CUSTOMER RELATIONSHIP MANAGEMENT: A TOOL FOR CONSUMER RELATIONSHIP DEVELOPMENT

A case study of Swedbank

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ABSTRACT

Date June 5th 2015
Level Bachelor Thesis in Business Administration, 15 ECTS
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19920202 19890712 19880707
Title Customer Relationship Management: A Tool for Consumer Relationship Management
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Keywords CRM, Swedbank, an interaction model, relationship management
Research Question How does Swedbank utilize its CRM operations in order to develop relationships with its consumers?
Purpose The purpose of this study is to obtain a deeper understanding of how Swedbank utilizes Customer Relationship Management in order to develop relationships with its consumers.
Method In an effort to successfully fulfil the purpose of this thesis, various scientific papers on the given topic were studied. Furthermore, authors carried out a number of semi-structured interviews with Swedbank representatives in order to collect significant data. These methods were applicable for developing a critical analysis and conclusion, which essentially contributed to answer the research question.
Conclusion The findings of this study have revealed that most of the activities Swedbank carries out in its relationship development process are in line with what the interaction model described as the key elements in relationship building, that is to say; knowledge, trust and commitment.
ACKNOWLEDGEMENT

According to William Arthur Ward “feeling gratitude and not expressing it is like wrapping a present and not giving it” so on that note, we would like to thank the following people for the roles they played in the accomplishment of this thesis.

First of all, we would like to thank Swedbank representatives from Västerås and Riga for finding time out of their busy schedules to help us collect the relevant information for answering our research question. Their responses from the interviews played a great role to the completion of this dissertation.

Secondly, we would like to thank our fellow students who acted as opponents of this thesis from the beginning to the end. The developmental comments that we received from them helped us to get on the right path and complete the research.

Thirdly, our families for their unconditional emotional support and understanding throughout our dissertation writing process.

And as the saying goes "save the best for last", we would lastly like to extend our gratitude to our supervisor Aswo Safari for his constructive criticism based on deep knowledge, wisdom, encouragement and kindness that guided us until the end. His comments and suggestions contributed a lot to the improvement and accomplishment of this thesis.

Thank You So Much!

Kristi Tootmaa  Krystyna Samusenko  &  Mariam Malende
# Table of content

1 **Introduction** ........................................................................................................... 1  
   1.1 Background ........................................................................................................ 1  
   1.2 Customer Satisfaction in the Swedish Banking Sector .................................. 2  
   1.3 Problem Formulation ...................................................................................... 3  
   1.4 Purpose ............................................................................................................. 5  
   1.5 Research Question ........................................................................................... 5  

2 **Literature Review** .................................................................................................. 6  
   2.1 B2B and B2C .................................................................................................... 6  
   2.2 Relationship Development in Banking ......................................................... 8  
   2.3 Relationship Marketing in Banking ............................................................... 11  
   2.4 Customer Relationship Stages ....................................................................... 12  
   2.5 CRM Building Blocks ................................................................................... 14  

3 **Theoretical Framework** ....................................................................................... 16  
   3.1 An Interaction Model for Consumer-Retailer Relationships ....................... 16  

4 **Method** .................................................................................................................. 20  
   4.1 Choice of Method ............................................................................................. 20  
   4.1.1 Deductive Reasoning .................................................................................. 20  
   4.1.2 Case Study .................................................................................................. 20  
   4.1.3 Qualitative Research .................................................................................. 21  
   4.1.4 Primary Data ............................................................................................... 22  
   4.1.5 Secondary Data ........................................................................................... 24  
   4.2 Operationalization of the Interaction Model .................................................. 24  
   4.3 Reliability and Validity .................................................................................... 26  
   4.4 Limitations ....................................................................................................... 27  

5 **Empirical Findings** ............................................................................................... 28  
   5.1 Company Description ..................................................................................... 28  
   5.2 Findings ............................................................................................................ 29  

6 **Discussion** ............................................................................................................ 35  

7 **Conclusion** .......................................................................................................... 40  

8 **Recommendations** ............................................................................................ 42  
   8.1 Practical Implications ....................................................................................... 42
List of figures and tables

Figure 1 An interaction model (own illustration) ................................................................. 18

Table 1 Interview process (own illustration) ............................................................................ 23
Table 2 Interview process questions (own illustration) ............................................................ 25
GLOSSARY

CRM - Customer Relationship Management (CRM) is a concept that can be explained by two narrow perspectives. Firstly, CRM is used as a database marketing tool emphasizing the promotional aspects of marketing, linked to database efforts (Bickert, 1992). Secondly, CRM is utilized for seeking customer retention by using a variety of marketing tactics that lead to customer bonding or staying in touch with the customer even after a sale is made (cited in Parvatiyar and Sheth, 2001).

CRM Strategy - CRM strategy is an ongoing process of identifying and creating new value with individual customers, and sharing the benefits over a lifetime period. It involves the understanding and managing of continuing collaborations between suppliers and selected customers for mutual value creation and sharing (Gordon, 2001).

Customers and consumers - One has to be careful not to confuse the words customer and consumer. A customer is a person or an organization entity that purchases the product, namely they obtain it and pay for it. A consumer is an individual who uses or consumes the product or service (Parasuraman and Grewal, 2000).

CVM - Customer value management (CVM) is managing each customer relationship with the goal of achieving maximum lifetime profit from the entire customer base. CVM enables companies to take full advantage of the economics of loyalty by increasing retention, reducing risk, and amortizing acquisition costs over a longer and more profitable period of engagement (Pease, 2001).
1 Introduction

This section of the paper gives the reader a short introduction into the topic, followed by the company description, discussion of customer satisfaction in the Swedish banking sector. Finally the problem formulation, the purpose and the research question.

1.1 Background
Due to the recent changes in the business environment, that is to say; increasing customer turnover, decreasing brand loyalty and lowering of profitability, companies in all industries have come to realize that having relationships with customers is one of the most important assets to possess. As a result, they are shifting from product-centric and brand-centric marketing approaches to a customer-centric approach (Tetteh, 2008). In support of the above, three years before Tetteh's observation, Fitzgibbon and White (2005) in their article stated that in the recent years the management approach has changed from only focusing on attracting new customers to knowing how important it is to retain existing customers and the need to develop loyalty in these customers. Since customers have different needs and are engaged in different transactions, companies have faced and still face challenges managing relationships with them. To eliminate these challenges, most companies, if not all, are now engaging actively in CRM (Tetteh, 2008).

The CRM concept involves the use of people, technology, processes, tools and activities aimed at increasing customer retention and a company's profitability (Tetteh, 2008). According to Kerr and Anderson (2001) CRM is a comprehensive approach for creating, keeping and expanding customer relationships and according to Greenberg (2004), it is philosophy and a business strategy supported by a system and technology designed to improve human interaction in a business environment. Another goal of CRM besides improving interaction between the customers or consumers and providers is to handle the marketing and sales processes through providing the right information on customers' preferences and wishes (King and Burgess, 2008).
Financial service companies are said to be amongst the early adopters of CRM systems (Peppard, 2000). Before adopting the CRM systems, banks used to build close relationships with their customers through providing customized services, something that was costly, time-consuming and inefficient. Now, with the implementation of CRM systems and the developed information and communication technology companies, including banks, can provide all customers with customized services at lower prices (Gupta and Shukla, 2002). According to Lin, et al. (2009), banking, out of all industries, has the richest customer databases consisting of information on transactions, balances and call center records. Having access to a lot of information on customers has helped banks in developing new products and services. Today, banks are no longer gatekeepers but gateways to financial products (Kalakota and Whinston, 1997). In the old model, as gatekeepers banks acted as agents that limited themselves to customer related choices but in the new gateway model, they act as flexible agents with wide variety of products such as insurance, investment, housing, entertainment and many more (cited in Peppard, 2000).

Similarly to other banks in the industry, Swedbank, the case study in this thesis, has an extensive customer database. The bank collects this information on customers through CRM systems and uses it to customize offerings and to develop new products and services.

1.2 Customer Satisfaction in the Swedish Banking Sector

The majority of large banks in Sweden are experiencing low satisfaction rates from their consumers, and one of the affected banks is Swedbank. Recently Swedbank has made cut-downs in the personnel department, which is assumed to increase consumer dissatisfaction even more (SvD, 2014). Due to high technological development, the banking sector has become relatively low intensive in customer encounters. Progressively consumers are using mobile phone applications or internet banking, which has resulted in a decline in the consumer perception of banking due to the decreasing personal interactions (SvD, 2014). Additionally, according to Svenskt Kvalitetsindex (2013) consumers are also dissatisfied with the removal of cash handling at Swedbank and other banks’ offices in Sweden. In 2014, Swedbank had one of the lowest ratings in consumer satisfaction with only 64% of private customers fully satisfied. This number is a lower score than a year before when Swedbank had 65.2% of their customer base satisfied (WW Sparbank, 2014). However, Swedbank’s competitors are experiencing a similar tendency in customer satisfaction and loyalty, with the exception of Handelsbanken (Svenskt Kvalitetsindex, 2013).
Handelsbanken is one of the biggest banks in the Nordic countries and was founded in 1871. According to the Handelsbanken’s official website the bank has had the highest level of customer satisfaction since the survey started in 1989. Their philosophy is to keep the structure of the organization decentralized and to keep the customer in focus and not individual products (Handelsbanken, n.d.) As reported by Svenskt Kvalitetsindex in 2013, Handelsbanken had the most satisfied customers amongst the large banks in Sweden.

Another competitor is Nordea with its banking history reaching back to 1820. On their official website Nordea claims that their focus is on customer experience, “we think and act with the customer in mind”. Interestingly, Nordea’s clients have distinctly lowered their confidence in a relationship with Nordea over the course of 2 years. If Nordea does not improve on their customer relationship, the bank will be heading to having unsatisfied customers, which is unusual in the banking industry, as it is revealed by Svenskt Kvalitetsindex.

Next is presented SEB, a bank which was founded in 1856. “The bank has been characterized by his innovative thinking and commitment to society ever since”, states SEB (n.d.). It is also described that their goal is to build long-term relationships with its customers. In 2014 SEB managed to increase consumer satisfaction, from 66.2% to 69.6% (Westra Wermlands Sparbank, 2014).

Svenskt Kvalitetsindex (2013) claims that the banking sector keeps getting criticized by its customers. In 2013, a decrease in private and corporate customer satisfaction was observed, where only 3 out of 10 of customers had confidence in the banking industry.

1.3 Problem Formulation
In the past, merchants knew their customers by obtaining information about the members of their households, what they typically purchased and their possible future purchases. This kind of information made managing customer relationships considerably easier but also benefitted merchants by creating highly effective customer relationships. However, when people became more mobile, cities started to grow at a fast pace and companies became larger, maintaining a close relationships with customers converted to much less close and personal. Nowadays a
number of large companies are making vast efforts in order to attain that vital knowledge about their customers again (Goodhue, et al., 2002). According to Goodhue, et al. (2002) recent studies reveal that movement to customer relationship management (CRM) is gaining momentum.

Diverse industries have different principles when it comes to customer interaction and therefore have different understanding, requirements and ways of implementation of CRM. Thus, there is not a fixed CRM system that is suitable to be implemented for every business branch (Goodhue, et al., 2002). Berry (2002) emphasizes that for companies approaching new consumers can be wasteful because it possibly may require increase in costs in order to acquire new customers rather than building up current relations. Berry adds that it is difficult to find new customers but it is just as challenging to keep existing ones. “Organizations need a right mix of innovative information technology, effective business processes, better data management and new workforce initiatives” since these objectives are dedicated to a single ultimate aim that is to make consumers pleased. Fundamentally customers are the indispensable component to keep a business running (Nguyen, et al., 2007).

In the recent years, several banks across the world have been facing increasing levels of retail customer dissatisfaction, therefore research proposes that dissatisfaction is the main motive why consumers switch banks (McDonald and Rundle-Thiele, 2008). In Sweden banks are receiving the lowest ratings in 10 years from their customers. In 2012, the biggest banks in Sweden were the ones that experienced the most customer dissatisfaction, and ratings are continuing to drop (SvD, 2013). According to Kvalitetsindex (2013), only 3 customers out of 10 felt great trust for the banking sector. It is clear that banks need to find the best suitable strategy in order to earn their customers’ trust again. Researchers have found a strong positive correlation between trust and relationship commitment (Mukherjee and Nath, 2007). The necessity of gaining trust has consequently led to a growing interest in customer retention which has demonstrated positive financial profits for organizations. Since relationships work both ways between two or more parties, it is obvious that also consumers gain from close relationships. For instance physiological benefits such as familiarity, personal recognition, predicted and supported friendships etc. and financial benefits via discounts and personalized offers provided by an organization (Colgate and Danaher, 2000). Based on one of the biggest banks in Sweden, Swedbank, the authors are interested in studying how relationships develop between Swedbank and its consumers.
1.4  **Purpose**
The purpose of this study is to obtain a deeper understanding of how Swedbank utilizes Customer Relationship Management in order to develop relationships with its consumers.

1.5  **Research Question**

*How does Swedbank utilize its CRM operations in order to develop relationships with its consumers?*
2 Literature Review

The following section of this thesis includes relevant theories and literature on the research topic.

2.1 B2B and B2C

Businesses market their goods and services either to other businesses or to consumers. In business to business (B2B), relationships are always developed and kept between the seller and the buyer and the sales and decision making processes are more complicated in comparison to business to consumers (B2C) (Rosehill, n.d.). However, developing customer relationships is of great importance in both business-to-business and business-to-customer (Grönroos, 1997; Hunt, 1997; Safari, 2014).

According to Henning-Thurau, et al. (2002) relationship satisfaction, commitment and trust are connected and directly affect the loyalty of a customer in B2B relationships. Successful business relationships positively influence customer satisfaction and increase the firm’s performance. If a buyer is satisfied with all aspects of the seller’s performance, it can lead to loyalty and repeated purchasing behavior. Relationship commitment in business context can be viewed as a desire of partners to invest maximum efforts in relationships when they are valuable enough for both sides. It helps to decrease customer turnover which leads to higher retention levels and motivation. Commitment is an integral part of long-term loyalty to a brand because it strongly influences the decision to repurchase from a brand and to resist competitors’ offers. Trust is an essential component of relationship commitment (Paparoidamis, 2007) and according to Doney, et al. (2007), buyers try to reduce risks in service purchases through choosing service providers that they can trust and believe to be capable of showing an interest in the well-being of the buyer. Confidence and reliability on each other in relational exchange are required when trust is taken into focus. Parties expect positive and beneficial outcome of the relationships. Higher level of customer satisfaction leads to higher level of trust and commitment in B2B market (Paparoidamis, 2007).

Researchers such as Iacobucci and Hibbard (1999) explored that B2C relationships are mostly based on technological interactions between a client and a firm; and trust and commitment depend mostly on their interdependence. On the other hand, O’Malley and Tynan (2000),
consider the roles of trust and commitment overly exaggerated in consumer relational exchange and even hypothesized that “opportunity to develop B2C relationships is only feasible for high involvement products characterized by inelastic demand where regular interactions with consumers occurs”. This emphasizes that exchanges in B2C are more transactional.

According to BusinessDictionary (2015), transactional exchange is a strategy used in business to maximize a business's sales efficiency through boosting the volume of individual sales rather than developing ongoing relationships with consumers. It is of a short-term nature with no commitment between the parties involved beyond the small interaction (Sheth and Shah, 2003). Relationship exchanges on the other hand, are all marketing activities aimed at establishing, building and retaining successful relational exchanges (Morgan and Hunt, 1994) and Berry (1983) defines relational exchange as a concept of attracting, maintaining, and in multi-service organizations enhancing customer relationships. Although relationship marketing plays a big role in retaining customers, its advocates understand that not all the relationships are of importance to the providers, and sometimes it is better to handle some exchanges as transactional exchanges (Gummesson, 1995; Hunt, 1997).

Many studies have been conducted in order to understand whether the B2B relationship marketing constructs are applicable in business-to-consumer (B2C) interchanges (Sorce and Edwards, 2004). Due to the differences in the nature of B2B relationships (relational) and B2C relationships (transactional), there are still many disagreements on this issue.

Leahy (2011) states that consumer databases are not used only for developing customer relationships through exchange of information but they are also used for promotion towards clients. Due to limited in-person interaction between organizations and customers there is a lack of trust and commitment in the consumer market compared to the business market.

Röndell (2012) states that technological progress in collecting customer data helps to adopt retailers’ products and services according to the customer needs, thus making customers co-creators and active participants in the B2C relationships.

As the consumers’ level of commitment is not high they can easily change partners if they consider the competitor to be more beneficial in terms of prices or having better solutions. In
industrial market, switching of exchange partners is hindered by long-term heavy investments in relationships (Safari, 2014).

2.2 Relationship Development in Banking

The modern banking system is under fierce competition due to high selectivity among customers. To retain customers and to achieve their loyalty are becoming more and more complicated. Customers are less brand loyal and are choosing more than one bank for serving their needs (Sandor, 2014). Banks have changed their marketing strategies dramatically from mass targeting to one-to-one marketing. They are building strong relationships with customers in order to retain them instead of just maximizing profits and minimizing costs. That is why it is so important to define profitable customers, target them and offer personalized high quality service and products (Lindgreen and Antioco, 2005).

Banks are forced to change their perception of the service from product-oriented to customer-oriented. They are improving their performance and providing high quality service in order to succeed in maintaining and developing customer relation (Spinosa and Hobday, 2012). Promotions and advertising only are not enough for a stable position in the market. The structure of the market should be deeply investigated and long-term relationships built. Low prices, aggressive promotions and hi-tech technologies will not have the same strong effect as relationships have. Variations in the market environment can rapidly change prices and technologies, “but close relationships with loyal customers can last a lifetime” states Zineldin (2000, 2005).

The benefits from long-term retailer-consumer relationships are very obvious for both involved parties: the bank and the consumers. Banks can adopt their goods and services range accordingly to their private customers and reduce operating costs. In return customers feel safe, comfortable and familiar with the bank and all economic merits that they can get. (Gwinner, et al., 1998). In order to achieve the above benefits, banks are using different business strategies and Customer Relationship Management (CRM) is one of them.

CRM, also referred to as Relationship Marketing, is a term used to reflect a variety of themes and perspectives, some of which offer a narrow functional marketing perspective while others offer a broader perspective that is paradigmatic in approach and orientation (Nevin, 1995). In a
narrow perspective, Bickert (1992) defines customer relationship management as database marketing emphasizing the promotional aspects of marketing linked to database efforts, and Parvatiyar and Sheth (2001) reported CRM as seeking customer retention by using a variety of after marketing tactics that lead to customer bonding or staying in touch with the customer even after a sale is made.

In a broader perspective, CRM is a philosophy or strategic orientation on keeping existing customers; “Relationship Management is a philosophy of doing business, a strategic orientation, that focuses on keeping and improving relationships with current customers rather than on acquiring new customers” (Wilson, et al., 2012).

Customer relationship management is a concept with countless different views but what all these views agree on is that it is a strategy for attaining customers and turning them into loyal customers to increase profitability and on that note, this study defines CRM as a marketing strategy aimed at acquiring, improving and retaining closer relationships with customers for the purpose of turning them into loyal customers so as to increase profitability.

CRM for banks is a marketing strategy that helps them to concentrate on the profitable customers through discriminated segmentation and to have a commercial approach focused not only on the product, but also on the customer. In addition, it assists in making decisions whether to standardize or adapt services and to organize distribution channels (Lindgreen and Antioco, 2005).

Well-implemented banking CRM helps to build brand value, to create relationship-building intangibles, to form the attitude of employees oriented on exploring and satisfying the needs of the customers. Employees ought to provide customized services and process individually and accordingly to customer requirements (Gupta and Shukla, 2002).

Banks should present their services and products through multiple channels that are easily accessible. Especially as the e-branch has been significantly developed and e-banking has become very popular among banks and their customers. More and more customers are accessing their accounts and perform all financial operations with the help of mobile phone, home computer or any other electronic device. Some people do not feel the need to visit physical
offices since they can carry out their day-to-day banking digitally. With the help of banking CRM system, banks can introduce and promote their new services individually to different customers based on their electronic profiles and target the right customer with the appropriate service (Rathod, 2012; Bangs, 2013).

The essential step in CRM is the creation of real-time database in order to identify customers. The clients contact customer support and sale services of the bank through multiple channels: agencies, call centers, home banking (online), self-service banking (in the offices) and so forth. Interaction with customers is a valuable asset and should be transparent for the “back office” to improve peripheral and marketing services. With the help of IT and such customer databases, consumers can be segmented based on their past behavior and activities, which allows the bank to offer them efficiently and effectively, predict their possible future needs, thus satisfy them which leads to retention. Also “fit-to-situation” products are created based on diverse information, for instance on loans or investments which are connected to the lives of the clients (Lindgreen and Antioco, 2005).

Customer retention requires banks to have constant open dialogue with their consumers. Special programs for processing complaints, investigation and analysis of customer satisfaction data and active solicitation are necessary for long-term strategic relationships (Zineldin, 2006).

Zineldin (2006) presented strategies for customer retention which are concentrated mostly on profitable customers, thus the organization orients marketing strategies towards them. As customer satisfaction leads to higher retention, failures and all changes to other banks should be analyzed. Also internal marketing and front-line employees’ performance plays a significant role in customer retention as they are the faces of the company, which offers the goods and services. In order to have a successful CRM strategy a lot of issues should be considered. One of them is complaint management which helps to process complaints. An adequate solution of a problem gives a second chance to satisfy a customer. According to the statistics 95% of complainers will not leave the company if they were satisfied with the solution of their complaint (ibid).

Also customer value management (CVM) plays an important role in organizations. Not all satisfied customers are loyal customers, and there is no guarantee that they will not turn to the
competitors in the future. CVM helps to provide higher value of the perceived service or product for the customer than competitors have (Zineldin, 2006).

All banks face some challenges during the work process, however some CRM functions may help them to combat the challenges. These may include:

- **Evolving Customer Profiles.** With the aid of CRM, a content of web landing pages and site visitors is highly informative and updated as well as customer electronic profiles. It helps to add value to the brand and persuade customers to be more brand loyal, as they are provided with all necessary, new and appropriate data.

- **Connecting the Dots.** CRM helps to get the clear overview of the customer interaction and adopt and target service-all marketing initiatives and pricing strategies.

- **Responding Appropriately.** CRM-based customer service provides customers with accurate and quick answers. Also it helps managers and front-line employees to take decisions, which leads to excellent customer value and retention (Sandor, 2014).

However, banks should not rely only on a CRM software because the CRM phenomenon is broader than that. Every employee’s commitment is a crucial part of the whole strategy (Bangs, 2013).

According to the statistics expenditure for applying of CRM in banking industry grows every year by 14% (Rathod, 2012). It means that bankers have realized the necessity and benefits of implementing this kind of business strategy and further development of CRM is very important.

### 2.3 Relationship Marketing in Banking

Marketing today is not solely about producing, selling and delivering goods and services but also a growing focus on building and retaining mutually gaining and satisfying long-term relationships between actors (Buttle, 1996). The increased need to retain customers plays a big role in changing marketing from the old traditional exchange to value creation and relationship development (Gilbert and Choi, 2003). This new approach is being explored in consumer service marketing (Morgan and Hunt, 1994; Sheth and Parvatiyar, 1995) due to evidence indicating that retaining customers results in increased profitability (Blattberg and Deighton, 1996; Reichheld and Sasser, 1990).

According to Gilbert and Choi (2003), studies on relationship marketing in connection with banking go back to the early 1980s, but today, the concept is very common and important since
the banking sector is becoming more technical and electronic. According to Moriarty, et al. (1983), relationship banking has spread due to the acceptance that a bank can increase its revenues by maximizing the profitability of the whole customer relationship for a long-term rather than concentrating on earning profits from a single transaction. For a bank, developing and retaining good relationships with customers, reduces chances of customer defection and this results in achieving competitive advantage (Gilbert and Choi, 2003). This can be said to be the reason as to why almost all major retail financial institutions have adopted some kind of customer care program (Christopher, et al., 1991).

However, although relationship marketing is a familiar concept and most institutions understand its potential, there is also evidence indicating that there are problems in implementing it (Gilbert and Choi, 2003) and So and Speece (2000) noted that people from different countries put emphasis on different tools and aspects in carrying out business and this ends up affecting the implementation of the whole concept.

2.4 Customer Relationship Stages
Relationships between customers and providers (sellers) always move in stages and according to Wilson, et al. (2012), these relationships are similar to any other social relationships and they tend to evolve over time. It has been suggested by a number of scholars that relationships between providers and customers normally have the ability to change from being strangers to acquaintances to friends and from there to partners (Johnson and Selnes, 2004), and they include the following.

Customers as strangers
Wilson, et al. (2012) define customers as strangers as those individuals who are not aware of the provider and may perhaps have not yet made any transactions or even have not had any interactions with a provider or firm. At this stage, no relationship exists between such customers and the provider but to change this situation, the provider can make the first move and contact these customers, make them familiar with the firm's offerings and encourage them to give the firm a chance (ibid).

Customers as Acquaintances
This is the stage that customer-provider relationships move to once the customers change from being strangers to being acquainted with the firm and its offerings. “Once the customer
awareness and trial are achieved, familiarity is established and the customer and the firm become acquaintances, creating the basis for an exchange relationship” (Wilson, et al., 2012). This stage can be effective in leading to better relationships if the provider's offerings manage to satisfy the customers. Repetitive interactions at this stage can assist customers to get experience, familiarity and reduce their uncertainties in the offerings of a firm, and they can also help a firm to get more knowledge on the customers in terms of how well to market and sell to those customers (ibid).

Customers as Friends
The more the customers and the firm keep interacting and making exchanges, the more the firm gains important knowledge on the customers, and with this knowledge the firm can produce customized offerings for the customers. These uniquely differentiated valuable offerings can result in a change from acquaintanceship to friendship (Wilson, et al., 2012). According to Morgan and Hunt (1994), transitioning from being acquaintances to friends requires a lot of trust development especially in service exchange relationships. This simply means that for the customers to turn into “friends” of the provider and give away their personal information, they need to first feel that they can trust the provider. This trust results from the provider keeping promises to the customers. When firms reach this stage with customers, they move most of their focus to customer retention, to reducing customer defection (Wilson, et al, 2012), and through satisfying these customer, as means of retaining them, the customers start to appreciate the firm and its offerings more and hence leading to continued transactions.

Customers as Partners
Customers’ trust in a firm normally grows deeper as interactions and transactions between them continue and as a result of this, the firm in most cases starts to provide these customers special treatments and customized offerings (Wilson, et al., 2012). According to Siredeshmukh, et al. (2012), the creation of trust results in the development of something that is a necessary condition for customers to extend the time perspective of the relationship, “commitment”. With deep trust and commitment in place, the need by customers to solve problems through the traditional way of finding a better alternative reduces. Therefore, in order to change the relationship to partners, the firm should get knowledge on customers and use it together with information systems so as to deliver highly personalized and customized offerings (Wilson, et al., 2012).
2.5 **CRM Building Blocks**

CRM is a business strategy that increases profitability, revenue and customer satisfaction by adopting behavior in order to satisfy customers and implementing customer-centric processes (Alvarez, 2013). Successfully executing CRM is not an easy task to carry out. Therefore, many companies have failed implementing it, simply due to their inability to see the “big picture” (Radcliffe, 2001), and not truly understanding all the changes and support systems CRM requires. Thus, following a study on several organizations in 2002, Gartner managed to create a framework, which can be referred to as the *eight building blocks of CRM* in an effort to help organizations to eliminate these obstacles. The framework acts as a tool for educating members of an organization on how to develop a CRM vision and strategy, assessing CRM capabilities and analyzing organizational CRM positions and future strategies (Thompson, 2007).

**CRM Vision.** With CRM vision the picture of customer-oriented company is created. CRM vision includes valuable offers to targeted customers and experience of interaction with them. It creates a corporate organizational and employee culture (Alvarez, 2013) that is aimed at realizing the benefits of CRM among employees. For an enterprise to stand out from competitors it is important to provide customers with attractive propositions which create values. The board of directors plays an important role in the implementation of CRM, even if they do not participate in day-to-day process. It is very important to be an inspirational leader which can present CRM and show the essential meaning of it (Thompson, 2007).

**CRM Strategy.** A customer database is one of the most important parts of CRM. Creating and analyzing of this database is one of the main goals of the CRM strategy which is interconnected with marketing strategy. Such connection of two strategies helps to improve customer loyalty which leads to increased profitability. CRM strategy includes:

- Segmenting customers
- Setting customer objectives (retention and acquisition)
- Customization through channels of communication, price offers, product and customer and service management
- Measuring the results of the strategy (customer satisfaction level, loyalty)

**Valued Customer Experience.** There are minimum two sides in all relationships, and values for both of them should be considered in order to get the right and clear picture of this mutual connection. Interactions with customers and their feedback helps to adapt products and services
according to customer needs in order to make them feel comfortable with the company which leads to customer loyalty. Positive customer experience is very important for the customer’s perception of the company, and it is always necessary to exceed customer expectation. Also, their customers need to be educated in terms of all developments and offers, and satisfaction level should be measured constantly.

**Organizational Collaboration.** An organization cannot rely simply on CRM techniques in order to become a customer-centered company. The changes should start on the personal level of employees, therefore, the culture of the organization and the perception of the serving should be interwoven with understanding of CRM.

**CRM Processes.** Customer serving craves a lot of different processes to be performed. Not all of them are at the same importance level, but they must deliver great customer value. Therefore, in order to achieve positive customer experience it is necessary to re-engineer and rethink business processes to make them customer-centric.

**CRM Information.** The core of CRM is customer database that contains as much information and customer data as possible. Also, it should be constantly updated in order to have current information and it should be accessible throughout the whole organization. The approach to information use should be strategic and data should be used purposefully to support analytical and operational processes.

**CRM Technology.** As it has already been mentioned, CRM is not just about technology, but the technical side is also an integral part. In this block integration is a key of the IT part. Order in underlying hardware, software, telephony and networking infrastructure must be kept.

**CRM Metrics.** In order to know whether a strategy is successful, it is necessary to measure the results. The objectives of CRM and monitor indicators should be as close to customer-centric as possible. Also, metrics are used for getting feedback, which helps to improve and develop CRM strategy and tactics (Thompson, 2007).
3 Theoretical Framework

In this chapter the authors are presenting the model which is essential for developing consumer-retailer relationships.

3.1 An Interaction Model for Consumer-Retailer Relationships

Industrial marketing research has received much attention by researchers who are using business network theory. It is assumed that industrial companies are surrounded by a network of relationships, and due to the interdependency the firms have been able to build long-term connections (Hadjikhani and Bengtson, 2006b). However, when it comes to the consumer markets the researchers have over the years mainly relied on economic theory and dedicated their focus on the variables of the marketing mix perspective, assuming that consumers are passive while sellers are active. Hadjikhani and Bengtson (2006b) explain that essentially both industrial and consumer businesses are dependent on each other because of belonging to one market. The reason for it is that manufactured products are sold by firms and fundamentally aimed towards consumers. Whereas industrial marketing studies frequently highlight the combination of both suppliers’ and customers’ characteristics, consumer relationship marketing neglects this critical trait (Hadjikhani and Bengtson, 2006a).

Consistent with its increasing influence, relationship marketing has also extended beyond its original conceptualization as firm’s efforts to attract, maintain, and enhance relationships with its customers (Berry, 1997). “The presence of relationship commitment and trust is central to successful relationship marketing” state Morgan and Hunt (1994). “Increasing competition and decreasing customer loyalty have led to the emergence of concepts that focus on the nurturing of customer relationships”. Therefore building relationships with consumers is necessary in order to serve each customer in his or her preferred way (Gebert, et al, 2003). Hadjikhani and Bengtson (2006b) add that consumer-retailer relationships consist of four interrelated aspects, which include commitment and trust. They also complement the previous elements with knowledge, as a result all three elements contribute to interdependency between two or more parties, which is the fourth interrelated aspect needed for the existence of a relationship.

1. Knowledge

Knowledge is something a retailer obtains through organizational resources. This is done in an effort to manage information by developing various functional units to integrate and interrelate
patterns of knowledge and activities. Unlike retailers, the consumer’s knowledge is based on a broad range of exchanges, this knowledge is implicit and informal, based on perceptions. Most of the information is built on a few particular products or services, while the most of their relationships are established by general knowledge (Hadijkhani and Bengtson, 2006b). Additionally, Berry (2002) adds that “good service is necessary to retain the relationship. Good selling is necessary to enhance it”.

2. Trust
An additional aspect in the consumer-retailer relationship is mutuality (Hadijkhani and Bengtson, 2006b). Mutuality is about trust which is another crucial ingredient for a successful relationship. Trust can be defined as a consumer’s willingness to count on reliability in an exchange partner whom one has confidence in (Garbarino and Johnson, 1999). Often front-line employee evaluations are based on observations in terms of demonstrated behaviors that are evident during the service encounter, whereas perceptions of management are based on the management and policies governing the exchange (Sirdeshmukh, et al., 2002). However, trust goes both ways, namely to receive trust of the customer the service provider has to trust in return as well (Hobday and Spinosa, 2012). Essentially each partner “uses resources and conducts activities in order to enhance its own interest. The driving force for the actors, no matter if they are consumers or firms, is what they gain”. Therefore actors in consumer business relationships form an idea of the mutuality of the relationships through exchanged values in the interactions (Hadijkhani and Bengtson, 2006b). These values are profoundly core and side values. Core values refer to a product’s fundamental indications such as functional value, product’s quality to name a few. Additionally, “consumers can evaluate the exchange of products not only for the functional values, but also for the side values”, namely service provided before, during and after an exchange (Hadijkhani and Bengtson, 2006a, 2006b).

3. Commitment
Relationship commitment has in recent times appeared in marketing distributed literature as a critically significant component for channel existence and performance. It is apparent that high degree of commitment reduces the likelihood of consumers leaving an organization, therefore commitment is a vital component for a successful relationship marketing and has initiated research on the contributing factors with respect to developing, maintaining and increasing commitment (Geyskens, et al., 1996). However, commitment behavior can be built by both partners – retailers and consumers. “Consequently, managers should be aware of the manner in
which their employees are committed to the organization and attempt to foster affective commitment in their employees” (Coleman, et al., 1999). Retailers may for instance invest in sales and management personnel and their training which defines retailer’s resource commitment aimed towards consumers. While consumers, on the other hand, can commit to retailers by being loyal but also by investing financial resources and time in their firm. Nonetheless, commitment behavior is accumulative, meaning that the consumers’ and retailers’ commitment is based on previous and future expectation (Hadijkhani and Bengtson, 2006b).

Figure 1. An interaction model (own illustration). The arrows in the model represent the relationships and the effect of these three elements on each other. In a relationship both actors need to first obtain knowledge, which helps to create trust that eventually leads to commitment and vice versa. If either of the aspects is weak, it influences all the other links too.

Commitment, knowledge and trust are all prerequisites for interdependence among actors. Furthermore Hinde (1979) states that in order for a relationship to occur between a consumer and a retailer, both parties, have to experience interdependence. In other words, the parties need to continuously affect, define and also refine the existing relationship. The interdependence is decided by the degree of commitment and trust in the relationship between the retailer and the consumer. Meaning that a high degree of commitment and trust leads to strong and high interdependence, necessary for a long-term exchange relationship. However, a low degree of commitment and trust consequently shapes interdependency which in this case could be weak/low and offers a transactional short-term exchange (Hadijkhani and Bengtson, 2004, 2006b). A consumer’s willingness to stay in a relationship may also be based on his or her
personal characteristics, for instance connecting factors to eliminate future risk or possessing high experience and knowledge. From the retailers’ point of view, they may allocate more resources to strengthen their relationships with consumers, for example, producing new products, products that are adapted to the customers’ needs. Furthermore, also personalization efforts are effective for generating trust in order to strengthen interdependency (Hadjikhani and Bengtson, 2006b).

In conclusion, the purpose of a consumer-retailer relationship is explained by three interrelated basics – commitment behavior, knowledge, trust, which lead to interdependency. It explains how the partners need to obtain these elements in order to build and to continue the relationship. These three elements (knowledge, trust, commitment) and interdependence are later on discussed and connected to gathered information provided by Swedbank.
4 Method

This chapter gives the reader an overview of the methods used in this study, each method is explained and reasoned. Additionally, the authors discuss the development process, credibility and the limitations of this study.

When one is designing a project it is necessary to make some general decisions about the research methods that will be used. “The selection of an appropriate research method is critical to the success of any research project, and must be driven by the research question and the state of knowledge in the area being studied” (Moody, 2002).

4.1 Choice of Method

4.1.1 Deductive Reasoning

Often dissertation authors claim to be following either an inductive or a deductive method, however most researchers use both (Fisher, 2010). It has been largely acknowledged that deduction is reasoning from general principles and evidences to new facts, and “induction is reasoning from facts to general principles” (Montgomery and Drake, 1990). Deductive reasoning is a method of obtaining knowledge through deductive arguments that attempt to illustrate that a conclusion certainly follows from a set of premises or hypotheses (Smith, 2011). The authors chose applicable theories and models from different literatures to construct a relevant literature review. Afterwards the theoretical framework, the interaction model, was used as a benchmark to guide the authors to obtain relevant empirical data and analyze the findings in a well-defined and systematic way. After the data collection process, the authors had a possibility to investigate how Swedbank uses its CRM program for consumer relationship development. Therefore deductive reasoning is used in this study.

4.1.2 Case Study

“Case study investigates a contemporary phenomenon (the “case”) in its real-world context”, specifically when the restrictions between phenomenon and context may not be entirely apparent (Yin, 2014). In this thesis, the authors utilize case study as a potential strategy to describe how Swedbank develops relationships with its consumers. It is further explained that “doing case study research would be preferred method compared to others in a situation when the main research questions are “how” and “why” questions” (ibid). Case studies aim to investigate and explore existing real-life phenomenon through detailed appropriate analysis of
a limited number of events or circumstances, and their connections (Zainal, 2007). In essence, case study method allows the authors to thoroughly examine the collected data within a particular context. A case study method usually chooses a small geographical region or a limited number of individuals as the main subjects of study. Therefore, the case study fundamentally is a research strategy which emphasizes understanding the dynamics existing within single settings (Eisenhardt, 1989).

Case studies offer various advantages. Firstly, the data examination is often conducted within the setting of its use, particularly, within the situation in which activity occurs. Secondly, through detailed qualitative explanations often produced in case studies, do not solely aid to benefit to explore or define the data in real-life situation, but similarly help to describe the complexities of existing conditions which may not be obtained via experimental or survey research (Zainal, 2007).

Despite its undeniable advantages in the study of relationship development, case research poses multiple challenges for researchers. For instance, Yin (1984) explains that case studies often receive criticism for lacking of accuracy. Additionally, the problem of relationship complexity carries an issue, which may involve numerous actors and several links, direct and indirect, between them.

4.1.3 Qualitative Research
Commonly researchers use either one of these methods or both, that is to say qualitative and quantitative research. For the reason that this case study is concerning the service industry, the authors are making use of qualitative research which is the most applicable. The qualitative data is obtained by collecting primary and secondary data to define relationship development between a retailer and consumers.

Qualitative research is founded on and “grounded in descriptions of observations”, such descriptions could discourse to the ultimate question (LeCompte and Preissle, n.d.). Qualitative methods assist researchers to execute an in-depth investigation and to get abundant detailed data on a small-sized sample (Patton, 1991). Qualitative research by nature aims to commonly include focus groups, interviews, ethnography and case studies amongst others (Center for Teaching, Researching & Learning, n.d.). In other words qualitative research’s purpose is to
collect, analyze and interpret data by observing the answers given by people included in the surveys, interviews and so forth.

4.1.4 Primary Data
There is a great variety of means of how to carry out the primary research phase. Primary data is essentially data that is gathered for the particular research problem at hand, making use of procedures that are adequate for the research problem in the best possible way. Every time primary data is collected, new data is added to the prevailing accumulation of social knowledge (Hox and Boeije, 2005). Interviews, panels, questionnaires, observations, documentaries are the most commonly used methods to collect primary data (Fisher, 2010). In this study the authors derive the majority of primary data from interviews carried out with several Swedbank employees.

4.1.4.1. Interview
Interviews with company’s representatives refer to employing primary research which is a research that yields data that is merely accessible directly from an original source rather than from published sources (BusinessDictionary, n.d.).

The authors of this thesis utilize semi-structured interviews as the primary channel for data collection. Semi-structured interviews can be explained as “generally the interviewer has a schedule to remind them of the main issues and topics that need to be covered by the respondent”, clarifies Fisher (2010) and continues that an interviewee has much liberty to respond to the questions in a manner that seems sensible to them. Various people on different positions at Swedbank were interviewed. The positions included customer managers, front-line employees and an advisor. The reason for this choice was to receive a greater variety of perceptions with respect to CRM and developing relationships with consumers. In this given study, the authors have conducted online (e-mail) and in-person interviews, in total of five people are included in the data collection process.
<table>
<thead>
<tr>
<th>Interview type</th>
<th>Interviewee</th>
<th>Position or function</th>
<th>Date and time</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. In person</td>
<td>Björn Vikman</td>
<td>Swedbank Västerås, customer management</td>
<td>9\textsuperscript{th} of April, 2015. Time 14.00-14.55</td>
</tr>
<tr>
<td>2. Online</td>
<td>Liene Gasina</td>
<td>Swedbank Riga, customer experience unit</td>
<td>14\textsuperscript{th} of April, 2015</td>
</tr>
<tr>
<td>(e-mail)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. In person</td>
<td>Sofia Ljung</td>
<td>Swedbank Västerås, front-line employee</td>
<td>23\textsuperscript{rd} of April, 2015. Time 10.00-10.50.</td>
</tr>
<tr>
<td>4. In person</td>
<td>Cecilia Malmberg</td>
<td>Swedbank Västerås, customer advisor</td>
<td>23\textsuperscript{rd} of April, 2015. Time 10.00-10.50.</td>
</tr>
<tr>
<td>5. Online</td>
<td>Emelie Karlsson</td>
<td>Swedbank Västerås and Trosa, front-line</td>
<td>27\textsuperscript{th} of April, 2015</td>
</tr>
<tr>
<td>(e-mail)</td>
<td></td>
<td>employee</td>
<td></td>
</tr>
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</table>

Table 1. Interview process (own illustration)

All interview questions were constructed in advance while keeping in mind all relevant topics that are necessary to be covered. In-person interviews started with simple open-ended introduction questions concerning, for instance, employee’s name and position. This allowed the interviewees to get comfortable and set a light tone for the main interview. The key questions were generated to receive participant’s general ideas of CRM, and then followed by questions regarding the interaction model, by touching three main subjects – trust, commitment and knowledge. Sub-questions were asked if participant’s response to the initial question did not cover certain topics of interest.

Majority of participants were employed by Swedbank Sweden, however, one interview was received from Swedbank Latvia. The reason for it was that the initial goal of this study was to include both the Swedish and the Baltic markets. Unfortunately, only the Latvian Swedbank
kindly agreed to be involved. Nonetheless, Swedbank CRM strategy is standardized across home markets, which makes Latvian contribution applicable for this study.

4.1.5 **Secondary Data**

“Data that has previously been collected (primary data) that is utilized by a person other than the one who collected the data” (Investorwords, n.d.). Therefore secondary data consists of published data that has been gathered by another party, these are books, journals and the World Wide Web (Fisher, 2010). Secondary data is often used in situations where access to primary data is unavailable (Investorwords, n.d.).

Secondary data plays an important role in this study, meaning that the authors have extensively collected secondary data via books but mainly through Internet, such as online articles, dictionaries and various studies. This approach benefits the authors by consuming less time because the previous research and articles are done by a second party. Google search engine offered a great help for finding relevant sources in order to fulfill the objective. The main keywords were used keeping in mind the purpose of this study, for instance CRM, relationship development, consumer-retailer interaction and so forth.

4.2 **Operationalization of the Interaction Model.**

The initial step of starting the research project was to find and agree on a topic or phenomenon to study. After hours of debating and taking some of Fisher's (2007) criteria of appropriate thesis topics into consideration (*interest and relevance, durability, breadth of research question, topic adequacy, access, micro-politics, risk and security, resources*), it was unanimously agreed by the authors that Customer Relationship Management (CRM), specifically in banking, was the most intriguing subject of all the choices. The authors felt great interest in relationship management, which is commonly used, specifically in the service sector. Therefore, finding a phenomenon to study came easily.

With a topic and an area of concentration (banking), the authors moved on to the second most important decision of the research project and that was: choosing the case study company. However, the decision process enrolled rather quickly. The reason for it is that one of the author’s had a contact person at Swedbank, who made it possible to get in touch with the customer manager of Swedbank Västerås, who later on made it feasible to interview his employees. Nonetheless, the authors were determined that more interview participants were
needed. Therefore, all Swedbank home market main offices were asked to contribute to this study. In a result a Latvian Swedbank representative was interested to share her perspective of CRM. Access to people with the relevant information in terms of answering the research question plays a vital role in successfully concluding a research project (Fisher, 2007).

The next step of the project was to prepare for the research process and it was decided that qualitative research and deductive approach are the most suitable methods. Besides using secondary data, the authors decided to get access to primary data by interviewing number of Swedbank employees. The interview questions were developed bearing in mind the theoretical framework and the research topic: how does Swedbank utilizes its CRM operations in order to develop relationship with its consumers. Furthermore, how can the interaction model help in relationship develop between a retailer and consumer? The interaction model includes three main aspects of a relationship – trust, commitment and knowledge.

<table>
<thead>
<tr>
<th>The operationalization questions</th>
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<tbody>
<tr>
<td><strong>CRM in general and in Swedbank</strong></td>
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<tr>
<td>• How does Swedbank define the concept behind Customer Relationship Management?</td>
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<tr>
<td>• How does Swedbank view customer relationship – which is more important acquiring new customers or keep the existing ones?</td>
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<tr>
<td>• What was the purpose of implementing CRM?</td>
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<tr>
<td>• How does CRM differ between online and offline customers?</td>
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<tr>
<td><strong>Knowledge</strong></td>
</tr>
<tr>
<td>• How does Swedbank obtain knowledge about their customers?</td>
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<tr>
<td>• Does Swedbank use a CRM software for collecting and retaining consumer data?</td>
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<tr>
<td>• How do you exchange knowledge with your consumers?</td>
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<tr>
<td>• Do you welcome complaints and how do you handle them?</td>
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<tr>
<td><strong>Commitment</strong></td>
</tr>
<tr>
<td>• How does Swedbank express commitment to their consumer?</td>
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<tr>
<td>• How does Swedbank distinguish from its competitors?</td>
</tr>
<tr>
<td><strong>Trust</strong></td>
</tr>
<tr>
<td>• How do you create trust?</td>
</tr>
<tr>
<td>• In your opinion, is Swedbank trusted by its consumers?</td>
</tr>
<tr>
<td>• Do you always put your consumers’ needs first?</td>
</tr>
</tbody>
</table>

*Table 2. Interview questions (own illustration)*
The interviewed participants have different professional background, such as customer manager, advisor and front-line employee. However, due to lack of time and large geographic distances, two of the interviews were performed via e-mail. Online interviews contained similar questions that were asked during face-to-face interviews.

Additionally, the authors collected secondary data from the Swedbank's official website, textbooks on the CRM concept and other trusted websites; such as online dictionaries and recognized academic websites. The literature, also referred to as scientific articles, from academic journals was collected from the school library catalog and others from google scholar. The authors believed that secondary data and literature from academic journals could help to boost the primary data.

CRM is not a new phenomenon, it has been studied for many years by many different scholars. For that reason the authors did not have to face difficulties in terms of secondary data collection. On the other hand, the massive amount of available information challenged the authors to be cautious in order to choose the most relevant information.

Through the application of the interaction model for consumer-bank relationships to the empirical findings from the interviews and the purpose of the study, the authors managed to make an analysis and to come to a conclusion to the research question.

4.3 **Reliability and Validity**

When writing a qualitative research reliability and validity are two main necessary concepts to consider, these terms are qualified to the quantitative research and are not adequate to the details of qualitative view (Krefting, 1990). Without accuracy, research is insignificant and loses its trustworthiness. Researchers need to have “truth value”, “applicability, “consistency” and “neutrality” so as to be considered valuable, “the nature of knowledge within rationalistic (or quantitative) paradigm is different from the knowledge in naturalistic (qualitative) paradigm” (Guba and Lincoln, 1981).

The researcher is the central instrument in the data collection process in qualitative research, an issue may arise on whether the study may be subjective, in that sense the importance of ideas and noteworthy relies upon the researcher (Bryman and Bell, 2011).
In an effort to increase the credibility of this thesis, the authors interviewed Swedbank representatives that had good English speaking skills and relevant knowledge, in terms of Swedbank CRM operations and abilities to build relationship with its consumers. All interviewees were allowed to answer in a manner that was sensible to them without interruption. Each and every in-person interview was recorded and then written on a paper in order to make sure that none of the significant information was left out. While processing data the authors used merely objective judgements.

Reliability is concerning relations between the measurements and concepts, within boundaries of a qualitative research, the goal was to undertake a measurable concept (Bryman, 2008). The developed interview questions were in consistence with the theoretical framework of this thesis. This was done in an effort to guarantee a measurable concept and clearly illustrate the relation between the interaction model, the CRM phenomenon and the empirical findings.

4.4 Limitations
Any research suffers from limitations due to various factors including time limitations and methods of conducted study. The case study method is commonly criticized for being dependent on a single case exploration, which as a result makes it challenging to come to a generalizing conclusion (Tellis, 1997). Moreover, it was decided to conduct a research, therefore, both in person and online e-mail interviews were carried out within different branches of Swedbank. Due to the subject of interest, which is to evaluate Swedbank’s CRM strategy, only the employees at the particular bank were interviewed; therefore consumer aspect of this case study was neglected. A qualitative research requires the authors to collect data until saturation arises (Morse, 1995), which possibly was not reached in this study. For the reason that the pool of interviewees was rather small, it may not portray the accurate image of Swedbank’s overall philosophy in terms of CRM and developing relationships.
5 Empirical Findings

In this section the collected information derived from various interviews are presented.

5.1 Company Description

Swedbank is one of the largest financial institutions in Scandinavia and the Baltic countries (Svenska Bankföreringen, 2013). The bank’s history started with the Swedish savings bank tradition in 1820 in Gothenburg. Sweden’s savings banks were founded to improve the standard of living within the population and achieve higher level of security by financial planning (Swedbank n.d.).

The bank’s name has been changed numerous times through merging and acquisition of different banks. In 2006 the Annual General Meeting resolved to change the bank's name from FöreningsSparbanken to Swedbank. The process of changing the company name in the Baltic countries from Hansabank to Swedbank started in 2008 (ERR, 2008; Swedbank n.d).

Both private individuals and companies (small- and medium-sized) are included in the scope of Swedbank’s full-service, which makes Swedbank the largest bank in Sweden in terms of customer base. The bank has approximately 8 million private clients and over 600 000 corporate customers in total (The Local, 2015; Swedbank, n.d.). The network counts 317 branches in Sweden and 206 branches in the Baltic countries and with additional presence in cities such as Copenhagen, Helsinki, Luxembourg, Marbella, New York, Oslo and Shanghai. The bank has in total roughly 16 000 employees (Forbes, 2014; Swedbank n.d).

The bank continues to keep historical values and goals in an effort to help people and businesses to achieve a solid financial sustainability. Swedbank aims to balance the economy in order to keep the well-being of the individual as well as society as a whole. According to the bank “Swedbank’s system is based on the beliefs in a traditional banking model focused on close customer relationships and advice. Swedbank’s employees are attentive to customers’ wishes and act accordingly. They consider that focus must be on the clients’ needs, not products. This is reflected in their values, which are simple, open and caring” (Swedbank n.d).

The work of Swedbank is intended to develop close and long-term relationships based on confidence from their clients. The bank's employees are responsible for educating their
customers in terms of financial matters and new banking technologies which makes day-to-day banking easier and provide them with faster solutions. In order to provide consumers with the feeling of constant care, Swedbank has a widespread retail network and well-developed telephone, internet and mobile services. The quality of service is constantly improving and measured. (Swedbank n.d).

Private Banking is one good example of personal high level services at Swedbank. Each customer is considered individually based on his/her current life situation, financial status and future goals and expectations. The client is provided with a multitude of services with all necessary recommendations and offers during face-to-face meetings (Swedbank, n.d.). Additionally, during the last years the bank has been putting a great focus on their electronic channels by making them more user-friendly for their clients (Konkurents, 2013). All financial solutions and plans are developed with special attention to meet a particular customer (Swedbank n.d.). All above actions are carried out in an effort to build closer relationships with consumers (SvD, 2015).

5.2 Findings
The authors would like to make a disclaimer concerning the following interviews. These interviews do not state Swedbank’s official statement but various Swedbank employees’ reflections regarding CRM operations in the specific bank. Furthermore, the authors want to state that one of the interviews is received from Latvian Swedbank. Since authors believe that cultural differences between Sweden and Latvia are minimal and Swedbank’s overall approach to CRM is standardized across home markets, it is assumed that Latvian contribution is applicable. The following section provides a better image of how different Swedbank employees perceive CRM and their insight of relationship building.

CRM in Swedbank
In order to introduce the subject of the research and stress one of the main focuses of the interview, authors asked the Swedbank employees to define Customer Relationship Management in the bank context. Liene Gasina from the Latvian Swedbank provided an extensive answer stating: “CRM is a holistic approach to managing customer relationship in order to make a business more profitable. Aim of our strategy is to be for our customers and build relationships in order to meet customers’ needs in the both long and short term prospects”. She added that Swedbank’s customer base in Latvia has been steadily growing over 20 years;
during that period of time when processes like IT solutions, that support CRM approach, were gradually implemented. First automated product offering was launched nearly 15 years ago. In that time the overall challenge was to grant the front-line employees precise and full information in order to provide the high quality sales and service process. However, she mentioned that new challenges have turned up due to increasing internet bank usage, for instance, to provide continuous sales and service process via several channels (internet bank, call center, branches).

CRM is applicable for both acquiring new and retaining of existing consumers therefore the authors wanted to find out what characteristic was prioritized by Swedbank. "Acquiring new consumers and retaining the existing ones are equally important for Swedbank, yet they differ by segments" said Liene Gasina. Björn Vikman, manager of customer service, additionally said that in some segments Swedbank needs to grow at the largest, such as corporate and affluent segments. However, the bank has to grow without the cost of losing some other customers. Gasina thinks that customer retention is essentially as important as acquiring new customers. She continued by adding that youth attraction would ensure the generation change and profitable customer base in the future, as the same aging process applied both to retail customer base and society.

CRM is presented in two forms, online e-CRM and offline, which differ by their application and functionality. Authors wanted to know how the bank representatives perceived these differences. For Björn Vikman e-CRM is not simply a software and customer database, but it is also providing easy way of banking and access for online customers through various digital channels. He said that it is very convenient regarding time and cost to perform day-to-day banking operations on laptops or mobile phones. Thus, customers are more satisfied if they can easily use internet banking; and expenses and resources of the bank are reduced. Also, possibilities of promotions are wider and are targeted to right customers.

Offline CRM is face-to-face personalized service which requires plenty of efforts and resources. Gasina explained that usually clients, who are keener on withdrawing their regular income in cash and do not use payment cards at all, are most likely lacking computer skills or may not have an email address. Therefore, the bank may find it complicated to interact and obtain information on offline consumers.
The authors asked about the purpose of using CRM. Gasina explained that the aim of utilizing CRM approach is and remains to provide high and continuous service in all channels:

- “To maintain similar information among all employees in an effort to provide sales and service activities.
- To acquire, collect and use customer feedback in order to improve products and services.
- To divide the customer base into the segments according to customer needs and business potential.
- To make offer and direct communication process more efficient, more variable, based on customer needs.
- To use the data in order to run business in smarter and efficient way”.

After a constructive discussion of CRM in Swedbank, authors went deeply into the topic of how the bank develops relationships with its consumers basing on the interaction model.

**Knowledge**

Retailer-consumer relationships require collecting data and acquiring knowledge from both parties. As previously discussed in the literature review chapter, CRM does not only take into consideration developing relationships but also obtaining important information about consumers in the database. Cecilia Malmberg, a customer advisor at Swedbank Västerås, explained during the interview that many employees start out as working in the front-line, where they gain valuable knowledge with respect to how to interact with consumers, provide good service and also how the bank works as a whole. Vikman said that people are hired based on their personality traits, for instance, positivity, ability to work with various people and so forth. This is how Malmberg started her career and today she works as a customer advisor at Swedbank, during her everyday work she has abundant knowledge exchanges with her consumers. She explained that the consumer data comes directly from the client and thereafter the information is added to the database. She gave an explanation for this which is described in the trust section.

Björn Vikman added that Swedbank has a software that is used as an analysis tool which gives an insight to the whole customer database in this branch, for instance, “how much money we make; how old are the consumers; how much money do they save. This software helps to divide these consumers into clusters”. Gasina stated that “our achievements (customer base, financial results, and brand) prove that the CRM strategy supported way towards long term customer
relationships”. Furthermore, Malmberg specified that from database marketing perspective, through CRM systems, the bank is able to address customer needs by providing them customized and personalized services. With the use of customer information from the database, she and other advisors can prepare themselves better for meetings with consumers, explained Malmberg.

Swedbank utilizes several processes to manage knowledge exchange with consumers, for instance e-mailing, direct calling and personal interaction. Gasina then added that besides these three, Swedbank is using the CRM approach for: direct communication activities (SMS, letter by post); creating product offers in all channels and running the surveys. Additionally, CRM approach provides information in compliance with regulations via customer relevant channels; analytical purposes in order to understand customer base behavior; improving products and services based on consumer feedback. The next step for Swedbank would be real time offers, based on activity via customer-preferred channels, for instance, via mobile application.

The authors were curious about how Swedbank dealt with feedback, especially complaints. Björn Vikman described that Swedbank has a complaint registration system which contains customer complaints from all branches. The system is used in order to provide relevant information and to find the best common solution, especially when complaints are repetitive. The authors asked what some of the most common complaints were. Vikman further explained that a number of people are unsatisfied with the removal of cash handling and Malmberg added that at times customers faced long-waiting times to reach advisors because there is a low availability of advisors at the bank but specified that this issue is for the management to solve.

CRM provides benefits to Swedbank in terms of relationship development and received knowledge with regards to customer needs. Gasina said that “among entrepreneurs in Latvia we are steps ahead with both the automated sales offers based on customer data in all channels and sales, as well as service process management. These two things could be counted as a positive effect of having a CRM approach”, she then added that on one hand it seems that there are only two positive outcomes of CRM. However, on the other hand these two are complex major processes meant to provide banking service to retail customers.

Trust
According to Cecilia Malmberg, after the financial crisis of 2008, Swedbank decided to take a step back from its old strategies of convincing customers to buy the services they were offering,
to listening and acting in accordance with the customers’ wants and needs; in simple terms, Swedbank changed from transactional to relationship marketing. With this relationship marketing strategy, Malmberg added that the customers are more trusting and committed these days to Swedbank and its employees, knowing that focus is now on them rather than on sales.

The authors received an answer from Malmberg which indicated that even collecting data in a respectful way creates trust. She stated that generally advisors receive customer information directly from the customers when they visit their advisor and this information is later added to the database. Most commonly these customer profiles contain age, occupation, salary, number of children, number of properties and so forth.

The bank puts efforts in incorporating the latest developments and trends (staying up-to-date) by constantly upgrading its technologies. “What is a strength at the present could turn into a weakness in the future when the self-development process stops to exist, therefore internal development in Swedbank Latvia won’t stop ever” stated Gasina and added that therefore internal development is continuous in Swedbank.

When asked if Swedbank is trusted by its consumers, Björn Vikman answered that he is certain that Swedish people trust in bank security and the level of credibility towards using of online banking is high.

**Commitment**

Björn Vikman described bank’s commitment as constant support and advice for a customer on the individual level in any life situation. He added that “customer needs should be the top priority. It is important to help customers to understand and feel that they can rely on the bank to get necessary help and solutions”. In addition, delivering service that exceeds customer expectations is an essential part of Swedbank’s strategy. According to Sofia Ljung, one of the frontline employees at Swedbank, commitment is all about service providers keeping in touch with consumers in order to understand and serve their needs. Emelie Karlsson, added that “the role of a front-line employee was essential in building relationships with customers. Because the front-line employees are the people who face out to consumer, as well as the service, the clients receive from the frontline employee, is the experience they are going to correlate with Swedbank”.

33
Furthermore, Ljung and Karlsson stated that in situations where service recovery was needed, each employee was permitted to use approximately 500 Swedish crowns. Björn Vikman specified that 500 SEK is not a big amount of money when it comes to business and it is essential to compensate for a mistake in order to please the customer. However, Cecilia Malmberg then added that the amount of money depends on a certain situation. At occasions where damages go beyond, the employees always forward the case to their managers. The interview participants were in consensus that it is vital to fix problems which are caused by the bank, so as to avoid creating doubt in consumers. Malmberg specified that Swedbank is aimed to build relationships with consumers evolving them in different financial activities in order to create switching barriers for the consumers and possibly creates unwillingness to change the bank.

The topic of mobile banking was raised during interviews. Mobile banking is widely used and spread in Sweden nowadays. Vikman stated that Swedbank has to promote their mobile services and make consumers aware of such feature. He continued by saying that consumers in general are open to new technical solutions today. Taking into consideration younger customers, it is a competitive advantage to have a mobile banking app. “If Swedbank did not have it then we would not be in competition any longer, since consumers would turn to another bank” said Vikman. Cecilia Malmberg continued by stating that most people preferred Swedbank to other banks because of its good Internet banking and user-friendly mobile bank application. She added that “other banks also have apps but ours is the best…it is one of the things we are ahead on and this helps us to stand out”. Karlsson specified that in her every day work she was often educating consumers about online transactions and mobile application. This is done in an effort to ease consumer’s day-to-day banking.

In conclusion, all interviewees agreed that without a sustainable relationship, a business would not be able to keep running.
6 Discussion

In this section the authors discuss and analyze the collected empirical findings while taking into consideration the theoretical framework and literature review.

As mentioned earlier, having an ongoing relationship with consumers is nowadays one of the most valuable assets to possess. Organizations in different industries, including Swedbank, are now doing everything in their powers, such as investing in relationship development aimed programs, high tech equipment and software, hiring the right people, customizing products and service and many more, to help them build and retain relationships with customers. For Swedbank, having a relationship with customers helps them to satisfy and retain the customers and this in return makes the organization to stay in existence, said one of the bank's representatives in an interview conducted by the authors.

For the reason that the authors of this paper have chosen to evaluate relationship development through the interaction model, regarding retailer and consumer, it is now discussed in terms of commitment, knowledge and trust.

Knowledge
Possessing information about each other and using it effectively is a key element in successful consumer-retailer relationships. Consumers collect data about a company through different channels: website, promotional activities and the company itself; and their perception and satisfaction of the retailer normally depend on the way the company presents itself. Organizations mostly rely on willingness of consumer to share their private information. However, to collect such information is often a difficult task, as consumers cannot be open and lack a desire to share private data with retailer. Thus, a right approach and method should be found and all gathered information should be used extremely carefully and on right purposes. Based on ”CRM Information” one of the CRM building blocks, customer database is the most essential source of information for a retailer. A CRM system accomplishes to retain customer profile, which in turn provide the employees necessary information in order to treat each customer individually. This information is segmented according to personal data as marital status, family, salary and past behavior and activity.
A CRM system makes it easy for a company to quickly modify and adapt its service accordingly, depending on customer profile. In such way personal offers and promotions can be targeted effectively thus personalizing service. This kind of service increases customer loyalty and consequently decreases customer dissatisfaction. However, data in customer profiles should be updated regularly as well as company web site which is an essential source of information for customer. This results in the employees being more knowledgeable about each client’s exact needs. A CRM database is used to collect feedback from clients concerning purchased services and goods, which can be utilized to increase loyalty and satisfaction.

Swedbank assigns high priority to treating each consumer individually based on the collected information from them. The bank takes into consideration all aspects of a consumer’s life including future expectations to fit the particular client. One of the advisors at Swedbank stated that with the help of this database and special program she can easily target the right customers with new offers and provide personalized service by sending them email, calling or during face-to-face communication.

As mentioned in the commitment section of the empirical findings, technological features play a central role in Swedbank. To make consumers familiar with new events and updates, the bank uses all kinds of channels including sending emails, phoning and direct mails. Furthermore, front-line employees are responsible for educating their offline consumers in terms of new services and products. Consumer’s satisfaction is directly dependent on the user-friendliness of technologies.

Feedback and complaints are valuable sources of information concerning customer needs and expectations. Both positive and negative feedback should be taken into consideration in order to increase customers' satisfaction levels. Swedbank's complaint system is a great source of information from customers to the bank. The system helps the bank to attain information on what the consumers feel should be improved and come up with adequate solutions to the different problems. Through this, the bank manages to rehabilitate relationships with its consumers and to measure the result of the work done as recommended in one of the CRM building blocks, “CRM metrics”.

According to “CRM vision”, another CRM building block, it is essential for an organization to have attractive propositions that portray value in the minds of the customers so as influence
their perceptions and to help the organization stand out from competitors. Swedbank refers to itself as the "People's bank". This motto sends a message that the bank is customer-oriented and for everyone, and this could be the reason as to why it is the largest bank in Sweden in terms of customers.

There is strong evidence in the findings indicating that Swedbank builds long-term relationships with its consumers through high interdependence on one another. For instance, both parties depend on each other for relevant information exchange, that is to say; feedback and personal information to the bank from the consumers, and updates, news and advice from the bank to the consumers. They also depend on one another's honesty and willingness to rely and work together. And as mentioned above, to build long-term relationships there has to be a high level of interdependence between parties, something that requires high trust and commitment.

Trust
Trust, the willingness to count on reliability in an exchange partner whom one has confidence in, is also a vital component in successful relationship development and retention as according to the interaction model. At all occasions, before customers make a decision to be loyal and to have an ongoing relationship with a certain provider, they always first assess the level of trust they have in that particular provider and they base this on the provider's reliability. Reliability in this case is connected to honesty, fairness, helpfulness, responsibility, consistence and competence.

In one of the eight CRM building blocks, “Customer experience”, Gartner emphasizes the importance of listening to and valuing the customers’ experiences in managing relationships. In this block, interacting with customers and acquiring their feedback is said to be the key to making them loyal to a company, but it should be noted that loyalty requires trust. Through interactions and feedback collection, a company can effectively adopt its products and services to the specific needs of consumers, and this in most cases gives the consumers a sense of comfort and being valued, hence them into trusting the provider.

As far as interactions with customers are concerned, Swedbank does its best to stay in contact with its customers both online and offline. When asked about how the bank builds trust with its customers, one of the interviewees, an advisor, replied that it was through continuous contacts between the bank and its customers. Swedbank keeps in touch with customers through phone
calls, live chats, emails and physical meetings. Such interaction sends a message to the consumers that the bank is always there for the consumer, which in turn may increase trust in the bank. The information they get from these interactions is used to improve the bank’s offerings both standardized and customized. In addition to interactions, Swedbank also has a complaint registration system that they use to collect customers’ complaints, analyze them and find adequate common solutions. By taking action on the negative feedback from customers, Swedbank sends a message to the customers that their opinions and suggestions are welcomed and valued and as mentioned before, this makes customers get a sense of belonging that leads them into trusting and being loyal to Swedbank. The bank also has a policy of relying on information provided by the consumers themselves at any of the customer relationship stages. This sends out sign of trust to both parties, that is to say; the customers feel respected when their personal details come directly from them On the other hand, the bank feels great trust from its consumers when they give out their personal information willingly and the bank has to trust that all received information is credible. Service organizations are mostly driven by trust and once it is built between the provider and the consumers, other operations of the organization such as relationship development and retention become easy to carry out.

Commitment
Relational exchange is common in service companies, which Swedbank is. Therefore, retaining current consumers is a crucial component for a business to keep running. According to the interaction model, in order for a relationship to exist and to keep on existing between a provider and a consumer, there has to be commitment. The reason for this is that high degree of customer commitment leads to loyalty and it helps to minimize customer defection, which once managed can be an effective factor for continued existence and performance of a provider. From the findings of this study, Swedbank seems to understand the importance of this component to its relationships and existence in general. During the interviews it became evident that Swedbank employees are in agreement that retaining consumers is as important as acquiring new potential consumers.

Potential employees are chosen for a front-line employee position based on their personality traits, namely friendliness, helpfulness and desire to work with people. Some of the interviewed participants of Swedbank stated that they started their employment at the bank as front-line employees, where they gained the necessary knowledge and experience. Thereafter, they had a possibility to move on the career ladder. This action may be a sign that Swedbank wishes that
all employees are familiar with how the bank works from the bottom to the top and be
knowledged about the consumer base. At Swedbank, giving good service is a high priority
because the bank wants its consumers to feel welcome. For a service company it is essential
that employees are committed to customers and have previous experience on how to efficiently
handle consumer issues. In case there happens to be any mistakes made on an employee’s side
at Swedbank, they consider it important to compensate for it. The monetary compensation
depends on the significance of the mistake, but in general the bank’s standard amount is 500
SEK. These actions of commitment show that Swedbank realizes the vital point of retaining
customers and also ensures that the customers are pleased.

The interviews revealed that Swedbank has a good knowledge regarding customer
dissatisfaction and the cause of it. The main issue that was mentioned was the elimination of
cash handling at Swedbank offices but also one advisor stated that many consumers are unhappy
about the long waiting times. The long waiting times to get in touch with the advisors have
come as a result of the recent cut downs in the personnel department at Swedbank. The advisor
interviewed stated that these issues were above her and hinted that the solution to this type of
problem has to come from the top management. However, the long waiting times and removal
of cash handling may imply that the consumers feel less commitment from Swedbank. This
aspect may negatively affect the interdependence between the consumers and the bank and
therefore can weaken the relationship. On the other hand, the bank claims to be combating the
consumer dissatisfaction problem.

Another aspect that portrays Swedbank’s commitment to its consumers is the great amount of
efforts invested in keeping its online services and products up to date. For instance, Swedbank’s
mobile application is believed to be the best amongst all the banks in Sweden both in terms of
user friendliness and safety. With regards to Swedbank’s large database, which includes a lot
of details about its consumers, it provides a good analysis instrument for offering better services
and products.
7 Conclusion

This chapter consists of the conclusion of the general findings and an ending discussion of the research question.

The purpose of this study is to obtain a deeper understanding of how Swedbank utilizes Customer Relationship Management (CRM) in order to develop relationships with its consumers. The empirical findings about Swedbank on the theoretical framework and the literature review. The findings of this study have revealed that majority of the activities that Swedbank carries out in its relationship development process are in line with what the interaction model described as the key elements in relationship building, that is to say; knowledge, trust and commitment, which when combined contribute to interdependence. Swedbank seems to understand that in order to successfully build and retain relationships with consumers, the bank needs to have an efficient CRM strategy, in an effort to obtain relevant information on each targeted consumer so as to influence their level of trust and commitment. As previously mentioned, Swedbank collects consumer information and retains it in a database. This information is used to provide services that are designed to fit the specific needs of the consumers. For that reason, the consumers get an impression that the bank is taking their needs into consideration and acting accordingly, which leads consumers to increase their trust in the bank. Additionally, it shows an act of commitment because the bank is clearly making efforts to please its consumers by tailoring suitable offers. These factors facilitate retailer-consumer relationship development.

However, with that said, the findings have also showed that Swedbank has some weak links in its operations, which if not managed may negatively affect its relationships with consumers. During the interviews, some of the Swedbank representative opened up about how they have had complaints from consumers regarding the long waiting time for services and the elimination of one needed services, cash depositing. The above stated factors can normally cause customers to switch from one provider to another, that they believe to have better solutions. Swedbank may today still be in position to build and retain relationships with customers but this may not be the case in the future if these complaints increase or remain unresolved.

The authors of this thesis managed to collect sufficient information from Swedbank that shed a light to the complexities that are involved in bank retailer and consumer relationships. The
gathered information also touched other areas, such as CRM, product and service customization, building trust and commitment, which can be utilized by other researchers doing studies on the same case study (Swedbank).
8 Recommendations

In this chapter the authors offer final recommendations, for both the studied organization and future research.

8.1 Practical Implications

The authors of this study are of the view that the two most common complaints that Swedbank keeps on getting from different customers pose a threat to its relationships with customers and therefore they should be managed as soon as possible.

First of all, Swedbank should reconsider handling cash deposits at its offices since some of customers still need this service and prefer to go into one of the bank offices rather than using the automatic machines.

Secondly, Swedbank needs to hire more employees, especially in the financial advising department where long waiting periods complaints have been most registered. With more advisors, the customers will likely have to wait for lesser time than they currently do in order to be attended to by advisors. The less the waiting time, the quicker the problems are resolved.

8.2 Future Research

For the future research on this topic, the authors of this thesis would like to suggest to study various Swedbank branches and consumers in all home markets, in order to include all different perspectives and customer segments. Additionally, more focus should be put on the top management, who has a direct power in CRM management and study their objectives in terms of customer relationship management and profit generation.
9 References


http://www.businessdictionary.com/definition/marketing.html


45


10 Appendix

In this section the authors provide a full list of the interview questions used in this study.

A semi-structured interview took place between the authors and various Swedbank employees. Down below are presented all the questions that were asked during the meetings.

On the 9th of April 2015, Björn Vikman who is managing customer service in Västerås Swedbank office, was interviewed.

1. How does Swedbank define the concept behind customer relationship management (CRM)?
2. How does Swedbank view customer relationship – which is more important acquiring new customers or keeping existing customers? Please explain why?
3. Why is it important to build relationships with Swedbank consumers?
4. How does CRM differ between online and offline customers?
5. What sets Swedbank apart from its competitors? How does Swedbank add value to its services?
6. Swedbank’s IT solutions definitely pose advantage, however, are consumers willing to use internet banking and mobile application for day-to-day activities?
7. Are you able to personalize your service through IT?
8. Do you think that these different IT solutions may create distrust among consumers, because they may not consider it safe or lack personal interaction?
9. Do you use CRM software for collecting and retaining consumer data? What are the benefits of such software?
10. How do you collect information about your consumer base?
11. Do all of your employees have an access to consumer details?
12. How do you promote your new services?
13. How does Swedbank utilize CRM? What kind of actions do you carry through (e.g. direct calling, e-mailing, personal interaction etc.)?
14. Do you have a good knowledge about consumer satisfaction and dissatisfaction and factors that cause that?
15. When a client comes to your office and needs some advice, do you always put the consumer’s needs first even though you as a bank may lose financially?
16. Mistakes happen, however, when it happens that a Swedbank employee makes a mistake, does he/she have some sort of monetary budget to recover from that situation?
17. Do you welcome complaints and how do you handle them?
18. How does Swedbank express commitment to their consumer?
19. How does Swedbank distinguish from its competitors?
20. What are the three main goals for Swedbank?
21. Do you rely strongly on CRM or does Swedbank have any other way of retaining customers?

On the 14th of April 2015, a semi-structured e-mail interview was held with Liene Gasina, from Swedbank Latvia, Customer experience management unit.

1. How does Swedbank view customer relationship – which is more important acquiring new customers or keeping existing customers? Please explain why?
2. How does Swedbank define the concept behind customer relationship management (CRM)?
3. When did Swedbank start using CRM?
4. What was the purpose of implementing CRM in Swedbank?
5. How did you implement your CRM strategy? Were there any obstacles during the implementation? If so, how did you overcome them?
6. How does Swedbank utilize CRM? What kind of actions do you carry through (e.g. direct calling, e-mailing, personal interaction etc.)?
7. How does CRM differ between online and offline customers?
8. How does CRM help to retain customers? Is your strategy effective?
9. How do you collect customer information and how do you use customer data?
10. Has there been any effect since implementing CRM? (Positive, negative changes? Advantages, disadvantages?)
11. Do you rely strongly on CRM or do you have any other way retaining customers?

On the 23rd of April 2015, Cecilia Malmberg, a customer advisor, and Sofia Ljung, a front-line employee, were interviewed in person.

1. How does Swedbank define the concept behind customer relationship management (CRM)?
2. How does Swedbank view customer relationship – which is more important acquiring new customers or keeping existing customers? Please explain why?
3. Why is it important to build relationships with Swedbank consumers?
4. Swedbank’s IT solutions definitely pose advantage, however, are consumers willing to use internet banking and mobile application for day-to-day activities?
5. Do you use CRM software for collecting and retaining consumer data? What are the benefits of such software?
6. How do you collect information about your consumer base?
7. Do all of your employees have an access to consumer details?
8. How do you promote your new products and services?
9. Do you have a good knowledge about consumer satisfaction and dissatisfaction and factors that cause that?
10. In your opinion, how can Swedbank overcome some of the issues that cause dissatisfaction?
11. When a client comes to your office and needs some advice, do you put the consumer’s needs first even though you as a bank may lose financially?
12. How does Swedbank utilize CRM? What kind of actions do you carry through (e.g. direct calling, e-mailing, personal interaction etc.)?
13. Do you have a good knowledge about consumer satisfaction and dissatisfaction and factors that cause that?
14. Mistakes happen, however, when it happens that a Swedbank employee makes a mistake, does he/she have some sort of monetary budget to recover from the failed service?
15. Do you welcome complaints and how do you handle them?
16. How does Swedbank express commitment to their consumer?
17. Do you rely strongly on CRM or does Swedbank have any other way of retaining customers?

On the 27 of April, an e-mail interview took place with Emelie Karlsson, a front-line employee.

1. How does Swedbank define the concept behind customer relationship management (CRM)?
2. How does Swedbank view customer relationship – which is more important acquiring new customers or keeping existing customers? Please explain why?
3. Why is it important to build relationships with Swedbank consumers?
4. Do all of the Swedbank employees have an access to consumer details?
5. Mistakes happen, however, when it happens that a Swedbank employee makes a mistake, does he/she have some sort of monetary budget to recover from that situation?
6. What are the main issues that you handle in your everyday job?
7. Did you have a training prior your employment, in terms of managing different problems that may arise in your job?