

EFFECT OF CUSTOMER RELATIONSHIP MANAGEMENT ON FIRM PERFORMANCE (EVIDENCE FROM ZIMBABWE'S TELECOMMUNICATION SECTOR)

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ABSTRACT

Although the current market for CRM software and its support are robust, there remains considerable skepticism on the part of the business fraternity and academics about its ultimate value to businesses and customers (Coltman, 2010). The purpose of the study was to investigate the impact of CRM on firm performance in the Zimbabwean Telecommunication Sector. Currently, there are limited studies which have been carried out to study the impact of CRM strategies on firm performance in the context of underdeveloped countries like Zimbabwe. The purpose of the study was to fill this gap in literature. The study adopted a case study research design and data was gathered from six telecommunication operators using structured-questionnaires and semi-structured interviews targeting telecommunication subscribers, employees, and management. Data was analyzed using SPSS version.17. The study revealed the there is a positive relationship between CRM implementation and firm performance in Zimbabwe mobile telecom industry. However, it can be concluded that CRM implementation in the Zimbabwean telecommunication is quite a new and growing phenomenon, deserving continuous learning. Furthermore, it is still fraught with implementation challenges like shortage of critical resources, demotivated manpower among others. Based on research findings, it was recommended that operators should improve quality of service especially offering reduced tariffs and improved network coverage. In order to boost their operational capabilities, operators should engage in strategic partnerships and even adopt infrastructural sharing in order to streamline operational costs and enhance efficiency and effectiveness.

Keywords: CRM, Firm Performance, Privatization