EFFECT OF CUSTOMER RELATIONSHIP MANAGEMENT ON CUSTOMER SATISFACTION: A STUDY OF ECOBANK NIGERIA PLC

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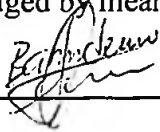
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BEING A RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF POSTGRADUATE STUDIES NASARAWA STATE UNIVERSITY KEFFI, IN PARTIAL FULFILMENT OF THE REQUIREMENT FOR THE AWARD OF THE DEGREE OF MASTER IN BUSINESS ADMINISTRATION (MBA)

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DECLARATION

I hereby declare that this research project has been written by me and it is a report of my research work. It has not been presented in any previous application for Master of Business Administration degree. All quotations are indicated and sources of information specifically acknowledged by means of references

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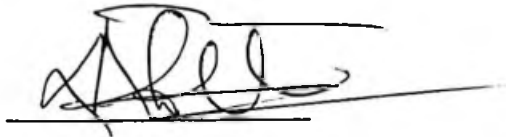
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CERTIFICATION

This is to certify that this project titled "Effect of Customer Relationship Management on Customer Satisfaction: A Study of ECOBANK PLC Nigeria" meets the regulation governing the award of Master in Business Administration (MBA) General of the School of Postgraduate Studies, Nasarawa State University, Keffi, and is approved for its contribution to knowledge and literary presentation.
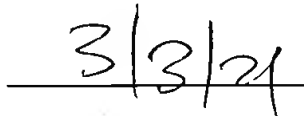

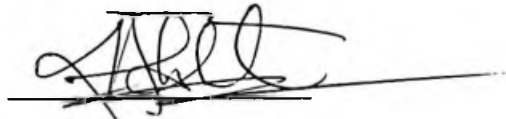**Dr. (Mrs.) Ruth Andah**   Date
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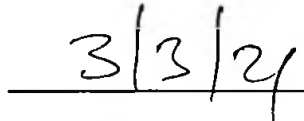
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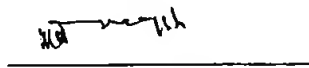
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(Dean, School of Postgraduate Studies)

DEDICATION

This project is dedicated to God Almighty for His benevolence for me to complete this programme

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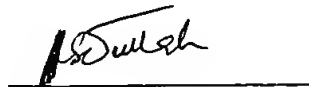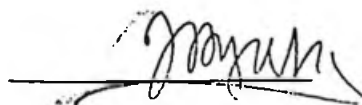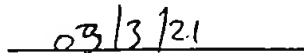**CHAPTER FIVE SUMMARY, CONCLUSION AND RECOMMENDATIONS**

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Customer relationship management is a concept that enables organizations interact with their clients with the objective of customer satisfaction, which results to improved financial performance. There is no doubt every firm or organization wants to attain a sustainable competitive advantage by identifying needs and values of customers which is appropriate in building customer relationship management that will ultimately lead to customer satisfaction. Thakur and Workman (2016) asserts that business strategies are geared towards building relationship with customer that ultimately lead to organizations retaining their most valued customers. They also opined that relationship between organization and its customers is critical to its success, through customer relationship management (CRM). This explains why a number of studies in marketing literature agrees that firms should focus their resources on relationship building and management that supports valued customers (Friend and Johnson 2014; Johnson and Seino 2005).

Customer relationship management is considered a strategic approach that enables businesses to develop and maintain acceptable relationship that will lead to customers satisfaction (Haislip and Richardson 2017). It is on this note that effective application and implementation of customer relationship management

strategies have the potential not only to increase firm performance but also improve customer satisfaction, which is critical in maintaining loyal customers (Coltman et al 2011; Krasnikov et al 2009). This understanding probably led Payne and Frow (2005) to define customer relationship management as an enhanced opportunity that is used to create customer value. To achieve this will include the application process, people, and marketing capabilities which according to Haislip and Richardson (2017) involves the use of information technology. Basically, customer relationship management is meant to develop and maintain relationship with customers which will foster a long-term patronage.

The benefit that accrues to organization that adopts customer relationship management approach is considered huge, for instance Taber (2013) avers that effective implementation of customer relationship management has the propensity to enhance firm's profitability, customer satisfaction, as well as sales predictability. Organization that do not understand these benefits are said to however underutilized the customer relationship management technique, since inadequately trained employees can easily misuse the application, thereby not achieving expected benefit. Consequently, a proper understanding and implementation of customer relationship management enables organizations understand the value of customers and areas to build and improve relationship.

Customer satisfaction on the other hand is the dependent variable of this study which is described as a condition that arises when an exchange meets the needs and expectation of the customer (Dibb et al 2012). Customer satisfaction is also viewed as qualitative measure of marketing performance that involves surveying customer over time. It is also understood in marketing literature that it cost businesses less to maintain a customer than to attract a new one, in essence getting a customer satisfied with a business offering can lead to loyal customer. Though it is argued in marketing literature that having satisfied customer is not sufficient in building customer value (Bowen and Chen 2001), however customer satisfaction is meant to have an impact on customer loyalty. Azzam (2014) emphasized that customer satisfaction is synonymous with customer loyalty, instead of considering customer satisfaction as an act of marketing intelligence; it should be seen as a tool to further customer service quality in organization.

Consequently, this study will evaluate the independent variables inherent in customer relationship management to include; service quality, employees' behaviour, handling customer complaints, and physical environment of the business. If there is anything more important to business organizations, it is identifying prospective customers and managing them in being loyal customer. To achieve this long-term relationship entails businesses to improve on critical areas of their functions such as having the right business environment and dedicated

employees that will improve customer satisfaction level and ultimately firm performance.

This study became necessary in order to fill the gap in literature, this gap indicate that theory and practices of customer relationship management dwell more on exchange between business services and its customers. Equally, customer relationship management and customer satisfaction have little or no empirical studies on Nigeria banking sector. Nigeria complaints commission report (2018), succinctly explained that issues in banking sector leading to loss of customers rest wholly on the service sector for lack of sensitivity to customer concerns. This is coupled with insufficient linkages between the marketing function and customer needs, have contributed to lack of customer satisfaction in the banking sector.

The steps taken to develop the hypothesis as obtained in quantitative study starts with a careful assessment of dependent and independent variables in the topic 'customer relationship management and customer satisfaction'. While the independent variables for CRM are service quality, employee's behaviour, physical environment, and customer complaints, the dependent variable is customer loyalty. It is on this bases that null hypotheses were formulated as there is no positive significant relationship between customer relationship management and customer satisfaction. Bryman and Bell (2011); Saunders, Lewis and Thornhill (2009) emphasized that null hypothesis is rejected if the P-value is less than or equal to the

critical value of 0.05, or otherwise accepted. The hypotheses will be tested using regression statistical tool, to arrive at result.

1.2 Statement of the Problem

Ecobank Nigeria PLC is one of Nigeria's leading commercial bank, which was established in 1985 with the mandate to offer banking services to Nigerians. it has well over one thousand branches across the country, with over ten thousand employees.

In the last four years, the bank has witnessed consistent downsizing of its workforce, this approach however cast some shadow of doubt on management's ability to stir the affairs of bank in the right direction in an attempt to remain sustainable. Accepted Nigeria economy emerged from recession immediately after the 2015 election, but in comparison with other banks the situation was not as bleak as Ecobank Plc. A survey report submitted by KPMG (2019) on customer experience survey relationship management at Ecobank Plc, revealed that of over 25,466 customers surveyed, 48 percent are not satisfied with the bank's services. Most customers left the bank as a result of clarity of charges not well explained, excessive bank queues, unnecessary delays in response to customer complaints and persistent lack of network connectivity for online banking.

With drop in customer patronage, saw a 23.6 percent drop in profit, the bank therefore adopted a defensive strategy of downsizing its workforce in order to remain competitive. All these issues arose in spite of the introduction of online banking as well as internet banking. Ecobank customers therefore believed that the bank is not customer centric, and decided to move to other banks.

1.3 Research Questions

The following research questions were asked with the view to achieve the objectives of the study.

a. To what extent does service quality lead to customer satisfaction at Ecobank Nigeria Plc?

b. Does employee's behaviour towards customer have any relationship with customer satisfaction?

c. How can customer complaints be effectively handled to maximize customers satisfaction?

d. What kind of physical environment can be provided by Ecobank Plc to get its customers satisfied?

1.4 Statement of Objectives

The main objective of this study is to assess the effect of customer relationship management on customer satisfaction in Ecobank Nigeria Plc. To achieve this, the specific objectives are;

a. To examine the extent to which service quality can lead customer satisfaction in Ecobank Nigeria Plc

b. To describe employee's behaviour and its effect on customer satisfaction at Ecobank Nigeria Plc

c. To examine customer complaints and determine how effectively it can be handled to get customer satisfied

d. To determine appropriate physical environment that can offer customer satisfaction to Ecobank Nigeria Plc

1.5 Statement of Hypothesis

In line with the above research questions and research objectives, the following null hypotheses have been formulated for testing.

Ho_1: There is no significant relationship between service quality and customer satisfaction at Ecobank Nigeria Plc

Ho_2: There is no significant relationship between employee's behaviour and customer satisfaction at Ecobank Nigeria Plc

Ho$_3$: There is no significant relationship between handling customer complaints and customer satisfaction at Ecobank Nigeria Plc

Ho$_4$: There is no significant relationship between physical environment of business and customer satisfaction at Ecobank Nigeria Plc

1.6 Significance of the study

Customer relationship management is described as a way of integrating communication tools in other to meet the needs of customers, which requires treating each customer as an individual, making relationship management with customers an imposing and perpetual experience. The above statement sums up the primary aim of customer relationship management.

Every firm is mandated to build a competitive and sustainable advantage, this can only be realized when organization managers develop customer centric strategies to meet the needs and aspiration of customers. Sustainability of business organization starts and end with customers. That explains why customer relationship management is a topical issue among academia and practitioners, ever since the understanding that it cost less to retain a customer than to attract a new one, firms have been tinkering on how to accomplish it.

The study aims to assess the past and current efforts on building customer relationship management and its effect on customer satisfaction. Although

customer relationship management is a strategic move by most organization to maintain customer patronage and subsequently improve profit, it however, has to be effectively implemented to achieve the desired result.

Overall, the findings of this study will be of immense benefit to the management of Ecobank Nigeria Plc and other service organization desirous of improving their relationship with their valued customers. Specifically, the study will unravel ways to attract and retain loyal customers. It is also believed that with advances in technology and customer sophistication makes customer relationship management not be a one stop strategy for service and manufacturing organization. The study will however identify different approaches to customer satisfaction which is required to improve services at Ecobank Nigeria Plc.

This study will also be beneficial to students and researchers of marketing, by providing them with incites and references with regards to customer relationship management.

1.7 Scope and Limitation of the study

The study focuses on the effect of customer relationship management on customer satisfaction, a study of Ecobank Nigeria Plc. The period covered by the study is the last three years (2016 to 2019), the reason for this period was to understand the effect of economic recession on the activities of the banking sector performance, in

relation to customer relationship management and customer satisfaction. The limitation experienced is inability to extend this study to other banks to assess their coping mechanism in relation to handling customer complaints, service quality, physical environment of the bank, and employee's behaviour. Equally assess to literature on customer relationship management and customer satisfaction in banking sector was a bit of a challenge, but was able to access other materials that gave a perspective in that regard.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Literature review is an avenue to assesses the works of other researchers and authors or practitioners in terms of their strengths and weaknesses as well as their contribution to knowledge. This therefore determines the extent such work meets the objective of the study. This chapter is divided into three, the concept of customer relationship management, the evolution of customer relationship management, theoretical, and empirical frameworks. While the concept of customer relationship management examines different definitions of CRM, the evolution of customer relationship management (CRM) chronicled the history of CRM as given by different authors and practitioners. The theoretical framework on the other hand assesses the theoretical underpinning of the subject matter of CRM for the purpose of identifying which theory properly aligns with the study. Lastly, the empirical framework examines different studies that have been conducted on customer relationship management and customer satisfaction in relation to problem statement and methodology used to meeting the objectives of such study.

Problem formulation

The aim of business organizations is to build a large customer base, unfortunately most businesses are at a loss on how to attain this objective. The importance of customer relationship management (CRM) and organizational performance cannot be over emphasized, and which has become part of business strategy since the early 1990s.

In its earliest period, customer relationship management was introduced as database of customer information, and later developed into a more advanced management tool that improves communication between organization and its customers (Asgher et al 2013). This tool however

brought about an increased flexibility in customer expectation tracking. However, the development in customer relationship management would not have been possible without the improvement in information technology (Elformawi 2019).

Customer information management encouraged businesses to invest in customer relationship management, Mavuram (2013) in his studies confirmed that successes achieved with the application of CRM has led to over 73 percent of United States businesses investing in CRM as a modernization strategy. In spite of the success recorded on CRM and business performance, most firms still do not believe that correlation exist between CRM system and customer satisfaction as well as improvement in profitability (Colman et al 2011).

Consequently, recent studies has demonstrated that the reason behind firm's inability to adopt and implement CRM have been linked to lack of resources (Broetzmann et al 2015; Mavuram 2013). This study will therefore through investigation determine if a correlation exist between CRM and customer satisfaction in the banking sector.

Literature search

The literature search for this study focused on publications from 2010 to 2019. This was done through the search of a number of databases such as Academia, ResearchGate, Books, journal of marketing, journal of management, as well as other writeup on customer relationship management and customer satisfaction. Overall, a total of 33 articles was utilized for the purpose of this study.

Data Evaluation

Beginning from late 1990s the concept of customer relationship management attracted the attention of researchers and practitioners. Studies therefore focused on the benefits and different

ways in which customer relationship management can enhance organizational performance. Elfarmawi (2019) in his study titled "Correlation between customer relationship management, product innovation and customer satisfaction" using a total of 97 respondents selected from 10 SMEs. The finding revealed that a strong correlation exists between customer relationship management and customer satisfaction. According to the findings, the adoption of customer relationship management led to increase in customer loyalty and satisfaction by as much as 73%. This was a stunning revelation for businesses to invest in customer relationship management.

Another study Kattara et al (2015) investigated a number of variables that mostly impact on customer relationship management and customer satisfaction, such as service quality, employee behavior, and physical environment. The study demonstrated that all these variables have possible effect on customer satisfaction. However, service quality stood out as having most effect on customer relationship management and customer satisfaction. In other words, the contribution of Kattara et al (2015) helped enriched our understanding on customer relationship management and customer satisfaction.

Consequently, Maryant et al (2019) also demonstrated in their study customer relationship management practices and customer satisfaction, explained that customer complexity has been on the increase daily, since issues of customer satisfaction and retention have become difficult to deal with. This inclination of customers can however be addressed with the application of customer relationship management in other to achieve customer loyalty and satisfaction. To achieve the purpose of this study, structural equation model (SEM) was used to test their hypothesis. The finding revealed that development and execution of customer relationship management practices will prompt customer satisfaction. Though this finding was further

confirmed by Rahimi and Kozak (2017), but research design was not properly explained in terms of sampling technique, population of the study, and sample size.

Another interesting study by Iriqat and Daqar (2017) titled "the role of customer relationship management on enhancing customer satisfaction in the banking sector. This study attempt to elucidate the relationship between customer relationship management and customer satisfaction, made use of multiple regression and correlation test to establish the relationships. Of all the variables tested, service quality indicated 64.2% of variance, which shows a positive significant relationship between customer relationship management and customer satisfaction.

Analysis and Interpretation

The evaluated studies and their findings show a measure of quantitative analysis employed in the work. However, an analysis of the works indicates only one of the studies evaluated (Kattara et al 2015) has a sample size which is considered inadequate for a study of this nature. The implication of such finding is that generalization of result is not acceptable, but other studies has the right methodology and research design which positively impact on their findings and conclusion.

2.2 The concept of customer relationship management

The concept of customer relationship management has become synonymous with organizations business strategy since the 1990s, and the concept became strategic to businesses upon the realization that, it is considerately more expensive to attract new customers than to retain the extant customers (Keller, 2011). This understanding prompted business organizations to invest in maintaining customer loyalty, which is accentuated through customer relationship management,

and the understanding of the importance of customer relationship management attracted researchers and practitioners to investigate the strategic importance of CRM by offering different definitions that explains the subject matter through their own perspectives.

For instance, Kotler and Keller (2011) are of the view that customer relationship management is the process of managing detailed information about individual customers in order to ascertain whom among these customers can add value to the organization through their loyalty. Though Buttler (2006) had previously described customer relationship management as a hotly contested discipline among information technology consultants, academics, and practitioners and yet consensus has not yet emerged on what should constitute customer relationship management. He however defined 'customer relationship management as a core business strategy that integrates internal processes and function as well as external networks to create and deliver value to targeted customers at a profit. Buttler (2006) further emphasized that customer relationship management is grounded on high quality customer related data that is enabled by information technology, and this definition is seen as a popular management technique employed to maximize customer equity that will bring about customer satisfaction. Customer relationship management is also viewed as a marketing concept that evolved from transactional marketing method used in the 1920s, until the advent of CRM in the 1990s, and according to Azzam (2014), the transactional method offers no underlying relationship with the customer, neither are customer loyalty and customer satisfaction well expressed, in such a way as to sustain the customer base. Hence, the concept of customer relationship management therefore offers what transactional method could not do, given that competition among businesses was becoming fierce than ever before. Adhikari and Adhikari (2009) in their study defined customer relationship management as a process of creating and retaining profitable customers with long

term relations by delivering value and satisfaction, and this definition prompted the information technology practitioners to assess customer relationship management as a cross functional enterprise system that enables businesses to develop and manage customer-oriented business strategy. Consequently, sustainable businesses are no longer defined based on transactions concluded, but rather based on customer loyalty built on relationship developed through customer satisfaction, and this is because success achieved through the adoption of customer relationship management by businesses has directed attention towards maintaining direct relationship between customers and markets which is considered vital in building current customers, as well as building long term relationship (Azzam, 2014). Studies also indicate that building customer-oriented transaction method is not considered viable for businesses in a competitive economy (Ismail et al, 2007; Jayachandran et al, 2005), and Azzam (2014) however defines customer relationship management as a way of managing organization's interaction with its customers in a manner that can achieve financial benefit to the organization while the goal of customer satisfaction is sustained. This goal can be achieved through the adoption of information technology that will synchronize business processes, and this definition nevertheless emphasized that the goal of customer relationship management is to enhance the profitability of organizations, while at the same time provide customer satisfaction. The core element of this definition is that customer relationship management is a strategic move to sustain customer loyalty, and albeit Bowen and Chen (2001) argued that having satisfied customers is not enough to guarantee profitability, if customer satisfaction does not lead to customer loyalty. Another definition of customer relationship management states that it is a process of building and maintaining long term relationship with customers through the provision of products or services that are of immense value to consumers and have the capability to create satisfied customers

(Schiffmann and Kanuk, 2004). Given this definition, the objective of customer relationship management is to build and sustain customer loyalty and commitment that is beneficial to the firm and its customers. Equally, Solang et al. (2014) avers that customer relationship management is the process of identifying customers by creating customer knowledge, building customer relationship, and shaping customer perception of the organization and the solution it offers. In other words, customer relationship management is viewed as a strategy that is used by organizations to optimize profitability through customer satisfaction development (Laksmana et al, 2018).

Lastly, customer relationship management is viewed as a business strategy that maximizes profitability to the organization and customer satisfaction by focusing on those customer segments that fosters customer satisfaction through the implementation of customer centric processes (Bowen and Chen, 2001).

2.3 Evolution of customer relationship management

The evolution and growth of customer relationship management as noted in the marketing literature was traced from the 1990s to the present period. This is described as a period when businesses began adopting tactical marketing tool as well as strategic element in marketing decision to cope with competition. This evolution as documented by Kumar and Reinartz (2018) was orchestrated by the growth in internet access for both individuals and business organizations which led to the increase in adoption of customer relationship management as a marketing strategy. For easy assimilation, the growth and evolution were classified into four stages or generations. Kumar and Reinartz (2018) referred the first generation to evolve as the functional customer relationship management, and according to them, the acronym CRM was perfected and

developed as two independent product offerings - Salesforce Automation (SFA) and Customer Service Support (CSS). The sales force automation (SFA) was meant to address presales functions such as maintaining customer prospects and customer data, generating leads, creating sales, and placing sales orders, and the customer service support (CSS) on the other hand focuses on after sales service, contacts and call centers. This support system works more with customer's information accessed through other systems.

The second generation in the evolution of customer relationship management is called the customer-facing-the front-end approach. This approach according to Kumar and Reinartz (2018) brought innovativeness and creativity in customer relationship management activities as it was adopted in the early 2000s, leading to the introduction of information technology in CRM that was not captured by Enterprise Resource Planning (ERP). The focus of this second generation was to create a single view of all interactions with customers. However, most organizations that understood this mechanism began to focus on integrating customers-facing-the-front-end approach with the back-end system, and the incorporation of information technology helped to boost customer relationship management with innovation, giving most organization the impetus to adopt the strategy and expand the scope of their marketability.

The third generation in customer relationship management evolution started in the mid-2000s, and at this point, customer relationship management was considered strategic to firms' operations, and therefore became widely accepted by businesses as an essential tool in implementation of marketing strategy (Kamar and Reinartz 2018).

2.3.1 Proxies of customer relationship management

In this study, a number of variables were identified as proxies for customer relationship management, and are considered as its determinants which include;

Service quality

Service quality is described in its contemporary conceptualization in management literature as a comparison of perceived expectation of a service with perceived performance. In other words, service quality refers to customer's comparison of service expectation as it relates to organization's performance, and this further explains that business that is ranked high on service quality level is capable of meeting customers expectation. This statement corroborates the finding of Dehgen et al. (2014); Oliver (2014) which says that service quality has an influence on customer satisfaction especially in the service industry like the banks, and according to them, the influence deals essentially on the ability of service organizations to respond effectively to customer problems. In addition, according to Rezghi et al. (2014) a well-articulated service offering by banks can significantly improve customer satisfaction and ultimately lead to customer loyalty.

Employee Behavior

There is no doubt employee's behavior towards their customer does have effect on the sense of satisfaction from the organization, and Hanna et al. (2004) however defined employee behavior as a sequence of action undertaken by the organization's employee towards their customer which can be either positive or negative attitude which poses tremendous effect on customer's satisfaction and retention. While Hanna et al. (2004) in their study emphasized that positive behavior can be described as a constructive action of the employee on behalf of the organization,

and the negative behavior can lead to stress or provoke the customer in different ways not imagined. A number of studies have shown that relationship exist between customer satisfaction and employee behavior (Kattara et al, 2015). Kotler (2011) put it more succinctly by stating that 'customers are kings', and therefore should be treated as such, and any contrary action might lead to loss of customer's loyalty, and in fact organizations are supposed to maintain customer satisfaction by leaving up to their promises to the customers (Kattara et al, 2015).

Physical Environment

The impact of physical environment on customer satisfaction especially on service organizations cannot be over emphasized. While studies have acknowledged that physical environment have positive influence on customer satisfaction and retention (Hendriyani 2018; Githiri 2017), this informed the perception that customer satisfaction is a dynamic condition that entails fulfilling customer expectation, and ss such physical environment can be an attraction to customers. Physical environment is described by (Ryu, 2015) as an atmosphere that influences customers more than the product itself in determining the purchase decision. Hendriyani (2018) however pointed out that physical environment is an important determinant of customer psychology and behavior especially in-service organizations, and this physical environment is described in terms of aesthetics such as well-structured building with different kinds of furniture, decorations, properly illuminated, and flowers. Hence, the essence is to provide an aesthetics and ambience that is attractive to customers, and also psychologically have influence on customer satisfaction, loyalty and retention.

2.3.2 Customer Satisfaction

Customer satisfaction is considered dynamic to the success or failure of business organization, and in order to succeed, it is in the organization's best interest to have loyal and satisfied customers. To achieve that, organizations have to ensure that customers do have a positive perception and expectation of their products and services in order to maximize satisfaction always. According to Laksmann et al. (2018) the relationship between satisfaction and loyalty is often considered inconsistent through a number of empirical studies, and a number of scholars has attempted to define customer satisfaction. For instance, Rangkati (2006) sees customer satisfaction as a response to discrepancy that exist between the level of prior importance and actual performance that is perceived after usage. This definition implies that customer satisfaction is a function of perception of the customer, and it corroborates the views of Jacka and Keller (2013); Grissemann and Stokburger-Sain (2012) that customer satisfaction is a leading measure of customer loyalty in terms of customer repurchase intention, and able to share his experience of the organization with others. Irigat and Daqar (2017) are of the view that organization that are customer centric will notice that customer satisfaction does have an effect on the life time value of the customer as result of the important role played in the growth and profitability of the organization. This is prompted with the understanding that it cost organization less to retain existing customers than to acquire new ones (Sun and Kim 2013; Sanjuq 2014; Saad 2012). It is also worthy of note that a properly executed customer focused strategy emphases that, customer satisfaction can reduce any potential for negative word of mouth, and this is understandable since unsatisfied customers always complain of their experience to other potential customers, which can harm the brand and reputation of the organization (Kaura, 2013; Hill et al, 2013). In consideration of the role customer satisfaction plays in organizational

performance, it is used as a differentiation tool among firms competing in similar market (Dehgan et al, 2012; Oliver, 2014), and by so doing, can promote activities within the sector that would impact positively on the customers in terms of satisfaction.

2.3.2.1 *Customer Loyalty*

It is also a fact that the essence of customer satisfaction is for organizations to sustain a committed and loyal customer who can consistently make repeat purchase, and this explains why orientation demonstrated by major business organizations in the world today have shifted from conventional approach towards a contemporary approach. It was on this bases that Kristian and Panjaitan (2014) explained that conventional approach to customer loyalty focuses more on customer satisfaction, cost reduction, and market share, while the contemporary approach emphasizes improving customer loyalty, customer retention, zero defection to other brands, and maintaining a lifelong customer base.

2.4 Theoretical Framework

The theoretical framework explains the underpinnings of this study and enables us support or disapprove the hypotheses in building the relationship between customer relationship management and customer satisfaction in Ecobank Nigeria Plc. Three theories are being discussed which includes, social exchange theory, the adaptive structuration theory, and behavioral theory.

Social Exchange Theory

The social exchange theory was developed by Homans in 1958 in response to understanding the relationship between human behavior and economic activities. Homans (1958) explained that effective exchange can take place where relationship exist through social relationship, and by this theory, exchange of goods and services should not necessarily involve money but also non-monetary incentives, such as love, affection, and approval. On the other hand, social exchange theory can be viewed as a cordiality that exist between two parties that must incrementally add value to the parties concerned, and this was further explained by Lawler (2001) that organizations that took its advantage have built a strong customer base, even though most times customer behavior or attitude are considered unpredictable with the positive or negative effect such relationship can have on them. Singh and Sirdeshmukh (2000) avers that, when customers are satisfied with service quality offered by the organization, they might develop positive attitude towards the firm, and this might lead to customer loyalty and retention. Moorman (1997) however explained that social exchange emphasizes positive customer relationship with the organization that is capable of enhancing customers' commitment.

The Adaptive Structuration Theory

This theory became necessary as a result of positive experiences from the application of information and communication technology (ICT) on customer relationship management. Desanctis and Poole (1994) emphasized that, advances in technology has tremendous benefit to organizations - if properly aligned with the functions and structures of the organization. According to Desanctis and Poole (1994) effective structuration can bring about an interplay and interaction between social structures, which among all things can improve relationship between

customers and the organization, and it can also lead to customer satisfaction knowing that organizations efforts meet their expectations. This theory further helps to substantiate how customers can be treated to obtain the required satisfaction, and Johnson et al. (2012) put it more succinctly when they explained that the social structure in our society coupled with advances in information and communication technology (ICT) can be expressed in two ways, in terms of structural features and spiritual. While the structural features include rules, resources, and capability in information technology application that can enable firms to achieve results, the spiritual dimension on the other hand is made up of values and goals (Johnson et al, 2012). The implication of this application is that, it can be used to reach out to customers and maximize their equity or profitability to the organization.

Behavioral Theory

Behavioral theory was postulated in an attempt to understand the extent to which social structural pattern can have effect on any relationship within organizational strategies. and the theory states that organizations can achieve result only when their goals and situations are properly aligned with the behavior of their customers (Ellert et al, 2017). This therefore became an important decision top management have to make or determine since they are confronted with diverse challenges that place a heavy demand on the management. This theory according to Manla, Keil, and Zahra (2012) makes it expedient on top management to select behavioral pattern that enables the organization to accomplish its predetermined goal, and it also enables organizations to reflect on how best to position and shape their culture in order to achieve their objectives. Yadaz et al. (2007) emphasized that behavioral theory enables organization's top management to influence

and motivate their employees on how best to behave to customers in pursuit of relationship marketing.

2.5 Conceptual Framework

The conceptual framework demonstrates how customer relationship management amplifies the relationship between customers and the organization. According to Azzam (2014) in order to improve on customer satisfaction and loyalty, it is important to focus on those items that are important to customers, such as service quality, employee attitude and behavior towards the customers, physical environment, and customer complaints. He further emphasized that if these variables are well articulated by the organization, it will definitely lead to customer satisfaction and ultimately improve performance of the organization.

Independent variables   **Dependent variable**

CRM

Service Quality	
Employee Behavior	Customer Satisfaction
Physical Environment	
Customer Complains	
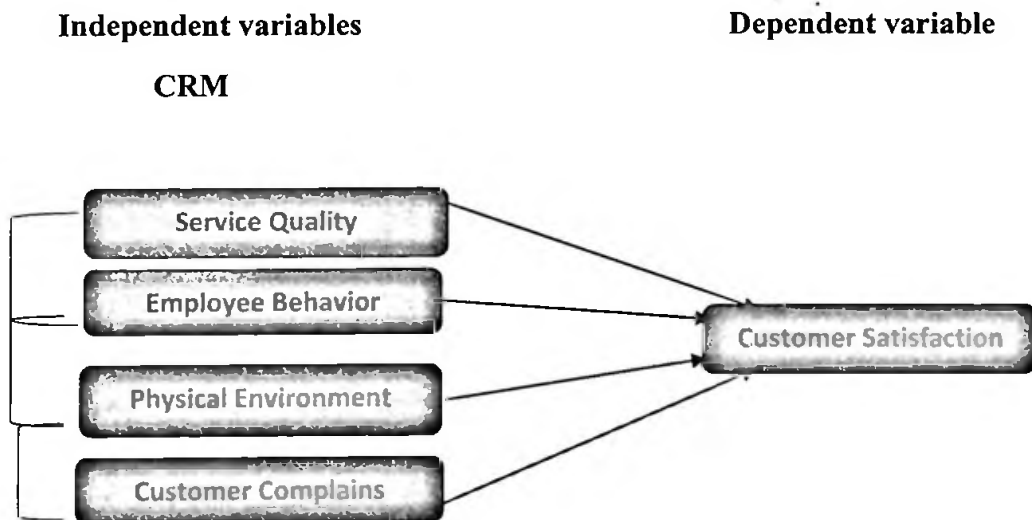
2.6 Hypothesis Development

Hypothesis development is to enable us understand to what extent customer satisfaction through the application of customer relationship management, that uses cognitive measure and consumption is achieved. Anderson et al. (2004) emphasized that the primary goal of customer relationship management is to provide individual customers with products or services through effective application of customer relationship management. It is pertinent therefore for this study to hypothesize to establish the relationship between them since customer relationship management ensures customers in service organizations are satisfied through effective application of customer relationship management. By this instance, organizations are prompted to improve their service offering to the overall satisfaction of the customers, and it is based on this that Morales (2005) suggested that customer relationship management as a strategy have the propensity to generate gratitude-based behavior that can positively impact on firm's performance. However, Bolton (1998) pointed out that it is important for firms to concentrate on building a strong relationship with customers since it will ultimately lead to improved performance. The contribution of customer relationship management on customer satisfaction enables this work to be hypothesized as follows:

Ho_1: There is a positive relationship between service quality and customer satisfaction at Ecobank Nigeria Plc.

Ho_2: There is a positive relationship between employee's behaviour and customer satisfaction at Ecobank Nigeria Plc.

Ho_3: There is a positive relationship between handling customer complaints and customer satisfaction at Ecobank Nigeria Plc.

Ho₄: There is a positive relationship between physical environment of business and customer satisfaction at Ecobank Nigeria Plc.

2.7 Empirical Framework

Customer relationship management and customer satisfaction

To further establish the relationship that exist between customer relationship management and customer satisfaction, there is need to examine empirical studies from different researchers and practitioners. This is done through the assessment of methodology used, appropriateness of population of the study, sample size, and sampling technique used.

Due to the importance attached to customer relationship management as a strategy, it has attracted a number of research interest. Consequently, these studies have confirmed that a positive relationship exists between customer relationship management and customer satisfaction, and this therefore provides the motivation for firms to implement customer relationship management in order to understand customer taste and preferences or needs (Mithas, Krishnan and Fornell, 2006).

Elformawi (2019) in his study titled 'correlation between customer relationship management and customer satisfaction' conducted a quantitative study using 97 respondents, primary data was used, and this was spread among selected firms in the country. The findings revealed that strong correlation exists between customer relationship management and customer satisfaction. However, the population of study is considered too small to generalize the findings.

The finding of Elformawi (2019) confirmed the work of Azzam (2014) in his study titled 'impact of customer relationship management on customer satisfaction in the banking sector'. The study emphasized that due to proliferation of businesses, customer relationship management has

become an important area of discussion in service industry, especially the banking sector. A quantitative study was carried out using 528 respondents that where selected using convenient samplings, and the findings also revealed that significant relationship between customer relationship management and customer satisfaction exist.

To empirically understand the relationship between customer relationship management and customer satisfaction, Cho et al. (2013) in their work on the impact of customer relationship management on customer satisfaction and loyalty, used a quantitative approach that involved 300 respondents. Their findings showed that the employees' attitude and behavior is significantly related to customer satisfaction and retention. On the other hand, Kocoglue (2012) in his study on customer relationship management and customer loyalty in the banking sector, made use of 350 employees in all branches of the bank. The findings revealed that handling customer complaints and providing solution to customers are positively correlated to customer satisfaction and loyalty.

However, Tigari (2018) explained that to establish theoretical and empirical underpinning of customer relationship management, there is need to focus on conceptual framework. This instance brought to our understanding that customer relationship management is part of modern marketing strategy where marketing function has wider scope, which has moved from transactional to relational method. This relational effort is meant to bring a dynamic shift on how customers are viewed, and considerations in dealing with customers should focus more on customer satisfaction and customer delight which ultimately leads to customer loyalty and retention.

Summary of the key findings

Authors and Year of Publication	Research Title	Key Findings
Elformawi (2019)	The correlation between customer relationship management and customer satisfaction	The findings revealed that strong correlation exists between customer relationship management and customer satisfaction
Azzam (2014)	The impact of customer relationship management on customer satisfaction in the banking sector	The findings revealed that significant relationship between customer relationship management and customer satisfaction exist.
Cho et al. (2013)	The impact of customer relationship management on customer satisfaction and loyalty	Their findings showed that the employees' attitude and behavior is significantly related to customer satisfaction and retention.
Kocoglue (2012)	The customer relationship management and customer loyalty in the banking sector	The findings revealed that handling customer complaints and providing solution to customers are positively correlated to customer satisfaction and loyalty.

CHAPTER THREE
RESEARCH METHODOLOGY

This chapter will analyze the research methodology adopted for this study which include research paradigm, research design, research method, data collection method, sampling design, data analysis, and ethical consideration of the study.

3.1 Research Paradigm

Research paradigm examines research philosophy with the intent to understand underlying philosophy behind the study, this understanding is believed to lead to the development of knowledge. Saunders et al (2013) avers that research paradigm adopted by researchers contain an important assumption about the way they view the world. These research paradigms are positivism, interpretivism, pragmatism, and realism. This study therefore deals with quantitative study which takes a more positivist approach, in explaining empirical hypothesis whose finding can lead to generalization of research findings. As this work adopts the philosophy of positivism, it entails that observable social reality will be employed similar to the procedure of physical and natural scientist. Every research paradigm has its own operational strategy, the strategy in positivist study emphasized the production of credible data. In collecting credible data, there is need to consider existing theory in the development of hypotheses. The hypothesis will be subjected to test in order to confirm or refute the study. However, other paradigm such as pragmatism argued that the most important determinant of the method to adopt is dependent on research questions (Saunders et al, 2013).

3.2 Research Method

This refers to the techniques and procedure that is used to obtain and analyze data for the purpose of achieving the objective of the study. This is also considered as the nature of research that includes quantitative and qualitative research. Quantitative study is predominantly used in data collection technique that involves questionnaire, of which when collected is subjected to further analysis procedure in order to confirm or refute stated hypothesis. Quantitative research makes use of numerical data or information to define results. Qualitative research on the other hand carries out its data collection technique using interviews, and the data analysis technique is non-numerical. In other words, qualitative research method considers spoken words, pictures and video clips in its analysis, this could lead to subjective results (McComber, 2019). For the purpose of this research work, quantitative method is used, and this involves the administration of questionnaire to participants from which statistical tool is used to test relationship between variables (Saunders et al, 2013).

3.3 Research Design

To achieve the objective of the study, quantitative method was adopted for this study, specifically the study uses survey research design, which is necessary in describing the characteristics of a large population. It is also important to make use of large samples that can result statistically significant. The choice of survey research design was deemed suitable for the study as a result of the nature of research problem and objective of the study.

A research design is explained as the arrangement of condition for collection and analysis of data, Sanders et al (2013) described research design as conceptual structure within which research is conducted, and as a matter of fact it constitutes the blueprint for collection,

measurement, and analysis of data. In other words, research design is necessary in framing the hypothesis, and its operational implication, as well as the data analysis.

Another benefit to be derived from the adoption of survey research design is that, it has the capability of dealing with a much larger population which ultimately ensures more accurate sample in which to draw conclusion of the study.

3.4 Data Collection Method

The research instrument for data collection is the structural questionnaire (Appendix A) which is distributed among the respondents. The respondents are required to read the questions carefully and indicate their agreement or disagreement using a 5-point Likert scale. This scale ranges from strongly agree, agree, disagree, and strongly disagree. The structured questionnaire is self-administered to ensure high level of accuracy and equal participation by respondents.

The merits of structured questionnaire is that, it is relatively cheap and expeditious provided the informants respond on time, and this method has also proven to be superior when a question of a personal nature or questions requiring reaction than other methods as personal interviews are presented.

Despite some of the advantages of the questionnaire method, it however has some few disadvantages which includes:

i.   This method can be adopted only where the informants are literate enough so that they can understand written questions and provide the answers in writing.

ii. It involves some uncertainty about the response. Co-operation on the part of informants may be difficult to presume.

iii.   The information supplied by the informants may not be correct and it may be difficult to verify the accuracy.

The Reliability and validity of the instrument used in any study is as important as the study itself, as a result it has attracted the attention of different authors. For instance, Kabir (2015) refer reliability as the extent to which instrument produces similar result when measured more than once. Saunders et al (2013) also views reliability as the extent to which data collection technique will yield consistent result. This study therefore will make use of internal consistency method to determine the reliability of instrument. This is mostly referred to as Cronbach Alpha. Validity on the other hand considers the extent to which the instrument used measures what is expected. This study therefore adopts content validity. Content validity is considered suitable for this work because it cannot be numerically measured, but rather subjective measure will be used to scrutinize items using professional knowledge and experience.

3.5 Sampling Design

The population of the study consist of all employees of Ecobank Nigeria Plc in Abuja. According to the information obtained from the Human Resource Department of the Bank, it has population that was put at 242 permanent employees. To achieve the purpose of the study, the sampling technique adopted was random sampling technique. This technique however allows for equal chances of selection of all member in the sample.

However, the sample size for this study was determined by using Taro Yamane formula for method determination, and the reason for this formula is to effectively conduct a valuable and dependable evaluation using the formula in the computation of sample size.

The sample size was based on the formula:

$$n = \frac{N}{1+N(e)^2}$$

Where;

n = sample size;
N = population size;
e= Level of precision required;
1 = constant
In determining the sample size, the following variables were used:

Confidence interval = 95 %
e = Margin of error = 0.05

In determining the sample size, the variables are submitted into the formula.

$$n = \frac{242}{1 + 242(0.05)^2}$$

$$n = \frac{242}{1 + 242(0.0025)}$$

$$n = \frac{242}{1 + 0.605}$$

$$n = 151$$

The sample size obtained for this study is therefore 151.

3.6 Data Analysis

Data analysis ensures that the data collected from the respondents are analyzed and coded according to each variable, and this is done to determine its accuracy during analysis. It also entails editing, coding, and tabulation of data collected into manageable summaries.

The data collected will be analyzed using descriptive statistics, and simple regression analysis will be used to test the formulated hypothesis of the study. While correlation is used to determine

the extent of the relationship. It is also noted by McComber (2019) that descriptive statistics are used to describe and compare the variables numerically. The result from descriptive analysis are presented using tables to show accurate distribution of research findings. Equally, regression analysis provides support for direction of the association or differences between independent and dependent variables.

3.7 Ethical Consideration

To ensure this work is in consonance with the ethical demand, effort was made that no participant below the 18 years of age will be considered as a participant. To comply with this, the researcher personally self-administered the questionnaire to participants involved in the study. Equally, adequate care was taken to maintain the anonymity and confidentiality of the participants, and guaranty was given in order to obtain sincere responses from the respondents. It is noteworthy that participants will be treated with fairness and integrity as a result of the level of correspondence that existed between the researcher and respondents before the administration of questionnaire. To also boost the confidentiality of the participants, they were meant to understand that whatever sensitive information devolved will be treated with utmost confidentiality and only be used for classroom discussion.

3.8 Summary

This chapter indicates that the specific areas of research methodology has been dealt with. These include research paradigm, research method, research design, data collection method, sampling method, data analysis, and ethical consideration. The research paradigm indicates that this work is embedded in positivism which explains the need for quantitative and descriptive research design. The data collection method shows that primary source of data collection will be used, specifically the structured questionnaire. The population of the study is 242 which is spread

across senior and middle level employees of the bank. Yamane (2009) formula was used to compute the sample size which is 151 employees.

CHAPTER FOUR

4.0   INTRODUCTION

DATA PRESENTATION, ANALYSIS AND DISCUSSION OF FINDING

This chapter shows the analyses of the effect of customer relationship management on customer satisfaction in Eco-bank of Nigeria plc. The data for this study was collected through the distribution of questionnaire which is by Primary data. A total number of one hundred and fifty-one (151) questionnaire was administered to the targeted customers and only one hundred and forty-four (144) copies of the questionnaire were retrieved. This study applied several statistical techniques to determine the reliability, normality of the data and regression analysis to examine the effect of customer relationship management on customer satisfaction.

4.1 DATA PRESENTATION

The data collected through the administration of questionnaire was coded in SPSS 23.0 and was used for the estimation of the results in this study. The coded data is attached in appendix A2.

4.2 DATA CLEANING

Out of Range Values

Usually, data collected from the field are processed to ensure there are no errors and outliers which affect the validity of the result. One way of validating the data is by conducting an out of range values (ORV) test. This is to determine whether the coded values were entered correctly or a human error of entry was committed.

Table 1: Out of Range Values

	N	Minimum	Maximum	Mean	Std. Deviation
SERQ1	144	1	5	3.23	1.120
SERQ2	144	1	5	2.81	.900
SERQ3	144	1	5	2.92	1.156
SERQ4	144	1	5	3.13	1.284
SERQ5	144	1	6	2.84	1.008
SERQ6	144	1	6	2.92	1.068
SERQ7	144	1	4	2.42	1.007
SERQ8	144	1	5	3.15	1.251
SERQ9	144	1	5	2.77	1.199
SERQ10	144	1	5	2.61	1.045
EMBE1	144	1	5	2.84	1.362
EMBE2	144	1	5	2.31	1.166
EMBE3	144	1	5	2.90	1.202
EMBE4	144	1	5	2.78	.978
EMBE5	144	1	5	2.85	1.257
EMBE6	144	1	5	2.81	1.322
HACC1	144	1	6	2.74	1.101
HACC2	144	1	6	2.66	1.195
HACC3	144	1	5	2.38	1.064
HACC4	144	1	5	2.94	1.388
PHE1	144	1	5	2.56	1.250
PHE2	144	1	5	2.83	1.073
PHE3	144	1	5	2.76	1.200
PHE4	144	1	5	2.53	1.194
CUS1	144	1	5	2.73	1.307
CUS2	144	1	6	2.78	1.025
CUS3	144	1	6	2.71	1.217
CUS4	144	1	5	2.41	1.167
CUS5	144	1	5	2.83	1.240
CUS6	144	1	5	2.63	1.261
CUS7	144	1	5	2.47	1.134
CUS8	144	1	5	2.58	1.387
CUS9	144	1	5	2.42	1.271
CUS10	144	1	5	2.40	1.190

Source: SPSS 23.0

The result in Table 1, shows the outcome of the out of range values. The minimum value of the entered likert scale is 1 while maximum scale is 5. It showed that no value in Table 1 was found to be higher than 5 or below 1. This signifies that the data was correctly coded and entered in the SPSS software which shows that there was no out of range value.

Table 2: Missing Value

	N	Mean	Std. Deviation	Missing		No. of Extremes[a]	
				Count	Percent	Low	High
SERQ1	144	3.23	1.120	0	.0	0	0
SERQ2	144	2.81	.900	0	.0	0	6
SERQ3	144	2.92	1.156	0	.0	0	0
SERQ4	144	3.13	1.284	0	.0	0	0
SERQ5	144	2.84	1.008	0	.0	0	11
SERQ6	144	2.92	1.068	0	.0	0	0
SERQ7	144	2.42	1.007	0	.0	0	0
SERQ8	144	3.15	1.251	0	.0	0	0
SERQ9	144	2.77	1.199	0	.0	0	0
SERQ10	144	2.61	1.045	0	.0	0	10
EMBE1	144	2.84	1.362	0	.0	0	0
EMBE2	144	2.31	1.166	0	.0	0	0
EMBE3	144	2.90	1.202	0	.0	0	0
EMBE4	144	2.78	.978	0	.0	0	8
EMBE5	144	2.85	1.257	0	.0	0	0
EMBE6	144	2.81	1.322	0	.0	0	0
HACC1	144	2.74	1.101	0	.0	0	10
HACC2	144	2.66	1.195	0	.0	0	0
HACC3	144	2.38	1.064	0	.0	0	4
HACC4	144	2.94	1.388	0	.0	0	0
PHE1	144	2.56	1.250	0	.0	0	0
PHE2	144	2.83	1.073	0	.0	0	14
PHE3	144	2.76	1.200	0	.0	0	0
PHE4	144	2.53	1.194	0	.0	0	15
CUS1	144	2.73	1.307	0	.0	0	0
CUS2	144	2.78	1.025	0	.0	0	11
CUS3	144	2.71	1.217	0	.0	0	16
CUS4	144	2.41	1.167	0	.0	0	10
CUS5	144	2.83	1.240	0	.0	0	0
CUS6	144	2.63	1.261	0	.0	0	0
CUS7	144	2.47	1.134	0	.0	0	10
CUS8	144	2.58	1.387	0	.0	0	0
CUS9	144	2.42	1.271	0	.0	0	0
CUS10	144	2.40	1.190	0	.0	0	9

Source: SPSS 23.0

Table 2 shows that there is no missing value found as the percentage of missing value is 0%. Missing values occur because the respondents did not answer some questions. The more there are missing values, the high the chances that the result of the analysis is biased.

Normality Test

Histogram

Dependent Variable: CUS
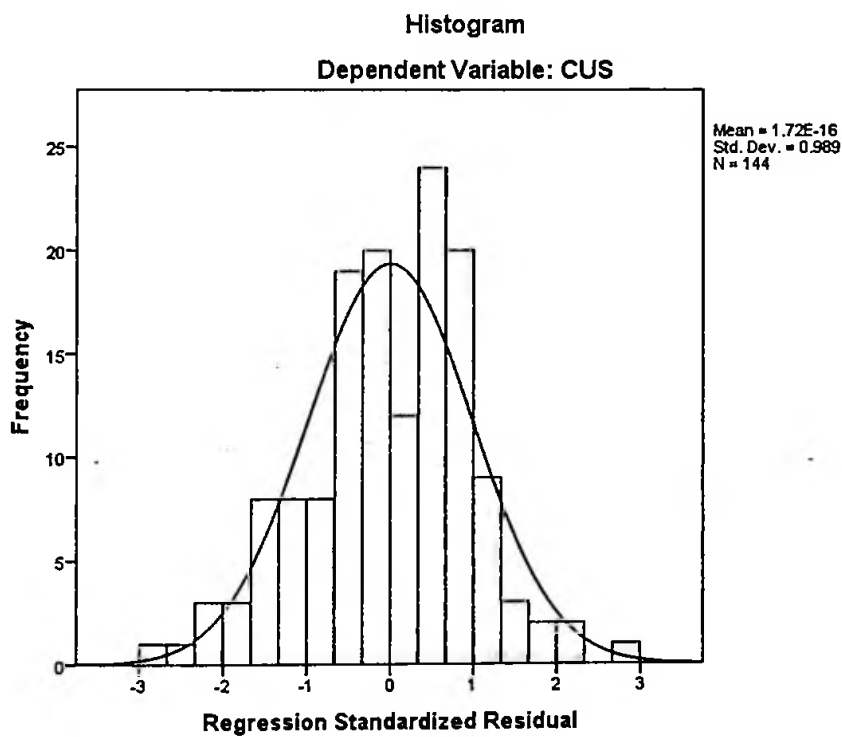
Figure 1: Normality Test

Figure 1 shows a histogram that was used to test for the normality of the data. The diagram shows that the bell-shaped are evenly skewed to the right and to the left. Therefore, it is normally distributed, and appropriate for the estimation of

parametric test (e.g. Pearson correlation and regression analysis). The confirmation

the normality of data is the result of the P-P plot in Figure 2.

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: CUS

Figure 2: P-P Plot Test

From the figure 2, the Normal P-P plot was used to confirm that the data follows a normal distribution given that dotted points are clustered around the up-ward sloping lines. It can be concluded that the dependent variable consumer satisfaction (CUS) is normally distributed.

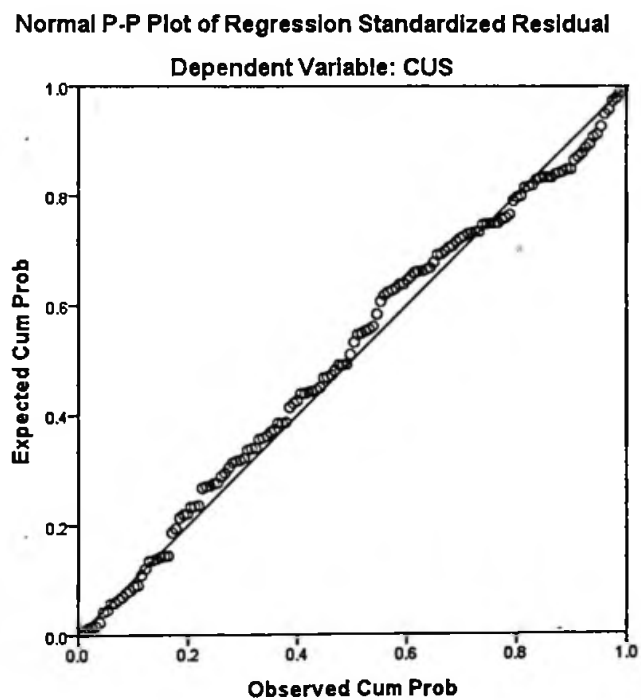| S/N	Questionnaire Constructs	Cronbach Alpha Reliability Result	Number of Items	Remark
1	Service Quality	0.876	10	Reliable
2	Employee's Behaviour	0.667	6	Reliable
3	Handling Customer Complaints	0.737	4	Reliable
4	Physical Environment	0.740	4	Reliable
5	Customer Satisfaction	0.819	10	Reliable
6	**Overall**	0.923	34	

Table 3: Reliability Test Result

Source: SPSS 23.0 Output

Table 3 shows the result of the Cronbach for each construct used for this study. Cronbach Alpha enables the researcher to test for the suitability and fitness of the instruments for data collection. The result shows that the value of the Cronbach Alpha for all the constructs is 0.923 which implies that the instrument is reliable.

4.3 DATA ANALYSIS AND INTERPRETATION OF RESULT

Descriptive Statistics

Table 4: Demographic Distribution of the respondents

Gender		
Feature	**Frequency**	**Percentage**
Male	96	66.7%
Female	48	33.3%
Total	**144**	**100%**
Age Range		
Age	**Frequency**	**Percentage**
18-24 years	6	4.1%
25-34 years	32	22.3%
35-44 years	30	20.8%
45-54 years	40	27.8%
Above 55 years	36	25.0%
Total	**144**	**100%**
	Education	
Education	**Frequency**	**Percentage**
SSCE	4	2.8%
B.Sc/HND	89	61.8%
M.Sc/MBA	46	31.9%
PhD/DBA	5	3.5%
Total	**144**	**100**

Source: Field Survey, 2020

Table 4 shows that 96 respondents representing 66.7% are male, while 48 respondents representing 33.3% are female. The table also shows that majority of the respondents which is 40 representing 27.8% are within the ages of 45-54 years. 36 of the respondents representing 25.0% are above 55 years. But 32, 30 and 6 respondents representing 22.3%, 20.8% and 4.1% are between 25-34 years, 35-44 years and 18-24 years respectively. Finally, 89 respondents representing 61.8% are

holders of B.Sc/HND, 46 respondents representing 31.9% are M.Sc and MBA

degree holders, 5 respondents representing 3.5% are PhD/DBA holders while 4

respondents representing 2.8% are senior secondary certificate holders.

Table 5: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
SERQ	144	15.00	45.00	28.7847	7.62510
EMBE	144	8.00	28.00	16.4931	4.48774
HACC	144	4.00	19.00	10.7292	3.56992
PHE	144	4.00	20.00	10.6806	3.54127
CUS	144	13.00	45.00	25.9653	7.54975
Valid N (listwise)	144				

The descriptive statistics Table 5 reveal that the mean values of service quality,

employee behavior, handling customer complaint and physical environment and

customer satisfaction ranges between are 10.68 and 28.78 respectively. Again the

standard deviation values ranges within the 3.54 and 7.62. With low standard

deviations, the values of the means are validated.

Table 6: Correlations

		CUS	SERQ	EMBE	HACC	PHE
CUS	Pearson Correlation	1	.494[**]	.550[**]	.570[**]	.677[**]
	Sig. (2-tailed)		.000	.000	.000	.000
	N	144	144	144	144	144
SERQ	Pearson Correlation	.494[**]	1	.608[**]	.393[**]	.353[**]
	Sig. (2-tailed)	.000		.000	.000	.000
	N	144	144	144	144	144
EMBE	Pearson Correlation	.550[**]	.608[**]	1	.653[**]	.513[**]
	Sig. (2-tailed)	.000	.000		.000	.000
	N	144	144	144	144	144
HACC	Pearson Correlation	.570[**]	.393[**]	.653[**]	1	.633[**]
	Sig. (2-tailed)	.000	.000	.000		.000
	N	144	144	144	144	144
PHE	Pearson Correlation	.677[**]	.353[**]	.513[**]	.633[**]	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	144	144	144	144	144

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

The correlation result for dependent and independent variables in table 6 shows that all the variables have a positive relationship to customer satisfaction (CUS). The result revealed that service quality (SERQ), employee behaviour (EMBE), Handling customer complaints (HACC) and Physical environment (PHE) correlate positively and significantly to customer satisfaction by 49.4% 55.0%, 57.0% and 66.7% respectively.

4.4 ESTIMATION

The model specified thus:

$$CUS_i = f(SERQ_i, EMBE_i, HACC_i, PHE_i) \qquad \ldots (1)$$

The above function is expressed as an equation as:

$$CUS_i = \beta_0 + \beta_1 SERQ_i + \beta_2 EMBE_i + \beta_3 HACC_i + \beta_4 PHE_i + \mu_i \qquad \ldots (2)$$

Where:

CUS_i = Customer Satisfaction

$SERQ_i$ = Service quality

$EMBE_i$ = Employee Behaviour

$HACC_i$ = Handling Customer Complaints

PHE_i = Phyiscal Environment

i = the number of respondents (1...144)

β_0 = the intercept term

$\beta_1, \beta_2, \beta_3$ and β_4 = slopes of the independent variables

u_i = the error term

Assumptions of Ordinary Least System (OLS)

i. There is a linear relationship between the dependent variable and the independent variables

ii. The variables (dependent and independent) are continuous random variable which are normally distributed.

iii. The random terms of different observations (ui, uj) are independent. This means that all the covariances of any ui, with any other uj are equal to zero. The value which the random term assumes in one period does not depend on the value which it assumed in any other period.

iv. The explanatory variables are not perfectly linearly correlated. If there is more than one explanatory variable in the relationship it is assumed that they are not perfectly correlated with each other.

4.4.1 REGRESSION ANALYSIS

Model fit

Table 7: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.742[a]	.551	.538	5.13258	1.626

a. Predictors: (Constant), PHE, SERQ, HACC, EMBE

b. Dependent Variable: CUS

The coefficient of determination $r^2=0.551$ shows that customer satisfaction is influenced by 55.1% as a result of the combine effect of service quality, handling customer complaint, employees behaviour and physical environment. The result also indicated that there is no auto-correlation since the Durbin-Watson value is approximately 2, which shows that there is no issue of auto-correlation, meeting one of the assumptions of regression analysis.

Table 8: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4489.102	4	1122.275	42.602	.000[b]
	Residual	3661.725	139	26.343		
	Total	8150.826	143			

a. Dependent Variable: CUS

b. Predictors: (Constant), PHE, SERQ, HACC, EMBE

Table 8 shows the F-Statistic is a test used to test multiple hypotheses about the parameters in a multiple regression model. This statistic tests the null hypothesis that all the regression coefficients are equal to zero. If the Fcal > F0.05 (tab), reject the null hypothesis and accept the alternative hypothesis vice-versa. The F- test with a value of 42.602 and p-value of 0.000 shows that there is a strong linear dependency existing among the variables. The F-statistic shows a very good fit, statistically.

Table 9: Regression Result

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	3.504	1.910		1.835	.069		
	SERQ	.220	.071	.223	3.102	.002	.627	1.5
	EMBE	.154	.147	.092	1.050	.296	.423	2.3
	HACC	.262	.179	.124	1.468	.144	.453	2.2
	PHE	1.007	.159	.472	6.321	.000	.579	1.7

a. Dependent Variable: CUS

From Table 9, the variance inflation factor for the predictors is used to test if there is a strong linear association among them. The result of the multicollinearity shows that there is no multicollinearity among the independent variables, since the values of the VIF are all less than 4 which is the benchmark.

Service Quality (SERQ) has a positive and significant relationship with customer satisfaction. This means that service quality has an influence on customer satisfaction especially in the service industry like the banks, and accordingly, the influence deals essentially on the ability of service organizations to respond effectively to customer problems. Because the relationship is positive, i.e a 1% increase in the level of service quality will bring about a 22.0% increase in customer satisfaction.

Employee Behaviour (EMBE) has a positive influence on customer satisfaction. This means increase in better employee behaviour, will lead to increases the level of customer satisfaction. The effect of employee behaviour no doubt does have effect on the sense of satisfaction from the organization. Employee behavior as a sequence of action undertaken by the organization's employee towards their customer which can be either positive or negative attitude which poses tremendous effect on customer's satisfaction and retention. A 1% increase in the level of employee behaviour will result to15.4% increase in customer satisfaction.

The relationship between handling customer complaint and customer satisfaction (CUS) is positive and insignificant with coefficient value of 0.262. It means that handling of customer complaint does not significantly bring about customer satisfaction. The impact of handling of customer complaint on customer satisfaction is 26.2%.

The influence of physical environment (PHE) on customer satisfaction is also, positive and significant. Physical environment on customer satisfaction especially on service organizations cannot be over emphasized. While studies have acknowledged that physical environment have positive influence on customer satisfaction and retention. This implies that increase in Physical will increases the level of customer satisfaction. Hence, physical environment (PHE) impacts on customer satisfaction by 100.7%.

4.5 TEST OF HYPOTHESES

4.5.1 Test of Hypothesis One

The hypothesis one is restated as follows:

Ho_1: There is a positive relationship between service quality and customer satisfaction at Ecobank Nigeria Plc.

The result of the regression result in table 9, shows that the p-value of service quality is 0.002, the decision rule is that if the p-value is less than the level of

significance of 0.05, the null hypothesis will be rejected while the alternate hypothesis is accepted. But if the p-value is greater than the level of 0.05, accept the null hypothesis and reject the alternate. Since the p-value (0.002) is less than the significant level of 0.05. The null hypothesis is therefore rejected concluding that there is a positive relationship between service quality and customer satisfaction at Ecobank Nigeria Plc.

4.5.2 Test of Hypothesis two

The hypothesis two is restated as follows:

Hypothesis Two

Ho$_2$: There is a positive relationship between employee's behaviour and customer satisfaction at Ecobank Nigeria Plc.

From the result of the regression in table 9, the coefficient and p-value of employee's behaviour are 0.154 and 0.296 respectively. The decision rule is that if the p-value is less than the level of significance of 0.05, the null hypothesis will be rejected while the alternate hypothesis is accepted. But if the p-value is greater than the level of 0.05, accept the null hypothesis and reject the alternate. Given that the p-value (0.296) is greater than the significant level of 0.05. The null hypothesis is therefore upheld concluding that there is no positive relationship between employee's behaviour and customer satisfaction at Ecobank Nigeria Plc.

4.5.3 Test of Hypothesis three

The hypothesis three is restated as follows:

Hypothesis Three

Ho_3: There is a positive relationship between handling customer complaints and customer satisfaction at Ecobank Nigeria Plc.

Given that the p-value (0.144) is greater than the significant level of 0.05. The null hypothesis is therefore upheld concluding that there no is a positive relationship between handling customer complaints and customer satisfaction at Ecobank Nigeria Plc.

4.5.4 Test of Hypothesis Four

The hypothesis four is restated as follows:

Hypothesis Four

Ho_4: There is a positive relationship between physical environment of business and customer satisfaction at Ecobank Nigeria Plc.

From the result of the regression in table 9, the p-value of the relationship between physical environment and customer satisfaction is 0.000. The decision rule is that if the p-value is less than the level of significance of 0.05, the null hypothesis will be rejected while the alternate hypothesis is accepted. But if the p-value is greater than the level of 0.05, accept the null hypothesis and reject the

alternate. Since, that the p-value (0.000) is less than the significant level of 0.05. The null hypothesis is therefore accepted concluding that there is a positive relationship between physical environment of business and customer satisfaction at Ecobank Nigeria Plc.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 SUMMARY OF FINDINGS

This chapter summarizes the findings of the empirical analyses conducted in investigating the effect of customer relationship management on customer satisfaction in Ecobank Nigeria Plc. There are four components of customer relationship management which service quality, employee behavior, handling customer complaint and physical environment. They were used to formulate the research questions, objectives and hypotheses for this study to examine how customers are satisfied through the banking services Eco-bank offer.

Regression model was formulated, in which customer satisfaction was used as the dependent variable while service quality, employee behavior, handling customer complaint and physical environment formed the independent variables. The data collected through questionnaire was subjected to pre-diagnostic tests; out of range values, Missing Values and Normality of Data.

The descriptive statistics result shows that 96 respondents representing 66.7% are male, while 48 respondents representing 33.3% are female. Also majority of the respondents which is 40 representing 27.8% are within the ages of 45-54 years. 36 of the respondents representing 25.0% are above 55 years. But 32,

30 and 6 respondents representing 22.3%, 20.8% and 4.1% are between 25-34 years, 35-44 years and 18-24 years respectively. Again, 89 respondents representing 61.8% are holders of B.Sc/HND, 46 respondents representing 31.9% are M.Sc and MBA degree holders, 5 respondents representing 3.5% are PhD/DBA holders while 4 respondents representing 2.8% are senior secondary certificate holders.

The correlation analysis shows that all the variables have a positive relationship to customer satisfaction (CUS). The result revealed that employee service quality (SERQ), behaviour (EMBE), handling customer complaints (HACC) and Physical environment (PHE) correlate positively and significantly to customer satisfaction by 49.4% 55.0%, 57.0% and 66.7% respectively.

All the assumptions of regression analysis was met; there is a linear relationship between the dependent variable and the independent variables, the variables (dependent and independent) are continuous random variable which are normally distributed, the random terms of different observations (ui, uj) are independent. This means that all the covariances of any ui, with any other uj are equal to zero (no serial correlation), and the explanatory variables are not perfectly linearly correlated. If there is more than one explanatory variable in the relationship it is assumed that they are not perfectly correlated with each other.

The summary of the regression result is stated thus;

Service Quality (SERQ) has a positive and significant relationship with customer satisfaction. This means that service quality has an influence on customer satisfaction especially in the service industry like the banks, and accordingly, the influence deals essentially on the ability of service organizations to respond effectively to customer problems. Because the relationship is positive, i.e a 1% increase in the level of service quality will bring about a 22.0% increase in customer satisfaction.

Employee Behaviour (EMBE) has a positive influence on customer satisfaction. This means increase in better employee behaviour, will lead to increases the level of customer satisfaction. The effect of employee behaviour no doubt does have effect on the sense of satisfaction from the organization. Employee behavior as a sequence of action undertaken by the organization's employee towards their customer which can be either positive or negative attitude which poses tremendous effect on customer's satisfaction and retention. A 1% increase in the level of employee behaviour will result to15.4% increase in customer satisfaction.

The relationship between handling customer complaint and customer satisfaction (CUS) is positive and insignificant with coefficient value of 0.262. It means that handling of customer complaint does not bring about customer

satisfaction. The impact of handling of customer complaint on customer satisfaction is 26.2%.

The influence of physical environment (PHE) on customer satisfaction is also, positive and significant. Physical environment on customer satisfaction especially on service organizations cannot be over emphasized. While studies have acknowledged that physical environment have positive influence on customer satisfaction and retention. This implies that increase in Physical will increases the level of customer satisfaction. Hence, physical environment (PHE) impacts on customer satisfaction by 100.7%.

5.2 CONCLUSION

The conclusion of this study based on the regression results is that a 1% increase in the level of service quality will bring about a 22.0% increase in customer satisfaction. Likewise, a 1% increase in the level of employee positive behaviour will result to15.4% increase in customer satisfaction. Again, effective and efficient handling of customer complaint does bring about customer satisfaction. Proper handling of customer complaint increases customer satisfaction by 26.2%. Increase in Physical enabling environment will increases the level of customer satisfaction by 100.7%.

Conclusively, all the independent variables; service quality (SERQ), employee behaviour (EMBE), Handling customer complaints (HACC) and Physical environment (PHE) all have increasing effect on customer satisfaction.

5.3 RECOMMENDATIONS

The following recommendations were made based on the findings of this study.

1. In order to continuously satisfy the customers, Eco Bank should increase it service quality and equally sustain it. This is because a well-articulated service offering by Ecobank can significantly improve customer satisfaction and ultimately lead to customer loyalty.

2. There should be continuous training and retraining of employees of Eco Bank, especially, in the area of their behaviour. Negative attitude and behaviour of Eco-Bank employees can repel customers thereby reducing customer satisfaction. A positive behaviour can lead to greater action of the employee on behalf of the organization toward, and the negative behavior can lead to stress or provoke the customer in different ways not imagined.

3. There should be consistency in the efficient and effective handling of customer complaints. Prompt response in handling complaints result to customer satisfaction and hence customer loyalty.

4. Finally, the result of the influence of physical environment (PHE) on customer satisfaction was found to be positive and significant. Physical environment on customer satisfaction especially on service organizations cannot be over emphasized. This implies that increase in Physical enabling environment will increase the level of customer satisfaction. Therefore, Eco-Bank in all its branches across the nation should consistently ensure that their physical environment is befitting, for this will bring about customer confidence, satisfaction and loyalty.

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