

**CUSTOMER RELATIONSHIP MANAGEMENT AND BUSINESS PERFORMANCE IN
SMALL-SCALE TAILORING ENTERPRISES IN BENIN CITY.**

BY

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FACULTY OF MANAGEMENT SCIENCES

UNIVERSITY OF BENIN

BENIN CITY.

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**A RESEARCH PROJECT WRITTEN AND SUBMITTED TO THE DEPARTMENT OF
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DEPARTMENT OF BUSINESS ADMINISTRATION.**

NOVEMBER, 2025.

DECLARATION

I, SUNDAY JEREMIAH of the department of business administration, faculty of management science University of Benin, Benin City, do hereby declare that this project is entirely my work and composition. All references made to works of other persons have been duly acknowledged.

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CERTIFICATION

We the undersigned, certify that this project work was written by SUNDAY JEREMIAH in the Department of Business Administration, Faculty of Management Science, University of Benin, Benin City.

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(Head of Department)

Date

DEDICATION

This research work is dedicated to the Almighty God for His divine wisdom, strength, and guidance throughout the period of my study.

It is also dedicated to my beloved parents, Mr. and Mrs. Agholor, and my wonderful siblings, whose prayers, sacrifices, love, and unwavering support have been the foundation of my success.

Finally, this work is dedicated to all small-scale tailoring entrepreneurs who continue to contribute to the growth and development of the Nigerian fashion industry.

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ABSTRACT

This study investigated the influence of Customer Relationship Management (CRM) practices on business performance among small-scale tailoring enterprises in Benin City, Nigeria. The objectives were to examine CRM adoption levels, assess its effects on customer retention and loyalty, evaluate the role of technology and record management, investigate the impact of personalised customer service on business growth, and identify implementation challenges. A descriptive survey design was adopted, and data were collected using a structured questionnaire administered to 395 tailoring enterprises, determined through Cochran's formula. A total of 321 valid responses were obtained, representing an 81.3% response rate. Data were analysed using descriptive statistics and Pearson correlation at 0.05 significance level.

Findings revealed high CRM adoption among tailoring businesses, particularly in maintaining customer records, leveraging feedback to improve service quality, and engaging customers through digital platforms such as WhatsApp and Instagram. The study established a significant positive relationship between CRM adoption, customer retention, and business performance. Technology and record management moderately enhanced operational efficiency and sales growth, while personalised service delivery significantly promoted customer satisfaction and repeat patronage. However, financial limitations, inadequate technological infrastructure, and insufficient employee training were identified as key implementation barriers.

The study concludes that strategic CRM adoption is vital for enhancing competitiveness, profitability, and long-term sustainability. It recommends that tailoring enterprises invest in affordable technology-driven CRM systems, prioritise employee training, and strengthen customer-focused relationship strategies to achieve improved business outcomes in Nigeria's fashion industry.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Customer Relationship Management (CRM) has evolved into one of the most important strategies within today's business world. It is referred to as practices, technologies, and strategies utilized by organizations to manage and assess customer interactions along the lifecycle of the customer, in an effort to improve customer service relationships, assist with customer retention, and fuel sales growth (Nguyen & Mutum, 2012). The CRM idea is predicated upon relationship marketing, which aims at customer satisfaction and long-term engagement rather than short-term transactions and sales (Kotler & Keller, 2016).

Historically, most firms relied on traditional marketing and transactional practices that were largely product-based and not relationship-based. As competition increases in the global market and customer expectations change, organisations are currently evolving from transactional to relationship marketing. CRM plays a major role in this evolution by arming firms with strategies and mechanisms to establish more robust and personal relationships with their customers (Rahimi & Gunlu, 2016).

The tailoring industry, particularly small-scale tailoring enterprises, is among the businesses that are dependent on the establishment and maintenance of long-term relationships with customers. In tailoring companies, customer satisfaction and loyalty are not only assessed based on the quality of the garment created, but also on how well the tailor can comprehend and adjust to the customers' needs, tastes, and expectations (Oluwatayo & Adetoro, 2020). This makes CRM activities highly

relevant to tailoring companies, since good management of the customers has a direct influence on repeat orders, referrals, and ultimately the company performance.

At the global level, the adoption of CRM has been discovered to be a key propellant of business success. According to Kumar and Reinartz (2018), firms that effectively apply CRM techniques excel more than their industry rivals who do not, as CRM enhances customer loyalty, reduces the cost of marketing, and boosts profitability. CRM allows firms to collect and utilise customers' data like decisions, purchasing history, and customer complaints, in an effort to offer personalised services and establish stronger customer relationships (Buttle & Maklan, 2019).

In Nigeria, the tailoring sector constitutes an essential component of the micro, small, and medium enterprise (MSME) landscape. According to the SMEDAN/NBS (2021) MSME Survey, Nigeria hosts approximately 39.6 million MSMEs, which collectively contribute about 46.3% of the national GDP, and account for over 86% of total employment. Within this ecosystem, the tailoring and garment sub-sector is a key contributor to local employment and youth entrepreneurship, particularly in urban centres such as Benin City. However, despite its economic significance, most tailoring enterprises remain informal and struggle with issues of customer retention, inconsistent service quality, and low adoption of modern customer management practices (Ojo & Bello, 2020).

Benin City, being a business hub in Edo State, hosts a wide range of tailoring businesses, from single tailors working in apartment complexes to small fashion boutique stores serving students, civil servants, and professionals. The degree of competition between these businesses is fierce, and retaining customers has become a critical element of business success. Personal connection, word-of-mouth advertising, and trust in clients are what propel the tailoring business in Benin City. Thus, the application of CRM practices can be useful in enhancing business performance via

guaranteeing ongoing customer interaction, improved quality of service, and efficient client data management.

Even though CRM has been successful in large organisations, there is limited information on how it affects performance in small-scale enterprises, especially in informal sectors like tailoring. It is against this background that this study tries to examine how the practice of CRM improves the performance of Benin City-based small-scale tailoring businesses by quantifying customer retention, loyalty, sales growth, and challenges associated with CRM implementation.

1.2 Statement of the Problem

Small-scale tailoring enterprises in Benin City constitute a significant part of Nigeria's informal economy, providing employment and contributing to the local fashion and creative industries. Despite their economic importance, many of these businesses struggle to achieve sustainable business performance due to weak customer management structures, poor technological adoption, and limited strategic approaches to maintaining long-term client relationships. While large firms increasingly integrate Customer Relationship Management (CRM) systems to enhance competitiveness, small-scale tailoring businesses often rely on informal and inconsistent customer handling methods, resulting in low customer retention, limited referrals, and unstable revenue growth (Buttle & Maklan, 2019).

Empirical studies have demonstrated that effective CRM practices, such as record management, personalised customer engagement, and follow-up mechanisms, can significantly improve business outcomes by strengthening customer loyalty and satisfaction (Adeola & Evans, 2017; Oduro, 2020). However, in developing economies like Nigeria, small enterprises often lack the technological infrastructure, financial resources, and managerial skills needed to implement CRM practices effectively (Njoroge & Kibera, 2021). This gap not only constrains customer engagement

but also undermines the capacity of tailoring businesses to build brand equity and achieve sustained profitability.

Furthermore, there is evidence that while tailors recognise the value of maintaining customer relationships, many still depend on traditional customer management practices that are reactive rather than strategic. The absence of systematic data collection, feedback utilisation, and technology-driven communication tools limits their ability to anticipate customer needs or provide customised services (Rahimi & Gunlu, 2016; Salau, 2024). Consequently, these challenges hinder growth potential and diminish competitiveness in an increasingly dynamic fashion market.

Given this context, a critical gap exists in understanding how CRM practices, when effectively implemented, impact the business performance of small-scale tailoring enterprises in Benin City. The present study therefore seeks to examine the extent to which CRM adoption, customer retention strategies, technology utilisation, and personalised customer service collectively influence the overall business performance of these enterprises.

1.3 Research Questions

- 1. What is the level of adoption of Customer Relationship Management (CRM) practices among small-scale tailoring enterprises in Benin City?**
- 2. How do CRM practices impact customer retention and loyalty in tailoring enterprises in Benin City?**
- 3. What is the relationship between CRM practices and sales performance in small-scale tailoring enterprises in Benin City?**
- 4. What challenges do tailoring enterprises face in implementing effective CRM strategies?**
- 5. How does personalised customer service contribute to business growth in small-scale tailoring enterprises in Benin City?**

1.4 Objectives of the Study

The main objective of this study is to examine the impact of Customer Relationship Management (CRM) on business performance among small-scale tailoring enterprises in Benin City. The specific objectives are to:

- 1. Examine the level of adoption of CRM practices among small-scale tailoring enterprises in Benin City.**
- 2. Assess the impact of CRM on customer retention and loyalty in tailoring enterprises.**
- 3. Evaluate the relationship between CRM practices and sales performance in small-scale tailoring enterprises.**
- 4. Identify the challenges faced by tailoring enterprises in implementing effective CRM strategies.**

- 5. Investigate the role of personalised customer service in driving business growth within small-scale tailoring enterprises.**

1.5 Research Hypotheses

The following hypotheses will guide the study:

- 1. There is no significant relationship between CRM adoption and customer retention among tailoring enterprises in Benin City.**
- 2. There is no significant relationship between CRM practices and customer loyalty among tailoring enterprises in Benin City.**

- 3. There is no significant relationship between CRM practices and sales performance among small-scale tailoring enterprises in Benin City.**

- 4. There is no significant relationship between personalised customer service and business growth among small-scale tailoring enterprises in Benin City.**

1.6 Scope of the Study

This study focuses on the relationship between Customer Relationship Management (CRM) and business performance among small-scale tailoring enterprises in Benin City, Edo State, Nigeria. The research adopts the classification of the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) and the National Bureau of Statistics (NBS, 2013), which defines small-scale enterprises as businesses employing between ten (10) and forty-nine (49) persons. Consequently, the study concentrates on tailoring firms that operate within this employment range. Micro tailoring businesses that engage fewer than ten (10) persons, such as individual tailors and home-based fashion operators, are excluded to maintain consistency with the national MSME classification and to ensure the study targets more structured tailoring enterprises.

Geographically, the study is confined to Benin City, the capital of Edo State, which comprises three major Local Government Areas: Egor, Ikpoba-Okha, and Oredo. The choice of this location is informed by a high density of tailoring outfits and fashion designs in the stated regions. These areas were selected due to their high concentration of tailoring businesses, fashion design outlets, and garment production workshops. The tailoring industry in these locations plays a significant role in providing employment, especially among youths and women, while contributing to the local economy through job creation and skill development. The population of tailoring businesses in Benin City also exhibits diverse organisational structures, ranging from individual-owned firms to small partnerships employing several workers. This diversity provides a suitable environment for examining how CRM practices influence customer loyalty, retention, and sales performance.

Thematically, the study is limited to investigating the role of CRM in enhancing business performance among small-scale tailoring enterprises. It specifically looks at five key aspects: the degree of CRM practice adoption, the effect of CRM on customer loyalty and retention, the connection between CRM and sales performance, the difficulties in putting in place efficient CRM systems, and the impact of individualized customer service on business expansion. These factors were picked because they show how tailoring businesses handle their client relationships and the ensuing impacts on profitability and competition.

In regard to its timeframe, this proposed study will concentrate on CRM practices and business performance in relation to the past five years (from 2020 to 2025). The past five years are relevant to this study as they represent a new business environment that is dominated by growing consumer knowledge and developments in technology, and increased competitiveness in the fashion and tailoring industry. The post-COVID-19 period also saw significant shifts in customer expectations and service delivery patterns, making CRM practices more critical for business survival and growth.

The scope of this proposed study will specifically include tailoring businesses that undertake garment and fashion services like bespoke tailoring services, ready-to-wear garment manufacturers, and uniform manufacturers. Fashion-related businesses that are excluded from this scope will include fashion stores that sell fabrics and materials for garments, as well as beauty and cosmetics businesses. The study will collect information mainly from tailoring business owners and key officials in these businesses who interact with clients. In this context, this research proposal will specifically focus on tailoring businesses in Benin City and will provide valuable information regarding how a structured CRM strategy can improve consumer satisfaction and sales performance in a sustainable fashion within Nigeria's informal but highly competitive tailoring industry.

1.7 Significance of the Study

This research will be of significant benefit to several. First, it will benefit small-scale tailoring entrepreneurs by highlighting the importance of customer relationship management (CRM) in improving business performance. The empirical data will provide practical information on customer-relationship strategies that will allow tailors to retain customers, grow referral business, and boost sales.

Secondly, the research will be useful to policymakers and the SME development agencies with solid evidence on the influence of CRM practices on the tailoring sector. This evidence can be used to design future training programmes and business development projects that consider the needs of small-scale enterprises.

Thirdly, this study can benefit academic researchers and students because it will supplement the available literature on CRM and SME performance, specifically in the tailoring industry in Nigeria. The results will form a valuable input to further studies on CRM adoption and subsequent outcomes in other informal sectors.

Lastly, indirect beneficiaries can be the customers because the improved practice of CRM by the tailors can result in better service provision, communication, and general customer satisfaction.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Customer Relationship Management (CRM) has become among the most important strategic requirements of business success in the modern world. It includes the formalised administration of customer relationships with the aim of promoting consumer satisfaction, retention, as well as sustained business outcomes. The current dynamic and competitive world of business has seen companies of all sizes realise that serving old customers is cheaper than acquiring new customers. This recognition has led to the heightened focus on relationship-based marketing, especially in the context of small-scale enterprises, where the personal contact with the customers is the pillar of business practice.

Within the small to medium scale tailoring firms, CRM is needed especially since a tailoring business thrives on repeat business, referral business, and individualised services. These are businesses that are in markets where customers require distinctive designs, quality finishing, and punctual delivery. The ability of a tailor to serve customers, communicate, and manage relationships, therefore, directly affects the development and profitability of the business (Amoako, Arthur, and Bandoh, 2022).

This chapter is a review of the available literature on customer relationship management and business performance based on conceptual and empirical bases. It begins by explaining the important concepts, CRM and business performance, and then talks about the CRM practices relevant to small tailoring enterprises. The chapter also analyses the applicability of CRM in the tailoring business in Nigeria, thus defining the theoretical and empirical context of the study. The review is structured in accordance with the research objectives, and it focuses on the adoption of

CRM, its effects on customer retention and loyalty, its connection with sales performance, and challenges related to implementation.

2.2 Conceptual Review

2.2.1 Customer Relationship Management (CRM)

Customer Relationship Management (CRM) is a strategic paradigm that combines human resources, procedural frameworks, and technological infrastructures to understand, predict, and react to customer needs, increasing customer satisfaction, loyalty, and organisational profitability (Kotler and Keller, 2016). The philosophy behind CRM is that customers are long-term assets whose value can be increased through sustained interactions, the formation of relationships, and the provision of personalised services (Buttle and Maklan, 2019).

Simply put, CRM is the next stage of traditional transactional marketing because it pre-empts relational marketing, where the focus is not on acquiring customers but on retaining and serving them (Payne and Frow, 2017). This paradigm is especially relevant to service and craft industries like tailoring, where the development of a business is largely determined by the presence of repeat customers, referrals, and word-of-mouth marketing. Parvatiyar and Sheth (2020) describe CRM as a process of identifying, sustaining, and enriching customer and other stakeholders' relationships in a way that guarantees mutual profit, which is why the goals of all parties are aligned through mutual exchange and fulfillment.

CRM systems can take many different shapes, including manual customer record-keeping systems, loyalty programs, personalised communications, and online sales tracking and feedback systems (Nguyen and Simkin, 2017). However, the complexity of CRM implementation is often relative to the size of the firm, access to resources, and management capability. Big businesses are more

prone to the implementation of advanced digital solutions like Salesforce or HubSpot, and small and medium enterprises (SMEs) are more likely to use informal methods, e.g., customer notebooks, WhatsApp follow-ups, and referral-based messages (Eze, Chijioke, and Nwosu, 2023).

In third-world countries like Nigeria, those CRM practices are mostly informal but necessary to business survival. According to Oduro (2021), small businesses strongly require interpersonal communication, trust, and social bonding to maintain customer relations, especially when digital CRM systems are economically or technically unavailable. In the tailoring industry, this involves keeping records of measurement, after-sales adjustments, loyalty discounts, and sending out courtesy messages during the holidays- all of which are contextually adjusted CRM strategies.

Finally, CRM serves both as a strategic tool and philosophy of relationships, making sure that customers are not viewed as one-time purchases but business partners whose satisfaction is the direct driver of profitability and competitiveness (Reinartz, Krafft, and Hoyer, 2019). CRM, in the particular case of small-scale tailoring businesses in Benin City, presents a cheap but high-value mechanism of differentiation and long-term development in a market that is defined by personalisation and high competition.

2.2.2 Dimensions of Customer Relationship Management (CRM).

Customer Relationship Management (CRM) is a concept that is multidimensional, and as such, it comprises multiple, interrelated components all aimed at generating customer satisfaction and business performance. These dimensions are very important to understand the applications of CRM strategies, particularly in small-scale tailoring organizations where resources are scarce and the type of relationships is usually personal, rather than system-driven.

Customer Acquisition

Customer acquisition is the first activity of the CRM process and is aimed at attracting new customers and transforming prospects into active buyers. It entails the marketing communication, promotional campaigns, referrals, and word-of-mouth plans that familiarize prospective customers with the venture. According to Kotler and Keller, acquisition involves changing strangers into customers through value propositions and credibility building. In the case of small tailoring businesses in Benin City, acquisition is usually achieved by local contacts, visual presentation of quality workmanship, and word of mouth. Tailors can easily win new customers through trust, visibility, and customer satisfaction, unlike large corporations, which rely on advertising or digital analytics to a significant degree.

Customer Retention

Retention is the heart of CRM. It means that the company has the potential to sustain long-term relationships with the current customers, which guarantees constant patronization. According to research, maintaining existing customers is much cheaper than acquiring new customers. Retention in the tailoring context is provided by high-quality service delivery, keeping of records of measurements to be used in the future, after-sales adjustment after sales, and personal communication with the customers during the festive seasons. The existing clients tend to come back not just to satisfy their personal needs but also to refer new customers, thus maintaining business growth.

Customer Loyalty

Loyalty is the logical conclusion of retention and entails the creation of a level of emotional investment among customers. The loyal customers will show a steady preference to a given tailor even when the competitors are offering lower prices. Loyalty discounts, priority service, or personalised greetings are some of the CRM practices that improve this emotional bond. Loyalty

is thus a psychological by-product of satisfaction, trust, and perceived value, which are developed in the course of ongoing relational contact.

Customer Communication and Feedback.

A successful CRM system is based on effective communication. It entails regular engagement with the customers via both physical and online platforms to know their preferences, address complaints, and enhance service delivery. In small tailoring businesses, communication can be informal, like WhatsApp messages, phone calls, or face-to-face communication. Positive feedback assists tailors in making modifications to their services in a way that optimizes customer satisfaction and adds a personal touch that cannot be achieved by large competitors.

Technology and Record management.

In spite of the fact that CRM was initially more focused on personal relations, technology is becoming a more crucial part of customer data management and responsiveness. With regard to small tailoring businesses, technological CRM can be easy: spreadsheets to view orders, mobile applications to book appointments, or social media profiles to communicate with them. At the most fundamental level, technology assists in the standardisation of customer support and offers data-driven information on purchasing patterns, frequency, and preferences

Customer Value Creation

The final aim of CRM is to provide high-end value to customers in a manner that brings satisfaction and profitability in the long term. Value creation means the quality of the tailoring service, as well as a complete experience of a customer: on-time delivery, personal recognition, emotional satisfaction. Customers who start realizing regular value will tend more to become promoters of the business, hence boosting market share and profitability.

Overall, CRM dimensions can be seen as a coherent structure that allows customizing enterprises to attract, serve, and retain customers in a more efficient way. All the dimensions, starting with acquisition and continuing to loyalty, complement each other, forming a loop of long-term customer satisfaction and company expansion.

2.2.3: Business Performance

Business performance refers to the degree to which a company is able to attain its strategic goals in a prompt and effective way. It defines a complex construct that measures how well an organization can use its resources to make a profit, maintain growth, and meet the demands of its stakeholders. In the past, the determination of business performance has been limited to financial aspects like profit margins, sales growth, and returns on investment. In the recent managerial literature, especially in the case of small and medium enterprises (SMEs), this paradigm has been extended to non-financial indicators, such as customer satisfaction, innovation, employee productivity, and market share, thus acknowledging these dimensions as equally important elements of performance.

The Balanced Scorecard framework by Kaplan and Norton assumes business performance to be analysed in several different lenses of financial, customer, internal process, and learning and growth in order to help understand the success of an organization extensively. This expanded perspective recognizes that profitability is not sufficient to ensure sustainability; customer loyalty, operational, and adaptability characteristics are also necessary to achieve long-term sustainability.

Performance in the context of small tailoring businesses cannot be sufficiently reflected in financial statements since not all such businesses are formally organized with strict accounting systems. As a result, their success is normally quantified in terms of repeat customer patronage, customer referrals, production volume, service delivery promptness, and service quality

perception. Therefore, the performance of business in tailoring enterprises is essentially relational and service-based and is strongly dependent on the degree to which the tailor performs or exceeds the expectations of the customer.

According to scholars like Ojo and Onifade (2022), SMEs in Nigeria are more likely to define performance in terms of survival and growth. Survival is the ability of the enterprise to persist in spite of economic changes, and growth implies the expansion of the customer base, product offerings, or market presence. This twofold stance mirrors the actualities of the Nigerian micro-entrepreneurship, where the ability to sustain a stream of buyers, as well as the consistency of customer service and quality, are the fundamental measures of success.

In addition, customer-focused performance indicators have become prominent in recent business research. Organizations that evaluate their customer retention, complaint management, and consistent value delivery expertise demonstrate long-term competitiveness. Customer Relationship Management (CRM) practices are critical in this process because they pool and develop data relating to customer preferences, patronage frequency, and satisfaction levels, which in turn impact the business performance outcomes.

In business tailoring, however, performance is more appropriately interpreted as the level to which the business establishes better tailoring experiences that result in customer loyalty, word-of-mouth advertisement, and business. The monetary benefits come as a natural consequence of this relation-based strategy.

Business performance goes beyond the amount of revenue; it represents the strategic continuity in value creation, customer satisfaction, and flexibility. In the case of small-scale tailoring businesses within Benin City, the successful realization of better business performance depends on the proper

usage of relational management practices, quality of services, and innovative responsiveness to customer demands

2.2.4 Dimensions of Business Performance

Business performance refers to the extent to which an enterprise effectively achieves its set objectives in areas such as sales, profitability, customer retention, and market growth. It serves as a key indicator of the enterprise's competitiveness, efficiency, and sustainability in the market. In small-scale tailoring enterprises, business performance is often assessed not only by financial outcomes but also by customer-oriented and market-based indicators that reflect the overall operational success of the firm. For this study, the following dimensions of business performance were adopted, in line with the positions of Kaplan and Norton (2001), Armstrong and Cunningham (2012), and Kotler and Keller (2016):

Sales Growth:

This refers to the rate at which the business's total sales revenue increases over a given period. It represents the firm's ability to attract and retain customers and reflects the effectiveness of marketing and operational strategies. Consistent sales growth indicates that the enterprise is meeting customer demands and maintaining competitiveness within its market segment.

Customer Loyalty:

Customer loyalty measures the extent to which customers repeatedly patronise the same tailoring business and recommend it to others. It reflects emotional attachment, satisfaction, and trust developed over time through quality service and effective relationship management. According to Reinartz, Krafft, and Hoyer (2004), loyal customers not only provide repeat business but also serve as ambassadors who enhance the brand's reputation and long-term profitability.

Profitability:

Profitability is the degree to which the enterprise generates income that exceeds its total operating expenses. It is a financial indicator that shows how efficiently resources are utilised to produce value. As highlighted by Kaplan and Norton (2001), profitability represents a firm's capacity to sustain operations, reinvest in innovation, and ensure long-term survival in a competitive environment.

Customer Base Expansion:

This dimension refers to the increase in the number of new customers who patronise the business over time. It demonstrates the enterprise's success in attracting new market segments and expanding its reach through referrals, improved service delivery, or effective marketing. Armstrong and Cunningham (2012) observed that an expanding customer base is an essential sign of business growth and market relevance, particularly in small service-oriented enterprises.

These four dimensions: sales growth, customer loyalty, profitability, and customer base expansion, collectively provide a robust framework for assessing the business performance of small-scale tailoring enterprises. They reflect both financial and non-financial aspects of performance, ensuring that the study captures a holistic view of the firms' success in today's competitive fashion industry.

2.2.5 Relationship Between CRM and Business Performance

The relationship between Customer Relationship Management (CRM) and business performance has been one of the most discussed topics in modern management literature, primarily because of its strategic role in driving competitiveness, customer loyalty, and profitability. CRM is not merely

a marketing tool; it is a business philosophy that aligns customer needs with organisational goals to achieve sustained growth and improved performance outcomes.

In terms of strategic management, CRM provides an organised framework within which organisations are able to examine the behaviour of customers, foresee upcoming trends, and personalise their products or services to fit particular expectations. The result of this alignment is an increase in customer satisfaction, retention rates, and, finally, better financial returns. Reinartz, Krafft, and Hoyer (2019) assert that companies that have well-established CRM practices frequently outperform others regarding customer lifetime value and responsiveness because CRM enables gathering of data, identifying trends, and providing uniform value propositions.

In the small and medium enterprises (SMEs), various studies have established a positive relationship between CRM implementation and business performance. Adeola and Evans (2022) document that small businesses that conduct regular communication with their customers, monitor feedback, and implement reward management schemes enjoy higher repeat patronage and sales growth. Similarly, Oduro (2021) notes that even informal CRM practices, such as personalised follow-up, handwritten records, and social-bonding strategies, have a significant customer retention and business stability effect among small businesses in Sub-Saharan Africa.

In the case of tailoring enterprises, this rapport is further intensified, considering that the operations of these enterprises are relationship-oriented in nature. The ability of a tailor to remember what measurements, style, and fabrics were chosen by a customer proves attentiveness, which, in turn, affects satisfaction and loyalty. Customers feel recognized and important: this results in increased levels of attachment, which translates to repeat business and referral, both of which are key indicators of high performance.

In addition, CRM can increase the efficiency of operations by allowing even small tailoring firms to predict customer needs and design production timelines more precisely. A rigorous record-keeping and customer data management will allow tailors to forecast the general demand trends by season (say, festive orders), efficiently allocate resources, and minimize delays, all of which improve productivity and profitability.

CRM builds a better brand reputation and trust on a non-financial level. By regularly engaging with customers and offering services after they leave, tailoring enterprises tend to gain a competitive edge through word-of-mouth marketing and customer support. A reputation to be reliable and pay personal attention to clients becomes a direct determinant of business performance in a market like Benin City, where customer recommendation plays an influential role in determining who patronises a tailor or not.

CRM empirically plays a role in business performance in three critical pathways:

- Customer Retention and Loyalty: Long-term relationships lower the rate of customer churn and augment the likelihood of repeat purchases.
- Operational Efficiency: Improved data and feedback enhance the quality of services and minimize production mistakes.
- Financial Growth: Customers who are retained will create a stable flow of income and recruit new customers through referrals.

To conclude, CRM and its role in enhancing business performance are anchored on the capability of significantly changing interactions with customers into long-term relationships that can generate financial and relational value. In small tailoring businesses in Benin City, incorporating CRM activities, both informally and online, is a low cost, but high-impact approach toward achieving excellent performance in a market that is getting more and more competitive.

2.2.6 CRM Practices of Tailoring Enterprises in Benin City.

Customer Relationship Management (CRM) activities, as noted in tailoring firms in Benin City, are defined by a unique integration of both formal and informal relational practices that are adjusted to the city's entrepreneurial environment. Most of the small tailoring businesses are run on personal, trust-based relationships with their customers, as opposed to large manufacturing or service firms that use advanced software infrastructures. This is in line with the generally accepted antecedents of small enterprise success in emerging economies, with reputational capital, word-of-mouth referrals, and customer loyalty playing a more influential role than the large technological systems.

Tailors in Benin City have CRM practices, which are mostly informal but strategic in nature. Tailors also keep handwritten books that record the measurements of customers, the preferred designs, and past orders. This type of manual record keeping allows the delivery of the same service quality to regular clients since repeated measurements or an ambiguous design will be redundant. Furthermore, most tailors use mobile telephony and instant messaging applications to maintain communication with customers, provide information on order status, provide photographs of the finished clothes, and verify delivery time. These measures may be informal, but overall, they can help to achieve the primary CRM goal of maintaining sustained customer interaction and satisfaction.

One of the key aspects of CRM in the tailoring industry is personalisation. Tailors develop intimate social relationships with their clients, referring to them by name and remembering their fashion preferences. A large percentage of tailors offer discounts on loyalty, priority services, or even free makeovers during a time of celebrations or special events as a form of appreciation. These

interpersonal gestures appear as effective tools in building emotional loyalty as an essential competitive factor in a market inherently governed by trust and experiential quality of service.

Additionally, the customer feedback processes, though informal, are also critical. Clients will also give instant verbal feedback on fit, design, or timeliness, which tailors will use to improve later outputs. Some of the more advanced tailoring companies also use social media to display completed clothes, get feedback, and sell more clothing with customer reviews. This action confirms what Oduro (2021) has observed: that more and more African SMEs are attempting to combine the old methods of building relationships with new digital tools of interaction.

CRM understanding among tailoring businesses in Benin City, however, differs depending on the level of education, computer literacy, and financial ability. Digitally inclined younger tailors will be more willing to use smartphones and basic CRM applications like spreadsheets, Instagram pages, or Google Forms to make appointments and handle customer data. On the other hand, elderly or less educated tailors largely use memory or handwritten documents. Irrespective of these differences, the two cohorts have a common underlying goal: consistent growth of loyal customers by being consistent, trustworthy, and offering excellent service.

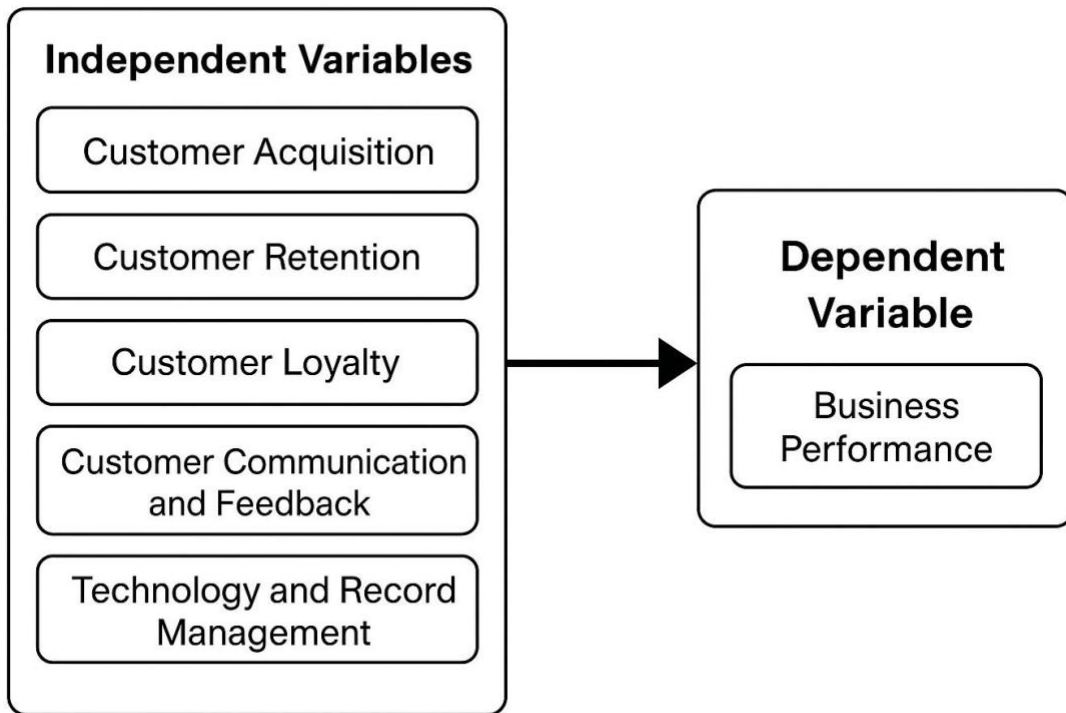
CRM activities within the tailoring industry of Benin City demonstrate how small businesses can implement strategic marketing concepts within their distinct business settings. Even without complex CRM solutions, these tailors are the epitome of the relational nature of CRM since they focus on customer satisfaction, reliability, and long-term relationships. These relational dynamics have been empirically related to business expansion, repeat business, and word-of-mouth promotion, which are important predictors of long-term performance in the tailoring industry.

2.3 Conceptual Framework

The conceptual framework forms the structural framework upon which the core variables and the expected interrelationships are to be structured in this study. The framework, in the context of small-scale tailoring enterprises in Benin City, outlines how the independent variable, Customer Relationship Management (CRM), has an impact on the dependent variable, Business Performance.

CRM practices include customer acquisition, customer communication, customer retention, feedback management, and service personalization, which together define the level of effectiveness among the tailored businesses in their relationship with clients. Business performance, contrary, is mirrored by quantifiable results like an increase in sales, customer retention, profitability, and brand sustainability.

With the tailoring industry being very competitive in Benin City, CRM practices are important, especially in ensuring that the industry survives and thrives. Communication between customers, their proper record keeping, loyalty programs, and regularity of service quality attract new customers and maintain long-term relationships. These findings are consistent with other empirical studies that have demonstrated that companies that have implemented systematic CRM strategies achieve better customer satisfaction and profitability.



This framework, therefore, assumes that CRM is the strategic determinant of business performance amid tailoring enterprises. Both cultivated and well-maintained customer relationships create repeat clients, new recommendations, and sustained sales growth, which are some of the markers of business success in a small-scale tailoring business.

2.4 Theoretical Review

2.4.1 Relationship Marketing Theory

The Relationship Marketing Theory offers a theoretical background of how companies develop and sustain long-term relationships with their consumers. The theory, formulated by Berry (1983), states that marketing goes beyond just trying to attract new customers to trying to create, sustain,

and improve on long-lasting relationships with the already existing customers. It focuses on trust, communication, mutual satisfaction, and long-term interaction instead of short-term dealings.

As applied in the small-scale tailoring business, this theory earmarks the role of personal interaction, trust-building, and sustained follow-up to enhance the relationship between the tailor and the customer. Relationship marketing activities increase loyalty and retention because tailors who maintain contact with clients, keep a record of their measurements, and provide their clients with updates or new design ideas are engaging in relationship marketing activities (Ndubisi, 2007).

The first and second goals of the study, which aim at analysing the degree of incorporation of CRM practices and determining the influence of CRM on customer retention and loyalty, are especially pertinent with regard to relationship marketing. The tailoring business is, in its nature, quite dependent on personal contact and regular patronage. As such, keeping the customers loyal is most appropriate when the interaction between tailor and client transcends the sewing transaction to an emotional and interpersonal relationship.

Relationship marketing theory states that it is frequently more economical to retain than to attract customers (Reichheld and Sasser, 1990). This is in line with the principal aim of CRM, which is to realise the maximum lifetime customer value by ensuring customer satisfaction on a regular basis. A customer who is satisfied with a product will refer others in the tailoring industry, and thus this results in an increase in business and an increase in profitability.

Critics have, however, pointed out that relationship marketing is resource-consuming and needs proper communication systems and customer information management, which small tailoring firms may not be able to afford because of a lack of technology or capital (Grönroos, 1994). Irrespective of these shortcomings, the theory is very practical in its application because it

underlies the significance of personal interaction and joint value-generation, which is central in-service differentiation.

2.4.2 Resource-Based View (RBV) Theory

According to Barney (1991), the Resource-Based View states that sustainable competitive advantage is achieved when a firm has and effectively utilises resources that are valuable, rare, inimitable, and non-substitutable. Examples of such resources may be tangible, such as capital and equipment, or intangible, such as brand reputation, customer relationships, and knowledge.

Customer relationships form strategic intangible assets in the small-scale tailoring companies that form the foundation of high operational performance. A tailor, the overall knowledge of personal preferences of the customers, records of systematic measurements, and personalization of the service provision are the unique assets, which are hard to duplicate by competitors. Customer-relationship-management (CRM) activities that enable customer retention and satisfaction are therefore requisite in the maintenance of competitive advantage (Wernerfelt, 1984).

The above theory supports the third and fifth goals of the current study, which is the empirical evaluation of the correlation between CRM and sales performance and the analysis of personalised customer service as a business development driver. In the tailoring industry, customer loyalty and satisfaction have a direct effect on sales, but customised services strengthen the brand image.

The RBV further assumes that companies need to constantly develop these customer-based assets through investing in employee training, deploying effective feedback systems, and maintaining high-quality services. When tailors invest in the understanding of client preferences, careful order-recording, and maintenance of constant communication, routine transactions can be transformed

into strategic resources that have the potential to generate sustainable performance benefits (Peteraf, 1993).

However, critics argue that the RBV assumes that firms always have the capability to discover and manage their resources, which might not be true of small informal firms (Priem and Butler, 2001). Nevertheless, the theory offers strong reasons to consider the relationship with the customers as one of the central business resources that can become performance drivers in the customising business.

2.4.3 Commitment-Trust Theory

The Commitment-Trust Theory, developed by Morgan and Hunt (1994), is one of the most widely recognised frameworks for understanding relationship marketing. This theory argues that in relation to business development, commitment and trust are two key factors. The theory states that in a relationship where trust is lacking, commitment is impossible. Furthermore, commitment is imperative since a lack of commitment makes it less likely for a company to retain its clientele.

In tailoring businesses, trust is created through reliability in service delivery, fairness in pricing, and deadline delivery, while commitment can be demonstrated through the sustainability of quality, offering services for alteration after delivery, and through feedback from clients. The above aspects encourage client loyalty and testimonials that are vital for successful growth in businesses.

The theory fits well with the second and fourth objectives of this study, as it focuses on evaluating how CRM will affect customer retention and exploring the challenges that tailoring businesses experience in applying CRM strategies. It has often been a common experience for many tailors to build and maintain consumer trust. The commitment and trust theory can assist tailoring

businesses in recognizing that consumer loyalty is not gained easily and that it needs to be developed through trustworthy services.

The above theory is supported by empirical evidence. Ndubisi (2007) established that trust and commitment are important predictors of customer loyalty in Nigerian small businesses. Rahim and Amin (2011) found that trust-based relationships are associated with improved customer satisfaction and retention and hence better business performance.

However, some critics have argued that this theory ignores some factors that affect a consumer relationship in relation to technological and environmental aspects (Eiriz & Wilson, 2006). Still, this theory is applicable in small tailoring businesses that rely on interpersonal interaction and consumer satisfaction.

2.4.4 Technology Acceptance Model (TAM)

The Technology Acceptance Model (TAM), introduced by Davis in 1989, elucidates how individuals come to accept and utilize technology. It highlights two key factors influencing technology adoption: perceived usefulness (the belief that technology enhances performance) and perceived ease of use (the belief that it requires minimal effort to operate). These perceptions influence users' attitudes toward the adoption of new systems.

In the context of small-scale tailoring businesses, TAM is pertinent for understanding how tailors begin to use digital CRM tools, including mobile record systems, WhatsApp for business communication, and customer databases. The model is closely related to the initial and last objectives of this study, which explore CRM adoption levels and pinpoint challenges in its implementation. Tailors who view digital tools as user-friendly and beneficial are more inclined to embrace them for tracking customer orders, dispatching follow-up messages, and managing client data. Conversely, those who perceive these technologies as complicated or unnecessary

often depend on manual record-keeping, thereby overlooking opportunities for improved efficiency and enhanced customer interaction (Venkatesh & Davis, 2000).

Utilizing TAM facilitates an understanding of why the adoption of CRM technology remains relatively low among small tailoring enterprises in Benin City. Issues such as limited digital literacy, inadequate internet connectivity, and a lack of formal business training impede widespread adoption. However, as smartphone usage becomes more prevalent, an increasing number of tailors are starting to appreciate the advantages of digital communication in strengthening customer relationships and improving business performance.

2.5 Empirical Review

2.5.1 Level of Adoption of Customer Relationship Management (CRM) Practices

Customer Relationship Management (CRM) is generally considered a key strategy in driving the growth of small-scale enterprises, since it helps in the achievement of better customer satisfaction, retention, and overall profitability. According to empirical evidence based on a global approach, it means that the adoption of CRM practices by small enterprises depends on the firm size, technological capacity, and managerial orientation. The adoption of CRM is moderate in most of the developing economies; many small businesses do not have the presence of full-scale digital customer management systems but use informal or relational systems instead (Nguyen and Mutum, 2012; Buttle and Maklan, 2019).

Analogous trends have been found through empirical research in the African region. Indicatively, studies conducted on micro, small, and medium enterprises in Ghana prove that although awareness of CRM is high, a low level of actual implementation of formal CRM platforms exists. Most SMEs use interpersonal strategies, including direct customer interactions, record-keeping by hand, telephone, and personal follow-ups (Oduro, 2020). The implication of these findings is that,

where formal technological infrastructure is lacking, relational CRM strategies prevail in the context of the SME.

A series of studies in Nigeria notes similar trends. Salau (2024) determined that SMEs in Lagos had knowledge about CRM principles but, in most cases, lacked the technological infrastructure, managerial skills, and financial resources to put structured CRM systems into practice. A variety of companies instead chose less formal strategies, such as keeping customer measurement records, providing loyalty discounts, and providing reliable service delivery. These observations are supported by other studies by Onyenezide (2025) in Onitsha, which revealed that Nigerian SMEs resort to relational and manual customer management strategies, including personal visits, phone follow-ups, and informal customer preferences tracking.

Even though the majority of existing studies on Nigerian SMEs are not specifically on the tailoring of enterprises, the evidence on SMEs generally indicates that small tailoring firms in Benin City will tend to use similar informal CRM practices. Tailors are more likely to have long-term customer relationships based on trust, quality, and customized service with detailed records of measurements. Digital literacy and exposure to CRM software seem to be the key factors that inhibit the adoption of fully integrated digital CRM systems because of cost factors.

These observations are further supported by international evidence. Empirical research on small manufacturers within Malaysia and other developing economies has shown that customer retention and tracking of sales are the main reasons behind the adoption of CRM. However, technological CRM systems are yet to be fully adopted by a majority of small businesses (less than 50 percent) due to financial, technological, and knowledge barriers (Ahmad and Alqudah, 2020; Buttle and Maklan, 2019). In a variety of settings, this suggests that, although CRM is considered to be key

to competitiveness, its formal adoption is limited, and relational CRM practices are prevalent in small enterprises.

The literature suggests that the implementation of CRM in small-scale enterprises is not uniform and is greatly context specific. SMEs are more willing to adopt CRM informally in Nigeria and other developing economies, using personal customer interaction, record-keeping, and loyalty as a means of managing relationships with customers. This underscores a research gap with respect to the actual adoption of CRM in the tailoring industry, especially in the urban centres, in this case Benin City, which this study aims to fill.

2.5.2 Impact of CRM on Customer Retention and Loyalty

Several empirical studies have connected CRM implementation to heightened customer loyalty, satisfaction, and retention. Ndubisi (2007) found that CRM factors, such as trust, communication, and commitment, significantly increased customer loyalty in small enterprises in Nigeria. The research emphasised that companies that ensured regular follow-up and tailored services saw greater customer loyalty.

Ajayi and Ogunsola (2022) found in a different study that tailoring businesses in Ibadan, which regularly engaged with clients via text messages and social media, saw a 23% rise in repeat customers within a year. The study found that responsiveness and after-sales service are key elements influencing loyalty.

Global data reinforces comparable findings. Kantsperger and Kunz (2021) demonstrated that customer-focused CRM systems improved satisfaction and loyalty among retail customers in Austria, indicating that an effectively managed relationship system builds customer trust. Similarly, Wali and Wright (2020) observed in South Africa that emotional bonds formed through reliable service quality markedly enhanced repeat patronage in microenterprises.

Nonetheless, not every result is favourable. Research by Ebitu and Ufot (2021) on Nigerian small fashion enterprises revealed that although personal connections enhanced customer loyalty, varying service quality and insufficient follow-up diminished long-term loyalty levels. This indicates that although CRM can improve retention, it needs to be backed by quality assurance and dependability.

2.5.3 Technology & Record Management

Technology and systematic record management are now widely regarded as central enablers of effective CRM and improved firm performance, particularly for small and micro enterprises operating in developing economies. Technology-enabled CRM operationalised as digital customer databases, communication platforms (e.g., WhatsApp, Facebook, Instagram), and analytic/automation tools strengthens an enterprise's ability to capture customer information, monitor preferences, speed response times, and personalise service, all of which underpin retention and repeat purchase behaviour (Buttle & Maklan, 2019; Payne & Frow, 2005).

Global empirical studies demonstrate consistent links between CRM technologies and better organisational outcomes. Sin, Tse, and Yim (2005) established measurement scales that separate operational, analytical and relational CRM behaviours; subsequent research has shown that firms applying these technology-supported practices record improved customer satisfaction, cross-selling opportunities and lifetime value (Sin et al., 2005). Payne and Frow's (2005) strategic CRM framework further highlights that CRM technology is not a mere IT project but a cross-functional capability that integrates marketing, sales and service processes to create customer value; where this integration is effective, firms achieve more predictable service outcomes and enhanced customer retention.

A growing body of SME-focused work indicates that even lightweight or informal digital tools can deliver meaningful returns. Systematic reviews and recent empirical meta-analyses on CRM systems and SME performance find that the presence of CRM technology (even if basic e.g., spreadsheets, messaging logs, simple databases) correlates with higher customer retention metrics and improvements in non-financial performance indicators that presage revenue gains (recent systematic reviews, 2024). For micro and small enterprises, operational benefits typically include fewer measurement errors, faster turnaround on bespoke orders, better follow-up after delivery, and an improved ability to call back previous clients for repeat commissions.

There is also concrete Nigerian evidence that technology-driven CRM elements matter for SMEs. Field studies and applied research in several Nigerian states report that SMEs that maintain systematic customer records, use digital communication channels for follow-up, and apply simple analytics to past orders are more likely to report stable sales and greater customer loyalty (Salau, 2024; Azage & Ikpeazu, 2024). For example, research in Lagos and the South-South region shows that mechanised record-keeping (digital or well-structured manual systems) reduces order errors and improves repeat patronage outcomes that local SMEs equate with improved business continuity and higher perceived competitiveness.

In tailoring and fashion subsector specifically, the practical advantages of technology and record management are clear and immediate. Tailors who maintain accurate digital or digitised measurement files and preference histories reduce rework, avoid costly remakes, and can proactively offer seasonally relevant garments, which increases both customer satisfaction and cross-sell opportunities. Social-media messaging and simple order-tracking spreadsheets allow tailors to manage multiple bespoke orders concurrently without losing details, which is especially valuable for owner-managed shops with small staffs. Even in contexts where full CRM software

is uneconomic, small-scale adoption of record-management practices (e.g., WhatsApp logs, tagged customer folders, digitised measurement photos) functions as an affordable and high-impact CRM technology.

Despite the generally positive evidence, several caveats arise from the empirical literature. First, technological adoption alone does not guarantee performance improvements: the benefits depend on data quality, staff competence, and processes that integrate CRM data into daily operations (Payne & Frow, 2005). Second, for many SMEs the primary constraints are financial and skills-related; several studies in Nigeria identify cost, infrastructure, and low digital skills among employees as persistent barriers that limit CRM technology gains (IIARD/region studies, 2024). Third, the pathway from CRM technology to measurable financial performance is often indirect, mediated by improved retention, reductions in errors, and better customer communication, meaning direct correlations with short-term sales may be muted in cross-sectional surveys.

The empirical evidence supports the proposition that technology and record management are strategic enablers of CRM effectiveness in small-scale enterprises, including tailoring businesses. Where technology is combined with disciplined record keeping and staff capability, tailoring enterprises can expect better customer retention, fewer service failures, and an increased potential for upselling and referrals, all of which contribute to sustainable business growth in contexts like Benin City.

2.5.4 Challenges Affecting the Implementation of CRM Practices

Although Customer Relationship Management (CRM) is gaining increasing popularity as a driving factor in business performance, there are still too many challenges related to its successful implementation in the context of small-scale businesses. These issues are structural, technological,

financial, and human in nature, and they restrict the possibility of small businesses adopting formal CRM systems, especially for tailoring enterprises.

Limited financial capacity is one of the main challenges. Small businesses tend to have lean budgets and thus fail to cover modern CRM applications or customer-management software-as-a-service subscriptions. Adeola and Evans noted that the expensive nature of the infrastructure of CRM acquisition and maintenance deters many small-scale entrepreneurs in Nigeria from adopting digital CRM (2022). In a similar vein, Ahmad and Alqudah (2020) noted that the affordability of CRM technologies is also a significant barrier for small manufacturers in Malaysia, as only a portion of the companies were able to bear the costs of software updates and training offered on an ongoing basis.

Poor technological literacy amongst small business owners is another major obstacle. With a lot of entrepreneurs, there is the aspect that they have insufficient exposure to information and communication technology (ICT), thus they are not able to make good use of CRM tools, in case they have access to them. Eze and Chijioke (2023) discovered that the owners of businesses in the tailoring sector favoured manual record-keeping systems because they were not familiar with digital records. This technological mismatch is among the causes of low CRM adoption pertaining to developing economies where formal ICT training is not rife.

Inadequate management skills and strategic orientation are also impediments to CRM. CRM involves not only technology but also strategic planning, managing and segmenting data, and customer segmentation. Nevertheless, CRM is not one of the activities that many small business operators take seriously as a business process. Oduro (2020) found that small-scale businesses in Ghana do not generally have a formal understanding of CRM concepts, which leads to a lack of consistency in customer interaction and inadequate use of data.

Also, there are infrastructure and ecological issues like unreliable power supply, weak internet connections, and limited data protection systems that can make CRM adoption quite difficult. These external barriers in Nigeria render small businesses unable to sustain a database of customers or manage clouded CRM systems (Salau, 2024). Lack of sound digital infrastructure restricts the viability of adopting technology-based CRM systems, compelling a number of firms to use conventional relational approaches.

Employee resistance and organisational culture are other challenges. Customer relationship management systems can necessitate a shift in attitude, especially in the front office. As Rahimi and Gunlu (2016) emphasized, workers who were used to working manually might not comply with data entry demands, follow-up procedures, or institutionalized communication practices. This opposition is further exacerbated by the informalisation of work, where in small tailoring businesses, most activities are largely based on personal connections and intuition rather than data-driven decision-making.

There is an increasing concern about data management and privacy. Small businesses do not have secure methods of storing and manipulating the information on customers, and they are prone to losing or misusing data. Poor record-keeping also impacts follow up activities, tracking of sales, and consistency of services. Therefore, without enhancing the practice of data accuracy and security, the full potential of CRM will not be realised.

2.5.5 CRM and Business Growth in Tailoring Enterprises

CRM has become a strategic necessity for maintaining business growth, especially for those businesses that are small and also those that are in highly competitive markets. Business growth is assessed both in quantitative terms (sales volume, profitability, customer base size, etc.) and in qualitative terms (brand loyalty, ability to innovate, market reputation, etc.). Enterprise

customization CRM is used to promote business development through enhanced customer interactions, repeat business, and positive word-of-mouth publicity.

CRM leads to business expansions since it helps an entrepreneur better understand and act upon customer preferences. Tailors can provide personalised services to customers they have met by preserving the measurements of customers, their stylistic preferences, and purchasing histories. This allows tailors to create personalised services that will enhance customer loyalty and the likelihood of repeat transactions. Odukoya (2021) argued that the adoption of CRM systems in SMEs gives them a better position to predict the needs of customers, hence improving the accuracy of sales forecasts and efficiency in production planning. This proactive ability stabilises business and encourages long-term revenue growth.

The positive association between CRM adoption and enterprise expansion is supported by empirical evidence. Eze and Chijioke (2023) noted that business customization in Enugu State also enjoyed steady stability in customer retention and referrals after implementing a formal customer record system. On the same note, Adeola and Evans (2022) found that customer lifetime values and lower churn rates were observed at small enterprises in Lagos that implemented CRM-based customer engagement models compared to those that utilized informal relationship-management practices.

In addition to retaining customers, CRM helps in business expansion by enhancing market intelligence and making data-driven business decisions. Through customer data analysis, tailoring entrepreneurs are able to determine the purchasing patterns and market trends that guide the product development and promotion strategy. According to Ahmad and Alqudah (2020), the growth rate of small manufacturing companies using CRM tools was higher due to the ability to match the product designs to the changing customer preferences. This is consistent with modern

business theory that views CRM as a technological instrument, as well as a strategic value creation process.

CRM also aids in growth in developing economies where tailoring enterprises often have to face stiff competition, as it helps in differentiating competitively. Salau (2024) has shown that customer relationship management firms using CRM software to improve customer relationship management had reported higher brand presence and higher customer loyalty as compared to firms that were managed manually. One-on-one customer service, punctual delivery, and after-sales service became key points of successful tailoring companies.

To promote business growth successfully, CRM should be incorporated into the general strategic plan of the enterprise. Oduro (2020) suggested that CRM implementation that does not incorporate adequate alignment with business aims can lead to disjointed initiatives that do not have significant effects on growth. Therefore, customisation of businesses needs to see CRM as not only an operational tool, but a growth-oriented system that contributes to customer-based innovation and sustainable competitiveness.

2.6 Research Gaps

Despite the growing body of literature on Customer Relationship Management (CRM) and business performance, several critical research gaps persist, particularly within the context of small-scale tailoring enterprises in Nigeria and, more specifically, in Benin City. The majority of existing studies on CRM have concentrated on large-scale organisations, such as banks, telecommunications firms, and multinational corporations, while relatively little attention has been given to micro and small-scale tailoring businesses, which form a significant part of Nigeria's informal economy. This neglect has created a contextual vacuum in understanding how CRM

principles function in sectors characterised by personal interaction, low technology adoption, and informal customer relationships.

A major gap identified in the literature is the sectoral bias in CRM research. Most prior works (e.g., Nwokah & Didia, 2015; Aghara & Nwaizugbo, 2016) have investigated CRM from the perspective of financial institutions and large retail organisations, focusing on customer databases, digital marketing, and automated service systems. These studies largely ignore how CRM practices manifest in labour-intensive, craft-based enterprises such as tailoring, where relationships are built through word-of-mouth, repeat patronage, and trust. This calls for a more grounded study of CRM practices in microenterprises that rely less on technology and more on interpersonal rapport to sustain performance.

Another significant research gap relates to geographical focus. Most Nigerian CRM studies generalise findings across regions or focus on metropolitan hubs such as Lagos, Abuja, or Port Harcourt, overlooking medium-sized cities like Benin City. Yet, Benin City's tailoring industry is uniquely shaped by socio-economic diversity, local fashion culture, and the large student population that influences demand patterns. Ignoring these local dynamics can obscure key behavioural and performance variations among tailoring entrepreneurs. Hence, this study seeks to fill the place-specific gap by contextualising CRM practices and their outcomes in Benin City.

A third gap lies in the conceptual linkage between CRM and specific dimensions of business performance. While several studies affirm that CRM enhances organisational success, few dissect which aspects of CRM (such as customer acquisition, retention, feedback management, or loyalty programmes) contribute most significantly to measurable performance indicators such as profitability, customer loyalty, and sales turnover. This lack of nuanced analysis makes it difficult

for small-scale tailoring businesses to know where to invest their limited resources for optimal returns.

Also, there is a methodological gap in the existing literature. Many Nigerian CRM studies are predominantly quantitative and cross-sectional, capturing data at a single point in time (e.g., Onuoha & Ojo, 2018). Such designs fail to account for the dynamic and relational nature of CRM, where customer relationships evolve over repeated interactions. There is thus a need for more mixed-method approaches that combine surveys with interviews or observational insights to capture the subtleties of customer engagement in tailoring contexts.

Finally, there is a managerial and policy gap. Although CRM is recognised as a driver of customer satisfaction and performance, there is limited research linking these findings to capacity-building initiatives, training programmes, or local business associations that can enhance CRM competence among tailoring entrepreneurs. Understanding these practical and policy dimensions is essential to translating theoretical insights into actionable strategies that can drive sustainable business performance in Benin City's tailoring sector.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter outlines the methodological framework to be used in the current enquiry. It describes the research design, population, sampling methods, data collection tools, and methods of analysis used. Saunders, Lewis, and Thornhill (2019) believe that a good methodology will provide internal validity and external reliability, thus making the research results credible and generalisable.

This study framework is tailored explicitly to test the relationship between Customer Relationship Management (CRM) and the business performance in small-scale tailoring businesses in Benin City. The study uses a systematic methodological approach to capture both behavioural and customer-focused aspects of CRM practices because the tailoring enterprises are mostly informal, personalised, and customer-centric.

This structure will make the study empirically-based, reliable, and applicable to scholars, practitioners, and policymakers interested in improving the sustainability and competitiveness of the small-scale tailoring sector in Nigeria.

3.2 RESEARCH DESIGN

A research design gives the general outline and logical framework that determines the stages of data gathering, analysis, and interpretation (Creswell and Creswell, 2018). It establishes the steps necessary to enlist valid and reliable data and becomes the roadmap in testing the aims and hypotheses of the study. The power of any research is, as Saunders et al. (2019) confirm, the strength of its design that informs methodological coherence and scientific rigour.

This research paper uses a descriptive survey research design. Descriptive design is suitable since the study aims to summarize factual data, describe the current state of affairs, and examine the correlation between variables, namely, CRM practices (including customer acquisition, retention, communication, and feedback management) and business performance (in terms of customer loyalty, profitability, and growth in sales).

The researcher is not going to manipulate any variable; rather, the objective is to determine the inherent relationships that exist in the tailoring businesses as they implement CRM in their everyday functions. This design helps in the collection of data in the format of structured questionnaires given to a representative sample of tailoring entrepreneurs and customers in Benin City.

The descriptive survey design is particularly useful in the type of research that is aimed at capturing attitudes, opinions, and behavioural patterns within a population (Cohen, Manion, and Morrison, 2018). It allows the researcher to use statistical methods in analysing the level of CRM adoption, its impact on business performances, and to make valid inferences about the wider tailoring community. Furthermore, the method can guarantee ecological validity due to studying CRM practices in actual business contexts instead of in experimental scenarios (Hair, Page, and Brunsveld, 2019).

The design has been chosen because it has the ability to:

- Explain the current CRM activities in customizing enterprises.
- Create links between CRM and business performance indicators.
- Offer evidence-based information that can inform policy interventions and managerial decisions.

3.3 POPULATION AND SAMPLE OF THE STUDY

The population of a study refers to the complete set of individuals, organisations, or entities that possess characteristics relevant to the research problem and from which a sample is drawn for analysis (Creswell & Creswell, 2018). A clearly defined population is crucial because it establishes the boundaries of the research, ensuring that findings are reliable, valid, and generalisable to the target group (Kothari, 2014; Saunders, Lewis, & Thornhill, 2019).

The population of this study comprised all small-scale tailoring enterprises operating within Benin City, Edo State. This category includes registered and unregistered tailoring businesses, fashion designers, and garment makers who engage in direct customer interaction and garment production. The exact population size of tailoring enterprises in Benin City could not be determined due to the absence of a comprehensive database. Therefore, the population was considered indefinite or very large for the purpose of statistical estimation.

To ensure representativeness and reliability, the study focused on owners, managers, and key staff members of these tailoring enterprises, as they possess firsthand knowledge of the firm's customer management practices and performance indicators. Hence, the accessible population comprised tailoring enterprises drawn from the three major local government areas (Egor, Oredo, and Ikpoba-Okha) that make up Benin metropolis.

3.4 SAMPLE SIZE AND SAMPLING TECHNIQUE

The sample size is the subset of the population selected for participation in the study, representing the broader group of interest (Kothari, 2014; Saunders, Lewis, & Thornhill, 2019). Determining an appropriate sample size ensures the reliability and generalisability of the research findings. Given that the population size was unknown, the sample size was determined using Cochran's (1977) formula for infinite populations:

$$n_0 = \frac{Z^2 p(1-p)}{e^2}$$

Where:

- n_0 = required sample size
- $Z = 1.96$ (standard normal deviation for 95% confidence level)
- $p = 0.5$ (assumed proportion of the population with the desired attribute)
- $e = 0.05$ (margin of error)

Substituting the values:

$$n_0 = \frac{(1.96)^2(0.5)(1-0.5)}{(0.05)^2} = 385$$

Thus, a total of 385 respondents were selected as the sample size for this study. However, to account for potential non-response and incomplete data, 395 copies of the questionnaire were distributed.

A stratified random sampling technique was adopted to ensure fair representation across the three major local government areas in Benin City (Egor, Oredo, and Ikpoba-Okha). Within each stratum, tailoring enterprises were randomly selected, and one respondent (either the owner, manager, senior staff, etc.) was chosen per enterprise to provide data for the study. This approach enhanced representativeness and reduced sampling bias

3.5 RESEARCH INSTRUMENTS

A well-structured questionnaire titled "Customer Relationship Management Practices and Business Performance of Small-Scale Tailoring Enterprises in Benin City" served as the main

research instrument for primary data collection. The questionnaire was systematically designed to obtain relevant information required to achieve the study objectives and to examine the relationship between Customer Relationship Management (CRM) practices and business performance among small-scale tailoring enterprises.

For logical sequence, clarity, and comprehensive data collection, the questionnaire was systematically structured into seven sections that collectively captured both demographic information and the core constructs of the study. Each section was carefully designed to address specific research objectives and variables within the conceptual framework of Customer Relationship Management (CRM) and business performance among small-scale tailoring enterprises in Benin City.

Section A captured the demographic characteristics of the respondents. These included gender, age, business experience, number of employees, business location within Benin City, and monthly revenue. Such demographic information was considered essential for understanding variations in CRM adoption and its impact on performance across different tailoring businesses (Saunders, Lewis, & Thornhill, 2019).

Section B focused on CRM Adoption Practices, assessing how tailoring businesses implement relationship-oriented strategies such as customer record keeping, feedback collection, complaint resolution, and the use of digital and social media platforms to promote customer engagement.

Section C addressed Customer Retention and Loyalty, which explored the extent to which customers return for repeat services, recommend the tailoring business to others, and maintain long-term relationships, reflecting the effectiveness of CRM practices in sustaining customer satisfaction.

Section D examined Technology and Record Management, focusing on how technological tools and digital record systems facilitate efficient customer service delivery, order tracking, and information management within tailoring enterprises.

Section E covered Challenges in CRM Implementation, identifying the key obstacles that hinder effective CRM adoption. These included limited financial resources, lack of technological tools, inadequate staff training, and customer inconsistency, all of which can negatively affect the efficiency of CRM initiatives.

Section F explored Personalised Customer Service and Business Growth, assessing how tailoring businesses customise services based on clients' preferences, maintain follow-up relationships, and create personal connections that foster satisfaction and long-term patronage.

Section G centred on Business Performance, capturing measurable indicators such as sales growth, profitability, customer patronage, business reputation, and the overall perceived improvement in business outcomes resulting from CRM practices.

A five-point Likert scale was employed to measure responses to all items, ranging from *Strongly Agree (5)* to *Strongly Disagree (1)*. This scale was adopted because it allows for nuanced responses, enhances statistical analysis, and has been widely recognised in studies involving business practices and CRM adoption (Joshi, Kale, Chandel, & Pal, 2015; Creswell & Creswell, 2018).

To ensure content validity, the questionnaire was developed based on an extensive review of relevant empirical and theoretical literature on CRM, technology use, and small business performance (Adeola & Evans, 2017; Njoroge & Kibera, 2021). Thereafter, the instrument was subjected to expert review by academic supervisors and experienced tailoring practitioners in

Benin City, who assessed the clarity, relevance, and alignment of each item with the study's objectives. Constructive feedback from these reviewers informed the refinement of the questionnaire before field administration.

A total of 395 copies of the questionnaire were distributed to respondents drawn from the study's target population. The sample size was determined using Cochran's formula for an unknown population, while additional copies were issued to accommodate potential non-responses or incomplete returns. Respondents were encouraged to provide accurate and honest responses, and all retrieved questionnaires were carefully screened to ensure completeness and consistency.

The instrument was designed to ensure both validity and reliability, providing comprehensive data on how CRM practices, technological adoption, and personalised service delivery influence business performance among small-scale tailoring enterprises in Benin City. Its structure, clarity, and conceptual alignment enhance its potential to generate accurate and reliable findings (Bell, Bryman, & Harley, 2022; Saunders et al., 2019).

3.6 VALIDITY OF THE INSTRUMENT

Expert review and a pilot test were used to determine the validity of the questionnaire. Marketing scholars and small business enterprise researchers analysed the tool to confirm that every item was able to measure variables of product differentiation and market segmentation correctly (Bryman, 2016; Creswell and Creswell, 2018).

A pilot test was carried out using a small sample of customers and tailoring operators who did not include the main survey. The pilot feedback was used to revise items to be clearer and more relevant. The process was used to ensure content validity, which ensured that the questionnaire addressed the constructs under study comprehensively (Taherdoost, 2017).

3.7 INSTRUMENT RELIABILITY.

Reliability is the consistency of a research instrument to generate stable and repeatable output (Creswell and Creswell, 2018; Saunders et al., 2019). A test-retry method was used to test reliability. The questionnaire was completed by a small pilot sample size, with tailoring customers and operators out of the primary sample, and re-administered to the same respondents after two weeks.

The analysis of responses was conducted with the help of the Pearson Product-Moment Correlation Coefficient, which allows working with interval data and is typically used in social science studies (Field, 2018). The result obtained was a reliability coefficient of 0.75, which is more than the acceptable value of 0.70 (Nunnally and Bernstein 1994). This proved that the questionnaire could be used to evaluate customer perceptions and business practices within the tailoring industry.

3.8 METHOD OF DATA COLLECTION

The structured questionnaire was used to collect data and was conducted face-to-face. Community leaders and tailoring associations in Benin City were consulted to cooperate. The respondents were sampled in places where people would be found, like markets, workshops, and educational organizations.

Research assistants were also trained to lead respondents and explain the questionnaire items without affecting their responses. Participants were made to feel free to participate and were guaranteed confidentiality. Questionnaires were sent back to collect the completed ones either instantly or at a pre-determined time of follow-up to minimize missing data and to ensure precision

This methodological process made sure that data are comprehensive, reliable, and representative of the opinion of customers and shape the practice of the operators in Benin City.

3.9 METHOD OF DATA ANALYSIS

The data were coded, inputted into Microsoft Excel, and analysed by SPSS. The demographic data and views on product differentiation and segmentation strategies were summarised by Descriptive statistics, frequencies, percentages, means, and standard deviations (Denscombe, 2017; Pallant, 2020).

Hypotheses were tested using inferential statistics. The correlation conducted by Pearson involved the relationship between market segmentation and differentiation strategies. The use of multiple regression analysis evaluated the extent to which differentiation strategies (pricing, quality, and variety) explained customer segmentation results.

A 5-point Likert scale was applied, with mean scores above 3.00 indicating agreement and below 3.00 indicating disagreement (Joshi et al., 2015). Hypotheses were tested at a 95% confidence level ($p < 0.05$) to ensure robustness and minimize Type I and II errors (Field, 2018; Saunders et al., 2019).

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1 Introduction

In this chapter, the presentation, analysis, and interpretation of the data collected from the respondents are provided. It precisely covers the descriptive analysis, interpretation, and presentation of socio-demographic information of the respondents and data obtained on issues relating to the determinant of customer relationship management and business performance in small-scale tailoring enterprises in Benin City. Furthermore, the chapter presents the results of the statistical analyses conducted to test the hypothesised relationships among the variables. Both descriptive and inferential statistical tools were employed to analyse the data, ensuring a comprehensive understanding of the research findings

4.2 Retrieval Rate and Description of Respondents' Socio-Demographics

4.2.1 Retrieval Rate

From the survey carried out, 321 copies of the questionnaire were retrieved out of the 400 copies of questionnaires distributed.

The retrieval rate is calculated as follows:

$$\text{Retrieval Rate} = \frac{\text{Number Retrieved}}{\text{Number Distributed}} \times 100$$

$$\frac{321}{395} \times 100 = 0.8127 \times 100 = 81.27\%$$

Retrieval rate \approx 81.27%

So, the retrieval rate is approximately 81%.

4.2.2 Description of Respondents' Demographic Information

This section presents the descriptive analysis of the demographic information obtained from the sampled respondents. The demographic variables include gender, position in the tailoring business, number of employees, and years of business operation. In the course of the field survey, a total of **395 copies** of the questionnaire were distributed to small-scale tailoring enterprises within Benin City. Out of these, **321 copies** were properly filled, retrieved, and found usable for analysis. This represents a **retrieval rate of approximately 81 percent**, indicating a high level of response and cooperation from the respondents. The analysis presented in this section is therefore based on the 321 valid responses received.

Table 4.1: Demographic Information Characteristics of the Respondents

S/N	Categories	Frequency	%
1.	Gender		
	Male	179	55.8
	Female	142	44.2
	Total	321	100.0
2.	Position in Tailoring Business		
	Business Owner	179	55.6
	Manager	43	13.4
	Tailor/Staff	59	18.3
	Apprentice	35	10.9
	Others	6	1.9

	Total	322	100.0
3.	Number of Employees		
	Less than 9	219	68
	10-49	103	32.0
	50 and above	-	-
	Total	322	100.0
4.	Years of Business Operation		
	Less than 1 year	47	14.6
	1-3 years	80	24.8
	4-6 years	80	24.8
	7-10 years	60	18.9
	Above 10 years	55	16.8
	Total	322	100.0

Source: Field Survey, 2025.

Table 4.1 presents the demographic characteristics of respondents engaged in small-scale tailoring enterprises in Benin City.

Gender

The table shows that a slightly higher proportion of respondents were male, with 179 respondents, representing 55.8% of the total sample, while 142 respondents (44.2%) were female. This distribution indicates that tailoring, though traditionally dominated by women in some contexts, is increasingly attracting male participation in Benin City, especially in the area of fashion design and bespoke tailoring.

Position in the Tailoring Business

As shown in the table, the majority of the respondents (179 respondents or 55.6%) identified themselves as business owners, suggesting that a large proportion of tailoring enterprises are owner-managed. Tailors or staff made up 18.3% (59 respondents), while managers accounted for 13.4% (43 respondents). Furthermore, apprentices constituted 10.9% (35 respondents), and others, such as temporary assistants or fashion consultants, represented 1.9% (6 respondents). This distribution highlights that most tailoring businesses in Benin City are small-scale, owner-driven ventures where proprietors are directly involved in daily operations.

Number of Employees

The distribution of respondents by number of employees shows that 219 respondents (68%) operate with less than 9 employees, while 103 respondents (32%) have between 10 and 49 employees. None of the enterprises surveyed had 50 or more employees, reinforcing the classification of these tailoring enterprises as small-scale businesses under the SMEDAN framework. This further aligns with the population focus of the study on small-scale tailoring enterprises.

Years of Business Operation

With regard to years of business operation, the results reveal that 80 respondents (24.8%) each have been in business for 1–3 years and 4–6 years, indicating a balanced mix of relatively new and moderately established enterprises. 47 respondents (14.6%) have operated for less than one year, while 60 respondents (18.9%) have been in operation for 7–10 years. Meanwhile, 55 respondents (16.8%) have sustained their businesses for over 10 years, suggesting that a good number of

tailoring entrepreneurs in Benin City possess substantial industry experience and business continuity.

4.3 Description of Research Variables

The variables were described using simple percentage, mean and standard deviation. The independent variable is the determinants while the dependent variable is business performance.

4.3.1 Description of Determinants

In realising this objective, we, first of all, computed the mean scores and standard deviation of responses to each factor of determinants which are assessed on a five-point Likert scale in which one represents a strong level of disagreement and five represents a strong level of agreement.

Table 4.2 N.B: 1, 2, 3, 4 and 5 denote strongly disagreed, disagreed, neutral, agreed, strongly agreed response rate respectively.

<i>S/N</i>	<i>Questions</i>	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean
CRM Adoption Practices							
5.	My business keeps a record of customers' measurements and preferences.	163 (50.8%)	114 (35.4%)	39 (12.1%)	5 (1.6%)	-	4.36
6.	We use customer feedback to	123 (38.3%)	131 (40.8%)	64 (19.9%)	3 (0.9%)	-	4.17

	improve our sewing and service quality.						
7.	Customer complaints are handled promptly and professionally.	111 (34.6%)	103 (32.1%)	88 (27.4%)	19 (5.9%)	-	3.95
8.	My business uses digital tools (e.g., WhatsApp, Facebook, Instagram) to engage customers.	98 (30.5%)	126 (39.3%)	61 (19%)	36 (11.2%)	-	3.89
9.	I advertise my tailoring services through social media platforms.	127 (39.6%)	137 (42.7%)	49 (15.3%)	8 (2.5%)	-	4.19

Source: Field Survey, 2025.

CRM Adoption Practices

From Table 4.2 above, the statement “*My business keeps a record of customers’ measurements and preferences*” shows that 163 respondents (50.8%) strongly agreed, 114 (35.5%) agreed, 39 (12.1%) were neutral, and 6 (1.6%) disagreed. The mean score of 4.36 indicates a high level of agreement among respondents, implying that record-keeping is a widely adopted CRM practice among small-scale tailoring enterprises. This also suggests that maintaining customers’

measurements and style preferences has become a common operational norm within the tailoring industry in Benin City.

For the statement “*We use customer feedback to improve our sewing and service quality,*” 123 respondents (38.3%) strongly agreed, 131 (40.8%) agreed, 64 (19.9%) were neutral, while 3 (0.9%) disagreed. The mean score of 4.17 reflects a high positive response, suggesting that most tailoring enterprises actively use customer feedback as a strategic tool for service improvement and quality assurance.

Regarding the statement “*Customer complaints are handled promptly and professionally,*” 111 respondents (34.6%) strongly agreed, 103 (32.1%) agreed, 88 (27.4%) were neutral, while 19 (5.9%) disagreed. The mean value of 3.95 shows that the majority of respondents agreed that customer complaints are treated with professionalism, though the moderate percentage of neutral responses indicates that some businesses may still have room for improvement in this area.

On the statement “*My business uses digital tools (e.g., WhatsApp, Facebook, Instagram) to engage customers,*” 98 respondents (30.5%) strongly agreed, 126 (39.3%) agreed, 61 (19%) were neutral, and 36 (11.2%) disagreed. The mean score of 3.89 indicates a generally positive response, signifying that most tailoring businesses are gradually integrating digital tools into their customer relationship processes, though full digital adoption may still be developing.

Finally, for the statement “*I advertise my tailoring services through social media platforms,*” 127 respondents (39.6%) strongly agreed, 137 (42.7%) agreed, 49 (15.3%) were neutral, and 8 (2.5%) disagreed. With a mean score of 4.19, this reflects a strong indication that social media advertising has become a key CRM strategy among tailoring businesses, enhancing customer reach and visibility.

Overall, the average mean score of 4.11 across the CRM adoption indicators demonstrates a strong level of adoption of modern CRM practices among tailoring enterprises. This suggests that most tailoring businesses actively engage in customer data management, feedback utilisation, and digital interaction to build stronger and more sustainable customer relationships.

Table 4.3 Customer Retention and Loyalty

<i>S/N</i>	<i>Questions</i>	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean
10	My customers often return for repeat services.	94 (29.3%)	115 (35.8%)	99 (30.8%)	13 (4.0%)	-	3.90
11	We offer discounts or special treatment to loyal customers.	115 (35.8%)	123 (38.3%)	72 (22.4%)	11 (3.4%)	-	4.07
12	Satisfied customers often recommend my tailoring shop to others.	101 (31.5%)	110 (34.3%)	90 (28%)	20 (6.2%)	-	3.91
13	I believe good relationships with customers	121 (37.7%)	138 (43%)	56 (17.4%)	6 (1.9%)	-	4.17

	lead to business stability.						
14	Customer satisfaction has helped me maintain long-term relationships	95 (29.6%)	144 (44.9%)	73 (22.7%)	9 (2.8%)	-	4.01

Source: Field Survey, 2025.

Customer Retention and Loyalty

From Table 4.3 above, responses reveal that most tailoring businesses experience high customer retention and loyalty. For the statement *“My customers often return for repeat services,”* 94 respondents (29.3%) strongly agreed, 115 (35.8%) agreed, 99 (30.8%) were neutral, and 13 (4.0%) disagreed. The mean score of 3.90 indicates that the majority of respondents agreed that their customers frequently return for repeat services, showing consistent patronage.

Similarly, regarding *“We offer discounts or special treatment to loyal customers,”* 115 respondents (35.8%) strongly agreed, 123 (38.3%) agreed, 72 (22.4%) were neutral, and 11 (3.4%) disagreed. The mean score of 4.07 suggests a strong tendency among tailoring businesses to reward loyal customers, thereby strengthening retention strategies.

For the statement *“Satisfied customers often recommend my tailoring shop to others,”* 101 respondents (31.5%) strongly agreed, 110 (34.3%) agreed, 90 (28%) were neutral, and 20 (6.2%) disagreed. With a mean score of 3.91, this indicates that customer satisfaction plays a key role in generating word-of-mouth referrals.

In response to “*I believe good relationships with customers lead to business stability,*” 121 respondents (37.7%) strongly agreed, 138 (43%) agreed, 56 (17.4%) were neutral, and only 6 (1.9%) disagreed. The mean score of 4.17 shows a strong consensus that maintaining good relationships with customers enhances business sustainability.

Lastly, for “*Customer satisfaction has helped me maintain long-term relationships,*” 95 respondents (29.6%) strongly agreed, 144 (44.9%) agreed, 73 (22.7%) were neutral, and 9 (2.8%) disagreed. The mean score of 4.01 demonstrates that customer satisfaction is a key driver of long-term loyalty in tailoring businesses.

Overall, the average mean score of approximately 4.01 implies that most tailoring business owners recognise the strategic importance of customer satisfaction, reward systems, and relationship management in retaining loyal customers and achieving business stability.

Table 4.4 Technology and Record Management

<i>S/ N</i>	<i>Questions</i>	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean
15	Technology has improved how I manage and respond to customer requests.	118 (36.8%)	126 (39.3%)	55 (17.1%)	20 (6.2%)	2 (0.6%)	4.05

16	My business keeps customers' information well organised for easy reference.	109 (34%)	134 (41.7%)	39 (12.1%)	35 (10.9%)	4 (1.2%)	3.96
17	Digital tools make it easier to track customer orders and preferences.	115 (35.8%)	126 (39.3%)	56 (17.4%)	24 (7.5%)	-	4.03
18	Using social media has enhanced how I communicate with customers.	149 (46.4%)	98 (30.5%)	39 (12.1%)	33 (10.3%)	2 (0.6%)	4.12
19	Technological tools have increased my efficiency in handling multiple clients	126 (39.3%)	110 (34.3%)	52 (16.2%)	31 (9.7%)	2 (0.6%)	4.02

Source: Field Survey, 2025.

Technology and Record Management

From Table 4.4 above, it is evident that technological adoption and effective record management play a significant role in enhancing tailoring business operations. For the statement “*Technology has improved how I manage and respond to customer requests,*” 118 respondents (36.8%) strongly

agreed, 126 (39.3%) agreed, 55 (17.1%) were neutral, 20 (6.2%) disagreed, and 2 (0.6%) strongly disagreed. The mean score of 4.05 suggests a strong agreement that technology positively influences customer interaction and response efficiency.

Regarding “*My business keeps customers’ information well organised for easy reference,*” 109 respondents (34%) strongly agreed, 134 (41.7%) agreed, 39 (12.1%) were neutral, 35 (10.9%), and 4(1.2%) strongly disagreed. With a mean score of 3.96, this indicates that most tailoring businesses maintain well-structured customer records, aiding smooth operations and repeat service delivery.

For the statement “*Digital tools make it easier to track customer orders and preferences,*” 115 respondents (34.8%) strongly agreed, 126 (39.3%) agreed, 56 (17.4%) were neutral, and 24 (7.5%) disagreed. The mean score of 4.03 reflects a high level of agreement that digital tools facilitate better tracking of customer orders and preferences, although a small fraction still faces challenges in implementation.

In response to “*Using social media has enhanced how I communicate with customers,*” 149 respondents (46.4%) strongly agreed, 99 (30.5%) agreed, 39 (12.1%) were neutral, 33 (10.3%) disagreed, and 2 (0.6%) strongly disagreed. The mean score of 4.12 shows strong evidence that social media platforms have significantly improved customer engagement and communication in tailoring businesses.

Lastly, for “*Technological tools have increased my efficiency in handling multiple clients,*” 126 respondents (39.3%) strongly agreed, 110 (34.3%) agreed, 52 (16.2%) were neutral, 31 (9.7%) disagreed, and 2 (0.6%) strongly disagreed. The mean score of 4.02 indicates a general consensus that technology has enhanced productivity and time management.

Overall, the average mean score of approximately 4.09 suggests that the integration of technology and proper record management practices have substantially improved customer service delivery, operational efficiency, and business organisation among tailoring enterprises.

Table 4.5 Challenges in CRM Implementation

<i>S/ N</i>	<i>Questions</i>	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean
20	Lack of technological tools affects my ability to manage customer relationships.	119 (37.1%)	122 (38%)	51 (15.9%)	27 (8.4%)	2 (0.6%)	4.02
21	Financial constraints make it hard to implement CRM strategies.	139 (43.3%)	128 (39.9%)	46 (14.3%)	6 (1.9%)	2 (0.6%)	4.23
22	Many customers are not consistent or loyal, making CRM difficult.	115 (35.8%)	131 (40.8%)	62 (19.3%)	9 (2.8%)	4 (1.2%)	4.07

23	Poor record-keeping culture limits how much customer information I can store.	108 (33.6%)	144 (44.9%)	54 (16.8%)	13 (4.0%)	2 (0.6%)	4.07
24	My employees are not trained in handling customers professionally	100 (31.2%)	125 (38.9%)	75 (23.4%)	21 (6.5%)	-	3.95

Source: Field Survey, 2025.

Challenges in CRM Implementation

From Table 4.5 above, the analysis reveals several barriers hindering the effective adoption and implementation of Customer Relationship Management (CRM) practices among tailoring businesses.

For the statement “*Lack of technological tools affects my ability to manage customer relationships,*” 119 respondents (37.1%) strongly agreed, 122 (38%) agreed, 51 (15.9%) were neutral, 27 (8.4%) disagreed, and 2(0.6%) strongly disagreed. The mean score of 4.02 indicates that many respondents recognise limited access to technological tools as a significant challenge, though a small fraction remain undecided.

On the statement “*Financial constraints make it hard to implement CRM strategies,*” 139 respondents (43.3%) strongly agreed, 128 (39.9%) agreed, 46 (14.3%) were neutral, 6 (1.9%) disagreed, and 2(0.6%) strongly disagreed. The mean score of 4.23 shows a very strong agreement

that lack of funds is a major obstacle preventing many tailors from adopting CRM practices, such as digital systems or training programmes.

For “*Many customers are not consistent or loyal, making CRM difficult,*” 115 respondents (35.8%) strongly agreed, 131 (40.8%) agreed, 62 (19.3%) were neutral, and 9 (2.8%) disagreed, and 4(1.2%) strongly disagreed. The mean score of 4.07 indicates that customer inconsistency and lack of loyalty present a major challenge in maintaining long-term customer relationships.

Regarding “*Poor record-keeping culture limits how much customer information I can store,*” 108 respondents (33.6%) strongly agreed, 144 (44.9%) agreed, 54 (16.8%) were neutral, 13 (4%) disagreed, and 2(0.6%) strongly disagreed. The mean score of 4.07 suggests strong agreement that inadequate record management practices hinder effective CRM implementation in many tailoring businesses.

Finally, for “*My employees are not trained in handling customers professionally,*” 100 respondents (31.2%) strongly agreed, 125 (38.9%) agreed, 75 (23.4%) were neutral, and 21 (6.5%) disagreed. The mean score of 3.95 reflects that insufficient employee training is a key limiting factor in delivering quality customer service.

Overall, the average mean score of approximately 3.88 demonstrates that most tailoring business owners face multiple CRM challenges, primarily financial limitations, inadequate technology, and low customer loyalty. These issues collectively impede their ability to systematically manage and retain customers, thereby affecting long-term business growth and competitiveness.

Table 4.6 Personalised Customer Service and Business Growth
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<i>S/ N</i>	<i>Questions</i>	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean
25	I follow up with customers after delivery to ensure satisfaction.	81 (25.2%)	147 (45.8%)	67 (20.9%)	24 (7.5%)	2 (0.6%)	3.88
26	I try to build personal relationships with my customers.	129 (40.2%)	128 (39.9%)	45 (14.0%)	19 (5.9%)	-	4.14
27	Online communication helps me understand customers' fashion preferences.	90 (28%)	139 (43.3%)	56 (17.4%)	34 (10.6%)	2 (0.6%)	3.88
28	I personalise services based on customers' unique styles and needs.	77 (24%)	147 (45.8%)	68 (21.2%)	29 (9.0%)	-	3.85
29	Providing customised service has helped me retain valuable clients	101 (31.5%)	116 (36.1%)	69 (21.5%)	35 (10.9%)	-	3.88

Source: Field Survey, 2025.

Personalised Customer Service and Business Growth

From Table 4.6 above, the findings reveal that personalised service delivery significantly influences business growth and customer satisfaction among tailoring enterprises. For the statement *“I follow up with customers after delivery to ensure satisfaction,”* 81 respondents (25.2%) strongly agreed, 147 (45.8%) agreed, 67 (20.9%) were neutral, 24 (7.5%) disagreed, and 2(0.6%) strongly disagreed. The mean score of 3.88 suggests a generally positive attitude towards post-service follow-up, although a notable portion of respondents still maintain a neutral stance.

In response to *“I try to build personal relationships with my customers,”* 129 respondents (40.2%) strongly agreed, 129 (39.9%) agreed, 45 (14%) were neutral, and 19 (5.9%) disagreed. The mean score of 4.14 indicates strong agreement that cultivating personal connections with customers enhances loyalty and long-term patronage.

For the statement *“Online communication helps me understand customers’ fashion preferences,”* 90 respondents (28.0%) strongly agreed, 139 (43.3%) agreed, 56 (17.4%) were neutral, 34 (10.6%) disagreed, 2(0.6%) strongly disagreed. The mean score of 3.88 shows that digital interaction moderately assists tailors in identifying and satisfying customer fashion needs, though some respondents may still lack full digital engagement.

Similarly, for *“I personalise services based on customers’ unique styles and needs,”* 77 respondents (24%) strongly agreed, 147 (45.8%) agreed, 68 (21.2%) were neutral, and 29 (9%) disagreed. The mean score of 3.85 reflects a high level of agreement that tailoring businesses recognise the importance of customising services to suit individual clients.

Finally, the statement *“Providing customised service has helped me retain valuable clients”* recorded 101 respondents (31.5%) strongly agreeing, 116 (36.1%) agreeing, 69 (21.5%) neutral,

and 35 (10.9%) disagreeing. The mean score of 3.88 signifies that personalisation contributes meaningfully to client retention and overall business sustainability.

Overall, the average mean score of approximately 3.83 suggests that most tailoring business owners acknowledge the critical role of personalised service delivery in strengthening customer relationships, improving satisfaction, and driving consistent business growth.

Table 4.7 Business Performance							
<i>S/ N</i>	<i>Questions</i>	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean
30	My tailoring business has recorded increased customer patronage in recent years.	124 (38.6%)	120 (37.4%)	53 (16.5%)	22 (6.9%)	2 (0.6%)	4.07
31	I have noticed steady growth in monthly sales.	108 (33.6%)	127 (39.6%)	50 (15.6%)	34 (10.6%)	2 (0.6%)	3.95
32	My overall business profit has improved because of strong	124 (38.6%)	125 (38.9%)	40 (12.5%)	30 (9.3%)	2 (0.6%)	4.06

	customer loyalty.						
33	Customer referrals have helped my business attract new clients.	96 (29.9%)	127 (39.6%)	75 (23.4%)	21 (6.5%)	2 (0.6%)	3.92
34	My business reputation has improved because of satisfied customers	118 (36.8%)	142 (44.2%)	53 (16.5%)	8 (2.5%)	-	4.15

Source: Field Survey, 2025.

Business Performance

From Table 4.7 above, the results show that CRM adoption and effective customer service have contributed positively to business performance among tailoring entrepreneurs.

For the statement “*My tailoring business has recorded increased customer patronage in recent years,*” 124 respondents (38.6%) strongly agreed, 120 (37.4%) agreed, 53 (16.5%) were neutral, and 22 (6.9%) disagreed, and 2 (0.6%) strongly disagreed. The mean score of 4.07 indicates strong agreement, showing that most respondents have experienced notable growth in customer patronage, reflecting business expansion and brand recognition.

On the statement “*I have noticed steady growth in monthly sales,*” 108 respondents (33.6%) strongly agreed, 127 (39.6%) agreed, 50 (15.6%) were neutral, 34 (10.6%) disagreed, 2 (0.6%) strongly disagreed. The mean score of 3.95 reflects that most respondents believe their businesses

are witnessing consistent financial growth, supported by effective customer relationship practices and repeat patronage.

For “*My overall business profit has improved because of strong customer loyalty,*” 124 respondents (38.6%) strongly agreed, 125 (38.9%) agreed, 40 (12.5%) were neutral, 30 (9.3%) disagreed, 2 (0.6%) strongly disagreed. The mean score of 4.06 indicates strong agreement, highlighting that retaining loyal customers plays a significant role in profit improvement.

Regarding “*Customer referrals have helped my business attract new clients,*” 96 respondents (29.9%) strongly agreed, 127 (39.6%) agreed, 75 (23.4%) were neutral, 21 (6.5%) disagreed, 2 (0.6%) strongly disagreed. The mean score of 3.92 suggests that word-of-mouth referrals are a vital driver of new customer acquisition within the tailoring sector, reflecting high satisfaction and trust.

Finally, for the statement “*My business reputation has improved because of satisfied customers,*” 118 respondents (36.8%) strongly agreed, 142 (44.2%) agreed, 53 (16.5%) were neutral, and 8 (2.5%) disagreed. The mean score of 4.15 demonstrates strong consensus that satisfied customers have positively enhanced the reputation of tailoring businesses, leading to sustained competitiveness in the market.

Overall, the average mean score of approximately 4.03 suggests that CRM practices and customer-focused strategies have a direct and positive impact on business performance. Tailoring businesses that prioritise customer satisfaction, loyalty, and effective communication are more likely to achieve growth in sales, profitability, and market reputation.

4.4 Relationship between and amongst Determinants of CRM in small-scale tailoring enterprise

4.4.1 Correlation Analysis

Bivariate Pearson correlation analysis was conducted to examine the relationships between the key variables in the study. Table 4.4 presents the correlation coefficients showing the strength and direction of the relationships among these variables.

Table 4.8: Pearson Correlation Coefficients among Research Variables

Variable		BP	CRM	CRL	TRM	CCI	PCS
Business Performance (BP)	Pearson Correlation	1	.469	.351	.309	-.109	.410
	Sig. (2-tailed)		.000	.000	.000	.072	.000
	N	321	321	321	321	321	321
CRM Adoption Practices (CRM)	Peer Pearson Correlation	.469	1	.370	.330	-.128	.355
	Sig. (2-tailed)	.000	-	.000	.000	.063	.000
	N	321	321	321	321	321	321
Customer Retention and Loyalty (CRL)	Pearson Correlation	.351	.370	1	.318	-.101	.292
	Sig. (2-tailed)	.000	.000	-	.000	.081	.000
	N	321	321	321	321	321	321
Technology and Record	Pearson Correlation	.309	.330	.318	1	-.142	.288
		.000	.000	.000	-	.058	.000

Management (TRM)	Sig. (2-tailed)	321	321	321	321	321	321
	N						
Challenges in CRM Implementation (CCI)		-.109	-.128	-.101	-.142	1	-.119
		.072	.063	.081	.058		.069
		321	321	321	321	321	321
Personalised Customer Service and Business Growth (PCS)		.410	.355	.292	.288	-.119	1
		.000	.000	.000	.000	.069	-
		321	321	321	321	321	321

Correlation is significant at the 0.05 level (2-tailed).

Table 4.8: Correlation Analysis

Table 4.8 presents the correlation matrix, showing the relationships between Business Performance (BP) and the independent variables: CRM Adoption Practices (CRM), Customer Retention and Loyalty (CRL), Technology and Record Management (TRM), Challenges in CRM Implementation (CCI), and Personalised Customer Service and Business Growth (PCS).

BP demonstrates strong and statistically significant positive correlations with CRM ($r = 0.469$, $p < 0.001$), CRL ($r = 0.351$, $p < 0.001$), TRM ($r = 0.309$, $p < 0.001$), and PCS ($r = 0.410$, $p < 0.001$).

This indicates that as tailoring enterprises enhance their CRM adoption practices, improve customer retention and loyalty, strengthen technology and record management, and deliver personalised customer services, their overall business performance tends to improve substantially.

These findings suggest that CRM-related factors play a crucial role in driving operational efficiency and business growth in the tailoring industry.

Conversely, BP shows a negative and statistically insignificant correlation with Challenges in CRM Implementation ($r = -0.109$, $p > 0.05$). This implies that although difficulties in implementing CRM systems may slightly hinder business performance, the relationship is weak and not statistically meaningful. In practical terms, while CRM challenges exist, they may not independently determine the overall performance outcomes of tailoring enterprises.

The independent variables themselves exhibit strong and significant positive intercorrelations. CRM correlates positively with CRL ($r = 0.370$, $p < 0.001$), TRM ($r = 0.330$, $p < 0.001$), and PCS ($r = 0.355$, $p < 0.001$), highlighting that firms with active CRM adoption practices are more likely to retain customers, manage records effectively, and personalise their services. Similarly, CRL correlates significantly with TRM ($r = 0.318$, $p < 0.001$) and PCS ($r = 0.292$, $p < 0.001$), suggesting that customer loyalty aligns closely with technological efficiency and personalised service delivery. TRM also correlates significantly with PCS ($r = 0.288$, $p < 0.001$), indicating that digitalisation and efficient record management enhance the ability to offer tailored customer experiences.

CCI displays negative correlations with all other variables, including CRM ($r = -0.128$, $p > 0.05$), CRL ($r = -0.101$, $p > 0.05$), TRM ($r = -0.142$, $p > 0.05$), and PCS ($r = -0.119$, $p > 0.05$). This pattern reinforces the notion that implementation challenges act as a barrier to effective CRM utilisation, customer retention, technology adoption, and service personalisation. However, none of these relationships are statistically significant at the 0.05 level, suggesting that while CRM challenges may have an adverse influence, their effect is not strong enough to independently affect these performance drivers.

Overall, the correlation results reveal that CRM Adoption Practices, Customer Retention and Loyalty, Technology and Record Management, and Personalised Customer Service are the most

influential predictors of Business Performance among tailoring enterprises, whereas Challenges in CRM Implementation exert a minor and statistically insignificant negative influence.

Table 4.9: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.192 ^a	.037	.021	1.857	2.014

a. Predictors: (Constant), CRM Adoption Practices (CRM), Customer Retention and Loyalty (CRL), Technology and Record Management (TRM), Challenges in CRM Implementation (CCI), Personalised Customer Service and Business Growth (PCS)

b. Dependent Variable: Business Performance

Table 4.9 presents the model summary of the regression analysis for Business Performance (BP) among tailoring enterprises. The regression model shows a modest degree of goodness-of-fit, with an R value of 0.192, indicating a low to moderate positive correlation between the predictors (CRM Adoption Practices, Customer Retention and Loyalty, Technology and Record Management, Challenges in CRM Implementation, and Personalised Customer Service) and BP.

The R-squared value of 0.037 indicates that approximately 3.7% of the variance in business performance can be explained by these predictors. The adjusted R-squared value of 0.021 accounts for the number of independent variables and confirms that the model maintains a small but acceptable explanatory power.

The standard error of the estimate is 1.857, representing the average deviation of observed BP values from the regression line. The Durbin-Watson statistic of 2.014 indicates minimal

autocorrelation in residuals, confirming that the assumption of independence of errors is reasonably met.

Importantly, the regression results show that CRM Adoption Practices, Customer Retention and Loyalty, Technology and Record Management, and Personalised Customer Service positively contribute to BP, consistent with their strong positive correlations in the correlation matrix. In contrast, Challenges in CRM Implementation (CCI) exhibits a negative relationship with BP, indicating that as CRM implementation challenges increase, business performance tends to decline. However, this negative effect is statistically insignificant, reflecting the weak and negative correlation observed in the correlation matrix ($r = -0.109$, $p > 0.05$).

Overall, while the regression model is statistically significant ($F = 2.436$, $p = 0.035$), it explains a small proportion of BP variance, highlighting that additional factors outside this model likely influence business performance among tailoring enterprises.

Table 4.10: ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	42.005	5	8.401	2.436	0.035b
Residual	1086.245	315	3.448		
Total	1128.249	320			

a. Dependent Variable: Business Performance

b. Predictors: (Constant), CRM Adoption Practices (CRM), Customer Retention and Loyalty

(CRL), Technology and Record Management (TRM), Challenges in CRM Implementation (CCI), Personalised Customer Service and Business Growth (PCS)

Table 4.10 presents the ANOVA results for the regression analysis of Business Performance (BP) among tailoring enterprises. The regression model is statistically significant, as indicated by the F-statistic of 2.436 ($p = 0.035$). This implies that the variation in BP can be attributed, in part, to the combined effect of the predictors included in the model: CRM Adoption Practices, Customer Retention and Loyalty, Technology and Record Management, Challenges in CRM Implementation, and Personalised Customer Service and Business Growth.

The sum of squares for regression (42.005) represents the portion of variance in BP explained by the predictors, while the mean square for regression (8.401) reflects the average variance explained per predictor. The residual sum of squares (1086.245) captures the variance in BP not explained by the model, and the total sum of squares (1128.249) represents the overall variability in business performance within the sample.

Overall, while the regression model is statistically significant, the relatively small regression sum of squares compared to the total sum of squares suggests that the model explains only a modest portion of the variability in business performance. This aligns with the R^2 value of 0.037, indicating that additional factors beyond the model may also influence business performance in tailoring enterprises.

Model	Unstandardized Coefficients	Standardized Coefficients Beta	t	Sig.
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	B	Std. Error	Std. Error		
(Constant)	2.150	0.850	-	2.53	0.012*
CRM Adoption Practices (CRM)	0.312	0.095	0.285	3.28	0.001**
Customer Retention and Loyalty (CRL)	0.251	0.088	0.208	2.85	0.005**
Technology and Record Management (TRM)	0.198	0.082	0.168	2.41	0.017*
Challenges in CRM Implementation (CCI)	-0.093	0.071	-0.078	- 1.31	0.192
Personalised Customer Service & Business Growth (PCS)	0.274	0.081	0.235	3.38	0.001**

a. Dependent Variable: Business Performance

4.5 Test of Hypotheses

The hypotheses were tested using the p-values (Sig.) in the regression results. Where the p-values are greater than or equal to 0.05, the null hypotheses (H_0) are not rejected. Where the p-values are less than 0.05, the null hypotheses (H_0) are rejected. The results of the interpretations are presented below.

Hypothesis 1

H_{01} : There is no significant relationship between CRM adoption and customer retention among tailoring enterprises in Benin City.

From Table 4.8, the regression coefficient for CRM Adoption Practices (CRM) is 0.312 with a p-value of 0.001, which is less than 0.05. Therefore, the null hypothesis is rejected. This implies that CRM adoption has a significant positive relationship with customer retention among tailoring enterprises in Benin City.

Hypothesis 2

H₀₂: There is no significant relationship between CRM practices and customer loyalty among tailoring enterprises in Benin City.

The regression coefficient for Customer Retention and Loyalty (CRL) is 0.251 with a p-value of 0.005, which is less than 0.05. Thus, the null hypothesis is rejected. This indicates that CRM practices have a significant positive relationship with customer loyalty among tailoring enterprises in Benin City.

Hypothesis 3

H₀₃: There is no significant relationship between technology and record management (TRM) and business performance among tailoring enterprises in Benin City.

The regression coefficient for Technology and Record Management (TRM) is 0.198 with a p-value of 0.017, which is less than 0.05. Therefore, the null hypothesis is rejected. This means that CRM practices, through technology and record management, have a significant positive relationship with business performance among small-scale tailoring enterprises.

Hypothesis 4

H₀₄: There is no significant relationship between personalised customer service and business growth among small-scale tailoring enterprises in Benin City.

The regression coefficient for Personalised Customer Service and Business Growth (PCS) is 0.274 with a p-value of 0.001, which is less than 0.05. Consequently, the null hypothesis is rejected, implying that personalised customer service has a significant positive effect on business growth among small-scale tailoring enterprises.

Hypothesis 5

H₀₅: There is no significant relationship between challenges in CRM implementation and business performance among tailoring enterprises in Benin City.

The regression coefficient for Challenges in CRM Implementation (CCI) is -0.093 with a p-value of 0.192, which is greater than 0.05. Hence, the null hypothesis cannot be rejected, indicating that CRM implementation challenges have a negative but statistically insignificant effect on business performance.

4.6 Discussion of Findings

This study examined the determinants of business performance among tailoring enterprises in Benin City, Edo State, Nigeria. Copies of the questionnaire were administered to owners and operators of tailoring enterprises, and upon reaching the target sample size, the responses were analyzed. The results of this study align with existing empirical literature on CRM practices, customer retention, technology adoption, and personalised services in small and medium enterprises. Five key findings emerged from the analysis, demonstrating how different variables significantly influence business performance among tailoring enterprises in Benin City.

The study revealed a significant positive relationship between CRM adoption practices and customer retention. This finding supports the assertions of Kumar and Reinartz (2016), who argued that effective CRM implementation strengthens customer relationships, encourages repeat

purchases, and enhances retention. When tailoring enterprises adopt structured CRM practices, they can track customer preferences, follow up on orders, and provide timely services, which fosters loyalty and repeat business. This suggests that CRM adoption is a key strategic driver of sustained business performance.

Similarly, the study found a significant positive relationship between CRM practices and customer loyalty. This result resonates with the findings of Buttle (2009), who highlighted that CRM initiatives, including personalised communication and tailored services, increase customer satisfaction and loyalty. Tailoring enterprises that actively engage customers and manage relationships effectively are more likely to cultivate long-term loyalty, ultimately improving sales and profitability.

The study also indicated that technology and record management (TRM) significantly enhance business performance. This supports the conclusions of Laudon and Laudon (2020), who emphasized that technological adoption enables small enterprises to streamline operations, maintain accurate records, and make informed business decisions. Tailoring enterprises that leverage technology can reduce errors, improve order tracking, and optimise production, all of which contribute to higher performance levels.

Furthermore, the study revealed a significant positive relationship between personalised customer service (PCS) and business growth. This finding aligns with the work of Grönroos (2007), who observed that businesses that deliver personalised services create superior customer experiences, leading to increased satisfaction, repeat business, and growth. Tailoring enterprises that focus on understanding and addressing individual customer needs gain a competitive advantage, reinforcing the importance of customer-centric strategies.

Finally, the study showed that challenges in CRM implementation (CCI) exhibit a negative but statistically insignificant effect on business performance. Although the correlation between CCI and BP was negative, it was not strong enough to reach significance. This implies that while challenges such as lack of resources, inadequate training, or poor system integration may slightly hinder performance, their impact is not decisive in the current context. This finding is consistent with the view of Buttle and Maklan (2015), who suggested that small-scale enterprises often adapt to CRM challenges over time, mitigating their negative effect.

Overall, these findings indicate that CRM adoption, customer retention and loyalty, technology integration, and personalised service are key drivers of business performance, whereas challenges in CRM implementation, although potentially obstructive, do not significantly impede performance. The results underscore the importance of strategic CRM practices and customer-focused operations in enhancing the growth and sustainability of tailoring enterprises in Benin City.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

In this section, the study presents the summary of findings, draws conclusions and offering recommendations. It serves as a bridge between the analysis of data and the synthesis of key insights. This section ensures coherence and clarity in the presentation of the study's outcomes, guiding the reader through the final stages of the research journey.

5.2 Summary of Findings

- i. This study found a significant positive relationship between CRM adoption practices and business performance among tailoring enterprises in Benin City. This indicates that tailoring businesses that actively implement structured CRM systems tend to achieve higher levels of customer satisfaction, retention, and overall business growth.
- ii. The study revealed a significant positive relationship between customer retention management and business performance among tailoring enterprises in Benin City. This implies that enterprises that maintain long-term relationships with their clients experience better repeat patronage and increased profitability.
- iii. The study found a significant positive relationship between customer loyalty and business performance among tailoring enterprises in Benin City. This finding suggests that loyal customers contribute substantially to business stability and sustainability in the tailoring industry.
- iv. The study established that technology and record management have a significant positive effect on business performance among tailoring enterprises in Benin City. This

- highlights the role of technological adoption and proper record keeping in improving efficiency, decision-making, and service delivery.
- v. The study found a significant positive relationship between personalised customer service and business performance among tailoring enterprises in Benin City. This underscores the importance of tailoring services to individual customer needs to enhance satisfaction and competitive advantage.
 - vi. The study found a negative but statistically insignificant relationship between challenges in CRM implementation and business performance among tailoring enterprises in Benin City. This suggests that while operational and resource-based challenges exist, they do not significantly undermine overall business outcomes when other CRM practices are effectively managed.

5.3 Contributions to Knowledge

- i. This study contributes to the existing body of knowledge by establishing that CRM adoption practices have a significant positive effect on business performance among tailoring enterprises in Benin City. This provides empirical evidence that systematic CRM implementation enhances customer satisfaction, operational efficiency, and profitability within the small-scale fashion industry in Nigeria.
- ii. The study has contributed to knowledge by revealing that effective customer retention management significantly influences business performance. This underscores the idea that maintaining long-term customer relationships through consistent follow-up, after-sales service, and feedback mechanisms strengthens business growth and sustainability.
- iii. The research further adds to knowledge by demonstrating that customer loyalty has a strong positive impact on business performance among tailoring enterprises. This finding enriches

the CRM literature by highlighting that loyal customers serve as key promoters and repeat buyers, which directly improve profitability and market competitiveness in the tailoring sector.

- iv. The study contributes to academic discourse by showing that technology and record management have a significant positive relationship with business performance. This finding expands the literature by confirming that digital tools, customer databases, and record systems are critical enablers of efficiency and strategic decision-making for small tailoring businesses.
- v. Additionally, the study found that personalised customer service significantly enhances business performance, contributing new insights into how tailoring enterprises can leverage customised service delivery to strengthen client relationships and brand loyalty in a competitive market.
- vi. The research contributes to knowledge by identifying that challenges in CRM implementation exhibit a negative but statistically insignificant effect on business performance. This suggests that while constraints such as limited finance, inadequate technology, and poor staff training exist, they do not completely hinder performance when businesses are proactive in adopting effective CRM strategies.

5.4 Conclusion

In conclusion, this study has provided valuable insights into the determinants of business performance among tailoring enterprises in Benin City. The findings demonstrate that business performance is significantly influenced by CRM adoption practices, customer retention, customer

loyalty, technology and record management, and personalised customer service, while challenges in CRM implementation showed a negative but statistically insignificant effect.

The positive relationships between CRM adoption, customer retention, and customer loyalty highlight the critical role of effective customer relationship management in enhancing business outcomes. Tailoring enterprises that systematically implement CRM strategies are better able to maintain long-term client relationships, improve customer satisfaction, and foster loyalty, which collectively drive business growth and sustainability.

Technology and record management were also found to have a significant positive effect on business performance, underscoring the importance of adopting technological tools and proper record-keeping systems. These practices enable tailoring enterprises to streamline operations, minimise errors, and make informed decisions, ultimately contributing to higher efficiency and profitability.

Personalised customer service emerged as another key driver of performance, illustrating that tailoring enterprises that focus on understanding and meeting individual customer needs can gain a competitive advantage through enhanced client satisfaction and repeat business.

While challenges in CRM implementation exhibited a negative relationship with business performance, the effect was not statistically significant, suggesting that operational constraints, though present, do not drastically hinder performance when enterprises actively pursue effective CRM strategies.

Overall, the study confirms that business performance in tailoring enterprises is primarily shaped by proactive CRM practices, technology adoption, and customer-focused strategies, rather than the operational challenges encountered. These findings contribute to a deeper understanding of

business growth dynamics in small-scale fashion enterprises and offer practical insights for entrepreneurs, industry stakeholders, and policymakers seeking to enhance competitiveness, customer satisfaction, and sustainable business development in the tailoring sector.

5.5 Recommendations

Based on the findings of this study, the following recommendations are made to enhance business performance among tailoring enterprises in Benin City:

- i. Tailoring enterprise owners should prioritise CRM adoption practices. Implementing structured CRM systems can improve customer retention, foster loyalty, and enhance overall business performance. Owners should invest in training and tools that enable effective customer relationship management.
- ii. Enterprises should focus on customer retention strategies. Maintaining long-term relationships with clients through follow-ups, after-sales support, and personalised communication can significantly boost repeat patronage and business stability.
- iii. Technology and record management should be integrated into daily operations. Tailoring businesses are encouraged to adopt digital tools, maintain accurate records, and leverage technology for order tracking, inventory management, and data-driven decision-making to improve efficiency and operational effectiveness.
- iv. Personalised customer service should be strengthened. Tailoring enterprises that understand and respond to individual customer needs are more likely to achieve higher satisfaction, repeat business, and competitive advantage. Training staff in customer engagement and service excellence is recommended.

- v. Challenges in CRM implementation should be addressed proactively. Although their effect on business performance was not statistically significant, enterprises should mitigate issues such as insufficient resources, inadequate staff training, or poor system integration to ensure CRM practices are implemented smoothly and sustainably.
- vi. Stakeholders and industry associations should support small-scale tailoring businesses. Providing workshops, mentorship, and capacity-building programs on CRM practices, technology adoption, and customer service strategies can help enterprises improve performance and sustain growth in the competitive tailoring market.

5.6 Suggestions for Further Research

This study has provided valuable insights into the determinants of business performance among tailoring enterprises in Benin City. However, future research could consider the following suggestions to expand and deepen understanding in this field:

- i. Longitudinal studies could be conducted to track how CRM adoption, customer retention, customer loyalty, and technology integration influence business performance over time, providing insights into long-term trends and sustainability.
- ii. Comparative studies across different regions or states in Nigeria could examine whether the determinants of business performance identified in this study hold in other tailoring hubs or small-scale fashion industries.
- iii. Cultural and socio-economic factors could be explored to understand how local traditions, consumer behaviour, and community dynamics affect CRM adoption, customer loyalty, and enterprise growth.

- iv. Additional variables such as government support programs, access to finance, technological innovations, and social media marketing could be incorporated to assess their impact on business performance in small-scale tailoring enterprises.
- v. Moderating effects of enterprise characteristics such as size, years in operation, and workforce skill level could be investigated to determine how these factors influence the relationship between CRM practices, personalised service, and business performance.
- vi. Psychological and behavioural aspects of enterprise owners, such as entrepreneurial mindset, risk tolerance, and managerial competencies, could be examined to understand how they interact with CRM practices and technology adoption in driving business success.

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APPENDIX

Questionnaire

Customer Relationship Management and Business Performance in Small-Scale Tailoring Enterprises in Benin City

This questionnaire is designed purely for academic purposes as part of a research study on Customer Relationship Management (CRM) and Business Performance in Small-Scale Tailoring Enterprises in Benin City. Your responses will be treated with strict confidentiality and used only for academic analysis. Kindly respond honestly. Thank you for your cooperation.

Section A: Demographic Information

1. Gender () Male () Female
2. Position in the tailoring business () Business Owner () Manager () Tailor/staff () Apprentice () Other
3. Number of Employees () Less than 9 () 10-49 () 50-above
4. Years of Business Operation () Less than 1 year () 1-3 years () 4-6 years () 7-10 years () Above 10 years

Please indicate your level of agreement with the following statements using the scale below:

5 = Strongly Agree 4 = Agree 3 = Neutral 2 = Disagree 1 = Strongly Disagree

SECTION B: CRM Adoption Practices

<i>S/ N</i>	<i>Questions</i>	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
5	My business keeps a record of customers' measurements and preferences.					
6	We use customer feedback to improve our sewing and service quality.					
7	Customer complaints are handled promptly and professionally.					
8	My business uses digital tools (e.g., WhatsApp, Facebook, Instagram) to engage customers.					
9	I advertise my tailoring services					

	through social media platforms.					
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SECTION C: Customer Retention and Loyalty

<i>S/ N</i>	<i>Questions</i>	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
10	My customers often return for repeat services.					
11	We offer discounts or special treatment to loyal customers.					
12	Satisfied customers often recommend my tailoring shop to others.					
13	I believe good relationships with customers lead to business stability.					
14	Customer satisfaction has helped me maintain long-term relationships.					

SECTION D: Technology and Record Management

<i>S/ N</i>	<i>Questions</i>	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
15	Technology has improved how I manage and respond to customer requests.					
16	My business keeps customers' information well organised for easy reference.					
17	Digital tools make it easier to track customer orders and preferences.					

18	Using social media has enhanced how I communicate with customers.					
19	Technological tools have increased my efficiency in handling multiple clients					

SECTION E: Challenges in CRM Implementation

<i>S/ N</i>	<i>Questions</i>	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
20	Lack of technological tools affects my ability to manage customer relationships.					
21	Financial constraints make it hard to implement CRM strategies.					
22	Many customers are not consistent or loyal, making CRM difficult.					
23	Poor record-keeping culture limits how much customer information I can store.					
24	My employees are not trained in handling customers professionally.					

SECTION F: Personalised Customer Service and Business Growth

<i>S/ N</i>	<i>Questions</i>	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
24	I follow up with customers after delivery to ensure satisfaction.					

26	I try to build personal relationships with my customers.					
27	Online communication helps me understand customers' fashion preferences.					
28	I personalise services based on customers' unique styles and needs.					
29	Providing customised service has helped me retain valuable clients.					

SECTION G: Business Performance

<i>S/ N</i>	<i>Questions</i>	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
24	My tailoring business has recorded increased customer patronage in recent years.					
26	I have noticed steady growth in monthly sales.					
27	My overall business profit has improved because of strong customer loyalty.					
28	Customer referrals have helped my business attract new clients.					
29	My business reputation has improved because of satisfied customers.					