The impact of using relationship marketing on customer loyalty enhancement (Application on UBER Company)

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Abstract: *In recent decades competitive world , relationship marketing became an important part of doing business effectively , by which marketers can build up a long term relationship with customer which became in the center of companies' attention and their satisfaction is the main objective for any organization .*
As the great importance of relationship marketing and the Growing Increase of using Uber cars in the Egyptian society this study set out to measure the impact of using relationship marketing and the role which plays in enhancement the customer loyalty .
After studying the research variables and hypothesis , The findings presented as that, relationship marketing Has A Strong Positive Impact On the customer loyalty of Uber company users .
Keywords: *relationship marketing, Customers loyalty, Uber, SPSS.*

I.   Introduction

These days, and With the increase of competition in the market and the desire of all companies to reach the customer and make profit through the sale of products or services or both , which makes marketing management more important , Relationship marketing is one of the most prominent and most widely used by business owners of all economic and practical levels .

"Relationship marketing" term was used by berry in 1983 ,relationship marketing is defined as a systematic and ongoing process of customer retention in order to reach a strong consumer base, and more confident in the product. <u>Changing marketing focus</u> :

Source: Christopher et al. (1991)

Relationship marketing serves both companies and consumers, and is considered by many researchers the most challenging field of marketing because of its slow effects .
This Research Tries To Examine Whether There Is A Relationship Between relationship Marketing And Its Impact On customer loyalty enhancement .

Research Variables:
Independent Variables:
1 – Brand / customer relationships .
2 – Brand / customer communications.
3 – Brand / customer services.
4 _ Conflict and problem Handling.
Dependent Variable:
1 – Customer loyalty.

Research Hypotheses:
Hypothesis H1: building relationships with customers has a significant positive impact on customer loyalty.
Hypothesis H2: effective communications with customers has a significant positive impact on customer loyalty.
Hypothesis H3: customers service has a significant positive impact on customer loyalty.
Hypothesis H4: Conflict and problem Handling has a significant positive impact on customer loyalty.

II. Literature Review

1- The Impact of Service Quality and Relationship Marketing on Customer Loyalty: An Analytical Study on a Sample of Passengers on Jazeera Airways in Kuwait State (Dakeel Allah Ghanam Al-Mutairi 2010) , The Study aimed at detecting the Impact of Service Quality and Relationship Marketing on Customer Loyalty on Jazeera Airways in Kuwait State, On Analysis Of The Research Objectives , The study showed the following results: The provided service including (Tangibility, Reliability, Response, Security and Sympathy) has a positive and direct impact on the customer loyalty for Jazeera Airways in the level of (0.05), Moreover, it showed the provided service including (Tangibility, Reliability, Response, Security, Sympathy) has a positive and direct impact on the Relationship Marketing for Jazeera Airways in the level of (0.05). In addition to, the relationship marketing including (Reliability, Commitment, and Communications) has a positive and direct impact on the customer loyalty for Jazeera Airways in the level of (0.05) and the provided service has a negative and indirect impact on the customer loyalty for Jazeera Airways as a mediator in the level of (0.05).

2- Relationship marketing as a tool to support customer loyalty case study on Algeria Telecom Corporation (tahyr tawfiq 2014) , The Study tries to find the Impact of Relationship Marketing on Customer Loyalty on Algeria Telecom Corporation, On Analysis Of The Research Objectives , The study showed that Most respondents are generally satisfied with the services they receive from Algeria Telecom corporation , The method of dealing with complaints and related services such as maintenance of faults , and The establishment of the required functions to achieve communication did not satisfy some customers , Relationship marketing positively affects customer satisfaction , There is an intermediate correlation between relationship marketing and customer loyalty .

3- Relationship marketing and customer loyalty: evidence from banking sector in pakistan (mudassir husnain & m waheed akhtar 2015) the purpose of this study is to provide an insight into the impact of relationship marketing strategy on customer loyalty of retail bank sector in pakistan and to examines whether these relationship strengthen through improvements in banking relationship, by studying the research variables and hypotheses ,results indicate that four variables have significant effect and predict good proportion of variance in customer loyalty. It is reasonable to conclude, on this evidence, that customer loyalty can be created, reinforced and retained by marketing plans aimed at building trust , demonstrating commitment to service, communicating with customers in a timely, reliable and proactive fashion, and handling conflict efficiently .

4- The impact of relationship marketing on customer loyalty in the airline industry (Hoang Diep To Lan 2015) the purpose of this report is to underline the importance of relationship marketing and to illustrate the influence of relationship marketing on the customer loyalty in the airline industry, by studying the research variables , it was observed that relationship marketing plays an important role in the field of customer loyalty. The benefits of attending loyalty programs were recognized as essential factors for customer loyalty in the airline industry. Therefore, there are many airlines that have started to offer good valued services to adapt to customers' desires and also create loyalty programs to increase profit and enhance competitiveness .

5- The impact of relationship marketing on customer loyalty enhancement Case study on Kerman Iran insurance company (Abdolaziz Abtin & Mostafa Pouramiri 2016) This study is being constructed to realize the intensity and impact of relationship marketing practices adopted by central branch of Kerman Iran insurance company over the customer loyalty , By Studying The Research Variables And Hypotheses ,The results revealed that there were strong positive correlations between dependent variable (customer loyalty) and each of independent variables (trust, satisfaction, management, communication, and

competence) (p < 0.05). The relationship between each independent variables and customer loyalty was direct.

Research Problem (Gap):
After reading The Literature Review We Can Said That , This Study Tries To Find if there is an Impact Of Using relationship Marketing strategies On The loyalty of Uber company customers in the egyptian market.

We Can Present The Problem Through The Following Question:
Does relationship marketing affects on the loyalty of Uber company customers in the Egyptian market ?

Research Objective and Importance:
        The research aims at verifying the validity of the research hypothesis and determining the effect of both of (relationships ,communications ,customer services ,conflict and problem handling) on the loyalty of Uber company customers in the Egyptian market .
        The Importance Of This Paper Comes From The Great Importance Of relationship marketing For The customer and the brand As The Following:
        Relationship marketing importance for the customer is that, the consumer feel more comfortable and confident when dealing with the company And the possibility of obtaining special treatment Unlike new customers and Reducing the costs of searching for a new company, as for the importance for the brand is The stability on a certain percentage of sales, which means stable and continuous returns and reducing marketing time and costs because reaching a loyal customer is less cost than seeking for a new customers .

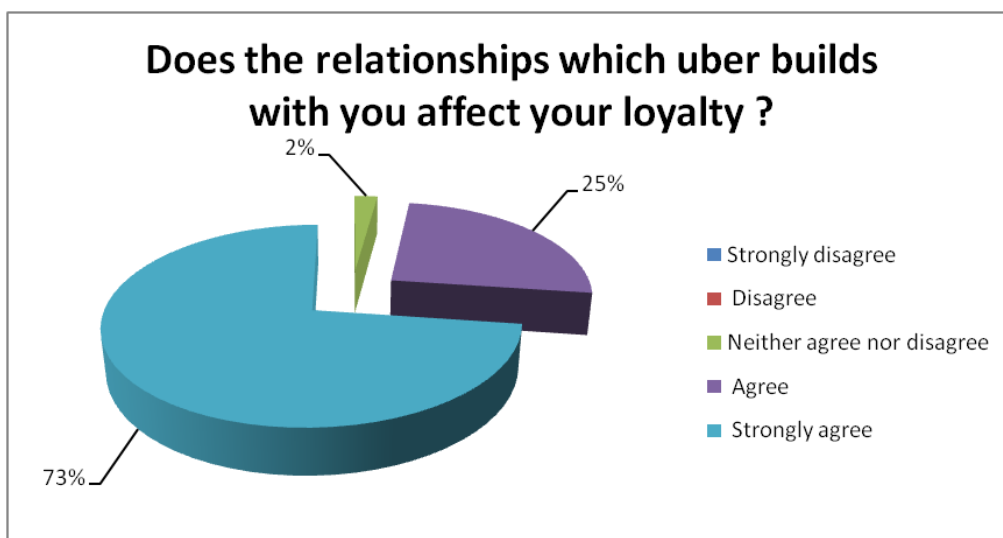**Data Collection and Methodology (**Survey With Customers**):**
        A Customer Survey Was Conducted With The Intent To Get An Understanding Of Uber company customers Opinions About The Brand relationship marketing strategy And How it Helps It enhance Their loyalty toward The Brand (See Appendix). It Also Sought To Capture Their Experiences Of How Well, Or Bad, This Brand Use relationship marketing To Connect With them .
Population Of The Study: The Population Of The Study Is Represented By A Sample Of The customers of Uber company in the Egyptian market, The Responses Number Was (100) Responses (92) Questionnaire Were Accepted.
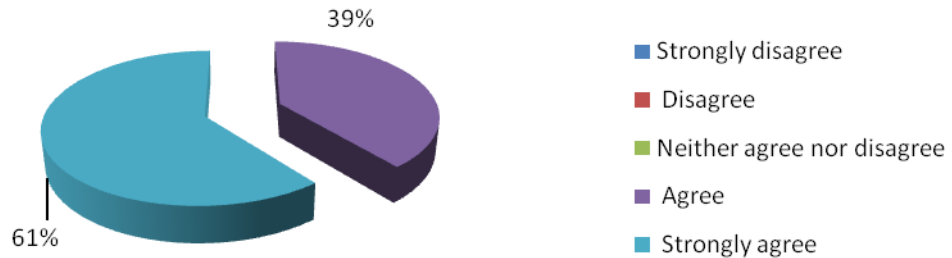   Study Instruments: The Questionnaire Was Developed To Collect Data From The Sample Of The Study After Reviewing Some Of The Previous Literature Addressing Each Of The Variables Examined In The Study.

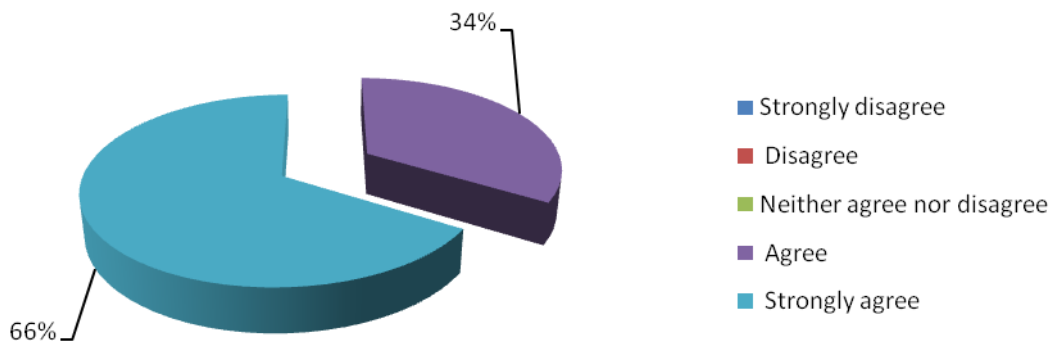## III. Data Analysis and Research Findings
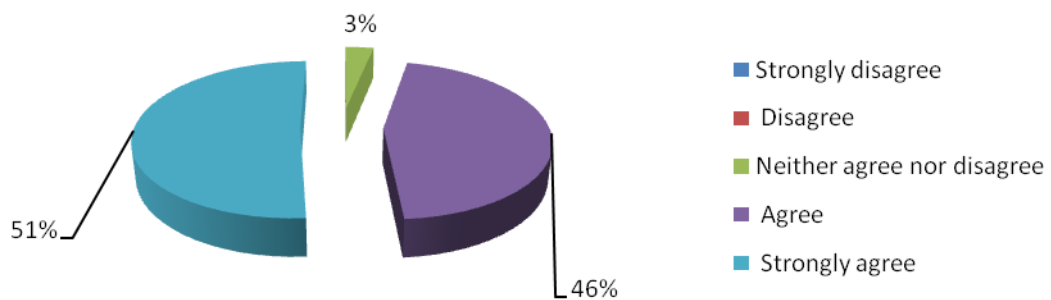After Analyzing The Data Obtained From The Sample Of The Research, The Following Results Were Observed:

Does the communication ways and contact that uber company does affect your loyalty ?
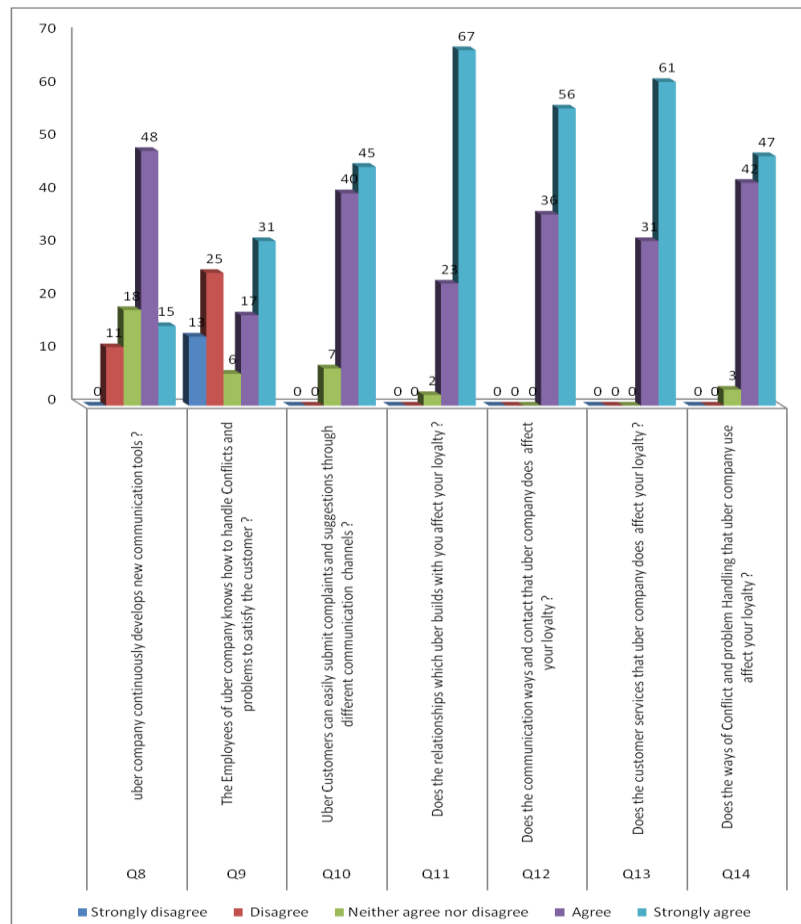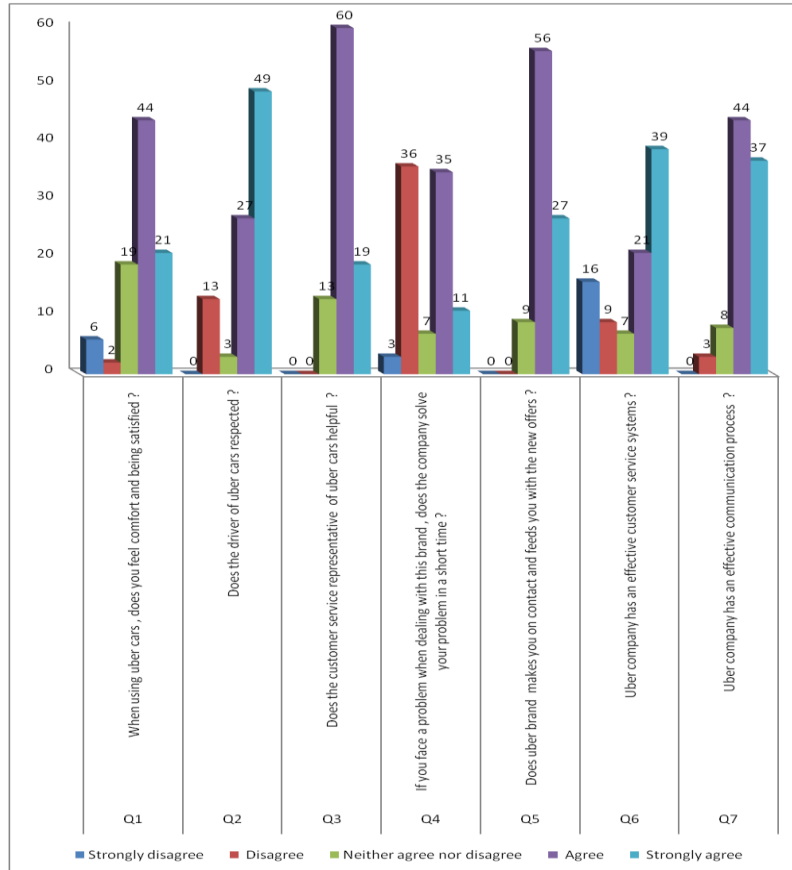
39%

61%

- Strongly disagree
- Disagree
- Neither agree nor disagree
- Agree
- Strongly agree

Does the customer services that uber company does affect your loyalty ?

34%

66%

- Strongly disagree
- Disagree
- Neither agree nor disagree
- Agree
- Strongly agree

Does the ways of Conflict and problem Handling that uber company use affect your loyalty ?

3%

51%

46%

- Strongly disagree
- Disagree
- Neither agree nor disagree
- Agree
- Strongly agree

The graphs and charts above indicates That , relationship marketing Has A Strong Positive Impact On the customer loyalty of Uber company users .

In Order To Back Up & Support The Research's Hypothesis And Questionnaire With More Statistical Evidence , Statistical Package For The Social Sciences (SPSS) Was Also Considered .

Descriptive Statistics

	Mean	Std. Deviation
When using Uber cars , does you feel comfort and being satisfied ?	3.7826	1.03591
Does the driver of Uber cars respected ?	4.2174	1.04646
Does the customer service representative of Uber cars helpful ?	4.0652	.58936
If you face a problem when dealing with this brand , does the company solve your problem in a short time ?	3.1630	1.16993
Does Uber brand makes you on contact and feeds you with the new offers ?	4.1957	.59741
Uber company has an effective customer service systems ?	3.6304	1.53148
Uber company has an effective communication process ?	4.2500	.75046
Uber company continuously develops new communication tools ?	3.7283	.87835
The Employees of Uber company knows how to handle Conflicts and problems to satisfy the customer ?	3.3043	1.51722
Uber Customers can easily submit complaints and suggestions through different communication channels ?	4.4130	.63162
Does the relationships which Uber builds with you affect your loyalty ?	4.7065	.50357
Does the communication ways and contact that Uber company does affect your loyalty ?	4.6087	.49072
Does the customer services that Uber company does affect your loyalty ?	4.6630	.47526
Does the ways of Conflict and problem Handling that Uber company use affect your loyalty ?	4.4783	.56410
Valid N (listwise)	92	

According To The Table Above, The Statistical Results Also Supports This Research's Hypotheses And Indicates A Very Strong Positive Impact Between the Variables of this research And Prove That , The Research Sample Follow The Normal Distribution .

The mean of Higher Percentage Of The Research Sample ranges between 3 and 5 , Also Ensures That There Is A Large Impact Of using relationship marketing on customer loyalty .

IV. Conclusion

The Data Analysis And Research Findings Support The Great Importance Of Using relationship marketing And Also Support The Study's Main Hypotheses .

Like Any Other Study, This Study Has Its Limitations Including The Scale On Which It Was Conducted On. The Study Was Conducted On A Small Scale And It Analyzed Data Obtained From only 92 Users Of Uber company. Research Findings May Vary If The Study Is To Be Conducted On A Larger Scale .

The Research Findings May Also Vary If The Study Is Conducted On Another time or another Country. Eventually, This Study Clearly Highlights The Importance Of the role that relationship marketing plays on enhancement the customer loyalty . It Also Proves That Organizations Which uses relationship marketing strategies Can Positively Affect Their Customer loyalty which leads to reduce costs and gain more profits.

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