

# RELATIONSHIP MARKETING ORIENTATION OF SMEs IN GHANA

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## ABSTRACT

*The concept of Relationship Marketing (RM) has become increasingly popular as organizations have realized that building strong and long-lasting relationships with customers can lead to increased profitability and performance in the form of increased purchases, consumer loyalty, positive word-of-mouth, and customer satisfaction. This is particularly important for small and medium-sized enterprises (SMEs) as they seek to establish a competitive advantage and increase their market share. However, despite the growing interest in RM, there is limited research on its adoption by SMEs in Ghana as well as how SMEs can leverage on relationship marketing to gain competitive advantage. The purpose of this study is to investigate the various RM practices that can serve as tools in building customer satisfaction within Ghana, specifically focusing on trust, communication, competence, and quality of service. Using data from SMEs in Ghana, the study found that customers of SMEs are highly satisfied when they establish that an organization is trustworthy, fulfils its obligations, respects its customers, and is concerned with transaction security. Overall, the study provides valuable insights into how effective relationship marketing is in the Ghanaian context and contributes to the development of best practices for building and maintaining strong customer relationships in this market. It also highlights on the importance of trust in building customer confidence and loyalty, as well as the need for SMEs to focus on maintaining existing customers rather than just acquiring new ones.*

**Keywords:** Relationship Marketing, Customers, Small and Medium Enterprises, Source of Employment, Consumer Loyalty.

## INTRODUCTION

Over the years, organisations interest in building strong relationships with their customers has been increasing year after year where these organisations have been experimenting with different methods of building relationships with customers (Soltani & Navimipour, 2016). The interest in this concept stems from the assumption that building strong and long-lasting customer relationships leads to increased profitability for an organisation in the form of increased purchases, consumer loyalty, positive word-of-mouth and customer satisfaction. Simply put, relationship marketing (RM) is the way for organisations to build mutually beneficial and valuable long-term relationships with their customers (Naderian & Baharun, 2013).

Also, marketing's movement from traditional transaction approach towards a value-laden approach has influenced organisations to adopt new ways of nurturing and sustaining their relationship with stakeholders in order to enhance their company's competitive advantage (Folohunso, 2014) and achieve high customer retention. Implying that customer satisfaction and retention are important if a company wants to achieve customer loyalty. For instance, Kyei and

Narteh (2016) concluded that when an organisation is able to retain just 5% of its customers, its profit increases from 25% to 125%. Furthermore, Kim & Cha (2012) were of the view that a firm's profitability can increase from 25% to 85% if they are able to reduce consumer errors and defection by 15%. One of the benefits of relationship marketing is that it serves as a tool that helps an organisation to sell more products and increase its competitive advantage as well as market share. It has been established that the most expensive and difficult task for every business is acquiring new customers and retaining them. Relationship marketing has proven that having loyal customers cost 10 times less than acquiring new ones. This implies that, adopting relationship marketing activities is key for the long-term survival of SMEs in the competitive environment (Blattberg & Deighton, 1991; Gummesson, 1994).

The small business sector has been growing to an extent that it is characterized as being a major source of employment, and revenue-generating streams to a lot of countries (Hinson & Mahmoud, 2011). However, as SMEs multiply and customers become more informed, they also become less loyal to brands, more sensitive to prices, and more demanding of sophistication and experience. Therefore, businesses have understood that they need to establish strong bonds with their customers to earn their loyalty and to keep their competitive edge and profitability (Agbemabiese, 2009). Upon this realization, the need for the adoption of relationship marketing orientation has become apparent for SMEs but available researches has been limited to large size organisations in the health, hospitality sector and financial industry Narteh et al. (2013); Kuranchie (2010); Adomah-Afari (2019) and those conducted on SMEs were based on Western and Asian countries (Ndubisi, 2014; Torres & Kline, 2013). Therefore, there is no roadmap guiding SMEs on the various relationship marketing (RM) practices that can serve as a tool in building customer satisfaction within Ghana. In addition, there appear to be structural problems associated with the effective implementation of RM practices. For instance, managers of SMEs not caring about consumers' needs, trends and attitudes; excessive focus on gaining new customers as compared to maintaining existing ones and weak brand reputation (Herhausen et al., 2019; Khan et al., 2022). Therefore, to bridge this gap, this study explores the various relation marketing tools in building customer satisfaction. The study adopts relationship marketing tools such as trust, communications, competence and quality of service to measure customers' level of satisfaction with SMEs. This is because, the study aims to investigate how SMEs in Ghana implement relationship marketing strategies and whether these strategies lead to increased customer satisfaction and loyalty. This research upon completion could provide valuable insights into the effectiveness of relationship marketing in the context of SMEs in Ghana and contribute to the development of best practices for building and maintaining strong customer relationships in this market.

## LITERATURE REVIEW

### **Relationship Marketing Orientation**

Relationship marketing has been defined by Sheth et al. (2015) as "*the on-going process of engaging in collaborative activities and programs with immediate and end-user customers to create or enhance mutual economic, social and psychological value, profitably.*" Also, Gronroos (2017) defined the concept as a "*process of identifying, building, maintaining, strengthening, and terminating where necessary the mutually beneficial relationship between a company and its customers and other stakeholders so that the objectives of all the parties involved are met.*" Based on the definitions above, it can be said that firms adopting relationship marketing

orientation have the goal of achieving the desires of the organisation (profit) and customers (satisfaction and delight) by identifying and establishing rapport with customers whose needs are in line with the company's activities and maintaining the relationship using relationship enhancement strategies (Sheth et al., 2015; Kyei & Narteh, 2016). Thus we are of the view that marketing is moving away from the traditional transaction mode to building a strong relationship with customers and other marketing networks.

The adoption of relationship marketing provides benefits to both the service provider and the customer because of their intangible nature and high level of customer interaction. From the organisation's perspective, engaging in relationship marketing can lead to; increased referrals and positive word-of-mouth increased purchases and continuous profit and reduction in operational cost (Narteh et al., 2013). On the other hand, the benefits customers get from the relationship marketing activities of companies include; confidence, special treatment and savings on cost (Narteh et al., 2013).

### **Small and Medium Size Business (SMEs) in Ghana**

SMEs are one of the major drivers of the growth of many countries. Their existence has led to an immense alleviation of poverty, employment creation, social stability, innovation and economic welfare of countries (Hoque et al., 2017). Consequently, SMEs are considered an eventual part of an economy and measured as a dynamic application of the economic growth of a country. Although this concept has been defined in many ways, some organizations categorize SMEs according to characteristics such as staff count, yearly income and fixed assets (Abor, 2017). In Ghana, organizations and researchers have defined SMEs using a variety of criteria; however, the most prevalent seems to be the number of workers (Mazikana, 2020). A small company is defined as one with fewer than 29 employees. Micro, small, and medium-sized companies are subcategories of small companies. Micro businesses employ up to five people and have no more than \$10,000 in fixed assets (excluding land and buildings); small businesses hire between six and 29 people and have no more than \$100,000 in fixed assets (excluding land and buildings); and medium-sized businesses employ between thirty and ninety people and have up to \$1 million in fixed assets (excluding land and buildings) (Akorsu & Agyapong, 2012).

The Ghanaian government has identified that SMEs are important to the economic growth of the county and therefore encourages their rate of industrialization. This is because the sectors consists of 90% of all registered businesses in Ghana as well as creates about 80% of manufacturing jobs and contribute about 70% to GDP. As a result, SMEs have come to the lead of Ghana's economic activities. Nevertheless, these SMEs face many challenges related to resources and finance, marketing strategy, transportation, environment, and technical & technological skills (Chowdhury, 1996).

### **Conceptualization of Relationship Marketing**

The tool for building relationship with customers consists of six dimensions which are considered to be very important to for SMEs to understand in their attempt of satisfying customers. These include trust, communication, shared value, empathy, commitment, conflict handling, competence, reciprocity and bonding (Al-Hersh & Saaty, 2014; Kyei & Narteh, 2016; Karyose et al., 2017). But for the purpose of this study, we only focus on trust, communication, competence and quality of service dimensions.

#### **Trust**

Abtin & Pouramiri (2016) defined trust as “*the total acceptance that a party’s word or promise is reliable and the party will fulfil his/her obligations in the relationship.*” Al-Hersh, & Saaty (2014) argued that trust is a party’s (usually customers) confidence in an exchange party’s (service provider) reliability and integrity. This implies that once an organisation builds trust with its customers; a coordinated joint effort relationship is built where by the activities of one party influences the other. Therefore, failure on the part of the service organisation to honour the promised obligation can lead to customer dissatisfaction and defection (Chakiso, 2015; Kyei & Narteh, 2016). This implies that trust is an important foundation for building reliability, relationship quality and customer satisfaction. Therefore, we hypothesize that:

**H<sub>1</sub>:** *There is a positive significant relationship between trust and customer satisfaction.*

## Communication

Communication is the means of exchanging information concerning the various elements of a product or service between a customer and its service provider. Thus through communication, a service provider can provide timely and reliable information (Al-Hawary & Aldaihani, 2016). Also, through communication, consumers gain some level of exposure and knowledge about the product/ service of the organisation which helps reduce the level of uncertainty that they bring to the service experience. Again, communication serves as a medium for resolving dispute between customers and service organization which helps build trust. Furthermore, it improves partners’ ability to manage their expectations pertaining the kind of experience or product they will get (Alrubaiee & Al-Nazer, 2010).

**H<sub>2</sub>:** *There is a positive significant relationship between communication and customer satisfaction.*

## Competence

Competence refers to employees’ level of knowledge and skills that enables them to be able to handle a wide variety of situations. Aldaihani & Ali, (2019); Faraj & Noor, (2019) defined competence as “*the use of information, evaluating and organizing it to be applied by specialists to satisfy the needs and desires of their customers and to enhance their loyalty.*” They identified that through competence, a firm can strengthen its relationships with customers in the following four ways: market insight, good advice on the business operation, assistance in purchase planning, and provision of effective sales promotion materials. Hence, customers feel more connected to the service providers when they perceive that the employees of an organization have some level of competence (Kyei & Narteh, 2016). Therefore, it is expected that competence as relationship marketing construct positively influences relationship quality and customer satisfaction.

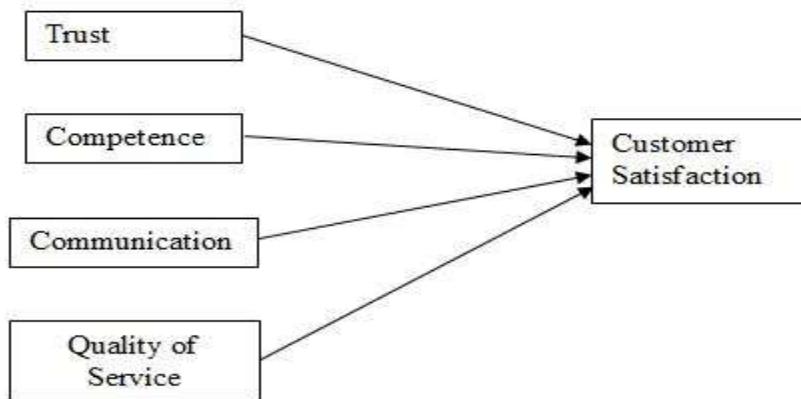
**H<sub>3</sub>:** *There is a positive significant relationship between competence and customer satisfaction.*

## Quality of service

Service quality is defined as the extent to which a service experience meets or exceeds customers’ expectations. Consumers always have an expectation of the kind of service that they want to receive. This is often based on past experiences, word-of-mouth communication or the advertising campaign put out by the organisation. Upon experience, expectation is matched against perception upon which service quality decision is made. Consumers’ perceptions about the quality of service are subjective. Thus, consumers make their judgement about service during

their interactions with the service provider (Grönroos, 2017). Therefore, what happens during the interaction process will have critical impacts on the customers' evaluation of the quality of service (Grönroos, 2017; Sayil et al., 2016).

**H4:** *There is a positive significant relationship between quality of service and customer satisfaction.*



**FIGURE 1**  
**CUSTOMER SATISFACTION**

## Customer Satisfaction

By ensuring that customers are satisfied, an organisation is able to build strong relationships. Customer satisfaction is defined as the degree to which the needs and expectations of customers are being met or exceeded which create a feeling of delight with them (Kotler & Armstrong, 2012). A consumer's choice to move or stick with a particular provider is dependent on their level of satisfaction with that service organisation (Agbemabiese, 2009). Therefore, customer satisfaction is an important issue for SME managers who want to build strong relationships with customers Figure 1. This is because in times of failure, customers are prepared to overlook. Thus, although they may not be satisfied with the quality of service they have experienced, they will be satisfied with the relationship they have with the service provider hence, influencing their decision to continue doing business with the service provider (Agbemabiese, 2009).

## METHODOLOGY

The quantitative research approach was adopted to answer the research objective. This approach was adopted to assess how effective RM tools can influence SMEs in satisfying their customers as well as achieving loyalty. With this in mind, the study collected data from 399 customers and owners/ managers of SMEs. The purposive sampling technique was used to collect data from the respondent that are very informative (i.e. that had a certain level of knowledge about how relationship marketing affects customer satisfaction) to help the researcher gain accurate insight of the subject of study (Foley, 2018). Closed-ended survey questions were the approach used to collect data where all the items were measured on a five-point rating scale, where (1) represents 'strongly disagree' and (5) represents 'strongly agree'. Measurement items were adapted from Ndubisi & Kok Wah (2005); Alrubaiee & Al-Nazer (2010); Baharun & Naderian (2013) studies on relationship marketing.

After data collection, all retrieved data were entered, processed and analysed using IBM SPSS version 26 and AMOS version 22. SPSS was used in organising and cleaning the data as well as to conduct descriptive analysis of the data. On the other hand, AMOS was used to conduct a confirmatory factor analysis to obtain model fit indices of the construct and the software was again used to conduct a structural equation model to examine the relationship of the constructs.

## FINDINGS OF THE STUDY

<b>Table 1 DEMOGRAPHIC INFORMATION</b>		
	Frequency (N=399)	Percentage (%)
<b>Gender</b>		
Male	200	50.1
Female	199	49.9
<b>Age</b>		
18-29 years	128	32.1
30-39 years	154	38.6
40-49 years	90	22.6
50-59 years	21	5.3
60 and above	6	1.5
<b>Education</b>		
No formal education	30	7.5
Basic education/ SHS	165	41.4
Undergraduate	182	45.6
Postgraduate Education	22	5.5

The Table 1 above presents data on the demographic characteristics of the various SME customers. The study collected data from 399 respondents.

From the 399 responses received, 50.1% (200) were Male and 49.9% (199) were female. These respondents were further grouped based on their age and educational background. For their ages, the majority of the respondents 38.6% (154) were within the ages of 30-39years, whiles 32.1% (128) were within 20-29years; 22.6% (90) were within 40-49 years; 5.3% (21) were within the ages of 50-59years and 1.5% (6) was 60years. Also, for their educational background, 7.5% (30) of the respondents had no formal education, 41.4% (165) had a Basic education/ SHS certificate, 45.6% (182) had Undergraduate Degrees and 5.4% (22) had Post Graduate education certificate.

<b>Table 2 DESCRIPTIVE ANALYSIS</b>					
	N	Minimum	Maximum	Mean	Std. Deviation
<b>Trust</b>	399	1	5	3.552	1.292
<b>Communication</b>	399	1	5	3.745	0.90
<b>Competence</b>	399	1	5	3.66	1.026
<b>Quality of Service</b>	399	1	5	3.534	1.089
<b>Customer Satisfaction</b>	399	1	5	3.132	1.426

A descriptive analysis was conducted on the data to ascertain the number of respondents who either agreed or disagreed to the measurement construct of the variables Table 2. The responses were then measured on a scale of 1-5; where a score of 3 and above indicated the rate at which they agreed with the content of the questionnaire. From table 2 above, it can be

observed that majority of the respondents agreed that the element of trust (3.55), communication (3.75), employee competence (3.66), quality of service (3.53) displayed by SMEs in their service delivery increased their level of satisfaction (3.13).

## Exploratory Factor Analysis

An EFA analysis was conducted to measure the internal reliability of the measurement construct. Here, the KMO test of sampling adequacy was 0.817 which is above the threshold of 0.60 with a significant Bartlett's Test of Sphericity score of 0.000 which is less than 0.05 (Pallant, 2005). Also, the psychometric properties of the scale were measured using factor analysis. The factoring was based on a maximum likelihood analysis using a Promax rotation since. The scale items were purified where items that did not have a strong loading of 0.5 and above were removed as well as items that cross loads with other items. This resulted in the removal of 3 items. The remaining items were analysed again upon which 5 factor solution was obtain, which explained 53.17% of the variation observed in the data.

## Confirmatory Factor Analysis (Model Fit Indices)

CMIN (403.925); DF (220); CMIN/DF (1.836); IFI (0.955); TLI (0.948); CFI (0.955); RMSEA (0.046); PCLOSE (0.832)

In order to conduct a SEM analysis, we had to first conduct a CFA analysis to assess how well our proposed model accounts for the correlation between variables in the dataset using a model fit indices. Upon conducting a confirmatory factor analysis, it can be observed that a model fit indices was achieved. Where the  $\chi^2/df=1.836$  falls under the acceptable threshold of <3; CFI=0.955 meets the acceptable threshold of >0.90; as well as IFI=0.955; TLI=0.948; and RMSEA=0.046 falls within the adequate range as indicated by Hair et al. (2010) and Hu and Bentler (1999) in confirming the validity of the measurement construct. Hence, concluding that our model is fit.

## Validity and Reliability

**Table 3  
CONSTRUCTS, MEASUREMENT ITEMS AND RELIABILITY AND VALIDITY TESTS**

Item Description	Estimates	T-values
<b>Trust (<math>\alpha = 0.874</math>; CR = 0.882, AVE = 0.661)</b>		
“The company is very concerned with security for my transactions”	0.906***	
“The company's promises are reliable and consistent”	0.949***	28.960
“The company fulfils its obligations to its customers”	0.794***	21.183
“I have absolute confidence in the company's services”	0.540***	11.828
<b>Quality of Service (<math>\alpha = 0.778</math>; CR = 0.778, AVE = 0.468)</b>		
“I receive greeting cards or gifts on special days”	0.696***	
“This company provides personalized services according to my needs”	0.601***	10.166
“This company often provides innovative products / services”	0.736***	11.894
“This company provides various ways to deal with transactions (e.g., bills, check in, check out)”	0.697***	11.465
<b>Communication (<math>\alpha=0.743</math>; CR = 0.744, AVE = 0.370)</b>		
“Provide timely and trustworthy information”	0.483***	
“Provide information if there are new services”	0.647***	7.616
“This company offers opportunities for me to give my opinions to the company”	0.642***	7.593
“This company provides after-sales service for my requirements”	0.610***	7.429

<i>"I receive a prompt response after any complaint"</i>	0.643***	7.598
<b>Customer Satisfaction (<math>\alpha=0.878</math>; CR=0.879, AVE=0.646)</b>		
<i>"I have never considered switching to another company"</i>	0.814***	
<i>"I would recommend this company to my friends and family"</i>	0.859***	18.643
<i>"My experiences with this establishment has always been good"</i>	0.780***	16.733
<i>"Price increases will not affect my loyalty to this company"</i>	0.759***	16.196
<b>Competence (<math>\alpha=0.847</math>; CR = 0.850, AVE=0.588)</b>		
<i>"The company's staff is excellent in service delivery"</i>	0.767***	
<i>"The company's staff are very efficient in customer handling any errors, defections, problems and enquiry"</i>	0.868***	16.818
<i>"The company's staff have excellent knowledge about their work"</i>	0.712***	13.987
<i>"The company's staff possess excellent management skills"</i>	0.710***	13.953

Upon achieving model fit, the measurement model was assessed to test for internal consistency, reliability and discriminant validity.

In testing for internal consistency, the average variance extracted (AVE), composite reliability (CR) and Cronbach's alpha were assessed against their threshold. Upon which values of  $\geq 0.7$  for Cronbach's alpha;  $\geq 0.7$  for CR and  $\geq 0.5$  for AVE had to be achieved as indicated by (Bagozzi & Yi, 2012; Henseler et al., 2012; Boateng, 2020). From table 3 above, it can be observed that the AVE, CR and Cronbach's alpha of Trust, competence and customer satisfaction are above the baseline threshold except for service quality and communication which has an AVE value of 0.468 and 0.370 which is less than the threshold of 0.5. But Malhotra & Dash (2011) argue that AVE is often too strict and often reliability can be established if CR satisfies threshold criteria Table 3. This therefore indicates that the constructs exhibit a good convergent validity as well as internal consistency.

**Table 4  
DISCRIMINANT VALIDITY (FORNELL AND LARCKER)**

Customer Satisfaction	Trust	Quality of Service	Communication	Competence
<b>0.804</b>				
0.309	<b>0.813</b>			
0.104	-0.023	<b>0.684</b>		
-0.019	-0.046	-0.035	<b>0.608</b>	
0.064	0.060	0.650	-0.138	<b>0.767</b>

After assessing internal consistency of the data, Fornell and Larcker measure of discriminant validity was conducted to test for the degree the constructs are distinctive in nature from each other. In using the Fornell & Larcker (1981) measure, it has the condition that the AVE of each latent construct should be greater than the highest squared correlations between any other construct Table 4. From table 4, we conclude that the results support discriminant validity between construct. Where the square root of AVE ranging from (0.608 to 0.813) is greater than all the corresponding correlations which ranges from (-0.023 to 0.650).

**Table 5  
HYPOTHESIS TESTING**

	Estimate	T-value	P-value	Decision
<b>Direct Path</b>				
H1: Trust--->Customer Satisfaction	0.346	7.358	***	Supported
H2: Communication--->Customer Satisfaction	-0.011	7.358	0.818	Not Supported
H3: Competence--->Customer Satisfaction	-0.100	-1.408	0.159	Not Supported
H4: Quality of service--->Customer Satisfaction	0.202	2.868	0.004	Supported
<b>R<sup>2</sup> =0.233</b>				

In examining the hypothesized relationship between the constructs of the structural model, SEM analysis was employed. Here,  $H_1$ ,  $H_2$ ,  $H_3$ ,  $H_4$  were tested in a path diagram to identify their influence on customer satisfaction. For our first hypothesis  $H_1$  the analysis supported our argument that there exists a positive significant ( $\beta=0.346$ ,  $p\text{-value} \leq 0.001$ ) relationship between Trust and customer satisfaction. For the second hypothesis  $H_2$ , our analysis did not support our argument of a positive significant relationship between communication and customer satisfaction. Rather a negative relationship ( $\beta=-0.011$ ,  $p\text{-value}=0.818 \geq 0.05$ ) was identified which was insignificant at the 5% significance level. For the third hypothesis  $H_3$ , the analysis did not support our argument of a positive significant relationship between competence and customer satisfaction, instead a negative relationship ( $\beta=-0.100$ ,  $p\text{-value}=0.159 \geq 0.05$ ) was identified which was insignificant at the 5% significance level. For the last hypothesis  $H_4$ , the analysis found a positive significant ( $\beta=0.202$ ,  $p\text{-value}=0.004 \leq 0.01$ ) relationship between quality of service and customer satisfaction Table 5.

## STUDY DISCUSSION

The purpose of the study was to assess whether relationship marketing is an effective tool for customer satisfaction for small business owners. The objective of the study was to evaluate how small businesses can satisfy customers using the relationship marketing tools of trust, competence, communication and quality of service as well as to investigate the relationship between relationship marketing tools and customer satisfaction.

In answering the objective: examining the various relationship marketing tools of trust, competence, communication and quality of service that can help build customer satisfaction the following observation were made.

With regards to trust, analysis of the data proved that customers of SMEs are highly satisfied when they establish that the organisation is trustworthy in the areas of the company's promises are reliable and consistent, the company can fulfil its obligation, the company respects its customers and the company is concerned with the transaction security of their customers. This proves that customers give priority to the trustworthiness of a business (Sani, 2014) and supports the argument that trust improves customer confidence in an organisation which often leads to satisfaction and loyalty (Ndubisi & Kok Wah, 2005).

With regards to communications, analysis obtained proved that the SMEs are doing well in terms of their ability to value customers' opinions, their ability to communicate clearly to customers about any information regarding the company and the customers and the ability to quickly solve customers' complaints. But there was no significant relationship between communication and customer satisfaction. This contrast with Kyei & Narteh (2016) argument that effective communication fosters positive interaction and enhances the quality of the relationship between a customer and a business.

With regards to competence, analysis proved there is no positive relationship between obtained with regards to competence and customer satisfaction. Which also contrast with Kyei & Narteh (2016) who argued that competencies have a positive influence on favourable relationships with customers? Finally, with regards to the quality of service, the analysis proved that customers of the SMEs were satisfied if the organisation is good at providing personalised services according to the needs of their customers and also offers special packages to regular guests as well as developing an innovative product to improve the satisfaction of customers.

This implies that the variables trust and quality of service can help SMEs build satisfaction with their customers which can result in increased competitive advantage,

profitability and customer loyalty. This confirms Faraj & Noor, (2019); Rizan et al. (2014) argument on relationship marketing tools and customer satisfaction. But also implies that not all relationship marketing tools will influence customer satisfaction as identified with communication and competence and supported by explained by Abtin & Pouramiri, (2016). This is because factors such as demographic and geographic dispersion of respondents will influence their response to what will make them satisfied.

## CONCLUSION

The popularity of the relationship marketing concept has made businesses understand that building strong and long-lasting relationships with customers leads to increased profitability, loyalty, word-of-mouth recommendation and customer satisfaction. Hence, relationship marketing is one of the best ways to build a mutually beneficial relationship with customers.

## RECOMMENDATIONS

SMEs must engage in promotional activities, excellent customer service practices, being responsive to customers' complaints and requests and empathising to build trust with customers and ensure that the company has their best interest at heart. Relationship marketing tools such as trust, communication, competence and quality of service were important in creating customer satisfaction. The study found a significant positive relationship between customer satisfaction and trust and quality of service. While also finding an insignificant relationship between competence and communication among customers.

## MANAGERIAL IMPLICATIONS

SMEs should be willing and open to accepting the opinions of customers on how to improve their services. This will help them understand customers better. Secondly, SMEs should learn to pamper their customers with gift cards or hampers on holidays or special days of the customer. Also, SMEs should reward long-term customers for their loyalty towards the brand. SMEs should adopt various communication strategies that will help them to better communicate their services with customers. On the other hand, build better communication channels to enable customers to easily air their complaints. SMEs should train employees to be knowledgeable and well-behaved around customers.

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