AN ANALYSIS OF RELATIONSHIP BETWEEN CRM AND FIRM PERFORMANCE IN INDUSTRY IN LIBYA

Abdalla Geth Abdus Salam

(861991)

UNIVERSITY UTARA MALAYSIA

2010
AN ANALYSIS OF THE RELATIONSHIP BETWEEN CRM AND FIRM PERFORMANCE IN LIBYA
DECLARATION

I agree and full responsible that this dissertation “An Analysis of Relationship Between CRM and Firm Performance In Industry In Libya” is fully done by us. I bear full responsibility for checking whether material submitted is subject to copyright or ownership right.

Abdalla Geth Abdus Salam
(801991)
College of business
University Utara of Malaysia
06010 Sintok
Kedah Darul Aman.
April 2010
PERMISSION TO USE

In presenting this dissertation in partial fulfilment of the requirements for a postgraduate degree from Universiti Utara Malaysia, I agree that the Sultanah Bahiyah Library may take it freely available for inspection. I further agree that permission for copying of this dissertation in any manner, in whole or in part, for scholarly purposes may be granted by my supervisor or in their absence, by the Dean of Research and Postgraduate (College of Business). It is understood that any copying or publication or use of this dissertation or parts thereof for financial gain shall not be allowed without my written permission. It is also understood that due recognition shall be given to me and to Universiti Utara Malaysia for any scholarly use which may be made of any material from my dissertation.

Request for permission to copy or to make other use of materials in this dissertation, in completely or in part, should be addressed to:

Dean of Research and PostGraduate Studies

College of Business Universiti Utara Malaysia 06010

UUM, Sintok Kedah Darul Aman
ABSTRACT

Managing customers is a strategy, not a technology. CRM is not about technology; it is about managing the customer relationships that are at the heart of business performance. The future of CRM is bright indeed in Libya. In Libya CRM will become deeply ingrained as a business strategy for most companies. Technology will evolve while technical and organizational challenges are overcome. Much will change in the years ahead with the demand of the trend in the world, but one thing is certain: CRM is a journey, not a destination, and customers have their hands on the road map and the steering wheel. Objective of this study will be to observe the customer satisfaction on Customer Relationship Management and how it is influenced on the overall performance of the organization.
ACKNOWLEDGEMENT

I wish to first acknowledge and thank my thesis supervisor, Assoc. Prof. Dr. Ismail Lebai Othman, provided an excellent leadership, guidance and affection that helped me to complete my program of study with full dedication and peace of mind. Dominique involved me in this research problem in the first place. He taught me how to conduct literature review, write a proposal, develop methodology and remain persistent.

Finally, I express my deep sense of gratitude to my parents for their timely counseling and guidance. This has enriched my knowledge and has provided insight to overcome the hurdles on the way to complete this project.
TABLE OF CONTENTS

TITLE .......................................................... I

DECLARATION .................................................. II

PERMISSION TO USE ......................................... III

ABSTRACT ...................................................... IV

ACKNOWLEDGEMENT ........................................... V

CHAPTER ONE: OVERVIEW OF THE RESEARCH

1.0 Background of the Study ................................. 1
1.1 Introduction .............................................. 2
1.2 Problem statement ....................................... 8
1.3 Objective .................................................. 10
1.4 Research Question ...................................... 11
1.5 Significant of the study ................................. 11
1.6 Scope of the Study ....................................... 12
1.7 Organization of Chapters ................................. 12

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction .............................................. 14
2.2 Theoretical Framework .................................. 22
CHAPTER THREE: METHODOLOGY

3.1 Introduction
  3.1.1 Type and Nature of Study
  3.1.2 Type of Investigation
  3.1.3 Research Interference
  3.1.4 Study setting

3.2 Sample

3.3 Questionnaire Design

CHAPTER FOUR: FINDINGS

4.1 Introduction

4.2 Overview of Data Collected

4.3. Demographic Profiles of Respondents

4.4 Analysis
  4.4.1 Reliability Test
  4.4.2 Descriptive Statistics
  4.4.3 Correlation Analysis
  4.4.4 Regression Analysis
    4.4.4.1 CRM Influences and Libyan Firm’s Performance
    4.4.4.2 Customer satisfaction and firm performance
4.4.4.3 Loyalty and Customer retention and firm’s performance 42
4.4.4.4 Customer information, quality and firm performance 43

CHAPTER FIVE: DISCUSSION AND CONCLUSION 45

REFERENCES

APPENDICES

Appendix A Questionnaire
Chapter One

Introduction

1.0 Background of the Study

Managing customers is a strategy, not a technology. CRM is not about a technology; it is about managing the customer relationships that are at the heart of business performance. There certainly was a time when CRM was labeled as the big new thing. Much-vaunted improvements to customer service and widely espoused concepts such as ‘one-to-one marketing’ were heralded as ways in which to improve the bottom line. CRM technology had many bad stories in the press. Leading organizations are still recovering from the scars of failed, and widely publicized, implementations. Many differing points of view have been pitched to business about what CRM can do. Excellent customer service is about being aware of customer needs and response to them effectively. CRM helps to understand, anticipate and respond to customers' needs in a consistent way, right across the organization. Practicing CRM requires an efficient and integrated internal business system. Many businesses benefit from the organizational discipline CRM imposes, as well as from the technology itself.

The future of CRM is bright indeed in Libya. In Libya CRM will become deeply ingrained as a business strategy for most companies. Technology will evolve while technical and organizational challenges are overcome. Much will change in the years ahead with the demand of the trend in the world, but one thing is certain: CRM is a journey, not a destination, and customers have their hands on the road map and the steering wheel.
1.1 Introduction

Today, companies are re-engineering their operations and investing to enhance their infrastructures to improve organizational performance, which enable them to provide customized, personalized, information-rich products and services. "It is a comprehensive set of processes and technology for managing the relationship with potential and current customers and business partners across marketing, sales, and services regardless of the communication channel," Paul Greenberg.

Libya is a growing economy and currently they have opened my industrial products. The Libyan economy, like that of other Arab states, was agriculture-based until quite recently. In the early 1970s, the government began a drive for economic development. Libyan industrial companies, like those in many other developing countries, are owned, managed and supervised by government institutions. Companies' operations are extremely sensitive to legislative changes, particularly in the areas of remuneration, organizational structure, management systems and research and development. The government has total authority to, for example, limit imports or exports, or order a company to move to a different location. (Almehdi, 1997). Now a days there are several government and private organization are implementing the information technology based service to the customers. Customer relationship management is not new in Libya.

Customer relationship management (CRM) is a concept that comprises the establishment, development, maintenance and optimization of long-term, mutually valuable relationships between customers and organizations (Payne and Ryals, 2001). Gartner (2004) defined, CRM is
The contents of the thesis is for internal user only
References


48


Michael Gentle. "The CRM Project Management HandBook." UUM Library

