

# **A Study and Investigate the Effectiveness of CRM in Malaysia Bank**

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## **ABSTRACT**

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Today, many businesses such as banks, insurance companies, and other service providers realize the importance of Customer Relationship Management (CRM) and its potential to help them acquire new customers retain existing ones and maximize their lifetime value. At this point, close relationship with customers will require a strong coordination between IT and marketing departments to provide a long-term retention of selected customers.

The purpose of this thesis is to study the effectiveness of Customer Relationship Management (CRM) in the banking industry in Malaysia Malaysian firms are considered green horns when it comes to the concept of CRM. Moreover for organizations to survive in the present dynamic environment characterized by technological advancement and tight competition especially from external source, such studies are needed in growing economies in Malaysia.

This thesis will explore the effectiveness of CRM in three Malaysian banks (AFFIN, EON and RHB) As such the foundation of CRM, process of CRM and the effect of people and organizational structure will all be highlighted in the subsequent themes The effectiveness of CRM will be measured based on the balanced scorecard model proposed by Kim et al (2003), and trend analysis for the three banks

The result if this thesis will measure the effectiveness of the investigated three banks based on the balance scorecard (BSC) and trend analysis for the last three years, reason been CRM has been implemented in AFFIN bank in 2004 where in the other banks it was implemented earlier.