

EXAMINING THE RELATIONSHIP BETWEEN CRM IMPLEMENTATION AND BUSINESS PERFORMANCE, CUSTOMER RETENTION, AND PROFITABILITY: AN EMPIRICAL STUDY

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ABSTRACT

Customer Relationship Management (CRM) practices are business strategies designed to reduce costs and increase profitability by solidifying customer loyalty. With intense competition among insurance companies in Ghana, this study sought to assess Customer Relationship Management practices and Customer Retention in NSIA Insurance. The study was conducted to identify critical factors necessary for customer retention in carrying out customer relationship management practices in the selected insurance company and to develop effective customer relationship management practices to manage customer retention for sustainability within the insurance industry using NSIA Insurance as a case study. Well structured questionnaires and face-to-face interview were the methods adopted for the investigation of the study. A sample size of 40 respondents was considered, they were made up of customers and the staff who are fully involved in customer relationship management of the insurance company. Data collected from the completed questionnaires and the interviews were grouped into frequency tables and expressed in percentages. The researcher relied on the SPSS in interpreting the collected data. The study shows that even though NSIA insurance has policies on customer relationship management practices, these policies are not carried out fully to accomplish the ultimate goal of customer retention. The study recommends that for the insurance company to command an adequate number of loyal customers, NSIA Insurance should consistently improve on its quality of service to address the preference of the customers and consider the five service quality constructs of reliability, assurance, tangibility, empathy and responsiveness.

I. GENERAL INTRODUCTION

Background of the Study

Over the last few decades insurance companies have exhausted a large chunk of resources in their quest to secure new businesses. In as much as it is important to exploit new businesses and enter emerging markets, it is also essential to maintain existing customers and enhance customer relationship (Weinstein, 2002). In reality,

the cost associated with acquiring new customers is astronomically high as compared to the cost of retaining existing customers. This implies that a minimal increase in the retention rate will add several thousands of Ghana Cedis to the premium revenue.

Historical accounts vividly indicate that when a customer holds two insurance policies with an insurance company, the

customer is likely to renew the policy than a customer who holds a single policy. This analytical process makes it quite strenuous to identify the type of customers that are profitable and should be retained by the company. Undoubtedly searching for new customers is indispensable but retaining and enhancing long lasting relationships with profitable customers is the main emphasis now. Insurance companies have now realized that parting ways with a customer means losing a life time's worth of referrals and purchases and not just a single sale. The target for marketing now is to attract new customers with a promise to provide superior value and retain current customers by delivering satisfaction (Kotler & Armstrong, 2011).

In Ghana, the insurance industry is characterised with a whopping majority of the insurance companies offering the same services with little variations. Insurance companies can set unique standards through tenacious customer satisfaction and effective customer relationship management. Customer retention is a key variable in customer relationship management.

Customer satisfaction is the essential condition for retaining customers; it compares the expectations of a customer to the perception of the customer being satisfied (Kracklauer et al., 2004). This highlights the relevance of customer retention as a vital tool in Ghana's competitive insurance industry.

Customer relationship management (CRM) represents an activity to build accurate knowledge on customer behaviour in order to initiate strategies that encourages customers to continually

enhance their business relationship with a corporate entity (Parvatiyar & Sheth, 2001). The strategies mostly used in customer relationship management are anticipated to mitigate the occurrence of service failures that motivate customers to switch from one insurance company to the other as referenced by (Crosby et al., 1990; Jones & Farquhar, 2003; Best, 2002; Mithas et al., 2005; Uppal, 2008 and Sharma et al., 2011) in their works.

The study of Verhoef (2003) shows that customer relationship management has a positive relationship with customer retention. Other researchers like Verhoef & Donkers (2001) also confirm the use of technology as a key variable in retaining customers. This confirms that CRM plays a major role in allowing insurance companies to use strategies which rely heavily on customer database in coordinating effective customer relationship towards the ultimate goal of customer retention. Customer relationship management has quintessentially been considered as a major determinant of customer retention. Apparently the noteworthy nexus between customer relationship management and customer retention is worth studying in the highly competitive insurance industry of Ghana.

Problem Statement

Insurance companies offer unique financial services that propel economic growth in a country. The services range from the underwriting of risks common in economic entities and the mobilization of large amount of funds through premiums for long term investments. The risk absorption role of insurers ensures financial stability in the financial markets and provides a

sense of security to economic entities. The business world without insurance is unsustainable since risky business may not have the capacity to retain all kinds of risks in this ever changing and uncertain global economy (Ahmed et al., 2010). Indeed, a well-developed and evolved insurance industry is a boon for economic development as it provides long-term funds for infrastructure development of any economy (Charumathi, 2012). The National Insurance Commission, the regulatory body of the Ghanaian insurance sector, has therefore intensified its supervision, field visits, and has adopted a risk-based assessment of insurer's activities. All of these regulatory measures are to ensure that the performance of insurance companies is in sound condition. In spite of the important role of the insurance industry, there is little information in the industry to help professionals to work to make good policies and address the needs of customers and formulate effective policies. Availability and easy access to accurate statistics on the Ghanaian insurance market remains a big challenge to the sector today. Most Ghanaians therefore are totally at a loss about what actually transpires in the industry. This has affected insurance penetration negatively in Ghana. For instance, in 2008, insurance penetration in Ghana was 1.57%, while South Africa recorded 12.7% (National Insurance Commission [NIC] Annual Report, 2008). Furthermore, there is little research conducted on the effect of CRM on customer retention in the insurance industry at large and particularly in Ghana

from the customer's perspective (see Abu, 2011).

Research Objectives

The aim of the study is to assess the customer relationship management practices and how this affects customer retention in NSIA Insurance Company, Kumasi. The specific objectives are as follows:

- To examine the customer relationship management practices adopted by the NSIA Insurance company in Ghana.
- To examine the challenges NSIA Insurance is exposed to in carrying out customer relationship practices in Ghana.
- To establish the effect of customer relationship management (CRM) on customer retention in NSIA Insurance.

Significance of the Study

The results of this study would hopefully be significant in the sense that it would enable insurance companies to better understand why customers defect; the effect of customer relationship management and the various motivational factors which could be harnessed to inspire customers to retain them to increase and sustain productivity.

The study which focuses extensively on NSIA Insurance as a case study will contribute to the existing knowledge on customer relationship management and customer retention. The study will aid policy makers in implementing improved policies in the insurance industry as well as serve as a foundation for future research work to be conducted in this area.

Scope of the Research

This study focused on Customer Relationship Management and how it affects Customer Retention in NSIA

Insurance. The customers of NSIA Insurance will be the population for the study and the study will be carried out within a time frame of 3 months.

Limitations of the Study

In spite of the significant contribution of this study to the existing literature, the study has several limitations. The study is limited to NSIA Insurance in Kumasi; inadequate financial resources and time constraint was the reason for choosing the branch of Nsiah insurance company in Kumasi.

Structure of the Research

The Chapter One, of the study is the introductory chapter, which contains the background of the study, the structure of the work, the statement of the problem, the objective of the study, limitation of the study and the organization of the study. The Chapter Two consists of the detailed discussion on the accessible studies by a variety of researchers on customer relationship management, technology and customers retention in an organization. The Chapter Three of the study contains the research methodology to be applied for the study.

It discusses the alternative methods of studying the effects of customer relationship management on customers' retention. The fourth Chapter of this study consists of the data analysis which would be collected for the study and also comprises of the results and discussions to be extracted from objectives developed for the study. The concluding Chapter of this study consists of the summary results, conclusion of the study and recommendations for the insurance industry in Ghana.

II. LITERATURE REVIEW

2.1 Customer Relationship Management

CRM is an acronym for Customer Relationship Management. There is no generally accepted definition of CRM even though CRM is considered to be an essential business approach. According to Swift (2001), CRM is an enterprise approach to understanding and influencing customer behaviour through meaningful communications in order to improve customer acquisition, customer retention, customer loyalty, and customer profitability.

Customer Relationship Management is the strategic use of information, processes, technology, and people to manage the customer's relationship with your company (Marketing, Sales, Services, and Support) across the whole customer life cycle (Kincaid, 2003). Additionally Parvatiyar&Sheth (2001) defined CRM as a comprehensive strategy and process of acquiring, retaining, and partnering with selective customers to create superior value for the company and the customer. It involves the integration of marketing, sales, customer service, and the supply-chain functions of the organization to achieve greater efficiencies and effectiveness in delivering customer value. CRM has been conceptualized by Reinartz et al. (2004) from the customer perspective as: A systematic process to manage the customer relationship initiation, maintenance, and termination across all customer contacts points in order to maximize the value of the relationship portfolio. Also Padmavathy (2012) defined CRM as a set of customer-oriented

activities supported by organizational strategy and technology, and is designed to improve customer interaction in order to build customer loyalty and increase profits over time.

The definitions above accentuate CRM as a complete set of approaches for administrating customer relations in terms of marketing, customer and support services.

The organizations can use information technology and information systems to combine CRM procedures to please customers. For the purpose of this study, CRM will be defined as organization of comprehensive information regarding customers through the use of complicated software and analytical tools to cautiously manage client contact points to maximize profit and retain the customers.

2.1.1 Component of Customer Relationship Management

In the paper of (Kim et al, 2003) a framework of CRM was proposed from information processing view point in the aspects of relationship initiation, worth, positioning and commitment. The approach suggests that, customer information is crucial in administrating, attracting and retaining successful relations with customers across the developmental phases. The argument continues that, when organizations concentrate on their association with customers, some of the customers will be retain and provide value for the firm in terms of generating higher profits. Therefore, organizations can improve their relationships with customers by properly managing customer information. A related conceptual framework of CRM was anticipated to

integrate business procedures, organizational arrangement, investigative structures and technology to represent customers view (Chan, 2005). In a different study Kim et al. (2003), developed a framework of CRME to consist of customer knowledge, interaction, value and satisfaction. The study declares that, business interactions are handled well only when CRM activities aimed at satisfying the customers' personal and distinctive needs. Through incorporation of business processes and technology, organizations are able to sustain and improve the relations with customers. From functional and organizational capabilities perspective, Reinartz et al. (2004) offered a model for CRM processes based on three different levels of relationships namely; initiation, maintenance, and termination. Payne et al. (2005) further studied the significance of business strategy in CRM implementation. The authors developed a model that assigned the business strategy with customer strategy to establish value for both firm and customers. By so doing, the lifetime value of advantageous clients is maximized.

The Literature discussed above suggests that, when organizations implement CRM processes by considering business strategy, organizational motivation and information technology, then customer relations established can be retained. The integration of these elements permits firms to gain knowledge about profitable customers in order to achieve business performance increase.

2.2 Customer Retention

Customer Retention can be defined as the possibility of a client to be retained by the organization (Morgan & Hunt, 1994). Also Hall (1997) considers customer retention as maintaining customers for life. The life span worth of a customer to any business can be appreciated in their financial performance. Some studies considered Customer retention from a behavioural perspective. Thus, the customer feeling belong and dedicated to the company. For instance, the customer recommends the company to others and willing to repurchase services or products from the organization (Diller, 1996; Diller & Mueller, 1998; Gremler & Brown, 1998; Homburg et al., 1999; Oliver, 1999). According to Keiningham et al. (2007, p 364), customer retention is defined as “customers” stated continuation of a business relationship with the firm. For Internet service providers (ISPs), it is continuing to use the same provider. For retail banks, it is continuing to maintain an account relationship with the bank. And for discount retailers, it is the continued repeat shopping with the retailer”. For the purpose of this study, customer retention will be defined as the company’s ability to maintain their obtainable customer base.

2.2.1 Components of Customer Retention

Retaining customer relationships are viewed as one of the crucial possession for companies (Webster, 1992; Collier & Bienstock, 2006). Some previous studies affirms that, maintaining obtainable customers is mostly worthwhile than acquiring new customers (see Rosenberg & Czepiel, 1984; Vandermerwe,

1996). As a result, some researchers have developed interest in examining the strategies for attracting and sustaining good relationships with obtainable customers (Duncan & Moriarty, 1998; Gonzalez et al., 2004). Again Finn (2005) suggests that, Relationship quality plays an important role in sustaining long lasting relationship. Researchers have studied relationship quality from customer’s perspective (Crosby et al., 1990; Kumar et al., 1995). Sharing information sustains the quality of relationship. Information as a main resource can help organizations to appreciate their customers and reinforce their customer base against their competitors (McKean, 1999; Fruchter & Sigue’, 2005). Thus, distributing information with customers can make and retain the assurance of customers. Hence, sharing information often with customers can help organization to retain them (Crosby et al., 1990). One of the efficient way to attract prospects is through the assistance of retain customers who offers referrals (Johnson et al., 2003; Collier & Bienstock, 2006).

A referral from existing customers permits the sales force of the organization to penetrate into markets which are untouchable (Boles et al., 2000). However, this strategic business potential of referrals is disregarded by companies (Bachrach, 1999; Connors, 1998) and very little attention has been given to it academically (Boles et al., 2000). Keeping high quality relationship with clients seems to boost their readiness to offer referrals (Finn, 2005). This leads to achievement of retained relationship. As soon as clients expect continued dealings, the clients will

be willing to respond by referring colleagues, family and friends to their companies (Johnson et al., 2003; Washburn, 1996).

Also Noordewier et al. (1990), advocate that when a company expects a customer relationship to transcend, then the current interaction should be fostered. Continuous communication with the same service provider boosts customer willingness to refer others to their service providers. Based on the above academic literature reviewed, it is suggested that, when quality relationships exist between customers and their service providers, the relationship is sustained mainly by the distribution or sharing of information. Customers then feel close and part of the company which boosts their moral to provide referrals to their service providers. This happens mainly because customers anticipate future interaction with their service providers. Therefore, the components of customer retention in this study are; relationship quality, information sharing, willingness to provide referrals and anticipation of future interaction.

III. RESEARCH METHODOLOGY

3.1 Introduction

This chapter focuses primarily on the research design and throws more light on the methodology that was used to test the research questions. A well-structured questionnaire was used to collect data for the study.

3.2 Research Paradigm

As pointed out by Kvale (1996) and Mikkelsen (1995), the ultimate success of a research is mainly determined by the choice of research method. The research design is considered to be the blueprint of

the research as vivid directives on which questions to study, which data is appropriate, the type of data to collect, and how to analyze the results are clearly illustrated (Adèr, Mellenbergh, & Hand, 2008).

Research design is divided into constant and flexible research designs (Robson, 1993). Others have noted this difference as quantitative study designs and qualitative research designs, respectively. In constant designs, the design of the study is constant earlier than the most important stage of information assortment takes situation. Fixed designs are probably conception driven; otherwise it's inconceivable to understand prematurely which variables need to be controlled and measured. Most of the time, these variables are measured quantitatively. Bending designs allow for more freedom in the course of the information collection method. One motive for using a bending research design may also be that the variable of curiosity is not quantitatively measurable, similar to tradition. In different cases, an idea might not be had earlier than one begins the research. Examples of quantitative designs include experimental designs, non-experimental designs and quasi-experimental designs.

In an experimental design, the researcher actively tries to vary the drawback, circumstances, or expertise of contributors (manipulation), which may result in a transformation in habits or results for the members of the gain knowledge of. Non-experimental study designs nonetheless, do not involve a manipulation of the hindrance, situations or experience of the participants. Quasi-research designs on the other hand are research designs that follow

the experimental procedure, however don't randomly assign men and women to (therapy and comparison) corporations.

The research procedure adopted by the researcher is the case study procedure. The case study technique was used because of time constraint and the truth is that it is pleasantly used in trendy issues. Yet another bases on which the case study procedure was used is the fact that not all contributors can be interviewed, as a result this pattern is used to generalize the findings.

3.3 Sampling Procedures

This section gives a detailed account of the sample and the population of the study.

3.3.1 The Population and Sample

Many researchers, specifically Cooper and Schilndler (2003) define population as the total collection of elements which a researcher wishes to make some inferences. The target population consists of the staff and customers of NSIA Insurance in Kumasi. This is estimated at about three hundred and fifty (350) customers. A sample size refers to the number of variables to be included in a study (Malhotra and Briks, 2005). Normally, it is drawn from the general population for the study. A sample size of forty (40) respondents was purposively selected. The choice of customers of the NSIA Insurance is based on the demographic characteristics sex, age, marital status and educational qualification/s; apart from the objectives of the study. The sampling technique used in selecting the sample size is the purposive sampling technique. Purposive sampling technique is a type of sampling technique where the sample size is selected in

accordance with the objective of the researcher.

The reason for the choice of technique is largely due to the interest of the researcher as well as time constraint as this research is time bound. In determining the sampling frame, the research considered the proportion of all customers and staff of NSIA insurance used in the case study.

3.4 Sources of Data

In a research work, there are two types of data; secondary or existing data created by a separate entity and primary or actual data gathered in the course of the study (Hair et al., 2007). Primary data is the actual information gathered purposely for the researcher's use, whereas secondary data is information gathered from other individuals for a new cause such as books, journals, articles, and web-based data (Ghauri and Grønhaug, 2005).

Primary data was used for this study so questionnaires were used as a source of gathering the primary data from the customers while a structured interview was used to gather information from the management of NSIA Insurance in Kumasi. Practically the primary data was collected via the use of questionnaires and structured interviews.

3.5 Data Collection Tools

The questionnaire is a means of gathering information from respondents through a series of questions (Parahoo, 2006). The questionnaires were self-administered to the respondents by the researcher. Primary data was obtained from the use of questionnaire to collect data in order to assess the customer relationship management and customer retention in

NSIA Insurance. Questions were in closed-ended and open-ended types. The researcher designed only one set of questionnaire for the customers. In designing the questionnaire, items were selected from the literature. Afterwards, the supervisor of the thesis moderated the questionnaire to check content. Additionally, a pilot study was carried out where the questionnaire was given to five insurance experts, managers and customers to evaluate. They commented on the errors and the researcher made the necessary corrections leading to the final questions. The researcher administered the questionnaires personally to the respondents. Items in the questionnaire were partly open-ended and partly close-ended. The open-ended items allow the respondents to answer the questions freely and fully in their own words and with their frame of reference. Generally, open-ended questions are flexible, encourage rapport and offers possibilities of depth while the closed-ended items allow the given respondents to answer the questions of specific nature. The close-ended questions were developed on a five point Likert scales ranging from 1 (strongly agree/satisfied) to 5 (strongly disagree / dissatisfied). The open-ended questions elicited information about the background of the respondents. Copies of the questionnaires were administered to the selected respondents in the sampling population of all customers of NSIA Insurance in Kumasi. After the responses, the researcher retrieved the copies of the questionnaires.

3.6 Data Analysis

In the study of Macnee and McCabe (2007) the researchers affirm that data gathering is an act of collecting facts from spotting individuals through the study questions in forms of questionnaires, interviews and checklists. In mobilizing the actual or primary information from respondents, questionnaires were employed. Apart from content analysis, simple percentages mean scores; and standard deviation was employed in analyzing the data in this research. Percentages describe data in simple and clear analysis. The mean scores measure the central tendency of the standard deviation (S.D.) which showed the dispersion of opinions. The statistical tools mentioned were used because the application of statistics especially the appropriate statistical methods employed in a given situation is not always obvious but is best described by the researcher by keeping the objectives of the study in mind.

3.7 Quality of the Research The content validity of a research would best be described in the form of the validity and reliability of the questionnaire containing the right questions and phrasing. According to Aina (2002) a pretest is a “dress rehearsal” that helps to clarify certain problems inherent with the collection instrument. For the purpose of this study, a pilot study was conducted using four experts, two managers and two customers of NSIA Insurance in order to ensure clarity and accuracy of the questionnaire. The pre-testing revealed that, the respondents did not properly understand some of the questions. The

respondents also revealed that, some of the questions were too long and winding. As a result some of the questions were reworded in order to be precise and clear.

IV. RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents the relevant data of the results obtained from the field work to address the objectives of the study. It also presents analysis and discussion of the results and findings in the light of existing literature on relationship marketing. This study was made to evaluate customer relationship management practices and customer retention in the insurance industry in Ghana with NSIA Insurance, Kumasi as a case study.

In this chapter, the data collected for the study were analyzed and interpreted. The data is presented in tables beginning with demographic variables and then research questions that are formulated to guide the research. The first part of the chapter considered the demographic background of the respondents, focusing on sex, level of education and numbers of years with the insurance company. The second part presented the findings from the study in relation to the research question.

4.2 Demographic Data

Demographic Data constitute the criteria of respondents that were used for the research. Demographic information taken for the purpose of this research includes gender, age group, educational level and tenure dealing with the Insurance Company. Below explains the details of the demographic data in tabular.

4.2.1 Gender

A total of forty (40) questionnaires were distributed among the customers of the

NSIA Insurance, Kumasi; there were 20 males and 20 females representing 50% each. This means that, the services of the NSIA Insurance is patronized by both males and females.

Table 4.1 Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid MALE	20	50.0	50.0	50.0
FEMALE	20	50.0	50.0	50.0
Total	40	100.0	100.0	

Source: Field work, 2019.

4.2.2 Age

The next demographic variable of the participants examined was their age. The results showed that, the majority of the respondents were in the age bracket of 20 – 29 years. This was followed by the age bracket of 40-49 years. 30-39 years also followed and lastly was the ages of 50 years and above. This means that, those below the age of 20 years do not patronize the services of the insurance company. This is shown in Table 4.2 below.

Table 4.2 Age

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 20-29YRS	21	52.5	52.5	52.5
30-39YRS	6	15.0	15.0	67.5
40-49YRS	10	25.0	25.0	92.5
50YRS AND ABOVE	3	7.5	7.5	100.0
Total	40	100.0	100.0	

Source: Field work, 2019.

4.2.3 Level of Education

Table 4.3 Level of Education

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid WASCE	9	22.5	22.5	22.5
DIPLOMA	8	20.0	20.0	42.5
DEGREE	15	37.5	37.5	80.0
POST GRADUATE	8	20.0	20.0	100.0
Total	40	100.0	100.0	

Source: Field work, 2019.

From the above table 4.3, it can be noted that customers holding degree constitute 37.5% of the respondents, those holding WASCE as their highest certificate also constitute 22.5% which is followed by the respondents/customers who hold a DIPLOMA OR POST GRADUATE degree constituting 20% each of the respondents. Educational level of respondents from this perspective could be said to be balanced since no section holds more extremely than the other. Meaning people at different levels of the educational ladder engage the services of NSIA Insurance.

4.2.4 Period a Customer has patronized the services of the Insurance Company

Respondents indicated their number of years of patronizing the NSIA Insurance as required by the researcher. From their response, it was gathered that 27 of the respondents representing 67.5% had been patronizing from NSIA insurance within the last 5 years, while 12 of the respondents representing 30% also indicated that they have been patronizing the services of NSIA Insurance between 5-9 years and only one of the respondents indicated he has been patronizing the services of the insurance between 15-19 years. This indicates that, the insurance company has some loyal customers and is able to retain them. This could be as a result of the services they provide.

This is illustrated in the table 4.4 below

4.4 Period a Customer has patronized the services of the Insurance Company

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid <5YRS	27	67.5	67.5	67.5
5-9YRS	12	30.0	30.0	97.5
15-19YRS	1	2.5	2.5	100.0
Total	40	100.0	100.0	

Source: Field work, 2019.

The next part of the analysis deals with the direct questions to the respondents. For the analysis sake and due to the way the responds were arranged, the Likert scale applied here was, 1=Strongly agree, 2=agree, 3=Neutral, 4=disagree, and 5=Strongly disagree while the Uo was set at 2.5, with 95% as the significance level in accordance with the antecedent. Three things must occur at the same time for an item to be accepted as measuring a particular dimension. 1) It must have a mean score of less than 2.5; 2) it must have a t-value of equal or greater $+1.65$; and 3) it must be statistically significant at 0.05 (p -value = or < 0.05). The absence of any would mean the rejection of that variable.

4.2.5 Trust

Trust as seen as one of the variables that is considered in relationship marketing was the first issue the questionnaires sort to inquire into. To vividly explain the table below and the responds that were given by the respondents the following has to be noted. From the area stated questionnaire in the table:

1 = Always trust Nsia Insurance

2 = High Integrity

3 = Ability to keep Promise

4 = I'm considered in making important decisions

5 = management doing their best to have a long term relationship with me

6 = Always been checked on by the insurance company

Table 4.5 Trust

QUES	TEST VALUE = 2.5			
	T	Mean	Sig. (2-tailed)	Mean Difference
1	-3.399	2.1000	.002	-.40000
2	-4.416	2.0000	.000	-.50000
3	-3.250	2.0500	.002	-.45000
4	-2.762	2.2000	.009	-.30000
5	-5.597	1.8000	.000	-.70000
6	-1.030	2.3500	.309	-.15000

Source: Field work, 2019

As shown in table 4.5 above, all six (6) questions fell within a positive rating or scale indicating that customers trust NSIA Insurance. However, all the questions proved to be a significant factor as far as Trust was concern except the 6 th variable/question which fell out of range as its' sig value was above 0.05.

4.2.6 Commitment

The next integral factor that was discussed was the level of commitment of Nsia Insurance to see their clients/customers satisfaction. As explained in the literature review, commitment to customers satisfaction is one factor that relationship marketing takes into consideration to retain their customers. Under this section also, six different questions were asked and customers' responds were analyzed to indicate whether the insurance company is committed and if their commitment level plays any role in their decision to always seek to patronize their services.

Table 4.6 Commitment

QUES	TEST VALUE = 2.5				
	T	Mean	Sig. (2-tailed)	(2-Mean Difference	Std. Deviation
7	-1.207	2.3250	.002	-.17500	.91672
8	-.495	2.4250	.000	-.07500	.95776
9	-3.569	2.1000	.002	-.40000	.70892
10	-.4953	2.5750	.009	.07500	.95776
11	-1.275	2.3000	.000	-.20000	.99228
12	-1.884	2.2500	.309	-.25000	.83972

Source: Field work, 2019.

The corresponding meanings of the various question numbers are: 7 = issues are seen from the customer's point of view 8 = customers intention to maintain and develop relation with INSIA Insurance 9 = ready to put in all effort to make the relationship work 10 = INSIA Insurance spends effort in maintaining the relationship 11 = Satisfied with relationship with NSIA Insurance 12 = was right to seek the services of INSIA Insurance

Four questions verifying customers' commitment to the INSIA Insurance were statistically significant below 0.05. The questions 7, 8, 9 and 11 are these which make it clear that customers feel that the level of the insurance company's commitment to customers is high. The other issue that whether the customers were certain of their choice to seek the service of INSIA Insurance could be an issue to query but as it seems their choice might not have been the best but they ended up appreciating and getting satisfied with the services rendered by INSIA Insurance. Also since the mean of almost all the question is below 2.5, it could be realized that the question asked by the researcher proved necessary and therefore was those factors contributed to the commitment the Insurance had to their customers.

4.2.7 Social Bonds

Table 4.7 Social Bonds

QUES	TEST VALUE = 2.5				
	T	Mean	Sig. (2-tailed)	Mean Difference	Std. Deviation
13	.787	2.6250	.436	.12500	1.00480
14	-1.786	2.2250	.082	-.27500	.97369
15	-1.864	2.2000	.070	-.30000	1.01779
16	-3.009	2.1500	.005	-.35000	.73554

Source: Field work, 2019.

The above table 4.7 explains how customers are attached personally to NSIA Insurance. Customers upon feeling respected and appreciated in the organization aims on always visiting the organization and having felt the same way they felt upon their previous visit. The significance nature of these questions seemed lower and proved insignificant but the mean are above the limit i.e. 2.5 which makes it appropriate question to determine the importance of the factors asked on determining their social bond.

V. SUMMARY FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 SUMMARY OF FINDINGS

Based on the perspective that the researcher focused the research work, customers were given the priority to determine the modes management of the insurance company can use to retain them. And the findings indicates that customers loyalty to the insurance company depends on various factors such as the company's level of trust the customers perceives, also the level of social bonds between the insurance company and the customers, the extent to which the insurance company is willing to commit to their relationship to the customers and also the level of due care the insurance company owns to the customers.

This can be ascertain that the responds from the respondents in this research were not bias since not only did they indicate their different level of each variable considered by the researcher but also clearly distinguished their responds based on their individual desires and wants. Thus to say each variable to every respondents

has its own grading system. But the fortunate things were that respondents' satisfaction means so much to them when they are considering revisiting the hotel to enjoy their services.

It was also found out in the research that, for customer to determine whether or not to maintain his/her relationship with the insurance company and continue to patronize their services had a little or nothing to do with the tenure of their patronization of their services but has a lot to do with their first point experience and the level of satisfaction they got from the insurance company.

5.2 CONCLUSIONS

The study is purposely meant to impact the insurance industry in the area of maintaining their existing customers and through them marketing themselves and making new customers. In this study, the researcher came across several findings and from the findings made various conclusions which based on the researcher's view can be accepted by the other insurance companies particularly, NSIA Insurance as a guide for customer relationship management approach to retain its customers.

The basic standard deviation and mean used in the analysis proved the variables selected for this research are significant and therefore when the various selected variables are employed into the running of various insurance companies, customer retention would be a great advantage to the management.

To enhance customers' satisfaction, the following critical issues can be adopted in the insurance industry:

- Efficient technology and internet facilities
- Regular update of customer database.
- Practicable loyalty programme to stimulate switching barriers.
- Efficient internal marketing activities and
- Ensure provision of the services that continuously satisfy customers.

Also it was deduced that customer satisfaction is the most important factor to consider when you aim at maintaining the existing customers and through them advertising the insurance company and getting more customers. This is basically through the word of mouth recommendation. Their continue visit and using of the facilities of the insurance company automatically draws others to find out the special experience that is pulling him/her to the place.

This as explained doesn't mean that the other variables examined above such as trust, social bonds, orientation etc doesn't contribute in the retention of customers but the concluding fact from the findings states that customers satisfaction means in lot in terms of aiming to retain them.

5.3 RECOMMENDATIONS

In view of the findings, this research study carried out which is concerned with evaluation of relationship marketing strategies for customer retention in the insurance industry in Ghana with NSIA Insurance, Kumasi as a case study. The following recommendations have been put forward which will go a long way to assist insurance companies to develop strategies for customer retention for sustainability of their business by enhancing their profitability and increase in market share.

Insurance companies need to establish the rationale for building, enhancing and maintaining relationships in insurance enterprises so as to tap from the numerous potentials and benefits accrued from it. Sources of customer satisfaction should be identified to enable the insurance company improve on the current level of services performance and examine areas where product or service innovations could be made. This would assist the insurance company assess the processes of relationship building and enhancement such as trust, commitment and communication. In addition, the insurance company should understudy the peculiarity of the Ghanaian environment such as security and crisis management. To command an adequate number of loyal customers, NSIA Insurance should consistently improve on its quality of service to address the preference of the customers and consider the five service quality constructs of reliability, assurance, tangibility, empathy, and responsiveness. Finally, the insurance company should introduce and implement customer switching barriers and introduce other customer oriented incentives to ensure continued customer loyalty and customer retention.

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