



**STRATEGIC CUSTOMER RELATIONSHIP MANAGEMENT AND SUSTAINABLE COMPETITIVE ADVANTAGE OF
SMALL AND MEDIUM-SIZED ENTERPRISES IN OGUN STATE, NIGERIA**

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STRATEGIC CUSTOMER RELATIONSHIP MANAGEMENT AND SUSTAINABLE COMPETITIVE ADVANTAGE OF SMALL AND MEDIUM-SIZED ENTERPRISES IN OGUN STATE, NIGERIA

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ABSTRACT

Small and medium-sized firms are increasingly facing competition not just from their peers, but also from giant corporations operating in specialist areas that were formerly thought to be exclusive to small businesses. Inadequate planning, wrong finance, and bad management have also been identified as the primary causes of SMEs failing, which has a detrimental impact on SMEs' competitive advantage, sales growth, innovativeness and profitability. SMEs in the southern part of Nigeria are constantly confronted with issues such as difficulty managing firm's advertising, lack of adequate marketing research, unawareness of competition, poor branding and packaging, low level of knowledge on business market analysis, poor promotion, poor segmentation strategy, poor pricing technique, and unplanned distribution. This study examined the effect of strategic customer relationship management on performance of small and medium-sized enterprises in Ogun State, Nigeria. The study adopted a survey research design. The population was 2,465 registered small and medium scale enterprises in Ogun State, Nigeria. A sample size of 432 was determined using Cochran formula. Proportionate stratified sampling technique was adopted. A validated questionnaire was used to collect data. Cronbach's alpha reliability coefficients for the constructs ranged from 0.79 to 0.92. The response rate was 87.9%. Data were analyzed using descriptive and inferential statistics. Findings revealed that strategic customer relationship management components had significant effect on sustainable competitive advantage of Small and Medium-Sized Enterprises in Ogun State, Nigeria ($Adj.R^2 = 0.764$; $F(3,407) = 444.412$, $p < 0.05$). The study concluded that strategic customer relationship management had a significant effect on the performance of SMEs in Ogun state, Nigeria. The study recommended that to increase the overall performance of SMEs, owners/managers need to be intentional in adequately adopting customer relationship management strategies with continued value creation so as to continuously record higher growth.

Keywords: *Strategic Customer Relationship, Customer Orientation, Customer Centricity, Customer Feedback Mechanism, Sustained Competitive Advantage.*

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INTRODUCTION

Small and Medium Enterprises (SMEs) play an important role in the growth of national economy, driving economic development, and are widely recognized as the primary source of employment, poverty reduction, lifestyle improvement, and empowerment of low-income groups. Furthermore, the performance of SMEs is significant since it promotes entrepreneurship and SMEs growth through a variety of factors. However, growing competition, the inability to respond to rapidly changing market demand, technical advancements, and capacity constraints related to knowledge, innovation, and creativity all have a negative impact on SMEs' success. Many SMEs, however, fail to realize their full potential due to factors related to their small size, such as a lack of resources, higher transaction costs relative to large enterprises, increased market competition, inability to compete against larger firms in terms of research and development expenditure and innovation, lack of entrepreneurial zeal, capacity, and know-how, inability to sustain SMEs competitive advantage, decline in sales growth, profitability and a lack of innovativeness. Despite these significant challenges, many countries continue to rely significantly on SMEs, notably for job creation.

Globally, the Coronavirus pandemic had a negative impact on many economies, particularly the performance of SMEs on both the supply and demand sides (Gourinchas, Kalemli-Ozcan, Penciakova & Sander, 2020). On the supply side, SMEs are seeing a loss in labor supply as disease containment measures such as lockdowns and quarantines cause deeper and more severe drops in capacity utilization (Qosasi, Permana, Muftiadi, Purnomo & Maulina, 2019). On the demand side, a sharp and rapid drop in demand and income for SMEs had a significant impact on their performance and capacity to function, resulting in acute cash constraints (Vaitoonkiat & Charoensukmongkol, 2019). SMEs account for the vast majority of companies in most OECD countries, including Austria, Australia, Belgium, Canada, Chile,

Colombia, Costa Rica, Czech Republic, Denmark, Estonia, Finland, Korea, Latvia, Lithuania, Luxembourg, Mexico, the Netherlands, and Portugal; however, the Covid 19 pandemic negatively impacted SMEs' competitive advantage, sales growth, innovativeness, and profitability, affecting SMEs' overall performance in the OECD (Devi, Warasniasih, Masdiantini & Musmini, 2020).

In Africa, in comparison to the rest of the globe, SMEs play a significant role in the continent (Idris, Susita & Buchdadi, 2020). For example, while the rest of the world's countries battled with economic development over the last 10 years from 2012-2021, African growth averaged more than 5%, considerably outpacing that of America, Europe, and South America (Okafor, Ugwuegbe & Chijindu, 2016). Though the continent saw consistent growth, with some nations such as Angola, Rwanda and Malawi performing well, others such as Zimbabwe, continued to lag behind (Okafor, et al, 2016). In developing nations, however, over 90% of all companies are SMEs or micro-enterprises (Aremu, Adeniran & Adesola, 2019). These businesses account for a sizable portion of GDP. In Morocco, for example, SMEs account for 93 percent of industrial enterprises, accounting for 38 percent of production, 33 percent of investment, and 30 percent of exports (Adebisi & Bakare, 2019). In South Africa, the contribution of SMEs is far larger. SMEs account for an estimated 91 percent of official business entities in South Africa, contributing 52–57 percent of GDP (Ukpabio, Oyebisi & Siyanbola, 2019).

In Nigeria, there are 41,543,028 Micro, Small, and Medium Enterprises (MSMEs) in Nigeria, accounting for 99.8%, 0.17 percent, and 0.004%, respectively, with Lagos, Osun, and Oyo having the greatest number of SMEs (NBS, 2020). SMEs account for 48% of national GDP, 96% of firms, and 84% of employment. Micro-enterprises are tiny firms with fewer than ten people and assets worth less than five million Naira (excluding land and buildings). Surprisingly, single proprietorships account for the vast majority of micro-businesses. SMEs, on the

other hand, have more diversified ownerships, with 65% as sole proprietorships, 21% as private limited liability corporations, 6% as faith-based ownerships, and 5% as partnerships (NBS, 2020). According to Lakuma, Sunday, Sserunjogi, Kahunde, and Munyambonera (2020), the majority of businesses in Nigeria are small and medium-sized enterprises (SMEs), and any eventual economic shocks would unavoidably harm the SMEs sectors, as well as the livelihoods of SMEs Owners/Managers and employees, as well as the economy as a whole.

Strategic customer relationship management (SCRM) is an enterprise approach that understands and impacts customer behaviour through effective interactions with them for the purpose of enhancing customer attraction, retention, loyalty and, ultimately, customer profitability (Qosasi, Permana, Muftiadi, Purnomo & Maulina, 2019). SCRM is important for top management to deliver the vision and SCRM strategy to their employees (Olayemi & Folajimi, 2021). This interaction between the organization and its employees is also important to ensure the SCRM process can be successful in achieving the objectives and enhancing organizational performance (Fitriati, et al, 2020). The success of SCRM implementation can increase customer satisfaction and the retaining ratio and also increase employee satisfaction and subsequently improve company performance (Salisu & Bakar, 2018). In addition, several quantitative studies on SCRM have explored its function and influence in specific sectors in developed countries. However, it remains to examine and confirm the applicability of the concept of SCRM specifically in manufacturing industries and in developing countries. (Adebisi & Bakare, 2019).

A plethora of studies on Strategic customer relationship management (Azoulay, Jones, Kim & Miranda 2019; Cheng & Shiu, 2018; Gupta, Belkadi & Bernard, 2017; Idris, Susita & Buchdadi, 2020; Love, Roqer & Zhou, 2016; Vaitoonkiat & Charoensukmongkol, 2019) have been carried out by academic scholars from diverse fields of study in

both advanced economies and developing. However, most of the studies focused on large organizations while very limited studies have been explored on small size organizations especially in Nigeria. This study, fills this missing gap by examining the influence of strategic customer relationship management on the performance of SMEs in Ogun State, Nigeria.

LITERATURE REVIEW

Strategic Customer Relationship Management

Strategic customer relationship management is a cross-functional process involving people and technology that aim at achieving continued partnership with customers in all customer contact points with personalized services that increase customer satisfaction (Zhang, Wang, Cui & Han, 2020). Strategic customer relationship management (SCRM) refers to an integrated approach to practices and technologies that aim at customer retention through effective management of relationships with customers as opposed to transaction-based marketing (Santouridis & Veraki, 2017). Juanamasta, Wati, Hendrawati, Wahyuni, Pramudianti, Wisnujati and Astanto (2019), argue that SCRM is a strategy and process of acquiring, retaining and partnering with customers in order to create superior value for both parties. Strategic customer relationship management is defined as a firm's practices to systematically manage its customers to maximize value across the relationship lifecycle (Valmohammadi, 2017).

In the same vein, Guerola-Navarro, Oltra-Badenes, Gil-Gomez and Gil-Gomez (2021) also viewed SCRM as a comprehensive strategy and process of acquiring, retaining, and partnering with customers to create superior value for the company and the customer. According to Bin-Nashwan and Hassan (2017), SCRM is a marketing strategy that integrates internal activities and external networks so as to create value to selected customers and achieve both short term and long term objectives. Customer relationship management involves identification, interaction and transactions with customers using

communication channels. It also facilitates segmentation of customers in order to create personalized relationships and services which promote customer satisfaction, loyalty, improved effectiveness and efficiency (Anees, Nordin, Anjum, Cavaliere & Heidler, 2020). For the purpose of this paper, strategic customer relationship management is measured by customer orientation, customer centricity and customer feedback mechanism. These variables are explained and discussed below:

Customer Orientation

Customer orientation refers to a company's understanding of its buyers to be able to create continuously value for them (Lee, Che-Ha & Alwi, 2020). Baber, Kaurav and Paul (2020) define customer orientation as "the organization-wide emphasis on evaluating and addressing customer needs". Customer orientation is an activity that directs the organization to understand the desires that customers express to get satisfactory products and services (Mediano & Ruiz-Alba, 2019). Customer orientation is the extent to which the organization commits its efforts to meet the customers' needs and expectations in respect to the quality of service provided, being customer focused includes gathering information from the customers in order to fully understand their needs and eventually satisfy them (Chu, Wang & Lado, 2016). Customer orientation is the employee's inclination towards meeting the customers' needs (Kerdpitak & Boonrattanakitthibhumi, 2020). It involves an overwhelming customer-centric focus targeting key customers whose needs the company can satisfy (Domi, Capelleras & Musabelliu, 2020) The main purpose customer orientation behaviours is to increase customer long-lasting satisfaction and to create customer-loyalty which affects profitability of a firm (Matsuno, 2015). Also, Customer orientation refers to a company's understanding of its buyers to be able to create continuously value for them (Lee, Che-Ha & Alwi, 2020). Baber, Kaurav and Paul (2020) define customer orientation as the organization-wide emphasis on evaluating and addressing customer needs. Customer orientation is

an activity that directs the organization to understand the desires that customers express to get satisfactory products and services (Mediano & Ruiz-Alba, 2019).

Customer Centricity

Customer centricity means placing customers at the center of all corporate activities, including business processes (Kreuzer, Roglinger & Rupprecht, 2020). Customer centricity requires understanding customer needs regarding the features of products and customer-company interactions embedded in business processes (Latinovic & Chatterjee, 2019). Customer centricity is the generation of customer intelligence through the collection and processing of data to create complete data repositories with information about the interactions between the company and the customer that allow to carry out personalized marketing activities (Osakwe, 2020). Customer centricity is in effect the result of the knowledge management process within a firm which involves acquisition, storage and retrieval of customer-centric information and knowledge (Komulainen & Saraniemi, 2019). Similarly, customer centricity is an approach that 'focuses on the needs, wants, and resources of customers as the starting point of the planning process' (Habel, Kassemeier, Alavi, Haaf, Schmitz & Wieseke, 2019).

Customer Feedback

Customer feedback is defined as customer communication concerning a product or a service (Erickson & Eckrich, 2017). According to the current state of the art, customer's response to the evaluation of the perceived inconsistency between some comparisons e.g. expectations and the perceived performance of the product are considered as feedback (Schuckert, Liang, Law & Sun, 2019; Khangura & Gandhi, 2012; De Haan, Verhoef, & Wiesel, 2015). Customer feedback is an information given from the customer or customers about how company, product or service helped customers and met their requirements (Park, Jang, Kim, Jeong, Bae & del Pobil, 2019). Customer feedback is information provided by clients about whether they are satisfied or dissatisfied with a

product or service (Milner & Furnham, 2017). Furthermore, feedback is conceptualized as information provided by customers regarding aspects of an organisations performance or understanding. Feedback thus is a “consequence” of performance (Gupta, Belkadi & Bernard, 2017). Customer feedback involves the process of communicating the outcomes of an organisations products of services (Bartz, 2017). Feedback is described as actions taken by the customers to provide information regarding a firm’s product or services (Mourtzis, Vlachou, Zogopoulos, Gupta, Belkadi, Debbache & Bernard, 2018).

Sustained Competitive Advantage

Sustainable competitive advantages are company assets, attributes, or abilities that are difficult to duplicate or exceed; and provide a superior or favourable long term position over competitors (Muhammad, Tasmin & Aziati, 2020). Sustainable competitive advantage is the key to business success. It is the force that enables a business to have greater focus, more sales, better profit margins, and higher customer and staff retention than competitors (Othman, Arshad, Aris & Arif, 2015). Competitive advantages are the strengths a company possesses that establish its basis for differentiation from competitors (Davis & Simpson, 2017). More so, Competitive advantage is the process where a firm is able to achieve and sustain profit that exceeds what its competitors are achieving. An Organisation is able to gain a competitive advantage over its competitors by understanding its market, customers. It is a situation whereby an Organisation is able to deliver the same benefits as competitors but at a lower cost (cost advantage), delivers benefits that exceed those of its competitors’ products (differentiation advantage) and creates superior value for its customers (Christensen, 2010). A competitive strategy therefore enables a firm to gain competitive advantage over its rivals and sustain its success in the market. Ghemawat and Rivkin (2006) assert that competitive advantage is an Organisation’s ability to create the willingness

among buyers to pay much more than it costs to produce the product or service.

Empirical Review

Extant studies have demonstrated the significant relationship between strategic customer relationship management and sustained competitive advantage (Feng, Sun, Zhu, & Sohal, 2012; Frambach, Fiss, & Ingenbleek, 2016; Ziggers & Henseler, 2016). The findings in these studies have suggested that strategic customer relationship management is crucial for helping firms better understand customer demands (Feng, 2017; Valenzuela, 2010), acquiring competitive advantages and achieving business success (Ziggers & Henseler, 2016). Kero and Bertrand (2017) also corroborates the above findings in their study on competitive strategy orientation and innovative success: mediating market orientation a study of small-medium enterprises, which revealed that competitive strategy orientation had significant effect on innovative success of SMEs.

Domi, Capelleras and Musabelliu (2019) study on strategic customer relationship management and SME performance in Albania, also indicated that strategic customer relationship management has a direct positive impact not only on performance but also on both innovativeness, innovation behavior and sustainable competitive advantage. Also, the study of Aremu et al (2019) on customer relationship management and small and medium enterprises performance, also corroborates the above findings indicating that strategic customer relationship management have a significant influence on SMEs’ performance and competitive advantage. In addition, Adi, Ujianto and Nugroho (2018) reported a significant effect of customer orientation on competitive advantage. Customer orientation also affects competitive advantage of an organisation (Al-alak & Tarabieh, 2011; Acar, Zehir, Ozgenel, Ozsahin, 2013) while the study of Tarabieh, Gill-Pechuan, Al-Haidous & Al-Obaidi (2020) reported a parital reconciliation effect of customer orientation on competitive advantage.

Despite the fact that the importance of strategic customer relationship management has been well acknowledged in the literature, there is inconsistency with previous findings, revealing negative (Ziggers & Henseler, 2016), insignificant (Harris, 2018; Grewal & Tansuhaj, 2014) relationship between strategic customer relationship management and competitive advantage. The study of Mueller, Walter, Georg and Gemuenden (2018) also corroborates this findings in their study on strategic customer relationship management and competitor orientation on competitive advantage and indicated that strategic customer relationship management did not significantly influence firm's competitive advantage. In the light of these contradictory findings, the study therefore hypothesized that:

Ho₁: Strategic customer relationship management components has no significant effect on sustainable competitive advantage of Small and Medium-Sized Enterprises in Ogun State, Nigeria.

Theoretical Review

Customer Relationship Management Theory

Customer relationship management theory was proposed by Berry (1995), and is rooted in relationship marketing theory proposed by Berry in 1983. It is one of the most globally accepted philosophies that focus on long lasting engagement between firms and their customers for the mutual benefit of all parties (Buttle, 2004; Gronroos, 1994). As a business philosophy, customer relationship management is a comprehensive strategic process

concerned with identifying, satisfying, retaining, partnering and maximizing the value of customers by effectively managing the relationship between parties (Reichheld & Sasser, 2003).

The basic assumption of Customer Relationship Management Theory (CRMT) is that: Management of relationships between firms and their customers is critical to the survival of firms and all activities should focus on value creation as opposed to transactions. The engagement of firms and their customers result in value creation in form of quality products and services which connect the parties. Customer relationship management theory is concerned with challenges related to quality and maintaining strong long lasting relationships with firms and their customers (Payne & Frow, 2008; Peppers et al, 1999).

The underlying principle in CRMT is that successful customer engagement and business success is based on the ability to build a value based long lasting relationship with customers. As a business philosophy, CRMT is based on individual customers and customized offerings and open lines of communication between parties (Boulding, Staelin, Ehrent & Johnson, 2005). Customer relationship management theory involves identification, interaction and transactions with customers using communication channels. It also facilitates segmentation of customers in order to create personalized relationships and services which promote customer satisfaction, loyalty, improved effectiveness and efficiency (Peppers et al., 1999; Richards & Jones, 2008).

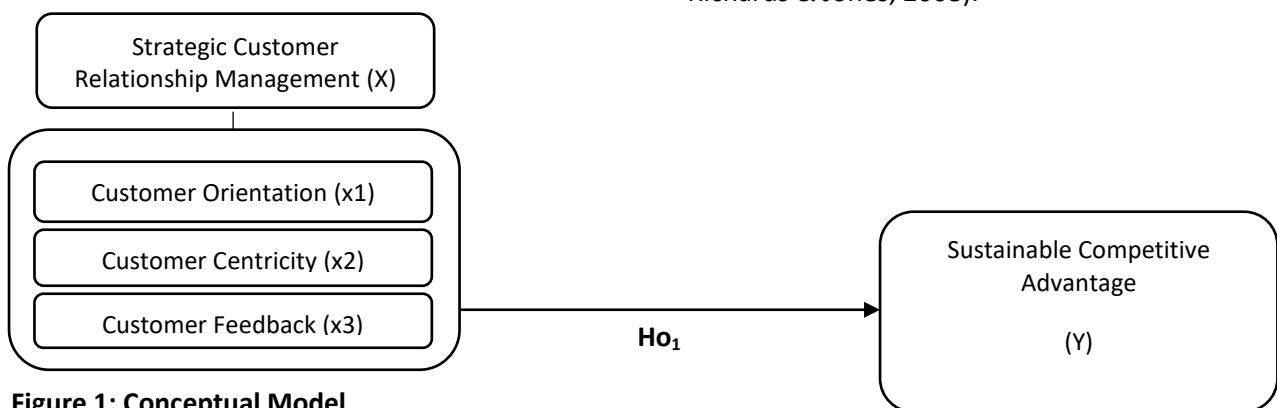


Figure 1: Conceptual Model

Source: Author's Research Model (2022)

METHODOLOGY

The study adopted a survey research design. The population was 2,465 registered small and medium scale enterprises in Ogun State, Nigeria. A sample size of 432 was determined using Cochran formula. Proportionate stratified sampling technique was adopted. A validated questionnaire was used to collect data. Cronbach's alpha reliability coefficients for the constructs ranged from 0.79 to 0.92. The response rate was 87.9%. Data were analyzed using descriptive and inferential statistics. The hypotheses were tested using multiple regression approaches. The principal factors investigated were measured on a six-point scale with anchors ranging from Very High (VH) to Very Low (VL), for the independent variables and dependent variable respectively. Multiple regression equation developed along the dependent and independent. Thus, the model was represented as follows:

$$Y = f(X)$$

Y = Dependent Variable

X = Independent Variable

Y = Sustained Competitive Advantage (SCA)

X = Strategic Customer Relationship Management (SCRM)

Where;

y= Sustained Competitive Advantage (SCA)

Where:

X = Strategic Customer Relationship Management (SCRM)

x_1 = Customer Orientation (CO)

x_2 = Customer Centricity (CC)

x_3 = Customer Feedback Mechanism (CFM)

The model formulated for each of the hypotheses are written as:

Hypothesis One

$$SCA = \beta_0 + \beta_1CO + \beta_2CC + \beta_3CFM + \beta_4SO + \beta_5CI + \beta_6OR + \epsilon_i \text{--- Eqn1}$$

DATA ANALYSIS AND RESULTS

A total of 432 copies of questionnaire were administered to respondents from small and medium-sized enterprises. Out of the 432 copies of questionnaire that were distributed to the respondents, 411 copies were correctly filled and returned. This represented 95.1%. According to Bryman and Bell (2011) a response rate of $\geq 50\%$ is acceptable to analyse the results of a study.

Restatement of Hypothesis One

H₀₁: Strategic customer relationship management components has no significant effect on sustainable competitive advantage of Small and Medium-Sized Enterprises in Ogun State, Nigeria.

To test hypothesis one, multiple regression analysis was used. The independent variable was strategic customer relationship management components while the dependent variable was competitive advantage. In the analysis, data for strategic customer relationship management components were created by adding together responses of all the items under the various dimensions to generate independent scores for each dimension. For competitive advantage, responses of all items the variable were added together to create index of complete advantage. The index of competitive advantage (as dependent variable) is thereafter regress on scores (index) of strategic customer relationship management components (as independent variables). The results of the analysis and parameter estimates obtained are presented in Table 1.

Table 1: Summary Results of Regression Analysis of Strategic Customer Relationship Management Components on Competitive Advantage

N	Model	B	T	Sig.	ANOVA (Sig.)	R	Adjusted R ²	F (3,407)
411	(Constant)	2.161	3.905	.000	0.000 ^b	.875 ^a	.764	444.412
	Customer Orientation	.071	1.344	.180				
	Customer Centricity	.339	6.014	.000				
	Customer Feedback Mechanism	.485	8.144	.000				
	Predictors: (Constant), Customer Feedback Mechanism, Customer Centricity, Customer Orientation							
Dependent Variable: Competitive Advantage								

Source: Researcher’s Field Survey, 2022

Table 1 showed the multiple regression analysis results for the strategic customer relationship management components on competitive advantage using small and medium-sized enterprise in Ogun State, Nigeria as a case study. The results showed that customer centricity ($\beta = 0.339$, $t = 6.014$, $p < 0.05$) and customer feedback mechanism ($\beta = 0.485$, $t = 8.144$, $p < 0.05$) all have positive and significant effect on competitive advantage while customer orientation ($\beta = 0.071$, $t = 1.344$, $p > 0.05$) have positive but insignificant effect on competitive advantage of small and medium-sized enterprise in Ogun state, Nigeria. The results of the analysis revealed that all two of the strategic customer relationship management components (customer centricity and customer feedback mechanism) have significant effect on competitive advantage of small and medium-sized enterprise in Ogun state, Nigeria. This implies that customer centricity and customer feedback mechanism are important factors in the workplace which leads to increase in competitive advantage.

The coefficient of multiple determination Adj. $R^2 = 0.764$ indicates that about 76.4% variation that occurs in the competitive advantage in the small and medium-sized enterprise in Lagos, Nigeria can be accounted for by the strategic customer relationship management components while the remaining 23.6% changes that occurs is accounted for by other variables not captured in the model. The multiple regression model is thus expressed as:

$$CA = 2.161 + 0.071CO + 0.339CC + 0.485CFM + U_i \text{-----Eqn i (Predictive Model)}$$

$$CA = 2.161 + 0.339CC + 0.485CFM + U_i \text{-----Eqn i (Prescriptive Model)}$$

Where:

CA = Competitive Advantage

CO = Customer Orientation

CC = Customer Centricity

CFM = Customer Feedback Mechanism

The regression model shows that holding strategic customer relationship management components to a constant zero, competitive advantage would be 2.161 which is positive. In the predictive model it is seen that of all the variables are positive and significant with so the management of the small and medium-sized enterprises can downplay that variable that is why it is not in the prescriptive model. The results of the multiple regression analysis in the prescriptive model showed that when all other variables of strategic customer relationship management (customer centricity and customer feedback mechanism) are improved by one-unit, competitive advantage would also increase by 0.339 and 0.485 respectively. This implies that an increase in customer centricity and customer feedback mechanism would lead to an increase in the rate of competitive advantage of small and medium-sized enterprises in Ogun state, Nigeria. Also, the F statistics ($F(3,407) = 444.412$ at $p = 0.000$ ($p < 0.05$)) indicates that the overall model is significant in predicting the effect of strategic customer relationship management components on

competitive advantage which implies that all strategic customer relationship management components are important determinants in the competitive advantage rate of small and medium-sized enterprise in Lagos, Nigeria. The result suggests that such small and medium-sized enterprises should pay more attention towards developing the component of the strategic customer relationship management especially customer centricity and customer feedback mechanism to increase competitive advantage. Therefore, the null hypothesis (H_{01}) which states that strategic customer relationship management components has no significant effect on sustainable competitive advantage of Small and Medium-Sized Enterprises in Ogun State, Nigeria is hereby rejected.

Discussion of Findings

The test of hypothesis one revealed that strategic customer relationship management components have significant effect on sustainable competitive advantage of Small and Medium-Sized Enterprises in Ogun State, Nigeria. This finding provides implications conceptually, empirically and theoretically. From a conceptual angle, the definitions and clarifications of the concepts of the study provides good conceptual outlook on the study. Conceptually, strategic customer relationship management is a cross-functional processes involving people and technology that aim at achieving continued partnership with customers in all customer contact points with personalized services that increase customer satisfaction (Zhang, Wang, Cui & Han, 2020). Strategic customer relationship management (SCRM) refers to an integrated approach to practices and technologies that aim at customer retention through effective management of relationships with customers as opposed to transaction-based marketing (Santouridis & Veraki, 2017). Juanamasta, et al. (2019) argue that Strategic customer relationship management (SCRM) is a strategy and process of acquiring, retaining and partnering with customers in order to create superior value for both parties.

Empirically, the findings from this study is in agreement with the study of Feng, Wang, Lwaton and Luo (2019) which found that customer orientation is crucial for helping firms better understand customer demands and achieve sales growth, acquiring competitive advantages and achieving business success and also reveal that humane leadership and moderation leadership help firms to better leverage customer orientation for enhancing their performance. The absence of moderation leadership may be particularly harmful for firms operating in a less competitive environment while the moderating effect is not influenced by competitive intensity. Kero and Betrand (2017) revealed that competitive strategy orientation had significant effect on innovative Success of SMEs. The study also indicated that competitive orientation had significant positive effect on products innovative success. Similarly, competitive orientation has significant positive effect on market orientation. In addition, market orientation had significant positive effect on products innovative success.

Previous studies such as Domi, Capelleras and Musabelliu (2019) indicated that customer orientation has a direct positive impact not only on performance but also on both innovativeness and innovation behavior. However, none of these two dimensions of innovation play a mediating role in the relationship between CO and performance. Also Aremu, Adeniran and Adesola (2019) discovered that customer orientation, service quality and personalized services have a significant influence on SMEs' performance.

Theoretically, this research findings fell in line with the Customer Relationship Management Theory in that it supports the variables of strategic customer relationship management (customer orientation, customer centricity and customer feedback mechanism) and sustainable competitive advantage. The underlying principle in CRMT is that successful customer engagement and business success is based on the ability to build a value based long lasting relationship with customers. As a

business philosophy, CRMT is based on individual customers and customized offerings and open lines of communication between parties (Boulding, Staelin, Ehrent & Johnson, 2005). Customer relationship management theory involves identification, interaction and transactions with customers using communication channels. Considering the support of the customer relationship management theory to the effect of strategic customer relationship management components and value creation components on performance, this study therefore rejected the null hypothesis one (H_{01}) that strategic customer relationship management components have no significant effect on sustainable competitive advantage of Small and Medium-Sized Enterprises in Ogun State, Nigeria.

CONCLUSION AND RECOMMENDATION

The study concluded that strategic customer relationship management had significant effect on the performance of Small and Medium-Sized

Enterprises in Ogun State, Nigeria. The findings underpin the theoretical considerations that successful customer engagement and business success is based on the ability to build a value based long lasting relationship with customers. Though strategic customer relationship management components are vital to the firm, the significance of their sub constructs (customer orientation, customer centricity, customer feedback mechanism to sustained competitive advantage show the role and importance of strategic customer relationship management.

The study reveals that strategic customer relationship management had significant effect on sustainable competitive advantage of SMEs, the small and medium-sized enterprise should develop suitable strategies to escalate their performance and, hopefully, improve competitiveness as well. SMEs should also focus on the strategic customer relationship management components of high effect in order to sustain, grow and protect their market share.

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