



IMPROVING CUSTOMER RELATIONSHIP MANAGEMENT IN TROPICAL BANK

ABSTRACT

The purpose of this study was to examine the components, challenges and strategies of improving customer relationship management in Tropical Bank. The research problem was that in Tropical bank, unresolved complaints had increased to 60% in only one month yet they are supposed to be resolved in less than two weeks yet such poor customer relationship management in commercial banks results into customer dissatisfaction, disloyalty, low levels of customer retention, distorted brand image and reduced profits. The objectives were to examine the level of Customer Relationship Management, to examine the challenges of improving Customer Relationship Management in Tropical Bank and to examine the strategies of improving Customer Relationship Management in Tropical Bank.

The researcher adopted a cross sectional research design and the use of quantitative data collection and analysis techniques. The study used a sample size of 347 respondents. Findings show that Tropical Bank Limited endeavors to manage its relationship with customers on various fronts such as communication, technology, reciprocity, commitment and trust. Despite the efforts at the bank however, there are several challenges which may be affecting customer relationship management. Tropical Bank Limited has some commendable levels of customer relationship management but from the proposed strategies and responses, we can see that there is still ample room for the bank to improve in this area as proposed by the findings of this study.

In light of that, Tropical Bank Limited should conduct regular surveys of customers (current and potential), enlisting their service expectations, registering complaints and acknowledging compliments. The bank should review the service level agreements with customers and service

delays should be significantly cut down. Finally, Tropical Bank should address the issue of lack of parking space for customers by working with the Kampala Capital City Authorities and working toward securing parking space free of charge for their customers.