THE EFFECT OF RELATIONSHIP MARKETING ON CUSTOMERS’ SATISFACTION IN COMMERCIAL BANK OF CEYLON PLC IN BATTICALOA DISTRICT

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ABSTRACT

The customer satisfaction in banking has seen a major concern to practitioners due to severe competition and higher customer expectations. Banks need to have a good understanding of their consumer behavior. Strategies are to be developed toward the relationships and customer satisfaction which leads to the customer retention. The researchers consider the effectiveness of relationship marketing on customer satisfaction in Commercial bank of Ceylon PLC in Batticaloa district. The objective of this study is to find out the effect of relationship marketing on customers’ satisfaction in Commercial bank of Ceylon PLC in Batticaloa district. The data was collected by issuing questionnaires to the ninety customers of Commercial bank of Ceylon PLC in Batticaloa district. Customer relationship marketing can be measured through the five variables trust, commitment, communication and the relationship. Correlation and regression analyzes have been used. The correlation is 0.339, which is significant. According to regression analysis 11.5% of relationship marketing is on customer satisfaction. Hence, relationship marketing not much impact on customer satisfaction. There are other factors influenced than the relationship marketing such as interest rate, special schemes etc. It is recommended that these Commercial bank branches should polish up their customer relationship marketing program among their customers.
KEYWORDS: Commitment, Communication, Customer satisfaction, Relationship marketing, Trust.