Relational Bonds and Customer Loyalty: Insights from Related Literature

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Abstract
The pursuit by organizations to retain their current customers and increase their market share has made customer relational bonding and the adoption of retail mix critical for organizations. The study focused on effect of relational bonds strategy on customer loyalty. A number of objectives were addressed by this study; it assessed the effect of financial, social, structural and customization bonds on customer loyalty. A number of papers with bias to bonding were identified by examining the table of contents of the leading journals followed by a scrutiny of the key words used in each paper in the journal. The literature search included journals published by numerous publishers, for the period 2011–2016. These papers were filtered on the basis of their focus and the dates of publication. After this process, there were approximately 24 papers whose copies were collected and formed a basis of this review. A number of outcomes were identified. Financial, social, structural and customization bonds have an effect on the loyalty of customers in the retail chains. The financial bonds are crucial in relationship development hence most retail chains to embrace non monetary financial bonds. It's important to create theoretical support in identifying different social bonds so as not to have the social bond frequently being included as one type of bond in a relational or relationship bond measurement scale. Retail chains to embrace structural bonding to give them an edge in competition, but equally to focus in non service sector that has very little of structural bonding. It's equally important to have intimate knowledge of individual customers needs and through the development of customized solutions that are tailored to the specific needs of the individual customers. The relationship between the relational bonds and customer loyalty developed in this paper is expected to contribute to the existing body of relationship marketing and management literature in terms of exploring the nature of relationships. The management will use the findings of this study to guide them in their customer relationship decisions. Furthermore, the findings of this research will be source of reference for the academicians who intend to carry out studies in relation to the subject of relational bonds and customer loyalty in retail firms and related organizations.

Key Words:*Customization, Customer loyalty, Financial, Social, Structural bonds*

1 .0 Introduction
Relationship marketing as put forward by Bagalle (2008) quotes the seminal work of Dwyer et al. (1987) which laid the groundwork for Relationship Marketing theory in the United States. Her research, along with subsequent studies, where she cited the works of (Claycomb & Frankwick, 2005; Dwyer et al.; Wilson, 1995) who among other authors, proposed that buyer seller relationships transition through various progressive phases. According to Kotler and Armstrong (2008), building a successful business and retaining customers in the business world of today can be exceedingly difficult. Customers expect quality because they want to feel that their needs and wants are well catered for by the products and services that are being offered by the retailer. Kotler and Armstrong emphasize paying careful attention to the customer makes them feel valuable and they encourage them to patronize the products and services of the business. Consequently, retailers need to utilize all their resources to ensure that they retain, attract and make the customers feel happy and valuable. This gives the business a chance in terms of profitability and number of customers thus becoming competitive.

Customer loyalty is an important aspect of marketing in the 21st century (Duffy, 2005). Baker & Bass (2003) attributes this to the rise of relationship marketing. The term customer loyalty "is a physical and emotional commitment given by customers in exchange for their needs being met" (Stone, Woodcock &Machtynger, 2000). A customer loyalty scheme is a framework that guides an organization in choices that determine the nature and direction of attracting, maintaining and enhancing customer behavior characterized by a positive buying pattern and attitude towards the company, its products or services over time by rewarding loyal customers" (McMullan & Gilmore, 2008). In the competitive and turbulent business environment, it becomes primordial for business operators to sustain business developments and foster customers trust by upholding good practices in their operations. The success of businesses is only likely to result if short- term operational activities are consistent with long-term strategic intentions (Levy &Weitz, 2007).

In today's highly competitive markets whoever provides quality product and better services will definitely have an advantage over the others. This challenge is augmented by the diversity of the Kenyan consumer market and increasingly saturated supermarkets in the retail industry (Cant & Machado, 2004). Managing customers is more important than ever in ensuring that they not only purchase products from the store, but also maintain a lifetime of patronage and maximize customer lifetime value (Rowley, 2005). For an organization to keep its customer loyal, ensuring customer satisfaction is paramount. Customer satisfaction is a key strategy that businesses use to gain customers loyalty.

A successful customer loyalty scheme leads to customer retention. Depending on the industry, an improvement of 5 percent in customer retention leads to an increase of 25 percent to 85 percent in profits (Kerin, Hartley & Rudelius, 2009; Reichheld & Sasser, 1990). Furthermore, firms spend more than five times as much obtaining a new customer than retaining an existing one (Kotler & Keller, 2006; Wills, 2009). Satisfied customers are committed to store offering, expressing a positive attitude and eager to provide consistent patronage (Duveen-Apostolou, 2006). Berry stressed that the aim is to transform indifferent customers into loyal ones and solidify their relationship to the store. This argument further enforced that twenty-first century consumers have evolved into becoming 'increasingly promotion literate' (Egan, 2001). The dilemma faced by marketers is to develop a retail mix that not only effectively satisfies its target market, but also builds customer commitment and retention. Berry (1995) introduced the concept of relational bonding levels that are categorized as financial, social, and structural within the relationship marketing literature which have been treated as focal components in buyer-seller relationships (i.e., Arantola 2002; Liang and Wang, 2005; Lin, Weng, and Hsieh, 2003). Bonds have been defined as "psychological, emotional, economic, or physical attachments in a relationship that are fostered by association and interaction and serve to bind parties together under relational exchange" (Smith, 1998).

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The major aim of this paper is to review literature and try to incorporate the viewpoints of different researchers associated with customer loyalty and the results of surveys conducted among various customers in the retail industry in Kenya and beyond. The following section provides an outline of the research methodology used in this study. This will be followed by literature review in Section 3. Section 4 will present the pilot survey amongst few selected researchers and also a few customer respondents. Section 5 deals with the discussion part which is considered to be the heart of this paper. This section presents a theoretical framework of relational bonds in the retail sector depicting conceptually the impact of each factor on the overall retention of customers basing the various bonding strategies available which include social, financial, structural and customization bonding strategies and how it affects customer loyalty. This is briefly explained with help of a set of propositions. Section 6 describes, in brief, the managerial implications of the paper. The concluding section summarizes the present work and highlights its contribution to growth of marketing literature as an area of specialty and relationship marketing in particular. This part also reveals the limitations of the present work and future research directions.

2 .0 Research Methodology

In the current study, a number of papers with bias to bonding identified as it was done by Ngacho and Das (2015), by examining the table of contents of the leading journals followed by a scrutiny of the key words used in each paper in the journal. The literature search included journals published by numerous publishers, for the period 2011–2016. These journals provided over 70 papers with majority being those of international journal of relationship marketing. These papers were filtered on the basis of their focus and the dates of publication. Specifically, those papers which did not address relationship marketing, customer relationship management and bonding were eliminated. After this process, there were approximately 24 papers whose copies were collected and formed a basis of this review. The researcher came across few papers that had various discussions on relational bonds more so in banking sector, higher institutions of learning, hotels, travel agencies, telecommunication and information technology though none has been done in retail sector where there is both service and goods and also having a transactional service setting.

Through researchers observations of relational bonds, a number of classifications of bonds have been put up by different authors including economic, social, confidence and emotional bonds by Lima and Fernandes (2015), where they looked at relationship bonds and customer loyalty, a study that was carried across different service contexts, while Shruthi and Devaraja (2012) had classified the various bonds as financial, social, customization and structural bonds that most researchers have based on. After identifying the bonds relevant to the customer loyalty, a discussion ensued with a group of experts of business management and relationship marketing in particular where their opinion on relational bonding was sought. Subsequently, different classifications on the basis of their resemblance in terms of meaning, some items were merged into one hence developing common items that were to be used in the study. A preliminary questionnaire was designed pertaining to the bonding constructs.

3.0 Literature review

Literature review was carried out by identifying of various relational bonds that have been studied by different scholars this involved directed search of published and related studies that discusses theories and presents empirical results that are relevant to the study at hand (Zikmund et al., 2010) and the analysis of customer loyalty that was narrowly tailored, addressing only the scholarship that is directly related to the research question (Kaifeng and Miller, 2010).This was followed by a brief pilot survey to testify the appropriateness of the various identified relational bonds and how it affects customer loyalty.

In the study carried out by Alrubaiee and Al-Nazer (2010), bonding was classified into two categories: social bond and structural bond, where Social bond had a number of dimensions including social interaction, closeness, friendship and performance satisfaction. According to Sarwari and Minar (2014), relational bonds including financial, social, and structural bonds have been treated as focal components in buyer seller relationships which are referred to as Berry's (1995) three levels of relationship marketing (RM). Bonds have been defined as "psychological, emotional, economic, or physical attachments in a relationship that are fostered by association and interaction and serve to bind parties together under relational exchange" (Smith, 1998). While Shruthi and Devaraja (2012) had classified the various bonds as financial, social, customization and structural bonds.

3.1 Customer Loyalty

Customer loyalty is defined as strongly held commitment to a product or brand in a manner that the customer desires to patronize and buy the product consistently in the future without resort to switching factors and marketing appeals Abubakar et al (2014). Sarwari and Minar (2014) looked at the suggestions that had been put forward by Bove and Johnson (2000) that loyalty is one outcome of improved relational bonds. They argued that, "customer loyalty is a primary goal for most businesses today. This has led to an explosion in the use of different types of bonds which bind the customer to the firm through high switching costs". Pullman and Gross (2004) maintain that loyal customers are the key to the success of many services, particularly those in the hospitality setting.

The paper picked on the six items adapted from four sources by Abubakar et al (2014) study. See table 1 below that was used to measure customer loyalty using 5 point likert type scale anchored on 1= strongly disagree and 5= strongly agree. Thus understanding the link between bonds and loyalty is critical to understanding relationship marketing. In the retail banking industry, the tenure of the relationship between banks and their customers is naturally long (Leverin & Liljander, 2006). The practice in the banking industry and other financial houses has been a deliberate and calculated approach to establishing long term relationship consistent with efficiency building and long run profitability even though researchers do not agree on the rationale for such tendency (Hamidizadeh, Jazani, Hajikarami, & Ebrahimi, 2011).

Table 1: Customer loyalty measurement items and sources

Items	Sources
I conduct all my banking affairs with my I never seriously considered changing bank I would recommend my bank to friends and relatives I prefer to pay my bank higher prices than leave for a competitor I like to say positive things about my bank to other people I will consider my bank as my first choice in future	(Beerli et al.,2002; Caceres et al., 2007; Ehigie, 2006; Zeithaml et al.,1996)

Long term loyalty is the focus of this research because it is better for business organizations and elsewhere to nurture enduring relationships with their customers particularly given the stiff competition that characterized the retail landscape (Ehigie, 2006). Relational bonds are widely considered as cornerstones for keeping customers loyal (Parasuraman 1991, Berry 1995). Zeithaml and Bitner (1996) maintain that firms usually use bonds to tie customers more closely and build loyalty. This view is supported by a range of authors who suggest that bonds of various types improve relationship strength and quality, leading to increased consumer loyalty (Lin, Weng and Hsieh, 2003; Liljindar and Strandivik, 1995; Wilson and Mummalaneni, 1986).

In addition, Sheth and Parvtiyar (1995) also suggest that any relationship that creates customer value will create bonding between consumers and the organization, even though Customer loyalty is not a permanent thing. If the customer value decreases to such a level that it becomes obvious to customers that offers from competitors are better, customers will engage with the others instead. Example is given by Jacobsen et al (2004) where customers are loyal to a specific hotel chain but the hotel chain does not have a hotel in the area where customers are, ultimately may force them to shift their allegiance. Thus, in a situation of strong bonds with everything available in terms of easy of service or product acquisition then customers will be more committed in the relationship and less likely to switch to competitors.

Jacobsen et al (2004), found out that Customer loyalty is more important for certain companies. They gave example of souvenir shop that does not make big efforts in making customers loyal while repurchase being more important for the survival of other companies. According to Blomqvist et al (2000) there is one fundamental way in how to put more effort in customer loyalty which is the right marketing, where they say it is possible to build up a loyal base of customers with a high frequency of purchases. With a loyal base of customers, the company can reach a stable market share which consists of loyal customers who are easier to defend from competitors. Feurst (1999) went further and divided customer loyalty into four different types. The categories are graded by how strong the loyalty is. Customers are more engaged in the offer when the grade of loyalty is high and thereby customers are harder for competitors to get. The grades go from enforcement from the outside to inner commitment. The first two grades are easier to create if set in relationship with the other two, but at the same time these customers are easier for competitors to steal. The first grade is Forced loyalty. This grade is categorized by obstacles. These can be, lack of time, lack of alternatives, or that it is laborious or expensive to change supplier. An example could be that you choose a bank close to you geographically, even if there are better alternatives. Second is bought Loyalty. This is conscious loyalty It is based on some sort of bonus that customers receive in money or discount, if they are loyal. An example could be that the customers are loyal because when they buy five of something they get the sixth for free. Third is divided into two Practical Loyalty a, Habit. This is unconscious loyalty. The customers' choices are based on routines. Customers always use one supplier and will continue to do so without thinking about it. If they change, they will choose within an evoked set of suppliers. For example when customers use the same hairdresser all their lives. Practical loyalty b, Convenience. Customers are aware of their loyalty to the easier way of doing things that the offer supplies. Fourth is the Engaged Loyalty Quality where Customers are aware of their loyalty to the functionality of the service or product. The customers have certain demands on quality that the supplier provides and lastly is the Engaged Loyalty Commitment. Here the customers are aware of their loyalty to a symbolic value, or status and social values and inner awards. They get a certain feeling when using the service or product.

Soderlund (2001) divides loyal customers into two main groups, loyal customers and strongly loyal customers. Within the loyal group there are satisfied and unsatisfied customers. The satisfied customers do not have to be loyal but there is a correlation between satisfied customers and loyal customers. There are unsatisfied customers who are loyal. The combination of unsatisfied customers and high loyalty is sometimes called false loyalty. The overall reason for this combination is factors that are obstacles for the customer to choose supplier. These factors are called switching costs, or switching barriers. Based on the assumption that a satisfied customer is a loyal customer, Soderlund (2001) argues that high level needs seem to have the largest potential to create strong loyalty. He talks about factors that seem to create strong loyalty. An example could be high level needs, or values. These can be freedom, a meaningful life, happiness, and other feelings.

3.2 Financial Bonds and Customer Loyalty

Sarwari and Minar (2014) referred to financial bonds as frequency marketing or retention marketing, where the service provider uses economic benefits to secure customer loyalty (Berry and Parsuraman, 1991; Berry,1995) which they regarded as the first level of securing customer loyalty. Previous researchers agree that one motivation for consumers to engage in relationships with service providers is to save money (Peltier and Westfall 2000). Non-monetary time savings are also proposed as 'financial' bonds, even though no money is involved (Lin, Weng, and Hsieh, 2003). In the study carried out by Shruthi and Devaraja(2012), they said that financial bond is based on financial rewards for repeat customers or customers who buy in large volumes and usually provide some short-term gains. Sarwari and Minar (2014), on their empirical study on five star hotels in Bangladesh they said that hotels try to provide some kind of financial bonds like discounts to those customers who always prefer their hotel to stay and during their check in. Berry and Parsuraman, (1991) and Berry (1995) point out that the problem associated with financial bonds is that they are the easiest type of bond for competitors to imitate. The implication is that every retail chain may want to compete on price by either reducing it to woo many customers to their outlets. This may call for the retail outlets to use non-monetary time savings are also proposed as 'financial' bonds, even though no money is involved (Lin, Weng, and Hsieh, 2003).

3.3 Social Bonds and Customer Loyalty

Krolikowska while conceptualizing four new bonds in business recognized Social bonds as one of a number of relationship bonds which develop between individuals and can impact positively on long-term relationships (Wilson and Mummalaneni, 1986). Social bonding includes sales and service agent relationships as well as other positive interpersonal relationships between the buyer and seller (Berry, 1995). Sellers in a buyer–seller dyad use a variety of tactics, such as personal selling, promotional offers, and customer loyalty programs, to build relational bonds in an attempt to create customer loyalty and increase sales (Peng & Wang, 2006). Social bonds can lead to positive outcomes such as customer retention (Seabright et al, 1992), word-of-mouth recommendations (Price and Arnould, 1999), trust (Nicholson et al, 2001) and loyalty and satisfaction (Guenzi and Pelloni, 2004). Sarwari and Minar (2014), in their study on hotels in Bangladesh say that Social bonds represent personal ties between the consumer and organization, i.e. interpersonal interactions, friendships and identifications.

Berry and Parasuraman (1991) and Berry (1995) referred to social bonds as intermediate level of relationship marketing in securing customer loyalty, where the service provider goes further than price incentives to build lasting relationships with the customer, building social bridges. Liang and Wang (2005) also point out that firms deliver their friendship or gratitude by giving gifts to their customers, which serves to build stable relationships and enhance relationship quality as evidenced by Sarwari and Minar (2014), in their study on hotels in Bangladesh where five star hotels provide different types of gift for their loyal customers. For instance, as a member of Global Hotel Alliance, Pan Pacific Sonargaon hotel provide their customers with different types of traditional saris like Muslin, Jamdani. However social bonds have not received the same level of research attention in the business and marketing literature. Social bond continues to be measured as a unidimensional construct. It is suggested that this may be due to a lack of theoretical support in identifying different social bonds and also due to the social bond frequently being included as one type of bond in a relational or relationship bond measurement scale e.g. Smith (1998) and Rodriguez and Wilson (2002).

3.4 Structural Bonds and Customer Loyalty

Shammout and Algharabat (2013), in their investigation into the determinant of Jordanian customer's loyalty towards travel agencies considered Structural bonds to be the highest level of bonding within relationship marketing, reason being that companies can strengthen their relationship with customers by adding structural bridges in addition to the financial and social bonds, where they cited the works of (Berry, 1995; Campbell et al. 2006). Example given by Sarwari and Minar (2014) is that of the Scandic hotel chain which introduced WAP-based technologies (i.e. web based communication) to improve communication with their customers (Louvieris, Driver, and Powell-Perry, 2003). Frequent guests were provided with a WAP-enabled device, on which to access reservation and other information, which provided value adding services for customers that were not readily available elsewhere.

Structural bonds exist when a business enhances customer relationships by offering solutions to customer problems in the form of service-delivery systems, rather than remaining dependent upon the relationship building skills of individual service providers (Lin et al., 2003; Sheth & Parvatiyar, 2000, Lin,Weng, and Hsieh, 2003). Shammout and Algharabat (2013) while carrying out their investigation found out that this type of bonds were necessary for tourism services, because they provide embedded value adding services for customers that are not readily copied by a competitor (Berry & Parasuraman, 1991). For instance, hoteliers use of telecom and IT facilities for enhancing guest services, latest technology for better quality of services , expertise of service professionals in their areas of operation, providing relevant information to the guests, relying on the organization for taking decisions for their benefit and welfare, and careful evaluation of the guest's needs (Jain & Jain, 2006). That is, competitors find difficulty to emulate such services due to the high costs in transformation. Since structural bonds build customer feelings of 'empowerment' and offer some level of psychological control to customers in the buyer-seller relationship (Peltier &Westfall, 2000).

3.5 Customization Bond and Customer Loyalty

In customization bond an attempt is made to encourage customer loyalty through intimate knowledge of individual customers and through the development of customized solutions that are tailored to the specific needs of the individual customers (Shruthi and Devaraja, 2012). Mass customization refers to the use of flexible process and organizational structures to produce varied and often individually customized products and services at the price of standardization and mass produced alternatives. On the basis of the review on the four bonding strategies employed by various organizations, very little has been done on the customization bonds.

4.0 Pilot Survey

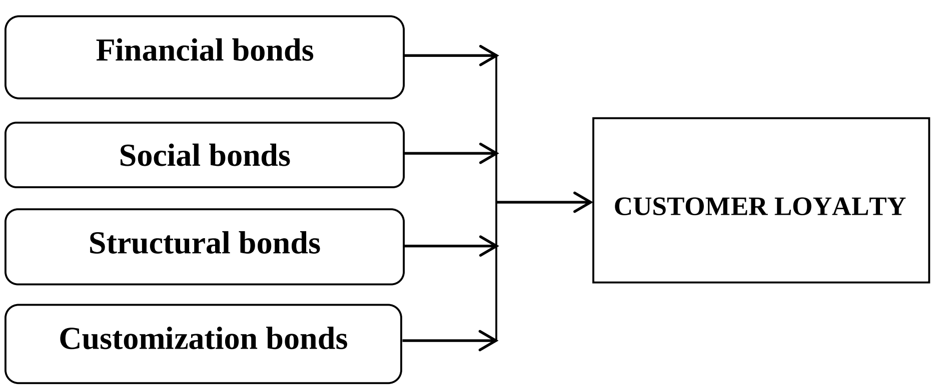
The list of the four constructs that were derived from the literature review were shared with three experts comprising two academicians and one business consultant in order to get their viewpoints regarding the suitability of the constructs that were being used to measure customer loyalty in retail industry in Kenya. The researcher picked on two marketing lecturers in Masinde Muliro University of science and Technology in Kakamega Kenya and Kibabii University in Bungoma Kenya. Experience in their area of specialization played a crucial role in their selection. They had equally played a role in the drafting of county governments strategic plans for Busia,Vihiga and Bungoma and equally participated in training programs for Kenya Commercial Bank. The business consultant has been involved in youth enterprise programs dealing with youth training in entrepreneurship skills and talent development within the country for over a period of eight years. The literature review along with the feedback received from experts on various bonds and measuring of customer loyalty enabled the researcher to develop a conceptual framework. This framework (Figure 1) demonstrates how financial bonds, social bonds, structural bonds and customization bonds influence customer loyalty in terms of three customer loyalty indicatorsi.e Customer life time value, Retention and Net promoter score. The diagram further reveals how the above four factors are interrelated.

The conceptual framework below enabled the researcher to design a preliminary questionnaire on the relationship between relational bonds and customer loyalty. The questionnaire was presented to the same experts once again with a view to seeking their expert opinion on the adequate and appropriate coverage of all the items affecting customer loyalty and also the framing of each question. The comments received helped the researcher in refining the questionnaire further.

Figure 1: Conceptual Framework

Independent variables **Dependent Variable**

Relational Bonds



Source: Adopted from Begalle, 2008 and Shruthi and Devaraja (2012) and modified for this research.

Questionnaires were then administered to a few representative respondents based in Kakamega County in order to judge its workability in reality. The aim was to examine whether the respondents understood the language of the questionnaire and whether the items on which responses being sought were appropriate. The questionnaire survey was carried out through personal interview amongeleven supermarket clients, who were randomly selected as they came to buy their items from the supermarket. The list of the stakeholders used in this survey was drawn mainly from clients who were picked randomly but only those who had loyalty cards. This implies that these respondents are capable of providing the information requested in the questionnaire. The respondents indicated that various relational bonding strategies are very much relevant to the retail industry and more specifically in the supermarkets. They, however, asked for some of the questions to be rephrased for ease of understanding given the varying level of education of the prospective respondents. They explained that there were items that could fall under more than one classification group or some terms meant the same thing. These viewpoints aided in the design of final questionnaire whose validity and reliability was further sought before actual administration.

Reliability was tested by use of eleven questionnaires that were piloted with randomly selected supermarkets clients from Kakamega town who were not included in the final study sample. This was meant to avoid response bias in case they may have completed the same questionnaire twice. The eleven questionnaires were coded and input into Statistical Package for Social Sciences [SPSS] version 22 for running the Cronbach reliability test. The reliability of the questionnaire was tested using the Cronbach's alpha correlation coefficient with the aid of Statistical Package for Social Sciences (SPSS) software. The closer Cronbach's alpha coefficient is to 1, the higher the internal consistency reliability (Sekaran, 2010). A coefficient of 0.7 is recommended for a newly developed questionnaire. Conversely the resulting measure below 0.7 warrants the questionnaire as unreliable. However it should be noted that there is no rule to suggest that a Cronbach's alpha greater than 0.70 indicates a good instrument (RevelleZinbarg, 2010). Although, it is commonly agreed among researchers that an alpha greater or equal to 0.7 shows that an instrument is reliable in measuring what it was intended to measure. The pilot study also help the researcher in clearing any ambiguities and in ensuring that the questions posed measure what it will be intended to measure.

5.0 Discussion

The relationship between the relational bonds constructs and customer loyalty as depicted in Figure 1 through arrows has been captured with the help of four propositions. An arrow emanating from a particular relational bond to the customer loyalty indicates that, that particular bond influences the customer loyalty of the particular retail chain. The financial bonds main purpose is to assist consumers save money. It may take the form of financial rewards like discounts. Though financial bonds can easily be imitated by competitors they are crucial in relationship development hence most retail chains to embrace non monetary financial bonds. Social bonds develop long term relationship within individuals. It can take the form of personal selling, promotional offers and customer loyalty programs to build the relationship. It's equally important to create theoretical support in identifying different social bonds so as not to have the social bond frequently being included as one type of bond in a relational or relationship bond measurement scale e.g. Smith (1998) and Rodriguez and Wilson (2002). From the review, little research attention has been given to social bonds as is the case of other relationship marketing constructs such as trust, commitment and loyalty.

Because of the nature of the structural bonds that entail high costs of transformation ((Berry & Parasuraman, 1991), retail chains should embrace structural bonding to give them an edge in competition, but equally to focus in non service sector that has very little of structural bonding. It's equally important to have intimate knowledge of individual customers needs and through the development of customized solutions that are tailored to the specific needs of the individual customers (Shruthi and Devaraja, 2012), this is where marketing lies. Of the four bonds discussed in this study, this is an area that very little research study has been done. Based on the conceptual framework of the relational bonds and customer loyalty of the retail chains shown in Figure 1, the researcher has developed a set of four propositions. These are described below in a concise form.

- Proposition 1: Financial bonds have an effect on the loyalty of customers in the retail chains.
- Proposition 2: Social bonds have an effect on the loyalty of customers in the retail chains.
- Proposition 3: Structural bonds have an effect on the loyalty of customers in the retail chain.
- Proposition 4: Customization bonds have a direct effect on the loyalty of customer in the retail chain.

6.0 Managerial implications

In the current era of hyper competition, marketers appear to focus more and more on customer retention and loyalty. A number of studies have been done and what comes out is that retaining customers offers a more sustainable competitive advantage than acquiring new ones. The conceptual framework shown in Figure 1 provides valuable insight to the managers involved in retail industry with regard to the interplay of different relational factors on customer loyalty. This will enable the retail managers to understand the antecedents and consequents of each relational factor and its impact on customer loyalty. Of course, the exact nature of relationship between the antecedents and a factor could only be ascertained after collecting relevant data from the respondents and carrying out appropriate statistical tests. The relative impact of each relational factor on the customer loyalty could also be assessed after conducting suitable statistical tests. this will go hand in hand in enhancing the understanding and sensitivity of the retail manager about different dimensions of retail industry environment.

7.0 Conclusions

In this paper, the researcher has demonstrated the rationale behind considering four relational bonds on customer loyalty namely finance, social, structural and customization bonds .The new framework incorporates an additional bond .i.e. customization and thus expands the perspective of relational bonds to customer loyalty framework. This has been followed by the identification of the relational bonds through an extensive review of literature. Review of literature pertaining to relational bonds has given us an insight on identifying the broad constructs influencing customer loyalty. The researcher carried out a pilot survey amongst few clients in order to find out the appropriateness of the relational bonds and was able to develop a conceptual framework of the customer loyalty with the help of the four relational bonds .The researcher conceptually demonstrated how various relational factors have an influence on customer loyalty and hence leading to customer retention and more profits for the retrial industry. Through the use of the conceptual framework, the researcher was able to design a preliminary questionnaire and administer the same to a few respondents to find out its efficacy in bringing out responses from them.

The relationship between the relational bonds and customer loyalty developed in this paper is expected to contribute to the existing body of relationship marketing and management literature in terms of exploring the nature of relationship as described above. As much as a lot has been realized in terms of knowledge, the paper is not without limitations. The relational bonds have been identified and subsequently classified based on literature review, preliminary pilot survey and researchers own subjective judgment. Secondly, the propositions put forth in this paper are merely based on researchers own observation, understanding and the concepts developed through literature review and pilot survey. The empirical testing of the propositions has not been shown in the paper which would have evaluated the validity and theoretical soundness of the conceptual framework from practical standpoint. The same would be considered as the foundation of our future research directions.

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