/service and having intelligent bank professionals and comprehensive skill and abilities in delivering services.

As result of having competence and expertise to a moderate extent at CBE, have a great contribution for the better establishment and maintained relationships that CBE is having with its customer. This would also increase CBE's 'customer retention rates, recruiting potential of new customers, customer loyalty and customer satisfaction. This finding is supported by prior studies in Srilanka by (T.Velnampy & S.Sivesan, 2012) and in Iran by Shahram G. et al (2009).

On the contrary, the other relationship marketing variable, conflict handling had significantly negative effect on customer satisfaction in Commercial Bank of Ethiopia. This result is supported by descriptive analysis that revealed deficiencies at CBE employees in avoiding conflict, solving problems before and after occurrence in time, encouraging customers to raise complaints and handling every customer complaints wholeheartedly in a positive and active manner. This constraint in handling customer compliant may reduces(constraint) the possibility of creating and maintaining a long-term relationship with customers, would negatively affecting customer loyalty, customer retention rate and customer satisfaction too. This finding is consistent with prior studies in South Africa, Canada and UK banks by Rootman C. et al, (2010), in Kenya banks by Kuria, E. (2010) , in Nigeria banks by Kosile B. and Ajala O. (2006) and Srilanka by (T.Velnampy & S.Sivesan, 2012) and in Iran by Shahram G. et al (2009)

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

This chapter presents summary of the major findings ,the conclusions and recommendations that were drawn from the previous chapter of this study.

5.1. Summary of The Major Findings

By undertaking a detailed and thorough analysis on the impact of customer relationship marketing on customer satisfaction, the results of the study findings is summarized as;

- Commercial bank of Ethiopia has to a moderate extent, adopted trust as a one customer relationship marketing practice. Among the trust practices used under this study, it was established that; customer feeling confident when they are dealing with the bank and they didn't suspect any risk of losing their funds
- Result and literature proved that Commercial bank of Ethiopia showed keen enthusiasm and commitment in making frequent changes to meet the ever-changing customer needs and requirements.
- Communication practice as a customer relationship marketing in Commercial Bank of Ethiopia is moderate.
- The efficiency (speed) of CBE employees in dealing with customers requests such as account opening, money transfers and in delivering of other service is quite admirable. The clarification provided by the branches about different product/service is explicit .The staff of CBE is quite knowledgeable about all the products/Services features provided Thus Competency practices had significantly positive impact on the customer satisfaction practice in Commercial Bank of Ethiopia.
- The bank adopted conflict handling at less extent as a customer relationship marketing practice exemplify by not admirable in handling customer complaints wholeheartedly in a positive and active manner, lack of listening, sincere interest and solving problems in customer's best interests at heart, delaying at responding customer complaints, and lacks to make customer feel safe and encourage them to raise complaints.

5.2. Conclusion

The main objective of this study was to examine the impact of customer relationship marketing on customer satisfaction by taking evidence from selected branches of Commercial Bank of Ethiopia in Addis Ababa. Based on the main objective, five specific research objectives were developed.

To achieve this main objective, the study used mixed research approach. Descriptive analysis, such as mean, standard deviation, frequency and percentage to investigate the demographic characteristics of the respondents, and customer relationship marketing practices pertaining to Commercial Banks of Ethiopia. Secondly, correlation analysis was used to examine the association between independent variables and dependent variable. Finally, the ordered logit regression was used to examine the impact customer relationship marketing on customer satisfaction in Commercial Bank of Ethiopia. More specifically, the study used questionnaire survey of customers and customer service managers, and unstructured interview with branch managers. This study revealed the following results presented in the paragraphs that follow.

Commercial banks of Ethiopia has, to a moderate extent, adopted trust as a one customer relationship marketing practice and had statistically significant positive impact on the customer satisfaction of Commercial Bank of Ethiopia. Among the trust practices used under this study, it was established that; customer feeling confident when they are dealing with the bank and they didn't suspect any risk of losing their funds; CBE and employees are highly concerned on management (safeguarding) and absolutely careful and transparent record keeping of customers deposit accounts; CBE protected Customer personal, bank transaction and account related information adequately; employees at CBE treat customers in a sense of fair mindedness, polite with positive attitude and are cared sincerely and delivering consistent quality service with minimum delay.

While, Lack of welcoming and smile face and deficiency in Customers' treatment, cooperative, politeness and willingness to help customers by some employees, frequent network problem, long wait in queue specially at the end of the month, invisible advice issued, and delay in Check clearance were viewed by respondents as a customer relationship marketing practice weakness

that may possibly erode the customers relationship with CBE and affects its customer retention rate , customer loyalty and deposit mobilization performance negatively.

Commitment had significantly positive effect on the customer satisfaction in Commercial Bank of Ethiopia and adopted this customer relationship marketing practice to a moderate extent. commitment towards understanding and filling customers needs, commitment of developing new bank products to meet customers financial needs, strongly value customers and devoted to respond the questions of customers, staff willingness to help customers and bank commitment towards providing electronic banking services (ATM, mobile and internet banking) that makes customers to conduct banking transactions conveniently were viewed by respondents as the most significant positive customer relationship marketing practice.

With respect to the communication as a one customer relationship marketing practice, the study revealed that four relationship marketing practices parameters used in the study are adopted to a moderate extent and had significant positive effect on customer satisfaction in commercial bank of Ethiopia. Among the practices, it was established that the; Staff in CBE are friendly and approachable; CBE conveyed accurate and timely information about the status customers account when requested; Electronic or broadcasting message displayed by CBE are helpful to easily acquire necessary information about the service and the information provided by the bank is trustworthy and timely on new or important services.

On the contrary, the study revealed two communication practices that were adopted to a less extent and had negatively affect customer satisfaction practice in Commercial bank of Ethiopia i.e. when there is a change in the policy of the bank products, or any other relevant issue, CBE lacks to communicate to customers in time, and bank employees lacks in inviting customers and meeting with customers (regular customer visiting) and making a discussion about customer needs, bank-client relationship and customer service problem encountered by customers.

The study findings with respect to having intelligent professionals and comprehensive skill in delivering services i.e. Competency practices had significantly positive impact on the customer satisfaction practice in Commercial Bank of Ethiopia. It was established that Commercial Banks Ethiopia has, to a moderate extent, adopted competency practice. Key among them includes; exhibiting speed and efficiency in dealing with customer requests transfers with customers

requests such as account opening, money transfers and in delivering of other service; explicit clarification provided about different product/service at every point of customer contact, and employees have quite knowledgeable about all the products/Services features provided by the bank. In contrast, employees lacks skill and ability in responding customer problems and query constructively and caringly.

Conversely, the study found out conflict handling practice problems at commercial bank of Ethiopia. This is due to deficient practice of handling every customer complaints wholeheartedly in a positive and active manner, lack of listening, sincere interest and solving problems in customer's best interests at heart, impatient, impolite and delay at responding customer complaints, lacks to make customer feel safe and encourage them to raise complaints, which were viewed by respondents. As a result conflict handling practice had significant negative impact on customer satisfaction, customer retention, customer loyalty and deposit mobilization performance in Commercial Bank of Ethiopia.

5.3 Recommendations

This study attempts to examine the impact of customer relationship marketing on customer satisfaction by taking evidence from employees, managers and customers of selected branches of Commercial Bank of Ethiopia in Addis Ababa. On the basis of the findings and conclusions reached in this study, the following recommendations were forwarded.

- ✚ Even though, trust and commitment dimensions in the customer relationship marketing practice at commercial bank of Ethiopia contributed positively on the customer loyalty, customer retention and customer satisfaction. However, there is area that needs attention from management and employees of the bank to continuously strive to earn customers trust by providing consistent quality services through minimizing frequent network failure/internet connection problems encountered.
- ✚ Continue vast investment in branch and ATM expansions (increasing accessibility), working hard towards for awareness creation and influencing customers to use mobile and internet banking that make customers in conducting banking transactions conveniently and even solves long customer wait in queue.

- ✚ Even though communication had significant positive impact on customer satisfaction, by selecting customers based on relationship volume and profitability, branch management bodies should as much as possible devote time to meeting with customers (making regular customer visiting to their work premises) and making a discussion about customer needs, communicating policy changes and other important issues, even identifying customer service problem encountered by customers and taking all necessary action so as to build customer loyalty and even improve the chances of winning more business from the customers.
- ✚ The bank should work hard on improving conflict handling practice through designing and continuously providing comprehensive training to employees that fill conflict handling skill, attitude and ability gap, Properly manage and support frontline employees and new employees regarding complaint handling, Promote strong internal networks to enable complaint handling staff to work with and be supported by each staff, monitoring whether complaints are being handled correctly and remedies are being offered where appropriate identifying trends and special concerns that arise from complaints and providing continuous feedback to employee on their complaint handling performance. Additionally, appraisal of employees should be made to incorporate the rating of employee's attitude towards customer's vis-à-vis customer's complaints and commendation on the respective contact employees of the bank. This is important because no officer having known what awaits him/her if a customer should complain about his/her attitude that will engages in any activity that causes unwanted dissatisfaction to the customers. This however needs to be continuously implemented. The aforementioned recommendation is in line with frequent complaints about employees of the bank who seem to portray them as clogs in the wheel of progress of the bank in trying to achieve satisfied customers
- ✚ The bank should also design and provide continuous training sessions that emphasizes customer service handling (customer relationship marketing) for employees to develop skill, attitude and abilities and to fill customer handling gaps identified under this study.

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Appendices

APPENDIX A

St. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDY
MASTERS OF BUSINESS ADMINISTRATION (MBA) PROGRAM
QUESTIONNAIRE TO BE FILLED BY CUSTOMERS

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Research Topic: The impact of Customer Relationship Marketing on Customer Satisfaction, the case study on Commercial Bank of Ethiopia

Dear Respondents:-

Above all, I would like to express my earnest appreciation for your generous time, honest and prompt responses. This questionnaire is designed to collect data about the impact of Customer Relationship Marketing on customer satisfaction in the Commercial Bank of Ethiopia. In an attempt to conduct the research, I kindly request you to complete the attached questionnaire in an honest manner. All responses will be treated as confidential as the result of the survey will be available on request.

General Instructions

- There is no need of writing your name.
- In all cases where answer options are available please tick (√) in the appropriate box.
- For question that demands your opinion, please try to honestly describe as per the question on the space provided.

Thank you in advance

SECTION I: General and Demographic Information

1. Sex: Male Female
2. Which of the following age categories describes you?
20 - 25 25 -35 35- 45 45- 55 55 and above
3. How long have you been a customer with the bank (in years)
Less than 1 1 - 5 5 - 15 Above 15 years

4. Type of account

Saving account current account

SECTION II: Question on Customer Relationship Marketing Practice

Please read the statements below and show the extent to which you agree or disagree with each statement, relating to customer relationship marketing practice of your bank. Please indicate the extent of your agreement or disagreement with each statement ticking (√) in the box corresponding to a number from 1 to 5 that represents your level of agreement or disagreement.

1 = strongly disagree 2 = Disagree 3 = Neutral
4 = Agree 5 = strongly agree

No.	Item	1	2	3	4	5
	Question about Trust practice					
1	Consistent in providing quality service					
2	Feel no risk when dealing with CBE					
3	Treated customers in a sense of fair mindedness, polite with positive attitude and are cared sincerely					
4	Customer personal, bank transaction and account related information is protected adequately					
5	CBE and employees are highly concerned on management(safeguarding) and absolutely meticulous and transparent record keeping of customers deposit accounts					
	Question about commitment practice					
6	Strongly value customers and devoted to respond the questions of customers					
7	Do customers feel the staff of CBE works in betterment of them when they are serving					
8	staff are always willing to help customers					
9	CBE have commitment towards understanding and filling customers needs					
10	CBE commitment of providing electronic banking services (ATM, mobile and internet banking) makes customers to conduct banking transactions conveniently					
11	CBE developing new bank products to meet customers financial needs					
	Question about communication practice					
12	When there is a change in the policy of the bank, or any other relevant issue, CBE communicates to customers in time					
13	The information provided by the bank is trustworthy and timely on new or important services					

14	Staff in CBE branches are friendly and approachable					
15	CBE conveyed accurate and timely information about the status customers account when requested					
16	Electronic or broadcasting message displayed by CBE are helpful to easily acquire necessary information about the service					
17	bank employees inviting customers to discuss about in build-up of your relationship with CBE and service problems(customer regular visit)					
	Question about competence practice					
18	The staff of CBE is quite knowledgeable about all the products/Services features provided					
19	The clarification provided by the branches about different product/service is explicit					
20	If customers share problem with staff of CBE, do staff of CBE would respond constructively and caringly					
21	The efficiency (speed) of CBE employees in dealing with customers requests such as account opening, money transfers and in delivering of other service is quite admirable					
	Question about conflict handling practice					
22	CBE handled every your complaints wholeheartedly in a positive and active manner					
23	CBE makes customers feel safe and encourages them to raise complaints					
24	CBE is very courteous and fast at responding your complaints					
25	Staff at CBE are good at listening and solving problems in customers best interests at heart					
26	The bank shows sincere interest in solving customer service problems					
	Question about Customer satisfaction					
27	The bank strives in enhancing its customer satisfaction					
28	The bank staffs are devoted to serve their customer					
29	The bank has a reputation for using highly skilled employees					
30	The bank regularly visit its customers					
31	Overall, I am satisfied with the bank service					

APPENDIX B

ቅድስት ማርያም ዩኒቨርሲቲ
ድህረ ምረቃ ፕሮግራም
በደንበኞች የሚሞላ መጠይቅ

ውድ መጠይቁን የምትሞሉ ደንበኞች፡-

ይህንን መጠይቅ ጊዜያቸውን ወስዳችሁ ትክክለኛ እና ፈጣን ምላሽ ስለሰጣችሁኝ በቅድሚያ አመሰግናለሁ።ይህ መጠይቅ የተዘጋጀው የደንበኞች ግንኙነት ማርኬቲንግ በኢትዮጵያ ንግድ ባንክን ደንበኞች እርካታ ላይ ያለውን ተዕዕኖ ለመዳሰስ የሚሥቸል መረጃ ለማሰባሰብ ነው።በመሆኑም ይህንን መጠይቅ እንዲሞሉ ትብብሮትን እጠይቃለሁ።የሚሰጡት መረጃ ሚሥጥራዊነቱ የተጠበቁ በመሆኑ በቅድሚያ አረጋግጣለሁ።

መጠይቁን በሚሞሉበት ጊዜ፡-

- ስም መጻፍ አያስፈልግም።
- ምርጫ ላላቸው ጥያቄዎች በተጠቀሰው ውስጥ (✓) ያድርጉ።
ስለሚያደርጉልኝ መልካም ትብብር በቅድሚያ አመሰግናለሁ።

ክፍል አንድ፡ አጠቃላይ መረጃ

1. ያታ : ወንድ
2. እባክዎትን እድሜዎትን ቢገልፁ
20 - 25 25 - 35 35- 45 45- 55 55 እና ከዛ በላይ
3. የባንኩ ደንበኛ ከሆኑ ምን ያህል ጊዜ ሆነዎት (በአመት)
ከ 1 በታች 1 - 5 5 - 15 ከ 15 አመት በላይ
4. የሚጠቀሙትን የባንክ አገልግሎት ቢጠቅሱ
የቁጠባ ሂሳብ የተንቀሳቃሽ ሂሳብ

ክፍል ሁለት ፡- የደንበኞች ግንኙነት ማርኬቲንግን የተመለከቱ ጥያቄዎች
ከዚህ በታች የተዘረዘሩትን ጥያቄዎች በጥንቃቄ አንብበው በእያንዳንዱ አረፍተ ነገር መስማማትዎን ወይም አለመስማማትዎን ከጎኑ ባለው ክፍት ቦታ (✓) ምልክት በማድረግ ይግለፁ።መስማማትዎን አለመስማማትዎን ሲገልፁ እነዚህን ነገሮች ግምት ውስጥ ያስገቡ።

1 = በጣም አልስማማም 2 = አልስማማም 3 = መልስ የለም/አላውቅም
4 = እስማማለሁ 5 = በጣም እስማማለሁ

No.	Item	1	2	3	4	5
	ታማኝነትን በተመለከተ					
1	ባንኩ ተደጋጋፊነት እና ጥራት ያለው አገልግሎት ይሰጣል					
2	ከባንኩ ጋር በማከናወናቸው ጉዳዮች ደህንነት ይሰማኛል					
3	ባንኩ ደንበኞቹን አክብሮ ፍትሃዊና ትህትናን የተላበሰ አገልግሎት ይሰጣል					
4	ባንኩ የደንበኞችን መረጃ በአግባቡ ይይዛል					
5	ባንኩም ሆነ የባንኩ ሰራተኞች የደንበኞችን ሂሳብ					

	ግልፅነት በተሞላበትና በጥንቃቄ ይይዛል/ይሰራል				
	ቁርጠኝነትን በተመለከተ				
6	የባንኩ ሰራተኞች ለማቀርብለቸው የተለያዩ ጥያቄዎች አፋጣኝ መልስ ለመስጠት አይሰጡም				
7	የአገልግሎቱ አሰጣጡን የተሻለ ለማድረግ ሰራተኞች የሚያደርጉት ጥረት ከፍተኛ ነው				
8	የባንኩ ሰራተኞች ሁሉም ሊረዱኝ ዝግጁ ናቸው				
9	ባንኩ የምስጢውን መረጃዎች መሰረት አድርጎ ፍላጎቴን ሊያሟሉ የሚችሉ አገልግሎቶችን ይሰጠኛል				
10	ባንኩ ኤቲኬም፣ ሞባይል ባንኪንግ እና ኢንተርኔት ባንኪንግ የደንበኞቹን አገልግሎት ለማሳደግ ውጤታማ በሆነ መልኩ ጥቅም ላይ ያውላል				
11	ባንኩ የደንበኞቹን ፍላጎት ለማርካት አዳዲስ አሰራሮችን ተግባራዊ ያደርጋል				
	ግንኙነትን በተመለከተ				
12	ባንኩ የአሰራርም ሆነ የፖሊሲ ለውጥ ሲያካሂድ ለደንበኞቹ ያሳውቃል				
13	ባንኩ ተግባራዊ ስለሚያደርጋቸው አዲስና ጠቃሚ አገልግሎቶች የሚሰጣቸው መረጃዎች ተአማኒና ወቅታዊ ናቸው				
14	የባንኩ ሰራተኞች ደንበኛን የሚያቀርቡና ተግባሩ ናቸው				
15	ባንኩ ደንበኞች ስለሚሰጣቸው በጠየቁ ጊዜ ትክክለኛና ወቅታዊ መረጃ ይሰጣል				
16	በኤሌክትሮኒክስ ሚዲያ እንዲሁም በብዙሃን መገናኛ ኤጀንሲዎች የሚተላለፉት የባንኩ መልዕክቶች ለደንበኞች በቀላሉ በቂ መረጃ ይሰጣሉ				
17	የባንኩ ሰራተኞች ደንበኞች ከባንኩ ጋር ያላቸው ግንኙነት እንዲያደግ እና በአገልግሎት አሰጣጡ ላይ ያሉትን ችግሮች ደንበኛውን በማዋየት ይፈታሉ(ደንበኞችን በየጊዜው በመጎብኘት)				
	ብቃት				
18	የባንኩ ሰራተኞች ባንኩ እየሰጣቸው ባሉት አገልግሎቶች ዙሪያ በቂ የሆነ እውቀት አላቸው				
19	ባንኩ ስለሚሰጣቸው አገልግሎቶች በቅርንጫፎች በኩል የሚደረገው ገለጻ አጥጋቢ ነው				
20	ደንበኞች በአገልግሎት አሰጣጡ ላይ ያሉትን ችግሮች ለባንኩ ሰራተኞች በሚገልፁበት ጊዜ የሰራተኞቹ ምላሽ ገንቢ ነው				
21	የሰራተኞቹ ሂሳብ ለመክፈት፣ ገንዘብ ለማዘዋወር እንዲሁም ሌሎች አገልግሎቶችን ለመስጠት የሚወስድባቸው ጊዜ አነስተኛ ነው(ፈጣኖች ናቸው)				
	ቅሬታ አፈታት				
22	ባንኩ እያንዳንዱን የደንበኞች ቅሬታ ይሰማል፤ በበጎ ጎኑም ይመለከታል				
23	ባንኩ ደንበኞቹ ደህንነት እንዲሰማቸውና በአገልግሎት አሰጣጡ ላይ ያላቸውን ቅሬታም ይሰማል				
24	ባንኩ የደንበኞችን ቅሬታ በፍጥነትና በትህትና ይፈታል				
25	የባንኩ ሰራተኞች የደንበኞችን ችግሮች ስምተው ችግሩን ለመፍታት ጥረት ያደርጋሉ				

26	ባንኩ በአገልግሎት አሰጣጡ ላይ የሚታዩትን ችግሮች ለመፍታት ፍላጎት ያሳያል					
	የደንበኞች እርካታ					
27	ባንኩ ለደንበኞቹ እርካታ መጨመር በየጊዜው ይተጋል					
28	የባንኩ ሰራተኞች ትጉሃን ናቸው					
29	ሰራተኞቹ በቂ እውቀት አላቸው					
30	ባንኩ በየጊዜው ከደንበኞች ጋር እየተገናኘ የደንበኞችን ፍላጎት ለማርካት ጥረት ያደርጋል					
31	በአጠቃላይ ባንኩ በሚሰጠው አገልግሎት ደስተኛ ነኝ					

APPENDIX C

**St. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDY
MASTERS OF BUSINESS ADMINISTRATION (MBA) PROGRAM
QUESTIONNAIRE TO BE FILLED BY CUSTOMERS
Check list for Managers**

Introduction:

Dear respondents,

The purpose of this interview is to gather data regarding industrial customers' satisfaction on Service quality at Ethiopian Electric Power Corporation, South Addis Ababa region. The study is purely for academic purpose and thus does not affect you in any case. Your genuine, frank, timely response is vital for the success of the study. Therefore, I kindly request you to respond to each question item carefully.

1. Does commercial bank of Ethiopia have practice of customer relationship marketing?
2. What are the customer relationship marketing efforts which have been noticed at branches that lead to customer satisfaction, retention and loyalty?
3. What are the different constraints in customer relationship marketing that were observed in branches?
4. What are the remedies taken as a way out for improving branch service excellence and relationship marketing weakness?

DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of Temesgen Belayneh(DR.). All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

Name

**St. Mary's University
Addis Ababa**

Signature

May, 2015

ENDORSEMENT

This thesis has been submitted to St. Mary's University, School of Graduate Studies for MBA program with my approval as a university advisor.

__Temesgen Belayneh(DR.)_____
Advisor

Signature

St. Mary's University

May, 2015
Addis Ababa

