

Effectiveness of Relational Bonds on Relationship Quality in Banking Industry in Sri Lanka

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Recently, more than ever before strong competition among the businesses and increasing customer knowledge and awareness caused companies to use relational bonding strategies to create, maintain, and enhance strong relationships with their target customers to enhance their Relationship Quality. This article aimed to investigate the impact of Relational bonds (Finance bonds, Social bonds, Structural bonds, Emotional bond and Confidence bond) on Relationship Quality (Satisfaction, Commitment and Trust) in the Banking industry. A survey was conducted, collecting data through a structured questionnaire completed by 200 customers from selected banks in Batticaloa urban areas. Research questions and objectives were set. Descriptive statistics used for data presentation and analysis. Multiple regression analysis, Pearson correlation coefficient were used for testing relationship. The results suggest that relational bonds were directly associated with Relationship Quality and they had a significant effect on it in Banking industry. The results from the data analysis showed that Structural bonds, Social bonds, Emotional bond, Confidence bond and Finance bonds in this exact order had the highest relative contributions to explain Relationship Quality. Therefore it is reasonable to conclude that Relationship Quality can be created, reinforced and retained by marketing relational bonds. As it creating satisfaction, building trust, commitment to service, and enhance continuous successful in the banking industry. And concluded by recommending that banks should invest more on relational bonds to enhance the long-term relationship with their target customers. The findings provided a useful tool for improvement of relational bonds in banking industry in Sri Lanka.

Keywords: *Customer, Relational Bonds, Relationship Quality, Banking Industry*