DIGITIZATION OF CUSTOMER RELATIONS WITHIN MOROCCAN COMPANIES: CASE OF BANKING ESTABLISHMENTS IN MOROCCO

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RESUME

Ce travail de recherche a pour objectif d’étudier le niveau de satisfaction perçu par les e-consommateurs marocains vis-à-vis de la nouvelle ère de gestion de la relation client (GRC). En termes d’illustration, nous avons étudié le cas des utilisateurs des services bancaires à distance au sein de cinq banques marocaines sur trois différentes villes. L’approche méthodologique adoptée dans le cadre de la réalisation de ce travail a abouti à une revue de littérature sur la gestion de la relation client et la digitalisation. Ensuite nous avons soutenu ce papier par un questionnaire adressé aux e-consommateurs des services bancaires pour étudier leur perception de cette digitalisation et son impact sur leur relation.

MOTS CLES: Gestion de la relation client, Satisfaction, Fidélisation, client, GRC

ABSTRACT

The purpose of this research work is to study the perception of digital services provided by banking institutions in Morocco in order to improve their customer relationship management (CRM). In terms of illustration, we studied the case of remote banking users in five Moroccan banks on three different cities: Kénitra, Rabat and El Jadida. The methodological approach adopted for this work resulted in a review of the literature on marketing in the era of digitalization, later complemented by the influence of digitalization on customer relationship management. We then supported this paper with a questionnaire addressed to e-consumers of banking services in order to study their perception of this digitalization and its impact on the relation with their bank.

KEY WORDS: Customer relationship management, Satisfaction, Loyalty, customer, CRM
INTRODUCTION

The business world has been economically difficult in the last few years. It has known profound changes, particularly reinforced by developments relating to both of the "internet" and "information & communication technologies" (ICT), supporting the digital transformation of the business world. Today, competition is particularly fierce and the term digitalization is ubiquitous. It is invited to all company conferences, seminars and training courses.

Companies swear only by the digitalization of their Customer Relationship Management (CRM). It is a critical strategic challenge that brings them new communication channels and promises them 24/7 availability, high mobility, greater responsiveness, more listening, a high-performance relational strategy and an in-depth knowledge of customers.

The customer, for his part, did not escape the transformations implied by this new "digital" era. Customers today are adopting a new way of life, increasingly connected, which makes them well informed, aware, demanding and, above all, far from loyal. A consumer in constant seek of an advanced customization and an instantaneous reactivity that can be satisfied only by a digital management of his relationship.

Technology has given birth to an "international consumer" who no longer cares about borders on e-commerce sites around the world; He pays online and gets his basket delivered to the destination of his choice. Today, he holds a powerful position and can easily compare different competing offers simultaneously, speak out in public and share his "likes and dislikes" on social media. In addition, its impact may even go as far as affecting the reputation of a given brand or product by expressing an unfavorable opinion about it.

In Morocco, the banking sector is pioneering the digitization of customer relationship management (CRM). However, the rise of digital technology in use by Moroccan people, who are increasingly "multi-banked", requires banks to adapt to its new expectations. This is in order to help the bank to build and maintain strong connections with its customers in order to know them better; therefore, meet their expectations.
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RESEARCH PROBLEM:
The research aims to answer the following question: to what extent would Moroccan consumers be satisfied with the new era of customer relationship management adopted by their banking institutions?

To answer our problematic, we have chosen to go through three main hypotheses namely:

H1: The digitalization of customer relations within Moroccan banks would have brought customers closer to their banks.

H2: The e-consumers would feel confident about the digital tools adopted by their banks.

H3: Moroccan banking e-consumers would be satisfied with the digital services of their banks.

1. THEORETICAL FOUNDATIONS OF DIGITAL MARKETING
1.1. MARKETING IN THE ERA OF DIGITALIZATION

Marketing designations have been in constant evolution for the last twenty years or so. From Webmarketing (with the appearance of websites), through online marketing, to cybermarketing and finally digital marketing. Nowadays, "Digital is everywhere and is investing in all areas of marketing. From promotion to facilitating purchases including customer relations" (Rémy Marrone and Claire Gallic, 2018).

"Whereas the telephone and call boards were, until recently, the only link between a brand and a user (outside the shop), online "chats", contact forms and emails are now part of the communication levers for obtaining information, dialoguing and solving a problem. If some companies use digital as a way to limit interaction with customers, others, on the other hand, have understood that it is an essential tool to develop a stronger and more personalized customer relationship. "(Rémy Marrone and Claire Gallic, 2018).

Thus, the beginning of the nineties saw the creation of the first website in the world and since then, many websites have emerged including Amazon.com in 1994, eBay and Altavista in 1995, Hotmail in 1996, Netflix in 1997, Google in 1998 and Facebook in 2004. At the time, the main focus was on e-marketing, which was essentially the study of online transactions, while nowadays, this expression seems very reductive to study all the uses made possible by new digital tools and technologies.
As a result, "Digital gives the consumer the possibility to search for information himself (the ZMOT). The power games are no longer the same for companies who have to learn to think in terms of global experience and not just sales." (Rémy Marrone and Claire Gallic, 2018).

In this sense, Chaffey and Ellis-Chadwick (2012) recommend replacing the term "e-marketing" with "digital marketing" which they define as: "achieving marketing objectives through applying digital technologies" (Chaffey and Ellis-Chadwick, 2012, p. 10), in other words, the use of digital technologies to achieve marketing objectives. That said, digital marketing allows companies to adapt their responses and tools to a new environment marked by more complex customer paths focused on the increasing use of digital technologies.

Decidedly, digital marketing helps companies to clearly understand how to exploit physical and electronic channels in order to better serve the consumer with respect to his space and time constraints (Lemoine and Badot, 2011).

1.2. INFLUENCE OF DIGITALISATION ON CUSTOMER RELATIONSHIP MANAGEMENT

"The first CRMs appeared in the late 1980s! At that time, they were relatively basic softwares whose role could be summed up as centralizing customers' personal data around three main themes: its identity (last and first name, address, telephone number, date of birth, place of birth...), descriptive elements of a socio-demographic nature (sex, age, profession...) and finally the reason why this person is a customer (generally a contract number)" (Julien Hirth, 2017), whereas the term "CRM" only appeared in 1995, in call centers.

It was only during the mid-1990s that CRM was extended to customer services by creating "customer files" that store the history of exchanges between the customer and the said services. This helps companies not only to support their operators but also to avoid the need for customers to recall their history each time they make a contact (Julien Hirth, 2017). Finally, at the beginning of the 2000s, the arrival of digital technology caused an explosion in access channels and the volume of contacts between a brand and its customer (Julien Hirth, 2017).

In 2018, Rémy Marrone and Claire Gallic describe digital marketing as an exciting adventure and essential for the survival of companies. From now on, the impact of digitalization on CRM is undeniable. It ensures more personalization to customers thanks to the data collected, in real time and using different contact channels.
Digitalization allows companies to stay in constant contact with their customers, follow their research, listen to their needs and respond effectively to their expectations. However, statistics show that 72% of companies do not use data collected because of the technological, scientific and organizational complexity introduced by the massive influx of consumer data (Julien Hirth, 2017).

2. RESEARCH METHODOLOGY

In the context of this study, we opted for an hypothetico-deductive approach in order to study the perception of the Moroccan banking e-consumer regarding this digitalization. We conducted a survey among individual customers of banking institutions in the cities of Rabat, Kenitra and El Jadida. Thus, we adopted a quota sample of 200 consumers of products from 5 banks which are Attijariwafa Bank, Bank of Africa (ex Banque Marocaine de Commerce Extérieur (BMCE)), La Banque Populaire (BP), Crédit Agricole (CA), Société Générale Marocaine des Banques (SGMB).

In order to prepare our study, we first have carried out our preliminary questionnaire, then pre-tested it to make any necessary corrections. We started researching our respondents in bank agencies. We administered our questionnaire to 15 bank agencies, distributed over the three mentioned cities, studying 66 consumers in the city of El Jadida and 67 in the cities of Rabat and Kenitra (two agencies per bank). More specifically, we surveyed an average of 13 consumers per bank agency. The collected information was then drafted on sphinx and analyzed.
3. ANALYSIS AND IMPLICATIONS OF RESULTS

Graph 1: Age and education level

The most important age group in our study is 31 to 50 years old, followed by the 21 to 30 years old group, with rates of 44% and 32% of the total number of respondents, respectively, compared to 9% only of the group aged over 50. This can be explained by the fact that both of these age groups combine the habitual use of communication technologies with the financial capacity to use banking services. While the under-20 age group does not fundamentally represent a significant segment of the banking community, since it is a student population with limited access to banking services.

The educational level, for its part, plays a very important role in the proportion using new technologies. Thus, as the level of education grows, individuals make greater use of digitization to satisfy some of their banking needs. Finally, 48% of respondents have a higher level of education and 41% have completed high school.
According to our study, 49% of respondents observed changes to the digitalization of customer relations by their financial institutions over a period between 2 and 5 years while 41% observed it for less than 2 years, compared to only 9% who observed it over 5 years.

On the other hand, Smartphone applications are the preferred digital tools of Moroccan banking e-consumers with 49% of respondents, followed by websites and SMS, chosen respectively by 23% and 16% of respondents.
This study reveals that the digitalization of the customer relationship has changed the customer-bank relationship for 35% of the sample studied against only 19% who did not feel its impact on their relationships with their banks.

On the other hand, only 5% of the survey sample feels very confident about the digitalization of customer relations, compared to 45% who admit being rather skeptical about it.
The results of our survey reveal that Moroccan e-consumers are "moderately satisfied" to "not at all satisfied" with their banking operator’s digital services. Thus, 38% of respondents are moderately satisfied with the follow-up and the management of their online requests, versus 6% only expressing a “high level of satisfaction”. The evolution of digital solutions proposed and their coverage in the media show an average satisfaction of e-consumers, with 37% and 36% simultaneously, compared to 25% and 21% who are satisfied.

For reactivity, 31% are not at all satisfied and only 16% are very satisfied. For the simplicity of the proposed digital solutions, 33% express dissatisfaction, while only 7% are very satisfied.

Finally, the quality of the online services satisfies only 12% of the respondents against 35% who are only moderately satisfied.
Reading this graph reveals clearly that “more advantageous availability times” represents the first motivation of bank e-consumers (42% of our respondents), followed by “time saving” for 36% of them, versus 7% only for “reducing administrative procedures” and 3% for “reducing fees”.

Graph 6: Human contact vs. digital services
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Only 10% of Moroccan banking e-consumers prefer to go directly to the office for their banking transactions, compared to 44% who are in favor of digital services. While 37% feel more reassured by human contact for some banking transactions.

Graph 7: Applications on smartphones and digital services will replace the bank agency and its account managers!

Only 4% of our respondents believe that smartphone applications and other digital services will one day replace the bank agency and its account managers, compared to 28% and 30% who answered respectively "no, never" and "no", they will not be substituted by digitalization.

Chart 8: Critical Digital Services for the CRM
According to the results of our study, 55% of our respondents confirm that digital services are "definitely" a must have for customer relationship management, compared to only 1% who confirm the opposite.

3.1. DISCUSSION OF THE RESULTS

According to the results of our study, Moroccan e-consumers are mostly highly or moderately educated individuals. This can be explained by the fact that digital operations are in a foreign language and require some familiarity with new technologies. For their part, the transition to digitalization of the customer relationship within Moroccan banks has only been observed during the last five years with a preference for applications on Smartphones, which are the most popular digital tools for Moroccan e-consumers, followed by websites and SMS.

In addition, the digitalization of customer relations has positively affected the relationship between the bank and e-consumers, but there is still more progress to be made in terms of their confidence in online banking products. Beyond the use of digital services for some basic banking transactions, e-consumers are generally satisfied with the quality of their services, particularly the monitoring and management of their online requests, the evolution of these solutions and their media coverage. While the bad pupil is still responsiveness and simplicity. For their part, the availability schedules represent the first motivation of Moroccan e-consumers, followed by the saving of time and the reduction of procedures.

Finally, despite the use of digitalization and the privilege of digital services, a large percentage of e-consumers feel rather reassured by the presence of human contact for some banking operations. Beyond their affirmation about the necessity and importance of digitalization, Moroccans confess that it will never replace their bank offices and the human contact with their traditional customer managers.
3.2. MANAGERIAL IMPLICATIONS AND BENCHMARKING

Managerial implications:

On the managerial level, the focus of this work is the perception of customer relationship management by e-consumers of banking products in Morocco. This allows bank managers to get a clearer vision of their online services users in order to better approach them in an increasingly connected future. Thus, banks are invited to invest more in remote customer relationship management tools, train their advisers in the use of these tools and develop their sense of “listening and service skills” to be able to reassure and satisfy their e-consumers.

Benchmarking

For several years, various French banking players have been moving towards an exclusively virtual presence, including Boursorama (Société Générale), Fortuneo (Crédit Mutuel Arkéa) and Monabanq (Cofidis, controlled by Crédit Mutuel-CIC) (J-F. Notebaert, L.Mendes (2014). Banks are no longer satisfied with their physical presence and are switching to digitalizing their customer relations. Whereas in Morocco, only banks with a physical presence are active in the market and are moving towards the use of digital services.

French consumers are making greater use of their banks’ websites to manage their day-to-day transactions, in particular to check their balance, access and/or print out their bank account details and make money transfers. For their part, mobile phones are their favorite tool, as Denis Mancosu, Director of Multichannel Distribution at the French savings bank "La Caisse d'Epargne", confirms that most customers using mobile phones consult their accounts 4 to 5 times a week on average, compared to one or two times a week from a computer. As a result, the number of French people visiting their bank agencies is decreasing in favor of a more powerful virtual presence. This has lead banks to invest heavily in upgrading and renovate their applications.
In addition, cultural factors have a very important role to play in individuals' use of new technologies for their banking operations. This explains the high percentage of e-consumers of French online banking products and services compared to Moroccans.

Finally, one of the most developed countries in terms of digital banking presence remains China. Its success results from its philosophy of innovation and recruitment from talented internet players (Orr, Roth, 2012) such as Citi Fintech, which was designed by CitiBank and has attracted employees from various online players including Amazon and PayPal (Chen & al, 2017).
CONCLUSION

In conclusion, digital represents both a great opportunity for Moroccan banks and a necessity for the management of their customer relations. At a distance as in agencies, bank consumers have often the same needs to satisfy; however, the way to meet them differs in order to be adapted to new constraints and new customer behaviours. The goal is to ensure greater flexibility, availability and consequently, optimal satisfaction of their needs.

In Morocco, despite the orientation of banks to digitalize their services, the demand for digital banking services evolves timidly and this can be explained by the level of education of the population which remains relatively low, cultural factors and lack of confidence for large operations related to money, for which Moroccans favor the move to the traditional agency.

Thus, bank customers admit that despite all the practicality that the digitalization of the "customer-bank" relationship could provide, they will never be able to do without going to the agency and contact a human person who reassures them for some financial transactions. Whereas bank consumers with a relatively high level of education prefer remote services for simple day-to-day operations, particularly when their request is quickly met.

Finally, basic banking operations spend the majority of agency employees' time. This is to the detriment of high value-added services for both the bank and its customers. Additional efforts are required from banks to be closer to their customers, to reassure them and to encourage them to make greater use of their remote services for day-to-day operations. Our work has been limited to the study of the consumer side only, we suggest to proceed in a future paper to the study of the banking institutions in order to highlight their efforts in terms of digitalization of the customer relationship.
ANNEX

SURVEY

What is your age range?

- Under 20 years old
- Between 21 and 30 years old
- Between 31 and 50 years old
- More than 50 years old

What is your level of education?

- Primary
- College
- High School
- Higher education (including vocational training centres)

How long have you been observing changes towards digital in the management of your relationship with your bank?

- Less than 2 years
- Between 2 and 5 years old
- Between 5 and 10 years old
- More than 10 years

What are the digital means used within your bank?

- SMS
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- E-Mail
- Applications on Smartphones
- Websites

Do you think that the digitalization of customer relations improves the relationship with your bank?

- Yes, she completely transformed my relationship with my bank.
- Yes, it pretty much changed my relationship with my bank.
- No, nothing’s changed in my relationship with my bank.

Do you trust the digitalization of your bank's customer relations?

- I am very confident
- I am pretty confident (e)
- I am suspicious

How do you rate the media coverage of the digital solutions offered by your bank?

- Very satisfied
- Satisfied
- average Satisfied
- Not at all satisfied

How do you rate the quality of the digital services offered by your bank?

- Very satisfied
- Satisfied
In your opinion, what are the benefits of using digital banking?

☐ Saving time
☐ Fee reduction
☐ Reducing administrative procedures
☐ Better availability times
☐ Simplification of operations
☐ None

How do you rate the simplicity of the proposed solutions?

☐ Very satisfied
☐ Satisfied
☐ average Satisfied
☐ Not at all satisfied

Are you satisfied with the follow-up and management of your online requests?

☐ ☐ Very satisfied
☐ Satisfied
☐ average Satisfied
☐ Not at all satisfied

Are you satisfied with the responsiveness to your remote complaints?
What do you think about the evolution of the solutions offered online by your bank?

- Very satisfied
- Satisfied
- Average satisfied
- Not at all satisfied

Do you prefer human contact to digital services to meet your banking needs?

- Yes, I’d rather go directly to the agency
- The human relationship manager makes me feel more comfortable with some banking services
- No, I don’t care
- On the contrary I prefer digital services

Do you think that banking applications and remote services will replace your bank agency and its account managers?

- Yes, most likely
- Yes, Maybe
- Why not
- No
□ No, never

Do you think that digital services are now indispensable for customer relationship management?

□ Yes, certainly

□ Yes, maybe

□ No

□ No, not at all
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