

Abstract

Heba H Sadek

INVESTIGATING THE CUSTOMER RELATIONSHIP MANAGEMENT (CRM) COMPONENTS and THEIR EFFECT ON CUSTOMER LOYALTY IN THE EGYPTIAN BANKING SECTOR

In today's competitive markets induced by globalization & advances in information technology, business should focus on managing customer relationships in order to improve customer satisfaction, customer loyalty & accumulate value for the business. The aim of this study is to present Customer Relationship Management (CRM) components, as applied in the Egyptian banking sector, examined from a bank marketing point of view. In addition, the study is intended to measure the level of customer satisfaction & the level of customer loyalty from the customers' point of view in order to identify the relationships & the effect of CRM on customer satisfaction & then to evaluate the effect of customer satisfaction on customer loyalty. Mixed methods were used in this study, which combined both the qualitative & quantitative data collection & analysis. The qualitative study was a semi-structured in-depth interviews which was carried out on a purposive sample of nine branch managers from the top nine banks. The qualitative study consists of two structured questionnaires. The first one was carried out on a convenience sample of 180 respondents through the distribution of structured questionnaires to bank employees in order to measure the CRM applicability. The second one was carried out on a convenience sample of 270 respondents through the distribution of structured questionnaires to bank customers to measure the level of customer satisfaction & the level of customer loyalty. The findings show that about half of the banks of the sample apply the CRM components. The remaining banks apply some of them. The findings also show that there is a significant positive relationship between the applicability of CRM & the customer satisfaction. In addition, there is cause-effect relationship between customer satisfaction & customer loyalty. The present study concludes by discussing the survey findings & proposing implications, recommendations for banks, contribution to academic & to practice & suggests future research to overcome the present limitations.