Exploring relationship intention and the duration of customer support in the South African banking industry

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Abstract

Because it is generally more expensive to attract new customers rather than retain the existing ones, service providers are investing in resources to establish successful customer relationships. In identifying and targeting customers who are willing to engage in a relationship, service providers often rely on the length of time for which customers have supported them. However, relationship marketing strategies would be better directed at customers with relationship intentions, who are more receptive to relationship building.

The purpose of this study was first to investigate South African banking customers' relationship intentions and then to determine whether the duration of their support influences their relationship intentions. Non-probability convenience sampling was used to gather data from 276 respondents in the greater Johannesburg metropolitan area.

The results indicate that the relationship intention measurement scale was valid and reliable and that respondents with different relationship intentions viewed the five sub-constructs constituting relationship intention differently. The study also established that the duration of the respondents' support did not influence their relationship intentions.

It is recommended that, instead of focusing on customers who have supported the bank for longer periods, they specifically target customers with relationship intentions when building customer relationships.

Key phrases

banking, duration of support, relationship intention, relationship marketing

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1. INTRODUCTION

Relationship marketing enables service providers to build relationships with and retain customers more successfully (Payne & Frow 2013:3; Rootman, Tait & Sharp 2011:202). However, the effective implementation of relationship marketing eludes most service providers, because they do not really know how successful customer relationships are developed and maintained (Wei, Li, Burton & Haynes 2013:60). According to Kim, Kang and Johnson (2012:383,384) this stems from the assumption that relationship marketing can be applied to all customers. Fernandes and Proença (2013:46) and Parish and Holloway (2010:96) explain that the effectiveness of relationship marketing varies across customers. This is as only certain of them are receptive to relationship marketing activities, while others view such activities as a waste of both their time and that of the service provider, as well as their resources. For this reason, service providers should revise their relationship marketing strategies so that only the customers who are willing to engage in relationship marketing activities are targeted by such strategies (Kim *et al.* 2012:384).

To identify those customers who are willing to engage in a relationship, service providers often rely on the length of time during which customers have supported them (Seo, Ranganathan & Babad 2008:192). However, Kumar, Bohling and Ladda (2003:670) propose that service providers should rather identify customers with relationship intentions, as they are more willing to engage in relationship building. Targeting only the customers demonstrating relationship intentions for relationship building, as opposed to all customers in general, enables marketers to increase the return on their investments by implementing relationship marketing strategies in a more strategically-targeted way (Conze, Bieger, Laesser & Riklin 2010:59). Identifying customers with relationship intentions will thus ensure that valuable resources are not wasted on customers who have no intentions building long-term relationships with service providers (Kumar *et al.* 2003:670).

A previous study on relationship intention focusing on the South African banking and insurance industries (Delport, Mostert, Steyn & De Klerk 2010:298-302) attempted to identify customers displaying willingness to engage in a relationship, by using an adapted version of Kumar *et al.*'s (2003:670) proposed relationship intention measurement scale by compiling a 49 item measuring scale. However, not only was the study unsuccessful in identifying Kumar

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et al.'s (2003:670) five sub-constructs for measuring relationship intention, but it also found that four of the nine identified factors had Cronbach's alpha values lower than the generally acceptable 0.7 (Field 2013:679).

Subsequent South African research studies fielded a 26-item relationship intention measure adapted from the scale used by Delport *et al.* (2010:298-302) in the cellular industry (Kruger & Mostert 2013:349) and the risk financier industry (Mentz 2014:182-183). These studies found the adapted measure to be both valid and reliable to measure customers' relationship intentions. However, due to the length of the existing relationship intention measuring instrument discouraging respondents from completing it, it has been recommended that a shortened measuring instrument be developed (Mentz 2014:262-263).

The purpose of this article is therefore to establish the reliability and validity of a reduced 19-item relationship intention scale adapted from Kruger and Mostert (2012:45) for the South African banking industry. The article will furthermore determine whether respondents with different levels of relationship intentions differ in terms of their overall relationship intentions as well as the sub-constructs comprising relationship intention. Finally, since service providers often rely on customers' length of support to identify customers to build relationships with (Seo, Ranganathan & Babad 2008:192), this article will determine the influence of the length of time during which customers have supported their bank on their relationship intentions.

2. LITERATURE REVIEW AND HYPOTHESES FORMULATION

2.1 Relationship marketing

The main goal of relationship marketing is to establish, build and retain mutually beneficial long-term relationships with customers (Kumar 2014:1045). According to Clark and Melancon (2013:138) and Gupta and Sahu (2012:76), the building and retention of a loyal customer base is considered a key relationship marketing strategy in surviving a highly competitive market place, as it brings more stability and less uncertainty to the service provider. The value of retaining customers is that it costs less to serve existing customers than it does to attract new ones, and it is more profitable over time (Palmer 2011:198; Sweeney, Soutar & McColl-Kennedy 2011:297). This profit potential has prompted many

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service providers to invest more in long-term customer relationships (Kumar 2014:1047; Nguyen & Nguyen 2014:81).

However, if a successful relationship is to be established, both the customer and the service provider must be able to perceive and anticipate clear benefits (Dimitriadis 2011:294). As far as the customers are concerned, relationship marketing yields a feeling of control and a sense of trust in the service provider. While decisions are being made among service providers, purchasing risks are minimised and costs are reduced (Dagger, David & Ng 2011:278; Grönroos 2004:99). Leahy (2011:664,666) and Parish and Holloway (2010:69) argue that, even though relationship marketing could yield mutual benefits for service providers and their customers, this is applicable and effective only when customers are willing to build a relationship with a service provider. Parish and Holloway (2010:69) explain that not all customers want or seek a relationship exchange. Trying to pursue relationships with customers who have no intention of building a long-term relationship may lead to a waste of resources and could even generate negative customer reactions to the relational efforts (Parish & Holloway 2010:69). It is thus essential to identify and focus on those customers displaying relationship intentions.

2.2 Relationship intention

It could be argued that success in following a relationship marketing strategy may depend not only on the way in which it is implemented, but also on the degree to which a customer willingly intends to engage in a relationship with a service provider (Parish & Holloway 2010:69). Kumar *et al*. (2003:668) and Wei *et al*. (2013:60) therefore propose that marketing managers should carefully segment their customers according to their relationship intentions, as the identification of these customers could be the starting point for strategic planning for maximising relationship marketing outcomes.

Kumar *et al.* (2003:669) define relationship intention as a customer's willingness to build a long-term relationship with a service provider while buying a product or a service attributed to a service provider, a brand or a channel. These authors emphasise the importance of identifying customers who are willing to support a long-term relationship, as they are emotionally attached to a particular service provider whom they trust and with whom they

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empathise. Emotionally attached customers add value by displaying behaviours like commitment to building a successful relationship, which, in turn, could lead to increased customer loyalty and retention (Coyles & Gokey 2005:104; Mende, Bolton & Bitner 2013:139). Kumar *et al.* (2003:670) maintain that five sub-constructs should be considered when measuring customers' relationship intentions: involvement, forgiveness, fear of relationship loss, feedback and expectations. These sub-constructs will accordingly be discussed.

2.2.1 Involvement

Kumar *et al.* (2003:670) define customer involvement in a relationship with a service provider as the intention to engage willingly in relationship activities without compulsion or obligation. Studying customer involvement from the relationship marketing perspective is important, as it is generally believed that highly involved customers express a stronger interest in engaging in relationships with service providers (Kruger & Mostert 2012:47). Tuu and Olsen (2010:157) concur, stating that involvement acts as a facilitator in relationship building, because customers become more involved in relationship activities that serve their own interests, goals and motivations (Ruiz, Castro & Armario 2007:1094). For example, customers' motivation to become more involved in relationship activities may stem from their need to gain the relationship benefits that reside in greater satisfaction (while purchasing a product or service from a particular service provider), stronger social bonds (a sense of belonging and identity) and greater psychological value (empathy and personal attention) (Karantinou & Hogg 2009:255-256; Kumar *et al.* 2003:670; Nambisan 2002:405). Kumar *et al.* (2003:670) accordingly advise service providers to identify the customers with higher levels of involvement because of their enhanced perception of the relational benefits and the greater likelihood that they would engage in long-term relationships.

2.2.2 Forgiveness

Forgiveness is regarded as a complex process that involves cognitive, emotional and motivational responses to transgressions like service failure in a service context (Tsarenko & Tojib 2011:387). Chung and Beverland (2006:98) posit that the process of forgiveness starts with the offended customer's cognitive effort to understand the service failure. It is followed

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by an emotional response, which entails the discharge of the negative emotions associated with the service failure. With this action, the customer becomes less motivated to punish the service provider by switching to a competitor.

McCullough, Berry, Luna, Tabak and Bono (2010:374) maintain that customers' willingness to forgive the occasional service failure may be influenced by the nature of their relationship with the service provider. Customers who value such a relationship are more willing to forgive the occasional service failure, because they are psychologically connected to the provider and are reluctant to hurt an exchange partner whom they value (Grégoire & Fisher 2006:34; McCullough *et al.* 2010:374). This view concurs with the hypothesis by Kumar *et al.* (2003:670) that customers who are willing to forgive service failure are more likely to develop a long-term relationship with the service provider.

2.2.3 *Fear of relationship loss*

Despite the ease with which customers can usually switch between service providers (Malhotra & Malhotra 2013:21), research has shown that certain customers hesitate to do this because they are afraid of losing a valuable relationship (Kumar *et al.* 2003:670). Spake and Megehee (2010:316) think that some customers are more likely to maintain their relationship with their service provider as long as the relationship benefits they receive exceed the relationship costs. The relationship benefits that customers perceive to receive from their service providers include confidence benefits (knowing what to expect from a service provider), social benefits (receiving personal recognition, familiarity and friendship with employees), and special treatment benefits (receiving reduced prices or customised products or services) (Gwinner *et al.* 1998:109-110; Lovelock & Wirtz 2011:373). Kumar *et al.* (2003:670) argue that customers who are more concerned about the consequences of losing their relationship with service providers can be characterised as having high relationship intentions.

2.2.4 *Feedback*

Lacey (2012:141) views customer feedback as a meaningful aspect of understanding customer relationships, because feedback has a direct effect on relational behaviours. This is evident when customers bring their grievances to the attention of their service providers,

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indicating that they would prefer to correct the problem rather than dissolve the relationship (Lacey 2012:141; Liu & Matilla 2015:219). It should be noted that, in their feedback to their service providers, customers provide either negative feedback in the form of complaints when a service has not met their needs, or positive feedback in the form of compliments when the customers are satisfied with the service delivery they received (Liu & Matilla 2015:213).

Kumar *et al.* (2003:670) and Lacey (2012:141) add that customer feedback, whether negative or positive, offers service providers the opportunity of better understanding their customers' needs and expectations. This, in turn, enables the service providers to improve their service quality, and hence customers' satisfaction, as they are in a better position to modify the service offerings according to customer preferences. Given this overview, it could be argued that customers' willingness to provide feedback can be viewed not only as a facilitator for building strong relationships (Rothenberger, Grewal & Iyer 2008:359), but also as an indication of customers' intentions to build long-term relationships (Kumar *et al.* 2003:670).

2.2.5 Expectations

Customer expectations entail anticipation of the performance level of a product or service based on prior experiences or current circumstances (Oliver 2010:22; Wilson, Zeithaml, Bitner & Gremler 2012:51). According to Wilson *et al.* (2012:53), customers develop expectations of three different levels of service: the desired level of service, the level of service they are willing to accept as adequate, and the predicted level of service they believe is likely to occur. Conze *et al.* (2010:55) and Wilson *et al.* (2012:53) add that customers' needs, values and intentions are influenced by their expectations of the desired, adequate and predicted levels of service. Kumar *et al.* (2003:670) propose that customers with higher expectations are more likely to develop relationships with the service providers they support than customers who have indifferent expectations.

From the discussion on the five sub-constructs comprising relationship intention, it becomes clear that Kumar *et al.* (2003:670) advocate that customers will differ in terms of their

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relationship intention levels as well as the five sub-constructs used to measure relationship intention. It can accordingly be hypothesised that:

H₁: Banking customers with different levels of relationship intention differ significantly in terms of their relationship intentions.

H₂: Banking customers with different levels of relationship intention differ significantly in their perceptions of the five sub-constructs used to measure relationship intention.

2.3   Duration of support

Various relationship marketing scholars and practitioners assume that the period during which customers have supported a particular service provider is indicative of both the relationship that exists between them (Seo *et al.* 2008:192) and its strength (Ward & Dagger 2007:282). This assumption has led to increased spending from relationship marketing budgets on customers who have supported their service providers for longer periods, as service providers associate relationships which have extended over time with positive outcomes, such as customer retention, loyalty and higher profitability (Dagger, Danaher & Gibbs 2009:381-382; Wang & Wu 2012:68).

However, Kumar *et al.* (2003:670) and Parish and Holloway (2010:69) challenge the assumption that the duration of customer support is indicative of a relationship, arguing that customers who have been dealing with the service provider over a period of time do not necessarily intend to support the relationship in the long term. Therefore, although customers may buy from a service provider over an extended period of time, it cannot be assumed that the interactions have resulted in the formation of an emotional attachment or intention to develop a relationship with a service provider (Kumar *et al.* 2003:670). It can therefore be hypothesised that:

H₃: There are significant differences between banking customers with different relationship intentions relating to the duration of their support for their bank.

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3. METHOD

3.1 Research design, target population and sampling

A quantitative descriptive research design was used in the study (Burns & Bush 2014:103). The target population comprised individuals aged 18 years and older, residing in the greater Johannesburg metropolitan area, who have been using banking services. Individuals in the Johannesburg metropolitan area were chosen since the area represents the largest share of all cities of the South African population (IndexMundi 2014:Internet), and since the greatest number of banking institutions operating in the country do so from this area (Economic Hub 2015:Internet).

A two-stage non-probability sampling method in the form of quota and convenience sampling was used to select respondents from the target population. The researchers opted for quota sampling to ensure that the target population was representative of the population under study and convenience sampling was subsequently used due to the absence of a sampling frame. The respondents were accordingly first selected according to their population group and the gender quotas (Malhotra 2010:380) before the quotas were filled by means of convenience sampling.

3.2 Questionnaire design, pretesting and data collection

A self-administered questionnaire composed of closed-ended questions was used in this study. The questionnaire was divided into three sections. It started with a preamble explaining the aim of the study, the respondents' rights, instructions for completing the questionnaire and a screening question. Section A established the respondents' banking patronage, while section B captured their demographic information. Their relationship intentions were measured by adapting the measurement scale proposed by Kruger and Mostert (2012:45).

The questionnaire was pre-tested among 30 respondents from the target population in order to identify possible problems in the wording, and difficulties the respondents could experience while completing the questionnaire (Burns & Bush 2014:229). Following minor wording changes, the final questionnaire was distributed by trained fieldworkers. The fieldworkers ensured that the race and gender quotas were met by handing the

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questionnaires to potential respondents. They also collected the completed questionnaires. The researchers conducted checks to ensure that the sampling plan had been followed and that errors in data collection were minimised. In total, 276 usable questionnaires were available for analysis.

3.3   Data analysis

The Statistical Package for Social Sciences (SPSS) (Version 22) was used to enter, clean and analyse the data. The data analysis involved calculating the descriptive statistics for demography, patronage habit variables (frequencies) and individual items contained in the multi-item scale (means and standard deviations). An exploratory factor analysis was conducted to identify the factors constituting relationship intention, and to test the validity of the shortened relationship intention measurement scale (Field 2013:628). After the factor analysis, the reliability of the scales measuring each of the relationship intention factors was determined by assessing Cronbach´s alpha values. According to Field (2013:679), Cronbach´s alpha values should preferably be greater than 0.7 to indicate the internal consistency and reliability of the measurement scale.

Because the sample size exceeded 30 respondents (n=276) and the distribution of the results fell within the acceptable limits of normality (distribution, less than 2.00 or kurtosis of the distribution less than 7.00), parametric tests were used for testing the hypotheses (Curran, West & Finch 1996:16). To interpret the results of the parametric tests used to test the hypotheses, the authors relied on a confidence level of 95% (Hair, Celsi, Oritinau & Bush 2013:281). One-way Anovas were carried out to determine whether statistically significant differences existed between the means of more than two groups. To establish the strength of the significance and the practical importance of the results, Cohen's d-values (effect sizes for differences between means) were subsequently calculated (Bagozzi 1994:248), with d-values at 0.2 interpreted as small, 0.5 as medium and 0.8 or greater as large (Cohen 1988:25-26). For the purpose of this study both medium and large effect sizes were considered to be practically significant, as medium-effect sizes are considered to constitute ample practical significance, because the differences between respondent groups can be observed with the naked eye (Cohen 1988:20).

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4. RESULTS

4.1 Sample profile and patronage habits

Table 1 presents the sample profile and patronage habits of the respondents who participated in the study.

Table 1 shows that slightly more males (52.2%) participated in the study than females (47.8%). Regarding the respondents' population groups, they were relatively evenly spread between Black Africans (25.4%), Coloureds (25.0%), Whites (25.3%) and Indians (23.2%). Most of the respondents taking part in the study held a university degree (36.6%), a diploma (18.1%), a postgraduate degree (17.7%) or a Grade 12/Matric (17.4%).

Regarding the respondents' patronage habits, most used Standard Bank (27.9%), followed by ABSA (25.7%) and First National Bank (23.2%). The length of time during which the respondents had used their bank's services ranged through fewer than three years (14.1%), 3-5 years (32.6%), 6-10 years (29.4%), and more than 10 years (23.9%).

TABLE 1:   Sample profile and patronage habits

Variable	Response categories	n	%
Gender	Male	144	52.2
	Female	132	47.8
Population group	Black African	70	25.4
	Coloured	69	25.0
	Indian	64	23.2
	White	70	25.3
	Other	3	1.1
Highest level of education	Primary school completed	1	0.4
	Some high school	9	3.3
	Matric / Grade 12	48	17.4
	Certificate	18	6.5
	Diploma	50	18.1
	Degree	101	36.6

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	Postgraduate degree	49	17.7
Current bank	ABSA	71	25.7
	Capitec Bank	19	6.9
	First National Bank (FNB)	64	23.2
	Nedbank	41	14.9
	Old Mutual Bank	3	1.1
	Standard Bank	77	27.9
	Other	1	0.3
Length of time supporting bank	Less than 3 years	39	14.1
	3-5 years	90	32.6
	6-10 years	81	29.4
	11 years and more	66	23.9

Source: Authors' compilation from data analysis

4.2   Exploratory factor analysis

An exploratory factor analysis, using maximum likelihood extraction and varimax rotation (Hair, Black & Anderson 2014:94) was performed to identify the underlying factors constituting the respondents' relationship intentions. The Kaiser–Meyer–Olkin (KMO) measure of sampling adequacy (MSA) for the overall measure was 0.852, with Bartlett's test of sphericity being significant ($p < 0.001$) (Field 2013:647). These initial results indicated that the factor analysis ought to yield reliable factors (Pallant 2013:647). Table 2 presents the rotated pattern matrix for measuring the banking customers' relationship intentions.

In Table 2, five factors with eigenvalues greater than one (Field 2013:647) were identified to measure the respondents' relationship intentions. The five factors explain 69.02% of the total variance in the data. Moreover, all the 19 items measuring the respondents' relationship intentions loaded onto the five factors.

Table 2 also shows that the factor loadings of all the items were greater than 0.35, indicating that all the items included in the measure are significant and should be retained for further

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analysis (Field 2013:647; Hair *et al*. 2014:116). The decision not to delete any items from the analysis was further supported by the finding that the MSAs for all the pairs of items in the factor analysis ranged between 0.76 and 0.91, and were therefore larger than the suggested minimum value of 0.5 for item pairs (Field 2013:687).

From Table 2, it can be deduced that factor 1 comprised six items relating to the respondents' expectations of receiving value for money and adequate service from their bank.

TABLE 2:   Rotated pattern matrix for relationship intention

Items and variables	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
I expect my bank to offer more value for my money than other banks do.	0.77				
I expect my bank to offer value for my money.	0.72				
I expect my bank to bring the best possible financial deal.	0.71				
I expect my bank to offer me a well-priced deal.	0.68				
I have high expectations of my bank's service.	0.60				
I expect my bank's service to be better than that of other banks.	0.50				
I am proud to be a customer with my bank.		0.71			
I am proud when I see my bank's name or advertising materials.		0.71			
I have recommended my bank to my friends or family in the past and will continue to do so in future.		0.62			
I care about my bank's image.		0.62			
I experienced a feeling of satisfaction when I joined my bank.		0.57			
I am afraid to lose my relationship with my bank by switching to another bank.			0.88		
I am afraid to lose the services of my bank by switching to another financier.			0.82		

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I am afraid to lose my identification with my bank's brand name by switching to another bank.			0.64		
I will forgive my bank when the quality of their service is sometimes below the standard that I expect of them.				0.78	
I will forgive my bank if I experienced bad service from them.				0.78	
I will forgive my bank when the quality of their service is sometimes below the standard that I expect of them.				0.69	
I will tell my bank when their service is better than I expected.					0.74
I will tell my bank if their service meets my expectations.					0.67
Eigenvalue	5.88	3.51	1.43	1.17	1.13
Cronbach alpha	0.85	0.85	0.88	0.82	0.75
Cumulative variance explained	30.92%	49.40%	56.92%	63.08%	69.02%

Source: Authors' compilation from data analysis

Finally, as indicated in Table 2, the Cronbach's alpha coefficient values were calculated to determine the reliability of the scales used to measure the five factors identified in the exploratory factor analysis. As Cronbach's alpha coefficients were greater than 0.7 for each of the five factors, it can be concluded that the factors comprising the respondents' relationship intentions in the context of the bank are reliable (Field 2013:709; Hair *et al*. 2014:166; Pallant 2013:6).

4.3 Relationship intention level and relationship intention factors

As Kumar *et al.* (2003:675) suggest, an overall mean score was calculated for each respondent's relationship intention. The respondents were categorised into three relationship intention groups according to their relationship intention levels, using the 33.3 and 66.6 percentiles as cut-off points on their overall relationship intention mean score. Based on the analysis, 92 respondents were categorised as having low relationship intentions (mean =

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3.30), 83 had moderate relationship intentions (mean = 3.92) and 101 had high relationship intentions (mean = 4.39).

To determine whether the respondents with different relationship intention levels differed in terms of both their overall relationship intentions and the five relationship intention factors, one-way Anovas were performed. Table 3 portrays the statistical and practical significant differences among the means of the three relationship intention groups and their overall relationship intentions, as well as the five relationship intention factors: expectations, involvement, fear of relationship loss, forgiveness and feedback.

From Table 3 it can be seen that significant statistical differences existed among the respondents with different relationship intention levels in terms of both their overall relationship intentions towards their bank and each of the five factors.

From the effect sizes shown in Table 3 it can be deduced that respondents with high relationship intentions differ practically significantly from those with moderate (d = 2.4) and low (d = 3.0) relationship intentions in terms of their overall relationship intention towards their bank. The means scores reveal that respondents with high relationship intentions hold practically significantly higher relationship intentions towards their banks (mean = 4.39) than respondents with moderate (mean = 3.92) or low (mean = 3.30) relationship intention levels.

It can therefore be concluded that Hypothesis 1, stating that banking customers with different levels of relationship intention differ significantly in terms of their relationship intentions, is *supported*.

TABLE 3: **Effect sizes for overall relationship intentions as well as relationship intention factors**

Constructs	Mean	SD	n	p-value*	Relationship intention group	d-value		
						Low	Mode rate	High
Overall relationship intention	3.30	0.36	92	1-2	Low	-	1.7	3.0
	3.92	0.11	83	1-3	Moderate	1.7	-	2.4
	4.39	0.20	101	2-3	High	3.0	2.4	-
Factor 1 (Expectations)	4.30	0.61	92	1-2	Low	-	0.5	0.9
	4.60	0.41	83	1-3	Moderate	0.5	-	0.3
	4.85	0.30	101	2-3	High	0.9	0.3	-

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Factor 2 (Involvement)	3.36	0.70	92	1-2	Low	-	1.2	1.9
	4.23	0.36	83	1-3	Moderate	1.2	-	1.3
	4.69	0.32	101	2-3	High	1.9	1.3	-
Factor 3 (Fear of relationship loss)	2.45	0.94	92	1-2	Low	-	1	1.8
	3.38	0.82	83	1-3	Moderate	1	-	0.9
	4.11	0.75	101	2-3	High	1.8	0.9	-
Factor 4 (Forgiveness)	1.95	0.77	92	1-2	Low	-	0.5	1.1
	2.45	0.92	83	1-3	Moderate	0.5	-	0.7
	3.13	1.09	101	2-3	High	1.1	0.7	-
Factor 5 (Feedback)	3.49	0.93	92	1-2	Low	-	0.7	1.1
	4.10	0.80	83	1-3	Moderate	0.7	-	0.6
	4.55	0.52	101	2-3	High	1.1	0.6	-

SD = Standard deviation; * Tukey's comparison significant at the 0.05 level

Source: Authors' compilation from data analysis

Table 3 furthermore shows that respondents with high relationship intentions are practically significantly more likely to have higher expectations, be involved, fear losing their relationship, forgive, and provide feedback to their bank than respondents with moderate (d values ≥ 0.5) and low relationship intentions (d values ≥ 0.5). Similarly, respondents with moderate relationship intentions hold practically significantly higher relationship intentions towards their banks, have higher expectations, are involved, fear losing their relationship, forgive, and provide feedback to their bank than respondents with low relationship intentions (d values ≥ 0.5).

This discussion shows that banking customers with different relationship intention levels differ significantly in their perspectives on the five factors used to measure relationship intention, thereby *supporting* hypothesis 2.

4.4   Relationships intention and length of support

A one-way Anova was performed to determine whether there were any differences between banking customers' overall relationship intentions and the duration of their support for their bank. Table 4 provides the descriptive statistics, Tukey's comparisons (statistically significant at the 0.05 level) and the effect sizes (d-values) when comparing respondents' overall relationship intentions and the duration of their support for their bank.

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TABLE 4:   Overall relationship intentions and length of support

Construct	Mean	SD	n	p-value*	Length in years	d-value			
						< 3	≥ 3 < 5	≥5 <10	10 ≥
Overall relationship intention	3.83	0.50	39	-	<3	-	0.1	0.1	0.1
	3.89	0.47	90		≥3 <5	0.1	-	0.0	0.0
	3.90	0.49	81		≥5 <10	0.1	0.0	-	0.0
	3.90	0.62	66		≥10	0.1	0.0	0.0	-

SD = Standard deviation; * Tukey's comparison significant at the 0.05 level

Source: Authors' compilation from data analysis

From Table 4, it can be deduced that, statistically or practically, there are no significant differences between the respondents' overall relationship intentions and the duration of their support for their bank. It can therefore be concluded that hypothesis 3 is *not supported,* as there is no significant difference between banking customers with different relationship intentions when it comes to the duration of their support for their bank.

5.   CONCLUSIONS

Service providers are increasingly developing strong customer relationships to increase the probability of retaining their existing customers while also differentiating themselves from their competitors (Payne & Frow 2013:3). Service providers often use the duration of their customers' support to identify those who are willing to support a relationship (Seo *et al.* 2008:192). However, it has been argued that customers who have been dealing with a service provider for a period of time do not necessarily display any willingness to support a long-term relationship (Parish & Holloway 2010:69). It is thus essential for service providers to identify customers with relationship intentions, as it is believed that these customers are more receptive to relationship building (Kumar *et al.* 2003:670). The purpose of this study was to establish the reliability and validity of a reduced 19-item relationship intention scale adapted from Kruger and Mostert (2012:45) for the South African banking industry and to determine whether respondents with different levels of relationship intention differ in terms of their overall relationship intentions and the five relationship intention factors. This study also

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intended to explore the influence of the length of time during which customers have supported their bank on their relationship intentions.

The results from an exploratory factor analysis indicated that five factors: expectations, involvement, fear of relationship loss, forgiveness and feedback could be used to measure banking customers' relationship intentions. The five factors therefore support the sub-constructs suggested by Kruger and Mostert (2012:45) and Kumar *et al*. (2003:667) to measure respondents' relationship intentions. It was further established that the 19-item relationship intention measurement scale used in this study was reliable and valid when it came to measuring banking customers' relationship intentions in the greater Johannesburg metropolitan area. Kruger and Mostert (2012:45) and Kumar *et al*. (2003:675) suggested that customers could be categorised according to their relationship intentions on a continuum ranging from high to low. The findings from this study support this view, as the respondents could be divided into different relationship intention groups, where those in each group differed significantly from one another in their overall relationship intentions.

The results from a previous South African study of banking and life insurance customers (Delport, Steyn & Mostert 2011:288) found that customers with high relationship intentions differed from those with low relationship intentions in four of the five factors identified in that study. However, findings from this study support Kumar *et al*.'s (2003:670) view that respondents with high relationship intentions differed practically significantly from those with moderate and low relationship intentions for all five factors used to measure their relationship intentions. It was also established that respondents with moderate relationship intentions differed practically significantly from those with low relationship intentions for all five factors used to measure their relationship intentions. Finally, the results from this study indicated that the length of time during which respondents have supported their bank does not influence their relationship intentions. These results thus support Kumar *et al*.'s (2003:670) and Parish and Holloway's (2010:69) contention that, although customers may buy from a service provider over an extended period of time, it cannot be assumed that the interactions have resulted in customers forming an emotional attachment or intention to develop a relationship with a service provider. For instance, customers might remain with their current bank because it is inconvenient to switch to another bank (Kumar *et al*.

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2003:673) and not because they have relationship intentions towards their bank. It can therefore be concluded that the length of time during which banking customers have supported their bank is not a good indicator of their relationship intentions towards that bank.

6.   RECOMMENDATIONS

The relationship intention measurement scale used in this study to determine the respondents' relationship intentions was valid and reliable. It can, therefore, be recommended that banks, as well as service providers in similar industries, use the measurement scale employed in this study to establish their customers' relationship intentions. The findings from this study also indicated that the respondents could be divided into different relationship intention groups, where those in each group differed significantly from one another in their overall relationship intentions. It is thus recommended that banks categorise their customers according to their relationship intentions to ensure that relationship marketing efforts are focused on customers with high relationship intentions.

Furthermore, seeing as customers with high relationship intentions differed practically significantly from those with moderate and low relationship intentions for all five factors used to measure their relationship intentions, it can be recommended that banks focus their relationship marketing efforts specifically on those customers who display higher levels of relationship intention. These customers will, as suggested by Kumar *et al.* (2003:670), be more involved with the bank, will display higher expectations, be more willing to provide both positive and negative feedback, be more forgiving of occasional service failures, and less inclined to switch to competitors owing to their greater fear of relationship loss. By focussing on customers with higher relationship intentions, banks could create a competitive advantage that could result in greater customer retention and, ultimately, more profitability. Lastly, the results from this study indicated that the length of time during which respondents have supported their bank does not influence their relationship intentions. To prevent banks from wasting valuable relationship marketing resources on customers who are unwilling to support a relationship, it is recommended that, instead of focusing on the customers' duration of support, banks identity customers with relationship intentions and specifically focus their relationship marketing efforts on those customers.

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7.   LIMITATIONS AND FUTURE RESEARCH

This study used a non-probability convenience sample by surveying respondents in one metropolitan area (Johannesburg) and in one service setting (banking), thereby limiting the representativeness of the results. Further, the results were obtained at a single point in time, which may limit the understanding of the interrelationships among the variables and how they could change over time. Lastly, this study did not examine the antecedents or the consequences of relationship intention, which could provide better insight into how banks could increase customers' relationship intentions.

It is suggested that future research should standardise the adapted relationship intention measure by testing it among a large population across different industries, considering different data collection methods. Future studies should also consider a longitudinal study to keep track of shifts in customers' relational behaviour regarding their relationship intentions. Future research could also consider the influence of relationship intention on closely related constructs addressed in relationship marketing literature, such as loyalty and satisfaction, to broaden the understanding of the influence of relationship intention in the relationship marketing discipline.

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