

The Impact of Customer Perspective of Relationship Marketing on Customer Loyalty in State Sector Commercial Banks in Sri Lanka

E D Namrada

*Department of Marketing Management, Faculty of Commerce and Management Studies, University of Kelaniya, Sri Lanka
namradaed@gmail.com*

S I Wijenayake

*Department of Marketing Management, Faculty of Commerce and Management Studies, University of Kelaniya, Sri Lanka
shanikaw@kln.ac.lk*

In recent years, there has been a growing interest in achieving customer loyalty in general, but especially in the service sector. Customer Relationship Marketing (CRM) is becoming the most powerful tool to make this a reality. Banking sector in Sri Lanka is also attempting to create a loyal customer base and lot of investment is done for this purpose. Yet, there is a puzzle whether the customers perceive those favorably. Thus, the purpose of this study is to investigate the impact of customer perspective of relationship marketing on customer loyalty in state sector commercial banks in Sri Lanka. In the study trust, commitment, communication, and conflict handling were used as independent variables under the main construct of CRM, with Customer Loyalty as the dependent variable by the researcher. A questionnaire derived from previous studies and relevant literature was completed and tested by 152 customers who have done transactions with state commercial banks in Sri Lanka. The findings revealed that, trust, communication, and conflict handling in the relationship marketing (RM) contribute significant to customer loyalty and customer loyalty is not contributed significant by commitment of RM in state sector commercial banks in Sri Lanka. As a result, banks should focus on customer commitment by providing personalized and flexible services to gain more customer loyalty in state sector commercial banks in Sri Lanka.

Keywords: *Banking Sector, Customer Loyalty, Customer Relationship Marketing, Relationship Marketing*