The relationship between relationship marketing and customer loyalty in Mahshahr Petrochemical Special Economic Zone Companies

Abdol Rasool Fayazi¹, Raihaneh Gaskari²

¹. Department of Accounting, Persian Gulf International Branch, Islamic Azad University, Khorramshahr, Iran
². Department of Economic, Abadan Branch, Islamic Azad University, Abadan, Iran

Abstract

The current age is the area of accelerated and unpredictable changes and due to factors such as the uncertain boundaries between markets, more fragmented markets, shorter product life cycle, rapid changes in customer purchasing patterns, and customers' becoming more aware and more sophisticated, companies face the most difficult unprecedented competitive conditions. Relationship marketing is for sustainable use, updating the knowledge of personal customers, and product design and service that create interactive communication through the development of long-term ongoing relationship that is mutually beneficial and lead to customer loyalty. According to the aforementioned, the question of the study is whether there is a relationship between marketing and customer loyalty in Mahshahr Petrochemical Special Economic Zone companies or not? The results showed that there is a positive and significant relationship between the dimensions of relationship marketing and customer loyalty in Mahshahr Petrochemical Special Economic Zone companies. Moreover, regression analysis results showed that relationship marketing predicts 78.1 percent of the variation in customer loyalty. Besides, studying the standardized regression coefficients (beta) indicates that bonding, compared to other independent variables of the study, has had more share and effect in predicting the dependent variable (customer loyalty).

Keywords: relationship-marketing, bonding, trust, communication, commitment, satisfaction, customer loyalty.
Introduction

Intensity of competition in the markets and the importance of customer retention for organizations have made them gradually move towards creating, maintaining, and improving their relationship with customers. In today's world, for decision-making in the purchase process, the customers face many questions and if's. The main bases of the concept of relationship marketing are based on the concept that were first developed by Leonard Berry and spread by other experts. Relationship marketing perspective owes to the efforts of Christopher, Pine, and Ballantyne, who had great efforts in the realms of expansion of its theoretical principles. Their view is based on the following points:

- Emphasis on the relationship between customers and suppliers that considers building relationships instead of trade
- Relationship marketing perspective focuses on maximizing the value of customers, and certain segments of customers.
- Relationship marketing strategies focus on enhancing and development of strong relationships with clients and suppliers, markets created by recommended customers, markets created by the influence of influential people, recruitment markets, and domestic market - within the organization.

Although quality, offering services to customers, and marketing are often managed separately, they are closely related. Relationship marketing perspective establishes solidarity between these three elements.

Research history

Domestic research history

Abbasi Loraki (2013) conducted a study entitled "Studying the effects of relationship marketing and its effects on loyalty of Karafarin Life Insurance Company customer in Omidiyeh." The results showed a significant relationship between relationship marketing and customer loyalty.

Yaghoubi and Valizadeh Ardalan (2015) conducted a study entitled "The impact of emotional intelligence on relationship marketing." The findings show a positive relationship between emotional intelligence and relationship marketing.

Pourbaghi and Dr. Shakeri Nia (2015) conducted a study entitled "Studying the effect of relationship marketing on brand loyalty of customers." The results show that there is a significant relationship between relationship marketing and brand loyalty and overall satisfaction as well as a significant relationship between overall satisfaction and brand loyalty.

Bagheri (2015) conducted a study entitled "Studying the relationship between relationship marketing and customer loyalty and repurchase intention of tourist agency customers of Gilan." The results of the analysis indicate a significant positive relationship between relationship satisfaction and relationship trust and customer loyalty, relationship trust with relationship commitment, and customer loyalty and relationship commitment with customer loyalty.
Foreign research history

Anzer and Alrobayi (2010) conducted research entitled "Studying the effect of relationship marketing on customer loyalty: From the perspective of the customer." The results of regression analysis showed that relationship marketing is significant in predicting customer loyalty. The results of the study by Sivsan and Achutan (2012) entitled "How does relationship marketing help build customer loyalty, in Sri Lanka's banking industry?" indicate that relationship marketing significantly affects customer loyalty. Chen (2013) has conducted study entitled "The impact of relationship marketing strategy on the maintaining online customer." The findings of this study suggest that financial bonding has positive and significant relationship just with customer's perceived value.

Research hypotheses

The main hypothesis
There is a significant and positive relationship between relationship marketing and customer loyalty of the companies in Mahshahr Petrochemical Special Economic Zone.

The sub-hypotheses
There is a significant and positive relationship between the dimensions of relationship marketing and customer loyalty of the companies in Mahshahr Petrochemical Special Economic Zone such that:
- There is a significant and positive relationship between bonding in relationship marketing and customer loyalty of the companies in Mahshahr Petrochemical Special Economic Zone.
- There is a significant and positive relationship between trust in relationship marketing and customer loyalty of the companies in Mahshahr Petrochemical Special Economic Zone.
- There is a significant and positive relationship between communication in relationship marketing and customer loyalty of the companies in Mahshahr Petrochemical Special Economic Zone.
- There is a significant and positive relationship between commitment in relationship marketing and customer loyalty of the companies in Mahshahr Petrochemical Special Economic Zone.
- There is a significant and positive relationship between satisfaction in relationship marketing and customer loyalty of the companies in Mahshahr Petrochemical Special Economic Zone.

Research Methodology
The present study is applied regarding the purpose and is descriptive and correlational regarding data collection. In this study, due to its nature, quantitative approach was used and data collected using standard questionnaires were analyzed using SPSS software.

- Conceptual model
According to the studies conducted and theoretical principles presented related to relationship marketing and customer loyalty according to the model by Lee et al. (2001), the conceptual model is as follows:
Variables
1) Independent variables are the relationship marketing and relationship marketing aspects (bonding, trust, communication, commitment, and satisfaction)
2) Dependent variable is customer loyalty

Study population
The study population consisted of 188 employees of business units of domestic companies considered as customers of companies of Mahshahr Petrochemical Special Economic Zone.

Testing research hypotheses
To determine the relationship between variables, Pearson correlation coefficient was used. Moreover, to describe the correlation between the variables, Davis’ model (1971) was used.

1. First hypothesis: There is a significant and positive relationship between bonding in relationship marketing and customer loyalty of the companies in Mahshahr Petrochemical Special Economic Zone.

To test this hypothesis and to calculate the correlation between two variables, marketing bonding, and customer loyalty, Pearson's correlation coefficient was used.

According to the results of this test shown in the table below, the correlation coefficient between these two variables is r=0.790. Therefore, there is a direct relationship between these two variables: this means that generally with increase in bonding customer loyalty increases as well. Given that Sig<0.01 (P<0.01) with 99% confidence, it can be said that the relationship between these two variables is significant.
### Table 4.4: Pearson correlation coefficient between bonding in relationship marketing and customer loyalty

<table>
<thead>
<tr>
<th>Predictor variable</th>
<th>Pearson correlation coefficient</th>
<th>Bonding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer loyalty</td>
<td></td>
<td>0.790</td>
</tr>
<tr>
<td></td>
<td>Significance (sig) - two domains</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Source: research findings

2. The second hypothesis: There is a significant and positive relationship between trust in relationship marketing and customer loyalty of the companies in Mahshahr Petrochemical Special Economic Zone.

According to the results of this test shown in the table below, the correlation coefficient between these two variables is r=0.740. Therefore, there is a direct relationship between these two variables: this means that generally with increase in trust customer loyalty increases as well. Given that Sig<0.01 (P<0.01) with 99% confidence, it can be said that the relationship between these two variables is significant.

### Table 4.5: Pearson correlation coefficient between trust in relationship marketing and customer loyalty

<table>
<thead>
<tr>
<th>Predictor variable</th>
<th>Criterion variable</th>
<th>Trust</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer loyalty</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pearson correlation coefficient</td>
<td>0.740</td>
</tr>
<tr>
<td></td>
<td>Significance (sig) - two domains</td>
<td>.000</td>
</tr>
</tbody>
</table>

Source: research findings

3. The third hypothesis: There is a significant and positive relationship between communication in relationship marketing and customer loyalty of the companies in Mahshahr Petrochemical Special Economic Zone.

According to the results of this test shown in the table below, the correlation coefficient between these two variables is r=0.502. Therefore, there is a direct relationship between these two variables: this means that generally with increase in communication customer loyalty increases as well. Given that Sig<0.01 (P<0.01) with 99% confidence, it can be said that the relationship between these two variables is significant.

### Table 4.6: Pearson correlation coefficient between communication in relationship marketing and customer loyalty

<table>
<thead>
<tr>
<th>Predictor variable</th>
<th>Criterion variable</th>
<th>Communication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer loyalty</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pearson correlation coefficient</td>
<td>0.502</td>
</tr>
<tr>
<td></td>
<td>Significance (sig) - two domains</td>
<td>0.000</td>
</tr>
</tbody>
</table>
4. The fourth hypothesis: There is a significant and positive relationship between commitment in relationship marketing and customer loyalty of the companies in Mahshahr Petrochemical Special Economic Zone. According to the results of this test shown in the table below, the correlation coefficient between these two variables is $r=0.602$. Therefore, there is a direct relationship between these two variables: this means that generally with increase in commitment, customer loyalty increases as well. Given that Sig<0.01 (P<0.01) with 99% confidence, it can be said that the relationship between these two variables is significant, and the correlation is high.

<table>
<thead>
<tr>
<th>Table 4.7: Pearson correlation coefficient between commitment in relationship marketing and customer loyalty</th>
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</thead>
<tbody>
<tr>
<td>Predictor variable</td>
</tr>
<tr>
<td>Pearson correlation coefficient</td>
</tr>
<tr>
<td>Significance (sig) - two domains</td>
</tr>
</tbody>
</table>

5. The fifth hypothesis: There is a significant and positive relationship between satisfaction in relationship marketing and customer loyalty of the companies in Mahshahr Petrochemical Special Economic Zone. According to the results of this test shown in the table below, the correlation coefficient between these two variables is $r=0.774$. Therefore, there is a direct relationship between these two variables: this means that generally with increase in satisfaction, customer loyalty increases as well. Given that Sig<0.01 (P<0.01) with 99% confidence, it can be said that the relationship between these two variables is significant.

According to the results of this test are shown in the table below, the correlation between these two variables (774/0 (r = is. Therefore, there is a direct relationship between these two variables, the overall satisfaction level of loyalty customers will be added according to the 05/0 Sig> (P> 0/05) with 99% confidence it can be said that the relationship between these two variables is significant.

<table>
<thead>
<tr>
<th>Table 4.8: Pearson correlation coefficient between satisfaction in relationship marketing and customer loyalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Predictor variable</td>
</tr>
<tr>
<td>Pearson correlation coefficient</td>
</tr>
<tr>
<td>Significance (sig) - two domains</td>
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</tbody>
</table>
Conclusion

The result of the first sub-hypothesis:
There is a significant and positive relationship between bonding in relationship marketing and customer loyalty of the companies in Mahshahr Petrochemical Special Economic Zone. According to the results (r=0.790), there is a direct relationship between these two variables: this means that generally with increase in bonding customer loyalty increases as well. Moreover, regression analysis showed that bonding in relationship marketing is a significant predictor of customer loyalty, so that the bonding has a greater share in predicting loyalty.

The result of the second sub-hypothesis:
There is a significant and positive relationship between trust in relationship marketing and customer loyalty of the companies in Mahshahr Petrochemical Special Economic Zone. The results (r=0.74) showed a direct relationship between these two variables: this means that generally with increase in trust, customer loyalty increases as well. Moreover, regression analysis showed that trust in relationship marketing is a significant predictor of customer loyalty, so that trust, after bonding, has a greater share in predicting loyalty.

The result of the third sub-hypothesis:
There is a significant and positive relationship between communication in relationship marketing and customer loyalty of the companies in Mahshahr Petrochemical Special Economic Zone. The results (r=0.502) showed a direct relationship between these two variables: this means that generally with increase in communication, customer loyalty increases as well. Moreover, regression analysis showed that trust in relationship marketing is a significant predictor of customer loyalty.

Third sub-hypothesis:
There is a significant and positive relationship between commitment in relationship marketing and customer loyalty of the companies in Mahshahr Petrochemical Special Economic Zone. The results (r=0.602) showed a correlation between these two variables, there is a direct relationship between them: this means that generally with increase in commitment, customer loyalty increases as well. Moreover, regression analysis showed that commitment in relationship marketing is a significant predictor of customer loyalty.

The fifth sub-hypothesis:
There is a significant and positive relationship between satisfaction in relationship marketing and customer loyalty of the companies in Mahshahr Petrochemical Special Economic Zone. The results (r=0.774) showed a direct relationship between these two variables: this means that generally with increase in satisfaction, customer loyalty increases as well. Moreover, regression analysis showed that satisfaction in relationship marketing is a significant predictor of customer loyalty.
References
