

The Relationship between Customer Satisfaction and Relationship Marketing Benefits

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Abstract

Today, service companies and institutions worldwide, compete in space that due to the demands and expectations of the customers introduce a factor for the survival of their professional and only those groups of the institutions will be more successful that correctly recognize, customer is valuable investment. Banks and financial institutions are not exempt from this issue. Banks must attempt by new marketing strategies for attract more customers satisfaction. One of the new strategies is relationship marketing strategy. Today's, relationship marketing is business art. The importance of this research toward marketing, service quality and consumer satisfaction as key to success elements of financial businesses faced with escalating competition and market changes recently. Society statistical present study is all customers having accounts at Saderat bank branches in Iran (Anzali) city. Sampling method is available non-probability. Data collection methods were field and Collection tool was questionnaire. Data analytical method was the correlation coefficient that finally, the hypothesis was confirmed.

Keywords: Customer Satisfaction, Relationship Benefits, Relationship Marketing, Saderat Bank

1- Introduction

The customer is central to all marketing activities of banks the world over. Banking is one of the many service industries, characterized by high customer contact with individually customized service solutions, where customer satisfaction has been an increasing focus of research. Levesque and McDougall (1996) point out that customer satisfaction and retention are critical for retail banks. They investigate the major determinants of customer satisfaction (service quality, service features, customer complaint handling and situational factors), and future intentions in the retail bank sector. Bloemer et al. (1998) investigate how image, perceived service quality and satisfaction determine loyalty in a retail bank. Similarly, Armstrong and Seng (2000) analyze the determinants of customer satisfaction in the banking industry (transactional paradigm, purchase intentions and fairness (equity)). In all these studies, customer satisfaction and delight is presented as solid bedrock of bank longevity and profitability. One review of US customer perceptions of service quality by Stafford (1994) found that customers want courtesy, friendliness and convenience; and also view fair prices, concerned management and institutional stability as integral components of the service process. Customer satisfaction is a substantial issue in relationship marketing, particularly those in services industries. Keiningham et al. (2005), state that it is a significant affiliation between customer satisfaction, purchase intentions, and consequently financial performance.

Geographical distance has lost its meaning and availability, ease and speed of service delivery creates a competitive advantage for organizations, including banks (gilaninia, 2011). The objective of many marketing strategies in the last 10 years has been building the customer's commitment to a brand or a dealer. This has taken three forms:

- Creating customer satisfaction - delivering superior quality products and services (Gale and Chapman).
- Building brand equity - the sum of the intangible assets of a brand. Factors that contribute to this are: name awareness, perceived quality, brand loyalty, the associations consumers have towards the brand, trademarks, packaging, and marketing channel presence (Aaker 17).
- Creating and maintaining relationships (Peppers and Rogers).

Nearly two decades have passed since the first mention of the relationship marketing (RM) concept by Berry (1983), but the concept is still in vogue, maybe more than ever. Brown (1997) observed, not without a touch of irony that faced with the prospect of missing the last train to scientific respectability, many marketing academics . . . are desperately rummaging through their past publications and rejected manuscripts in a frantic search for the magic word, the word which will enable them to announce that they have been relationship marketers all along and are thus entitled to a seat on board. The of how relationship marketing fits into the broader marketing landscape has been inconsistent, empirical work underpinning the conceptual development within relationship marketing often has been lacking, so relationship marketing is characterized more by rhetoric than by publication efforts containing empirical findings.

2- Customer satisfaction

Customer satisfaction is defined as a customer's overall evaluation of the performance of an offering to date (Johnson and Fornell 1991). Salespeople's interaction with their customers plays a key role in organizational success or failure (Schultz and Good, 2000), and customer satisfaction is a critical performance indicator (Adsit et al., 1996). Simply assessing sales volume and/or market share is not sufficient for thinking about how to retain customers or enhance the customer relationship in a highly competitive marketplace. According to the points already mentioned, the supply of goods (services) in accordance with customer needs and demands of business the present age is the key to the success of a business. (Gilaninia & et al, 2011)

Molina, et al (2007) surveys the effect of long-term customer relationships with their bank and satisfaction. Their results showed ensure customer to bank has a significant effect on customer satisfaction of bank.

Jamal & Nasser (2003) about the relationship between service quality and customer satisfaction research was a Pakistani bank and found that this relationship is generally stronger although the relationship did not between customer satisfaction and scale of tangible services (Gilaninia & et al, 2011).

3- Relationship marketing

The concept of relationship marketing receives increasing attention from academics and practitioners (Ndubisi, 2007) and has played a lead role in the marketing subject (Andersen, 2002). Furthermore, Kotler and Keller (2009) indicated that relationship marketing was mainly to match the customers' needs and the service promise, so that the customer loyalty would increase.

Extant RM typologies focus on the (1) types of customer bonds formed (Berry, 1995; Berry & Parasuraman, 1991), (2) types of customer benefits offered (Gwinner, Gremler, & Bitner, 1998), (3) functions served or problems solved by relationships (Hakansson & Snehota, 2000), and (4) relationship "content area" supported in the exchange (Morgan, 2000). Each typology includes both financial/economic and social categories; most capture structural efforts directly or indirectly by tapping interdependencies or switching costs. Researchers theorize that diverse RM programs may build different types of relational bonds (Berry, 1995; Hakansson & Snehota, 2000), but RM typically has been studied in an aggregate sense

A key goal of relationship marketing theory is the identification of key drivers that influence important outcomes for the firm and a better understanding of the causal relations between these drivers and outcomes. In the marketing literature, several different approaches have been used to identify these variables and to learn about their impact on relational outcomes. Most of the existing approaches focus on a single predictor variable (e.g., customer satisfaction) and investigate its connection with relational outcomes, rather than developing multivariate models and theories. However, a review of the existing work on the determinants of relationship marketing outcomes reveals some promising conceptual models that might explain a significant amount of the success (or failure) of relationships between service providers and their customers. Two of the most promising conceptual approaches are (a) the relational benefits approach (e.g., Bendapudi and Berry 1997; Gwinner, Gremler, and Bitner 1998; Reynolds and Beatty 1999a) and (b) the relationship quality approach (e.g., Crosby 1991; Crosby, Evans, and Cowles 1990; Dorsch, Swanson, and Kelley 1998; Smith 1998).

Today, building and maintaining relationships with consumers has become a typical business activity (Paul *et al.*, 2010). Retention and profitability rewards make RM particularly appealing to service firms (Krasnikov, Jayachandran and Kumar, 2009; Palmatier *et al.*, 2006; Verhoef, 2003). Consumer relationships are today regarded as a resource (Musalem and Joshi, 2009) with genuine consumer-to-business relationships characterised by the consumer's voluntary involvement and the facilitation of mutual value (Fournier, Dobsha and Mick, 1998; Roberts, Varki and Brodie, 2003).

Armstrong and Kotler (2009) considered relationship marketing as a kind of index for customer satisfaction, and they believed that the maintenance of excellent relationship marketing between the enterprise and customers would be beneficial in increasing customer satisfaction.

Two popular multivariate approaches for understanding relationship marketing outcomes are the relational benefits approach and the relationship quality model. The relational benefits approach is founded on the assumption that for a long-term relationship to exist, both the service provider and the customer must benefit from the relationship. Several different customer relationship motives have been identified, and their fulfillment is conceived as the basis for relationship continuity and stability (Hennig-Thurau, Gwinner, and Gremler 2000). In the relationship quality model, a basic assumption is that the customer's evaluation of the relationship is central to his or her decision to continue or to leave the relationship with a service provider. Most conceptualizations of relationship quality build on Morgan and Hunt's (1994) commitment trust theory by including customer satisfaction as a key concept.

3-1) Relational benefits

The relational benefits approach assumes that both parties in a relationship must benefit for it to continue in the long run. For the customer, these benefits can be focused on either the core service or on the relationship itself (Hennig-Thurau, Gwinner, and Gremler 2000).

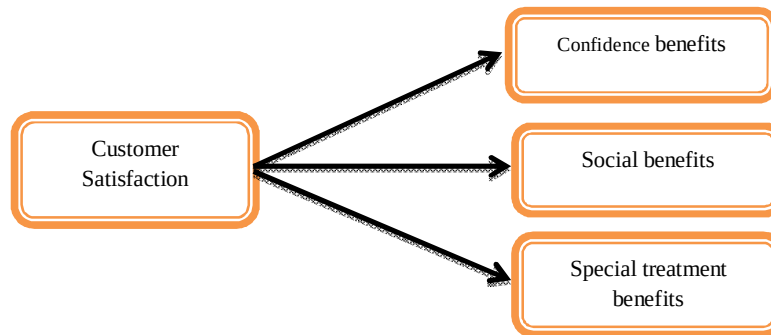
Benefits or rewards refer to worthwhile or valuable outcomes to the participants of the relationship (Nielson, 1998). In high contact services, a customer may derive additional benefits from service workers beyond the core service performance (Crosby and Stephens, 1987), particularly if they are engaged in continuing relationships (Yen and Gwinner, 2003). In fact, Gwinner, Gremler and Bitner (1998) found that customers in long-term relationships with service providers experienced three major types of relational benefits: confidence, social and special treatment.

Confidence benefits: confidence displays by psychological risk reduction reward in situations, where the customer has little knowledge, limited perception about the service. Then confidence reduces psychological stress when decision is made. Decision is made after consulting with a reliable provider of a service or even placed at his/her disposal (Reynolds and Beatty, 1999).

Social benefits: Social benefits are related with time, energy and put efforts while performing common actions. In other words it is stated, that support, maintenance and even participation in the activity attach individual to common moral and ethical codes. Palmer (2002) confirms that social coherence is being formed in the emotional level that creates psychological barriers to exit and it makes relations stronger, more resistant.

Special treatment benefits: form of relational consumers receiving price breaks, faster service, or individualized additional services. The widespread use of special treatment benefits provided as a part of relationship marketing programs (e.g., Lufthansa's "Miles & More"; for an overview, see Morgan, Crutchfield, and Lacey 2000) presumably is due to the expectation of positive financial returns. One way this may operate is through the presence of switching costs. That is, as an organization provides additional types of special treatment benefits (e.g., economic savings or customized service) emotional and/or cognitive switching barriers are increased (Fornell 1992; Guiltinan 1989) and can result in increased loyalty and commitment on the part of the consumer (Selnes 1993)

According to above Content, the researcher seeks answer to this question whether; is there a relationship between Relationship benefits and Customer Satisfaction?



"Fig. 1. Research conceptual model (Molina&et al, 2007)"

4- Research hypotheses

- 1- There is a relationship between Special treatment benefits and Customer Satisfaction.
- 2- There is a relationship between Social benefits and Customer Satisfaction.
- 3- There is a relationship between Confidence benefits and Customer Satisfaction.
- 4- There is a relationship between Relationship benefits and Customer Satisfaction.

5- Research Methodology

This study is a descriptive - analytical and based on purpose is practical. Statistical community is all customers that having accounts at Saderat bank branches in Iran (Anzali). In this study, sampling method is available non-probability sampling. Samples were calculated 384. Questionnaire was used to collect field data. For assess the validity is used the content validity via Delphi method. A questionnaire was designed for this purpose. For Determinant reliability coefficient from Cronbach's alpha method, Questionnaires were given to 20 individuals and Cronbach's alpha coefficient was calculated. Considering that Cronbach's alpha coefficients obtain greater than 70 percent, so the reliability of the questionnaire was confirmed. By using Pearson correlation, the research hypotheses were tested.

6- Data analysis

Table 1. Correlation coefficient Test

Research hypotheses	SIG	Hypotheses status
H1: Special treatment benefits and Customer Satisfaction	.000	Confirmed
H2: Social benefits and Customer Satisfaction	.000	Confirmed
H3: Confidence benefits and Customer Satisfaction	.000	Confirmed

1- The first hypothesis of the study and the results of the Pearson correlation test show that relationship intensity between Special treatment benefits and Customer Satisfaction is 87/5. Other words 76% customer satisfaction changes can be explained by Special treatment benefits .also sig= .000<0.05, thus test statistic amount is in H_1 Region .so H_0 rejected and H_1 Confirmed with 95 % ensure . Then researchers hypothesized based on the relationship between customer satisfaction and Special treatment benefits approved.

2- The second hypothesis of the study and the results of the Pearson correlation test show that relationship intensity between social benefits and customer satisfaction is 84/2. Other words 70% customer satisfaction changes can be explained by Social benefits. Also sig= .000<0.05, thus test statistic amount is in H_1 Region .so H_0 rejected and H_1 confirmed with 95 % ensure . Then researchers hypothesized based on the relationship between customer satisfaction and Social benefits approved.

3- The third hypothesis of the study and the results of the Pearson correlation test show that relationship intensity between confidence benefits and customer satisfaction is 50/2. Other words 25% customer satisfaction changes can be explained by confidence benefits. Also sig= .000<0.05, thus test statistic amount is in H_1 Region. So H_0 rejected and H_1 confirmed with 95 % ensure. Then researchers hypothesized based on the relationship between customer satisfaction and confidence benefits approved.

Table2. Regression Test

Model(Relationship benefits)	B	Beta	SIG	Hypotheses status
Special treatment benefits	.951	.567	.000	Confirmed
Social benefits	1.103	.395	.000	Rejected
Confidence benefits	.119	.025	.347	Confirmed

Depend variable: Customer Satisfaction

4- With survey fourth hypothesis and the results of the regression test, the intensity of relationship between Relationship benefits and customer satisfaction is 90/3 percent. Other words 81% customer satisfaction changes can be explained by Relationship benefits. When the three variables together are

into model, variable "Confidence benefits" lose its relationship with the dependent variables, But was mentioned in the previous hypothesis that each of variables alone had a relationship with customer satisfaction. This means when three variables are entered in the model together, due to relationship between independent variables together (If some relationships with some of the independent variables is stronger than their relationship with the dependent variable) Variables mentioned in presence of other independent variables, their relationship lose with the dependent variables But the model is still significant. Thus for formation final model study, intended variables taken out and the final model is obtained. This means that the relationship between the scales of relationship benefits i.e. there is a relationship between Special treatment benefits and social benefits and customer's satisfaction of bank.

7- Conclusions and suggestions

Primitive or classical marketing theory was mainly due to the transaction and did not pay attention to customer retention. But with competition and saturation of many markets and the continuous changes in the environment and combined population of companies were faced with this fact that organizations like the past are not facing with a growing economy and emerging markets. Today, every customer has its own special value and now companies fight for to get a larger share of the market and stable or declining. Thus cost of attracting new customers has increased. With the decline of Primitive marketing and the emergence of relationship marketing, Organizations and companies to want that with utilize of relationship marketing strategies create strong links with its customers. Recently, new forms of business and a new distribution conditions for goods and services and also gradual evolution of consumer attitudes of the twenty-first century, innovation has moderated many of the banking. According to research conducted and the survey results the following suggestions are offered:

1. Services Offered faster, more carefully and at a higher level compared to other banks.
2. Changes in interest rates and fees in favor of the customer.
3. As long as possible, Bank staff remember their customers profile until make more sincerity feel for customers.
4. Details of any services provided to the customer clearly.
5. The customers service be present with minimal mistakes and even without wrong until their ensure attracted more and more.
6. Create two-way channel between banks and customers.
7. Meetings Training courses for employees capable in the field of communicating with customers.
8. Measuring efficiency and effectiveness of customer service department and its impact on customer satisfaction

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