Bank customer loyalty and satisfaction: the influence of virtual e-CRM

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Abstract
Purpose – The purpose of this paper is to investigate the mediating role of customer satisfaction (CS) in the electronic-customer relationship management (e-CRM) and customer’s loyalty (CL) relationship, using data from the customers of one of the largest retail banks in Kenya.
Design/methodology/approach – Using survey mode, the study was administered to 90 samples (of which 78 were returned and usable), with data analysed using exploratory factor analysis to determine scale validity, and path analysis and multiple regression modelling to test hypotheses.
Findings – This study revealed that the interaction between e-CRM transaction features and CS was statistically significant and predicted CL, however, the interaction did not significantly account for more variance than just e-CRM features and CS. The path analysis revealed a lack of potential significant mediation effects of CS on the relationship between e-CRM and CL.
Research limitations/implications – Although this research may have sampling limitations and also that the model fit is confined in a single bank/service industry, the estimated model was reasonable enough and has the potential of being repeated in future studies.
Originality/value – The principle contribution of the present research is it supplies unique learning to bank managers and scholars alike through conceptualising and subsequently empirically verifying the path e-CRM and e-loyalty via CS, and that CS does not mediate the relationship between the aforementioned constructs. By investigating the e-CRM practices of an existing case study, it provides insights of the issue and compare to literature, therefore supplying a thorough and detailed analysis to understand the phenomenon under investigation valuable for banking sector.

Keywords E-loyalty, Banking customers, E-CRM

Paper type Research paper

Introduction
The use of internet-based transactions in developing nations has become an increasingly significant phenomenon in recent years (Amin, 2016; Larsson and Viitaoja, 2017; Wu, 2011), and the service experience is seemingly different from the non-electronic service experience. By using the internet, bank customers are able to browse its website through any electronically connected device such as a computer, mobile phones, mobile tablets, etc., to search for information, conduct a transaction, ask questions, and raise queries. All of these experiences influence the customers’ expected and perceived service quality (Amin, 2016; Valmohammadi and Beladpas, 2014; Wu, 2011), and this in turn impacts their satisfaction and loyalty (Thakur, 2016; Zeithaml et al., 2012). However, to achieve the aforementioned results requires proper management of the relationships with customers.

A shift from traditional customer relationship management (CRM) to electronic customer relationship management (e-CRM) occurred a few decades ago (Bahri-Ammani and Mraidi, 2016; Dhingra and Dhingra, 2013; Muro et al., 2013; Peštek and Lalović, 2012; Thuo et al., 2011). e-CRM is described as the act of managing customer relationships electronically (Sujitha and Johnson, 2017), while enabling organisations to provide appropriate services and products that...
satisfy their customers thus enhancing their loyalty (Dolly and Pruthi, 2014; Dubihlela and Khosa, 2014; Harrigan et al., 2012; Peshwe and Kothari, 2012). Basically, e-CRM is a strategic technology-centred relationship marketing business model, combining people activities, processes, electronic media (wireless and voice technologies) and traditional CRM with e-business applications (Abu-Shanab and Anagreh, 2015; Pourmand and Lari, 2016; Sivaraks et al., 2011). The internet, multiple electronic technologies like fax, phone, emails and databases, facilitate the implementation of e-CRM as the attention is on a web-based interaction platform between the institution and their customers (Abdulfattah, 2012; Sivaraks et al., 2011). The relationship with the customer cannot therefore be realised on the internet without an effective e-CRM (Lam et al., 2013), commitment and a mindset in order for it to succeed, and an overarching strategic CRM ethos (Govender, 2004).

Banks in Kenya are immensely trying to position e-CRM and improve the connections between their businesses and customers’ (Muro et al., 2013; Nguyen and Mutum, 2012; Oumar et al., 2017; Thuo et al., 2011). In addition, merging technology, processes and other business activities around the customer have facilitated CRM application (Harrigan et al., 2012; Abdulfattah, 2012), enabling organisations to recognise the best customer, increase their satisfaction and loyalty to the service offerings (Alhaiaou, 2011; Lam et al., 2013). This is because e-CRM has been reported to contribute to numerous business successes and competitive advantage (Azila and Noor, 2012; Harrigan et al., 2012; Jamali et al., 2013; Kihara, 2015; Keshvari, 2012; Ismail and Hussin, 2016; Stojković & Đuričić, 2012).

In today’s highly globalised, industrialised and competitive markets, e-CRM has been found in to be a powerful tool for many companies. Globally, various studies have been carried out on the influence of e-CRM on customer satisfaction (CS) and loyalty. For example, Sunny and Abolaji (2016) found that as opposed to traditional CRM, increasing use of e-CRM helps expand market share thus elevates firms revenue streams while keeping the business competitive, attracting more customers, retaining them while maintaining long-term relationships. Azila and Noor (2011; 2012) suggested that the association between e-CRM and CL leads to higher customer gratification, repurchase intentions, and spread positive word of mouth about the service provider. Satisfied customers have a tendency to perceive longer relationships, trust and commitment with the service provider (Azila and Noor, 2012; Oumar et al., 2017). Ismail and Hussin (2016) study findings suggested that e-CRM pre-purchase and post-purchase features significantly and positively affected CS. Their study findings further revealed that customers’ satisfaction with e-services received translated to loyalty thereby enhancing long-term relationship with the company. Bilgihan and Bujisic (2015) study concluded that web design features were significant for online relationship marketing since they create e-loyalty, customer commitment, sway customers trust towards firm’s internet-based products and services. Alhaiaou et al., (2012) established that the use of e-CRM in building consumer relationships affects online consumer satisfaction and loyalty, while Abdulfattah (2012) who investigated the effect of various e-CRM features on CS on banks websites, found that e-CRM influences customer relationships and enhances online CS and service quality. Alim and Ozuem (2014) concluded that e-CRM is effective at strengthening relationship with customers and promoting the development of an attractive virtual community which further enhances satisfaction. A study by Koçoglu and Kirmaci (2012) in the financial service industry identified the e-CRM antecedents of loyalty.

Regionally, some authors have justified the impact of e-CRM on performance of organisations in relation to profitability, CL and retention (Dubihlela and Khosa, 2014; Olupot et al., 2014; Sunny and Abolaji, 2016). Perception of technology and factors affecting e-CRM readiness and implementation have been studied within the Egyptian banking industry (El Essawi and El Aziz, 2012), which results showed that perception of technology among bank employees’ is a key factor which affects e-CRM implementation. In the same vein,
in Kenya, some studies delved on implementation, benefits and associated challenges (Muro et al., 2013; Thuo et al., 2011) and impact of e-CRM on satisfaction and loyalty (Oumar et al., 2017). These studies provide extensive evidence on importance of e-CRM, but in both contexts the studies lack strong theoretical and practical rationale for e-CRM features grouping and their influence on loyalty and satisfaction in the Kenyan banking sector. More so, the e-CRM approach has not yet been explored specifically in banking business and its influence on the bank CL and CS. By deductively employing a theory-driven e-CRM framework (Khalifa and Shen, 2009), the paper proposes and tests a conceptual model comprising distinctive internet-based CRM dimensions in different phases of customer relationship development specific to banks. This is done in order to contribute to a less researched area in relation to the banking industry from a customers’ viewpoint, shed new light on our understanding of the subject matter and make practical recommendations for bank managers to enhance e-CRM activities, increase loyalty and satisfaction of their customers. The empirical data used and multi-approach analyses techniques help to improve the validity of the findings.

In light of the above, this paper fills a gap in this under researched area by examining the effect of CS on the relationship between e-CRM attributes and CL from the Kenyan bank customers’ perspective.

Literature review
E-CRM and banking
According to Thuo et al. (2011), Kenyan banks have highly focused on e-CRM for the last decade and this is expected to continue due to growing competition. The aforementioned authors further assert that use of e-CRM by most financial service providers, encourage by internet penetration, are expected to increase significantly in the near future. Fundamentally, e-CRM popularity as a communication tool and relationship-building platform facilitates the realisation of new opportunities (Lam et al., 2013), enabling numerous uninterrupted service offerings to customers at their convenience. e-CRM has three major dimensions within the distinct levels of a service experience namely; pre-service sale, at service sale and after service sale (Khalifa and Shen, 2009), which jointly solidify relationships over the internet while increasing overall CS. Pre-service e-CRM is characterised by the customer’s need to search for and exchange information about a product or a service (Abdulfattah, 2012); during-service e-CRM regards features that influence a customer’s decision to complete the online transaction, while post-service e-CRM entails an online “help desk” where all customers’ correspondence issues with regard to a service or product are channelled thereby creating a “personal” interaction with the organisation (Olupot and Kituyi, 2013).

E-CRM benefits
In spite of e-CRM being one of the fastest growing management approaches adopted by many organisations (Sunny and Abolaji, 2016, p. 2), the extent of its benefits will vary depending on the nature of business and likely to be significant, depending on frequency of customer interactions and purchases, perceived risks and involvement, and benefits. However, there are more benefits associated with e-CRM (Harrigan et al., 2012), superior customer service, improved profitability, sales, reduced operational costs, enlarged customer base and a broader market share (Jamali et al., 2013; Kihara, 2015; Muro, et al., 2013; Peštke and Lalović, 2012; Xiao et al., 2016). All the aforementioned benefits have been associated with CS. E-CRM enables organisations to gain new customers, analyse their preferences and behaviours and customise support services (Chan and Lam, 2009; Kim-Soon and Zulkifli, 2012; Mekkamol et al., 2013). It makes it possible to gather information on the customer, identify customers’ potentials, anticipate their needs, predict behaviour, create customised alerts,
develop new products and services, and identify their preferences and history (Olupot and Kituyi, 2013; Valmohammadi and Beladpas, 2014). Finally, there is increased CL, effective services, improved services and customer support, improved efficiencies and fewer costs (Rad et al., 2017).

**Customer electronic loyalty**
Consumer loyalty is in essence, a customer’s faithfulness to a particular service or brand (Amin, 2016; Gorondutse et al., 2014) and the connection which a customer has with a brand. Customers maintain a series of loyalties to the organisations and their level of faithfulness with companies also determines their purchasing behaviour. According to Khan and Fasih (2014), encouragement for repeat purchases and referral of a product or a service to others amounts to CL. Hence, loyal customers will refer their bank to other people, enabling them to widen their customer base and market share. Despite CL having different meaning among researchers, research has shown that it is measured through buyer behaviours or consumption of a particular product or service. For example, it was considered as behaviour and an attitude (Gorondutse et al., 2014), and genuine loyalty is associated with high levels of repeated patronage.

**E-CRM, CL and CS**
The advent of new technologies has led to a shift from CRM to e-CRM, and with increasing global penetration of the internet, e-CRM has become a more popular communication tool and relationship-building platform (Lam et al., 2013). Organisations therefore are keen to deploy different types of e-CRM strategies to attract, maintain, and enhance customer relationships which are beneficial for loyalty and the organisation’s success (Bilgihan and Bujisic, 2015; Sivaraks et al., 2011). However, relationship management is an initiative that requires commitment, strategic CRM tenets and a mindset, for it to succeed. Dawn and Guha (2010) postulates that e-CRM infrastructure provides support to valuable customers to remain loyal, since information stored in the e-CRM data base for instance, assists an organisation to look at the actual cost of attracting and retaining customers. The firm can access new international customers and seize valuable data essential for its competitiveness and market share (Harrigan et al., 2008). Hence, by using this information, more time and resources are directed towards the bank’s most profitable customers. Azila and Noor (2012) assert that the association between e-CRM and CL such as the aforesaid, means that the more customers are satisfied, repurchase and spread positive word of mouth about the service provider, the higher they tend to perceive longer relationships, trust and commitment with the service provider.

A study by Dhingra and Dhingra (2013) in the banking sector in India on determinants of e-CRM for CS established that implementation of e-CRM technologies within the banking industry ensured transaction security and enhance “one-on-one relationship between banks and customers. Through a structural equation modelling approach, Sivaraks et al. (2011) study among 684 bank customers in Thailand established a statistically significant and positive relationship between customer-based service features and quality outcomes of customer-bank relationships. Alhaiaou (2011) research of UK online shoppers on the relationship between e-CRM features and e-loyalty at different stages of the transaction cycle showed that the use of e-CRM in building consumer relationships affects online consumer satisfaction and loyalty. This is supported by Oumar et al. (2017), who have argued that perceived satisfaction is critical to loyalty and must be considered in all electronic service relationships. Their study among Kenyan bank customers revealed varying degree of loyalty at every phase of transaction cycle attributed to customers” satisfaction with the e-CRM system. A similar study by Abdul fattah (2012), who investigated the effect of various e-CRM features at the different stages of the transaction
cycle on CS with banks’ websites, revealed that e-CRM influences customer relationships and enhances online CS and service quality. Rabbai (2013) confirmed the effect of e-CRM on CL, while Ismail and Hussin (2016) confirmed that pre-service and post-service e-CRM features had positive and significant influence on CS with airline services. Alim and Ozuem (2014) affirmed that e-CRM is effective at strengthening relationships with customers and promoting the development of an attractive virtual community, which further enhances satisfaction. In regards to the telecommunication sector, Sunny and Abolaji (2016) proved that e-CRM sufficiently influenced market performance of internet service provider firms. A study by Tian and Wang (2014) positively identified e-CRM features to influence e-quality, trust and satisfaction. The aforementioned authors further established a positive relationship between e-CRM and hotel’s ranking in its area. Therefore, we conclude that a well-designed e-CRM system may help organisations’ gain significant benefits in the ever more competitive online market spaces. From this perspective, this paper explores how banks may use e-CRM practices to transform their marketing activities and keep customers loyal by providing insights into the e-CRM – e-loyalty relationship.

Research objective and hypotheses
The primary objective of this paper was to investigate the influence of the independent variable (e-CRM) on CL via CS which is the independent variable, at Standard Chartered Bank in Kenya. The bank’s strategy is focusing on relationship management of its customers electronically in order to realise maximum CS and customer’s mind. Although the aforementioned bank was among the first banks in Kenya to initiate digitilisation processes and services to manage customer relationships electronically, the expected efficiency and scale of benefits have not been realized fully. The bank stands at position five out of eight (i.e. 7 per cent) in market size in the “large peer group” category (Central Bank of Kenya, 2016). This has mainly been attributed to slowing revenue growth, cost to hire and retain rare skills, increasing cost to maintain complex technology platforms, compliance costs and slow if not a failure to respond to dynamic customer behaviour. Lack of understanding users’ particularly the middle-to-low end clientele characteristics and perceptions or slow adoption to changing consumer behaviour could influence a customer’s decision to use an electronic service consequently impacting on e-CL. In this modern era, digitilisation of services is considered vital in the banking market with increased customers’ expectations of the banks to deliver internet solutions amid managing relationships on the rise (Larsson and Viitaoja, 2017). Therefore, this is an instrumental case study, where insights of an issue are explored using an existing case in the Kenyan banking sector. To test the moderating effect of CS, the hypothesis that; the CL is a function of multiple e-CRM transactions attributes (pre-service, during transaction and post-transaction) and CS, and more specifically whether CS moderates the relationship between e-CRM transaction attributes and CL, the following hypotheses were developed:

\( H_1 \). There is a relationship between pre-service features and CS.

\( H_2 \). There is a relationship between at-service features and CS.

\( H_3 \). There is a relationship between post-service features and CS.

\( H_4 \). CS has a mediating effect on the relationship between e-CRM transactions features and customer e-loyalty in the banking sector.

Conceptual framework
Based on the literature, Figure 1 illustrates the e-CRM stages, namely, pre-service, during service and post-service, and their relationship with the dependent variable (CL), which is mediated by CS.
Data collection
Data were collected via a survey using a structured questionnaire which consisted of three
major sections; the first section contained questions on general information about the
participants, including gender, age, level of education, years of dealing with the bank,
duration of use of the bank’s internet/electronic-based services, and frequency of use of the
aforesaid services every month; the second section contained questions measuring e-loyalty
at each e-CRM stage, and the last section measured CS. The questionnaire was primarily a
dfive-point Likert-based scale measure (Sterne, 1996) of the range of attitudes, and consisted
of six items for each e-CRM cycle stages. The scale was anchored as 1 = strongly disagree
and 5 = strongly agree. Similarly, e-loyalty was measured on a five-point Likert scale,
where 1 = not at all influential and 5 = extremely influential. On the other hand, CS was
measured using six items on a five-point Likert scale which ranged from extremely unlikely
to extremely likely.

Sampling
A cross-sectional survey design technique was deemed as an appropriate strategy in
establishing relationships between the variables, and in facilitating the collection of
discrete numerical data from the population (Creswell, 2014). The target population
comprised all customers of the selected bank, however, only those registered and using
internet technology-based applications provided by the bank to access various
services were targeted. However, since a complete list of all customers of the bank was
 unavailable because this is guarded data that is not disclosed by the bank,
numerous visits were made to the bank to conducting the survey. In order to gain a
representative sample (Gorard, 2013), questionnaires were distributed randomly,
and in person, to every customer who came to the bank during business hours between
August-September 2016 and those visiting the automatic teller machines located outside
the bank branch. The conceptual model comprises three predictor variables, and it is
suggested (Hair et al., 2010) that for some analyses namely; multiple regression, factor and
correlation analyses the desired level is between 15 and 20 observations for each
variable. The researchers aimed at a sample size of not less than 60. All in all, a total
of 90 questionnaires were distributed and collected, but only 78 were useable for
analysis. Likewise to the current study, few of the key publications in the area of e-CRM
(Ahmad et al., 2012; Agboola, 2003) have used similar and/or smaller sample sizes with
cogent results.
Data analysis
Cronbach’s α test was conducted to determine the internal consistency of the questionnaire (Hair et al., 2010; Leedy and Ormrod, 2013; Sekaran and Bougie, 2010, p. 162). Table I reveals that the values ranged between 0.607 and 0.919, which were acceptable (Nunnally, 1978).

The KMO of the dimensions was high (i.e. > 0.5), and Bartlett’s test of Sphericity ($x^2 = 2,072.052; p < 0.001$), which confirmed sampling adequacy (Field, 2009; Hair et al., 2010). In addition, Exploratory Factor Analysis (EFA) was conducted to test the construct validity of individual measurement items, while face and content validity of the questionnaire was ensured through review by experts in business management (Blankson et al., 2009). In addition to conducting descriptive analyses, analysis of variance (ANOVA) tests and structural and multiple regressions modelling were conducted to determine the moderating influence on the relationship between the e-CRM construct and CL.

Ethical considerations
Ethical guidelines as stipulated by Sekaran and Bougie (2010, p. 15, 2016) include ensuring the confidentiality of information provided and the privacy/anonymity of the participants. The aforementioned aspects were ensured by informing the respondents not to write their names on the questionnaire, and that only codes were used to identify responses during capturing of the data for analysis using the software. The questionnaire was accompanied by a covering letter which stipulated that the research is purely for academic purposes with no commercial intent. Informed consent was sought from respondents by disclosing the procedures of the survey and requiring them to sign and/or choose between yes or no options that were provided on the consent form. Respondents were also made aware that participation in the study was voluntary and that they were free to withdraw at any time without any consequences. The data were stored on a password-protected computer while hard copies of the questionnaires were kept in a lockable safety cabinet (Creswell, 2014, p. 92).

Results and discussion
Respondents’ demographic profile
The majority, 53.3 per cent of the respondents were male, while 46.7 per cent female, and the dominant age group of the customer respondents was 36-40 years. A significant majority (60 per cent) held bachelor’s degree, and 45.3 per cent had dealt with the bank for between six and ten years. In addition, the majority (52.0 per cent) had been using the bank’s electronic services between one and three years.

EFA
Factor analysis was used to reduce the items from 34 to 8 dominant factors (Table II) underpinning the bank’s e-CRM activities with eigenvalues greater than 1, and these

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Number of items</th>
<th>Kaiser-Meyer-Olkin (KMO)</th>
<th>Cronbach’s α value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-service features</td>
<td>6</td>
<td>0.753</td>
<td>0.754</td>
</tr>
<tr>
<td>Pre-service loyalty</td>
<td>4</td>
<td>0.764</td>
<td>0.834</td>
</tr>
<tr>
<td>During service features</td>
<td>6</td>
<td>0.615</td>
<td>0.607</td>
</tr>
<tr>
<td>During service loyalty</td>
<td>4</td>
<td>0.729</td>
<td>0.829</td>
</tr>
<tr>
<td>Post-service features</td>
<td>4</td>
<td>0.620</td>
<td>0.741</td>
</tr>
<tr>
<td>Post-service loyalty</td>
<td>4</td>
<td>0.673</td>
<td>0.840</td>
</tr>
<tr>
<td>Customer satisfaction scale</td>
<td>6</td>
<td>0.826</td>
<td>0.919</td>
</tr>
<tr>
<td>KMO (total items)</td>
<td>34</td>
<td>0.736</td>
<td></td>
</tr>
</tbody>
</table>

Table I. Instrument reliability and structural validity

Note: Bartlett’s Test of Sphericity ($x^2 = 2,072.052; p < 0.001$)
accounted for 75.4 per cent total variance in the entire data set. Field (2009) argues that since eigenvalues measure the substantive importance of a variable, only factors with higher eigenvalues are retained hence, this study used variables with extracted eigenvalues greater or equal to 1. Principal component analysis and varimax rotation techniques were used to run the data reduction, and the outcome is reflected in Table III.

From Table II it can be observed that Factor 1 accounted for considerably more variance (33.460 per cent) than the remaining seven factors. However, after extraction it accounted for 17.584 per cent of variance. The scree plot (Figure 2) further confirms the aforementioned.

From Table III, it was concluded that each item loadings and factor interpretations for the e-CRM banking features outlined in the research model and are consistent and or in line with previous studies (Alim and Ozuem, 2014; Azila and Noor, 2011; Koçoglu and Kirmaci, 2012; Lam et al., 2013; Olupot and Kituyi, 2013; Oumar et al., 2017; Rabbai, 2013; Zeithaml et al., 2012). Consequently, these findings suggest that future studies on e-CRM in the banking sector should incorporate privacy and security, interactivity, brand preference, problem solving, user friendliness, customised promotions and other communication platforms such as social networks (Paliouras and Siakas, 2017) as they are a precursor to e-loyalty.

Structural model results
The influence of e-CRM features on customer e-loyalty via CS
Figure 3 shows the structural model estimates for conceptual model using standardised estimates at 5 per cent significance level, while Table IV shows the relationships estimates. Whereas the effect of CS on CL at all stages of a transaction are significant, results of standardised estimates of e-CRM features (pre-service, during service and post service) on CL indicate no statistically significant effect. For example, there were positive relationships between pre-service features and CS (1.558, CR = 0.187) and post-service features and satisfaction (0.303, CR = 0.223), while at-service features and CS are negatively related (−2.079, CR = −0.159). H1, H2 and H3 were therefore accepted. The aforementioned results are consistent with previous research (Ismail and Hussin, 2016; Mang’unyi et al., 2017) which suggested that e-CRM pre-purchase and post-purchase features positively impacted CS. On overall, the results therefore suggest that CS does not moderate the relationship between e-CRM construct and CL. This is to say that in socialist cultures like in Kenya including the retail bank customers, tend to create and uphold long lasting relationships. Therefore, they may put up with deficiencies associated with e-CRM activities and/or systems and do not leave the institution (Ahmad et al., 2012).
Multiple linear regression analysis

In order to confirm that CS has a moderation effect on the relationship between the e-CRM transactions attributes and CL, further analysis was conducted using multiple linear regression analysis to corroborate the above-mentioned results. It was accepted that the nature of this relationship changes as the values of the moderating variable (CS) changes. This was established by including an interaction effect in the model and checking to see if indeed such an interaction is significant, and helps to explain the variation in the CL better than before. In the first step, four variables were included: pre-service, during transaction, post-transaction and CS (Table V).

Table V shows that all the variables (CS, post service e-CRM transactions, pre-service e-CRM transactions, during service e-CRM transactions) accounted for a fairly moderate amount of variance in CL ($R^2 = 0.565$; $F = 22.718$, $p < 0.05$). To avoid potentially problematic high multi-collinearity with the interaction, the variables were centred and an interaction term was created between them, as suggested by Huck (2010). As shown in Table VI, although (model 2), the interaction between the e-CRM transaction attributes...
Figure 2. Scree plot

Figure 3. SEM standardised factor loadings

### Table IV.
Latent e-CRM factors and their relationship with CL via CS

<table>
<thead>
<tr>
<th>Relationships</th>
<th>Estimate</th>
<th>SE</th>
<th>Critical ratio</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction ← Pre-service</td>
<td>1.558</td>
<td>8.335</td>
<td>0.187</td>
<td>0.852</td>
</tr>
<tr>
<td>Satisfaction ← During-service</td>
<td>-2.079</td>
<td>13.067</td>
<td>-0.159</td>
<td>0.874</td>
</tr>
<tr>
<td>Satisfaction ← Post-service</td>
<td>0.303</td>
<td>1.359</td>
<td>0.223</td>
<td>0.823</td>
</tr>
<tr>
<td>Pre-loyalty ← Satisfaction</td>
<td>1.526</td>
<td>0.232</td>
<td>6.572</td>
<td>***</td>
</tr>
<tr>
<td>During-loyalty ← Satisfaction</td>
<td>1.577</td>
<td>0.224</td>
<td>7.036</td>
<td>***</td>
</tr>
<tr>
<td>Post-loyalty ← Satisfaction</td>
<td>0.656</td>
<td>0.174</td>
<td>3.778</td>
<td>***</td>
</tr>
</tbody>
</table>

**Note:** ***Significant (p < 0.0001)**
and CS was a statistically significant predictor of CL \[ F(5, 69) = 17.919, p < 0.05, R^2 = 0.565 \], the interaction did not significantly account for more variance than just the e-CRM attributes and CS \((R^2 \text{ change} = 0.008, p = 0.929)\), indicating that there is lack of a potentially significant moderation effect of CS between e-CRM and CL. Given the aforementioned, there was no need to run the regression on the centred terms to examine the effect, hence it was concluded that there is no moderating effect of CS on the relationship between attributes of e-CRM transactions and CL. \(H4\) was therefore rejected.

### Conclusions, suggestions and limitations

While not much literature exists on the relationship between e-CRM and CL, the possible role of CS as a moderating variable appears to have received lesser attention among academic researchers. Building CL remains a vital strategy for the stability and success of banks in current highly competitive and turbulent markets. Our study has found that with respect to the bank customers, CS does not moderate the relationship of e-CRM transactions features and CL. We conclude that though customers may be loyal to the bank, it does not necessarily imply that their satisfaction with the service is high. Other factors such as knowledge may be at play since research (Wang et al., 2016), has shown that increased customer knowledge level is likely to cause a switch in service brand rather than make them loyal.

This finding calls for more in-depth studies to confirm or otherwise refute the findings, which would represent a significant contribution to our understanding of interrelationships between the three constructs. It is also factual that e-CRM is an emerging concept in the marketing literature, and together with other related concepts, has increasingly played a key role in services marketing, and have a significant impact on the long-term competitiveness of firms.
The results emphasise upon the significance of e-CRM as a contributor to e-loyalty providing insights to this phenomenon while corroborating with the propositions of academicians and researchers. The implication for management is the important effect of e-CRM on CS. There is need to understand different dimensions of e-CRM (at different stages of the transaction cycle) with their impact on CS and e-loyalty especially in new and/or emerging markets to build and achieve competitive advantage in an increasingly competitive banking sector faced with reduced profits. An understanding of these dimensions could assist the management advance effective marketing plans to increase loyalty. The resultant model highlights to bank managers where they can focus more by distributing any available resources efficiently while strengthening their e-CRM to attract/acquire new, retain existing customers and to an extent doing away with less profitable ones (Sujith and Johnson, 2017). Furthermore, regular evaluation of a bank’s e-CRM activities would assist managers track changes over time, design and schedule trainings for personnel involved in implementation of e-CRM. Since embracing and use of e-CRM methods and systems is a tactical strategy in managing customer relationships, however, it requires commitment throughout the banks to enhance customer orientation.

It would also be interesting to find out, using some divergent sample, other variables that can impact this relationship like gender, knowledge, brand image, etc. For example, in this study gender differences in participation or uptake of electronic services were conspicuous. Therefore, knowing individual customers’ preferences in relation to gender differences in e-CRM quality is crucial for creating loyalty.

Whereas the research was empirical in nature and concentrated on the clients/customers of just one commercial bank, the findings need to be confirmed by research conducted in other banks and/or service industries. Furthermore, the number of participants was small, and selected through convenience sampling which calls for vigilant treatment of generalisations. Thus, a larger sample would strengthen the results, and increasing generalisation. Although steps were taken to keep to a minimum the effects of multi-collinearity among the constructs, some effects may still exist. Future research should ensure that there is no correlation between the moderator, predictor and criterion variables, to provide a clearly interpretable interaction. Development of clearer measurements (items) of the constructs used in this study particularly, e-CRM is needed. This can result in better measures, after which the interrelationships between and among the constructs can be better understood.

References


Bank customer loyalty and satisfaction


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