

**ST' MARY'S UNIVERSITY**  
**FACULTY OF BUSINESS**  
**DEPARTMENT OF MARKETING MANAGEMENT**

**An Assessment of Customer Relationship Management Practice**  
**In the Case of Ethiopian Airport Enterprise**

**By**  
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**June, 2014**  
**SMUC**  
**Addis Ababa**

**An Assessment of Customer Relationship Management Practice  
In the case of Ethiopian Airport Enterprise**

**Senior Essay Submitted to the department of  
Marketing Management**

**Business Faculty  
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**In partial fulfillment of the requirements for the  
Degree of Bachelor of Arts in Marketing Management**

**By  
Samrawit Legas**

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## **Acknowledgment**

First of all I would like to thank the Almighty **God** for helping me this far and giving me the courage to succeed in my study.

I would like to thank my advisor Mr. Ibrahim Fedlurahman for his constructive comments, suggestions and for sacrificing his valuable time.

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### **List of Abbreviation**

1. CRM.....Customer Relationship Management
2. EAE .....Ethiopian Airport Enterprise
3. ICAS.....International cargo aviation service

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# **Appendix**

**Appendix A**  
**St. Mary's University**  
**Faculty of Business**  
**Department of Marketing Management**  
**Questionnaire to be filled by EAE customers (renters)**

**Objectives of the questionnaire:-**

This questionnaire is prepared by a prospective graduate of the year 2014 in the field of marketing management from St.mary's University for partial fulfillment of a senior paper entitled assessment of customer relationship management in Ethiopian airport Enterprise”

**Dear respondents**

Your genuine responses to the questions have a significant effect for the successful accomplishment of the above objective. The responses that you provide are strictly confidential and used only for academic purpose. Thank you in advance for your sincere cooperation.

**General Instruction**

- Writing your name is not required.
- Put “X” in the boxes accompanied by various choices, to make your answers.
- If you have additional information about CRM please write shortly on the space provide.

**Part I General Characteristics of the respondents**

1. Gender

A. Male

B. Female

2. Age

A. 18 – 27 Years

C. 38 – 47 years

B. 28 – 37 years

D. Above 47 years

3. Education Status

A. 12<sup>th</sup> completed  B. Diploma  C. Degree  D. Masters & above

4. How long have you been the company's customer?

A. < 1 year

C. 6 – 10 years

B. 1 – 5 year

D. > 10 year

**Part II Questions directly related to the study**

➤ **The company Complaint handling**

1. How fast the company gives feedback for your complaint?

A. Very Fast      B. Fast      C. medium      D. Late      D. Very late

2. The Company is maintaining good Customer relations through its service

A. Strongly Agree  B. Agree  C. Neutral  D. Disagree   
E. Strongly disagree

3. How long did it take to get your problem solved?

A. Less than a day  B. 1-3 days  C. 4-6 days  D. More than a week

4. Rate your overall satisfaction of customer handling process of the company

A. Very High  B. High  C. Neutral  D. Low  E. Very Low

### **The methodology/techniques used by the company**

5. Are you provided with easy access to forward your complaint?

A. Strongly Agree  B. Agree  C. Neutral  D. Disagree   
E. Strongly disagree

6. The awaiting time for having my questions addresses is satisfactory

A. Strongly Agree  B. Agree  C. Neutral  D. Disagree   
E. Strongly disagree

7. The company receives my complaint for further immediate solution

A. Strongly Agree  B. Agree  C. Neutral  D. Disagree   
E. Strongly disagree

8. The company emphasize on your complaint while complaining

A. Strongly Agree  B. Agree  C. Neutral  D. Disagree   
E. Strongly disagree

### **The companies Communication**

9. The company communicates timely on changes in the service

A. Strongly agree  B. Agree  C. Neutral  D. Disagree   
E. Strongly disagree

10. The company creates communication platform

A. Strongly agree  B. Agree  C. Neutral  D. Disagree

E. Strongly disagree

11. Sufficient information is available to solve your problem

- A. Strongly Agree  B. Agree  C. Neutral  D. Disagree   
E. Strongly disagree

12. The company uses courtesies & respectful words in communicating with you.

- A. Strongly agree  B. Agree  C. Neutral  D. Disagree   
E. Strongly disagree

13. The company employees have a good communication skill regarding their service delivery

- A. Strongly Agree  B. Agree  C. Neutral  D. Disagree   
E. Strongly disagree

**Additional Questions**

14. The Company's customer service department officers do understand the specific needs of customers

- A. Strongly Agree  B. Agree  C. Neutral  D. Disagree   
E. Strongly disagree

15. How do you rate the company in keeping its promise in delivering the services?

- A. Very Good  B. Good  C. Fair  D. Poor  E. Very Poor

16. How do you rate the relationship between you & the company?

- A. Very Good  B. Good  C. Fair  D. Poor  E. Very Poor

17. If you were less than totally satisfied, what should have to be done by the company to serve you better?

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18. If you have any suggestion regarding Customer Relationship Management of the Ethiopian Airports Enterprise, please do not hesitate to state below. \_\_\_\_\_

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**Appendix B**  
**St. Mary's University College**  
**Faculty of Business**  
**Department of Marketing Management**  
**Interview Checklist**

Dear Customer Service Department Head

This Interview is organized to assess Customer Relationship Management of EAE. Your genuine response will have much use to the prospective graduate in the department of Marketing Management in partial fulfillment of senior research. The student researcher would like to thank you for your cooperation in responding the following questions.

1. How do you evaluate the company's customer relationship management?
2. How do you validate customer records (how fast)?
3. How do you use technology platform for customer relationship management?
4. What are the factors that affect customer relationship management in your company?
5. What are the methods/techniques you are using in customer complaint handling?
6. Have you established a formal training program for staffs on customer management?
7. What are the challenges on customer relationship management?
8. What action taken to build good relationship with customers?
9. What is your plan for improvement of customer relationship management?

### **Declaration**

I, the undersigned, declare that this senior essay is my original work, prepared under the guidance of Mr. Ibrahim Fedlurahman. All Sources of material used for the manuscript have been duly acknowledged.

Name **Samrawit Legas**

Signature \_\_\_\_\_

Place of Submission St. Mary's University Department of Marketing  
Management

Date of Submission \_\_\_\_\_

### **Advisor's Declaration**

This paper has been submitted for examination with my approval as the university advisor

Name **Ibrahim Fedlurahman**

Signature \_\_\_\_\_

Date \_\_\_\_\_



# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the Study

The Customer Relationship Marketing building a long lasting customer relationship creates a superior customer value and satisfaction. Satisfied customers are more likely to be loyal customers and to give the company a larger share of their business (Kotler & Armstrong, 2006).

Today, outstanding companies go all out to retain their customers. Many markets have settled in to maturity and there are not many new customers. Many markets have settled in to maturity and there are not many new customers entering most categories. Competition is increasing and the cost of attracting new customers' are rising in these markets; it might cost five times as much to attract new customers as to keep a current customer happy (kotler,2000)

Customer Relationship Management is both a strategy and a tool, a weapon. In your hands, and in the hands of your employees, CRM comes to life, keeping you and your team on course and able to anticipate the changing landscape of the marketplace. With CRM, loyal customers aren't a happy accident created when an exceptional customer service representative, salesperson or product developer intuits and responds to a customer need. Instead, you have at your fingertips the ultimate advantage-customer intelligence: data turned into information and information turned into a customer-satisfying action (L. Anderson & kerr, 2002).

The Ethiopian airport Enterprise was formally established by the council of ministers Regulation No 82/2003, in accordance with the public enterprise proclamation No.25/1992.It was established to provide airport services with the vision to be the leading world class airport service provider in Africa, and

it had the mission to construct, operate and maintain efficient and safe airport, to provide efficient customer oriented service, supportive by modern management system to contribute its share towards the development of the national airport industry of the country. It had also the objectives to construct, maintain and administrator aerodromes in Ethiopia to provide safe, reliable and efficient airport service for the aircraft, passengers and other users to coordinate and develop non-aeronautical service at the airports.

Currently, under its nationwide responsibility, EAE administrators 15 airports and 2 airstrips throughout the country, out of which, 4 of them are international while the rest are domestic. The enterprise mandate are construct, maintain airports administer airports in an efficient and economical manner, meet stockholders expectations, provide airport facilitation services, develop non-aeronautical services, issue directive regarding airport facilitation ...etc. The EAE plans to achieve sustainable and strong competitive position among African airports by providing customers friendly and advanced airport services.

The customers of Ethiopian Airports Enterprise are classified in to two based on the two sources of revenue i.e. Revenue source from Aeronautical related activities and non-Aeronautical related activities. The first is purely from carriers and passengers while the second is from renters' located in and around the Airport terminals.

This study intends to examine customer handling and communication system of the Ethiopian Airport Enterprise and also Customer Relationship Management practice of the company.

## **1.2 Statement of the Problem**

Customer Relationship Management is a methodology, a way of creating and evolving your organization in the marketplace and at the same time in the mind of each individual customer. It must look at the whole process of what you're involved in, whether this is a product or a service driven organization and it must involve every aspect of what you do – from suppliers through to the end application, from your internal staff through to your customer's. (Roberts-Phelps, 2003)

Customer Relationship Management (CRM) is putting the customer at the heart of the business. Today, it is more important than ever to build better relationship with customers in this age of social media. With the support of technology, the goal of CRM is to have 360-degree view of the customers which will enable the company to improve the quality and satisfaction of each customer interaction and maximize the profitability of the company's customer's relationships-win/win for both the company and its customers. . (Kottler, 1999)

Depending on how we look at it, CRM can be practiced in the companies at different levels. It can be practiced at the customer facing level-anything that has to do with interactions with customers, marketing sales and services. Or it can be practiced at the very functional level. While we can look at CRM on many different levels, or definition of Customer relationship Management is at a strategic level, i.e. on organizational level.

Ethiopian Airports Enterprise (EAE) has Eighteen Foreign and domestic Airlines and a number of tenants located at different parts of the country, which are the two major customers to the enterprise. The Enterprise were providing services like landing, lighting and fire safety to these Airlines .The relationship with the other customers (Renters) starts whenever they inter in to contract with the enterprise and become customers accordingly these customers, (renters) are the one for whom the research give due attention.

The enterprise has been using a very traditional way of handling and communicating with its customers, which means that the company mainly focuses on getting renters for contracts and receiving money in return. Once the contract signed with them there is no any means of communication with the customers. It simply hears their complaints from the customers who are coming to the enterprise in person to present their dissatisfaction for which no positive response or action to be given to them more over the enterprise will cancel the contracts and change the customer to the new one rather than solving their problem by creating Good communication mechanism. This has resulted in no customer loyalty and retention of customers to the enterprise. In contrary to its practices, CRM is similar to customer loyalty and relationship management in that the goal is to move its customers from a transaction to emotional relationship. More specifically, the way of using customer relationship management of the enterprise can be, then, a problem worth investigating.

Accordingly, this research tries to answer the following interrelated basic questions.

### **1.3 Basic Research Question**

1. How does the company handle the customer Complain?
2. What are the methodology/techniques is used by the company for its CRM?
3. How does the company communicate with its customers?

### **1.4 Objective of the Study**

#### **1.4.1 General Objective**

- The main objectives of this study were to access the Customer Relationship Management of the case company

### **1.4.2 Specific Objective**

- To identify how Ethiopian Airport Enterprise handles its customer complain?
- To describe the CRM methodology/techniques used by Ethiopian Airport Enterprise
- To identify how Ethiopian Airport Enterprise communicate with its customer?

### **1.5 Significance of the Study**

The research result would contribute to the company to improve its customer relationship.

It would also be significant for the student researcher to implement and analysis theoretical applications in real world.

This paper would help other interested researchers to use as the base in conducted further research on this area.

### **1.6 Delimitation of the Study**

The subject was delimiting on the Customer relationship management practice in Ethiopian Airport Enterprise because CRM is the most important concept in modern marketing. To make the study manageable, the student researcher delimited the topic of the study only in renter's activity of the company. EAE have branches. However, the student research would delimited on the head office specifically customer service department. Because the student researcher believed that it is the main place to get original information and the customer are also coming in customer service department to need the services. Similarly the student researcher will review the past 2 years from 2012 to 2013 CRM practice of the company because to get recent data for the research.

## **1.7 Research Design and Methodology**

The detail description of the activities to be implemented to achieve the ends specified in the objectives is examined under the following five sub section.

### **1.7.1 Research Design**

The student researcher was use descriptive research design method. It helps to describe the facts of Customer Relationship Management in the case of Ethiopian Airport Enterprise.

### **1.7.2 Population Sample Size& Sampling Technique**

In order to gather appropriate information relevant to this study the student researcher took the customer of EAE as population which are consisted of Ethiopian Airlines, Other country Airways, Addis Ababa Airport Customers office, Ethiopian Postal Service, ICAS, Ministry of Agriculture, private hotels, Duty free shops. Employees in the customer service department were also contracted as unit of the study customer service department manager.

For the reason that the exact number and list of customer and managers were available from the company's recorded which counts to be 30 in number, the student researcher used census.

### **1.7.3 Type of Data Collected**

For the fulfillment of the study primary data as well as secondary data were collected. Primary data were collected from customer and management. Secondary data were acquired from company recorded documents, relevant books, brochures, Journals online available information policy and procedure, report presented by the company itself and other related research findings.

#### **1.7.4 Methods of Data Collection**

The student researcher collected primary data through questionnaires and interview. Questionnaire was distributed to Ethiopian Airport Enterprise customer and interview was conducted with Ethiopian Airport Enterprise Customer Service Management. Regarding the secondary data it was gathered from books published material, Journal, Company Profile and other related research works.

#### **1.7.5 Method of Data Analysis**

The quantitative data collected through questionnaires was analyzed by descriptive data analysis techniques, in order to summarize the findings tabulation was used and percentage. The response being obtained through interview and open ended question was narrated.

#### **1.8 Limitation of the Study**

A number of challenges were encountered during the conduct of the study even though the student researcher comes up with the solutions. The absence of secondary data for this study, from the company side, was a problem; meaning to find a compiled document about its customer's was problematic. The financial backing for the research was inadequate. Cost of printing, getting research materials and time were the major problems. Being a worker and student at the same time was a challenge for follow up on respondents to retrieve questionnaires on time.

#### **1.9 Organization of the Study**

The research paper contains four chapters. The first chapter were present the introduction part and it consists of background of the study, statement of the problem, objective of the study, significance of the study, delimitation of the study, research design and methodology and organization of the paper. The second chapter focuses on Literature Review. The third chapter deals with the data presentation, analysis and interpretation. Finally, the forth chapter contains summary, conclusion and recommendation. In addition to this bibliography and appendices is attached at the end.

## **CHAPTER TWO**

### **REVIEW OF RELATED LITERATURE**

#### **2.1 Overview of Customer Relation Management**

Customer relationship management (CRM) has attracted the expanded attention of practitioners and scholars. More and more companies are adopting customer-centric strategies, programs, tools, and technology for efficient and effective customer relationship management. They are realizing the need for in-depth and integrated customer knowledge in order to build close cooperative and partnering relationships with their customers.

The emergence of new channels and technologies is significantly altering how companies interface with their customers, a development bringing about a greater degree of integration between marketing, sales, and customer service functions in organizations. For practitioners, CRM represents an enterprise approach to developing full-knowledge about customer behavior and preferences and to developing programs and strategies that encourage customers to continually enhance their business relationship with the company (Parvatiyar and Sheth, 2000)

#### **2.2 Definition of CRM**

CRM is the overall process of building and maintaining profitable customer relationship by delivering superior customer value and satisfaction. Thus to attract new customers and create transactions with them. They are using CRM to retain current customers view is that marketing is the science and art of finding retaining and growing profitable customers managing the full range of the customer relationship involves two related objectives first, to provide the organization and all its customer facing employees with a single, complete view of every customer at very touch point and cross all channels. Second, to



provide the customer with a single, complete view of the company and its extended (Kotler and Armstrong, 2006)

No matter what its orientation, marketing management crucial task is to create profitable relationship with customer's unity, customer management activity. By his definition it involves managing detailed information about individual customer and carefully managing customer "touch point" to maximize customer's loyalty. Whatever today, customers are in change; it is easier than ever for customer's torsion. As a result customer relationships have become a company's most valued asset. These relationships are worth more than the company's product, stores, factories, web addresses and even employees. Every company's strategy should address how to find and retain the most profitable customer's possible managing information technology in the business enterprise (Buttle, 2009).

According to (Richard,2004:67) customer relationship management (CRM) is:-

- A business philosophy that is successfully implemented by installing and utilizing CRM technology; by developing and executing a customer relationship strategy.
- Providing multiple channel of communication and allowing customer to choose the channel that's initially most cost-effective channel.
- A concept for managing customer relationship across different points of customer contact.
- Classic direct marketing (ideally) invisible technology platter that never distracts the customer or sales services represented from enhancing the relationship.
- Any measurable activity that creates builds exploits or harvests and maintains a direct relationship between you and your customer through a number of different touch or risk points.

Anderson and keer (2002) defined customer relationship management (CRM) is a comprehensive approach for creating, maintaining and expanding

customer relationship. Customer relationship management does not belong trust to sales and marketing. It is not the sole responsibility of the customer service group. While any one of these areas may be the internal champion for customer relationship management in touches all areas when CRM is delegated to one are of an organization, such as IT, customer relationships will supper likewise, when an area is left out of CRM planning the organization puts at risk the very customer relationships it seeks to maintain.

CRM is a way of thinking about and dealing with customer relationship. We might also use the word strategy here because done well, CRM involves a clear plan. In fact, we believe that your CRM strategy can actually serve as a benchmark for every other strategy in your organization. Any organizational strategy that doesn't serve to create, maintains, or expand relationships with your target customers doesn't serve the organization. In short, customers want to do business with organization that understands what they want and need. Wherever you are in your organization, CRM is about managing relationship more effectively so you can drive down costs while at the same time increasing the viability of your product and service offerings (preet O,2002).

It is a methodology, away of creating and involving your organization in the market place and at the same time in the whole mind of each individual customer. It must look at the whole process of what it involved in , whether this is a product or a service driven organization and it must involve every aspect of what it do from suppliers through to the end application, from its internal staff through to it customer's customer. In its simplest form it recognizes that each customer is an individual and has a choice. It looks at ways to treat customers in an individual and to exercise their choice positively towards your organization. It also embraces many current marketing and management methods, such as customer loyalty and marketing database management.

CRM is a core business strategy that aims to create and deliver value to targeted customers at a profit. This clearly denotes that CRM is not just about IT. CRM integrates internal processes and functions; That is, it allows departments within businesses to dissolve the silo walls that separate them. Access to “customer-related data” allows selling, marketing and service functions to be aware of each other’s interactions with customers. Furthermore, back-office functions such as operations and finance can learn from and contribute to customer – related data. Access to customer-related data allows members of a business’s external network—suppliers, partners, and distributors—to align their efforts with those of the focal company (Buttle, 2009).

### **2.3 Purpose of CRM**

The purpose of CRM is to better direct company communication to customer in the business to business and business to customer channels. CRM has also been referred to as continuous relationship marketing or ability to improve relationships through refinement of customer contact. This marketing approach is not new. Direct marketing and direct mail in particular have long practiced the continuous refinement of service offering to customers. Direct marketing has always relied on segmentation, targeting, differentiated marketing and careful evaluation. What is new with respect to CRM is scope of customer contact, the information available and the depth of customer knowledge utilized (Roger and others, 2008).

### **2.4 Benefits of CRM**

According to Kurtz,(2002) a CRM management system may be chosen because it is thought to provide the following advantages:

First the cost of retaining current customers is much less than obtaining new customers. Second, a customer who has developed a strong relationship with a service firm will tend to use that firm more often, resulting in higher sales

per customer. The final benefit of a customer relationship is the positive word-of-mouth communications generated by current customers to prospective customers. It allows a business to identify and target their best customers those who are the most profitable to the business decrease in overall costs so they can be retained a lifelong customer for greater and customer contracts the company, regardless of the contract point. It can enable a company to provide a consistent customer experience and superior service and superior service and support across all the contact points a customer chose.

## **2.5 Element of CRM**

There are three main elements to consider when aligning your business towards a customer relationship format. The first is to do when retention. Imagine that you were never to gain another new customer, this would probably be a horrifying thought for most businesses, but when you considered it carefully you would realize that if you just kept the customers that you have then you would probably be able to grow and prosper in much the same way as you are now. There are of course exceptions. Most businesses only get a small percentage of the share of each of their customers. In addition most businesses will lose customers at a rate of somewhere between 15-50 percent per annum. This leaky bucket effect is not only expensive; it is also reasonably unmotivating for the staffs that have to serve these customers.

The second stage is to develop customer potential: turning that one off infrequent casual customer in to higher spending, more frequent referring advocate.

The third element of customer relationship management and perhaps the most controversial one is the de-selection of customers. If a company or organization were to put more of its efforts into its existing customer it would make sense that it did this with customer that had the greatest potential.

This means that at some point, it has to start to lose those customers that are not ones that offer long-term future value. This might be because of transaction spend, the value of a customer or the cost of transacting or dealing with that customer or customer group. In moving towards a more customer relationship oriented approach in your business there are some simple steps to help you long the way. However, before we look at these it is important to remember why customer life value is so critical.

Customer life time value is typically the revenue that one customer can spend with you directly or through referral and recommendation over a nominal period of say, ten years. A customer that buys once is probably doing so as a trial. The more frequently they come back to you the more their loyalty builds; they will then turn from a one-off customer in to an ongoing client and eventually a self –perpetuating advocate. A loyal customer will often pay more as well; they will also be less sensitive to tactical discounting so that they will actually have more profitability than the customer that you attract through special offer promotions. These customers that are attracted by special offer promotions and their loyalty can never be expected. The emotional link that a customer has with your organization, the people that serve in it, or the brand that it promotes, are also critical factors in understanding customer loyalty and lifetime value (kotler,2000).

## 2.6 Types of CRM

- **Operational customer relationship management:**-support customer interaction with greater convenience through variety of channels makes your company easily to do business.
- **Analytical customer relationship management:**- exacts in depth customer history, preference, profitability information from your data warehouse and other data base, allow you to analyze, predict and derive customer value and behavior and forecast demand.

- **Collaborative customer relationship:**-enables easy collaboration with customers, supplier and partners, improve efficiency and integration through the supply chain.
- **Strategic CRM:-** provides all users with the tools and information that fit their individual roles and preferences, empower all employees to respond to customer demands more quickly and become truly customer focused, provides the capability to instantly access, link, and use all internal and external customers information (Buttle,2009).

## 2.7 Objectives of CRM

The primary goal of CRM is to build and maintain a base of committed customer who is profitable for the organization. To achieve this goal, the firm will focus on the attraction, retention, and enhancement of customer relationship. First the firm will seek to attract customers who are likely to become long term relationship customers. As the number of these relationships grows, the loyal customers themselves will frequently help to attract (through word of mouth) new customers with similar relationship potential. Once they are attracted to begin a relationship with the company customers will be more likely to stay in the relationships by consistently provide with quality products services and good value overtime. They are less likely to be pulled away by competitors if they feel the company understands their changing need and evolving its product and service mix.

Finally the goal of customer enhancement suggests that loyal customers can be even better customers if they buy more products and services from the company overtime. Loyal customers not only provide a solid base for the organization, they may represent growth potential (Zeithmal and bither,2003).

## **2.8 Customer experience and the role of CRM**

The implementation of a CRM strategy, and the deployment of CRM technologies, can have a significant impact on customer experience. Strategic CRMs goal of winning and keeping profitable customers through a customer-centric organizational culture impels that there will be dedicated focus on meeting the requirements of defined customer groups. Customer experience should therefore satisfy targeted customer expectation, while other potential customers or market segments may not be served (Buttle, 2009).

## **2.9 Factor Affecting CRM**

### **2.9.1 Customer handling Problem**

Customer handling has a number of problems whatever the type of service will be winning customers has perhaps never been easy and it is downright difficult (Forsyth, 1999). Generally the quality of the service computation, market fluctuation and attitude, perception of the customer are some of the factors which rise problems of customer handling, both may be the cause for customer handling problem moreover, designing the service based on customer's needs, place of service, the line of computation, leadership commitment in risk taking motivation of serving, modernizing service, service delivery standard are the main factors of the company.

### **2.9.2 Customer Complaining Behavior**

Companies committed to customer satisfaction will deal with any complaints they receive in a way that still leads to overall satisfaction. Infact if a problem handled satisfactorily the average customer will tell 5 others people about it. A negative experience will result in 9 to 20 people being told about the poor treatment/service. This suggests that customers who complain and receive satisfactory attention are often more satisfied than those who don't complain at all. It is not necessary bad when people complain. Sometimes your most

loyal customers are big critics. In fact complaining can help relationship when they patch up disagreement. They have more customer loyalty than before. Encouraging feedback and responding to complaints is one way to establish a bond of loyalty based on relationships (Harell and Frazier, 1999).

According to (Lovelock and Wirtz, 2005) studies of consumers complaining behavior have identified four main purposes for complaining:-

1. **Obtaining restitution or compensation:-** often, consumers complain to recover some economic loss by seeking a refund, compensation, and/or have the service performed gain.
2. **Vent their anger:-** some customers complain to rebuild self-esteem and/or to vent their anger and frustrations. When service processes are bureaucratic and unreasonable or when employees are rude deliberately intimidating, or apparently uncaring customer's self-esteem, self-worth, or sense of fairness can be negatively affected.
3. **Help to improve the service:-** when customers are highly involved with a service they give feedback to try and contribute toward improvements.
4. **For altruistic reasons:-** finally, some customers are motivated by altruistic reasons. They want problems, and they might feel bad if a problem is not highlighted.

### **2.9.3 The Company Response for Customer Complaint**

Herell and Frazier (1999:366) stated that the company response is the term for efforts by a firm to correct a problem following customer complaint and retain a customer's goodwill. The company response efforts play a curial role in achieving (or restoring) customer satisfactions in every organization, things may occur that have a negative impact on its relationships with customers. The true test of a firms commitment to satisfaction and service quality isn't in the advertising promises or the décor and ambience of its offices, but in the way its response when things go wrong for the customer (Unfortunately, firms



don't always react in ways that match their promises). The company response efforts are weak, serving to compound the original problem rather than correct it. Efficient customer response programs are designed to improve the efficiency of replenishing, delivering and stocking inventory while promoting customer value (Roger and others, 2008).

## **2.10 How to Handle Customer Complaints**

According to (Roger & others, 2008) No matter how perfectly designed and implemented a marketing program is, mistakes will happen. Given the potential downside of having an unhappy customer, it is critical that the negative experience be dealt with properly. As with any marketing crisis large or small, swiftness and sincerity are the key watchwords. Customer must feel an immediate sense that the company truly cares. Beyond that, the following procedures can help to recover customer goodwill:

1. Set up a 7-day, 24-hour toll-free "hotline" (by phone, fax, or e-mail) to receive and act on customer complaints.
2. Contact the complaining customer as quickly as possible. The slower the company is to respond, the more dissatisfaction may grow and lead to negative word of mouth.
3. Accept responsibility for the customer's disappointment; don't blame the customer.
4. Use customer service people who are empathic.
5. Resolve the complaint swiftly and to the customer's satisfaction. Some complaining customers are not looking for compensation so much as a sign that the company cares.

## **2.11 Why is Complaints Handling Important**

### *Generate Loyalty, Goodwill and Word-of-Mouth*

By talking back when they believe they have not received their money's worth, consumers give businesses an opportunity to correct the immediate problem and restore goodwill. Experience shows that consumers who complain about products and services continue to frequent the businesses and buy the products they complain about if they believe the complaint was resolved fairly.

Research into complaint behavior reveals that only a fraction of dissatisfied consumers complains to business and, thereby, gives the company an opportunity to correct the problem. There is evidence that some consumers do not complain because they are skeptical about business's willingness or ability to resolve disputes fairly. Consumers simply withdraw their patronage and criticize the company or the service to others.

Such findings underscore the importance to business of a complaint management system that is well-publicized and easily accessible. An unregistered complaint may do as much harm as one that is mismanaged or not resolved.

Careful complaint management can save business unwanted costs. For example, negative word-of-mouth publicity from dissatisfied consumers means lost revenue and necessitates additional investment in advertising to attract replacement customers. (Roger & others, 2008)

## **2.12 Communication and CRM**

An emerging social issue that has potentially devastating consequence for customer relationship management is that is consumer privacy. The success of CRM is directly associated with an organization increase the capture and leverage of consumer data in their marketing efforts, consumers' concerns of privacy invasion have precipitated regulatory pressure (Roger and others, 2008).

## **CHAPTER THREE**

### **3. DATA PRESENTATION, ANALYSIS AND INTERPRETATION**

This chapter deals with the presentation, analysis and interpretation of the data gathered from Ethiopian Airport Enterprise customers and Customer service department office manager. The research study investigates the Customer Relationship Management practice of Ethiopian Airport Enterprise from customer's point of view and from the department head.

To make this research paper representative, 30 questionnaires were prepared for customers. All 30 questionnaires were distributed to customers filled and returned for analysis. This means 100% of customers have filled and returned the questionnaires. So the analysis is presented based on the response gathered from customers summarized by using descriptive statistic method, where by the raw data is computed in percentage and presented in a tabularized form followed by detail explanation and critical interpretation of the data that is made to show implication of the major findings.

The chapter has 2 parts, the first part deals with the General Characteristics of the respondents and the second part deals with the analysis of the main research findings.

### 3.1 GENERAL CHARACTERISTICS OF RESPONDENTS

Table 1 below describes the demographic characteristics of the respondents including Gender, Age, Educational Status and Relation with the Company.

**Table I General Characteristics of Respondents**

S/N	Item	Customer Respondent	
		Frequency	Percentage (%)
1	Gender		
	A. Male	17	56.7
	B. Female	13	43.3
	<b>Total</b>	<b>30</b>	<b>100</b>
2	Age		
	A. 18-27 Years	6	20
	B. 28-37 Years	12	40
	C. 38-47 Years	7	23.3
	D. > 47 Years	5	16.7
	<b>Total</b>	<b>30</b>	<b>100</b>
3	Education Status		
	A. 12 <sup>th</sup> Completed	3	10
	B. Diploma	10	33.3
	C. Degree	13	43.3
	D. Masters & above	4	13.4
	<b>Total</b>	<b>30</b>	<b>100</b>
4	Relation with the company		
	A. < 1 Years	4	13.4
	B. 1-5 Years	13	43.3
	C. 6-10 Years	10	33.3
	D. >10 Years	3	10
	<b>Total</b>	<b>30</b>	<b>100</b>

As table 1 presented gender composition in item 1 shows 17 (56.7%) of the respondents were male and 13 (43.3%) of Ethiopian Airport Enterprise are female. This implies that the company entertains both genders fairly.

In relation to Age category as shown in item 2 of the same table the number of respondents in age category of 18-27 were 6 (20%), in the next category 28-37 were 12 (40%), in age 38-47 were 7 (23.3%) and above 47 were 5(16.7%). Therefore the finding from the age profile of the respondent lies between the age 28-37. Thus it's possible to say that Ethiopian Airport Enterprise is highly demanded by the youngest group. This indicates that the youngest groups are very active & understand what a customer should get from the company; they do have the potential to work hard if they can get what is required from the company in relation to Customer Relationship Management

Item 3 in the above table 1 explains the educational status of the respondents. Accordingly, out of the total 30 respondents, 10 (33.3 %) of the respondents completed 12<sup>th</sup> grade, 10 (33.3%) of the respondents graduated in diploma, 13 (43.3%) of the respondents are degree holders, and 4 (13.4%) have above degree. On the basis of the above data i.e educational background, most customers are degree holders. Educated customers are capable enough to evaluate things from different angles and sensitive to service delivery promises. They can also communicate effectively with the service providers.

When we go to the last part of the respondents which tells about the relation with the company, 4 (13.4%) have less than 1 year, 13 (43.3%) have 1-5 years, 10 (33.3%) have 6-10 years and 3 (10%) have above 10 years, 10 (33.3%) were 6-10 years and 3 (10%) were above 10 years. This implies that most of the respondent's lengths of time using Ethiopian Airport Enterprise service were 1-5 years. The company does not retain customer for long period of time. This indicates that customers are dissatisfied; company finds out their source of dissatisfaction & takes the necessary actions to achieve the intended goal.

### 3.2 Analysis of the Major Findings

The customer questionnaire is analyzed depending on the filled and returned questionnaires analysis which is the major findings.

#### 3.2.1 Customer Feeling About the Complaint Handling Method

**Table II Customers complaint handling method**

S/N	Item	Customer Respondent	
		Frequency	Percent (%)
1	How fast the company gives feedback for your complaint?		
	A. Very Fast	3	10
	B. Fast	6	20
	C. Medium	15	50
	D. Late	6	20
	E. Very Late	0	0
	<b>Total</b>	<b>30</b>	<b>100</b>
2	The company is maintaining good customer relations through its service		
	A. Strongly Agree	4	13.4
	B. Agree	5	16.6
	C. Neutral	2	6.7
	D. Disagree	14	46.7
	E. Strongly disagree	5	16.6
	<b>Total</b>	<b>30</b>	<b>100</b>
3	How long did it take to get your problem solved?		
	A. Less than a day	4	13.3
	B. 1-3 days	7	23.4
	C. 4-6 days	11	36.6
	D. More than a week	8	26.7
	<b>Total</b>	<b>30</b>	<b>100</b>
4	Rate your overall satisfaction of customer handling process of the company		
	A. Very High	3	10
	B. High	7	23.3
	C. Neutral	7	23.4
	D. Low	10	33.3
	E. Very Low	3	10
	<b>Total</b>	<b>30</b>	<b>100</b>

As it can be observed in item 1 of table 2 respondents were asked about the company for timely responding their complaint; 3 (10%) responding very fast, 6 (20%) replay fast, 15 (50%) were said medium, however 6 (20%) were responding the timely response for their complaint is late. There are no customers for the raised question replies strongly disagree. From this we can understand that there is a delay in giving response for customer complaints, as per their expectation.

According to Balaj (2002) act fast if the complaint is made during service delivery, then time is essence to achieve a full recovery. When complaints were mad after the fact, many companies have established policies of responding with 24 hours, or sooner.

In item 2 of table 2 above concerning maintaining good customer relations through its service, 4 (13.4%) rated strongly agree, 5 (16.6) rated agree, 2 (6.7%) were neutral, 14 (46.7) were disagree and 5 (16.6%) were strongly disagreed. The above data signifies that Ethiopian Airport Enterprise is not consistently maintaining good customer relation through its service delivery.

As it can been seen in item 3 of table 2 above concerning how long did it take to get your problem solved 4 (13.3%) were rated less than a day, 7 (23.4%) were rated 1-3 days, 11 (36.6%) were 4-6 days, 8 (26.7%) were more than a week. The above data signifies that Ethiopian Airport Enterprise has poor response on timely solving the customer problem.

As it is depicted in item 4 table 2 above concerning rate overall satisfaction of customer handling process of the company 3 (10%) replied veryhigh, 7 (23.3%) were high, 7 (23.4) were neutral, 10 (33.3%) were low and 3 (10%) are very low. This indicates majority of the respondents low in number so more of the customers are dissatisfied in overall satisfaction of customer.

From the manager respond the company challenges on customer relationship are customers' unlimited need of the service and limitation of resource to meet customer demand for service

### 3.2.2 Customer Feeling About the Methodology/techniques Used by the company

**Table III the methodology/techniques used by the company**

S/N	Item	Customer Respondent	
		Frequency	Percent(%)
1	Are you provided with easy access to forward your complaint?		
	A. Strongly Agree	1	3.3
	B. Agree	8	26.7
	C. Neutral	3	10
	D. Disagree	18	60
	E. Strongly disagree	0	0
	<b>Total</b>	<b>30</b>	<b>100</b>
2	The awaiting time for having my questions addresses is satisfactory		
	A. Strongly Agree	5	16.7
	B. Agree	5	16.7
	C. Neutral	4	13.3
	D. Disagree	9	30
	E. Strongly disagree	7	23.3
	<b>Total</b>	<b>30</b>	<b>100</b>
3	The company receives my complaint for further immediate solution		
	A. Strongly Agree	3	10
	B. Agree	4	13.3
	C. Neutral	7	23.3
	D. Disagree	11	36.7
	E. Strongly disagree	5	16.7
	<b>Total</b>	<b>30</b>	<b>100</b>
4	The company emphasize on your complaint while complaining		
	A. Strongly Agree	2	6.6
	B. Agree	3	10
	C. Neutral	12	40
	D. Disagree	7	23.4
	E. Strongly disagree	6	20
	<b>Total</b>	<b>30</b>	<b>100</b>



As it is indicated in item 1 table 3 above concerning of providing with easy access to forward your complaint, 1 (3.3%) rated strongly agree, 8 (26.7%) rated agree, 3 (10%) rated neutral, 18 (60%) rated disagree and the final choice were strongly disagree but no one rated it. From this most respondents said disagree, it shows that the customer do not have easy access to forward their complaints.

As shown in item 2 of table 3 above concerning the awaiting time for having their questions addressed is satisfactory 5 (16.7%) were evaluated the time as strongly agree, 5 (16.7%) as agree, 4 (13.3%) as neutral, 9 (30%) as disagree and 7 (23.3%) were strongly disagree. This shows that most of the respondent said disagree that means they were dissatisfied.

As it is denoted in item 3 of table 3 above concerning the company receives my complaint for further immediate solution, 3 (10%) were evaluated as strongly agree, 4 (13.3%) were evaluated as agree, 7 (23.3%) were evaluated as neutral, 14 (36.7) were evaluated as disagree and 5 (16.7%) were strongly disagree majority of the respondents replied disagree and the company receives complaint for further immediate solution method is poor.

As shown in item 4 table 3 above concerning of the company emphasize on your complaint while complaining 2 (6.6%) were strongly agree, 3 (10%) were agree, 12 (40%) are neutral, 7 (23.4 %) were disagree and 6 (20%) were strongly disagree. Most customers that said neutral said that Ethiopian Airport Enterprise emphasize on their complaint while complaining. This implies that EAE must emphases in any customer complaining.

### 3.2.3 Customer Feeling About the Companies Communication

**Table IV the Companies Communication**

S/N	Item	Customer Respondent	
		Frequency	Percent (%)
1	The company communicates timely on changes in the service		
	A. Strongly Agree	3	10
	B. Agree	2	6.6
	C. Neutral	6	20
	D. Disagree	13	43.4
	E. Strongly disagree	6	20
	<b>Total</b>	<b>30</b>	<b>100</b>
2	The company creates communication platform		
	A. Strongly Agree	1	3.3
	B. Agree	7	23.4
	C. Neutral	5	16.6
	D. Disagree	7	23.3
	E. Strongly disagree	10	33.4
	<b>Total</b>	<b>30</b>	<b>100</b>
3	Sufficient information is available to solve your problem		
	A. Strongly Agree	2	6.6
	B. Agree	18	60
	C. Neutral	3	10
	D. Disagree	4	13.4
	E. Strongly disagree	3	10
	<b>Total</b>	<b>30</b>	<b>100</b>
4	The company uses courtesies & respectful words in communicating with you		
	A. Strongly Agree	3	10
	B. Agree	2	6.6
	C. Neutral	9	30
	D. Disagree	15	50
	E. Strongly disagree	1	3.4
	<b>Total</b>	<b>30</b>	<b>100</b>
5	The company employees have a good communication skill regarding their service delivery		
	A. Strongly Agree	6	20
	B. Agree	5	16.6
	C. Neutral	4	13.4
	D. Disagree	12	40
	E. Strongly disagree	3	10
	<b>Total</b>	<b>30</b>	<b>100</b>

As it is defected in item 1 of table 4 above concerning of the company communicates timely on changes in the service, 3 (10%) were raised strongly agree, 2 (6.6%) were agree, 6 (20%) were neutral, 13 (43.4%) were disagree, 6 (20%) were strongly disagree. From this most respondents said that major problem on the company communicates timely on changes in the service is there is no communication on time. They suggest the company has no clear communication with the customer. This is another factor that the company should work on.

As shown in Item 2 of table 4 above concerning of the company creates communication platform, 3 (10%) strongly agree, 2 (6.6%) were agree, 6 (20%) were neutral, 13 (43.4%) were disagree, 6 (20%) were strongly disagree. Most customer respondents that said disagree said that Ethiopian Airport Enterprise does not use communication platform. This implies that the company must add new communication method.

As can be seen in item 3 of table 4 above concerning whether sufficient information is available to solve their problem 2 (6.6%) of the respondent said strongly agree, 18 (60%) were agree, 3 (10%) were neutral, 4 (13.4%) were disagree and 3 (10%) were strongly disagree. This indicates that the majority of the respondents agree that sufficient information is available to solve your problem.

As it is described item 4 of table 4 above concerning the company using courtesies and respectful words in communicating with you, 3 (10%) were strongly agree, 5 (16.6%) were agree, 6 (20%) were neutral, 13 (43.4%) were disagree and no one chose for strongly disagree. Most customer respondents replied disagree that the respectful words in communicating with them. This implies that, Ethiopian Airport Enterprise not recognized the uses of courtesies and respectful words. Customer is the major source for the company success.

It is revealed in item 5 of table 4 regarding the company employees have a good communication skill regarding their service delivery, 6 (20%) of them rated strongly agree, 5 (16.6) were agree, 4 (13.4%) were neutral, 12 (40%) were disagree, 3 (10%) were strongly disagree it is communication skill falls under disagree levels which needs considerable attention. The student researcher thus generalized that Ethiopian Airport Enterprise is organized only according to the organizational rules and regulation.

### 3.2.4 Additional Questions for the Customer

**Table V Additional Questions**

S/N	Item	Customer Respondent	
		Frequency	Percent (%)
1	The company's customer service department officers do understand the specific needs of customers?		
	A. Strongly Agree	14	46.6
	B. Agree	3	10
	C. Neutral	9	30
	D. Disagree	2	6.7
	E. Strongly disagree	2	6.7
	<b>Total</b>	<b>30</b>	<b>100</b>
2	How do you rate the company in keeping it's promise in delivering the services?		
	A. Very Good	4	13.3
	B. Good	6	20
	C. Fair	7	23.3
	D. Poor	11	36.7
	E. Very Poor	2	6.7
	<b>Total</b>	<b>30</b>	<b>100</b>
3	how do you rate the relationship between you and the company?		
	A. Very Good	5	16.7
	B. Good	8	26.7
	C. Fair	9	30
	D. Poor	5	16.6
	E. Very Poor	3	10
	<b>Total</b>	<b>30</b>	<b>100</b>

As it can be observed in item 1 of table 5 respondents were asked about the company customer service department officers do understand the specific needs of customers; 14 (46.6%) responding strongly agree, 3 (10%) replay Agree, 9 (30%) were said neutral, 2 (6.7%) and 2 (6.7%) were strongly disagree. This indicated that the company customer service department officers understand the specific needs of customer.

In item 2 table 5 above concerning the company in keeping its promise in delivering the service; 4 (13.4%) rated very good, 6 (20%) rated Good, 7 (23.3%) were fair, 11 (36.7%) were said poor and 2 (6.7%) were very poor. The above data signifies that Ethiopian Airport Enterprise has poor in keeping its promise in delivering the service.

As it is depicted in item 3 table 5 above concerning rate the relationship between you and the customer; 5 (16.7%) replied very good, 8 (26.7%) replied good, 9 (30%) were fair, 5 (16.6%) were poor and 3 (10%) are very poor. This indicates majority of the respondents said fair.

### **3.2.5 Issue Related to Respondents Personal Opinion**

The respondents give a chance to forward their suggestions, comments & opinions related to the customer relation management. Their points are arranged and list as follow

- Related to communication sometimes the company mostly providing up-to-date information through different appropriate communication tools convenient to customer.
- Regarded the company's methodology/techniques used by the company should us modern technologies to better serving of his customer and customer does not have another options to get service.

### **3.2.6 Interview with the Head of Customer service department**

As the interview held with the head of Customer service department the following information are collected such as:-

The first question asked was how you evaluate the company's customer relationship management. The head replied the method the company uses for Customer relationship management procedure is not scientific. Although there more informal meetings held with the customers in the past a formal way of communication system like using a developed website, opening a facebook account & twitter account is a recent development.

The head also pointed out about the factors affect customer relationship management in the company. How do you validate customer records (how fast). We only have the records of the customers in a concession record & statistical data. These records do not show a detailed description of the customers apart from their names.

Concerning the technology platform for customer relationship management in the company. It was not practiced until recently. But beginning of the year 2006 EC there have been new developments with regards to the usage of technology platform. Customer handling & feedback is a recent development.

Also the head explained that as interview continues about the company the factors that affect customer relationship management in the company. There is limitation of manpower in skills and attitude with respect to the employees of the company. Moreover, the demands of the customers are very high that it is close to impossible to satisfy their demands.

The other point that was asked for the head is to tell us the methods/techniques the company using in customer complaint handling. The techniques apply in using customer complaint handling is by collecting feedback through suggestion box, physical observation and conduction customer satisfaction service. Recently a guide line for the customer that



helps them launch there complain through a defined procedural system has been put to use which facilitates the complaint procedure system.

The interview was also indicating the company established a formal training program for staffs on customer management. Although it is a very short lived experience we have started to give formal trainings to the staffs on the customer relationship management.

The interview continues about challenges on Customer Relationship Management. The head said changing the attitude of the employees on customer relationship management in bringing about the culture of customer service excellence, a challenge we face due to the lack of skills of the staff and the challenge of working in cohesion with service giving bodies like immigration, customs, Airlines, security etc... is something we must overcome to provide good Customer relationship management.

Lastly, the head briefly explain what action taken to build good relationship with customer and the plan for improvement of customer relationship management. Developing & implementing of charter, developing & implementing customer service standard through service level agreement, developing a formal customer service through training and finally the company have plans working with customer service consultant this plans are on the way.

## CHAPTER FOUR

### SUMMARY, CONCLUSION AND RECOMMENDATIONS

This chapter deals with the summarized high lights of the study, conclusion drawn and the recommendations made on the basis of findings.

#### 4.1 Summary

This study intended to assess Customer Relationship Management practices in Ethiopian Airport Enterprise. The quantitative assessment using questionnaire was made with thirty (30) sample customers. Therefore the findings are summarized as follow:

- From the data collected most of the respondents 17 (56.7) were male, regarding the age group majority of the respondents 12 (40%) was at the age of 28-37 and their educational background, 13 (43.3%) customers are degree holder. And also as evidenced from customer respondents regarding length of time using Ethiopian Airport Enterprise service, 13 (43.3) the respondent's using the service of the Ethiopian Airport Enterprise were 1-5 years.
- Based on the response given by customers that the company gives feedback for their complaint, 15 (50%) of the respondents were complained about the relationship.
- Concerning to Ethiopian Airport Enterprise the time take to their problem solved, 11 (36.6%) of the respondents said from 4 – 6 days the time to solve the problem of the customer is late. Moreover according to respondents 13 (43.4%) of the customer disagree there is a gap in timely communication with the customer, in addition to this as evidenced from their response 11 (36%) of customers disagree that there is lack of giving immediate solution for their complaint. From the total number of respondent customers 12 (40%) of them said neutral that the Ethiopian Airport Enterprise emphasize on your complaint while complaining, the above data signifies that Ethiopian Airport Enterprise has poor

performance in its customers complaints handling method. So as the customer responding, 10 (33.3%) were low this means overall satisfaction of the customers are dissatisfied in the handling process.

- Based on the response given by customers with regard to Ethiopian Airport Enterprise customer waiting time for having their questions addressed is satisfactory, 9 (30%) said disagree, the customers are waiting more time and they are dissatisfied.
- The other information the relations between the company and the customers, 18 (60%) of the customer were disagree it shows that the customer do not have easy access to forward their complaints.
- Based on the response giving by customer with regard to Ethiopian Airport Enterprise communication platform, 10(33.4%) of the customer respondents strongly disagree, said that Ethiopian Airport Enterprise does not recognize to communication platform. Customers are the major source of the company success.
- As evidence from their response 18 (60%) of customer agree that sufficient information is available to solve their problem. Ethiopian Airport Enterprise must give information to solve their problem.
- 15 (50%) of the respondent customers said that Ethiopian Airport Enterprise employees do not use courtesies & respectful words in communicating with customer this means there is no clear communication. The company serves according to its own interest and also from the total number 12 (40%) of the respondent replied that the company employees have no good communication skill. There is misunderstanding between employees and customer; the employees can't understand the communication skill & manner.

## 4.2 Conclusions

Depending on the finding discussed above the following conclusion are drawn.

Based on the findings of the study, the following conclusions are made.

- According to the research result, the enterprise is not providing training to its employees regarding Customer Relationship Management, recently they start some training, which is not given as expected due to the fact that there is resource limitation. There is lack of empowering front line staff at the earliest point of contact to resolve less complex complaints of customers.
- The research revealed that is a delay to respond for customer complaints. There did not set target timelines for resolving problems.
- The finding indicated that there is no any technological platform that the enterprise is currently using for its Customer Relationship Management.
- The enterprise did not have written guidelines for staff, in the form of procedures or manuals, setting out the procedures or steps for customer Relation management. It lacks formal communication channel to customers, which means there is no free access for customers to forward their complaints or enquires.
- The result showed that there was no customer database in the company. There is no clear and secured data recording mechanism and did not keep update record about the status of its customers. Customer database with full of information about the customer is the pre requisite for effective and efficient customer relationship management. Collect information about the customer and update them are among the important milestones of customer relationship management. Which the enterprise failed to do so.

### **4.3 Recommendation**

In light of the findings and the conclusions, the following possible recommendations are forwarded in the hope that they would help to provide solution to some observed problems.

- It is advisable to Ethiopian Airports Enterprise to acknowledge customer complaints and avoid the time delay for response. Which means, handling them quickly and appropriately is key to retaining good relations with customers and improving the business overall. This demonstrates that people are highly likely to retain if their complaints are handled rapidly and well. Paying attention and listening closely to a complaining customer is one of the most important things, and it's also commonly forgotten when people are faced with an angry customer. Having a system in place for handling complaints and training all staff members to deal with them will avoid situations where complaints are handled badly.
- It is recommended for the enterprise to record and properly file the customer's data and their complaints as well. It has to believe that customer data are as important as financial data. The enterprise should record and categorize their data and periodically update if there is any change. Log in their complaints and differentiate and clearly define and must be exclusive of one another. Prepare and file a report on the disposition of the complaint, periodically analyze and summarize complaints.
- It is advisable to use good communication mechanisms with customers and its employees. Communication is a key to the success of customer relationship management, and it lays the foundation for customer satisfaction and business growth. Among which, face-to-face meeting, phone calls, fax, e-mail, short mobile message, video conferencing, chat, blogs and other social networks. These means of communication will help the enterprise to easily communicate with its customers to address their needs and requirements and they will have a free access to forward their

complaints. Moreover, the enterprise employees have to have clear communication channels within the enterprise how to handle customer requirements and to whom their complaints and/or enquires have to be delivered for immediate solution and the employees should have good communication skills as well, to clearly and easily understand their customers' needs.

- It is good for the enterprise to provide aggressive training for its employees on Customer relationship management. Training, not limited to these, about communication skills, customer handling and data recording are some of the crucial training subjects an employee should take for effective and efficient customer handling.
- The enterprise should make ready the material, financial as well as the human resource for its customer relationship management. It should have enough budgets to carry out all the tasks as per its strategic plan in relation to its customer service.
- It is recommended to use technology platform for Customer Relationship management (CRM). It insures customer satisfaction and retention by solving customer problems quickly. It integrates the management of people and material within the service delivery smoothly.