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**Effect of Relationship Marketing Practices on Customer Satisfaction and
Customer Retention in UAB Premier Banking**

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Effect of Relationship Marketing Practices on Customer Satisfaction and Customer Retention in UAB Premier Banking

This thesis paper is submitted in partial fulfillment towards the requirements for the degree of
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ABSTRACT

This paper focused on the effect of premier banking services on customer retention in UAB Bank. The objectives of this study are to identify the relationship marketing practices of UAB Premier Banking and to examine the effect of relationship marketing practices on customer retention in UAB Premier Banking. Both of primary and secondary data were used in this study. Primary data were collected by using the structured questionnaire. The sample size is 75% of premier customers of UAB Bank. Sample size is selected by using random sampling method. Secondary data are obtained from the UAB Bank Website, text book, lecture notes and internet websites. Relationship marketing practices are measured by four dimensions which are customer trust, mutual commitment, customer communication and conflict handling. Descriptive statistics method and regression method are used in this study. The study found that the practices of commitment and conflict handling are positively related with customer retention while the trust and communication are not significant. It indicates that UAB need to try to increase their commitment level on customers and to avoid potential conflict more in future. According to overall findings, the bank needs to emphasize their product development and also need to consider flexible service charges and interest rate to their premier customers carefully. The bank should inform customers about the events of bank in time as most of premier customers are willing to attend events in order to extend their network and should try to avoid potential conflict more. Moreover, UAB should treat their customers to feel as a special customer of UAB. Furthermore, UAB should emphasize relationship marketing practices to get customer satisfaction in order to increase customer retention and it makes customers to refer to their friends and partners to choose UAB.

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LIST OF ABBREVIATIONS

ATM	-	Automatic Teller Machine
CBM	-	Central Bank of Myanmar

CHAPTER I

INTRODUCTION

Banks are the major parts of the nation's monetary framework and play a key role in improving the overall financial development of the nation. They get savings from depositors and ensure availability of funds for their borrowers. Banks gather different lenders money and act as 'delegate screen' for lenders. The effectiveness of the monetary policy of a nation directly affects the nation's financial development. Thus, banks play the critical role in financial system of country.

Before internet era, customers mainly selected their banks dependent on how helpful the area of bank's offices was to their homes or workplaces. With the coming of new innovations in the matter of bank, for example, internet banking and ATMs, currently customers can openly picked any bank for their transactions. Accordingly, the customer base of banks has expanded, thus has the choices of customers for choosing the banks. This is only the beginning of the story. Because of globalization new ages of private sector banks and many foreign banks have likewise entered the market and they have carried with them various innovative products. Because of constrained challenge, public sector banks are additionally winding up more innovation canny and customer oriented.

With expanded number of banks, products and services and for all intents and purposes nil switching costs, customers are effectively switching banks at whatever point they discover better services and products. Banks are thinking that it's extreme to get new customers and all the more critically hold existing customers. The banks currently need to discover what to offer, whom to offer, when to offer, how to sell and how to be compelling to increase profitability. Banks need to separate themselves by combining value- added service, building long term relationship with their customers through more modified products and personalized services. Thus, Relationship Marketing is critical aspect of banking industry to build and maintain long term relationship with customers so as to offer some incentive for customers and banks.

The use of relationship marketing in banking has gained importance with the aggressive approaches used for customer acquisition and retention by the bank in today's competitive era. It has brought in the adoption of different Relationship Marketing activities by these banks. There is a move from bank driven exercises to client driven exercises. The private segment banks in Myanmar sent much inventive procedures to attract new customers

and to retain existing customers. Relationship Marketing in banking industry totally not quite the same as different segments, since banking industry simply related to financial services , which needs to make the trust among the individuals. Establishing customer care support during on and off official hours, making timely information about interest payments, maturity of time deposit, issuing credit and debit ATM card, creating awareness regarding online and e-banking, adopting mobile request etc. are required to maintain great relationship with customers.

According to the Annual Report (2011-2012) issued by Central Bank of Myanmar, Change of Myanmar's banking sector began in 2011 when the government allowed private banks to do foreign exchange transactions and set up ATMs the nation over. Subsequently, private banks put much effort to provide customers with good customer service to regain public trust. Therefore, every private bank was considered about Relationship Marketing as an important role.

1.1 Rationale of the Study

Today, customer is the king of the market. To achieve the competitive advantage, Myanmar banks have to focus on the customer needs and wants. In present day period, every single bank understands the significance of association with customer to get by in the focused world. Main goals of relationship marketing are enhancing great relationship between customer and organization and convert indifferent customers into loyal ones (Berry and Parasurarnan, 1991). Thus, relationship marketing focuses on creating, satisfy and retaining customer through uncompromising services. In Myanmar, there is enormous number of private banks however the market position isn't all that great when contrasted with private segments. Proper Relationship Marketing strategy can be used by these banks to survive effectively in this competitive world. Life long relationship with customers is the way to progress for any bank. Relationship Marketing is significant for the development and gainfulness of banks in the present age. So, this paper is intended for the role of Relationship Marketing practices which are using in one of private bank in the Myanmar banking Sector.

Customer relationships are winding up much progressively significant for banks as market situations get harder. Competition is expanding, edges are disintegrating, customers are ending up additionally requesting and the life-cycles products and services are shortening drastically. Every one of these forces makes it fundamental for banks to increase the relationship with their customers and offer them the services they need through the channels

they like. In such circumstance, banks can use the relationship marketing strategy to make, keep up and enhance long- term relationship with their customers to increase customer retention. So as to make due in current states of market, most banks are thinking about new ways to deal with their valuable customers concerning the various ways of service. Banks are introducing new and innovative products to meet the expectations of the customer in order to enhance customer retention. As banks are considering the role of relationship marketing with several approaches, banks are offering “private banking” service which is based on individualized service for wealthy individual customer to retain high net-worth customers more. As most of the high net-worth customers broaden their business, banks can expand their cross- sell opportunities by creating and maintaining long- term relationship with them. The banking industry is no exception to this rule to this standard and to maintain clients it searches for various management strategies (Khoshsima, 2014).

According to the information from CBM website, there are 4 state-owned banks, 27 private banks and 13 foreign banks in Myanmar. CBM issued new instruction in November, 2018 for allowing foreign banks to provide financing and other banking services to local corporate. Hence, the private local banks in Myanmar are trying to achieve satisfaction of their existing customers with several relationship marketing practices to retain their customers in such competitive circumstance. As the current trend of the market, Central Bank of Myanmar allow banks to give various kinds of service as Myanmar private banking sector need to keep pace with International banking practices. Thus, the greater part of the Myanmar private banks underline on Relationship Marketing rehearses increasingly more in these years. Nowadays, Myanmar banks are considering various modernized banking products to get and retain their customers in competitive world. Starting from 2014, most of the Myanmar Private Banks introduced “Private Banking” in Myanmar with several different names such as Royal Banking, Premier Banking, Prestige Banking and Wealth Banking in order to give special services to High Net worth Individual (HNWI) clients.

UAB Bank was one of the private banks which introduced “Private Banking “in Myanmar since 2015. UAB bank is also one of the leading banks in Myanmar and their Private Banking was named by “UAB Premier Banking” which is designed for the high net-worth customers to meet their banking and investment needs.

UAB Bank use Relationship Marketing practices in various ways to get trust from customers and to compare other local banks and foreign banks. This study deals with the role of Relationship Marketing practices in UAB Premier Banking and to analyze Premier

customer satisfaction and retention to its Relationship Marketing practices of UAB Premier Banking.

1.2 Objective of the study

The objectives of this study are as follows.

- 1) To identify the relationship marketing practices of UAB Premier Banking
- 2) To examine the effect of relationship marketing practices on customer satisfaction and customer retention in UAB Premier Banking

1.3 Scope and Method of the Study

UAB Bank has total (78) branches including (1) Premier banking branch in order to develop Customer Relationship practices for Premier Customers. UAB Premier Banking started operations in 2017 and UAB premier longue is located in Times Link. UAB Premier Banking provides their 53 premium customers currently. Thus, this study only focuses on the customers of UAB Premier Banking. The thesis is limited to premier customers of UAB Premier Banking. For getting the effect of customer retention on such service, the thesis is limited to 40 Premier customers out of 53 Premier customers which is 75% of the total customers.

The descriptive statistics method is used to study in this thesis. As a primary data collection, questionnaires were included using random sampling method based on likert scale survey in order to gather information and from customers of UAB Premier Banking. Secondary data and information were collected from previous research paper, text book, lecture notes and internet websites.

1.4 Organization of the Study

As the overall thesis structure, this thesis was organized with five main chapters. Chapter one is the introduction which includes rationale of the study, objectives of the study, scope and method of the study and organization of the study. Chapter two describes the literature reviews regarding the relationship marketing. Chapter three presents the profile of UAB including structure, products & service of, and relationship marketing practices of UAB Premier Banking. Chapter four is the analysis on the effect of premier banking service on customer retention in UAB. Chapter five is the concluding chapter in which summary of finding are first presented and then conclusions drawn, relevant suggestions and need for further research are finally made.

CHAPTER II

Literature Review

In this study, it states the concept of the relationship marketing, customer satisfaction and customer retention. Moreover, it states that the dimensions of relationship marketing. It also states that how indicated in previous studies regarding the relationship marketing practices, customer satisfaction and customer retention. Furthermore, it also states that conceptual framework of relationship marketing for this study based on one of the theory among of the various previous researches.

2.1 Concept of Relationship Marketing

Relationship Marketing can be defined as an approach to establish, maintain and enhance long- term associations with customers and other stakeholders (Koiranen, 1995). Relationship marketing examines attracting, developing, and retaining customer relationship (Berry and Parasuraman 1991). Moreover, Customer Relationship marketing is about retaining customers by establishing, maintaining and enhancing relationships with customers and other parties (Sohail and Malikakkal, 2011). Relationship marketing is significant idea to pull in and keep the customers in organizations. Building relationship and maintaining long-term relationship have been critical aspects of business.

In addition, relationship marketing provides to increase market share, profitability and reduce cost. Many studies have shown that it can cost anywhere from four to ten times as much to acquire new profitable customer as it does to maintain repeat buyers (Reichheld, 1993). Relationship marketing involves sustaining long- term relationships through the use of interactive databases and networking in order to retain valuable customers, on the basis of mutual benefit and fulfillment (wangpaichitr, 2010). One of the significant advancements within marketing has been the development from transaction marketing to relationship marketing. As opposed to exclusively concentrating on the 4Ps- Product, Price, Promotion, and Place, various organizations have changed their business processes with the goal that they focus on the most significant resource of their economic viability: their present and potential new customers. This implies that today's companies are seeking to acquire, develop, and retain profitable customer relationships (Wyner, 1999).

2.2 Concept of Customer Satisfaction and Customer Retention

Customer satisfaction is expressed to be a standout amongst the most imperative cornerstones while making client faithfulness, especially in the banking sector (Methile and Nysveen 1999; Ribbink et al. 2004; Leverin and Liljander 2006). According to East (1997), it is agreed that if clients/ customers are fulfilled by a particular product or service offering after its utilization, then they are prone to take part in a repeat purchase. Customer retention has been conceptualized as a dimension of a customer loyalty construct (Zeithamal, Berry & Parasuraman, 1996). The terms "customer retention" and "customer loyalty" are frequently utilized interchangeably in literature. Be that as it may, customer retention and loyalty are not surrogates of one another in light of the fact that the two terms can allude to various things. Commitment is viewed as the focal result variable in customer relationship, which guarantees the quality, steadiness, toughness, and even profitability of a relationship (Morgan & Hunt, 1994). Likewise, customer retention infers a long- term commitment with respect to the client and the firm to keep up the relationship.

Customer satisfaction is regarded as the key to customer retention and has been taken as a fundamental determinant of long-term customer behavior and customer retention. (Kotler, 2003). Patterson, Johnson & Spreng, 1998) also noted that customer satisfaction has a significant impact on repurchase intentions in a range of service. According to Reichheld & Kenny, 1990), the benefits of retaining customers to the organization are higher margins and faster growth, derived from the notion that the longer a customer stays with an organization, generally the higher profit.

2.3 Relationship Marketing Dimensions

Narteh (2009) presented the six key dimensions that encourage relationship marketing and they are trust, commitment, competence, communication complaint handling and social connection. Sin et al. (2005) also proposed the factors such as trust, commitment, communication, conflict handling, bonding, share values, empathy, and reciprocity as the key dimensions of relationship marketing. Other previous studies researched on Relationship Marketing highlights four fundamental dimensions as trust (Veloutsou et al., 2002; Morgan & Hunt, 1994), conflict handling (Ndubisi & Chan , 2005; Dwyer et al., 1987), commitment (Chan & Ndubisi, 2004; Grossman, 1998), and communication (Morgan & Hunt, 1994; Ndubisi & Chan 2005; Crosby et al., 1990).

Therefore, this paper present four key dimensions of Relationship Marketing such as Trust, Commitment, Communication and Conflict Handling as these are for the most part considered by academicians in past explores to check their effect on customer retention. All these dimensions impact to customer retention in this study.

(a) Customer Trust

The first factor of Relationship Marketing in order to achieve customer retention is considered as customer trust. In the banking sector, customer trust is defined as customer confidence in the quality and reliability of the services offered by the organization (Garbarino et al, 1999). Hence, trust exists if a customer believes that a service provider is reliable and has a high degree of integrity (Keshvari et al, 2012). Loyalty will happen if the client really confides in the bank they make transaction. Trust is also considered as a key element in establishing long- term relationships with customers and in keeping up a company's market share (Urban et al, 2000). Therefore, trust is an edge that banks can employ in their desire to gain a strategic advantage and survive in today's increasingly competitive environment.

(b) Mutual Commitment

Mutual commitment is a fundamental component for building a successful long- term relationship (Morgan al el, 1994). Morgan and Hunt (1994) regard relationship commitment as the keystone of Customer Relationship Marketing. They describe commitment as "a continuous relationship with another that is so significant as to warrant greatest endeavors at looking after it". In addition, commitment is defined as "an enduring desire to maintain a valued relationship" (Palmer al et., 1996). Berry and Parasuraman (1991) conflicted that "relationships are based on the establishment of mutual commitment". There is no relationship without commitment especially intended for long – term relationship. Moreover, customer satisfaction influences the customer commitment and thus enhances customer retention. (Za far, 2012).

(c) Customer Communication

Customer communication is a process by which formal and informal sharing of meaningful and timely information between seller and buyers (Anderson and Narus, 1990). Relationship conflict can be reduced by using appropriate communication system (Moore, 1998). Communication, which enables information exchange, is significant component of relationship marketing. Customer communication in relationship marketing refers to keeping in touch with customers, providing timely and trustworthy information, and communicating

proactively if a delivery problem occurs (Ndubisi, 2007). Observational proof states that Communication is a determinant of relationship marketing.

(d) Conflict Handling

Conflict handling refers to a supplier's ability to avoid potential conflicts, solve manifest conflicts before they create problems and discuss solutions openly when problems arise (Dwyer et al, 1987). The manner in which a conflict is handled by the seller can have either useful or ruinous results (Song et al, 2006). In general, the conflict management strategies aim to limit negative results and boost positive outcomes.

This competence of Relationship Manager of the bank to handle conflict well is an essential factor of customer satisfaction and customer retention. Hence, there can be assumed that is a positive relationship significantly between customer retention and (a) Trust, (b) Commitment, (c) Communication and (d) conflict handling.

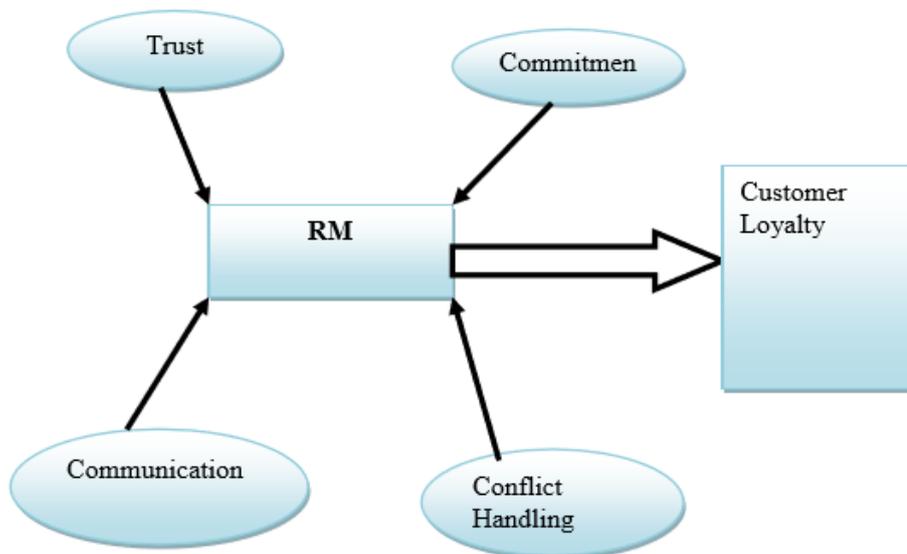
2.4 Previous Studies

There are many studies emphasizing the relationship marketing, customer satisfaction and customer retention. Out of them, some of the research papers are pointed out as per below. According to S. Sivesan (2012), it is very important that the relationship marketing in the private commercial banks contributes to the customer loyalty. The dimensions of relationship marketing including trust, commitment, communication and conflict management led to greater customer loyalty (Ndubisi 2007, Ranjbarian and Bdarari (2009), Mohsen Akbari, Reza Kazemi, Masoomah Haddadi (2016). It has been accepted by scholastics and specialists that organizations can make progress over the long haul by maintaining relationship with their customers and business partners (Nguyen, 2006). Relationship Marketing is basic for the development and gainfulness of banks in this age as banks today are playing in a profoundly focused and expediently changing workplace, with contending among one another as well as with other financial institutions. Most banks' product developments are easy to duplicate and they provide nearly identical services (Msoka Caroline M1 and Msoka Elizabeth M2, 2014). In this manner, a client who has not been happy with the bank's service can without much of a stretch change to another bank. Therefore, banks need to underline cautiously for the job of Relationship Marketing not exclusively to pursue new clients yet additionally to retain existing clients.

Most marketing research and practice assumes that customer satisfaction is a key factor in determining long- term business success (Crosby et al., 1990; Gaski&Nevin, 1985;

Hennig – Thureau et al., 2002; Palmatier et al., 2006). Such understanding or finding will help to banks to build up the better management of firm-customer relationship and to accomplish the more significant level of loyalty among customers. (Ndubisi, 2006). It is very important that the relationship marketing in the private commercial banks contributes to the customer loyalty (S.Sivesan; S.Achchuthan, 2012). They constructed relationship marketing model as the following Figure (2.1).

Figure (2.1) Relationship Marketing Model



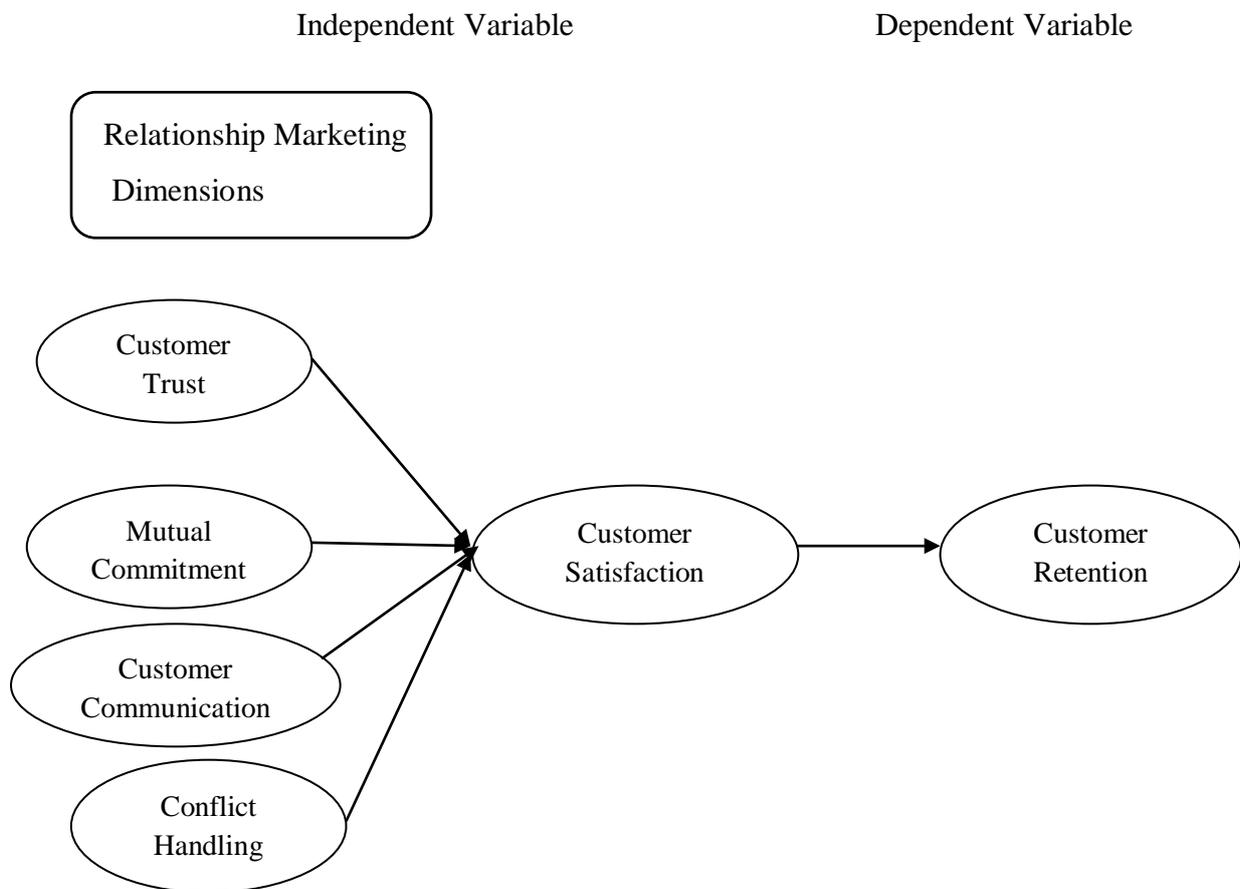
Source: S. Sivesan; S. Achchuthan (2012)

This model of relationship marketing in banking sector introduces by combining the determinants of Relationship Marketing which are trust, commitment, communication and conflict handling can create customer loyalty. Moreover, it shows that to increase customer commitment, marketers in bank must make sure that customers feel safe and sound, that they see minimal risk and are happy with relationship. (Meyer, Allen & Smith (1993), Mudassir Husnain & M Waheed Akhtar (2015)).Ndubisi (2006) concluded that if the bank is trustworthy, committed to service, reliable, efficient in communication to customers and able to handle conflicts well, customers tend to be loyal in bank.

2.5 Conceptual Framework of the Study

As there have several studies to check their effect on customer retention in previous papers with this four key dimensions like the theories mentioned mainly to the model of Ndubisi & Wah (2006), independent variables of Trust, Commitment, Communication and Conflict Handling have been assumed fundamental variables of Relationship Marketing in this study. The conceptual model of this study is presented as in Figure (2.2).

Figure 2.2 Conceptual Framework of the Study



Source: Adopted from Ndubisi & Wah Model (2006)

Figure (2.2) shows the practices of relationship marketing which includes trust, commitment, communication and conflict handling as the independent variables and the

dependent variable is customer retention. In addition, customer satisfaction is the mediator variable.

Customer trust factor is measured by asking the statements about UAB and UAB's employees have enough competencies, understand customer's needs and have reliable ethic to keep customer's information. Commitment factor is measured by asking the statements about how UAB contribute their commitment as they promise. Communication factor is measured by asking the statements about UAB employees have great communication skill when they assist their customers to feel customer to be comfortable in banking with UAB. Conflict handling factor is measured by asking the statements about UAB bank and their employees have ability to handle any complaints and potential conflict.

Customer satisfaction factor is measured by asking the statements about how customers feel whether satisfy or not on UAB premier banking services. Customer retention is measured by asking the statements about how customers consider switching to other banks or not. All the statements were prepared by using linkert scale to evaluate the effect of relationship marketing practices on customer satisfaction and customer retention in UAB Premier Banking.

Chapter III

Profile of UAB and Practices of Relationship Marketing in UAB Premier Banking

The objective of this chapter indicates about profile of the UAB bank and to distinguish the practices of Customer Relationship Marketing in UAB bank. Therefore, this chapter includes the background information and profile of UAB, head office and number of branches of UAB, mission, vision and brand, organization structure, products and services of UAB and about the premier banking services and relationship marketing practices of UAB Premier Banking.

3.1 Profile of UAB

UAB bank was established in 2010 as a fully- fledged domestic private bank. On 16th August, 2010, UAB opened their first branch in Nay Pyi Taw and the branch network has since developed to 78 branches in 47 townships crosswise over Myanmar. In 2011, an Authorized dealer license was gotten enabling the bank to do foreign exchanges through its money changer counters and accordingly on 9th July 2012, a foreign banking license was acquired which empowered the bank to perform foreign banking transactions.

The bank is presently completely licensed to make International money transfer and issue letters of credit. On 27th December, 2012, the bank started inbound remittance service through its correspondent relationships with Western Union payment and in 2013; a principal license was gotten from VISA and Master card for the acquiring business. Aside from the conventional branches which are directly connected on-line via core banking system, the bank deploys various ATMs the nation over and provides internet banking service for 24/7 access for its customers. Presently, UAB operates a fully-fledged banking business both in domestic and foreign currencies serving its clients through its branches and electronic platform crosswise over Myanmar.

UAB provides several financial services including consumer banking, premier banking, SME banking, corporate banking, trade finance and treasury services. Through their subsidiary, UAB securities also provide brokerage services, corporate and financial advisory, investment banking and capital market activities. In December 2017, UAB launched "Be The Change Myanmar" activity that speaks to their commitment to driving change for a superior Myanmar, explicitly concentrating on empowering women and children.

To be as per their Vision: to lead the way towards a better Myanmar, humanizing banking, and connecting people, creating opportunities and changing lives.

UAB bank's Missions are as per below.

1. UAB lead changes in financial services. UAB are an institution of strength built on sound principles and good governance
2. UAB deliver banking with a heart, UAB care for their people and communities they are in
3. UAB connect people and build relationships to foster a stronger community spirit.
4. UAB create opportunities and a better future for their staffs and their customers
5. UAB are the change that will empower the communities around us, and together enrich the lives of those they touch

3.2 Organization Structure of UAB

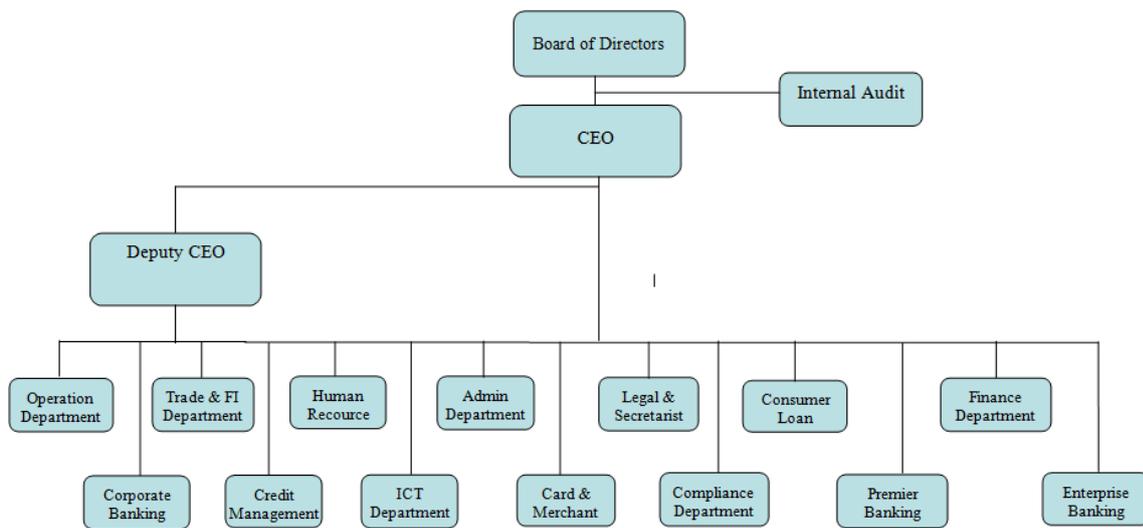
UAB Bank Administrative Head Office is located on No. 520 (A/4), Kabar Aye Pagoda Road, Bahan Township, Yangon, Myanmar. There are total (78) branches, (2) branches in Naypyitaw Region, (45) branches in Yangon Division which is the most developed zone in Myanmar. Moreover, they have (16) branches in Mandalay, the most second developed division and the rest (15) branches are located in various famous cities such as Taunggyi, Muse, Meikhtila, PyinOoLwin, etc across Myanmar. UAB bank contributed its correspondent bank in German, Singapore, Malaysia, India, Thailand, South Korea, Japan, Taiwan, Sri Lanka, Turkey and China.

Among of the 14 departments in UAB, there have 5 front line departments that need to deal with customers. The employees from these departments need to emphasize relationship marketing practices more than other departments.

Corporate Banking offers various banking solutions such as credit management, asset management, cash management and underwriting to large corporations in order to meet their business operations. Trade service provide specialized Trade Services in international trade transactions particularly with regard to Export and Import products such as Import LC, Export LC, Bank Guarantees, Documentary Collections, Trade Loans as the key products. UAB also offers flexible short to medium- term borrowing facilities linked to specific import and export transactions; with several types of shipping loan – pre-shipment, Export Bills discounting, Import Trust Receipt Loan and Project Financing. Consumer Loan Department

offers mortgages, refinances, home equity lines of credit, auto loans, student loans and personal loans to customers. Premier Banking provides premier services to the high net-worth customers to meet their banking and investment needs. Enterprise Banking offers appropriate support and advice to small and medium- sized enterprises through UAB branches. Organization Chart of UAB bank is described in Figure (3.1).

Figure (3.1) Organization Chart of UAB



Source: UAB Bank

3.3 Products and Service of UAB

With its deep local knowledge and strong retail reach, provides a full range of Retail and Corporate Banking facilities for its customers. Products and Services of UAB are described in Table (3.1).

Table (3.1) Products and Services of UAB

No.	Products	Account Type and Currency
1	Deposits	Saving Current Fixed Deposits
2	Loans	Home Loan Auto Loan Personal Loan Corporate Salary Loan Education Loan Loan Against Property Loan Against Listed Shares Hire purchase Loan Against Deposits Rental Discounting
5	Fund Transfer	International Remittance Local Remittance
6	Cards	Debit Card Visa Credit Card Visa Prepaid Card
7	Digital	Online banking Mobile banking ATMs

There have five account types in saving deposits such as basic saving, smart saver, children's savings, e-savings and call deposits. UAB classify two account types in current deposits as current Myanmar Kyat account and foreign currency account with the currencies of USD, EURO and SGD. UAB also set up their fixed deposit accounts with minimum 1 month to maximum 12 months to choose customers based on their needs. UAB design loan accounts with 10 loan types to provide financing for not only individuals but also small and medium and corporate customers according to the various needs and purposes of customers.

UAB bank presents a cutting edge and safe financial experience for your International outward and inward remittances through their overseas network and with SWIFT. Individual to-individual international fund transfers are likewise accessible through Western Union, RIA Money Transfers and other international providers. UAB offers a range of Cards for their customer's convenience with three types of cards such as debit card, visa credit card and visa prepaid card and can enjoy a wide range of exclusive offers at favorite merchant as their customers. UAB also offers online banking, mobile banking and ATM services to convenient 24/7 access to customer's accounts anywhere and anytime.

3.4 UAB Premier Banking Services

UAB Premier Banking is one of the private banking in Myanmar and it was started in March, 2017 and opened UAB premier longue in 1, October, 2018. UAB premier banking services is designed for the high net-worth customers to meet their banking and investment needs. Premier Banking customers not only enjoy more convenient banking experience and a comprehensive suite of products and services but also have a dedicated Relationship Manager/ Assistant Relationship Manager who will provide personalized services as well as facilitate the transactions of customers.

As there is a broad spectrum in the minimum amount required for Private Banking, UAB Premier Banking also has criteria that to have 500 Million MMK in customer's account every month. UAB offers their Premier customers with the package which include mainly the features with special products service, lifestyle service, and relationship manager service and conference room service to satisfy their premier customers. There have been described detail facilities of UAB Premier Banking service as the appendixes section.

UAB Premier Banking intends for HNWI's (High Net-worth Individuals) to establish long- term relationship between UAB and their premier customers. This relationship may help clients to obtain commercial lending opportunities or discounts or benefits on the

business banking side through their dedicated Relationship Manger/ Assistant Relationship Manager who knows well Premier customer's circumstances.

To achieve customer satisfaction and customer retention of UAB premier customers, UAB believe that Trust, Commitment, Communication and Conflict Handling are the most important aspects. UAB adhere to fulfill premier customer's expectations as per following four central factors of Relationship Marketing.

Customer Trust: UAB believe that the competency of employee strongly impact to obtain "Trust" from their customers. Moreover, UAB focus to feel customer that UAB is a reliable banking partner to keep their information safe. UAB emphasize carefully the competency of each employee who is the major contact person of Premier customers in order to accomplish their jobs and to create a best result. UAB itself ensure the precision that there will be no mistake transactions by staff, no error transactions because of system and no experience of money abundances or deficiency.

UAB organize strong and independent audit team to prevent fraud cases, to increase value and credibility of the financial statements published by bank. UAB also published their updated financial statements in their website to know their financial stability and to increase customer's confidence and trust in UAB. UAB always evaluate and train each employee's competency to know well about UAB's products, services and procedures by the strong performance indicator system. Besides, UAB monitor well to smooth the transactions regarding to the self- service area of Premier Customer such as ATMs, Online Banking, and Mobile Banking etc. UAB always assess and evaluate the performance of assigned RM/ ARMs to increase Trust from customer.

Mutual Commitment: UAB practice their Relationship Manager/Assistant Relationship Managers to have various combinations of competence and commitment as bank believe that combining high competence and commitment level increases "Trust" from their customers. Therefore, UAB perform to know customers that UAB is able to follow up on its promises in every transaction. It is reliably following through on what one says one is going to do. This means accountability for one's actions while also being responsive to others' needs. If something is promised, then it must be followed through. This requires being predictable and organized so that others will see and learn to know that the individual, company or corporate is able to follow up on its promises.

Thus, UAB always try to maintain their promises regarding the commission and service charges what they offered to customers. As banks need to consider and offer appropriate interest rates and service charges based on their financial position, UAB train their employee not to give over commitment when dealing with customers as well.

Customer Communication: UAB trained well every employee to have great communication skills. These skills include wearing smile, patience, clear communication skills, ability to use positive language, ability to 'read' customers, expressing appreciation with warm and sweet smiles, welcoming with positive body gestures. This indicates the exempling of care and concern for others. This requires a focus on people and the identification of their needs and that is supported by good communication skills.

UAB also believe that clean, well-dressed employees create a clean productive activity to their customers. Thus, staffs always must be careful to keep and wear conservatively colored and neatly combed hair, neat and clean hands and fingernails, clean, pressed, properly fitted clothing and to maintain adequate personal hygiene. As UAB believe that "happy employee gives the best service", UAB consider obtaining Trust from customer and employee as well. UAB also supposed that a great communication skill creates a bridge and a foundation to customer retention.

Conflict Handling: UAB strongly believe that this factor is critical to achieve "Trust from Customers" and "Customer Retention". UAB assume that managing conflict the right way can turn the negative situation into positive one and positive conflict resolution can build "Trust". UAB train employee not to be nervous about having tough conversations with customers, to listen their customer's complaint carefully, to allow customers to talk, to show the care and empathy, to explain the solution without emotion, to use the correct tone and to be neutral when they handle conflict in order to improve relationship with customer. UAB also provide appropriate training for employee to know the related products, services, policies and procedures. UAB believes that it must be supportive each employee's competency and avoid unnecessary complaint and improve the ability of conflict handling as well.

CHAPTER IV

Analysis on Effect of Relationship Marketing Practices on Customer Satisfaction and Customer Retention in UAB Premier Banking

In this chapter, finding from analysis of the data from survey are presented with six sections to cover research methodology, demographic characteristics of the respondents and the assessment of the reliability of the scale. The study also included analysis on determinants of relationship marketing of UAB Premier Banking and analysis on customer satisfaction and customer retention upon on the relationship marketing dimensions. Finally, the regression analysis of dependent and independent variables are described with two parts.

4.1 Research Methodology

The objectives of the study are to identify the Customer Relationship Marketing practices of UAB Premier Marketing and to examine the effect of Private Banking services on customer retention in UAB bank. To carry out of these objectives, the primary data collection is used to obtain UAB Premier Customers who are High- Net worth Customers of UAB bank.

As a tool of research instrument, structured questionnaire has been used to obtain data by face-to-face data collection method. The study adapts the questionnaires from various part studied related to the topic and mainly used Likert scale measurement for all the variables constructed 37 question was made to collect data. It was organized into two sections. Section one consisted of seven questions regarding the personal details of respondents and general relationship information between UAB and respondents. Section two was designed to reflect relationship marketing practice of UAB bank in the proposed theoretical framework. A five-point Likert scale has been used in this section to measure customer relationship marketing on UAB Premier Banking. The scaling is: 5 for strongly agree; 4 for agree, 3 for neutral, 2 for disagree and 1 for strongly disagree have been given in order to analyze data.

Among total of 40 which are 75% out of 53 Premier Banking customers who are High Net-worth customers of the bank are selected by simple random sampling method to obtain the information. Therefore, sample size for this thesis is 40 Premier customers of UAB. After collecting the data, the processed data are further analyzed by SPSS version 23. This thesis would apply the both descriptive analysis such as frequency, percentage and measure of

central tendency and variability and inferential analysis such as multiple linear regression analysis.

4.2 Demographic Characteristic of the Respondents

This section presents the profiles of selected Premier customers in UAB bank. The profiles cover the customer's age, gender, level of education and occupation level. All the data obtained from the questionnaires collected are interpreted and summarized in frequency distribution and percentage distribution. The frequency analysis of selected customer's demographic data is illustrated in table (4.1).

Table (4.1) Demographic Information of Respondents

Factor	Number	Percentage
Gender		
Male	27	67.5
Female	13	32.5
Age		
18-35	2	5.0
36-45	21	52.5
46-55	17	42.5
Education		
Post Graduate	9	22.5
Graduate	31	77.5
Marital Status		
Single	8	20.0
Married	32	80.0
Business Type		
Trading	13	32.5
Manufacturing	10	25.0
Services	5	12.5

Others	12	29.5
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Source: Survey Results, 2019

The respondents are not only males, but also females. Table (4.1) shows the gender of respondents. It was found that out the 32.5% of respondents were of female while 67.5% were males. Therefore, this result captured male customers are most dominant of the customers of UAB bank. Ages of respondents are divided by three groups. They are age between 18 and 35, age between 36 and 45 years and Age over 46 years. It shows the frequency distribution of age in year. These include three age groups. 52.5% of customers fall in the age between 36 and 45 years, followed by 5% customers fall between 18 and 35 years, and only 42.5% of customers fall age over 46 years, respectively in term of percentage share. Therefore, the majority of age group is age between 36 to 45 years in Premier customers of UAB.

There are two education levels among the respondents in the sample: Bachelor and master's degrees. It shows the level of education and qualification of the respondents and their percentage. As the result of survey, it shows that most of the respondents hold Post degrees with 22.5% and remaining 77.5% are holding in Graduate degree in different field of study. This indicates that almost ¼ of the customers have a high good level of education that is Post Graduate and almost 75% of Graduate degree and they all can respond precisely to the questionnaire.

There are two marital statuses among the respondents in the sample: Single and Married. It shows the level of marital status of the respondents and their percentage. As the result of survey, it shows that most of the respondents are married with 80% and remaining 20% are single. Thus, the majority of the respondents are married. Basically the business type has been classified by four categories which are Trading, Manufacturing, Services and Others. Trading business include 13, manufacturing include 10, services include 5 and others business include 12 respectively. In term of percentage, trading involve the largest with 32.5% while the services involve the lowest with 12.5% in the study.

4.3 Experience of purchasing UAB Premier Banking Services

This section presents the experience of purchasing UAB premier banking services and prompt reasons to use service. All the data obtained from the questionnaires collected are

summarized in frequency distribution and percentage distribution. The frequency analysis of experience of purchasing UAB Premier Banking Services is illustrated in table (4.2).

Table (4.2) Experience of Purchasing UAB Premier Banking

Experience of Purchasing UAB Premier Banking Services	Number	Percentage
1 - 6 months ago	2	5.0
7 - 12 months ago	13	32.5
13 - 24 months ago	22	55.0
More than 24 months	3	7.5
Prompt reasons to use service		
I saw an advertisement	3	7.5
A friend or family member or a business partner recommends it.	9	22.5
UAB staff came and introduced UAB Premier Banking service	24	60.0
I heard from the market	4	10.0

With regards to the experience of relationship marketing practices, indicates that 2 customers have been using under 6 months, 13 customers have been using over 6 months to 1 year, 22 customers have been using 1 to 2 years, and 3 customers have been using more than 2 years on services of UAB Premier Banking respectively. In term of percentage, it was found that the customers who have been using under six months share the smallest percentage with 5% and the customers who have been using 1 to 2 years share the largest portion with 55% in the study.

It reports that 3 customers have been using service of UAB by seeing advertisement, 9 customers have been using UAB service by referral from friend or family member or business partner , 24 customers have been using by introducing UAB staff, and 4 customers have been using by market reputation, respectively. In term of percentage, customers using

service by introducing UAB staff involve 60% with largest percent and customers using service by seeing advertisement involve 7.5% with lowest percent in the study.

4.4 Assessment of the Reliability for Variables

Before using the relationship marketing dimensions, it should be checked their reliability of each dimension. In this study, Cronbach’s alpha value is used as a measure of the internal consistency of the scales used in the questionnaire. If alpha is low, then at least one of items are unreliable and must be identified via item analysis procedure. However, as per DeVellis (2003), the Cronbach’s alpha value should ideally be above 0.7. The results of Cronbach’s Alpha value are illustrated in table (4.3).

Table (4.3) Results of Cronbach’s Alpha Value

Scale	Number of items	Cronbach’s Alpha
Customer Trust	8	0.78
Mutual Commitment	6	0.75
Customer Communication	5	0.72
Conflict Handling	5	0.72
Satisfaction	4	0.79
Retention	4	0.79

Source: Survey Results, 2019

The result of the Cronbach’s alpha value is above 0.7, suggesting very good internal consistency and reliability for the scale with this sample. In this study, constructs were tested for internal consistency reliability using Cronbach’s alpha test as depicted in above Table.

4.5 Analysis on Determinants of Customer Relationship Marketing of UAB Premier Banking

This section includes four factors which indicate Customer Relationship Marketing of UAB Premier Banking. These four factors are Customer Trust, Mutual Commitment, Customer Communication and Conflict Handling. The 40 customers were asked to describe

their rating upon on the effect of Premier Banking services on Customer Retention in UAB Bank.

(A) Customer Trust

The descriptive status like mean and standard deviation for customer trust factor on Customer Relationship Marketing are presented in Table (4.4). Trust is divided into eight statements in order to significant the customer’s response rating.

Table (4.4) Customer Trust

No.	Statement	Mean	Std. Dev
1	I believe UAB has done all that is required to retain customers	3.12	.463
2	UAB has managed to increase its products in the recent years hence making it grow	2.95	.639
3	UAB has been efficient in its operations and services hence customers are satisfied on that	3.30	.608
4	Assigned Relationship Managers/ Assistant Relationship Managers have enough experience for various banking products	3.83	.549
5	Assigned Relationship Managers/ Assistant Relationship Managers understand my needs, give suitable advice and fulfill my banking needs within short period	3.55	.639
6	I believe UAB offers special service for Premier Customers	3.07	.616
7	I do not need taking long time for our banking transactions.	3.48	.599
8	UAB has the reliable ethic to keep my information.	4.05	.597
Average		3.42	

Source: Survey Results. 2019

As a result of Table (4.), the ethic of keeping information of UAB is 4.05. As a result, UAB has the reliable ethic to keep customer’s information. This is the critical factor for banking sector. Moreover, having enough experience for various banking products is the second highest 3.83; while increasing products in the recent years has the lowest mean score of 2.95 and all statement with a little variation. The overall average value of Trust is 3.42.

Therefore, it can be concluded that determinants of relationship marketing on Customer Trust factor is positive and high.

(B) Mutual Commitment

The descriptive status like mean and standard deviation for mutual Commitment Factor on Customer Relationship Marketing are presented in Table (4.5). Commitment is divided into six statements in order to significant the customer’s response rating.

Table (4.5) Mutual Commitment

No.	Statement	Mean	Std. Dev
1	I am totally satisfied with the interest rates, service charges and commission fees of UAB offered to me as a Premier customer	2.97	.620
2	UAB adhere when they assist for my banking needs as they promise	3.25	.439
3	UAB focus on long- term goals in this relationship.	3.80	.723
4	I think customer satisfaction efforts by staffs in UAB has increased the company’s reputation	3.40	.632
5	I can contact my dedicated Relationship Managers/ Assistant Relationship Managers for my banking needs any time.	3.93	.730
6	RMs/ ARMs of UAB always ask about satisfaction on their service and always ready to adjust their needs for giving best service	3.87	.648
Average		3.54	

Source: Survey Results. 2019

As a result of Table (4.5), calling to assigned employees easily for their banking needs any time is 3.93 and, asking from employee side about satisfaction on their service and willing to adjust their needs for giving best service is the second highest 3.87; while the interest rates, service charges and commission fees of UAB offered to customer as a Premier customer has the lowest mean score of 2.97 and all statement with a little variation. The overall average value of Commitment is 3.54. Therefore, it can be concluded that most of the customers are satisfied on contacting their assigned Relationship Managers/ Assistant Relationship Managers for their banking needs and employees are trying to adjust their needs

for better service. Most of customers are not satisfied on interest rates and service charges of UAB and they want to negotiate flexible rates for being premier customers.

(C) Customer Communication

The descriptive status like mean and standard deviation for customer communication factor on Customer Relationship Marketing are presented in Table (4.6). Customer communication is divided into five statements in order to significant the customer’s response rating.

Table (4.6) Customer Communication

No.	Statement	Mean	Std. Dev
1	Relationship Managers/ Assistant Relationship Managers have clear and polite communication skill.	4.05	.552
2	All UAB staffs show respect, listens carefully and treat me friendly.	3.38	.586
3	UAB provides timely, trustworthy and accurate information regarding their campaigns, events, products and related instruction by CBM	2.72	.599
4	UAB provides quick and easy Door to Door service of cash/ cheque collection and withdraw whenever I need	3.05	.714
5	I feel comfortable banking with UAB.	3.80	.687
Average		3.40	

Source: Survey Results. 2019

As a result of Table (4.6), having clear and polite communication skill of employee is 4.05 and, comfortable banking with UAB is the second highest 3.8; while providing from UAB about timely, trustworthy and accurate information for their campaigns, events and updated products has the lowest mean score of 2.72 and all statement with a little variation. The overall average value of Communication is 3.40. Thus, it can be concluded that most of the customers satisfied on communication skill of UAB and feel comfortable when they make banking transactions in UAB. They want UAB to provide timely information of productions and events more in future.

(D)Conflict Handling

The descriptive status like mean and standard deviation for Conflict Handling Factor on Customer Relationship Marketing are presented in Table (4.7). Conflict Handling is divided into five statements in order to significant the customer's response rating.

Table (4.7) Conflict Handling

No.	Statement	Mean	Std. Dev
1	Relationship Managers/ Assistant Relationship Managers have ability to handle all of my complaints.	3.50	.599
2	Relationship Managers/ Assistant Relationship Managers are ready to solve any complaints from me any time.	3.35	.533
3	Bank tries to avoid potential conflict.	2.90	.591
4	Bank gives me quick and appropriate responses regarding my complaints.	3.41	.637
5	Relationship Managers/ Assistant Relationship Managers of bank are always patient in handling complaint.	3.53	.640
Average		3.34	

Source: Survey Results. 2019

As results of Table (4.7), the patience level of employees in handling complaint is 3.53 with highest figure. It shows that respondents agree that UAB employees are always patient to handle complaints any time. Moreover, having ability to handle all of my complaints is the second highest 3.5 by indicating respondents agree that handling all of their complaints by staffs from UAB; while bank tries to avoid potential conflict has the lowest mean score of 2.9 and all statement with a little variation. The overall average value of Conflict Handling is 3.34. Thus, it can be concluded that premier customers from UAB think that employee are patient in current complaint handling but need to try to avoid potential conflict more.

Table (4.8) Summary of Assessment Factors

No.	Assessment Factors	Average Scores
1	Mutual Commitment	3.54
2	Customer Trust	3.42
3	Customer Communication	3.40
4	Conflict Handling	3.34

Source: Survey Results. 2019

4.6 Analysis on Customer Satisfaction and Customer Retention upon on Relationship Marketing Dimensions

There are two parts to analyze the customer satisfaction and customer retention upon relationship marketing dimensions. Firstly, the descriptive status like mean and standard deviation for Customer Satisfaction upon on the Relationship Marketing factors are presented in Table (4.9). Customer Satisfaction is divided into four statements in order to significant the customer's response rating.

Table (4.9) Customer Satisfaction

No.	Statement	Mean	Std. Dev
1	I am satisfied UAB Premier Banking	3.55	.504
2	I feel myself as a special person after joining UAB Premier Banking membership	3.08	.474
3	I feel UAB as an reliable partner	3.57	.636
4	I feel UAB can give me suitable advice regarding my banking needs	3.40	.545
Average		3.40	

Source: Survey Results. 2019

As a result of Table (4.9), feeling UAB as an reliable partner is 3.57 showing that respondents agree that as a reliable partner to UAB and, I satisfied UAB Premier Banking is the second highest 3.55; while feeling themselves as a special person after joining UAB Premier Banking membership has the lowest mean score of 3.08 and all statement with a little variation. The overall average value of Customer Satisfaction is 3.40.

Secondly, the descriptive status like mean and standard deviation for Customer Retention upon on the Relationship Marketing factors are presented in Table (4.9). Customer Retention is divided into four statements in order to significant the customer’s response rating.

Table (4.10) Customer Retention

No.	Statement	Mean	Std. Dev
1	I consider myself as a loyal customer of UAB	3.45	.552
2	I am thinking of switching to another bank(s).	3.40	.545
3	I decide to refer to my friends and partners to choose UAB	3.30	.516
4	I believe UAB can establish long term relationship with me	3.55	.552
Average		3.43	

Source: Survey Results. 2019

As a result of Table (4.10), believing UAB can establish long term relationship with customers is 3.55 and it indicates that respondents agree that UAB can establish long term relationship with their customers. Furthermore, assuming themselves as loyal customers of UAB is the second highest 3.45; while deciding to refer to their friends and partners to choose UAB mean score of 3.30 with lowest status and all statement with a little variation. The overall average value of Customer Retention is 3.43.

4.7 Regression Analysis on Dependent and Independent Variables

There are two parts in this section. The first part is the effect of relationship marketing and customer satisfaction and the second part is the effect of customer satisfaction on customer retention. Firstly, it is important to consider which factors of customer relationship marketing out of the four factors can significantly explain customer satisfaction. For this purpose, the multiple regression analysis is conducted and the results are reported in table (4.11).

Table (4.11) Effect of Relationship Marketing and Customer Satisfaction

Relationship Marketing	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.311	.407		.764	.450
Customer Trust	.205	.199	.171	1.031	.310
Mutual Commitment	.399 **	.164	.393	2.428	.020
Customer Communication	-.114	.156	-.126	-.731	.469
Conflict Handling	.411**	.133	.458	3.095	.004
N=40, R ² = .688, F = 19.295 (p-value = 0.000)					

Source: SPSS Output

The above results show that all the coefficients in the model are jointly significant which is indicated by the value of F-statistic. In addition, individual coefficients have expected positive signs. Among of the four variables, two variables of relationship-marketing practices in the model namely commitment and conflict handling are significant at 5% level while the trust and communication are not significant. The more increased in commitment and conflict handling, the more achieved customer retention. The magnitude of each coefficient indicates the amount how much the score of the dependent variable will change if the score of an independent variable increases by 1 unit while other things remain unchanged. That is, if the score of commitment increases by 1 unit, while other thing remains unchanged, level of customer satisfaction will increase by .399 units. If the score of conflict handling increases by 1 unit, while other thing remains unchanged, level of customer satisfaction will increase by .411 units.

In term of the magnitude of standardized coefficient, conflict handling (beta = 0.458) is relatively the most important in explaining the customer satisfaction, followed by price commitment (beta = 0.393) respectively. As the performance of regression model, the model can explain about 69% of the variation of the premier customer satisfaction on relationship marketing.

Secondly, to find out the effect of customer satisfaction on customer retention, this analysis was undertaken by using simple linear regression analysis, with customer retention being the dependent variable and customer satisfaction being the independent variable. The results of this analysis are presented in table (4.12).

Table (4.12) Effect of Customer Satisfaction on Customer Retention

Independent Variable	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.923	.473		4.065	.000
Satisfaction	.368	.138	.397	2.663	.011
N=40, $R^2 = .397$, $F = 7.093$ (p-value = 0.011)					

Source: SPSS Output

The above result shows that the regression model is significant at 5% level, which is conducted by F statistic. In addition, the coefficient of satisfaction indicates that one unit increase of the score of satisfaction, the level of customer retention will increase by .368 point. Coefficient enables the construction of the linear regression equations that can be derived to describe the relationship. The unstandardized regression equation of the relationship between customer satisfaction and customer retention can be defined as follow.

$$\text{Customer Retention} = 1.923 + .368 (\text{Satisfaction})$$

All the performance of regression model, the customer satisfaction can explain about 40% of the variation of the customer retention.

CHAPTER V

CONCLUSION

This chapter describes the conclusions of the findings that have been received where it indicates the outcomes of the analysis and exploring the determinants which may influence customer satisfaction and customer retention; it would help UAB Bank to increase their customer's satisfaction and improve customer retention. The two objectives of this paper are to identify the Relationship Marketing practices of UAB Premier Banking with four factors such as Customer Trust, Mutual Commitment, Customer Communication and Conflict Handling and to examine the effect of relationship marketing practices on customer retention in UAB Premier Banking. The research conducted help dis-cover the factors influencing customer satisfaction and retention of UAB Bank from customer's point of view. Moreover, the analysis of the bank helps to understand the bank situation and in addition the suggestions are for the bank in future.

5.1 Findings and Discussion

This study found that UAB Premier Banking intended to build long term relationship with their customers. To meet the two objectives of this study, the fundamental data are collected through sample survey. 40 customers out of 53 premier customers in UAB Premier Banking were surveyed to describe the effect of Relationship Marketing on UAB Premier Banking in order to achieve Customer Retention. The demographic factors include age, gender, education level, marital status, business type, relationship duration and prompt reasons to use UAB Premier Banking. This study mainly used the Customer Relationship Marketing practices of UAB Premier Banking with the 4 indicated factors toward the Customer Satisfaction and Customer Retention. These factors have been indicated that are closely associated with Customer Satisfaction and Customer Retention.

The gender of the respondents who are the premier customers of UAB Premier Banking consisted of male is more than female. Mostly ages of respondents are between 35-45 years old, most of the education levels are Graduate level and most are married in marital status. Most of the respondent's businesses are from trading industry, relationship durations are from 1 to 2 years mostly and most of the prompt reasons for choosing service came from introducing by UAB staffs.

In section 2, the questionnaires are Relationship Marketing factors which describe the effects of UAB Premier Banking through the Customer Satisfaction and Customer Retention. According to the outcomes, most of the customers believe that UAB has the reliable ethic to keep their information. As the competency of the front line employee is very important in building relationship, most of the customers agree UAB employees have enough experience to provide service for them. They also satisfy contacting assigned employee easily for their banking needs. Moreover, UAB employees have clear and polite communication skill as well. Besides, employees are always patient when they solve complaints.

Regarding the customer satisfaction level, most of the customers feel UAB as their reliable partner. This factor is necessary factor for banks in today competitive age as every single bank are trying to be reliable partner of customers. For customer retention, most believe that they can establish long term relationship with UAB. This is the critical factors of banking industry in order to retain existing customers by assuring trust level between customers and bank. However, some are not satisfied enough in the management of UAB to increase its products in the recent years to make it grow. UAB have to try to launch more modernized products to fulfill their customer's needs and wants. Moreover, some are not satisfied regarding the interest rates and service charges offered by UAB and providing timely and accurate information of bank's campaigns, events, products and instruction of CBM as well. Some also feel that bank cannot tries to avoid potential conflict.

5.2 Suggestions

Based on the findings of this study, mainly conflict handling and mutual commitment are positively significant to customer satisfaction and customer retention. Therefore, UAB should have proper strategy to handle the conflict by trying to avoid potential conflict. As private banking services are intended for High Net-worth customers and banks are trying with various ways to retain their existing customers in today's competitive era, UAB should focus more on the prices and charges of products and services especially on UAB Premier Banking. Besides, UAB have to try themselves in order to feel their premier customer as the special person in joining UAB premier banking as premier banking service intended to provide exclusive service for customers.

UAB Premier Banking is the bridge to retain the existing high-earned customers in order to use various services of UAB. Moreover, UAB should consider for giving and keeping promise to customers through offering flexible and personalized price to their

premier customers. On the other hand, UAB should emphasize to launch more modernized products regarding with digital banking because nowadays, banking industry are getting improved day by day and banks are introducing timely updated products almost in each single month. Furthermore, UAB need to deliver accurate and timely information regarding bank's events, campaigns, new products and instruction issued by CBM to customer in time. As the natures of most premier customers want to extend business network, they are willing to attend events invited by banks. Thus, UAB have to celebrate and invite customer appreciation events for their premier customers in future. These factors impact the building of long- term relationship with customers and increase customer retention in today competitive age.

5.3 Need for Further Research

This study only intended for the effect of Premier Banking services on Customer Retention in UAB Bank and this study could not present the effect of the whole banking services on Customer Retention in UAB Bank. This study only includes the critical indicated factors that describe Relationship Marketing that are using in UAB Premier Banking for their Premier Customers. There have another focus on UAB Bank such as effect of Corporate Banking services on Customer Retention and Consumer Banking services on Customer Retention. Therefore, the effect of the whole banking service or another selected banking service on Customer Retention in UAB Bank should be needed to observe and Relationship Marketing practices that are using in such banking types should be analyzed.

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APPENDIX (A)

Survey questions for Premier Banking Services of UAB

I. Demographic Information

Self -evaluation for using Banking Services

1. Age - () Years
2. Gender of Respondent - Male Female
3. Educational Level - Post Graduate Graduate Diploma High School Primary School Any other (Specify)
4. Marital Status - Married Single
5. Type of Business - Trading Manufacturing Services Others
6. Relationship Duration - less than 1 month ago
1 to 6 months ago
6 to 12 month ago
1 to 2 years ago
More than 2 years ago
7. Prompt to use service - I saw an advertisement
A friend or family member or a business partner recommends it
UAB staff come and introduced UAB Premier banking service
I heard from market
Others (Please specify)

Before going to detail fundamental factors that reflect on Customer Retention, end-user need to answer some basic survey questions first.

1. Please state your age.
 - 18-35 Years
 - 35-45 Years
 - 45-55 Years
 - Above 55 Years
2. Please state your gender.

- Male
 - Female
3. What is your highest level of education?
- Post Graduate
 - Graduate
 - Diploma High School
 - Primary School
 - Any Other (Specify)
4. What is your marital status?
- Single
 - Married
5. Please state your business.
- Trading
 - Manufacturing
 - Services
 - Others

II. Experiences of Purchasing UAB Premier Banking Services

1. When did you first start relationship with UAB Premier Banking?
- 1- 6 months ago
 - 7-12 months ago
 - 13-24 months ago
 - More than 24 months ago
2. What first prompted you to use UAB Premier Banking?
- I saw an advertisement.
 - A friend or family member or a business partner recommends it.
 - UAB staff come and introduced UAB Premier Banking service
 - I heard from market.

III. Survey Questions of Relationship Marketing Practices of UAB Premier Banking

The end- users precede self-evaluation in terms of factors referring to the effects of Premier Banking services on Customer Retention in UAB Bank. These questionnaires intended for Premier customers of the UAB Premier Banking which are designed for the high net-worth customers to meet their banking and investment needs.

The possible responses ranged from 1 (Strongly Disagree) to 5 (Strongly Agree).

No	Factors	1	2	3	4	5
Customer Trust						
1	I believe UAB has done all that is required to retain customers					
2	UABhas managed to increase its products in the recent years hence making it grow					
3	UABhas been efficient in its operations and services hence customers are satisfied on that					
4	Assigned Relationship Managers/ Assistant Relationship Managers have enough experience for various banking products					
5	Assigned Relationship Managers/ Assistant Relationship Managers understand my needs, give suitable advice and fulfill my banking needs within short period					
6	I believe UAB offers special service for Premier Customers					
7	I do not need taking long time for our banking transactions.					
8	UAB has the reliable ethic to keep my information.					
Mutual Commitment						
1	I am totally satisfied with the interest rates, service charges and commission fees of UAB offered to me as a					

	Premier customer					
2	UAB adhere when they assist for my banking needs as they promise					
3	UAB focus on long- term goals in this relationship.					
4	I think customer satisfaction efforts by staffs in UAB has increased the company's reputation					
5	I can contact my dedicated RMs/ ARMs for my banking needs any time.					
6	Relationship Managers/ Assistant Relationship Managers of UAB always ask about satisfaction on their service and always ready to adjust their needs for giving best service					
Customer Communication						
1	Relationship Managers/ Assistant Relationship Managers have clear and polite communication skill.					
2	All UAB staffs show respect, listens carefully and treat me friendly.					
3	UAB provides timely, trustworthy and accurate information regarding their campaigns, events, products and related instruction by CBM					
4	UAB provides quick and easy Door to Door service of cash/ cheque collection and withdraw whenever I need					
5	I feel comfortable banking with UAB					
Conflict Handling						
1	Relationship Managers/ Assistant Relationship Managers have ability to handle all of my complaints.					
2	Relationship Managers/ Assistant Relationship Managers are ready to solve any complaints from me any time.					
3	Bank tries to avoid potential conflict.					
4	Bank gives me quick and appropriate responses					

	regarding my complaints.					
5	Relationship Managers/ Assistant Relationship Managers of bank are always patient in handling complaint.					
Customer Satisfaction						
1	I satisfied UAB Premier Banking					
2	I feel myself as a special person after joining UAB Premier Banking membership					
3	I feel UAB as an reliable partner					
4	I feel UAB can give me suitable advice regarding my banking needs					
Customer Retention						
1	I consider myself as a loyal customer of UAB					
2	I am thinking of switching to another bank(s).					
3	I decide to refer to my friends and partners to choose UAB					
4	I believe UAB can establish long term relationship with me					

Thank You.

APPENDIX (B)
DETAIL FACILITIES OF UAB PREMIER BANKING

No	Facilities of UAB Premier Banking
1	Utilization of Premier Banking Satellite Branch
2	Home Banking Facilities
3	Overdraft Facilities (Loan against Deposit)
4	Trade Finance Facilities
5	Lifestyle Service (available special price of UAB's partnership outlet)
6	Conference Room Facilities
7	Serving Tea, Coffee and Refreshment
8	Assigning dedicated Relationship Manager/ Assistant Relationship Manager who provide Premier Banking customer's banking needs
9	<p>Other Facilities</p> <ol style="list-style-type: none"> 1) Premier Banking Debit card with validity of 2 years (no charges) 2) Adjusting ATM cash withdraw limit 3) One banking (free of charge) 4) Increasing transaction limit in Online Banking 5) Free SMS Alert Service 6) Free Mobile Banking Service 7) Reducing remittance charges 8) Door- to – Door service of cash/ cheque collection & withdraw 9) Getting special pricing for Premier Banking customer's associated companies on Trade services offered by UAB 10) Special Exchange rate 11) Providing free services of exchange rate by SMS or Viber