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THE EFFECT OF CUSTOMER RELATIONSHIP MANAGEMENT ON CUSTOMER SATISFACTION:

THE CASE OF LION INTERNATIONAL BANK S.C ADDISS ABABA

By

AKLILU G/MICHAEL

ADVISOR: MESFIN WORKNEH (PhD)

December 2019

Addis Ababa

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A RESEARCH THESIS SUBMITTED TO ST. MARRY UNIVERSITY COLLEGE SCHOOL OF GRADUATE STUDIES-MBA PROGRAM IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF MARKETING MANAGEMENT

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Approved by Board of examiners

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STATEMENT OF CERTIFICATION

This is to certify that AKLILU G/MICHAEL carried out this thesis on the topic entitled "THE EFFECT OF CUSTOMER RELATIONSHIP MANAGEMENT ON CUSTOMER SATISFACTION: THE CASE OF LION INTERNATIONAL BANK S.C ADDISS ABABA" This work is original in nature and is suitable for submission for the award of Masters Degree in Marketing Management.

_____
MESFIN WORKNEH (PHD)
(Thesis Advisor)
December 2019

Declaration

I, Aklilu G/Michael, hereby declare that the thesis entitled "THE EFFECT OF CUSTOMER RELATIONSHIP MANAGEMENT ON CUSTOMER SATISFACTION: THE CASE OF LION INTERNATIONAL BANK S.C ADDIS ABABA'' is my original work. I have carried out the present study independently with the guidance and support of my research advisor, MESFIN WORKNEH (PHD). Any other contributors or sources used for the study have been duly acknowledged. Moreover, this study has not been submitted for the award of any other Degree, Diploma, Fellowship or any other similar titles of any other university or institutions.

Signature_____

Name: AKLILU G/MICHAEL

Date: December 2019

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AKLILU G/MICHAEL

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LIST OF ABBREVIATIONS AND ACRONYMS

ANOVA: Analysis of variance

RL: *Reliability*

PR: *Process-driven Approach*

CF: *Customer Focus*

TC: *Technology Orientation*

LIB: *Lion International Bank*

ABSTRACT

The purpose of this paper is to investigate the effect of Customer Relationship Management on customer satisfaction the case of Lion International Bank S.C Addis Ababa. It followed a quantitative research approach and the research design was both descriptive and explanatory research. A structured questionnaire was adopted. A quantitative research approach was implemented, and the hypotheses was tested on a sample of 289 customers out of 300 distributed, giving a valid response rate of 96.3 percent. The questionnaire was analyzed using Statistical Package for Social Sciences (SPSS) V.25 to compute Cronbach Alpha, descriptive statistics, correlation & regression. Correlation analysis was conducted to analyze the relationships between variables; the correlation matrix revealed that all coefficient of correlation independent variables were positive and strongly correlates with the dependent variable. In addition to correlation analysis, Further regression analysis was also conducted and results revealed that the four independent variables (Reliability, Process-driven Approach, Customer Focus & Technology Orientation) contribute to statistically significant level at (p-value = 0.001). Based on hypothesis testing the p- value of Reliability, Process-driven Approach, Customer Focus & Technology Orientation is less than 0.05, thus the researcher can accept the hypothesis and all the Customer Relationship Management service dimensions. From the analysis, the researcher recommend LIB S.C. should give priority for the application of Technology Orientation CRM dimension than other dimensions because this dimension has highest effect on customer satisfaction. As evident from the finding section that, Lion International Bank S.C Addis Ababa is recommended to implement Customer Relationship Management dimensions effectively to attract customers that make purchase decision and to increase the sales volume.

Key words: *Customer Relationship Management, Reliability, Process-driven Approach, Customer Focus & Technology Orientation.*

INTRODUCTION

This Chapter presents an overview of the entire study. It includes the background of the study, Statement of the problem, Research questions and Objectives of the study, Significance of the study, Scope and Limitation of the study and Definition of terms and Organization of the study.

1.1. Background of the Study

Contemporary financial service industry has become highly dynamic and turbulent, with many changes in form of new regulations, changed consumer behavior, increased usage of information and communication technology and intense competition (Lymperopoulos, C., Chaniotakis, I.E., & Soureli, M. (2013); Heinonen, 2014). Banks have to invest great efforts to create added value and one way to do that is to generate and support the development of long-term customer relationships that provide greater value than the value provided by the banking product itself. Building of any added value is hard to achieve now a days since competitors' activities, which are often very similar, erode added value of any business (Zineldin, 2005).

Customers have become more demanding, empowered to perform some activities that were previously handled solely by banks, more knowledgeable, sophisticated, and aware of available alternatives, independent, in a position to negotiate with many different service providers and similar (Heinonen, 2014). Under the influence of such changes in customer behavior and their needs, and with the goal to gain and maintain market competitiveness, banks invest a lot of financial, technological and human resources in customer relationship management (CRM) (Jugovic, et al., 2015). Relationships must be such that both banking service providers and customers benefit from it on a long term (Dimitriadis, 2011). As a result of such relationships, productivity and quality of banking services is rising based on the progress of relationship between banks and customers (Brige, 2006).

Today, with the wide usage of electronic communication technologies, customer relationship management has undergone significant changes and it represents a system which includes all aspects of communication and interaction with customers and, in other words, it determines how to work

with customers, solve their problems, persuade them to purchase banking products and services, generate a feeling of satisfaction, loyalty and maintain financial interactions with customers (Rezghi, et al., 2014).

On the other hand, marketers' responses to CRM implementation appear to have neglected customers' opinion in relation to understanding consumer attitudes, even as an indirect target audience. Kim, Park, Dubinsky and Chaiy (2012) argue that to date there remains a lack of attention regarding the customer's point of view vis-à-vis CRM activities of firms. Although present literature does provide helpful insight into the company's point of view, researchers have shown little concern regarding customers' attitude toward Customer Relationship Management activities (Kim, et al., 2012). For those companies already participating in CRM initiatives, the information provided for the consumer about their involvement may be limited or non-existent, missing the opportunity to assist the consumer to think clearly or abstractly about the extent relationship they make with their suppliers.

Most of the studies done on CRM are from supplier perspective (example: Stein and Smith, 2009; Akroush et al., 2011). Despite the importance of input from these studies, surprisingly overlooked area in CRM research has been the customer. In fact, according to Padmavathy, Balaji and Sivakumar (2012) only few studies have investigated and measured the effect of CRM from customer perspective.

This limits the understanding of how customers perceive CRM and the outcome of such efforts on their behaviors. Understanding the customer perspective is crucial for an organization, since an effective CRM requires the business process and technology focused towards the customer satisfaction. It is essential to know for firms how effective their CRM activity perceived by customers and its effect on customer satisfaction. Such information will help the organizations to better understand customers and tailor their activities to meet customers' expectations and deliver high customer values and to focus on the dimensions that will enhance customer satisfaction. Padmavathy, Balaji and Sivakumar (2012) in their study identified five key CRM dimensions of measurement from the customer perspective that could be implemented to enhance a bank business performance. In addition to this, Padmavathy and Sivakumar; (2017) on their study of adopting

analytic hierarchy process to prioritize banks based on CRM effectiveness – the customers perspective, stated CRM dimensions are four: reliability, process driven approach, customer focus and technology orientation. These dimensions emphasize that CRM efforts should focus on crucial areas that require attention for successful CRM implementation, which are strategy, process, technology, management, and people (Crosby and Johnson, 2001; Yim, 2002; Sin et al., 2005).

As it has been marked by Onut et al., (2006) in their study, today many businesses such as banks, insurance companies and other service providers realized the importance of customer relationship management and its potential to help them acquire new customer, retain existing ones and maximize their lifetime value.

In realization of this fact, the banks in Ethiopia have deployed Customer Relationship Management besides serving their customers with range of services, to create lifetime value for customers, enhance customer relationship quality, and retain their existing customers and becoming more customer-focused. Despite the fact that CRM has emerged as a major business strategy, as far as the researcher's knowledge little research has conducted to evaluate its effectiveness and effect on customer satisfaction.

To address this concern the study examined the bank customers' perception towards CRM and its impact on customer satisfaction. Specifically the study has conducted in Lion International Bank SC by assessing the bank customers' attitude towards the bank CRM implementation and their satisfaction. The study regards the customer as a major factor to consider for the effect of CRM of the bank. Thus, the study has provided insight to customers' evaluation of CRM and examined the relationship between CRM dimensions and its outcome on customer satisfaction based on the four dimensions identified by Pamavthy and Sivakumar (2017).

1.2. Statement of the Problem

Before few years, businesses were traditionally competing with others on the bait of price, the product features, by promoting and or by locating them at the places, they are in demand (through 7Ps). However, today none of these factors is providing the necessary differentiation due to similarity in product features, mainly competition and technology changes the business environment (Gambeson, 2002).

In the face of highly demanding business environment, the new reality had dawned on to the business that only the way to sustain revenues and growth is treating the existing customers as well as providing best experience to them and ensuring that the customer comes back to them in future (Hinnawi, 2011). This leads the companies to a strategy known as Customer Relationship Management (CRM).

CRM provides a competitive edge; it enables businesses to focus on customer relation activities for identifying, acquiring, retaining customers and developing life-long relationships with them; by providing best possible service and satisfaction to achieve organizational goals (Burt and Sparks, 2003).

Customers are the engine of any organization moving towards winning and becoming a profitable business. What customers feel and think about a company and/or its offering is key aspects of its success. Banks have realized that managing customer relationship is an essential factor for their success as CRM is one of the best strategies that can help them build long lasting relationships with their customers and increase their profits through efficient management system and application of customer focused strategies (Nyarku et al., 2013). However for the success of these efforts besides the organization commitment on implementing CRM, customers' attitude should be considered. Knowing the customers attitude towards the effectiveness of the implemented CRM activities and its behavioral outcome on the customer satisfaction is crucial for the success of CRM activity, With regard to CRM, studies had been replicated in most developed economies like USA, Europe and Asia and developing economies like South Africa, Ghana and Nigeria, but without recourse to Ethiopia. But, currently it is obvious that Ethiopia is one of the fast growing economy country in in the world, as such requires the application of CRM concepts for businesses to be relevant in the global marketing competition.

Even though Customer Relationship Management activities are in the infant stage in Ethiopian banking industry, knowing the customers' view and perception towards the effort is an essential for the development and growth of CRM. It has a competitive advantage for firms in financial sector. However, most of the studies done on CRM are from supplier perspective. As per the knowledge of

the researcher, only few researches have done in evaluating customer relationship management from customer perspective. (Kim et al., 2012; Padmavathy et al., 2012).

In Ethiopia, especially in Addis Ababa city, Lion International Bank SC is well penetrated to the market through the opening of branches in several places of the city. Meanwhile, the bank faces high competition from CBE and the private Banks such as high competiveness: high-level preliminary expensive and customers switching to other banks. The Bank used different strategies to compete in the highly competitive market but still the problems are not solved. Therefore, to overcome the above-mentioned problems a study "The effect of Customer Relationship Management on customer satisfaction" with reference to LIB in an emerging market like Addis Ababa can be a fruitful empirical work. Hence, the main aim of the researcher assesses the effect of Customer Relationship Management (reliability, process driven approach, and customer focus and technology orientation) on customer satisfaction.

1.3. Research Questions

1. What is the effect of reliability on customer satisfaction?
2. To what extent process driven approach affects customer's satisfaction?
3. What is the effect of customer focus on customer satisfaction?
4. What is the effect of technology orientation on customer satisfaction?

1.4. Objective of the Study

1.4.1. General Objective:

The overall objective of this study is to assess the effect of Customer Relationship Management on Customer satisfaction in the Ethiopian Banking industry- The case of Lion International Bank SC Addis Ababa.

1.4.2. Specific Objectives:

In line with the above general objective, the specific objectives of this study are the following:

➢ To analyze the effect of reliability on customer satisfaction.
➢ To examine the impact of process driven approach and customer satisfaction
➢ To evaluate the influence of customer focus and customer satisfaction

➢ To analyze the effect of technology orientation and customer satisfaction.

1.5. Significance of the Study

To build and manage customer relationships effectively, organizations should establish a customer-centric culture. While most of the researches done in evaluating CRM implementations so far are from marketers' perspective. This research has provided an insight in to customers' perception towards CRM activities and show activities of CRM meet customers' expectations. Through converting customer information in to usable data, CRM can increase the overall performance of a company (Stein and Smith, 2009; Yim et al., 2004).

As the number of service providers in the banking sector is increasing in Ethiopia, the competition is getting stiffer. Among other factors the decrease in customer loyalty and shifting of customers to competitors easily with lesser or no switching costs, have impact on the declination of the market share of the players in the industry. Banks have realized this and are implementing CRM to win, retain and gain back customers. However, the view and perception of customers, towards whom CRM is applied, should considered.

Evaluation of customers has helped the bank to design the application in accordance to customer need to create long lasting relationship by creating value to customers.

Thus, this study gives an insight how customers perceive CRM implementation and its effect on customer satisfaction, which in return helps the bank to identify gaps between customers' needs and the current customer relationship activity of the bank and dimensions which contributes to customer satisfaction. Moreover based on this kind of studies managers can get insights into the development and implementation of CRM activities based on customers' evaluations. Such information enables the bank to review the current CRM activity and to know the needs of the customers.

1.6. Scope of the Study

This study is intended to assess the effect of CRM on Customer Satisfaction from customer and company perspectives, upon which customers evaluated the CRM activities of the Bank from four dimensions and the company policy and strategy from implementation point of view of CRM.

The study focuses on six medium level rated branches, i.e. grade II (per the Bank`s branch rating scheme) of LIB S.C Addis Ababa. This delineate the area of the study by discriminating those branches of LIB S.C which is found in Addis Ababa with medium grades because of the

representativeness of the medium rated and containing most of the branches next to grade I (elementary branches) in the study area. It also represents the middle level of CRM practice in the bank.

The research design of the research is single survey research (descriptive research design) with descriptive statistics, correlation and chi square test to analyze the data.

1.7. Limitations of the Study

Conducting a research is bounded by a lot of constraints. This research will have some limitations that could hinder from making detail investigation of the research. The findings of this study will be collected from the six selected grade II branches of the Lion international bank SC in Addis Ababa, and this limits the generalizability of the findings to the banking industry in Ethiopia. The second limitation of this study is the employment of a cross-sectional research survey which limits the research to not assess the trends. Furthermore, this study is done from both customers' and company's point of view but not comparing the Lion International Bank SC from other banks.

1.8. Definition of Terms

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

Reliability: refers to the extent to which the banks fulfill its promises by providing relevant information to the customers; by providing effective communication to the customers; and by approaching the customers with cooperation. (Padmavathy and Sivakumar., 2017, p. 86).

Process-driven approach: refers to conducting the transactions of the customers correctly and quickly; making the services processes with speed and astuteness in order to provide the customers with fullest satisfaction; delivering the products with value-added information available to the customer. (Padmavathy and Sivakumar., 2017, p. 86).

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

Technology orientation: addresses the operational performance of banks with the use of latest technology such as automatic teller machines (ATMs), internet banking and mobile banking to provide quality service and easier service. (Padmavathy and Sivakumar., 2017, p. 86).

Customer Satisfaction: It is an appraisal of how products and services of a company meet up or exceed customer anticipation. (Shaon, K., & Rahman, H. 2015).

Special Branches: indicates to a branch of Lion International Bank SC that is leveled as Grade II by higher number of customers /premium customers and number of transaction as per the bank's branch rating scheme.

1.9. Organization of the Study

This thesis is organized in five chapters.

➢ The first chapter contains the background of the study, statement of the problem, research questions, and objective of the study, research hypothesis, and scope of the study, limitation & significance of the study.

➢ The second chapter addresses the literature review including definitions & concepts of relevant topics in line with the objective of the study.

➢ Besides, the third chapter presents the methodology of the research, which includes description of the study area, research approach, research design, target population, sample size determination, data type and source, method of data collection, data analysis.

➢ The fourth chapter provides the data analysis results and discussion.

➢ The fifth chapter presents the summary, conclusions of the major findings and recommendation.

CHAPTER TWO

2. REVIEW OF RELATED LITERATURE

In this chapter, the researcher aimed to provide an overview of the literature regarding relationship management (reliability, process driven approach, and customer focus and technology orientation) and its impact on customer satisfaction in financial service industry especially in Lion International Bank SC and the subject matter based on different literatures reviewed.

2.1. Theoretical Review

2.1.1. Customer Relationship Management

According to Long and Khalafinezhad (2012), customer relationship management is a business strategy focused on optimized profitability, revenue, and customer satisfaction through consolidating customer segments, developing customer-satisfying behavior, and executing customer-centric processes. Businesses can gain competitive advantage through the gathering of information from customers to design tailor-made products and services to suit specific needs. The ability to gather and use customer information is essential for creating superior customer value (Tseng & Wu, 2014).

Business leaders in service organizations can enhance and sustain customer relationships through effective CRM systems (Tseng & Wu, 2014). The term CRM means building a relationship with consumers is a significant way to create loyalty and loyal customers are valuable and profitable (Agudze–Tordzrol et al., 2014). Enhancing profitability and customer satisfaction are the main objectives of CRM programs.

Customers who stay with their firms and maintain a sound relationship tend to be satisfied with the relationship. Satisfied customers are less likely to switch to competitors, and it is difficult for competitors to enter the market or gain market share (Hundre, Kumar, & Kumar, 2013). The business strategy involving CRM includes two perspectives. The first involves measurement of factors related to customer to Mozaheb, Alamolhodaei, and Ardakani (2015), leaders of organizations can use CRM as a business strategy to focus on the customer and increase customer loyalty and satisfaction by presenting tailored made services. Identifying, attracting, developing, and

maintaining an effective relationship with customers for organizational profitability involves CRM (Mozaheb et al., 2015). Alharthey, Rasli, and Ratyan (2013) argued that CRM is one of the most effective business strategies that involve increasing satisfaction and loyalty of customers. Thus, bank leaders use CRM to provide responsive and tailor-made services leading to happy and satisfied customers. The main principles of sales for organizations are to attain high growth and profit and have loyal and satisfied customers. Anabila and Awunyo-Vitor (2013) posited that CRM has emerged as a key business strategy employed by banks in their bid to hold on to their customers and increase customer loyalty and retention. Loyal customers give a solid basis for attaining sustainable business progress (Anabila & Awunyo-Vitor, 2013).   According to Hundre et al. (2013) asserted that customer retention is the actions that a firm undertakes to reduce or avoid customer defection. He also confirmed that a firm's ability to attract and retain new customers is related to how existing customers feel treated. Since satisfied customers mostly do not defect to competitors, a successful implementation of CRM techniques could yield satisfaction, loyalty, and retention of the customer.

The process involving CRM is an approach based on creating and maintaining positive customer relationships, increasing satisfaction of customers, and expanding the lifetime value of customers (Ngambi & Ndifor, 2015). Agudze-Tordzro et al. (2014) asserted that CRM is a comprehensive strategy and a process of acquiring, retaining, and cooperating with selective customers to build and maintain trust. According to Ngambi and Ndifor (2015), the process of recognizing customers, creating customer knowledge, creating customer relationships, and influencing customer perceptions of the company and its services requires CRM strategies. Bank leaders should handle customer service problems, keeping customers informed as to when service providers will perform quality services and give customers individualized attention. Customer satisfaction levels increase whenever the customers appreciate the service in a way that fulfills their personal needs (Auka, Bosire, & Matern, 2013). Customer relationship management is a two-way communication between customers and the firm (Messay, 2012).

Tracking customer activities and producing specified information to customers will make them have a sense of belonging and increase their satisfaction. Customers show appreciation to a bank that offers them options and alternatives, especially when the customers feel the banks are concerned with their best interests (Kariru & Aloo, 2014). Furthermore, through CRM, the bank will have a

greater understanding of customer requirements and inform them through feedback. Efficient company to customer communications results in increased customer satisfaction (Lau, Cheung, Lam, & Chu, 2013).

2.1.2. CRM Models

A number of comprehensive CRM models have been developed. Seven of them are.

- *The IDIC model:* was developed by Peppers and Rogers, the consultancy firm, and has featured in a number of their books. The IDIC model suggests that companies should take four actions in order to build closer one-to-one relationships with customers: *The IDIC Methodology (Peppers and Rogers, 2004)*

  ➢ Identify who your customers are and build a deep understanding of them

  ➢ Differentiate your customers to identify which customers have most
  value now and which offer most for the future

  ➢ Interact with customers to ensure that you understand customer
  expectations and their relationships with other suppliers or brands

  ➢ Customize the offer and communications to ensure that the expectations
  of customers are met.

- *The Quality Competitiveness Index Model (QCI):* is also a product of a consultancy firm. The model's authors prefer to describe their model as a customer management model, omitting the word 'relationship'. At the heart of the model, they depict a series of activities that companies need to perform in order to acquire and retain customers. The model features people performing processes and using technology to assist in those activities. *The Quality Competitiveness Index Model* (Hewson, 2002)

- *The CRM Value Chain Model:* Francis Buttle's model was the subject of a recent book. The model consists of five primary stages and four supporting conditions leading towards the end goal of enhanced customer profitability. The primary stages of customer portfolio analysis, customer intimacy, network development, value proposition development and managing the customer lifecycle are sequenced to ensure that a company with the support of its network of suppliers, partners and employees, creates and delivers value propositions that acquire and retain profitable customers. The supporting conditions of leadership and culture, data and IT, people and processes enable the CRM strategy to function effectively and efficiently. *The CRM Value Chain (Buttle, 2000)*

- *Payne's Five-Process Model:* The fourth model clearly identifies five core processes in CRM: the strategy development process, the value creation process, the multichannel integration process, the performance assessment process and the information management process. The first two represent strategic CRM; the multichannel integration process represents operational CRM the information management process is analytical CRM. Adrian Payne developed this comprehensive model. *The Strategic Model for CRM (Payne, 2006). The Gartner competency model.* The final comprehensive CRM model comes from Gartner Inc. Gartner Inc. is a leading IT research and advisory company that employs some 1200 research analysts and consultants in 75 countries, and has a significant place in CRM research. In this chapter, you have learned that the expression CRM has a variety of meanings. Four types of CRM have been identified: strategic, operational, analytical and collaborative. There are many misunderstandings about CRM. For example, some people wrongly equate CRM with loyalty programs, whereas others think of CRM as an IT issue. Although CRM is generally thought of as a business practice, it is also applied in the not-for-profit context. A number of different constituencies have an interest in CRM, including CRM consultancies, CRM software vendors, CRM application service providers, CRM hardware and infrastructure vendors, companies that are implementing CRM and their customers. *Gartner's CRM Maturity Model for Enterprise (Gartner Group, 2001)*

- *The Forrester model:* The Forrester CRM model is grouped into four types such as Strategy; Process, Technology; and People. The model produced results in the findings on over hundreds of companies using CRM as strategically, thorough analysis of over number of vendors' solutions providers and with discussion with about numerous consultants. For firms willing to

kick-start their CRM programs or for those that are finding it tough to get best out of their CRM programs after it has been launched. *The Forrester model (Forrester Research, 2008)*

- *The Dasai et al /Conceptual Model:* The conceptual framework was developed by Dasai el al (2007) in which consideration is driven towards competitive CRM performance from both internal and external perspectives. The dynamic capability for CRM is the key source for competitive CRM performance considering the rapidly changing nature of the business environment today, which erodes the values of existing competencies**.** *The Dasai et al /Conceptual Model Dasai el al (2007)*
- *The CRM Frameworks/Models: IDIC, QCI, Value Chain Available: (Online) (https://wikimemoires.net/2011/06/the-customer-relationship-management-frameworksmodels/)*

Finally, we have produced a definition that underpins the rest of this book. We define CRM as the core business strategy that integrates internal processes and functions, and external networks, to create and deliver value to targeted customers at a profit. It is grounded on high quality customer-related data and enabled by information technology.

Relationship Marketing assumes unique relationship with customer by adding more value to products and services (Lindgreen and Wynstra 2005, 735).

Modern communication technology becomes a tool that enables modernization of existing processes, raises quality of business and communication between customers and bank. Accurate information is becoming basis of competitive advantage. Proactive usage of information involves participation of banks in creation of information and their usage in order to introduce changes in business.

CRM concept opens new opportunities to attract customers through cross selling of products and services, as sale of additional products and services within existing customer base. Good long-term relations with customers create immunity of customers on competition. Simmons, in his research, confirmed that if a bank focuses its activities on meeting needs of customers, the proportion of customers, who are leaving bank, is reduced up to 25% and in the long period, costs of acquiring new customers are reduced, also (Catalan-Matamoros 2012, 4).

Benefits of CRM concept is reflected through increasing revenues and profitability, reducing costs and organizational changes in banking sector.

Customer Relationship Management is a specific management process, which must be aligned at all, levels in bank. According to Shanks Graeme et al., 2009 advantages of CRM concept is reflected at operational, tactical and strategic level.

2.1.3. The Importance of Customers' Perception towards CRM Implementation

The customer has always been a part of a firm's activities (Nguyen et al., 2012). However, little is known about customers' perceptions especially of CRM implementation. As noted by Kim et al., (2012), research has focused on the company side of CRM implementation. Customers' perceptions (positive or negative) of the CRM tools, activities of firms, the relationship between those perceptions and customers' intention to remain in the relationship with the marketer are very crucial for firm to achieve its objective of CRM strategy. Without customers willingness to remain in the relationship with the marketer the several CRM activities and efforts will be just expenses for the firm. While CRM activities are regarded as an investment. Vefhoef (2003) argues that CRM implementation activities are directed at generating current customers' interest in new offerings and fostering personalization. As noted by Nyarku, Kwamena (2013) consumers can perceive no advantage, beyond location convenience, for selecting one bank over another. For marketers to alter perceptions and create consumer preference, banks need to evaluate their customer management strategy to be capable of delivering consistent and cost-effective customer service, customer-aligned products and services, and enhance customer loyalty and long-term value (Nyarku, Kwamena, 2013).

Trust is considered a central construct in relationship marketing (Tsarenko and Tojip, 2009) and has been explored in such areas as customer behavior, expectations and attitudes (Liu2005).

Companies should adopt a customer orientation when implementing CRM efforts (Teo et al. 2006). Moreover, customers should also be considered as an important factor before investing on CRM activities. Although logical as well as obvious, firm nonetheless often fail to include the customer in CRM initiatives (Kale, 2004).

Kim, Park, Dubinsky and Chaiy (2012) stated that CRM has been developed to manage customer relationship effectively. Hence, to build and manage customer relationship effectively, organizations should establish a customer-centric culture. This will enable organizations to implement CRM service efforts that are compatible with customers' expectations. The foregoing as argued by Kim et al. (2012) support firms to identify customers who have favorable attitudes toward the firm's CRM implementation activities and those who do not have.

An enhanced relationship with one's customers can ultimately lead to greater customer loyalty, retention, and profitability (Ngai, 2005). If a company wants to achieve the benefits of CRM implementation, one of the factors that require due consideration is the customer. Customers must be considered as an important factor before and after investing on CRM activities.

2.1.4. CRM in Financial Services

The banking industry is one of the first sectors, which deployed CRM solutions as described by Khan & Bajaj (2012). Today, many financial services organizations are rushing to become more customer focused (Peppard, 2002). Jallat & Anacarani (2008) argue that banks are known to have stable and long lasting relations with their customers, which is why development of customer relations is a crucial strategic issue in banking. However, a basic problem in banking is that the customer base is heterogeneous, ranging from homogenous segments of customers with the same preferences to customers with individual demands for customized services.

CRM is a sound business strategy to identify the bank's most profitable customers and prospects, and devotes time and attention to expanding account relationships with those customers through individualized marketing, re-pricing, discretionary decision-making, and customized service-all delivered through the various sales channels that the bank uses (Onut et al., 2006). As indicated by Nyarku, Kwamena (2013) with so many different financial institutions to choose from, customers are now more knowledgeable, sophisticated, assertive, continuously demand higher levels of customer service, less loyal, and more inclined to switch to a competitor. In this consumer economy, attracting and crucially keeping customers for the long term is a key challenge for all businesses and more especially the banks. Hence, banks have realized that managing customer relationships is a very important factor for their success as CRM is a strategy that can help them build long lasting

relationships with their customers and increase their profits through efficient management systems and the application of customer-focused strategies.

CRM in the banking sector is of strategic importance since exceptional customer service is a major indicator for customer retention leading to high profitability. According to Das et al., (2009) CRM in the banking industry is entirely different from other sectors, because banking industry is purely related to financial service, which needs to create trust among the people.

The establishment of Lion International Bank S.C., on October 2, 2006 in accordance with Proclamation No: 84/94 and Commercial Code of Ethiopia has marked a shift in ownership as the company based its roots in a larger number of shareholders than any other Bank has had during the time and has become a pioneer for the Banks that came later. The then 3,739 shareholders have subscribed a capital of Birr 432.5 Million and have had an initial paid-up capital of Birr 108.2 Million; Lion International Bank commenced operation on 6 January 2007 with three branches. LIB has more than 368,020 thousand account holders as of 3rd Quarter, 2017 (www.anbessabank.com). The industry is facing an aggressive competition since emerging private banks joined the industry. As the result, customers have now more options and are shifting to the competitors. Therefore, to retain its customers overall the bank has Customer Relationship Officers who are responsible for advising, consulting and providing adequate information to customers. Moreover, branch managers, who conduct the recruiting potential customers, promote the bank in general and their branch in particular and monitor their branch's overall CRM practices. Efficient and effective customer services is also tailored by the customer service managers who support branch managers CRM activities in executing operational tasks of the branch and entertain customer request at sight.

To be successful by implementation of CRM financial and banking organizations must define and develop a business strategy as well as a supporting infrastructure for that strategy (Nyarku, Kwamena, 2013). From this stance, the bank is facilitating its CRM activities by deploying recent banking technologies, which include ATM, mobile banking and internet banking & POS machine. Deploying these, technologies enable the bank customers to withdraw, transfer and check their account 24 hours a day easily. The quality of business activities is very high and price competition is easily imitated, whereas non-price competition inevitably increases service quality and introduces new financial goods.

Therefore; this research will be conducted the bank customers' attitude towards the bank CRM activities and measures the effectiveness of the CRM implementation of the bank by using four dimensions identified by Padmavthy and Sivakumar (2017).

2.2. Empirical Review

The implementation of CRM is widespread (Peppard, 2000) and more advanced (Ryals and Payne, 2001) in the financial services industry than in other industries. However, to date few studies have examined the effectiveness of CRM in financial services industry from customer perspective (Padmavathy et al., 2012, p. 250). According to Crosby (2002) in financial services, the idea of relationship in banking was receiving considerable attention as a means of acquiring, retaining and improving the profitability of customers. However little is known about customers' perceptions of CRM implementation activities and efforts (Kim et al., 2012). This is due to the fact that focus of researches on the company side of CRM implementation (example: Bohling et al., 2006; Onut et al., 2006; Jallat and Anacarani, 2008; Malik and Wood-Harper, 2009; Akroush et al., 2011).

Malik and Wood-Harper (2009) tried to identify the problems and challenges in the banking sector of Pakistan using CRM. Bohling et al., (2006) concluded that linking CRM strategy and implementation more tightly with the overall marketing strategy of a business would lead to greater CRM implementation effectiveness. Chen et al. (2009) proposed a metric system for measuring CRM effectiveness from the supplier perspective (Akroush, Dahiyat, Gharaibeh and Abu-Lail 2011) examined the generalizability of the CRM scale originally developed by Sin et al. (2005) to investigate the strength of linkages between CRM implementation components and business performance in Jordan financial service organizations. Hence, they conducted survey in financial service organizations located in Jordan. From the customer perspective, Jain et al. (2007) proposed a two-dimensional measure of CRM effectiveness. Reinartz et al. (2004, p. 294) conceptualized CRM from the customer perspective as: systematic process to manage the customer relationship initiation, maintenance, and termination across all customer contact points in order to maximize the value of the relationship portfolio. Though the researches, conducted on CRM from customer perspective, are few valuable researches are available on the subject matter.

Kim et al., (2012) assessed customer's viewpoints to explore the gap between actual bank CRM implementation and customers' expectation. Nyarku, Kwamena (2013) in his study assessed the

CRM practices at National Investment Bank in Ghana and recommended win-back and retention strategies to meet the needs of customers in a highly customized and responsive manner.

Whereas Padmavathy, Balaji and Sivakumar (2012), developed five dimensions, namely organizational commitment, customer experience, process-driven approach, reliability and technology orientation, to measure the effectiveness of CRM from customer perspective. Muro et al. (2013) investigated the strategic benefits and challenges of utilizing CRM systems in the banking sector, finding that the use of information and communication technologies provided personalized service and attention to bank customers. In addition, the researchers also determined that CRM improves relationships and processes with business partners (B2B) and with customers. Most importantly, it was noted that CRM builds long-term relationships and loyalty when implemented appropriately and that CRM is beneficial investors, employees, and customers because it enhances performance. Giannakis and Boutsouki (2014) further attempted to approximate the extent to which CRM effectiveness influence potential for customer engagement, with a specific focus on CRM practices, reflected on the measures of customer performance. The findings show that customer affective commitment and overall gratification with the bank are significant influences of client willingness to deepen their relationship with the financial institution. In addition, the financial institution's presence on social media also has a significant association with client willingness to engage in social CRM with the bank. Iriqat and Abu Daqar (2017) investigate the impact of CRM on Long-term Customers' Loyalty in the Palestinian Banking Industry; they found that there is a positive relationship between long-term customers' loyalty and CRM. Additionally, they clarified that the banks need to update periodically the customers' database. Padmavathy and Sivakumar (2017) in their analytic hierarchy process (AHP) to priorities banks study that based on the research of Padamavathy et al., (2012) come up with four dimensions these are reliability , process driven approach, focus on customer and technology orientation, the finding was with respect to the dimension, reliability was the most important factor needed by the customers and next process driven approach, focus on customer and technology orientation are respectively from 42 retail Indian bank customers.

2.3. Conceptual Framework

In today's intensely competitive, rapidly changing and highly complex business environment characterized by diminishing customer satisfaction, the need to be market focused and customer centric is more critical than any other time to build and maintain a strong relationship with the customers in order to achieve the ultimate goal of customer satisfactions for any organization.

Since Lion International Bank faces high competition from all banks such as high competiveness; high level preliminary expensive and customers switching to other banks. It used different foundation of strategies to compete in the highly competitive market but still the problems are not solved. Therefore, to overcome the above-mentioned problems a study on the effect of Customer Relationship Management (reliability, process driven approach, and Customer focus and technology orientation) on customer satisfaction is important. Therefore, this study aimed to assess the effect of Customer Relationship Management on customer satisfaction in the case of Lion International Bank, Addis Ababa City. A theoretical framework is used as a guideline to test the effect of Customer Relationship Management on Customer Satisfaction. Quantitative methods of data collection is used. Respondents are selected through convenient sampling method and data was collected through questionnaires, which is self-administered by researcher. Multiple regression analysis is used to analyze the data collected.

The theoretical model guiding the investigation is depicted in figure below, adapted from Padmavathy and Sivakumar (2017).
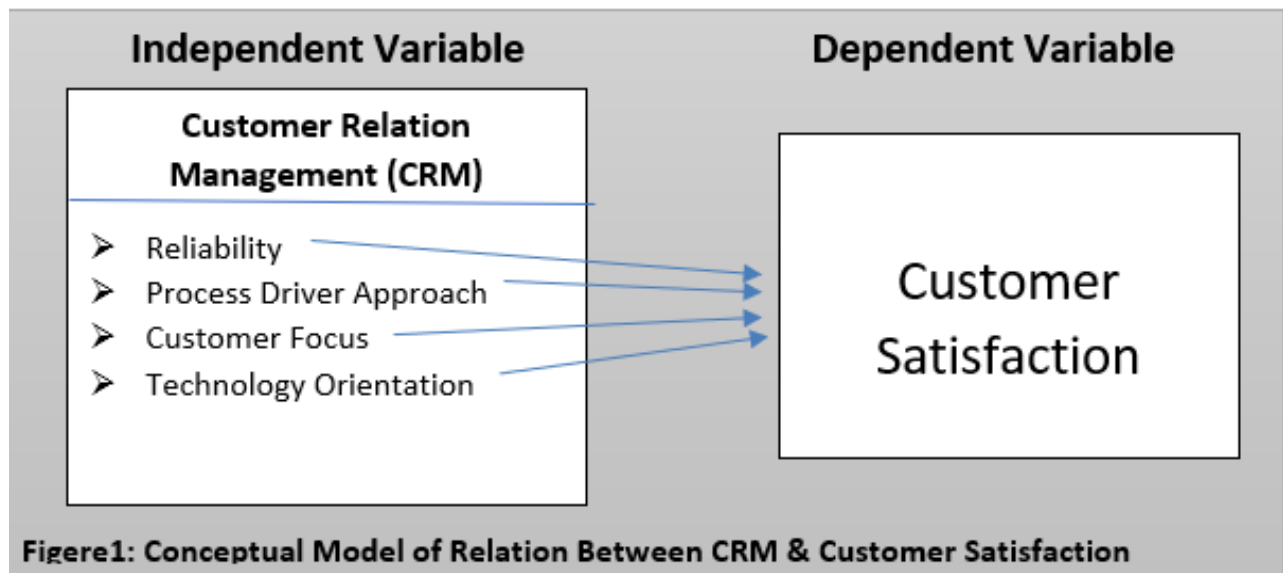
Figere1: Conceptual Model of Relation Between CRM & Customer Satisfaction

Source: Adapted from Padmavathy and Sivakumar (2017)

2.3.1. Dimensions of CRM

Only few studies have investigated and measured the impact of CRM despite the practical relevance of operationalizing and measuring CRM effectiveness for business performance variables (Padmavathy, Balaji and Sivakumar. 2012). Mithas, Krishnana & Fornell (2005) argued that marketing has moved from a brand-centered focus to a customer-centered approach. Hence, managing customer relationships is important and valuable to businesses. The effective implementation of CRM requires a cross-functional integration of marketing, sales, customer service and supply chain to enhance value delivered to customers (Parvatiyar and Sheth, 2001, p.5). As noted by Das (2012) the effective relationship between customers and banks depends on the understanding of different needs of customers at different stages.

Even though measuring of customer relationship will measure the relational efforts or activities that effect on customer and business performance variables as stated by Padmavathy, Balaji and Sivakumar., (2012) metrics for assessing of CRM are to date inadequate. Most of the proposed metric system for measuring CRM are developed to assess from the supplier perspective not the customers perspective (example: Yim et al.,2004; Sin et al., 2005; Bohling et al., 2006; Onut et al., 2006; Shafia et al., 2006; Chen et al., 2009; Oztaysi et al., 2011; Nguyen et al., 2012; Sang et al.,2013). Many definitions of CRM have been emerging, with each successive definition

supplementing the previous ones and adding more focus to the concept and explanation of its underlying principles and dimensions (Akroush et al., 2011). And then Padmavathy and Sivakumar. (2017) came up with four dimensions from which customers can evaluate and reveal the CRM activities and efforts. These dimensions, which are reliability, process driven approach, customer focus and technology orientation, let customers evaluate and measure the impact of CRM activities of their banks from the four perspectives. Furthermore, it enables the banks to take due consideration of their CRM activities. Each of these dimensions discussed in this section as described by Padmavathy and Sivakumar (2017).

2.3.1.1 Reliability

Reliability is one of the most common factors of CRM. It enables customers to assess the banks use in providing service with regard to; maintaining consistent service standard and reliable service. Reliability refers to the extent to which banks consistently and accurately deliver services to their customers as promised. As mentioned by Padmavathy et al., (2012) and consistent with the findings of Zinedlin (2005) reliability is one of the necessary conditions for banks to deliver superior customer value than competitors and thereby fulfill customer expectations and requirements. According to Padmavathy and Sivakumar, (2017) banks fulfill its promises by providing relevant information to the customers; by providing effective communication to the customers; and by approaching the customers with cooperation.

Customers expect organizations to anticipate their needs and provide consistent service at levels above their expectations. In return, customers are loyal to the organization for longer periods of time (Chen and Popovich, 2003). Chen and Popovich (2003) also stated that companies with efficient facilities and greater resources were able to satisfy customer needs with standardized products, reaping advantages through productivity gains and lower costs. Mithas et al., (2005) argue that CRM applications enable firms to improve the reliability of consumption experiences by facilitating the timely, accurate processing of customer orders and requests and the ongoing management of customer accounts. According to Parasuramal, Zeithamland and Berry. (2004) CRM activities always try to fill a customer's expectations and provide better customer service, which is not always possible without reliability. Reliability is depended as performing the task dependably and accurately.   In addition to this, the studies of Varies & Brijder (2000) and C.Padmavathy et al (2012), found reliability is one of the dimensions of CRM and it shows positive significant impact

on satisfaction. Therefore, reliability has a positive significant impact on CRM activities and for customer satisfaction.

2.3.1.2 Process Driven Approach

Process driven approach to customer service enables the banks to fulfill customer requests with speed and astuteness. Under this dimension, the customers evaluate the effectiveness of the bank with respect to promptness in delivering services, design of the service process in satisfying its customers, whether accuracy and rapidness in conducting transactions is very common with the bank and whether the bank provides value-adding information along with its services revealed. Korner and Zimmeramann (2000) argue that offering value-added information for the customer is a way of increasing customer satisfaction and loyalty. In addition, potential customers can be informed about a new product, since the new product may now cover the needs of the prospective customer. In return, a prospective might become customer. Likewise, if a customer is satisfied with the information provided that might be a source of competitive advantage (Kroner et al., 2000). Besides, the studies of Padmavathy C. et al. (2012), found process driven approach is one of the dimensions of CRM and it shows positive significant impact on satisfaction.

Therefore, Process driven approach has positive and significant impact on customer satisfaction.

2.3.1.3 Customer Focus

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

Customer focus refers on competitive value creation for customers through CRM to managerial perceptions. It deals with an understanding of customer needs, expectations, feedback, communications, and customer- focused matrices (Day 2000; Gartner, 2003).

Competitive value creation for the customer is reflected in higher levels of customer satisfaction, customer loyalty, and other customer focused matrices. Under this dimension refers to giving

importance to the customers; greetings the customers on special occasions; and making the customers to visit the bank again. (Padmavathy and Sivakumar, 2017).

A customer-focused structure, culture, policy, and reward system should permeate any organization that strives to implement CRM successfully (Sheth, Sisodia, and Sharma, 2000). All interactions with key customers, who are often identified by "lifetime value computations," must fully reflect this company-wide CRM focus (Jain and Singh, 2002). The ultimate goal is to achieve deep customer relationships through which the seller organization becomes indispensable to its most profitable customers (Vandermerwe, 2004). Equipped with company-wide understanding and internal support for key customer relationships, the sales force generally is better enabled and motivated to cultivate long-term customer relationships by offering more personalized products and services and enhanced customer satisfaction (Kotler, G & Armstrong, P (2012);
Moreover, according to Yim et al (2004), identify customer focus to be one of CRM dimensions, that demonstrated the vital influences of those on performance and has significant impact such a customer satisfaction, customer retention and sales growth. Thus according to the study, focusing on customers has a positive & significant relationship with satisfaction.

2.3.1.4 Technology Orientation

The technology orientation dimension addresses the operational performance of banks with the use of the latest technology such as Automatic Teller Machines (ATM), internet banking and mobile banking. Information technology and Information system play an important role in the development of CRM (Ling and Yen, 2001; Kincaid, 2003).

Bank's CRM technology allows collection of customer information across various points of contact and thereby delivers personalized services to maximize customer value. Hence, the technology has an important role in CRM in adding to firm intelligence (Boyle, 2004). Accurate customer data is necessary to successful CRM performance (Abbott. 2001). CRM technology augment the customer information processes and enables effectiveness of relational efforts. It is important for banks to be technology oriented to cope up with evolving customer needs. The bank's effective usage of latest technology like ATM, mobile and internet baking addressed with this dimension. Boulding, Staelin, Ehret, and Johnston. (2005) suggest that CRM is a consequence of the continuing technology evolution and integration of organization marketing approach. CRM applications take full advantage

of technology innovations with their ability to collect and analyze data on customer patterns, interpret customer behavior, develop predictive models, respond with timely and effective customized communications and deliver product and service value to individual customers. (Chen and Popovich, 2003).

Companies adopt CRM technology for the specific purpose of building and maintaining better customer relationships (Kim et al., 2012). The rapid advancement in communication technology has greatly transformed the way relationship between companies and their customers are managed (Bauer, Grether and Leach 2002). As denoted by Kim et al., (2012) even though CRM technology increase the overall performance of a company, only adopting CRM technology does not mean that such benefits will easily accrue to the firm. Therefore; CRM technology helps companies and their salespersons" collect, analyze, and distribute information for enhanced prospecting, improved communication and sales presentations, and tailored product configurations.

 It also facilitates cross-referencing of customers within divisions of a company for greater sales opportunities (Widmier, Jackson, and Mccabe, 2002). Among the major outcomes sought by incorporating CRM-based technology are enhanced significantly of customer satisfaction and more profitable long-term customer relationships (Yem et al., 2004, Garrido-Moreno & Padilla Melendez, 2011). Therefore, CRM-based technology has a positive effect on customer satisfaction.

2.3.2. Customer Satisfaction

According to Kotler and Keller (2012), satisfaction is "a person's feelings of pleasure or disappointment resulting from comparing perceived products' performance (or outcome) in relation to his or her expectations". Authors elaborate that customer is dissatisfied if expectations are not fulfilled by the performance; satisfied in case the performance matches customer's expectations; and delighted or highly satisfied if his expectations are exceeded by the performance (Kotler and Keller, 2012).

Customer satisfaction is a popular expression in business and commerce circuits. It is a business term explaining the positive feeling consumers have by measuring product and services the company provided (Ramachandran & Chidambaram, 2012).

Most companies consider customer satisfaction a key performance index. Banking industry players are consistently trying to devise ways and means to increase their financial performance and be relevant to the customers. A bank cannot achieve financial objectives if the customers are not satisfied with operations and strategies in place.

Customer satisfaction plays a critical role in an organization's performance (Mburu, Van Zyl, & Cullen, 2013). The leaders of service organizations aim to satisfy customers because customer satisfaction is the foundation for business success (Ramachandran & Chidambaram, 2012). The survival of banks is now dependent on the quality of service delivered to customers. The level of competition could lead to customer empowerment, and customers can switch to other banks whenever dissatisfaction in service occurs.

Competitors can copy products, but it is difficult to reproduce unique service delivery (Asante-Gyabaah, Oppong & Idun-Baidoo, 2014). Customers are the stakeholders of the firm who make payment in return for the goods and services provided by the organization. Upon receiving the goods and services, the customer aims at fulfilling a need and maximizing satisfaction.

Customer satisfaction is also necessary for business success in this modern competitive banking sector (Mutea, 2013). A customer's concern is, therefore, with the value and quality of what they pay for and receive. Yang and Ming (2014) defined customer satisfaction as the difference between the customer expectation of service or product and the experience. An important driving force of organizational profitability in this modern age of doing business is the focus on customers and customer satisfaction (Mutea, 2013).

Leaders of organizations wish to improve the levels of the customers' satisfaction by concentrating in designing goods and services customer want. The measurement of customer satisfaction has become a yardstick to assess the performance of the organization on how it provides the goods or service. The customer wants the best quality at the lowest possible price. The perception of this best quality of product and lowest possible price is relative and varies significantly among individuals (Omenye, 2013).

Therefore, for the organization to ascertain an overall view of customer perception, it needs to evaluate the satisfaction of the customer (Omenye, 2013). When customers are satisfied, in most

cases, they talk strongly about their experience of the use of a particular good/service that gives a positive advertisement for the firm (Khan, 2012).

On the other breadth, when the customers are dissatisfied, they most probably would switch to a different brand and discourage others to patronize the brand that leads to a negative advertisement for the firm. Hence, the essence of keeping customers satisfied as well as considering them in strategic business planning can never be overlooked (Murugiah & Akgam, 2015). Customer satisfaction has received much attention and companies are regularly undertaking customer satisfaction surveys whereby the monitoring of the level of customer satisfaction has become a priority for firms regardless of their sector or industry. The satisfaction of the customer is the bedrock of the successful company (Belás & Gabčová 2014). In a very saturated market, there are homogeneous goods and services, and clients can easily change the provider of the product in case they are not satisfied. The issue of customer satisfaction is, therefore, critical. To comply with what the customer need, customer care, as well as banks customer satisfaction has been at the center of concerns of researchers and bankers (Bilan, 2013).

According to Belás and Gabčová (2014), the satisfaction of the customers is of immense importance to the present and future firm performance of commercial banks. The customer who is satisfied shall always be loyal and remain with the company. For the company to keep the customer, it requires less effort, time, and money than getting a new customer. A satisfied customer is willing to pay a higher price (Drugdová, 2012). When the customers are satisfied, they represent a free form of advertisement, and they are mostly inclined to buy other products.

The customers who are fully satisfied are less likely to move away from their banks and are more prepared to acquire and consume additional products or services from the same bank. However, some studies (Fraering & Minor, 2013) have not established this relation. They have reported that even satisfied customers change their banks if/when another bank offers a better product or service. These feelings are explicable in two ways: loyalty and other objective factors.

Loyal clients have more intense commitment and exercise emotional attachment to their banks. When a client is satisfied with the products and services, but not loyal to their banks, they are more likely to switch if conditions are better and accessible from another bank. Loyal customers are

resistant to competitors' offers, and it is, therefore, imperative that management of service industries identify the drivers of customer loyalty.

Customer satisfaction also increases the lifetime value of customers as it plays a vital role in determining the amount of money generated by the customer for the business; while the costs of retaining existing customers is also lower than the cost of acquiring new customers (Sun & Kim, 2013; Sanjuq, 2014; Saad, 2012).

CHAPTER THREE

3. RESEARCH METHODOLOGY

This section addresses the overall methodology used in this research. It consists of brief discussion of the study area, background of the bank, research design, research approach, research population and sampling methods, sample size determination, data type and source, method of data collection and data processing and analysis method.

3.1 Research Approach

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

3.2 Research Design

Research can be classified as descriptive, explanatory and exploratory depending on the specific purpose that the research tried to address. Descriptive research sets out to describe and to interpret what it looks at individuals, groups, institutions, methods and materials in order to describe, compare, contrast, classify, analyze and interpret the entities and the events that constitute the various fields of inquiry. It aims to describe the state of affairs, as it exists. On the other hand, explanatory research, aims at establishing the cause and effect relationship between variables. The researcher is used information already available to analyze and make a critical evaluation of the data/information. Exploratory research is less formal, sometimes even unstructured, focuses on gaining background information, and helps to better understand and clarify a problem. It can be used to develop hypotheses and to develop questions to be answered (Abiy Z., Alemayehu W., Daniel T., Melese G., and Yilma S. 2009).

Accordingly, the researcher collected data of CRM from customers of LIB to describe the effect of customer relationship management of the bank and its influence on customer satisfaction from customer perspective across four dimensions. Therefore, the researcher have used cross sectional data that are observations that comes from different individuals or groups at a single point in time

and descriptive research that depends mainly on data collection from primary source through distributing designed questionnaire for the research purpose. Adopted questionnaire was used as research instrument to investigate the impact of CRM of Lion International Bank SC from customer perspective and its influence on customer satisfaction. In addition to analyze the casual relations between the dependent variable (customer satisfaction) and the independent variables (CRM dimensions) using correlation and regression, which makes the research should be exploratory. Therefore, since it is most suitable due to the characteristics of the purpose of the study a descriptive and explanatory research used in this study. A cross-sectional research survey will also considered in finding the patterns in the gathered data to make it possible to see relationships between the different variables under investigation.

3.3 Data Types and Data Sources

There are two types of sources when collecting data; primary and secondary data sources (Arbnor and Bjerke, 1994) as cited in Olle Stromgren, 2007. To the study, purpose Primary sources are directly related. Primary data consists of all the data collected throughout the study that directly related to the study purpose, both personally gathered as well as data from a third party that collected with equivalent purpose.

On the other hand, secondary data contains relevant data that collected for a different purpose, but from which the conclusion is valuable for the purpose.

As the aim of this study assessed CRM and its effect on customer satisfaction from both customer and company, perspective the primary data collected from LIB selected Branches customers and branch managers.

3.4. Population of the Study

Based on the 2007 census conducted by the Central Statistical Authorities of Ethiopian, Addis Ababa has a total population of 3,147,000, according to the census, consisting of 1,511,000 men and 1,636,000 women and, 8% annual growth rate. The city is home to 23.8 % of all urban dwellers in Ethiopia, and has an estimated density of 5,936.2 per square kilometer. For the capital city, 662,728 households were counted living in 628,984 housing units, which results in an average of 5.3 persons to a household. In the previous census, conducted in 1994, the city's population was reported to be 2,112,737, of whom 1,023,452 were men and 1,089,285 were women. At that time,

not all of the population were urban inhabitants; only 2,084,588 or 98.7% were. For the entire administrative council there were 404,783 households in 376,568 housing units with an average of 5.2 persons per household. However, according to 2010 projection the total population of the city around 3.6 million. There are sixty-seven branches of Lion International Bank S.C in Addis Ababa city.

The population of this study encompasses Premium Customers selected from the Grade II branches of LIB S.C in Addis Ababa.

Premium Customers are those customers classified based on FCY remittance & amount of deposit service users. Saving account, current account, loan, Money transfer, POS and ATMs, SMS Banking, Internet Banking, Mobile Banking users and those who can get services in all LIB S.C branches (not only in branches were they having accounts) and most of them use all the products of the bank.

3.5. Sampling Procedure

3.5.1 Sample size

Due to time limit and budget constrain compel the researcher focus on selected special branches of LIB S.C to undertake the survey by using convenience sampling.

Lion International Bank S.C has 211 branches and 671,204 depositors all over the country, of which 93 percent are saving depositors. Out of the total, the Bank has 67 branches In Addis Ababa of which six of the branches are grade II Namely: GOFA, GOTERA, ARADA, TEKLEHAIMANOT, ATHLETE HAILE & SENGATERA branches with total number of 33,046 depositors and 1200 premium customers as of Dec/2018. Because of time and money constraint, the study was excluded all those branches of LIB in Addis Ababa with grades IV, Grade I branches and partially Grade II.

The total population size is the sum of the six Grade II branches of premium customers, which are found in LIB S.C Addis Ababa that determine the effect of customer relationship management of the bank and its influence on customer satisfaction from customer perspective. And it counts a total of 1200 premium customers are the population size of the researcher. The researcher is used the formula suggested by Israel, Glenn D. 1992 which indicated below to determine the sample size.

$$n = \quad N / 1 + N*e^2$$

Where n is the sample size, N is the population size, and e is the level of precision. N= population size of this research is equal to 1200.

e= precision level the researcher prefers to use 5% of sampling error (with a confidence level of 95%) which is an acceptable level of sampling error in many social science researches. Then n= 1200/1+1200(0.05) (0.05)   n=1200/4   n=300

Table No. 2: Sample size of the branches selected (proportion based)

Special Branches	Target population premium customers		Sample size
	Number	Percentage	Premium Customers
GOFA	204	17%	51
GOTERA	200	16.67%	50
ARADA	212	17.67%	53
ATHLETE HAILE	200	16.67%	50
SENGATERA	196	16.33%	49
TEKLEHAYMA NOT	188	15.67%	47
Total	1200	100	300

Source: Survey result 2019

3.5.2 Sampling Technique

Convenience sampling is a non-probability sampling method and it occurs when elements selected for the sample is selected by the availability and access of the respondents. Researchers often believe that they can obtain a representative sample by using convenience sampling considering weekday's representation of the CRM.

Questionnaires are distributed through non-probabilistic sampling technique of convenience sampling because no population of the bank can be available at the same time. Convenience sampling also called accidental or opportunity sampling is a technique in which a sample is draw from that part of the population that is close to hand, readily available, or convenient for premium customers of LIB special branches according to the sample size of each branch.

3.6 Data Gathering Instruments

Based on the research objective, English and Amharic version questionnaires has been prepared to elicit customers' experience. The questionnaire consists of three parts.

Part one was prepared to gather general information (demographic variables) about the respondents' gender, age group, education back ground, purpose of the bank service used, years of relationship with the bank, types of service used in the bank.

Part two was prepared to ask respondents to answer customer relationship management and customer satisfaction questions. This part consists of 21 questions and measures the effect of customer relationship management on customer satisfaction, which was divided into five dimensions by using a five point Lickert scale.

Part three was included questions related to the four dimensions of CRM by using a five point Lickert scale.

The researcher was took a pilot test of 30 questionnaires, to evaluate the clarity and respondents' understanding of the questions as intended. In a pre-testing phase, using a small sub-sample, may determine whether the data collection plan for the main study is an appropriate procedure. Thus, a small-scale pre-test study provides an advance opportunity for the investigator to check the data collection form to minimize errors due to improper design elements, such as question wording or sequence.

3.7 Data Analysis Technique

Analysis of data in this research done by using statistical tools like frequency, mean, standard deviation, correlation, and Chi square test. The Chi square test will be conducted to determine by the independence of the variables of concern i.e. CRM dimensions explain the dependent variable and which is important and most important to customer satisfaction.

Correlation analysis conducted to test the proposed hypothesis whether there is a positive significant relationship between CRM dimensions and customer satisfaction. A descriptive analysis used for each variable under investigation and it is also for demographic factors such as gender, age, education, purpose of the bank service used, years of relationship with the bank and types of service used in the bank. To analyze the quantitative data the researcher execute SPSS software version 25.

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

1. Data was collected from reliable sources, from respondents who are customers of the bank.
2. The questionnaires are based on literature review to ensure the soundness of the results.
3. SPSS software version 25 is helpful to analyze the data and the researcher gave special emphasis during data coding and entry.

3.8 Reliability and Validity

3.8.1. Reliability

According to Ticehurst and Veal (2000), reliability is the extent to which research findings would be the same if the research were to be repeated at a later date, or with a different sample of subjects. Reliability is concerned with the consistency or stability of the score obtained from a measure or assessment technique over time and across settings of conditions (Anastssi & Urbina, 1997; white & saltz, 1957). This research used the most popular test of inter-item consistency and reliability that is the Cronbach's coefficient alpha and has been used to identify the validity of items used in survey. For this purpose SPSS software version 25 will be used.

3.8.2. Validity

Validity can be assessed using theoretical or empirical approaches. Theoretical assessment of validity focuses on how well the idea of theoretical construct is translated in to or represented in an operational measure. Empirical assessment of validity examines how well a given measure relates to one or more external criterion, based on empirical observations. Validity focuses on what the test or measurement strategy measures and how well it does so (Anastasi & Urbina, 1997). The most common methods for demonstrating validity are referred to as content related, criteria related and construct related validity (Campbell, 1960). Content related validity refers to the relevance of the instrument or measurement strategy to the construct being measured (fitzpatrik, 1983).

The approach for determining content validity starts with the operationalization of the construct of interest. Content validity can also be related to other types of measurement strategies used in research design and methodology. A significant amount of research is

conducted using preexisting commercially available instruments. All of the constructs used in this research are adopted from the previous research works and definitions with little modifications in order to best suit the type of the service under study.

3.9 Ethical Consideration

The data collected from the customers are intended only for academic purpose and specifically for the consumption of this research; and do not provided to anybody that intends to use beyond this study. Questionnaire were distributed in a sealed envelope and through emails. The researcher has been clarified the questions only when requested. Other than this, the researcher does not influence the response of any customer. By doing so, the research has been concluded without losing its validity.

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CHAPTER FOUR

4. DATA ANALYSIS AND PRESENTATION

In this chapter the data collected from respondents are analyzed and interpreted using quantitative analysis which involves analysis of the demographical information of respondents and the descriptive and inferential statistics employed to test the hypothesis and to investigate the influence of independent variables on dependent variable. To analyze the collected data in line with the overall objective of the research undertaking, statistical procedures were carried using SPSS version 25.

4.1. Reliability Test Result

Testing goodness of data is testing the reliability and validity of the measures. Since the statements have been generated from an extensive review of academic and practitioner`s literatures, it is assumed that the construct validity will hold.

According to Ticehurst and Veal (2000), reliability is the extent to which research findings would be the same if the research were to be repeated at a later date, or with a different sample of subjects. This research used the most popular test of inter-item consistency and reliability that is the Cronbach's coefficient alpha and has been used to identify the validity of items used in survey.

According to Sekaran (2000), reliabilities less than 0.6 are considered to be poor, those in the range of 0.7 are acceptable, and those over 0.8 are good. Therefore minimum 0.700 coefficient alpha values accepted to finalize the item validity.

Table No. 3: Cronbach's Alpha for each of the questionnaire

Dimensions	Item Cronbach's Alpha	Reliability	Result
Reliability	5	0.833	Good
Process-driven Approach	4	0.713	acceptable
Customer Focus	4	0.711	acceptable
Technology Orientation	4	0.788	acceptable
Customer Satisfaction	4	0.705	acceptable
Overall	**21**	**0.945**	**Good**

Source: Survey result 2019

The Cronbach's coefficient alpha was calculated for each field of the questionnaire. Table No. 3, shows the values of Cronbach's Alpha for each filed of the questionnaire and the entire questionnaire. For the fields, values of Cronbach's Alpha are in the range from 0.705 and 0.833. This range is considered as acceptable according to Sekaran (2000); the result ensures the reliability of each field of the questionnaire. Cronbach's Alpha equals 0.945 for the entire questionnaire which indicates reliability of the entire questionnaire. Therefore, based on the test, the results for the items are reliable and acceptable.

4.2. Sample and Response Rate

After distributing 300 questionnaires for customers, a total of 289 answered questionnaires were retrieved, which is 96.3% of the total distributed questionnaires. After checking the retrieved questionnaires, the questionnaires were valid for statistical analysis. Ultimately, 96.3% of the total questionnaires distributed entered the analysis and the rest 3.7% were not analyzed

4.3. Descriptive Analysis / Demographic Analysis of Respondents

Descriptive analysis was used to look at the data collected and to describe that information. It was used to describe the demographic factors for more clarification. It is mainly important to make some general observations about the data gathered for general or demographic questions. The demographics factors used in this research were shown in Table below of respondents that, gender, age, educational background, purpose of the bank service usage, year of relationship with the bank and service used from the bank.

For the scale typed questionnaires for all variables mean and standard deviation response of respondents were used. The highest mean figure with the lowest scores of standard deviation indicates the extent to which the LIB is highly reliable, process driven approach, customer focus and technology orientation for its customers.

4.3.1. Gender of respondents

Table Nₒ 4: Gender of respondents

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	129	43.0	44.6	44.6
	Male	160	53.3	55.4	100.0
	Total	289	96.3	100.0	
Missing	System	11	3.7		
Total		300	100.0		

Source: Survey result 2019

As presented in Table No.4 above the gender composition shows that both male and female customers of the bank were participated in the study. Even if majority of the respondents 160 (53.3%) were male, female respondents also participated which accounted for 129 (43%). This implies that the bank is in a good track on maintaining and enhancing both gender group customers satisfaction.

4.3.2. Age of respondents

Table Nₒ 5: Age of respondents

Age					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-30	91	30.3	31.5	31.5
	31-40	88	29.3	30.4	61.9
	41-50	83	27.7	28.7	90.7
	51-60	24	8.0	8.3	99.0
	>60	3	1.0	1.0	100.0
	Total	289	96.3	100.0	
Missing	System	11	3.7		
Total		300	100.0		

Source: Survey result 2019

As to the age of the subjects (30.3%) nitty-one of them were between 18-30 years; eight-eight (29.3%) of them were between 31 & 40 years, eight-three (27.7%) of them were between 41-50 years, twenty-four (8%) of them were between 51-60 years, three (1%) of them were greater than 60 years. This shows that about 60% the respondents' age was found to be within the range of 18-40 age groups, which is believed to be highly committed and found to be workable age group.

4.3.3. Education of the respondents

Table No 6: Education of the respondents

Educlevel					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Informal Education	5	1.7	1.7	1.7
	Primary and secondary school	23	7.7	8.0	9.7
	Diploma	52	17.3	18.0	27.7
	Bachelor Degree	138	46.0	47.8	75.4
	Master's Degree and above	71	23.7	24.6	100.0
	Total	289	96.3	100.0	
Missing	System	11	3.7		
Total		300	100.0		

Source: Survey result 2019

The educational level of respondents shows that 1.7% of respondents are Informal Education school finished, 7.7% of them Primary and secondary school completed and 17.3% of them are diploma holder, 46% of them are Bachelor Degree holders and the remaining 23.7% are above Master's Degree and above level. Therefore, majority of the customers of the bank are educated and implies that these types of customers may initiate the bank to adopt new technological banking systems like e-banking (Internet, Card and Mobile banking).

4.3.4. Purpose of the bank service used

Table No 7: Purpose of the bank service user

				Valid	Cumulative
Purpose Acct					
		Frequency	Percent	Percent	Percent
Valid	Personal	140	46.7	48.4	48.4
	Business	61	20.3	21.1	69.6
	Both	88	29.3	30.4	100.0
	Total	289	96.3	100.0	
Missing	System	11	3.7		
Total		300	100.0		

Source: Survey result 2019

Table No. 7 shows that among 289 respondents 140(46.7%) use the bank service for personal purpose and the 61(20.3%) business purpose, the rest 88 (29.3%) of the respondent both (for business and personal) respectively. This implies that the bank has to do a lot to attract customers who use for business purpose and improve such weaknesses.

4.3.5. Years of relationship with the bank

Table No 8: Years of relationship with the bank

		Frequency	Percent	Valid Percent	Cumulative Percent
Relshipc Bank					
Valid	<1 Year	41	13.7	14.2	14.2
	1-4 Years	129	43.0	44.6	58.8
	5-7 Years	85	28.3	29.4	88.2
	8-10 Years	24	8.0	8.3	96.5
	>10 Years	10	3.3	3.5	100.0
	Total	289	96.3	100.0	
Missing	System	11	3.7		
Total		300	100.0		

Source: Survey result 2019

Regarding the years of relationship with the bank, either for personal consumption or business, 41 (13.7%) found to have relationship with the bank from less 1 years, 129 (43%) found to be using

the bank's service from 1-4 years, 85 (28.3%) have relationship with the bank from 5-7 years and while 24 (8%) have relationship with the bank from 8-10 years and 10(3.3%) have a relationship with the bank for more than 10 years. This implies that the bank is in a good track on establishing, maintaining and enhancing customer satisfaction.

4.3.6. Service used from the bank

Table No 9: Service used from the bank (Summery)

Service Used					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Saving Account	52	16.4	18.0	18.0
	Current Account	9	2.8	3.1	21.1
	Money Transfer	1	0.3	0.3	21.5
	Import Export	1	0.3	0.3	21.8
	ATM	1	0.3	0.3	22.1
	More than One Service	225	79.9	78	100.0
Missing	System	11	3.7	100.0	
Total		300	100.0		

Source: Survey result 2019

With respect to the use of services provided in the bank as presented in Table No.9, 52(16.4%) encompasses Saving, 9 (2.8%) current account users, three services (Money Transfer, Import Export & ATM) have equal response 1, 1 & 1 (0.3%, 0.3% & 0.3%) respectively As indicated in table No.9, a customer may use more than one service. Accordingly almost 79.9% of respondents use more than one service which is given by the bank. This indicates that most of the respondents have experience with the bank and are capable of evaluating the bank's CRM activities from the different service of the bank provides.

4.4. Descriptive Statistics of Scales Typed Questionnaires

In this part, descriptive statistics in the form of mean and standard deviation are presented to illustrate the level of agreement of the respondents with their implications to Lion International Bank S, C.

The responses of the respondents for the variables indicated below were measured on five point Lickert scale with: 1=strongly disagree, 2= disagree, 3=neutral, 4= agree and 5= strongly agree. However, while making interpretation of the results of mean and standard deviation the scales are reassigned as follows to make the interpretation easy and clear. The intervals for breaking the range in measuring each variable with five-point scale is calculated as follows:-

Agreement level = $\underline{\text{max-min}}$ = $\underline{5-1}$ = 0.8

                       5   5

Therefore, the range of the score indicates:

1.00 - 1.80	Strongly Disagree
1.81 - 2.6	Disagree
2.61 - 3.4	Neutral
3.41 - 4.20	Agree
4.21 - 5.00	Strongly Agree

The dimensions were reliability, process driven approach, Customer focus & technology orientation. According to Padmavathy and Sivakumar, (2017) these dimensions reveal how effectively CRM is being practiced in the banking industry.

4.4.1 Perception of respondents towards reliability

As discussed in the literature review the reliability dimension denotes the consistency and accuracy of service delivery to the customer; by providing effective communication to the customers; and by approaching the customers with cooperation as promised. (Padmavathy & Siva Kumar, 2017) In order to measure the effect of this dimension customers were forwarded with five variables regarding this dimension. The result is summarized in the following table 10.

Table No 10: Descriptive Statistics of Reliability

Descriptive Statistics			
	N	Mean	Std. Deviation
This bank effectively communicates to customers	289	4.25	.608
This bank maintains consistent service standards.	289	4.33	.595
This bank provides reliable services.	289	4.21	.696
The bank is co-operative with its customers in handling their request.	289	4.33	.576
This bank assesses customer satisfaction regularly.	289	3.89	.769
Valid N (listwise)	289		

Source: Survey result 2019

Table No.10 above contains individual variables, which are grouped together and named as reliability variables. As it is shown in the table "This bank effectively communicates to customers" has scored mean of 4.25 with standard deviation 0.608, "This bank maintains consistent service standards" has scored mean of 4.33 with standard deviation 0.595, "This bank provides reliable services" has scored mean of 4.21 with standard deviation 0.696, and "The bank is co-operative with its customers in handling their request" has scored mean of 4.33 with standard deviation 0.576, and "This bank assesses customer satisfaction regularly" has scored mean of 3.89 with standard deviation 0.595 & 0.576 respectively,. Since "This bank maintains consistent service standards" and "The bank is co-operative with its customers in handling their request" has the highest mean scored from the variables of reliability has scored mean of 4.33 with standard deviation 0.769 and respectively it is possible to say that maintaining consistent service standards and co-operating with customers in handling their request plays a great role to make customer satisfaction. And "This bank assesses customer satisfaction regularly" is the other factor that has influence on customer satisfaction and the lowest mean rating scale from the above variables has scored Mean 3.89, standard deviation 0.769 and the result of the variables fall in the rating scale of 3.41 – 4.2, this tells us majority of the respondents agree with the variables influence the customers' satisfaction.

However, most of the variables result fall between the range of 4.21 – 4.33 and this means that majority of the respondents tend to strongly agree with most of the variables of reliability that affects the customer's satisfaction. In other words CRM dimensions, reliability that has influence on customer satisfaction.

4.4.2 Perception of respondents towards process driven approach

The process-driven approach enables customers to evaluate the extent of effectiveness of the bank in fulfilling customer requests with speed and astuteness, as argued by Padmavathy and Sivakumar (2017). Customers evaluated this dimension with respect to four items using a five point scale that reveals their level of agreement or disagreement with each statement. Table No.11 indicates the mean score with standard deviation of each variable of process-driven approach.

Table No. 11: Descriptive Statistics of Process Driven

Descriptive Statistics			
	N	Mean	Std. Deviation
This bank provides value-added information along with its service.	289	4.13	.680
This bank designed its service processes to satisfy the customer.	289	4.28	.608
Conducting transactions correctly and rapidly is very common with this bank.	289	4.06	.784
This bank delivers services at the earliest.	289	4.06	.702
Valid N (list wise)	289		

Source: Survey 2019

Table No 11 above also contains individual variables, which are grouped together and named as process driven approach variables. As it is shown in the table above "This bank designed its service processes to satisfy the customer" has scored mean of 4.28 with standard deviation 0.608, The result of these variables fall between the range of 4.28 – 5.00 and this tells us majority of the respondents strongly agree with the variables influence the customers' satisfaction. Since "This bank provides value –added information along with its service" has the highest mean score from all the variables of process driven approach. "This bank provides value added information along with its service" has scored mean of 4.13 with standard deviation 0.680, "Conducting transactions correctly and rapidly is very common with this bank" has scored mean of 4.06 with standard deviation 0.784, and "This bank delivers services at the earliest has scored mean of 4.06 with standard deviation 0.702 and the result of the variables fall in the rating scale of 3.41 – 4.2, this tells us majority of the respondents agree with the variables influence the customers' satisfaction.

However, the results implies that still there need more tasks on the above mentioned aspects that Lion International Bank S.C has to be reliable and to be satisfied their customers.

4.4.3 Perception of respondents towards customer focus

Customer focus is the ability of an organization knowing how to price and sell the right products and services to the right customers at the right time. Customers evaluated this dimension with respect to four items using a five-point scale that reveals their level of agreement or disagreement with each statement. Table No. 12 indicates the mean score and standard deviation of each variable of customer focus.

Table No 12: Descriptive Statistics of Customer Focus

Descriptive Statistics			
	N	Mean	Std. Deviation
The Bank strives to constantly surprise and delight its key customers.	289	4.15	.684
The Bank strengthens the emotional bonds with its key customers by wishing them on important occasions.	289	4.24	.609
The Bank uses the concept of 'Relationship Pricing' in pricing its services.	289	4.13	.735
The Bank provides customized services and products to its key customers.	289	3.98	.799
Valid N (list wise)	289		

Source: Survey result 2019

Table No. 12 illustrates the perception of the respondents towards customer focus using mean and standard deviation. As it can be seen from the table "The Bank strengthens the emotional bonds with its key customers by wishing them on important occasions" has scored mean of 4.24 with standard deviation 0.609, Thus, this variable has scored the highest mean of all the variables of customer focus and it is pertinent to say that it plays a great role to make customers satisfactions. Moreover, the table shows that "The Bank strives to constantly surprise and delight its key customers" has scored mean of 4.15 with standard deviation 0.684, "The Bank uses the concept of 'Relationship Pricing' in pricing its services" has scored mean of 4.13 with standard deviation 0.735, and "The Bank provides customized services and products to its key customers" has scored mean of 3.89 with standard deviation 0.799 The result of most variables of customer focus fall between the

ranges of 3.41 - 4.2, this also tells us majority of the respondents agree on each variable of customer focus that affects the dependent variable that is customers' satisfaction.

4.4.4 Perception of respondents towards technology orientation

This dimension appraises the effectiveness of operational performance of the bank with the use of the latest technology such as ATM, E-Banking, Mobile banking and POS. As the aim is to solicit customers perception regarding the effectiveness of the bank with the use of the latest banking technology customers were provided with four variables with five point likert scale used where the highest being strongly agree and the lowest signifying strongly disagree.

Table No.13: Descriptive Statistics of Technology Orientation

Descriptive Statistics			
	N	Mean	Std. Deviation
This bank uses latest technology (ATMs, E-Banking and Mobile banking,) to offer quality services.	289	3.99	.795
The bank gives technology based services to the customers; it maintains & builds better customer relationship.	289	4.29	.564
The bank information system are designed to give comprehensive data about all aspects of its customers, so that the bank can be responsive to them.	289	3.89	.769
This bank makes effective use of ATMs, E-Banking, Mobile banking and POS service to enhance customer service.	289	4.11	.767
Valid N (list wise)	289		

Source: Survey result 2019

As it can be seen from the above table No. 13 "The bank gives technology based services to the customers, it maintains & builds better customer relationship" has scored mean of 4.29 with standard deviation 0.564. This shows, using latest technology to offer quality services has scored the highest mean of all the variables of technology orientation and it is possible to say that CRM practice with this dimension is perceived to be the highest effect on customer satisfaction.

Moreover, the table shows that "This bank makes effective use of ATMs, E-Banking, Mobile Banking and POS service to enhance customer service" has scored mean of 4.11 with standard deviation 0.767, "This bank uses latest technology (ATMs, E-Banking and Mobile banking,) to offer quality services." has scored mean of 3.99 with standard deviation 0.795, and "The bank

information system are designed to give comprehensive data about all aspects of its customers, so that the bank can be responsive to them" has scored mean of 3.89 with standard deviation 0.769, totally, it is possible to say that most of the variables of technology orientation results are fall between the range of 3.41 – 4.2 this tells us majority of the respondents agree as the variables of technology orientation can influence customers' satisfaction of the bank as the result of their mean & standard deviation value accordingly.

However, the results implies that still there need more tasks on the above mentioned aspects that Lion International Bank S.C has to be design the bank information system to give comprehensive data about all aspects to its customers.

4.4.5 Perception of respondents towards customer satisfaction

Leaders of organizations wish to improve the levels of the customers' satisfaction by concentrating in designing goods and services customer want. The measurement of customer satisfaction has become a yardstick to assess the performance of the organization on how it provides the goods or service. Therefore, for the organization to ascertain an overall view of customer perception, it needs to evaluate the satisfaction of the customer (Omenye, 2013). Customers evaluated the level of satisfaction with respect to four dimensions using a five-point scale that reveals their level of agreement or disagreement with each variable. Table 14 indicates the mean score and standard deviation of each variable of customer satisfaction.

Table No.14: Descriptive Statistics of Customer Satisfaction

Descriptive Statistics			
	N	Mean	Std. Deviation
I am satisfied with the services provided by the bank.	289	4.17	.622
I am satisfied with the quality of services provided by this bank.	289	4.28	.578
I am satisfied with the bank's customer handling procedure.	289	4.13	.748
I am satisfied with the speed of the service delivery.	289	3.99	.738
Valid N (list wise)	289		

Source: Survey result 2019

As it can be seen from the above table No. 14 "I am satisfied with the services provided by the bank" has scored mean of 4.17 with standard deviation 0.622, and it is possible to say that it plays a great role to make customers satisfaction.

Moreover, the table shows that "I am satisfied with the quality of services provided by this bank" has scored the highest mean of 4.28 with standard deviation 0.578, "I am satisfied with the bank's customer handling procedure" has scored mean of 4.13 with standard deviation 0.748, and "I am satisfied with the speed of the service delivery" has scored mean of 3.99 with standard deviation 0.738. This variable is the least mean scored of all variables.

However, the results of most variables are fall within the range of 3.41 – 4.2. Since most of the respondents agree on each variable and that implies majority of the respondents agree on the service, the quality, the customer handling procedures and the speed of service delivery of the bank has become customer satisfaction. However, the above results entail yet there are tasks that the bank (LIB S.C) has to do on customer satisfaction because the level of satisfaction of the customers is on average.

4.4.6 Summery Perception of respondents towards CRM and Satisfaction

Table No. 15: Summery of Descriptive Statistics of CRM Dimensions & Customers' Satisfaction

Descriptive Statistics			
	N	Mean	Std. Deviation
Reliability	289	4.20	.506
Process-driven Approach	289	4.13	.510
Customer Focus	289	4.13	.521
Technology Orientation	289	4.07	.570
Customer Satisfaction	289	4.15	.494
Valid N (list wise)	289		

Source: Survey result 2019

The above table No.15 clearly summarizes mean and standard deviation of customer relationship management dimensions and customer satisfaction perceived by the respondents. It illustrates the respondents agreement with the four dimensions of customer relationship management by giving the higher rate scale to reliability (mean=4.20, SD= 0.506), followed by Customer Satisfaction (mean=4.15, SD= 0.494), Process-driven Approach of 4.13 with standard deviation 0.510, Customer

Focus (mean= 4.13, SD=0.521) and Technology Orientation (mean=4.07, SD= 0.570), The low standard deviation indicates that the mean is representative of the rate given by the majority of respondents. This implies that the CRM dimensions (reliability, process driven approach, customer focus and technology orientation) are the predictors of the dependent variable of customer satisfaction. Besides, the perception of the respondents towards customer satisfaction rating scale of (mean= 4.20, standard deviation 0.506). This result is fall in the rating scale 3.41- 4.2. This implies that majority of the respondents agreed to be satisfied customers of Lion International Bank SC if the bank is high in reliability, process driven approach, customer focus and technology orientation and vice versa.

4.5. Post Estimation Test

Before running regression, the researcher should examine the existence of multi-co linearity, linearity, homoscedasticity and normality of data.

4.5.1. Multi-Co Linearity

One should check for the problem of multi-co linearity which is present if there are high correlations between some of the independent variables. The study checks this with the Variance Inflation Factor (VIF) which calculates the influence of correlations among independent variables on the precision of regression estimates. The VIF factor should not exceed 10, and should ideally be close to one. (Myers, 1990)

Tolerance is an indicator of how much of the variability of the specified independent variable is not explained by the other independent variables in the model and is calculated using the formula $1-R^2$ for each variable. If this value is very small (less than 0.20), it indicates that the multiple correlation with other variables is high, suggesting the possibility of multi-co linearity. (Menard 1995)

Table 16: Collinearity Statistics

Coefficients[a]			
		Collinearity Statistics	
Model		Tolerance	VIF
1	RL	.196	5.106
	PR	.252	3.971
	CF	.344	2.910
	TC	.265	3.772
a. Dependent Variable: CS			

Source: Survey result 2019

It can be seen from table No.21, the result of co-linearity statistics analysis shows variance inflation factors (VIF) total value 15.76 and the variance individual tolerance each value greater than 0.1. Thus the values indicate that for this analysis there is no multi-co linearity problem.

4.6.2 Linearity

Basically, linearity is a deviation (or no deviation) from a straight line. Test for nonlinearity is necessary because of correlation, regression and others members of the general linear model (GLM) assumes linearity. The study checks for patterns in scatter plots of CRM against customer loyalty if they have linear relation and the assumption have met or not. The Linear Curve graph in figure 1 below indicated that the customer Satisfaction and CRM have linear relationship. In regression as a rule of thumb, an indicator of possible nonlinearity is when the standard deviations of the residual exceed the standard deviations of the dependent. Therefore, as residual statistics in Table No.16 showed that the standard deviation of the dependent is exceeding the standard deviation of the residual. Therefore, there is a liner relationship between CRM variables and customer Satisfaction.

Table 16: Residual Statistics

Residuals Statistics[a]					
	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	2.4441	4.9499	4.1453	.44673	289
Residual	-.64957	.61160	.00000	.20974	289
Std. Predicted Value	-3.808	1.801	.000	1.000	289
Std. Residual	-3.070	2.891	.000	.991	289
a. Dependent Variable: CS					

Source: Survey result 2019

Figure 1: Linearity Curve

4.6.3 Homoscedasticity

There should be homoscedasticity before running multiple regression analysis, this means that the residuals (the differences between the values of the observed and predicted dependent variable) are normally distributed, and that the residuals have constant variance (Burn & Burns 2008). If the assumption of homoscedasticity is violated (i.e. there is heteroscedasticity). The graph has demonstrated homoscedasticity of the study.
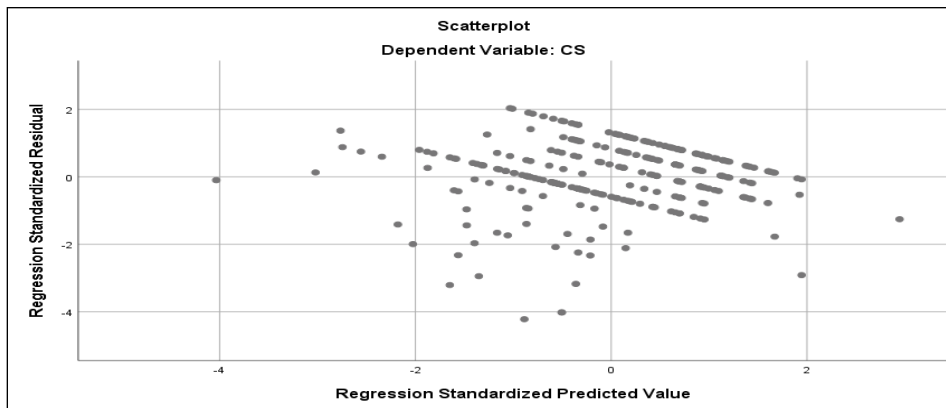
Figure 2: Scatter plot of Customer Satisfaction & CRM Dimensions

4.6.4 Normality

For the sample size above 30 is usually sufficient to ignore the assumption regarding normal distribution (Weinberg & Abramowitz 2008). Since samples size of the study exceeds by far the suggested number hence it assumes normality.
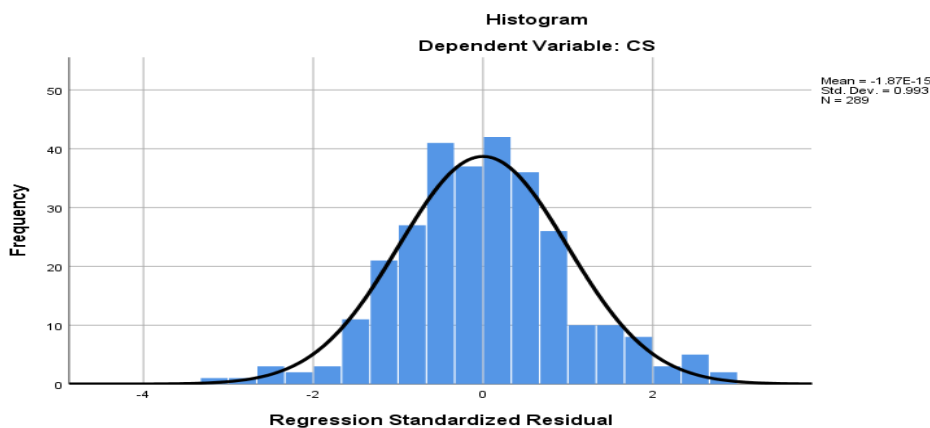
Figure 3: Normal Distribution Curve

4.7. Correlation Analysis

To determine the existence and level of association, the researcher used bivariate correlation. Pearson's correlation coefficient falls between -1.0 and +1.0, indicates the strength and direction of association between the two variables. (Field, 2005) The Pearson´s correlation coefficient (r) was used to conduct the correlation analysis to find the level and direction of the relationships between the variables of CRM and customer satisfaction. The classification of the correlation coefficient (r) is as follows: 0.1 – 0.29 is weak; 0.3 – 0.49 is moderate; and > 0.5 is strong. (Field, 2005). The bivariate correlation of a two-tailed test confirm the presence of statistically significant difference at probability level p<0.01 i.e. assuming 99% confidence interval on statistical analysis. The table below presents the correlation analysis between the independent variable customer relationship management dimensions and the dependent variable customer satisfaction.

Table No.17: Correlation between CRM dimensions and Customer Satisfaction

Correlations		RL	PR	CF	TC	CS
Reliability	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	289				
Process-driven Approach	Pearson Correlation	.845**	1			
	Sig. (2-tailed)	.000				
	N	289	289			
Customer Focus	Pearson Correlation	.777**	.754**	1		
	Sig. (2-tailed)	.000	.000			
	N	289	289	289		
Technology Orientation	Pearson Correlation	.836**	.785**	.749**	1	
	Sig. (2-tailed)	.000	.000	.000		
	N	289	289	289	289	
Customer Satisfaction	Pearson Correlation	.845**	.829**	.786**	.854**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	289	289	289	289	289
**. Correlation is significant at the 0.01 level (2-tailed).						

Source: Survey result 2019

Since all variables are interval, the relationship between the independent variables reliability, process-driven approach, customer focus and technology orientation with the dependent variable customer satisfaction was investigated using Pearson product – moment correlation coefficient. The results of correlation analysis in Table No. 16 above shows that, all the independent variables (reliability, process-driven approach, customer focus and technology orientation) are positively and significantly correlated with the dependent variable (customer satisfaction) at 99 percent confidence level ($P<0.01$). The highest correlation is signified by technology orientation ($r= 0.854$), followed by reliability ($r= 0.845$), process driven approach ($r= 0.829$) and customer focus ($r= 0.786$).

Based on the Pearson correlation test shown in the above table No.16, reliability is positively and significantly correlated with customer satisfaction. The correlation coefficient between reliability and customer satisfaction is the second of all correlation results of customer relationship management dimensions which is ($r=0.845$). This means if the bank more enhances the reliability, the customers' will be highly satisfied by the bank.

In addition, reliability only enables customers to assess the banks use in providing service with regard to maintaining consistent service standard, reliable service to their customer as promised and it is depended as performing the task dependably and accurately. With regard to reliability dimension, one of the necessary conditions for banks to deliver superior customer value than competitors and thereby fulfill customer expectations and requirements. (Padmavathy et al.,2012). According to Parasuramal et al., (2004) CRM activities always try to fill a customer's expectations and provide better customer service, which isn't always possible without reliability. Since, reliability has a power to determine the satisfaction of customers and has a positive impact on CRM activities and also for customer satisfaction. Therefore, the result of this research is consistent with the above findings.

Process driven approach is underpinnings element of customer relationship management that is taken into account to explain customers' satisfaction. Based on the correlation result as it is shown in the above table No.16 by Pearson correlation test, process driven approach dimension is strongly & highly positive relationship with customer satisfaction. The correlation coefficient between process driven approach and customer satisfaction is ($r=0.829$).

Under this dimension the customers evaluate the effectiveness of the bank with respect to promptness in delivering services, design of the service process in satisfying, whether accuracy and rapidness in conducting transactions is very common with the bank and whether the bank provides value adding information along with its services will be revealed.

This result is supported by the study of Korner and Zimmeramann (2000). According to these researchers, offering value-added information for the customer is a way of increasing customer satisfaction.

Therefore, Process driven approach is one of the dimensions of CRM and it shows a significant impact on satisfaction. This was also aligned with prior research on the relationship between CRM dimension and customer satisfaction (Vries & Brijder, 2000, Jun et al. 2004 and Padmavathy C. et al 2012). Hence this study is consistent with the above findings.

The other factor that is included in the dimensions of CRM is customer focus. It has positive and strong relationship with customers' satisfaction. As it is depicted in the above table No.16, the correlation coefficient between these variables is (r= 0.786). Customer focus by itself has power to create acknowledgment and good relationship with customers and banks need to understand their individual key customers' needs & wants. Bank's employees continuously evaluate their services to satisfy and attract customers in the better way. This result supported by (Kotler, P. & Armstrong, G 2012). According to their study, equipped with bank-wide understanding and internal support for key customer relationships, the sales force generally is better enabled and motivated to cultivate long-term customer relationships by offering more personalized products and services enhanced customer satisfaction. This study confirms that customer focus of CRM dimension important factor for customers' satisfaction. Therefore, the result of this study is also consistent with the above findings.

The last in the customer relationship management is technology orientation. As it is shown in the above table No. 16 of the correlation analysis, technology orientation is the highest of all correlation results of CRM elements, Which means if the bank exert more effort on technology orientation dimension, the customers' will be more satisfied by the bank than others three dimensions

The correlation coefficient between technology orientation and customer satisfaction is (r =0.854).

CRM technology augment the customer information processes and enables effectiveness of relational efforts. It is important for banks to be technology oriented to cope up with evolving customer needs. The bank's effective usage of latest technology like ATM, E-Banking, Mobile baking and POS addressed with this dimension.

This result is also supported by Butler, 2000, Yem et al., 2004, Garrido-Moreno & Padilla Melendez, 2011. The result indicates that among the major outcomes sought by incorporating CRM-based technology are enhanced significantly of customer satisfaction and more profitable long-term customer relationships. Therefore, this result also consistent with the above findings.

4.8. Multiple Regression Analysis

There are two basic types of regression analysis: simple regression and multiple regressions. Hence, in this study, multiple regression analysis is used to know by how much the independent variables i.e customer relationship management dimensions explain or influences the dependent variable which is customer satisfaction.

The model summary table reports the strength of relationship between the independent variable (customer relationship management dimensions) and the dependent variable (customer satisfaction). The proposed hypotheses are tested using multiple regression analysis.

Table No.18: Multiple Regression Analysis Result of CRM and Customer Satisfaction

					Model Summary				
						Change Statistics			
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change
1	.905[a]	.819	.817	.21130	.819	321.788	4	284	.000

Source: Survey result 2019

In the above table, R is multiple correlation coefficients between predictor and outcome, with a value of 0.905. "R" is a correlation between the observed values of y, the values of y predicted by multiple regression models. Therefore, large values of the multiple R represent a large correlation between the predicted and observed values of the outcome. Value of adjusted $R2 = 0.817$, it implies 81.7% of the variance in the dependent variable (customer satisfaction) can be

explained/predicted by the independent variables. Means the random variation of the error term explains around 28.3% of the variation of the independent variable. Or the remaining 28.3% of the variance in customer satisfaction may be explained by other factors such as customer trust, commitment, CRM knowledge, and so on.

$$Y = \qquad X\beta \qquad + \qquad e$$
$$(100\%) = \qquad (81.7\%) \qquad + \qquad (28.3\%)$$

Table No.19: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	57.467	4	14.367	321.788	.000[b]
	Residual	12.680	284	.045		
	Total	70.146	288			
a. Dependent Variable: CS						
b. Predictors: (Constant), TC, CF, PR, RL						

Source: Survey result 2019

From table No.18, using ANOVA, it also shows a significant value of 321.788 for the F distribution with 4 and 284 df. The F-test can be taken as a measure of overall model significance of the estimated regression, indicates that the p-value is less than 0.05, which implies that a significant relationship exists between the selected variables in this model.

Table No.20: Coefficients of CRM Dimensions

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.391	.110		3.558	.000
	RL	.190	.056	.195	3.414	.001
	PR	.235	.049	.243	4.827	.000
	CF	.165	.041	.174	4.044	.000
	TC	.321	.042	.371	7.567	.000
a. Dependent Variable: CS						

Source: Survey result 2019

Multiple Regression Model Equation: (The regression equation of customer satisfaction)

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \varepsilon$$

Where: X_1 = *Reliability*

X_2 = *Process Driven approach*

X_3 = *Customer Focus*

X_4 = *Technology Orientation*

e = **sampling error**

$$Y = 0.391 + 0.190\ X_1 + 0.235\ X_2 + 0.165\ X_3 + 0.321\ X_4 + e$$

From the above multiple regression equation one can see that all the dimension of CRM positively affects customer satisfaction. Unstandardized coefficient (βeta value) indicates the degree of importance of each CRM dimensions towards customer satisfaction; accordingly, the dimensions can be ranked in the following manners on the basis of their contribution/importance.

1. Reliability $\beta = 0.190$

2. Process driven approach $\beta = 0.235$

3. Customer Focus $\beta = 0.165$

4. Technology Orientation $\beta = 0.321$

The Interpretations of the Significant Independent Variables**:**

✓ *If the effect of establishment of trust with the customer by efficient transformation of information, communication and cooperation to the customer (reliability dimension) are increase by 1%, levels of satisfaction of the customers increased by 19.0% and it is significant at 1% level.*

✓ *If conducting errorless transactions quickly of service to the bank customers (process driven approach dimension) increase by 1%, may increase the customer's satisfaction by 23.5% and significant at 1% level.*

✓ *If the bank's CRM activities more effective by making the customer feel good by understand of customer needs, expectations, feedback, communications, and customer- focused matrices like greeting them on occasions and making them to visit the bank again (customer*

focus dimension) increased by 1%, level of satisfaction increased by 16.5% and this is also significant at 1% level.

✓ *If the Technology impact CRM activities more effective by efficient transformation of information, communication and cooperation to the customer to visit the bank again (technology orientation dimension) increased by 1%, level of satisfaction increased by 32.1% and this is also significant at 1% level.*

✓ *Constant (cons), it shows when all variables are fixed at zero, the average effect of all other unused variable is decreased the level of satisfaction of the customer by 0.391 and significant at 5% level.*

4.9. Hypothesis Testing

Here using multiple regression coefficient results the proposed hypotheses for this study are tested as follows.

H1: Reliability has a positive and significant effect on customer satisfaction.

Results of multiple regression analysis on table No.20 clearly indicates that reliability has significant influence on customer satisfaction ($p<0.01$). Besides, the value of beta ($\beta= .190$) shows that reliability has a positive and significant effect on customer satisfaction in LIB S.C. Hence, the above proposed hypothesis is accepted.
This result supported by the studies of Vries & Brijder (2000) and C.Padmavathy et al (2012), found reliability is one of the dimensions of CRM and it has a positive & significant impact on satisfaction.

H2: Process-driven approach has a positive and significant effect on customer satisfaction.
Table No.20 above clearly depicts, process driven approach has significant influence on customer satisfaction ($p<0.01$). Besides, the value of beta ($\beta= .235$) shows that process driven approach has positive and significant effect on customer satisfaction. Hence, the above proposed hypothesis is accepted.

This result is also supported by the studies of Padmavathy, C. et al. (2012), found process driven approach is one of the dimensions of CRM and it has a positive & significant impact on customer satisfaction.

H3: Customer focus has a positive and significant effect on customer satisfaction.

Results of multiple regression analysis on table No.20 above clearly indicates that, customer focus has a significant influence on customer satisfaction (p<0.01). Besides, the value of beta (β= .165) shows that customer focus has a positive & significant effect on customer satisfaction. Hence the above proposed hypothesis is accepted.

The result supported by the study of Yim et al (2004), identify customer focus to be one of CRM dimensions, that demonstrated the vital impact of those on performance and has significant impact such a customer satisfaction, customer retention and sales growth.

H4: Technology orientation has a positive and significant effect on customer satisfaction.

Results of multiple regression analysis on table No.20 above clearly indicates that, technology orientation has a significant influence on customer satisfaction (p<0.01). Besides, the value of beta (β= .121) shows that customer focus has a positive & significant effect on customer satisfaction. Hence, the above-proposed hypothesis is accepted.

In general, the multiple regression analysis on table No. 20 clearly demonstrate that independent variable CRM (reliability, process driven approach, customer focus) has a positive and significant effect on the dependent variable of customer satisfaction.

Besides, it indicated process driven approach underpinning of customer relationship management has the highest impact on customer satisfaction.

Table 21: Summery of Hypothesis Testing

Hypothesis	Reason Significant	Result based on the finding
H1: Reliability has a significant and positive effect on customer satisfaction	0.01	Accepted
H2: Process Driven has a significant and positive effect on customer satisfaction	0.00	Accepted
H3: Customer focus has a significant and positive effect on customer satisfaction	0.00	Accepted
H4: Technology orientation has a significant and positive effect on customer satisfaction	0.00	Accepted

Source: Survey result 2019

CHAPTER FIVE

5. SUMMERY, CONCLUSION AND RECOMMENDATIONS

In this section summary of the major aspects of this study are addressed and in line with the major findings of this study, conclusion of the findings are presented and based on the conclusions made, workable recommendation for Lion International Bank S.C and for further research are suggested.

5.1 Summery of the Major Findings

➢ The overall objective of this study gives an insight how customers perceive CRM implementation and its effect on customer satisfaction, which in return helps the bank to identify gaps between customers' needs and the current customer relationship activity of the bank, and dimensions which contributes to customer satisfaction.

➢ In this study quantitative research approach is implemented and due to the purpose a descriptive research design was used and a cross-sectional research survey also considered.

➢ Based on the research objective, English and Amharic version questionnaires were prepared.

➢ From the 300 survey forms, 289 are completed and returned. This is a 96.33% response rate.

➢ With respect to the demographic information of the respondents, table No. 4 indicates majority of the respondents (53.3%) are males and (43%) are females, and on table No. 5 illustrates majority of the respondents' age between 18-30 years old (30.3%).

➢ Regarding the academic background, on table 6 depicts majority of the respondents (46%) are Bachelor Degree holders and the reaming 1.7% of the respondents finished Informal Education.

➢ Moreover, on table No.7 demonstrates majority of the respondents (46.7%) are personal users and 29.3% are for business and personal purpose and 20.3% of the respondents are running their own business.

➢ Besides, on table No. 8 indicates majority of the respondents (43%) have 1-4 years' of relationship and (28.3%) of the respondents have 5-7 years' of relationship with the bank.

➢ With respect to the service used by customers is as on table No. 9 shows, majority of the respondents (79.9%) are more than one service users which is given by the bank, and almost 16.4% of the respondents use saving account service provided by the bank.

- Regarding the reliability of the questionnaires table No. 3 illustrates all the dimensions are reliable and acceptable in good with Cronbach's Alpha result 0.945.

- As the findings of this study indicated on Table No 15, respondents agreed with the four dimensions of customer relationship management by giving the higher rate of scale to reliability mean of 4.2 with standard deviation 0.506, followed by customer focus (mean=4.13, SD= 0.521), process driven approach (mean= 4.13, SD=0.510) and Technology orientation (mean=4.07, SD= 0.570).

- Besides, the respondents agree for dependent variable customer satisfaction with mean of 4.15 and standard deviation 4.94. Moreover, the results of correlation analysis in Table No. 16 shows that all the independent variables are positively and significantly correlated with the dependent variable (customer satisfaction) at 99% confidence level (P<0.01).

- The highest correlation is signified by technology orientation (r= 0.854), followed by reliability (r= 0.845), process driven approach (r= 0.829) and customer focus (r= 0.786).

- Furthermore, Table No. 17 depicts the results of multiple regressions of four underpinnings of customer relationship management. The research at hand relied on a 95% level of confidence therefore, P value less or equal to 5%, the result shows that the model tested is significant (p<0.05).

- The multiple R is .905, R square 0.819 and adjusted R square 0.817 indicates that 81.7% the variance in the dependent variable can be explained/predicted from the independent variables. Means the random variation of the error term explains around 18.3% of the variation of the independent variable.

- The unstandardized beta value for Technology Orientation is β =0.321. This indicates that, the dimensions have relatively strong degree of importance on customer satisfaction and also process driven approach & reliability βeta value of 0.235 and 0.190 respectively.

Based on the findings it can be concluded that, the hypothesis one, two, three and four are accepted.

5.2. Conclusion

The present research seeks to investigate CRM dimensions effect on customer satisfaction. During the investigation the researcher used both descriptive and inferential statistics and based on the findings he made the research project to an end by outlining the following classic conclusions.

- ✓ Based on the results of the descriptive statistics it is pertinent to conclude that most of respondents agree that CRM is effective in LIB S.C. which is evaluated from four dimensions mentioned above.

- ✓ The researcher concluded that CRM effectiveness dimensions namely: reliability, process driven, customer focus and technology orientation, have positive significant correlation with the dependent variable customer satisfaction. Hence as the effectiveness of the four independent variables increases the customer satisfaction increases

- ✓ Furthermore, the multiple regression analysis notifies more than eighty-one percent variance of customer satisfaction attributed to Customer Relationship Management (reliability, process driven, customer focus and technology orientation).

- ✓ As far as the relative influence of an individual component of CRM on customer satisfaction the result of multiple regression coefficients (β) commence Technological orientation is the most dominant relational dimension in determining the variation in customer satisfaction and next Process driven approach, reliability and customer focus.

5.3. Recommendations

Based on the conclusions drawn in the previous section, the following measures are recommended for LIB S.C in order to reach the ultimate benefits from the implementation of CRM activities and enhance customer satisfaction.

- ✓ Even if applying all dimensions of CRM is important, applying technology based CRM dimension has the highest effect on customer satisfaction with Beta value (B=0.321), therefore, LIB S.C. should give priority for the application of this dimension when compared to other dimensions.
- ✓ LIB S.C. should conduct special training programs to all front stage officers in order to deal positively with customers through identifying main CRM tools in banking industry.
- ✓ LIB S.C. management should enhance the process and procedures of solving customer complaints and problems directly, which can foster CRM and customer satisfaction.

- ✓ Process driven approach & Reliability dimensions have strong effect next to Technology orientation on Customer Satisfaction. It is recommended that, LIB S.C should give more attention (by giving training to employees) in executing customer transaction correctly and deliver service rapidly, are important in enhancing customer satisfaction and need to make improve their reliability by delivering the service as promised.

- ✓ Managers should give Special attention to physical environment and technological infrastructure, which has a direct relationship with customer satisfaction.

- ✓ Managers should be aware of the different effects of each dimension of CRM and plan appropriate strategies to generate and reinforce satisfaction.

- ✓ As per the finding, from four CRM dimensions, Technology orientation, process-driven approach, reliability, and customer focus have positive significance influence on customer satisfaction with the bank help managers ascertain priorities, at least in terms of satisfaction drivers. Thus, to enhance customer satisfaction the bank should make continuous effort to improve the effect of CRM dimensions specially Technology orientation, process-driven approach and reliability.

- ✓ Finally the bank is recommended to utilize the banking Technology and the CRM implementation activities in collecting the necessary customer data that will help in customizing the service offered by the bank.

5.4. Future Research Directions

Future research is recommended to identify other variables of customer relationship management that affect customer satisfaction. For example, customer trust, commitment and CRM knowledge are some of the variables. Moreover the research is conducted in six medium level rated Branches, i.e. grade II of Lion International Bank S.C located in Addis Ababa, thus further research is recommended to assess the influence of these dimensions on Customer Satisfaction in Branches higher than grade II and in those branches located outside Addis Ababa too.

Finally, this study offers a cross-sectional view. To keep abreast of the changing customer preferences CRM efforts be regarded as an ongoing process. Thus, future studies should use be longitudinal framework to provide further insights on the dimensions studied over time.

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APPENDIX I

QUESTIONNAIRE (ENGLISH VERSION)

St. MARY`S UNIVERISTY COLLEGE
FACULTY OF BUSINESS
DEPARTMENT OF MARKETING MANAGEMENT

QUESTIONNAIRE (ENGLISH VERSION)
Dear Customer first of all I would like to thank you for your willingness to fill this questionnaire.

This questionnaire is a major material in the preparation of a thesis in topic **"THE EFFECT OF CUSTOMER RELATIONSHIP MANAGEMENT ON CUSTOMER SATISFACTION: THE CASE OF LION INTERNATIONAL BANK S.C ADDISS ABABA"** for the fulfillment of the requirement of Masters of Art Degree in Marketing Management at St. Mary's University. The information that you will provide will be kept confidential. Moreover, the personal information that you will provide will be utilized as an input for the aggregate result. The questionnaire has two parts, the student researcher kindly ask your cooperation to attempt all questions objectively and honestly.

Addis Ababa, Ethiopia

Thank you for your cooperation!

Questionnaires to be filled by the LIB S.C Customers

Part I. Personal Information

Please indicate your reply by putting (√) Mark

Sex   ☐ Male   ☐ Female

1. Age group ☐18-30 ☐31-40 ☐41-50 ☐51–60 ☐Above 60

2. Education ☐Informal Educ. ☐ Primary and secondary school
   ☐ Diploma ☐ Bachelor Degree ☐ Master's Degree and above

3. Purpose of account usage ☐ Personal ☐ Business ☐ Both
   If other, please specify _____

4. Relationship with this bank ☐ Less than 1 year ☐ 1-4 years ☐ 5-7 years
☐ 8 – 10 years ☐ More than 10 years

5. The Service/s you use from the bank (you can select more than one service)

☐ Saving ☐ Current account ☐ Loan ☐ Money transfer

☐ Import & Export ☐ Forex ☐ ATM ☐ E-Banking ☐ Mobile Banking

Part II. Questions Related to Customer Relationship Management

Please indicate the extent to which you agree/disagree with the following statements. Strongly disagree represents the least weight of 1 while strongly agree is for the highest weight of 5.

Please put (√) mark according to your choice.

Description	Strongly Agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)
RL1. This bank maintains consistent service standards.					
RL2. This bank provides reliable services.					
RL3. This bank effectively communicates to customers.					
RL4. The bank is co-operative with its customers in handling their request.					
RL5. This bank assess customer satisfaction regularly.					
PR1. This bank delivers services at the earliest.					
PR2. This bank designed its service processes to satisfy the customer.					
PR3. Conducting transactions correctly and rapidly is very common with this bank.					
PR4. This bank provides value-added information along with its service.					
CF1. The Bank provides customized services and products to its key customers.					

CF2. The Bank strives to constantly surprise and delight its key customers.					
CF3. The Bank strengthens the emotional bonds with its key customers by wishing them on important occasions.					
CF4. The Bank uses the concept of 'Relationship Pricing' in pricing its services.					
TC1. This bank uses latest technology (ATMs, mobile banking, and internet banking) to offer quality services.					
TC2. This bank makes effective use of ATMs, mobile internet banking and POS service to enhance customer service.					
TC3. The bank gives technology based services to the customers, it maintains & builds better customer relationship.					
TC4. The bank information system are designed to give comprehensive data about all aspects of its customers, so that the bank can be responsive to them.					
CS1. I am satisfied with the services provided by the bank.					
CS2. I am satisfied with the bank's customer handling procedure.					
CS3. I am satisfied with the quality of services provided by this bank.					
CS4. I am satisfied with the speed of the service delivery.					

Thank you!

AMHARIC QUESTIONNAIRE (Back Translation)

ቅድስት ማርያም ዩኒቨርስቲ ኮሌጅ

የቢዝነስ ፋክልቲ

ማርኬቲንግ ማኔጅመንት የትምህርት ክፍል

የአማርኛ ጥያቄዎች (ትርጉም) AMHARIC QUESTIONNAIRE (Translation)

ክቡር ደንነኛ በቅድሚያ ግዜዎን ሰውተው ይህን መጠይቅ ለመሙላት ፈቃደኛ ስለሆኑ በቅድሚያ አመሰግናለሁ።

ይህ መጠይቅ የተዘጋጀው በቅድስት ማርያም ዩኒቨርሲቲ በገበያ አመራር የድህረ-ምረቃ ትምህርት ክፍል ተማሪ ሲሆን አላማውም በአንበሳ ኢንተርናሽናል ባንክ አ.ማ የደንበኛ ግንኙነት አስተዳደር በደንበኞች እርካታ ላይ ያለው ተፅእኖ (THE EFFECT OF CUSTOMER RELATIONSHIP MANAGEMENT ON CUSTOMER SATISFACTION. THE CASE OF LION NTERNATIONAL BANK S.C") በሚል ርእስ መመረቂያ ፅሁፍ ለማዘጋጀት መረጃ ለመሰብሰብ ነው። ስለሆነም የሚሰጡት ማንኛውም መረጃ በጥቅል ለሚደረግ ምርምር ግብአትነት ብቻ የሚውል ሲሆን፤ ማንኛውም የሚሰጡት መረጃ ሚስጢራዊነት የተጠበቀ መሆኑን አረጋግታለሁ።

ይህ መጠይቅ ሁለት ንዑስ ክፍሎች ያሉት ሲሆን ጥያቄዎች በአግባቡ ይመልሱ ዘንድ በአክብሮት እጠይቃለሁ።

<div align="center">አዲስ አበባ፤ ኢትዮጵያ</div>

ለአንበሳ ባንክ ደንበኞች የቀረበ መጠይቅ

ክፍል 1 - መሠረታዊ መረጃ

የ (√) ምልክት በሳጥኖቹ ውስጥ በማድረግ የሚመርጡትን ያመልክቱ።

1. ፆታ፤   ወንድ ☐   ሴት ☐

2. የእድሜ   18-30 ☐   31-40 ☐   41-50 ☐   51-60 ☐   ከ60 ዓመት በላይ

3. የትምህርት ደረጃ   ኢ-መደበኛ ት/ት ☐   የመጀመሪያ እና ሁለተኛ ደረጃ ☐

   ዲፕሎማ ☐   የመጀመሪያ ዲግሪ ☐   ማስተርስ እና ከዚያ በላይ

4. የባንኩን አገልግሎት የሚጠቀሙት፤ ለግል ☐ ለሥራ ☐ ለሁለቱም ☐

   ሌላ ካለ ይግለፁ _____

5. ከዚህ ባንክ ጋር በደንበኝነት ምን ያህል ዓመት ሠርተዋል   ከ1 ዓመት በታች ☐ 1-4 ዓመት ☐

   5-7 ዓመት ☐   8-10 ዓመት ☐   ከ10 ዓመት በላይ ☐

6. በባንኩ የሚጠቀሙት አገልግሎት፤ (ከአንድ በላይ ማመልከት ይችላሉ፡፡)

   የቁጠባ ሂሳብ ☐   ተንቀሳቃሽ ሂሳብ ☐   የብድር አገልግሎት ☐

   ገንዘብ የማስተላለፍ አገልግሎት ☐   አስመጪ እና ላኪ ☐   የውጭ ምንዛሪ ☐

   ኤ.ቲ.ኤም ☐   የኢንተርኔት ባንኪነግ ☐   ሞባይል ባንኪንግ ☐

ክፍል 2- የደንበኞች ግንኙነት በተመለከተ

ከዚህ በታች ለተዘረዘሩት መግለጫዎች (√) ምልክት በማድረግ ያመላክቱ፡፡

በጣም አልስማማም የሚለው የሚይዘው 1 ነጥብ ሲሆን በጣም እስማማለሁ የሚለው 5 ነጥብ ይይዛል፡፡

መግለጫ	በጣም እስማማለሁ 5	እስማማለሁ 4	አስተያየት የለኝም 3	አልስማማም 2	በጣም አልስማማም 1
RL1. ባንኩ ተከታታይነት ያለው ደረጃውን የጠበቀ አገልግሎት አሰጣጥ ይከተላል፡፡					
RL2. ይህ ባንክ አስተማማኝ አገልግሎቶችን ይሰጣል					
RL3. ባንኩ ለደንበኞቹ አስፈላጊ መረጃዎችን በተሳካ ሁኔታ ያስተላልፋል፡፡					
RL4. ባንኩ ከደንበኞች የሚመጣ ጥያቄ ለመመለስ ከደንበኞቹ ጋር በተብብር ይሰራል፡፡					

RL5. ይህ ባንክ የደንበኛውን የእርካታ ደረጃ አዘውትሮ ይገመግማል ፡፡					
PR1. ባንኩ አገልግሎቱን በአፋጣኝ ይሰጣል፡፡					
PR2. የባንኩ አግልግሎት አሰጣጥ ሂደት የተዋቀረው ደንበኞችን በሚያረካ መልኩ ነው፡፡					
PR3. በትክክል እና ፍጥነት ባለው መልኩ ለደንበኞች አገልግሎት መስጠት በዚህ ባንክ የተለመደ ነው፡፡					
PR4. ይህ ባንክ ለደንበኞቹ እሴት የታከለበት መረጃን ይሰጣል ፡፡					
CF1. ባንኩ ለተቀዳሚ ደንበኞቹ ከፍላጎታቸው ጋር የሚጣጣም አገልግሎት ይሰጣል፡፡					
CF2. ባንኩ ተቀዳሚ ደንበኞቹን ለማርካትና ለማስደሰት ሁል ጊዜ ይጥራል፡፡					
CF3. ባንኩ በህዝባዊ በዓላት ለተቀዳሚ ደንበኞቹ የመልካም ምኞት መግለጫ ይሰጣል፡፡					
CF4. ባንኩ ለሚሰጣቸው አገልግሎቶች ከደንበኛው ጋር ባለው ግንኙነት መሠረት የተለያየ የአገልግሎት ዋጋ ያስቀምጣል፡፡					
TC1. ይህ ባንክ ጥራት ያለው አገልግሎቶችን ለመስጠት የቅርብ ጊዜ ቴክኖሎጂ (ኤቲኤም, የሞባይል ባንክ እና የበይነመረብ ባንክ) ይጠቀማል፡፡					
TC2. ባንኩ በኤ ቲ ኤም፤በሞባይል፤ በኢንተርኔት እና ፓስ የታገዘ የባንክ አገልግሎት በአግባቡ ስራ ላይ በማዋል የደንበኞችን አግልግሎት አሰጣጥ ጥራት ይጨምራል፡፡					
TC3. ባንኩ በዘመናዊ ቴክኖሎጂ በመታገዙ ከደንበኞቹ ጋር ያለውን ግንኙነት በተሻለና በበለጠ መልኩ እንዲያዳብር ረድቶታል፡፡					

TC4. ባንኩ የደንበኞቹን መረጃ ሁሉን አቀፍ በሆነ መልኩ ስለሚይዝ የደንበኞቹን ፍላጉት የበለጠ መረዳት ይችላል።					
CS1. ባንኩ በሚሰጣቸው አገልግሎቶች ደስተኛ ነኝ					
CS2. በባንኩ የደንበኛ አያያዝ ደስተኛ ነኝ					
CS3. በባንኩ የአገልግሎት አሰጣጥ ጥራት ደስተኛ ነኝ					
CS4. በባንኩ የአገልግሎት አሰጣጥ ፍጥነት ደስተኛ ነኝ					

እጅግ አመሰግናለሁ!

APPENDIX III

SPSS OUT PUT

RELIABILITY TEST RESULT FOR INDEPENDENT VARIABLES

Reliability

Case Processing Summary		N	%
Cases	Valid	289	100.0
	Excluded[a]	0	.0
	Total	289	100.0
a. Listwise deletion based on all variables in the procedure.			

```
RELIABILITY
  /VARIABLES=RL1 RL2 RL3 RL4 RL5
  /SCALE('ALL VARIABLES') ALL
  /MODEL=ALPHA.
```

Reliability Statistics	
Cronbach's Alpha	N of Items
.833	5

```
RELIABILITY
  /VARIABLES=PR1 PR2 PR3 PR4
  /SCALE('ALL VARIABLES') ALL
  /MODEL=ALPHA.
```

Reliability Statistics	
Cronbach's Alpha	N of Items
.713	4

```
RELIABILITY
  /VARIABLES=CF1 CF2 CF3 CF4
  /SCALE('ALL VARIABLES') ALL
  /MODEL=ALPHA.
```

Reliability Statistics

Cronbach's Alpha	N of Items
.711	4

```
RELIABILITY
  /VARIABLES=TC1 TC2 TC3 TC4
  /SCALE('ALL VARIABLES') ALL
  /MODEL=ALPHA.
```

Reliability Statistics

Cronbach's Alpha	N of Items
.788	4

```
RELIABILITY
  /VARIABLES=CS1 CS2 CS3 CS4
  /SCALE('ALL VARIABLES') ALL
  /MODEL=ALPHA.
```

Reliability Statistics

Cronbach's Alpha	N of Items
.705	4

```
RELIABILITY
  /VARIABLES=CS1 CS2 CS3 CS4 RL1 RL2 RL3 RL4 RL5 PR1 PR2 PR3 PR4 CF1 CF2 CF3 CF4
TC1 TC2 TC3 TC4
  /SCALE('ALL VARIABLES') ALL
  /MODEL=ALPHA.
```

Reliability Statistics

Cronbach's Alpha	N of Items
.945	21

Frequencies

```
FREQUENCIES   VARIABLES=Gender   Age   Educlevel   PurposeAcct   RelshipcBank
Serviceused
  /ORDER=ANALYSIS.
```

Statistics

		Gender	Age	Educlevel	PurposeAcct	RelshipcBank	Serviceused
N	Valid	289	289	289	289	289	289
	Missing	0	0	0	0	0	0

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	129	44.6	44.6	44.6
	Male	160	55.4	55.4	100.0
	Total	289	100.0	100.0	

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-30	91	31.5	31.5	31.5
	31-40	88	30.4	30.4	61.9
	41-50	83	28.7	28.7	90.7
	51-60	24	8.3	8.3	99.0
	>60	3	1.0	1.0	100.0
	Total	289	100.0	100.0	

Educlevel

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Informal Education	5	1.7	1.7	1.7
	Primary and secondary school	23	8.0	8.0	9.7
	Diploma	52	18.0	18.0	27.7
	Bachelor Degree	138	47.8	47.8	75.4
	Master's Degree and above	71	24.6	24.6	100.0
	Total	289	100.0	100.0	

PurposeAcct

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Personal	140	48.4	48.4	48.4
	Business	61	21.1	21.1	69.6
	Both	88	30.4	30.4	100.0
	Total	289	100.0	100.0	

RelshipcBank

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<1 Year	41	14.2	14.2	14.2
	1-4 Years	129	44.6	44.6	58.8
	5-7 Years	85	29.4	29.4	88.2
	8-10 Years	24	8.3	8.3	96.5
	>10 Years	10	3.5	3.5	100.0
	Total	289	100.0	100.0	

Serviceused

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Saving Account	52	18.0	18.0	18.0
	Current Account	9	3.1	3.1	21.1
	Money transfer	1	.3	.3	21.5
	Import Export	1	.3	.3	21.8
	ATM	1	.3	.3	22.1
	12	5	1.7	1.7	23.9
	13	1	.3	.3	24.2
	14	13	4.5	4.5	28.7
	15	4	1.4	1.4	30.1
	17	17	5.9	5.9	36.0
	19	14	4.8	4.8	40.8
	23	2	.7	.7	41.5
	24	11	3.8	3.8	45.3
	25	2	.7	.7	46.0
	26	1	.3	.3	46.4
	27	3	1.0	1.0	47.4
	28	2	.7	.7	48.1
	29	1	.3	.3	48.4
	39	1	.3	.3	48.8
	46	1	.3	.3	49.1
	59	1	.3	.3	49.5
	123	1	.3	.3	49.8
	124	4	1.4	1.4	51.2
	125	2	.7	.7	51.9

126	2	.7	.7	52.6
129	2	.7	.7	53.3
137	5	1.7	1.7	55.0
139	1	.3	.3	55.4
147	6	2.1	2.1	57.4
149	1	.3	.3	57.8
159	1	.3	.3	58.1
178	1	.3	.3	58.5
179	15	5.2	5.2	63.7
189	1	.3	.3	64.0
234	1	.3	.3	64.4
235	3	1.0	1.0	65.4
236	1	.3	.3	65.7
239	1	.3	.3	66.1
245	1	.3	.3	66.4
246	4	1.4	1.4	67.8
247	2	.7	.7	68.5
248	6	2.1	2.1	70.6
256	1	.3	.3	70.9
257	1	.3	.3	71.3
259	2	.7	.7	72.0
278	1	.3	.3	72.3
279	3	1.0	1.0	73.4
289	1	.3	.3	73.7
359	1	.3	.3	74.0
1245	2	.7	.7	74.7
1247	3	1.0	1.0	75.8
1279	1	.3	.3	76.1
1347	1	.3	.3	76.5
1379	1	.3	.3	76.8
1479	1	.3	.3	77.2
1567	1	.3	.3	77.5
1789	3	1.0	1.0	78.5
2347	1	.3	.3	78.9
2369	1	.3	.3	79.2
2458	2	.7	.7	79.9
2467	1	.3	.3	80.3
2468	1	.3	.3	80.6

2479	3	1.0	1.0	81.7
2489	2	.7	.7	82.4
2575	1	.3	.3	82.7
2579	1	.3	.3	83.0
2678	2	.7	.7	83.7
2679	2	.7	.7	84.4
4679	1	.3	.3	84.8
12345	1	.3	.3	85.1
12346	1	.3	.3	85.5
12456	1	.3	.3	85.8
12457	1	.3	.3	86.2
12459	1	.3	.3	86.5
12467	1	.3	.3	86.9
12479	7	2.4	2.4	89.3
13467	1	.3	.3	89.6
13789	1	.3	.3	90.0
14789	1	.3	.3	90.3
23456	1	.3	.3	90.7
23469	1	.3	.3	91.0
23478	1	.3	.3	91.3
23678	1	.3	.3	91.7
24568	1	.3	.3	92.0
24579	1	.3	.3	92.4
25678	2	.7	.7	93.1
34568	1	.3	.3	93.4
123479	1	.3	.3	93.8
123679	1	.3	.3	94.1
124568	1	.3	.3	94.5
124579	1	.3	.3	94.8
124678	3	1.0	1.0	95.8
125678	1	.3	.3	96.2
234568	1	.3	.3	96.5
256789	2	.7	.7	97.2
1234567	1	.3	.3	97.6
1234789	2	.7	.7	98.3
1245678	1	.3	.3	98.6
1246789	1	.3	.3	99.0
12345789	1	.3	.3	99.3

	12346789	1	.3	.3	99.7
	123456789	1	.3	.3	100.0
	Total	289	100.0	100.0	

Descriptives

```
DESCRIPTIVES VARIABLES=RL1 RL2 RL3 RL4 RL5
  /STATISTICS=MEAN STDDEV MIN MAX.
```

Descriptive Statistics			
	N	Mean	Std. Deviation
RL1	289	4.25	.608
RL2	289	4.33	.595
RL3	289	4.21	.696
RL4	289	4.33	.576
RL5	289	3.89	.769
Valid N (listwise)	289		

```
DESCRIPTIVES VARIABLES=CF1 CF2 CF3 CF4
  /STATISTICS=MEAN STDDEV.
```

Descriptive Statistics			
	N	Mean	Std. Deviation
CF1	289	4.15	.684
CF2	289	4.25	.618
CF3	289	4.13	.735
CF4	289	3.98	.799
Valid N (listwise)	289		

```
DESCRIPTIVES VARIABLES=TC1 TC2 TC3 TC4
  /STATISTICS=MEAN STDDEV.
```

Descriptive Statistics			
	N	Mean	Std. Deviation
TC1	289	3.99	.795
TC2	289	4.29	.564
TC3	289	3.89	.769
TC4	289	4.11	.767
Valid N (listwise)	289		

```
DESCRIPTIVES VARIABLES=CS1 CS2 CS3 CS4
  /STATISTICS=MEAN STDDEV.
```

Descriptive Statistics

	N	Mean	Std. Deviation
CS1	289	4.17	.622
CS2	289	4.29	.587
CS3	289	4.13	.748
CS4	289	3.99	.738
Valid N (listwise)	289		

```
DESCRIPTIVES VARIABLES=RL PR CF TC CS
  /STATISTICS=MEAN STDDEV.
```

Descriptive Statistics

	N	Mean	Std. Deviation
RL	289	4.2014	.50552
PR	289	4.1332	.51030
CF	289	4.1280	.52129
TC	289	4.0701	.57022
CS	289	4.1453	.49352
Valid N (listwise)	289		

Correlations

```
CORRELATIONS
  /VARIABLES=RL PR CF TC CS
  /PRINT=TWOTAIL NOSIG
  /MISSING=PAIRWISE.
```

Correlations

		RL	PR	CF	TC	CS
RL	Pearson Correlation	1	.845**	.777**	.836**	.845**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	289	289	289	289	289
PR	Pearson Correlation	.845**	1	.754**	.785**	.829**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	289	289	289	289	289
CF	Pearson Correlation	.777**	.754**	1	.749**	.786**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	289	289	289	289	289
TC	Pearson Correlation	.836**	.785**	.749**	1	.854**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	289	289	289	289	289

CS	Pearson Correlation	.845**	.829**	.786**	.854**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	289	289	289	289	289

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

Regression

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
1	.905[a]	.819	.817	.21130	.819	321.788	4	284	.000	1.657

a. Predictors: (Constant), TC, CF, PR, RL

b. Dependent Variable: CS

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	57.467	4	14.367	321.788	.000[b]
	Residual	12.680	284	.045		
	Total	70.146	288			

a. Dependent Variable: CS

b. Predictors: (Constant), TC, CF, PR, RL

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	.391	.110		3.558	.000
	RL	.190	.056	.195	3.414	.001
	PR	.235	.049	.243	4.827	.000
	CF	.165	.041	.174	4.044	.000
	TC	.321	.042	.371	7.567	.000

a. Dependent Variable: CS

Residuals Statistics[a]

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	2.4441	4.9499	4.1453	.44673	289
Residual	-.64957	.61160	.00000	.20974	289
Std. Predicted Value	-3.808	1.801	.000	1.000	289
Std. Residual	-3.070	2.891	.000	.991	289
a. Dependent Variable: CS					

Normal P-P Plot of Regression Standardized Residual
Dependent Variable: CS

Histogram
Dependent Variable: CS

Mean = -1.87E-15
Std. Dev. = 0.993
N = 289