

**EFFECT OF CUSTOMER RELATIONSHIP MARKETING ON PERFORMANCE
IN THE BANKING INDUSTRY IN GHANA:
A CASE STUDY OF SOME SELECTED BARCLAYS BANK BRANCHES IN
KUMASI**

BY

KNUST

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DECLARATION

I hereby declare that the contents of this dissertation were done by me from the information obtained from the field. The information gathered were from three selected Barclays branches in Kumasi. The extracts from other authors have also dully been acknowledged and referenced in the dissertation.

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DEDICATION

I dedicate this work to the God of grace who has brought me this far. I also dedicate it to my parents Dr & Dr Louis des Bordes, my brothers and sisters, friends and loved ones who have also assisted me through to come this far.

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ABSTRACT

Banking today has become more innovative, competitive and attractive to other investors in the sector. This has caused the number of banks to swell in Ghana numbering over twenty six banks currently in operation in Ghana. The competitions as a result of high numbers of people who do not have bank accounts have driven more investors to obtain license to operate in the country. As strategies are developed day in and day out, ideas become archaic and that management of banks would have to be constantly developing ideas that will promote their services. This has therefore made it necessary for banks to be innovative in order to survive the terrain. This study aims at identifying the effect of the customer relationship marketing on performance in the banking industry, with a case study of selected Barclays bank branches in Kumasi. This study adopted a quantitative approach in its design with non-probability sampling being used for the study. Under this, convenient and purposive sampling methods were adopted. Questionnaires and interviews were used in collecting the data from the primary source. The findings obtained from the field were numerous, with areas under product knowledge, customer complaint handling as well as investment advice being areas of concern. The study showed that significant numbers of customer do not have much knowledge about the bank's products such as e-statement and internet banking. The study also revealed that customers generally do not like to follow the complaints processes as a result of the experiences of previous ones not resolved by the bank. The customers of the bank from the study showed that investment advices on their accounts are not regular. It is recommended that good promotions be run on the new products by the bank. Management staff of Barclays bank should also commit more resources in resolving customer complaints in order to ease the processes of addressing complaints.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the study.

The nature of banking in the Ghanaian industry has gone through various stages of transformation in service delivery. Traditionally the banks had been predominantly occupied in just cash related activities like accepting deposits, paying cash and opening accounts as well as giving out loans to customers. However in the wake of competition and technological advancements, banks in Ghana have been more innovative, crafting new ways of reaching out to prospective customers and retaining more customers to their base. Various strategies have been adopted by banks to increase their share of the market in recent years.

This study seeks to identify the traditional mode of operation by the banks and some of the strategies adopted by the banks in the competition. The study seeks to identify some of the opportunities relationship marketing can bring to the various banks as they strategize to compete and gain profits in the market. Banking plays a very crucial role in the financial service in Ghana. It could be said to be the most crucial as it is the main engine of financial mobilization for both public and private sector growth. The importance of the industry could be traced to the economic recovery programme in the financial sector adjustment programme.

The purpose of the programme was to overhaul the sector in Infusing capital and expertise to the distress banks, ensuring supervision as well as regulatory framework for the banks and improving resource mobilisation as well as increase of credit financing by the banks. According to the Bill of Exchange act of 1822, S.2 (Kelly J.E 1987), Banking is defined as anybody or person whether incorporated or not who carries on the business

of Banking. A bank, according to a case between United Dominion Trust v Kirkwood (1966), the court of appeal felt that a bank should accept money from and collect cheques for their customers, placing them to their accounts, honor cheques or order drawn on them by the customers, when presented for payment, keep current accounts (or something of that nature and record debits and credits in them) source: Paul Raby; Law relating to banking services 1992) series by Julian Beecham.

The banking Act of 1970 also defined banking as the acceptance for lending or investment purpose of deposits repayable on demand as well as withdrawal of cheques, drafts or orders or by other means. For a period of time, the banking operations had mainly been based in providing similar services of just accepting deposits and withdrawals with very little difference separating their activities.

This period was characterized by the lack of innovation and also bank employees cared very little about what customers demanded. Bankers in the past had been unwilling to adopt the marketing concept and as a result are criticized for being “product led” (Brien and Stanford, 1967; Wasem 1969). Competition however, has driven banks to change their approach to service delivery.

As a result, similar products, investment advisory service provided by the various banks it has become necessary for the banks to outcompete each other in order to attain market share, market leadership, customer retention and profit. This has enhanced the approach for banks to adopt good marketing strategies. With the increased competition, banks have had to resort to the use of Automated Teller Machines (ATM’s). Banks such as Barclays today has over one hundred machines located at outlets in Ghana. This is to augment the service and have more leverage in the financial services. The introduction of the visa ATM’s, banks such as Standard Chartered Bank, Barclays, Ecobank, Cal Bank, UBA,

Stanbic bank and SG-SSB have come together to adopt this system where any of the customers banking with any of these banks can access any of these banks anywhere in the country for cash and other visa enabled transactions. This system serves both the interest of the customers and the banks.

The number of banks operating under the license from the bank of Ghana is now over twenty three and still more are in the process of registering. This means intense competition and innovation in order to sustain banking operation and make financial gains. Customers on the other hand expect nothing but good service. All over the world consumers are becoming more sophisticated as a result of technological advancement and information accessibility. Thus the global village syndrome has driven the customers to demand for quality service in the banks. Banks are as a result engaged constantly improving their quality of service by training their staff and improving on the products, premises, mode of communication and service in order to market themselves well.

However, since the products and services offered by the banks are very similar, it will affect growth and profitability in the long run if sustainable strategies are not adopted. As a result of this research findings there has been the need to extend literature to relational properties (Eg Dwyer, Schurr and Oh,1987,Jackson 1985).

It is therefore important to consider this aspect of study that determines the relationship which exist between bankers and their customers. Satisfied customers are more willing to pay for the benefits they receive and will tolerate increase in prices. It means high margins and customer loyalty (Reicheld and Sasser,1990).

1.2 Problem Statement.

Considering the competitive nature of the banking industry, the question that comes to mind is how to develop good customer relations in order to create intimacy and a level of confidence that will promote sustainable growth and profitability.

The problem is to develop a differential strategy to promote a consistent positive return on investment. It is against the background that all the competitors in the industry are offering very similar products and services. Technology also has consistently enhanced the service delivery system and by the nature of it, it only serves as a short term strategy to attain competitive advantage.

It eventually becomes affordable with time and all other competitors adopt it to augment their service. The question again will be how banks could differentiate themselves from the competition and gain customer attention, patronage and loyalty.

It cannot be over emphasized that in the service delivery system it is the people that makes the difference. Service from one person to another could vary even with the same product features. Therefore there is the need for an integrated service marketing approach that will seek to provide a uniform service as well as creating the convenient environment for customers to do business with the bank. The proper response to this problem will be in the area of relationship marketing. Hence the study is to know the effects of relationship marketing and using it also as a differential advantage, how it can help promote good banker customer relations.

1.3 Objectives of the Study:

- To identify customer relationship marketing strategies used by selected Barclays bank branches in Kumasi.
- To measure customer satisfaction of the relationship marketing strategies used by the selected branches of Barclays bank in Kumasi.
- To measure performance of the selected Barclays bank branches in Kumasi.
- To find out the effect of customer relationship marketing strategies on the performance of selected Barclays bank branches in Kumasi.

1.4 Research Questions.

- What are the customer relationship marketing strategies that are currently adopted by the selected Barclays bank branches in Kumasi?
- To what extent are the customers satisfied with the customer relationship marketing strategies used by the selected Barclays bank branches in Kumasi?
- What are the performance levels of the selected branches of Barclays bank in Kumasi?
- What are the possible effects of customer relationship marketing strategies adopted by the selected Barclays bank branches in Kumasi?

1.5 Scope of the Study

The study seeks to look at strategies in the context of ideas and plans put in place to attract and retain customers for the business. This includes new product development, marketing promotions as well as operational provisions that staff members are taken

through in order to handle customers well from account opening to complaint handling issues. The selected Barclays branches will be KNUST, Ahodwo and Prempeh II Street branches which includes the premier life centres. The levels of satisfaction will be covered under this study. The study will identify to what extent the customers are satisfied and would want to stay on doing business for the bank. Performance will be measured in terms of retention of existing customers, new accounts opened and returns on investment (gains made in recent years)

1.6 Significance of the study

This study will add to the academic research purposes of relationship marketing in banks as a strategy to sustain growth and profitability. It will also identify the preferences of customers as to which services they prefer doing with the banks.

The study will also identify the various strategies that the bank is implementing. This will help to bring to fore the practical relationship marketing ideas that banks are adopting in the country.

The study will also provide for further studies in the area of relationship marketing. This is because further studies in this area will identify the areas covered and further dwell on the untapped fields of research.

1.7 Methodology:

The study will adopt the use of questionnaires and interviews among both bank officials and customers. The study will adopt purposive sampling for the senior management and convenient sampling for the staff and customers. The questionnaires will mainly be close ended questions that will be coded and given to respondents.

Non-probability sampling will be used for the study in the distribution of questionnaires and interviews to be conducted. The study will adopt the purposive sampling approach for the respondents working in the banks, eg. Bank managers, relationship managers and front-line serving staff. Convenience sampling and purposive sampling methods will also be used in the study. This is to ensure much efficient way of conducting the research considering the time and cost factor of the research.

The population size for the study will be 75 respondents. 25 of the respondents will be bank officials from selected Barclays branches in Kumasi, who are into management and frontline service. The remaining will feature customers who enter the various banking halls for transactions. The remaining 50 respondents will come from the customers.

Analysis of data

The study will also adopt the use of SPSS software in processing and interpreting the data that will be gathered. Information gathered will then be tabulated and analysed appropriately.

1.8 Limitations on customer relationship marketing.

The purpose of this study has been constrained by certain factors that invariably limited the scope of the study as well as its representativeness. Time has been a critical factor in the conduct of this study. For the purpose of the research the behavioral pattern of customers in order to determine the purchase and taste of the customers has been factored into this.

The other resource that could be identified is financial resource. This is very critical in the study. The resources needed to make this study purely successful are the fact that the

various methods and modes of conducting this research must be financially resourced. The instruments used to conduct the research also could not favour the less literate as the questionnaire answering needs literate respondents to answer

1.9 Organisation of the study

The first chapter which is the introduction to the study seeks bring to fore the antecedents that preceded the current state of banking operations. The chapter outlines the role of the bank as well as the duties of the bank towards the customer that are in contract with it. It also identifies how the regulatory bodies outline the mode of operation of the various commercial banks. The section also introduces the topic under study; customer relationship marketing, and how it could help enhance the performance of the banks. The objective as well as research questions of the study are outlined in this chapter. The limitations of customer relationship marketing are also captured in this chapter.

Chapter two reviews the publications and various literature treated by various authors that are relevant to this area of research. The chapter represents the organized research methods that are generally used in such studies. The chapter also identifies the selected sampling method to be used as well as the questionnaires and interviews to be conducted. Chapter four will treat the analysis and interpretation of the data obtained from the field which will be fed into the scientific system process of analysis. At this stage the analysis of the data will be done by use of the SPSS software that will organize the data and present graphical results of responses by the respondents.

The last chapter of the study will conclude the analysis of the data and study. Recommendations will also be made at this stage regarding the research work findings.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction:

Introduction of Competition in the banking industry, coupled with the availability of information and technology have made relationship marketing an important area in service marketing.

In the 1990s, the concept of relationship marketing was formally introduced into the field of service marketing. The concept of marketing has shifted from transactional marketing to that of relationship marketing. This has made the focus to shift from single sale to that of customer retention. The benefit a customer seeks to gain from a product here is the focus area as against that of actual product features.

In Customer Relationship marketing, customer needs and desire drive behavior and it should be addressed properly in order to lead to high customer satisfaction. Relationship marketing tries to establish an 'intimacy' that is individualized like with customers via strong personal appeal and continuing commitment (Lee and Carter, 2005 pg421)

This calls for trust and commitment to exist between the banker and the customer in order to ensure loyalty and build relationship. Relationship marketing seeks to promote long term loyalty (Gordon I, 1998). In the attempt to define relationship marketing, Philip Kotler, et al (1996), assert that it involves creating, maintaining and enhancing strong relationship with customer and other stakeholder.

Studies have shown that marketing is changed focus on individual to focus on building value laden relationship networks. Corporate bodies shifted focus from being market

share focused to that of customer value and retention. Survey has revealed the high nature of customer relationship systems adopted by organizations' to a rate of between 50% and 80%.

2.2 Definition of Customer Relationship.

ICRM defines customer relationship as the intangible connections between a customer and the company and constructs customer relationship from customers' basic needs. In ICRM practice and needs construct value and value determine customer relationship. This intangible customer relationship is the fundamental force behind a customer's "loyalty" behaviors and the ultimate factor that provides a company with sustainable competitive advantages. To win a customer in his lifetime, it is far from enough to just keep this customer's account active in a company's database or to keep this customer buying from the company. A company has to win this customer's relationship from his/her heart by providing him the best value among the competitors. (ICRM, 2002).

Secondly, ICRM defines customer relationship under market competitions. In ICRM practice, customer relationship is competitive. ICRM manages Competitive Customer Relationship.

Thirdly, ICRM integrates all major marketing functions (including database marketing) into its marketing practice and develops marketing strategies to manage customer relationship through the "Zoom In" and "Zoom Out" integrated analytical processes (ICRM, 2002):

The Zoom In process (from marketplace to database): ICRM analyzes the Competitive Customer Relationship in the marketplace and maps such Competitive Customer Relationship.

- The Zoom Out process (from database to marketplace): ICRM analyzes the data in a company's database according to the mapped relationship structure and develops Customer Relationship management strategies under market competitions. ICRM defines competitive Customer Relationship based on customers' needs under market competitions.

ICRM is about integration: the integration of data, the integration of marketing functions and the integration of database and marketplace. Through the integrated process, ICRM overcomes the serious limitations in the current CRM practice.

3. How does Integrated Customer Relationship Marketing work?

ICRM provides a standard process for effective customer relationship management. This process is named as the IMIM process. That is:

1. Identify Customer Relationship,
2. Measure Customer Relationship,
3. Improve Customer Relationship and
4. Monitor Customer Relationship.

The key step in this structured Integrated Customer Relationship Marketing practice is to identify customer relationship under market competitions (ICRM, 2002).

ICRM identifies customer relationship based on how a customer perceives the value a company delivers and constructs such value perceptions from customers' basic needs. In the ICRM practice, basic needs construct perceived value and value determines customer relationship.

People usually define value as the ratio between quality and price. However, it is hard to manage customer relationship based on this value construction, since different customers may construct their perceived value very differently. ICRM constructs the value from customers' basic needs and in the way customers perceive it. The value construction in ICRM is easy to measure and easy for identifying the direction for improvement (ICRM, 2002).

In addition, since ICRM identifies customer relationship under market competitions, it identifies Competitive Customer Relationship.

2.3. Customer relationship development:

In relationship marketing, the banking marketing acknowledges the customer satisfaction throughout creating and delivering value under the form of banking services as the main goal to any banking institution (Danciu V, 2009). A bank that is really oriented to a customer is the bank that believes that the financial objectives could be best achieved by the recognition and satisfaction of the customers' needs and expectations throughout the entire life cycle of the relationship.

It should be noted that the loyalty a bank enjoys from its customers should be traced to the framework of the relationship development stages that is observed by the banks. As Evens, O'Malley and Patterson (2004,pg.262) suggested the relationship development could be incorporated in a six-stage model.

These stages are:

1. Attraction
2. Interaction

3. Progression
4. Deterioration
5. Cessation
6. Reclamation.

Attraction stage

This is the phase where potentially relational partners perceive past, present and future or potential partners as appealing in terms of their ability to provide superior economic benefits, access to important sources and social compatibility. It therefore suggests that at this stage both the banker and the potential customer are able to identify the prospects of doing business with each other. It is born out of confidence and attraction in the way the bank presents itself to the would-be customer in the form of marketing (Evens, O'Malley and Patterson, 2004).

The social dimension of it also throws to light the policy and image of the bank in its social environment. How the bank is perceived is a very important factor to consider. Here banks with already established positive brand image tend to attract customers who turn out to be partners more than emerging banks. The element of trust and commitment on the part of both the bank and the customer also sets up a good stage for relationship development.

Interaction

Interaction is fundamental behavioral aspect of the relationship (Evens, O'Malley, Patterson, 2004. pg.267). It is said that if a bank and a customer have good relationship

the effect will be collaboration and partnership that will provide immense benefits to both parties. It will therefore establish the progression of the relationship.

Progression

However, with time the relationship may face a possible decline and that will affect loyalty. It must be noted however that at such a stage the possible outcomes may either be total collapse of the relationship or that the relationship will be maintained with proper measures put in place to protect and introduce fresh dimensions of business ideas that will promote it. It is there important that the bank identifies the factors that militate against the good relationship building in order to take the appropriate steps that will mitigate the situation (Evens, O'Malley, Patterson, 2004. pg.267).

All these stages may be seen in life cycle of the relationship between the bank and the customer throughout the highest advantages both partners could obtain. In experiences these processes the bank's objective goes from one of selection to attraction and maintaining.

2.4 Management Factors that limit Customer Relationship Marketing

Many people have blamed the failures of CRM systems to the lack of the management supports and the lack of a suitable organizational environment. However, it is its own serious limitations that caused the high rate of failures of the current CRM practice (ICRM, 2002).

Limitation 1: incorrect definition of customer relationship. The current CRM practice incorrectly defines customer purchases and contacts as customer relationship. Accordingly, what a CRM system actually manages are not real customer relationship but

customer's purchases and contacts. But customer purchases and contacts are the tangible customer behaviors rather than the customer relationship that drives these behaviors.

Limitation 2: restricted marketing scope. The current CRM practice restricts its marketing scope within a company's database. The current CRM practice was originated from a combination of database technologies and database marketing (analytical techniques), so unavoidably, it inherits database as its only focus. When it gets into the spotlight and becomes a major marketing practice, its inherited characteristics become its limitations in terms of marketing scope (ICRM, 2002).

Companies that adopted the CRM practice have narrowed down their marketing scope to their databases. This means that these companies concern more and more about the data in their databases, but pay less and less attention to their market competitions and marketing potentials, especially the potential customers not yet on their database. These companies lose their visions to their markets and their marketing basically becomes a sub-function of their IT department (ICRM, 2002).

Limitation 3: ignorance of customers' needs. The current CRM practice lures companies away from their markets and their customers. The current CRM practice requires companies to focus on things like the correlations between product purchases for cross/up selling and the predictions of what customers will buy in the future from the products/services in their databases. So the companies that adopted the CRM practice tend to ignore their customers' real needs, which are the real drive behind the purchase correlations. In addition, companies that rely on the predictions from their CRM systems, tend to ignore the fact that the current CRM systems are usually only capable of predicting what customers dislike the least rather than what customers like the most.

Integrated CRM puts customer needs in the center of marketing practices and defines customer relationship based on customers' basic needs under market competitions. It integrates all major marketing functions in the process of building strong customer relationship (ICRM 2002).

Since ICRM defines customer relationship as a value based intangible connection between a customer and a company and constructs the value from customer basic needs, it provides a feasible solution to measure customer relationship. ICRM also takes market competitions into consideration when measuring customer relationship. Since customers usually have relationships with the competing companies in a market, ICRM measures Competitive Customer Relationship under market competitions. Therefore, ICRM provides a more realistic view of customer relationship under the market competition dynamics.

2.5 Improving Customer Relationship

Measuring Competitive Customer Relationship is for improving Competitive Customer Relationship and ultimately, improving the company's sustainable competitive strength. According to ICRM (2002), there are two important steps in improving Competitive Customer Relationship. These are:

1. Identify the Most Valuable Customer segment in the market. While the current CRM practice focuses on the Most Valuable Customers in a company's database, ICRM helps a company find its real Most Valuable Customers in the market. The improvement of customer relationship with its Most Valuable Customers in the market helps a company generate the highest ROI on customer relationship management and in the long run, maintain its sustainable competitive advantages (ICRM 2002).

2. Identify Key Drivers of customer relationship. Improvement on these Key Drivers of customer relationship helps a company improve its Competitive Customer Relationship most effectively.

Understanding the Key Drivers of customer relationship is the first step toward effective customer relationship management. Key Driver Analysis is to find the most important factors in improving customer relationship. This analysis needs to be embedded throughout the whole Integrated Customer Relationship Management process. It guides the customer relationship management practice on the right track of maximizing ROIs. ICRM integrates all major marketing functions to help improve a company's customer relationship. However, ICRM employs a marketing practice in its integrated process ONLY when this marketing practice helps a company identify and/or improve the Key Drivers of its customer relationship. (ICRM, 2002).

However, unlike the Most Valuable Customers under the current CRM practice, these customers need to be the Most Valuable Customers in the market. It's always the best strategy for a company to effectively improve its relationship with the most effective systems put in place to achieve results. Integrated Customer Relationship Marketing is not a one shot game. It is a continuous marketing practice that helps make a company succeed in the long run. The improvement of customer relationship needs continuous efforts. This is because a company cannot achieve its optimal Customer Relationship in a short time. It needs to monitor its customer relationship marketing process continuously in order to check how it has been doing and what efforts it needs for its future customer relationship marketing. (ICRM, 2002).

Competitions are changing. Customer relationship is competitive and a company's major competitors are also managing their customer relationship with potentially the same

customers. Customer needs are changing so when their needs change, so does their relationship with a company. So, monitoring Competitive Customer Relationship constantly should be an important part of a company's customer relationship management practice (ICRM, 2002). Through this IMIM process, ICRM helps a company improve its Competitive Customer Relationship constantly and steadily.

ICRM is the first theoretical framework for effective customer relationship marketing. It provides practical answers to the six critical questions about customer relationship marketing. It also provides a standard marketing process for companies to manage their customer relationship effectively. ICRM is designed to manage Competitive Customer Relationship (ICRM, 2002).

Empirical studies of the benefits of the relationship banking have largely focused on the benefits to customers, corporate customers in particular. Early studies documented that the existence of a bank relationship increases the value of a firm. Subsequent studies have sought to measure the effects of relationships on credit supply to firms (ICRM, 2002).

According to some authors, customer relationship marketing is concerned with establishing, sustaining and enhancing relationships with customers and business partners in order to sustain and improve an organisation's customer base and profitability. The importance of relationship marketing was clearly articulated by Dwyer, Schurr and Oh (1987, p. 12) who stated that 'both business marketing and consumer marketing benefit from attention to conditions that foster relational bonds leading to reliable repeat purchase'.

Research has also revealed that an organisation's level of relationship marketing activities are positively correlated to their performance, staff satisfaction and, new product success

(Gemunden et al 1996), and the level of strategic competitive advantage that is achieved in the market place.

One area where the influence of relationship marketing has impacted customary practice is personal selling. Changes in the traditional personal selling and sales management issues are needed to support the emergence of partnering role for salespeople. Today sales officials' roles are changing. That has made them assume relationship managers roles, where their main goal is to develop long-term relationships with key customers (Cravens, 1995). One of the key skills needed for these relationship managers is interpersonal communication and the ability to manage conflict in the relationship.

Studies have shown that relationship managers need to develop the communication and interpersonal skills needed to develop and improve relationships with key customers. It has been identified as a component of effective selling (Goleman, 1998).

2.6 Usage of Relationship Marketing in Organizations.

Relationship marketing and traditional transactional marketing are not mutually exclusive and they are not necessarily in conflict with each other. Relationship Marketing may be more suitable in the following circumstances or situations:

- i. High value products or services.
- ii. Industrial products.
- iii. Products are not generic commodities.
- iv. Switching costs are high.
- v. Customers prefer a continuous relation.
- vi. There is customer involvement in the production phase.

Banking industry involves adopting the general marketing variables to promote the sale of banking products. The focus of this orientation of the activities undertaken by the banks has moved from that of a transactional approach to relationship building approach. Relationship marketing seeks to establish intimacy through the personalization of service delivery as well as customization of products to the customers. It offers a long term commitment for the banker and the customer, creating a form of partnership. By employing relationship marketing, banks seek to create, maintain and improve the customer's long term loyalty (Gordon I. 1998).

Hitherto banks had mainly been operating on the usual current and saving accounts service. Bank could just open to allow deposits to be made as well as withdrawals. Bank staff found no need to persuade customers to open accounts and patronize their services as we see today.

Hardly would a person walk into a bank and be met by a staff that welcomes him or her and would want to assist the customer to undertake his or her transactions at the bank. Customer complaints were hardly attended to as banks would not find interest in investigating complaints made at their outlets. Banks opened to customers at restricted hours like 9am to 2pm. Weekends were not even an issue to be considered by banks as an additional working period and extension of service hours to reach out to the busy customers who are not able to come into the banking halls for transactions.

As a result of this, the new banks with new approach to service as well as the existing banks that had new management concept and strategic direction had to embrace this use of relationship marketing in order to sustain the customer base and extend it to other prospective ones. This therefore has made it necessary for banks to consider areas in

relationship marketing as a tool to support the already existing strategies that are adopted by the banks.

Many authors have written on the use of relationship marketing as a tool to augment existing strategies by the banks. It is essentially due to the fact that other strategies that may now be said to be conventional are no more selling points for banks at their implementation stages. The industry has grown to see more radical and regular changes in taste and demand by customers and this has factored into the strategies that have to be put in place in order to ensure a sustainable growth of the business.

Relationship marketing therefore has proven to be a good strategy that can enable management and staff to establish a long and lasting relationship with the customers. It is a continuous strategic plan that management can put in place to promote good customer relations and ensure the consistent database of customers whose purchase pattern as well as taste could be easily determined. This will go a long way to determine the products and service design and moderations so as to reach the desired taste of the customers (ICRM, 2002).

2.7 Strategies adopted by banks:

According to Kenneth Andrews, (1965): Concepts of corporate strategy, strategy is the pattern of objectives, purposes, goals and the major policies and plans for achieving these goals, stated in such a way as to define what business the company is in or is to be in and the kind of company it is to be. These are all to enable an organization attain a competitive advantage in the industry.

Corporate strategies are implemented at the corporate level to fit the vision of the corporate entity. An example of some of this is the merger and acquisition of banks as

well as alliance formed by some banks in order to sustain their growth. SG-SSB is a typical example to this. Banks like Stanbic Bank otherwise known as Standard Bank on the African continent have had the strategy of acquiring and already existing bank to expand and operate successfully. This takes into cognisance their retail outlets as well as Points of Sales.

The functional strategy could also be adopted at the functional level, by head of various functions in the business like marketing, finance, Public relations, and Human resource departments in a bank (Porter, M. 1980). These may be adopted across board or within a particular department in line with best practice polices in order to achieve effective results. The operational strategies are also adopted by the various operational units within the retail outlets to promote the agenda of the bank.

Hence having mentioned relationship marketing as a tool or option in strategy formulation, one needs to identify the other existing strategies that hitherto have been adopted by banks to stay competitive in the industry. Traditionally, banks have had to introduce new products and expand their outlets as well as banking hours to meet up with customer's expectations. Some banks also do well to run reward schemes to boost sales and all these are in tune with creating a sustainable customer base as well as increased sales.

The introduction of internet banking as well as telephone banking contribute to the change in strategy at getting the customers closer to the bank and building long term relationships with them. Philip Kotler and other authors have identified some five stages that a bank goes through in order to experience the strategic and audacious goals of relationship marketing. (Danciu D, Dancui V, 1996; Berry Donnelly, 1984; Kotler P. 1973).

These stages are:

1. Marketing means advertising and sales promotion. It is the immediate stage after the World War II when the banks got into banking marketing. This happened at the stage the banks operated the 'seller market'. Customers asked for basic banking services and banks were not forced into marketing studies. Basically banks were created to ensure safety in the handling of money. The physical evidence of the banking halls were not attractive and tellers could not be bothered in smiling at customers when they were being served. However, at the end of the 5th decade, many banks began to use advertising and sales promotion as the completion on savings and current accounts even grew stronger (Kotler P. et al 1973)

2. The second stage shows marketing as customization and friendly ambience. The banks at this period trained staff to be more open, smiling and assisting customer more in their transactions. The physical ambience of the bankers also changed. Both the interior and exterior designs of the banks were improved to attract the eye of the customer. Hitherto it was easy to attract the customers into the various banking halls but difficult to retain them. Hence the adoption of this strategy of improving the banking halls and staff appearance.

In Ghana today many banking halls are equipped with attractive electronic entertainment systems like television sets, home theatre systems among others. Others also have beverages dispensing machines fixed at the banking halls for the comfort of customers. However, this seemingly common phenomenon could no longer be a differential advantage to any bank in the industry over time.

3. Marketing means innovation. The level of competition and the difficulty in differentiating these banks with their physical evidence led to the introduction of more innovative products. In the early parts of 1960s, many banks launched many products such as credit cards and overdrafts as well as other marketing instruments. This was to enable banks to have competitive advantage (Kotler P. et al 1973)

4. Marketing is positioning. This describes the fourth stage of marketing in the banking industry. In the 1970s as the banks became more widespread with their products and presence around the world, it led to the concentration of their activities in a particular segment of the market. Customers with homogenous needs and expectations, financial backgrounds were targeted by the banks instead of looking at the general market. Some banks settled on prices, products and adverts that aimed at a market segment of individuals with high levels of income(Kotler, P.et al 1973)

By this strategy the banks have adopted specific positioning in the market occupying a specific position in the minds of people as to what they stand for. This phenomenon is called positioning by the creators of the concept (Ries and Trout, 2004)

5. Analysis, planning and control. Banks at this state have gotten into planning much of their activities from their performance in a basic financial year. Eg. Philip Kotler offers the case of commercial banks that had credit officers proposing 10% of their previous financial performance as a rule for planning. This was in line with the banks analysis of the market. Even though this did not come with a plan it was achieved by management.

Acting in such a manner the banks tend to ignore proper marketing plans and the period had poor motivating system for employees.

This period's comprehensive document as a plan could be included in the bank's efforts had led to the passing to the strategic marketing planning stage by the banks.

6. This stage experiences the analysis of the market as well as long term plans to grow the business. At this stage marketing plans are taken at the strategic corporate and functional level which makes marketing as a functional player in the banking business. The customer becomes an asset of the bank as the bank establishes favorable relationship with the customer (Danciu V. 1996).

Banks nowadays, have become innovative in their marketing approach as new products are rolled out. However this leaves much to be desired. The focus should be more on the customer, offering products and services that exceed customers' expectations. In order to ensure customer loyalty, banks would have to put in place a good relationship marketing strategies. Some banks in Ghana have rolled out new products, segmented the market according to income earnings and prestige. The electronic mode of selling products has also become very common in the bank's strategy.

This has led to some banking going full electronic on internet banking. This is where customers are able to do transactions via the internet and this provides for enhanced banking service worldwide. The other aspect too is got to do with telephone banking and this is very critical in modern day banking solutions at the various retail outlets in the country.

Customers have now come to accept the introduction of telephones and text messages in banking. This is where customers receive and make transfers via the phone to other accounts. Indeed, the objectives of many marketing strategies have been to building customer commitment to a brand over the last ten years. These have been seen mainly in the areas of:

1. Creating customer satisfaction.
2. Building brand equity.
3. Creating and maintaining relationships (Peppers and Roggers 2001).

Other aspects of the use of ATMs and introduction of electronic cards for transactions have all enhanced banking services and retained some customers over time. Relationship marketing strategy in the banking business has also made it necessary for banks to integrate the customer relationship marketing plan with the aim to improving the way products and services are rendered to customers. Proper training of frontline staff to handle customers since it is very important must be taken into account. Other strategies may be picking on referrals by profitable customers. These are customers who provide the bank with customers and themselves are also doing good business with the banks.

However, in the bid to attain this level of satisfaction in relationship building the segmentation of the market is very important. This will enable the banks to cut cost by not investing in the large market that may have customers who do not have interest in sticking to one bank. Until recent years the practice of holding customers had mainly looked at the purchases of customers and their contacts in the form of database. These are tangible aspects and they only identify the reaction of customers to products.

There is the need to identify the underlying factors that determine the behavior of the customers. The need to look at the customer needs that drive their values and behavior is the focus area now in integrated customer relationship management. Banks should therefore concentrate on identifying customer needs and the values that drive their behavior.

According to researchers in the Integrated Customer Relationship marketing, management of these banks need to develop suitable organizational support systems that will promote good customer relations as a marketing strategy to improve market growth, share and profitability. According to ICRM, companies and banks alike need to

concentrate on relationship marketing practices that will focus on correlations between product purchases for cross selling and predictions of what customers will buy in future from the services and products on offer in banks (ICRM, 2002).

Developing a good customer relationship is fundamental in determining their loyalty behaviors and the ultimate factor that provides a company with a competitive advantage.

To win a customer for a lifetime is not just keeping his/her account number or contact in the database, but by providing him/her with best value among the competitors in the market. This means therefore that the marketing activities have to be well integrated in all aspects of the organizational activities in order to attain good relationship marketing. Relationship marketing also brings to fore the marketing communication mix. It is about how we communicate to the customer and what a bank stands for in product and services.

According to Mona Hadi Jama (Strategies adopted by local banks to attract new customers and retain existing customers, 2010). The study outlines the Importance of marketing communication and the process of Awareness, Interest, Desire and Action (AIDA) that determines processes undergone by customers before a service or product is patronized.

Jobber (2004) explains the process and the importance of communication by companies in reaching out to potential customers through different channels in the media. Among the various networks: televisions, radio, print and outdoor advertisement the internet has become another major tool by which products and services could be communicated to reach the customers (Lagrosen, 2005).

Marketing communication is a way of transmitting promotional messages in relation to the product that the company desires to promote towards the consumer target. (Wild et al, 2003). This means that in the promotion of services and products by the banks, the target consumer is key and the mode in which the promotion is channeled is very essential in linking the right message home for the equal and positive feedback to be gained. It therefore brings to fore the key symbols, images and words that are used by banks in promoting their sales. Relationship marketing is marketing oriented toward, strong lasting relationships with individual's accounts.

Berry and Parasunaman (1991 p.133) establish that relationship marketing is concerned with developing and retaining customer relationships. According to Philip Kotler (2000), factors such as technological advances, globalization and deregulation do have an impact on relationship marketing. Again this calls for the need to shift from the transactional marketing approach to that of relationship building approach. Relationship marketing according to Leonard L Berry.(1983 pp.25-28) is to build and maintain a base of committed customers who are profitable for the organization.

Inferring from these writers, a firm will have to focus on the attraction, attention and enhancement of customer relationships. Indeed research has shown that it would not be prudent for banks to strive and build strong relationships with all customers.

However, it should be able to segment the market and attract the customers who a likely to build a long term relationship with them. In the course of this it is expected that there will be attraction of other customers through the experience shared by the banks customers. As customers get satisfied with one bank through a good relationship marketing strategy it will become difficult for the customer to switch to another bank.

Through good services customers get transformed from being just normal customers to satisfied, retained and eventually enhanced customers. This will eventually benefit the organization (Zeithamil et al 1991).

Summarizing the various forms of relationship marketing, Robert Morgan and Shelby D. Hunt,(1994) propose the following: Relationship marketing refers to all marketing activities directed toward establishing, developing and maintaining successful relational exchanges. In other literature published by other writers on relationship marketing, Frazier et al (1988) the relational exchanges that exist between manufacturers and suppliers as in “just-in-time” procurement is a good example of good relationship establishment between two companies and this builds up trust, reliance and production. Other writers have made publications in the service industry on relational exchanges involving advertising or marketing research and their respective clients. Moorman et al (1987). Michael Porter,(1987) has also publications on within the firm relational exchanges. This involves the business units as subsidiaries, division and strategic business units.

The need for firms to develop strategic alliances with competitor is also very important in the technological and global alliances (Ohmae, 1989). This is happening in the telecom, as well as banking and airline industry where a number of alliances are being formed to collaborate and compete effectively. The ultimate is the customer and competition indeed brings out the best in banks and this will eventually benefit the customers.

Loyalty is very crucial maintaining a good customer service. The more a customer is attracted to ones service and continues to patronize it becomes part of him. There are

several stages a customer goes through before attaining the level of patronizing a product which in-turn turns out to be a continuous thing resulting in loyalty (Ohmae, 1989).

The theory of AIDA is the starting point for a new customer and it explains the stages before a product is bought. The stages are Awareness, Interest, Desire and Action (AIDA). Advertising in this theory is strong as a result of its efficient ways in its usage. It helps create customer knowledge and attitude toward product offerings. It therefore leads to quick response purchase from the potential consumers who had not bought the product earlier (Jobber, 2004).

According to Rowley: 1998, Awareness is the first stage where the customer begins to be aware of the product or service existence. Secondly we have the interest developing as a result of gaining the awareness of the existence of the product. Thirdly, the customer develops the desire for the product. The customer identifies his or her needs in to be satisfied in the product or service on offer. The customer then takes action to patronize the service or purchase the product as the last stage in the acquisition of the product or service.

Many studies have pointed out the value of service quality and the way it become critical in the strategic management of service companies (Robledo, 2001). Companies will have to upgrade their products or service to be able to fit the customer's current requirements. Jobber (2004) clarified the distinction between marketing a physical good or service. However he states the most common characteristics of service, namely; intangibility, which means that the service cannot be seen, tasted, touched or smelled before they are purchases. To some extent a service is deed, performance or effort and not an item. Inseparability of service means that service has simultaneous production and consumption

feature. It means that as a service is produced it is consumed at the same time. There is direct transfer of the service being produced to the consumer.

The Variability, a service requires great effort when consulting standardization. Service has a variation because it offered by individuals who have undergone some training and are delivering based on the training they have had. One bank staff's service may be different from the other although all frontline staff may have gone through the same service training. It means that an individual's intuition and demeanor may go a long way to affecting the service he or she is delivering. The perishability of service also means that service cannot be laid away for future use (Jobber 2004).

The impact of satisfaction on loyalty has been a very critical subject of study in relationship management today. Studies have shown that there is a link between satisfaction and loyalty: satisfied customers grow to be loyal and dissatisfied customers sooner than later move to another competitor. (Heskett et al. 1993: 165–167). The primary objective of creating ACSI (American Customer Satisfaction Index) in 1984 was to explain the development of customer loyalty. In the ACSI model, customer satisfaction has three dimensions that follow: perceived quality, perceived value and customer expectations. (Anderson et al. 2000: 873) In the ECSI (European Customer Satisfaction Index) model perceived quality is divided into two elements: “hard ware”, which consists of the quality of the product or service attributes, and “human ware”, which represents the associated customer interactive elements in service, i.e. the personal behaviour and atmosphere of the service environment. (Grönholdt et al. 2000: 510)

In the models identified, increased satisfaction should lead to increased customer loyalty. The experience of low satisfaction gives customers the option to exit (e.g. going to a competitor) or express their complaints. Research has shown that 60–80% of customers who defect to a competitor said they were satisfied or very satisfied on the survey just prior to their defection. (Reichheld et al. 2000: 137). This means that there must be other factors that come to play aside satisfaction that has a certain impact on customer loyalty.

Brand image of the supplier is one of the most complex factors. It affects loyalty at least in two ways.

1. A customer may use his preferences to present his own image. That may occur both in conscious and subconscious level. Aaker has shown how consumers prefer brands with personality traits that are congruent with the personality traits that constitute their (malleable) self schemas (Aaker 1999: 45). Kim, Han and Park have researched the link between brand personality and loyalty. The result was a positive support to the hypothesis that the attractiveness of the brand personality indirectly affects brand loyalty. (Kim et al. 2001: 203) Andres Kuusik Tidwell and Horgan (1993: 349) have showed that people use products to enhance self-image.

2. According to social identity theory, people tend to classify themselves into different social categories. (Ashforth et al. 2001: 23) Fournier (1998: 366) states that consumer-brand relationships are more a matter of perceived goal compatibility. It thus leads to the evaluation of objectives and values in various groups and organisations in comparison with the customer's own values and objectives. Customers and bankers alike prefer partners who share similar objectives and values. It is believed that brands cohere into systems that consumers create not only to aid living but also to give meanings to their

lives. Oliver (1999: 40) argues that for fully bonded loyalty, the consumable must be part of the consumer's self-identity and his or her social-identity.

According to Andres Kuusk, 2007, there are several approaches to customer loyalty. The theories of behavioral loyalty began as far back as 1970s. According to this study loyalty was a function of customer purchases share. The approach takes a look at brand loyalty in terms of outcomes that is repeat purchase behavior instead of reasons.

Contemporary researches consider the psychological which is said to be the most attitudinal and emotional factor of loyalty. (Reicheild 2003:47). According to Andres Kuusik study, behaviorally customers are to be divided into sub-segments by the reason of acting:

1. Forced to be loyal
2. Loyal due to inertia
3. Functionally loyal.

The study identifies that some customer may be forced to be loyal under some circumstances. These may show in instances where the customers are forced to consume certain products or services that they may not necessarily like. This may happen when a product or service provider is a monopolist in the completion. Other factors such as poor income or purchasing power can influence the buying of a particular product or service from one vendor.

Gronholdt et al(2000), have found out that companies with low price strategy had much higher loyalty than expected from their customer satisfaction. According to the study,

forced loyalty could also be established through the creation of exit barriers. It will therefore make it difficult for consumers to bow out from patronizing a good or service.

Inertia could also be a factor. This is in the sense that a customer does not move to another bases on comfort or relatively low importance of operation. However, if the choice is of low importance there would be no need to spend time searching for another alternative. It will therefore be based of faith and the suitability of the product. Gonholdt et al (2000).

It is in accordance with the cognitive based loyalty by Oliver “Cognition can be based on prior or vicarious knowledge and on recent experience-based information. If the transaction is routine so that satisfaction is not processed (eg. Trash pick-up, utility provision, the depth of loyalty is no deeper than mere performance.” According to the writer loyal customers are loyal because they all have an objective reason to loyal. Jones and Sasser (1995:94) identify three measures of loyalty that could be used in segmentation by loyalty:

1. Customer’s primary behavior: - Recency, frequency and amount of purchase.
2. Customer’s secondary behavior: - customer referrals, endorsements and spreading the word.
3. Customer’s intent to repurchase: - it is to identify if the customer is indeed ready to repurchase in the future.

Based on this identifications outlined by Jones and Sasser, an organisation’s customers may be generally segmented by loyalty as follows:

1. Committed or emotionally loyal customers:

These are active customers who use only the certain provider's service or product and declare they will use only this provider in the future and recommend the brand or provider to others.

2. Behavioral loyal customers:

They are customers who patronize a product or service and continue to patronize the service but do not recommend them to others.

3. Ambivalent or dubious customer:

These are active customers who use only the certain provider's service but do not know whether they will change or which other provider's service they will switch to in the near future.

4. Disloyal reducers:

These are customers who intend to reduce the level of patronage of a certain provider's service. Some are immediate with already signs of low patronage while others occur with time into the future.

5. Leavers:

The leavers are customers who declare that they will definitely leave the current provider. It becomes almost impossible to convince such customers to stay when it gets to this stage (Jones and Sasser 1995)

Trustworthiness:

Trustworthiness of the partner is a factor that has certain impact on the establishment of loyalty – nobody expects a long-term relation with a partner that cannot be trusted. Trustworthiness is one criterion for measuring the value of the partner. (Doney et al. 1997: 46) Spekman (1988: 79) calls trust a cornerstone of the strategic partnership. Morgan and Hunt (1994: 22) puts it that trust is a major determinant of relationship

commitment: brand trust leads to brand loyalty because trust creates exchange relationships that are highly valued. Chauduri and Holbrook (2001: 91) have showed that brand trust is directly related to both purchase and attitudinal loyalty.

Many other authors have accepted that trust is important in conditions of uncertainty (Moorman et al. 1992: 315; Doney et al. 1997: 36; Dwyer et al. 1987: 12–13; Morgan et al. 1994: 23). Uncertainty may be caused by dependence or large choice: people tend then to prefer popular or familiar brands or partners. It therefore leaves the well established brands the advantage over the other less known brands. Many definitions describe loyalty as a desire to retain a valuable or important relationship. (Morgan et al 1994: 22; Moorman et al. 1992: 316) In this way, the establishment of loyalty is predetermined by the importance of relevant relationship or selection. Weiss (2001) points out three aspects that may increase the importance of the relationship:

1. Strategic importance of a product,
2. High risks involved in the transaction
3. Costs incurred by cancellation of contracts.

Hofmeyr and Rice point out that the more important the relationship is to a person, the more willing that person is to tolerate dissatisfaction in favour of trying to fix it. By contrast, when a relationship doesn't matter, then even the perfectly satisfied consumer can switch on a whim. (Hofmeyr et al. 2000: 60). A relationship can also be made important by personal approach. Various authors have compared loyalty with marriage (Levitt 1983; Dwyer et al. 1987; Gummesson 1998; Hofmeyr et al. 2000). Marriage is one of the most personal and important relationships. That means that intimacy is one

determinant for importance of relationship. Levitt (1983: 89) has considered a role of salesman in making relationship more personal.

2.8 Performance of banks in the banking industry.

Performance in the banking industry could be measured by different indicators. It could be in the form of profit, increase in customer base, improvement in customer service as well as other operational controls that are put in place to support the efficient running and profitability of these institutions. A number of literatures reviewed will take a look at performance in terms of relationship with customers as well as other indicators of growth in banks wealth.

Other authors have also sought to identify the various operational structures put in place that make it possible for banks to be profitable. According to Marcia M Comnet, Hassan Tehranian (Review of Financial Economics, 13(2004: 1-5), the impact could be seen under five main control areas in the banking regulation. These could be seen in the areas where regulations imposed on commercial banks like:

1. Entry regulations
2. Safety and soundness of regulations
3. Credit allocation regulations
4. Consumer protection regulations
5. Monetary policy regulations.

The effect is that banks do perform a lot in the economy, from the impact these institutions have on firms, corporate bodies and individual mean that if banks fall to perform the whole economy will be affected. This was seen in the credit crunch that hit

the large world economies. This therefore will mean that effective control measures are put in place to support these financial institutions to perform. In the process the banks turn to make profit and for that matter become profitable.

2.9 Effect of Customer Relationship marketing on banks.

According to the ICRM group certain factors lead to the proper building of customer relationships that ensures a proper relationship between the banker and the customer. Most often than not, there have been attempts to ensure good relationships between the bankers and customers but these have seen only one aspect of where customer database is kept to identify their profile and contacts. However it is not enough to establish a firm relationship that will build customer comfort confidence and for that matter loyalty. It is therefore important that management consider the strategy of adopting good relationship marketing strategies and identify the needs of customers and meet them (ICRM, 2002).

2.10 Strengths of Relationship Marketing.

Focus on providing value to customers. In line with developing a good relationship with the customer, relationship marketing enables a good, lasting and productive relationship. Products designed are tailor made to suite customers, especially the loyal ones. Customers upon enjoying flexible loan terms and other credit facilities available develop a personal affection toward a particular bank or brand in the financial service industry. It creates the opportunity for cross selling, as well as value to the customers. The effect is a win-win situation (ICRM, 2002).

In relationship marketing the drive is to identify the needs, and behavioral pattern of the customer so that the service offered are giving at the time when needed. Providing a good customer service in sales and after sales servicing plays a crucial part in retaining customers. Relationship marketing identifies the customers' reaction to service provided and this promotes retention of the valued customers. The method is an integrated approach to marketing, service and quality. Therefore it provides a better basis for achieving Competitive Advantage. In relationship marketing, quality assurance and management are all factored into service delivery. This includes proper training schemes for staff and regular feedback improvements.

Studies in several industries show that the costs to keep an existing customer are just a fraction of the costs to acquire a new customer. So often it makes economic sense to pay more attention to existing customers. Once a customer is satisfied and has walked into the bank, the relationship marketing strategies put in place will manage the customer through different stages of consuming a particular vendor's service. Long-term customers may initiate free word of mouth promotions and referrals. Indeed the good service offered is will be carried along by consumer whose experience shared will inspire others to have a feel of the service (ICRM, 2002).

Long-term customers are less likely to switch to competitors. This makes it more difficult for competitors to enter the market. When a good relationship marketing strategy is implemented, it will enable a consumer to find it difficult to switch to other banks. Likewise other product manufacturing companies, with continuous identification of the needs of customers, the vendors create a one-stop sales point for customers to satisfy their needs through the products on offer (ICRM, 2002).

Happier customers may lead to happier employees. A happy customer affects the bank in many ways. Studies have shown that employees who are motivated to stay on a job do have a reason of seeing happy customers who express their delight to good performance by staff. This provides for low labour turn over. It puts control of check for that matter on the human resource talents identified by the banks.

Previous studies (Gross and Souleles, 2002) have analyzed the usefulness of other, non-relationship types of information in predicting consumer default, including macroeconomic and geographic-average demographic variables, “public” credit bureau information that is available to all potential lenders, and lenders’ “private” within-account (as opposed to a cross-account) information about the past behavior of the accounts at issue.

The previous corporate literature has discussed a number of different explanations as to why such relationship information could be informative, but it is difficult to empirically distinguish between these explanations. Some explanations tend to emphasize what can roughly be thought of as selection mechanisms.

For example, when considering loan applications, banks might be better at screening applications from existing relationship customers. Or, perhaps customers with multiple relationships are different in otherwise-hard-to-observe ways than non-relationship customers. (E.g., relationship customers might be wealthier or more sophisticated, or might face larger costs of switching to another lender.) By contrast, other explanations in the literature tend to emphasize more dynamic mechanisms related to information production over time and the ongoing monitoring of loans.

CHAPTER THREE

METHODOLOGY OF STUDY

3.1 Introduction

The aim of this chapter is designated to methodology and justification of each selected method to be used in the project work by the researcher to collect and analyze data on the assessing the use of relationship marketing in the public sector. It takes into account the research design, population and sampling, types of sampling, sampling techniques, sample size, sampling methods and data instrumentation.

3.2 Research design.

Research design can be thought of as the structure of the research. It is the glue that holds all the elements of the project. Under this design we can talk about the qualitative and quantitative research. Qualitative is usually used in the arts and social studies. This research explores attitudes, behavior and experiences through such methods as interviews or focus groups. In quantitative research, statistics are generated through large scale survey, using methods such as questionnaires and structured interviews. For the purpose of the study, quantitative research will be used.

3.3 Population

Population is the universal set of all the existing people, units, items or events that contain characteristics of interest as well as all the set of possible data values for a subject under study (Castilo, J 2009). Population parameters are typically numbers, such as the proportion of consumers who are loyal to a particular brand. The population of this study will consist of KNUST, Ahodwo and Prempeh II Street branches of Barclays bank in

Kumasi with 45,000 customers, 50 employees and 15 management staff totaling 45,065 in number.

3.4 Sample size

The sample size of a statistical sample is the number of observations that constitute it. It is typically denoted as n , a positive integer. The sample size is an important feature of any empirical study in which the goal is to make inferences about a population from a sample. In practice, the sample size used in a study is determined based on the expense of data collection, and the need to have sufficient statistical power. In this study, the researcher used a sample of 75 of the population which was the total of Barclays bank employees and customers. This comprised of 50 customers, 21 frontline employees and 4 management staff. The questionnaires were given to individuals who dealt with the bank. A total of three Barclays branches in Kumasi were selected for the study. Interviews were also conducted for the senior management team.

3.5 Sampling Method

Basically there are two main types of sampling methods, which are probability sampling and non-probability sampling. For the purpose of the study non-probability sampling was used.

3.6 Non-probability sampling.

Non probability sampling is a situation where there is no procedure to estimate the probability that each element has the chance of being selected. It involves the selection of elements based on assumptions regarding the population of interest, which forms the criteria for selection. Non-probability sampling does not use chance selection procedures,

but rather personal judgment of the researcher (Castilo, J 2009). This method of sampling is less strict and makes no claim for representativeness. Some of the non-probability sampling methods such as convenience and purposive sampling were adopted. For this sampling method, not all the customers of Barclays bank had the chance of responding to the questionnaire as it was done over a period with only those who were present at the bank at that time frame.

Convenience sampling is used in exploratory research where the researcher is interested in getting an inexpensive approximation of the truth. As the name implies, the sample is selected because they are convenient. For the purpose of obtaining data from the customers at the selected Barclays branches, convenience sampling was therefore adopted. This enabled the easy access to information from customer who entered the banking halls at that period to transact business. The convenience sampling again was used for employees who were readily available to respond to the questionnaires administered.

The senior management, it became necessary that purposive sampling be used to obtain accurate information that the bank had in terms of policies and strategies. Purposive sampling therefore was used as the method for obtaining data from the senior management team.

3.7 Sources of data.

Data are untainted or unprocessed known facts used for inference. When it's processed, analyzed and interpreted, it becomes information which is used to make an informed decision. Data acquisition is very vital in every research since without data no meaningful

research could be done. Therefore it is necessary to determine the appropriate means for collecting data. The various source of available are primary data source and secondary data source.

3.7.1 Primary Data

Primary data is expressly collected for a particular research. This is a firsthand data obtained mainly through researchers own efforts. Some advantages of primary data are; the data are fresh, meaning the data are new and genuine ever obtained, which are different from any study. Also they are accurate; they are precisely right results from the study with no room for errors, mistakes and are original in character.

In this study, the data obtained from the field was basically primary. These were responses gathered through the questionnaires administered as well as the feedback obtained from interviews from senior management that informed the data obtained for the study.

3.8 Data Collection Instruments.

The data collection instruments that this study intends to adopt will be by use of questionnaires and interviews. These will be used to obtain primary data from the field of study. It will be conducted at the banking halls and the bank's offices to obtain the information needed to conduct the study.

3.8.1 Questionnaire

Questionnaires are prepared set of questions used to obtain information from a respondent. Experience has shown that the effectiveness of questionnaires can general improve by following some well established guidelines. This relates to layout, length and

question order. In the survey two types of questionnaires were used in the research work; they include the open-ended questions and close-ended questions. Open-ended questions allows respondent to answer in their own words while close-ended questions specified all the possible answers and respondent make choice among them. They also provide answers that were easier to interpret and tabulate. The questionnaires designed for this study basically contained closed ended questions with responses provided for the respondent to choose. This was used to obtain customer reaction to the strategies in place by the bank to improve on their customer relationship marketing as well as employees' knowledge and commitment to the strategies put in place by the bank.

3.8.2 Interviews

There are two types of interviews, which are personal interview and telephone interview. Personal interview involves one person interviewing another person for detailed information. This is because the interviewers could ask a lot of questions and could bring about additional observations about the respondent such as stress and body language. Also it demands a lot of administrative planning and supervision which can lead to the interviewer being biased.

The type of interview conducted for the study was a face to face interview which was one on one. The interview was generally conducted around the research objectives set for the study. The aim was to obtain as much information as possible needed for the study. The information varied from strategies the bank had in place to the team's personal response to customer relationship marketing.

3.9 Data Analysis.

The study used the SPSS data system analysis tool for the input and presentation of data in a graphical form for analysis and interpretation of the data gathered from the field of study. This helps present a pictorial and tabulated form of the various contributing variables to the research topic.

KNUST



CHAPTER FOUR

DATA ANALYSIS, DISCUSSION AND INTERPRETATION

4.1 Introduction:

This chapter brings to fore the data obtained from the field survey conducted at three Barclays bank branches in Kumasi. These branches are namely; Prempeh II Street, KNUST Branch and Ahodwo branch. The responses obtained from the Prempeh II street branch included some from premier as well as standard banking halls. The first section of this chapter seeks to analyze the responses obtained from staff. This is followed by responses from customers. The later part of the chapter treats interviews conducted with senior management staff and their responses.

4.2 Responses obtained from staff members at selected Barclays branches in Kumasi

This section deals with the responses obtained from the field survey concerning the employees of the Barclays selected branches. The survey covered 21 employees that responded to the survey. These included branch managers, sales and operation managers, frontline staff and back office staff as well.

Table 4.1 Age group of Staff

	Frequency	Percent
26-35	9	42.9
36-45	7	33.3
46 and above	5	23.8
Total	21	100.0

Source: field survey 2011.

The table 4.1 above shows the age groupings of the staff at Barclays bank. According to the diagram above, 42.9% of the responses obtained indicate staff members within the age group of 26 to 35 years. 33.3% of the responses also showed staff members within the group of 36 to 45 years and 23.8% fall into the category of 46 years and above. There appears to be a fine balance in the age group of the staff with more youthful staff in the branches.

Table.4.2 Gender of staff

	Frequency	Percent
Male	14	66.7
Female	7	33.3
Total	21	100.0

Source: field survey, 2011.

According to the survey taken, 66.7% of the responses taken represent male staff whereas 33.3% indicate female responses. The population of the bank however is fairly balanced but the selected branches had more male staff than females.

Table 4.3 Educational level of Staff

	Frequency	Percent
Higher National Diploma	2	9.5
First degree	7	33.3
Post-Graduate	11	52.4
Professional qualification	1	4.8
Total	21	100.0

Source: field survey 2011

From the data obtained from the field, 52.4% of the responses came from staff with a post-graduate educational background. The next highest responses came from staff with a first degree educational qualification with 33.3% representation. Staff with Higher National Diploma also had 9.5% representation. For staff with professional qualification the survey had 4.8% representation.

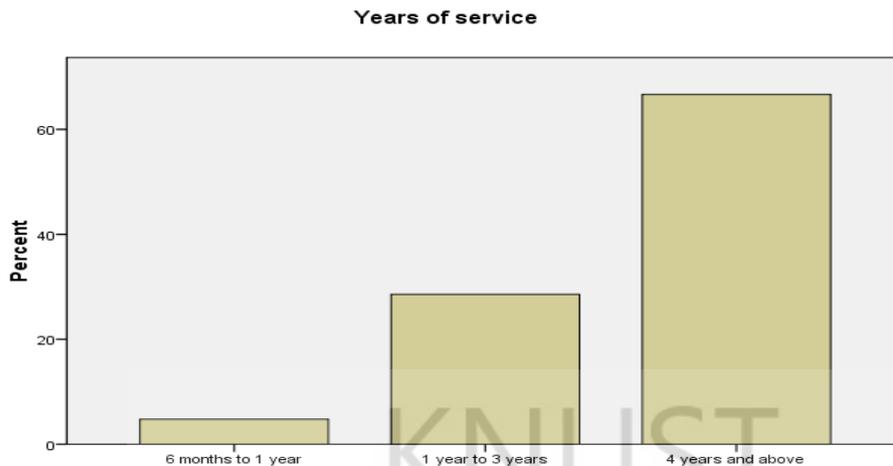
Table 4.4 Position held at Bank

	Frequency	Percent
Frontline staff/Teller	5	23.8
Operations/Back office staff	4	19.0
Sales/Operations Manager	5	23.8
Branch Manager	3	14.3
Senior Management	4	19.0
Total	21	100.0

Source: field survey 2011.

In the table 4.4 above, 5 frontline staff responded to the questionnaire indicating a 23.8% of the sample population. Again 23.8% responses obtained came from sales managers and operations managers. In all three branch managers also were interviewed representing 14.3% of the responses. Some senior staff who rather responded to questionnaires also gave 19% responses. These were senior management in operations.

Fig.4.5 Years of service



Source: field survey 2011

From the above information in Fig. 4.5 provided in the graph, 66.7% of the staff who responded to the questionnaire had been in the business for 4 years and more. 28.6% of the responses also came from staff members who had also been in the business for 1 to 3 years. 4.8% of staff were new to job and were either serving probation of six months or had just been confirmed on the job.

Table 4.6 Role of CRM at Barclays bank

	Frequency	Percent
Very crucial	16	76.2
Important	5	23.8
Total	21	100.0

Source: field survey 2011.

The responses above indicate that when staff view were asked on the role of Customer Relationship Marketing (CRM) in their service delivery, 76% indicated that it was very crucial whereas 23.8% also stated that it was important. In all, staff indicated 100% recognition of the fact that CRM was very critical to the business service delivery performance.

Table 4.7 Knowledge about customers

	Frequency	Percent
Very well	11	52.4
Moderately well	3	14.3
Transactional based	6	28.6
Unfamiliar with customer information	1	4.8
Total	21	100.0

Source: field survey 2011.

Knowing customers is critical to making good business. The survey taken indicated that 52.4% of the staff said they know their customers very well. 28.6% of the customers also said that they know customers on transactional basis. It means that as and when customers come into the bank that is when they get to deal with them by identifying them.

Table 4.8 Means of using customer needs in decision making

	Frequency	Percent
through feedback from products/service sold	12	57.1
through customer queries at banking hall	6	28.6
through telephone interview of customers	2	9.5
Not sure about it	1	4.8
Total	21	100.0

Source: field survey 2011

When staff responded to the means through which they get to involve customers when designing products, 57.1% indicated that the mode of using feedbacks from products and services offered. 28.6% of the responses taken indicate that other staff members involve customers through customer queries at the banking. It means interaction lead to identifying areas of improvement. The means of using telephone interview appears to be used so much by the staff. By this means staff call customers in both sales and after sales service on their feedbacks and this represents only 9.5%.

KNUST

Table .4.9 Staff members' view on usage of customer suggestions

	Frequency	Percent
Most definitely	5	23.8
Definitely	11	52.4
Not necessarily	5	23.8
Total	21	100.0

Source; field survey 2011

The views from staff members as to whether indeed customer suggestions are taken into consideration in service delivery or not shows that 52.4% agree that definitely the suggestions are considered. 23.8% also indicated that most definitely customer considerations are taken into account. In contrast to the views expressed above, other staff also indicated that customer suggestions are not necessarily taken into account. This forms another 23.8% of the total responses.

Table 4.10 Establishing customer complaint process

	Frequency	Percent
Through formal process or office at the banking hall	16	76.2
through trained frontline staff at the bank	4	19.0
As and when needed the bank resolves it	1	4.8
Total	21	100.0

Source: field survey 2011

The table above sought to establish how complaints are handled by way of processes that the bank has put in place to support the resolution of complaints. There were options given as to the processes the bank have in place. Out of the responses, 76.2% of the staff stated that there was a formal process of office at the banking hall that customer could use to get their complaints resolved. Next to this was staff who stated that frontline staff had been trained to handle complaints at the banking halls and this represented 19% of the responses. Lastly, a response was given by staff that as and when needed the bank resolves it. This represents 4.8%.

Table .4.11 Response to resolving complaints

	Frequency	Percent
Less than 12 hrs	1	4.8
Between 12 to 24 hours	8	38.1
After 48 hrs	6	28.6
After 72 hours	2	9.5
depends on complain type	4	19.0
Total	21	100.0

Source: field survey 2011

The table above also deals with the period with which the bank takes to resolve a complaint. From the survey taken it shows that 38.1% of the customers indicated that between 12 to 24 hrs complaints are able to be resolved. 28.6% of the responses also show that complaints are resolved after 48 hours. There was also a response from staff that indicated that depending on the complaint type then the period of resolving it will be factored in. This represented 19% of the responses given.

Table 4.12 Staff Relationship with customers

	Frequency	Percent
Transactional	7	33.3
Personal	3	14.3
Interactive	9	42.9
Official	2	9.5
Total	21	100.0

Source: field survey 2011.

This question again sought to define the staff relationship with customers. From the table indicated above, it shows that 42.9% of the customers have interactive relationship with the customers and 14.3% of employees also have personal relations with customers. The staff members who have transactional relations with customers represent 33.3% of the responses whereas 9.5% of the staff also indicated an official relationship with the customers. In all a good number of staff indicating an interactive relationship with the customers provides the platform for a good and healthy customer relation.

Table 4.13 Process of identifying customer needs

	Frequency	Percent
Through complaints by customers at the bank	11	52.4
Through personal queries on customers	5	23.8
Through failed service products	5	23.8
Total	21	100.0

Source: field survey 2011

This represents staff responses on the way they are able to identify customer needs. The responses obtained show that 52.4% of the staff members said they are able identify the customer needs through complaints made by customers at the bank. The way by which bank officials make personal enquiries on customers as to how they feel about the bank's service also recorded a 23.8% responses. On the other hand other staff of the bank indicated that they identify customer needs by way of failed service/products and this recorded 23.8% responses.

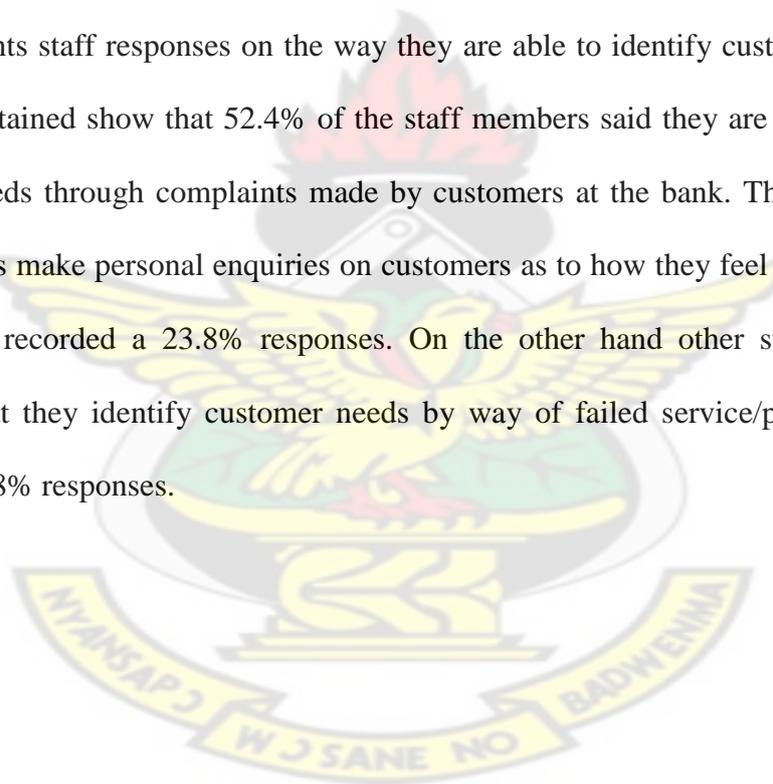
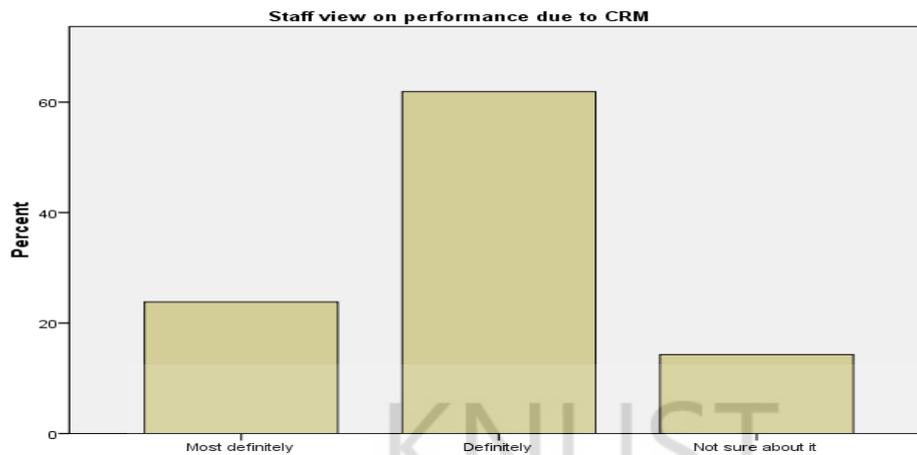


Fig. 4.14 Staff view on performance due to Customer Relationship Marketing



Source: field survey 2011.

Figure 4.14 above finally sought to enquire if staff indeed related their performance to good customer relationship marketing (CRM) strategies by Barclays bank. The responses show a very strong position of performance of the bank due to CRM. A total of 23.8% and 61.9% of the Barclays staff indicated that their performance was most definitely linked to the CRM practices at the bank. However, 23.8% of the staff members that responded also were not sure as to whether indeed their work performance had a link with the CRM practices by the bank.

4.3 Responses Obtained from customers survey at selected Barclays Branches in Kumasi.

Table .4.15 Age group of customers

	Frequency	Percent
25 and below	18	36.0
26-35	15	30.0
36-45	7	14.0
46 and above	10	20.0
Total	50	100.0

Source: field survey 2011

The table above shows the respondents age groupings. The questionnaire was designed to group ages of customers to identify the lower age group ie the teenage, the young working adults from 26-35, middle age group from 36-45 and the customers who are 46 and above. The table shows that the larger responses came from the groups under 25 with 36% of the responses as well as the young working adults with 30% responses.

Table 4.16 Gender of customers

	Frequency	Percent
Male	17	34.0
Female	33	66.0
Total	50	100.0

Source: field survey 2011.

According to the gender review, the majority of respondents were females covering 66% of the questionnaire that were distributed. The Males therefore formed the remaining 34% of the responses.

Table 4.17 Educational Background of customers

	Frequency	Percent
JHS	8	16.0
SHS	12	24.0
HND	6	12.0
First Degree	16	32.0
Postgraduate	6	12.0
Other	2	4.0
Total	50	100.0

Source: field survey 2011.

The responses shown in the table above shows that 32% of the responses also were first degree holders. Other professional qualifications recorded 4% responses. Responses given therefore represent high degree of graduates.

Table 4.18 Numbers of years of holding account with Barclays

	Frequency	Percent
Less than 1 year	6	12.0
1-3 Years	19	38.0
3-5 Years	14	28.0
5 years and above	11	22.0
Total	50	100.0

Source: field survey 2011.

With the responses given on the period that customers have held accounts with Barclays, 38% represent accounts that have been held for a period of 1-3 years. 28% also represent people who have held accounts with the bank for a period of 3-5 years. The implication is that the majority of the responses came from customers who have had a considerably long

time with the bank in running accounts there. Such a period will provide the customer the experience needed to access the services of a bank positively.

Table 4.19 Account type held with Barclays bank

	Frequency	Percent
Current account	14	28.0
Savings account	28	56.0
Local business account	6	12.0
Corporate account	1	2.0
Foreign account	1	2.0
Total	50	100.0

Source: field survey 2011.

According to the table of responses, 56% and 28% represented savings account and current account holders respectively. This shows that the good number of the sample population do hold either savings or current accounts with less corporate and foreign account. The reason is that the selected outlets of the bank mainly open personal accounts with the foreign and business accounts at specially designated outlets.

Table 4.20: Product awareness

	Frequency	Percent
Relatives and Friends	16	32.0
E-Mail from the Bank	11	22.0
Face to Face Communication	9	18.0
Advertisement	10	20.0
Others	4	8.0
Total	50	100.0

Source: field survey 2011

The table above represents the means by which customers get to know the products on offer by the bank. 32% identified relatives and friends as the medium which they got to know products from the bank. 22% also identified e-mails as their source of getting to do business with the bank. The larger percentage shows that existing customers recommend the services to customers for some reasons.

Table 4.21: Source of motivation to transact with Barclays

	Frequency	Percent
competitive interest rate	11	22.0
Easy accessibility	33	66.0
Lack of alternative banks	3	6.0
Good customer relations and services	2	4.0
Others	1	2.0
Total	50	100.0

Source: field survey 2011

Easier accessibility is mainly the motivation behind customers do business with the bank. 66% of responses show that customers indeed do consider the accessibility of the bank before doing opening accounts. The wide network of the bank's outlets therefore yields positive results for the bank in attracting customers. However, on rating assessment of service the table shows that 4% of the customers consider that as a motivation to do business with the bank.

Table 4.22: Use of callbacks at the bank

	Frequency	Percent
Excellent idea	16	32.0
Good	28	56.0
Inconvenience	5	10.0
Bad service idea	1	2.0
Total	50	100.0

Source: field survey 2011

The table above shows that 56% of the respondents saw the strategy of calling customers to verify cheques as good. Equally, 32% of the respondents also see this strategy as an excellent idea. In effect the strategy of calling customers has received a good response from the customers who answered the questionnaire.

Table 4.23: Requiring ID cards for transactions

	Frequency	Percent
Slowly	13	26.0
Fast and quick	21	42.0
Normal	15	30.0
worse than before	1	2.0
Total	50	100.0

Source: field survey 2011.

According to the table above, the analysis gotten from the field show that customers acknowledge the fact that the requiring for ID cards is good does not necessarily affect the service time. Responses show that services are fast and quick with the requirement of

ID cards. 42% out of the four sampling responses agree with the fact that the use of ID cards makes services quick.

Table 4.24 Banking hall service satisfaction

	Frequency	Percent
Excellent	7	14.0
Satisfactory	30	60.0
Unnecessary delay	13	26.0
Total	50	100.0

Source: field survey 2011

On the assessment of banking hall services, the responses show that 60% see the services as satisfactory. This means that enough is not being done to improve the overall banking hall service. Only 14% of the respondents agree that services are excellent and it could be due to the fact that these customers fall in the high valued customers who receive preferential treatment and do not necessarily keep long at banking halls.

Table 4.25: Account statement update

	Frequency	Percent
By post mail	13	26.0
Delivery at the customers office	11	22.0
Picking it at the bank	9	18.0
Personal request	16	32.0
No statement received	1	2.0
Total	50	100.0

Source: field survey 2011.

The table above also show that 32% of customers do have to make personal request before statements are granted to them. The table also project that 26% of the respondents do receive their mails by post. However, the analysis we can make here is that customers most often than not have to request for their statements before they are given.

Table 4.26: Regularity of update on accounts

	Frequency	Percent
Weekly	6	12.0
Monthly	16	32.0
Quarterly	9	18.0
Yearly	12	24.0
None of the above	7	14.0
Total	50	100.0

Source: field survey 2011.

On the regularity of updates on accounts, 16 respondents representing 32% of the sample size do receive their updates on their accounts monthly. However, the next highest responses come from people who receive their statements yearly.

Table 4.27: Use of SMS alerts on transactions

	Frequency	Percent
More informative	18	36.0
Much security	18	36.0
Less security for account	6	12.0
Less value for money	4	8.0
N/A	4	8.0
Total	50	100.0

Source: field survey 2011.

According to the survey, the uses of SMS alerts provide much security and information to customers. Out of the responses given, 36 responses came up for the two options of security and information. In all 72% of the total population with 36% each represents security and information.

Table 4.28: Period of subscription

	Frequency	Percent
A Year	8	16.0
2-5 Years	6	12.0
As long as I bank with Barclays	30	60.0
Shortest time possible	2	4.0
N/A	4	8.0
Total	50	100.0

Source: field survey 2011.

The table above shows the response customers gave when asked the period that they would like to keep subscribing to the SMS alert services. The responses show that the bulk majority of the respondents representing 60% say that as long as they bank with Barclays they would subscribe to the SMS alert services.

Table 4.29: E-statement subscription

	Frequency	Percent
Yes	5	10.0
No	36	72.0
N/A	9	18.0
Total	50	100.0

Source: field survey 2011.

The e-statement subscription which is a new service product on offer appears not to be catching up with the customers by way of knowledge of the service. This shows in the 72% majority not subscribing to the service. It can be said that at the time of survey, the product was not much known by many customers.

Table 4.30: Accessibility of E-statement

	Frequency	Percent
Very accessible	5	10.0
Quite accessible	21	42.0
Difficulty to access	9	18.0
virtually non existent	9	18.0
N/A	6	12.0
Total	50	100.0

Source: field survey 2011.

On the accessibility of the e-statement, the respondents that had subscribed recommended that the service is quite accessible. This represents 42 percent of the options made available to them in answers. However, the difficulty to access, no knowledge of the product also carried a significant percentage. It implies that the product is still has much to cover to be successful.

Table 4.31: Relationship classification

	Frequency	Percent
One time transactional based	17	34.0
Ongoing relationship	21	42.0
No relationship	11	22.0
Not sure	1	2.0
Total	50	100.0

Source: field survey 2011.

According to the table given above, majority of customers do have an ongoing relationship with the bank. They classify their relationship therefore as ongoing representing 42% of the total survey. Some customers also see their relationship with the bank as one time transactional based. This means that they are not very much connected to the bank and only come in as and when needed to do business. The 34% of transactional customers do not enjoy advisory services and do not have touch with the relationship managers.

Table 4.32: Recommending Barclays to others

	Frequency	Percent
Most definitely	11	22.0
Definitely	14	28.0
Not decisive	19	38.0
No	6	12.0
Total	50	100.0

Source: field survey 2011.

On recommending Barclays to others based on their relationship with the bank, the responses show that the highest percentage show that 38% of the respondents were not decisive on that. The second highest responses also had to do with customers who definitely would recommend the bank to others and this represented 28%.

Table 4.33: Relationship leading to customer loyalty

	Frequency	Percent
I don't think so	10	20.0
I think so	31	62.0
Not sure	9	18.0
Total	50	100.0

Source: field survey 2011.

With reference to the table above, 62% of customers think that their loyalty to the bank has a link with their relationship with the bank. On the other hand, 20% of customers who responded to the questionnaire do not necessarily think that their loyalty to the bank is as a result of their relationship with the bank.

Table 4.34: Courteousness of frontline staff

	Frequency	Percent
Excellent	6	12.0
Better	15	30.0
Good	19	38.0
Average	10	20.0
Total	50	100.0

Source: field survey 2011.

On the assessment of frontline staff 38% of responses came from customers who see the services provided to be good. 30% also declared that the service provided by Barclays bank is better with 12% marking the services as excellent. This means that the larger

proportion of the customers interviewed at the selected branches are comfortable with the services being provided them.

Table 4.35: Feeling of dissatisfaction about service delivery

	Frequency	Percent
Most definitely	16	32.0
Some how	20	40.0
Cannot remember	7	14.0
Never	7	14.0
Total	50	100.0

Source: field survey 2011.

From the recorded figures shown in the table, it is also seen here that a good number of customers interviewed at some point have expressed some dissatisfaction about the services they receive. Such group represents 40% of the total responses. A good number of respondents also expressed their dissatisfaction with 32% of the responses.

Table 4.36: Satisfaction of complain handling

	Frequency	Percent
Delighted	2	4.0
Satisfied	9	18.0
Dissatisfied	20	40.0
Highly dissatisfied	2	4.0
N/A	17	34.0
Total	50	100.0

Source: field survey 2011

From the table provided above, there are 40% of customers who have not been satisfied about the way complain have been handled. Indeed the figures go to show that customers are not happy with how the bank handles complaints generally. 34% of the responses also indicate that the issue is not applicable in their circumstances. It is to say that customers who have not had issues with the bank and so are not in the position to comment as to how satisfied or otherwise they are with the bank.

Table 4.37: Reason for not complaining

	Frequency	Percent
No formal channel for redress	6	12.0
Not worth the time and effort	19	38.0
Negative attitude of front line staff	10	20.0
Long bureaucratic process	2	4.0
N/A	13	26.0
Total	50	100.0

Source: field survey 2011.

This table throws light into why customers do not complain even when they feel dissatisfied. As a result 38% of the customers who responded say that it is not worth the time and effort. This may be as a result of an earlier unresolved complaint that the customers may have put forward. From the table, some customers also say that the negative attitude of frontline staff also puts them off and as a result would not want to pursue any complaint too get it resolved.

Table 4.38: Medium of making suggestions

	Frequency	Percent
Via customer complain line	10	20.0
Via feedback boxes	28	56.0
Via interaction with front line staff	7	14.0
Agitation in the banking hall	3	6.0
Others	2	4.0
Total	50	100.0

Source: field survey 2011.

The mode, by which customers do get their suggestions according to the table, shows that using the feedback boxes is the main channel that the customers use to make their suggestions known to the bank. On the other hand the complaint line is also followed by the customers with 20% representation.

Table 4.39: Factoring customer needs in product design

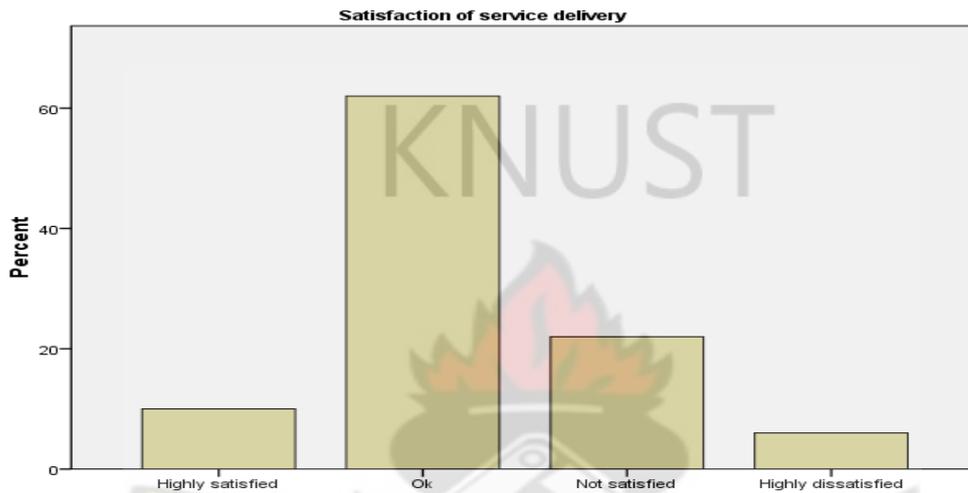
	Frequency	Percent
Most definitely	8	16.0
Some how	21	42.0
Not certain	18	36.0
Never regarded	3	6.0
Total	50	100.0

Source: field survey 2011.

The table above shows the response from customers on whether indeed they have their suggestions responded to in service product design by the bank. 42% percent show that

somehow they see their suggestions being adopted. However, 36% also are not certain that indeed those suggestions are adopted. To some extent customers do believe that what they put in are considered.

Fig 4.40: Feeling of Satisfaction on service delivery



Source: field survey 2011

When customers were asked about the overall satisfaction, 31 responses representing 62% said they are ok with the service. It represents the majority of the responses given. However, 10% say they are highly satisfied with the services they pay for.

On the other hand 22% also are not satisfied. This means that there is room for improvement by the service providers.

Table 4.41: Identifying customer needs by their profile

	Frequency	Percent
Highly satisfied	8	16.0
Satisfied	22	44.0
Not sure	17	34.0
Dissatisfied	3	6.0
Total	50	100.0

Source: field survey 2011.

This table seeks to bring to fore the strategy put in place by the bank to provide the right advice and product needs by studying the profile of the customer and recommending the right product for them. Out of the possible responses, 44% of the respondents said they are satisfied with the concern from the bank officials.

Contrary to that 34% of the customers also are not sure if indeed the bank is able to identify their needs and out in place the products needed. Again 16% of the responses also are highly satisfied with how the bank is able to identify the needs of customers.

Table 4.42: Identifying customers by their names

	Frequency	Percent
Highly satisfied	5	10.0
Satisfied	21	42.0
Not sure	18	36.0
Dissatisfied	5	10.0
Highly dissatisfied	1	2.0
Total	50	100.0

Source: field survey 2011.

In the responses given above customers were asked to provide feedback on how customers are identified by their names. Out of the responses 42% said they are satisfied with the attempt to identify them by their names. 36% also are not sure about this, in that they don't really see if indeed they are identified by their names.

Out of these responses, 10% are also highly satisfied with the way the officials of the bank are able to identify them by their names.

Table 4.43: Calling customers on their account information

	Frequency	Percent
Highly satisfied	8	16.0
Satisfied	20	40.0
Not sure	16	32.0
Dissatisfied	3	6.0
Highly dissatisfied	3	6.0
Total	50	100.0

Source: field survey 2011.

Out of the responses given, 40% of customers are satisfied with the strategy of being called by bank officials on their account information. Again, 16 responses representing 32% of the customers are not sure about this strategy if indeed it is effective or in place. The other hand 16% of the responses given also show that they are satisfied with being given information by receiving telephone calls on their account information.

Table 4.44: Inviting customers for review on account

	Frequency	Percent
Highly satisfied	9	18.0
Satisfied	15	30.0
Not sure	17	34.0
Dissatisfied	8	16.0
Highly dissatisfied	1	2.0
Total	50	100.0

Source: field survey 2011.

As a strategy of inviting customers for review on their accounts 34% of the responses obtained indicated that that they were not sure about that strategy's effectiveness. On the other hand, 30% of the respondents are also satisfied with this strategy.

On the whole the sum of customers who are satisfied and highly satisfied hold a 48% being 30 and 18 put together. The sum of this is still less than half of the total responses and so the strategy has not impacted as it should.

Table 4.45: Verification of cheques by phone call

	Frequency	Percent
Highly satisfied	11	22.0
Satisfied	25	50.0
Not sure	10	20.0
Dissatisfied	4	8.0
Total	50	100.0

Source: field survey 2011.

In the table above, 50% of the customers are satisfied with the bank calling customers to verify their cheques before processing them. We also find in the table that 22% of the customers find this strategy to be highly satisfying. This means that the strategy has been adopted well by the customers.

Table 4.46: Providing internet banking for customers

	Frequency	Percent
Highly satisfied	6	12.0
Satisfied	22	44.0
Not sure	16	32.0
Dissatisfied	4	8.0
Highly Dissatisfied	2	4.0
Total	50	100.0

Source: field survey 2011.

On providing internet banking for customers, the responses given show that 44% of the customers are satisfied with the strategy, 12 percent are highly satisfied and 32% indicate they are not sure about the impact of the product. This may be due to the fact that significant numbers of customers are not fully aware of the product and its efficiency.

Table 4.47: Advising customers on investment banking

	Frequency	Percent
Highly satisfied	5	10.0
Satisfied	21	42.0
Not sure	16	32.0
Dissatisfied	3	6.0
Highly dissatisfied	5	10.0
Total	50	100.0

Source: field survey 2011.

In the diagram above, customers show their satisfaction level considerably by recording 42% out of the options given. However, in sharp contrast to that, a good number of the bank's customers are still not sure about the effectiveness of this showing in a figure of 32%. It therefore means that it is a call for concern especially among investment advisors.

Table 4.48: Provision of ATMs at vantage points

	Frequency	Percent
Highly satisfied	12	24.0
Satisfied	20	40.0
Not sure	13	26.0
Dissatisfied	1	2.0
Highly dissatisfied	4	8.0
Total	50	100.0

Source: field survey 2011.

Another strategy the bank has put in place to improve their relationship marketing strategy is by providing ATM machines at vantage points to get closer to customers

where ever they are. From the survey taken the 40% of the customers were satisfied with this strategy. 24% of the customers who responded were equally highly satisfied with the ATMs that had been provided. On the other hand 26% of customers also were not sure as to the effectiveness of the ATMs. It may possibly be due to the fact that they either don't have access to their cash when they visit the ATMs or that they are yet to be issued ATM cards.

Table 4.49: Free ATM charges

	Frequency	Percent
Highly satisfied	16	32.0
Satisfied	20	40.0
Not sure	13	26.0
Highly dissatisfied	1	2.0
Total	50	100.0

Source: field survey 2011.

On the scrapping of ATM charges, again 40% of the respondents gave the opinion that they were satisfied with that move by the bank. 32% of the customers again were highly satisfied with the move that makes it more important to them to see the implementation of the strategy. Again the customers who were not sure about this strategy maintained 26% responses that show that they may have other reasons for the position they have expressed.

Table 4.50: Provision of free drinks at the banking halls

	Frequency	Percent
Highly satisfied	8	16.0
Satisfied	16	32.0
Not sure	20	40.0
Dissatisfied	3	6.0
Highly dissatisfied	3	6.0
Total	50	100.0

Source: field survey 2011.

On the provision of free drinks at the banking halls, the responses given above show that there is a balance between those who get drinks as well as those who do not get that opportunity to experience it. On the other hand 32% of the respondents from some of the selected branches express their satisfaction for the water and other dispensing machines placed at the banking halls for the comfort of customers. As we have 40% of customers stating they are not sure about this strategy, a total of 48% of customers comprising 32% satisfied and 16% highly satisfied customers say they like experience the service in a positive way.

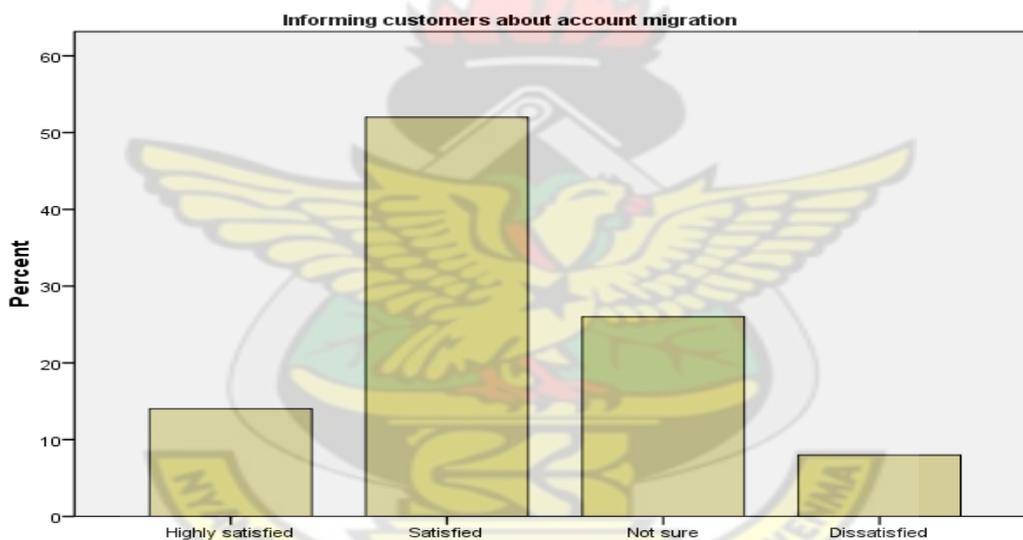
Table 4.51: Extension of normal banking hours

	Frequency	Percent
Highly satisfied	8	16.0
Satisfied	22	44.0
Not sure	14	28.0
Dissatisfied	5	10.0
Highly dissatisfied	1	2.0
Total	50	100.0

Source: field survey 2011.

This strategy of extending banking hours comprises of extending normal banking hours in the day from 4.30pm to 6.30pm by the premier life branches and then weekend services on Saturdays as well. From the data given above, 44% of customers interviewed across the branches say they are satisfied with the service, 16 % also say they are highly satisfied with service strategy. Again 28% of the responses say that they are not sure about this strategy if it's actively impacting. 10% of the responses equally say they are also dissatisfied with this strategy as it is ineffective. On the whole the larger portions of the responses do give a positive response to the strategy indicating a total of 60%.

Fig. 4.52 Informing customers about account migration



Source: field survey 2011.

The bank also has a strategy of migrating accounts to other segments based on the account history and funds inflow as well as the profile of individuals. The table above seeks to address the issue as to whether customers are satisfied with the strategy of migrating accounts upon informing customers before the change is made.

From the responses given above, 52% of the customers say they are satisfied with the strategy. 14% of the responses given indicate that some of the customers are highly satisfied with the strategy.

On the other hand 26% of customers express reservations as to its effectiveness. These customers are not sure if the service strategy is really making a mark. In line with this 8% of the customer responses also express their total dissatisfaction with the strategy being implemented by management.

Table 4.53: Taking customer orders on phone

	Frequency	Percent
Highly satisfied	4	8.0
Satisfied	20	40.0
Not sure	19	38.0
Dissatisfied	4	8.0
Highly dissatisfied	3	6.0
Total	50	100.0

Source: field survey 2011.

From the table above the responses given indicate that 40% of the customers are satisfied with the strategy of taking customers via phone calls. It appears to settle well with the customers. 8% of the responses also indicate that some customers are highly satisfied with the strategy. On the contrary, 38% of the responses also show that customers are not sure with the effectiveness or accessibility of this service strategy. This is a very significant response that indicates the performance of this strategy on the field. Indeed,

8% of the responses also show that customers are dissatisfied and 6% indicating that they are highly dissatisfied with this strategy.

Table 4.54: Delivering and picking up cash at customers' workplaces

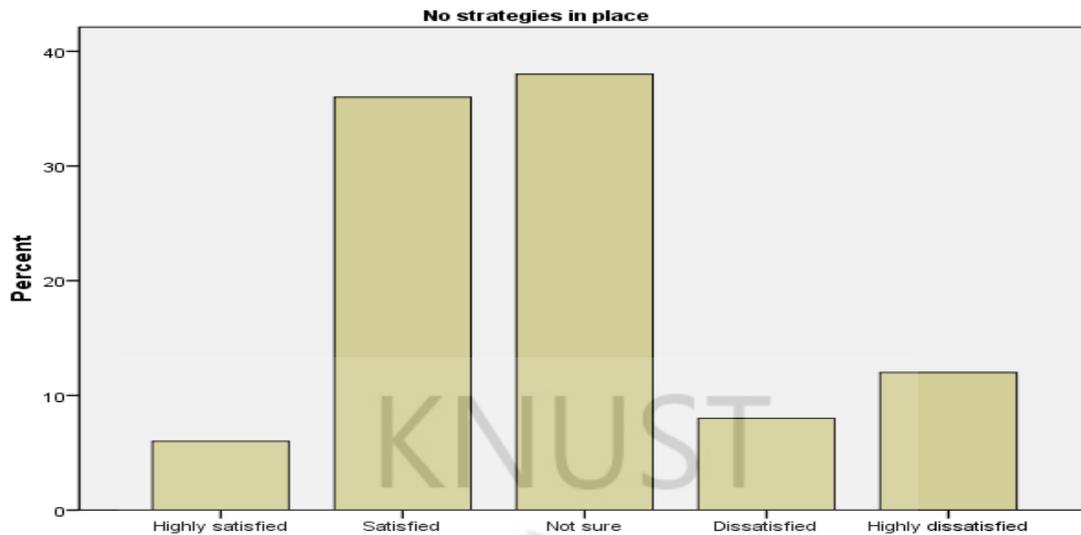
	Frequency	Percent
Highly satisfied	9	18.0
Satisfied	16	32.0
Not sure	19	38.0
Dissatisfied	4	8.0
Highly dissatisfied	2	4.0
Total	50	100.0

Source: field survey 2011.

The strategy of delivering and picking up cash at the various points of sale of the customers' business also appears to be a strategy that is not so much subscribed by the customers. This strategy mainly deals with bulk cash movements from the places like, filling stations shops churches etc. Other premier customers could also enjoy this service when they subscribe to it. But from the responses given above, the responses are fairly balanced with 50% of customers being satisfied with it. This comprises of 18% highly satisfied customers and 32% satisfied customers on this strategy.

Also, 38% of the customers are not sure of its accessibility, 8% of the responses are dissatisfied whereas 4% of the customers are also highly dissatisfied with the service in one way or the other.

Fig 4.55: No strategies in place from the customers' viewpoint



Source: field survey 2011.

This question was put in place to identify whether indeed there are any strategies put in place by the bank or the customers feel that no strategies are being implemented by the bank.

The responses given indicate that 38% of the customers are not sure if there are no strategies in place. 36% of the customers also indicated their satisfaction of the strategies in place. 12% of the responses also indicated high dissatisfaction of no strategies in place by the bank.

4.4 Interview conducted for senior staff of Barclays bank.

Demographic background of senior staff:

The responses obtained from the field indicate that out of the four senior management staff interviewed the age brackets were 34-45 years. There were three males and one female that were interviewed. The roles played by the officials were area manager, area corporate manager, corporate relationship manager and area manager under operations.

Strategies adopted by Barclays:

At the interview, senior management were asked to provide the strategies that the bank has put in place to ensure that the bank competes and successfully meet its target of reaching out to customers. In line with this move, the bank has carved out a new catch phrase of meeting their goals. Lives Made Much Easier (LIMME) is the new direction the management want to take the business. All these are geared towards reaching out to the customer and serving them in a way that will leave smiles and retain the customers.

As a result of this, a strategy such as identifying customers by their names was the made known by management. Management also made it known at the interview that the bank upon realizing the varying needs of the customers had segmented their services in the market to create retail outlets such as Premier banking, Premier life banking, local business banking and standard banking services. These segments had different outlets and service provisions that cut across the wide society.

The use of telephone calls has also become a critical strategy put in place by the bank to verify the issuance of cheques as well as protect the customers of fraudulent withdrawals from their accounts. In line with this telephones services are the use of text messages that provide customers on the transactions that take place on their accounts.

Other technological innovations to augment the services provided are the introduction e-statements. This is the electronic statements that enable customers to have access to their statements wherever there are if they have internet access. Internet banking was also revealed as the new service the bank is putting in place to allow customers to transact banking services on line.

The other major move by the bank has been the introduction of ATMs to provide customers access to their money at some vantage points away from the bank's premises.

This is what the bank identifies as offsite ATMs. The bank also has scrapped the ATM charges that customers pay on their accounts. It is to encourage customers to have easier access to their money and enjoy the business of banking with Barclays bank.

Involving customers in product design has also been a critical area of concern to the bank. From the interview conducted management revealed that the bank considers the concern of customers and as a result has customer feedback inputs at the banking halls. Management however revealed that it is not in all situations that the bank necessarily considers the concern of the customers. In certain situations that demand technical decisions the bank implements them.

Management gave the view that on involving customers in their product design, most products that are rolled out are designed based on market survey and needs of customers. This means that management does involve customers in their product design. However, it was also revealed at the interview that not all decisions or strategies taken do involve the consideration of concerns from customers. The bank adopts the strategy of getting customer concerns when the need be.

When asked about the role of customer relationship marketing at Barclays bank, the management staff from the interview did not underrate the role Customer Relationship Marketing in their role at Barclays. The responses given by the staff meant that customers are very important to the success of the bank and so training programs are always put in place to ensure staff treat customers fairly and provide the right service as per the bank's standards.

From the main key drivers of performance by Barclays obtained from the interview, it was revealed that the banks expansion and wide network of outlets and ATMs have contributed to its success. Management staff also attributed the performance of the bank

to good brand image. Another area the bank sees as contributing to their performance is the competitive rates the bank offers to the market.

Management also indicated that their good relationship with customers and their determination to satisfy customers has made the bank progress and is performing.

Management also responded that personally they place priority in satisfying their clients by providing them with the best investment advice. Knowing customers well will both help in enforcing operational measures well as also attracting good recommendation from them. This will help to increase and attract new customers to the bank.



CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

5.1 Introduction:

This chapter has been categorized into summary of chapters of the work, findings of the work obtained from the field as well as conclusion and recommendations for further research study.

5.2 Summary of findings:

The purpose of this study was to identify Customer Relationship Marketing strategies in the banking industry. This was to identify how this strategy is used as a differential strategy and its impact on performance of the bank. The summary of the study's findings are detailed in this chapter.

Customer relationship marketing strategies used by Barclays bank.

The study sought to identify the strategies put in place by Barclays bank the support the promotion of good customer relationship marketing strategies. From the information gathered from the selected branches of Barclays branches in Kumasi, it was revealed that the bank has in place a list of strategies. These strategies are all meant to support the growth of the business as well as maintain good touch with the customer. The strategies as put in place by the bank are supposed to make the lives of their clients much easier and to be a customer friendly bank. To the bank the customers' needs could be met by identifying their needs and putting in the necessary service products to support the continuous patronage of the customers.

Measuring the customer satisfaction of the relationship marketing strategies used at Barclays bank.

Customer satisfaction of the strategies at Barclays bank was generally positive. The view of customers from the selected from the Barclays bank was much to do with the banking hall services. Customers expressed varying needs in the various strategies. The use of calling customers for feedbacks for instance was positive but met a significant response of dissatisfaction from the customers. Customer also showed that access to their statements has not been regular with some not getting their statements at all.

Other strategies such as e-statements met good responses but the study also had a feedback that a good number of customers do not know the existence of the service product. Customers generally showed their commitment to the SMS alerts and also to recommend Barclays to others.

Performance of the bank

The performance of the bank in the delivery of good service to the customers from the study has been positive. The bank shows good responses from the customers and that shows in its growth of customers' deposits and numbers. The bank's officials revealed that the bank had made tremendous moves in turning away from loss makings to profit makings.

The survey undertaken therefore has revealed that the performance of the bank is related to the customer relationship strategies put in place by the bank. However the study also shows that other factors had a contribution to the performance of the bank. Example of such findings is control on cost by the bank. Operational cost if managed well could lead to good performance of the bank.

Effects of Customer relationship marketing on the performance of Barclays bank.

From the information obtained from the field and discussions made, Customer relationship marketing is crucial in the performance of the bank. The types of strategies put in place by the bank are in line with good customer relationship strategies.

Barclays bank has put in measures to identify customer needs and satisfy them. This is aimed at getting the customer to continually do business with the bank. As a result of this, the response obtained from the customers show that the strategies generally adopted by the bank satisfy the customers. This in effect will impact on the continuous patronage of the services by the customers and attract them to do business with the bank. It is therefore worth saying that customer relationship marketing has had an impact on the performance of Barclays bank.

The study has also revealed that on a very high scale the customers are willing to do business with the bank. The bank's strategies put in place to build relationship has gained the readiness of the customers to recommend the bank to others as well as do business with the bank for a long time.

Provisions of investment advice to customers also do promote good business between the bank and the customers. However, customers are yet to fully subscribe to these services. This makes it difficult to maintain that indeed the customers fully enjoy this service. Equally, significant numbers of the customers are yet to enjoy from this.

Staff members from the study have showed commitment into resolving complaints made by customers. It is shown in the training offered for staff and the established departments for handling complaints at the bank.

5.3 Conclusion

The study conducted has identified some findings that have been observed by the strategies and practices put in place by the bank. The literature reviewed in chapter two has revealed that customers' long term loyalty with a bank will depend on how they are treated. It is therefore important for the bank to note that the degree of responses to the needs of the customers forms a significant part in their decision to stay with the bank. In this case, it was identified that the bank resolves customers' complaints within a short period and has put in place channels to address such grievances that are brought before the banks officials.

Identifying customers' needs and providing what they need is also very critical to enabling good customer relations that will enhance marketing of the products. The overall strategies put in place by the bank were also matched against what the customers identify to be effective. This was made possible by interviewing management staff of the strategies the bank has in place and how they prioritize these strategies to support their business policies.

In relation to this the customers also were asked to respond to the questionnaire by identifying the strategies put in place by the bank to deliver good service to the customers. The observation made from comparing these strategies identified certain critical factors as indentifying customer profiles, using telephone calls to verify cheque transactions and providing free access to ATMs are well accepted by the banks officials and customers. The general satisfaction at the banking halls by the customers was positive.

5.4 Recommendation

- One area that needs attention from management is in the area of complaints handling. The data received from the field showed that customers have in one way or the other felt dissatisfied complained about the service or product the bank has in offer. Customers of Barclays bank have the general feeling that when complaints are made, the bank does not put in enough effort to resolving them. For this reason some customers have sort to not making complains. This is risky as it could lead to lose of customers within a short period.
- The other area that needs to be considered is in the area of product awareness. From the survey conducted it has been realized that the products the bank has in offer are not well known by the customers. An instance can be drawn in the e-statement service. Significant numbers of the customer do are not aware of the existence and the means to get them.
- It could be related to less marketing of the product by the staff as well as the bank itself on the wider scale. The bank should therefore make good promotions and advertisements of the products they have in offer to ensure the optimum returns on investment is gained from the sale of the products.
- The provision of investment advice to customer should also be looked at. From the study it was revealed that 32% of customers interviewed were not sure about the investment advice given by the bank on phone. It will be good if management of Barclays consider the effective use of calling customers both on phone and at the banking halls to provide investment advice on their money.

- By this the bank will be able to gain the patronage of the customers and this will strengthen the position of the bank in retaining most of its deposits at low cost and make more money from them.
- If the need be for more employees to be trained on investment advice via telephones and emails, the bank must make it a strategy to invest in this area. This will yield positive returns and create the wide knowledge of the bank's service products by the customers.



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APPENDIX I

Employee questionnaire

This questionnaire seeks to solicit your view concerning the use of customer relationship marketing in the banking industry. You will reasonably contribute immensely to this if you candidly respond to the questions that follow.

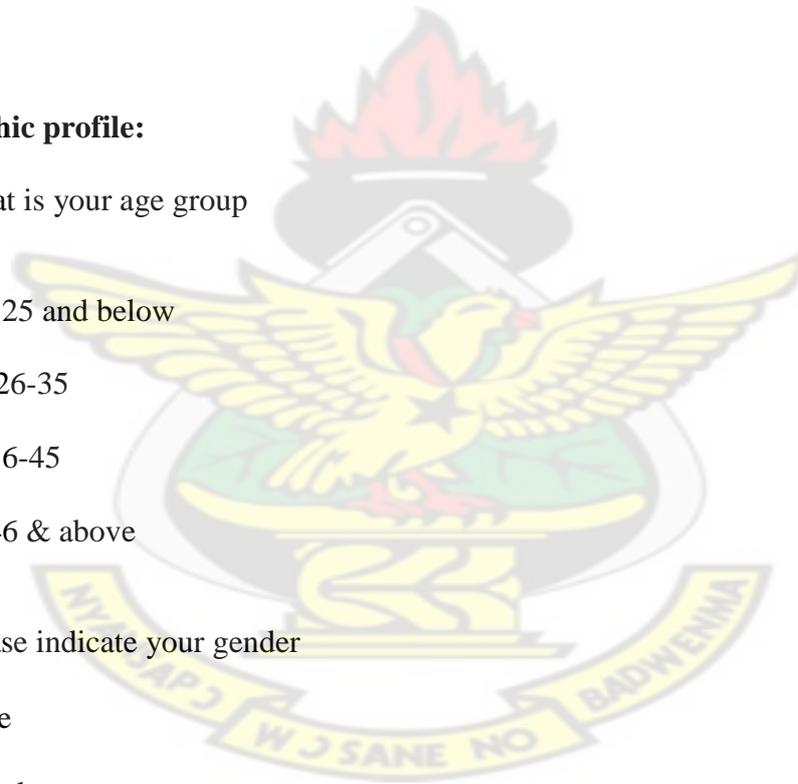
Any information provided will be treated with utmost confidentiality. Thank you.

KNUST

Part One

Demographic profile:

1. What is your age group
 - 25 and below
 - 26-35
 - 36-45
 - 46 & above
2. Please indicate your gender
 - Male
 - Female
3. What is your level of education?
 - Higher National Diploma
 - First Degree
 - Post-Graduate



- Professional qualification
4. Please indicate you the position you hold in the bank?
- Frontline staff/ Teller
 - Operations/ Back office staff
 - Sales manager/Operations manager
 - Branch manager
 - Senior Management
5. How long have you been in the service?
- Less than 6 months.
 - 6 months to 1 year
 - 1 year to 3 years
 - 4 years and above

Part Two

6. In your view, how does customer relationship marketing play a role in your service performance delivery at your bank?
- Very crucial
 - Important
 - Insignificant
 - Not certain about it.
7. How well do you know your customers?
- Very well

- Moderately well
- Transactional based
- Unfamiliar with customer information

8. How do you involve customers in your decision making process when designing service products?

- Through feedback from products/service sold already
- Through customer queries at the banking hall
- Through telephone interviews of customers
- Not sure about it.

9. In your opinion, do you think the views and opinion of your customers are taken into consideration in your service delivery?

- Most definitely
- Definitely
- Not necessarily
- Not sure

10. How do you establish customer complaint handling process?

- Through formal process or office at the banking hall
- Through trained frontline staff stationed at the banking hall
- As and when needed the bank resolves it
- No process is established at the bank

11. If yes how rapid are you able to resolve the complaints?

- Less than 12 hours
- Between 12 to 24 hours
- After 48 hours
- After 72 hours.

12. What kind of relationship do you have with your customers?

- Transactional
- Personal
- Interactive
- Official

13. How do you sell products and promote business targets?

- Through Television and radio adverts
- Through e-mailing to customers
- Through personal interaction with customers
- Through posters and bill boards around business centers.

14. How do you get to identify customer needs?

- Through complaints lodged by customers at the bank.
- Through personal queries on customers.
- Through failure of service products on the market
- Other, please specify.....

15. In your view do you think your work performance is due to good customer relationship marketing strategies by your bank?

- Most definitely

- Definitely
- Not sure about it
- Certainly not

THANK YOU

KNUST



APPENDIX II

Customer questionnaire

Questionnaire:

This questionnaire seeks to solicit your view concerning the use of customer relationship marketing in the banking industry. You will reasonably contribute immensely to this if you candidly respond to the questions that follow.

Any information provided will be treated with utmost confidentiality. The length of time to complete the questionnaire will be five minutes. Thank you.

Part 1: Demographic Profile

1. What is your Age group?

- 25 and below
- 26-35
- 36-45
- 46 & above

2. What is your Gender?

- Male
- Female

3. What is your Highest Educational level?

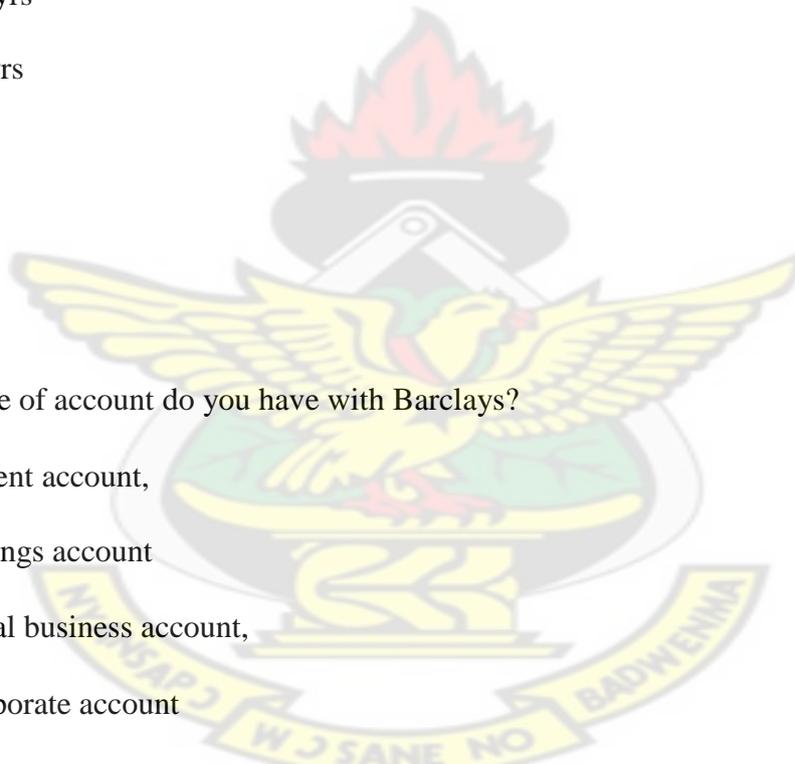
- JHS
- SHS

- HND
- First Degree
- Postgraduate
- Other's specify.....

4. For how long have you held a bank account with Barclays?

- < 1 yr
- 1-3 yrs
- 3-5 yrs
- >5 yrs

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Part II

5. What type of account do you have with Barclays?

- current account,
- Savings account
- Local business account,
- Corporate account
- Foreign account (US Dollar, Euro, Pound Sterling)

6. How did u get to know about the products and service of Barclays?

Through;

- Relatives and friends.

- Email from the bank.
- Face to face communication at the banking halls.
- Advertisements.
- Others, specify.....

7. What motivated you to do business with the bank?

- Competitive interest rates
- Easier accessibility.
- Lack of alternative banks.
- Good customer relations and services.
- Others, please specify.....

8. How do you perceive the new way of calling customers who have issued cheques before honoring them?

- Excellent idea.
- Good
- Inconveniencing
- Bad service idea.

9. In your view, the requirement of ID cards by the bank in order to process transactions, promote good business with you and your bankers;

- slowly
- Fast and quickly
- normal

- Worse than before.

10. How satisfying has the banking hall service been to you and your clients?

- Excellent
- Satisfactory
- It creates unnecessary delay
- It is a bad service

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11. How do you receive regular updates of statements of account on your account from the bank?

- By post mail
- By delivering at my office
- By picking it up at the bank myself
- By personal request for statement.

12. How regular do you receive the updates on your account?

- Weekly
- Monthly
- Quarterly
- Yearly

13. How has the introduction of text messaging on your account status been of use to you?

- More informative

- Much security to my money
- Less security to my account
- Less value for my money

14. How long will you want to subscribe for the service?

- A year
- Two to five years
- As long as I bank with Barclays
- The shortest time possible.

15. Have you subscribed for the e-statement service provided by Barclays?

- Yes
- No

16. How accessible is the e-statement to you when needed?

- Very accessible
- Quite accessible
- Difficult to access
- Virtually nonexistent.

17. How would you classify the relationship between you and your bank?

- One- time/ transactional based
- On-going relationship
- No relationship.

- Others, please specify.....

18. Will the relationship you have with the bank encourage you to refer someone or discourage you to advise them to bank with Barclays?

- Most Definitely
- definitely
- Not decisive on that
- No for sure.

KNUST

19. Do you think one's relations with the bank will lead to a person's loyalty with the bank?

- I do not think so
- I think so.
- Not sure about this

20. How do you assess the courteousness of frontline staff?

- Excellent
- Better
- Good
- Average
- Poor.

21. Have you ever felt dissatisfied about the service delivery of the bank?

- Most definitely

- Somehow
- I cannot remember
- Never

22. If yes, did you complain?

- Yes
- No
- Not applicable

KNUST

23. If yes, how pleased were you with the way the complaint was handled?

- Delighted
- Satisfied
- Dissatisfied
- Highly dissatisfied.
- Not applicable

24. If No, why did you not complain?

- No formal channel for redress.
- Not worth the time and effort.
- Negative attitude of frontline staff
- Failure to resolve previous complaint.
- Long bureaucratic process.
- Not applicable

25. Through what means do you get your suggestions known to the bank?

- Via customer complaint line.
- Via Feedback boxes at banking halls
- Via interaction with frontline staff.
- Via agitation at banking halls.
- If other' specify.....

26. In your view, do you think your suggestions are responded to in the service and the products designed for customers?

- Most definitely
- Somehow
- Not certain it is considered
- Never regarded.

27. Are you satisfied with the overall service the bank provides you with?

- I am highly satisfied
- I am ok
- I am not satisfied
- I am highly dissatisfied

28. In your fair view, how satisfied are you with the following provisions at Barclays Bank? Please tick as many as possible:

1. Highly satisfied. 2. Satisfied. 3. Not sure. 4. Dissatisfied. 5. Highly dissatisfied.

Identifying customer needs by studying their profile	1.() 2.() 3.() 4.() 5.()
Identifying customers by their names	1.() 2.() 3.() 4.() 5.()
Calling customers regularly on their account information	1.() 2.() 3.() 4.() 5.()
Inviting customers for review on their accounts.	1.() 2.() 3.() 4.() 5.()
Using telephone calls to verify cheques that have been issued.	1.() 2.() 3.() 4.() 5.()
Using text messages to inform customer's transactions.	1.() 2.() 3.() 4.() 5.()
Providing internet banking for customers	1.() 2.() 3.() 4.() 5.()
Calling customers to advise them on investment banking	1.() 2.() 3.() 4.() 5.()
Providing ATM's at filling stations and malls for easy cash withdrawals	1.() 2.() 3.() 4.() 5.()
Providing free ATM charges for customers of Barclays bank	1.() 2.() 3.() 4.() 5.()
Providing free drinks at banking halls for waiting customers	1.() 2.() 3.() 4.() 5.()
Extending banking hours to cater for customer needs	1.() 2.() 3.() 4.() 5.()
Informing customer on migration of accounts to different segments	1.() 2.() 3.() 4.() 5.()
Taking customer orders on phone to effect transfers on accounts	1.() 2.() 3.() 4.() 5.()
Delivering and picking up cash from customers at their workplaces.	1.() 2.() 3.() 4.() 5.()
No strategies are in place.	1.() 2.() 3.() 4.() 5.()

APPENDIX III

Interview guide used for senior management of Barclays bank.

1. Please state your age group?
2. Please state your gender?
3. What is your position at Barclays?
4. How long have you been working with Barclays?
5. Please state the strategies Barclays have in place to ensure good Customer Relationship Marketing CRM?
6. In your view, which of these strategies are highly prioritized and implemented by Barclays?
7. In your view, do you involve customers much in designing service products?
8. What are the main key drivers of the bank's success?
9. Do you think that in customer relationship marketing has a direct impact on your performance as a bank?
10. How do you assess the performance of your bank in profit making to CRM?
11. How does customer service delivery play in your role as a banker?