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Influence of Electronic Customer Relationship Management (e-CRM) on Customer Satisfaction in Commercial Banks in Akure Metropolis, Ondo State

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Abstract
Banks have transitioned from CRM (Customer Relationship Management) to e-CRM (Electronic Customer Relationship Management) as a result of new technologies and changing consumer expectations. This is in response to the changing business environment especially, the technology environment. Failure to change is a risk of extinction as customers may be dissatisfied and lost to competitors who are abreast of time and business may fail. This study therefore studied the level of customer satisfaction, effectiveness of e-CRM as well as the influence of e-CRM on customer satisfaction in commercial banks in Akure metropolis in Ondo State. A survey research design was adopted. .A self-administered questionnaire was used to collect primary data from 384 customers using convenience sampling. The findings revealed that e-CRM positively and significantly influenced Customer Satisfaction in Akure metropolis of Ondo State with a P value of 0.000 ($p<0.05$). Also, on a 5-point scale, the level of customer satisfaction is high with an average mean of 3.42 and e-CRM is found effective with an overall mean of 3.46. The study concluded that Since e-CRM Application positively and significantly influence customer satisfaction, the bank managers should ensure further enhancement of the available e-CRM applications to make it more robust and further improve on the level of customer satisfaction in the banks.

Keywords: Banks, Customers, Customer Satisfaction, e-CRM, Akure, Nigeria

Introduction

Customers are becoming more demanding and informed in today's fast-paced banking industry, and they need maximum attention. Customers want to switch providers when they are dissatisfied. According to the research work of Bismark, Bismark, Eric and Isaac, (2015). This will undoubtedly have a negative impact on customer loyalty. As a result, banks are focusing more on the customer in order to satisfy and retain them, resulting in the growing relevance of electronic customer relationship management (e-CRM).

Many experts have attempted to give the most correct definition of e-CRM imaginable, as it has become a major hurdle for many firms in this heightened competitive market (Usman, Abdullah & Mahdi, 2012; Kennedy, 2006). As a result, methodologies and understandings differ from one author to the next. E-CRM first appeared in the marketing world in the early 1990s (Edet, 2018). E-CRM is commonly defined by banks as "software systems that automate the marketing, selling, and service functions of enterprises" (Central Bank of Nigeria, 2018).

According to Buttle (2009), CRM is the core business strategy that integrates internal processes and functions, and external networks, to create and deliver value to targeted customers at a profit. It is grounded on high quality customer related data and enabled by information technology. Nawafleh, (2021) stated that the rapid growth in technology and the following changes it brings imply that organizations that fail to build a clear CRM strategy will be unable to claim the expertise and complete range of talents needed to bring products and solutions to market swiftly and cost-effectively.

Commercial banks that are continuously striving for market dominance must discover strategies to outsmart their competitors. Successful customer relationship management is one of the most important competitive advantages that banks can use to keep customers from being transferred to a competitor who has abused certainties. The more a bank's ability to communicate effectively with its customers, the more opportunities it will have to deliver more services and products to its customers (Nigussie, 2020). While enterprise resource planning systems have solved more or less one-dimensional problems related to their performance, commercial banks in Ondo State can now improve their multi-dimensional functions in order to increase their value to customers with the electronic customer relationship management system.

According to John and Rotimi (2020), the customer relationship management system in Nigeria was officially and fully adopted in 2000, when banks such as Zenith Bank PLC Nigeria pioneered online real-time banking through the use of electronic devices, allowing customers to conduct transactions in Zenith bank branches other than the bank where their account is domiciled. This has prompted banks in Ondo State to make significant investments in electronic customer relationship management system, allocating significant financial resources to the provision of electronic banking services.

The emergence of the Internet and advanced technologies has led to new opportunities for building stronger customer relationships (Akindele, Adepoju, Omole, Adebayo & Adeojo, 2020). This is supported by Nawafleh, (2021), who postulated that internet technology has brought electronic CRM, which is an enhanced version of the traditional CRM. They justify this statement by arguing that e-CRM has enabled organizations to use internet technologies to attract new customers, track their expectations, identify their needs and online behaviours, and customize support and services. Wang, (2019) summarized the above interpretations well when he stated that search engines facilitate customers' experiences by increasing interaction between businesses and customers, and that electronic customer relationship management systems have a positive influence on customers.

An Overview of CRM and E-CRM

In the study of e-CRM within the banking industry, Akpan (2016) stated that e-CRM is the best tool to provide in-depth information about complex services designed to satisfy customers. CRM, at its core, is a business strategy that ensures integrity within all bank units that interact with customers, specifically through the integration of technology, process, and people (Babatunde & Salawudeen, 2017). While, e-CRM is widening common CRM processes by integrating innovative technology channels and merging them with e-commerce applications into banks' general customer relationship management strategy (Chowdhury,2018). As a result, CRM can be considered a constituent part of e-CRM. Despite the size and nature of the industry, e-CRM provides an equal opportunity for all companies to build individual relationships with customers. E-CRM features are able to generate great value by gathering, sorting, and distributing customer information. The main concept of e-CRM lies in comprehending the customer profile, products or services that they are interested in, as this is the only way to satisfy their wants. According to Al-Damour and Khawaja, (2017), e-CRM features influence customer satisfaction to the same extent. For this reason, each bank in Ondo

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State should identify and evaluate individual e-CRM aspects that determine satisfaction of their customers.

Customer satisfaction is thought to be the most essential outcome of marketing activity. The customer satisfaction idea is centered on making profits by satisfying consumers' needs and wishes (Eze & Egoro, 2016). According to the satisfaction concept's classification, satisfaction can be approached through conceptual and referential criteria. A referential criterion represents aspects of the conditions under which these responses and processes take place. Criterion outlines the satisfaction via processes and consumer response types, whereas a referential criterion represents aspects of the conditions in which these responses and processes occur.

CRM has no globally agreed definition, despite the fact that it is widely utilized and acknowledged by all types of enterprises. In general, it is a strategy for establishing, managing, and maintaining long-term client connections by improving customer service and leveraging consumer satisfaction and loyalty (Farooqi & Dhusia, 2018).

Electronic Customer relationship management (e-CRM) is a subset of relationship management that was first mentioned in the literature on service marketing. Customers are at the heart of any bank, and all businesses strive to efficiently manage their relationships with them by implementing a well-defined set of functions, skills, procedures, and technology that enables them to optimize income from targeted customers (John and Rotimi, 2020).

E-CRM systems can also be thought of as a technological tool for combining technical solutions and supporting business activities in marketing, sales, and service. These systems are used to combine and offer access to all of a customer's data, which is housed in a central database (Nawafleh, 2021). Nigussie, (2020) thought that e-CRM systems are an efficient way to maintain client databases, allowing businesses to better understand their customers' demands and improve their relationships with them.

E-CRM Evolution in Banks

Bank branches play an important role in supplying products and services to customers. Creating long-term relationships with clients is a strategic goal for them. Convenience of a branch to a customer's home and/or office is a crucial consideration when selecting a bank. Customers nowadays are drawn to a bank not just because of the products and services offered, but also because of the personal experience they receive from the bank. Because of the launch of the e-CRM, customers can now select their preferred bank and conduct banking transactions from anywhere using internet platforms and physical means of transaction.

Customers have become channel-independent as a result of the ongoing digital evolution in the banking sector, eliminating the need for middlemen (Klovienė & Gimzauskiene, 2021). The ubiquity of ICT and its application in businesses is sequel to man's search for a more productive way of doing business (Akindele, et al, 2020). As businesses began to use the internet and electronic communication technologies to communicate with their consumers, CRM became e-CRM. E-CRM has modified the approach to using information and communication technologies to achieve the same aims that CRM did (Farooqi & Dhusia, 2018). The internet's integration into every aspect of today's commerce has resulted in a paradigm change in the business world.

The primary goal of banks' massive IT investments is to create a new bank-customer relationship experience based on automated operations and internet banking. Mobile phones, online banking, ATMs, and point-of-sale terminals are all part of this new style of doing business that has emerged in banks. Customers' relationships with banks, according to Eze and Egoro, (2016), are no longer about transactions; they are about connecting to their daily lives.

To improve customer service and build strong relationships, e-CRM allows for quick communication and interaction with customers from anywhere, at any time. According to Akpan, (2016), e-CRM is beneficial to both businesses and customers. It aids businesses in gaining a competitive advantage, resulting in increased profit growth, reduced costs, and increased market knowledge. Electronic customer Relationship Management improves customer service and increases customer loyalty. (Al-Damour and Khawaja, 2017).

Contribution of e-CRM to Banking Industry

The ability of banks to dig into the available customers' behavioral data will enable them, through e-CRM, to enhance the quality and efficiency of communication with their customers. This will lead to improved service consistency, better customer relationships, and thus increased customer retention. Technology, customers, and processes are becoming, with the use of digitization, the three elements that ensure the success of banking functions. Nigussie (2020) emphasized the importance of e-CRM in the banking sector by stating that it increases profitability through customer retention, cost reduction, and valuable interaction. Customer retention is a main factor for a company's profit growth. A 5% increase in retention leads to profits going up in the range of 50% to 100% (Pandey and Chawla, 2018).

Wang, (2019) considered customer satisfaction as the major advantage of using e-CRM by banks. They also noted other advantages, namely, convenience of time and location, increase in speed and accuracy of transactions, reliable employees, existing new information technology, and trust in the services provided. By adopting new technologies, banks increase their competitive edge and improve their relationships with customers. Through accessing available customers' historical data to provide them with better products and services, E-CRM in banks will strengthen customer relationships. As mentioned before, e-CRM enables customers to interact distantly with their banks through e-CRM communication platforms and devices. In his paper, Abu Shanab (2015) emphasized that the elements of relationship quality, namely, customer satisfaction, commitment, and trust, are positively related to relationship outcomes, which are customer satisfaction, retention, and the willingness to recommend.

Customer satisfaction

When asked what drives their satisfaction, customers have a wide range of opinions and reactions. Some people said that the quality of the items and services they receive is what makes them happy, while others said that time is the most important factor in customer satisfaction. According to the researchers, clients are satisfied when they feel happy and comfortable as a result of the services provided to them. They went on to say that consumer contentment and discontent are mostly determined by how well service providers match their expectations for products and services. Customers who used a bank's services, for example, reported delight and contentment with the services, which enabled them to establish dependence and loyalty toward the bank (Nigussie, 2020).

Effect of e-CRM on Customer Satisfaction

According to a study by Deyalage and Kulathunga in 2019, it reported that e-CRM and customer satisfaction has a positive significant association. The notion and perception of e-CRM has long been linked to online transactions, whether in banking, marketing, sales, or other corporate efforts. Furthermore, customers believe e-CRM to be one of the most important things that banks should address when creating an online environment to make banking more user-friendly. Most banks are unsure about the effectiveness of their customer relationship management program and perceive it as a drain on their marketing budget (Harb and Abu-shanab, 2019). Due to the implementation of e-CRM, banks may get to know their customers, understand their specific needs, and personalize their service or product offering to meet those demands in a way that is both sustainable and competitive, resulting in significant added share value.

Customers are at the heart of any company's success. Customers are the lifeblood of most businesses; without them, none of them, including the banking industry, would be profitable. Banks compete by offering services that improve customer happiness, which in turn leads to improved business performance in terms of profit maximization. This is why the importance of customer happiness is so high. In recent years, customers have expressed displeasure with the services provided by banks. Issues such as poor banking network, illegal and ongoing charges, arbitrary deductions, poor internet and mobile banking services, unethical behavior by bank staff, and improper use of information are just a few of the reasons for customer complaints. Consequently, these have negatively affected the bank-customer relationship.

Furthermore, the e-CRM system is considered an effective method to maintain customer databases through which banks can best understand the customer's needs and improve their relationship with them (Farooqi & Dhusia, 2018). The paper will focus on the influence of electronic customer relationship management on customer satisfaction in commercial banks in Akure metropolis, Ondo State.

Statement of the Problem

Despite studies showing positive relationship between customer satisfaction and organizational success, it is observed that commercial banks in Nigeria, Ondo state specifically, have e-CRM application prone to errors and poor service delivery. This has led to long queues at ATM stands with poor ATM service, insufficient funds in the machines, slow or no responses on social media platforms, and delayed resolution of issues relating to digital platforms (Ibrahim, 2020). It has somewhat become a tradition for customers to have their ATM cards seized by the machines and at times, the machines dispense no cash after debiting customers' accounts, leaving many customers stranded. There are cases of frauds among the banks' personnel, who divert customers' money for personal use (Idris, 2019). To this end, this study seeks to examine how issues relating to e-CRM application and customers' satisfaction in commercial banks in Ondo state, Nigeria.

Objectives

The main objective of the paper is to find out the influence of e-CRM application on customer satisfaction in commercial banks in Akure, Ondo State, Nigeria. The specific objectives are to:

i. Find out the level of customer satisfaction in commercial banks in Akure metropolis of Ondo State;
ii. Determine the level of effectiveness of e-CRM in Akure metropolis of Ondo State; and
iii. Find out the influence of e-CRM on Customer Satisfaction in Akure metropolis of Ondo State.

Method

The study adopted a survey research design. The study population is 1, 000,000 customers of commercial banks (First Bank, Guarantee Trust Bank, Polaris Bank, UBA and Wema Bank) in Akure metropolis of Ondo State, Nigeria. Using the Krejcie and Morgan sample size table, a sample size of 384 was obtained. Convenience sampling technique was used to select participants for the study. The instrument for data collection was adapted structured questionnaire which was subjected to validity and reliability tests before use. Face and content

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validity was done by peers and other researchers. A Cronbach's alpha reliability coefficient score of the customer satisfaction scale was 0.978 while that of e-CRM scale was 0.956. These scores suggest a good level of internal coherence among the survey items used to measure the two key constructs of the study based on the rule that 0.70 and above being considered to be adequate.

A 99% (n = 381) return rate was achieved as 381 copies of the questionnaire were returned and suitable for analysis. Data was analysed using the Statistical Product for Social Sciences (SPSS) version 21 with descriptive and inferential analysis.

The researcher was guided by ethical rules such as consent seeking from participants, plead of confidentiality and privacy maintenance for participants, securing permission to survey bank customers, obtaining research approval from the research ethics committee, securing of research data in locked cabinets, as well as the use of the data for research purpose only.

Findings:
Out of the 381 bank customers surveyed, 45% (n=171) are male while 55% (n=210) are female. The highest 31% (n=119) of them were within the ages of 27-36 years, followed by those within the ages of 21-26 years with 29% (n=109). The least 10% (n=38) are 47 years and above while the mid 17% (n=66) and 13% (n=49) are ages 15-20 years and 37-46 years respectively. Of these respondents, 50.4% (n=192) are married while 49.6% (n=189) are single.

The level of customer satisfaction in commercial banks in Akure metropolis of Ondo State
A Decision Rule of mean: 1.0 - 1.7 = Very low; 1.8 - 2.5 = low; 2.6 - 3.3 = moderate; 3.4 - 4.1 = high; 4.2-5.0 = Very high was developed for the study and customer satisfaction (service convenience, tangibility, reliability, responsiveness, and empathy) have an overall mean of 3.42. This implies that the level of customer satisfaction falls within the range of 'High', going by the decision rule. This means that the level of customer satisfaction among commercial banks in Akure metropolis of Ondo State, is high.

The level of effectiveness of e-CRM in Akure metropolis of Ondo State
Similarly, with a decision rule of 1.0 - 1.7 = Not Effective; 1.8 - 2.5 = Less Effective; 2.6 - 3.3 = Moderately Effective; 3.4 - 4.1 = Effective; 4.2-5.0 = Very Effective, the level of effectiveness of e-CRM application in the commercial banks returned an overall mean of 3.46. This means that the level of effectiveness of e-CRM application in the commercial banks in Akure metropolis of Ondo State, is effective.

The influence of e-CRM on Customer Satisfaction in Akure metropolis of Ondo State
Lastly, e-CRM positively and significantly influenced Customer Satisfaction in Akure metropolis of Ondo State, with a P value of 0.000 ($p<0.05$). Table 1 is the SPSS output of the regression analysis.

Table 1: The influence of e-CRM on Customer Satisfaction in Akure metropolis of Ondo State, Nigeria

Variables	Beta (β)	T	Sig.	R^2	*Adj.* R^2	F	P
(Constant)		6.061	.000	.443	.441	300.978	0.000
E-CRM	.665	17.349	.000				

Dependent Variable: Customer satisfaction
Predictor: E-CRM
DF (F-Statistic) = 1, 379
DF (T-Statistic) = 380

Conclusion and Recommendations

This study concluded that e-CRM influences customer satisfaction which is necessary for business survival and growth. In this day and age of competition and technological change, financial institutions must work hard to expand their customer base and improve consumer satisfaction. E-CRM was found to be a great tool for banks to become more lucrative by satisfying and keeping customers. In this shifting economic environment, the success of banks is dependent on three factors: technology, customers, and people. E-CRM is a diverse domain that touches on three major facets: banks, customers, and market forces. The customer satisfaction produced a significant impact on customer loyalty, thus indicating that overall customer satisfaction with the bank and customer product satisfaction contributed to loyalty to the banks and the enhancement of switched patronage. At Akure metropolis banks, e-CRM was identified as a key attribute of service and customer relationship quality and outcome. The results of this and previous research have sent a message to banks, which, after having made such an investment in the field of information technology and the provision of services, should not see the work finished and terminated, but try to keep their customers satisfied.

This study has generally revealed that although the level of customer satisfaction of customers in commercial banks has been adjudged high by the customers, there is need for further improvement to make it very high. The central bank of Nigeria should therefore mandate the bank managers of the commercial banks to sustain and improve on their e-CRM application for a better customer satisfaction. Also, since e-CRM Application positively and significantly influence customer satisfaction, the bank managers should ensure further enhancement of the available e-CRM application to make it more robust and further improve on customer satisfaction in the banks.

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