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CUSTOMER RELATIONSHIP MANAGEMENT AND COMPETITIVE ADVANTAGE OF RWANDA'S BANKING SECTOR.

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ABSTRACT

The objective of this research project was to investigate the effect of customer relationship management and competitive advantage of Rwanda's Banking sector. The study adopted a descriptive research design. The target population for the purposes of this study was the staff of Equity Bank Rwanda. To achieve the goal of this research, there are associated specific objectives; the researcher firstly aims to make sure and outline the main effect customer relationship management strategy on competitive advantages of Rwanda's banking Sector. Secondly, the researcher intends to provide and analyze key strategies banks putted in place to enhance customer relationship management. Thirdly, the investigator aims to assess the relationship between customer relationship management s and competitive advantage of Rwanda banker's sector. Fourthly the research used the various theories of customer relationship Management, customer Acquisition and competitive advantages, theory of customer retention, loyalty, and theory of competitive advantage as well. Key findings, Most businesses responded to challenges by concentrating on customer needs and upholding to maintain strong customer relationships, Finally, the researcher expects to suggest recommendations on how customer relationship management can contribute to the performance of Rwanda's Banking sector. The study used a descriptive case study research design. The researcher identified one hundred and seventeen (117) Staff of Equity Bank Rwanda as the target population. The respondents are grouped into heads of departments, Managers of Units, Service champions, others ordinal staff; the researcher used of both primary and secondary data collection methods to collect data. The questionnaires and interviews used as data collection instruments. For data processing, the researcher used editing, coding, classification, and tabulation. For qualitative, the researcher used HubSpot as feedback tool that provides detailed analytics for surveys and customer reviews including charts and graphs summarizing customers' responses while for quantitative, the SPSS (Statistical Package for the Social Sciences), has been used to process the statistical data. Then after analyzing the data, researcher drawn conclusion and the recommendation for the stakeholders, the concerned actors, and the future researchers.

Key words: Customer relationship management, customer Retention, customer acquisition, customer loyalty and competitive advantage

1. INTRODUCTION

The ability of a business to understand the specific needs of its customers and provide them with products and services that can maximize their value determines whether it can succeed or fail (Priporas et al., 2012; Vassiliadis et al., 2013; Priporas et al., 2008). One-to-one marketing, which focuses on individualized clients rather than mass markets, requires personal and unique relationships with both present and potential customers. It is also included into sales strategies for a variety of goods and services for each of those customers. Businesses' strategies today are heavily focused on the client (Yong Ahn et al., 2003). According to Dyche (2002), CRM systems are the infrastructure that a business uses to outline the characteristics of its customers, increase the value of the services provided, and offer incentives to valuable clients all of which help the company achieve its goal of maintaining these clients as devoted and dependable business partners.

The fundamental objective of the business is to build and sustain good connections with selected customers. This argument assumes that healthy relationships provide reciprocal beneficial value (Christopher, et, al. 2002). Relationship marketing, which is a true balance between "giving and getting" as a vital benefit to encourage an active involvement and is conducive in generating two-way value, is one of the most crucial strategies to be pursued in the creation and maintenance of competitive advantage (Ismail, 2009, Gronroos,1994).

In difficult economic times, banks strategically realign themselves using game theory. Game theory has developed into a catch-all term for the logical side of science that now encompasses both human and non-human entities, such as computers, and is applicable to many different linkages across classes. In many games when one player has devised or found a tactic that, given the other approach, cannot successfully increase his outcomes, classic uses include a sense of equilibrium. Banks could, for example, work to balance managerial oversight and governmental legislation in addition to controlling competition (Camerer, 2003).

Even now, decades after its creation, various people and businesses still define customer relationship management in different ways (Goldenberg, 2002). Due to new management and business organization trends, the initial links between customer relationship management and customer relationship marketing were changed to customer relationship management (Nairn, 2002). According to Kartik and Kalaignanam (2011), customer relationship management refers to an organization's attempts to develop and maintain relationships with its customers.

Customer relationship management strives to increase client acquisition and retention more successfully and efficiently by selecting to begin, grow, and sustain respectable relationships with profitable clients (Payne and Frow, 2006). The main objectives of traditional customer relationship management systems were data collection and client acquisition, whether the clients were new or current consumers who had already made purchases from other businesses. Instead of focusing on the value that the organization might provide to the client and turn into bottom line profitability, organizations concentrated on the potential contribution that customers could make to the bottom line. Systems were developed to analyze data and improve customer service team capabilities so that the company could better understand its customers and grow its market share (Payne, 2006.)

The market enthusiasm generated by investments in customer relationship management (CRM) technology is notable, in contrast to the pessimism voiced by many academic and industry detractors. The amount of CRM technology that banks should continue to spend in is currently a crucial research topic. The results, which are based on in-person interviews and a survey of senior bank executives, demonstrate that improved performance can come from having a stronger CRM capability. The following section of the essay by Tim Coltim explains how a blend of technical, human, and business competences is required for CRM programs to be most effective (2007).

The banking sector in Kenya is characterized by rapid growth evidenced by sustained growth in assets, deposits, profits as well as product offerings. This is evident from country wide growth in branch network, the continuous emphasis on automation of a significant proportion of banking services, and an emphasis on the complex customer needs. Today the banking industry has expanded to 43 commercial banks and 10 microfinance banks, besides there is one independent mortgage finance institution. The high population of commercial banks in Kenya has resulted to a high relative ratio of banks to the total population, since 43 commercial banks are currently serving 44 million people. In other economies like in Nigeria's 22 commercial banks are serving a population go 180 million while in South Africa 19 commercial banks are serving 55 million people. This places the banking industry in Kenya at a precarious situation leading to increased competition and demand for increased innovations among the players for survival and to deal with the disruptions by new entrants into the market (Cytonn Investment, 2015). Up to the year 2010, Nakuru Town was mainly served by the major commercial banks such as Barclays Bank, Standard Chartered Bank, Kenya Commercial Bank, Cooperative Bank and Equity Bank. However, following the rapid swelling of the population in the years 2008 – 2009, the town recorded massive growth and diversification from agriculturally based to commercial based. This has seen the number of commercial banks increase rapidly to 34 by the year 2015 (Central Bank of Kenya, 2015). Besides, the central bank set up a cash Centre 8 to accommodate the rapid growth generation and consumption of cash. However, with 34 commercial bank branches serving a population of under one million flags the town to a high relative ratio of banks to the total population therefore leading to escalating competition among the bank Branches. Because of the developing banking industry, in Kenya today, rivalry in the industry has turned out to be intense to the point that banks are struggling to remain in business. This is because of clients informed, educated and as a result, even more financially advanced. Additionally, the financial condition has changes essentially because of progression of organizations, proficient data stream and political adjustment. Kenyan banks have needed to create techniques to react to rivalry, to both safeguard their niche markets and to develop their share of the overall industry (Gitonga, 2012). Customer relationship management is one of the strategies adopted by commercial banks in Kenya in enhancing their competitiveness and customer relations. A study by Chemutai, (2006) at the Cooperative bank of Kenya found that the bank significantly embraced front office customer relations to improve the overall customer relations. In another study, Kuria (2010) assessed the relationship marketing practices in commercial banks in Kenya and found out that, commercial banks had tailored their products to orient to CRM strategies. However, they had not adequately enhanced CRM activities thus there was need to understand more about relationship marketing. Soimo, Wagoki and Okelo (2015) assessed the relationship between relationship marketing and customer retention in commercial Banks in Nakuru Town and found a positive relationship. However, the focus of the study was not on the strategies applied but whether organization applied CRM.

Since gaining independence, the banking sector in Rwanda has grown both in terms of the quantity of branches and the range of services it offers, including loans, credit and debit card services, the deployment of automated teller machines (ATMs), electronic banking, and other services. Ecobank Bank, Access Bank, Kenya Commercial Bank, Equity Bank Plc, NCBA (formerly the Commercial Bank of Africa (CBA), Cogebanque, Urwego, Development Bank of Rwanda, and microfinance institutions AB Bank, Zigama, and Unguka are among the foreign institutions that have entered the Rwandan banking industry (Poghosyan, 2021).

The banking industry has seen several changes throughout this time, which have led to numerous reforms. These developments are taken into account by the 2009 Banking Act (and its modifications), the 2009 Central Bank Act, and other CBR regulations. The banking industry in Rwanda has made significant IT investments. For modern institutions, technology is crucial. Banks use technology, among other things, to run their nine communication networks, operate ATMs, and offer e-banking services. These systems are allegedly managed by extremely pricey ERS (Enterprise Resource Systems) like Oracle, SAP, and Flexi-cube, which each cost several million dollars, according to Boyd, De Nicoló, and Jalal (2009).

Therefore, considering the prospects, the banking industry in Rwanda must establish strategies that can adapt to the challenges of competition. If they don't do this, these banks run the risk of being bypassed and losing their competitive edge. This is the underlying assumption of the research. This study investigates the customer retention, royalty, acquisition, and correlation between customer relationship management and competitive advantages tactics used by the banking sector.

2. Statement of Problem

A close relationship between the two parties is essential for a successful partnership between banks and their clients. Long-term connections between banks and their customers are advantageous to both sides. This is since consumers are the main source of income for banks, which are also the main places where clients can get assistance for enhancing performance. Transactions are used by businesses to measure customer loyalty. But often, that doesn't really matter much to how people feel about the business (McKee, 2007). Customers that are willing to stick with their preferred banking location increased the banks' profits. The most difficult thing is keeping the customers.

Customers choose a certain shop for a variety of factors, such as price, location convenience, the caliber of the customer service, and the caliber and selection of goods and services that retailer offers (Saxena & Maru, 2016). Even while numerous earlier studies have emphasized the link between CRM and customer satisfaction, little study has been done to examine CRM as a means of gaining competitive advantages.

The systems are only being used by a small percentage of Rwanda's top companies, which makes the adoption of customer relationship management techniques incredibly slow. This is caused by several things, such as the high cost of installing and maintaining the applications.

Even though most studies have found that the advantages of customer relationship management outweigh the costs associated with it, including those by Wattanasupachoke and Unhanandana (2012) who discovered that CRM helps businesses gain a competitive advantage, Ryals (2006) who discovered that CRM strategies help in the maintenance of profitable customer relationships, and Ismail and Alsadi (2010) who discovered that customer relationship marketing leads to better organizational performance.

The banking sector has experienced intense competition because of globalization; as a result, banks must employ unusual organizational tactics (transnational banks in Sierra Leone are no exception) to stay effective and survive as well as grow. The main reason why so many banks now fail is because their operational strategies, which could have supported their effective operations in the highly competitive area, were not successfully implemented (Nguru et al. 2016, Ishola et al. 2017). Due to competition amongst the local banks, several of them had to close. Customer relationship management is one of the many factors that can make a bank successful or unsuccessful. Customer relationship management in the banking sector of Rwanda is still limited to call centers and face-to-face interactions between bank staff and customers. Relationship officers, business advisors, customer support agents, and other individuals with a direct connection to the sales and marketing departments are examples of these representatives. The setup of the systems is still regarded as a significant expense.

These studies did not specifically address the situation in Rwanda, even though some aspects of the competition and response strategies used by the banking industry may be applicable there. To close this knowledge gap and the increased competition that has caused Rwandan banks' market share and profitability to decline, more research is required. To achieve a competitive advantage, more research is required, particularly on customer acquisition, loyalty, and retention in the banking business.

3. Specific Objectives

i. To define how customer Retention is being done, as customer relationship management and achieving competitive advantages by Equity Bank Rwanda.
ii. To elaborate how customer acquisition is done, as the customer relationship management to achieve the competitive advantaged by Equity Bank Rwanda.
iii. To establish how customer loyalty shall be used as customer relationship management to gain the competitive advantages in Equity Bank Rwanda.

4. LITERATURE REVIEW

This chapter discusses literature which is associated with the study. The chapter reveals theoretical and conceptual framework.

4.1 Theoretical Review

Theories of customer relationship management.
According to Mohammad Hossein and Zakaria, managers must have a solid understanding of the benefits of CRM (2012). A thorough review of the literature conducted for this paper's research has revealed various benefits of CRM (see Appendix A). When categorizing various CRM benefits from the papers that were researched, factors such as sales, marketing, customer acquisition, customer loyalty, and information technology were considered.

We suggest areas for additional research that take these benefits into account later in this work. The following seven main benefits of CRM were identified by Mohammad Hossein and Zakaria (2012): improved ability to discover profitable consumers, integrated assistance across channels, increased effectiveness, and personalized marketing message.

Customer Acquisition and Competitive Advantage
Customer acquisition methods, networks for consumer advertising, referral company, and distribution all require customer need analysis and acquisition tactics. During the many phases of the crucial process known as customer acquisition, only specific prospects can really convert into customers (D'Haen & Van der Poel, 2013).

As part of the customer acquisition process, the customer-firm connection starts with the consumer's initial engagement with the business and continues through the first purchase and the first recurrent purchase (Arnold, et al., 2011).

Customer acquisition, in the opinion of Filip and Voinea (2012), is crucial for any business that is launching, expanding, and introducing new goods and services. It functions well in situations when switching costs are minimal and repeat purchases are infrequent.

Customer Retention and Competitive Advantage
Several customer retention methods must be taken into consideration to entice and retain clients, including customer follow-ups and ensuring that service providers initially deliver the desired service. According to Shukla (2013), boosting revenue through ongoing customer pleasure and service has been leaded to greater customer retention. Customer retention must

be successful for the service quality to be able to meet or surpass the client's expectations (Filip, &Voinea, 2012). Equally important is determining or foreseeing the customer's future needs.

Customer Loyalty and Competitive Advantage
Customers' Loyalty Program, providing service above and above customer expectations to maintain trust and satisfaction of the customers, and by inviting open customer feedback to make sure the business is providing service that is still necessary and relevant to the customers (Zulkifli & Tahir, 2011).

Theories of Competitive advantages
According to the competitive advantage idea, everyone benefits when decisions are made at all levels national, corporate, municipal, and individual based on the competitive advantage.

A company has a competitive advantage when it develops or acquires a set of traits (or takes actions) that set it apart from its competitors. The development of ideas to help explain competitive advantage has been a major focus of the management community for more than 50 years. This chapter provided an overview of the key theories in this area.

The review has spanned a substantial amount of time, starting in the 1960s and concluding with formulas introduced in the middle of 2013. The two primary theories of competitive advantage at the time were the Market-Based View (MBV) and the Resource-Based View (RBV). The capability-based and knowledge-based conceptions of strategy both originate from the resource-based viewpoint on strategy. A more recent idea that has received a lot of attention is the relational approach of strategy. Even more recently, the idea of a transient advantage was floated, thereby challenging much of the received wisdom. Wang, H. (2014).

4.2 Conceptual framework
The Conceptual Framework supports the rationale for the inquiry. It explains the need for new data, as well as the analysis, comprehension, and synthesis of existing data. Two parties' independent variables (Customer Relationship Management) and dependent variables compose this conceptual framework (Competitive Advantage).

Independent Variable | **Dependent Variables**

Customer relationship Management | **Competitive Advantages**

Customer Retention
- Behavior of the employees
- Quality of services
- Interaction Management

Loyalty
- Building customer Trust
- Leverage of customer Data
- Customer Lifetime Value

Acquisition
- Content of marketing tolls
- Offer deals and promotions.
- Mobile Marketing

Indicators

- Enhances Better Customer Service.
- Facilitates discovery of new customers.
- Increases customer revenues.
  - Enhances effective cross and up selling of products.
  - Simplifies the sales and marketing processes.

5. MATERIALS AND METHODOLOGY

5.1 Research Design

A survey approach and a descriptive research design were utilized in this study. The objective of a descriptive and correlative research strategy, which often entails an assessment and synthesis of concepts, was to accurately portray individuals, events, or circumstances. A descriptive research design is also simple to adapt to new fields of study or to a different population based on the same investigation. Second, results from descriptive research are often seen as being more reliable, particularly when they use random or probability-based sampling, as in the present study. Finally, because this study is replicable, the results may be compared to similar results from other studies, strengthening the reliability of the conclusions. The main considerations that guided the adoption of the study design were its dependability, validity of findings, and replicability as a descriptive research methodology (Chinyanga, 2011).

5.2 Population

The population can be defined as all the individuals or objects that share the trait that is being studied (Odhiambo et al, 2010). Employees at the head office of Equity Bank Rwanda Plc made up the study's population. According to the Central Bank of Rwanda's declared financial position as of the end of 2021, Equity Bank Rwanda was selected for inclusion in this study due to its presence throughout the country and its position as the largest bank in Rwanda in terms of customer base (1,010,000). Additionally, Equity Bank Rwanda was picked since it has a sophisticated. Mechanism for managing customer relationships. A strong response rate has been aided by and secured by the selection of the Equity Bank Head office. As a result, the study's target population consisted of 117 respondents. They included department heads, managers of several departments, customer service champions, and relationship officers from the main office of Equity Bank Rwanda.

Table 1: Research Population Composition

Category/Departments	**Population**
Heads of the department	10
Managers of units	33
Customer Service champions	35
Relationship officers Operations	39
Total	**117**

Source: Primary data, 2022

5.4. Sample Size

According to Graham & Marshal (2015), a sample is a group of individuals chosen at random from a population with the intention of evaluating the population's characteristics. A sample size is further defined by Mugenda and Mugenda (2013) as the number of cases or entities included in the sample. They claimed that determining an optimal sample size is a difficult matter that depends on a wide range of variables. The researcher, however, decided to use the entire population as a sample size because the intended group (117) was manageable.

5.5. Data Collection

For gathering primary data, questionnaires containing both closed-ended and open-ended questions were used. Closed-ended surveys offer precise and reliable data, which has the benefit of being accurately interpreted. Respondents to open-ended questions offered thorough information. Ogutu and Nyatichi's questionnaire was used to create this one (2012). There were four sections: A, B, C, and D. The questionnaire's Section A asked for general information about the banks. CRM and competitive advantage in Equity Bank are correlated in Section B. Competitive tactics were explored in Section D.

5.5.1. Questionnaires
As the primary method of contact between the researcher and the respondents, the questionnaires aided the researcher. To gather written and quantitative data (information) about customer relationship management and competitive advantages in Equity Bank Rwanda, the researcher distributed a questionnaire to respondents that included a series of closed questions about topics that were expected of the respondents.

5.5.2. Interview
According to Krlinger (2017), an interview is a discourse in which researchers aim to elicit information from their subjects. To obtain direct information from respondents, qualitative questions were asked in regard to the research objectives. Using this method, the researcher was able to gather data on the relationship between customer relationship management and competitive advantages at Equity Bank Rwanda.

The responders from Equity Bank Rwanda included department heads, managers of several departments, customer service champions, and other relationship offices. This is so because the marketing director, together with the rest of the top management, typically implements competitive strategies. The researcher himself self-administered the questionnaires and picked them up and dropped them.

5.5.3. Validity and Reliability of Research Instruments
How well a test purports to measure something is known as its validity (Phelan & Weran, 2015). The validity of the instrument was tested to make sure it measures what it is designed to measure. To ensure the instrument's accuracy and applicability, the questionnaires were handed to the research supervisor for further modification.

Pilot research was done with fifteen (15) workers of Equity Bank Rwanda to determine the instrument's dependability. Prior to giving the instruments to the respondents, the researcher wanted to determine the reliability of the instruments through a pilot study. Additionally, it seeks to ensure that the instrument yields the same results when administered to respondents a second time, or to collect the same data consistently under comparable circumstances. As a result, the idea is concerned with the instrument's precision and the consistency of the data it gathers.

5.6. Data Processing and Presentation
Data analysis techniques that are quantitative were employed. Utilizing statistical measures of central tendency like the means and the mode, the study results were also analyzed. The mean was used to explain how, to achieve target number two; Equity Bank Rwanda can leverage customer acquisition as a relationship management strategy and competitive advantage. In accordance with the goals of the study, statistical measures of deviation such the standard deviation were also used in the analysis. These were utilized to ascertain how Equity Bank Rwanda varied its competitive strategies in accordance with the objectives. The data have been presented quantitatively in tabular format.

5.7. Data analysis
This chapter's objective was to summarize, evaluate, and interpret research on customer relationship management and competitive advantage in the banking sector.

Both descriptive and correlational statistical methods were used to examine the research data. The statistical analysis for the study was created using the Statistical Package for Social

Sciences (SPSS) version 28.0. According to Naale et al. (2016), SPSS is one of the most popular and potent statistical software programs that is currently available. It covers a wide range of statistical procedures and enables researchers to summarize data (e.g., compute means and standard deviations), ascertain whether there are significant differences between groups, look at relationships between variables, and graph findings. This made it possible for the researcher to summarize data (e.g., compute percentages, means, and standard deviations), control if there are notable differences between groups, examine linkages between the study variables, and table results as percentages.

6. FINDINGS

6.1 Multiple Linear Regression Analysis

The construction of an equation with numerous independent X variables that each have an impact on a Y response variable is known as multiple linear regression analysis. Based on the data set, this equation models the conditions shown in the data. A multiple linear regression should be performed when there are numerous independent variables that correlate with the system response.

When the data set comprises numerous continuous independent input variables and a continuous response variable, multiple linear regressions are the best technique to utilize. Using a mathematical formula, the approach establishes which factors are statistically significant and illustrates how they relate to the outcome. Each independent variable needs to have at least ten data points for the analysis to be accurate. The equation takes on the form:

$Y = \beta 0 + \beta 1X1 + \beta 2X2 + \beta 3X3 + e$. where each variable's relative importance is shown by the beta coefficients. Based on the values of the inputs, multiple linear regressions can be used to forecast process performance. The regression equation can be used to calculate input levels for ideal performance and tolerance levels that guarantee acceptable performance.

Table 2 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	. 561[a]	. 572	. 549	. 539

a. Predictors: (Constant), Loyalty: Keeping the promise to customers, Customer Retention, Customer Acquisition: Sorting Internal Challenges.

The model summary in Table 2 in coefficient of determination was used to explain whether the model is a good predictor. From the results of the analysis, the findings showed that customer Relationship Management has contributed R= 0. 561[a] of the competitive advantages as explained by r^2 of 0. 572 which indicates that model is very strong correlated, as the independent variable represented by customer relationship management very highly explained the dependent variable (Competitive advantages for Rwanda's Banking Sector) and show that the model is a good prediction.

Table 3 NOVA[a]

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	814.104	3	271.368	**17.924**	**.000[b]**
Residual	242.243	98	15.140		
Total	1056.347	103			

a. Dependent Variable: Competitive advantages

b. Predictors: (Constant), Loyalty: Reducing bureaucracy, Customer Retention, Customer Acquisition: Product Gigitalization

Inferred from the findings above, the regression model is significant in predicting the association between customer relationship management and competitive advantages for Rwanda's banking sector with a level of significance of 0.000(b). The results also revealed a positive level of fitness model of 17.924 with a p-value of 0.000b smaller than both the 0.05 and 0.01 standard significance limits. This indicates that there is a more significant association between CRM and Rwanda's banking industry's competitive advantages.

Table 4 Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.709	3.307		.214	.003
	Customer Acquisition: Product Gigitalization	.490	.851	.382	.576	.000
	Customer Retention	.834	.800	.697	1.041	.001
	Loyalty: Reducing bureaucracy	.730	.630	.565	1.159	.000

a. Dependent Variable: Dependent Variable: Competitive advantages

From the above Table 4, the study sought to establish the extent to which customer Relationship Management, as representing independent variable impact competitive advantages for Rwanda's Banking sector as Y. Based on these variables the following regression equation was obtained: as Y is f(X); therefore, $Y= 0.709+0.490x_1+0.834x_2+0.730x_3+3.307$.
The multiple linear regression equation demonstrated that, despite the presence of other factors in the same industry, Rwanda's banking sector's competitive advantage will always depend on a constant factor of 0.709. A 1-unit change in customer relationship-related increase factors results in 0.490-unit, 0.834-unit, and 0.730-unit changes in competitive advantages for Rwanda's banking sector, respectively, with a standard error of.539 in the model.

7. CONCLUSIONS AND RECOMMENDATION

7.1 Conclusions of the study

This study set out to identify the competitive factors at play in Rwanda's banking industry and the tactics employed to counteract them. This descriptive study used a questionnaire that was distributed to Equity Bank Rwanda to get its data. The responses showed that the bank didn't employ any official tactics. Despite this, the study discovered that the primary strategic concerns in Rwanda's banking sector are the threat of replacement products from competitors, the challenge of rivals vying for a larger market share, and the constantly shifting wants and preferences of customers. Contrarily, the least difficult aspects of competition were changes in information technology, strategic planning, maintaining customer relationships, and security concerns.
Most businesses responded to challenges by concentrating on customer needs, upholding strong customer relationships, providing professional services to customers, innovating products and processes, enhancing banking systems, improving the bank's corporate image, providing reliable quality products and services, controlling bank expenses, and developing new products. Reducing the bank's overhead expenses, maintaining low administrative costs, product re-engineering, bolstering marketing capacities, depending on high-quality research, and forming strategic alliances to cut costs were the least used techniques.

The research problem was resolved, the research objectives were met, and the research questions were addressed because of the findings. Accordingly, the study found a strong link between customer relationship management and Rwanda's banking sector's competitive advantages.

7.2 Recommendations

There are various recommendations made by this study. To promote more competition, Rwanda's banking sector should first be restructured. The most productive and efficient businesses thrive in a competitive market, whereas underperforming and inefficient ones are inevitably eliminated. If this atmosphere was allowed to flourish, perhaps Rwandans would have access to cheaper, more effective financial products.
To encourage more domestic and foreign competition, the government ought to lessen its involvement in the banking sector. Therefore, it is ideal to diversify as much as possible, and banks should be permitted to investigate various diversification strategies.
To the advantage of the Rwandan economy, lessening government control will create room for more businesses to grow and the entrance of foreign banks.
Mechanisms should be put in place to expand the banking sector's global reach in order to accommodate the union of the East African nations. The banking companies appeared to have a preference for upholding the appearance of stability and order. However, a competitive business environment raises service standards while lowering costs for the benefit of consumers of insurance products.

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