



Debre Markos University, College of Business Economics

Department of Management

**Effect of Customer Relationship Management on Customer
Commitment: Comparative Study (The case of Commercial Bank of
Ethiopia and Bank of Abyssinia S.C) in Finote Selam**

A

THESIS

**Presented to the Postgraduate Program for the college of business and
economics department of management at Debre Markos University in
Fulfilment of the Requirements for the Degree of**

Master of Business Administration

By

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Debre Markos, Ethiopia

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DECLARATION

I declare that the thesis entitled “**The Effect of Customer Relationship Management on Customer commitment: comparative study (The case of Commercial Bank of Ethiopia and Bank of Abyssinia S.C) in Finote Selam**” is my original work and has not been presented in Debre Markos University or any other University, and that all sources of material used for the project have been duly acknowledged.

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CERTIFICATION

This is to certify that Sileshi Molla has done a study on the topic “**The Effect of Customer Relationship Management on Customer commitment: comparative study (The case of Commercial Bank of Ethiopia and Bank of Abyssinia S.C) in Finote Selam**” for the partial fulfillment of the requirements for the Degree of Masters of Business Administration-in management at Debre Markos University with my guidance and approval as a university advisor.

Advisor’s Name: Andargachew Bayile (PhD)

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Acronym

CRM- Customer Relationship Management

NBE- National Bank of Ethiopia

CBE – Commercial Bank of Ethiopia

BOA – Bank of Abyssinia

S.C. – Share Company

KCF- Key Customer Focus

CRMO- CRM Organization

KM- Knowledge Management

CRMT- Technology Based-CRM

CC- Customer Commitment

SD- Standard Deviation

VIF- Variance Inflation Factor

SPSS – Statistical Package for the Social Sciences

ABSTRACT

The purpose of this study was to investigate the effect of customer relationship management on customer commitment: a comparative study (the case of Commercial Bank of Ethiopia and Bank of Abyssinia S.C) in Finote Selam town. The researcher used the CRM dimension practices, i.e., key customer focus, CRM organization, knowledge management, and technology-based-CRM, as independent variables to examine its effect on commitment. A quantitative approach was employed in this study. Besides, an explanatory research approach was employed to explain the relationship between CRM practice and customer commitment, and a descriptive research approach was employed. The researcher used a simple random sampling method to get a representative sample from the populations. The researcher collected data from CBE and BOA through a structured questionnaire to assess customers' levels of agreement regarding CRM practice in their respective banks. A total of 384 questionnaires were distributed to collect data, and of that total, all 384 questionnaires were returned. The collected data was analyzed using the statistical package for social science (SPSS) version 26. The descriptive statistics (mean, standard deviation) and inferential statistics (correlation, regression, and independent sample t-test) were used to describe demographic facts, test hypotheses, and answer research questions. The statistical result showed that all dimensions of CRM considered in this study were found to have a statistically positive and significant (at a p value of 0.05) influence on customer commitment. The researcher suggested that CBE and BOA have to pay attention to key customer focus and customer knowledge management dimensions as they have the greatest influence on customer commitment. Therefore, bank sectors should implement CRM dimensions correctly and consistently to acquire a competitive edge and create enduring connections with their clients in order to foster client loyalty.

Keywords: Customer Relationship Management, Key customers focus, Knowledge management, CRM organization, Technology based-CRM and Customer commitment

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Successful organizations nowadays provide goods and services defined by all their individual customers. In fact, these organizations are better at key points such as communication with customers in marketing, sales, and services through mass customization orders. Today, many industries are looking at how to transition from high-volume sales and broadcast marketing to the management of individual relationships with customers (Karsalari et al., 2017). Thus, in the transition from the traditional economy to the intense competition in the modern economy, the customer is the focus and central to all activities of the organization, so that, from the competitive perspective, the survival and continuity of the organizational life depend on attracting and identifying new customers and committing the existing ones (Ani and Lena, 2022).

According to Olasojumi et al. (2021), the primary goal of relationship management is to build and maintain a base of committed customers who are profitable for the firms oriented to increasing the managerial quality and the value of the product or service (Gallego-Gomez et al., 2021). Progress in the field of information technology has reduced the customers' commitment to the companies significantly, since the customers of such organizations get quickly aware of and attracted to the competitors' services (Sindwani and Goel, 2016). CRM encompasses the activities, strategies, and technologies employed by companies to manage their interactions with their present and prospective customers, observing the concept of "the customer is king" (Al-Gasawneh et al., 2021).

According to Kumar and Petersen (2012), the companies that have implemented the idea of CRM are the most successful ones regardless of their business field. "Customer relationship management is everything in business, because it is the catalyst for a responsible, profitable, and customer-focused organization" (Wali et al., 2015, p. 45). As a result, CRM in the banking sector is used to provide the best service to individual customer preferences, customer engagement, and customer satisfaction.

new approaches, and to retain the existing ones to become loyal customers with on building and maintaining customers' commitment in long-term relationships, CRM has a great impact on the growth and revenue of the banks (Lalitha et al., 2022; Ardiyhanto, 2011).

CRM is regarded to be among the best strategies and practices for banks in order to develop their performance in terms of implementation and use of information technologies facing customer expectations and thus to make sure that their long-term business is survival (Gallego-Gomez et al., 2021,;Kasim & Minai, 2009).

According to Chothani et al. (2010), private banks have traditionally viewed themselves as exceedingly "customer-centric," offering what they believe to be highly personalized services to their high net-worth customers. Researchers are still exploring new dimensions that enhance service sector activities with different marketing strategies to shift from a product-centric approach to customer-centric (Lalitha et al., 2022). To maintain relationships between firms and customers, the concept of commitment has been important in services marketing (Chai et al., 2016).Commitment is considered among the critical components of long-term relationship management (Rather and Sharma, 2017; Rather, 2018). Furthermore, customer commitment can also be described as an exchange partner's willingness to uphold a crucial lasting relationship (Rather, 2018).

Consequently, companies use CRM tools for various reasons, such as growth stimulation for their revenues and customers or improvement in customer commitment, loyalty, and acquisition (Dalla Pozza et al., 2018). It has emerged as one of the biggest management buzzwords. It has been popularized by the business press and aggressive CRM vendors as a panacea for all the ills that firms and managers face, but it means different things to different people.

Many researchers applied the four dimensions of CRM (i.e., focusing on key customers, organizing around CRM, managing knowledge, and incorporating CRM-based technology). Therefore, the present study also adopted these dimensions of CRM as an independent variable. Focusing on a key customer is all about providing exceptional care for an important customer. The organizing around CRM dimension is referred to as the organizational structure and culture that support the customer-centered strategy of an organization. The practice of acquiring knowledge about customers in order to know the customers' wants and needs is included in the managing knowledge

dimension. Finally, incorporating CRM-based technology is the application of technologies which are in that are in favor of the customer-centered strategy of business.

CRM strategy development in the banking sector is critical, especially in this day and age of information technology. In addition, Ethiopia's rapid growth of banks and other financial services provides financial infrastructure resources for economic growth (Desnet, 2019). This is clearly reflected in the growth of assets in the financial sector and its contribution to the economy. Banks use CRM strategy to build, maintain, and develop strong relationships with their customers in order to protect and retain existing committed customers, which costs less than acquiring new ones (Alemu & Zewudu, 2018). In this study, the statement of the problem and the objective of the study will be first outlined, and then the CRM dimension practices will be discussed in line with the empirical evidence and available literature.

The agreement that was reached in 1905 between Emperor Minilik II and Mr. Ma Gillivray, representative of the British-owned National Bank of Egypt marked the introduction of modern banking in Ethiopia. Following the agreement, the first bank called the Bank of Abyssinia was inaugurated on Feb. 16, 1906, by the Emperor. The Bank was totally managed by the Egyptian National Bank. Within the first fifteen years of its operation, the Bank of Abyssinia opened branches in different areas of the country. Mac Gillivray, the then representative and negotiator of the Bank of Egypt, was appointed to be the governor of the new bank. Due to the bank's poor performance, it was agreed to liquidate in order to disengage banking from foreign control and to make the institution responsible for Ethiopia's credit needs. Thus by 1931 Bank of Abyssinia was legally replaced by the Bank of Ethiopia shortly after Emperor Haile Selassie came to power. The new Bank, Bank of Ethiopia, which was founded in 1931 was a purely Ethiopian institution. Bank of Ethiopia took over the commercial activities of the Bank of Abyssinia and was authorized to issue notes and coins. The Bank continued successfully until the Italian invasion in 1935. During the invasion, the Italians established branches of their main Banks namely Banca d'Italia, Banco di Roma, Banco di Napoli, and Banca Nazionale del Lavoro, and started operations in the main towns of Ethiopia. However, they all ceased operation soon after liberation except Banco di Roma and Banco di Napoli which remained in Asmara.

Then on 15th April 1943, the State Bank of Ethiopia a brand new was formed and starts operation after 8 months of preparatory activities. It acted as the central Bank of Ethiopia and had the power to issue banknotes and coins. Then the Ethiopian Monetary and Banking law that came into force in 1963 separated the function of commercial and central banking creating the National Bank of Ethiopia and Commercial Bank of Ethiopia. The National Bank of Ethiopia with more power and duties started its operation in January 1964. Following the incorporation as a share company on December 16, 1963, as per proclamation No.207/1955 of October 1963, the Commercial Bank of Ethiopia took over the commercial banking activities of the former State Bank of Ethiopia. Following the declaration of socialism in 1974 the three privately owned banks, Addis Ababa Bank, Banco di Roma and Banco di Napoli Merged in 1976 to form the second largest Bank in Ethiopia called Addis Bank. Then Addis Bank and Commercial Bank of Ethiopia S.C. were merged by proclamation No.184 of August 2, 1980, to form Commercial Bank of Ethiopia which was the sole commercial bank in the country till the establishment of private commercial banks in 1994. Following the demise of the Dergue regime in 1991 which ruled the country for 17 years under the rule of a command economy, the EPRDF declared a liberal economic system. Monetary and Banking Proclamation No.83/1994 and the Licensing and Supervision of Banking Business No.84/1994 laid down the legal basis for investment in the banking sector. Consequently, shortly after the proclamation private banks like Awash International Bank were established in 1994, Dashen Bank was established in 1995 and followed by Abyssinia and Wegagen Bank. In general, at present time in Ethiopia, there are over 20 private banks and two state-owned banks. The background information of the selected two banks from public and private banks for this study are presented as follows (<https://nbebank.com/history-of-banking/> accessed in May 2022).

The history of the Commercial Bank of Ethiopia (CBE) dates back to the establishment of the State Bank of Ethiopia in 1942. CBE was legally established as a share company in 1963, and later, in 1974, CBE merged with the privately owned Addis Ababa Bank. Since then, it has played a significant role in the development of the country. CBE was the first to introduce modern banking to the country, and it now has over 1,793 branches across the country. CBE is the leading African bank with assets of 542.2 billion birr as of June 30th, 2021, and plays a catalytic role in the economic progress and development of the country. CBE is the first bank in Ethiopia to introduce an ATM service for local users. Currently, CBE has more than 33 million account holder

customers, and the number of mobile and internet banking users has also reached more than 5.2 million as of September 30th, 2021. Active ATM card holders number more than 6.7 million. CBE is a bank with 29,000 talented and committed employees (<https://www.combanketh.et/en/about/> accessed in May 2022).

The Bank of Abyssinia (BoA) was open for business in 1996 with enthused initiation and determination. The name Abyssinia resembles bravery and character which are the core attributes of BoA. Its identity is demarcated with a sense of hope, optimism, and belief as it is perfectly displayed in its logo, the Adey Abeba. Adey Abeba brings the promise of a new beginning. BoA brings that very sense to all the customers it engages with. Through it's over 710 branches in the country, BoA serves over 6 million customers. BoA's well-structured financial service system is connected through the T-24 core banking system. This coupled with the 1300 ATM machines placed in different locations to afford customers to access their accounts from anywhere at any time. This also allowed BoA to increase its capital a hundred-fold from ETB50 million to ETB 5.5 billion (<https://www.bankofabyssinia.com/about-bank-of-abyssinia-first-bank/> accessed in May 2022).

1.2 Statements of the problem

Today, service industries and either suppliers of industrial or consumer goods market face with customers who have unlimited demands but less are influenced by traditional marketing tools. If a customer does ask for a good customer relationship practice which is not available, the level of customer satisfaction and customer loyalty becomes retarded (Shah, 2015). This represents a decrease in customer commitment. So, banks focus on relationship management, clients may receive benefits, customized offerings, empathy, appreciation, friendliness, communality, decreased prices as well as experiencing feelings of trust and empathy on the firm and customer satisfaction (Chacha, 2016; Rootman *et al.*, 2011). Price competition has lost its pervious meaning and market oriented and customer oriented organizations try to maintain and increase customer commitment as a new marketing tool rather than competing on price.

In the banking industry, offering quality services is very important to create closer relationship with the entire customers. Quality of services has the power to create customer satisfaction. On the other hand poor quality of services results in customer dissatisfaction and customer defection

by going to other competitors. Hence, delight customer is developed with the components of CRM to build a unique and long-term relationship between the customers and the bank (Seetha et al., 2021).

CRM should be directed towards all customers of the bank. Most banks are characterized by having both profitable and unprofitable customers, where the former subsidize the latter. Selvalakshmi (2021) understanding the customer needs is found very low in both public and private sector banks and in particular customer perception towards service quality is more in public sector banks than private bank and it could be improved through customer relationship management. Retaining the profitable customers has become increasingly difficult in a competitive environment where other financial institutions specialize in offering attractive services and prices to this rewarding segment (Leverin and Liljander, 2006).

A bank sector employee needs to espouse empathic behavior throughout employee–customer interactions (Waseem et al., 2019). CRM is the act of considering the main organization's customers in the management of customer knowledge and the organization's efficiency, by way of enhancing the efficiency of the organizational decisions interrelated with leading customers, therefore, to the improvement of the performance of relationship management in the organizational performance in particular (Al-Salami et al., 2019; Arnett and Badrinarayanan, 2005).

Banks have realized that managing customer relationship is an essential factor for their success as one of the best strategies that can help them build long lasting relationships with their customers and increase their profits through efficient management system and application of customer focused strategies (Nyarku et al., 2013). However for the success of these efforts besides the organization commitment on implementing CRM, customers' attitude should be considered.

In many ways it is the lifeblood of relationship management by establishing proper communication channels for sharing information with customers a company can enhance that a lot of studies underline manager's failure to gain a high level of committed customer and maximize the profit (Cheng et al., 2019). The organizations mostly not adequately caring about the customers' demands and desires, attitudes, and trends, due to lack of management attraction with customers (Herhausen et al., 2019). As consequence, many organizations lost their old customers as well as

cannot succeed to attract new customers. Because the attraction of new customers and retain it for the long term can be achieved through strong customer relationships. So, in relationship management maximize customer commitment.

Empirical studies Hadi Hajiyan et al., 2015; Peter Anabila et al., 2012; Rizwan Ali et al., 2014; Krishnamoorthy and Srinivasan (2013); and Chacha (2016) indicate that customer relationship management practices can significantly lead to improvement of commercial bank performance in respect to customer attraction, customer satisfaction, and customer loyalty.

According to Robson (2012) and Shimaeles (2011), the practice of relationship management is in infant state in Ethiopia. Even in the cases where little attempts have made to implement relationship management, the practices are found to be misunderstood and undermined that they are not given attention. Alemu & Zewdu (2018) study on customer relationship management on market performance with the data analysis is carried out by binary logistic regression. Thus, in light of these realities the aim of this study is to explore and generate empirical evidences that may bridge the contextual and the empirical gap in the area of customer commitment in either public or private commercial banks in Ethiopia by investigating effects of quality

This study intended to investigate the status and most determining CRM practices and recommend possible strategies to maintain and increase continuous customers' commitment. Because, from practical observation unsatisfied customers do not bother to complain. Instead, they vote with their feet and switch to another service provider. To overcome the mounting challenges and ensure sustainable growth and profitability, there is a need to guard the customer relationship by adopting customer-centric strategies that guarantee delivery of quality customer service and maintain continuous customer satisfaction to get customers commitment by implementing the CRM concept. By so doing the study focuses on effect of customer relationship management on customer commitment: comparative study by comparing Commercial Bank of Ethiopia and Bank of Abyssinia S.C in Finote Selam town.

1.3. Research Question

Generally, the study will conduct to answer the following basic questions.

- ✓ To what extent does customer relationship management dimensions affect customer commitment?
- ✓ What is the correlation between customer relationship management and customer commitment?
- ✓ Is there significant difference between public and private banks in Ethiopia in terms of their CRM dimensions?
- ✓ Is there significant difference between public and private banks in Ethiopia in terms of their customer commitment?

1.4. Objective of the study

1.4.1. General objective

The general objective of the study is to assess the effect of Customer Relationship Management on Customer commitment the case of Commercial Bank of Ethiopia and Bank of Abyssinia S.C. in Finote Selam.

1.4.2. Specific Objectives

The specific objectives of the study are:

- ✓ To examine the correlation between CRM dimensions and customer commitment.
- ✓ To examine the effects of CRM dimensions on customer commitment.
- ✓ To examine if there are statistically significant differences between public and private banks in terms of their CRM dimensions.
- ✓ To examine if there are statistically significant differences between public and private banks in terms of their customer commitment.

1.5. Significance of the Study

Today, many businesses such as banks, insurance companies, and other service providers realize the importance of CRM and its potential to help them in acquiring new customers, commit to existing ones and maximize their lifetime value. Because providing services in the banking sector is increasing in Ethiopia, the competition is getting stiffer. However, the view and perception of customers, towards whom CRM is applied, should be considered. The research will examine the major factors which influence customers' commitment towards both public and private banks as well as it will evaluate the level of their influence. In this regard, the importance of this study can be viewed from two dimensions: Theoretical contributions and Practical implications.

Theoretically, the study can fill an empirical gap in the literature regarding the customer commitment in Ethiopian banking industry. Therefore, the findings of this study can add to the existing body of the literature and could serve as a starting point for future studies. On the practical side, the study can help stakeholders in the field to identify the major factors that may determine the effectiveness of commitment of customers. On top of that such information would help the management of the banks to have in-depth insight in formulating appropriate marketing strategies in order retain their customer based on mutual benefit.

Therefore, this study has significant importance in strengthening the existing knowledge and understanding of CRM and customer commitment by examining and empirically testing the relationship between CRM and customer commitment in the case of both public and private banks. Moreover based on this kind of study managers can get insights into the development and implementation of CRM activities based on customers' evaluations. Such information enables the bank to review the current CRM activity and to know the needs of the customers.

1.6. Scope of the Study

This study is intended to examine the effect of CRM on Customer commitment from customer perspectives in both private and public banks that are located in Finote Selam town, upon which customers evaluated the CRM activities of the Bank from four dimensions. In terms of the constructs shown in the conceptual framework, only the independent variables such as key customer focus, CRM organizations, knowledge management, and technology-based CRM are

considered to predict the effects of the dependent variable of customer commitment in the bank industry.

1.7. Limitation of the Study

The catchment area of this study will be delimited only to the information gathered from some selected private and public banks respectively the bank of Abyssinia and the commercial bank of Ethiopia. This limits the realm of the study by discriminating against those other private banks because these two banks are primacy, pioneer in the Ethiopian banking industry, and also in different seasons both banks are state owned. Now a day CBE has stated-own and public bank while the bank of Abyssinia is privatized bank in Ethiopia. In this regard, I choose these two banks that are located in Finote Selam due to time and financial constraints to include and manage all the Ethiopian banks.

1.8. Definition of Key Terms (Operational Definition)

The study uses some important terms that are related to the research objectives. Hence, the following essential terms are defined based on their usage in the study:

Customer Relationship Management (CRM): The process involving CRM is an approach based on creating and maintaining positive customer relationships, increasing satisfaction of customers, and expanding the lifetime value of customers (Ngambi & Ndifor, 2015).

Key Customer focus: refers to giving importance to the customers; greetings the customers on special occasions; and making the customers to visit the bank again. (Padmavathy and Sivakumar. 2017).

Customer knowledge management: is defined as a combination of organizational tools, practices, and soft skills focused on how to create, accumulate and transfer customer-related knowledge (Alegre et al., 2013). Customer knowledge is the knowledge about potential customers, customer segments and individual customers.

CRM organization: This factor deals with people or organization administrators who are involved in drawing up the policies and in driving CRM to success (Belghis and Gholamhossein, 2013).

Technology based-CRM: is the backbone of various operational aspects of CRM, such as the automation of the sales force and operations of the customer service helpdesk, call center.

Customer Commitment: Francis and Stan (2015) defined that an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it.

1.9. Organization of the study

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

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 Theoretical framework of CRM

CRM is a widely spoken concept in the field of business. There isn't only one definition for it, but the definition varies depending on the context it's dealt with the creation, development and enrichment of individualized customer relationships with carefully targeted on customers (C.Mugunthan, G.Kalaifarasi, 2017). However, when we think about the deepest meaning of CRM, one could say it is more like a way of thinking than just one practice and needs to truly be taken as part of the company culture. CRM focuses on enhancing, maintaining, and establishing long-term associations with customers (Josiassen, Assaf, & Cvelbar, 2014)

Customer Relationship Management is the concept of building a strong relationship between the companies, and in this case the management with customers to improve their profits through longer term relationships with customers (Lalitha, 2022; Sutedjo, 2011). Building relationships is how you relate to and communicate with people have been used from time immemorial to cope with the complexity of everyday life (Roberts-Phelps, 2001; Sutedjo, 2011). So, Customer Relationship Management is a customer service approach that focuses on building and maintaining long-term relationships (C.Mugunthan, G.Kalaifarasi, 2017). Based on the above point of view, the organization more emphasizes on building long-term relationships with customers rather than on individual transaction and involves understanding the customers' needs a more progressive in relationships with valued customers (Akerejola et al., 2021).

The attention on a sustainable CRM has been getting magnified in recent times. The concept that long-term relationships are more profitable than short-term transactional relationships has evolved and studied within the organizational philosophies (Tseng & Wu, 2014). CRM as an organization wide process of treating different customers differently to increase value for both customer and organization (Mozaheb et al., 2015). CRM encompasses an organizational approach that facilitates organizations in recognizing, attracting and increasing the retention of lucrative customers by

maintaining and implemented the idea of relationships with those customers are the most successful ones regardless of their business field (Alwahaishi and Amine, 2018).

The issue of customer relationship management has become the subject of research of many scholars and practitioners. Dimitriadis (2011) found out that customers are able to clearly identify benefits linked to potential or existing relationship and separate them from the offered products and services. Much of the study has been done by applying theory and related methods in the service industry, especially in the banking industry. It is a broad topic and many scholars and researchers have approached it from different perspectives. Because, CRM is one of the major sources of competitive advantage in banking sector (Sigit Parawansa, 2018). It is becoming one of those fashionable concepts that every client and manager uses (Morgan & Hunt, 2007). Furthermore, CRM is an extensively accepted instrument that supports customer oriented organizations' decisions (Mohammed et al., 2014).

According to Josiassen et al., (2014), CRM performance refers to the success of the firms in retaining the customer, CRM focuses on enhancing, maintaining, and establishing long-term associations with customers. Which result repurchase decision and word of mouth among the customer towards the services offered to them. Besides a tremendous amount of confusion regarding its domain and meaning, periodic assessment of results in customer relationship management is needed to evaluate if the programs are meeting expectations and if it is sustainable in the long run (das et al., 2018).

2.2 CRM in banking industry

The modern banking system is under fierce competition due to high selectivity among customers. To retain customers and to achieve their loyalty are becoming more and more complicated. Customers are less brand loyal and are choosing more than one bank for serving their needs (Sandor, 2014). Banks have changed their marketing strategies dramatically from mass targeting to one-to-one marketing. Lalitha et al., (2022) Transforming to digital relationship management has had its benefits such as enabling banks to reach more businesses with lower advertising costs, quick responses to resolve customer issues, and to increase review ratings, communication in expressing the viewpoints of customers to maintain standards of banks. They are building strong

relationships with customers in order to retain them instead of just maximizing profits and minimizing costs.

Rizwan et al., (2020) & Lalitha et al., (2022) described that the first step towards successfully winning, retaining, committing and growing the profitability of Both public and private sector banks customers is to understand what their wants and needs are, so that the organization can be built around serving those needs. An effective CRM practices can help the banking sector to bring new customers, meeting targets, and providing phenomenal customer assistance and retain old customer with strategies (Lalitha et al., 2022). Banks are forced to change their perception of the service from product-oriented to customer oriented. They are improving their performance and providing high quality service in order to succeed in maintaining and developing customer relation (Senika, 2018; Spinosa and Hobday, 2012). 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, customer satisfaction is achieved (Akerejola, 2018; Gürbüz, 2008).

Promotions and advertising only are not enough for a stable position in the market. The structure of the market should be deeply investigated and long-term relationships built. Low prices, aggressive promotions and hi-tech technologies will not have the same strong effect as relationships have. Variations in the market environment can rapidly change prices and technologies, “but close relationships with loyal customers can last a lifetime” states Zineldin (2000, 2005)

CRM came into the power when banking institutions were getting more and more competitive (Xu et al., 2002). Mirza et al., (2018) Increasing competition among banking industries to attract the same customer segments is pushing banks to find unique marketing strategies to develop and maintain relationships with their customers for long-term corporate sustainability and success. The focus of CRM helped banks to understand the Customer’s current needs, what they have done in the past, and what they plan to do in the future to meet their own goals. Banks in recent years have adopted the principles of Marketing Orientation and focused on relationship development. The technical revolution has had its impact on the banking industry to adopt CRM as a strategic tool.

Mahaswar and sweta (2015) have said that the beginning of the millennium saw the introduction of new technology into the banking industry which has helped to remove the hurdles in the progress

of banking sector. Due to the tough competition in the banking industry, it is very necessary for financial institutions to build and maintain a strong relationship with the customers in order to achieve the ultimate goal of committed customer. For this reason CRM has become more important in the service industry; especially in the banking industry. Innovation in the area of information technology which gives to banks customers great benefits and the concept of anywhere and anytime banking has puts banks in tough competition. The modern day customer is not only quality conscious but also very particular about time and services offered. Any gap in their perception and reality will prompt them to change their brand preferences. This has induced the banks to focus on relationship management and CRM has become paramount important for banks.

Duygu and Sevcan(2012) states that in recent years, in such fields as banking, where there is a strong competition, customer satisfaction has gained a good deal of importance. It may be very easy to let another bank capture a displeased customer. To raise the customer satisfaction to the highest level and retain their committed customers, the banks are to attach importance to customer relationship management. Peppard (2000) described that financial service organizations are one of the early adopters of customer relationship management systems. Before applying CRM systems within the industry, banks and other insurance companies developed close relationships with their customers by providing personal customized services which was mainly a costly, inefficient and time consuming process. CRMs enable getting and analyzing data that may have an impact on sales. They provide the customer-centered knowledge and experience to generate changes in the firm's strategies (Gallego-Gómez & De Pablos-Heredero, 2017). Hence, banks have realized that managing customer relationships is a very important factor for their success as CRM is a strategy that can help them build long lasting relationships with their customers and increase their profits through efficient management systems and the application of customer-focused strategies.

The banking industry is one of the first sectors, which deployed CRM solutions as described by Khan and Bajaj (2012). Today, many financial services organizations are rushing to become more customer-oriented activities supported by organizational strategy and technology, designed to improve customer relation (Senika et al., 2018). Cristina (2021) states that banks are known to have stable and long lasting relations with their customers, which is why development of customer relations is a crucial strategic issue in banking. However, a basic problem in banking is that the

customer base is heterogeneous, ranging from homogenous segments of customers with the same preferences to customers with individual demands for customized services.

CRM in the banking sector is of strategic importance since exceptional customer service is a major indicator for customer commitment leading to high profitability. Onut et al., (2006), states that banks and other service providers realize the importance of CRM and its potential to help them acquiring new customers, retain existing ones, and maximize their lifetime committed customer value.

2.3 Objectives and Benefits of CRM

2.3.1 Objectives of CRM in banking industry

Companies supposed to manage their customer base to generate better results through identifying, acquiring, satisfying and retaining profitable customers. The following are key objectives of many CRM strategies: Providing quality customer service, increase customer satisfaction and loyalty, increase customer revenue, discover new customers, cross sell/up sell products more effectively, and help sales staff close deals faster, reduced cost to serve , make call centers more efficient, provides better self-service options for customers, improves buyer-seller integration, enables better personalization of marketing messages, provides customers a one-to-one experience, improves sales force efficiency and effectiveness, increases supply-chain efficiencies via personal contact, enhances supplier know-how, coordinates communication, improves ability to find, obtain and keep customers, improves product differentiation, enables knowledge management (Senika,2018; Garido-Moreno, 2018; Chai et al., 2015; Dimitriadis et al., 2011; Flavián et al., 2005; Lu et al., 2016; Andrian Payne, 2005, Ponder et al., 2016;).

2.3.2 Benefits of CRM in banking industry

Early CRM researchers had hypothesized that CRM's benefits varied by industry as the processes and technologies associated with CRM were tailored to specific industry structures (Rust, Lemon, Zeithaml, 2001). CRM is a philosophy that are providing incredible importance for any businesses particularly for banking industries since the knowledge's of CRM enhance how to attract, attain, retain ,and catch committed and new customers for a business in order to compete and survive in stiff competition(Senika et al., 2018).

CRM provide businesses to delivery service effectively and efficiently all the way through the entire life cycle of the business customer, from the introduction to the establishment of a close, continuing relationship with profitable clients (Could well, 1999). CRM provides organizations particularly banks in order to control flow of information from their databases to achieve customer retention and to cross-sell new products and services to ongoing customers (Foss, and Stone, 2001).

Moreover, the customers expect more benefits from their banks through maintaining long term relationships such as receiving good service, social benefits, confidence and special treatment (Gwinner, et al. 1998). They added that these types of benefits are the principal motivation for the customer to develop a long-term relation with the bank. The effective implementation of customer relationship management results both in higher revenues and lower costs, making companies more effective and efficient, effective in focusing the right customer base with the right services through the right channels, and efficient in doing this at the lowest costs (Lindgreen and Antioico, 2005).

According to (Matamoros, 2012), the extensive search the following important benefits of CRM are given: Improved ability to target profitable customers, integrated offerings across channels, improved sales force efficiency and effectiveness, individualized marketing messages, customized products and services, improved customer service efficiency and effectiveness, and improved pricing.

2.4 Dimensions of Customer Relationship Management

Different researchers and scholars tell us that there is no one universal definition of CRM. However, occasionally, people define it based on the context within which it is being considered for specific study.

2.4.1 Key Customer Focus

Customer focus is the ability of an organization to concentrate on the work effectively and efficiently that enhances the experiences of customers with products and services. Through their customer focus efforts, companies can drive up the value that have received by customers. This often means gaining a good understanding of the various customer segments, producing quality at acceptable costs, and delivering on all commitments. Development of customer relationships to

the main concept of marketing is understanding expectations and needs of customers and the customer orientation.

A customer-focused structure, culture, policy, and reward system should permeate any organization that strives to implement CRM successfully (Yim 2013; Ryals and Knox 2001). Customer orientation is a behavioral phenomenon and a cultural concept (Gountas et al., 2014). It refers to organizations' extent of satisfying and understanding needs of customers for building relationships which last for a long time (Rodriguez et al., 2015). In addition, to maintain and establish organization-customers long-term relationships, customer-orientation is very important and is competition's independent concept (Harris et al., 2005). Equipped with company-wide understanding and internal support for key customer relationships, the sales force generally is better enabled and motivated to cultivate long-term customer relationships by offering more personalized products and services (Armstrong and Kotler 2003).

CRM's dimension is customer orientation that organizations, in the achievement of solid relationship with customers, have confirmed it to be highly instrumental because it imbibes the customer-oriented culture and behavior into the employees of organization, thus instigating them on their performance in a positive way (B. Y. Kim, 2008; Yilmaz et al., 2005). This is evidence of customer orientation's huge contribution to CRM's successful implementation (Abdullateef et al., 2014; King and Burgess, 2008). So, all interactions with key customers, who are often identified by “lifetime value computations,” must fully reflect this company-wide CRM focus (Jain and Singh 2002).

2.4.2 Customer Knowledge Management

From CRM's point of view, knowledge can be defined as the information used from customer. It includes the collection and analysis of customer transactions, communications, service experience and purchasing behaviors to important customer information that is later used to predict future customer usage patterns (Tseng and Wu, 2014; Sin et al., 2005). And knowledge management is developed within the organization to manage customer relationships profitable.

Customer knowledge management is perceived nowadays as one of the key factors for business success, as the customer centered management theories show how important it is to know and meet

customer needs (Guerola-Navarro, 2021). Recent studies on CRM, suggest that customer knowledge has been considered as a valuable organizational resource such that any technique which is geared towards transmitting knowledge regarding customers are core resources that serves a sustainable competitive advantage for firms and allows a company to strengthen its link with the customers (Soltani and Navimipour, 2016; Chua & Banerjee, 2013; Shi and Yip, 2007).

According to Arsi et al., 2018 & Salomoun et al., 2005, in today's competitive world, knowledge is well thought-out as one of the competitive factors in global economy. Good knowledge management plays an important role for CRM in this regard: information is important in understanding customer needs, product development, and new service delivery, providing a single and integrated customer perspective, calculating customer life time for commitment, customizing transactions and establishing and maintaining relationships.

The stem of customer knowledge is CRM, i.e. it is in the process of getting feedback from the customers, supplying service and product, and understanding customers' requirement (Lingbo & Kaichao, 2012). Defined as combined information with reflection, context, interpretation, and experience, one can divide knowledge into explicit knowledge and tacit knowledge. Customer knowledge management is the external perspective of knowledge management, and knowledge management is the systematic and explicit management of vital knowledge and its associated processes of diffusion, creation, exploitation, organization, and use (Lopez-Nicolas & Molina-Castillo, 2008). Similarly, customer knowledge management is the exploitation and management of knowledge which is related to the customer.

In general, Soltani & Navimipour (2016); Khodakarami and Chan (2014) stated that customer knowledge can be broadly categorized as knowledge for customers (i.e. knowledge provided to customers to satisfy their needs), knowledge about customers (i.e. knowledge about customers to optimize customer profiling and segmentation, and campaign management processes), and knowledge from customers (i.e. knowledge acquired from customers for product innovation), which is the knowledge that customers possess that organizations can obtain by interacting with them. Thus, for effective customer knowledge management, CRM system implementation needs to be supported by a strong commitment from top management, and training of front line staff and back office to ensure effective technical skills for the gathering and distribution of customer data

internally (Tseng and Wu, 2014). Note that to deliver customized service and customized products, banks should use customer information (Khodakarami and Chan, 2014).

2.4.3 CRM Organization

According to Al-Gasawneh (2021) CRM organization refers to an organization that instils and practices customer relationship values to satisfy customers' needs. CRM encompasses an organizational approach that facilitates organizations in recognizing, attracting and increasing the retention of lucrative customers by maintaining relationships with those customers (Alwahaishi and Amine, 2018). Organizations across service industry sectors need to be customer-centric and need to be implementing CRM at all levels in the organizations. For the proper working environment, modern tools and equipment, compliant tracking system, etc., are the prerequisites for business establishments (Mechinda and Patterson, 2011). It is observed that CRM often fails in the organizations that lack a culture that is not focused on long-term customer relationships (Dutu and Halmajan, 2011). Further, the employees of such business organizations need to have cordial relations with their customers whenever they come to interact with them (Boulding, Staelin, Ehret, and Johnston, 2005; Payne, 2006; Tamilarasan, 2011). Sigala (2005) argues that CRM framework depends on the attitude, commitment and performance of the employees in hospitality organizations. Therefore, the role of the employees is increasingly critical to CRM organization and is vital in the successful implementation of CRM (Tamilarasan, 2011). The effect of CRM organization as a CRM dimension is found to have significant and positive influence on customer satisfaction, retention, marketing as well as financial capabilities of the organizations, brand differentiation, price, etc. (Akroush et al., 2011; Sin et al., 2005).

CRM is useful in examining the relationship between organization and customers, with one critical outcome being increased profitability through future purchasing behaviour. For example, employees are trained and guided to deliver high-quality products/services that promote good customer relationships (Tseng, 2016; Kim, 2008). MacLeod (2017) described CRM as a systematic process working towards the development of the knowledge, attitude and skills of the employees.

2.4.4 Technology-based CRM

Majority of the organizations are harnessing the technology-based software to support the clientele interactions and information generation. CRM strategy success also hinges on the integration of latest technology with a service orientation culture and the ability of employees to deliver on operational procedures (Saarijarvi et al., 2013). Inevitably, new technologies will act as key drivers for change in the bank industry. The use of technology is primordial in managing customer relations as it is vital to obtain the right information about the right people, at the right time (Huang & Castronovo, 2012).

CRM technology has been used for CRM application software in several ways of organizations' CRM programs. These range from account management applications through business intelligence systems, sales force automation, and marketing automation (Al-Salami et al., 2019). Numerous customer centric strategies may fail without the use of relevant information technology (Payne & Frow, 2005; Vivek et al., 2012). New technologies such as social media can be used to generate knowledge and contribute to the process of value co-creation (Ramkissoon & Uysal, 2014; 2018; Saarijarvi et al., 2013). The new media supported by Web technology will take CRM to a whole new dimension where the focus will be on customer deepening (Saarijarvi et al., 2013).

According to Prasanna and Kumar (2014) CRM technology is an important strategic tool for any organization to achieve CRM success in application. The technology role enables CRM use and allows organizations to achieve better customization and greater service at a lower cost (Prasanna and Kumar, 2014; Mahdi et al., 2012). Technological developments continue to affect the organization management and the marketing of its products and services. These technological applications include the computer (specifically the World Wide Web) and mobile telephone technology. CRM needs to be seen as more than just technology with the technology being regarded as the enabler of the CRM strategy (Xu et al., 2002: 445). The way we used to do business and the way we used to work in our lives are changed by technology (Sinha & Mukherjee, 2016). The current century has brought an unimaginable growth in information and communications technology and needs of enormous computing and educational institutions (Saleem et al., 2017; Y.-C. J. Wu, Pan, & Yuan, 2016). Information technology (IT) quickly evolves which leads companies to compete in the state-of-the-art of technology. It has been recognized that to achieve

improvements in organizational performance IT enables the redesign processes of business in a radical way (Davenport & Short, 1990; Museli & Navimipour, 2018).

Technology-based CRM systems lead to improvement in products, processes, marketing and administrative activities (Navimipour and Soltani, 2016), and therefore performance (Abdullateef et al., 2010). Other related studies, like Hashemzadeh et al. (2011), focused on the effect of technology on CRM projects in light of its capability to collect, analyze, store and share potential and current customers' information, in a way that improves the ability of employees to respond to the former's requests and needs individually. This in turn enhances the attraction and retention of committing customers.

By linking internal stakeholders and innovative methods, suppliers, and customers to each other and through facilitating changes to work practices, IT assists the redesign process of a business. They call attention to the fact that organizations today have at their disposal a range of database, data warehouse, and data mining technologies, as well as a growing number of so-called CRM applications, which make it possible to gather vast amounts of customer data and to analyze, interpret, and utilize such data constructively. Applications of CRM link the technological innovations to their ability to deliver service and product value to individual customers, respond with effective and timely customized communications, interpret customer behavior, analyze and collect data on customer patterns, and develop predictive models (Soltani et al., 2018).

The most widely used technology tools are:

i. Customer Service Helpdesk:

These applications help the company in automating the customer support processes, which enable it to deliver high quality service to their customers. Such software helps in logging the information about customers, enquiries, and suggestions, etc. It also helps in directing these queries to appropriate employees within the company.

ii. Call Centers:

Call center helps in automating the operations of inbound and outbound calls generated between company and its customers. These solutions integrate the voice switch of automated telephone

systems with agent host software allowing for automatic call routing to agents, auto display of relevant customer data, predictive dialing, self-service interactive Voice Response systems, etc.

2.5 Customer Commitment

Commitment is an essential ingredient for successful, long-term relationships. Morgan and Hunt (1994) define relationship commitment as follows:

Commitment is shown by ‘an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum effort to maintain it; that is, the committed party believes the relationship is worth working on to ensure that it endures indefinitely.

The concept of commitment has been playing an important role in services marketing to maintain relationships between firms and customers (Chai et al., 2015; Fullerton, 2003; Moorman et al., 1992, 1993; Morgan and Hunt, 1994). It has become one of the most popular notions in business-to-customer relationship studies. According to Shukla et al., (2016), commitment relates to the disincentive to change relationship partners. Generally, customer commitment is regarded as a complex construct that developed from the organizational behavior/industrial organization psychology literature; it is attitudinal in nature and relates to a person’s feelings on taking part in certain behaviors (Fullerton, 2014).

Commitment is considered among the critical components of a long-term relationship in marketing (Rather and Sharma, 2017; Rather, 2018). It is regarded as the pillar of relationship marketing by various researchers. This concept yields several customer outcomes that promote productivity, efficiency, and effectiveness (Rather, 2018).

The development of commitment has been strongly related to customer satisfaction (Rather and Sharma, 2017; Rather, 2018). From the nature of relationship marketing paradigm Morgan and Hunt (1994) propose that successful relationship marketing requires relationship commitment and trust. The relationship between a bank and its customers involves continuous, two way communication and interaction (Cheng et al., 2019).

Recent research has identified that customer commitment is a powerful predictor of various metrics related to customer retention, the same switching/staying intentions and repurchase intentions (Ladda, 2019). Jones et al., (2008) described commitment as a psychological motivation

emphasizing an individual to remain in the relationship with a specific objective. This definition is also supported by (Jonna Ylien, 2014) emotionally engaged customers are less likely to switch a company than just satisfied customers. Context of CRM, commitment is a key competitive element in encouraging businesses to improve their efforts to gain customer satisfaction. Additionally, it is also essential to improve businesses' service quality to increase customer satisfaction (Wang et al., 2019). It can also be defined as a psychological commitment that depends on a customer's sense of belongingness and identification toward a service provider (Bowden-Everson et al., 2013). Several researchers have also highlighted its vital role in creating and maintaining long-term relationships between different business partners (Rather, 2018). Furthermore, customer commitment can also be described as an exchange partner's willingness to uphold a crucial lasting relationship (Rather, 2018; HennigThurau et al., 2002). According to Chai et al. (2015), this concept will reflect the different fundamental psychological conditions regarding committed to maintain a long-term relationship with service providers. Therefore, firm should build the foundation of mutual commitment and emphasize their capacity in maintaining the relationships with their customers to develop firm's shared values (Curras-Perez and Sanchez-Garcia, 2015).

Committed customers are motivated to maintain the relationship because of a feeling of attachment and sincerity in their personal attitudes. Customer commitment is vital to the creation and preservation of marketing relationships (Russell Lacey, 2007). So, Commitment is defined as the main case to the heyday of a long-term relationship (Parawansa, 2018).

According to Paurav (2015) consumer commitment is different than consumer loyalty. Oliver (1999) defines loyalty as the combination of a "deeply held commitment" and repeat purchasing behavior despite available alternatives that would allow for switching behavior. Specifically, while committed customers are traditionally expected to exhibit loyalty, customers who exhibit repeat purchasing behavior may or may not have high commitment (Oliver 1999).

The construct of commitment has a venerable history in the organizational and marketing literatures. Early studies in marketing conceptualized commitment as a uni-dimensional construct. However, starting in 1997, marketing studies began to consistently use a three-component model with affective, normative, and calculative commitment. In the three-component model, affective commitment reflects a psychological and emotional commitment; calculative commitment reflects

perceived economic investments as well as the perceived lack of alternatives and; normative commitment is based on an individual's belief about his or her obligations due to relevant norms (typically socially derived). According to Gruen et al., 2000; Kelly, 2004, Affective commitment pertains to “wanting” to maintain the relationship; calculative commitment pertains to “having” to maintain the relationship; and normative commitment pertains to feelings as though you “should” maintain the relationship. These different forms of commitment can also be described as “emotional”, “rational” or “moral” attachments, respectively, (Jones et al., 2010).

2.5.1 Affective Commitment

Affective commitment reflects an emotional attachment to, identification with and involvement in an organization (Meyer and Smith 2000). Affective commitment is built on the affective or emotional attachment to the organization such that the strongly committed individual identifies with, is involved in, and enjoys membership in the organization (Allen and Meyer 1990). Although the affective commitment construct was developed as a means of explaining employee attachment to work groups and organizations, it can be applied in situations when there is a consumption relationship between a consumer and an organization (Gruen et al., 2000). Marketing scholars have frequently made explicit reference to the affective nature of customer commitment, in that it represents an enduring desire to maintain a valued relationship (Morgan and Hunt 1994). Affective commitment is rooted in identification, shared values, belongingness, dedication, and similarity (Achrol 1997; Bendapudi and Berry 1997; Pritchard, Havitz, and Howard 1999). In addition, when Morgan and Hunt (1994) demonstrated that commitment was a key mediating construct in the discipline, they operationalized relationship commitment as affective commitment, partially borrowing their measure of commitment from the Allen and Meyer (1990) affective commitment scale. In a consumer context, this affective force binds the consumer to the service provider out of desire. It reflects an individual's "psychological bond" (Gruen et al. 2000) with a service provider and is similar to "loyalty commitment" described by Gilliland and Bello (2002).

Many of the unidimensional conceptualizations of commitment in other marketing research contexts actually tapped the affective dimension of commitment (e.g., Garbarino and Johnson 1999; Hennig-Thurau et al. 2002; Morgan and Hunt 1994). As such, we already have some evidence that trust (Garbarino and Johnson 1999; Gilliland and Bello 2002; Morgan and Hunt

1994) and satisfaction (Garbarino and Johnson 1999; Hennig-Thurau et al. 2002) might act as drivers of this type of commitment.

2.5.2 Continuance Commitment

Continuance commitment represents a constraint based force binding the consumer to the service provider out of need. It reflects the fact that consumers stay with a service provider because they feel they have to; it reflects a sense of being "locked in" to the service provider (Meyer and Herscovitch 2001). Continuance commitment is similar to Bendapudi and Berry's (1997) notion of a "constraint-based relationship" in which consumers believe they cannot end a relationship because of economic, social, or psychological costs. This basis of commitment has also been described as "calculative commitment" (Gilliland and Bello 2002), which reflects a disposition to stay based on the rational economic costs of leaving.

2.5.3 Normative Commitment

Normative commitment represents a force that binds a consumer to the service provider out of perceived obligation. Normative commitment is based on the extent to which the customer feels morally obliged to do business with a particular organization. It "reflects a sense of obligation on the part of the employee to maintain membership in the organization" (Meyer and Smith 2000: 320). Normative commitment may also emerge as the relationship develops and the parties to the relationship develop social norms and become increasingly motivated to act in a manner consistent with those social norms (Meyer and Allen, 1997; Kingshott and Pecotich, 2007). Relationship management in that they might be consistent with the position that normative commitment is a unifying construct in marketing thought in that effects of a host of ethical and institutional variables (Fullerton, 2014). In a consumer context, normative commitment results in consumers staying with a service provider because they feel they ought to. To date, the only research in marketing explicitly investigating normative commitment is Gruen et al., (2000) study of professional association memberships. Meyer and Allen (1997) suggested that normative commitment develops through socialization when individuals internalize a set of norms concerning appropriate behavior.

2.6. Empirical review of the study: hypothesis development

The mainstream consumer research identifies commitment as a pivotal component in developing and maintaining long-term mutually beneficial relationships (e.g., Bansal et al., 2004; Morgan & Hunt, 1994). Similarly, in the customer relationship stream, commitment is recognized as a key precursor to the attainment of valuable outcomes, such as disconfirmation process (Raju, Unnava, & Montgomery, 2009 a, b), future intentions (Bansal et al., 2004), and profitability (Anderson & Weitz, 1992). In marketing, there is a growing body of research examining brand commitment, and examples include Agrawal & Maheswaran (2005), Eisengerich & Rubera (2010), Rucker et al., (2014). Booheneet et al., (2013) examined the factors which lead to customer retention in Ghana Commercial Bank within the Agona Swedru Municipal area. In this study Correlation and regression techniques were used to examine the relationships between customer satisfaction, service quality, customer trust, customer commitment, switching barrier factors and customer retention.

Giannakis and Boutsouki (2014) attempted to approximate the extent to which CRM effectiveness influence potential for customer engagement, with a specific focus on CRM practices, reflected on the measures of customer performance. The findings show that customer affective commitment and overall gratification with the bank are significant influences of client willingness to deepen their relationship with the financial institution. In addition, the financial institution's presence on social media also has a significant association with client willingness to engage in social CRM with the bank. Iriqat and Abu Daqar (2017) investigate the impact of CRM on Long-term Customers' Loyalty in the Palestinian Banking Industry; they found that there is a positive relationship between long-term customers' loyalty and CRM.

Francis and Stan (2015), the level of commitment between your customer and you will figure in the decision about which customers to retain. If the customer is highly committed, they will be impervious to the appeals of competitors, and you will not need to invest so much in their retention. On the other hand, if you have highly significant customers who are not committed, you may want to invest considerable sums in their retention. This customer retention drives up customer lifetime value of customer commitment.

Nyarku, Kwamena (2013) in his study assessed the CRM practices at National Investment Bank in Ghana and recommended win-back and retention strategies to meet the needs of customers in a highly customized and responsive manner. Whereas Padmavathy et al., (2012), developed customer experience, process-driven approach, reliability and technology orientation, to measure the effectiveness of CRM from customer perspective. Muro et al. (2013) investigated the strategic benefits and challenges of utilizing CRM systems in the banking sector, finding that the use of information and communication technologies provided personalized service and attention to bank customers. In addition, the researchers also determined that CRM improves relationships and processes with business partners (B2B) and with customers. Scholars also pointed out that customer knowledge management and organizing had a significant influence on CRM customer commitment over repurchase intentions (Keininningham et al., 2015; Su et al., 2016).

There are sample studies on customer commitment with its relationship with the service better customer quality as a major construct (Wong et al., 2019; yang et al., 2019); Chou & Chen, 2018 and Fatima, 2016 and 2020) found that all the dimensions had a significant and positive influence on the commitment of the customer. Studies have validated the positive impact of CRM dimensions on the organizational performance (Elkordy, 2014).

Furthermore, by organizing their CRM operations around customer groups, companies can assign direct accountability, keep abreast of changing customer expectations for different segments, and obtain early warnings from customers who may be on the verge of leaving. With this CRM knowledge network, timely remedial actions can be taken to address the specific problems or expectations of discontent customers, thereby increasing the retention rate. Providing monetary and recognition incentives to motivate a CRM-orientation can help keep service providers or salespeople focused on customer satisfaction and customer loyalty (Johnson 2004). All in all, a variety of CRM activities can work together to enhance customer commitment (Pfeifer and Farris 2004). However little is known about customers' perceptions of CRM implementation activities and efforts (Kim et al., 2012). This is due to the fact that focus of researches on the company side of CRM implementation (example: Bohling et al., 2006; Onut et al., 2006; Akroush et al., 2011; Kim et al., (2012) assessed customer's viewpoints to explore the gap between actual bank CRM implementation and customers' expectation. Several authors including AlQershi (2020), Yueh et al. (2010), Kyootai and Kailas (2007) and Sin et al. (2005) supported this premise.

2.6.1. The Effect of Key Customer Focus on Customer Commitment

Previous studies have found positive links between the customer orientation of service employees and customers' commitment (Donavan and Hocutt 2001; Hennig-Thurau 2004; Jones, Busch, and Dacin 2003). In an organizational parallel, Allen and Meyer (1990) showed that work experiences that promoted feelings of comfort in employees predicted their affective commitment to an organization. Further, various studies in the past have indicated a significant positive effect as far as the overall organizational performance is concerned (Kim, 2008; Yilmaz et al., 2005). The outcome of these studies suggests that managers in service-oriented organizations need to focus and implement customer oriented behavioral strategy that promotes customer satisfaction, customer commitment and increased organizational performance (Fullerton, 2014; Bansal et al., 2004; Minghetti, 2003). Hence, a good strategy that is aimed at customers' satisfaction and loyalty in the hotel organization will lead to enhanced brand image and increased performance (Fan and Ku, 2010; Tajeddini, 2010). Thus, the present study proposed that when call center customers identified positive customer focus, they would respond by feeling attachment to the provider and desire to maintain the relationship. Studies that have demonstrated that affective commitment can be built through responsive communications with customers (Dean, 2007; Morgan and Hunt, 1994) suggest that such feelings will also be generated when the service provider makes an effort to seek customers' opinions and monitor their feelings.

And then, develop your hypothesis by saying: on the basis of the above discussion, it is hypothesized as:

H1: Key customer focus has a significant and positive effect on customers' commitment.

2.6.2. The Effect of CRM organization on Customer Commitment

Recent findings by Srivastava et al. (2020) and Shams et al., (2017) saw a significant and positive connection between customer commitment and organizing CRM. Jamshidi and Roustaei (2021) also found that the brand-consumer relationship significantly affects customer satisfaction. Sallam (2015) noticed that CRM organization positively affected commitment and in turn commitment significantly impacted customer's word of mouth communication. Cuong (2020) determined that CRM organization had a relatively significant positive effect on perceived value, purchase intention, and customer satisfaction. Dwivedi et al. (2019) also found that brand credibility

significantly affects customer expectation, satisfaction, and, subsequently, attachment and commitment. Organizations to possess in-built mechanisms to manage customer relationships, track customer satisfaction and establish reward systems. Organizations comprise people, process and technology, and in the same way CRM is aligned to offer optimum customer commitment and develop relationships that are meaningful and profitable.

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And then, develop your hypothesis by saying: on the basis of the above discussion, it is hypothesized as:

H2: CRM organization has a significant and positive effect on customers' commitment.

2.6.3. The Effect of Customer Knowledge Management on Customer Commitment

The concept of commitment has been playing an important role in services management to maintain relationships between firms and customers (Chai et al., 2015; Fullerton, 2003). Knowledge management is an important factor that has a positive impact on customer commitment. Knowledge of customers' needs is crucial to improving customer commitment (Pasebani et al., 2012). Badrinarayan and Arnett (2005) found that the end result of knowledge management systems is the use of information in a way that creates a greater value for the organization and its customers. Their research supports the argument that these systems provide guidelines to help manage customer information and interact with customers in a manner

consistent with CRM requirements. Al-Qeed et al. (2017) in his study revealed that there was a positive association between knowledge management and customer commitments. Chege (2013) in a study conducted by Kenyan banks found that 88.9% of respondents had planned their products as a result of customer feedback and that 77.8% reported that their service delivery standards improved significantly after receiving customer feedback. Alhawari (2012) found that customer relationships, customer information capture and customer data analysis have a significant impact on customer acquisition, customer commitment which also increases a marketing performance. Soliman (2011) found that there is a strong direct and significant link between knowledge management and marketing performance with a coefficient of 0.765 at the 0.01 significance level. Yim et al. (2005) found that managing customer knowledge has a profound effect on customer satisfaction and customer retention.

Knowledge management is an important factor that has a positive impact on customer commitment. Knowledge of customers' needs is crucial to improving service quality (Pasebani et al., 2012).

And then, develop your hypothesis by saying: on the basis of the above discussion, it is hypothesized as:

H3: knowledge management has a significant and positive effect on customers' commitment.

2.6.4. The Effect of technology based-CRM on Customer Commitment

IT and IS play an important role in the development of CRM (Ling and Yen, 2001; Kincaid, 2003). They represent an enabling and facilitating role in providing an infrastructural basis, which supports the CRM effort inside the organization, by managing the data required to understand customers, as indicated by Ngai (2005). This supportive role of IT includes maintaining a database as well as an accompanying hardware and software capability that can well enable the organization to serve its customers in an effective manner. Applying CRM-based technology, companies can more effectively respond to the changing needs of customers with customized offerings. This personalization of products and services serves to further lock customers into long-term relationships by adding to customer switching costs (Burnham et al., 2003; Vandermerew 2004). Akroush (2011) suggests that The advances in IT provide organizations with the ability to collect, store, analyze, and share customer information in ways that greatly enhance their ability to respond

to the needs of individual customers and thus to attract and retain customers. Payne and Frow (2006) point out to the increasing importance of the role of IT in enabling organizations to manage one-to-one relationships with potentially huge numbers of customers, and in assisting with the development of improved customer relationships. Similarly, Lee and Seong (2020) and Famiyeh et al. (2018) found that the majority of the business service in relationship management dimensions can influence commitment and satisfaction; Hennig-Thurau et al. (2002) specified that the concepts of relationship management in services significantly contribute to the outcomes of commitment. So CRM dimensions would have a positive influence on customers' commitment to the relationship (Wong et al., 2019; Hennig-Thurau et al., 2002).

Such an exploit effect of IT is exemplified in the ability of CRM applications to provide decision makers with analyzed data on customer patterns, develop prediction models, and efficiently customize and deliver value offerings to individual customers (Akroush, 2011; Vrechopoulos, 2004; Yim et al., 2004). The end result would be better customer acquisition and increased customer retention rates, which enhance business performance.

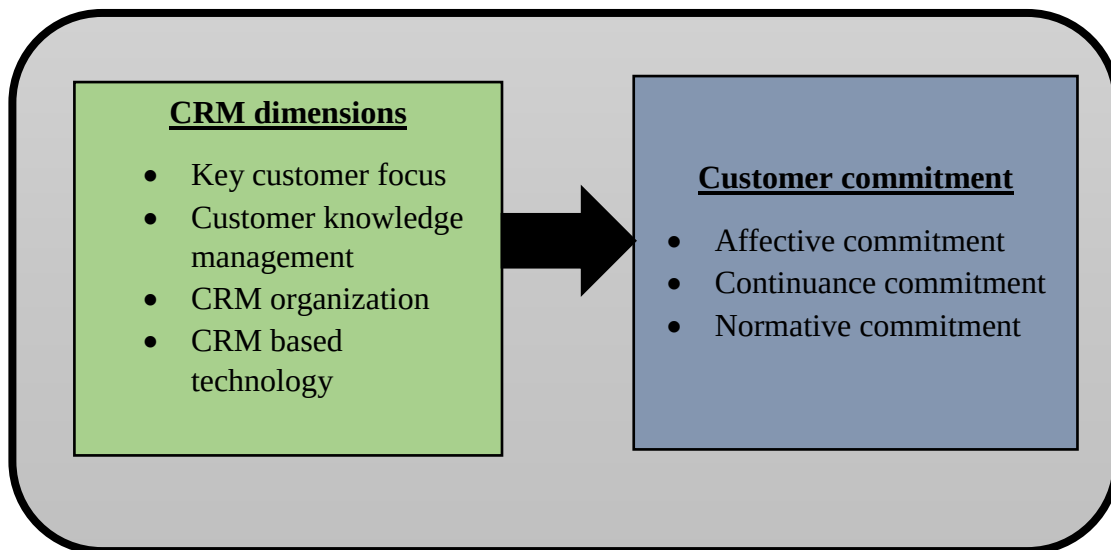
The utilization of IT-based services has positive impacts on service quality (Foya et al., 2015, Sofi et al., 2020; Talón-Ballesteros et al., 2018).

H5: There is significant difference on CRM dimensions between CBE and BOA bank.

H6: There is significant difference on customer commitment between CBE and BOA bank.

2.7 Conceptual Framework of the Study

Based on the above theoretical literatures and empirical review, the conceptual framework model were developed to show how the series of independent variables (focusing on key customers, organizing around CRM, managing knowledge, and based technology-CRM) with dependent variable (customer commitment). These variables are the main determinants of customer commitment in this study. The following figure indicates that the four relationship management dimensions play a great role in building and developing effective relationship management. When there is effective relationship management between customers and the firm, customers should be satisfied by the service of the firm and the customers provide their feedback or level of satisfaction to the firm about the service provided to them and finally, this leads to customer commitment.



1Figure 2.1: Conceptual framework of CRM dimensions and its relationship to customer commitment

Source: Developed from Shukla (2015) and sin et al. (2005)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

Designing appropriate research methodology is a prerequisite in order to conduct a good research work. Accordingly, this chapter discusses about the methodology by which the researcher used to conduct the study. Thus, research design, research approach, sampling design, source of data, data collection methodology, data collection instrument, data analysis methods, validity and reliability, and ethical consideration.

3.2 Research Approach

In this study, a quantitative research approach have implemented to investigate the effect of customer relationship management on customer satisfaction and seek to quantify quantitative data and apply a statistical analysis suitable to quantified quantitative data and analyze the data from sample, which is a representative of a large population. The researcher has collected data by using Structured close ended questionnaires.

3.3 Research Design

To accomplish the objectives of the study quantitative research approach were used. Such research strategies are good way of approaching issues as it enabled to respond and triangulate evidences. The researcher used cross sectional design because the thesis collected data of CRM from customers of both public and private banks to describe and compare the effectiveness of customer relationship management of the bank and its influence on customer commitment from customer perspective across four dimensions. Cross sectional design is a study in which various segments of population are sampled at a single point in a time (Zikmend, 2003).

The thesis has chosen the descriptive and explanatory research design to answer the problem statement and meet the research objectives on this study. The researcher described using descriptive research design. Therefore, the thesis has used cross sectional data that are observations that comes from different individuals or groups at a single point in time and descriptive research

that depends mainly on demographic facts or characteristics of respondents through distributing designed questionnaire for the research purpose.

In addition to analyze the casual relations between the dependent variable (customer commitment) and the independent variables (CRM dimensions) an inferential statistics particularly correlation and regression will be used. Hence, the research employed explanatory research strategy. Therefore, since it is most suitable due to the characteristics of the purpose of the study explanatory research used in this study. A cross-sectional research survey will also be considered in finding the patterns in the gathered data to make it possible to see relationships between the different variables under investigation.

3.4 Population and sampling design

3.4.1 Target Population

Population refers to the entire group of people, events, or things of interest that the researcher wishes to investigate (Sekaran, 2016). The target population in statistics is the specific population about which information is desired. Branch managers and the branch clients were the target population of this study. Accordingly, the researcher selected two commercial banks (one government-owned or public bank and one private bank out of the ten banks) branches found in Finote Selam. Following this to select such banks random sampling technique are used. So, customers of both Commercial Bank of Ethiopia (CBE) and Bank of Abyssinia S.C. (BOA) are included in the sample.

3.4.2 Sampling technique

The researcher applied a multi –step sampling technique to take sample in this study. The key tools for data collection were questionnaires that were administered through the help of customers of selected commercial banks in Ethiopia found in Finote Selam town. The researcher used quota sampling technique to distribute questionnaires for the two selected commercial banks based on their customer size. Due to the nature of the study, having selected such number of respondents, the questionnaires were distributed by using simple random sampling to get each respondent from each Bank. This sampling technique was chosen as it gives each member of population fair or equal chance of being selected.

3.4.3 Sample size

In Finote Selam town both CBE and BOA has 81122 total customers as at 2022 (management information systems of both two banks). The sample size is determined based on the following simplified formula proposed by (Kothari, 2004).

$$\text{Sample size (n)} = \frac{Z^2 \cdot p \cdot q \cdot N}{e^2(N-1) + Z^2 \cdot p \cdot q}$$

Where, **n** is sample size, and **N** is the total population size, which is 81122.

P= sample proportion of success and **q** is sample proportion of failure, **q=1-p**, **p** is 0.5

e= the level of precision (acceptable error) and its value is 0.05

Z= the value of the standard variant at a given confidence level which is 1.96

accordingly, the sample size for the study would be calculated as follows.

$$\text{Sample size (n)} = \frac{Z^2 \cdot p \cdot q \cdot N}{e^2(N-1) + Z^2 \cdot p \cdot q}$$

$$\frac{(1.96)^2(0.5)(0.5)(81122)}{(0.05)^2(81122-1) + (1.96)^2(0.5)(0.5)}$$

$$\text{Sample size (n)} = 383.35 \approx \mathbf{384}$$

After determining a sample size of 384, the samples from each two banks such as from public banks CBE and from private banks BOA were taken in proportion to their customers 2022. Accordingly, the following table shows the proportional distribution of questionnaires to each bank.

No.	Name of the bank	Total number of customers	Percentage of proportion	Number of questionnaires Distribution
1	CBE	62545	62545/81122*384	296
2	BOA	18577	18577/81122*384	88
	Total	81122		384

1Table 3.1 shows the proportional distribution of questionnaire

Source: Management information systems of CBE and BOA from Fionte Selam branch

3.5. Measurements of Variables

No.	variables	Items	Scale	source
1	Relationship Management dimensions (Independent Variables)	Key customer focus KCF1: The bank has a deep understanding of customer needs KCF2: The bank has setting clear objectives and strategies for customers KCF3: The bank understand how competitors meet their customer needs KCF4: Continuously delivering superior and added value for key customers KCF5: The Bank strengthens the emotional bonds with its key customers by wishing them on important occasions KCF6: The Bank strives to constantly surprise and delight its key customers KCF7: The bank regularly solicit customer feedback to improve products/services and monitor how well competitors are doing on the same metrics	Five point likert scale with 1=strong disagree to 5= strongly agree	Sin et al. (2005); Akroush et al. (2011) and Mohammed et al. (2013)
		CRM organization CRMO1: The bank has good organizational structure that attract customers CRMO2: The Bank employee encourage customers to use more service of the Bank CRMO3: The Bank has effective customer recovery strategy including guarantee for service failure CRMO4: The bank has coordination of customer focused CRMO5: The Bank structure is meticulously designed around our customers		Garrido-Moreno & padilla-melendez. (2011); Swaminathan (2004); Sin et al. (2005)

		CRMO6: The bank has established clear business goals related to customer acquisition, development, retention, and reactivation		
		KM1: The bank employees enable ongoing and two-way communication KM2: Employees of the bank have enough experience and information about customers KM3: The bank employees has detail knowledge of every procedure KM4: Ability to transform locally acquired new knowledge into organization level knowledge KM5: The Bank's employees are willing to help customers in a responsive manner KM6: Ability to handle customers and solving customer complain	Five point likert scale with 1=strong disagree to 5= strongly agree	Sin et al.(2005); Swaminathan (2004); Garrido-Moreno & padilla-melendez (2011)
		CRMT1: The bank gives much attention and prompts services to customers irrespective of their status using mainstream and social media CRMT2: The bank uses latest technology (ATMs, mobile banking, and internet banking) to offer quality services CRMT3: Right technical personnel for the utilization of computer technology in building customer relationships CRMT4: Providing Information Technology facilitates like computer aided design for managing customer relationships CRMT5: Disseminating information to customers through telephones to meet their urgent requests and needs CRMT6: The bank maintains a comprehensive database of its customers CRMT7: Providing major transactions through online without physical contact with the customer (transfers) for customer convenience	Five point likert scale with 1=strong disagree to 5= strongly agree	Sin et al.(2005); Lin et al.(2010); Garrido-Moreno & padilla-melendez (2011)
2	Customer commitment (dependent variable)	AC1: I take pleasure in being a customer of this bank AC2: The bank that takes the best care of their customers CC1: I have feelings of trust towards the bank CC2: It pays off economically to be a customer of the bank	Five point likert scale with 1=strong disagree to 5= strongly agree	Chang et al. (2012)

		CC3: I would suffer economically if the relationship were broken NC1: This bank has location advantages versus other providers NC2: My attachment to the bank is mainly based on the similarity of my values NC3: The reason I prefer this bank to others is because of what it stands for, its values		Allen & meyer (1990)
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2Table 3.2: Measurement of variables

Source: Adopted from theoretical and empirical findings from literature review, 2022

3.6. Data type and source

According to Saunders, et al, (2009), using more than one data sources and collection methods helps to authenticate findings. The study will be used of both primary and secondary data in its construction. Primary data are collected mainly through questionnaires from customer. The questionnaire contained close ended questions where respondents' opinions is quantified. Secondary sources of data for this study included published books, journals, banks' annual reports, statistical report, and other relevant data sources was used and reviewed for undertaking this study.

3.7. Data collection instruments

Questionnaires were applied usually for descriptive, which identify and describe the variability in different phenomena or explanatory research, which examine and explain relationships between variables (Saunders et al., 2009). Based on the research objective, English and Amharic version questionnaires has been prepared to elicit customers' experience.

The questionnaire consists of two parts. One was prepared to gather general information (demographic variables) about the respondents' gender, age group, education back ground, purpose of the bank service used, years of relationship with the bank.

Part two was prepared to ask respondents to answer customer relationship management and customer satisfaction questions. This part consists of 26 questions and measures the effect of customer relationship management dimensions and 8 questions on customer commitment, which was clearly set in into three dimensions by using a five point Lickert scale.

The primary data will be collected through standard questionnaires prepared on a multi-item scale with slight modifications the independent variable questions are adapted from Swaminathan (2004), Sin et al., (2005), Akroush et al., (2011), and Mohammed et al. (2013); while, the dependent variable questions are adapted from Chang et al. (2012). Which were prepared in the form of Likert five scales. For the purpose of data collection, the researcher used closed-ended questionnaires. However, to measure CRM dimensions on customer commitment the researcher modifies in relation to the study for that matter the researcher tests the reliability and check the dependability.

The questionnaire was divided into two sections. The first section contained the demographic characteristics of the respondents who were requested to provide information about their respondents' gender, age group, education back ground, purpose of the bank service used, years of relationship with the bank. The second section of the questionnaire was designed to enable the researcher to gather information about the effectiveness of CRM on customer commitment in public and private banks of selected commercial banks. the respondents were requested to indicate their feeling on a five point Likert scale type to measure weighted as follows: 1=strongly disagree, i.e., very much dissatisfied with the case described, 2=disagree, i.e., not satisfied with the case described, 3=neutral, i.e., uncertain with the case, 4=agree, i.e., feeling alright with the case described, and 5= strongly agree, i.e., very much supporting the case described.

3.8. Data Analysis Technique

After collecting the data through a questionnaire, the process of analysis can be conducted. Analysis of data in this research has been done by using statistical tools like regression and correlation models. Regression analysis can be used to know by how much the independent variable i.e. relationship management explains or influences the dependent variable which is customer commitment.

The linear multiple regressions based on the previous model designed by (Rokibul, 2013) and the algorithm used by the SPSS is modified using the variables from the above conceptual framework and are stated as follows.

$$y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 + \varepsilon$$

Where: y = the predicted variable (Customer commitment), β_0 = constant, β_1 , β_2 , β_3 , β_4 , unstandardized regression coefficients.

Let

X_1 = key customer focus

X_2 = customer knowledge management

X_3 = CRM organization

X_4 = CRM based technology

ε = error term

Correlation analysis was conducted to test the proposed hypothesis of whether there is a positive significant relationship between CRM dimensions and customer commitment. A descriptive analysis is also used for demographic factors such as gender, age, education, the purpose of the bank service used, years of relationship with the bank, and types of service used in the bank. To analyze the quantitative data the researcher execute SPSS software.

In order to reduce the possibility of getting wrong answers, the researcher took different actions to ensure the soundness of the study. These were:

1. Data was collected from reliable sources, from respondents who are customers of the bank.
2. The questionnaires are based on literature review to ensure the soundness of the results.
3. SPSS software version 26 is helpful to analyze the data and the researcher gave special emphasis during data coding and entry.

3.9. Reliability and Validity of data

3.9.1. Reliability

Reliability according to Kothari (2005) refers to the degree of consistency, which is assigned to the same category by different observers or by the same observer on a different occasion. In this particular case further testing may enhance reliability. Cronbach's alpha reliability coefficient will be used to assure the reliability of the data.

3.9.2. Validity

Validity on the other hand refers to whether an instrument actually measures what it is supposed to measure. To assure validity, questionnaires were designed on the basis of previous studies' questionnaires and review of related literatures, the researcher selected multiple sources of evidence namely documentation and personal observation. Finally, the researcher used well established literature to construct the frame of references.

3.10. Ethical Consideration

The researcher is planning to maintain scientific objectivity throughout the study. Every person involve in this study has given to the right of privacy and dignity of treatment, and no personal harm was caused to subjects in the research. So, the respondents are will be briefed before questionnaire administration and they are assure their right not to participate, confidentiality and that the data collected is used for academic purposes only. All assistance, collaboration and other sources from which information are drawn will be acknowledged.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS, AND DISCUSSION

4.1. Introduction

Statistical procedures were carried out to analyze the collected data in line with the overall objective of the research undertaking. The researcher has collected data through a self-administered questionnaire to identify the major issues and provide workable recommendations for the problems concerning customer relationship management and customers' commitment. In this chapter, the findings of the study are presented. During the survey, a total of 384 questionnaires were distributed to customers. All 384 distributed questionnaires were returned. So the analysis was made based on responses from 384 questionnaires. The questionnaire was developed into five scales ranging from five to one, where five represents strongly agree, four agree, three have no opinion, two disagree, and one strongly disagree. 296 questionnaires were filled out by public bank customers (CBE) and 88 questionnaires were filled out by customers of private banks (BOA). Customers were selected based on convenience sampling and an effort has been made to have a representative sample, and the results are considered representative of the population. Descriptive statistics were used for demographic factors, correlation and regression analysis were conducted for scaled questionnaires; and finally, independent sample t-tests were used to compare between CRM practice and customers' commitment with the type of bank. The questionnaire used is attached at the back. You can refer to appendix A.

4.2. Response rate on questionnaire

A total of 384 questionnaires were distributed to customers of the two commercial banks(both CBE and BOA) to assess the effect of CRM on customers commitment and all questionnaires were filled up and returned making the response rate 100 percent. This indicates that those customer of the banks under study were committed to give information relevant to the research under study.

4.3 Reliability Test Result

The Alpha reliability is regarded as a measure of the internal consistency of the mean of the items at the time of administration of the questionnaire. Cronbach's alpha is a reliability coefficient that

indicates how well the items in a set are positively related to one another (Saunders et al., 2009). It is computed in terms of the average inter-correlations among the items measuring the concept.

Cronbach's alpha is one of the most commonly accepted measures of reliability. It measures the internal consistency of the items on a scale. It indicates the extent to which the items in a questionnaire are related to each other. It also indicates whether a scale is one-dimensional or multidimensional. The normal range of Cronbach's coefficient alpha value ranges between 0 and 1, and the higher values reflect a higher degree of internal consistency. Different authors accept different values of this test in order to achieve internal reliability, but the most commonly accepted value is 0.70, as it should be equal to or higher than that to reach internal reliability (Hair et al., 2003).

The results of the reliability test for the questionnaire are shown in the following table. As it is indicated in the table, the test result is between 0.802 and 0.909. Therefore, based on the test, the results for the items are reliable and acceptable.

Items	Number of items	Cronbach's Alpha
KCF	7	0.853
CRMO	6	0.882
KM	6	0.802
CRMT	7	0.844
CC	8	0.909
Overall reliability	34	0.896

Table 4.1: Reliability test result

Source: Own survey (2022)

4.4. Demographic Profile of Respondent

The data that was gathered have examined and presented using this descriptive approach. For greater clarity, it is utilized to describe the demographic aspects. The information acquired for general or demographic questions should primarily be used to draw some broad conclusions. Gender, age, education level, amount of time spent using bank services, reason for use of bank

services, and type of bank used by respondents were the demographic parameters used in this study.

4.4.1. Gender of Respondents

The gender of the respondents is shown in table 4.2. The table shows that most of the respondents are male (65.9%) while 34.1% are female.

gender of respondents					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	253	65.9	65.9	65.9
	female	131	34.1	34.1	100.0
	Total	384	100.0	100.0	

4Table 4.2: gender of respondents

Source: Own survey (2022)

4.4.2. Age of Respondents

The respondents' age is shown in the following table. The table 4.3 shows that 38.5% are between the ages of 18–30 years old, followed by respondents at the age between 31–40 years old with 45.1%, while respondents whose age ranges from 41–50 with 11.2% were at the age of 51–60 years old with 2.3%. The remaining of the respondents, 2.9%, were over 60 years old.

Age of Respondents					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-30	148	38.5	38.5	38.5
	31-40	173	45.1	45.1	83.6
	41-50	43	11.2	11.2	94.8
	51-60	9	2.3	2.3	97.1
	above 60	11	2.9	2.9	100.0
	Total	384	100.0	100.0	

5Table 4.3: age of respondent

Source: Own survey (2022)

4.4.3. Educational Background of the Respondents

The educational qualifications of respondents are shown in table 4.4. As it is indicated in the table, 35.9% have a diploma holder. On the other hand, 31.3% had achieved elementary and secondary education, while 21.4% of the respondents were degree holders. 7.6% of respondents had achieved informal education and 3.9% held a postgraduate degree.

		Level of Education			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	informal education	29	7.6	7.6	7.6
	elementary & secondary	120	31.3	31.3	38.8
	diploma	138	35.9	35.9	74.7
	degree	82	21.4	21.4	96.1
	masters and above	15	3.9	3.9	100.0
	Total	384	100.0	100.0	

Table 4.4: Respondents educational background

Source: Own survey (2022)

4.4.4. Length of time the Respondents uses the Banks Services

The results of the length of time the customers used the banks' services are indicated in table 4.5. As it is shown in the table, 28.9% of the respondents have used the banks' services for 1-3 years, 27.6% have used the banks' services for > 7 years, and 20.3% have used the banks' services for 5-7 years. On the other hand, 17.4% and 5.7% of the respondents have used the banks' services for 3-5 years and less than 1 year respectively.

		Relationship with the Bank			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	below 1 year	22	5.7	5.7	5.7
	1-3 years	111	28.9	28.9	34.6
	3-5 years	67	17.4	17.4	52.1
	5-7 years	78	20.3	20.3	72.4
	above 7 years	106	27.6	27.6	100.0
	Total	384	100.0	100.0	

7Table 4.5: Length of time the respondents uses the banks services

Source: Own survey (2022)

4.4.5. Purpose of the Bank Service Used

In terms of the purpose that customers are using the bank service, the below table 4.6 indicated that 177 respondents used the bank service for personal purposes, which represents 46.1% of the total respondents. 149 respondents were using the bank service for business purposes, which represents 38.8% of the total respondents. Of the total 58 respondents, or 15.1% of the total respondents, used the banks' service both for personal and business purposes.

Purpose of the Bank Service Used					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	personal	177	46.1	46.1	46.1
	business	149	38.8	38.8	84.9
	both	58	15.1	15.1	100.0
	Total	384	100.0	100.0	

8Table 4.6: Purpose of the bank service used

Source: Own survey (2022)

4.4.6. Type of Bank the Respondents Use

The results of the type of banks the respondents use are indicated in table 4.7. As it is shown in the table, 77.1% of the respondents have used the CBE and 22.9% of the respondents have used the BOA.

which bank u can service now					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	CBE	296	77.1	77.1	77.1
	BOA	88	22.9	22.9	100.0
	Total	384	100.0	100.0	

9Table 4.7: Type of bank the respondents use

Source: Own survey (2022)

4.5. Descriptive Statistics of CRM dimensions and Customer Commitment

An illustration of the descriptive statistics for each main construct and its dimensions using mean and standard deviation is given in this part. CRM is represented by four behavioral dimensions. A total of 36 statements were presented to bank customers through the structured questionnaire to measure their degree of agreement or disagreement over the bank's CRM dimensions and customer commitment. A statistical mean value and standard deviation, which are calculated based on customers' responses to four constructs in the questionnaire, are presented below for discussion.

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
KCF	384	3.286	5.000	4.08306	.243322
CRMO	384	3.500	5.000	4.09522	.322274
KM	384	3.333	5.000	4.07372	.196093
CRMT	384	3.696	5.000	4.38159	.375145
CC	384	3.375	5.000	4.07572	.175363
Valid N (listwise)	384				

10Table 4.8: Descriptive statistics of CRM dimensions and customer commitment

Source: Own survey (2022)

As shown in table 4.8, all CRM dimensions CRM based on technology has the highest mean value (4.38159) with a standard deviation of (0.375145), while knowledge management has the lowest mean value (4.07372) with a standard deviation of (0.196093). The dependent variable, customer commitment, has a mean value of (4.07572) with a standard deviation of (0.175363). The high standard of deviation means that the data is wide spread, which means that customers give a variety of opinions, and the low standard deviation means that customers express a close opinion.

4.5.1. Descriptive Statistics of CBE and BOA

It is known that in this research, CRM is represented by four behavioral components, i.e., key customer focus, CRM and organization, knowledge management, and technology-based-CRM. The descriptive statistics of BOA and CBE, which are in table 4.8.6, show that there is no fundamental or significant difference between CBE and BOA in terms of CRM dimensions mean score. But as it is shown in the table below, there is a slight difference between CBE and BOA in

terms of CRM dimensions mean score, which means BOA's mean score is a bit higher than CBE's mean score.

Group Statistics					
	which bank u can service				
	now	N	Mean	Std. Deviation	Std. Error Mean
KCF	CBE	296	4.05853	.207073	.012036
	BOA	88	4.16558	.326051	.034757
CRMO	CBE	296	4.07068	.305540	.017759
	BOA	88	4.17776	.362957	.038691
KM	CBE	296	4.05524	.198036	.011511
	BOA	88	4.13588	.176710	.018837
CRMT	CBE	296	4.38764	.382150	.022212
	BOA	88	4.36123	.351877	.037510
CC	CBE	296	4.06332	.162020	.009417
	BOA	88	4.11744	.209966	.022382

11Table 4.8.1: Group Statistics of CBE and BOA

Source: Own survey (2022)

4.6. Correlation Analysis

In this section, the relationship between CRM dimensions and customer commitment is separately examined. Correlation analysis is a method of statistical evaluation used to study the strength of a relationship between two numerically measured, continuous variables. The Pearson's Product Movement Correlation Coefficient was computed to determine the relationships between key customer focus, organization structure, knowledge management, technology-based CRM, and customer commitment. So, like the demographic factors, the scale typed questionnaire was entered into the SPSS software version 26.00 to process correlation analysis. Based on the questionnaire that was filled out by the customers of both public banks (CBE) and private banks (BOA), the following correlation analysis was made.

4.6.1. Correlation Analysis between CRM Dimensions & Customers' Commitment

A Pearson correlation test was conducted to know the degree of relationship between the independent variable, i.e., relationship management, and the dependent variable, i.e., customers'

commitment. The results of the correlation between these variables are shown in table 4.9. As it is indicated in the table, there is a significant correlation between relationship management and customers' commitment. In other words, relationship management and customers' commitment have a strong relationship ($r = 0.928$ with $p < 0.01$).

Correlations		CC	CRM_dimensions
CC	Pearson Correlation	1	.928**
	Sig. (2-tailed)		.000
	N	384	384
CRM_dimensions	Pearson Correlation	.928**	1
	Sig. (2-tailed)	.000	
	N	384	384

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

12Table 4.9: Correlations between CRM dimensions and customers' commitment

Source: Own survey (2022)

4.6.2. Correlation Analysis between KCF and Customers' Commitment

Table 4.10 displays the results of a Pearson correlation test that was also conducted on these variables. The key customer focus and customers' commitment are significantly positively correlated, as seen in the table. In other words, there is a strong correlation ($r = 0.790$) between main customer focus and customer commitment.

Correlations		CC	KCF
CC	Pearson Correlation	1	.790**
	Sig. (2-tailed)		.000
	N	384	384
KCF	Pearson Correlation	.790**	1
	Sig. (2-tailed)	.000	
	N	384	384

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

13Table 4.10: Correlations between KCF and customers' commitment

Source: Own survey (2022)

4.6.3. Correlation Analysis between CRMO and Customers' Commitment

For these variables, a Pearson correlation test was conducted and the results are shown in table 4.11. As it is shown in the table, there is a significant correlation between CRM organization and customer commitment. In other words, CRM organization and customer commitment have a strong relationship ($r = 0.603$).

Correlations		CC	CRMO
CC	Pearson Correlation	1	.603**
	Sig. (2-tailed)		.000
	N	384	384
CRMO	Pearson Correlation	.603**	1
	Sig. (2-tailed)	.000	
	N	384	384

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

14Table 4.11: Correlations between CRMO and customers' commitment

Source: Own survey (2022)

4.6.4. Correlation Analysis between KM and Customers' Commitment

A Pearson correlation test was performed for these variables, and the outcomes are displayed in table 4.12. Customer commitment and knowledge management significantly correlate, as demonstrated in the table. In other words, there is a significant correlation between KM and customer commitment ($r = 0.776$).

Correlations		CC	KM
CC	Pearson Correlation	1	.776**
	Sig. (2-tailed)		.000
	N	384	384
KM	Pearson Correlation	.776**	1
	Sig. (2-tailed)	.000	
	N	384	384

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

15Table 4.12: Correlations between KM and customers' commitment

Source: Own survey (2022)

4.6.5. Correlation Analysis between Technology based-CRM and Customers' Commitment

For these variables, a Pearson correlation test was conducted and the results are shown in table 4.13. As it is shown in the table, there is a significant correlation between CRM-based technology and customers' commitment. In other words, CRM-based technology and customers' commitment have a moderate relationship ($r = 0.568$).

Correlations			
		CC	CRMT
CC	Pearson Correlation	1	.568**
	Sig. (2-tailed)		.000
	N	384	384
CRMT	Pearson Correlation	.568**	1
	Sig. (2-tailed)	.000	
	N	384	384

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

16Table 4.13: Correlations between KM and customers' commitment

Source: Own survey (2022)

4.7. Diagnostics of Assumptions in Regression

The fundamental presumptions relating to the initial data must be made prior to performing a regression analysis. To explain the relationships between dependent and explanatory variables, this is a necessary requirement. It is necessary to verify that five key assumptions are reasonably satisfied. These crucial least-squares assumptions were examined and clarified in this study.

4.7.1. Testing for Normality

An assessment of the normality of data is a prerequisite for many statistical tests, as normal data is an underlying assumption in parametric testing. There are two main methods of assessing normality: graphically and numerically. Skewness is a measure of symmetry, or more precisely, the lack of symmetry. A distribution, or data set, is symmetric if it looks the same to the left and right of the center point. Kurtosis determines whether the data are heavy-tailed or light-tailed in comparison to a normal distribution. That is, data sets with high kurtosis tend to have heavy tails, or outliers. Data sets with low kurtosis tend to have light tails, or a lack of outliers. A uniform distribution would be the extreme case (Kothari, 2004).

Descriptive Statistics									
	N	Minimum	Maximum	Mean	Std.	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Deviation Statistic	Statistic	Std. Error	Statistic	Std. Error
KCF	384	3.286	5.000	4.08306	.243322	.907	.125	1.332	.248
CRMO	384	3.500	5.000	4.09522	.322274	.710	.125	1.240	.248
KM	384	3.333	5.000	4.07372	.196093	.164	.125	.812	.248
CRMT	384	3.696	5.000	4.38159	.375145	-.177	.125	-1.187	.248
CC	384	3.375	5.000	4.07572	.175363	.448	.125	.423	.248
Valid N (listwise)	384								

17Table 4.14: Skewness and Kurtosis

Source: Own survey (2022)

The values within the range of +1.96 and -1.96 are said to be acceptable. Beyond these limits, data is referred to as skewed (Hair, 2010), and Bryne (2010) argued that data is considered normal if the skewness is between 2 and +2 and the kurtosis is between 7 and +7. By a rule of thumb, the researcher's data is normally distributed.

Tests of Normality						
	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Studentized Residual	.036	384	.200*	.994	384	.180

*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

18Table 4.15: Test of normality

Source: Own survey (2022)

The results obtained from shapiro wilk test indicate that all the variables had a p-value greater than (0.05), meaning that variables involved in the study follow a normal distribution; therefore, it can be concluded that the residual value is normally distributed so that the regression analysis procedure have been fulfilled.

4.7.2. Multicollinearity Test

Multicollinearity means a state of very high inter-correlation or inter-associations among the independent variables. It is therefore a type of disturbance in the data, and if present in the data the statistical inferences made about the data may not be reliable. Multicollinearity generally occurs

when there are high correlations between two or more predictor variables. In other words, one predictor variable can be used to predict the other. This creates redundant information (Kothari, 2004). Strong relationship between explanatory variables is a problem of multicollinearity and not acceptable for ordinary least square regression analyses.

Coefficients ^a		
Model	Collinearity Statistics	
	Tolerance	VIF
1		
(Constant)		
KCF	.628	1.594
CRMO	.630	1.587
KM	.602	1.662
CRMT	.819	1.221

a. Dependent Variable: CC

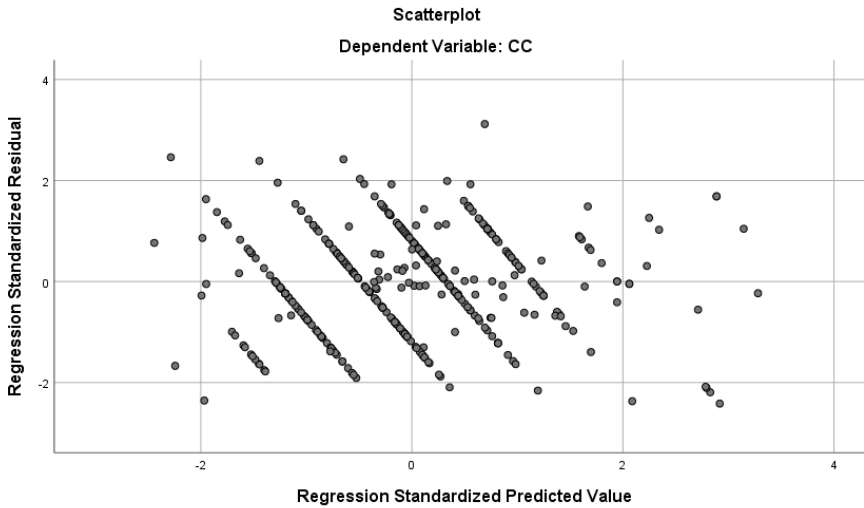
Table 4.16: Collinearity Statistics Test of predictive Variables Coefficients

Source: Own survey (2022)

Variance-inflation factor (VIF) has also been checked and values are found to be smaller, which supports that multicollinearity is not a problem. In this study, all VIFs were less than 10, and all VIFs were accepted as per (Hair, 2010). Moreover, tolerance statistics in regression analysis help to detect co-linearity problems. A tolerance value runs from 0 to 1, and values closer to 1 indicate no multicollinearity problem (Keith, 2006). In this study, all the tolerances are above 0.8 and, therefore, the amount of variation in that construct is not explained by other predictors. All the two tests indicated that there was no multicollinearity problem.

4.7.3. Homoscedasticity Test

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



2Figure 4.2: Scatter plot of Customer commitment & CRM Dimensions

Source: Own survey (2022)

4.7.4. Autocorrelation Test

Autocorrelation is a mathematical representation of the degree of similarity between a given time series and a lagged version of itself over successive time intervals. It is the same as calculating the correlation between two different time series, except autocorrelation uses the same time series twice: once in its original form and once lagged one or more time periods (Kothari, 2004). Autocorrelation or independence of errors refers to the assumption that errors are independent of one another, implying that subjects are responding independently (Stevens, 2009). DurbinWatson statistic can be used to test the assumption that our residuals are independent (or uncorrelated). This statistic can vary from 0 to 4. For this assumption to be met, the DW value needs to be close to 2. Values below 1 and above 3 are problematic and causes for concern.

Model Summary^b

Model	Durbin-Watson
1	1.960

a. Predictors: (Constant), CRMT, CRMO, KCF, KM

b. Dependent Variable: CC

20Table 4.18: Autocorrelation Test

Source: Own survey (2022)

4.8. Regression Analysis Results

Multiple regression is a model for the relationship between a dependent variable and a collection of independent variables. It is also used to model the value of a dependent scale variable based on its linear relationship, or "straight line" relationship, to one or more predictors. The researcher determined the relationship between a dependent variable (customer commitment) and collective independent variables (key customer focus, knowledge management, CRM organization, and technology-based CRM) using multiple regression analysis. So, to do this, let's start with the overall significance of the regression model test.

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.928 ^a	.862	.861	.062067	1.960

a. Predictors: (Constant), CRMT, CRMO, KCF, KM

b. Dependent Variable: CC

21 Table 4.19 table of model summery

Source: Own survey (2022)

The model summary in the above table 4.19 reports the strength of the relationship between the independent variable (customer relationship management dimensions) and the dependent variable (customer commitment). In the above table, the R is a Pearson correlation between predicted values and actual values of the dependent variable, with a value of 0.928. R^2 is a multiple correlation coefficient that represents the amount of variance of a dependent variable, i.e., customer commitment is explained by the combination of four independent variables of CRM dimensions (Key Customer Focus, Knowledge Management, CRM Organization, and Technology-based-CRM) and 86.2% of customer commitment is explained by four predictors. The value of R square implies that 86.2% of the variance in the dependent variable (customer commitment) can be predicted from the independent variables. The remaining 13.8% of the change is explained by other factors which are not included in this study model. Both the R-squared and the adjusted R-squared values in this study are found to be sufficient enough to infer that the fitted regression line is very close to all of the data points taken together (has more explanatory power). R-Squared greater than 20% is still large enough for such data to yield reliable conclusions (Kothari, 2004).

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.120	4	2.280	591.871	.000 ^b
	Residual	1.460	379	.004		
	Total	10.580	383			

a. Dependent Variable: CC

b. Predictors: (Constant), CRMT, CRMO, KCF, KM

22Table 4.20 ANOVA table

Source: Own survey (2022)

The ANOVA (Analysis of Variance) table provides the result of test of significance for R and R². Accordingly, it shows the F-ratio is the test statistic used to decide whether the model as a whole has statistically significant predictive capability, considering the number of variables needed to achieve it. Since the significance result on the ANOVA table 4.20 is 0.000 which is $p < 0.05$ and the regression mean square is greater than residual mean square with F value 591.871, the regression model fit to a good degree of prediction. Thus, which states the independent variables Key Customer focus, Knowledge Management, CRM Organization and Technology based –CRM significantly explain the variance in customer commitment in both selected bank.

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.692	.072		9.568	.000		
	KCF	.301	.017	.435	18.066	.000	.628	1.594
	CRMO	.048	.012	.095	3.968	.000	.630	1.587
	KM	.371	.021	.425	17.272	.000	.602	1.662
	CRMT	.102	.009	.230	10.931	.000	.819	1.221

a. Dependent Variable: CC

23Table 4.21 Coefficients of relationship management dimensions

Under Beta coefficient table, standardized Beta coefficient and unstandardized beta coefficient values are used to predict the relative importance of each independent variable and to formulate the linear regression equation respectively. Based on the standardized beta coefficient values, it can be shown that Key Customer focus, Knowledge Management, CRM Organization and

Technology based –CRM found to be significant predictors of customer commitment in case study area in Finote Selam town for both selected two commercial banks such as CBE and BOA.

The linear multiple regression formula for the dependent variable, customer commitment and independent variables Key Customer focus, Knowledge Management, CRM Organization and Technology based –CRM took the form of:

$$CC = \beta_0 + \beta_1 KCF + \beta_2 CRMO + \beta_3 KM + \beta_4 CRMT + \varepsilon$$

$$CC = 0.692 + 0.435(KCF) + 0.095(CRMO) + 0.425(KM) + 0.230(CRMT)$$

The following is a statement of the formula's implication: When all other predictor variables are set to zero, the value of customer commitment will grow by 43.5% for every unit increase in the value of key customer focus in the chosen banks. The value of client commitment will improve by 9.5% for every unit increase in the value of CRM organization in certain banks. The value of client commitment will increase by 42.5% for every unit increase in the value of knowledge management in particular banks. Customer commitment will improve by 23.0% for every unit increase in the value of technology-based CRM in particular banks. The value of client commitment will rise by 20.6% for every unit increase in the value of communication in particular banks. Customer commitment will improve in value by 3.6% for every unit gain in trust in particular institutions.

4.9. Hypotheses Testing

The researcher initially asserted six hypotheses to be tested in this research, and out of those four hypotheses (H1, H2, H3, H4) are tested using the above coefficients of relationship management dimensions of 4.21, whereas H5 and H6 are tested using an independent t-value. As it is shown in table 4.21 β value for all predictors are positive, which implies that all predictors (independent variables) have a positive relationship with customer commitment.

H1: Key Customers focus has a positive and significant effect on customer commitment. The result of the regression analysis, which is shown in table 4.21, shows that the key customer focus variable has a positive and statistically significant effect on customer commitment at a $p < 0.05$ level, as the p value of the predictor in table 4.21 is 0.000. Therefore, the study fails to reject H1 but rather accepts H1.

H2: CRM Organization has a positive and significant effect on Customer commitment. The result of the regression analysis, which is shown in table 4.21, shows that knowledge management has a positive and statistically significant effect on customer commitment at a $p < 0.05$ level, as the regression output in table 4.21 has a sig. value of 0.000, which is less than 0.05. Therefore, the study fails to reject rather than accept H2.

H3: Knowledge Management has a positive and significant effect on Customer commitment. The result of the regression analysis which is showed in table 4.21 shows that CRM Organization variable has a positive and statistically significant effect on Customer commitment at $p < 0.05$ level as sig. value in table 4.21 shows 0.000 which is less than 0.05. Hence, the study fail to reject H3 rather it accept H3.

H4: Technology based-CRM has a positive and significant effect on Customer commitment. The result of the regression analysis, which is shown in table 4.21, shows that technology-based-CRM has a positive and statistically significant effect on customer commitment at a $p < 0.05$ level, as the regression output sig. value is 0.000, which is less than 0.05. Therefore, the study failed to reject H4 rather than accept H4.

4.10. The Independent Sample t-test

The t-test assesses whether the means of two groups, or conditions, are statistically different from one another. Accordingly, the hypothesis that there is a significant difference between public and private banks in terms of CRM practices and customers' commitment in Ethiopia was evaluated by comparing the means of the two independent groups, i.e., public and private banks, and it was also evaluated using the Levene's test significance.

They are reasonably powerful tests used on data that is parametric and normally distributed. Therefore, the researcher used an independent t-test to test hypotheses H5 and H6 as the hypotheses testing involves a comparison of CBE and BOA Banks' CRM and customer commitment mean value.

4.10.1 Independent sample t-test analysis between CBE and BOA in respect to CRM dimensions.

As the result of an independent sample t-test analysis of CBE (public bank) and BOA (private bank) in respect of CRM practice indicates, customer relationship management is practiced more in private banks than in public banks. As it is indicated in table 4.22, the mean CRM dimensions score for CBE and BOA is 4.07232 and 4.13361, respectively. In addition, you can see from table 4.22 that the standard deviations that the variation in the data (i.e., the spread of scores) for CBE and BOA is 0.148146 and 0.186515 respectively.

Group Statistics						
		which bank u can service				
		now	N	Mean	Std. Deviation	Std. Error Mean
CRM dimensions	CBE		296	4.07232	.148146	.008611
	BOA		88	4.13361	.186515	.019883

24Table 4.22: Group Statistics result for CBE and BOA in respect of CRM dimensions

Source: Own survey (2022)

Independent Samples Test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
CRM dimensions	Equal variances assumed	4.663	.031	-3.201	382	.001	-.061288	.019148	-.098938	-.023639
	Equal variances not assumed			-2.829	121.436	.005	-.061288	.021667	-.104183	-.018394

25Table 4.23 independent sample t-test of CRM dimensions

Source: Own survey (2022)

In the above table 4.23, you can see how one should interpret the difference between the meanings. To find out whether this observed difference between the mean values is statistically significant or not, we need to look at the table of inferential statistics. Table 4.23 displays the inferential statistics of the independent t-test. Table 4.23 has two rows: we use one when variances are equal and the other when they are not. In this case, the variances can be assumed to be equal as the F-value is significant ($p = 0.031$). As such, we only need to read the values from the first row of table 4.23. The significance level (also called the probability or p-value) tells us the likelihood that the results have occurred by chance. If this value is smaller than 0.05, then there is support for our hypothesis. If it is larger than 0.05, then we reject our hypotheses, which means there are no differences between the two groups. Accordingly, the p-value labeled as "sig" (0.031) under the t-test for equality of means from table 4.23. Which is less than 0.05. Thus, we can conclude that there is a statistically significant difference between public and private banks, particularly CBE and BOA, in terms of their CRM dimension practices in Ethiopia. CRM is more practiced in BOA than in CBE.

H5: There is significant difference on CRM dimensions between CBE and BOA bank.

4.10.2. Independent sample t-test analysis between CBE and BOA in respect to customers' commitment

As the result of an independent sample t-test analysis of CBE (public bank) and BOA (private bank) in terms of customer commitment indicates, customers of private banks are more committed than public banks. Table 4.24 displays the descriptive statistics for CBE and BOA in terms of the customer commitment dimension. In this table, you can see that the mean customer commitment score for CBE and BOA is 4.06088 and 4.12170 respectively. In addition, you can see from table 4.24 that the standard deviations (i.e., the spread of scores) for CBE and BOA are 0.156068 and 0.198200, respectively.

Group Statistics

	which bank u can service	N	Mean	Std. Deviation	Std. Error Mean
	now				
CC	CBE	296	4.06088	.153068	.008897
	BOA	88	4.12170	.198200	.021128

26Table 4.24: Group Statistics result for CBE and BOA in respect of CC dimensions

Source: Own survey (2022)

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2- tailed)	Mean Difference	Std. Error Difference	Lower	Upper
CC	Equal variances assumed	3.250	.072	-3.046	382	.002	-.060815	.019966	-.100071	-.021558
	Equal variances not assumed			-2.653	119.48	.009	-.060815	.022925	-.106207	-.015423

27Table 4.25 independent sample t-test of customer commitment

Source: Own survey (2022)

Now let us see whether the difference is statistically significant. Table 4.25 displays the inferential statistics of the output from the independent t-test. Table 4.25 has two rows: we use one when variances are equal and the other when they are not. In this case the variances can be assumed to be equal as the F-value is not significant ($p = 0.072$). As p-value 0.072 is greater than the significance level 0.05 we need to read the values from the first row of the table 4.25. The significance level (also called the probability or p-value) tells us the likelihood that the results have occurred by chance. If this value is smaller than 0.05 then there is support for our hypothesis. If it is larger than 0.05, then we reject our hypotheses, which is that there are no differences between the two groups. Accordingly the p-value labeled as “sig” (0.072) under t-test for equality of means from table 4.25 is greater than the significance level 0.05. Thus, we can conclude that there is no statistically significant difference between public and private banks particularly CBE and BOA in terms of customer commitment in Ethiopia.

H6: There is no significant difference on customer commitment between CBE and BOA bank.

4.11. Discussion of the Result

This discussion is very important to provide more clarification on the above results. This research is related with the elements of relationship management towards customer relationship management dimensions on customer commitment within the Banking industry in Ethiopia, by analyzing the relationship of every construct in the theoretical framework. Demographic factors such as the respondents' gender, age group, education back ground, purpose of the bank service used, years of relationship with the bank have been used to know the general characteristics of the respondents. Based on the results from this research, relationship management is correlated with customer's commitment. The findings show that relationship management activities can explain 86.2% of customers' commitment in banking industry.

Relationship management dimensions particularly key customer focus and knowledge management have greater effect on customers' commitment and it is more important in shaping what customers prefer about the bank. The research used 65.9% male and 34.1% of female as respondents. In terms of age, the majority of respondents are in between 31-40 years old which was accounted 45.1% and followed by 18- 30 which constituted 38.5%. With regard to the education background of respondents, the majority are diploma holder with 35.9% which is followed by primary and secondary education qualifiers which accounted 31.3%. When we look at the length of time customers' relationship with the bank's services, most of the customers used the bank's services for 1-3 years which accounted 28.9% followed by 27.6% used the bank's services for above 7 years. Out of the total respondent 77.9% represents public bank (CBE) customer and 22.1% of the respondent accounted for private banks (BOA) customer. The finding also indicates that all demographic factors considered in this study have no clear relationship with customers' commitment.

Multiple Correlations was conducted to assess the relationship that exists among CRM dimensions and Customer commitment. The correlation matrix indicated that all CRM dimensions have a positive and significant correlation with customer commitment with value of coefficient of correlation r ranging from 0.568 to 0.790, The highest correlation is signified by KCF ($r = 0.790$),

followed by KM ($r = 0.776$), CRMO ($r = 0.603$) and CRMT ($r = 0.568$). Which implies that as the CRM dimensions performs better, the customer commitment also do same and vice-versa.

In case of the assumptions of the study when we see the linearity assumption from the scatter plot it illustrates that the points are scattered with the horizontal line and the independent variables are linearly related with the dependent variables. Therefore, there is no problem linearity assumption. Having tested the relationship of all independent and dependent variables, it is checked that there is no multi-collinearity problem among the predictor variables with tolerance value more than 0.1 and VIF value less than 10. The normality assumptions was tested by looking at the P-P plot and scatter plot with histogram of normal curve which looks normal and the normal probability(P-P) plot dots are realistically nearer to the normal line. Therefore, the residuals are normally distributed. The residuals are randomly scattered around 0 the horizontal line and the scatter plot shows that the points are concentrated around which shows no violation of homoscedasticity and no major outliers. Since the Durbin-Watson result of the study 1.960 which closes to 2, there is not autocorrelation in the sample.

The study also intended to test if there is significant effect between relationship management dimension practices, and customer commitment. Based on the results of the study the major findings are as follows. Multiple regression analysis also was conducted to see to what extent the independent variables have influence to explain or to predict the variation in dependent variable. According to the regression model summary table CRM dimension explained 86.2% of variation in dependent variable i.e. customer commitment. The ANOVA table showed us that the regression model is fit to a good degree of prediction as the sig (P) value is less than 0.05. According to the result of multiple regression customer knowledge management dimension that has strongest positive influence on customer commitment with the unstandardized coefficient value $\beta = 0.371$ which implies a unit increase in customer knowledge management, would increase customer by 37.1% units assuming that all others dimensions remain constant. Key Customer focus is ranked as second important independent variable as it has the second highest a regression coefficient of $\beta = 0.301$. results are in line with some of the established research works that demonstrate that CRM implementation leads to a long-lasting relationship with customers which results in achieving customer commitment and satisfaction, (Buttle, 2004; Pai and Tu, 2011; Dutu and Halmajan, 2011;

Akroush et al., 2011; Elkordy, 2014; Sayani, 2015; Abbas and Sana, 2017, Rahimi and Kozak, 2017; Sigala, 2018).

In this thesis, hypothesize earlier in chapter two had tested using regression model and t-test. In connection to independent sample t-test analysis, results indicated that there is a significant difference between CBE and BOA in terms of CRM dimensions practice ($p=0.031<0.05$). The private banks are practicing customer relationship management dimensions more than public banks. And also, BOA (Private Banks) customers' agreement level on average regarding CRM dimension practice is (4.13361); it is more than CBE (private banks) customers' average score (4.07232). While, from independent t-test table there is no significant difference between CBE and BOA in terms of customer commitment ($p=0.72>0.05$). But when we see agreement level on average regarding the perceptions of customers' commitment. The BOA (private banks) customers' agreement level on average score (4.12170) are more committed to their bank than CBE (public banks) customers' average score (4.02608).

In today's competitive environment, banks should build and maintain good relationship with the target customers in order to succeed and survive. To maintain good relationship with customers, relationship management is an important tool. In this case, the bank must prepare invaluable information to build strong relationship with the customers for the purpose of gaining their commitment and preventing customers from switching to other banks. Customers can be remaining committed towards a bank for a number of reasons. This research have identified four elements of relationship management dimensions that will have significant effect on customers' commitment in banking industry such as key customer focus, CRM organization, knowledge management and technology based CRM.

The results confirmed that customer orientation has a significant positive effect on customer commitment. This strong association between customer orientation and customer commitment observed is consistent with the results reported by Yeung et al. (2004), Mohammed et al. (2013) and Tseng (2018). The finding of akroush et al. (2011) have shown that KCF failed to show a significant relationship with Jordanian Financial service organizations' performance comprised of the financial performance and marketing performance. This is contradictory to the general belief in the CRM literature expressed by Sin et al. (2005), in that maintaining an overwhelming customer

focus on the part of the most senior levels in the organization is essential to the success of the CRM dimensions and its effect on a firm's performance. This finding also differs from that of Yim et al. (2004), whose study pointed out that "focusing on key customers" significantly affects customer satisfaction, and indirectly affects customer commitment, which are customers getting helpful advice from employees or customers perceiving their expectations to be met by the service performance (Ala' Omar Dandis et al., 2021).

The results show that CRM organization exerts a significant positive impact on customer commitment. This result is similar to the findings reported by Sofi (2020); Rahimi and Kozak, 2017; Rahimi and Gunlu, 2016 and Conze et al. (2010). Further, Akroush et al., 2011 and Sin et al., 2005 have empirically validated the notion that CRM organization influences the customer performances (commitment). Thus, it reflects that having an organization-wide commitment is critical for the success of CRM effort undertaken by the organization. Moreover, CRM organization also entails properly allocating the required resources and aligning the essential capabilities necessary to transform customers' performance (Akroush et al., 2011). Thus, having a customer-oriented focus alone does not guarantee concrete financial results unless there is an organization-wide commitment to the CRM strategy.

The results indicate that customer knowledge management has a significant effect on customer commitment. This finding is in line with the results of Kim et al. (2003) who posited that organizations integrate and utilize all relevant information on each customer to facilitate effective service delivery. Similarly, Mohammed et al. (2013) found a positive relationship between managing knowledge and customer service performance. Making skillful use of customer knowledge gathered over a series of interactions or touch points and applying CRM-based technology, companies can more effectively respond to the changing needs of customers with customized offerings. This personalization of products and services serves to further lock customers into long-term relationships by adding to customer switching costs (Burnham, Frels, and Mahajan 2003; Vandermerew 2004). Furthermore, by organizing their CRM operations around customer groups, companies can assign direct accountability, keep abreast of changing customer expectations for different segments, and obtain early warnings from customers who may be on the verge of leaving. With this CRM knowledge network, timely remedial actions can be taken to address the specific problems or expectations of discontent customers, thereby increasing the

retention rate. Providing monetary and recognition incentives to motivate a CRM-orientation can help keep salespeople focused on customer satisfaction and customer commitment (Wang, 2019; Johnson, 2004). Consequently, value-added activities are performed thereby creating customer commitment, customer satisfaction.

Though the results support that CRM-based technology has a positive effect on customer commitment, yet the magnitude of this relation is very weak. Thus, confirming only directional support to the hypothesis. This finding contradicts the results of Mohammed et al. (2013) and Sin et al. (2005) who found that technology-based CRM exerts a strong positive effect on customer commitment (performance). Sofi (2020) in his study view CRM-based technology merely as a tool for storing customer information. This argument is further supported by Osarenkhoe and Bennai (2007) and Payne and Frow (2005) who posited that technology is not viewed as a system for processing customer information but is only considered as a solution for storing information.

The study in general indicated that the four CRM dimensions have significant effect on customer commitment.

Hypothesis	Statement of Hypothesis	Method of analysis used	Result
H1	H1: Key Customers focus has a positive and significant effect on customer commitment	Multiple regression	Support
H2	H2: CRM organization has a positive and significant effect on customer commitment	Multiple regression	Support
H3	H3: knowledge management has a positive and significant effect on customer commitment	Multiple regression	Support
H4	H4: technology based CRM has a positive and significant effect on customer commitment	Multiple regression	Support
H5	H5: There is significant difference on CRM dimensions between CBE and BOA bank.	Independent t-test	Support
H6	H6: There is no significant difference on customer commitment between CBE and BOA bank.	Independent t-test	Reject

28Table 4.26 Summery of Hypotheses Test

Sources: Own Survey, 2022

CHAPTER FIVE

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

5.1. Summary for major findings

The main purpose of the study was to examine the effect of customer relationship management on customers' commitment for the cases of CBE and BOA to generally show its effect between the public and private banking industry in Ethiopia. The major goal of relationship management is to create long-lasting relationships with customers. A lasting relationship with customers is the first requirement to survive in a competitive environment and to generate profit. This study gives an insight into how customers perceive CRM implementation and its effect on customer commitment, which in turn helps the bank to identify gaps between customers' needs and the current customer relationship activity of the bank and dimensions that contribute to customer commitment. Then, relationship management is to create a lasting relationship with customers. A lasting relationship with customers is the first requirement to survive in a competitive environment and to generate profit. The relationship management dimensions that were included in this research are key customer focus, CRM organizations, knowledge management, and technology-based CRM.

The findings support the viewpoint that relationship management dimensions can enhance the quality of a buyer-seller relationship and, in turn, increase customer commitment. Key customer focus, CRM organizations, knowledge management, and technology-based CRM are not only the desired outcomes of relationship management but also the antecedents of customer commitment.

Respondents were asked to assess CBE and BOA CRM dimension practices and their potential effects on customer commitment. Accordingly, the descriptive statistics mean value of the four CRM dimensions indicated that technology-based CRM has the highest mean value of (4.38159) whereas knowledge management has the least mean value (4.07372) among the four CRM dimensions. The mean score of the four CRM dimensions indicates that there are areas in which banks can improve to have better CRM practices. In particular, efforts must be exerted to improve the customer knowledge management dimension, which scores the lowest mean value. When we look at the CRM dimensions mean score of CBE and BOA in comparative form, there is no such significant difference between them.

With regard to the Pearson correlations, they were conducted to assess the relationship that exists among CRM dimensions and customer commitment. The correlation matrix indicated that all CRM dimensions have a positive and significant correlation with customer commitment, with a value of coefficient of correlation r ranging from 0.568 to 0.790, which implies that as the CRM dimensions perform better, the customer commitment also does the same and vice-versa.

On the regression analysis part, it is clearly shown that relationship management explains customer commitment. The regression analysis indicated that 86.2% customer commitment is explained by relationship management. Each independent variable is also regressed against customers' commitment and the result shows that all the independent variables can explain the dependent variable i.e. customer commitment.

5.2. Conclusion

The banking industry in Ethiopia is getting highly competitive, stiff and dynamic from time to time. Hence, bank management must develop customer-oriented strategies in order to compete successfully in the competitive retail banking environment. In the face of the current competitive market, enhance the existing customers' commitment customer must be the priority of every bank. The longer the bank retain a customer, the greater the revenue and cost saving from the customer.

Theoretical implications: The proposed research model contributes to CRM theory by identifying CRM dimensions constructs that can reflect its practice in actionable and practical organizational activities conducive to facilitating customer benefits and the firm's performance. This research also aims to fill the theoretical gap in relationship management literature in general, particularly in the Ethiopian banking industry especially in the case study area. We hope that future research into this field will compare their findings with the results of the current study.

Managerial implications

This study offers various managerial implications for banking service providers to practice their CRM dimensions. So, Based on previous theories and researches regarding relationship management and its outcomes, this study shows that clear links between relationship management and customer commitment, which helps to deeply understand the relationship and interaction between relationship management and customers' commitment. Accordingly, the aim of this

research was to investigate the major factors that determine customer commitment among customers of both public and private banks located in Finote Selam. Based on the conceptual framework and the measuring instrument employed there were four factors which are identified and measured. Among the factors, the findings provide evidence that customer commitment is significantly influenced by factors; Key customer focus, CRM organizations, knowledge management and technology based CRM.

In view of the findings of the study discussed in the previous section, the research came up with the following conclusion.

♣ It can be conclude that the four relationship management dimensions namely Key customer focus, CRM organizations, knowledge management and technology based CRM are positively related to customer commitment in the banking industry.

♣ The thesis also concluded that Key customer focus, CRM organizations, knowledge management and technology based CRM have a positive effect on customers' commitment in commercial banks in Ethiopia, particularly in the selected two banks.

Generally, the customer relationship management has a greater effect on customers' commitment of the two banks in which the study conducted.

5.3. Recommendations

Based on the conclusions drawn in the above section the findings of this thesis also important evidence for managers who take charge of relationship management. It is also helpful for marketers to understand the effectiveness of relationship management from consumer's perspective. The following measures are recommended for CBE and BOA in order to realize ultimate benefits of Customer relationship management that create customer commitment.

As the findings of the study showed customer knowledge management dimension has the highest ($\beta=0.371$) influence on customer commitment. Hence, CBE and BOA should be very conscious in strengthening managing customers' knowledge. Therefore, CBE and BOA need to focus more attention in the above stated variable which has a potential to increase customer commitment. Both banks should invest in its employees, especially on the frontline, to motivate them to serve

customers best. Frontline employees should be trained to act in a manner that recognizes customers as a valuable asset. Can strengthen customers' knowledge management through employees training, enhancing the existing relationship with the bank customers having enough experience and information about customers, detail knowledge of every procedure with employees to help customers in a responsive manner this can be achieved through ongoing and two way communication that can makes customer service more efficient. In order to create and maintain commitment, banks must recognize that many of the core product attributes are necessary, but not sufficient for commitment. On the other hand, it is a must to have a strong connection with its customers in order to create and maintain customer commitment. By having strong relationship with customers it is possible to keep customer from switching to other competitor.

As Unstandardized coefficient β showed on this study CBE and BOA should have to pay attention to strengthen or improve CRM organization as it has the lowest effect or influence on customer commitment ($\beta=0.048$). The more banks excel in CRM organization, the more customers are satisfied and customer commitment. Therefore, both banks must strengthened their CRM organization through employees training, enhancing the existing relationship with the bank customers and having meticulous organizational structure that can makes customer service more efficient.

The findings in this study indicated that CRM is explained only 86.2% variation in customer commitment. Therefore, there is a strong need to improve the existing CRM practice and implementations in CBE and BOA to explain variation in commitment at higher percentage. In other way saying, both banks' CRM practice must be improved to influence customer commitment in a better way.

Generally, the thesis suggestions are forwarded in order to show some possible ways of interventions in implementation of CRM dimension practices; thus, promising policy, procedures and working guide recommendations are needed to improve the performance level of the bank customers' performance. A primary goal of CRM is to build and maintain a base of committed customer who is profitable for the bank. Potential candidates who are strong in focusing on customer desire managing customer knowledge, good technological skill ability, conflict resolution ability, strong commitment to the assigned tasks and adding with empathy should be

considered. Thus, employees are trustworthy and show commitment, providing individualized attention to customers that will eliminate unimportant loss and inconvenience to their customers. The strategic orientation made by the decision-makers of the bank should provide special attention for CRM as means to improve the bank's customer commitment. According to the thesis findings, the bank has methods to reduce customer defection and dissatisfaction, this shows that they are working to reduce customer complaints and focus on their customers. Potential candidates who are strong in focusing on customer desire managing customer knowledge, good technological skill ability, conflict resolution ability, strong commitment to the assigned tasks and adding with empathy should be considered. Thus, employees are trustworthy and show commitment, providing individualized attention to customers that will eliminate unimportant loss and inconvenience to their customers. In Ethiopia, the growing number of banks led to the increase in the competition of banking industry. Therefore, banks must be well aware of the want and needs of the customers.

Limitations and Future Research

The study mainly examined the effect of customer relationship management on customer commitment for CBE and BOA. As with any empirical study, some limitations result from trade-off decisions in research design. First, this research has addressed CRM dimensions adopting a scale developed by Sin et al. (2005), who found only four components of CRM dimension practices. Meanwhile, CRM dimension practice could involve more than four components and other elements might be added. It is important to understand some limitations associated with this study. First, cross-sectional data were used. Consequently, the time sequence of the relationships between CRM and commitment metrics cannot be determined unequivocally. A longitudinal study is therefore desired to provide more insights into probable causation. Future replications of this research might benefit from collecting the data from multiple intra organizational respondents. Second, customer commitment to the salesperson is a variable that needs to be examined in a CRM framework (Johnson, Barksdale, and Boles 2001). In fact, customer commitment is "the most common dependent variable used in buyer-seller relationship studies" (Wilson 1995, p. 337) and seems vital to relationship maintenance (Morgan and Hunt 1994). Future research should delve into the effect of this construct on salesperson–customer relationships.

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Appendix I
Debre Markos University
College of Business and Economics
Department of Management
Post Graduate Program in Master of Business Administration
Questionnaire to be filled by customers

Dear Respondents:-

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

Objective:-

This questionnaire is designed to collect data about "The effects of Customer Relationship Management on customer commitment of banking industry in Finote Selam town". The information that you offer me with this questionnaire used as a primary data in my case study which I am conducting as a partial fulfillment of the requirements for the degree of Masters of Business Administration (MBA) at Debre Markos University. Therefore, this research is to be evaluated in terms of its contribution to our understanding of Customer Relationship Management and Its effects on customer commitment and its contribution to improvements in the area.

Sileshi Molla

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General Instructions

- No need of writing your name.
- In all cases where answer options are available please tick (✓) in the appropriate box.

Confidentiality

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

PART I: Demographic Information

1. Gender: Male ☐ Female ☐
2. Age: 18-30 ☐ 31-40 ☐ 41-50 ☐ 51-60 ☐ 60 and above ☐
3. Education level: informal education ☐ Elementary & secondary ☐ Diploma ☐ Degree ☐
Masters and above ☐
4. Relationship with the bank: below 1 years ☐ 1-3 years ☐ 3-5 years ☐
5-7 years ☐ above 7 years ☐
5. The Bank service that you are using: Personal ☐ Business ☐ Both ☐

6. Which bank u can service now: commercial bank of Ethiopia ☐ bank of Abbyssinia ☐

PART II: Please state your level of opinion for each given statement using the following scales:

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

	Items	1	2	3	4	5
I	key customer focus					
1.	The bank has a deep understanding of customer needs					
2.	The bank has setting clear objectives and strategies for customers.					
3.	The bank understand how competitors meet their customer needs					
4.	Continuously delivering superior and added value for key customers					
5.	The Bank strengthens the emotional bonds with its key customers by wishing them on important occasions.					
6.	The Bank strives to constantly surprise and delight its key customers.					
7.	The bank regularly solicit customer feedback to improve products/services and monitor how well competitors are doing on the same metrics					
II	CRM Organization	1	2	3	4	5
1	The bank has good organizational structure that attract customers					
2	The Bank employee encourage customers to use more service of the Bank					
3	The Bank has effective customer recovery strategy including guarantee for service failure					
4	The bank has coordination of customer focused					
5	The Bank structure is meticulously designed around our customers					
6	The bank has established clear business goals related to customer acquisition, development, retention, and reactivation					
III	Customer knowledge management	1	2	3	4	5
1	The bank employees enable ongoing and two-way communication					
2	Employees of the bank have enough experience and information about customers					
3	The bank employees has detail knowledge of every procedure					

4	Ability to transform locally acquired new knowledge into organization level knowledge					
5	The Bank's employees are willing to help customers in a responsive manner					
6	Ability to handle customers and solving customer complain					
IV	CRM-based Technology	1	2	3	4	5
1	The bank gives much attention and prompts services to customers irrespective of their status using mainstream and social media					
2	The bank uses latest technology (ATMs, mobile banking, and internet banking) to offer quality services					
3	Right technical personnel for the utilization of computer technology in building customer relationships					
4	Providing Information Technology facilitates like computer aided design for managing customer relationships					
5	Disseminating information to customers through telephones to meet their urgent requests and needs					
6	The bank maintains a comprehensive database of its customers					
7	Providing major transactions through online without physical contact with the customer (transfers) for customer convenience					
	Customer commitment	1	2	3	4	5
AC1	I take pleasure in being a customer of this bank					
AC3	I have feelings of trust towards the bank					
CC1	It pays off economically to be a customer of the bank					
CC2	I would suffer economically if the relationship were broken					
CC3	This bank has location advantages versus other providers					
NC1	My attachment to the bank is mainly based on the similarity of my values					
NC2	The reason I prefer this bank to others is because of what it stands for, its values					
NC3	My relationship with this bank is very important to me					

Thank you for your cooperation!!!

Appendix II

ደብረ ማርቆስ ዩኒቨርሲቲ

በቢዝነስ እና ኢኮኖሚክስ ኮሌጅ፡ የማኔጅመንት ትምህርት ክፍል

በቢዝነስ አስተዳደር ማስተርስ ድህረ ምረቃ ፕሮግራም

በደንበኞች የሚሞላ መጠይቅ

በደብረ ማርቆስ ዩኒቨርሲቲ በቢዝነስ እና ኢኮኖሚክስ ኮሌጅ በማኔጅመንት ትምህርት ክፍል በቢዝነስ አስተዳደር ድህረ ምረቃ ተመራቂ ተማሪ ስሆን፡፡ የመመረቂያ ፅሁፌን “The effect of customer relationship Management on Customer commitment” በሚል ርእስ እየሰራሁኝ እገኛለሁ፡፡ በመሆኑም ለጥናቴ የሚያግዙኝ መረጃዎችን ለመሰብሰብ ይህን መጠይቅ ያቀረብኩኝ ሲሆን በዚህ መጠይቅ ላይ የምትሰጡት መልስ ሚስጥራዊነቱ እንደተጠበቀ እና ለዚህ ጥናት አላማ ብቻ ይውላል፡፡

ስለሺ ሞላ

(ሞባይል፡ +251920759852)

አጠቃላይ መመሪያዎች

ስምህን(ሽን) መጻፍ አይጠበቅብዎትም፡፡

የመልስ አማራጮችን በሚገኙበት አጋጣሚዎች እባክዎን በተገቢው ሳጥን ውስጥ (✓) ምልክት ያድርጉ፡፡

ክፍል አንድ፡ የስነ ሕዝብ አወቃቀር መረጃ

1. ፆታ፡ ወንድ ☐ ሴት ☐

2. ዕድሜ፡ 18-30 ☐ 31-40 ☐ 41-50 ☐ 51-60 ☐ 60 እና ከዚያ በላይ ☐

3. የትምህርት ደረጃ፡ መደበኛ ያልሆነ ትምህርት ☐ አንደኛ እና ሁለተኛ ደረጃ ☐

ዲፕሎማ ☐ ዲግሪ ☐ ማስተርስ እና ከዚያ በላይ ☐

4. ከባንኩ ጋር ያለዎ ግንኙነት፡ ከ 1 ዓመት በታች ☐ ከ 1- 3 ዓመት ☐

ከ 3 - 5 ዓመት ☐ ከ 5 - 7 ዓመት ☐ 7 ዓመት እና በላይ ☐

5. እየተጠቀሙት ያለው የባንክ አገልግሎት፡ የግል ☐ የቢዝነስ ☐ ሁለቱንም ☐

6. አሁን እየተገለገሉበት ያለው ባንክ፡ የኢትዮጵያ ንግድ ባንክ ☐ የአቢሲኒያ ባንክ ☐

ክፍል II፡ እባክዎትን ለእያንዳንዱ በተሰጡት መግለጫዎች ላይ የሚከተሉትን ሚዛኖች በመጠቀም የሚፈልጉትን ደረጃ ይግለጹ፡ 1 = በጣም አልስማማም 2 = አልስማማም 3 = ገለልተኛ

4 = እስማማለሁ 5 = በጣም እስማማለሁ

I	ለደንበኞች ስለሚሰጥ ትኩረት	1	2	3	4	5
1	ባንኩ ስለ ደንበኞቹ ፍላጎቶች ጥልቅ ግንዛቤ አለው።					
2	ባንኩ ለደንበኞቹ ግልጽ ዓላማዎችን እና ስልቶችን አዘጋጅቷል					
3	ባንኩ ሌሎች ተፎካካሪዎች የደንበኞቻቸውን ፍላጎት እንዴት እንደሚያሟሉ ይገነዘባል					
4	ባንኩ ደንበኞቹ ላቅ ያሉ አገልግሎቶችን በተከታታይነት እና ተጨማሪ እሴትን በሚጨምር ሁኔታ ያቀርባል					
5	ባንኩ ደንበኞቹ በአስፈላጊ አጋጣሚዎች ሁሉ ትስስርን በሚያጠነክር ሁኔታ ልባዊ ምቹቱን ይገልጣል					
6	ባንኩ ደንበኞችን በአገልግሎት ለማስደሰት ጥረት ያደርጋል					
7	ባንኩ ምርቶችን/አገልግሎቶችን ለማሻሻል እና ተፎካካሪዎች በተመሳሳይ መለኪያዎች ላይ ምን ያህል ጥሩ እየሰሩ እንደሆነ ለመከታተል የደንበኞችን አስተያየት በየጊዜው ይጠይቃል።					
II	የደንበኞችን ግንኙነት ማጎጥሚያ መሰረት ያደረገ የባንክ መዋቅር	1	2	3	4	5
1	ባንኩ ደንበኞችን የሚስብ ጥሩ ድርጅታዊ መዋቅር አለው					
2	የባንኩ ሰራተኞች ደንበኞች የባንኩን የተለያዩ አገልግሎቶች እንዲጠቀሙ ያበረታታሉ፡					
3	ባንኩ ለአገልግሎት መጓደል /መቋረጥ ዋስትና ይሰጣል					
4	ባንኩ ደንበኞችን ትኩረት ባደረገ መልኩ የተቀናጀ ነው					
5	የባንኩ ድርጅታዊ መዋቅር መሰረት ያደረገው ደንበኛ ተኮር በሆነ መልኩ ነው					
6	ባንኩ አዲስ ደንበኞችን በማግኘት እና ያሉትንም ደንበኞች በመጠበቅ ዙሪያ ግልፅ የሆነ አላማ አለው					
III	እውቀትን መሰረት ያደረገ የደንበኞች ግንኙነት አስተዳደር	1	2	3	4	5
1	ባንኩ በደንበኞች እና በባንኩ መካከል የሁለትዮሽ ወይም እንዲካሄድ ይበረታታል					
2	የባንኩ ሰራተኞች ስለደንበኞች አያያዝ በቂ ልምድ እና መረጃ አላቸው					
3	የባንኩ ሰራተኞች ስለደንበኞች አያያዝ በቂ ልምድ እና መረጃ አላቸው					
4	ባንኩ ለአገር በቅል እና አዲስ እውቀቶች/እሴቶች እውቅና በምስጢር ወደ ድርጅቱ ያሸጋግራል					
5	የባንኩ ሰራተኞች ደንበኞችን ለማገልገል እና ለማገዝ ፍላጎት አላቸው					

6	የባንኩ ሰራተኞች ደንበኞችን በስርዓት የማስተናገድ እና ቅሬታ የመፍታት ችሎታ አላቸው					
IV	ቴክኖሎጂን መሰረት ያደረገ የደንበኞች ግንኙነት ማፈጸሚያ	1	2	3	4	5
1	ባንኩ ለደንበኞቹ ትኩረት ሰጥቶ መገናኛ ብዙሃንን እና ማህበራዊ ሚዲያን በመጠቀም ያለበትን ደረጃ እና አገልግሎቶች ያሰጥታል					
2	ባንኩ ጥራት ያለው አገልግሎት ለመስጠት አዳዲስ ቴክኖሎጂዎችን (ኤቲኤም፣ የሞባይል ባንክ እና የኢንተርኔት ባንክን) ይጠቀማል					
3	የደንበኛ ግንኙነቶችን በመገንባት የኮምፒውተር ቴክኖሎጂን ለመጠቀም ትክክለኛ የቴክኒክ ሰራተኞችን ይዟል					
4	የደንበኛ ግንኙነቶችን ለመቆጣጠር የኢንፎርሜሽን ቴክኖሎጂዎችን በኮምፒውተር በመታገዝ አገልግሎት ይሰጣል					
5	አስቸኳይ ጥያቄዎቻቸውን እና ፍላጎቶቻቸውን (አገልግሎቶችን) ለማሟላት መረጃን በስልክ ለደንበኞች ያሰራጫል					
6	ባንኩ አጠቃላይ የደንበኞች መረጃ ቋት አለው					
7	ለደንበኛ ምች ከደንበኛው ጋር አካላዊ ግንኙነት ሳይደርጉ ዋና ዋና አገልግሎቶችን በስልክ መጠቀም እንዲችሉ አማራጮችን አቅርቧል					
	የደንበኛ ዝግጁነት	1	2	3	4	5
AC1	የባንኩ ደንበኛ በመሆኔ ደስታ ይሰማኛል					
AC2	ባንኩ ሙሉ እምነት እንዲሰማኝ እና እንድጥልበት አድርጓል					
CC1	የባንኩ ደንበኛ መሆን ኢኮኖሚያዊ ጠቀሜታ አለው					
CC2	አገልግሎቱ ቢቁረጥ በኢኮኖሚ ደረጃ እኔን ይጎዳኛል					
CC3	ከሌሎች ባንኮች በተሻለ ያለበት ቦታ ተመራጭ ያድርገዋል					
NC1	ከባንኩ ጋር ያለኝ ግንኙነት ከእኔ ፍላጎት እና አላማ ጋር ተስማሚ ነው					
NC2	ባንኩን ከሌሎች ባንኮች ለይቼ እንድመርጠው ከደረጉኝ ምክንያቶች ውስጥ ይዞት የትነሳው አላማ ነው					
NC3	ከባንኩ ጋር ያለኝ ግንኙነት ለእኔ በጣም አስፈላጊ ነው					

ስለትብብርዎ አመሰናለሁ!!!

Annex I

Data screening and cleaning

Correlations

		Correlations				
		CC	KCF	CRMO	KM	CRMT
CC	Pearson Correlation	1	.790**	.603**	.776**	.568**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	384	384	384	384	384
KCF	Pearson Correlation	.790**	1	.491**	.509**	.399**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	384	384	384	384	384
CRMO	Pearson Correlation	.603**	.491**	1	.559**	.247**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	384	384	384	384	384
KM	Pearson Correlation	.776**	.509**	.559**	1	.330**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	384	384	384	384	384
CRMT	Pearson Correlation	.568**	.399**	.247**	.330**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	384	384	384	384	384

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

Regression

Variables Entered/Removed ^a			
Model	Variables Entered	Variables Removed	Method
1	CRMT, CRMO, KCF, KM ^b	.	Enter

a. Dependent Variable: CC

b. All requested variables entered.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.928 ^a	.862	.861	.062067	1.960

a. Predictors: (Constant), CRMT, CRMO, KCF, KM

b. Dependent Variable: CC

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.120	4	2.280	591.871	.000 ^b
	Residual	1.460	379	.004		
	Total	10.580	383			

a. Dependent Variable: CC

b. Predictors: (Constant), CRMT, CRMO, KCF, KM

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)	.692	.072		9.568	.000	.550	.835		
	KCF	.301	.017	.435	18.066	.000	.268	.333	.628	1.594
	CRMO	.048	.012	.095	3.968	.000	.024	.072	.630	1.587
	KM	.371	.021	.425	17.272	.000	.329	.413	.602	1.662
	CRMT	.102	.009	.230	10.931	.000	.084	.120	.819	1.221

a. Dependent Variable: CC

Collinearity Diagnostics^a

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions				
				(Constant)	KCF	CRMO	KM	CRMT
1	1	4.989	1.000	.00	.00	.00	.00	.00
	2	.005	30.501	.00	.00	.23	.01	.74
	3	.003	39.547	.20	.02	.57	.03	.22

4	.002	54.245	.18	.97	.05	.04	.03
5	.001	73.103	.62	.01	.15	.93	.00

a. Dependent Variable: CC

Casewise Diagnostics^a

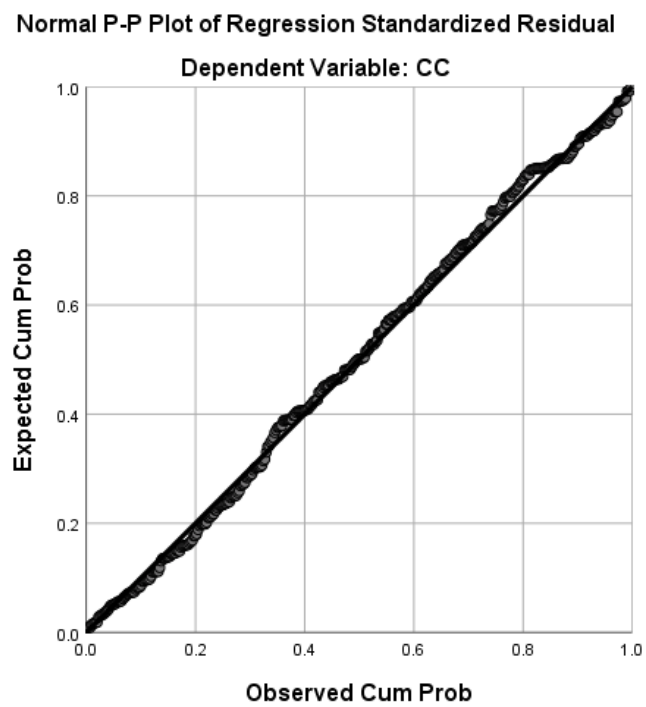
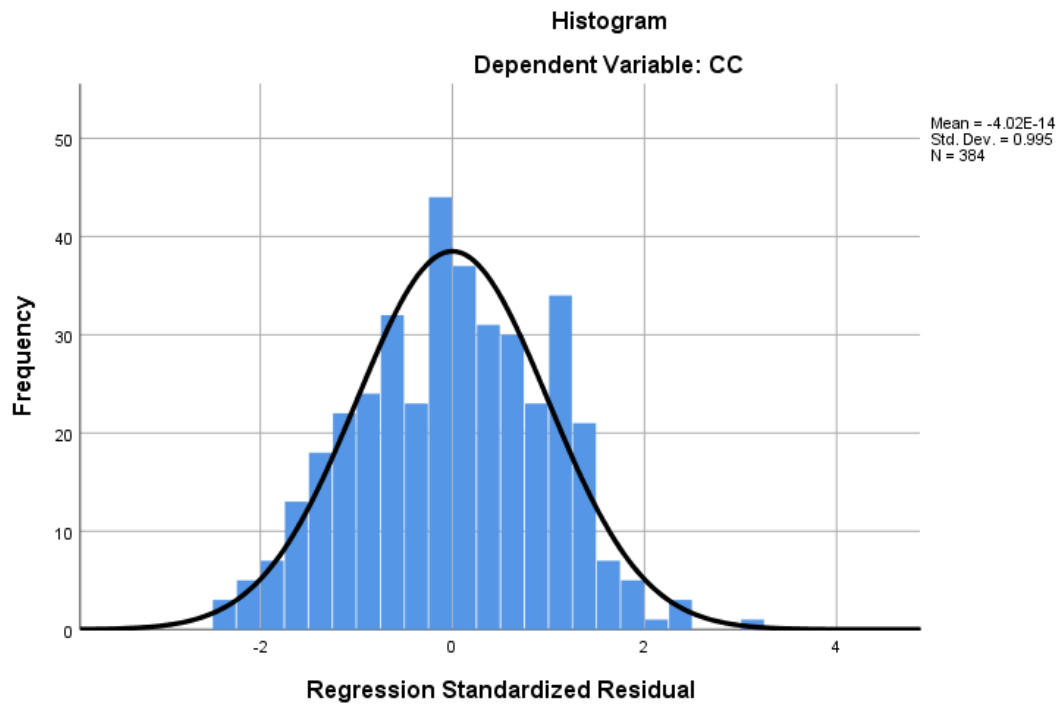
Case Number	Std. Residual	CC	Predicted Value	Residual
232	3.119	4.375	4.18143	.193574

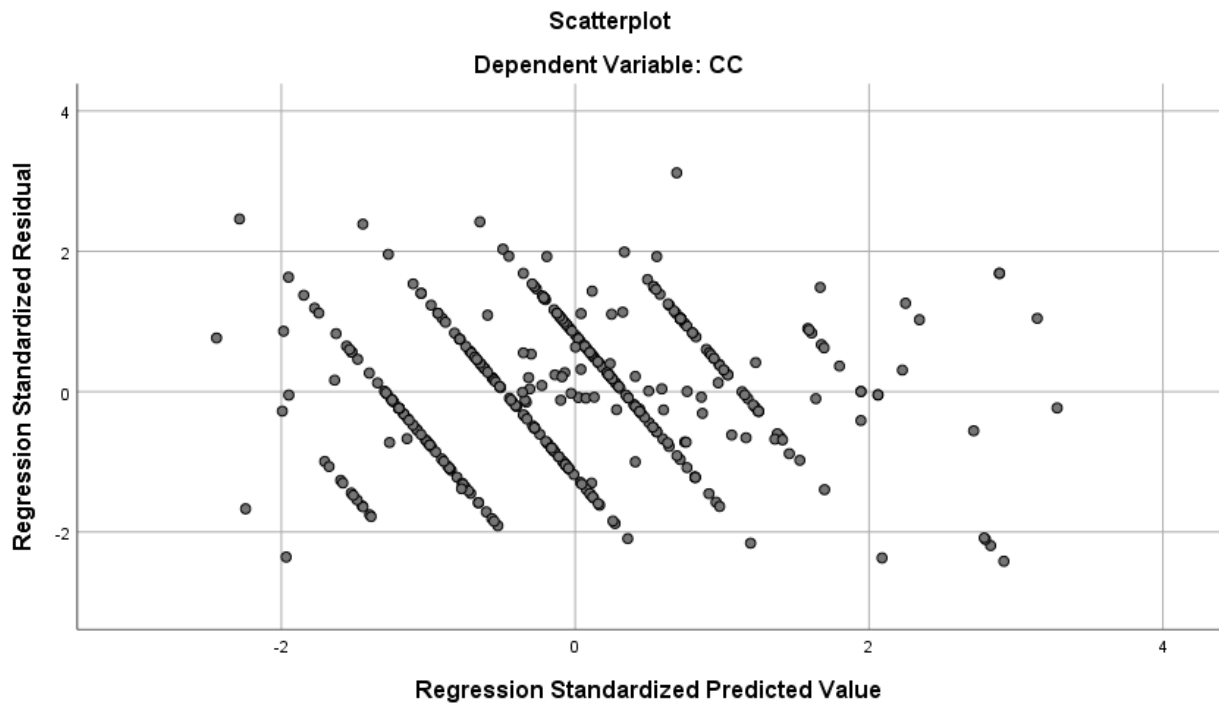
a. Dependent Variable: CC

Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	3.69808	4.58101	4.07482	.154314	384
Std. Predicted Value	-2.441	3.280	.000	1.000	384
Standard Error of Predicted Value	.003	.016	.007	.002	384
Adjusted Predicted Value	3.69527	4.58167	4.07485	.154556	384
Residual	-.150038	.193574	.000000	.061742	384
Std. Residual	-2.417	3.119	.000	.995	384
Stud. Residual	-2.473	3.205	.000	1.003	384
Deleted Residual	-.156966	.204417	-.000032	.062825	384
Stud. Deleted Residual	-2.489	3.245	.000	1.006	384
Mahal. Distance	.070	23.347	3.990	4.053	384
Cook's Distance	.000	.115	.004	.009	384
Centered Leverage Value	.000	.061	.010	.011	384

a. Dependent Variable: CC





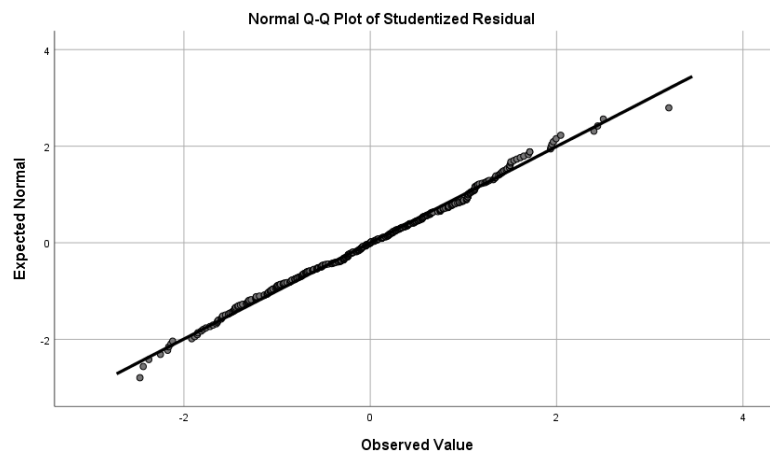
Tests of Normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Studentized Residual	.036	384	.200*	.994	384	.180

*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

Studentized Residual



T-Test

Group Statistics

	which bank u can sefrvice				
	now	N	Mean	Std. Deviation	Std. Error Mean
CRM dimensions	CBE	296	4.07232	.148146	.008611
	BOA	88	4.13361	.186515	.019883

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
CRM dimensions	Equal variances assumed	4.663	.031	-3.201	382	.001	-.061288	.019148	-.098938	-.023639
	Equal variances not assumed			-2.829	121.436	.005	-.061288	.021667	-.104183	-.018394

Group Statistics

	which bank u can sefrvice				
	now	N	Mean	Std. Deviation	Std. Error Mean
CC	CBE	296	4.06088	.153068	.008897
	BOA	88	4.12170	.198200	.021128

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2- tailed)	Mean Differenc e	Std. Error Differenc e	95% Confidence Interval of the Difference	
									Lower	Upper
CC	Equal variances assumed	3.250	.072	- 3.046	382	.002	-.060815	.019966	-.100071	-.021558
	Equal variances not assumed			- 2.653	119.4 81	.009	-.060815	.022925	-.106207	-.015423