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## **Working Papers in Interdisciplinary Economics and Business Research**

A study of the challenges and opportunities in  
marketing and customer relationship management for  
microfinance institutions serving refugee entrepreneurs  
in Europe

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## **Working Papers in Interdisciplinary Economics and Business Research**

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## **Abstract**

**A K M Zakaria: A study of the challenges and opportunities in marketing and customer relationship management for microfinance institutions serving refugee entrepreneurs in Europe**

*Marketing and Customer Relationship Management (CRM) are leading departments within an organization, contributing significantly to achieving industrial success. In the microfinance industry, CRM plays a crucial role in building customer trust and understanding their needs better. When serving refugee entrepreneurs, microfinance organizations face additional challenges due to diverse languages and cultures. However, they also have substantial opportunities to expand their business among refugee entrepreneurs. The aim of this working paper is to highlight the importance of CRM in the microfinance industry when serving refugee entrepreneurs in Europe. The study will analyse the challenges and opportunities of microfinance institutions (MFIs) in caring to this specific customer segment. The findings will assist microfinance institutes' marketing and CRM departments in satisfying refugee customers and achieving organizational objectives.*

### *Key words*

*CRM, refugee entrepreneurs, CRM on microfinance, MFIs, marketing*

*JEL: L26, L31, M31*

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## Introduction

Marketing and customer relationship management (CRM) play vital roles to success in businesses. It is very important for a company's sustainable development and growths. Without effective marketing and strong customer relationship management it is quite hard to achieve company's target. CRM strategies have helped many businesses become more competitive, as evidenced by higher revenues and decreased operating expenses (Chen and Popovich, 2003). Customer relationship management is a process that aims to keep their customers satisfied with their service or products. CRM will help to create valuable existing customers for long term perspective. On the other hand, marketing is a process that aims to generate new customers for their products or services. It helps to create value for a company. Marketing and customer relationship management (CRM) both are very closely connected with each other. Both they work with one same goal with is generate more sales and increase company's revenue.

*“As more players enter the market and competition increases, microfinance will inevitably move away from the supply-led approach that applied a narrow range of lending methodologies to a wide range of contexts, towards a demand-driven, client-oriented approach.”*- CGAP Phase III Strategy 2003-2008, p.14

In recent years, the number of refugees in Europe increased dramatically. In last few years lots of refugees came to Europe from different countries such as Syria, Lebanon, Afghanistan and Ukraine. According to Caliendo et al. (2023), in 2022, during the Russia-Ukraine war over 7 million refugees from Ukraine have sought asylum in Europe, with over 4 million of them being of working age and possessing varying skill sets. These refugees are geographically dispersed across the continent, with neighbouring European countries experienced most of the refugees in their territory.

Microfinance institutions can be an effective source to support refugee entrepreneurs by providing financial services, business training and mentorship. This topic has two important areas of discussion, one is microfinance and another is refugee entrepreneurs. Microfinance has been well recognized to reduce poverty, enhance financial inclusion and empower marginalized populations specially women. Microfinance institutes support those marginalized populations to develop their economic and social condition but here marketing and CRM also play very important role to success MFIs projects. Although it is not easy to do effective marketing and build trust among refugees' community. In all steps microfinance institutes face different challenges and difficulties. These challenges might consist of issues with trust and credibility, poor financial knowledge, linguistic and cultural limitations, and access to technology. On the other hand, an effective marketing and CRM can enhance MFIs engagement among refugee entrepreneurs.

There are two main objectives of this research. First of all, microfinance institutes might face lots of challenges to operate their services among refugee entrepreneurs in Europe. Marketing and customer relationship management will be difficult because of their language barrier, lack of financial knowledge and less access to technology. In this research, we will figure out the major challenges of microfinance institutes for marketing and customer relationship among refugee entrepreneurs in Europe.

Secondly, there are some opportunities for microfinance institutes to provide their services among refugee entrepreneurs in Europe. In context of marketing and customer relationship management (CRM), we will identify those opportunities which will help microfinance institutes to spread their services more widely.

## 1. Review of Relevant Literature

Microfinance has been widely recognized as an effective tool for poverty reduction and economic development, especially in developing countries with its aim to provide financial support to unemployed or low-income individual or groups who want to be start small business. Most of the micro entrepreneurs face financial difficulties to start their own business because it is hard for them for getting financial support from another traditional bank. Microfinance is comparatively easier than traditional banking system and more popular among entrepreneurs for getting loan and start a small business. There are individual and group-based lending model, among those models one of the group-based lending model called Grameen model is widely recognized which was established in Bangladesh by Nobelist Professor Mohammad Yunus. The main objective of Grameen Bank is to bring social and economic development in poor villages especially among woman. According to Chowdhury and Somani (2020), the primary focus of Grameen Bank is to offer small loans to underprivileged individuals at a low interest rate, without requiring any mortgage. They also provide medium and large loan to trustworthy borrowers who already paid previous loan. Grameen Bank also provides scholarship for education to the children of the members. Hasan et al. (2019) shows the positive impact of microfinance on woman empowerment in Bangladesh by conducting a survey among 100 women in Tangail.

The objectives of this chapter are to conduct a thorough evaluation of the existing literature on marketing of microfinance institutes and the importance of customer relationship management among refugee entrepreneurs with a particular emphasis on the Grameen Bank approach.

### 1.1. Theoretical Framework for Understanding Microfinance

Microfinance is one of financing mode which aims is to provide financial services such as micro-credit, micro-savings, insurance and grants to the poor and low-income people specially who has no access with the traditional banking system. They also provide non-financial support such as healthcare, education, food supplements, financial literacy and business training. Microfinance is effective way to reduce poverty and increase economic development in low-income countries but microfinance alone is not enough to fight against poverty and empower to poorest people, it's also needed some non-financial factors support to achieve its main goal (Sylvester, 2011). Micro credit is one of the fundamental branches of microfinance. Now a days it is very popular funding methods among small entrepreneurs and low-income individual in some developing countries, including but not limited to Bangladesh, India, Indonesia, Philippines, Sri Lanka, Thailand, Cambodia, Bolivia, Brazil. Grameen Bank microfinance model was introduced in China<sup>1</sup> during the early to mid-1990s.

Micro credit was established in Bangladesh by Professor Mohammad Yunus in 1976. It was popular to provide small loan to very poor people, especially woman in developing countries.

But micro credit program started to use in developed countries since 2000s, especially in Mediterranean countries to fight against the 2008 economic crises and large amount of unemployment problems. After the fall of Berlin wall, Central and Eastern Europe countries such as Poland, Romania, Bulgaria or Slovakia were started to use to micro credit program to

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<sup>1</sup>Asian Development Bank [Online accessed, May 10, 2023] Available at: <https://www.adb.org/sites/default/files/publication/153012/access-finance-microfinance-innovations-prc.pdf>

reduce unemployment problems and their social inclusion (Morón Rodríguez, 2013). After that still this financing concept is not much people among all over the Europe.

According to Balkenhol et al. (2013), microcredit is a rapidly growing sector in the European Union (EU). In 2011, EU-based microfinance institutions (MFIs) provided 122,370 microloans, with a total outstanding value of €872 million. This represents a 45% increase in the number of loans issued and a 5% increase in the total loan volume, compared to 2009. It is noteworthy that 60% of the existing MFIs in 2008 were established during the previous decade. This trend suggests that micro credit is an important and expanding source of financing for individuals and businesses in the EU. Just after Spain and Bosnia/Herzegovina, France holds the position of the third-largest micro credit lender in Europe.

According to the European Microfinance Network's survey report for 2022, the microfinance industry has rebounded from the pandemic year of 2020. As of 2021, it has achieved a scale comparable to pre-pandemic levels, boasting a gross loan portfolio of EUR 4.3 billion and serving a total of 1.4 million active borrowers. In Western Europe, non-financial service-providing MFIs make up 76% of the industry. MFIs also measure the impact of microcredit on their clients. They show that 38% of their clients were not able to change their level, the number of business creations was 32%, and through business investment, the number of created jobs was 44%. Job sustainability was reported to be at 30%. According to Nogueira et al. (2020), Microfinance has ability to increase self-employment and establish micro enterprises in developed countries.

Micro-credit is good source of fund for low-income people, if we look around Grameen Bank, it established in Bangladesh as a bank for poor. It supports to low-income village woman to increase their family income. Those poor villagers were not able to get money from bank, now if we think about refugee entrepreneurs, they are also low-income group, they are not able to get support time traditional bank because of their status and financial background but they can get fund from MFIs and start their own business.

## 1.2. Marketing strategies and techniques in microfinance

*“Marketing attempts to understand the needs of the client and to adapt operations in order to meet those needs and achieve greater sustainability. It addresses the issues of new product development, pricing, the location of operations and the promotion of the institution and its products. Marketing is a comprehensive field aimed at strengthening the institution by maintaining focus on the client. In doing so, it creates exchanges that satisfy individual and organizational goals.”*

-Kotler, 1999, in : Wright et al., 2003, p.3

Microfinance is one of the most popular financing methods in less developed countries. There are two parts “micro” and finance. They have some programs such as micro savings, micro-credit, insurance and some other programs. MFIs provide financial support to low-income population or among marginal population to change their financial condition. It is very effective methods to reduce poverty from society. But it can be a good method to create new entrepreneurs, especially refugee entrepreneurs in Europe who want to start small business and looking for small fund for their small business. This financing method is very popular in East- Asia, Latin America and Africa. More than 25 percent of Latin American countries are using this financing method (Odhiambo, 2014).

Microfinance is not much popular in Europe. A good marketing strategies and techniques can increase the popularity of MFIs in Europe. For any kind of business, either it can be products or service base business, marketing plays a very important role to be success. In Europe, financial market is more competitive, there are lot of financial institutes are working such as Bank, different joint ventures and individual. But those financing model work for big projects with high financial outcome. Microfinance is different concept which support to low-income people who want to start small business. Refugee entrepreneurs have not any strong financial guarantors to get support from Bank. For them MFIs can be a good solution. After that still it is not a popular concept in Europe. A proper marketing strategies and techniques can make it an effective and popular financing method among refugee entrepreneurs.

According to Tran (2000), there are two important factors influence to marketing strategy in microfinance institutes, those are nature of the market and nature of the institutes. In his research he classified the market in three important categories such as new market, developing market and developed market.

- **New market-** New financial market was classified in his paper by few financial institutes. This market just started with limited financial services.
- **Developing market-** In this category, demand is constantly increasing but microfinance institutes are not able to fulfil that increasing demand.
- **Developed market** - This a financial marketed which already developed well. Financial institutes are available to provide their services to people and lots of competition are available in this market. Here very strategic marketing policy are need to get success.

The marketing strategy is impacted by a number of institution-related elements such as institution type, resource available and mission of the organization. In his research he classified microfinance institutes marketing policy into three categories. Elementary marketing programs promote a single product in a target market. Next marketing program is intermediate programs which one focus on customer satisfaction and profitability. And the last marketing program is advanced program. The main characteristic of this marketing program is targeting the right clients with an appropriate mix of products.

**Tab.1: Nine Ways to Build Demand**

		Product		
		Existing	Modified	New
Market	Existing	Sell more of our existing products to our existing types of customers (Market penetration)	Modify our current products and sell more of them to our existing customers (Product modification)	Design new products that will appeal to our existing customers (New product development)
	Geographically Modified	Enter and sell our products in other geographic areas (Geographic expansion)	Offer and sell modified products to new geographical markets	Design new products for prospects in new geographic areas
	New	Sell our existing products to new types of customers (Segment invasion)	Offer and sell modified products to new types of customers	Design new products to sell to new customers (Diversification)

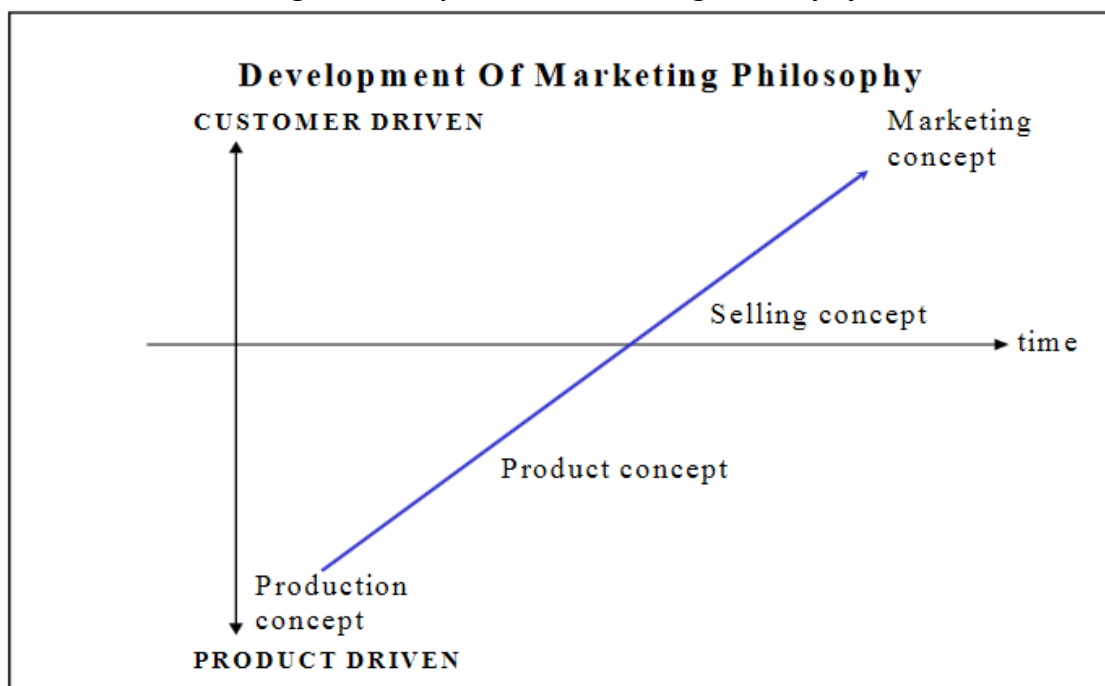
Source: Kotler (2012)

Kotler (2012), in his book *Kotler On Marketing* mention nice way to increase product demand. His proposed nine ways to build demand metric also effect on microfinance products. Microfinance institutes can follow this method to develop their product popularity in different geographical location in Europe.

Growing numbers of MFIs are taking a market-led approach to their operations in response to the increased competition between MFIs in many markets. These MFIs are doing this by trying to understand their clients' demands and preferences. (Anyango et al., 2002, as cited in Wright et al., 2003).

According to Wright et al. (2003) there are four alternative concepts to develop marketing philosophy. Microfinance industry follow this marketing philosophy as their marketing techniques (Figure 1).

**Fig.1: Development of Marketing Philosophy**



Source: Wright et al. (2003, p.3).

Those four stages are production, product, selling and marketing:

- **Production:** It focus on production of goods/services as much as cheaper price.
- **Product:** Higher quality of products/services focus on in this step.
- **Selling:** This is third and selling step which focus on potential best customers for their products/ services.
- **Marketing:** The last step is marketing which emphasize on understanding target markets need and the organization's operations.

There are three important key questions which can help to develop market-based business strategy for microfinance institutes.

1. Who are the current customers of microfinance institutes and what are the target group of new customers of MFIs?
2. What are the key needs or desires of both existing and new customers?
3. Which profitable markets and products to serve?

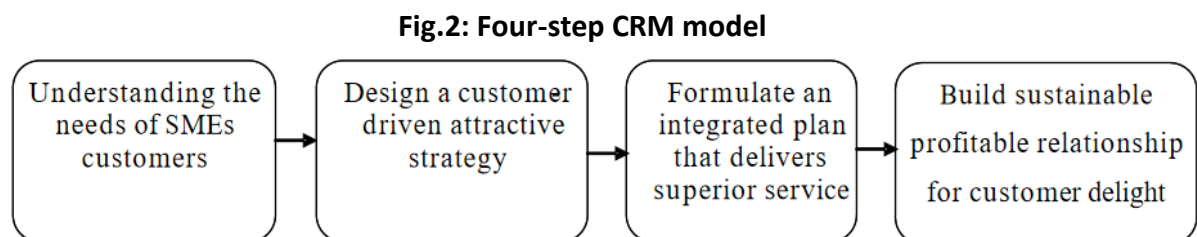


### 1.3. Customer relationship management in microfinance

Customer relationship management (CRM) is a methodology to interact with customers and potential customers. The concept of customer relationship management (CRM) may differ from one person to another in different situations. Customer relationship create superior customer value and satisfactions and it has been used in many aspects of human areas, including academics, politics, business and economics (Kotler and Armstrong, 2010). CRM collect customer's data from different sources and identify their need and expectation and serve them according to their expectation for better customer satisfaction. Customer relationship management is used in different area, marketing is one of them. Customer relationship management helps to marketing department to understand potential new customer and their needs. So, marketing unit can do more effective marketing and generate me sales.

Customer relationship management is very much important for microfinance sectors to provide better service among refugee entrepreneurs in Europe. CRM are used widely in financial sectors for better understanding customer actual needs and expectations. Customer relationship marketing is an important concept in modern marking. Highly satisfied customers not only repeat their purchases but also, they do work as their marketing partner by sharing their good experience among others. (Kotler and Armstrong, 2010).

According to Campus and Kenya (2015), there are four-step in customer relationship management process model (Figure 2).



Source: Campus and Kenya (2015, p.102)

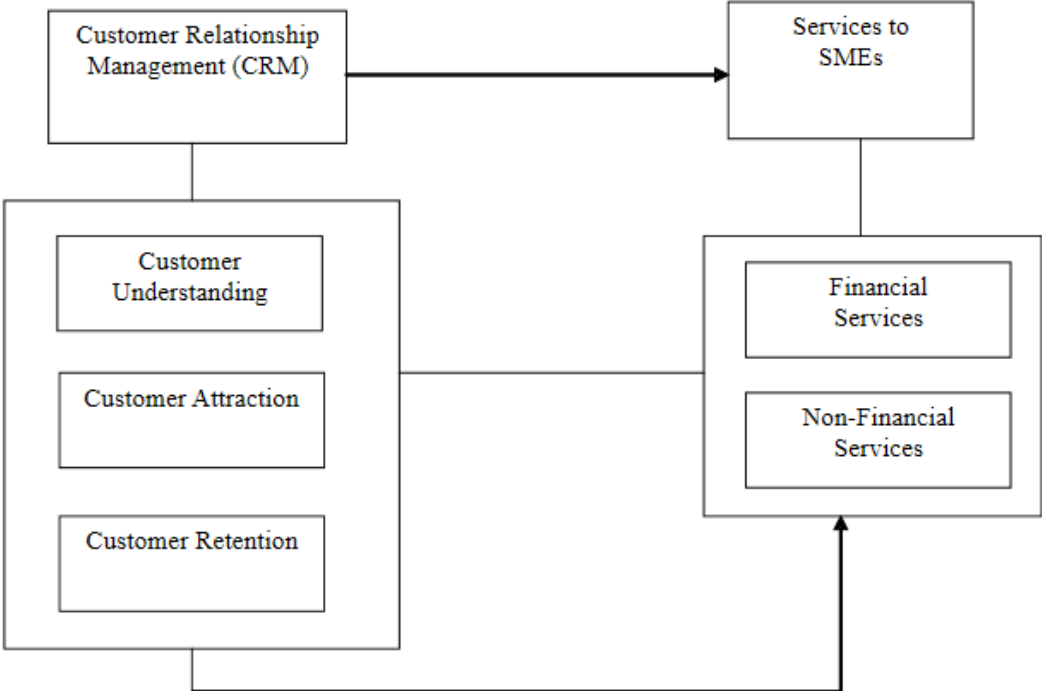
**Understanding the SME customers:** At first, microfinance institutes need to understand SME customers need for achieving high customer satisfactions. This is the first and key stage of this model. MFIs need to understand what kind of products/services are looking for their customer. In this step, they can collect customer data, create segmentation and do proper analysis for better understanding of their SME customers.

**Design a customer driven attractive strategy:** In this stage, microfinance institutes need to identify clear customer's value proposition which will give unique value to the SMEs from their products/services. They need to their competitors and products. How could their products/services provide high value than their competitors? They need to identify better and easy communication channel for their customers. And regularly they need to update their products or services according to their customer's needs, market trends and competitors' strategies.

**Delivers superior service:** In this third step, microfinance institutes need to delivers superior services to their customers for creating long term customer relationship. By making esteem for the SME clients, the MFB in turn capture esteem from the SME clients within the frame of long-term client value and benefit (Piccoli and Ives, 2005). It will increase their customer stability and attract new potential customers.

**Build sustainable relationship:** Build a sustainable relationship with customer is very much effective for long term company success. It creates loyal customers which add more value of a company. In this stage, MFIs need to communicate with their customers regularly. They can provide better customer service and product to build trust and loyalty. Always they can provide their updated services, new offer and services to their customers for building a sustainable relationship.

**Fig.3: Conceptual Framework of CRM and MFB's Services to SMEs**



Source: Campus and Kenya (2015, p.101)

Figure 3 shows the relationship between customer relationship management (CRM) and financial, non-financial services to SMEs. Customer relationship management is classified into three important area such as customer understanding, customer attraction and customer retention. There CRM is an independent variable and service to SMEs is a dependent variable.

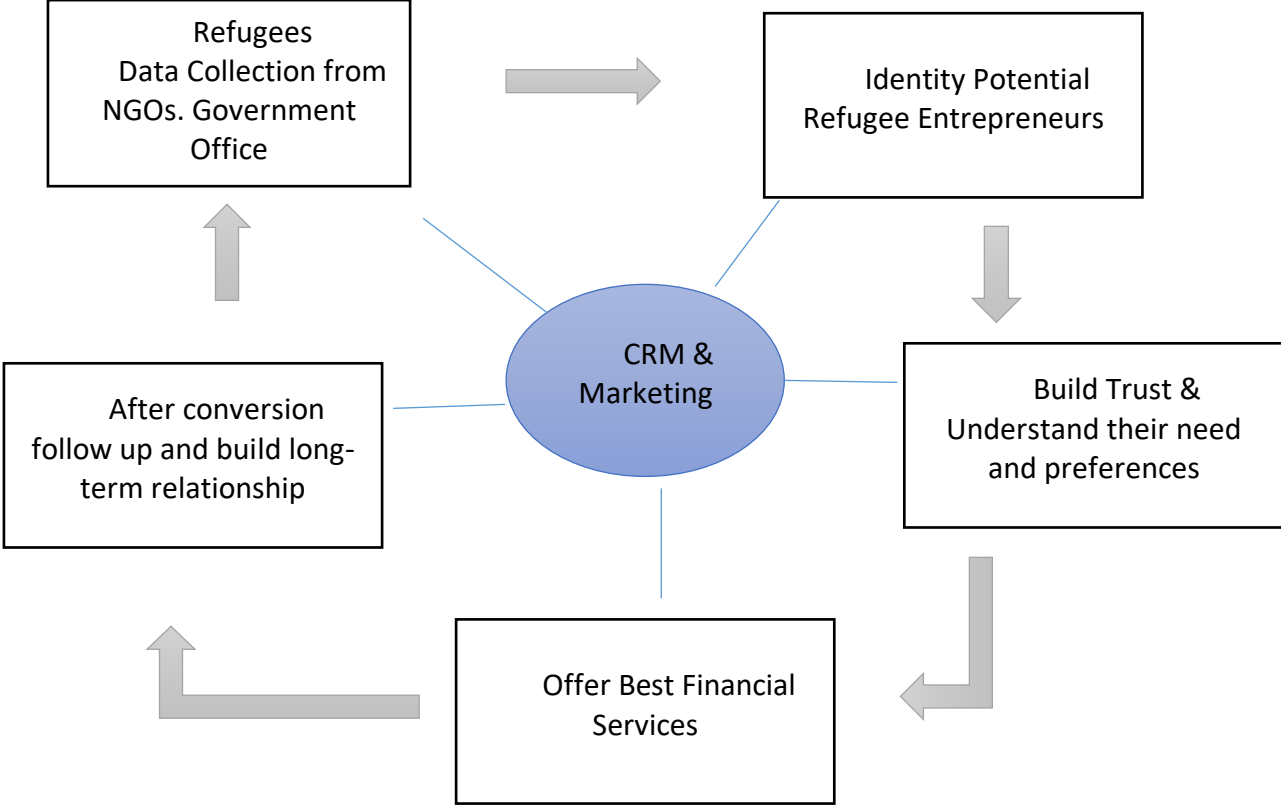
Customer Relationship Management (CRM) generated new ideals of Relationship Marketing (RM) (Rahimi and Kozak, 2017). Effective relationship marketing involves with open and ongoing communication between customers and service providers. It creates loyal and satisfied customer to achieve company's objective. Pytkowska et al (2017) shows in his paper how technology reduce interaction clients and front office person. In his search he mentions about three MFIs in Western Europe which use technology for applying loan and repayment. There are no required staff-client interaction in conducting loan-related activities. On the other hand, in Kenya customers prefer personal interaction especially in three area, 1) Legitimacy of a products, 2) Full understanding of products and 3) Solving problems.

**2. Impact of marketing and CRM on Microfinance for serving refugee entrepreneurs**

Customer relationship management (CRM) play an important role in microfinance program to serve refugee entrepreneurs in Europe. Recently the number of refugees

increased in European Union countries and those refugees are from different countries such as Syria, Lebanon, Afghanistan and Ukraine. They have different language and cultures and they also have different needs. Microfinance institutes offer them different kind of service such as small business loan, insurance, savings and money transfers. Customer relationship management (CRM) gather customers data and do further analysis to find out their actual need and offer then best products and services which can meet there needs and increase their satisfactions. Microfinance institutes need to understand refugee entrepreneur’s needs and demand. So, CRM can help to understand their customers in better way and help to increase customer satisfaction and loyal customers.

**Fig.4: A process model of CRM for Microfinance**



Source: own research

Figure 4 shows overall process of CRM for microfinance institutes to support refugee entrepreneurs. I split out this whole process in five important stages. It is started through refugee entrepreneur’s data collections from different sources such as NGOs, Government agency and some other sources and end this process by after conversion follow up and build a long-term relationship and making satisfied customers. All of those process help to MFIs to achieve their business success and sustainable community development.

Trust is very important factor to operate microfinance program among refugee entrepreneurs. Both refugee community and microfinance institutes should have trust on each other for achieving long term success. CRM system can help to track customer interaction, keep record of previous services and follow up the customers which is very important to increase trust and interaction on each other. Some people have negative thinking about microfinance institutes because of their high interest rate. CRM can achieve their trust

by effective communication and make them loyal customers. It can support to marketing unit to conduct an effective marketing among refugee entrepreneurs.

CRM can track MFIs products performance and impact on refugee entrepreneurs. Customer relationship management keep record all of their customer and products. So, they can analysis their products performance and effectiveness. They can identify their repayment rate, social impact and lacking. So, microfinance institutes can improve their services for better customer satisfaction. Mostly, customers of micro-credit programs repeat their microloan activities again and again. So, CRM can play an important role to solve their problems.

### **3. Challenges and Opportunities in marketing and CRM for serving refugee entrepreneurs**

Marketing and customer relationship management (CRM) is very important and fundamental unit for any company. They play a vital role for building long term customer relationship and satisfied customers. For financial industry it is very important too. But when microfinance institutes provide their service among refugee entrepreneurs, first they need to understand them well and CRM do this work. It's not easy to understand refugee entrepreneurs needs and expectation because they belong to different cultures and languages. On the other hand, there are also lots of opportunities for MFIs to serve refugee entrepreneurs. They can expand their market among refugees.

#### **CHALLENGES**

Microfinance institutes face some unique challenges to serve refugee entrepreneurs in Europe. Marketing and customer relationship management are not easy in perspective of refugee entrepreneurs. We will discuss about those challenges.

**Language and cultural barriers:** Language and culture are major barriers for microfinance institutes to serve refugee entrepreneurs in Europe. Majority of the refugees came from Syria, Lebanon, Afghanistan and Ukraine. They have completely different language and culture. They are not familiar with local culture and language. So, it is very much challenging for MFIs to do marketing and build a strong customer relationship. Even they are not able to speak in English, only they know their local language. As a result, it is more challenging to build staff- clients interaction among microfinance institutes and refugee entrepreneurs.

**Lack of awareness and understanding of microfinance:** Among the refugee entrepreneurs have lack of awareness and understanding about microfinance. They are not clear about power of microfinance to develop their life stander and its activities. Some of the people think their interest rate is too high and it is not effective for them. Some of the other people think they need more money to start their business and MFIs will not give that amount. Some of the general people also think that microfinance program, especially micro-credit is kind of dept-trap but they do not understand that it is a great tool to support marginal people. So, it is challenging for CRM to build a strong and long-term relation with refugee entrepreneurs and make a satisfied customer.

**Trust and Relationship Building:** Trust and relationship building with refugee entrepreneurs can be another biggest challenge for MFIs because of their past experience. Both refugee entrepreneurs and institutes have less trust on each other. For building a trust base relationship, it is very important to establish credibility, demonstrating empathy, and

fostering personal connections. Microfinance institutes provide financial support without any mortgage. So, in here trust on each other is very important factor.

**Access to Resources:** Refugee entrepreneurs have less access to financial resources, network and market information. And this have effect on marketing and collecting refugee entrepreneur's data for CRM purpose. When MFIs are not able to collect their personal information, it is very much challenging for them to understand refugee entrepreneurs actual need. So, MFIs are not able to offer best products or services for refugee entrepreneurs and build strong customer relationship with them.

**Unique needs and market understanding:** Refugee entrepreneurs have specific needs and preferences. To understand their culture, needs and behaviours is crucial for developing marketing strategies among refugee entrepreneurs. Without proper understanding their needs, it is not possible to do an effective marketing. So, conducting a proper market research and communicate with their community leaders can give deep understanding about them.

**Long-Term Sustainability:** Supporting refugee entrepreneurs need long-term sustainability. They need ongoing support, training and mentor ship to establish their business. Customer relationship management can help to build and maintain this long-term relationship among refugee entrepreneurs and microfinance institutes.

**Lack of digital literacy:** Some of refugees have lack of digital literacy which is very important for digital marketing and CRM strategies. It can be another major challenge for microfinance institutes to serve refugee entrepreneurs. Some of refugee entrepreneurs have less engagement in digital platform such as digital marketing tools, social media.

**Socio-cultural sensitivity:** To compare with local market cultural norms and practice maybe different for refugee entrepreneurs. For marketing campaigns to be successful and engage their target audience, cultural sensitivities, preferences, and values must be considered.

## **OPPORTUNITIES**

Although there are lots of challenges for microfinance institutes to serve the refugee entrepreneurs in Europe, after that opportunities are not less. Microfinance institutes can use those opportunities to achieve their success in competitive financial market.

**Untapped Market Potential:** Microfinance especially micro-credit programs for supporting refugee entrepreneurs in Europe is not much competitive yet as like another financial program. But there are huge opportunities for MFIs to grow their business. By understanding their unique needs and preferences, an effective marketing strategy can bring huge success for microfinance institutes in European market.

**Traditional Banking Low Access:** Refugee entrepreneurs have low access in traditional bank for getting financial support and start their own business. And here is a big opportunity for microfinance institutes to grow their market among refugee entrepreneurs and build an effect customer relationship for long term purpose. CRM department can collect their data from various sources. After a proper analysis of those data and understand their actual needs, they can conduct an effective marketing. Refugee entrepreneurs need financial support to start their business and they are looking for it. So, here is a big opportunity for MFIs.

**Targeted Marketing Campaigns:** MFIs can conduct a target marketing campaign for refugee entrepreneurs. By understanding their needs, preferences and challenges, microfinance institutes can develop their marketing strategy for specific target group and offer them a specific products or services which can meet their needs.

**Financial Education and Support:** Refugee entrepreneurs have lack of financial knowledge. Microfinance institutes have opportunities to provide them financial education and support. MFIs can do this through training sessions, workshops or online resources. It will help to build a strong relationship and trust between MFIs and refugee entrepreneurs.

**Cultural Diversity and Innovation:** Refugee people are from different countries and cultures. So, they bring diversity of culture, skill and experience into local market. This diversity can drive innovation and creativity in marketing approaches, product development, and customer engagement strategies.

**Market Expansion and Collaboration:** For serving refugee entrepreneurs microfinance institutes collaborate with community organization, government agency and NGOs. They work together for serving refugee entrepreneurs which give opportunities to expand market, use additional resources and build networks. CRM department can get more data from those institutes by their collaboration.

**Cross-Selling and Upselling Opportunities:** CRM system enable to identify MFIs product's upselling and cross-selling to maximize customers satisfaction. It can analysis customers data and offer to refugee entrepreneurs' better services or products as their need such as micro business loan, insurance and saving program. It will create more satisfied and loyal customers for long term and marketing will more specific and effective.

**Culturally Sensitive Communication:** To increase the customer interactions are very much important for serving refugee community. Without effective communication staff-customer interactive will not develop. For effective communication, microfinance institutes can adopt a culturally sensitive approach to build a strong and positive relationship with refugee entrepreneurs. In their marketing materials they can use customer's own language and symbols which represent their cultural identities.

## Conclusion

Customer relationship management (CRM) and marketing are closely connected with each other and it is fundamental part of any company for getting success. Microfinance institutes are not out of them, they deal with customer and serve them financial services, so CRM is very important for microfinance institutes to build a long-term relationship with their customers and understand their need and preferences. After better understanding of refugee entrepreneurs needs they conduct a effective marketing of their financial products. For providing financial services customers satisfaction play an important role for achieving long term business success and CRM system do work to increase customer's satisfaction.

This study has focused on the marketing and customer relationship management (CRM) challenges and opportunities for microfinance institutes to serve refugee entrepreneurs. There are some challenges for CRM of MFIs to provide their financial services among refugees. The biggest challenge is language and cultural barrier because refugees are from different countries. So, they have different languages and culture. They are not aware about microfinance and their program, it is another biggest challenge for customer relationship management departments. Without doubt, there are some challenges for CRM but there are also some opportunities for CRM and marketing unit to served refugee entrepreneurs. I focused on those challenges and opportunities and in my further research I will focus on its effective solutions.

Microfinance institutes have positive effect on refugee in Europe to change their life by creating successful entrepreneurs. But it is not easy for MFIs to understand and serve them.

It is very challenging but there are also have great opportunities for MFIs to develop their market as well as serve the community members. It's also needs to conduct a deep research to understand their need and expectations. Also need to do further analysis they MFIs are not focusing enough on refugee entrepreneurs although they have big market here. Microfinance institutes also need to develop their marketing and CRM strategies for achieving more success in financial industry. It is also important to do analysis about government policies and regulation for serving refugee entrepreneurs in Europe.

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