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**THE EFFECTIVENESS OF RELATIONAL BONDS ON CUSTOMER LOYALTY
MEDIATED WITH CUSTOMER SATISFACTION: TELECOMMUNICATION
INDUSTRY, BATTICALOA**

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ABSTRACT

Customer loyalty is considered to be a key component in enhancing the survival of businesses, especially in the situations faced by highly competitive industries. Therefore, Tele communication service providers should be conscious of the factors affecting customer loyalty in building strong relationships. This paper aimed to investigate the effectiveness of relational bonds on customer loyalty with the mediation of customer satisfaction among mobile telecommunication service providers. The objective is to identify the level, relationship and impact of relational bond on customer satisfaction and loyalty. Further, examines the mediating role of satisfaction between relational bond and customer loyalty. Data were obtained from the sample of 200 customers in Batticaloa based on stratified random sampling. The results revealed that relational bonds significantly impacted on loyalty and satisfaction and also relational bonds impacted on customer loyalty significantly through customer satisfaction. Therefore, it is reasonable to conclude that customer loyalty can be created, reinforced and retained by developing strong relational bonds between customers and service providers which could lead to customer satisfaction and that in turn to customer loyalty.

Keywords: Relational bonds, Customer satisfaction, Customer loyalty