

# Abstract

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## **Customer Relationship Management (CRM) & its effect on customer loyalty in the Egyptian banking sector.**

**Abstract Purpose** -To present customer relationship management (CRM) components as applied in the Egyptian banking sector, &#97;&#110;&#100; to measure the level of customer satisfaction &#97;&#110;&#100; customer loyalty. In addition, the relationship between CRM &#97;&#110;&#100; customer satisfaction &#97;&#110;&#100; customer loyalty are examined. **Design/methodology/approach** -The paper used mixed methodology, qualitative &#97;&#110;&#100; quantitative. The qualitative part consists of a semi structured in depth interviews which were carried out with 9 branch managers of the ed banks, while the quantitative part consists of two different structured questionnaires distributed on a stratified sample. The first one involved 180 employees in the sampled banks to measure the CRM applicability &#97;&#110;&#100; the second one involved 270 customers to measure the level of both customer satisfaction &#97;&#110;&#100; loyalty. **Findings** - The findings show that the ed banks apply the CRM components but the level of application differs from one bank to another. Furthermore, it shows that there is a significant positive relationship between CRM &#97;&#110;&#100; customer satisfaction in the Egyptian Banking Sector, when applying the four components of CRM altogether not separately. In addition, there is a strong positive effect between customer satisfaction &#97;&#110;&#100; customer loyalty. **Research limitations/implications** – Since this study was conducted in the Egyptian Banking Sector, the replication of this study could be done within other services &#97;&#110;&#100; within other countries. In addition, a stratified sample &#97;&#110;&#100; a cross-sectional data were used in this study. Future studies should collect time-series data for testing the relationship between CRM &#97;&#110;&#100; customer satisfaction &#97;&#110;&#100; then measuring the effect of customer satisfaction on customer loyalty. **Practical implications** – The findings confirm the importance of studying the CRM, for the purpose of improving it in the Egyptian Banking Sector in order to satisfy customers &#97;&#110;&#100; to obtain their loyalty. Firms wishing to improve their relationships with customers need to focus on the CRM components to develop relevant &#97;&#110;&#100; effective marketing strategies &#97;&#110;&#100; tactics. **Originality/value** – The paper measures the CRM as a multidimensional construct as applied in the Egyptian Banking sector in order to enhance a bank’s ability to achieve the ultimate goal of retaining customers &#97;&#110;&#100; to gain a sustainable competitive advantage over its competitors.