

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