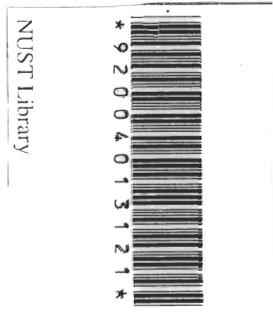


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# **NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY**



## **DEPARTMENT OF BUSINESS MANAGEMENT**

### **MSc In MARKETING**

**Relationship Marketing: A Case of Customer Retention at CBZ Building Society.**

A Dissertation By  
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Submitted in partial fulfillment of the requirements for the degree of Master of Science in Marketing.

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Date : 14/09/09

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# Abstract

Most marketing academics and practitioners are more and more understanding the concept of Relationship Marketing and the role it plays in organizations Customer Retention. In contrast, management at CBZ Building Society seems to be taking up an opposing view. This is evidenced by their decision to dissolve the marketing department and do away with the posts of Relationship officers at every branch.

This research set out to evaluate the effectiveness of Relationship strategies being used by CBZ Building society for Customer Retention. Effort was made to assess the impact of Relationship Marketing on customer loyalty and perceptions on service quality. The study also aimed at finding out if employees understand the role of Customer Retention as well as find out the rationale why chooses to stay loyal to a financial service provider. The other aims of this study were to find out ways to improve CBZ Building Society's response to ever-changing customer needs. Finally this paper came up with recommendations the company can adopt going forward.

Various techniques and procedures were used to gather data needed by the researcher .A multiple design approach was used. Explanatory research as well as descriptive research methods was used in this research. Each research design method has got its inherent strengths and weaknesses, using multiple designs helped to balance out any of the potential weaknesses on the data collection.

The research reveals that CBZ Building Society has no explicit documented Customer Retention plan. At CBZ Building Society no person or group is designated to handle the issue of Customer Retention. The research also shows that management at CBZ Building Society is not committed at improving customer focus. It was shown that most customers chose CBZ Building Society because of low bank charges. Findings from this research also revealed that quite a large number of CBZ Building Society customers have stuck with the bank for over five years. The systems and technology currently being used by CBZ Building Society are now too outdated and are failing to cope with the company's increasing customer base. The employees at CBZ are also not adequately trained in Customer Retention.

A number of conclusions were drawn from this study, firstly the findings from this study revealed that employees at CBZ Building Society are putting minimal effort to retain customers. CBZ Building Society is also not committed to customer focus. The systems and technology at CBZ Building Society are obsolete thus negatively affecting service delivery. On average, service delivery at CBZ Building Society is good but on the other hand most customers are not loyal to the company.

Recommendations are also proposed for CBZ Building Society to adopt in order to improve Customer Retention going forward. Among these recommendations CBZ is advised to mobilize all the people in the organization for Customer Retention. It is also recommended that CBZ Building Society should build rapport with its customers as well as make effort to recover lost customers.