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THE IMPACT OF CUSTOMER RELATIONSHIP MANAGEMENT STRATEGIES ON CUSTOMER BRAND LOYALTY IN TELECOMMUNICATION INDUSTRY, SRI LANKA

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ABSTRACT

Telecommunication corporations are in a constant race to increase profits, retain their customers and gain new customers like never before. Customer Relationship Management (CRM) is aimed at building strong long-term relationships that keep customers coming back. It aims at helping organizations to build individual customer relationships, so that both the company and the customer get the most out of the exchange. The ultimate outcome of CRM is to develop customer loyalty towards organizational brands. The primary objective of this study was to examine the relative impact of CRM strategies on customer brand loyalty in the telecommunication industry. The study was based on primary and secondary data. The primary data was collected through a survey that was conducted within the Colombo city limits as well as in the Gampaha and Kaluthara districts, which are high consumption areas in Sri Lanka. According to the stratified sampling method, a structured questionnaire was distributed among sample of 160 respondents who currently utilize telecommunication services. Five hypotheses were formed on CRM strategies and central tendency, standard deviation, peason correlation testing, multiple regression analysis etc. were used as data analysis techniques. The findings revealed that CRM strategies have a significant impact on customer loyalty in terms of personalization and interactive management. In other words using customized service systems, paying individual attention to customers, providing necessary service information, proper after-sales services and feedback services of suppliers enable to increase their customer loyalty in the telecommunication sector. Finally, researchers have recommended some CRM strategies and practices to enhance customer loyalty towards telecommunication brands to make a strategic sense towards sustainable growth.

Key Words: Customer Relationship Management, Customer Loyalty, Personalization, Interactive Management