

UNIVERSITY OF CAPE COAST

**RELATIONSHIP MARKETING IN THE FINANCIAL SERVICE
SECTOR: A STUDY OF GHANA COMMERCIAL BANK LTD, UCC
BRANCH**

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UNIVERSITY OF CAPE COAST

RELATIONSHIP MARKETING IN THE FINANCIAL SERVICE SECTOR:
A STUDY OF GHANA COMMERCIAL BANK LTD, UCC BRANK

BY

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the award of Master of Business Administration in Human Resource
Management

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DECLARATION

Candidate's Declaration

I hereby declare that this dissertation is the result of my own original research and that no part of it has been presented for another degree in this university or elsewhere.

Candidate's signature Date

Candidate's Name: Ibrahim Muntari

Supervisors' Declaration

I hereby declare that the preparation and presentation of the dissertation were supervised in accordance with the guidelines on supervision of dissertation laid down by the University of Cape Coast.

Supervisor's Signature..... Date.....

Supervisor's Name: Mrs Gloria K. Q. Agyapong

ABSTRACT

The study examined improving of relationship marketing in financial service sector in GCB Ltd, UCC Branch. The descriptive survey design was adopted in the study. A sample size of 200 was selected for the study. Self-developed questionnaire was used for data collection. Descriptive statistics was used to analyse the data including frequencies and percentages. The results revealed that majority of the customers agreed that GCB Ltd, UCC Branch adopted and implemented some relationship marketing strategies to enable them satisfy their customers. The results revealed that all the customers agreed that the relationship marketing strategies used by GCB Ltd, UCC Branch provided more efficient diversification of risk relationship marketing strategies used by the GCB Ltd, UCC Branch had helped to promote economic development, generated stronger customer relationships and enhanced seller performance outcomes, technological and financial innovations which led to profit maximization. It is recommended that employers, leaders, and management of the GCB Ltd, UCC Branch responsible for customer relationship should try as much as possible to develop and maintain good relationship marketing strategies such as customer loyalty programmes and relationship satisfaction at the bank to keep employees and customers in the bank to improve job performance, satisfaction and the quality of work. The Bank should encourage customers to continue to maintain their good relationship with the bank.

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DEDICATION

To my family.

TABLE OF CONTENTS

	Page
DECLARATION	ii
ABSTRACT	iii
AKNOWLEDGEMENTS	iv
DEDICATION	v
TABLE OF CONTENTS	vi
LIST OF TABLES	ix
CHAPTER ONE: INTRODUCTION	1
Background of the study	1
Statement of the problem	3
Objectives of the study	4
Research questions	5
Significance of the study	5
Delimitation	6
Limitations	6
Organisation the study	7
CHAPTER TWO: REVIEW OF RELATED LITERATURE	8
Introduction	8
Theoretical framework of the study	8
Concept of relationship marketing	17
Performance	22
Factors that influence performance	26
Relationship marketing and performance	31

Summary of literature review	40
CHAPTER THREE: METHODOLOGY	41
Introduction	41
Research approach	41
Study design	41
Population of study	43
Sample and sampling procedure	44
Instrument design	45
Pre-testing of instrument	45
Data collection procedure	46
Data analysis	47
Ethical procedures	47
CHAPTER FOUR: RESULTS AND DISCUSSION	49
Introduction	49
Respondents' background characteristics	49
Relationship marketing strategies that are employed by GCB, Ltd UCC Branch	51
Perception of customers about the importance of relationship marketing strategies employed by GCB Ltd, UCC Branch on performance	54
Conclusion	56
CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS	58
Summary	58
Key findings	59
Conclusion	60

Recommendations	60
Suggestions for further research	61
REFERENCES	63
APPENDIX: QUESTIONNAIRE FOR RESPONDENTS	79

LIST OF TABLES

Table		Page
1	Respondents' background characteristics	49
2	Relationship marketing strategies that are employed by GCB, Ltd UCC Branch	52
3	Perception of customers about the importance of relationship marketing strategies employed by GCB Ltd, UCC Branch on performance	55

CHAPTER ONE

INTRODUCTION

Background to the study

Marketing as an academic discipline is said to be a relatively new concept and as such a universally accepted definition is yet to emerge (Harker & Egan, 2006). Nevertheless, few can challenge the assertion that the ultimate function of marketing is to attract and maintain customers (Jonika & Ilia, 2014). As such, it can be argued that marketing is an indispensable function of all forms of business, simply because no business can survive without customers.

The business world of today is changing the way it operates at a rapid rate. As a result of this change of businesses and the evolving recognition and the acceptance of the importance of customer retention, it has become necessary to study relationship marketing. With increase knowledge and interest in customer loyalty, market economies and customer relationship economies, there has been a shift in marketing paradigm (Gronroos, 1997). The shift is from focusing on the benefits of long-term relationships for companies to the benefits that accrue to customers.

Due to this, it has become evident that most financial institutions have to fundamentally change the way in which marketing is done. That is a shift from managing a market to managing a specific customer (Bose, 2002). This includes establishing, maintaining and enhancing relationship marketing in

order to build up long-term relationships with customers so that the economic goals of the institution are achieved.

The banking industry is facing an ever-increasing level of competition around the world as the dynamics of the business change. Technology, commoditization, deregulation and globalization forever changed the face of banking (Joyner, 2002). Banks have understood the need to capitalize on the new technologies to gain advantage in the competition by exploiting their customer base, brand value and costly infrastructure investments in order to increase profits, as there's a direct link between the customer satisfaction and the profitability.

Kotler and Keller (2006) maintained that it has been the practice by many companies especially, the banking institutions to devote greater attention and marketing effort to attracting new customers rather than retaining existing ones. This is done through human relationship marketing. Literature in relationship marketing shows that it has been well acknowledged and recognized that retaining companies' existing customers is more profitable than attracting new one (Doyle, 2000; Kotler, 2001; Piercy, 2002). As a result, relationship marketing was developed on the basis that customers vary in their needs, preferences, buying behaviour and price sensitivity. Besides, relationship marketing also helps to increase market share, profitability and reduce cost.

Relationship marketing is developed as an answer, reaction, and as a result of changes in the economic environment. There are two main features of relationship marketing: it uses tailored and interactive tools and aims to trigger a lasting change in clients and suppliers' attitude, more than just an immediate

act of purchase on their behalf. Relationship marketing uses extended databases, a variety of communication channels, in-depth studies performed to understand specific clients' needs and expectations, building a high number of quality interactions that bring benefit to the relation (Jonika & Ilia, 2014).

Statement of the problem

Relationship Marketing has been thought of as a new paradigm in marketing over the last few decades. It has been believed by academics and practitioners that companies can achieve success in the long run by maintaining relationship with their customers and business associates (Jonika & Ilia, 2014). However, much of the work and understanding of relationship or relational marketing to date focuses on the Western perspective, and little has been done in the Ghanaian context.

There has also been a move to relationship marketing which focuses on customer retention rather than attraction. This type of strategy calls for a different type of marketing technique that is customer and information driven as opposed to product driven. With this in mind, marketers and business developers are now seeking new ways to obtain, manage, and analyze information on their customers via customer relationship management system (Athanasopoulou, 2009).

Wide range of financial innovations are emerging daily, notably in the banking sector such as internet banking, telephone banking, personal banking, branch networking and electronic transfer at point of sale. A number of studies have revealed that information technology or innovations have substantial positive effects on profitability and competitive advantage of financial

institutions (Gledhill, 2008). Afuah (2009) noted that firms that want to remain competitive must be innovative. It has noted that banking is transforming itself at a pace and on a scale that has no historical precedent. Banking has to make the leap from a transaction-based business into a sales-and-marketing culture where a bank will be defined by its ability to add value to the customer relationship. Those banks that refuse to adapt to these changes will very likely to die in business.

Although, there is a long list of benefits associated with relationship marketing, little is understood about the actual influences of the underpinnings of relationship marketing on relationship quality, customer loyalty and customer satisfaction in Ghana Commercial Bank (GCB) Ltd, University of Cape Coast (UCC) Branch. Relationship marketing is developed through the major constructs such as trust, commitment, and bonds. Despite this, little if any study has been in the area of relationship marketing in GCB Ltd, UCC Branch. As a result, this study, therefore, seeks to examine relationship marketing in financial service sector using the Ghana Commercial Bank Ltd, UCC Branch as the study organisation.

Objectives of the study

The main objective of this research is to examine how relationship marketing is applied in the Ghanaian banking sector using GCB Ltd, UCC Branch in Cape Coast Metropolis as study organisation, its benefits and key factors of relationship marketing implementation. Specifically, the study sought to:

1. Analyse relationship marketing strategies employed by GCB Ltd, UCC branch in Cape Coast Metropolis;
2. Assess the perception of customers about the importance of relationship marketing strategies on the performance of GCB Ltd, UCC branch in Cape Coast Metropolis; and
3. Suggest measures to improve relationship marketing in financial service sector.

Research questions

The study was guided by the following research questions:

1. What are the relationships marketing strategies employed by GCB Ltd, UCC branch in Cape Coast Metropolis?
2. What is the perception of customers about the importance of relationship marketing strategies on the performance of GCB Ltd, UCC branch in Cape Coast Metropolis?
3. What measures should be suggested to improve relationship marketing in financial service sector?

Significance of the study

The outcome of this research hopefully holds significant benefits for marketing researchers and practitioners interested in the subject of relationship management and the application of relationship marketing in the banking sector through the understanding of its major constructs. The results of the study add knowledge to the academic research on relationship marketing in banks as a strategy to sustain growth and profitability.

The results of the study bring to fore the practical relationship marketing ideas that banks are adopting in the country. The study also provided for further studies in the area of relationship marketing. The findings from the study may help policy-makers in the financial sector to identify the major weaknesses in the service that are geared towards improving customer satisfaction and adopt appropriate measures to address the problems.

Delimitation of the study

The study examined relationship marketing in financial service sector using GCB Ltd, UCC Branch in Cape Coast. To ensure better coverage and understanding of the variables of interest, the study looked at relationship marketing strategies used by GCB Ltd, UCC Branch in Cape Coast Metropolis, and finds out the effect of relationship marketing strategies on the performance of GCB Ltd, UCC Branch in Cape Coast Metropolis. The study was limited GCB Ltd, UCC Branch to enable the researcher gather detail and accurate information on the issues of interest related to the study.

Limitations

In conducting a study of this nature, the researcher is likely to encounter certain limiting factors that might affect the validity and reliability of the results of the study. One crucial limiting factor was the inability of the researcher to employ multiple instruments to collect varied data from the respondents. The use of questionnaires may not be adequate since such instruments are liable to subject motivation (McMillan, 1996). Some of the respondents were not willing to complete the questionnaire which could have

affected the validity and reliability of the results of the study, but the researcher took time to explain the importance of the study for them and they finally responded to the items. The information gathered was limited to some respondents perspectives of other respondents could add greater depth to the understanding of this complex phenomenon. But, the researcher did all his best to overcome these limitations as possible.

Organisation of the study

This study is organised into five chapters. Chapter one deals with the introduction which covers the background to the study, statement of the problem, the objectives of the study, research questions, significance of the study as well as scope of the study, and organisations of the study. Chapter two deals with the review of related literature on the topic and provides the theoretical, conceptual framework and empirical evidence for the study. The chapter investigates seminal research studies, and summarizes the findings of the work of many researchers and authors. Chapter three describes the procedures and methods employed in the study. The results of the study are discussed in Chapter four. Chapter five contains conclusions and implications of this research as well as recommendations and suggestions for further research.

CHAPTER TWO

LITERATURE REVIEW

Introduction

This chapter deals with literature review. It involves summarizing of materials written by other authors that are related to the research topic under investigation. The chapter provided the theoretical, conceptual, and empirical review for the study. The literature for this study focused on the following thematic areas; trends of financial innovations in the banking institutions, customer satisfaction in the banking institutions, service quality and customer satisfaction, innovations and competitive advantage in the financial sector.

Theoretical framework of the study

Relationship marketing is underpinned by both the network approach (B to B marketing), proposed by the International Marketing and Purchasing Group (Rao & Perry, 2002), as well as the services marketing approach, proposed by Gronroos (1994) and Gummesson (2008).

Marketing as an academic discipline is a relatively new subject and is still lacking an integrated theory (Mattsson, 1997; Harker & Egan, 2006). This has changed over the last decade. The beginning of marketing theory came into light from economics, in particular micro-economics (Palmer et al., 2005). Economic models and perspectives, asserted that the current business world we are experiencing could be reduced to formulas and equations. These were extended to marketing, and led early marketing theoreticians such as McGarry

(1950); Alderson (1957); and McKitterick (1957) to create 'lists' of marketing variables that are related to profit maximising equations.

It is from such a list the originally 12 elements 'marketing mix' of McCarthy (1960) were reduced to the infamous '4P's', thus price, product, place and promotion. This has been and is still the backbone of much research and teaching in marketing. This remains a fact perhaps partly due to its simplicity and communicability (Harker & Egan, 2006).

Mainstream marketing theories, or what is known as the Transactional Marketing (TM) paradigm has been criticised in many regards for different reasons. The strongest criticism is that TM theories fail to recognise that much marketing activity happens in places, cultures, and societies radically different from the 1950's post-World War II US consumer products sector in which the original fieldwork was carried out (Gummesson, 1987; Grönroos, 1994; Elg & Johansson, 1996; Brodie, 1997).

Further criticism of TM theory lies in its inappropriateness in the context of Industrial (Business-to-Business, B2B) interactions. The theory and practice of TM assumed that consumers were available in great numbers and behaved passively (Harker & Egan, 2006). This model does not apply to the B2B context, where the customer firms are often limited in number and the interactive participation of the customer is required to successfully complete the exchange (Gummesson, 1987).

In response to these criticisms, scholars have looked to develop new marketing paradigms by moving away from the product-centric perspective of TM to other perspectives that hold more promise in terms of applicability and relevance (Harker & Egan, 2006). Of these, the first group of immediate

relevance has based its position on the now overwhelming dominance of services in developed economies (Vargo & Lusch, 2004). A second strand of research that is particularly useful in advancing understanding family business is what has become known as Relationship Marketing.

Central to the notion of relationship marketing is the key idea that interpersonal relationships and personal networks are of crucial significance in business success (Gummesson, 2003). This is particularly relevant for the B2B sector because there are limited numbers of customers and the relationship between suppliers and buyers is completely different to the consumer product sector underpinning the TM paradigm, in which buyers are no longer seen as passive but as active participants in the transaction. The active role consumers' play has long been recognised in marketing literature (Gummesson, 1998; Saren, 2007).

More so, Elliott and Wattanasuwan's (1998) study suggests that consumers are not passive recipients of what marketers do. They are actively involved in re-interpreting the information presented to them in the process of decision making. The key feature of relationship marketing is the relationship dynamic of the process. When selling a physical product, the costs of production are offset by the revenue of the purchase. In B2B sector, the majority of costs are often incurred whilst 'setting up' the service (Berry, 1995), in other words, the costs include the establishment of the conditions of the business relationship to pave the way for the product and service to be provided.

Importantly, the process of relationship marketing is a lengthy and ongoing one (Payne & Holt, 2001; Stanko, 2007), in contrast to the view

underpinning the Transactional Marketing paradigm, which implies that marketing brings immediate results (Dwyer, Schurr & Oh, 1987). Dwyer et al. (1987) point out that interdependence in buyer-seller relationships takes time to develop as relationships progress through stages. This is supported by Gummesson (1991), who argues that a relationship between two parties is something that grows in strength through repeated exchange over a period of time. In other words, relationship marketing is a lengthy, interactive, developmental and ongoing process (Blois, 2003; Stanko, Bonner, & Calantone, 2007; Sabiote & Román, 2009).

It should be noted from the discussion that the focus on the interpersonal interaction between buyer and seller is not a new concept in marketing practice (O'Malley & Tynan, 1999; Berghäll, 2003; Bhagat, 2009). Some researchers accurately point out that relationship marketing was widely practiced long before it was articulated in marketing literature (O'Driscoll, 2006). This is not to suggest that RM has no contribution to make. Its key contributions lie in its potential to integrate marketing theories and to combine theory and practice to develop a cross-disciplinary approach that is of practical value to practitioners (Gummesson, 1998). It is with this in mind that many researchers have attempted to explore and measure variables that are believed to shape the buyer-seller relationships (Payne & Holt, 2001; Stanko, Bonner, & Calantone, 2007; Rogers, 2008).

A review of the extant literature helps to identify that studies tend to see the buyer-seller relationship as a concrete, objective entity that can be isolated from its context and therefore measured objectively. This issue is raised by Blois (2003) who points out that the B2B relationship is a socially

constructed reality. By using the case of the leading UK department store, Marks and Spencer, and one of its major garment suppliers, Blois (2003) demonstrates that a committed relationship repeatedly emphasised publicly by both parties can sometimes mean nothing more than lip-service on one side and “unrequited love” on the other.

Blois’ (2003) study echoes the findings of Dwyer et al.’s (1987) earlier study, which highlights the importance of shared values and understanding between the different parties that are involved in the marketing process. The suggestion that the buyer-seller relationship is socially constructed fits comfortably with the ontological and epistemological stance of social embeddedness. The central themes of social constructionism are the nature of reality, knowledge, language and social order. According to Bhagat (2009), social order is based fundamentally on shared social reality which, in turn, is a human construction that is created in social interactions.

It is recognised that, whilst people as biological organisms confront few limits or constraints in the form of instinctual patterns, constraints develop in the form of a social order. Bhagat (2009) argued that this order is an ongoing human production. It is produced by man in the course of his ongoing externalisation social order exists only as a product of human activity. Applying this to relationship marketing, it can be argued that a buyer-seller relationship is based on shared social reality that involves sharing understanding between different stakeholders in the marketing process and that this shared understanding influences the behaviour of each party involved in the process.

One key feature that must be emphasised in this ongoing social interaction is the level and number of contacts between firms. In a B2B context, the buyer-seller information exchange is complex and often includes multiple contacts points at differing levels across the organisations (Hollyoake, 2009). Furthermore, the social interaction is embedded in the complex web of the institutional context, namely cultural, social, political and economic factors.

In the social identity theory, people tend to classify themselves into different social categories. Ashforth and Mael (2001), Fournier (1998) state that consumer-brand relationships are more a matter of perceived goal compatibility. It thus leads to the evaluation of objectives and values in various groups and organisations in comparison with the customer's own values and objectives. Customers and bankers alike prefer partners who share similar objectives and values. It is believed that brands cohere into systems that consumers create not only to aid living but also to give meanings to their lives. Oliver (1999) argues that for fully bonded loyalty, the consumable must be part of the consumer's self-identity and his or her social-identity.

According to Kuusk (2007), there are several approaches to customer loyalty. The theories of behavioural loyalty began as far back as 1970s. According to this study loyalty was a function of customer purchases share. The approach takes a look at brand loyalty in terms of outcomes that is repeat purchase behaviour instead of reasons. Contemporary researches consider the psychological which is said to be the most attitudinal and emotional factor of loyalty (Reicheild, 2003). According to Kuusik study, behaviorally customers

are to be divided into sub-segments by the reason of acting: Forced to be loyal, Loyal due to inertia, and functionally loyal.

The study identifies that some customer may be forced to be loyal under some circumstances. These may show in instances where the customers are forced to consume certain products or services that they may not necessarily like. This may happen when a product or service provider is a monopolist in the completion. Other factors such as poor income or purchasing power can influence the buying of a particular product or service from one vendor.

Gronholdt, Martensen, and Kristensen (2000) have found out that companies with low price strategy had much higher loyalty than expected from their customer satisfaction. According to the study, forced loyalty could also be established through the creation of exit barriers. It will therefore make it difficult for consumers to bow out from patronizing a good or service.

Inertia could also be a factor. This is in the sense that a customer does not move to another bases on comfort or relatively low importance of operation. However, if the choice is of low importance there would be no need to spend time searching for another alternative. It will therefore be based of faith and the suitability of the product (Gronholdt, Martensen, & Kristensen, 2000).

It is in accordance with the cognitive based loyalty by Oliver “Cognition can be based on prior or vicarious knowledge and on recent experience-based information. If the transaction is routine so that satisfaction is not processed (eg. Trash pick-up, utility provision, the depth of loyalty is no deeper than mere performance.” According to the writer loyal customers are

loyal because they all have an objective reason to loyal. Jones and Sasser (1995:94) identify three measures of loyalty that could be used in segmentation by loyalty: Customer's primary behaviour:-Recency, frequency and amount of purchase; Customer's secondary behaviour:-customer referrals, endorsements and spreading the word; and Customer's intent to repurchase:-it is to identify if the customer is indeed ready to repurchase in the future.

Based on this identifications outlined by Jones and Sasser (1995), an organisation's customers may be generally segmented by loyalty as follows:

Committed or emotionally loyal customers: These are active customers who use only the certain provider's service or product and declare they will use only this provider in the future and recommend the brand or provider to others.

Behavioural loyal customers: They are customers who patronize a product or service and continue to patronize the service but do not recommend them to others.

Ambivalent or dubious customer: These are active customers who use only the certain provider's service but do not know whether they will change or which other provider's service they will switch to in the near future.

Disloyal reducers: These are customers who intend to reduce the level of patronage of a certain provider's service. Some are immediate with already signs of low patronage while others occur with time into the future.

Leavers: The leavers are customers who declare that they will definitely leave the current provider. It becomes almost impossible to convince such customers to stay when it gets to this stage (Jones & Sasser, 1995).

Trustworthiness of the partner is a factor that has certain impact on the establishment of loyalty nobody expects a long-term relation with a partner that cannot be trusted. Trustworthiness is one criterion for measuring the value

of the partner (Doney & Cannon, 1997). Spekman (1988) calls trust a cornerstone of the strategic partnership. Morgan and Hunt (1994) puts it that trust is a major determinant of relationship commitment: brand trust leads to brand loyalty because trust creates exchange relationships that are highly valued. Chauduri and Holbrook (2001) have showed that brand trust is directly related to both purchase and attitudinal loyalty.

Many other authors have accepted that trust is important in conditions of uncertainty (Moorman, Deshpande & Zaltman, 1993; Doney & Cannon, 1997; Dwyer et al., 1987; Morgan & Hunt, 1994). Uncertainty may be caused by dependence or large choice: people tend then to prefer popular or familiar brands or partners. It therefore leaves the well established brands the advantage over the other less known brands. Many definitions describe loyalty as a desire to retain a valuable or important relationship (Morgan & Hunt, 1994; Moorman et al., 1992). In this way, the establishment of loyalty is predetermined by the importance of relevant relationship or selection.

Weiss (2001) points out three aspects that may increase the importance of the relationship: Strategic importance of a product, High risks involved in the transaction, and Costs incurred by cancellation of contracts.

Hofmeyr and Rice (2000) point out that the more important the relationship is to a person, the more willing that person is to tolerate dissatisfaction in favour of trying to fix it. By contrast, when a relationship doesn't matter, then even the perfectly satisfied consumer can switch on a whim (Hofmeyr & Rice, 2000). A relationship can also be made important by personal approach. Various authors have compared loyalty with marriage (Levitt 1983; Dwyer et al., 1987; Gummesson, 1998; Hofmeyr & Rice, 2000).

Marriage is one of the most personal and important relationships. That means that intimacy is one determinant for importance of relationship. Levitt (1983) has considered a role of salesman in making relationship more personal.

Concept of relationship marketing

The concept of Relationship Marketing (RM) has been subject to analysis of many researchers such as Mattsson (1997), Coviello, Brodie and Payne (1998), and Gummesson (2009) in his paper “Total Relationship Marketing-Marketing management, relationship strategy, Customer Relation Marketing (CRM), and a new dominant logic for the value-creating network economy”. Relationship Marketing according to Jonika and Iliia (2014), referred to as a process of attracting, maintaining, enhancing and, when necessary, terminating relationships with customers and stakeholders at a profit, so that the objectives of the parties involved are achieved through mutual exchange and the fulfillment of promises (Adamson et al., 2003; Gronroos, 2004; Zineldin & Philipson, 2007; Das, 2009).

Relationship Marketing requires two-way communication and emphasizes strong personal relations, interaction and social exchange in order to succeed (Bennett & Barkensjo, 2005; Gronroos, 2004; Chen et al., 2008). Relationship Marketing involves sustainable long-term relationships through the use of marketing tools, activities, interactive databases and processes support, for example, after sales services, in order to retain valuable customers, on the basis of mutual benefit and fulfilment (Bennett & Barkensjo, 2005; Eiriz & Wilson, 2006; Lacey & Morgan, 2009).

Berry (1995) introduced the concept of relational bonding levels that are categorized as financial, social, and structural. Sales promotions and loyalty programmes such as frequency programmes are considered forms of financial bonding and generally viewed as weak (Berry, 1995; Palmatier, Gopalakrishna & Houston, 2006). Social bonding includes sales and service agent relationships as well as other positive interpersonal relationships between the buyer and seller (Berry, 1995; Gounaris, 2005). Structural bonds also occur when the seller makes an investment in the buyer's organization that cannot be retrieved when the relationship ends such as the installation of equipment or other durable goods. Supplier knowledge and expertise can also create structural bonds that inhibit switching behaviour of the buyer (Berry, 1995; Chiu, Hsieh, Li, & Lee, 2005).

Sellers in a buyer-seller dyad use a variety of tactics, such as personal selling, promotional offers, and customer loyalty programmes, to build relational bonds in an attempt to create customer loyalty and increase sales (Peng & Wang, 2006). Tactics such as advertising and promotions are generally aimed at attracting new customers (Dholakia, 2006; Izquierdo & Cillan, 2005). Loyalty programmes, such as frequency programmes that reward customers for repeat purchases, are used to create customer loyalty and improve customer retention (Izquierdo & Cillan, 2005). Other tactics include the interpersonal relationships between boundary spanners that are epitomized by dedicated sales or service agents and are shown to have stronger bonding effects than financial bonding (Bolton, Smith, & Wagner, 2003).

According to Athanasopoulou (2009), Relationship Quality has emerged as so important that, when such quality is good, the relationship is

successful. It is a higher order construct composed of the four primaries or relationship marketing keystones - trust, commitment, communication and satisfaction (Ndubisi, 2006; Hewett, Money & Sharma, 2002; Hibbard, Kumar & Stern, 2001). Also, Relationship Quality can increase re-patronage and word-of-mouth recommendation (Chen, Shi & Dong, 2008). Relationships and their quality form the glue that holds buyers and sellers together and transforms discrete transactions into partnerships (Czepiel, 1990).

As a long awaited change ever since the '90s, relationship marketing changes the relation between seller and buyer, taking into consideration the specific needs and expectations of the latest, and switching the focus from short term decisions to medium and long term ones. As previously mentioned, relationship marketing is developed as an answer, reaction, result of changes in the economic environment, meaning increasing competition, consumer behaviour changes, heterogeneous demand, increased usage of technology and not only.

There are two main features of relationship marketing: it uses tailored and interactive tools and aims to trigger a lasting change in clients and suppliers' attitude, more than just an immediate act of purchase on their behalf. We speak about a switch from extensive to intensive growth, by means of increasing current clients' retention, followed by their loyalty, given the fact that maintaining existing clients and optimizing portfolio involve significantly lower costs than attracting new clients, especially from competition. This trend is also mentioned in the definition of relationship marketing proposed by Gledhill (2008), according to whom it is a form of

marketing that emphasizes more clients' retention and their satisfaction, rather than individual transactions (Gledhill, 2008).

As such, mass marketing becomes too narrow in a highly competitive environment, where communication mix has to be specifically adapted, for a relevant targeting of each consumer's niche, to generate a positive impact such as clients' attitude or the actual purchase and/or consumption. Simply put, it aims at clients' retention and loyalty, by means of developing and maintaining relations resulted from commercial demands. For this purpose, it is vital that clients' segmentation is not based on classic criteria, but uses behavioural criteria including lifestyle, ideas and personal values, preoccupations, interests, etc. Therefore, we speak about knowing consumers' behaviour based on economic, emotional, and moral aspects. Best practice in relationship marketing implies clients' retention strategies, based on a specific mix, built upon deeply understanding of consumers' profiles and loyalty programmes.

However, clients' retention does not guarantee their loyalty, but the premises for it, as clients' satisfaction represents the premises to their retention. Relationship marketing uses extended databases, a variety of communication channels, in depth studies performed to understand specific clients' needs and expectations, building a high number of quality interactions that bring benefit to the relation. According to Kotler and Armstrong (2003), the starting point in studying consumer's behaviour is the stimulus-reaction model, with the four Ps of marketing mix as stimulus: product, price, placement, and promotion. In the banking system, as in other service-based activity, the marketing mix presents, similar to tangible goods, the same four components known as "the four Ps". The validation of a marketing mix in

given by bank's objectives achievement rate and client's satisfaction and refers to creating the most adequate combination of products/services features, distribution channels, pricing levels and marketing communication, to make the product/service more attractive than that of the competition.

In practice, the presence of all elements is not required in order to create the mix (Manole & Stoian, 2004). Kotler (2003) refers to marketing mix as different levels relevant to marketing decisions at one point. The product/service is the main component of the marketing mix, because it serves the client's specific need (Meghisan & Nistorescu, 2004). Factors such as quality and performance of financial service, developing, adapting, and renewing financial products and service have a strong impact upon banking portfolio performance, because from the structural point of view, the banking offer is rather homogeneous and the differentiation comes from added-value, client's satisfaction.

In general, the pricing policy of a bank defines its attitude towards clients, by using relevant tools for different categories of service or products: interest, commission, taxes etc. The price paid must be connected to competition price and must represent a value associated to the benefit perceived by client. Product or service placement has as main purpose the optimal distribution of financial services and products on the market. Presently, Romanian banks offer their services through territorial networks (branches, agencies etc.), ATMs, POSs, as well as informational systems (internet banking, mobile banking etc.), that become more and more attractive to consumers, given the fact that they feel more empowered with the information required to make their own decisions.

Other factors arise from innovation and technology usage, security or self-efficacy behaviour (Khalil, Barbuta-Misu & Stroe, 2010). The distribution of products/services, generated by the marketing mix, envisions several aspects not only logistically related. As such, it is important to study purchase habits, respectively preferred points of sales for consumers, frequency of purchase, quantity, criteria of choice etc. (Dedu, 2003).

In Relationship marketing, customer needs and desire drive behaviour and it should be addressed properly in order to lead to high customer satisfaction. Relationship marketing tries to establish an 'intimacy' that is individualized like with customers via strong personal appeal and continuing commitment (Lee & Carter, 2005). This calls for trust and commitment to exist between the banker and the customer in order to ensure loyalty and build relationship. Relationship marketing seeks to promote long term loyalty (Gordon, 1998). In the attempt to define relationship marketing, Kottler, et al (1996), assert that it involves creating, maintaining and enhancing strong relationship with customer and other stakeholder.

Performance

Performance in the banking industry could be measured by different indicators. It could be in the form of profit, increase in customer base, improvement in customer service as well as other operational controls that are put in place to support the efficient running and profitability of these institutions. Performance is considered to be a construction (Quinn & Rohrbaugh, 1983; Venkatraman & Ramanujam, 1986; Henri, 2004) and the purpose of defining this concept is to determine its properties and dimensions.

The notion of performance has an abstract character and its definition is made by reference to other concepts, on which we believe that performance is built. A concept is itself an abstraction of observable or measurable facts; certain concepts are at a high level of abstraction, and their explanation is achieved through other concepts, so they are called constructions (Quinn & Rohrbaugh, 1983).

Since 1950, studies in organizational theory are based on the concept of effectiveness, and the terms of efficiency and performance are considered interchangeable (Venkatraman & Ramanujam, 1986), because issues related to defining, measuring and explaining them are identical (Dalton, Todor, Spendolini & Porter, 1980, Thomson & Abernethy, 2000; Henri, 2004). In addition, early studies on firms did not analyzing performance, but organizational behaviour (Dalton et al., 1980), which demonstrates, on the one hand, the dynamic nature of the concept, and on the other hand, all the variables related to organizational behaviour. Moreover, performance is difficult to define, but it can have at least three meanings or connotations: (1) a successful outcome of an action or the action itself; (2) performance shows the ability to move, thanks to the constant efforts; (3) the word performance is the carrier of an ideology of progress, effort, always make better (Bourguignon, 1997).

This definition of Bourguignon (1997) assimilates performance with an “action”, with a certain “behaviour” (in terms of a dynamic view, meaning “to perform”) and not just as a “result” (in terms of a static view). A result is nothing if considered alone, because it cannot be separated from means of its activities and objectives: performance is based on logical action stages,

starting with the intention and going till the actual result. Furthermore, we can make a distinction between “performance” and “being efficient” (Vilain, 2003), due to the fact that performance can be described more as a result of the past, while being efficient means to achieve the objectives in the future.

Performance means, firstly, reaching the strategic objectives. This is actually the meaning of the concept of “efficacy”. This concept forms the rational model in which the organization is perceived to be mechanically, which means that efficiency is implicitly taken into account in setting goals and effectiveness is measured quantitatively.

(b) Performance is an unstable balance between efficiency and effectiveness (Ostroff & Schmitt, 1993). Performance is also seen as a state of the enterprise’s competitiveness, reached by a level of effectiveness and efficiency that ensure sustainable market presence (Niculescu & Lavalette, 1999).

(c) Performance involves also the economic concept of creation of wealth or value to the organization.

Thus, performance is a relation between cost (operation cost the organization) and the value of benefits obtained (Lorino, 2001). Two of the concepts that dominate modern management organizations are value and performance. A performance measure is to assess the value and by knowing the causes that generate value we can performance. In conclusion, value and performance are two adjacent concepts (Vilain, 2003).

To study the performance of the organization is to analyze the organizational behaviour and performance improvement can come only from an improvement in behaviour. These considerations make clear reference to the organizational strategy. Performance management begins when an

employee joins the organization. Due to this fact, the fundamental steps in ensuring performance management at the employees level strongly relates with the employee's job description, the hire orientation and the initial discussions with his manager (Zineldin & Philipson, 2007).

Moreover, creating an appropriate learning frame work for the new arrivals with the right guidance and closer oversight during the employee's first few months ensured by the employers is a crucial step. During this time, by learning new processes, meeting colleagues, participating on work teams and becoming accustomed to the company's policies and rules consume a great deal of time, but also provide the employers to measure new employees performance, in order to improve or correct any deficiencies. Employees' performance is strongly correlated with the sources of motivation provided by the employer (Lorino, 2001).

Employee performance and customer service are interrelated. When the employees provide good customer service, they are exceeding job expectations, which automatically implicates the popularity of the service or product is partially based on the level of service the customers receive. Moreover, businesses that provide good services generate a growth in terms of reputation which is based on the employees' performance. When your organization identifies its goals, consider the impact of performance management and employee performance. In the end, when the employees provide good services to the company's customers they make use of the interpersonal relationship and communication skills they possess (Henri, 2004).

Again, employee performance and product quality are other two important elements that are interrelated, especially when an employer encourages employees' advices in respect to the products and services offered to potential clients. When a business focus is the development of an innovative, high-quality product, employee performance plays an integral role in achieving the business's goals. The key issues meant to ensure employee performance in this respect are design, engineering, quality assurance and marketing of the company's products and services (Sabiote & Roman, 2009).

In uncertain times, clients' loyalty is one of the most important assets that a company needs to gain. Recognizing employees' hard work by constantly providing constructive feedback represents also a key feature in the management performance process. Constructive feedback can be provided from an employee's colleague, as well as from the supervisor or team leader and also from the manager himself. By diminishing the role of constructive feedback in work relations, conducts to an inappropriate work environment, ultimately reflected in the company's level of performance (Vilain, 2003).

Factors that influence performance

There are many factors which influence performance reforms (Lienert, 2003). The factors include those relating to human resources like manpower deficiencies and lack of psychological dispositions and shortage of financial and material resources necessary for effective delivery of services. The problems of accountability as well as ethical issues also continue to affect effective delivery of public service.

Relationship marketing (RM), both in business practice and as a focus of academic research, has experienced explosive growth for some time now (Srinivasan & Moorman, 2005). Most research and practice assumes that RM efforts generate stronger customer relationships that enhance seller performance outcomes, including sales growth, share, and profits (Crosby, Evans, & Cowles, 1990; Morgan & Hunt 1994), but some business executives have been disappointed in the effectiveness of their RM efforts (Colgate & Danaher, 2000). Researchers have also suggested that in certain situations, RM may have a negative impact on performance (De Wulf, Odekerken-Schröder, & Iacobucci, 2001; Hibbard et al., 2001).

Overall, these findings indicate that the effectiveness of RM efforts may vary depending on the specific RM strategy and exchange context; this inconsistency with regard to performance suggests the need for a meta-analysis to integrate the abundance of accumulated empirical research and to understand better the RM strategies that are most effective for building strong relationships, the outcomes that are most affected by customer relationships, and the conditions in which RM is most effective for generating positive seller outcomes (Saren, 2007).

Advancing understanding of the primary drivers of RM effectiveness can increase the return on firms' RM investments dramatically and provide researchers with insights into ways to build more comprehensive models of the influence of RM on performance (Reinartz & Kumar, 2003). Using Dwyer, Schurr, and Oh's (1987) seminal article on relationships; Crosby, Evans, and Cowles's (1990) introduction of relationship quality; and Morgan and Hunt's

(1994) key mediating variable theory of RM, most research has conceptualized the effects of RM on outcomes as fully mediated by one or more of the relational constructs of trust, commitment, relationship satisfaction, and/or relationship quality.

The existing literature offers a wide range of antecedents for these relational mediators, and researchers disagree about which one best captures the characteristics of a relational exchange that influence performance. For example, Morgan and Hunt (1994) propose that trust and commitment are both key to predicting exchange performance, whereas others suggest that either trust (Doney & Cannon, 1997; Sirdeshmukh, Singh & Sabol, 2002) or commitment (Anderson & Weitz, 1992; Gruen, Summers, & Acito, 2000; Jap & Ganesan, 2000) alone is the critical relational construct.

Another school of thought suggests that the global construct of relationship quality, as reflected by a combination of commitment, trust, and relationship satisfaction, offers the best assessment of relationship strength and provides the most insight into exchange performance (De Wulf, Odekerken-Schröder & Iacobucci, 2001; Kumar, Scheer & Steenkamp, 1995). These different relational mediators have been linked empirically, to many antecedents and outcomes, which leads to the critical question, How does the relational mediated model vary across different relational perspectives?

In line with developing a good relationship with the customer, relationship marketing enables a good, lasting and productive relationship. Products designed are tailor made to suite customers, especially the loyal ones. Customers upon enjoying flexible loan terms and other credit facilities available develop a personal affection toward a particular bank or brand in the

financial service industry. It creates the opportunity for cross selling, as well as value to the customers. The effect is a win-win situation (ICRM, 2002).

In relationship marketing the drive is to identify the needs, and behavioral pattern of the customer so that the service offered are giving at the time when needed. Providing a good customer service in sales and after sales servicing plays a crucial part in retaining customers. Relationship marketing identifies the customers' reaction to service provided and this promotes retention of the valued customers. The method is an integrated approach to marketing, service and quality. Therefore it provides a better basis for achieving Competitive Advantage. More so, in relationship marketing, quality assurance and management are all factored into service delivery. This includes proper training schemes for staff and regular feedback improvements.

Studies in several industries show that the costs to keep an existing customer are just a fraction of the costs to acquire a new customer. So often it makes economic sense to pay more attention to existing customers. Once a customer is satisfied and has walked into the bank, the relationship marketing strategies put in place will manage the customer through different stages of consuming a particular vendor's service. Long-term customers may initiate free word of mouth promotions and referrals. Indeed the good service offered is will be carried along by consumer whose experience shared will inspire others to have a feel of the service (ICRM, 2002).

Long-term customers are less likely to switch to competitors. This makes it more difficult for competitors to enter the market. When a good relationship marketing strategy is implemented, it will enable a consumer to find it difficult to switch to other banks. Likewise other product manufacturing

companies, with continuous identification of the needs of customers, the vendors create a one-stop sales point for customers to satisfy their needs through the products on offer (ICRM, 2002).

Happier customers may lead to happier employees. A happy customer affects the bank in many ways. Studies have shown that employees who are motivated to stay on a job do have a reason of seeing happy customers who express their delight to good performance by staff. This provides for low labour turn over. It puts control of check for that matter on the human resource talents identified by the banks.

Previous studies (Gross & Souleles, 2002) have analyzed the usefulness of other, non-relationship types of information in predicting consumer default, including macroeconomic and geographic-average demographic variables, “public” credit bureau information that is available to all potential lenders, and lenders’ “private” within-account (as opposed to a cross-account) information about the past behaviour of the accounts at issue.

The previous corporate literature has discussed a number of different explanations as to why such relationship information could be informative, but it is difficult to empirically distinguish between these explanations. Some explanations tend to emphasize what can roughly be thought of as selection mechanisms.

For example, when considering loan applications, banks might be better at screening applications from existing relationship customers. Or, perhaps customers with multiple relationships are different in otherwise-hard-to-observe ways than non-relationship customers. (E.g., relationship customers might be wealthier or more sophisticated, or might face larger costs of

switching to another lender.) By contrast, other explanations in the literature tend to emphasize more dynamic mechanisms related to information production over time and the ongoing monitoring of loans (Saren, 2007).

Relationship marketing and performance

There are a number of studies on relationship marketing in the financial sector and its interrelation with competitiveness and overall profitability of financial institutions. Luarn and Lin (2003) establish significant relationship between commitment and loyalty in their study. Some other studies in the relationship marketing area have shown that these two factors seem to be crucial in influencing one another (Anderson & Narus, 1990; Anderson & Weitz, 1992; Morgan & Hunt, 1994; Pritchard, Havitz & Howard, 1999; Fullerton, 2003; Evanschitzky & Wunderlich, 2006).

For example, Pritchard, Havitz and Howard (1999) found commitment to be strongly correlated with customer loyalty. Fullerton (2003) reveals that when customer commitment is based on shared values and identification, it has a uniformly positive impact on customer loyalty. Several other studies confirm a significant interaction of affective commitment and continuance commitment on loyalty (Fullerton, 2003; Evanschitzky et al., 2006).

More so, studies also suggest that business owners and their family members are involved in different activities in the business (Ram et al., 2001; Dhaliwal & Kangis, 2006), and therefore likely to be involved in the social interactions at multi-contact points between buyer and seller firms. Similarly, Liang and Wang (2006) in their study stated that trust is the perceived level of confidence in transaction partners' reliability and honesty. Trust is "the belief

that a partner's word or promise is reliable and a party will fulfil his/her obligations in the relationship" (Schurr & Ozanne, 1985). Trust is an important construct in relational exchange because relationships characterized by trust are so highly valued that parties will desire to commit themselves to such relationships (Hreinian, 1974). To support this notion, trust has been posited as a major determinant of relationship commitment (Morgan & Hunt, 1994).

Furthermore, Moorman et al., (1993) found that trust by marketing research users in their research providers significantly affected user commitment to the research relationship. Creating trust in customer mind set importance for companies because from the previous studies Trust along with commitment is an important antecedent of loyalty (Ball et al., 2004). In order to increase the levels of trust, companies must focus on keeping promises to their customers and consistently carry their best interest at heart (Hocutt, 1998).

Prior studies support the general notion that perceived value contributes to customer commitment (Luarn & Lin, 2003; Dodds et al., 1991). For example, Luarn and Lin (2003) have found a significant relationship between perceived value and loyalty as well as perceived value and commitment. Woodruff (1997) argues that perceived value represents customer cognition of the nature of relational exchanges with their suppliers, and satisfaction reflects customers' overall feeling derived from the perceived value. On the basis of the behavioral model (Fishbein & Ajzen, 1975), affect is significantly influenced by cognition. There is also empirical evidence that

customer-perceived value has a positive effect on customer satisfaction with a supplier (Anderson & Mittal, 2000; Walter, Thilo, & Helfert, 2002).

Studies have shown that marketing is changed focus on individual to focus on building value laden relationship networks. Corporate bodies shifted focus from being market share focused to that of customer value and retention. Survey has revealed the high nature of customer relationship systems adopted by organizations' to a rate of between 50% and 80%.

In relationship marketing, the banking marketing acknowledges the customer satisfaction throughout creating and delivering value under the form of banking services as the main goal to any banking institution (Danciu, 2009). A bank that is really oriented to a customer is the bank that believes that the financial objectives could be best achieved by the recognition and satisfaction of the customers' needs and expectations throughout the entire life cycle of the relationship. It should be noted that the loyalty a bank enjoys from its customers should be traced to the framework of the relationship development stages that is observed by the banks. As Evens, O'Malley, and Patterson (2004,) suggested the relationship development could be incorporated in a six-stage model. These stages are: Attraction, Interaction, Progression, Deterioration, Cessation, and Reclamation.

Attraction stage

This is the phase where potentially relational partners perceive past, present and future or potential partners as appealing in terms of their ability to provide superior economic benefits, access to important sources and social compatibility. It therefore suggests that at this stage both the banker and the

potential customer are able to identify the prospects of doing business with each other. It is born out of confidence and attraction in the way the bank presents itself to the would-be customer in the form of marketing (Evens, O'Malley & Patterson, 2004).

The social dimension of it also throws to light the policy and image of the bank in its social environment. How the bank is perceived is a very important factor to consider. Here banks with already established positive brand image tend to attract customers who turn out to be partners more than emerging banks. The element of trust and commitment on the part of both the bank and the customer also sets up a good stage for relationship development.

Interaction

Interaction is fundamental behavioural aspect of the relationship (Evens, O'Malley, & Patterson, 2004). It is said that if a bank and a customer have good relationship the effect will be collaboration and partnership that will provide immense benefits to both parties. It will therefore establish the progression of the relationship.

Progression

However, with time the relationship may face a possible decline and that will affect loyalty. It must be noted however that at such a stage the possible outcomes may either be total collapse of the relationship or that the relationship will be maintained with proper measures put in place to protect and introduce fresh dimensions of business ideas that will promote it. It is there important that the bank identifies the factors that militate against the

good relationship building in order to take the appropriate steps that will mitigate the situation (Evens, O'Malley, & Patterson, 2004).

All these stages may be seen in life cycle of the relationship between the bank and the customer throughout the highest advantages both partners could obtain. In experiences these processes the bank's objective goes from one of selection to attraction and maintaining.

Empirical studies of the benefits of the relationship banking have largely focused on the benefits to customers, corporate customers in particular. Early studies documented that the existence of a bank relationship increases the value of a firm. Subsequent studies have sought to measure the effects of relationships on credit supply to firms (ICRM, 2002).

According to some authors, relationship marketing is concerned with establishing, sustaining and enhancing relationships with customers and business partners in order to sustain and improve an organisation's customer base and profitability. The importance of relationship marketing was clearly articulated by Dwyer, Schurr and Oh (1987, p. 12) who stated that 'both business marketing and consumer marketing benefit from attention to conditions that foster relational bonds leading to reliable repeat purchase'.

Research has also revealed that an organisation's level of relationship marketing activities are positively correlated to their performance, staff satisfaction and, new product success (Gemunden et al 1996), and the level of strategic competitive advantage that is achieved in the market place. One area where the influence of relationship marketing has impacted customary practice is personal selling. Changes in the traditional personal selling and sales management issues are needed to support the emergence of partnering role for

salespeople. Today sales officials' roles are changing. That has made them assume relationship managers roles, where their main goal is to develop long-term relationships with key customers (Cravens & Piercy, 1995). One of the key skills needed for these relationship managers is interpersonal communication and the ability to manage conflict in the relationship.

Studies have shown that relationship managers need to develop the communication and interpersonal skills needed to develop and improve relationships with key customers. It has been identified as a component of effective selling (Goleman, 1998). Relationship marketing and traditional transactional marketing are not mutually exclusive and they are not necessarily in conflict with each other. Relationship Marketing may be more suitable in the following circumstances or situations: High value products or services, Industrial products, Products are not generic commodities, Switching costs are high, Customers prefer a continuous relation, and there is customer involvement in the production phase.

Banking industry involves adopting the general marketing variables to promote the sale of banking products. The focus of this orientation of the activities undertaken by the banks has moved from that of a transactional approach to relationship building approach. Relationship marketing seeks to establish intimacy through the personalization of service delivery as well as customization of products to the customers. It offers a long term commitment for the banker and the customer, creating a form of partnership. By employing relationship marketing, banks seek to create, maintain and improve the customer's long term loyalty (Gordon, 1998).

Hitherto banks had mainly been operating on the usual current and saving accounts service. Bank could just open to allow deposits to be made as well as withdrawals. Bank staff found no need to persuade customers to open accounts and patronize their services as we see today. Hardly would a person walk into a bank and be met by a staff that welcomes him or her and would want to assist the customer to undertake his or her transactions at the bank. Customer complaints were hardly attended to as banks would not find interest in investigating complaints made at their outlets. Banks opened to customers at restricted hours like 9am to 2pm. Weekends were not even an issue to be considered by banks as an additional working period and extension of service hours to reach out to the busy customers who are not able to come into the banking halls from transactions.

As a result of this, the new banks with new approach to service as well as the existing banks that had new management concept and strategic direction had to embrace this use of relationship marketing in order to sustain the customer base and extend it to other prospective ones. This therefore has made it necessary for banks to consider areas in relationship marketing as a tool to support the already existing strategies that are adopted by the banks.

Many authors have written on the use of relationship marketing as a tool to augment existing strategies by the banks. It is essentially due to the fact that other strategies that may now be said to be conventional are no more selling points for banks at their implementation stages. The industry has grown to see more radical and regular changes in taste and demand by customers and this has factored into the strategies that have to be put in place in order to ensure a sustainable growth of the business.

Relationship marketing therefore has proven to be a good strategy that can enable management and staff to establish a long and lasting relationship with the customers. It is a continuous strategic plan that management can put in place to promote good customer relations and ensure the consistent database of customers whose purchase pattern as well as taste could be easily determined. This will go a long way to determine the products and service design and moderations so as to reach the desired taste of the customers (ICRM, 2002).

According to the ICRM group certain factors lead to the proper building of customer relationships that ensures a proper relationship between the banker and the customer. Most often than not, there have been attempts to ensure good relationships between the bankers and customers but these have seen only one aspect of where customer database is kept to identify their profile and contacts. However it is not enough to establish a firm relationship that will build customer comfort confidence and for that matter loyalty. It is therefore important that management consider the strategy of adopting good relationship marketing strategies and identify the needs of customers and meet them (ICRM, 2002).

According to Gledhill (2008), relationship marketing is a form of marketing that emphasizes more clients' retention and their satisfaction, rather than individual transactions. As such, mass marketing becomes too narrow in a highly competitive environment, where communication mix has to be specifically adapted, for a relevant targeting of each consumer's niche, to generate a positive impact such as clients' attitude or the actual purchase and/or consumption. Simply put, it aims at clients' retention and loyalty, by

means of developing and maintaining relations resulted from commercial demands. For this purpose, it is vital that clients' segmentation is not based on classic criteria, but uses behavioural criteria including lifestyle, ideas and personal values, preoccupations, interests (Gledhill, 2008).

According to Kotler and Armstrong (2003), the starting point in studying consumer's behaviour is the stimulus-reaction model, with the four Ps of marketing mix as stimulus: product, price, placement, and promotion. In the banking system, as in other service-based activity, the marketing mix presents, similar to tangible goods, the same four components known as "the four Ps". The validation of a marketing mix is given by bank's objectives achievement rate and client's satisfaction and refers to creating the most adequate combination of products/services features, distribution channels, pricing levels and marketing communication, to make the product/service more attractive than that of the competition.

In practice, the presence of all elements is not required in order to create the mix (Manole & Stoian, 2004). Kotler (2010) refers to marketing mix as different levels relevant to marketing decisions at one point. The product/service is the main component of the marketing mix, because it serves the client's specific need (Meghisan & Nistorescu, 2004). Factors such as quality and performance of financial service, developing, adapting, and renewing financial products and service have a strong impact upon banking portfolio performance, because from the structural point of view, the banking offer is rather homogeneous and the differentiation comes from added-value, client's satisfaction.

Summary of literature review

There is disagreement in the literature regarding the ethical nature of RM. Some view a dark side of RM as anticompetitive and manipulative due to an imbalance of power caused by inequities and underrepresentation of the consumer in market exchanges (Fitchett & McDonagh, 2000; Palmer, 2001). Others view RM as inherently ethical and desirable for a win-win orientation between trading partners (Gundlach & Murphy, 1993; Heide & John, 1992; Murphy, Laczniak, & Wood, 2007). Gundlach and Murphy likened RM to a marriage between buyer and seller. They posited that RM requires a higher level of ethical principles for complex exchange relationships that rely on trust, commitment, equity, and responsibility. Although relationship building in business-to-business (B2B) buyer-seller dyads is commonly studied in RM research, little has been done to consider RM and how it functions in financial service sector.

The literature review identifies also the theoretical position of Relationship Quality in the Relationship Marketing paradigm (Crosby, et al., 1990; Dwyer, et al., 1987) as the customer's perception that their needs and wants are fulfilled by a service provider through a satisfying interchange between seller and buyer (Levitt, 1980; Wong & Sohal, 2001).

CHAPTER THREE

RESEARCH METHODOLOGY

Introduction

This chapter describes the method used for the study. This includes the research design, population, sample and sampling procedure, the instrument used in the data collection, validity and reliability of the instrument, data collection procedure, pre-testing of instruments and data analysis.

Research approach

Quantitative approach is from the positivist perspective, which is a process directed towards the development of testable hypothesis and theories which are generalisable across settings. A quantitative approach is based on information that can be measured. Techniques used under this approach include survey questionnaires and standardised research instruments (Tewksbury, 2009). The study used quantitative research approach. Quantitative approach is adopted because of its correct outstanding prediction characteristics (Tewksbury, 2009).

Study design

The descriptive design was employed in this study. Merriam (1998) stated that the descriptive research design's key concern is for the understanding of the phenomenon of interests from the participant's

perspectives, not the researcher's. She further observed that descriptive studies are undertaken because there is lack of theory, or existing theory fails to adequately explain a phenomenon”.

Best and Khan (1993) stated that descriptive research limits generalization to the particular group of individuals observed and that no conclusions are extended beyond this group. It is expected that data gathered from the field through a descriptive survey would provide relevant information to policy-makers on what the actual situation is like in the Cape Coast Metropolis. This design was used because it provided a meaningful picture of events and seeks to explain people's perceptions and behaviour on the basis of information obtained at a point in time.

This design was used because it provided a meaningful picture of events and sought to explain people's perceptions and behaviour on the basis of information obtained at a point in time.

The study adopted descriptive research design because it helped the researcher to obtain information concerning the status of the phenomena and describe “what exists” with respect to variables or conditions being investigated (Babbie, 2005). The design was used because it helped to describe attitudes, opinions, behaviours or characteristics of a group being investigated. The study used the design because the researcher investigated the issues involved in this study at a point in time (Fraenkel & Wallen, 2000).

According to Saunders et al., (2009), Survey method is a popular and common strategy in business research. It enables large amount of data to be collected from an ideal population and in a highly economical way. Often, questionnaires are used and data are standardized, it is easily understood and

easy to compare. This method tends to gain a deeper understanding for the problems investigated through different sources of information, as well as to be able to describe a general picture of the reliability in which the problem is involved (Walliman, 2005).

Yin (2003) identified case study research to be the best strategy if the research questions are explanatory, when the research is on contemporary issue and when behavioural events within the research environment occurs within a real world context and outside the control of the researcher. The nature of issue under investigation makes the case study ideal for the research. Yin (2003) further distinguished between single and multiple case approaches. The single case research methodology is the basis of making this assessment. The choice of using single case to investigate the phenomenon is by virtue of its ability to enable the researcher get closer, have an in-depth insight and a better exposure to its deep structure and enabling a right description.

Population of study

The target population for this study included all the regular business customers of the GCB Ltd, UCC Branch in the Cape Coast. There are 500 business customers of the Ghana Commercial Bank Limited, University of Cape Coast Branch (GCB profile for customers, 2014). The study was therefore limited to GCB Ltd, UCC Branch in Cape Coast metropolis. These people were abreast with relevant information and knowledge on the issue under study.

Sample and sampling procedure

A representative sample of the accessible population was viewed in the study to be the best option. Best and Khan (1995) have expressed the view that the primary purpose of a research is to discover principles that have universal application but to study a whole population to arrive at generalization would be impracticable, if not impossible. This made the researcher to use a representative sample of the population for the study. A sample refers to a set of people or objects chosen from a larger population in order to represent that population to a greater extent (Best & Khan, 1995). Therefore, the size of the study sample and the way in which it is chosen will certainly have implications for the confidence in the results and the extent to which generalizations can be made. For this research, the sample included 200 customers of the GCB Ltd, UC branch.

Judgmental sampling was used to choose the population to be investigated. With this kind of sampling, the researcher exercised his own judgment to include elements that are presumed to be typical of a given population about which he seeks information. According to Black (2006), judgmental samples do not involve any random selection process. It is often impossible to study the entire population in a research. Hence, the researcher overcomes this constraint in situations where the study population itself is scanty and also not very dispersed. To address the challenge of access to the complete population, representative samples are thus prescribed and accepted in any scientific study.

The data collected from the participants were used to generalise over the entire population. This sample was used because the selected respondents

have the desirable characteristics as well as the information needed for the study. McMillan (1996) supports this idea by stating that the sample chosen should possess the needed characteristics for a research to be conducted. The rationale for the choice of the sample technique was to select respondents who are abreast with relevant information and knowledge in the issue under study. These people were included in order to gather extensive and in-depth information on the issue under study.

Instrument design

Questionnaire was used to collect quantitative data from the customers. A questionnaire comprises a number of questions or statements that relate to the purpose of a study. It is a data-gathering instrument through which respondents are made to answer questions or respond to a given statement in writing (Best & Kahn, 1995). This method gives me the necessary information needed from the respondents.

Pre-testing of instruments

Pre-testing of questionnaires on a sample of respondents drawn from the target population is useful in fine tuning aspects of the questions that could otherwise make it difficult for respondents to interpret questions as intended (Foddy, 1995). Borg and Gall (1996) have stressed the need for pre-testing of survey instruments before administering the instruments to the respondents.

The researcher did a pre-testing of the study by using five staff and 20 customers of GCB Ltd, in Elmina branch. The reliability of the instruments was confirmed by examining the individual test items with the Crombach's

alpha (Gall & Borg, 1996). The Cronbach alpha values for the pilot test were 0.83 and 0.83 for the first and second set of the questionnaires respectively. This value is in line with that of Tavakol, Mohagheghi, and Dennick (2008) that the acceptable values of alpha, ranges from 0.70 to 0.95. Hence, the alpha value of 0.83 was accepted and used for the study.

The pre-test was conducted to determine the reliability of the instrument. To determine the internal consistency of all Likert-type scales, Cronbach's alpha coefficient was used. Cronbach alpha coefficient normally ranges between 0 and 1. The closer the coefficient is to 1.0, the greater is the internal consistency of the items in the scale. The interpretation scale by George and Mallery (2003) was used for the test.

> 0.9 = Excellent,

> 0.8 = Good,

> 0.7 = Acceptable,

> 0.6 = Questionable,

> 0.5 = Poor, and

< 0.5 = Unacceptable.

Data collection procedure

In order to get respondents to respond to the instrument on time, the researcher made an initial contact explaining the objective of the thesis and soliciting the respondents' cooperation. The researcher met the respondents and explained to them the rationale and purpose of the study and appealing to them to participate in the study. The researcher took time to explain the items to the respondents to enhance the validity of the data. A number of follow ups

were made to ascertain whether the respondents had completed the questionnaires. The visits were necessary because they provided opportunity for further explanations to respondents who had some difficulties. Two hundred (200) of the instruments were retrieved within one week representing 100% and was used for data analysis.

Data analysis

The questionnaires were analysed using descriptive statistics. According Glass and Hopkins (1996), descriptive statistics involves tabulating, depicting, and describing collections of data. They state that descriptive statistics provide very simple summaries about the sample of study and the measures. In this regard, the researcher used simple frequencies and percentages to present the results.

Ethical procedures

Access and ethics are critical aspect of the conduct of a research of this nature. The researcher's ability to collect data from respondents depended on gaining access to appropriate and relevant sources. The researcher emphasized to respondents that the study is purely academic.

The respondents were informed of their role in providing valued information, and the purpose for which the information is going to be used. The respondents were further given assurance of anonymity and confidentiality, and were also informed of the voluntary nature of the survey. To enforce confidentiality, anonymity and privacy, questionnaire content did not request for personal identification. Similarly, final report did not make

comments about individual responses. Therefore, the findings of the study were treated with strict neutrality and presented as such.

CHAPTER FOUR

RESULTS AND DISCUSSION

Introduction

This chapter deals with the presentation and discussion of the results that were drawn from the data collected in order to find answers to the research questions. The chapter is in two sections. It comprises of discussions of both preliminary and major findings. The results are discussed in relation to the research questions as well as the literature review.

Respondents' background characteristics

This section basically gives background information about respondents. It deals with the sex, age, level of educational and years of experience of the respondents.

Table 1: Respondents' background characteristics

Sex	Frequency	Percentage
Male	80	40.0
Female	120	60.0
Age		
20-30	40	20.0
31-40	130	65.0
41-50	30	15.0

Table 1 continued

Level of education		
Certificate holders	10	5.0
Diploma	120	60.0
Degree	50	25.0
Masters	20	10.0
Years of experience		
1-5	20	10.0
6-10	140	70.0
Above 10	40	20.0

Source: Field data 2015

The results depicted in Table 1 above, indicated that the majority of the customers were females representing 120 (60.0%) and 80 (40.0%) were males. This means that there were more female customers' respondents than male customers in the Ghana Commercial Bank in the Cape Coast metropolis in the Central Region of Ghana used for the study. With regard to age of the respondents, the results revealed that the majority 130 (65.0%) of the respondent fell between the ages of 31-40 years, 40 (20.0%) being between the ages of 20-30 years, and 30 (15.0%) were between 41-50 years. The results suggest that, most of the customers in the GCB Ltd, UCC Branch in the Cape Coast metropolis in the Central Region of Ghana were in their youthful ages.

With respect to the level of education, the findings indicated that most of the respondents 120 (60.0%) had diploma. Whereas 50 (25.0%) of the respondents had degree, 20 (10.0%) had masters and 10 (5.0%) had certificate. This implies that most of the customers in the GCB Ltd, UCC

Branch in the Cape Coast metropolis in the Central Region of Ghana were diploma holders. Furthermore, it was realized from the study that most of the respondents had some level of formal education. This shows that majority of the customers possessed the qualifications necessary for the study.

This study was equally interested in finding out the number of years of experience of the customers in the GCB Ltd, UCC Branch in the Cape Coast metropolis in the Central Region of Ghana. The results of the study indicated that the majority 140 (70.0%) of the respondents had 6-10 years of experience, while 20 (10.0%) had between 1-5 years of experience, and 40 (20.0%) of the respondents had above 10 years of experience. The results revealed that the customers in the GCB Ltd, UCC Branch in the Cape Coast metropolis in the Central Region of Ghana had at least some level of experience. Since most of them have being in the field for over 5 years, these years of experience is long enough to conclude that they had gained much experience and will be able to determine issues under investigation.

Relationship marketing strategies that are employed by GCB Ltd, UCC Branch in Cape Coast Metropolis

Research question one sought to find out the relationship marketing strategies that are used by GCB Ltd, UCC Branch in the Cape Coast Metropolis. The respondents were asked to use the following scale; Scale: 1= strongly agreed SA, 2= Agreed A, 3= disagreed D and 4= strongly disagreed, SD. In discussing the results, Strongly Agree (SA) and Agree (A) were collapsed to mean agree, and Strongly Disagree (SD) and Disagree (D) were

also collapsed as to mean disagree. The results of the analysis related to this research question are as shown in Table 2.

Table 2: Relationship marketing strategies employed by GCB Ltd, UCC Branch

Relationship marketing strategies	SA	A	D	SD
	%	%	%	%
Trust	50	40	10	0
Commitment	30	30	10	30
Relationship satisfaction	30	40	20	10
Equity	50	30	20	10
SMS banking	50	30	10	10
Introduction of credit scoring techniques	20	40	20	20
Internet banking	30	50	10	10
Customer loyalty programmes	50	30	20	10

Customers N=200 Source: Field data, 2015

From the results in Table 2, it can be deduced that majority of the customers agreed that the selected GCB Ltd, UCC Branch in the Cape Coast Metropolis adopted and implemented some relationship marketing strategies to enable them satisfy their customers. This is because over 50% in all the items indicated that there were some relationship marketing strategies used by the selected banks. The results imply that the banks used some relationship marketing strategies which included, SMS banking, Internet banking, trust, commitment, and customer loyalty programmes.

This supports the findings of Izquierdo and Cillan (2005) that loyalty programmes, such as frequency programmes that reward customers for repeat

purchases, are used to create customer loyalty and improve customer retention. Pritchard, Havitz and Howard (1999) in their study found commitment to be strongly correlated with customer loyalty. This finding supports the result of this study. Fullerton's (2003) study confirms the result of this study and reveals that when customer commitment is based on shared values and identification, it has a uniformly positive impact on customer loyalty. Several other studies confirm a significant interaction of affective commitment and continuance commitment on loyalty (Fullerton, 2003; Evanschitzky et al., 2006). More so, studies also suggest that business owners and their family members are involved in different activities in the business (Ram et al., 2001; Dhaliwal & Kangis, 2006), and therefore likely to be involved in the social interactions at multi-contact points between buyer and seller firms. Similarly, Liang and Wang (2006) in their study stated that trust is the perceived level of confidence in transaction partners' reliability and honesty.

The findings of Liang and Wang (2006) supported this when they stated in their study that trust is the perceived level of confidence in transaction partners' reliability and honesty. Trust according to them is the belief that a partner's word or promise is reliable and a party will fulfil his/her obligations in the relationship. Trust is an important construct in relational exchange because relationships characterized by trust are so highly valued that parties will desire to commit themselves to such relationships. To support this notion, trust has been posited as a major determinant of relationship commitment (Morgan & Hunt, 1994).

Furthermore, Moorman et al., (1993) supported this when they found that trust by marketing research users in their research providers significantly

affected user commitment to the research relationship. Creating trust in customer mind set importance for companies because from the previous studies Trust along with commitment is an important antecedent of loyalty (Ball et al., 2004). In order to increase the levels of trust, companies must focus on keeping promises to their customers and consistently carry their best interest at heart.

The result is consistent with that of De Wulf, Odekerken-Schröder and Iacobucci (2001) when they suggest that the global construct of relationship quality, as reflected by a combination of commitment, trust, and relationship satisfaction, offers the best assessment of relationship strength and provides the most insight into exchange performance.

Perception of customers about importance of relationship marketing strategies employed by GCB Ltd, UCC Branch on performance

Research question 2 sought to find out from the customers their perception about the importance of relationship marketing strategies employed by GCB Ltd, UCC Branch. The respondents were asked to use the following scale; Scale: 1= strongly agreed SA, 2= Agreed A, 3= disagreed D, and 4= strongly disagreed, SD. In discussing the results, Strongly Agree (SA) and Agree (A) were collapsed to mean agree, and Strongly Disagree (SD) and Disagree (D) were also collapsed as to mean disagree. Table 3 represents the results that were gathered from the respondents.

Table 3: Perception of customers about the importance of relationship marketing strategies employed by GCB Ltd, UCC Branch on performance

Perception of customers about importance of				
Relationship marketing strategies employed by				
GCB Ltd, UCC Branch on performance	SA	A	D	SD
	%	%	%	%
Manpower deficiencies	40	40	10	10
Shortage of financial and material resources necessary for effective delivery of services	40	30	10	20
Problems of accountability	40	40	10	10
Generate stronger customer relationships that enhance seller performance outcomes	50	30	10	10
Technological and financial innovations lead to profit maximization	50	30	10	10
Provide more efficient diversification of risk	50	50	0	0
Promote economic development	50	30	10	10

Customers N=200 Source: Field data, 2015

The statistics from Table 3 revealed that all the respondents 200 (100.0%) agreed that the relationship marketing strategies employed by GCB Ltd, UCC Branch in the Cape Coast metropolis provide more efficient diversification of risk. Out of the 200 customers, 80.0% of them agreed that the relationship marketing strategies used by the Ghana Commercial Bank had helped to promote economic development, generated stronger customer relationships and enhanced seller performance outcomes, technological and

financial innovations which led to profit maximization, and 70.0% of the customer responded that it brought about shortage of financial and material resources necessary for effective delivery of services. The same trend could be observed from the rest of the response because over 50% of the respondents agreed to the statements.

The result is in line with that of Meghisan and Nistorescu (2004) when they note that factors such as quality and performance of financial service, developing, adapting, and renewing financial products and service have a strong impact upon banking portfolio performance, because from the structural point of view, the banking offer is rather homogeneous and the differentiation comes from added-value, client's satisfaction.

This confirms the work of Jonika and Ilia (2014), when they concluded that strategies of relationships marketing are process of attracting, maintaining, enhancing and, when necessary, terminating relationships with customers and stakeholders at a profit, so that the objectives of the parties involved are achieved through mutual exchange and the fulfillment of promises. They emphasize strong personal relations, interaction and social exchange in order to succeed in relationship marketing.

Conclusion

This section explained how the data collected was analysed and discussed in relation to the research questions. The presentation of the results and the findings were divided into preliminary and main findings. The preliminary section dealt with the background information of respondents, whereas the second section discussed the main findings. The research

questions were analysed and discussed in relation to the literature review.

Conclusions were made based on the findings.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter presents a summary of the research process as well as the key findings that emerged from the research. The chapter also contains the conclusions and recommendations that were made based on the findings of the study. Areas suggested for further research are also presented in this final chapter of the study.

Summary

The main objective of this research is to examine how relationship marketing is applied in the Ghanaian banking sector using GCB Ltd, UCC Branch in Cape Coast Metropolis as study organisation, its benefits and key factors of relationship marketing implementation. Specifically, the study sought to:

1. Analyse relationship marketing strategies employed by GCB Ltd, UCC branch in Cape Coast Metropolis;
2. Assess the perception of customers about the importance of relationship marketing strategies on the performance of GCB Ltd, UCC branch in Cape Coast Metropolis; and
3. Suggest measures to improve relationship marketing in financial service sector.

The descriptive survey design was adopted to carry out the study. The accessible population for the study comprised all customers of the GCB Ltd, UCC branch in the Cape Coast Metropolis in the Central Region of Ghana. A

sample size of 200 was selected for the study. Questionnaires were used for data collection. Data was analysed using Statistical Product and Service Solutions (SPSS) version 21. The descriptive statistics was used to analyse the data including frequencies and percentages.

Key findings

The findings of the study revealed that:

1. The majority of the customers agreed that the selected Ghana Commercial bank in the Cape Coast Metropolis adopted and implemented some relationship marketing strategies to enable them satisfy their customers. This is because over 50% in all the items indicated that there were some relationship marketing strategies used by the selected banks. The results imply that the banks used some relationship marketing strategies which included, SMS banking, Internet banking, trust, commitment, and customer loyalty programmes.
2. The results revealed that all the customers' respondents 200 (100.0%) agreed that the relationship marketing strategies used by Ghana Commercial Bank in the Cape Coast metropolis provide more efficient diversification of risk, relationship marketing strategies used by the Ghana Commercial Bank had helped to promote economic development, generated stronger customer relationships and enhanced seller performance outcomes, technological and financial innovations which led to profit maximization.

Conclusions

From the findings of this study, the following conclusions were made. First, since majority of the customers agreed that the selected Ghana Commercial bank in the Cape Coast Metropolis adopted and implemented some relationship marketing strategies to enable them satisfy their customers, it was therefore concluded that the level of relationship marketing in the Ghana Commercial bank in the Cape Coast Metropolis in the Central Region of Ghana was good enough to let the customers satisfied with the services. This would help to increase performance.

Also, it was realized that customers agreed that the relationship marketing strategies used by Ghana Commercial Bank in the Cape Coast metropolis provide more efficient diversification of risk, relationship marketing strategies used by the Ghana Commercial Bank had helped to promote economic development, generated stronger customer relationships and enhanced seller performance outcomes, technological and financial innovations which led to profit maximization.. It can therefore be concluded that most of the relationship marketing strategies used by Ghana Commercial Bank in the Cape Coast metropolis was good enough to keep their customers and staff at the bank.

Recommendations

Based on the findings of the study and the conclusions that have been drawn, the following recommendations were made:

1. From the findings of the study, employers, leaders, and management of the Ghana Commercial Bank in the Cape Coast

Metropolis responsible for customer relationship should try as much as possible to develop and maintain good relationship marketing strategies such as customer loyalty programmes and relationship satisfaction at the bank to keep employees and customers in the bank to improve job performance, satisfaction and the quality of work.

2. Though, the customers were satisfied with the relationship marketing strategies used by GCB Ltd, UCC Branch in the Cape Coast metropolis, GCB Ltd, UCC Branch authorities particularly, operation managers, human resource management teams should encourage customers to continue to maintain their good relationship with the bank. The bank managers should provide some support and organizing of regular staff meetings to share views and concerns, and development programmes to increase job satisfaction and to promote work efficiency.
3. Relationship marketing managers of GCB Ltd, UCC Branch should strengthen their weak points in their relationship marketing strategies and activities to improve customer relationship and hence customer retention.

Suggested areas for further research

It must be emphasized that this study forms part of other similar researches that have been conducted in different areas. Taking into consideration its limitations, the researcher wishes to suggest that further research should be conducted in the following areas:

- i. What are the practices of relationship marketing in financial institutions in Ghana?
- ii. How to manage customer relation in financial institutions in Ghana.
- iii. Relationship between relationship marketing and customer satisfaction.

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APPENDIX
UNIVERSITY OF CAPE COAST
SCHOOL OF BUSINESS
CAPE COAST, GHANA

Questionnaire for Customers

Dear Participant,

This is a research being conducted to examine relationship marketing in the Ghanaian banking sector using Ghana Commercial Bank in the Cape Coast Metropolis of the Central Region of Ghana. This research is purely an academic exercise and your views and responses will contribute immensely towards the success of this exercise. Please, your anonymity is rest assured and all your views, responses and comments with regard to this study would be treated confidentially. Please, try as much as possible to be frank with your responses. The questionnaire is structured into sections and you are requested to tick [√] on the scale which reflects most clearly your judgment about how far each statement applies. For other items, you may specify by writing in the appropriate space provided to reflect your opinion.

SECTION A

Background Information

1. Sex: Male [] Female []
2. Age of respondent: Between 20–30 [] Between 31–40 [] Between
41-50 [] 51 and above []
3. Level of education: Certificate [] Diploma [] Degree []
Masters []
4. How long have you being banking with the bank?

0 – 4 years [] 5 – 9 years [] 10years and above []

SECTION B

Relationship marketing strategies that are used by Ghana Commercial Bank branches in Cape Coast Metropolis

Please kindly respond to the following questions based on the human relationship marketing strategies that are used by Ghana Commercial Bank. Use the following scale; Scale: 1= strongly agreed SA, 2= Agreed A, 3= disagreed D and 4= strongly disagreed, SD

Relationship marketing strategies that are used by Ghana Commercial Bank	SA	A	D	SD
5. Trust				
6. Commitment				
7. Relationship satisfaction				
8. Equity				
9. SMS banking				
10. Introduction of credit scoring techniques				
11. Internet banking				
12. Branch networking				
13. Electronic transfer at point of sale				
14. Customer loyalty programmes				

SECTION C

Effects of Relationship marketing strategies used by Ghana Commercial Bank branches in the Cape Coast Metropolis on their performance

Please kindly respond to the following questions based on the effects of relationship marketing strategies used by Ghana Commercial Bank. Use the following scale; Scale: 1= strongly agreed SA, 2= Agreed A, 3= disagreed D and 4= strongly disagreed, SD.

Effects of human relationship marketing strategies used by Ghana Commercial Bank	SA	A	D	SD
15. Manpower deficiencies				
16. Shortage of financial and material resources necessary for effective delivery of services				
17. Problems of accountability				
18. Generate stronger customer relationships that enhance seller performance outcomes				
19. Technological and financial innovations lead to profit maximization				
20. Provide more efficient diversification of risk				
21. Promote economic development				