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St. Mary's University, Ethiopia

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

**EFFECT OF CUSTOMER RELATIONSHIP MANAGEMENT ON CUSTOMER
RETENTION; CASE OF THE COMMERCIAL BANK OF ETHIOPIA BOLE DISTRICT**

**A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY SCHOOL OF GRADUATE
STUDIES IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE
DEGREE OF MASTER OF BUSINESS ADMINISTRATION**

BY:

Axan Girma Seleshi

**FEBRUARY, 2024
ADDIS ABABA, ETHIOPIA**

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Advisor: Zemenu Aynadis (Asst.Prof)

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APPROVED BY BOARD OF EXAMINERS

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DECLARATION

I, **Axan Girma**, hereby declare that this study entitled —Effect customer relationship management on Customer retention: The Case of commercial bank of Ethiopial Bole District is my original work prepared under the guidance of my advisor, Zemenu Aynadis (Asst Prof.). This paper is submitted in partial fulfilment of the requirement for the Award of Master of Arts Degree in General Business Administration and it has not been previously submitted to any diploma or degree in a college or university. I would like also to confirm that all the sources of materials used in this study are duly acknowledged.

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February, 2024

ENDORSMENT

This thesis has been submitted to St. Mary's university school of business for examination with my approval as university advisor.

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February, 2024

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List of Acronyms

CBE	Commercial Bank of Ethiopia
CRM	Customer Relationship Management
SPSS	Statistical Package for the Social Sciences
ANOVA	Analysis of Variance

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Abstract

Customer relationship management is a strategic approach that businesses adopt to effectively manage and nurture their relationships with customers. It encompasses a range of practices, technologies, and strategies aimed at understanding customer needs, enhancing customer satisfaction, and driving long-term loyalty. The main objective of the study is to investigate how customer relationship management (CRM) affects customer retention at the Commercial Bank of Ethiopia, Bole District. A mixed-methods approach combining descriptive and explanatory research designs was employed to achieve the research objective.

A basic random sampling method was used to select samples from different CBE Bole district branches. A structured questionnaire was distributed to 384 customers, and 342 questionnaires were collected and analysed using the statistical package for the social sciences (SPSS).

The findings of the study demonstrated that all three CRM components (social network interaction, customer responsiveness, and customer recognition) that were used for this study have a positive and significant impact on customer retention. However, there are areas for improvement, such as responding to customer requests in a timely manner and handling customer issues effectively.

The study recommended that it is important to address customer complaints promptly, take them seriously, and provide specialized products and services to meet their needs. Additionally, it is crucial to improve staff availability and willingness to assist customers with their questions. The study also showed that CRM components can be used to predict and explain customer retention. Overall, the Commercial Bank of Ethiopia has adopted CRM parameters to retain customers, which not only improves customer retention but also enhances the bank's competitive advantage and productivity.

Key words: Customer retention, social network interaction, responsiveness, customer recognition

CHAPTER ONE

1 Introduction

1.1 Background of the Study

“The term CRM gained widespread recognition in the late 1990s. Researchers and partitions both in the academic area and the business field enthusiastically have shared their viewpoint and experience in applying CRM. In less than a decade, CRM has escalated into a topic of major importance. Although the term only came use to a significant extent in the late part of 1990s, the principles on which it has been based have exist for much longer.” (Mohiuddin, 2005, p. 1)

Customer Relationship Management (CRM) is growing in importance due to the challenging business environment faced by organizations throughout the world today. It is particularly critical in industries undergoing changes in traditional channel configuration. CRM is a means of addressing increasing competition, changing economic conditions and promotional dependence through the use of intimate customer knowledge; knowledge gained through relationship development and past marketing programs. CRM is increasing in prominence because it focuses on current users who are the source of the majority of business revenue and the best option for improving business in uncertain times. (Rogen, Christopher & Michael, 2014, p.5)

CRM can be defined as a process that maximizes customer value through on-going marketing activity founded on intimate customer knowledge established through collection, management and leverage of customer information and contact history. CRM is about perfecting relationships to maximize a customer’s value over time. (Baran et al., 2014, p.5)

There are many ways of how an organization knows and distinguishes their customers from various perspectives and CRM is of the methods where it is a combination of marketing tools, technology and business processes (Chang, 2010). Higher standard of services in return from the products or services that the customers purchase and its essential to maintain the simple yet best customer service while developing and establishing in maintaining long-term relationships with the customers. CRM is a strategic component that allows the organization to handle their relationship with customers through the use of information, processes and technology where it can be inter-related with various departments within the organization such as sales, service, marketing and the support department (Kincaid, 2003).

Particularly since the advent of e-commerce, customer relationship management, or CRM, has gained attention in recent years. Because CRM is a term that is used widely, marketing practitioners should likely have a basic

understanding of it as well as its benefits for customers, applicability to organizations, and impact on the organization as a whole (rather than simply on marketing components). One must realize that CRM is not only a short-term orientation sales tool but also an organization's overall strategy. CRM requires a long-term plan, and anything long-term requires a strong organizational commitment and appropriate investment. (CRM web site)

In the past, many companies took their customers for granted. Customers often did not have any alternative suppliers, or the other supplies were just as poor in a quality and services, or the market was growing so fast that the company did not worry about fully satisfying its customers. A company could lose 100 customers a week, but gain another 1000 customers and consider its sales to be satisfactory. Such a company, operating on a 'leaky bucket' theory of business, believes that there will always be enough customers to replace the defecting ones. (Kotler et al., 2001, p. 405)

“Customer retention is a business’s ability to keep existing customers and continue to generate revenue from them. Companies use different tactics to convert first-time buyers into repeat shoppers. In other words, customer retention allows a business to increase the profitability of an existing customer and maximize their lifetime value (LTV). (Caldwell, A., 2020).

Think of customer retention as a process where a business aims to convince existing customers to keep purchasing their products or services. Since a customer has already made a purchase, it’s different from lead generation, which is the effort involved in capturing contact information of businesses or individuals who are likely to buy a product or service. Instead, customer retention is focused on existing customers. The goal is to increase repeat purchases by building customer loyalty through excellent customer service, product value and a distinct advantage over similar products or services”. (Caldwell, A., 2020).

Cohen et al., (2006) have noted that customer retention is potentially an effective tool that banks can use to gain a strategic advantage and survive in today’s ever-increasing banking competitive environment. Thus, organizations need to focus on existing customers in order to ensure that they continue purchasing and continue supporting the product (Berndt et al., 2005). Many studies report that it is more expensive for the organization to attract new customers as compared to adopting strategy to retain existing customers. Reichheld F., & Scheffer, F., 2000 found that it is more economical to maintain relationship with existing customers because they are fewer price responsive than new customers existing customers are not only less price responsive. Customer retention directly influences extended lifetime values and benefits which is more beneficial opportunity for organizations that look for enhancement and prolong business activities and those that are looking for ways to protect them from market decline which is the consequence of reducing economy. (Gee et al., 2008). As a result of the above evidences retaining an existing customer has beneficiary to the organization than attracting new once.

Generally, modification of clients` behaviour in financial and service institutions especially in banks is more sensitive due to financial nature of its activities and needs an accurate and on-time planning by managers of banking systems. A client in a bank is regarded at least one asset. Today banking system is bound to see itself in client`s nature and to try to understand desire and willingness of its clients in the fully competitive atmosphere and must do their best to meet satisfaction of its clients. In marketing today cost of losing a client equals to losing interests related to services a client need in their life and this is warning for the bank. Moreover, service interests who could result from new clients will be lost, too. Therefore, client-orientation is a very sensitive element which we must care about a lot. To meet client satisfaction we should consider some points whose most important ones is clear response to daily needs of clients, service diversity and new and innovative services (Venus and Safaeian, 2004).

1.2 Statement of the Problem

Customer relationship management is gaining importance due to the challenging business environment that today's businesses encounter on a global scale. Customer relationship management is growing increasingly crucial as it concentrates on existing customers, who make up the majority of customers.

The use of CRM as a tool for competitive advantage is expanding globally, according to Parvatiyar and Sheth, (2002). Beyond question, though, a company's ability to successfully implement and use CRM depends on its resourcefulness. According to their statement, most companies utilizing CRM have benefited from it thus far in terms of raising profits, gaining market share, improving sales volume, keeping customers happy, and decreasing customer attrition by luring in new ones.

The distribution and effective use of a nation's finite resources depend on its financial system. The banking sector, which is the most important part of the financial system, has an effect on every sphere of the economy. Achieving and maintaining a customer has gotten more difficult as the globe has become a global village, with rivalry between firms becoming fierce and severe and creating an atmosphere of perpetual change. Become essential to every organization's success, and Ethiopia is no exception. Customers nowadays, however, are more informed and have a wider range of options for goods and services. More so than ever before because of contemporary and sophisticated methods of communication like the internet. Customers are therefore more demanding as a result of increased customer awareness, and those banks that have strong relationships with their customers have a competitive advantage over other banks in terms of increasing profitability, market share, customer retention, and luring new and potential customers. However, in a competitive market place, customers are easily lost through in different services (Oracle, 2002). Customers are becoming solidier to please, they are smarter, more price sensitive,

more challenging, less sympathetic, and they are approached by many more competitors with equal or better offers (Kotler, 2007).

According to Hanuman., et al., (2011) few research have been conducted on the banking industry to determine how many banks have employed CRM technologies to increase customer and improve interactions with them. Banks, on the other hand, understand that maintaining customer connections is the key to success in a cutthroat environment. Building and sustaining long-term relationships with profitable customers is the key to profitability for many organizations, and customer relationship management has received a lot of attention recently in both business and service literature.

Retail banks are under increasing pressure to boost their growth rate, and they are using CRM as their primary tool for competition, according to (Yatish and Ehtesham, 2013), who claimed that fierce competition is endangering bank revenues and pushing down operating margins and profits. According to (Kwamena, 2013), financial and banking organizations need to establish a business strategy and develop corresponding infrastructure in order to successfully implement CRM practices. (Reichheld and Sasser's, 1990) study, which is cited in (Ali's, 2007.p.16) research, It demonstrated the significant impact that even small increases in customer retention rates had on profitability, and it increased awareness among marketers of the need of managing customer relationships both before and after the first sale. The idea of acquiring new customers in order to increase returns has been replaced by a customer retention strategy in many service industries due to the dynamic and turbulent nature of business. Maintaining current customer has shown to be more economical than obtaining new ones (Kotler & Keller, 2006). According to (Cherinet, 2015), banks in Ethiopia must concentrate on keeping their current customer base through efficient relationship marketing as the country's financial sector grows more competitive and dynamic. Therefore, CRM has been used as a marketing tool and strategy in the Ethiopian banking industry recently. Therefore, in order to improve CRM implementation and practice, research on the subject's effectiveness in the Ethiopian banking sector is necessary.

1.3 Research Questions

This study aims to provide answers to the following questions based on the problem statement and a review of relevant literature:

1. What is the effect of social network interaction management on Customer Retention?
2. What is the effect of responsiveness on customer Retention?
3. What is the effect of customer recognition on Customer Retention?

1.4 Research Objective

1.4.1 General Objective

The general objectives of this study is to examine the effects of CRM on Customer Retention by taking evidence from selected branches of Commercial bank of Ethiopia Bole District.

1.4.2 Specific Objective

This research has the following specific objectives

1. To examine the effect of social network interaction management on customer retention.
2. To examine the effect of responsiveness of the bank on customer retention.
3. To examine the effect of customer recognition on customer retention.

1.5 Significance of the Study

Customer relationship management, or CRM, has gained importance in the service sector, particularly in the banking sector where it is thought to be a key component of many financial institutions' success as well as other institutions' overall success. Despite the fact that this topic is fundamental to financial institutions, it is crucial to ensure that the key components of CRM—which can result in customer retention given the fierce competition in this sector—are implemented. The researcher strongly believes that the study will fill an important gap in the literature and can serve as an input on which future studies can be built. The study's findings are important because they provide a clear understanding of customer relationship management (CRM) and serve as a conduit for bridging the knowledge gap in this area, they also aid in identifying potential gaps in the commercial bank of Ethiopia's relationship management practices and their impact on customer retention. Lastly, they assist the management bodies of the bank at all levels in taking appropriate action to close these gaps.

1.6 Scope of the study

The study exclusively examined how customer relationship management affects Ethiopian commercial banks' ability to retain customers.

Geographical Scope: Taking a large sample size was difficult due to time and cost constraints; the focus of this study was limited to the Commercial Bank of Ethiopia in Addis Ababa Bole district.

Thematic Scope: The study examined the elements of customer relationship management and explored the ways in which these characteristics aid in customer retention.

Methodological Scope: Customer relationship management's effect on customer retention was examined using a cross-sectional data survey which is analyses data across a sample population at a specific point in time.

1.7 Limitation of the study

This study only focused on Commercial Bank of Ethiopia Bole district selected branch customers and did not collect questioners' responses from an employee perspective. Also, this study only took three CRM components despite the fact that CRM has lots of components due to time and other constraints. It is crucial to note that the study only offers a snapshot at one particular moment in time, and because of time and budgetary constraints, the researcher was unable to conduct a longitudinal survey to check the situation.

The researcher only included a sample of respondents due to financial constraints and the study's timing within the academic year, however covering the full population would have provided a more accurate picture of the situation.

1.8 Organization of the study

Five sections make up the study. Chapter one of the study contains the background information, the problem statement, the research questions, the investigation's objectives, the relevance of the study, its scope, its limitations, and its organizational structure. Important literature on the topic is included in the second chapter. Chapter three of the study covers the methods section. Chapter Four analyzes the facts, and Chapter Five contains the findings and recommendations.

CHAPTER TWO

2 Literature Review

2.1 Theoretical Literature Review

2.1.1 The Emergence of CRM Practice

As observed by Sheth and Parvatiyar (1995b), developing customer relationships has historical antecedents going back into the pre-industrial era. Much of it was due to direct interaction between producers' of agricultural products and their consumers. Similarly artisans often developed customised products for each customer. As a result of this one-on-one contact, a strong emotional connection was formed between the manufacturer and the buyer. There were fewer interactions between producers and consumers prior to industrialization's mass production society and the introduction of middlemen, which led to transactional marketing. The functions of production and consumption became separated, resulting in the middlemen taking on marketing responsibilities. As a result, middlemen tend to focus on the financial aspects of purchasing, since selling goods is often their most expensive service or product. Many factors have contributed to the rapid development and evolution of CRM in recent years, however. With the rise of advanced computer and telecommunications technologies, producers can now directly interact with end-customers in a variety of industries. For example, the de-intermediation process is quickly changing the nature of marketing and making relationship marketing more popular in industries such as airlines, banks, insurance, computer programme software, or even household appliances and even consumables. They are able to personalise their marketing efforts thanks to databases and direct marketing tools. As a result, manufacturers no longer require the services provided by middlemen. Direct ordering, personal merchandising, and product use-related services can all be handled by consumers with little assistance from producers. Online banking, Charles Schwab and Merrill Lynch's online investment programmes, direct selling of books, cars, and insurance on the internet all point to a growing desire by Consumers to maintain a direct relationship with their marketers.

The rise of the service economy has contributed to both the de-intermediation process and the subsequent prevalence of CRM. The role of middlemen is minimised because services are typically produced and delivered at the same institution. Maintaining and enhancing the relationship between the service provider and the service user grows as a result of a stronger emotional connection. As a result, it should come as no surprise that CRM is important to service marketing researchers and practitioners .the total quality movement has also been a driving force in the adoption of CRM. Total quality management's (TQM) philosophy necessitated involving suppliers and

customers at all levels of the value chain when it was adopted by companies to improve quality and reduce costs. This necessitated close collaboration with clients, vendors, and other members of the marketing team. In order to put TQM into practise, many corporations have formed partnerships with their suppliers and customers, such as Motorola Solutions, IBM, GM, Xerox, Ford, and Toyota. JIT supply and MRP. The development of key account management programmes was compelled by companies insisting on new purchasing approaches, such as national contracts and master purchasing agreements (Shapiro and Moriarty, 1980).

The buyer-seller relationship was characterised by trust and mutual respect. Customers were more interested in buying a relationship with a vendor than a product or service. Customers' needs are assessed, and then resources of the selling company are managed for the benefit of customers, as part of the key (or national) account management programme. Customer relationship Management (CRM) programmes like these have laid the groundwork for strategic partnering. Consumer loyalty and retention have become increasingly important to marketers in today's hyper-competitive environment (Dick and Basu, 1994; Reicheld, 1996). It has long been thought to be a more cost-effective strategy to retain customers than to acquire new ones. To retain customers rather than compete for new ones, marketers are realising (Rosenberg and czepiel, 1984). When it comes to the supply chain, it's better to focus on a few key suppliers rather than trying to build relationships with a large number of new vendors (Hayes et. al., 1988; Spekman, 1988). Additionally, rather than just making a one-time sale, some business owners are focused on building long-term relationships with their clients.

Cross-selling and up-selling can be more successful with customers who have a long-term relationship with the company and its products. Relational intensity increased in hospitals with higher levels of competitive intensity, according to a recent study by Naidu, et al. (1999). Over the last two decades, customers' expectations have shifted dramatically as well. Due to advances in technology and the increasing accessibility of more advanced products and services, customer expectations are changing on a daily basis. As a result, consumers are less willing to compromise on the quality of their purchases and services. When it comes to keeping up with ever-changing customer expectations, a cooperative and collaborative relationship with customers seems like the best way to do so. A growing number of large, globally focused corporations are attempting to go global by unifying their global operations. Because they want to avoid merely engaging in transactional activities with their vendors, they are looking for solutions that are more cooperative and collaborative. CRM programmes, in particular global account management programmes, are an absolute necessity for any marketer interested in doing business with global companies. However, GAM programmes are more complicated than national account management programmes because they have to be global in scope. External and internal collaboration, as well as collaboration across a

company's global network, are all necessary for effectively managing global customer relationships. (Aligarh Muslim University. 2020, 2021)

2.1.2 Customer Relation Management

CRM is a business philosophy about how relationships with customers and potential customers should be managed in the pursuit of profit. Simply expressed, it is putting the customers first and building an enterprise around them. CRM is a strategic approach to business that is concerned with creating improved shareholder value through the development of appropriate relationships with key customers and customer segments. CRM unites the potential of relationship marketing strategies and IT to create profitable, long-term relationships with customers and other key stakeholders. CRM provides enhanced opportunities to use data and information to both understand customers and co-create value with them. This requires a cross functional integration of processes, people, operations, and marketing capabilities that is enabled through information technology and applications. It is a companywide business strategy designed to improve revenues and profitability, improve efficiencies and reduce related costs, and optimize customer loyalty, particularly among the most valuable and profitable customers. (Pearce, 2021, PP.16-17)

Customer Relationship Management is the strategic process of shaping the interactions between a company and its customers with the goal of maximizing current and lifetime value of customers for the company as well as maximizing satisfaction for customers (Rajagopal & Romulo, 2005). CRM is the integration and collaboration of different business departments to process and access the customer information to provide a unified assessment of customer interaction to enhance the quality of service delivery in the company. Customer relationship management (CRM) is increasingly important to organisations worldwide as they seek to improve their profits through longer-term relationships with customers. Today, CRM is still being utilized most frequently by companies that rely on two distinct features: customer service or technology. According to Anderson (2000), the three sectors of business that rely most heavily on CRM and use it to great advantage are: Financial services sector, a variety of high tech corporations and telecommunications industry. The financial service sectors in particular, tracks the level of customer satisfaction and what customers are looking for in terms of changes and personalized features. Customer relationship management is widely described as a strategy, processes and practices or methodology. Customer relationship management is not just something that is done once to new customers it is a continuous process. Customer Relationship Management is an essential part of modern business management. CRM has been conceptualized by Reinartz et al. (2004) from the customer perspective as: A systematic process to manage the customer relationship initiation, maintenance, and termination across all customer contacts points in order to

maximize the value of the relationship portfolio. Also Padmavathy (2012) defined CRM as a set of customer-oriented activities supported by organizational strategy and technology, and is designed to improve customer interaction in order to build customer loyalty and increase profits over time.

2.1.3 Customer Relationship Management in Banking Industry

CRM is becoming an essential component of the global banking industry as well as the entire business environment. As a result, businesses need to get closer to their clients and come up with fresh ideas for adding value.

As stated in Kotler & Armstrong (2010), today's customers are becoming more price conscious, more demanding of great service, and are being approached by many more competitors with equal or even better offers at cheaper prices. The challenge therefore, is not to provide satisfied customers; but to produce delighted and loyal customers. These relationship developments with customers will lead to improve customers' satisfaction, which in turn make them loyal customers. According to Liyun (2008,) the emphasis of CRM is to focus on keeping and maintaining long-term relationship with customers, leading to customer satisfaction and hence creating business performance in the banking industry .CRM if used properly would enhance a bank's ability to achieve the ultimate goal of retaining customers in order to gain a strategic advantage over its competitors (Nguyen, Sherif and Newby, 2007). Thus, the successful management of customer relationship can improve customers, satisfaction and loyalty in order to give positive effect on upgrading business performance (Liyun, Keyi, Xiaoshu and Fangfang, 2008). Generally speaking, all businesses and particularly financial institutions have been affected to some degree in what is happening in the global market place. Enterprises product benefits of form, time, place and property that will satisfy the customers' demands through goods and service. Forming and marketing of the goods and services that satisfy the customer demands is the basis of producing benefit. (Altitas, 2000 :). Whether the customer is satisfied or not depends on whether the he compares what is offered to him with his own expectations. If what is offered suits the expectations, the customer is satisfied. If what is offered is above the expectations, the customer is highly satisfied and pleased. (Kother, 2004: 36) for example, if the real performance of a product or service in a bank is below the expectations, the result is dissatisfaction, but if it equal or higher, customers satisfaction is achieved. (Kocoglu, Duygu, 2012; Gubuz, 2008 :)

2.1.4 Customer Retention

Customer Retention can be defined as the possibility of a client to be retained by the organization (Morgan& Hunt, 1994). Also Hall (1997) considers customer retention as maintaining customers for life. The life span worth of a customer to any business can be appreciated in their financial performance. Some studies considered Customer

retention from a behavioural perspective. Thus, the customer feeling belong and dedicated to the company. For instance, the customer recommends the company to others and willing to repurchase services or products from the organization (Diller, 1996; Diller & MuÈllner, 1998; Gremler & Brown, 1998; Homburg et al., 1999; Oliver, 1999). According to Keiningham et al. (2007, p 364), customer retention is defined as “customers’ stated continuation of a business relationship with the firm. For Internet service providers (ISPs), it is continuing to use the same provider. For retail banks, it is continuing to maintain an account relationship with the bank. And for discount retailers, it is the continued repeat shopping with the retailer”

Customers were overlooked in empirical studies and did not receive the attention that they deserved from researchers in the past. It didn't matter that the market was growing so quickly; it didn't try to satisfy its customers' needs. Retaining customers is more likely to be necessary in today's market environment due to rising competition and competitive trends, which aim to shield the business from these trends. Retention of customers is vital to completing this task. Ramakrishnan (2006) defined customer retention as keeping customers from switching to a rival competitor. Customer retention allows companies to maintain and continue their business relationships with existing customers (Mostert et al., 2009). Similarly, Dawes (2009) outlined that customer retention refers to the number of customers who maintain their relationship with a company over an extended period. Therefore, companies need to retain customers in today's competitive environment to be successful. Fluss's (2010) study explains that competitors always try to make better offers to attract customers.

According to Mithas et al. (2005), CRM practices positively correlate with customer satisfaction, leading to customer retention. More satisfied customers have a long relationship with the companies, meaning they will remain customers for longer. Boltan (1998) shows that customer satisfaction is positively related to the duration of a company's customer relationship with a customer. It is important to keep customers so that long-term profitability can be achieved. Managers must focus on four key CRM areas, not just technology, to significantly improve customer retention (Yim et al., 2004). This target can be achieved by stressing on reliable customers, incorporating CRM-based technology, and managing knowledge. Additionally, empirical studies have shown that CRM positively influences customer retention. These studies also state that stressing on reliable customers significantly affects customer satisfaction, resulting in positive changes in customers' behavior. Bose (2002) has pointed out that CRM combines technology and business processes to satisfy customer needs. According to a recent report, 44% of CRM practices have excellent or satisfactory results (The Economist Intelligence Unit, 2007). CRM strategies aim to develop long-term customer relationships with a company (Chen & Popovich, 2003). To achieve long-term profitability, companies should focus on building stronger loyalty with their existing customers rather than attracting new customers (Anderson & Sullivan, 1993). Customer satisfaction is one of the most important means

to retain today's customers. Therefore, methods to increase customer satisfaction are becoming more common. According to Reinartz et al., (2004), using CRM technology alone may not be effective and may even harm the company in the long run. Consequently, managers need to examine CRM technology's contribution to different situations. Ryals (2005) suggested that companies can improve their CRM performance by performing comparatively simple analyses. The primary goal of CRM is not only to engage and retain customers, but also to make them more profitable and manage their portfolios. In addition, the study suggests that marketers should consider these aspects even before implementing CRM. Zablah et al., (2004) argue that effective management of CRM initiatives requires that management emphasize the fundamental components. Gronholdt et al. (2000) pointed out that the influence of CRM on customer loyalty increases with the extent of competition in the marketplace. That is, the more differentiated a market is, the more strongly fluctuations in loyalty respond to changes in satisfaction.

2.2 Empirical Review

CRM has been defined in prominent previous research according to different aspects illustrate the evolution in the way CRM has been viewed (Sivaraks et al., 2011; Josiassen et al., 2013). For example, Chang et al (2014) viewed CRM as an important business approach to build long term, profitable relationships with specific customers. While, Khodakarami and Chan (2014) defined customer relationship management a set of methodologies and organizational processes to attract and retain customers through their increased satisfaction and loyalty. In this line, Martín et al. (2015) pointed out that when we talk about customer relationship management, we specifically refer to the business strategy that involves a systematic process to manage, initial, maintenance, and ending relationship with the customer through all windows of contact in order to maximize the value of the relationship. According to Kotler and Keller (2012) customer relationship management is the process of carefully managing detailed information about individual customers and all customers "touch points" to maximize loyalty and a customer touch point is any occasion on which a customer encounters the brand and product from actual experience to personal or mass communications to causal observation. (Taha, A., 2016 - PP 16-17 Vol. 4, No. 2) It is worth mentioning that heavy emphasis was put on the role of information technology when defining management relationship management, for instance, Wei et al. (2013) described customer relationship management as the adoption of information technology to develop new customers and retain old customers as to keep long-term and closed relationship, which aims to improve customer relationship and thus can help increase customer loyalty, customer retention and customer profitability. Similarly, Khodakarami and Chan (2014) viewed CRM as a group of information systems that enable organizations to contact customers and collect, store and analyse customer data to provide a comprehensive view of their customers. Consistent with the above, other such as Santouridis and

Tsachtani, (2015), and Shim et al. (2012) shed light on information technology, they indicated that customer relationship management relies heavily on gathering and processing customer data in order to extract information that will help to identify ideal customers and customize their offerings a result of this, information technology plays a pivotal role as an enabler of successful CRM implementation. (Taha, A., 2016 - PP 16-17)

The present study employed the operational concept of customer relationship management, which is characterised as a business approach that encompasses various methodologies, information, and organisational processes aimed at establishing profitable long-term relationships with customers. The ultimate goal of this approach is to create competitive advantage and achieve profit performance. Using the definitions and concepts discussed earlier The main processes involved in implementing CRM in service organizations are creating customer profiles, segmenting markets, predicting customer needs, personalizing service offers, choosing the best channels for reaching customers, identifying and concentrating on profitable customers, and evaluating customer retention patterns.

2.3 Conceptual Framework

In Kim et al.'s 2003 paper a framework of CRM was proposed from information processing view point in the aspects of relationship initiation, worth, positioning and commitment. The approach suggests that, customer information is crucial in administrating, attracting and retaining successful relations with customers across the developmental phases. The argument continues that, when organizations concentrate on their association with customers, some of the customers will be retain and provide value for the firm in terms of generating higher profits. Therefore, organizations can improve their relationships with customers by properly managing customer information. A related conceptual framework of CRM was anticipated to integrate business procedures, organizational arrangement, investigative structures and technology to represent customers view (Chan, 2005). In a different study Kim et al. (2003), developed a framework of CRME to consist of customer knowledge, interaction, value and satisfaction. The study declares that, business interactions are handled well only when CRM activities aimed at satisfying the customers' personal and distinctive needs. Through incorporation of business processes and technology, organizations are able to sustain and improve the relations with customers. From functional and organizational capabilities perspective, Reinartz et al. (2004) offered a model for CRM processes based on three different levels of relationships namely; initiation, maintenance, and termination. Payne et al. (2005) further studied the significance of business strategy in CRM implementation. In order to create value for the company and the customers, the authors created a model that matched the business strategy with the customer strategy. The lifetime value of beneficial clients is increased in this way.

According to the literature reviewed above, businesses can maintain their established customer relationships when they apply CRM processes that take information technology, organizational motivation, and business strategy into account. By integrating these components, businesses can learn more about profitable clients and improve their overall performance.

2.3.1 CRM Components

Ho & Chuang (2006) emphasize that the use of some approaches including CRM is necessary in order to provide customers with customized services. They add that through CRM systems, enterprises and government institutions could retain the loyalty of old customers and win over new customers, as well as understand and enhance customer profitability and contributions to organizational sustainability. However, Ang & Buttle (2006) revealed that it is only the intelligent application of CRM software that can yield improvements in business performance. They also emphasize that CRM software applications help companies manage their customer relationships more efficiently and effectively. CRM is not simply about technology alone (Ang & Buttle 2006). Successful use of CRM should serve organization-customer relationship across the three-stage of customer lifecycle including customer acquisition, retention and development (Ang & Buttle 2006). Companies that implement CRM successfully make better relationships with their customers, improve customers' loyalty, increased revenue and reduced cost (Blery & Michalakopoulos 2006). Accordingly, an evaluation of CRM should consider the achievement of these valuable and substantial benefits. Identifying the important CRM features from the customer perspective where current literature has solely focused on the technological and organizational aspects is highly an important issue (Hsieh, 2009). This involves viewing the CRM project from the customers' perspective focusing on the points of interaction with customers as well as the customers' interests. (Awwad, Mohammad S., Al-adaileh, Raid) Vol.8 Moh'd 2012-PP- 211

2.3.1.1 Customer prospecting

Customer prospecting refers to all the various means employed in business to track, locate, and attract new customers (Reinartz et al, 2004). This component, according to the literature is considered as the first variable that should be considered when considering a CRM system. This component is usually emphasized through customers' databases and organizational promotional activities.

2.3.1.2 Relations with customers

Relations with customers involve the ability of the organization to build, develop and maintain profitable relationship with customers (Reinartz et al, 2004). Accordingly, the ability of sales people to make effective communication with customers, the organization ability to conduct customer follow-ups activities, when-sale and after sale service provided to customers, and the amount of financial resources allocated to build, support and maintain customers' loyalty are all considered as important factors to build, develop and maintain good relationship with customers.

2.3.1.3 Understanding customer expectations

Understanding customer expectations is also an important component of effective CRM system. It includes clear identification of customers' desires and matching them to the product and/or service specifications. This is considered as a main building block towards a customer-centric approach as a key success factor of today's business environment. The most important efforts to determine customer expectations may involve conducting of market studies and surveys.

2.3.1.4 Empowerment

Empowerment generally refers to the process an organization adopts to encourage and reward employees who exercise initiative, make valuable creative contributions, and do whatever is possible to help customers solve their problems (Lawson-Body & Limayem 2004, Herzberg 2003). Empowerment of employees might be seen as one of the determinant factors that determine the level of CRM system and practices within a particular organizational context. Empowerment of employees is encouraged through training of employees, motivating them, granting sufficient authority for employees to better perform their jobs...etc.

2.3.1.5 Partnerships

Partnerships represent creating of close relationship between value chain entities including suppliers, organizations and customers. Joint development, Joint advertising programs, creation of joint ventures with customers, and resale of the organizational products and services by customers are all considered as forms of partnership.

2.3.1.6 Personalization

Personalization is the final component of CRM system according to Lawson-Body and Limayem (2004) which refers to the extent to which a firm assigns one business representative to each customer and develops or prepares specific products for specific customers. It might also involve sending customized mail to customers and assigning one salesperson to each customer.

2.3.1.7 Service Quality

Service quality is defined to be a core aspect of modern service companies' sustainability. The concept of service quality and the nearly quantitative customer satisfaction relationship allow itself an important promotional technique, allowing this the most examined marketing field of service (Suraj, 2016). There is a clear significant connection among the quality of service dimensions (tangible, reliable, responsive and guaranteed) and consumers' willingness to come back. This has also been noticed that enhancing service quality has a substantial effect on customer satisfaction (Mady, 2020). Influence customer intention by examining the series of retention activities from both the point of view of customer service and customer satisfaction.

As an indicator of customer retention, behavioural intent is mostly used, that also requires looking at customer retention from a transactional perspective (Nazar et al., 2020). The intention of the individual to leave or remain for an extended period; however, it is not very pleasant. Long-term retention of customers and long-term customer relationships obtain many significant advantages. The quality of interaction between two sides can be defined through time, and performance can be increased. In other phrases, at such a lesser cost, a better quality can be delivered. The researchers stated that service quality would not only influence future business activities but also will facilitate long-term customer relationship development and survival (Liljander, Roos, Liljander & Roos, 2002; Yeh et al., 2017). It is possible to define the customer retention rate as the likelihood that the company would retain customers. Also, it is assumed that customer retention is a lifetime opportunity to continue them (Rakthin, Calantone & Feng, 2016).

2.3.1.8 Customer Orientation

Customer Orientation the main item of the service organization is the long-term interaction between service personnel and customers. The relationship between service personnel and customers and the experience they have acquired (for example, those who cannot provide services in a manner or those who lack sufficient knowledge and training to meet customer expectations) can affect to the clients. Memory negatively affects the quality of service (Rouholamini and Alizadeh, 2016). Therefore, service personnel are the primary resources with which service

companies can use their competitive advantages. Although they enjoy the ability to cross borders in the workplace, they also increase their impact (Torabi & El-Den, 2017).

Ultimately, buyers would not be excessively price-sensitive because the profitability is the income of the business. The higher labour knowledge of customer-oriented service staff can accurately recognize the customer's needs and wants and fulfil their expectations in a satisfactory manner (Bruhn, 2020; González Porras, JL, Ruiz-Alba, JL and Guzmán Parra, 2018). Keeping a strong customer orientation is critical in creating a brand for a specific product or service in today's intensely competitive environment.

2.3.1.9 Interaction management

Interaction management -comprises all actions designed to transform the prospective client who enters into contact with the business representatives into an active and effective customer (Lawson-Body & Limayem 2004). It involves seeking continuous feedback and evaluation from customers, consideration of customers' opinions, conducting of formal customer product evaluations, and building effective communication channels with customers. According to the Brown and Gulycz (2002), if an organization willing to make a stable relationship with its customers, there are different ways to have an interaction with them including interaction along touch points and distribution channels. The main purpose is to find out how and when the customers would like to interact with the organization (Prahalad and Ramaswamy, 2001). The interaction activities should be well customized and organized through the available touch points provide in relation to the customer profiles developed by data gathered from the former records of the customers. According to Lindgreen et.al (2006) and Peppers et.al. (1999). interaction management is implemented by a few such as getting customers feedback and interaction with customers by attractive ways such as using social network.

2.3.1.10 Customer Responsiveness

Customer responsiveness is a measure of how quickly and efficiently an organization responds to the needs of its customers. It is determined by assessing how quickly customer inquiries and complaints are answered and how effectively recommendations are implemented and feedback is received. Customer responsiveness can also refer to the speed and accuracy with which orders are filled. (Korach, 2023). Responsiveness is Willingness to help customers and provide prompt service (Ananth et.al, 2010; Kheng et. al., 2010). Responsiveness is the willingness to support customers and provide them immediate services right on demands. Responsiveness has to do with the degree with which the selected banks were able to respond to the needs and wants of customers. For a firm to be responsive, it must gain deeper understanding and profiling of customer behaviour, real-time customer information

and loyalty, and management at Point of Service. However, Taiwoet. al. (2011) described that responsiveness is the degree to which customers perceive service providers „readiness to assist them promptly. Therefore, showing sincerity and willingness to help customers are some of the key issues in responsiveness. Again what was tested in respect of responsiveness include included devoted time to customers and efficient services.

According to Korach (2023), Good customer responsiveness is essential for maintaining customer satisfaction and loyalty, as customers appreciate timely responses to their inquiries and feedback. Organizations must ensure that they have systems to monitor customer inquiries, respond to them promptly, and take appropriate action on any issues that may arise. Organizations typically use monitoring tools such as surveys, interviews, focus groups, or mystery shoppers to assess customer responsiveness levels. (Korach, 2023). Organizations must maintain high customer responsiveness to succeed in today’s competitive marketplace. A company’s success depends largely on its ability to build strong relationships with its customers, meet their expectations for quality service, and keep them satisfied with its products or services. Without effective customer responsiveness strategies in place, organizations risk losing potential business opportunities due to dissatisfied customers who will share negative experiences with others. (Korach, 2023).

2.3.1.11 Customer Recognition

Customer recognition is a form of communication that brands or businesses use to express gratitude to their customers. A customer recognition strategy is used by brand owners or managers to reward their loyal customers for conveying their importance to the brand’s success. (Bhasin, 2023) In other words, customer recognition are the customer gifting strategies that help in engaging the customers and going beyond the products or services to build positive relationships with the clients. It is a primary key to build a strong relationship between the brand and the customer. Customer recognition is when firms try to identify which customers are valuable and which customers are not. This is believed to benefit firms because once the firm knows which customers are valuable they are able to maximize their efforts in ensuring that their valuable customers remain happy at all times. This means that customers have to be divided into groups in order to fit them in their various segments (Wanjau, 2011).

Customer recognition is defined as a marketing strategy used to say thank you to the best customers. It is mainly the art of engaging customers by feeling and expressing gratitude to optimize retention as well as referral rates. (Bhasin, 2023). It is an unusual activity by the brands to prioritize the customers by acknowledging their contributions. The direct result of Customer Appreciation is a psychological benefit that attracts the customers emotionally. By appreciating each customer, a brand simplifies the relationship between the brand and its customers. (Bhasin, 2023). Customer appreciation means customer engagement not just ‘rewards.’ It’s considering

what customers need, taking that extra step of showing care and thoughtfulness. Always thanking customers doesn't increase the profit of a brand. Instead, the brand can be seen, appreciated, and valued by the customers. So, to build positive momentum, customer appreciation is pretty much a required criterion to give your customers the personalized feeling which is a great way of ensuring a blissful experience for them. (Bhasin, 2023).

CRM is becoming a great tool and a modern way for goods and services to be included. CRM has now become a strategic necessity for companies in all industrial sectors (Shapiro, 2019). The business makes touch with consumers, puts more time and effort into finding new ways to generate value for customers, and turns consumer relationships instead of sales and deliveries into pursuing solutions and cooperation (Singh et al., 2019).

- This study will take three customer relationship management (CRM) components as independent variables to measure the effect of CRM on customer retention. Those are: interaction management, responsiveness, and customer recognition.

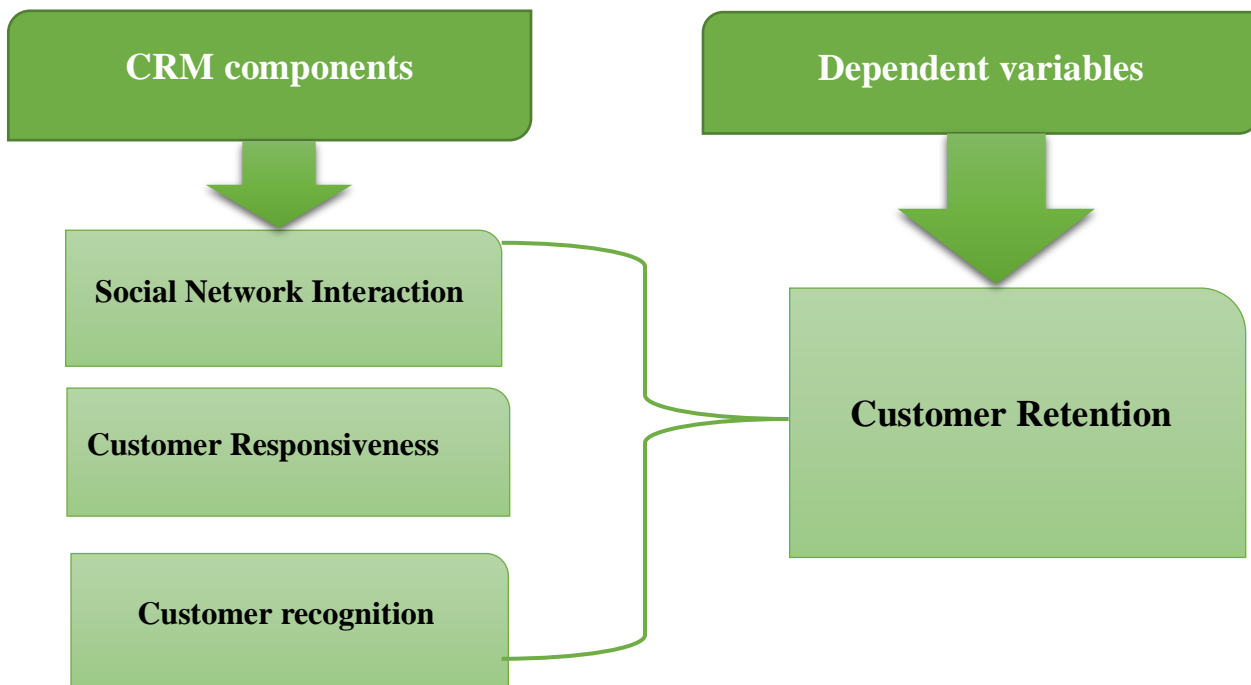


Figure 2.1 Conceptual framework, Source: Long, et.al. (2013) cited by Dr. Zakaria

2.4 Research Hypothesis

Based on the research objectives, the following hypotheses are formulated to be tested:

H1: Social network interaction management does not have an effect on customer retention.

H2: Responsiveness does not have an effect on customer retention.

H3: Customer recognition does not have an effect on customer retention.

CHAPTER THREE

3 Research Methodology

The research technique intends to carry out the study provided in this section. In light of this, this section shows the data source and type, the data collection method, the sampling design technique, the study design and technique, the total population and sample size, and the data analysis and presentation method.

3.1 Research Approach

The study employed both qualitative and quantitative methods to achieve the study's objectives.

According to Mark et al. (2009), mixing qualitative and quantitative approaches gives the potential to cover each method's weaknesses with strengths from the other method. In this study, a combination of qualitative and quantitative approaches to doing research was employed, which has been practiced as recommended by Creswell (2009). The impact of customer relationship management on customer retention was investigated in this study. Qualitative data was gathered from the sample respondents using a semi-structured interview, and relevant data was gathered using a closed-ended format questionnaire. Semi-structured interviews with the sample respondents were used to collect qualitative data, and a closed-ended questionnaire was used to collect pertinent information.

3.2 Research Design

Research design, according to Kothari (2014), is the process of gathering and analyzing data in order to produce pertinent information for the study's objective of taking economy of procedure into account. A research design expresses both the structure of the research problem and the plan of investigation used to obtain empirical evidence on the relationship between the problems. The research can be classified into three categories: descriptive, explanatory, and exploratory. Descriptive research sets out to describe and interpret what is. It aims to describe the state of affairs as it exists.

Explanatory studies, on the other hand, look at the relationships between variables to explain certain problems or circumstances (Saunders et al., 2007). When we encounter an issue that is already known and have a description of it, we might begin to wonder why things are the way they are. The desire to know "why," to explain, is the purpose of explanatory research. The study explains the relationship between the dependent and independent variables. The explanatory type was utilized in this study report. Furthermore, the study was cross-sectional in the sense that all pertinent data were collected at one specific moment. A cross-sectional study is preferred because of the size of the

investigation and the time constraints. Additionally, it makes sense to conduct several descriptive studies by gathering data from a cross-section of the population at one moment in time. Janice Ruane (2006).

3.3 Population, Sample size and sampling procedure

3.3.1 Target Population

All potential objects, people, or observations that share one or more qualities are grouped together as a population. It is a region of the real world having distinguishable characteristics connected to a particular area of research interest. In relation to a specific phenomenon of interest to the researcher, it depicts a defined portion of the real world with shared, well-defined characteristics. The study's target populations were customers of Commercial Bank of Ethiopia Bole District's selected branches.

3.3.2 Sample Size Determination

In the determination of sample size, the three criteria are very important to gather the required data from sample respondents. These include the level of precision, the level of confidence or risk, and the degree of variability in the attributes being measured that enable the researchers to determine an appropriate sample size (Miauou & Michener, 1976).

Due to the large number of customers in branches of the Commercial Bank of Ethiopia in Bole District, the data was collected from the selected branches of Bole District of CBE, which are located in Addis Ababa. The formula created by Cochran (1963) is used to determine the large sample size of the populations.

$$n = (Z^2 * p * q) / e^2$$

Where n the total number of sample required

Z=the critical table value of the confidence level (z=1.96)

p=the population variability (p=0.5)

q=the probability of the population not to be occurred (q=1-p=0.5)

e =the maximum allowed error i.e. (e =0.05)

Consequently, the researcher determines that the moderate population variability interval is 0.5 (p = 0.5), which provides the researcher with the largest sample size and the lowest error (q = 0.5), and that the maximum permitted error is 5% at a 95% confidence interval level.

$$n = (1.96^2 * 0.5 * 0.5) / 0.05^2 \text{ which is approximated } 384$$

3.3.3 Sampling Technique

The success of a study that uses a sample to collect data depends on the adoption and application of an appropriate sampling technique (Shiu et al., 2009). In order to comprehend the population from which the sample was drawn, Maylor and Blackmon (2005) reiterate that a given sample represents a portion of the study population that would be studied. Consequently, Adams et al. (2007) define sampling as the procedure of choosing research subjects in order to categorize the population being studied.

To obtain a sample for the study, the main instruments used to gather data were questionnaires and interviews conducted with the assistance of customers and employees of particular Ethiopian commercial banks located in the Bole District of Addis Ababa. To choose branches and a sample of respondents, the researcher employed a basic random sampling technique which is each item within a population has an equal chance of being selected the information gathered from the chosen CBE Bole district of branches in Addis Ababa.

3.4 Data Sources and Data Collection Method

Both quantitative and qualitative data were used in the study. While quantitative data comprises objective elements from questionnaires, qualitative data includes information that is primarily gathered through interviews. The study employed primary sources as its data source. The main source of primary data is a questionnaire that is given to selected CBE Bole district branch customers. On the other hand, secondary sources about customer relationship management and customer retention can be found in books, the internet, and articles that have been published in journals. Closed-ended questionnaires and structured and semi-structured interviews with the chosen branch customers and employee care representatives served as the primary data collection methods.

3.5 Methods of Data Analysis

Both qualitative and quantitative methods will be used in the analysis and interpretation of the data from the two sources. Regression analysis will use to establish which factors should be taken into account, which ones should be disregarded, and how these factors interact with one another. Correlation analysis will use to assess the strength of the association between two quantitative variables. Data from primary sources will be verified and updated afterward to look for mistakes that respondents might have made. The data will then be manually coded and placed into the statistical package for social science (SPSS) program. Interco-relation between explanatory factors will be examined. Multiple Regression Analysis and Simple Linear Analysis will be used to test the explanatory independent and combined prediction of variables. Demographic characteristics including sex, age, education level, and field of specialization are subject to descriptive analysis.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Where: Y is Customer Retention

β_0 is the model's constant

β_1 to β_4 are the regression coefficients

X1 – Interaction management

X2 – Responsiveness

X3 – Customer Recognition

ϵ_i –Error

3.6 Validity and Reliability

3.6.1 Reliability

Reliability refers to the stability of the measuring instrument used and its consistency over time. In other words, reliability is the ability to measure instruments to give similar results when applied at different times. (Sürücü & Maslakçı, 2020, p. 2707). Naturally, there is a chance that the results will vary each time because of variations in the population and sample, as well as variations in the measuring device at the time of application. However, a strong positive correlation between the results of the measuring instrument is an indication of reliability. The reliability of the measuring instrument is an essential consideration for the results of the study to be healthy. Therefore, researchers should ensure that the measuring instrument used is reliable. (Sürücü & Maslakçı, 2020, p. 2707). The most popular method used in research to test internal consistency is the determination of the alpha coefficient. In the literature, different calculations have been developed for the alpha coefficient. Despite this diversity in the literature, the Cronbach's alpha coefficient, which was developed by Cronbach (1951) and is named after the researcher who developed the coefficient, is generally accepted in the literature. As the Cronbach's alpha coefficient, whose value is between 0 and 1, approaches +1, it is stated that internal consistency is high. (Sürücü & Maslakçı, 2020, p. 2714). An indication of the scale's internal consistency for this study is a Cronbach's alpha value of 0.7 or higher.

Table 3.6.1 Reliability test

Reliability		
Variables	No. of Items	Cronbach's Alpha Coefficient
Social Network Interaction	5	0.894
Customer Responsiveness	7	0.744
Customer recognition	5	0.713
Customer Retention	8	0.698

In the above table, the reliability of different variables is assessed using Cronbach's Alpha coefficient, which is a measure of internal consistency reliability.

- ❖ "Social Network Interaction" with 5 items, the Cronbach's Alpha coefficient is 0.894. This indicates a high level of internal consistency among the items measuring social network interaction, suggesting that they are measuring the same underlying construct reliably.
- ❖ "Customer Responsiveness" with 7 items, the Cronbach's Alpha coefficient is 0.744. While this coefficient is lower than for social network interaction, it still indicates a satisfactory level of internal consistency among the items measuring customer responsiveness.
- ❖ "Customer Recognition" with 5 items, the Cronbach's Alpha coefficient is 0.713, indicating a moderate level of internal consistency among the items measuring customer recognition.
- ❖ "Customer Retention" with 8 items, the Cronbach's Alpha coefficient is 0.698, suggesting a moderate level of internal consistency among the items measuring customer retention.

Overall, the Cronbach's Alpha coefficients for these variables are measuring their respective constructs with a reasonable level of reliability.

3.6.2 Validity

Validity refers to whether the measuring instrument measures the behavior or quality it is intended to measure and is a measure of how well the measuring instrument performs its function (Anastasi and Urbina, 1997). Validity is determined by the meaningful and appropriate interpretation of the data obtained from the measuring instrument as a result of the analyses. Whiston (2012) defined validity as obtaining data that is appropriate for the intended use of the measuring instruments. (Sürücü & Maslakçı, 2020, p. 2696).

3.7 Ethical Consideration

Before the study begins, the willingness and consent of all the research subjects must be obtained by properly informing them of the study's aim. Start of questionnaire distribution and interview questions. Although every interview session attempts to be recorded, it would be impossible because the respondents might not be willing. Regarding the respondents' right to privacy, the study upholds each participant's anonymity. Names would not be revealed, hence collective terms like "respondents" being utilized.

CHAPTER FOUR

4 DATA ANALYSIS, INTERPRETATION AND DISCUSSION

The analysis, interpretation, and data presentation are covered in this chapter. Customers of the Commercial Bank of Ethiopia in the Bole district of Addis Ababa were given the questionnaire, which was created in order to gather data and derive conclusions. Consequently, 342 (89 %) of the 384 questionnaires that were sent to the various Bole district branches in Addis Ababa city were returned and used for this study, while the remaining 42 (11 %) were not collected.

4.1 Background Information about the Respondents

The respondent profiles, including gender, age, and qualification, are shown in this section.

Table 4.1 Respondents' profile

Gender	Frequency	Percent	Valid Percent	Cumulative Percent
Female	174	50.9	50.9	50.9
Male	168	49.1	49.1	100
Total	342	100	100	
Age	Frequency	Percent	Valid Percent	Cumulative Percent
18 – 25	60	17.5	17.5	17.5
25 – 32	73	21.3	21.3	38.9
32 – 37	140	40.9	40.9	79.8
37 – 42	46	13.5	13.5	93.3
Above 42	23	6.7	6.7	100
Total	342	100	100	

Education	Frequency	Percent	Valid Percent	Cumulative Percent
College diploma	89	26	26	26
Degree	133	38.9	38.9	64.9
Masters	120	35.1	35.1	100
Total	342	100	100	

Source: Primary Data (2023)

Analysing the information gathered from the questionnaire,

- ❖ **Gender:** - Out of the total sample size of 342 individuals, 50.9% (174) identified as female, and 49.1% (168) identified as male.
- ❖ **Age:-** The age distribution is, age 18 – 25 of the respondents 17.5% (60 individuals), age 25 – 32 respondents 21.3% (73 individuals), age 32 – 37 respondents 40.9% (140 individuals), age 37 – 42 respondents 13.5% (46 individuals), and age Above 42 respondents were 6.7% (23 individuals).
- ❖ **Education:-** The educational distribution of the respondents was College diploma 26% (89 individuals), Degree 38.9% (133 individuals), and Masters 5.1% (120 individuals). These percentages and numbers provide a comprehensive overview of the gender, age, and educational distribution within the sample.

4.2 Data Analysis on Social Network Interaction Management

Table 4.2 Descriptive Statistics of items that measure Social Network Interaction management.

Sending e-messages to customers enhance customer to retain.				
Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Disagree	9	2.6	2.6	2.6
Neutral	34	9.9	9.9	12.6
Agree	225	65.8	65.8	78.4

Strongly Agree	74	21.6	21.6	100
Total	342	100	100	

Providing e-promotion promote customer retention

Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Disagree	19	5.6	5.6	5.6
Neutral	40	11.7	11.7	17.3
Agree	220	64.3	64.3	81.6
Strongly Agree	63	18.4	18.4	100
Total	342	100	100	

Providing e-information is essential for customer retention

Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Disagree	9	2.6	2.6	2.6
Neutral	39	11.4	11.4	14
Agree	239	69.9	69.9	83.9
Strongly Agree	55	16.1	16.1	100
Total	342	100	100	

The bank interacts with its customers by providing E-banking service

Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	10	2.9	2.9	2.9

Disagree	14	4.1	4.1	7
Neutral	15	4.4	4.4	11.4
Agree	249	72.8	72.8	84.2
Strongly Agree	54	15.8	15.8	100
Total	342	100	100	
The Bank gives technology-based service to its customers				
Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	10	2.9	2.9	2.9
Disagree	19	5.6	5.6	8.5
Neutral	20	5.8	5.8	14.3
Agree	268	78.4	78.4	92.7
Strongly Agree	25	7.3	7.3	100
Total	342	100	100	

Source: Primary Data (2023)

Table 4.2 shows how five sub variables from a customer questionnaire survey were used in the study to measure social network interaction management.

- ❖ The survey results regarding the use of e-messages to improve customer retention revealed that 225 respondents (65.8%) agreed, 74 customers (21.6%) strongly agreed, 9 respondents (2.6%) disagree, and 34 respondents (9.9%) are not sure where they stand on the issue. Most respondents were in agreement. Customer retention is improved by sending electronic messages to customers. Providing e-promotion to encourage customer retention was a consensus among the majority of respondents; that is, 18.4% strongly

agreed and 64.3% agreed, respectively, while 11.7% remained neutral and 5.6% disagreed. This result shows that providing e-promotion promote customer retention.

- ❖ The results of providing e-information is essential for customer retention had positive response as well with 69.9% and 16.1% agreed and strongly agreed respectively. This suggests that offering e-information is crucial for keeping customers.
- ❖ The bank interacts with its customers through the provision of e-banking services, the study found that 72.8% of respondents agree, 15.8% strongly agree, 4.4% are neutral, and 4.1% disagree. By offering e-banking services, the bank communicates with its customers.
- ❖ Based on the bank offering its client’s technology-based services, the survey concluded that 78.4% of respondents agreed, 7.3% strongly agreed, 5.6% disagreed, and the remaining 2.9% strongly disagreed. The bank offers its clients technology-based services, according to the results.

As a result, based on the average scores, Table 4.2's findings suggest that most respondents agreed that sending electronic messages, promotions, and information improves customer retention, that the bank engages with its customers by offering e-banking services, and that the bank provides technology-based services.

4.3 Data Analysis Concerning on Responsiveness

Table 4.3 Descriptive Statistics of items that measure responsiveness.

Employees of the bank with assurance respond to customers complaints.				
Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	20	5.8	5.8	5.8
Disagree	65	19	19	24.9
Neutral	78	22.8	22.8	47.7
Agree	174	50.9	50.9	98.5
Strongly Agree	5	1.5	1.5	100
Total	342	100	100	

The bank takes customer feedback seriously and replies to them.

Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	25	7.3	7.3	7.3
Disagree	82	24	24	31.3
Neutral	86	25.1	25.1	56.4
Agree	134	39.2	39.2	95.6
Strongly Agree	15	4.4	4.4	100
Total	342	100	100	

Employees of the bank give time to solve customer's problem.

Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	20	5.8	5.8	5.8
Disagree	83	24.3	24.3	30.1
Neutral	79	23.1	23.1	53.2
Agree	150	43.9	43.9	97.1
Strongly Agree	10	2.9	2.9	100
Total	342	100	100	

Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	19	5.6	5.6	5.6
Disagree	99	28.9	28.9	34.5

Neutral	88	25.7	25.7	60.2
Agree	126	36.8	36.8	97.1
Strongly Agree	10	2.9	2.9	100
Total	342	100	100	

Customers give greater attention to bank reaction toward complaints presented.

Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	10	2.9	2.9	2.9
Disagree	28	8.2	8.2	11.1
Neutral	52	15.2	15.2	26.3
Agree	219	64	64	90.4
Strongly Agree	33	9.6	9.6	100
Total	342	100	100	

Employees of the bank are not too Busy to respond to customer request.

Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	24	7	7	7
Disagree	113	33	33	40.1
Neutral	79	23.1	23.1	63.2
Agree	116	33.9	33.9	97.1
Strongly Agree	10	2.9	2.9	100

Total	342	100	100	
Employees treat customers with Respect.				
Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	24	7	7	7
Disagree	107	31.3	31.3	38.3
Neutral	81	23.7	23.7	62
Agree	125	36.5	36.5	98.5
Strongly Agree	5	1.5	1.5	100
Total	342	100	100	

Source: Primary Data (2023)

The responses of customer responsiveness are shown in Table 4.3. Regarding this, the respondents were grouped into five categories:

- ❖ Bank employees' perceptions of assurance 19% disagreed, 5.8% strongly disagreed, 22.8% were neutral, 50.9% agreed, and 1.5% strongly agreed. This suggests that most respondents agreed that bank employees certainly address customers' complaints.
- ❖ According to an analysis of the questionnaire data, table 4.3 also shows that 24% and 7.3% of respondents, respectively, disagree and strongly disagree with the bank's decision to take customer feedback seriously and respond to it. Of the respondents, about 39.2% agreed and 4.4% strongly agreed with the statement, respectively. Customers of the bank therefore have different views in this regard, and 25.1% of respondents had a natural opinion. Considering the above-mentioned results, however, the majority of respondents state that the bank listens to and takes customer feedback seriously.
- ❖ Bank employees take time to resolve the issues of their customers. 30.1% of respondents disagree and strongly disagree that bank employees take the time to address customers' problems; 23.1% of respondents hold a neutral view; 43.9% of respondents agree; and 2.9% of respondents strongly agree with the

statement. It also indicates that even though some bank employees do take the time to assist customers with their problems, there are still those who do not.

- ❖ The summary states that staff members are always eager to assist customers with any questions in a timely manner. Of the respondents, 5.6% and 28.9%, respectively, strongly and disagree with the mentioned statement. 25.7% of those surveyed have no opinion. On the other hand, 36.8% of the participants agree with the statement that employees are consistently eager to assist customers with any questions in a timely manner. The statement was strongly agreed with by 2.9% of the respondents. Results indicated that most of the employees were not always willing to help customers with any queries in a responsive manner, but the majority of employees are always willing to help customers with any queries in a responsive manner.
- ❖ Based on the above table, 64% of the respondents agreed that customers give greater attention to bank reactions toward complaints presented, and 9.6% of respondents strongly agreed. About 15.2% of the respondents neither agreed nor disagreed with the statement, but 8.2% and 2.9% of them disagreed and strongly disagreed, respectively, with the statement. Based on the respondents, the researcher concludes that customers give greater attention to bank reactions toward complaints presented.
- ❖ Concerned with employees of the banks, is not too busy to respond to customer requests. 40% of respondents who replied disagreed with the statement. And also, the rest of them—33.9% and 2.9% of respondents—agreed and strongly agreed on the issue. Therefore, considering the above results, employees of the bank were busy responding to customer requests.
- ❖ Analysing the data obtained from the questionnaire, table also reveals that 31.3% and 7% of the respondents disagree and strongly disagree, respectively, with how employees treat customers with respect. About 23.7% of the respondents neither agreed nor disagreed with the statement, but 36.5% and 1.5% of them agreed and strongly agreed with the statement. Therefore, considering the above results, employees do not treat customers with respect.

4.4 Data Analysis Concerning on Customer Recognition

Table 4.4 Descriptive Statistics of items that measure Customer Recognition.

The Bank provides customized services and products to its key customers.				
Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	29	8.5	8.5	8.5
Disagree	68	19.9	19.9	28.4
Neutral	102	29.8	29.8	58.2
Agree	138	40.4	40.4	98.5
Strongly Agree	5	1.5	1.5	100
Total	342	100	100	
Services are personalized to fit Customer's need and wants.				
Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	24	7	7	7
Disagree	92	26.9	26.9	33.9
Neutral	91	26.6	26.6	60.5
Agree	121	35.4	35.4	95.9
Strongly Agree	14	4.1	4.1	100
Total	342	100	100	

All customers are treated with great Care.

Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	29	8.5	8.5	8.5
Disagree	97	28.4	28.4	36.8
Neutral	74	21.6	21.6	58.5
Agree	123	36	36	94.4
Strongly Agree	19	5.6	5.6	100
Total	342	100	100	

The bank arranges special care to special customers.

Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	14	4.1	4.1	4.1
Disagree	93	27.2	27.2	31.3
Neutral	69	20.2	20.2	51.5
Agree	141	41.2	41.2	92.7
Strongly Agree	25	7.3	7.3	100
Total	342	100	100	

The bank rewards customers based on their contribution.

Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	23	6.7	6.7	6.7

Disagree	105	30.7	30.7	37.4
Neutral	96	28.1	28.1	65.5
Agree	98	28.7	28.7	94.2
Strongly Agree	20	5.8	5.8	100
Total	342	100	100	

Source: Primary Data (2023)

The table above shows the results analysis of customer recognition:-

- ❖ The bank provided to its most important customers with personalized goods and services, 41.9% agreed or strongly agreed that the bank's willingness to provide key customers with specialized services and products affects the bank's ability to keep them as customers. According to 28.4% of respondents, the bank did not provide individualized services and products to its most significant customers. It seems that although the majority of respondents agreed that the bank provides personalized services and products to its major consumers, the bank does not provide personalized services and products to its key customers, according to the responses of 28.4% of respondents. This response suggests that either the bank was not properly aware of all customers or that it was unable to provide the service to all important customers.
- ❖ Services are customized to each customer's needs and preferences. The above table shows that the percentage of respondents to the bank who strongly disagree, disagree, agree, agree, and strongly agree with the statement are, respectively, 7%, 26.9%, 26.6%, 35.4%, and 4.1%. Consequently, a large percentage of participants agreed that services are customized to meet the requirements and preferences of customers.
- ❖ Every customer is given very careful attention. The table above makes it clear that 36.9% of bank respondents disagree that all customers receive excellent care, and 21.6% are indifferent to the statement. All customers are, however, given excellent care, according to a large number of respondents (41.6%).
- ❖ Summary of special customers receive special treatment from the bank. 20.2% of the bank's respondents were indifferent, and 31.3% disagreed with the subject matter. 48.5% of sample respondents, however, believe that the bank provides special treatment for special customers.
- ❖ Additionally, the above table showed that, regardless of if the bank rewards its customers based on their contribution, 6.7% and 30.7% of the sample respondents strongly disagreed and disagreed, respectively.

Neutral responses accounted for about 28.1% of the total respondents. According to 34.5% of respondents in the sample, the bank pays its customers according to their contributions.

4.5 Data Analysis Concerning on Customer Retention

Table 4.5 Descriptive Statistics of items that measure Customer Retention

The bank tries to keep my interest.				
Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	24	7	7	7
Disagree	108	31.6	31.6	38.6
Neutral	87	25.4	25.4	64
Agree	113	33	33	97.1
Strongly Agree	10	2.9	2.9	100
Total	342	100	100	
I have a good bond with the bank.				
Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	19	5.6	5.6	5.6
Disagree	73	21.3	21.3	26.9
Neutral	107	31.3	31.3	58.2
Agree	128	37.4	37.4	95.6
Strongly Agree	15	4.4	4.4	100

Total	342	100	100	
The Bank gives me all the desired services.				
Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	29	8.5	8.5	8.5
Disagree	73	21.3	21.3	29.8
Neutral	102	29.8	29.8	59.6
Agree	128	37.4	37.4	97.1
Strongly Agree	10	2.9	2.9	100
Total	342	100	100	
The bank provides accessible website for me.				
Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	24	7	7	7
Disagree	40	11.7	11.7	18.7
Neutral	63	18.4	18.4	37.1
Agree	195	57	57	94.2
Strongly Agree	20	5.8	5.8	100
Total	342	100	100	
I am continuing being customer of the Bank.				
Alternatives	Frequency	Percent	Percent	Cumulative Percent

Strongly Disagree	19	5.6	5.6	5.6
Disagree	58	17	17	22.5
Neutral	77	22.5	22.5	45
Agree	173	50.6	50.6	95.6
Strongly Agree	15	4.4	4.4	100
Total	342	100	100	

The bank is my primary choice.

Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	19	5.6	5.6	5.6
Disagree	79	23.1	23.1	28.7
Neutral	98	28.7	28.7	57.3
Agree	121	35.4	35.4	92.7
Strongly Agree	25	7.3	7.3	100
Total	342	100	100	

The Bank effectively deals with my Problems.

Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	29	8.5	8.5	8.5
Disagree	88	25.7	25.7	34.2
Neutral	83	24.3	24.3	58.5

Agree	128	37.4	37.4	95.9
Strongly Agree	14	4.1	4.1	100
Total	342	100	100	
The bank response directly to my problems				
Alternatives	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	29	8.5	8.5	8.5
Disagree	89	26	26	34.5
Neutral	91	26.6	26.6	61.1
Agree	123	36	36	97.1
Strongly Agree	10	2.9	2.9	100
Total	342	100	100	

Source: Primary Data (2023)

- ❖ The bank is making an effort to maintain my interest. As the table above shows, 38.6% of respondents disagree that the bank is trying to protect my interests; around 25.4% of respondents are neutral, while 33% and 2.9% of respondents agree and strongly agree with the statement, respectively. According to this, most respondents do not agree that the bank makes an effort to maintain my interest.
- ❖ As a case study of how customers feel about having a good bond with the bank, 5.6%, 21.3%, 31.3%, 37.4%, and 4.4% of sample respondents responded that they strongly disagree, disagree, neither disagree nor agree, agree, and strongly agree with the statement. This suggests that most respondents agreed that there is a strong relationship between the bank and its customers.
- ❖ According to the sample respondents, the statement "the bank provides me with all the desired services" is agreed upon by 2.9% and agreed upon by 37.4% of respondents, respectively. About 8.5% and 21.3% of the respondents, respectively, disagree with the above statement.

- ❖ Regarding the summary that the bank offers an accessible website for consumers, responses show that, while 18.4% of respondents said they are neither in agreement nor disagreement, 7% and 11.7% of customers strongly disagree and disagree, respectively. However, the bank's accessible website has been noted by 57% of customers and 5.8% of customers who strongly agree with this statement.
- ❖ Summary, when asked if they strongly disagree, disagree, agree, disagree, or strongly agree with the customer's decision to stay a customer of the bank, 5.6%, 17%, 22.5, 50.6%, and 4.4% of sample respondents gave their answers. The majority of respondents seemed to agree that customers should keep doing business with the bank, based on their responses.
- ❖ Regarding the sample respondents, 35.4% and 7.3% of the respondents, respectively, agree and strongly agree that the bank is the customers' first choice. On the other hand, generally 23.1% and 5.6% of respondents disagree with the statement above, while 28.7 respondents expressed no opinion.
- ❖ Regarding the summary of how well the bank handles my problems, feedback from customers suggests that 8.5% and 25.7% of respondents strongly disagree and disagree, respectively, and that 24.3% of respondents don't know for sure. However, the percentage of customers who agree and strongly agree that the bank handles their problems properly is 37.4% and 4.1%, respectively. Based on table 4.5 above, which can be simply explained as follows:
- ❖ Regarding the bank's direct response to customer problems, 8.5%, 26%, 26.6%, 36%, and 2.9% of sample respondents gave the following responses: strongly disagree, disagree, neutral, agree, and strongly agree. This suggests that most respondents acknowledged of the bank's direct response to the customer's issues.

4.6 Correlation Analysis

Correlation analysis is a statistical technique used to measure the strength and direction of the relationship between two or more variables. It helps determine if there is a statistical association between variables and the extent to which they vary together. By calculating correlation coefficients, such as Pearson's correlation coefficient, we can assess the degree of linear relationship between variables. Pearson's correlation coefficient is a statistical measure that quantifies the strength and direction of the linear relationship between two continuous variables. It ranges from -1 to +1, where -1 indicates a perfect negative correlation, +1 indicates a perfect positive correlation, and 0 indicates no correlation. Pearson's correlation coefficient only measures linear relationships and may not capture non-linear associations between variables. Additionally, correlation does not imply causation, meaning that even if two variables are strongly correlated, it does not necessarily mean that one variable causes the other.

4.6.1 Spearman's Correlation

Spearman's correlation is a statistical measure that assesses the strength and direction of a monotonic relationship between two variables. Unlike Pearson's correlation, which measures linear relationships, Spearman's correlation evaluates how well the relationship between the variables can be described by a monotonic function. This non-parametric method is based on the ranks of the data values rather than the actual values themselves, making it suitable for ordinal or non-normally distributed data.

Table 4.6.1 Spearman correlation coefficients

		Correlations				
			Social Network Interaction Managemenet	Responsivene ss	Customer Recognition	Customer Retention
Spearman's rho	Social Network Interaction Managemenet	Correlation Coefficient	1.000	.188**	.122*	.200**
		Sig. (2-tailed)	.	<.001	.024	<.001
		N	342	342	342	342
	Responsiveness	Correlation Coefficient	.188**	1.000	.709**	.677**
		Sig. (2-tailed)	<.001	.	<.001	<.001
		N	342	342	342	342
	Customer Recognition	Correlation Coefficient	.122*	.709**	1.000	.816**
		Sig. (2-tailed)	.024	<.001	.	<.001
		N	342	342	342	342
	Customer Retention	Correlation Coefficient	.200**	.677**	.816**	1.000
		Sig. (2-tailed)	<.001	<.001	<.001	.
		N	342	342	342	342

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

* . Correlation is significant at the 0.05 level (2-tailed).

Source: IBM SPSS Statistics 29.0.2.0

The correlation coefficient between Social Network Interaction Management and Customer Retention is 0.200, indicating a weak positive relationship. This correlation is statistically significant at the 0.01 level. The correlation coefficient between Responsiveness and Customer Retention is 0.677, indicating a strong positive relationship. This correlation is statistically significant at the 0.01 level. The correlation coefficient between Customer Recognition and Customer Retention is 0.816, indicating a strong positive relationship. This correlation is statistically significant at the 0.01 level.

4.7 Multiple Linear Regression Analysis

Multiple regression analysis is a statistical technique used to examine the relationship between a dependent variable and two or more independent variables. It allows us to determine how much each independent variable contributes to the variation in the dependent variable, while controlling for the effects of other variables. This analysis helps in understanding the strength and direction of the relationships between variables and can be used for prediction and hypothesis testing. To determine the extent to which the independent variable explains the dependent variable, regression analysis is performed. In addition, it helps determine the extent to which each independent variable—such as responsiveness, social network interaction management, and customer recognition—explains the dependent variable, which is customer retention.

4.7.1 Test for Multicollinearity

In a regression model, it is the existence of a strong correlation between the independent variables. When two or more explanatory variables have a strong but insufficient correlation with one another, multicollinearity exists (Cameron & Trivedi, 2010). If there is no correlation between the independent variables, multiple regressions would not be useful for econometric analysis (Churchill & Iacobucci, 2005). This assumption does allow the independent variables to be correlated, but it must not be perfect. Two methods have been used in this study: Factor of Variance Inflation (VIF): For every independent variable in the regression model, determine the VIF. VIF quantifies the extent to which multicollinearity has inflated the variance of the estimated regression coefficient. In general, high multicollinearity is indicated by a VIF value greater than 5 or 10. Tolerance: Determine the reciprocal of the VIF for each independent variable. Tolerance values near 1 signify low multicollinearity, whereas values near 0 indicate high multicollinearity. The amount of correlation that leads to multicollinearity is not clearly indicated. According to Anderson and Tatham (2006), there might not be any significant issues with multicollinearity if the correlation coefficient is less than 0.9. On the other hand, when the correlation coefficient between variables is between 0.8 and 0.9, Franke (2010) claims that there is a multicollinearity issue. A multicollinearity issue arises, according to Malhotra (2007), when the correlation coefficient between variables is higher than 0.75. According to Kennedy (2008), multicollinearity could be quite problematic for any correlation coefficient higher than 0.7. These arguments show the lack of a clear perspective regarding the minimum level for correlation that would result in multicollinearity.

Table 4.7.1 Test for Multicollinearity

Coefficients ^a			
Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Social Network Interaction Management	0.910	1.099
	Responsiveness	0.490	2.042
	Customer Recognition	0.498	2.010

a. Dependent Variable: Customer Retention

Source: IBM SPSS Statistics 29.0.2.0

Hence, for three of the independent variables listed above in Table 4.7.1, the correlation matrix has been estimated for this study. The correlation matrix's findings indicate that every variable's tolerance level is above 0.2 and that every VIF value is significantly below 10. Thus, we can say that multicollinearity is not an issue in this study.

4.7.2 Normality test

For the analysis to use simple linear regression, the interval-level variables must have a normal distribution. All variables' skewness and kurtosis statistics fall within the permissible normalcy range of -1.0 to +1.0

Table 4.7.2 Test for Normality

	Tests of Normality					
	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	df	Sig.
Social Network Interaction Management	.292	342	<.001	.825	342	<.001
Responsiveness	.094	342	<.001	.954	342	<.001
Customer Recognition	.136	342	<.001	.952	342	<.001
Customer Retention	.116	342	<.001	.942	342	<.001

a. Lilliefors Significance Correction

Source: IBM SPSS Statistics 29.0.2.0

4.8 Multiple Regression or Model Summary

Table 4.8.1 Result of Multiple Regression Model Coefficient or Model Summary

Model Summary^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.835 ^a	.698	.695	.48930	2.114

a. Predictors: (Constant), Customer Recognition, Social Network Interaction Managemet, Responsiveness

b. Dependent Variable: Customer Retention

Source: IBM SPSS Statistics 29.0.2.0

R: The correlation coefficient (R) indicates the strength and direction of the relationship between the independent variables (Customer Recognition, Social Network Interaction Management, Responsiveness) and the dependent variable (Customer Retention). In this case, the value of R is 0.835 (83.5%). The coefficient of determination (R Square) represents the proportion of the variance in the dependent variable that can be explained by the independent variables. Here, the R Square value is 0.698, indicating that approximately 69.8% of the variation in Customer Retention can be explained by the independent variables. The adjusted R Square takes into account the number of predictors and adjusts the R Square value accordingly. In this case, the adjusted R Square is 0.695. The other variables that were not considered in this study contribute about 30.2% of the variability the Dependent.

Table 4.8.2 ANOVA table

ANOVA^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	186.742	3	62.247	259.999	<.001 ^b
	Residual	80.922	338	.239		
	Total	267.664	341			

a. Dependent Variable: Customer Retention

b. Predictors: (Constant), Customer Recognition, Social Network Interaction Managemet, Responsiveness

Source: IBM SPSS Statistics 29.0.2.0

Based on the provided ANOVA table, the multiple regression model has a significant effect on the dependent variable, Customer Retention. The regression model accounts for a significant amount of the total variation in Customer Retention, as indicated by the large F-value (259.999) and the associated p-value (<.001). The regression model is statistically significant in predicting Customer Retention, as evidenced by the significant F-value and p-value. The predictors, including Customer Recognition, Social Network Interaction Management, and Responsiveness, collectively contribute to explaining the variation in Customer Retention. Regression analysis looks at the significance of the regression in the ANOVA table to see if there is a relationship between the independent and dependent variables. Regression analysis's F statistic has a probability of 0.000, which is less than the 0.05 level of significance. In order for multiple regressions to demonstrate that they are both acceptable and significant at a 95% confidence level when looking at independent variables related to customer retention.

4.9 Multiple Regression Analysis between Independent and Dependent Variable

Table 4.9 Regression result CRM components and customer retention

		Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	-.247	.199		-1.239	.216	-.638	.145		
	Social Network Interaction Managment	.151	.050	.095	3.022	.003	.053	.249	.910	1.099
	Responsiveness	.290	.050	.248	5.805	<.001	.192	.388	.490	2.042
	Customer Recognition	.611	.043	.608	14.350	<.001	.527	.694	.498	2.010

a. Dependent Variable: Customer Retention

Source: IBM SPSS Statistics 29.0.2.0

In this model, the independent variables "Social Network Interaction Management," "Responsiveness," and "Customer Recognition" have positive coefficients, indicating a positive relationship with the dependent variable "Customer Retention." These coefficients are statistically significant ($p < 0.05$), suggesting that these variables have a significant impact on customer retention. According to Table 4.8.1, responsiveness (0.248) and beta coefficient of customer recognition (0.608) have the greatest effects on customer retention.

4.10 Hypothesis Testing

It is a statistical method used to make inferences about a population based on sample data. It involves formulating a null hypothesis (H_0) and an alternative hypothesis (H_a), collecting data, and using statistical tests to determine whether there is enough evidence to reject the null hypothesis in favor of the alternative hypothesis.

The null hypothesis (H_0) and the alternative hypothesis (H_1 or H_a) are generally the two competing hypotheses in the procedure. The null hypothesis represents the default or assumed position, stating that there is no significant difference or relationship between variables in the population. The alternative hypothesis, on the other hand, proposes a specific alternative to the null hypothesis, suggesting that there is a significant difference or relationship (Grove, et al., 2013).

H1: Social network interaction management does not have an effect on customer retention. $P < 0.01$, decision showing that it is **rejected**.

- ❖ Social network interaction management has a beta coefficient of 0.095 and a significance level (Sig.) of 0.003. This implies that there is a positive relationship between social network interaction management and customer retention, and this relationship is statistically significant.

H2: Responsiveness does not have an effect on customer retention. $P < 0.01$, decision showing that it is **rejected**.

- ❖ Responsiveness has a beta coefficient of 0.248 and a significance level (Sig.) of 0.001. This indicates a positive and statistically significant relationship between responsiveness and customer retention.

H3: Customer recognition does not have an effect on customer retention. $P < 0.05$, decision showing that it is **rejected**.

- ❖ Customer recognition has the highest beta coefficient of 0.608 and a significance level (Sig.) of 0.001. This indicates a strong positive relationship between customer recognition and customer retention, and this relationship is highly statistically significant

4.11 Discussion Results of Interview Data

The answers to all interview questions are shown in this section. Six of the ten (10) customer relationship managers at the CBE Bole district office were interviewed. With many years of bank service experience, the interviewees had enough knowledge in customer and relationship management. Two structured questions were prepared for each interview based on the components of the questionnaire and the literature review. The first question of the interview related understanding of CRM, present practices and expected outcomes. In this regard, under each CRM factor, the majority of respondents identify a few different and similar variables. Respondents gave their responses during the bank's customer relationship management operations.

1. Can you describe the current Customer Relationship Management practice of the bank?
 - ❖ The bank's approach to customer relationship management involves collecting and maintaining customer data, including contact information, transaction history, and preferences. Because the bank is aware of its customer's needs and preferences, it can provide customized products and promotional campaigns. On the other hand, the bank divides up the customers according to different standards, like levels of income, behaviors, or banking habits, and then target particular groups of consumers with customized offerings.
 - ❖ Furthermore, the bank concentrates on developing strong customer relationships by means of customized interactions and proactive communication. This might include providing high-value customers with specialized relationship managers, personalized offers, and frequent updates on account activity. By analysing information about customers, the bank may identify opportunities for upselling and cross-selling.
 - ❖ The bank enhances revenue and customer satisfaction by providing essential products and services to its current customers by understanding their needs and preferences. The bank offers quick, attentive customer service. Positive customer experiences can be guaranteed by tracking and quickly resolving requests, complaints, and inquiries from customers. The bank also stated that most recent products and services, internet and mobile banking, enable simple banking transactions for customers. Answers from every interviewee indicated that the bank should be able to provide information to customers when they need it. This will enhance communication between the company and customers and help to establish a long-lasting relationship.
2. Did the bank try to identifying customers by studying their profile every time?
 - ❖ It is common for banks and financial institutions to analyse customer profiles as part of their risk assessment and customer identification processes. The bank analysis involves studying various factors, such as demographic information, financial history, transaction patterns, and other relevant data, to identify and

verify customers. The bank implements customer due diligence measures, like profiling and risk assessment, to prevent money laundering, fraud, and other illicit activities. These measures help the bank ensure the integrity of its operations and comply with legal and regulatory requirements. Customer profiling methods such as Customer Surveys: Conducting surveys among bank customers to gather feedback on their experience with branch interactions. These surveys can include questions about the quality of customer service, responsiveness to queries or complaints, and the level of personalization or recognition received.

3. How do you evaluate the interaction management, responsiveness, and customer recognition of your Bank branches with customers?
 - ❖ **Mystery Shopping:** Implementing a mystery shopping program where trained individuals pose as customers and visit bank branches to assess the quality of interaction management, responsiveness, and customer recognition. They can evaluate factors such as greetings, problem-solving abilities, and the overall customer experience.
 - ❖ **Customer Feedback Channels:** encouraging customers to provide feedback through various channels, such as online feedback forms, suggestion boxes, or dedicated customer service hotlines. This allows customers to share their experiences and highlight areas where improvement is needed.
 - ❖ **Performance Metrics:** Tracking key performance indicators (KPIs) related to interaction management, responsiveness, and customer recognition. These metrics can include average response time to customer inquiries, customer satisfaction scores, and the number of personalized interactions recorded.
- Training and Development:**
- ❖ Providing comprehensive training programs for bank branch employees to enhance their skills in interaction management, responsiveness, and customer recognition. Regular training sessions and workshops can help employees improve their customer service abilities. Additionally, the respondents agree that it's critical to keep the customer in mind rather than pushing them to buy things they don't need. A bank that prioritizes customer needs over its own is more likely to succeed than one that does not. The bank will be in a better position to provide excellent communication skills with customers if it listens to and responds to customer questions and offers ongoing training. From a challenge perspective, however, every interviewee brought up the issue of internet interruptions. For some employees, the long wait and handling delays increase the possibility of receiving complaints from customers. Given the complexity of human behaviour, the researcher concludes from the interview that those selected customer service managers understood the gaps in their delivery of high-quality banking services that negatively impact the particular needs, preferences, and nature of each individual customer.

CHAPTER FIVE

5 CONCLUSIONS AND RECOMMENDATIONS

The findings and outcomes about the impact of customer relationship management components on customer retention in the CBE Bole district are covered in this chapter. The conclusions are presented according to the particular goals of the investigation. These results come from the information gathered on the research questions and the answers to the questionnaires that were completed. Finding the components of customer relationship management that influence customer retention in Bole District was the main goal of the study. The following research goals served as the foundation for the study: to determine the impact of customer recognition on customer retention, the effect of social network interaction on customer retention, and the relationship between responsiveness and customer retention.

5.1 Summary of Findings

- ❖ The study used a customer questionnaire survey to measure social network interaction management. The majority of respondents agreed that sending electronic messages improves customer retention. Offering e-promotions and electronic information was also seen as crucial for keeping customers. Additionally, the study found that the bank's provision of e-banking services and technology-based services effectively communicates with and serves its clients. Overall, most respondents agreed with these findings.
- ❖ The summary provides an analysis of the perceptions of bank employees' assurance in response to customer complaints. The respondents were divided into five groups based on their agreement or disagreement with certain statements. Regarding the bank employees addressing customer complaints, the majority of respondents (50.9%) agreed, while 19.8% disagreed and 5.8% strongly disagreed. This suggests that most respondents believe that bank employees should address customer complaints. In terms of the bank's decision to take customer feedback seriously and respond to it, 24% strongly disagreed and 7.3% disagreed. On the other hand, 25.1% agreed and 4.4% disagreed, while 39.2% agreed and 4.4% strongly agreed. This indicates that there are varying views among customers regarding the bank's approach to customer feedback, but the majority believe that the bank listens to and takes it seriously. The summary also highlights that while some bank employees are proactive in addressing customer problems, there are still those who are not. The majority of respondents agree that staff members are eager to assist customers in a timely manner. However, 5.6% strongly agree and 28.9% strongly disagree with this statement. Furthermore, the data shows that 64% of respondents agreed that customers pay close attention to how the bank responds to complaints,

with 9.6% strongly agreeing. Conversely, 8.2% disagreed and 2.9% strongly disagreed with this statement. Regarding employees' availability to respond to customer requests, 40% of respondents disagreed, indicating that employees were perceived as busy. However, 33.9% agreed, and 2.9% strongly agreed. Lastly, the data reveals that 31.3% disagreed and 7% strongly disagreed with how employees treat customers with respect. On the other hand, 36.5% agreed and 1.5% strongly agreed, suggesting that there is inconsistency in how employees treat customers with respect.

- ❖ The study examined respondents' perceptions of the bank's provision of personalized goods and services to its key customers. While the majority of respondents agreed that the bank offers personalized services, 28.4% disagreed. This suggests that either the bank was not fully aware of all customers or it was unable to provide personalized services to all important customers. However, a large percentage of respondents agreed that services are customized to meet customer needs and preferences. Similarly, while a significant number of respondents believed that all customers receive excellent care, a portion disagreed or were indifferent. Regarding the bank's reward system based on customer contributions, there were varying opinions among respondents. Overall, a substantial percentage of respondents believed that the bank provides special treatment for its key customers.
- ❖ The results of a study examined the relationship between social network interaction management and various customer-related factors such as responsiveness, customer recognition, and customer retention. The correlation coefficient between social network interaction management and responsiveness is 0.289, indicating a positive relationship between these two variables. Similarly, there is a positive correlation between social network interaction management and customer recognition, with a coefficient of 0.262. Additionally, there is a strong positive correlation of 0.326 between social network interaction management and customer retention. Furthermore, there is a strong positive correlation between responsiveness and customer recognition, with a coefficient of 0.706. Similarly, responsiveness is highly correlated with customer retention, with a coefficient of 0.705. Moreover, customer recognition and customer retention exhibit a strong positive correlation of 0.808. The study found positive correlations between social network interaction management and responsiveness, customer recognition, and customer retention. Additionally, there were strong positive correlations between responsiveness and customer recognition, responsiveness and customer retention, and customer recognition and customer retention. These correlation coefficients were statistically significant at the 0.01 level, indicating a high level of confidence in the observed relationships. Overall, the study supports the research question and confirms the positive relationships between these variables.

5.2 Conclusion

The study's main objective is customer relationship management, which is a strategy for attracting new customers as well as maintaining existing ones. The study's main goal is to investigate how customer relationship management affects customer retention by gathering data from Bole District branches. The following research objectives created the basis for the study: to determine the impact of responsiveness on customer retention in Bole district, CBE; to investigate the relationship between customer recognition and customer retention; and to determine the impact of customer relationship management components, such as social network interaction, on customer retention. According to the study's findings, customer recognition, responsiveness, and social network interaction all positively and significantly impact customer retention. Their significance can be seen in e-banking services and products as well as in providing customers with technological services to improve customer retention. Customers' complaints are addressed right away by bank employees, and the bank takes them seriously. However, bank staff are too busy to reply to consumer requests right away, the bank is not handling customer issues well, and staff members aren't always eager to assist customers with their questions. In the case of the chosen Bole district branches, CBE treats customers with care, offers those specialized products and services, and pays them according to their contributions.

The testing's results show that there is a positive correlation between customer retention and each of the components of customer relationship management—social network interaction, responsiveness, and customer recognition management—as shown by the Pearson correlation. The regression analysis's findings demonstrate that every aspect of customer relationship management affects customer retention and that the dependent variable—customer retention—can be predicted or explained by the independent variables. The commercial bank of Ethiopia has, in general, slightly adopted all of the parameters of customer relationship management in order to keep customers within the bank, according to the results for the standardized values. While all CRM components improve customer retention and help build strong customer relationship practices, they also strategically position the bank, make it easier to gain a sustained competitive advantage, and increase overall bank productivity.

The majority of questioner respondents in this study, for reasons that are currently unknown, chose not to express any opinions on the matters at hand, which had a significant impact on the findings of the research.

5.3 Recommendation

This study looked into the important aspects of CRM that keep customers loyal to the bank. The following recommendation was developed to be used by CBE currently exercising CRM based on the study's findings and the researcher's conclusion.

CRM is a business philosophy a companywide business strategy organized with the customer at its center with the singular commercial objective of optimizing revenues and profit through focusing on customer development and increasing their loyalty (Pearce, 2021, PP. 20). This study looked into the important aspects of CRM that keep customers loyal to the bank. The following recommendation was developed to be used by CBE currently exercising CRM based on the study's findings and the researcher's conclusion.

Customers play an important role. Every business's future growth or benefit is dependent on customers. CRM aids in the control or evaluation of customers through the development of tools. CRM is in charge of customer-company relationships. The relationship requires two-way communication and ongoing contact. Exchanging, attracting, converting, retaining, and rising are some of the connections. Management: The marketing team's responsibilities do not end with CRM. It includes the analysis of data gathered from customer experiences. It translates into insight through awareness and aids in the discovery of new marketing opportunities. (Sumitha, 2022).

I would like to recommend implementing customer relationship management (CRM) strategies in order to attract and retain customers. The study found that responsiveness, customer recognition, and social network interaction all have a positive and significant impact on customer retention. It is important to address customer complaints promptly and take them seriously, as well as provide specialized products and services to meet their needs. Additionally, it is crucial to improve staff availability and willingness to assist customers with their questions. The study also showed that CRM components can be used to predict and explain customer retention. The Commercial Bank of Ethiopia has slightly adopted CRM parameters, but it is recommended to fully embrace CRM practices to enhance customer retention, strengthen customer relationships, gain a competitive advantage, and increase overall bank productivity. However, it is worth noting that the lack of opinions expressed by the majority of respondents in the study may have affected the research findings, and further investigation into this matter is recommended.

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APPENDIX-A

QUESTIONNAIRE

ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES
MBA PROGRAM

Researcher: Axan Girma

Contact Address: +251-901-00-9666

Email: axigirma@gmail.com

Dear Respondents:-

I would like to express my earnest appreciation for your generous time, honest and prompt Responses.

Objective:

This questionnaire is designed to collect data about **Customer Relationship Management and Its Effect on Customer Retention in Commercial Bank of Ethiopia Bole District**. The information that you offer me with this questionnaire will be used as a primary data in my case research which I am conducting as a partial fulfilment of the requirements for the degree of Masters of Business Administration in Management (MBA) at St. marry university under the School of graduate studies. Therefore, this research is to be evaluated in terms of its contribution to our understanding of Customer Relationship Management and Its effect to Customer retention and its contribution to improvements in the area. Results will be used to help and expand our knowledge and understanding of any major shift in Customer relationship Management practices. All answers will be kept strictly confidential and only aggregate results will be reported.

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 questions that demands your opinion, please try to honestly describe as per the Questions on the space provided.

Confidentiality

I want to assure you that this research is only for academic purpose authorized by the St Mary's University. No other person will have to access this data collected. In any sort of report I might publish, but, I will not include any information that will make it possible to identify any respondents.

Section I: demographic Information.

Male Female

1. Which of the following age categories describes you?

18-25 25-32 32-37 37-42

Above 42

2. Number of years you have worked for the Bank (in years):

1-5 years 5-10 10-15

15-20 20-25 Above 25

3. Educational Qualification:

College diploma Degree Masters

PhD and above

Part II. Survey of Customer Relationship Management Components.

Please show the extent to which you agree or disagree with the statements given below. This is to assess the following on the scales of strongly disagree to strongly agree. Strongly disagree is given the least weight of 1; while strongly agree is given the highest weight of 5.

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

	Descriptions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Social network Interaction Management					
1.1	Sending e-messages to customers Enhance customer to retain.					
1.2	Providing e-promotion promote customer retention					
1.3	Providing e-information is essential For customer retention.					
1.4	The bank interacts with its customers By providing E-banking service.					
1.5	The Bank gives technology based service to its customers					
2	Responsiveness					
2.1	Employees of the bank with assurance respond to customers complaints.					
2.2	The bank takes customer feedback Seriously and replies to them.					
2.3	Employees of the bank give time to Solve customers' problems.					
2.4	Employees are always willing to help Customers with any queries in a responsive manner.					
2.5	Customers give greater attention to bank reaction toward complaints Presented.					

2.6	Employees of the bank are not too Busy to respond to customer request.					
2.7	Employees treat customers with Respect.					
3	Customer Recognition					
3.1	The Bank provides customized services and products to its key customers					
3.2	Services are personalized to fit Customers'' needs and wants.					
3.3	All customers are treated with great Care					
3.4	The bank arranges special care to special customers					
3.5	The bank rewards customers based Upon their contribution.					
4	Customer Retention					
4.1	The bank tries to keep my interest.					
4.2	I have a good bond with the bank.					
4.3	The Bank gives me all the desired Services.					
4.5	The bank provides accessible web site for me					
4.6	I am continuing being customer of the Bank					
4.7	The bank is my primary choice					
4.8	The Bank effectively deals with my Problems					

4.9	The bank response directly to my Problems					
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THANK YOU FOR YOUR COOPERATION!!

APPENDIX-B

Interview Questions

I am currently pursuing my Masters of Business Administration (MBA) at the St. Mary University Master's program. As partial fulfilment towards the completion of my postgraduate degree, this research titled as “the effect of customer relationship management on customer retention in the commercial bank of Ethiopia Bole District” is undertaken. Your genuine, frank and timely response is vital for the success of the study. Therefore, I kindly request you to respond to each question item carefully.

1. Can you describe the current Customer Relationship Management practice of the bank?
2. Did the bank try to identifying customers by studying their profile every time?
3. How do you evaluate the interaction management, responsiveness, and customer recognition of your Bank branches with customers?

APPENDIX-C

Correlations

		Social Network Interaction Managment	Responsiveness	Customer Recognition	Customer Retention
Social Network Interaction Managment	Pearson Correlation	1	.289**	.262**	.326**
	Sig. (2-tailed)		<.001	<.001	<.001
	N	342	342	342	342
Responsiveness	Pearson Correlation	.289**	1	.706**	.705**
	Sig. (2-tailed)	<.001		<.001	<.001
	N	342	342	342	342
Customer Recognition	Pearson Correlation	.262**	.706**	1	.808**
	Sig. (2-tailed)	<.001	<.001		<.001
	N	342	342	342	342
Customer Retention	Pearson Correlation	.326**	.705**	.808**	1
	Sig. (2-tailed)	<.001	<.001	<.001	
	N	342	342	342	342

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

Correlations

		Social Network Interaction Managment	Responsiveness	Customer Recognition	Customer Retention	
Spearman's rho	Social Network Interaction Managment	Correlation Coefficient	1.000	.188**	.122*	.200**
		Sig. (2-tailed)		<.001	.024	<.001
		N	342	342	342	342
	Responsiveness	Correlation Coefficient	.188**	1.000	.709**	.677**
		Sig. (2-tailed)	<.001		<.001	<.001
		N	342	342	342	342
	Customer Recognition	Correlation Coefficient	.122*	.709**	1.000	.816**
		Sig. (2-tailed)	.024	<.001		<.001
		N	342	342	342	342
	Customer Retention	Correlation Coefficient	.200**	.677**	.816**	1.000
		Sig. (2-tailed)	<.001	<.001	<.001	
		N	342	342	342	342

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

* . Correlation is significant at the 0.05 level (2-tailed).

Tests of Normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	df	Sig.
Social Network Interaction Management	.292	342	<.001	.825	342	<.001
Responsiveness	.094	342	<.001	.954	342	<.001
Customer Recognition	.136	342	<.001	.952	342	<.001
Customer Retention	.116	342	<.001	.942	342	<.001

a. Lilliefors Significance Correction

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	-.247	.199		-1.239	.216	-.638	.145		
	Social Network Interaction Managemet	.151	.050	.095	3.022	.003	.053	.249	.910	1.099
	Responsiveness	.290	.050	.248	5.805	<.001	.192	.388	.490	2.042
	Customer Recognition	.611	.043	.608	14.350	<.001	.527	.694	.498	2.010

a. Dependent Variable: Customer Retention

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.835 ^a	.698	.695	.48930	2.114

a. Predictors: (Constant), Customer Recognition, Social Network Interaction Managemet, Responsiveness

b. Dependent Variable: Customer Retention

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	186.742	3	62.247	259.999	<.001 ^b
	Residual	80.922	338	.239		
	Total	267.664	341			

a. Dependent Variable: Customer Retention

b. Predictors: (Constant), Customer Recognition, Social Network Interaction Management, Responsiveness

