



## Explanation the factors affecting Customer Satisfaction in relationship CRM

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**Abstract.** In today's world of communication with the customer is the center of attention. In the center of this system is customer service and customer satisfaction Profitability for banks and financial institutions leads. The purpose of this study was therefore to introduce the system model of customer satisfaction, customer relationship can be established. The associated variables with customer satisfaction in the CRM are examined In this study. This study considers a conceptual model that is determinant of customer satisfaction. To test the hypotheses, a questionnaire of 34 questions designed that is valued 0 to 100 and distributed among the population, including Pasargad bank, the total 310 patients of the main branches of clients who have had experience using the bank system. The method used in this research is descriptive-survey. The path analysis method was used to test the hypotheses, and the AMOS software is used for statistical analysis of data. The results of the study show the significant impact of variables on customer satisfaction, however, the Customer protest and Service quality has had the greatest impact on satisfaction among them.

**Keywords:** Satisfaction, CRM, Proposal model

## 1. INTRODUCTION

Customer satisfaction, the feeling of customers using a product or service, is one of most popular research topics in marketing and e-commerce studies, including its positive effects on customers' repurchase and 'word-of-mouth' behaviors. Recent online banking studies, including, have found that customer satisfaction with previous online banking interactions have had a positive effect on both customer loyalty and positive word-of-mouth. One survey investigation (Cheolho Yoon, 2010). Companies have long viewed creating customer satisfaction as an important goal. Satisfaction is seen as the major determinant of subsequent loyalty, with positive consequences for company performance. The literature substantiates the positive effect of customer satisfaction on desirable outcomes. At the customer level it is positively related to various aspects of customer loyalty, repeat purchase, customer retention and share of wallet (Adam et al. 2009). Customer satisfaction is likely to be even more important online, since it is harder to keep online customers loyal (Farnaz Beheshti. 2012). A Customer Relationship Management<sup>1</sup> system is a software system designed to empower a company to maximize profits by reducing costs and increasing revenue; to increase competitive advantage by streamlining operations; and to achieve business goals (Marco & Jorge. 2011). The customer relationship management system is a key to this process of continuous adaptation to the firm's environments, which is the monitoring of external changes and adapting internal cultures and

<sup>1</sup>CRM

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processes in response to external challenges. The firm's CRM system should identify factors important to clients, promote a consumer-oriented philosophy, use customer-based measures, develop end-to-end customer management processes to serve customers, provide customer support (including handling complaints), and track all aspects of sales (AlirezaFazlzadeh et al.2011). Client related details can be drawn out of several sources. In order to do so, a process of gathering, storing and analyzing the data is necessary. The data is used to get information on the clients (Adriana & Lucia.2011). Clearly, a large body of literature in B-2-B and B-2-C markets has emphasized the importance and contribution ofCRM. Nevertheless, no previous research was made to develop or test models of CRM in the banking (Sami Alsmadi.2011). The purpose of the presentations listed above, the emphasis is on creating customer value and satisfaction in their proper relation to the investment banks and other agencies and organizations is considered. The purpose of this research is the design and evaluation variables that can establish the relationship with the customer (CRM), through the satisfaction and loyalty towards the organization and established banks. This model takes into account the relationship between the variables of pay satisfaction Complete this form of research has been done so far, and this in itself is new. Below we review and define each of these variables:

**Customer Value:** Value reigns supreme in today's marketplace and market space; customers will not pay more than a goods or service is worth. Customers are increasingly searching for and demanding value in products and services. Companies that provide superior value to their customers obtain a competitive advantage. Customer value is more viable element than customer satisfaction because it includes not only the usual benefits that most banks focus on but also a consideration of the price that the customer pays (Kazi Omar.2011).

**Service quality:** A concept which is very closely related with satisfaction and loyalty is perceived quality, and the differences between these have not always been very clearly defined They have been used on occasion in an indistinct manner. In an attempt to clarify the distinction between satisfaction and perceived quality, satisfaction requires previous consumption experience and depends on price whereas quality can be perceived without previous consumption experience and does not normally depend on price. Service quality has been found to have a profound input on customer satisfaction and loyalty as a whole and is defined as the result of the comparison that customers make between their expectations about a service and their perception of the way the service has been performed (Bilal Afsar et al., 2010).

**Technology:** Technology plays the role of enabler in CRM deployment and allows firms of achieve greater customization and better service at lower cost (Fakhraddin Marooft.2012).

**Customer protest:** Recently, researchers have a vital role in increasing customer satisfaction complaints management are emphasized. Necessarily improved handling complaints and investigations were carried out before the customer happens, consider it as something different stimuli consent is problematic (Aydin & Ozar, 2005).

**Customer Loyalty:** Engaging in loyal relationship between individual consumers and their product/service provides is beneficial for both parties. Argues that firms have shifted their strategies away from an emphasis on simply satisfying consumers to an emphasis on keeping and nurturing them, due to the profit impact of having loyal customers. Nurturing profitable customers through various types of relationships has emerged as an important issue. Through loyal relationships, consumers can receive higher level of their preferred service or products from their providers (Mehdi Fathollahzadehet al.2011).

**Communication channels of interaction:** Effective implementation of CRM programs requires two way communications to interact directly with customers and receive immediate feedback. This keeps the firm in touch with reality and enables employees to quickly respond to different consumer needs. The use of modern communication technology such as telephone,

internet, e-mail, fax, SMS, could also enhance the effectiveness of two way communication (Fakhraddin Maroofi.2012).

## 2. RESEARCH OBJECTIVES

### 2.1. Main Objectives

- Examining effective factors influencing Satisfaction in relationship CRM.

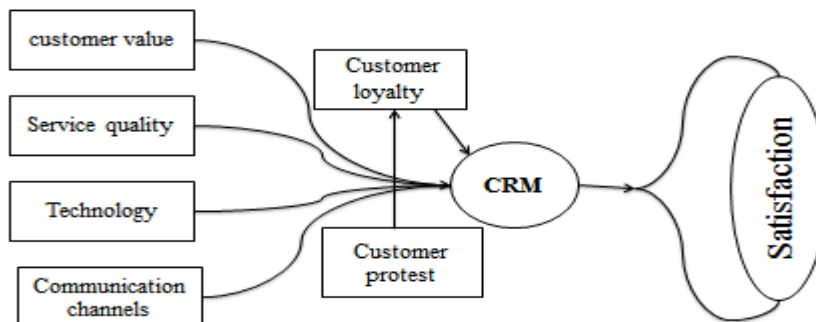
### 2.2. Sub Objectives

1. Identifying factors influencing Satisfaction in relationship CRM.
2. Measuring any of the factors influencing Satisfaction in relationship CRM.
3. Rating any of the factors influencing Satisfaction in relationship CRM.
4. Extracting the conceptual model about the factors influencing Satisfaction in relationship CRM.
5. Developing and drawing inclusions from the extracted conceptual model about the factors influencing Satisfaction in relationship CRM.

### 2.3. Research hypotheses

- H<sub>1</sub>**. There is a significant and positive influence of customer value on CRM.
- H<sub>2</sub>**. There is a significant and positive influence of service quality on CRM.
- H<sub>3</sub>**. There is a significant and positive influence of technology on CRM.
- H<sub>4</sub>**. There is a significant and positive influence of communication channels on CRM.
- H<sub>5</sub>**. There is a significant and positive influence of customer loyalty on CRM.
- H<sub>6</sub>**. There is a significant and positive influence of customer protest on CRM.
- H<sub>7</sub>**. There is a significant and positive influence of CRM on satisfaction.

### 2.4. Model



**Garph 1:** The Conceptual model of examining the effective factors(customer value, Service quality,technology, communication channels, customer loyalty, customer value,customer protest)influencing Satisfaction in relationship CRM (taken from: Maroofi et al.2012,MehrdadAlipour et al.2011,Jan et al.2009, Rene et al.2009,Turkyilmaz et al.2007,Kamalain et al.2008, Dwayne et al,2004).

## 3. THEORETICAL FRAMEWORK FOR RESEARCH

### 3.1. Research Method

Considering the subject of this research, the universe of this study is the clients of the main branches of Pasargad bank in citykermanshah province-Iran. The sampling method and sample volume was determined by morgan table. The universe was 1600 people and sample volume was determined 310 persons. Samples were collected by the simple accidental sampling

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method. A closed questionnaire was used for collecting data and the questions were categorized into 7 sections with a value of 0-100. For analyzing data, path analysis was used.

### 3.2. Kolmogorov- Smirnov test

To use path analysis and regression method, errors must have a normal distribution. To examine this, Kolmogorov-Smirnov test is being used.

**Table 1.** One-Sample Kolmogorov-Smirnov Test

	Error
N	310
Kolmogorov-Smirnov Z	0.364
Asymp. Sig. (2-tailed)	0.081

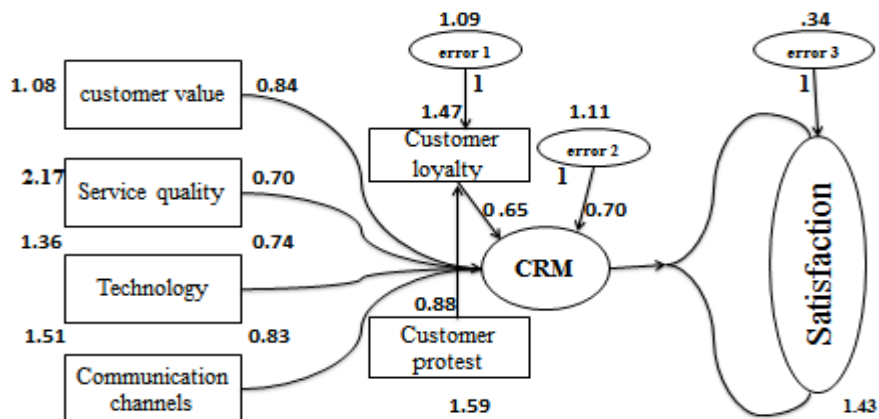
In the table above, Since  $p\text{-value} = 0.081$  and  $p > 0.05$ , the hypothesis of being normalized is accepted.

A primary sample of 310 people were examined to do this research and as for getting sure of its reliability, Cronbachs Alpha was used. As its shown in the table below,  $\alpha = 0.953$ , which proves the reliability of the questionnaire.

**Table 3.** Reliability Statistics

Cronbach's Alpha	N of Items
0.953	34

In the table above, Cronbachs alpha = 0.953 and  $\alpha > 0.70$ , then it can be said that this questionnaire is reliable. In this model, the impact of independent variables such as customer value, Service quality, Technology, Communication channels, Customer loyalty, Customer protest on the dependent variable of Satisfaction in relationship CRM is examined. Therefore, the model is illustrated as following:



**Graph 2:** The regression coefficients of independent variables in Pasargad bank.

In the figure above, 0.84 demonstrates regression coefficient between customer value and Satisfaction variables, and 1.08 demonstrates the variance of reliability variable.

**3.2. Regression coefficients of variables in Pasargadbank**

The table above shows the calculated regression coefficients of independent variables on dependent ones. According to this table, the regression coefficient of the variable customer value is 0.840. Also, the calculated regression coefficient of Service quality is 0.702, Technology = 0.743, Communication channels = 0.830, Customer loyalty = 0.654, Customer protest = 0.885 and CRM = 0.706. Considering the last column of this table which shows p-value related to independent variables coefficients being significant hypothesis. customer value 0.000, Service quality 0.028, Technology 0.011, Communication channels 0.007, Customer loyalty 0.006, Customer protest 0.000, CRM 0.000. because all of these p-values < 0.05, as a result, it can be concluded that all of these coefficients are significant. In the second column, this table shows standard error and the third column shows the critical value, which is attained through dividing the coefficient estimation by the standard error.

**Table 3.** Regression coefficient of independent variables in Pasargad bank.

		Estimate	S.E.	C.R.	P
CRM	<--- customer value	.840	1.039	.492	.000
CRM	<--- Service quality	.702	1.473	.884	.028
CRM	<--- Technology	.743	1.166	.364	.011
CRM	<--- Communication channels	.830	1.228	.625	.007
CRM	<--- Customer loyalty	.654	1.212	.784	.006
Customer loyalty	<--- Customer protest	.885	1.260	.845	.000
Satisfaction	<--- CRM	.706	1.195	.749	.000

**3.3. Structural equation**

In this article, independent variables like customer value is shown by X<sub>1</sub>, Service quality X<sub>2</sub>, Technology X<sub>3</sub>, Communication channels X<sub>4</sub>, Customer loyalty X<sub>5</sub>, Customer protest X<sub>6</sub>, Responsiveness X<sub>7</sub> and the dependent variable of Satisfaction is shown by Y. According to the regression coefficients, the linear regression model being fitted to data, is as follows:

$$Y = 0.41 + 0.84 x_1 + 0.70x_2 + 0.74 x_3 + 0.83x_4 + 0.65 x_5 + 0.88 x_6 + 0.70 x_7$$

**3.4. Standardized Regression Weights**

The standardized coefficients of independent variables have been shown in the graph below.

**Table 5.** The standardized coefficients of variables.

		Estimate
CRM	<--- customer value	.88
CRM	<--- Service quality	.69
CRM	<--- Technology	.76
CRM	<--- Communication channels	.81
CRM	<--- Customer loyalty	.74
Customer loyalty	<--- Customer protest	.93
Satisfaction	<--- CRM	.77

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As h's obvious from the table above, the variable of Customer protest has the most impact and Service quality has the least impact on the variable of Satisfaction in relationship CRM.

### 3.5. Comparing the independent model and the proposed model

In order to examine the suitability of the model, the following criteria are used. The nearer the values of these criteria to 1, the more suitable the model will be. The independent model is a kind of model in which there's no relationship among variables, being called a basic model.

**Table 6.** Comparing the suggested and independent model in Pasargad bank.

	<b>NFI</b>	<b>RFI</b>	<b>IFI</b>	<b>CFI</b>	<b>GFI</b>	<b>AGFI</b>	<b>RMSEA</b>
<b>proposed model</b>	0.777	0.894	0.864	0.738	0.901	0.963	0.047
<b>independent model</b>	0.000	0.000	0.000	0.000	0.000	0.000	0.000

The values of the table above proves the suitability of the model.

### 3.6. K2 of the suggested models

The following table shows the  $K_2$  value for the suggested model.

**Table 7.** K2 of the suggested model in Pasargad bank

<b>CMIN</b>	<b>DF</b>	<b>CMIN/DF</b>	<b>P</b>
27.006	21	1.286	0.034

For this model,  $\chi^2 = 27.006$ , degrees of freedom = 21 and sig = 0.034, and because sig < 0.05, it's concluded that the regression model being fitted among dependent and independent variables is significant and suitable.

## 4. CONCLUSION

**H<sub>1</sub>.** There's a significant and positive relationship between customer value and CRM.

According to the achieved results; there's a significant and positive relationship between customer value and CRM with a sig of 0.000 and a regression coefficient of 0.84. Therefore, it can be stated that there's a strong relationship between CRM and customer value, and the regression coefficients between the two stated variables is direct (positive). As a result, it can be said that customer value influences CRM and in customers point of views; The more the customer value, the better the CRM, therefore, the hypothesis is accepted.

**H<sub>2</sub>.** There's a significant and positive relationship between Service quality and CRM.

According to the achieved results; there's a significant and positive relationship between service quality and CRM with a sig of 0.028 and a regression coefficient of 0.70. Therefore, it can be stated that there's a strong relationship between CRM and service quality, and the regression coefficients between the two stated variables is direct (positive). As a result, it can be

said that service quality influences CRM and in customers point of views; The more the service quality, the better the.CRM, therefore, the hypothesis is accepted.

**H<sub>3</sub>**.Theres a significant and positive relationship between Technology and CRM.

According to the achieved results; theres a significant and positive relationship between technology and CRM with a sig of 0.011 and a regression coefficient of 0.74.Therefore,it can be stated that theres a strong relationship between CRM and technology, and the regression coefficients between the two stated variables is direct (positive).As a result, it can be said that technology influences CRM and in customers point of views; The more the technology, the better the.CRM, therefore, the hypothesis is accepted.

**H<sub>4</sub>**.Theres a significant and positive relationship between Communication channels and CRM.

According to the achieved results; theres a significant and positive relationship between communication channels and CRM with a sig of 0.007 and a regression coefficient of 0.83.Therefore,it can be stated that theres a strong relationship between CRM and communication channels, and the regression coefficients between the two stated variables is direct (positive).As a result, it can be said that communication channels influences CRM and in customers point of views; The more the communication channels, the better the.CRM, therefore, the hypothesis is accepted.

**H<sub>5</sub>**.Theres a significant and positive relationship between Customer loyalty and Satisfaction.

According to the achieved results; theres a significant and positive relationship between customer loyalty and CRM with a sig of 0.006 and a regression coefficient of 0.65.Therefore,it can be stated that theres a strong relationship between CRM and customer loyalty, and the regression coefficients between the two stated variables is direct (positive).As a result, it can be said that customer loyalty influences CRM and in customers point of views; The more the customer loyalty, the better the.CRM, therefore, the hypothesis is accepted.

**H<sub>6</sub>**.Theres a significant and positive relationship betweenCustomer protest andcustomer loyalty.

According to the achieved results; theres a significant and positive relationship between customer protest and customer loyalty with a sig of 0.000 and a regression coefficient of 0.88.Therefore,it can be stated that theres a strong relationship between customer loyalty and customer protest, and the regression coefficients between the two stated variables is direct (positive).As a result, it can be said that customer protest influences customer loyalty and in customers point of views; The more the customer protest, the better the.Customer loyalty, therefore, the hypothesis is accepted.

**H<sub>7</sub>**.Theres a significant and positive relationship between CRM and Satisfaction.

According to the achieved results; theres a significant and positive relationship between CRM and satisfaction with a sig of 0.000 and a regression coefficient of 0.70.Therefore,it can be stated that theres a strong relationship between satisfaction and CRM, and the regression coefficients between the two stated variables is direct (positive).As a result, it can be said that

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CRM influences satisfaction and in customers point of views; The more the CRM, the better the satisfaction, therefore, the hypothesis is accepted.

Confirm the hypothesis of a significant and positive relationship between them, It can be concluded that the proposed model is practical and efficient and it can all agencies and banks that customer satisfaction is the cornerstone of his work have been used. The results can provide some suggestions for future research:

- The relationship between customer satisfaction and relationship management strategies.
- The relationship between advertising through customer relationship management customer satisfaction.

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