INTEGRATED CUSTOMER RELATIONSHIP MARKETING AND THE PERFORMANCE OF MICRO-FINANCE BANKS

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ABSTRACT

This study focused on integrated customer relationship marketing and the performance of micro-finance banks. The survey research design was used and the study covered a sample size of 183 personnel. The data used in this study was generated majorly from a five point likert scale questionnaire titled integrated customer relationship marketing and bank performance questionnaire (ICRMandBPQ) while the statistical tool used for data analysis is the t-test using the 20.0 version of statistical package for social sciences (SPSS). The major finding shows that integrated customer relationship marketing (ICRM) has significant effect on the performance of micro-finance banks. In hypothesis one, the SPSS output shows that the p-value (sig 2-tailed) is 0.001 while in hypothesis two it was 0.000. The study asserts that the innovation that will drive sustainable performance of micro-finance banks in future are those that originates from the customer's needs. It was therefore recommended that micro-finance banks should adopt both regulatory policy such as know your customer (KYC) policy of the CBN and market engineered techniques for the proper understanding of the customers and the deepening of quality customer relationship. This will confer strategic and competitive advantage on them while boosting their performance.

KEYWORDS:
commitment, competitiveness, innovativeness, relationship marketing service quality.

I. INTRODUCTION

The operational model and focus of micro-finance banks in the Nigerian banking industry has gone through various stages of transformation. Basically, what used to be known as community banks with a pro-poor philosophy had been predominantly occupied in just cash related activities like accepting deposits, paying cash and opening accounts as well as giving out loans to low-income earners and rural customers. However, globalization, world deepening economic woes, faded product differences and increasing customer sophistication have led to shrinking markets and increased competition. As a result, customer satisfaction, customer loyalty and customer retention are becoming more critical for banks' survival. In fostering capabilities to meet the changing needs of customers and satisfy industry benchmarked service delivery quality, the central bank of Nigeria at different times are permeating rules made for commercial banks down to the micro-finance banks. While this legal and policy driven approach may have revved-up micro-finance banks consciousness, how sustainable they are since they are not in most cases market driven remains a huge question to be answered. In order to meet their customers and indeed market needs, organizations are leveraging customers' relationship marketing (CRM) to retain their customers. ICRM is all about a customer-focused culture, marketing and management strategy that aims to increase customer satisfaction and loyalty through the development and sustenance of long-term relationships.

ICRM defines customer relationship as the intangible connections between a customer and the company and constructs customer relationship from customers' basic needs. In ICRM practice and needs construct value and value determine customer relationship. This intangible customer relationship is the fundamental force behind a customer's "loyalty" behaviors and the ultimate factor that provides a company with sustainable competitive advantages. To win a customer in his lifetime, it is far from enough to just keep this customer's account active in a company's database or to keep this customer buying from the company. A company has to win this customer's relationship from his/her heart by providing him the best value among the competitors. (ICRM, 2002). Emphasizing the significance of CRM, Sheth, Parvatiyar and Shainesh (2009), posits that developing close relationships with customers is more important in the current era of intense competition and demanding customers than have ever been before. As a result, the concept of marketing has changed from customer acquisition to customer retention. Consequently, the need to better understand customer behaviour and focus on those customers who can deliver long term profit has increased (Soliman, 2011). The marketing environment has changed significantly in the past decade, such as globalization, increasingly fierce competition, technology development, and so forth. Today's customers have more expectation in shopping experience and wish to interact with suppliers closely. They have more choices and their demands often change quickly. The old marketing approach, one to mass marketing, is not suitable to the changing environment. The one to one marketing approach is the trend for companies to achieve sustainable competitive advantage against competitors.

Statement of Problem

Considering the competitive nature of the banking industry, the question that readily agitates the mind is how to develop good customer relations in order to create intimacy and a level of confidence that will promote sustainable growth and profitability. The problem has always being on how to develop a differential strategy to promote a consistent positive return on investment. It is against the background that all the competitors in the industry are offering very similar products and services. Technology also has consistently enhanced the service delivery system and by the nature of it, it only serves as a short term strategy to attain competitive advantage. It eventually becomes affordable with time and all other competitors adopt it to augment their service delivery. The question therefore shifted to how micro-finance banks could differentiate themselves from the competition. Therefore there is the need for an integrated service marketing approach that will seek to provide a uniform service as well as create the convenient environment for customers to do business with the bank. Hence this study is to examine the effects of integrated customer relationship marketing on the performance of micro-finance banks.

Research Objectives

This study is aimed at achieving the following specific objectives;

i. Examine the extent the quality of service delivery affects the competitiveness of micro-finance banks.

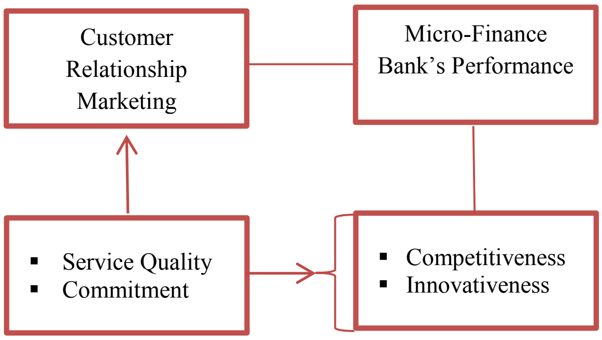
ii. Examine the extent of effects commitment to customers affects the innovativeness of micro-finance banks.

Hypotheses

HO1: Quality of service delivery does not have significant effects on the competitiveness of micro-finance banks.
HO2: Commitment to customers does not have significant effects on the innovativeness of micro- finance banks.

II. REVIEW OF RELATED LITERATURES

Conceptual Framework



Customer Relationship Marketing

Customer relationship marketing (CRM) is a sub of relationship marketing (RM) which has to do with the process of identifying, developing, maintaining and terminating relational exchange with customers in order to enhance performance. Customers relationship marketing concentrate more on the emotional and behavioural, which are determine by bonding empathy reciprocity and trust (Sin, 2005). Customer relationship marketing is a step in the evolution of marketing. In the present, business organizations such as banks concentrate more on consumerized product and services. Hence, banks used customer relationship marketing as a tool for gaining competitive advantages. Lages (2005) posit that customer relationship marketing is determined by information sharing, communication quality, long term relationship orientation and satisfaction with relationship. Hewett (2002), opine that trust and commitment are two key factors to build or construct customer's relationship marketing. However, Ndubisi (2007) found that trust contributes more significantly than commitment. Ducan and Moriarty (2008), posit that communication is generally considered a key antecedent or drive of a relationship and customer's relationship quality. Verhof (2003) pointed out that that commitment is considered necessary for customer relationship. Kumar, Schear and Streenkamp (2005) demonstrated that relationship with greater total independence exhibit higher trust, stronger commitment, and lower conflict than relationship with lower interdependence. Crosby (2009) expresses that customer relationship is determined by trust and satisfaction. Effective quality communication aids relationship initiation and building, and is brought about through timelines, frequency, accuracy, competences and credibility. Strobacka, Strandrik and Gronroos (1994) identified five distinct factors which build the customer relationship, service quality, customer satisfaction, commitments opportunism and social bond. Akpan (2005) notes that customers represent profit and market share, hence most organizations; particularly the banking industry is placing emphasis on the building of long-term customer relationship as a key ingredient to any loyalty programme. It therefore emphasizes providing a range of products or services to existing customers as they need them. Schaars (1998) has noted an increase in the trend towards more and stronger relationship. He points out that today, an increasing number of economic transactions take place between buyers and sellers who are working together. This could be a consideration that is making banks to depart from single transaction marketing in order to gain access to new customers; reducing the risk associated with the rapidly changing business environment and obtaining needed skills and resources; paying adequate attention to their problems and taking positive steps in providing solutions to those problems. Increased profitability associated with customer retention effort occurs because of the fact that customer that stays with non-lend tend to be satisfied with the relationship and are less likely to switch to customer making it difficult for the competitor to enter market or gain market share.

With respect to the Customer Relationship Marketing definition it is not an easy task. Various authors define customer relationship marketing from different academic or practical perspectives. In general most of them agree that customer relationship marketing is a philosophy or culture that should penetrate the whole organization (Gofton 2001). In a general sense, relationship marketing is about identifying, establishing, maintaining, enhancing and, when necessary, terminating relationships with customers, so that the objectives of both parties are met (Rashid, 2003). Furthermore, customer relationship marketing in a financial institution is seen as an approach to providing seamless coordination among process, people, information and technology that creates positive experiences for a party each time he or she interacts with the bank. It is the capability for delivering each 'valued experience' enabled by the bank's knowledge about a party including their preferences, behaviors, goals, and attitudes. Walsh et al (2004) define relationship marketing as the activities carried out by banks in order to attract, interact with, and retain more profitable or high net-worth customers. Based on the mentioned definition, we can say that customer relationship marketing seeks to increase bank’s profitability while providing better services for the customers.

Aims of Relationship Marketing

The primary goal of relationship marketing is to build and maintain a base of committed customers, and reduce time and effort spent on them. The advantages that the organization obtain from building and maintaining a base of committed customers are many and can be linked directly to an organization's bottom line (Aalton, 2004). According to Grönroos (1994), the aim of relationship marketing is to establish, maintain, and enhance relationships with customers and other partners, so that the objectives of the parties involved are met. Relationship marketing plays a major role to get the firm close to the customers for the purpose of enabling the firm to accurately and adequately discern and satisfy their needs. Moreover, it enhances a company's ability to understand customers, increase its market share, and ultimately reduce cost and increase profitability. Ndubisi, (2003) argued that the cost of serving one loyal customer is five to six times less than the cost of attracting and serving one new customer.

Rapp and Collins (1990) reported that relationship marketing goals are to create and maintain lasting relationships between the firm and its customers that are rewarding for both sides. In other words, a key objective is to foster customer loyalty. Further objectives of relationship marketing include the delivery of sustained or increasing levels of satisfaction, and the retention of those customers by the maintenance and promotion of the relationship. Sheth and Parvatiyar (1995) also support this objective as they argued that relationship marketing focuses on building, maintaining and retaining customers. Profits tend to climb when a company increases its retention rate. Retention rates tend to increase as customer satisfaction rates increase. Relationship marketing addresses the basic human need to feel important. Consumers like to reduce the choices they have by engaging in ongoing relationships. It is a form of commitment made by consumers to patronize selected products, services, and marketers rather than exercise choices. Palmatier and Gopalakrishna, (2005) study reported that there is a positive association between relationship marketing and business performance. Keltner (1995) found in his study that German banks compared with American banks, managed to maintain a stable market position during the 1980s and early 1990s as a consequence of relationship oriented banking strategies.

Benefits of Customer Relationship Marketing in Banking Industry.

There are some advantages of using relationship marketing in retail banking activities such as (i) increased consumer loyalty (ii) consumers benefits (iii) improved promotion of complementary services (Arturo et al, 2007). Moreover, the customers expect more benefits from their banks through maintaining long term relationships such as receiving good service, social benefits, confidence and special treatment. They added that these types of benefits are the principal motivation for the customer to develop a long-term relation with the bank. Confidence benefits refer to a detailed combination of benefits in relation to trust in the marketer, reduction in perceived operation risks, and a decrease in anxiety. Social benefits are referees to benefits of a social nature which adopt the form of personal recognition by employees in direct dealings, or the forging of links and social relationships, which are gratifying for the customer. These types of benefits are especially relevant in those service banks where a high level of interpersonal contact exists between customers and employees.

San (2005) reported that there are three elements that increase relational benefits in the relationship between consumers and service providers, relationship with the trademark, interpersonal relationships, and company relationships:

i. Relationship with the trademark: consumers expect specific trademark characteristics (trust) and project their feelings onto the trademark (loyalty).

ii. Interpersonal relationships: it is important to consider the affective or emotional component, which may create influential variables such as trust and commitment.

iii. The level of relationships: It is difficult to separate the different relationship levels in the case of financial businesses, because the establishment, the staff, and the services are all integrated into one unit.

Dimensions of Customer Relationship Marketing
Relationship marketing has the following key dimensions:

i.Trust: Trust refers to relying on someone's word. It is based upon reputation, personality, systems and processes. Some consider trust as an important consideration because many aspects of relations between customers and suppliers cannot be formalized on legal criteria. Instead, relationships have to be based on mutual trust. Trust is built upon experience, satisfaction and empathy. A high level of trust is likely to enhance a more positive attitude, which in turn is likely to increase the level of customer orientation/empathy. Conversely, low trust can have the opposite effect: how can you begin to empathize with someone you do not trust? (Conway and Swift, 2000). Trust has been defined as, "A willingness to rely on an exchange partner in whom one has confidence". Other authors have defined trust in terms of opportunistic behavior, shared values, mutual goals, uncertainty, actions with positive outcomes and making and keeping promises. Grönroos (1990) believed that the resources of the seller personnel, technology and systems have to be used in such a manner that the customer's have trust in them, and thereby trust in the firm itself is maintained and strengthened. Overall, trust is a key ingredient in establishing and maintaining successful inter organizational systems. Customer's trust reduces these feelings of vulnerability. Also, higher levels of trust advance information exchange. Trust is therefore a major determinant of relationship commitment, and exists when there is confidence in a partner's reliability and integrity (Ganesa, 1994).

ii. Commitment: Commitment is another important determinant of the strength of marketing relationship and a useful construct for measuring the likelihood of customer loyalty and predicting future purchase frequency . Customer commitment is defined as the customer's durable intention to develop and sustain the relationship with the supplier on the long run. Egan (2001) suggests that commitment is central to relationship marketing. At the same time Conway and Swift (2000) feel that the level of commitment a partner feels towards that relationship is of great importance in developing relationships. In contrast Hocutt (1998) views commitment as "an intention to continue a course of action or activity or the desire to maintain a relationship". Trust and commitment are paired in the relationship marketing literature. Both trust and commitment are invariably associated with the prerequisite that the relationship is of significantly high importance to one or both parties. Commitment is defined by psychologists by decisions that bind an individual to a behavior (Ndubisi, 2008). While commitment in marketing literature is defined as an enduring desire to maintain a valued relationship, this implies a higher level of obligation to make a relationship succeed and to make it mutually satisfying and beneficial. It is also means keeping in touch with valued customers, providing timely and trustworthy information on service and service changes, and communicating proactively if a delivery problem occurs. At the same time, communication refers to the ability to provide timely and trustworthy information (Ndubisi and Chan, 2005).

Today, there is a new view of communications as an interactive dialogue between the company and its customers, which takes place during the pre-selling, selling, consuming and post-consuming stages (Ndubisi, 2008). The concept of commitment in sociology is used to analyze both individual and organizational behavior and mark out forms of action characteristic of particular kinds of people or groups (Wong and Sohal, 2002). Customer commitment can be described along four dimensions: (i) loyalty, (ii) willingness to make short-term sacrifices, (iii) long-term orientation, (iv) willingness to invest in the relationship (Gundlach et al., 1995). Commitment and trust together encourage marketers to work towards preserving relationship investments by cooperating with exchange partners. Both are very important elements in ensuring a long-term orientation towards a business relationship, an orientation that is necessary to implement customer relationship marketing strategies.

iii. Social Bonding: Bonding is defined as the dimension of a business relationship that results into parties (customer and supplier) acting in a unified manner toward a desired goal. Various bonds exist between parties and indicate different levels of relationships. Bonding served effectively to control social and business behavior in society, and contribute to remove doubt, create trust and form close relationships (Hinde, 1997).
The dimension of bonding, as it applies to customer relationship marketing, consists of developing and enhancing consumer loyalty, which results directly in feelings of affection, a sense of belonging to the relationship, and indirectly to the sense of belonging to the organization (Sin et al., 2002). Buyers and sellers who have a strong personal relationship are more committed to maintaining the relationship than less socially bonded partners.

iv. Empathy: Empathy is the dimension of a business relationship that enables the two parties to see the situation from the other's perspective. It is defined as seeking to understand somebody else's desires and goals. It involves the ability of individual parties to view the situation from the other party's perspective in a truly cognitive sense. Empathy may be concerned with liking someone or some organization. In the initial stages of a relationship it is important that the seller empathizes with the buyer but, as the relationship develops, empathy from both parties becomes increasingly important. Liking the other on the behalf of each party develops a close interpersonal and business relationship and gives a more positive outlook to each party.

v. Good Experience: Experience is another factor in successful relationships. Conway and Swift (2000) suggest that both parties must have positive experiences in order to reach the required overall level of satisfaction over a period of time and develop the relationship further. The writers add that negative experiences may, of course, hinder the relationship, or even lead to customer defection. Furthermore, we tend to remember best the last experience. Thus, one positive experience may be sufficient to alter perceptions of more than one preceding negative experience, and vice versa. This suggests the important influence experience can have on customer satisfaction and, the more satisfied the customer, the more durable the relationship. In terms of customer communications to peers and others, the facts and perceptions of the "experience" is the item that is shared with others and drives much of the individual satisfaction.

vi. Promise Fulfillment: Fulfillment of promise is seen as a core construct in the relationship marketing philosophy. It is one of the dimensions which will determine if a relationship is to continue or be terminated. For example, if the promise made by the organization is not fulfilled to the full satisfaction of the customer then the customer may terminate the relationship. Equally, for instance, if the customer fails to deliver on the promise of payment to the organization, then the organization may terminate the relationship. Therefore, just making promises is not enough, but delivering them by action is also very important. Zineldin and Jonsson (2000) state that "trust and commitment between business companies can only be built on actions rather than promises", meaning that it is necessary to fulfill promise by actions. Claycomb and Martin (2001) also highlight the link between trust and promise. In the service sector trust is particularly relevant because customers often do not buy a service per se. What they buy is implicit and explicit promise of service. A firm may attract customers by giving promises, thus persuading them to behave in some desired way. These promises may be explicit or implicit in the image of a brand. A new customer may be attracted and a new relationship built. Long-term profitability requires that the relationship be maintained and enhanced in order to retain the customer base. The fulfillment of the promises given is essential to achieving customer satisfaction.

vii. Communications: Communication is considered as a vital component in the establishment of business relationships. Yet it is a variable that is often assumed or taken for granted and consequently overlooked as a component of relationship development (Andersen, 2001). Communication is important in marketing relationships; it plays a central role in providing an understanding of the exchange partner's intentions and capabilities, thus forming groundwork for building trust amongst exchange partners. The recency and frequency of communications are important variables. The recency (number of days/weeks since the last communication) and the frequency (number of communications received over a period of time) drive the perceived level of connection to the organization. In the same time Seines (1998) confirms that communication is not only an important element in its own right, but it also influences levels of trust between buyer and seller. In the same context Sin et al. (2002) asserts that communication, especially timely communication, fosters trust by assisting in solving disputes and aligning perceptions and expectations. Communications also inform dissatisfied customers what the organization is doing to rectify the causes of dissatisfaction. When there is effective communication between an organization and its customers, a better relationship will result and customers will be more loyal.

viii. Conflict Handling: Ndubisi and Chan (2005) found a significant relationship between conflict handling and customer loyalty, indirectly through trust and perceived relationship quality. The ability of the product or service provider to handle conflict appropriately will also directly influence customer loyalty. It is important that companies select their partners carefully, share common values, and maintain excellent communication at all times during the relationship continuum. Ultimately, the key factors that hold a relationship together are goal compatibility, commitment, trust, satisfaction, investments, social and structural bonding, and a favorable comparison with alternatives.

ix. Internal Relationship Marketing: Bruhn (2003) reported that a chain of internal customer relationships can be put into effect by guiding internal relationships, establishing internal customer orientation, and adapting the relationship success chain. Ensuring high service quality level is deemed as a key prerequisite for customer's satisfaction and retaining internal ones. Therefore if an organization manages to guarantee internal customer orientation, an external relationship marketing success chain can be indirectly initiated. Bruhn (2003) said that the following internal customer orientation measures can be applied: (i) empowerment; (ii) internal relationship management; and (iii) internal communication. Internal marketing ensures that the team is operating with the same philosophies across the entire organization and that communication is seamless and delivered consistently externally, as a result.

x. Reciprocity: Reciprocity is the dimension of a business relationship that causes either party to provide favors or make allowances for the other in return for similar favors or allowances to be received at a later date. It covers the bilateral contingency, interdependence for mutual benefit and equality of exchanged values aspects of social action between two individuals.

The Concept of Bank Performance

A more organized study of bank performance can be traced to the late 1980's (Olweny and Shipho, 2011) with the application of Market Power (MP) and Efficiency Structure (ES) theories (Athanasoglou et al., 2005.) The MP theory states that increased external market forces results into profit. Moreover, the hypothesis suggest that only firms with large market share and well differentiated portfolio (product) can win their competitors and earn monopolistic profit. On the other hand, the ES theory suggests that enhanced managerial and scale efficiency leads to higher concentration and then to higher profitability. According to Nzongang and Atemnkeng in Olweny and Shipho (2011) balanced portfolio theory also added additional dimension into the study of bank performance. It states that the portfolio composition of the bank, its profit and the return to the shareholders is the result of the decisions made by the management and the overall policy decisions. From the above theories, it is possible to conclude that bank performance is ruled by both internal and external factors. According to Athanasoglou et al., (2005) the internal factors include bank size, capital, management efficiency and risk management capacity. The same scholars contend that the major external factors that role bank performance are macroeconomic variables such as interest rate, inflation, economic growth and other factors like ownership.

Theoretical Framework

This study is underlined by the following theories;

Social Relationship Theory: This theory focuses on interactions between individuals in their micro social group. It supposes that people discuss issues and events in a face to face encounter, which dictates their opinion, attitude and perception of such issues. In relation to media messages therefore, TV commercials and public relations activities and programmes are further discussed by individuals in their informal settings. This theory postulated by Alfred Shutz in 1970 therefore supposes media audience members as active participants in the communication process. Explaining this theory, Ojobor (2002) emphasized that: This theory talks about interaction between different members of the society. In these interactions, interpersonal communication in a face to face situation takes pre-eminence. It is in this process that different members of the social group are able to influence one another. Therefore the influence of relationship marketing is determined by the quantity and quality of face to face interaction by members of the public's. It therefore suggests that the audience of bank's relationship marketing activities discuss the message contents of such interactions at their informal /social/community settings. Such interactions with members of their age grade, market place help them to form and or reshape their opinions in the bank. This obviously go a long way in determining their patronage since they are more likely to believe their friends, age grade in view of existing age long relationship than staff of the bank whose efforts and interactions are then favored.

Image Restoration Theory: Adverse relationships between an individual or corporation and its publics can destroy credibility, relationships, marketability, and economic welfare. As such, a genre of discourse is needed to help individuals and organizations respond to charges of wrong doing. In today's society, the importance of image cannot be overstated. Organizations and individuals alike desire to achieve and maintain a positive public image because doing so has value and worth on several different levels, especially as it relates to customer retainership and patronage which go a long way in keeping companies in business. According to Benoit (1995), human beings possess a basic instinct to engage in recurrent patterns of communicative behavior designed to reduce, or avoid damage to their reputation (or face or image) from perceived wrong-doing. Complaints are routinely leveled at people in all walks of life for all sorts of alleged misbehavior, accordingly we are repeatedly faced with situations that impel us to explain or justify our behavior, to offer excuses or apologies, for those aspects of our behavior that offends and provoke reproach from those around us. Our face, image, or reputation is valuable. Therefore, when a reputation is threatened, individuals and organizations are motivated to present an image of defense: explanations, justifications, rationalizations, apologies, or excuses for behavior.

III. METHODOLOGY

The research design for this study is the survey research design. The choice of survey design is appropriate since the population under study is finite. The researcher used the entire staff of the three selected micro-finance banks as the population for the study, while a sample of 183 personnel was employed in the study. The data used in this study was generated both primary and secondary sources. The major instrument for data collection was a five point likert scale questionnaire titled integrated customer relationship marketing and bank performance questionnaire (ICRMandBPQ). The statistical tool used for data analysis in this study is the t-test using the 20.0 version of statistical package for social sciences (SPSS), the formulae for t-test is given as;

$$t = \frac{\bar{x}_1 - \bar{x}_2}{\sqrt{\frac{s_1^2}{n_1} + \frac{s_2^2}{n_2}}}$$

Where, $\bar{x}_1$ = Mean of first set of values, $\bar{x}_2$ = Mean of second set of values, S_1 = Standard deviation of first set of values, S_2 = Standard deviation of second set of values, n_1 = Total number of values in first set and n_2 = Total number of values in second set.

IV. RESULTS AND DISCUSSION OF FINDINGS

SPSS Output for Hypothesis One

T-TEST GROUPS=RANKS(5 1)
/MISSING=ANALYSIS
/VARIABLES=SQandC
/CRITERIA=CI(.95).

Group Statistics					
	RANKS	**N**	**Mean**	**Std. Deviation**	**Std. Error Mean**
SQandC	5.00	5	30.4000	6.69328	2.99333
	1.00	5	10.6000	6.42651	2.87402

Independent Samples Test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
SQandC	Equal variances assumed	.159	.701	4.771	8	.001	19.80000	4.14970	10.23078	29.36922
	Equal variances not assumed			4.771	7.987	.001	19.80000	4.14970	10.22802	29.37198

The SPSS output shows that the p-value (sig 2-tailed) is 0.001 which is less than the level of significance (0.05), therefore we reject the null hypothesis (H0) and conclude that quality of service delivery affects the competitiveness of micro-finance banks.

SPSS Output For Hypothesis Two

T-TEST GROUPS=RANKS(5 1)
/MISSING=ANALYSIS
/VARIABLES=CandI
/CRITERIA=CI(.95

Group Statistics					
	RANKS	**N**	**Mean**	**Std. Deviation**	**Std. Error Mean**
CandI	5.00	5	26.0000	2.73861	1.22474
	1.00	5	8.4000	5.17687	2.31517

Independent Samples Test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
CandI	Equal variances assumed	1.826	.214	6.720	8	.000	17.60000	2.61916	11.56021	23.63979
	Equal variances not assumed			6.720	6.076	.001	17.60000	2.61916	11.21058	23.98942

The p-value (Sig 2-tailed) from the SPSS output above is 0.000 which is less than the level of significance (0.05), therefore we reject the null hypothesis (H_0) and conclude that commitment to customers affects the innovativeness of micro-finance banks

V. DISCUSSION OF FINDINGS AND RECOMMENDATIONS

In this study, the major finding shows that integrated customer relationship marketing (ICRM) has significant effect on the performance of micro-finance. The statistical results of the specific dimensions of ICRM and bank performance obtained gave credence to this assertion. In hypothesis one, the SPSS output shows that the p-value (sig 2-tailed) is 0.001 which is less than the level of significance (0.05), therefore we reject the null hypothesis (H_0) and conclude that quality of service delivery affects the competitiveness of micro-finance banks. The output of hypothesis two proved that the effect of integrated customer relationship marketing is more manifest on the innovativeness of micro-finance banks since the p-value obtained showed a result lesser than hypothesis one tested above. The null hypothesis was therefore rejected in place of the alternative, this is because the level of significance is higher than the p-value (i.e 0.05>0.000). While this result corroborate the findings of other studies such as (Saka and Elegunde, 2014, Tushar and Shivani 2014 etc), it has been able to assert that the innovation that will drive sustainable performance of micro-finance banks in future are those that originates from the customer's needs. This study therefore recommends that micro-finance banks should adopt both regulatory policy such as know your customer (KYC) policy of the CBN and market engineered techniques for the proper understanding of the customers and the deepening of quality customer relationship. This will confer strategic and competitive advantage on them while boosting their performance.

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