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**The role of Customer Relationship Management: An  
approach to competitive advantage in the banking  
sector.**

**Nancy Soud Sa'ad Aldeen Al-Alami**

**M.A. Thesis**

**Jerusalem – Palestine**

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**The role of Customer Relationship Management: An  
approach to competitive advantage in the banking sector**

**Prepared by:**

**Nancy Soud Sa'ad Aldeen Al-Alami**

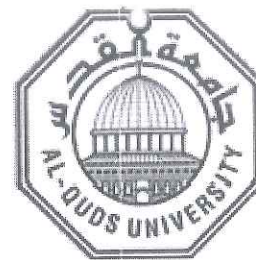
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### Thesis Approval

**The role of Customer Relationship Management: An approach to  
competitive advantage in the banking sector**




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## Dedication

الى الرسول الأعظم والمعلم الأكرم ... محمد بن عبد الله عليه الصلاة والسلام

**To the greatest profit" Mohammad"**

الى والدي سعود سعد الدين العلمي ووالدي أماني حسين خيال

قدوتي الأولى، ونبراسي الذي ينير دربي، الى من يعطي بلا حدود ، الى من رفعت رأسي  
افتخاراً بهم ، حفظكم الله

**To my beloved and dear father and mother, the light of my path,  
who give without limits, whom I'm proud of**

قال الله تعالى "سَنَشُدُّ عَضُدَكَ بِأَخِيكَ"

الى أخي طاهر السند الحبيب

الى أختي ايناس رفيقة القلب والروح

**To my beloved brother Taher**

**To my beloved sister Enas**

أهدي بحثي المتواضع املا من الله عز وجل أن يتقبله مني ويجعله في ميزان حسناتي

يوم لا ينفع مالاً ولا بنون الا من اتى الله بقلب سليم

**I hope Allah the greatest to accept my simple report and keeping  
it record to the end day, in which nobody benefits anyone else but  
who comes with clean and clear heart.**

**With all my love and respect**

**Nancy Soud Sa'ad Aldeen Al-Alami**

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

**In the Name of God, the Compassionate, the Merciful**

(قَالُوا سُبْحَانَكَ لَا عِلْمَ لَنَا إِلَّا مَا عَلَّمْتَنَا إِنَّكَ أَنْتَ الْعَلِيمُ الْحَكِيمُ)

صدق الله العظيم

سورة البقرة الآية (32)

They said: "Glory to Thee, of knowledge we have none, save what Thou Hast taught us: In truth it is Thou Who art perfect in knowledge and wisdom.

(يَرْفَعُ اللَّهُ الَّذِينَ آمَنُوا مِنْكُمْ وَالَّذِينَ أُوتُوا الْعِلْمَ دَرَجَاتٍ ۗ وَاللَّهُ بِمَا تَعْمَلُونَ خَبِيرٌ)

صدق الله العظيم

سورة المجادلة الآية (11)

Allah raises up in ranks those who believed among you and those who have been given knowledge. Allah is aware of what you do.

**Declaration:**

I certify that this thesis submitted for Master Degree, is the result of my own research, except where otherwise acknowledged, and that this study (or any part of the same) has not been submitted for a higher degree to any other university or institution.

Signed: *Nancy Al-Alami*

Nancy Soud Sa'ad Aldeen Al-Alami

Date: 25\01\2020

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## **Abstract:**

This study tackles the role of Customer Relationship Management (CRM), and its supporting elements in gaining a competitive advantage in the banking sector of Palestine. This thesis tries to investigate the existing role of CRM as a tool to gain competitive advantage in the banking sector in Palestine. Moreover, this thesis studies and analyze the significant differences between the different types of banks in Palestine which are: local, Islamic local and foreign banks, in implementing the role of CRM and its supporting elements which are marketing, information technology, customer service and quality to enhance a competitive advantage. The study sample included 8 banks working in Palestine. A combination of descriptive-explanatory and empirical analysis was used in this thesis. The primary data was collected by questionnaires which were randomly distributed over 94 general managers, managers, and head of departments.

The results of the research show the significant relationship between the role of CRM and competitive advantage. Moreover, the study shows that the implementation of CRM and its supporting elements helps in building long-term relationship with customer. Furthermore, the study shows that there are no significant differences between the types of banks in terms of implementing information technology, quality, and customer service to gain a competitive advantage. However, there is a significant difference in terms of marketing between local and foreign banks. On the other hand, the study reveals that banks have to concentrate and develop their adoption of the competitiveness generic strategies.

The study recommends that banks in Palestine must consider a full scope of the successful CRM system by developing the management of customer's relations by attracting new customer and maintaining the relations with current customers. Also, banks have to concentrate on providing unique and innovative services and products to gain competitive advantage. Moreover, banks have to emphasize on the development of information technology, customer services, and quality which affects the overall performance and profitability. On the other hand, banks have to emphasizes more on adopting competitive generic strategies. Furthermore, banks have to invest more in enhancing the employee's knowledge and experience to be fully utilized about the CRM and competitive advantage elements.



## دور ادارة علاقات العملاء في تحقيق الميزة التنافسية في القطاع المصرفي

اعداد الطالبة: نانسي سعود سعد الدين العلمي

اشراف الدكتور: ابراهيم عوض

### ملخص:

هدفت هذه الدراسة الى اختبار وفحص دور ادارة علاقات العملاء في بناء ميزة تنافسية في القطاع المصرفي ومدى اهتمام البنوك العاملة في فلسطين بممارسة مفهوم ادارة علاقات العملاء أثرها على بناء الميزة التنافسية. كما تهدف أيضاً الى التعرف على دور الوظائف الداعمة لإدارة علاقات العملاء والتي تتضمن ( التسويق، تكنولوجيا المعلومات، خدمة العملاء، والجودة) وتأثيرها على بناء الميزة التنافسية. كما تناولت الدراسة أيضاً فحص الاختلافات بين البنوك الاسلامية، البنوك الوافدة والبنوك المحلية في تطبيق ادارة علاقات العملاء والوظائف الداعمة لها لتحقيق ميزة تنافسية. وشملت الدراسة مقرات الادارة العامة الموجودة في محافظة رام الله والبيرة لثمانية بنوك وهم البنك العربي، بنك فلسطين، البنك الاسلامي العربي، البنك الاسلامي الفلسطيني، البنك الوطني، البنك العقاري المصري، بنك الاستثمار الفلسطيني، والبنك الأهلي. وتم استخدام مزيج من المنهج الوصفي والمنهج التحليلي. وفي سبيل تحقيق ذلك تم تصميم وتحكيم استبانة، وتوزيعها على (94) موظفاً يشغلون مواقع وظيفية من درجة رئيس قسم فأعلى في مقرات الادارة العامة للبنوك المبحوثة.

وأظهرت نتائج الدراسة أن تطبيق مفهوم ادارة علاقات العملاء يؤدي الى تحقيق ميزة تنافسية من خلال التطبيق الفعال للوظائف الداعمة لإدارة علاقات العملاء، كما وأظهرت النتائج اهتمام البنوك المبحوثة بممارسة وتطبيق ادارة علاقات العملاء التي تؤدي الى اكتساب العملاء والمحافظة عليهم وتقوية العلاقات طويلة الأمد معهم. كما وبينت نتائج الدراسة وجود علاقة ايجابية بين الوظائف الداعمة لإدارة علاقات العملاء وبين الميزة التنافسية حيث كان لتكنولوجيا المعلومات الأثر الايجابي الأكبر، ثم التسويق، ثم خدمة العملاء ثم الجودة.

من جانب آخر، أظهرت الدراسة وجود فروق ذات دلالة احصائية بين البنوك الوافدة والمحلية في ممارسة ادارة علاقات العملاء والوظائف الداعمة في محور التسويق، وعدم وجود فروق ذات دلالة احصائية بين

الوظائف الداعمة الأخرى. كما بينت الدراسة بأن البنوك المبحوثة تعتمد على أكثر من استراتيجية تنافسية واحدة.

وتضمنت الرسالة عدة توصيات أهمها، أن على البنوك الاهتمام ودعم العلاقات مع العملاء من خلال تخصيص ادارة تهتم باستقطاب العملاء والمحافظة عليهم وتقوية العلاقات معهم، كما يجب على البنوك تقديم خدمات جديدة ومميزة بصورة مستمرة من أجل جذب عدد أكبر من العملاء. كما وأوصت الرسالة بضرورة التركيز على استراتيجيات التنافسية. من جانب آخر، أوصت الرسالة بالاستثمار في الموارد البشرية العاملة بالبنوك وتقوية معرفتهم بإدارة علاقات العملاء واستراتيجيات التنافسية.

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