



ST. MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

**ASSESSMENT OF RELATIONSHIP MARKETING PRACTICE:- A CASE
STUDY OF COMMERCIAL BANK OF ETHIOPIA**

BY: - Amid Gelaye

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ASSESSMENT OF RELATIONSHIP MARKETING

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LIST OF ABBREVIATIONS AND ACRONYMS

CBE	Commercial Bank of Ethiopia
RM	Relationship Marketing
CRM	Customer Relationship Management
ICT	Information Communication Technology
SPSS	Statistical Package for Social Science
ATM	Automatic Teller Machine
CATS	Customer Account Transaction Service

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Abstract

Relationship marketing is a new phenomenon in the field of marketing, and it focuses on creating a long-term relationship with customers through realizing mutual benefits of both parties. The purpose of this study is to assess relationship-marketing practice of Commercial Bank of Ethiopia in terms of relationship marketing dimensions and the levels of relationship marketing strategies. In order to obtain adequate and detailed information from customers as well as branch marketing managers of the bank both quantitative and qualitative data collection tools were used. Non-probability sampling method was employed to select respondents; specifically convenience sampling technique was used. Accordingly, the study has selected 322 respondents from seventeen branches of the bank that operates in Addis Ababa and 322 questionnaires were distributed to customers, 269 questionnaires were found usable. Descriptive statistics particularly mean, standard deviation and frequency were used to analyze data and to aid computation statistical package for social science (SPSS) software version 20.0 was used. The findings of the study showed that, average mean score of each dimension was categorized under well practiced of relationship marketing by the bank. Therefore, the bank practiced relationship marketing well when it is evaluated from the four dimensions namely informational, management, instrumental and organizational dimensions. According to the interview conducted with branch marketing managers of the bank, it practiced and considered in its marketing strategies the three levels of relationship marketing strategies namely financial, social and customization bonds, whereas, structural band is not implemented by the bank so far.

Keywords: relationship marketing

CHAPTER ONE

INTRODUCTION

1.1. Background of the Study

The emergence of relationship marketing as a separate academic domain of marketing in the 1980s and 1990s becomes more comprehensible from a historical perspective. Researchers argue that RM represents a “paradigm shift in marketing” from its previous focus on “transactions,” in which firms use the “4P model” to manage marketing-mix variables (Grönroos, 1994; Sheth and Parvatiyar, 2000).

The term relationship marketing (RM) initially proposed by Berry in 1983: “attracting, maintaining and in multi-service organizations enhancing customer relationships” (Little and Marandi, 2003; Grönroos, 2004; Harker and Egan, 2006). Relationship marketing implies the development of long-term relationships between the customers and the suppliers, in order to generate advantages for all those involved and to allow the co-creation of value rather than its unilateral distribution. As opposed to the transaction marketing (TM), where the focus is on attracting new customers and generating as many transactions as possible, RM aims not only at attracting but also at retaining customers and knowing them better.

Keeping clients, by developing relationships with them, is crucial to establishing and maintaining a competitive advantage in the market. Much of the teaching and research in marketing has tended to focus on acquiring new customers by developing new products to satisfy specific needs. However, the higher relative cost of customer acquisition has shifted the emphasis to building and maintaining long-term customer relationships to improve profitability (Ennew and Binks, 1996). Additional reasons for the drive towards the development of the relationship marketing concept stems from the maturing of services marketing; increased recognition of potential benefits for the firm and the customer; and technological developments (Berry, 1995).

According to Grönroos (1994) relationship marketing is to identify and establish, maintain and enhance and when necessary also to terminate relationships with customers and other stakeholders, at a profit, so that the objectives of all parties are met, and that this is done by a mutual exchange and fulfillment of promises.

Definitions of relationship marketing emphasize a longer-term perspective, focusing on keeping customers rather than getting customers. An effective on-going relationship between the service provider and the customer can overcome the intangible nature of services by decreasing the level of perceived risk and enhancing the trust component. The development of effective relationship marketing involves a number of contacts between the service provider and the customer. Existing research suggests the presence of five levels of relationship marketing such as basic, reactive, accountable, and proactive and partnership between the service provider and the customer (Hoffman et al., 2009).

The basic level of relationship marketing consists merely of the transaction and service use as the service provider focuses on only 'selling' the service. In the reactive level of relationship marketing apart from selling the service, the service provider encourages the customers to contact them if any problems arise. Usually with regard to the accountable level of relationship marketing the service provider calls the customer after the sale to ensure that the customer is satisfied. A stronger relationship develops as the service provider creates a level of accountability and a stronger commitment to the service provided (Gummerson, 2002).

The proactive level of relationship marketing involves the service organization maintaining contact with customers on their database from time to time. The service organization further enhances the customer's knowledge by providing information about new or improved services. In the case of the partnership level of relationship marketing, the service organization focuses continuously on their customer to improve their service performance and create a stronger relationship. The customer eventually becomes a 'partner' in the business. This type of relationship requires the customer's involvement in matters related to the service organization and its service offerings. While the service organizations gains clear benefits from partnership level of relationship marketing, in return the customer feels valued and involved in the entire service process (Gummerson, 2002).

According to Clark and Payne (1995) relationship marketing is the business of attracting and enhancing long-term client relationships. An integral part of service marketing is the fact that the consumption of a service is process consumption rather than outcome consumption (Gro'nroos, 1998). The consumer or user perceives the service production process as part of

service consumption and not only the outcome of a process as in traditional consumer packaged goods marketing.

The banking sector is becoming increasingly competitive around the world. This is particularly true in the area of small-medium business banking. Further, the core and actual product being offered to business customers could be considered reasonably homogenous. Consequently, there is an increased need for banks to differentiate themselves from competitors at the augmented product level. One way that this might be achieved is to develop longer-term relationships with their key customers (Heffernan et al, 2008).

Within a retail banking setting, Walsh et al., (2004) define RM as “the activities carried out by banks in order to attract, interact with, and retain more profitable or high net-worth customers.” Customer oriented RM programs that enhance the flow of information between the bank and customers increase customers’ positive feelings towards their bank, thereby increasing satisfaction and relationship strength (Barnes and Howlett, 1998; Ennew and Binks, 1996).

Generally, even if the definition of relationship marketing is dissimilar to different researchers there is a harmony among them. The goal of RM is to build and maintain a base of committed customers who are profitable for the organization. The research study was assessed the implementation of relationship marketing in terms of four dimensions developed by pop and plea (2006). The dimensions proposed in the study are informational, instrumental, managerial and structural dimensions.

1.2. Statement of the Problem

During the past decade, the financial services sector has undergone drastic changes, resulting in a market place which is characterized by intense competition, little growth in primary demand and increased deregulation (Bloemer, Ruyter and Peters, 1998). In the new market place, the occurrence of committed and often inherited relationships between a customer and his or her bank is becoming increasingly scarce (Levesque and McDougall, 1996). In the new market place, customers are seen as the reason for the existence of businesses, therefore several strategies have been attempted to retain customers (Meiden, 1996). However, as such innovations are frequently copied by competitors; it has been argued that a more viable approach for banks is to focus on less tangible and less easy-to-imitate determinants of customer retention such as

relationship marketing (Fornell and Wernerfelt, 1987). As several studies have indicated, retaining customers perhaps offers a more sustainable competitive advantage than acquiring new ones. What marketers are realizing is that it costs less to retain customers than to compete for new ones (Rosenberg and Czepiel, 1984).

In addition, several marketers are concerned with keeping customers for life rather than with only making a one-time sale (Cannie and Caplin, 1991). There is greater opportunity for cross-selling and up-selling to a customer who is loyal and committed to the firm and its offerings. In a recent study, Naidu, Parvatiyar, Sheth, and Westgate (1999) found that relational intensity increased in hospitals facing a higher degree of competitive intensity. Also, customer expectations have been changing rapidly over the last two decades. Fueled by new technology and the growing availability of advanced product features and services, customer expectations are changing almost on a daily basis. Consumers are less willing to make compromises or trade-offs in product and service quality. In a world of ever changing customer expectations, building cooperative and collaborative relationships with customers seems to be the most prudent way to keep track of their changing expectations and appropriately influencing them (Sheth and Sisodia, 1995).

Disinter-mediation and emergence of new financial service models are all dynamics in the financial services industry (Park, 1999). When customer's inquiries are not met easily or transactions are complicated, the customer will ask for new levels of services. Customers will only choose the institutions that are making a real effort to provide a high level of quality; fast and efficient services through all the banks touch points (Puccinelli, 1999). This has led to extreme competition and decline in customer loyalty especially in the financial service industry (Webb, 1997). Hildebrand (2000) observed that, it takes an average of 8-10 physical calls in person to sell to a new customer and 2-3 calls to sell to existing customers. He again observed that it is 5 times more expensive to acquire a new customer than to obtain a repeat business from an existing customer. A 5% increase in retaining customers translates into 25% or more increase in profitability. Averagely, businesses spend six times more to attract new customers. The average business never hears from 96% of their unhappy customers, 91% will never come back. A typical satisfied customer will tell 8-10 people about their problem with a company.

Dissatisfied customers will tell thousands of people (Limayem, 2009). It is therefore important that businesses do all in their power to satisfy and retain existing customers.

CBE was chosen as the bank industry sector for this research as it present rich information for relationship marketing practice.

Long lines, limited time for customer servicing, transaction errors, excessive bureaucracy, and security and network failures have been said to be the most frequent problems using banking services. (CBE-Annual Report 2015/16) This highly lower customer's perception on the quality of service offered and hence reduces the bank's profitability and credibility, where commercial bank of Ethiopia would never be exceptional. In spite of this, the researcher conduct an interview on "how customers perceive the RM practice of the bank" with a few number of customers. In which waiting in queues, network failures, inefficient functioning and insufficient number of ATMS, are the most important problems in most branches of CBE that can adversely affect the service quality and overall customer satisfaction level. Therefore, this research assessed how the bank implement relationship marketing from customer perspective and it gives insightful recommendation in the area of RM practice in CBE.

1.3. Research Questions

Based on the research objective and problem statement the research attempts to address the following questions.

- a) To what extent is CBE committed to applying relationship marketing in terms of the four dimensions (informational, instrumental, organizational, and managerial)?
- b) How does the bank develop and implement levels of relationship-marketing strategies?
- c) How do customers perceive the RM practice of the bank?

1.4. Objectives of the study

1.4.1. General Objective of the Study

The general objective of this study is to assess the practice of relationship marketing in CBE.

1.4.2. Specific Objectives of the Study

1. To assess RM practice from the point of relationship marketing dimensions (informational, instrumental, organizational, and managerial) in CBE.
2. To assess relationship marketing awareness and perception of customers to determine the best application of RM practice in CBE.
3. To explore how relationship marketing is developed and implemented in CBE in terms of the levels of relationship marketing strategies (financial, social, customization and structural) bonds.

1.5. Significance of the Study

In the globalization era due to technological advancement, and other reasons customers have a plenty of information about different products and services. Thus, to service providers this is a very challenging to differentiate their products and services from rivals. Due to this reason, adoption of relationship marketing is inevitable in business organizations to solve the problem through creating a long-term relationship with their customers. Therefore, the study have the following significance:

- a) It increases the level of understanding of staff members and customers about relationship marketing concept and its implementation.
- b) The result of study provides valuable insight to managers of bank how to create long term relationship with customers.
- c) It gives valuable insight for the future researchers on relationship marketing.

The finding of the study provide valuable insight to the banking industry on how to create long-term relationship with customers and how to retain profitable customers through fulfilling mutual benefit of the company and customers.

1.6. Delimitation of the Study

This research study was conducted to assess practice of relationship marketing in CBE. Hence, the study was assessed only the implementation of relationship marketing; it does not include the impact of relationship marketing on customer satisfaction and loyalty. Even though the area of relationship marketing is very wide and it requires studying at a country level by including all private banks, due to available resources and time this research was concentrated only on CBE and it comprised branches located in Addis Ababa.

The research was only assessed RM practice of the bank from customer perspective and it does not include the employees' perspective towards implementation of relationship marketing.

The dimensions proposed in the study was informational, instrumental, managerial and structural dimensions.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

The American Marketing Association's defines marketing as an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders". Relationship marketing is one of the marketing aspects that emphasizes on creating a long-term relation with customers to fulfill mutual benefit to both parties.

2.1. Evolution of Relationship Marketing

Researchers have made the compelling case that relational-based exchange was the norm for most of recorded history; the anomaly of transaction-based marketing emerged only in the early 1900s. Thus, relationship marketing is really a rebirth of marketing practices of the preindustrial age (Sheth and Parvatiyar 1995). Prior to the industrial age, most exchange occurred in local markets where farmers and craftspeople (producers) sold their products directly to end users. Producers represented both manufacturers and retailers, and embedded relationships between producers and consumers provided the trust and business norms necessary to conduct the transaction because few institutionalized protections existed.

Similarly, relationships led to confidence among traders in the transactions of goods not locally produced. Sheth and Parvatiyar (1995) offer numerous examples of trade, which would only occur among groups with ongoing relationships such as among traders along the historical "silk route" that built trust over time and examples of the use of family names in specific industries that branded relational trust. Thus, though the terminology and specific academic focus on RM are relatively new, the underlying importance of relationships for understanding exchange performance absolutely is not. Mass production and consumption during the industrial revolution changed the dynamics between producers and consumers.

Producers took advantage of the economies of scale associated with mass production to produce a large volume of goods at low cost, but these voluminous goods also required transportation, storage, and sales across a larger geographic area and customer base to dispose of them. Many consumers relocated to manufacturing centers and cities, away from agricultural areas, which

required the transportation and storage of goods to support these new population centers (Sheth and Parvatiyar 1995).

Moreover, mass production generated the need for aggressive sales and promotions to create sufficient demand for the increased volume of goods. In aggregate, industrialization led to new industries, or “middlemen,” focused on transportation, storage, selling, and retailing (Bartels, 1962). As these new channels competed for business, often with similar or indistinguishable products, exchanges became more transactional and pricing grew to represent a more, if not the most, salient component of the offering.

Institutional and functional economists operating against this backdrop investigated the functions performed by wholesalers and retailers in an exchange to develop early marketing thought (Alderson 1965). This functional economic view of marketing evolved over time by integrating psychological and sociological viewpoints, but product-centric transactions remained the dominant paradigm: marketers varied marketing-mix factors (i.e., price, product, place, and promotion) to achieve business objectives (Gronroos 1994; Sheth and Parvatiyar 1995; Vargo and Lusch 2004).

2.2. Definition of Relationship Marketing

Berry (1983) defines Relationship marketing is attracting, maintaining and enhancing customer relationships. Shani and Chalasani (1992) define relationship marketing as “an integrated effort to identify, maintain, and build up a network with individual consumers and to continuously strengthen the network for the mutual benefit of both sides, through interactive, individualized and value-added contacts over a long period of time”.

According to Clark and Payne (1995) relationship marketing is the business of attracting and enhancing long-term client relationships.

According to Gronroos (1997) relationship marketing define it is to identify and establish, maintain and enhance and when necessary also to terminate relationships with customers and other stakeholders, at a profit, so that the objectives of all parties involved are met, and that this is done by a mutual exchange and fulfillment of promises.

Relationship marketing is the ongoing process of engaging in cooperative and collaborative activities and programs with immediate and end-user customers to create or enhance mutual economic value, at reduced cost (Sheth and Parvatiyar 2000).

2.3. Development of Relationship Marketing

2.3.1. Advances in Information Technology

Berry (1995) summarizes a number of ways that information technology (IT) as a tool may facilitate the effectiveness of a relational perspective:

- Tracking the buying patterns of existing customers
- Customizing services, promotion and pricing to customers' specific requirements
- Co-coordinating or integrating the delivery of multiple services to the same customer
- providing two-way communication channels (company to customer and customer to Company)
- Minimizing the probability of service errors and breakdowns
- Augmenting core service offerings with valued extras
- Personalizing service encounters as appropriate.

2.3.2. Total Quality Management

Another major force driving the adoption of relationship marketing is the total quality movement that recently revolutionized industry's perspectives regarding quality and cost. Most companies saw the value of offering quality products and services to customers at the lowest possible prices (Jagdish N. Sheth et al. 1988). When companies embraced Total Quality Management to improve quality and reduce costs, it became necessary to involve suppliers and customers in implementing the program at all levels of the value chain. This needed close working relationships with customers, suppliers and other members of the marketing infrastructure.

2.3.3. The Maturing of Services Marketing

The importance of people has been repeatedly emphasized within services marketing literature because the service is performed and the performers are employees (often referred to as "actors"). Indeed, Gummesson (1987) coined the phrase "part time marketers" to stress the critical marketing role performed by front-line employees who interact with customers and their contribution towards delivery and service satisfaction.

Related to this was the emergence of the customer care and quality philosophies of the 1980s. Christopher et al. (1991) highlight how there was a shift of focus, particularly within service industries, towards customer care and quality as dimensions that overlap with the marketing philosophy. Interestingly, they attribute part of this shift to the popularity of Peters and Waterman's text *In Search of Excellence* (1982). They further propose that the natural outcome of quality service delivery and customer care is the development of relationships through interaction between employees and customers. As a result, these entities are inextricably linked.

2.3.4. Increased Competition and Concern for Customer Retention

Finally, in the post-industrialization period the increase in competitive intensity is forcing marketers to be concerned with customer retention. As several studies have indicated, retaining customers is less expensive and perhaps a more sustainable competitive advantage than acquiring new customers. Marketers are realizing that it costs less to retain customers than to compete for new ones (Rosenberg & Czepiel, 1999). On the supply side, it pays more to develop closer relationships with a few suppliers than to develop more vendors. In addition, several marketers are also concerned with keeping customers for life, rather than merely making a one-time sale (Cannie and Caplin, 2001).

2.4. Benefits of Relationship Marketing

According to Mudie and Pirrie (2006) benefits of relationship, marketing to the customers and service providers are:

- Relational customers tend to increase their purchases over time, either because they are consolidating their purchasing onto a preferred supplier or because their own business/family has grown and there is a need for more.
- Experienced customers tend to make fewer demands on the supplier and fewer mistakes in their operation of the service. Therefore, productivity is improved and operating costs has reduced.
- Long-term satisfied customers will engage in positive word-of-mouth recommendation, thereby reducing the marketing spend necessary to attract new buyers.
- There is less need to offer price promotions to this group. Indeed these customers are likely to be less price-sensitive than others (which do not mean they have no price sensitivities). In addition to economic benefits, establishing long-term relationships with

customers leads to improved levels of trust and commitment. These can play a powerful role in consumer acceptance of new service initiatives, and in increased tolerance of occasional services failure (Mudie and Pirrie, 2006).

2.5. Levels of Relationship Marketing Strategies

With the key building blocks of relationship marketing in place, the company is ready to design its relationship strategy. Berry and Parasuraman (1991) have developed a framework to assist in the design of relationship strategies. This framework depicts four levels of bond that the service provider can deploy: financial, social, customization and structural (Mudie and Pirrie, 2006).

2.5.1. Financial Bonds (Level One)

At this level, the customer is tied to the firm primarily through financial incentives, lower price for greater volume purchase or lower price for customers who have been with the firm a long time (Zeithaml & Bitner, 2004). For many, this type of bond represents the starter pack in terms of building customer relationships. Customer is incentivizing with reduced prices over time for remaining with the company. On the other hand, some sort of volume discount can offered for taking a larger share of the customer's business or merely increasing the volume or value of the business that done. Unfortunately, financial incentives do not generally provide long-term advantages to a firm because, unless combined with another relationship strategy they do not differentiate the firm from its competitors in the long run. While, price and other financial incentives are generally not difficult for competitors to imitate because the primary customized element of the marketing mix is price (Zeithaml & Bitner, 2004).

2.5.2. Social Bonds (Level Two)

Level two strategies bind customers to the firm through more than financial incentives. Price is still important marketers build relationship through social and interpersonal as well as financial bonds (Zeithaml & Bitner, 2004).

Companies seek to build intimate relationships through social or interpersonal bonds. The customer is no longer faceless (sometimes even nameless). He is a 'client', 'partner' and in some cases even a 'stakeholder'. Historically this has predominantly practiced in business-to business services. The advertising agency account manager will be charge by his or her agency with having a strong bond with the marketing director of the client company. The account manager will expect to socialize with the client and listen to their worries. In return, the client is not

expect to complain when the agency delivers late and over-budgets. Sometimes the social bond is not between the customer and the service employee but it formed between customers. These relationships bind them to the service provider (Mudie and Pirrie, 2006).

Social bonds alone may not tie the customer permanently to the firm, but they are much more difficult for competitors to imitate. In the absence of strong reasons to shift to another provider, interpersonal bonds can encourage customers to stay in relationship. In combination with financial incentives social bonding strategies may be very effective (Zeithaml & Bitner, 2004).

2.5.3. Customization Bonds (Level Three)

The service provider is attempting to create these types of bonds when it customizes the service that delivered to particular groups of customers: in other words, the provider tailor makes the service to the needs of the customer. In the arena of business-to-business services, the service provider may have no alternative other than to customize its offering. Consider the accountancy firm or the commercial law practice: the service they offer one particular client is unlikely to be identical to that offered to any other. The customer bonded to the service provider through this customization. For many such services, there is often a high cost for the customer of switching to another service provider. Therefore, where customizing the service becomes de facto a necessary component of service delivery, the service provider should also be monitoring the relationship to ensure the customer remains positively predisposed to the company (Mudie and Pirrie, 2006).

Two commonly used terms fit within customization bonds approach: mass customization and customer intimacy. Both of these strategies suggest the customer loyalty can be encouraged through intimate knowledge of individual customers and through the development of one to one solution that fit the individual customer needs. Mass customization has defined as the use of flexible process and organizational structure to produce varied and often individually customized products and services at the price of standardized, mass produced alternatives. Mass customization does not mean providing customers with endless solutions rather it means providing them with little effort on their part with tailored services to fit their individual needs (Zeithaml & Bitner, 2004).

2.5.4. Structural Bonds (Level Four)

Level four strategies the most difficult to imitate and involve structural as well as financial, social, and customization bonds between the customer and the firm (Zeithaml & Bitner, 2004).

As with customization, these types of bond are more prevalent in business-to-business markets. Structural bonds often occur where the services offered by the service provider designed into the systems or processes of the client company.

An example would be a research company that designs a system to gather electronic point of sale from every cash register of a high street retailer, and then feeds this information back in virtual real time to the retailer and their suppliers to ensure stores have the right stock on the shelves.

However, some companies that are serving the public are also building structural bonds into their service delivery, although in many cases these are reserved for their business-to-business segments (Mudie and Pirrie, 2006).

2.6. Dimensions of Relationship Marketing

2.6.1. Informational Dimension

Informational dimension regards the general communication of the company with the market, and with its customers, especially for gaining as much as possible information about the customer. This communication takes place carefully and directed to a target. It must be making in both directions. The information about the client must be collected systematically and rigorously. The existence of some customer databases within the marketing informational system is strictly necessary (Pop and Pleau, 2006).

The company has to structure its clients, according to their importance for their financial results. In the same way as the company is preoccupied to gain new customers, it must decide which customers should be given up. The selection should be done according to some quantitative indicators as the customer lifetime value or the customer profitability (Foscht and Swoboda, 2005) or some qualitative indicators, as the customer profit, the quality of the communication, and perspectives of future developments on the market. An important source of information about the customers represents the complaint and reclamation management (Kukat, 2005).

The informational dimension of relationship marketing is very complex. Analyzing the evolution of the biunivouque relation between company and customer, the information about the state of this relation (satisfaction/ dissatisfaction with the services of the company, perspectives of fidelity, loyalty and even enthusiasm of customers) should be recorded (Pop, 2005). Similar to election barometer, there must be doing a customer barometer on base of periodic research as for

instance panel research, which measures the level of satisfaction of the customer towards products, services or trademarks.

2.6.2. Management Dimension

Management dimension of relationship marketing, regards all decisions about managing the relation between the company and its customers. These relations can be structure after their nature, as follows:

- a) Relations regarding the contract
 - ✓ Pre-contractual relations
 - ✓ Contractual relations
 - ✓ Post-contractual relations

- b) Relations regarding the demand and offer of information
 - ✓ Available information for the customers
 - ✓ Information asked by the customers from the company

- c) Relations generated by the reaction of the customers towards the offered Service
 - ✓ Satisfaction
 - ✓ Enthusiasm
 - ✓ Complaint
 - ✓ Reclamation

- d) Relations generated by the multiplication effect of satisfied / unsatisfied customers on potential customers (Pop and Pleau, 2006).

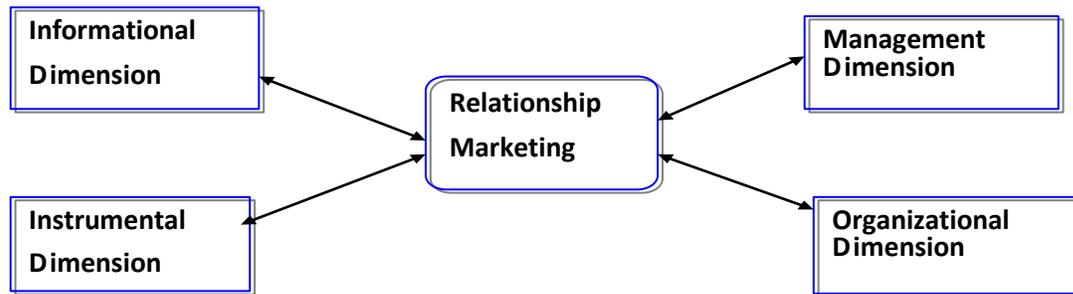
Accordingly to this, the decision making process has to be adapted to this kind or relations in order to assure a continuity for the economic activity of the company. If the first kind of relation (a) represents the formal frame of the cooperation and belongs to the tasks of the sales department, all other relations (b, c and d) have an informal character and they belong to the responsibility field of the marketing department (pop and pleau, 2006).

2.6.3. Instrumental Dimension

Instrumental dimension refers to all instruments that the company uses in order to attach its clients to its products, services or trademarks for the long term. This dimension should not be regarded as an inventory of methods used occasionally, depending on the market situation. It rather refers to the way in which the company combines all methods in one system in order to make customers loyal. For instance, a company introduces a bonus system for trustworthiness or a collection of books. Nevertheless, the only listing of such instruments is not enough to define the instrumental dimension of relationship marketing. The various methods of attaching the customers have to be applying in a certain order and in a certain combination, depending on the nature, characteristics and particularities of each client. The way, in which a financial institution tries to attach one commercial client, for instance a building entrepreneur differs from the way in which they attach a private person. In the use of the instruments for attaching customers, one will take in account the costs involved for the attachment in comparison with the expected effects (pop and pleau, 2006).

2.6.4. Organizational Dimension

Organizational dimension needs a certain structure of the company according to the efforts used for the management of the relationship with the customers. Within the functional departments of the company, new jobs appear with new responsibilities, tasks and different functions. For instance in the marketing department, the personnel responsible with the market research will be divided, and a new job responsible for the management of the customer databases will appear. As mentioned before, a new position will be the relationship manager. To his responsibilities belong the politic of assisting the relationship with the customers, depending on their importance for the company (principal customer, permanent customer, occasional customer etc.). The responsibilities of the personnel, which are in permanent contact with the customers (sales persons, service personnel, call centre personnel) should be permanent up to date with the expectations of the different categories of the representative of the demand (pop and pleau, 2006).



Source: Pop and Pelau, 2006

Figure 2.1: Dimensions of relationship marketing

2.7. Framework of the Study

The student researcher design this framework based on the theories in the literature review. It shows that there are four types of relationship marketing dimensions and four types of level relationship marketing strategies. Thus, the study evaluate the practice of relationship marketing in CBE based on the four dimensions and assessed how the bank uses the four levels of relationship marketing strategies in its marketing strategies. Dimensions of relationship marketing were independent variables in the study, relationship-marketing practice also taken as a dependent variable. Therefore, the study assessed the impact of relationship marketing dimensions on relationship marketing practice of the bank.

Independent Variable

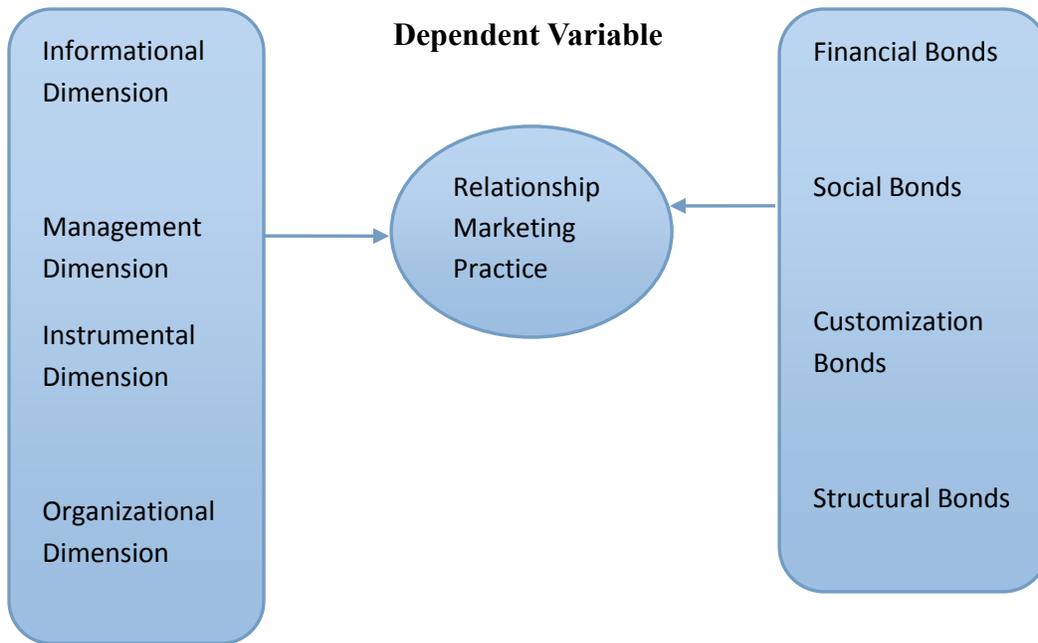


Figure 2.2. Conceptual Framework of the Study

CHAPTER THREE

RESEARCH DESIGN METHODOLOGY

The methods used to collect the data required for the fulfillment of the research objectives and methods of analysis are discussed here under.

3.1 RESEARCH DESIGN

Descriptive research was used to describe some aspect of a phenomenon, i.e., the status of a given phenomenon. It can help understand a topic and lead to causal analysis. It aims to describe the state of affairs as it exists and interpret what is (Kothari, 2004). Accordingly, the study was a descriptive type of research because it describes how the bank practiced relationship marketing based on the theories drawn from the literature.

3.2 SOURCE OF DATA

Both primary and secondary data source was used to answer research questions. Primary data was mainly obtained through administering structured questionnaires and interviews. A structured open and close ended type of questionnaires was employed and delivered to customers. Whereas structured interview was employed to the branch marketing managers of the bank. On the other hand, secondary sources like past studies and archives was gathered from various public materials related to the subject matter such as books, journals and internet on issues relating to the subject under study was reviewed.

3.3. Target population

Target population is defined as the entire group a researcher is interested in. According to (zikmund, 2003) the definition of population was an identifiable total set of elements of interest being investigated by a researcher. According to data from Cats-Cpc, there are five grade four and four grade three branches in north Addis Ababa, as well as in west Addis Ababa, five grade four and three grade three branches in east Addis Ababa and eight grade four and two grade three branches in south Addis Ababa. Therefore, the target populations for the study was customers and branch marketing managers of the commercial bank of Ethiopia in Addis Ababa.

3.4. Sampling techniques

The key tools for data collection are questionnaires that was administered through the help of selected branch customers of commercial bank of Ethiopia, Addis Ababa city districts. The researcher used stratified sampling technique to select district of CBE branches from where the sample respondents was inferred. The data was collected by using stratified sampling technique method from the four districts of CBE i.e. north, south, west and east Addis Ababa. According to data from CATS-CPC, there are five grade four and four grade three branches in north Addis Ababa, as well as in west Addis Ababa, five grade four and three grade three branches in east Addis Ababa and eight grade four and two grade three branches in south Addis Ababa. Therefore, the researcher was randomly selected 50 % grade three and grade four branches for each stratum as sampling units. 19 customers was selected from every selected branch's in four districts through purposive sampling techniques, as mentioned on the table 3.1, the data was collected from only grade four and grade three branches; since this branches have relatively most of the corporate customers of the bank and large number of customer served comparing to grade 1 and grade 2 branches. Rather than generalizing the result based on the response of the customers 'only, interview method was employed simultaneously from 17 branch marketing managers of the selected branches in four districts. This was to strengthen the data that was collected from customers, so that consolidating the response of the managers and customers was made the finding of the study concrete.

Table 3.1: Questionnaires Distributed to the customers and Interview made to the branch marketing managers

No	District	Total No of Grade3 &4 Branch	Proportion % of Branches	No of Branches Questionnaire distributed	No of Questionnaire distributed in each branch	Total No of Questionnaire distributed in each branch
1	North	9	50%	4	19	76
2	West	9	50%	4	19	76
3	East	8	50%	4	19	76
4	South	10	50%	5	19	94
	TOTAL	36		17		322

3.5. Data Collection Instrument

The two categories of data collection techniques used in scientific research are quantitative or a qualitative research design (Kothari, 2004). Within each category there was a host of specific designs such as experiments, field surveys, case research, ethnographic studies, and so forth. Quantitative designs was intended to collect primarily quantitative data such as numeric scores and metrics, while qualitative designs was aimed at collecting qualitative data, such as interview or observational data. Accordingly, this study used both qualitative and quantitative data. The researcher was collected a Quantitative data by using close-ended questionnaires that was managed by Likert five scale points starting from strongly agree up to strongly disagree and qualitative data was collected through semi-structured interview with the branch marketing managers of the bank.

3.6 Sample size

In addition to the purpose of the study and the population size, five criteria is essential to determine the appropriate sample size. I.e. Population variability (approximated p), the maximum allowed error (E), and confidence interval (Z), the probability of the population not to be occurred (q). Due to large number of customers in branches of commercial bank of Ethiopia in Addis Ababa, the sample size of the population was determined through the equation developed by (Cochran, 1963).

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

Where n the total number of sample required

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

p=the population variability (p=0.3)

q=the probability of the population not to be occurred (q=1-p=0.7)

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

Therefore, the researcher took the maximum allowed error as 5% at a confidence interval level of 95% and the moderate population variability interval is 0.3(p=0.3) because this allows the researcher a largest sample size and the minimum error(q=0.7).

$$n = (1.96^2 * .3 * .7) / 0.05^2 \text{ which is approximated } 322$$

On the other hand, some research findings of relationship marketing in banking industry (Nareth, 2009) used large sample sizes ranging between 200-1000 respondents. Furthermore suggest those investigators to use a large sample as much as possible. Since the large sample size have the probability of minimizing the population parameters and increases likelihood of the sample to be true representative of the population. This reduces chance errors. (Gupta, et.al. 2009).

3.7. Data Analysis

Data analysis consists of examining, categorizing, tabulating, testing or otherwise recombining both quantitative and qualitative evidence to address the objective of the study (Yin, 2003). The data of the questionnaires was dragged to an electronic spreadsheet to organize for further analysis. Statistical analysis was conducted by using version 20.0 SPSS (Statistical Package for the Social Sciences) software. The data analysis used descriptive statistics tools such as frequencies distributions, mean, standard deviation, table, graph, and reliability analysis.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1. Introduction

The purpose of this study is to assess the practice of relationship marketing in CBE by gathering information through questionnaires which was designed in terms of the four dimensions stated in the literature review and through conducting interviews with the marketing manager of the bank. After the data file was checked and adjusted, the coding phase followed. Coding is “The process of assigning a numerical score or other character symbol to previously edited data” (Zikmund et al. 2010). The statements in the first part of the questionnaires demographic characteristics were investigate. Accordingly, male was coded as 1 and female was coded as 2, other demographic factors were coded from 1 to 5 in the case of age and, from 1 to 6 for education level, from 1 to 5 for occupation. Second parts of the questionnaires were used with a five-point Agree-Disagree scale. In this scale, strongly disagree was coded as 1 and strongly agree was coded as 5. The points in between were coded as 2, 3, and 4.

Thus, this chapter encompasses analysis and interpretation of data acquired from the questionnaire and analysis of data that was obtained from interview with marketing manager of the bank. To analyze the data descriptive statistics was employed by using tables and graphs. In the first part, profile of respondents and summary of findings has been analyzed; lastly, summary of interview has been presented. In the study, 322 questionnaires were distributed to Seventeen selected branches of the bank and 285 of them were returned among them due to incompleteness only 269 questionnaires were found to be usable. The questionnaire was translated into Amharic by the student researcher and it was distributed to the customer the Amharic version of questionnaires.

4.2. Data analysis

4.2.1. Analysis of Demographic Data

Demographic analysis included sex, age, occupation, experience, and educational background of the respondents. These demographic variables make the research easily understand by the readers who were involved in the study and it helps to identify characteristics (background) of the respondents.

Table 4.1 summary of demographic variables

	Variables	Frequency	Percent	Valid Percent	Cumulative Percent
Sex of respondents	Male	180	66.8	66.8	66.8
	Female	89	33.2	33.2	100.0
	Total	269	100.0	100.0	
Age of Respondents	18-30	109	40.5	40.5	40.5
	31-40	116	43.0	43.0	83.5
	41-50	34	12.7	12.7	96.2
	51-60	10	3.8	3.8	100.0
	Total	269	100.0	100.0	
Educational background of respondents	Elementary school	12	4.4	4.4	4.4
	Secondary School	43	16.1	16.1	20.6
	Diploma	97	36.1	36.1	56.6
	Degree	99	37.0	37.0	93.7
	Masters	10	3.8	3.8	97.5
	Other	8	2.5	2.5	100.0
	Total	269	100.0	100.0	
Experience with the bank	Below one year	38	14.2	14.2	14.2
	1-3	140	51.9	51.9	66.1
	3-5	60	22.2	22.2	88.3
	Above 5 years	31	11.7	11.7	100.0
	Total	269	100.0	100.0	
Occupation of respondents	Government	34	12.7	12.7	12.7
	Private	98	36.4	36.4	49.1
	Self	117	43.4	43.4	92.4
	Student	12	4.7	4.7	97.2
	Unemployed	8	2.8	2.8	100.0
	Total	269	100.0	100.0	

Source: Researcher's Survey Finding 2018

As it mentioned in table 4.1, 66.8% of the respondents are male and the remaining 33.2% of the respondents are female. The respondents age category is divided into five intervals based on inclusive type but the respondents are only included within four of them. 43% of the respondents are 31-40 years old, 40.5% of the respondents are 18 -30, 12.7% of the respondents are 41-50, 3.8% of the respondents are 51-60 and there is no respondents who are over 60. Most of the respondents involved in the study are 18-40, for that reason, they are matured enough to provide reliable data and they might be able to evaluate the relationship marketing practice of the bank in detail.

As shown in table 4.1, 37% of the respondents involved in this study are degree holders, 36.1% of the respondents are diploma graduates, 16.1 of them are secondary school completion, 4.4% of the respondents are elementary school, 3.8% are master graduates and 2.5% of the respondents have other background. The higher percentages of respondents are degree holders and diploma graduates, relatively they have a good understanding about relationship marketing, and thus they can assess critically relationship-marketing practice of the bank. 51.9% of the respondents have an experience with the bank 1-3 years, 22.2% of them have 3-5 years' experience, 14.2% of the respondents have an experience with the bank below one year and the rest 11.7% of the respondents are a customer of the bank for more than five years. The majority of the respondents have an experience more than one year of using the services of the bank, hence, they are well informed about the relationship marketing practice of the bank and they can evaluate the implementation of RM in detailed.

The above table showed that, the highest percentage of respondents is self-employ 43.4%, 36.4% are working in private sectors as an employee, 12.7 % are working in government, 4.7% are students and the remaining 2.8 % are unemployed. Therefore, customers of the bank involved in the study are working in different sectors, they could investigate RM practice of the bank from different perspectives, and it helps to obtained reliable data.

4.2.2. Reliability Test

Cronbach's Alpha coefficient of reliability (or consistency) is a measure of squared correlation between observed scores and true scores. Zikmund and Babin (2010b) noted, "Reliability is an indicator of a measure's internal consistency". Reliability is thus measured in terms of the ratio

of true score variance to observed score variance (Garson, 2005). (Garson) also adds that the more consistent within-subject responses are, and the greater the variability between subjects in the sample, the higher Cronbach's alpha will be; also, the alpha will be higher when there is homogeneity of variances among items than when there is not.

A benchmark alpha of .70 was set as an acceptable measure of reliability (Cronbach, 1951). Thus, the variables reliability test of this research is summarized as follows.

Table 4.2 Reliability Test of the Research

Variables	Cronbach's alpha
Informational dimension	.978
Management dimension	.984
Instrumental dimension	.986
Organizational dimension	.991

Source: Researcher's Survey Finding 2018

Variables of the study scored more than the benchmark alpha which is .70 considered by different researchers. As it mentioned in the above table informational dimension scored .978, management dimension scored .984, instrumental dimension scored .986, and organizational dimension scored .991. Therefore, there is high internal consistency among the variables and they evaluate the same things.

4.3. Analysis of Relationship Marketing Dimensions

4.3.1. Informational Dimension

Informational dimension deals with the communication of the company with its customers in different perspective (pop and pleau, 2006). The study considered informational dimension as one of the variables to assess RM practice of the bank. Accordingly, there were different statements designed to assess implementation of RM in CBE from the point of informational dimension. Thus, availability of all necessary information about the customer on the bank database scored the highest mean that is 3.95. Employees' communication with customer intimately scored the second highest mean in this dimension 3.92. Reliability of information

provided by the bank to its customers scored 3.85, interest and kindness of employees to provide information to their customer scored 3.74, the commitment of the bank to listen and correct customers complain scored 3.60, the bank conducts survey to identify interest of customer periodically scored 3.52. The lowest mean in this dimension scored providing information to customers about new service by using mobile message, email so on 3.41.

Table 4.3 Informational Dimension of RM

Informational Dimension	N	Min.	Max.	Mean	Std. D
1.The bank periodically conducts survey to identify interest of customers and to maintain its relationship	269	1	5	3.52	1.114
2. The employees of the bank discuss with me intimately to fulfill my interest	269	1	5	3.92	1.136
3. I believe the bank has all necessary information about me in its database	269	1	5	3.95	1.061
4. The employees of the bank provide me all necessary information that I want at any time kindly	269	1	5	3.74	0.951
5. The bank informs me periodically about new service By mobile, email messages etc.	269	1	5	3.41	1.238
6.The information provided by the bank is reliable and Updated	269	1	5	3.85	0.914
7.The bank uses customers' complaints as a source of information to improve its service	269	1	5	3.60	1.023
Average	269			3.712	1.076

Source: Researcher's Survey Finding 2018

4.3.2. Management Dimension

The management dimensions of relationship marketing are regarding all decisions about managing the relation between the company and its customer (pop and pleau, 2006). Thus, to assess how CBE managing the relation with its customer was designed as one dimension in the study. Therefore, excellent treatment of employees to their customers scored the highest mean value in management dimension 4.12. Dedication to keep on the relationship scored the second highest mean 4.02. Good attitude of customers towards the way CBE manages relationship marketing scored 3.84. Satisfaction of customers to their relationship with the bank scored 3.83 and knowledge of the employees about relationship marketing and how managed it scored 3.81. Commitment of the bank to sustain the relationship it has with customers scored 3.70, and listening and correct complains came from customers scored 3.62. The bank participated customers on decisions that affect the relationship scored 3.27 that is the lowest mean value in this dimension.

Table 4.4 Management Dimension of RM

Management dimension	N	Min.	Max.	Mean	Std. D
1. The bank allows me to participate on decisions that affect our relationship	269	1	5	3.27	0.969
2. The bank is devoted to sustain the relationship we have	269	1	5	3.70	1.114
3. I am dedicated to keep on the relationship with the bank	269	1	5	4.02	0.941
4. The bank listens and corrects complaints that come from customers immediately	269	1	5	3.61	1.026
5. The staff members are knowledgeable about relationship marketing and how it is managed	269	1	5	3.81	1.030
6. The employees of the bank identify their customers and treat them in good manner	269	1	5	4.12	1.036

7. I am satisfied with the relationship I have with the bank	269	1	5	3.83	1.291
8. I am happy about the way CBE manages relationship marketing	269	1	5	3.84	1.128
Average	269			3.775	1.116

Source: Researcher's Survey Finding 2018

4.3.3. Instrumental Dimension

Instrumental dimension refers to all instruments that the company uses in order to attach its clients to its products, services or trademarks for long term (pop and pleau, 2006). Delivery of service to customers promptly scored 4.02 of mean that is the highest in the dimension. Preparation of all necessary materials for customers in order to get the service easily and quickly scored 3.90 mean values. Customization of service to customer interest scored 3.66, and the ambiance of the room to get service scored 3.52. Attractive arrangement of the room scored 3.51 mean. Availability of ATM machines at convenient places scored 3.24, and functionality of the ATM machines including weekend scored the least mean that is 3.12 in instrumental dimension.

Table 4.5 Instrumental Dimension of RM

Instrumental dimension	N	Min.	Max.	Mean	Std. D.
1. The bank operates ATM (automatic teller machine) at convenient places to customers	269	1	5	3.24	1.240
2. The ATM is always working including on weekends	269	1	5	3.12	1.239
3. The room arrangement of the bank is attractive and comfortable	269	1	5	3.51	1.103
4. Colour of the wall and lighting of the room is attractive and convenient to stay	269	1	5	3.52	1.040
5. The employees of the bank delivered service to customer quickly	269	1	5	4.02	1.094

6. The bank always prepares materials needed to facilitate the service like pen, transaction forms etc.	269	1	5	3.90	1.023
7. The bank customized its service to satisfy my interest	269	1	5	3.66	1.293
Average	269			3.567	1.158

Source: researcher's survey finding 2018

4.3.4. Organizational Dimension

Organizational dimension needs a certain structure of the company according to the efforts used for the management of the relationship with the customers (pop and pleau, 2006). Well practice of relationship marketing by the bank scored 3.82 the highest mean value in the dimension. Easiness to contact and discuss with managers and employees of the bank scored 3.76 mean values. Recommended to others by customers about the good treatment of the bank has scored 3.72. Easily socialize with employees and customers of the bank have scored 3.65 mean. Categorization of customers based on their financial importance and experience with the bank scored 3.62 mean. Availability of a unit or department to manage the relationship with customers, and relationship-marketing practice of the bank exceeds my expectation scored 3.33 mean values. The bank arranges a platform for customers to discuss about the relationship they have with the bank scored the least mean in the dimension that is 2.84.

Table 4.6 Organizational Dimension of RM

Organizational dimension	N	Min.	Max.	Mean	Std. D
1. The bank has a unit or department with the responsibility of managing relationship with its customers	269	1	5	3.33	1.160
2. It is easy to contact and discuss with staff members of the bank including managers	269	1	5	3.76	1.143
3. I socialize myself with customers and staff members of the bank easily	269	1	5	3.65	1.245
4. I tell to others about the good treatment the bank makes to its customers	269	1	5	3.72	1.300
5. The bank categorized customers according to their financial importance and their relationship	269	1	5	3.62	1.078
6. The bank arranges a platform for customers to discuss about their relationship with it	269	1	5	2.84	1.038
7. The organizational structure is convenient to work business and create relationship with the bank	269	1	5	3.29	1.210
8. I found the relationship practice of the bank exceed my expectation	269	1	5	3.33	1.299
9. I believe the bank practiced relationship marketing well	269	1	5	3.82	1.083
Average	269			3.484	1.169

Source: researcher's survey finding 2018

4.4. INTERPRITATION OF THE RESULT

Likert scale was used to measure the importance level of factors affecting practices of relationship marketing. The higher the score, the more the variable are practiced. Five point scales were used to measure the importance of factors in such a way that mean score could be calculated to determine the importance of factors in the RM practice. With five point scales, the intervals for breaking the range in measuring each variable are calculated as follows: (Kidane, 2012)

Max.-Min. divided to total number of options $5-1/5 = 0.8$

Therefore, in the difference of 0.8 the mean value categorized from the lowest up to the highest score. It means that the scores falling between the following ranges can be considered as:

The score between 1.00-1.80 mean lowest practiced (Lowest)

The score between 1.81-2.61 mean low practiced (Low)

The score between 2.62-3.41 mean averages practiced (Average or Medium)

The score between 3.42-4.21 mean well practiced (High)

The score between 4.22-5.00 mean very well practiced (Highest)

The average mean of informational dimension is 3.71; it scored maximum 3.95 and minimum 3.41. Relationship marketing practice in CBE in terms of informational dimension categorized under “well practiced” which is an average mean value of between “3.42-4.2”. This shows that CBE could provide all necessary information to its customers, the information is reliable and updated, and the bank tries to identify the need of customers through different ways. Additionally, the bank works to solve complaints raised from customer and uses the complaints as a source of information to improve its service and the bank have all necessary information about its customers on the database. As Kukat (2005), suggests an important source of information about the customers represents the complaint and reclamation management. Therefore, as far as the informational dimension is concerned, CBE practiced relationship marketing in a good manner. Due to this fact, the mean score has shown that, majority of the customers have agreed that the bank practiced RM well in terms of the dimension.

Management dimension scored an average mean of 3.77 with maximum 4.12 and minimum 3.27. Accordingly, when the relationship marketing practice of the bank measured in terms of this dimension it categorized under “well practiced” similar to informational dimension. It means that the bank is committed to sustain the relationship with its customers, the employees of the bank treated customers well and the employees have good knowledge about the concept of relationship marketing as well as how to manage it. As Pop and Pleau, (2006) suggests, “Through the well trained employees information about all the bank products can be given to the customer. On the other hand reactions and feedback of customers can be better observed by the employees through the individualized relationship.” Besides this, customers are devoted to continue their relationship with the bank, they are happy about the relationship they have with bank, and the bank is committed to listen plus to correct complains raised by customers. The bank allowed customers on decisions that affect the relationship with the bank obtained the least mean 3.27; this means majority of the customers are neutral in the statement while they measured the bank’s implementation of relationship marketing. In general, CBE practiced relationship marketing well in terms of management dimension.

Instrumental dimension attained an average mean of 3.56 with maximum 4.02 and minimum 3.12. It sorts out under “well practiced” value because, the mean value is more than average and below the highest mean value. Thus, CBE customized its service to meet the need of customers, it prepared all necessary materials to facilitate the service for customers, the room arrangement is good, lighting and color of the wall is attractive to stay as well as to get service, and employees of the bank provide service quickly to customers. As Pop and Pleau, (2006) suggests “ the proximity to potential customers, simple and fast operations and the comfort should increase the customers satisfaction, so that new customers should be gained and old customers stimulated to ‘buy’ new products.” The bank operates ATM machines in different places and the ATM machines provide service including weekend scored 3.24 and 3.12 respectively. An average mean value of these two statements is below high and it is moderate or neutral. This means among the items tested in the dimension, the bank did not practice well the activities related with those two statements. Generally, in terms of instrumental dimension CBE has been implemented relationship marketing well, however when we see specifically, providing of service by ATM machines including weekend scored the least mean among the statements included in the

dimension, whereas, providing prompt service by the employees to their customers scored the highest mean in the dimension.

Organizational dimension attained an average mean of 3.48 within the highest mean of 3.82 and the lower 2.84. Statements of the dimension scored mean between the lowest 2.84 and highest 3.82. Therefore, an average mean value of the dimension categorized under “well practiced” value the same to the other dimensions. This indicates that, customers socialize themselves easily with employees and other customers of the bank and it is easy to contact as well as to discuss with employees and managers of the bank. Palmatier (2009) affirmed that “allowing a consumer to reciprocate a feeling of gratitude converts a short-term emotion into a long-lasting relational norm”. Additionally, the current customers tell to others about good treatment of the bank make to its customers, the bank practiced relationship marketing well and the bank categorized its customers based on their financial importance to the bank. The bank has a department or unit to manage relationship marketing, customers perceived relationship marketing practice of the bank exceeds their expectation, the organizational structure of bank is convenient to work business and to create a relationship with the bank and the bank arranges a platform to discuss with its customers scored 3.33, 3.33, 3.29, 2.84 mean respectively. Even if an average mean value of the dimension is high, the statements listed above scored neutral mean. Whereas, when relationship-marketing implementation of the bank evaluates in terms of the dimension it has implemented in an encouraging ways. Arrangement of a platform to discuss customers with the bank on the relationship they have scored the lowest mean which is 2.84 whereas, the bank implements relationship marketing well scored the highest mean which is 3.82 in this dimension.

Generally, among the four relationship marketing dimensions management dimension scored the highest mean an average of 3.77, on the other side organizational dimension scored the least mean 3.48, thus, the bank practiced RM in terms of management dimension relatively from the others in better way. Whereas, implementation of relationship marketing from the perspective of organizational dimension is relatively low. While, assessing relationship marketing practice in terms of the four dimensions the average mean of all dimensions are categorized under the “well practiced” level. Thus, the bank established good trend of implementing RM and it tries to focus on relationship marketing for the assurance of mutual benefits of the bank and customers. Even though an average mean value shows that, the practice is good but there is a mean differentiation

among the statements used to measure some of them scored high and some scored an average mean value.

Standard deviation provides an indication of how far the individual responses to question vary or deviate from the mean and it tells the researcher how spread out the responses is, are they concentrated around the mean, or scattered far or wide. Hence, the relationship marketing dimensions scored an average of 1.076 for informational dimension, 1.116 for management dimension, 1.158 for instrumental dimension and 1.169 for organizational dimension. It indicates that average standard deviation of the dimensions is close to one therefore; it is not too far from the mean values of the dimensions.

Evaluation of customer awareness and perception towards relationship marketing is assessed in the questionnaire in different ways. Customers of the bank are well aware about relationship marketing for the reason that they answered each question easily by assessing what the bank did for them related to relationship marketing.

There was a statement designed to assess how customers perceived relationship marketing practice of the bank by comparing with their expectation.

Table 4.7 Perception of Customers toward RM

RM practice of the bank exceeds my expectation	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	47	17.7	17.7	17.7
Disagree	14	5.1	5.1	22.8
Neutral	51	19.0	19.0	41.8
Agree	117	43.4	43.4	85.1
strongly agree	40	14.9	14.9	100.0
Total	269	100.0	100.0	

Source: Researcher's Survey Finding 2018

Average mean of the question is 3.33, which is rated under neutral or moderate mean value. Therefore, customers perceived the relationship marketing practice of the bank as moderate when it is compared with their expectation. It showed that, the bank should work strongly to balance expectation and perceived value of customers about relationship marketing practice.

4.5. Analysis of Data Collected From Interview

Under this section, the analysis was conducted on the data collected through interview based on questions designed to assess how the bank considered in its marketing strategies and implemented the levels of relationship marketing strategies. The interview was conducted with branch marketing manager of the bank in the area of, how the bank designed and practiced its relationship marketing strategies from the levels of relationship marketing strategies, namely, financial, social, customization and structural bonds. Marketing activities of the bank has been designed from the center (head office) marketing department and downward to the branches for implementation.

1. What Does Relationship Marketing Mean to You?

The above question was posed to the marketing manager of the bank and he defined RM that, “it is a process of creating relation with customers (depositors, creditor and others) in favor of having mutual benefit to the bank as well to the customer.” Relationship marketing is practiced at all levels (positions) of the bank but mainly it is implemented (practiced) at the branches. Because, the branches are interacting with customers every time and they are very close to customers. In addition, according to the interviewees, they differ from their competitors since they provide individual customer focused services specially business customers or premium clients, the bank gives individual attention to its customers and also the bank arranges special care to special customers. Due to, increase number of banks in the country there is stiff competition in the banking industry. Thus, CBE has been practice relationship marketing widely to serve its customers in a better ways and to create customer loyalty. Hence, every employee of the bank in every position has implemented relationship marketing at the bank.

2. In the literature, there are four levels of RM strategies, namely financial bonds, social bonds, customization bonds and structural bonds. Do you consider the levels of relationship marketing strategies while developing your bank's RM strategies? If yes how?

Marketing manager of the bank responded to the above question that "CBE considered more or less the levels of relationship marketing strategies while develop its strategy". The manager explained how and when the bank implements the levels of relationship marketing strategies:

- Financial Bonds are designed and implemented while providing credit facilities to our customers, while we accept deposits from customers and in the import export activities especially in case of the letter of credit. The bank prepare prize for special customer like exporters and customer focused services in order to satisfy and maintain long lasting relationship.
- Social Bonds are practiced in CBE mainly by involving in different society's problems and social responsibilities. The bank donates every year huge amount of money to different charity organizations and it participates in sponsorship of different events. Therefore, the bank works to establish good social bondage and to create good social image.
- Customization Bonds are practiced in the bank by providing service to customers by tailored to their needs and interests. The bank tries to treat customers as individual and groups have the same interests. For example, the bank tries to collect deposits from "Edir" and "Equib" through door to door service rendering system. Nevertheless, there is a shortage of resource and capital to fulfill to every individual customer's interest like deposit of foreign currency in the country, in case of providing credit service to the customers there is an imbalance of demand and supply so we cannot fulfill the interest of individual customers as what customers need and as we intended to achieve.
- Structural Bonds are dealing with shared process and equipment, joint investment with customers, having an integrated information system and volume and frequency rewards to prominent (key) customers. "These kinds of bonds are uncommon in our country's banking industry, in spite of this; there is an indication of structural bonds in CBE related with starting of Islamic banking".

3. Among these, four levels of RM, which one is given more emphasis by the bank? And why?

The above question was posed to the marketing manager of the bank and he replied that, “CBE has given emphasis equal to those three levels of RM strategies that are financial bonds, social bonds and customization bonds”. Because, if you are not considered and practiced the levels of relationship marketing strategies or customer retention strategies it is difficult to survive in the banking industry as well as to achieve the intended goal of the bank. Therefore, the bank gives more emphasis to those first three bonds. Whereas, structural bond is not well implemented by the bank so far because, it is uncommon in the country banking industry and it needs more capital and labor force to implement.

4. What benefits, do you think, the bank gained by practicing relationship marketing?

The above question was asked to the marketing managers of the bank and he replied that, “Relationship marketing has a multidimensional benefit in the banking sector. It has a financial benefit by increasing the deposit of banks by creating long-term relationships with customers. It has social benefit through participate in different society’s problems and building good image and increase customer intimacy with the bank”. According to the manager, specifically RM has the following benefits to the bank:

♠It enables to create a close relationship with customers like family and friends and it helps to prolong the relationship.

♠It enables to increase the number of customers and flow of customers to the bank

♠It enables to obtained a lot of deposits

Because of intimacy and closeness, customers could understand the problems of the bank and works with the bank closely to propose solutions and they could not terminate their relationship with the bank easily.

♠It helps to establish a good image in the public. When the bank-practiced relationship marketing it will be very close with customers and it listens complains come from the customers. Because

of that, customers will be very happy about the treatment given by the bank, therefore, they will engage in positive word of mouth about the bank. Thus, it will have a good social image.

5. What challenges are faced by the bank in implementing relationship marketing?

According to the marketing manager, the following challenges are faced the bank to implement relationship marketing:

“Obviously, there is a shortage of resource in the country especially in the banking sector there is a shortage of foreign currency. Consequently, it is difficult to serve our customers as what they want and what we want to provide them”.

“The other challenge is there is an imbalance of supply and demand in the banking sector especially in the credit service customer demand is very high whereas the supply is somewhat low”. Therefore, it is challenging to provide customers what they want at the time they want.

There are also some external factors complicated the implementation of relationship marketing. “A network problem is one of the factors hindered the implementation of relationship marketing in the banking sector”. As far as relationship marketing needs a close relationship with customers and accesses the service to customers whenever they want, network problem delays the service process in so many ways. Providing banking service without network is very difficult consequently because of unavailability of sufficient and consistent network the bank might lose its customers and it is a challenge to implement RM as what we planned.

6. What is the cost of implementing relationship marketing in the bank?

This question was posed to the marketing manager of the bank and he responded that “To implement relationship marketing in one organization it needs to have well aware of employees and necessary materials and technology”. Therefore, it needs training costs of employees and costs related to hired competent employees who have a good knowledge about RM. The training costs are related to training of employees on the concept of relationship marketing, and its advantage for the organization and customers as well.

“Implementation of relationship marketing desires to have new technologies and instruments that enable the company very close to its customers”. Like ATM machines, point of sale machines,

and well organized and arranged equipment, to bring these kind of equipment it needs high investment cost. Therefore, to implement relationship marketing in the bank it needs different costs and it has a good return to the bank.

7. Finally, do you have anything to say about relationship marketing?

Finally, this question was asked to the manager to share his opinion on the practice of relationship marketing in general and he replied that, “Relationship marketing is a way of interacting with customers closely and in friendly way to share all the problems and benefits of the organization”. When one organization established a good atmosphere of relationship with its customers even if the organization has different problems customers can able to share, the problem and they will be a source of solution to that problem. Therefore, it is important every service organization in the country to focus on creating a good relationship with its customers for the benefit of both parties and every bank should focus on RM, because as far as we are a service provider’s practice of relationship marketing is the best way to be very close with our customers.

4.6. Triangulation of Data

Evaluation of customer awareness and perception towards relationship marketing is assessed in the questionnaire in different ways. Customers of the bank are well aware about relationship marketing for the reason that they answered each question easily by assessing what the bank did for them related to relationship marketing. Besides, the marketing manager of the bank defines relationship marketing as “it is a process of creating relation with customers (depositors, creditor and others) in favor of having mutual benefit to the bank as well to the customer.” this shows that both the customers and management of the bank have a clear understanding about relationship marketing.

While, assessing relationship marketing practice in terms of the four dimensions the average mean of all dimensions are categorized under the “well practiced” level. This result is supported by descriptive and interview analysis that Commercial Bank of Ethiopia established good trend of implementing RM and it tries to focus on relationship marketing for the assurance of mutual benefits of the bank and customers.

The marketing manager of the bank believes that relationship marketing has a multidimensional benefit in the banking sector. It has a financial benefit by increasing the deposit of banks by

creating long-term relationships with customers. The descriptive analysis shows that, customers socialize themselves easily with employees and other customers of the bank and it is easy to contact as well as to discuss with employees and managers of the bank. This finding is supported by empirical studies, Palmatier (2009) affirmed that “allowing a consumer to reciprocate a feeling of gratitude converts a short-term emotion into a long-lasting relational norm.”

The marketing manager of the bank believes that a network problem is one of the factors that hinder the implementation of relationship marketing in the banking sector. The descriptive analysis also shows that the bank ATM machines did not operate well in different places and at weekend. As a result, the descriptive analysis and interview supports that the bank have a challenge in accessing sufficient and consistent network.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

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

5.1 Summary Of the Major Findings

The aim of relationship marketing is to establish, maintain, and enhance relationships with customers and other partners, at a profit, so that the objectives of the parties involved are met. Similarly, its goals are to create and maintain lasting relationships between the Bank and its customers that are rewarding for both sides. This is achieved by a mutuality and fulfillment of promises.

- As the study shows, the bank is receiving strong positive word of mouth from its customers to their friends and relations although other factors have a strong role to play to why people bank with Commercial Bank of Ethiopia.
- The bank is doing well by maintaining the relationship it initiates with its customers but must work on improving the number of contact time with them as relationship marketing provides them with the opportunity to do so. This thus agrees with literature survey indicating that it is cheaper to serve an existing customer than to attract and serve a new one. It thus rests on the Bank to reduce uncertainty of demand by building better relationship with customers.
- The study assesses implementation of relationship marketing from different perspectives (dimensions) which are stated in the literature review. More specifically, it assessed RM practice of the bank from four dimensions, namely: informational, management, instrumental and structural. To assess these dimensions, the researcher used a questionnaire to be filled by customers of the bank. It also assessed how the bank designed and practiced levels of RM strategies while it develops its marketing strategy, which are financial, social, customization and structural bonds. To assess this interview was conducted with branch marketing manager of CBE. The bank's level of adoption of relationship marketing is moderately high as the above analysis indicates. Commercial Bank of Ethiopia response to customer concerns is very impressive.

Based on the aforementioned findings this chapter has explained major conclusions of the study and recommendations that are useful for the bank to practice RM in better ways.

5.2. Conclusions

The main objective of this study was to assess the practice of relationship marketing in CBE. Based on the main objective, three research objectives were developed. To achieve this main objective, the study used descriptive analysis to investigate the demographic characteristics of the respondents, and customer relationship marketing practices in Commercial Banks of Ethiopia. More specifically, the study used closed ended questionnaire survey of customers. In addition, interviews were conducted with respective branch marketing managers of the bank as checklist. The study emphasizes on the existence of relationship between the bank and to its customers measured by customer relationship marketing.

Based on these assessments, the following conclusions are drawn:

- The bank practiced relationship marketing from Informational dimension perspectives well. Majority of the customers agreed with the statements designed to evaluate RM in terms of informational dimension. Therefore, CBE has implemented RM in a good manner from the informational dimension perspective.
- Management dimension is all about how an organization manages the relationship that it has with customers. Hence, when RM of the bank is evaluated in terms of management dimension more or less it is well practiced. Majority of the customers were showed their agreement to the statements designed to evaluate RM practice of the bank in management dimension perspectives.
- Instrumental dimension is focused about all materials (instruments) that the bank uses to create and sustain the relationship with its customers. Majority of the customers have witnessed for availability of all necessary materials to get services from the bank at the time they need. Customers assured that the bank tries to supply all necessary materials to keep going the relation it has with customers.
- Organizational dimension is about arrangement of a defined structure for managing the relationship it has with customers. Similar with the other dimensions organizational dimension also scored an average mean of 3.48 that is categorized under well practiced. Therefore, CBE has practiced the dimension more or less in a promising way.

- To conclude, based on the findings of the study, relationship marketing practice of CBE in terms of the four dimensions are going on in an encouraging way and majority of the customers has shown their agreement that the bank practiced relationship marketing in a good manner.
- Regarding the levels of relationship marketing strategies, CBE has designed and practiced financial bonds, social bonds and customization bonds in its marketing strategy. The bank also practice structural bonds in a promising manner in its relationship marketing strategies. A structural bond includes shared process and equipment with customers, joint investment, having integrated information system and frequent rewards to customers. Due to complexity of the bond to implement, structural bonds are not practiced in most of the banks in the country. As a result, CBE will get a competitive advantage in the banking industry.

5.3. Recommendations

As discussed earlier in chapter two relationship marketing is an important technique to enable an organization to be very close and interactive with its customers and it focuses on how to sustain the relation that it have with its customers instead of getting new customers. Thus, the study attempted to assess relationship-marketing practice of CBE from different perspectives, and obtained constructive findings that have a significant implication on the management and staff members of the bank.

Based on the finding of the study the following recommendations are forwarded:

- The finding of the study has shown that, the bank did not operate enough number of ATM machines at hub of the city and the available ATM machines do not provide services consistently including weekend. This kind of problems affects the bank's relationship with customers because customers do not obtain services when they want. Therefore, it is better to solve these kinds of problems and to become very close and convenient to customers.
- Arrangement of platform by the bank to discuss with customers about the relationship they have scored an average mean value. Therefore, the bank should arrange regularly a platform to discuss with its customers about the relationship they have and based on suggestions that come out from the discussion it will be able to provide the service in better ways and it is helpful to sustain its relationship with customers.

- The finding of the study showed that, availability of department and unit to follow customer relationship in the bank is perceived as moderate by customers. This means that customers of the bank do not recognize well the activities of the department and the department is not very close to them. As far as having, well-structured unit or department is important to implement RM, the bank should create (arrange) a unit or department to follow the relationship with customers and it should be very close as well as interactive with customers.
- The bank's structure should be convenient to customers to get services quickly and to do business with the bank. When an organization practiced relationship marketing, it needs to collaborate with customers in every aspect. Subsequently, it is possible to do business with customers as partners. Therefore, the structure should be attractive and convenient to do such kind of activities with the bank.
- Customers perceived relationship marketing practice of the bank as moderate when they compared with their expectation. Hence, CBE should work strongly to balance what customers perceived and expect about the implementation of relationship marketing.
- Commercial Bank of Ethiopia needs to improve upon the number of contact days it has with its customers. So customers can have ample time to access the service and discuss the challenges they face in accessing the services of the bank. This can possibly explain why a significant number of customers did not provide answers to how the bank dealings with customer concerns.
- Again, it must be put out that, the overall aspect of the Bank's relationship building is a bit questionable. Customers want to feel that Commercial Bank of Ethiopia knows their problems and must show keen interest in helping them solve it. Customers want a follow-up individually as revealed in the survey. In some cases, Commercial Bank of Ethiopia must offer personalized attention to customers who may so need. This will bring a feeling of belongingness which eventually builds a strong relationship.
- Finally, Commercial Bank of Ethiopia staff must be trained to be more responsive in the form of devoting time to help meet all the needs of customers, give fast and efficient service, and give sincere and detail information on the solutions that will help solve the challenges of customers.

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APPENDIX A;

Saint Mary's University

Department of Business Administration

Questionnaire to be filled by customers of Commercial Bank of Ethiopia

This questionnaire is designed to collect data on the practice of relationship marketing in Commercial Bank of Ethiopia the research is being conducted by a student of Saint Mary's University as a partial fulfillment of the requirement for a master's degree in Business Administration. The questionnaire is organized in two sections, the first section is general information and the second one is basic information. The information gathered through this questionnaire will be accessed only by the student researcher and will be kept strictly confidential and the result of the study will be used for academic purpose only. I kindly request you to take a few minutes and respond to all questions honestly.

Thank you in advance for your cooperation

Note

Use a tick mark '√' to show your preference in the box provided

No need of writing your name or any address

Part 1: General Information

Sex	female	<input type="checkbox"/>	male	<input type="checkbox"/>
Age	18-30	<input type="checkbox"/>	40-50	<input type="checkbox"/>
	30-40	<input type="checkbox"/>	50-60	<input type="checkbox"/>
Education	elementary	<input type="checkbox"/>	high school	<input type="checkbox"/>
	Degree	<input type="checkbox"/>	Masters	<input type="checkbox"/>
Experience with the bank	below 1 year	<input type="checkbox"/>	3-5years	<input type="checkbox"/>
	1-3 years	<input type="checkbox"/>	above 5 years	<input type="checkbox"/>
Occupation	Government	<input type="checkbox"/>	private	<input type="checkbox"/>
	Unemployed	<input type="checkbox"/>	self	<input type="checkbox"/>

Part 2: Basic Information

Item	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
Informational dimension					
1. The bank periodically conducts survey to identify interest of customers and to maintain its relationship					
2. The employees of the bank discuss with me intimately to fulfill my interest					
3. I believe the bank has all necessary information about me in its database					
4. The employees of the bank provide me all necessary information that I want at any time kindly					
5. The bank informs me periodically about new service by mobile and email messages					
6. The information provided by the bank is reliable and updated					
7. The bank uses customers' complaints as a source of information to improve its service					
Management dimension					
1. The bank allows me to participate on decisions that affect our relationship					
2. The bank is devoted to sustain the relationship we have					
3. I am dedicated to keep on the relationship with the bank					
4. The bank listens and corrects complaints that come from customers immediately					
5. The staff members are knowledgeable about relationship marketing and how it is managed					
6. The employees of the bank identify their customers and treat them in good manner					
7. I am satisfied with the relationship I have with the bank					
8. I am happy about the way CBE manages relationship marketing					

Instrumental dimension					
1. The bank operates ATM (automatic teller machine) at convenient places to customers					
2. The ATM is always working including on weekends					
3. The room arrangement of the bank is attractive and comfortable					
4. Colour of the wall and lighting of the room is attractive and convenient to stay					
5. The employees of the bank delivered service to customer quickly					
6. The bank always prepares materials needed to facilitate the service (pen, transaction forms etc.)					
7. The bank customized its service to satisfy my interest					
Organizational dimension					
1. The bank has a unit or department with the responsibility of managing relationship with its customers					
2. It is easy to contact and discuss with staff members of the bank including managers					
3. I socialize myself with customers and staff members of the bank easily					
4. I tell to others about the good treatment the bank makes to its customers					
5. The bank categorized customers according to their financial importance and their relationship					
6. The bank arranges a platform for customers to discuss about their relationship with it					
7. The organizational structure is convenient to work business and create relationship with the bank					
8. I found the relationship practice of the bank exceed my expectation					
9. I believe the bank practiced relationship marketing well					

APPENDIX B;

Interview questions

These interview questions are designed to collect data about relationship marketing practice of Commercial Bank of Ethiopia Interview will be conduct selected branches and branches marketing managers.

Q1. What does relationship marketing mean to you?

Q2. In the literature, there are four levels of RM strategies, namely: financial bonds, social bonds, customization bonds and structural bonds. Do you consider the levels of relationship marketing strategies while developing your bank's RM strategies? If yes how?

Q3. Among these, four levels of RM, which one is given more emphasis by the bank? And why?

Q4. What benefits, do you think, the bank gained by practicing relationship marketing?

Q5. What challenges are faced by the bank in implementing relationship marketing?

Q6. What is the cost of implementing relationship marketing in the bank?

Q7. Finally, do you have anything to say about relationship marketing?

ክፍል 2 ዝርዝር መረጃ

መግለጫ	በጣም አልስማማም (1)	አልስማማም (2)	አስተያየት የለኝም (3)	እስማማለሁ (4)	በጣም እስማማለሁ (5)
ከመረጃ አኳያ (Informational Dimension)					
1. ባንኩ በየጊዜው ጥናቶችን በማካሄድ የደንበኞችን ፍላጎት ለማወቅና ግንኙነቱን ለማጠናከር ይሰራል።					
2. የባንኩ ሰራተኞች የአኔን ፍላጎት ለሚሟላት በቅርበት እና በትጋት ይሰራሉ።					
3. ባንኩ በመረጃ ቋቁ(Database) ውስጥ ስለ እኔ የተሟላ መረጃ አለው ብዬ አስባለሁኝ።					
4. የባንኩ ሰራተኞች የሚያስፈልገኝን መረጃ በቅንነት በፈለግኩት ሰዓት ይሰጡኛል።					
5. ባንኩ በየጊዜው ስለ አዳዲስ አገልግሎቶች(service) ሞባይልና ኢሜይል(Email) በመጠቀም መረጃ ይሰጣል።					
6. ባንኩ የሚሰጠው መረጃ ተአማኒነት ያለውና ወቅቱን የጠበቀ ነው።					
7. ባንኩ በደንበኞች የሚቀርቡ ቅሬታዎችን እንደ ግብአት በመጠቀም አገልግሎቱን ለማሻሻል ጥረት ያደርጋል።					
ከአስተዳደር አኳያ (Management Dimension)					
1. ባንኩ በግንኙነታችን ዙርያ የሚደረጉ ውሳኔዎች ላይ እንድሳተፍ እድል ይሰጠኛል ወይም በአግባቡ ያሳውቀኛል።					
2. ባንኩ ያለንን ግንኙነት ለማስቀጠል በጣም ቁርጠኛ ነው።					
3. ከባንኩ ጋር ያለኝን ግንኙነት(Relationship) ለማስቀጠል ፍላጎቱ አለኝ።					
4. ባንኩ ከደንበኞቹ የሚነሱትን ቅሬታዎችን በአግባቡ ያዳምጣል እንዲሁም እንዲስተካከሉ ፈጣን እርምጃ ይወስዳል።					
5. የባንኩ ሰራተኞች ስለ ደንበኞች ግንኙነት(Relationship Marketing) የተሟላ እውቀት አላቸው።					
6. የባንኩ ሰራተኞች ቋሚ ደንበኞቻቸውን በአግባቡ በመለየት በጥሩ ሁኔታ ያስተናግዳሉ።					
7. ከባንኩ ጋር ባለኝ ግንኙነት በጣም ረክቻለሁ።					
8. የኢትዮጵያ ንግድ ባንክ ግንኙነታችንን በሚያስኬድበት(የሚይዝበት) መንገድ ደስተኛ ነኝ።					

ከግብአት አኳያ (Instrumental Dimension)					
1. ባንኩ ለደንበኞች አመቺ በሆኑ ቦታዎች የኤ.ቲ.ኤም(ATM) ማሸን ተከሏል።					
2. ባንኩ የተከላቸውን የኤ.ቲ.ኤም ማሸኛች ቅዳሜና እሁድ ጨምሮ ያለማቋረጥ አገልግሎት ይሰጣሉ።					
3. ባንኩ አገልግሎት በሚሰጥበት ክፍል ውስጥ ያሉ ግብአቶች አቀማመጣቸው በጣም ሳቢና አገልግሎት ለማግኘት ምቹ ነው።					
4. የግድግዳው ቀለም እንዲሁም የክፍሉ ሙብራት አመቺና ሳቢ ነው።					
5. የባንኩ ሰራተኞች ለደንበኞቻቸው በፍላጎት ፈጣን አገልግሎት ይሰጣሉ።					
6. ባንኩ ሁሉም ለሰራው የሚያስፈልጉት ግብአቶችን አንድ እስኪርቢቶና ፎርም (Forms) የመሳሰሉትን ያሟላል።					
7. ባንኩ አገልግሎቱን በእኔ ፍላጎትና መጠን ያቀርብልኛል።					
ከአወቃቀር አኳያ (Organizational Dimension)					
1. ባንኩ ውስጥ የደንበኞች ግንኙነትን በተመለከተ የሚቆጣጠር እና ሀላፊነት ያለው ራሱን የቻለ አካል አለ።					
2. የባንኩ ሀላፊዎችን ሆነ ሰራተኞችን ለማግኘት ሆነ ለማወያየት ቀላል ነው።					
3. ከባንኩ ሰራተኞች እንዲሁም ሌሎች ደንበኞች በቀላሉ ለመግባባት ችያለሁኝ።					
4. ስለ ባንኩ ጥሩ የሆነ የደንበኞች አያያዝ ለሌሎች ሰዎች ተናግራለሁኝ።					
5. ባንኩ ደንበኞች ባላቸው ቅርበትና አስፈላጊነት በተለያዩ ምድቦች ከፍሎ እንዲስተናገዱ ያደርጋል።					
6. ባንኩ መድረክ አዘጋጅቶ ደንበኞች ከባንኩ ጋር ያላቸውን ግንኙነት በተማለከተ እንዲወያዩ ያደርጋል።					
7. አወቃቀሩ ከባንኩ ጋር ግንኙነት ለመመስረት ሆነ ቢዝነስ ለመስራት አመቺ ነው።					
8. ባንኩ ከደንበኞች ጋር ግንኙነት መፍጠርና ለደንበኞች የሚሰጠው እንክብካቤ ከጠበቅኩት በላይ ሆኖ አግኝቼዋለሁኝ።					
9. እኔ እንደማምነው ባንኩ የደንበኞች ግንኙነት በተመለከተ በአግባቡ እየሰራ ይገኛል።					

Declaration

I, declare that this research paper entitled “Assessment of Relationship marketing practice in Commercial Bank of Ethiopia” is my own work and has not been used by others for any academic awards in other university or collages and all sources of information in the study has been appropriately acknowledged.

Declared by

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Signature

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ENDORSEMENT

This thesis has been submitted to St. Mary’s University, School of Graduate Studies for examination with my approval as a University advisor.

Advisor

Signature & Date