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Customer Relationship Management as a Customer Retention Tool: A Case

Study of OK Zimbabwe Limited

Malias Ndhlela N01521145D



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ABSTRACT

This research sought to establish Customer Relationship Management as a customer retention tool at OK Zimbabwe Limited in Bulawayo Metropolitan Province. The study sought to investigate why organisations should care about existing customers and to explore challenges on the implementation of Customer Relationship Management as a customer retention tool. The mixed research design was used to enable an in-depth qualitative establishment of Customer Relationship Management as a customer retention tool at OK Zimbabwe Limited. Convenient sampling and purposive sampling techniques were employed in the selection of a sample of 91 respondents out of a target population of 303 potential respondents. Open and closed ended questionnaires and interview schedules were employed for gathering data. Till operators responded to open ended questionnaires whilst customers responded to closed ended questionnaires through online survey. Managers and marketing officers responded through guided interviews. Thematic analysis of data revealed that poor implementation of Customer Relationship Management concept was instrumental to the loss of market share, growth and profitability of OK Zimbabwe Limited in Bulawayo province. Till operators lack the basic knowledge about the purpose of CRM whilst managers had an idea theoretically but they lack application. The results further revealed that the absence of Customer Service Managers in all OK Zimbabwe Limited supermarkets in Bulawayo was difficult for the branches to handle or manage customer issues at branch level. The findings also indicated that OK Zimbabwe Limited was lagging behind in terms of technology, the company is still relying on manual documents such as customer database, invoices, cash sales, quotations, pro-forma invoices and other useful documents necessary for the welfare of customers. The study recommends that OK Zimbabwe Limited should supply enough resources such as new tills (machines), normal working hours for all employees, network management, training facilities for all employees including managers, decentralisation of buying (procurement), maintenance, information and technology department into Southern and Northern regions to reduce workload at head office. It is further recommended that all OK Zimbabwe Limited supermarkets in Bulawayo need Customer Service Managers as custodians of Customer Relationship Management at branch level and Marketing department should be practical in Bulawayo.

Keywords: customers relationship management, customer retention strategies, customer loyalty, customer satisfaction, customer expectations, relationship marketing, customer database, transactional marketing.