The serial mediation of relationship quality factors in the association of CRM and customer loyalty

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Relationship marketing is an area of primary interest in marketing literature. The banks are primarily interested in developing and
nurturing long-term customer relationships. This paper explores the intervening function of relationship quality (RQ) between the
relationship of Customer Relationship Management (CRM) and customer loyalty in banks. Moreover, the current study examines
customer perspective of CRM. By using a survey-based research design, 249 responses were collected from the customers of banks.
Variance-based structural equation modeling technique was applied to analyze the data. The results confirm the association of CRM
and customer loyalty. The dimensions of RQ mediate the relationship of CRM and customer loyalty. The results also confirm parallel
and serial mediation of RQ dimensions. The research successfully delineates the importance of CRM in order to improve the level
of RQ and ultimately develop loyal customers. It provides the managers insights to plan accordingly. The paper examines the RQ as
a mediating variable between the relationship of CRM and customer loyalty in the banking industry of Pakistan.
Keywords: Relationship Quality, Customer Relationship Management, Satisfaction, commitment, Trust, Customer loyalty

INTRODUCTION

Customer loyalty (CL) is widely investigated concept in marketing and consumer behavior literature (J. Wu, Zhu, Gold, & Fang, 2018). It has been examined as primary outcome variable of relationship marketing and further leads to competitive advantage (Bhat & Darzi, 2016; Woodruff, 1997). Although CL and retention are challenging for marketing management, however the incentives and benefits motivate firms to prefer customer retention over customer creation (Reichheld, 1993; Reichheld, Teal, & Smith, 1996). In other words a company can increase its profitability by creating loyal customers (E. W. Anderson, Fornell, & Lehmann, 1994). Although many variables can predict CL (Saleem, Zahra, Ahmad, & Ismail, 2016) relationship marketing (RM) however has profound impact on CL specifically in banks.

RM is a strategy to acquire and retain profitable customers (Swift, 2001). RM has gone through many variations in last two decades. Technology has remained one of the major factors to impact RM during this period. As a result the concept of CRM emerged out of fusion of RM and technology or more appropriately information technology (Payne & Frow, 2017). CRM has consistently been proved as a predictor of customer loyalty throughout marketing literature. CRM research is found either customer or organizational centric. However, Most of the time it is studied from organizational perspective, very few studies can be found in view of customers (S.-I. Wu & Li, 2011). The major chunk of literature on CRM examines internal factors from organizational perspective while ignoring the customer perspective which can play an important role in firms performance as a feedback mechanism (Dubey & Sangle, 2018).

Relationship quality (RQ) is another variation of RM and referred to the strength and quality of relationships. it takes into account the level of quality at which the expectations and needs of customers are fulfilled by a firm (Ndubisi, Khoo-Lattimore,

Yang, & Capel, 2011). RQ is a multidimensional construct studied by many researchers. Satisfaction, trust and commitment are the most considered postulates of RQ (Arcand, PromTep, Brun, & Rajaobelina, 2017; Brun, Rajaobelina, & Ricard, 2014; Hennig-Thurau & Klee, 1997; Liu, Guo, & Lee, 2011). CL is studied as a key outcome variable of RQ by several marketing scholars (Hennig-Thurau, Gwinner, & Gremler, 2002; Hennig-Thurau & Klee, 1997; Liu et al., 2011; Roberts, Varki, & Brodie, 2003). CRM is also investigated as a predictor of RQ (Barry & Doney, 2011; Hsin Chang, 2007; Santouridis & Veraki, 2017).

Although the marketing and consumer behavior literature provides the evidence of association between CRM and customer loyalty, however, very little is known about the underlying mediating variables between these variables. The relationship of CRM to RQ and RQ to customer loyalty as well as CRM to customer loyalty is already investigated, however the role of RQ dimensions as mediating variables could receive scant attention in marketing literature. The current study is focused to investigate the intervening role of RQ between CRM and CL in the banking sector of Pakistan. It further considers the consumer perspective of CRM.

LITERATURE REVIEW

Customer Relationship Management

CRM is a very popular marketing strategy which is employed to develop, nurture and strengthen customer relationships. The challenge of the rising trend of customer defection rates has made CRM more significant than ever before in business history. Companies use CRM to increase market share, share of wallet and profitability through customization and personalization (Baran, Galka, & Strunk, 2008). CRM is very helpful to overcome challenges faced by service organizations (S.-I. Wu & Lu, 2012). Banks are increasingly adopting CRM related technology and systems to improve relationship quality of banks with customers (Sivaraks, Krairit, & Tang, 2011).

Swift (2001) described CRM as an organization wide strategy to to improve customer retention, loyalty and customer profitability by using various tools. Kincaid (2003) based CRM definition on factors like information, processes, technology and people. Further, he stressed the strategic use of these factors to strengthen relationships with customer. Sivaraks et al. (2011) studied CRM from technology, business and customer perspective. The customer perspective of CRM stems from efficient delivery, availability of customer touch points, quick feedback system and customer trust in CRM systems. The current study followed Ming and Chen (2002) approach to operationalize CRM on the bases of internet function, customer and marketing support function.

Customer Relationship Management and RQ

Commitment and trust are important constructs in relationship marketing based models (Morgan & Hunt, 1994). Although previous studies have examined the relationship of CRM and RQ dimensions empirically, however the relationship of CRM with individual dimensions of RQ could not receive much attention. Relationship investment in technology, infrastructure or other relationship building measures can develop commitment among customers towards firm (Dagger, David, & Ng, 2011). Customer recognition of such CRM related measures can further enhance the level of commitment, trust and satisfaction as dimensions of RQ (S.-I. Wu & Li, 2011). It is also found that CRM implementation facilitate a firm to build up mutual relationship based on commitment and trust among stakeholders (Bahri-Ammari & Soliman, 2016). In a quantitative study, Santouridis and Veraki (2017) demonstrated the impact of CRM practices on satisfaction and trust, as dimensions of RQ. Empirical investigations of Chang (2007) also reached the same conclusions. It is also found that CRM plays vital role in customer satisfaction and retention in services sector (Lo, Stalcup, & Lee, 2010; Padilla-Meléndez & Garrido-Moreno, 2014; Rahimi & Kozak, 2017). Hence, following assumptions can be made:

H1: There is positive relationship between CRM and commitment
H2: There is positive relationship between CRM and trust
H3: There is positive relationship between CRM and customer satisfaction

Customer Relationship Management and CL

As the definition of CRM by Swift (2001) clearly indicates the customer acquisition, retention and loyalty as objectives of CRM, hence The primary goal of relationship marketing efforts is customer loyalty and retention. According to Mithas, Krishnan, and Fornell (2005) the successful management of relations can yield customer satisfaction as well as loyalty. About 38% of research studies published on CRM in top tier journals focused customer loyalty as outcome variable(Sota, Chaudhry, Chamaria, & Chauhan, 2018). CRM is a proven marketing strategy to achieve customer loyalty as well as retention(R. E. Anderson & Srinivasan, 2003). CRM has become of central importance in order to create customer relationships based on loyalty, specifically in banking industry (Bhat & Darzi, 2016;

Narang, Narang, & Nigam, 2011). Hence the following hypothesis can be proposed:

H4: There is positive relationship between CRM and customer loyalty

Relationship Quality and Customer Loyalty

Relationship quality (RQ) is referred to the quality of relationships of a firm with its customers (Ndubisi, Malhotra, & Wah, 2008). RQ is a multidimensional construct studied by many academic researchers. Satisfaction, commitment and trust are the most considered postulates of RQ (Liu et al., 2011). However, in later studies some other dimensions were also considered to operationalize RQ. Trust, satisfaction, commitment, social bonds, conflict handling, and communication are those dimensions that were used to measure RQ in banking industry (Vesel & Zabkar, 2010).Ndubisi et al. (2011) added empathy and personalization in this list along with trust, communication and conflict handling as predictors of RQ and found empathy trust and communication more effective dimensions of RQ in banking sector. However, trust, commitment and satisfaction are recognized as universal measures of RQ.

Trust can be defined from multiple perspectives (Amin, Isa, & Fontaine, 2013). The conceptualization of trust by Morgan and Hunt (1994) addressed reliability and integrity in exchange relationships. Ennew and Sekhon (2007) conceptualized trust in banking context and described as positive expectations from others in the situation of vulnerability and risk. Later definition positive expectations about behavior reduces the uncertainty and overcome the feelings of vulnerability in a given (Chaudhuri & Holbrook, 2001). Trust is the precursor of all types of relationships; however, its importance increases many times in banking and financial services. Customers with high level trust in banks will feel free to tansact and keep long term relationship (Amin et al., 2013).

Previous literature witnesses a significantly positive associations between trust and CL (Amin et al., 2013; Thuy, Hau, & Evangelista, 2016). Van Esterik-Plasmeijer and Van Raaij (2017) confirmed that person, system and institutional trust in banking system predict customer loyalty. In service sector trust plays significant role in developing positive attitudes and ultimately CL (Kaur, Sharma, & Mahajan, 2012; Ndubisi, 2007; Shainesh, 2012). Many researchers examined the relationship of trust and customer loyalty and found it significant as well as positive (Chaudhuri & Holbrook, 2001; Dimitriadis, Kouremenos, & Kyrezis, 2011; Sirdeshmukh, Singh, & Sabol, 2002). Although the relationship of trust and commitment is not consistent in the marketing literature however a number of researchers found it associated with commitment (Cater & Zabkar, 2009; Čater & Čater, 2010; Morgan & Hunt, 1994; Tabrani, Amin, & Nizam, 2018).Thus:

H5: Trust and CL are positively associated
H6: Trust and commitment are positively associated

Previous literature shows that relationship commitment is of central importance in success of all kinds of relationships (J. C. Anderson & Narus, 1998). It is defined as a long lasting craving to preserve an esteemed relationship (Moorman, Zaltman, & Deshpande, 1992). Significance of commitment is not because of

its conceptual magnificence rather it is because of operational and empirical importance (Farrelly & Quester, 2003). Commitment can be based on an emotional or rationale assessment that develops feelings of belongingness and loyalty (Akehurst, Comeche, & Galindo, 2009; Sanchez-Franco, Ramos, & Velicia, 2009). Garbarino and Johnson (1999) investigated commitment as a central and mediating measure for relational models. Commitment is a significant predictor of CL. Loyalty among bank's customers increases with the increase in their commitment towards bank (Strandberg, Wahlberg, & Öhman, 2015). Marketing and consumer scholars have found associations between commitment and CL (Fullerton, 2011; Morgan & Hunt, 1994; Sumaedi, Juniarti, & Bakti, 2015) Dagger et al. (2011) found strong relationship between commitment and CL. Consequently, following assumption:

H7: Commitment and CL are positively associated

The conceptualization of satisfaction by Oliver (1981) described it as a psychological state that comes out of consumption experience. In simple words CS is outcome of comparison of customer expectations and product/service performance. If performance is equal to or exceeds expectations, it will be related in satisfaction otherwise dissatisfaction (Fullerton & Taylor, 2015). These expectations are based on prior consumption knowledge or product information (Moon et al., 2011). Bapat (2017) examined the impact of CS on CL in banking sector and found positive results. These results were consistent to number of previous findings (Hallowell, 1996; Petrick & Backman, 2002). Amin (2016) confirmed positive association between CS and CL in e-banking context. This relationship has been investigated many times and found consistent in a host of consumer behavior studies (Chung, Yu, Choi, & Shin, 2015; Izogo & Ogba, 2015; Leong, Hew, Lee, & Ooi, 2015; Orel & Kara, 2014). Hence it is proposed:

H8: Customer satisfaction and customer loyalty are positively associated

Mediating Relationships

Literature cited in previous sections supports direct relationships of CRM and CL as well as three dimensions of RQ (trust, commitment and satisfaction) and CL. Many marketing scholars investigated the mediating role of RQ dimensions along different relationship marketing based models (Cater & Zabkar, 2009; Chenet, Dagger, & O'Sullivan, 2010; Morgan & Hunt, 1994). Similarly, Garbarino and Johnson (1999) and Tabrani et al. (2018) also studied the mediating role of commitment and trust. In the view of above literature, following hypotheses are proposed:

H9: CS mediates the relationship of CRM and CL
H10: Trust mediates the relationship of CRM and CL
H11: Commitment mediates the relationship of CRM and CL
H12: Trust and commitment serially mediate the relationship of CRM and CL

RESEARCH METHODOLOGY

Instrument

This study adopted all of the instruments from previous literature. The seven items measuring CRM were adopted from S.-I. Wu and Li (2011) and slightly modified to the banking

sector. Five items to measure trust were adopted form the work of Ndubisi (2006). Five items of satisfaction, three items of commitment and four items of customer loyalty are adopted from S.-I. Wu and Li (2011). Five point likert scale was used by following Ndubisi et al. (2011) because of similar industry and nature of research.

Population, Sample and Data Collection

Respondents were the customers of major commercial banks of Islamabad, the capital city of Pakistan. Islamabad is a representative city of rest of the country. Purposive sampling was applied which is a type of non-probability sampling. It was congruent to research objectives. Furthermore according to recommendations of Ndubisi et al. (2011) bank intercept method was adopted in order to approach the subjects of sample.

Sample size determination is a critical decision in research. Many factors affect this decision like objectives, population, cost and access etc. (Sekaran & Bougie, 2016). Sekaran and Bougie (2016) recommended a sample size between 30 and 500 suitable for business research. However Hair, Anderson, Tatham, and Black (1998) argue that the sample can also be drawn on the basis of ratio of number of indicators to the sample size. This ratio may be 1:5 or 1:10. Hence the sample size for the current study was 240 on the basis of ratio of 1:10. To reach 400 questionnaires were distributed, however in the end only 249 questionnaires were found complete and capable to use for analysis.

Common method variance was also examined because the data were collected from same source by using single instrument (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). The single factor test recommended by Harman was applied by using principle component analysis technique without rotation (Podsakoff & Organ, 1986). The results showed that after extraction the first factor accounted for 43% of the variance. As it is less than 50%, hence the data set is free from common method variance.

RESULTS AND FINDINGS

Structural equation modeling (SEM) was employed for the purpose of data analyses. Data analysis was conducted in two steps by using Smart PLS. Reliability and validity of instrument can be confirmed with the help of the measurement model. Later on structural model was run for hypothesis testing.

Measurement Model

Measurement model helps to ascertain reliability and validity of all constructs used in the proposed model. The reliability of survey instrument can be suggested with the help of Cronbatch's Alfa(α) and composite reliability (CR). The threshold value in both cases is 0.7 or above(Hair, Ringle, & Sarstedt, 2011). As shown in table 2 the values of all contructs against Cronbath's Alpha and CR are above 0.7 which suggests that all contructs are reliable.

Table 1: Factor loadings and Cross Loadings determining Discriminant Validity

	Customer Loyalty	Commitment	CRM	Satisfaction	Trust
CL1	**0.734**	0.43	0.483	0.417	0.439
CL2	**0.79**	0.412	0.464	0.458	0.453
CL3	**0.759**	0.309	0.414	0.399	0.415
CL4	**0.784**	0.443	0.53	0.575	0.556
COM1	0.482	**0.859**	0.572	0.57	0.606
COM2	0.455	**0.842**	0.454	0.422	0.456

COM3	0.329	**0.754**	0.33	0.345	0.351
CRM12	0.495	0.411	**0.766**	0.633	0.625
CRM4	0.392	0.41	**0.735**	0.461	0.503
CRM5	0.526	0.522	**0.809**	0.602	0.613
CRM6	0.515	0.428	**0.808**	0.613	0.596
CRM8	0.463	0.424	**0.747**	0.552	0.582
SAT1	0.511	0.457	0.657	**0.837**	0.604
SAT2	0.527	0.481	0.642	**0.885**	0.682
SAT3	0.517	0.458	0.627	**0.863**	0.668
SAT4	0.534	0.515	0.616	**0.83**	0.624
TRU1	0.431	0.424	0.564	0.541	**0.766**
TRU2	0.553	0.439	0.609	0.635	**0.837**
TRU3	0.488	0.449	0.651	0.68	**0.849**
TRU4	0.52	0.61	0.63	0.589	**0.793**

The convergent validity is evaluated with the help of values of outer loadings and average variance extracted (AVE). Factor/outer loadings of all indicators of measurement model were above the threshold value of 0.708 (see Table 1) and AVE values of all constructs are above 0.5 (see table 2) which establish the convergent validity (Hair, Hult, Ringle, & Sarstedt, 2016).

Table 2: Reliability and Validity statistics

	Cronbach's Alpha	Composite Reliability	AVE
CRM	0.832	0.882	0.599
Commitment	0.76	0.859	0.671
Satisfaction	0.876	0.915	0.729
Trust	0.827	0.885	0.659
Customer Loyalty	0.768	0.851	0.588

The discriminant validity was evaluated on the basis of Fornell and Larcker (1981) criterion and cross loadings. This criterion states that the square root of AVE of each construct should be greater than its highest correlation with other constructs. The results shown in table 3 fulfil said criterion except that of satisfaction which is only 0.01 higher. The crossloading examination is another approach to confirm discriminant validity. Factor loadings of all indicators of a construct should be greater than any of its cross loading (Hair et al., 2016). All outer loadings of respective constructs are greater than their cross loadings on the rest of the constructs (see table 1)

Table 3: The Square root of AVE and Correlation Coefficients

	CRM	Commitment	Customer Loyalty	Satisfaction	Trust
CRM	0.774				
Commitment	0.561	0.82			
Customer Loyalty	0.63	0.526	0.767		
Satisfaction	0.78	0.56	0.621	0.853	
Trust	0.76	0.594	0.616	0.758	0.812

Structural Model

The structural path model was used to test hypothesized relationships. It was assessed based on statistical values of standardized path coefficients (β), the coefficient of determination (R^2) and level of significance (t-value). According to Hair et al. (2016) the of β varies from -1 to +1, however closer to 1 is regarded as stronger relationships and vice versa. the R^2 values are strong (0.75) ⸳ moderate (0.50) and weak (0.25). The threshold of t-value is 1.96 at 10% level of significance for two tailed tests (Hair et al., 2011). According to the results of structural analysis CRM had strong and significant relationship with commitment, satisfaction and trust, however, it had moderately weak but significant relationship with customer loyalty. Similarly, relationships of commitment and customer loyalty are also significant at 0.05 level of significance (see table 4). All hypotheses were accepted except trust to customer loyalty

(H5) which was insignificant because the t-value was less than 1.96.

Table 4 Hypothesis Testing

Hypothesized Relationships		Path Coefficient	t-Value	Decision
H1	CRM → Commitment	0.275	3.451**	Supported
H2	CRM → Trust	0.758	24.469**	Supported
H3	CRM →Satisfaction	0.744	22.691**	Supported
H4	CRM → Customer Loyalty	0.235	2.599**	Supported
H5	Trust → Customer Loyalty	0.183	1.765	Not Supported
H6	Trust→Commitment	0.390	4.798**	Supported
H7	Commitment →Customer Loyalty	0.167	2.643**	Supported
H8	Satisfaction→ Customer Loyalty	0.205	2.487**	Supported

The model explained 47.2 percent variation in customer loyalty. CRM explained 38.9 %, 55.4% and 57.4% variation in commitment, satisfaction and trust respectively. These values of R^2 were moderately high (Hair et al., 2011) however values above 0.20 are considered high in disciplines like consumer behavior (Hair et al., 2016). The effect size (f^2) was employed to assess the substantive impact of omitted exogenous variable on endogenous variable. The threshold value is 0.02 (Hair et al., 2016). The values of f^2 were evident that there was moderate impact of omitting exogenous variables. Predictive relevance (Q^2) is model's out of sample predictive power. Blindfolding procedure was used to obtain these results. Table 5 shows that all values against Q^2 were larger than zero which confirmed the predictive powers of exogenous variables.

Table 5 The Effect Size

Variable	R^2	f^2	Q^2
CRM	-	0.036	-
Commitment	0.389	0.033	0.232
Customer Loyalty	0.472	-	0.249
Satisfaction	0.554	0.028	0.378
Trust	0.574	0.021	0.354

Mediation Analysis

This study employed bootstrapping procedure to test mediation at 95% confidence level. Currently, bootstrapping is the most favored and widely used approach for mediation analysis (Hayes, 2009; Zhao, Lynch Jr, & Chen, 2010). The results shown in table 6 strongly supported the role of commitment and satisfaction as mediators between the relationship of CRM and customer loyalty. However, the results do not support the role of trust as mediator between CRM and customer loyalty. Further analysis revealed that only trust could not mediate this relationship rather trust and commitment both serially mediated the said relationship. The values of variance accounted for (VAF) are 31% and 40% for commitment and satisfaction respectively which confirms partial mediation. Further as all signs/relationships remained positive hence the mediation is complementary (Hair et al., 2016).
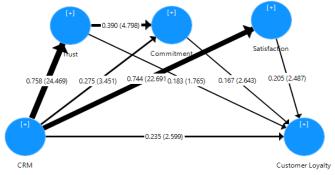

Figure 1: Structural Model

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DISCUSSION AND IMPLICATIONS

The present study aims at empirically investigating the role of CRM to influence the customer loyalty in banking sector of Pakistan. It further examines the mediating role (parallel as well serial) of commitment, satisfaction and trust between the relationship of CRM and customer loyalty. Eight hypotheses were proposed to test direct effects and four to test parallel and serial mediation. Findings of impact of CRM on commitment (H1), satisfaction (H3), trust (H4) and customer loyalty (H2) confirms the results of previous studies (Bhat & Darzi, 2016; Dagger et al., 2011; Narang et al., 2011). The finding are congruent to the claims of S.-I. Wu and Li (2011) and Santouridis and Veraki (2017) that customer perceptions of CRM practices can positively affect the relationship quality dimensions specially commitment, satisfaction and trust. Further the results of present study also supports the argument of Bhat and Darzi (2016) and Sota et al. (2018) that the CRM strengthen customer relationships in order to yield customer loyalty.

Similarly, the findings of impact of commitment (H7) and satisfaction (H8) on customer loyalty also validate previous literature. The findings further strengthen the argument made by (Amin, 2016; Chung et al., 2015; Fullerton, 2011; Izogo & Ogba, 2015; Leong et al., 2015; Orel & Kara, 2014; Sumaedi et al., 2015) that commitment and satisfaction are predictors of customer loyalty in banking industry. Contrary to expectations, the relationship of trust and customer loyalty (H5) could not prove significant. Marketing and consumer behavior literature is evident that the direct relationship of trust and customer loyalty is examined by many researchers the results, however, are inconsistent. Some research findings support the relationship as positive and significant (Amin et al., 2013; Ponder, Bugg Holloway, & Hansen, 2016; Thuy et al., 2016; Van Esterik-Plasmeijer & Van Raaij, 2017) while others insignificant (Tabrani et al., 2018).

Table 6 Mediated Relationships

Hypothesized Relationships		Path Coefficient	t-Value	Decision
H9	CRM → Satisfaction →Customer Loyalty	0.053	0.255	Supported
H10	CRM →Trust → Customer Loyalty	0.001	0.258	Not Supported
H11	CRM →Commitment → Customer Loyalty	0.016	0.097	Supported
H12	CRM →Trust →Commitment	0.192	0.507	Supported
H13	CRM →Trust →Commitment→ Customer Loyalty	0.049	1.981	Supported

Findings of mediation analysis depict that commitment (H11) and satisfaction (H9) mediate the relationship of CRM and customer loyalty, however in case of trust (H10) the results are once again surprisingly unanticipated and hence reject our hypothesis. The unexpected results in case of H5 and H10 further direct our attention to unleash the possible causes. The findings of mediation analysis further reveal that although trust does not mediate the relationship of CRM and customer loyalty however, the trust and commitment serially mediate this relationship. This finding is consistent with the claim of Tabrani et al. (2018) that trust can influence customer loyalty through mediating role of commitment. The association of trust and commitment is also confirmed by past research (Fatima, Razzaque, & Di Mascio, 2016). The present study also extends these findings of simple mediation to serial mediation. These findings are encouraging in a way by exploring the mediating path from CRM to customer loyalty through trust and commitment. The current endeavor confirms it theoretically as well as empirically.

Theoretical Implications

The current study contributes to the existing body of knowledge on many counts. First, it examines the CRM from customer perspective in the banking industry, which is rare in marketing literature. Second, this study investigates the role of CRM in predicting three dimensions of RQ (commitment, satisfaction and trust). Third, this research examines the role of commitment, satisfaction and trust in building customer loyalty. Fourth, the findings of the current study suggest specific mediating paths between CRM and customer loyalty. However, empirical evidence could not implicate the mediating role of trust parallel to the commitment and satisfaction. Although it is contrary to previous research, however, it leads to another theoretical contribution that trust does not affect customer loyalty directly rather it influences through commitment. Finally, a contribution emerges out of combination of findings that trust, and commitment serially mediate the association of CRM and customer loyalty.

Managerial Implications

In addition to theoretical contributions, the findings of current research carry several practical implications for managers and policy makers in banking industry. This study identifies the importance of customer centric CRM. It further supports the idea of investing resources in CRM for its realization as well as recognition by customers. These findings may help practitioners to design strategies in order to raise the level of relationship quality (commitment, satisfaction and trust) with the help of CRM initiatives. It will also help managers to understand the role of commitment; satisfaction and trust in enhance customer loyalty. These findings may suggest policy makers the systematic way to improve customer loyalty. Mangers should realize that it is not only CRM that influences customer loyalty rather it is a pathway going through RQ factors in order to impact customer loyalty. Furthermore, it is not only the trust of customers in banks that will yield loyalty rather trust will only affect loyalty through intervention of commitment. In nutshell, practitioners should design strategies in away by keeping in mind the sequence of occurrence.

Limitations and Future Research Scope

The major limitation of this study is its confinement to banking industry hence one should be cautious while generalization of results. Future researchers may extend the current endeavor to other service sectors. Further, it takes into consideration the customer centric view of CRM and ignores organizational pattern. It is limited to only three factors of RQ and one outcome variable. It is also recommended to expand RQ by adding more factors like communication, empathy and conflict handling. The model can also be extended by adding some other outcome variables like word of mouth and repurchase intentions. Current study employed cross sectional design of data collection. Future

researchers can replicate the same model by designing a longitudinal study. Experimental design may be another future choice in order to establish causality. Some moderating variables can also be included, for example type of bank, frequency of customer visit and other socioeconomic or demographic factors. In spite of its limitations, the present study offers a significant contribution to the body of knowledge by theoretically proposing and empirically testing the parallel and serial mediations.

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