

Relationship Marketing and Its Impact on Customer Loyalty: Moderating Effect of Personal Demographic Variable

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Abstract

Objective is to examine the impact of relationship marketing strategy on customer loyalty. A questionnaire derived from previous studies and the relevant Literature was completed by 102 bank customers in Jaffna district, Sri Lanka. Multiple regression analysis assessed the impact on customer loyalty of four key constructs of relationship marketing such as trust, commitment, communication and conflict handling. And also t-test and f-test were utilized to find out the significant mean different in customer loyalty among personal demographic variable. Relationship marketing contributes significantly to customer loyalty and predicts 30 percent of the variation found. Trust and communication in the relationship marketing contribute significantly to customer loyalty. Customer loyalty is not contributed significantly by commitment and conflict handling in the relationship marketing. There is a significant mean difference in customer loyalty among different age groups. This research focuses on banking services in one particular district of the country. Therefore, further research in other sectors may be necessary before generalization can be made on the entire service industry. Based on the finding of the study, there are a few key points that can be used to conclude this research paper. It is very important that the relationship marketing in the private commercial banks in Jaffna peninsula contributes to the customer loyalty. Mainly, trust and communication dimensions in the relationship marketing contribute to the customer loyalty. It reinforces and refines the body of knowledge relating to customer loyalty in Service industries.

Keywords: Relationship marketing, Customer loyalty.

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