

**CUSTOMER RELATIONSHIP MANAGEMENT PRACTICES AND
SERVICE DELIVERY AMONG AIRLINE OPERATORS IN KENYA**

DAVID ONYANGO OMONDI

**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT
OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE
OF MASTER OF SCIENCE IN MARKETING, FACULTY OF
BUSINESS AND MANAGEMENT SCIENCE, UNIVERSITY OF
NAIROBI**

2022

DECLARATION

I hereby declare that this research project is my original work and has not been presented in any other institution.

Signature:



Date: 04-09-2022

David Onyango Omondi

Reg. No: D65/10488/2018

This research project has been submitted for examination with my approval as the University supervisor.

Signature:



Date: 04-09-2022

Dr Catherine Ngahu

Senior Lecturer

Department of Business Administration,

University of Nairobi

DEDICATION

This research project is dedicated to God without whom this project would not have been possible.

ACKNOWLEDGEMENT

My deepest thanks go out to Dr. Catherine Ngahu, my university supervisor. She gave up her time to read and revise my work and offer guidance, in-depth insights, critical observations and encouragement throughout this process. She has been a dependable and instrumental mentor, amidst her other academic obligations.

I greatly appreciate my lecturers who have contributed to my learning and helped me to achieve success throughout the years, my fellow students for readily offering themselves to quick consultative sessions, and my colleagues for allowing me time to complete my academic process.

Last but not least, I express my deepest gratitude to my parents, whose encouragement and push for tenacity has propelled me this far.

TABLE OF CONTENTS

DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
LIST OF TABLES.....	ix
ABBREVIATIONS AND ACRONYMS.....	x
ABSTRACT	xi
CHAPTER ONE:INTRODUCTION.....	1
1.1 Background of the Study.....	1
1.1.1 Customer Relationship Management	2
1.1.2 Service Delivery.....	3
1.1.3 Airline operators in Kenya.....	4
1.2 Research Problem	6
1.3 Research Objective	9
1.4 Value of the Study	9
CHAPTER TWO:LITERATURE REVIEW	11
2.1 Introduction	11
2.2 Theoretical Foundation	11
2.2.1 Relationship Marketing Theory	11

2.2.2 Commitment –Trust Theory	12
2.2.3 Institutional Theory	13
2.3 Determinants of Customer Relationship Management	14
2.4 Empirical Review and Knowledge Gaps	17
CHAPTER THREE:RESEARCH METHODOLOGY	20
3.1 Introduction	20
3.2 Research Design	20
3.3 Population of the Study.....	20
3.4 Data Collection	21
3.5 Data Analysis	21
CHAPTER FOUR:DATA ANALYSIS, PRESENTATION AND DISCUSSION.....	23
4.1 Introduction	23
4.2 Response Rate	23
4.3 Organizational Characteristics	23
4.3.1 Period of operation.....	23
4.3.2 Number of Employees.....	24
4.3.3 Number of Branches.....	25
4.4 Customer Relationship Management.....	26

4.4.1 Management Information Systems	27
4.4.2 Personalized Services	28
4.4.3 Electronic Relationship	30
4.4.4 Communication	32
4.5 Service Delivery	33
4.5.1 Responsiveness	33
4.5.2 Reliability	34
4.5.3 Assurance.....	35
4.5.4 Empathy.....	36
4.6 Correlation Analysis	36
4.7 Multiple Regression Analysis	38
4.7.1 Model Summary.....	39
4.7.2 Goodness of Fit of the Model	39
4.8 Discussion of Findings.....	42
CHAPTER FIVE:SUMMARY, CONCLUSION AND RECOMMENDATIONS....	45
5.1 Introduction	45
5.2 Summary	45
5.3 Conclusion.....	46
5.4 Recommendations.....	47

5.5 Limitations of the study	48
5.6 Suggestions for Further Studies.....	48
REFERENCES	50
APPENDICES	58
Appendix I: Introduction Letter	58
Appendix II: Research Questionnaire.....	59
Appendix III: Airline Operators in Kenya	63
Source: Kenya Civil Aviation Authority's (2021) report	Error! Bookmark not defined.

LIST OF TABLES

Table 4.1: Period of Operation	24
Table 4.2: Number of Employees.....	25
Table 4.3: Number of Branches	25
Table 4.4 Management information systems	27
Table 4.5: Personalized Services	29
Table 4.6: Electronic Relationship	30
Table 4. 7: Communication.....	32
Table 4.8 Responsiveness	33
Table4.9 Reliability.....	34
Table 4.10 Assurance.....	35
Table 4.11 Empathy	36
Table 4.12: Correlation Between Customer Relationship Management practices and Service delivery.....	37
Table 4.13: Model Summary.....	39
Table 4.14: ANOVA.....	40
Table 4.15: Regression Coefficient	41

ABBREVIATIONS AND ACRONYMS

CRM Customer Relationship Management

GDP Gross Domestic Product

HR Human Resource

WHO World Health Organization

ABSTRACT

The corporate world is getting more competitive, and most companies are formulating plans to adapt to the fast pace of change in their surroundings, such as the development of new technologies. Relationship management has developed as a critical component of any strategic planning process for contemporary firms. The general objective of the study was to establish the influence of customer relationship management practices on service delivery among Airline operators in Kenya. This study was based on three theories, relationship marketing theory, commitment-trust theory and institutional theory. A descriptive cross-sectional design was employed with a target study population of 66 Airline operators in Kenya. The target respondents were senior managers of the Airline operators in Kenya. Analyses were done using descriptive analysis, multiple linear regression and correlation analyses. It was established that management information systems and communication were shown to have a significant impact on customer relationship management practices at great extent while personalized services and electronic relationship at moderate extent. The study established a positive relationship between customer relationship management practices and service delivery. It was concluded that there is a significant association existing between customer relationship management practices and service delivery hence the model of research is significant. The study recommends that Airline operators in Kenya should not only depend on customer relationship management to improve their quality of service delivery but should also, employ people who are committed to their work for the best customer service relation, this will also improve quality.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The corporate world is getting more competitive, and most companies are formulating plans to adapt to the fast pace of change in their surroundings, such as the development of new technologies. The unceasing advancement and development of technology is one of the factors that has been a driving force behind all of these shifts. The demands of consumers continue to evolve, necessitating the need for businesses to find new methods to meet these requirements. It is deemed a failure of the service when it does not meet the requirements that have been set out by the client (Ngahu 2019). Organizations that have excellent customer relationship management programs may better serve their consumers by improving the quality of the services they provide, as stated by Xu et al. (2012).

The research was based on three different theories, including the Relationship Marketing Theory (Moller, 2011), the Commitment-Trust theory (Morgan & Hunt, 1994), and the Institutional Theory. These theories served as the foundation for the research (Meyer & Rowan, 1970). The objective of relationship marketing, according to the theory, is to form a long-term connection with existing and potential customers by engaging them in conversation and providing a positive return on investment. According to the commitment trust theory, in order for a company to have a healthy relationship with its customers, it must first earn the customers' trust before they can earn their commitment (Hunt, 2009). According to the Institutional Theory, institutionalized symbols are what constitute a cultural validity.

Kenya's airline industry is a major driver of the country's and the region's economic development. Their sustainable growth and development is vital for the country and other revenue development capabilities like promoting tourism, offering passenger and cargo services among others (Farah, Munga & Mbebe 2018). The majority of airline companies now have their own social media platforms, which enable them to manage consumer concerns in a manner that is more easily accessible and efficient, hence improving customer response times.

1.1.1 Customer Relationship Management

Stone, Woodcock & Machtynger (2015) define CRM as a management approach that enables the firm to identify, attract and increase of profitable consumers by managing relationships with them. Customer Relationship Management is founded on the idea that the best interests of all parties concerned may be served by appropriately managing current customer relations. According to Sugandhi (2017), one of the most important aspects of CRM is the establishment and maintenance of long-term relationships with important customers that are mutually beneficial. Customer relationship management places a focus on maintaining and strengthening customers' long-term and ongoing relationship with companies.

According to Brink and Berndt (2019), the development of CRM occurred as a direct result of shortcomings in client interactions. An organization's relationship with its customers is strengthened via the use of customer databases and other cutting-edge technology, such as customer relationship management. In order to help an organization acquire new customers, the Customer Relationship Manager is made up of systems designed to collect information from the organization's current customers in order to establish their

consumption patterns, examine their experiences with other organizations, and gather knowledge on their current as well as future motivations for purchasing an organizations goods and services.

The indicators for Customer Relationship Management are communication, management information systems, personalized services and electronic relationship. Relationship marketing has seen a significant rise in the importance of communication with customers. One of the facets that makes up CRM is called knowledge management. Interactions with customers are one of the best ways to collect useful data about those customers. customer relationship management (CRM) technology allows organizations to develop and execute effective marketing campaigns focused at retaining customers. Electronic relationship systems allow the organization to make better use of its resources and move toward new types of customer closeness. This makes it simpler for the company to transition its customer connection, such as with a vendor, into one with a supplier, and then finally into one with a partner (Minghetti, 2013).

1.1.2 Service Delivery

According to Kazmi (2012), service delivery involves the components of a company that describe the method in which various processes interact between customers and service providers in which the client gains value or loses value as a consequence of the interaction. Service is an intangible economic activity that cannot be kept and does not lead to the acquisition of ownership. Schindler and Cooper (2013), considers service delivery as a set of activities that are undertaken within a business environment to perform a service. Ven, and Poole (2015) alleges that service delivery reflects a firm's coordinated activities and actions aimed at delivering effective services and products.

The SERVQUAL model, which was developed to detect the gap in impression between what the business thinks it is providing to customers and what the consumer perceives, will be used to assess service delivery. Four SERVQUAL building components include: empathy, responsiveness, reliability and assurance. Reliability is the first thing to look at when it comes to service delivery. This has to do with the company's ability to provide quality service as promised. Heskett, thank you for your time and effort (1987). Reliability, tangibility, responsiveness, accessibility, and empathy are examples of service delivery indices (Parasuram, 1985). The response of quality of service examines the capacity of the business to quickly react to the demands of the client. If businesses fail to react to a client and, in particular, if there is no clear cause or justification, the consumers have a bad impression. Because facilities are not utilized effectively and services rely on their usage, having access to them will restrict certain services.

The assurance is all about the employee capacity and trust of clients. This is based on the knowledge and skill of the employee to make pleasant and courteous communication. For a service to be seen as such, it should include all characteristics that meet the expectations of consumers. It should be classified as high service with all its main operational features and all quantifiable aspects (The Balunywa Council, 1998). The capacity of an employee to demonstrate real care and concern for consumers establishes empathy. For empathy to be successful, the employee must demonstrate it on a regular basis.

1.1.3 Airline operators in Kenya

In the past three decades, the aviation sector in Kenya has risen enormously. Expanding the business has resulted in a variety of developments such as local airlines, foreign airline entrance into Kenyan airspace, the growth of airport amenities and new airport building as

well as an increase in passengers entering or transiting through Kenyan airports. Kenya's aviation sector is made up of a number of different airlines, some of which are headquartered in the country while others are located outside. East African Airways, Kenya Airways Limited, Jetlink, and Fly540 are the locally based airlines that compete in this market. Wilson International Airport is also used by other Kenyan-based private airlines. South Africa Airways, KLM, Air India, British Airways, Qatar Airways, Virgin Atlantic, Air Arabia, and Fly Emirates are some of the multinational carriers that contribute to the Kenyan aviation business. Aside from them, we have a number of additional participants, most of whom are private operations.

With 48 registered and operational airlines, Kenya's aviation sector has increased during the course of the year (KCAA report 2019). Passengers, mail, and freight are all transported by air by the airlines on a national, regional, and worldwide scale. Third-party logistics providers (TPLs) are also used by certain airlines to offer ground handling services, aircraft maintenance, and Components repairs to other airlines. Modern technology controls aviation business in today's world. These are employed to satisfy high customer's expectations and living standards. The aviation industry provides advantageous transportation system both locally and internationally (Simiyu, 2016). To this end, Kenya Airlines is a contributor.

Approximately KES 24.8 billion in revenue is generated by the aviation industry each year, according to Oxford Economics' latest estimates for 2019. The industry supports over 46,000 jobs in Kenya, and it generates over KES 3.2 billion in revenue from employee taxes, social security contributions, PAYE tax payments, profits tax levied by the government, and VAT collected from departing passengers. A further KES 1.4 billion is

generated by departure passengers and VAT. This serves as more evidence that the industry is making a contribution to the expansion of the Kenyan economy (Farah & Mbebe,2018). Air transportation convenience makes it a premium choice for travel considerations among other means of transportation.

The contribution of airline operators in Kenya brings together a world of benefits, facts and figures giving policymakers and the industry an important global view on its strategic importance in driving economic growth. However, recent activities in the aviation industry have led to customer's dissatisfaction on airlines service deliver levels. Kenyan airlines are a key contributor to the growth and development of the Kenyan and the regional economy. Their sustainable growth and development is vital for the country and other revenue development capabilities like promoting tourism, offering passenger and cargo services among others (Bitzan & Peoples, 2016). The economic value created by the airline is immense, hence its centrality in research considering its overall impact on the country and key stakeholder's interests

1.2 Research Problem

Relationship management has developed as a critical component of any strategic planning process for contemporary firms. Companies in the 21st century are drawing closer to their customers as a result of a shift in emphasis away from direct sales to customers and toward the exploration of new ways to generate value for those customers and to develop products and services that directly address the challenges faced by those customers. This, in turn, results in positive relationships with the customers (Bolton, 2014). This is performed by gathering data on a variety of consumers, which is then used to assist in the process of projecting the future purchasing patterns and behaviors of an individual customer. This is

done via the collection of customer data. According to Chandra (2014), customer relationship management (CRM) should be built on the generation of customer value for businesses. This requires concentration on customer lifetime value, but it should not involve the creation of value for customers themselves. Because customers increasingly connect with businesses across a variety of media and channels, the customer journey has become more complex, which has resulted in an increase in the focus placed on customer relationship management.

The aviation sector is facing a turbulent operating environment as a result of the ongoing revelation of the consequences of globalization and internationalization of firms. The aviation sector is one of the most unpredictable and competitive industries in the world. In the recent past, airline operators have engaged in a number of strategic reforms, which have led to the development of an organizational structure that enables the operators to be competitive (Fara, Munga & Mbebe 2018). Besides, there is lack of service coordination among some of the major departments as a result of these changes. The implementation of these changes, on the other hand, has resulted in favorable outcomes for airline operators, such as an increase in revenue. This sector has a high level of rivalry as a result of the presence of several airline operators; thus, all of these companies strive to provide superior products and services to their respective customers (Bitzan & Peoples) (2016). Because of advancements in technology, airline companies in Kenya now employ customer relationship management (CRM) to simplify their customers' ability to interact with the company. This is done with the intention of enhancing the efficiency with both the management of customer's responses and delivery of services.

Global, regional, and local academics have all studied customers relationship management extensively. Studying the link between customer relationship management and performance was undertaken by Waqas and Muhammad (2015) in England. Improvements in performance were found to be impossible without a strong focus on customer relationship management. It was shown that customer relationship management improves performance in Poland, according to a study by Werner Reinartz and Wayne (2017). According to the findings of Khodakarami and Chand's (2014) research, CRM had a role in the sales growth and performance. Sharifi and Esfidani (2014) investigated the effects of CRM on the loyalty of customers of grocery chains in Iran. Customers' post-purchase cognitive dissonance was shown to be positively correlated with relationship marketing, according to the study's findings. Customer relationship marketing was studied by Sandra et al. (2017) to see whether it affects Arab banking customers' satisfaction levels. The results of the research made it abundantly clear that relationship marketing has an ever-increasingly significant bearing on the level of customer satisfaction.

When it comes to commercial banks in Kenya, Makau (2018) looked at the effect of CRM on customer relationship. A customer relationship management system was shown to increase customer engagement and develop ties between banks and their customers. In Kenya, Kibera (2012) performed a study to examine the link between practices of customer relationship management and the marketing productivity commercial banks. Customer relationship management practices were shown to have a positive impact on marketing productivity. Gatobu (2019) discovered that the management of a company's relationships with its customers has a favorable influence on the company's market share as well as its competitiveness. The connection between CRM practices and performance received a very

little amount of attention. According to Monayo (2017), e-Customer Relationship Manager methods provide firms with the ability to acquire a complete, dependable, and integrated picture of their customer base. This creates a knowledge gap, and this study is needed to fill it. Rather than focusing on service delivery, the research examined how Customer Relationship Manager (CRM) may improve overall organizational performance. Customer Relationship Manager, according to Minoos and Musyoka (2013), allows banks to leverage information in new markets and to provide a broad range of service offerings due to the information it offers. Banks rely on in-person interactions, electronic correspondence, and direct phone contact to maintain healthy client relationships and facilitate successful communication.

Many studies focused on customer relationship management and competitive advantage, but only a tiny number of studies were dedicated to service delivery. The following research question was addressed in light of the inadequacies that have been identified: What is the link between customer relationship management practices and service delivery among Kenyan airline operators?

1.3 Research Objective

The study objective was to determine the customer relationship management practices and service delivery among Airline operators in Kenya.

1.4 Value of the Study

Academics and researchers may utilize the findings of this study as a basis for future research on marketing management in other fields. By determining issues that require more examination and assessing empirical literature that is already available to create study gaps,

scholars and researchers will use this study to identify future fields of study and related areas.

Administrators of airline companies explained about customer relationship management and how to give better service. The Kenyan airline operators' senior management will have access to a comprehensive review of the effect of CRM methods on customer turnover. The managers may then come up with reforms that may improve satisfaction towards their service and spur more development in the country.

Finally, this research study benefited the Kenyan Airlines policy makers and the Kenyan Aviation Industry players at large. In order to realize one's goals for the performance of a firm, it is necessary to have knowledge and awareness of customer relationship management. The research served as for the process of formulating policy, which, if it is founded on an incorrect assumption, may not be successful in attaining policy goals.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter provides an overview of the relevant literature. It discusses the two theories that are key to the study. It also discusses the elements of CRM that the study centers on. Further, the chapter reviews past empirical research concerning the relationship between CRM and service delivery.

2.2 Theoretical Foundation

This section discussed the Relationship Marketing Theory (Moller, 2011), Commitment-Trust theory (Morgan & Hunt, 1994) and Institutional Theory (Meyer and Rowan 1970).

2.2.1 Relationship Marketing Theory

Relationship marketing theory was advanced by Mollier (2011) and it suggested that a relationship marketer's purpose is to develop long-term, mutually beneficial relationships with present and potential customers. If the business unit is working with suppliers and government agencies that are affected by the company's activities, then a good relationship must be made with those parties as well. According to Alexander, the objective of relationship marketing is to achieve a state of mutual benefit symbiosis in which the parties build on each other's capabilities to arrive at a state of synergy.

According to Ndubisi (2003), one of the most essential objectives is to encourage customer loyalty. In a relationship, Choi et al. (2013) identified a number of traits that comprise

relationship marketing. Every business activity is directed towards current customers, and the implementation process is dependent on conversations and interactions, as they point out, which means that a customer is treated as an entity or a person. Similarly, the organization's goal is to improve profitability through strengthening customer's relationship and decreasing customer turnover, both of which are projected to lead to increased customer retention.

2.2.2 Commitment –Trust Theory

The commitment-trust theory was advanced by Hunt and Morgan (1994) and suggested that healthy relationship relies on mutual trust and a shared commitment, according to Hunt and Morgan (1994). As a result, businesses should work to gain the confidence of their customers and develop strategies to keep them coming back. Both partners in a relationship have a high degree of confidence in each other, according to Berndt and Brink (2004): no actions are taken by either side that might threaten the current relationship's stability. In order to build trust in a company, it must set goals and fulfill them. For an outstanding relationship to continue, one must be dedicated to keeping it continuing. It is possible to build a sense of trust, confidence, and commitment by creating an atmosphere that encourages individuals to work together in any capacity. If consumers can observe how others in the neighborhood behave themselves, they will determine whether or not to continue their purchases at the store, according to Buttle (2014).

According to Ashraf, (2014) commitment reconciles loyalty between consumers by improving individual's feeling of being bonded to and in association with other team members hence facilitating long-lasting relationships. Customer loyalty is also reinforced

by Aruppillai & Philip (2008), who say that long-term relationship success depends on a strong commitment from both parties. By encouraging partners to focus on the long run, rather than the short term, strong levels of commitment may help reduce customer churn and foster lasting business relationships (Morgan & Hunt, 1994). This inquiry relies on the commitment–trust theory because relationship marketing aims to establish trust with customers by serving their requirements and upholding their promises. According to this approach, customers' long-term satisfaction is more important than their immediate financial benefit in connection to relationship marketing. As a result, trust between the company and its consumers will be strengthened, leading to increased customer loyalty.

2.2.3 Institutional Theory

The institutional theory was advanced by Meyer and Rowan (1970). According to this theory, cultural validity is defined by institutionalized symbols. These symbols include values, meanings, and norms, among other things (DiMaggio & Powell, 1983). Because they are afraid of being sanctioned, cognitive companies get their legitimacy from having a commonly held sense of social reality. Normative roles, according to Scott (1995), are a collection of social norms, facts, and assumptions, as well as natural ways of doing business or undertaking tasks in society. Theoretically, according to Goodstein (1995), institutional growth happens when accepted norms and attitudes, but they are kept hidden from the people and businesses they oversee. Meyer and Scott (2011) underline that in order for businesses to exist, they need to conform to the forces that come from the environment. In this instance, the environmental obstacles that threaten the continued existence of businesses are the pressures. According to the findings of this research, it is essential for a

company to successfully manage its existing consumers in order to keep those customers and to bring in new customers.

Scott (1995) believes that if a corporation is forced to comply with institutional demands, it must accept and execute institutional norms and principles in its everyday activities. This is because the company has no other choice (DiMaggio & Powell, 1983). This incorporates these practices into the strategic aims and objectives of the organization, which leads to higher performance as a result. Additionally, this legitimizes the activities that the company does. The arguments are congruent with Goodstein (1995), who emphasizes how important it is for a company to adhere to the social norms and values that are integrated into the company's strategic objectives. Goodstein's assertions are supported by the arguments. Since the laws and regulations are clearly defined, it is much simpler for the corporation to operate in compliance with them and avoid the huge consequences associated with breaching them. In addition to saving money, customer relationship management tactics like social media platforms may improve the company's efficiency and efficacy in meeting the requirements of its consumers with more products and services.

2.3 Determinants of Customer Relationship Management

Relationship marketing has seen a significant rise in the importance of communication with customers. Relationship marketing relies heavily on the creation of trust and the providing of information necessary to carry out cooperative and collaborative actions. When it comes to relationship marketing, it is the driving force. Establishing reliable lines of communication with one's customers in order to convey relevant information may

significantly improve one's company's connection with customers (Moriarty & Jones, 2018).

Aside from communicating with customers, it is essential that the company's many roles and corporate divisions communicate with one other to ensure that all customers' needs are being met. As a result, it has a more long-lasting effect on these kinds of relationship than just talking with customers to foster connections and create strong ties. One of the facets that makes up CRM is called knowledge management. Interactions with customers are one of the best ways to collect useful data about those customers; nevertheless, the true test of whether or not a customer relationship management system is successful is whether or not it can successfully translate customer information into customer knowledge. If a business does a good job of managing its knowledge, it will have a greater chance of being successful in developing stronger customer relationships, which will have a favorable influence on the organization's performance (Morgan & Mason, 2015).

The manner in which information about customers is gathered and evaluated will influence how effectively relationship management can be implemented. This is due to the fact that the information is used for the purpose of producing highly tailored products. It is essential for businesses to maintain their competitive advantage, and this cannot be done unless they have a comprehensive understanding of their market, actively look for new information about their consumers, and make effective use of the data they already possess. According to Dutu and Halmajan (2014), the right use of technology helps the organization receive important information from relevant personnel in a timely way. This enables the business to make the right choices and provide the right services (Moriarty et al., 2018). Kasim and Minai (2019) observed that the CRM technology factor increased the performance of

telecommunication enterprises, which lends credence to the aforementioned assertion. In this context, the emergence of new technology is considered as a primary catalyst for change.

Consequently, customer relationship management (CRM) technology allows organizations to develop and execute effective marketing campaigns focused at retaining customers. These campaigns may use customer databases and other data-sharing technologies (Roberts, Liu, and Hazard, 2014). Chang, Park, and Chaïy (2014) claim that CRM technology enhances marketing abilities by giving relevant customer data. As a result, management and personnel will be better equipped to meet specific marketing objectives. At least two people must be involved in the exchange of information with customers.

Customers should have their feedback heard, and consistent solutions should be made available to them. Relationships of this nature boost the value proposition that can be offered to customer solutions, which ultimately leads to customer retention. Providing customers with high-quality goods and services is a necessary step in this process. According to Morgan et al. (2013), social CRM has the ability to fine-tune connections, which is necessary for achieving customer loyalty. The company's efforts should be based on the needs of its customers. CRM systems allow the organization to make better use of its resources and move toward new types of customer closeness. This makes it simpler for the company to transition its customer connection, such as with a vendor, into one with a supplier, and then finally into one with a partner (Minghetti, 2013).

2.4 Empirical Review and Knowledge Gaps

Kapanen, (2004) did a cross sectional survey on the effects of customer relationship on service delivery among SMEs in Canada. The research found a statistical link between customer relationship and service delivery. As a result of the research, organizations should invest in customer relationship to improve service delivery. On the other hand, A study was conducted by Hoots, (2005) on CRM practices adopted by General Motors East Africa Ltd. In order to gather the primary data, interview guidelines were used. Strategy execution was highly influenced by senior management's level of commitment, according to the study. The study recommended that management should employ and position competent and qualified personnel as well as employ monitoring mechanisms for efficient strategy implementation.

In YuSheng and Ibrahim (2019), the authors evaluated the connection between CRM and service delivery in Ghana. Resource-based theory led the investigation while agency theory served as a framework. More attention should be directed towards customer service and relationship building, especially for businesses who can prove that they are interested in their customers beyond just selling them things. The current study environment is different from the one used in the research and the results are not as were predicted. As per a study by Mukami (2017) on large pharmaceutical businesses CRM strategies and service delivery in Kenya. According to the study, CRM practices had an impact across various operational areas such as customer service, marketing, finances, human resource management as well as customer service and business coordination processes. A study by Koskei, (2014) examined CRM and their effect on firm service delivery among Iranian automobile

companies. The findings showed that the Porters' CRM strategies positively and significantly affected service delivery.

Ashraf (2014) points out that despite the importance of communication in customer retention, it hasn't received the attention it deserves. As long as a consumer is satisfied with the product or service, it doesn't really matter how far the vendor goes to improve communication. Customer relationship management relies heavily on communication since it provides a clear understanding of the skills and intentions of trade partners, thereby laying the groundwork for customer loyalty to grow. Relationship marketing communication, even when it is not, has an influence on customer retention, according to Gilaninia et al. (2011). Through the facilitation of conflict resolution and the alignment of expectations and perceptions, research has shown that communication, particularly notably timely communication, may help to increase customer retention. It's possible that communications also help increase customer retention by providing a route that will bring unhappy consumers around to the company's point of view by elaborating on the factors that led to their discontent and the potential solutions to those factors.

Customer relationship management (CRM) as a corporate strategy is examined in Shanghai, China, by Hyung-Su (2012). Researchers employed cross-sectional research to conduct the study. This research relied on questionnaires and interviews to gather its main data. The findings indicated that two of the most common CRM tactics used by service companies were knowledge management and CRM technology. According to research, enhanced productivity and reduced marketing expenses were both positive outcomes of CRM use, which helped improve overall organizational performance. According to Shavazi, Moshabaki, Hoseini and Naiej (2013), there is a connection in the banking

business between CRM and a number of performance measures. Customers' satisfaction and profitability were examined in particular. Data was gathered from Iranian banks, the CRM deployment process was abstracted, and four balanced scorecard indicators were utilized to assess the business's performance. According to the results, this has a beneficial effect on the expansion of sales, decreased marketing expenditures, and thus, enhanced organizational performance.

In Kenya, Odhiambo (2015) studied on the challenges in implementing CRM system strategy at Barclays Bank. The study revealed that some employees resist adopting new technologies, the management were concerned with cost, inadequate training, incomplete structure on the implementation of CRM system and lack of real time reports to serve customers faster. This study looked at the challenges in implementing CRM systems failing to link the system to customer satisfaction while also creating a knowledge gap as it did a case study of only one bank, Barclays Bank. Minoos and Musyoka (2013) investigated the impact that CRM has on the banking industry in Kenya. Their findings indicated that CRM makes information available to banks, which they may then put to use in a number of new markets and service areas. Banks rely on in-person interactions, electronic correspondence, and direct phone contact to maintain healthy customer relationships and ensure successful communication. This study considers effect of CRM specifically to customer satisfaction in the commercial banks.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the research methodologies that will be used to fulfill the study's predetermined objectives. The components of the research design, including the research technique, study population, data collection tactics, and data evaluation processes, are discussed. The approaches for data analysis and presentation are also explored.

3.2 Research Design

In order to carry out this study, descriptive survey approach was used. The purpose of doing research using a descriptive methodology is to provide an explanation of a subject by constructing a profile of a collection of issues, persons, or occurrences. This is accomplished by collecting data, tabulating the requirements of variables, or integrating the results of these processes (Rahi, 2017). A descriptive approach can be brought into reality by coming up with a snapshot of the market environment, regarding the elements under question, at a critical time. The approach ensures that it can do analyze what, when, who, and the place regarding a certain relevant and the degree of within the variables.

3.3 Population of the Study

Population is defined by Casey, Schwartz and Adler (2016) as the total number of people in a city or electorate (such as residents, students, and voters) from whom you choose a subset to interview for the purpose of gathering information for your study. According to Babie and Halley (2017), on the other hand, a target population is any member of an actual

or imaginary group of people, things, or topics from whom the researcher hopes to derive general conclusions about the variables being studied. In accordance with the Kenya Civil Aviation Authority's (2021) report, the study's target population was 66 Airline operators in Kenya. The above study adopted census survey.

3.4 Data Collection

Use of questionnaires as a key form of data collection was important to this study. The questionnaires were given to the managers in charge of marketing or their equivalents in the 66 Airline operators in Kenya. The questionnaire was broken down into three parts where the first part collected data on the organization characteristics. The second part had customer relationship management and the third part was service delivery. In the questionnaire, the marketing managers indicated their answers to items by ticking from provided option on a scale of 1 to 5. The researcher distributed the questionnaire by to various Airline operators in Kenya through drop and collect later. In the event that the researcher will not be able to distribute the questionnaires, the researcher had to distribute the questionnaires through a google form.

3.5 Data Analysis

Once all the data has been gathered, the questionnaires will be edited to ensure that they are consistent. The replies were edited, tabulated, and coded so that anomalies may be discovered and precise numerical values can be added to the responses for further analysis. Descriptive statistics was used for analyses which included mean as a measure of central

tendency and the standard deviation (variances and standard deviation). Graphs and tables were used to present the findings.

Multiple linear regression was used to establish how the variables are linked together in this model presented below:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Where:

Y = Service Delivery

β_1 to β_3 are the regression coefficients

β_0 = Constant Term

X_1 =Management information systems

X_2 = Personalized services

X_3 = Electronic Relationship

X_4 Communication

E=Error term

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND DISCUSSION

4.1 Introduction

This chapter includes statistical analyses and discussions of the research findings on customer relationship management practices on service delivery among Airline operators in Kenya.

4.2 Response Rate

Out of 66 questionnaires that were administered, 60 were returned for data processing representing 90% response rate. The findings support Mugenda and Mugenda's (2013) assertion that rates higher than 50% are acceptable in analyses. Babbie (2010) likewise considers a return rate of 60% to be good, and a return rate of seventy to be outstanding. The findings were sufficient for data analysis. The researcher proceeded with analyses of data having adequate response rate.

4.3 Organizational Characteristics

This section is dedicated to firm's basic details. The data aided in comprehending the firms' background details under consideration. It requested information on the number of employees, years of operation and the number of branches.

4.3.1 Period of operation

The duration of operation of the supermarkets in Nairobi Kenya was given by respondents as specified in Table 4.1.

Table 4.1: Period of Operation

Years	Frequency	Percent
Less than 4 years	9	15
4-8 years	28	46.67
Above 8 years	23	38.33
Total	60	100.0

Source: Field Data (2022)

Table 4.1 depicts that most of the Airline operators in Kenya, Airline operators have been in operation between 4-8 years at 46.67%, above 8 years at 38.33% and lastly less than 4 years at 15%. The result implies that majority of the Airline operators in Kenya are well established in Kenya and have understanding of the Kenyan market.

4.3.2 Number of Employees

The goal of the research was to figure out how many people work for Airline operators in Kenya. Table 4.2 depicts responses as gathered from respondents.

Table 4.2: Number of Employees

Employees	Frequency	Percentage
Less than 300	18	30
301 - 600	30	50
Above 600	12	20
Total	60	100.0

Source: Field Data (2022)

Table 4.2 depicts that most of Airline operators in Kenya have employees between 301 – 600 at 50%, followed by less than 300 at 30% lastly over 600 was 20%. This implies that most Airline operators in Kenya are able to operate on a large scale of staff.

4.3.3 Number of Branches

The goal of the research was to figure out how many branches do Airline operators in Kenya have. Table 4.2 depicts responses as gathered from respondents.

Table 4.3: Number of Branches

Branches	Frequency	Percentage
Less than 5	18	30
5-10	28	46.67
More than 10	14	23.33
Total	60	100.0

Source: Field Data (2022)

Table 4.3 depicts that most of Airline operators in Kenya have between 5-10 branches in Kenya at 46.67%, less than 5 branches at 30% and lastly more than 10 branches at 23.3%. This implies that most Airline operators in Kenya are well distributed in Kenya in terms of branches.

4.4 Customer Relationship Management

The independent factors in this study were the customer relationship management. It was essential to determine the opinions of respondents on the customer relationship management practices.

4.4.1 Management Information Systems

The participants were given five statements on management information systems and they were asked to indicate their level of agreement. Table 4.4 depicts the outcome.

Table 4.4 Management information systems

Statement	N	Mean	Std Dev
In order to gather customer-related information from a wide variety of sources, the system is employed.	60	4.11	.504
In order to make creating reports easier, a system is being employed to process the information.	60	4.54	.505
In order to generate reports on clients, the system is utilized.	60	4.23	.798
The system is utilized in the process of improving the overall quality of the service that is provided to clients.	60	4.63	.547
System is used to increase the overall levels of accuracy among the personnel.	60	4.26	.611
Composite Statistics	60	4.35	.652

Source: Field Data (2022)

In regards to Table 4.4, system is utilized in the process of improving the overall quality of the service that is provided to clients with a mean 4.63. In order to make creating reports easier, a system is being employed to process the information having a 4.54 as mean. System is used to increase the overall levels of accuracy among the personnel, with a mean of 4.26. In addition to this, order to generate reports on clients, the system is utilized having a 4.23 as mean. Finally, order to gather customer-related information from a wide variety of sources, the system is employed with a mean difference of 4.11. The overall mean was 4.35 which imply that Airline operators in Kenya embraced management information systems to a great extent.

4.4.2 Personalized Services

The participants were given five statements on personalized services and they were asked to indicate their level of agreement. Table 4.5 depicts the outcome.

Table 4.5: Personalized Services

Statement	N	Mean	Std. Dev
The business provides all of the accessible consumer options, which fulfill the requirements of the customer.	60	4.11	1.17
This facility has excellent flexibility on both the part of the facility and the customers in terms of adapting to the requirements of the customers.	60	3.73	0.98
My profile as well as my social position are fulfilled sufficiently by business.	60	3.34	1.19
I am personally being served by Airline operator agents.	60	3.90	0.89
I am extremely satisfied by the way am being served.	60	3.23	1.07
Composite Statistics	60	3.66	1.06

Source: Field Data (2022)

In regards to Table 4.5, accessible consumer options had a mean of Mean 4.11 while clients are served by Airline operator agents had a mean of 3.90. In addition, facility has excellent flexibility on both the part of the facility and the customers by a mean of 3.73 and social position are fulfilled sufficiently by business had a mean of 3.34. Finally, extremely satisfied by the way am being served, having a 3.23 as mean. The overall mean was 3.66 which implies that airline operators in Kenya embraced personalized services to moderate extent.

4.4.3 Electronic Relationship

The participants were given five statements on electronic relationship and they were asked to indicate their level of agreement. Table 4.6 depicts the outcome.

Table 4.6: Electronic Relationship

Statement	N	Mean	Std. Dev
Conveniences such as service booking and scheduling are made available by the company via its E-Relationship platform, which has contributed to an increase in the percentage of returning customers.	60	4.18	0.95
The institution's Electronic Relationship Management platform has made it easier for clients to provide feedback, which has aided	60	3.73	1.06

the company in producing more individualized forms of service.

Electronic Relationships also play an important part in the effectiveness of commercial processes, which has led to an improvement in customer service.	60	3.57	0.99
---	----	------	------

E-Relationship platform has improved the level of cooperation that exists between the company and its customers, and it also encourages the growth of e-relationships.	60	3.00	1.02
--	----	------	------

The E-Relationship Platform has also made it possible to make purchases online, which is not only very adaptable and handy but also saves both time and money.	60	3.60	1.05
--	----	------	------

Composite mean	60	3.57	1.01
-----------------------	-----------	-------------	-------------

Source: Field Data (2021)

Table 4.6 shows that the services are convenient such as service booking and scheduling at a mean of 4.18. On the other hand, institution's Electronic Relationship Management platform has made it easier for clients to provide feedback having a mean of 3.73. Similarly, Electronic Relationships play an important part in the effectiveness of commercial processes with a mean of 3.57 as mean. E-Relationship Platform has also made it possible

to make purchases online with a mean of 3.60 and finally E-Relationship platform has improved the level of cooperation that exists between the company and its customers. Overall, the mean was 3.57 which imply that Airline operators in Kenya embraced electronic relationship to moderate extent.

4.4.4 Communication

The participants were given five statements on communication and they were asked to indicate their level of agreement. Table 4.7 depicts the outcome.

Table 4. 7: Communication

Statement	N	Mean	Std. Dev
The business maintains regular contact with customers.	60	4.20	0.89
The business provides a wide array of information transmission methods.	60	3.52	1.08
The business is attentive to the requirements of its customers.	60	4.30.	0.92
The timely resolution of customer’s complaints is one of the business's top priorities.	60	4.11	1.10
All official communication is done through various social media platforms	60	3.80	0.99

Composite Statistics	60	4.02	0.99
-----------------------------	-----------	-------------	-------------

Source: Field Data (2021)

Table 4.7, business is attentive to the requirements of its customers with a mean of 4.30 and the business maintains regular contact with customers with a mean of 4.20 while timely resolution of customer’s complaints is one of the business's top priorities having a 4.11 as mean. Official communication is done through various social media platforms with a mean of 3.80. The business provides a wide array of information transmission methods with a 3.52. Overall, the mean was 4.02 which imply that communication influence to a great extent.

4.5 Service Delivery

Under this research, service delivery was a dependent variable. The respondents' opinions on the service delivery had to be established.

4.5.1 Responsiveness

The participants gave their opinion on responsiveness and were prompted to indicate their degree of agreement with each of them as specified in Table 4.8

Table 4.8 Responsiveness

Responsiveness	N	Mean	SD
The firm employees are happy and willing to serve customers	60	4.53	0.487
Employees tell customers exactly when services will be performed	60	4.40	0.493

The employees are not too busy to respond to user requests	60	4.30	0.498
Mean	60	4.41	0.498

Source: Field Data (2021)

From table 4.8, responsiveness was influenced by the firm employees' happiness and willingness to serve customers at a mean of 4.5, followed by employees telling customers exactly when services will be performed at a mean of 4.40. Lastly, the employees are not busy respond to user request at a mean of 4.30, standard deviation 0.498. The overall mean was 4.41 which imply that responsiveness influence service delivery at great extent.

4.5.2 Reliability

The participants gave their opinion on reliability and prompted to indicate their degree of agreement with each of them as specified in Table 4.9

Table4. 9 Reliability

Reliability		Mean	Std dev
The firm performs services right the first time	60	4.20	0.554
The firm delivers services in a timely manner	60	4.16	0.528
The management delivers its services	60	4.06	0.555
Mean	60	4.14	0.551

Source: Field Data (2021)

From Table 4.9, reliability was influenced by the firm performing services right the first time at a mean of 4.20, followed by the firm delivering services in a timely manner at a mean of 4.16. The management delivers its services was at a mean of 4.06. The overall mean was 4.14 which imply that reliability influence service delivery at great extent

4.5.3 Assurance

The participants gave their opinion on assurance and prompted to indicate their degree of agreement with each of them as specified in Table 4.10

Table 4.10 Assurance

Assurance		Mean	Std. dev
The employee behavior instill confidence in the customers	60	4.54	0.582
The employees are consistently courteous to the customers	60	4.53	0.583
The employees' behavior instills confidence in customers	60	4.53	0.557
Mean	60	4.49	0.586

Source: Field Data (2021)

From table 4.10 assurance was influenced by the employee behavior instilling confidence in the customers at mean of 4.54, followed by the employee are consistently courteous to the customers at mean of 4.53. Lastly, the employees' behavior instills confidence in customers at mean of 4.53. The overall mean was 4.49 which imply that assurance influence service delivery at great extent.

4.5.4 Empathy

The participants gave their opinion on empathy and prompted to indicate their degree of agreement with each of them as specified in Table 4.11

Table 4.11 Empathy

Empathy		Mean	Stdev
The employees give customers individual attention	60	4.50	0.532
Services are adjusted to suit individual customer needs	60	4.41	0.625
The operating hour are convenient to all customers	60	4.44	0.581
Mean	60	4.50	0.567

Source: Field Data (2021)

Empathy was influenced employees gave clients full attention at mean of 4.50, followed by services are adjusted to suit individual customer needs at mean of 4.41. The operating hour are convenient to all customers at mean of 4.44. The overall mean was 4.50 which imply that reliability influence service delivery at great extent. The aggregate mean was 4.53 that implies that Airline operators in Kenya have adopted service delivery to great extent

4.6 Correlation Analysis

Correlation analysis was conducted to assess association between the predictor and response variables. It helped to link customer relationship management practices and service delivery.

Table 4.12: Correlation Between Customer Relationship Management practices and Service delivery

		MIS	PS	ER	C	SDR
MIS-Management information systems	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	60				
PS-Personalized services	Pearson Correlation	.650**	1			
	Sig. (2-tailed)	.01				
	N	60	60			
ER-Electronic Relationship	Pearson Correlation	.623*	.531*	1		
	Sig. (2-tailed)	.05	.05			
	N	60	60	60		
C-Communication	Pearson Correlation	.673**	.554*	.231*	1	
	Sig. (2-tailed)	.01	.05	.05		
	N	60	60	60	60	

	Pearson Correlation	.754**	.742**	.604**	.405*	1
SDR-Service delivery	Sig. (2-tailed)	.01	.01	.01	.05	
	N	60	60	60	60	1

** . Correlation is significant at the 0.01 level(2-tailed).

* . Correlation is significant at the 0.050level0(1-tailed).

Table 4.12 shows that there is positive correlation between management information systems and service delivery at Pearson’s correlation coefficient of $r=0.754$. Personalized services and service delivery with Pearson’s correlation coefficient of 0.742 and level of significance being 0.01. On the other hand, electronic relationship had positive relationship correlation with service delivery at a Pearson’s correlation coefficient of 0.604 significant positive relationship correlation with service delivery. Communication moderately significant positive relationship correlation with service delivery at a Pearson’s correlation coefficient of 0.405.

4.7 Multiple Regression Analysis

Regression analyses were used to ascertain how Airline operators in Kenya service delivery is supported by customer relationship management by utilizing the determination coefficient (r^2) and also to forecast the connection among variables by use of β coefficient. In order to determine the percentage of the dependent variable (service delivery) being predicted by five predictor factors, analyses of multiple regression was performed (Management information systems, personalized services, electronic relationship and communication)

4.7.1 Model Summary

Analysis of Multiple regressions was conducted to highlight effects of predictor variables on dependent variables. Table 4.13 indicates the model summary.

Table 4. 13: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.889 ^a	.790	.653	.645

a. Predictors: (Constant), Management information systems, personalized services, electronic relationship and communication

b. Dependent Variable: Service Delivery

Source: Field Data (2022)

In Table 4.10 at significance level of 0.005, the outcomes show that R and R² were 0.889 and 0.790 respectively. There is a robust association of customer relationship management practices and service delivery as evident by R=0. 889. The results also indicated that 79% of variation in service delivery is shown by predictors in the model, while 21% variation is unexplained due to other factors that are not in the model.

4.7.2 Goodness of Fit of the Model

The regression model used was fit for the data collection; the researcher performed Analysis of Variance (ANOVA). As shown on Table 4.14

Table 4.14: ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.134	4	.034	0.507	.015
	Residual	1.347	55	.067		
	Total	1.481	59			

a. Dependent Variable: Service Delivery

- a. Predictors: (Constant), Management information systems, personalized services, electronic relationship and communication

Source: Field Data (2022)

The Table 4.14 indicates the ANOVA output. When determining the significance of the coefficient of determination, this Table shows that at $\alpha= 5\%$, the f statistic is 0.507. There is a p value of $0.015 < 0.05$ which is significant. This implies that customer relationship management is significant in predicting service delivery.

4.7.3 Model Regression Coefficients

The presentation in Table 4.15 shows unstandardized coefficients, standardized coefficients, t statistics and significant values.

Table 4.15: Regression Coefficient

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B (β)	Std. Error	Beta (β)		
(Constant)	.159	.746	.234	.213	.001
Management information systems	.130	.219	.165	.059	.000
Personalized services	.232	.179	.272	1.30	.000
Electronic Relationship	.240	.115	.305	2.09	.010
Communication	.150	.253	.126	.593	.000

a. Dependent Variable: Service delivery

The regression coefficients illustrated in Table 4.15 show that a relationship exists between customer relationship management and service delivery of Airline operators in Kenya. Management information systems posted $p=0.000 < 0.05$, Personalized services posted $p=0.000 < 0.05$, Electronic relationship posted $p= 0.010 < 0.05$ and communication posting $p=0.000 < 0.05$. This Significance test was conducted at $\alpha=0.05$ in which the significance exists when p records a value < 0.05 . The results show that the parameters of Airline operators in Kenya possess a significant with service delivery.

The linear model then stands to be;

$$Y=0.159+0.130X_1+0.232X_2+0.240X_3+0.150X_4$$

As per the findings, when all other independent factors are held constant, increasing the management information systems parameter with customer relationship management by a single unit will result in a 0.130 change in service delivery, increasing personalized services parameter in relation to customer relationship management by a single unit will result to a 0.232 change in service delivery, increasing electronic relationship increasing electronic relationship parameter in relation to customer relationship management by a single unit will result to a 0.240 change in service delivery. Finally increasing communication in relation to customer relationship management by a single unit will result in a 0.150 change in service delivery

4.8 Discussion of Findings

It was found out that most of the Airline operators in Kenya have embraced Management information systems to a great extent. This was backed by the following statements; order to make creating reports easier, a system is being employed to process the information and system is utilized in the process of improving the overall quality of the service that is provided to clients. The findings agree with Moriarty & Jones, (2018) establishing reliable lines of Management information systems with one's customers in order to convey relevant information may significantly improve one's company's connection with customers. According to Liao, Fei, and Liu (2008) it is hypothesized that management information systems determines success and failure of an organization.

The study established that personalized services influence service delivery to a great extent. This was backed by the following statements; business provides all of the accessible consumer options, which fulfill the requirements of the customer. The findings agree with

Wright, and Powers (2015) who indicated that there is a substantial link between personalized services and organizations competitive. The same results were obtained by Mahmud et al. (2010) whereby personalized services were found to provide organization capacity to expand its strategic customer base thus creating a sustainable competitiveness. The study established that electronic relationship influence service delivery to a moderate extent. The findings agree with Dutu and Halmajan (2014), the right use of technology helps the organization receive important information from relevant personnel in a timely way. This enables the business to make the right choices and provide the right services. Efficient administration efforts, improved employee interactions, better workplace and satisfaction via improvement in the working environment and competitive pay accomplish administrative innovation.

It was found out that most Airline operators in Kenya have embraced communication to a great extent. The findings agree with Munyoroku (2014) aside from communicating with customers, it is essential that the company's many roles and corporate divisions communicate with one other to ensure that all customers' needs are being met. As a result, it has a more long-lasting effect on these kinds of relationship than just talking with customers to foster connections and create strong ties.

According to the findings, customer relationship management practices and service delivery have a positive correlation relationship. The study applied regression analysis in establishing the influence of customer relationship management practices and service delivery among supermarkets. Coefficient of determination was found to be a good fit for the data; $R^2=0.672$, hence a satisfactory predictor. Overall regression model was found to be statistically significant as evidenced by the p-value $0.018(<0.05)$. These findings

support a study by Noor, (2013) customer relationship management practices have a positive relationship with service delivery.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of the findings, conclusions, recommendations and limitations of the study and suggestions made by the researcher. This is done in accordance with the study's objective.

5.2 Summary

The aim of this research was to examine the influence of customer relationship management practices on service delivery among Airline operators in Kenya. It was found out that most of the Airline operators in Kenya have been in operation for more than 4 years and have between 301 – 600 employees. Most of the Airline operators in Kenya have between 5 to 10 branches in Kenya.

Management information systems and communication were shown to have a significant impact on customer relationship management practices at great extent. The system is utilized in the process of improving the overall quality of the service that is provided to clients. The timely resolution of customer's complaints is one of the business's top priorities. It was found out that Airline operators embraced personalized services and electronic relationship at moderate extent. Airline operators provides all of the accessible consumer options, which fulfill the requirements of the customer.

A connection exists between service delivery and customer relationship management practices, according to the research results. The regression model used in this research was shown to be a decent predictor in the regression analysis. The models were statistically significant, as demonstrated in a variance analysis by p-value fewer than 0.05.

5.3 Conclusion

The study concludes that management information systems and communication are adopted at great extent by most of these Airline operators in Kenya. The Airline operators in Kenya promote cooperation across various departments so as to speed up the invention process and get more feedback from the product released. There is increasing investment in customer relationship management practices.

The study also concluded that electronic relationship is a very useful factor that influences service delivery among the Airline operators in Kenya; that ICT platforms greatly influenced service delivery. The use of SMS platforms to transact business is a vital ingredient leading to efficient service delivery. ICT is one of the aspects of CRM that greatly influences efficient service delivery; and that allocation of ICT budgetary estimates is one of the aspects of CRM that greatly influences service delivery.

The study also made a conclusion that there is a significant association existing between management information systems, personalized services, electronic relationship and communication and service delivery hence the model of research is significant. The outcome of the study conforms to the Relationship Marketing Theory. The objective of relationship marketing theory was to form a long-term connection with existing and

potential customers by engaging them in conversation and providing a positive return on investment.

The study also made a conclusion that there is a significant association existing between customer relationship management practices and service delivery hence the model of research is significant. Finally, the outcome of the study confirms to the relationship marketing theory, commitment-trust theory.

5.4 Recommendations

The research advises Airline operators in Kenya to implement customer relationship management to improve company service delivery as it has been shown to improve industry service delivery. The research suggests that firms identify which components of customer relationship management practices are relevant to their sector and spend extensively in those areas to achieve meaningful service delivery.

In order to achieve the company's vision, mission, and objectives, Airline operators in Kenya should have rules and procedures that encourage its workers to become involved. This is because workers are the most important stakeholders in the strategy-implementation process.

Similarly, the study recommends that firms should only put their resources on those customer relationship management practices that have a greater impact on service delivery. For customer relationship management practices to be effective, all the stakeholders should support the adoption and implementation of customer relationship management processes as no department within an organization is independent.

5.5 Limitations of the study

One of the study's drawbacks is that it only looked at one aspect of customer experience management: customer satisfaction. However, there are additional aspects that have an influence on an organization's service delivery that were not taken into consideration. They include technology, human capital, strategy and finance, and organization structures. They should be considered so as to improve the accuracy of the study.

One of difficulties was that mid-level management personnel were the target responders for the research. Many were extremely busy and strained due to the pressure at work, therefore there was not enough time to answer the surveys when the researcher provided them with the questionnaires. To guarantee that the questionnaire was properly completed, the instrument validity was checked to make sure that the aims of investigation were clear, brief and addressed before distributing them by email.

5.6 Suggestions for Further Studies

This investigation is a cross-sectional study that employs a quantitative methodology. It merely documented the opinions and impressions of those who took part. The quantitative strategy was used in the cross-sectional study, which was selected since it was the most appropriate method accessible to deal with the challenges related to time and money constraints. Thus, comparative research on the basis of qualitative approaches such as interviews is required in order to reach a conclusion.

Furthermore, this research was limited to solely Airline operators in Kenya as a subject of investigation. Customer relationship management practices are not being managed as well

in other types of businesses, such as hospitals, aviation corporations, large-scale farms, and industrial enterprises, among others. Future study should be carried out to determine the impact of customer experience management on operational performance in other areas.

REFERENCES

- Aruppillai, Thayaparan and Philip, M (2015). An analysis of customers buying behavior its determinants of fast food in Sri Lankan. *International journal of economics and finance*:9(7).56-67
- Ashraf A. M. (2014). Consumer behavior in fast food marketing in Bangladesh: A case study. *Researchgate Publications* 9(4).45-56
- Barsky, J. D., & Labagh, R. (2017). A strategy for customer satisfaction. *Cornell Hotel and Restaurant Administration Quarterly*, 33(5), 32-40.
- Berndt, A. (2009). *Relationship marketing and customer relationship management, juta publications customer retention programs and the desired output*. Unpublished MBA research project, University of Nairobi
- Bolton, Ruth N (2014). *Service excellence: creating customer experience that build Relationships*. New York Business Expert press.
- Brink and Teslu, M. (2019). The impact of customers' relationship marketing on customer satisfaction; A case study on selected commercial banks in Ethiopia. *Zenith international. Journal of Business Economics and Management Research* 5(6),215-228.
- Buttle, F. (2014). *Customer relationship management: concepts and tools*, Oxford; Elsevier Butterworth-Heinemann.

- Casey, J. A., Schwartz, B. S., Stewart, W. F., & Adler, N. E. (2016). Using electronic health records for population health research: a review of methods and applications. *Annual review of public health, 37*, 61-81.
- Chandra, S. (2014). The impact of customer experience toward customer satisfaction and loyalty of CiputraWorld Surabaya. *International Business Management, 2*(2), 1-11.
- Chang, W., Park, E. J., & Cha, S. (2014). How does CRM technology transform into organizational performance? A mediating role of marketing capability, *Journal of Business Research, 63*, 849-855.
- Choi, C. (2013). *Relationship marketing practice in relation to different bank ownership: A Study of Banks in Hong Kong, International Journal of Bank Marketing.*
- Coltman, T., Devinney, T. M. & Midgley, D. F. (2011). Customer relationship management and firm performance, *Journal of Information Technology, 26* (3), 205-219.
- DiMaggio, P. J., & Powell, W. (1983). The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields, *American Sociological Review, 48*, 147-160
- Dutu, C., Halmajan, H. (2014). The effect of organizational readiness on CRM and
- Farah, H. A., Munga, J., & Mbebe, J. (2018). Influence of competitive strategies on performance of commercial airlines in Kenya: A survey of the airline industry in

Kenya. *International Academic Journal of Human Resource and Business Administration*, 3(1), 170-189.

Gatobu, A. M. (2019). The role of customer relationship management in building competitive advantage: the case of mobile phone operators in Kenya, *Unpublished Project*, University of Nairobi

George H (2014): Service quality and customer satisfaction in certified public accountant training institutions in Nairobi Kenya. Unpublished MBA project, University of Nairobi.

Gilaninia et al, (2014). The impact of customer relationship marketing on customer behavior of the Arab bank services, *International Journal of Academic Research in Business and Social Sciences*.7(5)88-99

Goodstein, J. D. (1995). Institutional pressures and strategic responsiveness: Employer involvement in work-family issues, *Academy of Management Journal*, 37(2), 350-380.

Hoots, M. (2005). Customer relationship management for facility managers. *Journal of facilities management*.

Hyung -Su, K. (2012). How CRM strategy impacts organizational performance: Perspective of customer equity drivers, *Journal of data base marketing and customer strategy management*, 19, 4, 233-244

Kapanen, R. (2004). Customer relationship management and service delivery. *International Journal of Services Technology and Management*, 5(1), 42-55.

- Kasim, A., & Minai, B. (2019), Linking CRM strategy, customer performance measure and performance in hotel industry, *International Journal of Economics and Management*, 3(2), 297 – 316
- Kazmi, A. (2012). *Business policy and strategic management*, 2nd Edition Tata McGraw Hill.
- Koskei, A. K. (2014). *Customer relationship management practices in the hotel industry in Kenya* (Doctoral dissertation, University of Nairobi).
- Kumar, V., & Reinartz, W. (2018). *Customer relationship management*. Springer-Verlag GmbH Germany, part of Springer Nature 2006, 2012, 2018.
- Lewis, S. (2015). Qualitative inquiry and research design: Choosing among five approaches. *Health promotion practice*, 16(4), 473-475.
- Makau, R. M. (2018). The effect of customer relationship management in the banking sector in Kenya, *Unpublished MBA Project*, University of Nairobi
- Minoo, M. R., and Musyoka, D. R. (2013). *The effect of customer relationship management in the banking sector in Kenya*. Unpublished MBA Project, University of Nairobi
- Moller, B. (2011). *Dynamics of international advertising: theoretical and practical perspectives*, Pearson Education Inc
- Morgan, N.A., & Mason, C.H. (2013). Market orientation, marketing capabilities and firm performance, *Strategic Management Journal*, 30(8), 909 -920.

- Morgan, R., and Hunt, S. D. (1994). The commitment-trust theory of relationship marketing, *Journal of Marketing*, 58(3), 20–38
- Moriarty, J., & Jones, R., (2018). Marketing in small hotels: a qualitative study, *Marketing Intelligence and Planning*, 26(3), 293-315.
- Mukami, N. A. (2017). *Customer Relationship Management Strategies and Customer Satisfaction: Case of Chase Bank (Kenya) Limited-In Receivership* (Doctoral dissertation, United States International University-Africa).
- Ndubisi, N.O. and Chan, K.W. (2005), Factorial and discriminate analyses of the underpinnings of relationship marketing and customer satisfaction, *International Journal of Marketing*, 23 (7), 542-57
- Ng'ang'a, M. W., and Monayo, A. V. (2017). Electronic Customer Relationship Management Strategy and Organizational Performance of Associated Motors Limited (K) Ltd *Journal of social sciences* 8(1);91-94.
- Ngahu, C. (2019). Service Failure Attribution, Perceived Justice and Customer Satisfaction in Mobile Money Service Recovery. *Ajbuma Journal*, 5(1)
- Orlando, J. F., Beard, M., & Kumar, S. (2019). Systematic review of patient and caregivers' satisfaction with telehealth videoconferencing as a mode of service delivery in managing patients' health. *PloS one*, 14(8), e0221848.
- Pujari, D. (2014). Self-service with a smile? Self-service technology (SST) encounters among Canadian business-to-business, *International Journal of Service Industry Management*, 15 (2), 200-219

- Rahi, S. (2017). Research design and methods: A systematic review of research paradigms, sampling issues and instruments development. *International Journal of Economics & Management Sciences*, 6(2), 1-5.
- Reimann, M., Lunemann, U., & Chase, R. B. (2008). Uncertainty avoidance as a moderator of the relationship between perceived service quality and customer satisfaction, *Journal of Service Research*, 11(1), 63–73
- Roberts, M., Liu, R., & Hazard, K. (2014), Strategy, technology and organizational alignment: key components of CRM success, *Journal of Database Marketing and Customer Strategy, Management*, 12(4), 315-26.
- Sandra F., Susana H.M and Maria S (2017). Customers' relationship with their grocery store: Direct and moderating effects from store format and loyalty programs. *Journal of Retailing and Consumer Services* 3(7), 78-88.
- Scott, N., Batchelor, S., Ridley, J. & Jorgensen, B. (2007). *The Impacts of Mobile Phones in Africa*, from, www.commissionforafrica.org/english/report/background_d/scott_et_al_background.pdf. [Accessed: 2007-11-11]
- Sharifi, S.S and Esfidani, R.M (2014). The impacts of relationship marketing on cognitive dissonance, satisfaction, and loyalty, *International Journal of Retail & Distribution Management*, 42 (6), 43-62
- Shavazi, E.T., Moshabaki, A., & Hoseini, S.H.K., & Naiej, A.K. (2013). Customer relationship management and organizational performance: a conceptual

- framework based on the Balanced Scorecard (Study of Iranian Banks), *Journal of Business and Management*, 10, 6, 18-26
- Simiyu, E. A. (2016). *Effects of Transformational Leadership on Change Management in an Organization: A Case of Kenya Airways* (Doctoral dissertation, United States International University-Africa).
- Sinkovics, R.R. and Ghauri, P.N. (2014). *New challenges to international marketing*, Emerald Group Publishing
- Stone, M., Woodcock, N. & Machtynger, L. (2015). *Customer Relationship Marketing: Get to know your customers and win their loyalty (2nd eds.)*. Kogan Page Ltd. ISBN: 0-7494-2700-0.
- Suddaby, R. (2010). Challenges for institutional theory. *Journal of management inquiry*, 19(1), 14-20.
- Sugandhi, R. K. (2017). *Customer relationship management*, New Delhi: New Age International.
- Waqas, D. M., & Muhammad, A. (2015). Impact of customer relationship management capabilities on organizational performance with CRM Technology as Mediator, *Arabian Journal of Business and Management Review (Oman Chapter)* 4.10 (May 2015): 30-41
- Werner Reinartz, M. K. & Wayne, D. H. (2017). The customer relationship management process: its measurement and impact on performance, *Journal of Marketing Research*, 41, 3, 293-305

Winer, R. S. (2017). A framework for customer relationship management. *California management review*, 43(4), 89-105.

Xu, Y., Yen, D. C., Lin, B., & Chou, D. C. (2012). Adopting customer relationship management technology. *Industrial management & data systems*.

YuSheng, K., & Ibrahim, M. (2019). Service innovation, service delivery and customer satisfaction and loyalty in the banking sector of Ghana. *International Journal of Bank Marketing*.

APPENDICES

Appendix I: Introduction Letter

May 2022

Masters Student- MSc. Marketing

University of Nairobi

RE: REQUEST FOR RESEARCH DATA

I am a student at the University of Nairobi where I am undertaking a degree in Masters of Science in Marketing. I am required to submit as part of my course work assessment, a research on **“THE INFLUENCE OF CUSTOMER RELATIONSHIP MANAGEMENT ON SERVICE DELIVERY AMONG AIRLINE OPERATORS IN KENYA”**. Data from your company will be used in this research in order to accomplish this goal. Neither your name nor any other personal information will be included in this report. The study's findings will be made available to you upon request.

We really appreciate your help and cooperation.

Thank you in advance.

Masters Student – Researcher

University of Nairobi

Appendix II: Research Questionnaire

SECTION A: Organizational Characteristics

1. In which Airline operators in Kenya do you work? (Enter below)

2. For how long has the firm been in operation? (tick one)

Less than 4 years 4-8 years Above 8 years

3. How many employees are there in your firm (tick one)

Less than 300 301 - 600 Above 600

4. How many Branches does your firm have in Kenya? (tick one)

Less than 5 5-10 More than 10

SECTION B: CUSTOMER RELATIONSHIP MANAGEMENT

To what extent do you agree with the following attributes on customer relationship management exhibited by your firm. Using a scale of 1-5, tick the appropriate answer from the alternative provided. 1=No extent, 2=little extent, 3=Moderate extent 4=Great extent, 5=Very great extent.

Component	1	2	3	4	5
Management information systems					

In order to gather customer-related information from a wide variety of sources, the system is employed.					
In order to make creating reports easier, a system is being employed to process the information.					
In order to generate reports on clients, the system is utilized.					
The system is utilized in the process of improving the overall quality of the service that is provided to clients.					
System is used to increase the overall levels of accuracy among the personnel.					
Personalized services	1	2	3	4	5
The business provides all of the accessible consumer options, which fulfill the requirements of the customer.					
This facility has excellent flexibility on both the part of the facility and the customers in terms of adapting to the requirements of the customers.					
My profile as well as my social position are fulfilled sufficiently by business.					
I am personally being served by Airline operator agents.					
I am extremely satisfied by the way am being served.					

Electronic Relationship	1	2	3	4	5
Conveniences such as service booking and scheduling are made available by the company via its E-Relationship platform, which has contributed to an increase in the percentage of returning customers.					
The institution's Electronic Relationship Management platform has made it easier for clients to provide feedback, which has aided the company in producing more individualized forms of service.					
Electronic Relationships also play an important part in the effectiveness of commercial processes, which has led to an improvement in customer service.					
E-Relationship platform has improved the level of cooperation that exists between the company and its customers, and it also encourages the growth of e-relationships.					
The E-Relationship Platform has also made it possible to make purchases online, which is not only very adaptable and handy but also saves both time and money.					
Communication	1	2	3	4	5

The business maintains regular contact with customers.					
The business provides a wide array of information transmission methods.					
The business is attentive to the requirements of its customers.					
The timely resolution of customer's complaints is one of the business's top priorities.					
All official communication is done through various social media platforms					

Appendix III: Airline Operators in Kenya

1. British Airways
2. Ethiopia Airways
3. Kenya Airways
4. Fly 540 Aviation
5. Jubba Airways
6. African Express LTD
7. Air Arabia
8. Etihad Airways
9. Turkish Airlines
10. Lufthansa –German Airline
11. Swiss International Airline
12. Emirates Airline
13. South African Airways
14. Rwanda Air
15. Oman Air
16. Air Maroc
17. East African Safaris: FlySaxs
18. Air Mozambique
19. KLM Royal Dutch Airline
20. Precision Air
21. China Southern Airline
22. Qatar Airways
23. Saudi Arabian Airline
24. Egypt Air
25. Air Mauritius
26. Astral Aviation

27. Air France
28. Martin Air
29. Condor
30. Enter Air
31. Blue Paranoma
32. Air Kenya
33. Neon Airways
34. Freedom Air
35. Skyward International Aviation
36. Ocean Air
37. Buff Air
38. Condor
39. Meridian airlines
40. Rudufu Aviation
41. Som Air
42. Air Traffic Limited
43. Air Malawi
44. Silverline aviation
45. Aero-Pioneer Group
46. Acariza Aviation
47. AD Aviation charters
48. Aeronox Air services
49. Aerospace Consortium
50. Air direct
51. Airlink Kenya
52. ALS-Aircraft leasing services
53. Astral Aviation

54. Avro Express
 55. Blue Bird Aviation
 56. Blue Bird Aviation Services
 57. Capital Airlines
 58. DAC Aviation
 59. Global Airlift
 60. Great Airways
 61. Jetways Airlines
 62. KASAS
 63. Tubania Aviation Group
 64. Knight Aviation
 65. Lady Lori
 66. Mombasa Air Safari
- Source:** Kenya Civil Aviation Authority's (2021) report