

A GLOBAL EXAMINATION OF RELATIONSHIP MARKETING CONCEPTS IN A RETAIL BANKING CONTEXT

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Abstract. This paper tests the validity and the causal structure of the main concepts developed in the relationship marketing literature, including perceived quality (technical and functional), value, satisfaction, trust and commitment to the brand. Working with two samples each consisting of 2,150 customers of a large bank, we first study the unidimensionality of these concepts and underline their high correlations. We then study their causal structure and show that our data are compatible with a "relational chain" structure with significant direct effects of both quality components (technical and functional) on value, and effects of value on satisfaction, of satisfaction on trust, and finally, of trust on commitment. Indeed, all these links are positive, strong, and nearly equal in intensity (close to 0.5).

Key Words. Relationship marketing, Quality, Value, Satisfaction, Trust, Commitment, Brand-Consumer Relationship, Service.

INTRODUCTION

In the course of the last twenty years or so, numerous studies focusing on commercial relations have demonstrated the importance of perceived quality, value, satisfaction, trust, and commitment in the formation of long-term customer relationships. Twenty years after the original article by Berry (1983), the conceptual framework of relationship marketing is now well established and can be easily applied to relationships between consumers and brands. Without claiming to provide an exhaustive summary, we might mention that the literature strongly emphasizes both consumer judgments of a product's perceived quality and value and consumer satisfaction in evaluating consumption experiences. Furthermore, the literature considers trust of, and commitment to, the brand as the main antecedents of loyalty (continuity/repurchase) and long-term cooperation. While no one disputes the theoretical utility of this research, there are nevertheless several questions that remain unresolved.

First of all, different concepts that characterize the relationship to the brand have been developed separately: some of the studies focus on post-purchase processes, while others are centered on relationships of trust and long-term commitment. Quality, value, satisfaction, trust, and commitment have often been presented and measured individually, as separate features in the mind of the judging consumer; each concept is covered in a different body of literature. Yet, the many theoretical similarities between these concepts lead us to doubt their separate existence, or at least their discriminant validity. Taking into account the high correlations that must exist between these concepts, what then are their specific contributions to explaining consumer behavior? Furthermore, the causal structure of these concepts has not been approached in an overall fashion. While the links between quality and satisfaction and between trust and commitment have been studied extensively, to our knowledge no research has tested simultaneously the overall causal structure. Finally, at the empirical level, much of the research has been conducted on limited samples -- being either small or unscientifically constituted (using students or other convenient populations). As a result, the findings obtained from these studies lack both internal and external validity.

This article tries to overcome these three limitations. Our goal is not to propose and validate a new theory of relationship marketing. We attempt instead to put the major concepts of relationship marketing in perspective and to measure them simultaneously using a random, heterogeneous sample of customers. After a brief review of the literature which will serve as a reminder of the concepts being examined (quality, value, satisfaction, trust, and commitment) and their assumed causal relations, we will study their trait validity, test a model of their causal structure, and then compare it to two alternative models emanating from the literature. We conducted our initial survey on a probabilistic sample of 2,150 customers of a large bank, matched with a similar sample (2,150 customers) taken from the same population and polled one year later.

CONCEPTUAL FRAMEWORK

With the advent of relationship marketing, the relationship between a consumer and an object (product, brand, logo, etc.) has become a popular topic of research. In the relationship marketing framework, the concept of "brand" is no longer limited to "extrinsic" features of a product, with which one associates different functional, emotional, or symbolic benefits. More broadly, a brand represents the anchor point of a lasting relationship that is built on past consumption experiences and those yet to come (Berry, 2000).

Main Concepts Characterizing the Relationship to the Brand

This brand – customer relationship is complex and cannot be summarized easily (Fournier, 1998). Nevertheless five concepts are frequently used in the relationship marketing literature: commitment, trust, satisfaction, perceived value and quality. They seem to be key concepts in customer-relationship understanding and they can hereafter be used to build a simplified and coherent model. Three of them (quality, value, and satisfaction) are rooted in evaluations of consumption experiences. These concepts can be considered from a transactional viewpoint (evaluation of a specific experience) or from a cumulative viewpoint (evaluation of the relationship). The other two concepts (trust and commitment), which represent more abstract judgments of the brand, are oriented toward the future and are reinforced or weakened by a succession of purchase and consumption experiences.

Perceived quality: Perceived quality is generally considered the foundation of the relational process. It denotes "the consumer's judgment about a product's overall excellence or superiority" (Zeithaml, 1988). Perceived quality is derived from the individual's evaluation of the intrinsic and extrinsic features of the object, based on initial expectations, in comparison with what competitors have to offer. In the service sector, perceived quality has been explored in several studies (Grönroos, 1983; Zeithaml, 1988; Parasuraman, Zeithaml and Berry, 1988; Zeithaml, Berry and Parasuraman, 1996; Brady and Cronin, 2001). Service, simultaneously produced, purchased and consumed, can be evaluated on the basis of the core service (technical quality) and of the interaction between the customer and the service personnel (functional quality) as Grönroos (1983) postulated. The concept of service also depends upon the interaction with the physical environment in which the service is provided (atmosphere, type of people who frequent the location), as Bitner (1990) showed.

Perceived value: If perceived quality affects evaluation of benefits in comparison to offerings of competitors, these benefits must be considered in relation to the resources expended during the purchase-consumption cycle. The information search prior to purchase, the price paid, the time spent, and various efforts put forth during consumption, all constitute factors that reduce the value perceived by the consumer (Lai, 1995; Slater and Narver, 2000). Therefore, perceived value represents an appraisal of the exchange. In line with the approach developed in economics, consumer behavior is presented as a process of producing utility by applying monetary and temporal resources (Becker, 1976). Although other complementary sources of value exist (Holbrook, 1999), a product's quality or excellence remains the fundamental basis for value creation in the exchange (Zeithaml, 1988).

Satisfaction: For Oliver (1997, p. 144), satisfaction denotes evaluation of the results of a consumption experience based on a set of goals or standards, which translates into fulfillment, under-fulfillment, or over-fulfillment. While the concepts of perceived quality and perceived value remain closely linked to the evaluated object (good or service), satisfaction describes the consumer's cognitive and affective states resulting from the consumption experience (Boulding, Kalra, Staelin, and Zeithaml, 1993; Oliver, 1993; Iacobucci, Grayson, and Ostrom, 1994). Indeed, perceived quality involves comparing performance to

that of competitors, value involves a comparison against accepted sacrifices, while satisfaction is based on confirmation of individual expectations (predictive or normative standards). Satisfaction is not limited to cognitive evaluation, it involves an abstract state that is both cognitive *and* affective and that characterizes the individual's personal experience with a product or brand (Fournier and Mick, 1999). Finally, unlike quality, satisfaction requires a concrete experience with a product. Taking a relational approach, Johnson, Anderson, and Fornell (1995) introduced cumulative satisfaction, an "abstract construct that describes customers' total consumption experience with a product or service". Cumulative satisfaction allows one to grasp, at a given time, the updated picture of an individual's cumulative experiences to date, both satisfactory and unsatisfactory. Although other explanatory factors can be found within the relationship marketing framework, perceived quality and perceived value are the two principal conveyors of consumer satisfaction (Johnson, Anderson, and Fornell, 1995).

Trust: Consumer satisfaction acts as a risk reducer for future transactions. Each satisfactory experience generates trust and acts as a positive reinforcement. Thus, satisfaction enhances trust, i.e., the consumer's assumption that the brand, as a personified entity, promises to have a foreseeable performance that conforms to the consumer's expectations, and agrees to willingly maintain that standard over time. While satisfaction results principally from an assessment of an earlier concrete instance of consumption, trust is more of a bet on the future of the relationship, thus integrating the notion of risk. Trust is founded on the anticipated capacity of the brand to regularly satisfy consumer expectations (reliability, credibility, general reputation) and in a more affective sphere, it goes back to the brand's will -- assumed but not proven -- to avoid doing anything that might be detrimental to it (and thus to enhance perceived benevolence, equity, integrity; Ganesan, 1994; Ganesan and Hess, 1997). Trust in a brand is principally oriented toward the future relationship and is strengthened by a succession of satisfactory consumption experiences. As such, trust represents one of the main antecedents of long-term commitment to a brand.

Commitment: Along with trust, commitment is a central concept in relationship marketing (Dwyer, Schurr, and Oh, 1987; Morgan and Hunt, 1994; Garbarino and Johnson, 1999). In marketing, Morgan and Hunt (1994) defined commitment to the relationship as "an exchange partner believing that an ongoing

relationship with another is so important as to warrant maximum efforts at maintaining it; that is, the committed party believes the relationship is worth working on to ensure that it endures indefinitely". Research on commitment in marketing is based on older studies conducted in the area of human resources management. In particular, Mowday, Steers, and Porter (1979) defined commitment to the organization as the relative intensity of identification and involvement in a particular organization. Commitment here can be characterized by at least three factors: a strong belief and acceptance of the organization's goals and values, a willingness to expend considerable efforts that will profit the organization, and a strong desire to remain a member of the organization. More recently, Meyer and Allen (1991) attempted to isolate the three fundamentals of organizational commitment: "(1) affective commitment refers to the employee's emotional attachment to, identification with, and involvement in the organization; (2) continuance commitment refers to an awareness of the costs associated with leaving the organization; (3) normative commitment reflects a feeling of obligation to continue employment". The authors based their work on the concepts proposed in Kelman's studies (1958) in social psychology: compliance (or exchange), identification, and internalization. This three components structure of commitment has been applied to marketing exchanges: continuance, affective and normative commitment (Gundlach, Achrol and Mentzer, 1995; Gruen, Summers and Acito, 2000). Nevertheless most of conceptualizations and measures of commitment to the brand focus on the affective component in accordance with Mowday, Steers, and Porter approach (1979). In consumer behavior research, this affective or attitudinal commitment refers more to a true loyalty built on a positive evaluation of the brand than to a false loyalty based solely on social norms or switching costs (Dick and Basu, 1994; Oliver, 1997). In this way, commitment to the relationship is globally defined as an individual's desire to maintain a strong and lasting relationship with a given brand. It goes beyond the mere framework of a favorable opinion of the brand (attitude) and is directly related to loyalty behavior (Jacoby and Chestnut, 1978). Commitment is reinforced in the course of successive consumption experiences (quality, value, satisfaction) and relies directly on trust in the brand (Morgan and Hunt, 1994; Garbarino and Johnson, 1999).

The five concepts described above are thus based on different psychological processes related to cognitions (concrete / abstract), processes (evaluation / identification), and time frames (past / present / future). Each one contributes specific information to the brand - consumer relationship: quality pertains to evaluating the excellence or superiority of the product (goods and/or services) as compared to competitors; perceived value includes the idea of the sacrifices made (time, effort, money) to buy and consume the product; consumer satisfaction is a global state derived from cumulative consumption experiences, and is both cognitive (evaluation) and affective (feelings); brand trust encompasses the idea of risk in all future exchanges, and refers in part to moral considerations (benevolence, integrity, keeping promises); consumer commitment in a lasting relationship with the brand is the result of an instrumental calculation (means-ends tradeoff), an identification (congruence of identities), and an internalization of social norms.

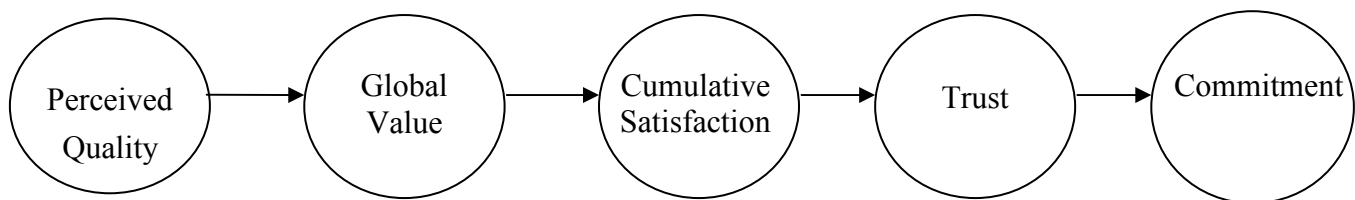
From product perceived quality toward commitment to the brand

In studies on the brand-consumer relationship, it is not always easy to establish and contrast the domain of the brand from that of the branded product. Nevertheless, the first two concepts (quality and value of the good or service) seem to be strongly rooted in perceptions of the product itself, whereas the last two (trust and commitment to the brand) appear to clearly encompass the perception of the brand. On the continuum from product to brand, consumer satisfaction seems to be a point of equilibrium between the realities of the brand and those of the product. This general framework thus accounts for the weight of both the products and the brands in the development of long-term relationships. In our view, an overall understanding of the consumer's relationship to the brand cannot be achieved without analyzing concrete evaluations of products.

While no general model has actually been proposed and tested, the relational literature implicitly articulates these concepts in terms of the following causal chain: perceived quality → perceived value → cumulative satisfaction → trust → commitment (Figure 1), which will hereafter be called the "relational chain". Each successive concept is fed by the judgments immediately "upstream" from it in the causal chain, and incorporates additional considerations: product quality is the point of departure, and

commitment to the brand is the ultimate stage at which the brand has firm roots (Dwyer, Schurr, & Oh, 1987; Berry, 2000). The four causal relationships inherent in this chain (quality → value, value → satisfaction, satisfaction → trust and trust → commitment) have been empirically validated, and form a point of consensus in the marketing research. However, most models seem to focus on one portion of the causal chain, i.e., either on consumer satisfaction at the beginning, or on the links between trust and commitment at the end. To our knowledge, no empirical application has simultaneously integrated all five concepts.

Figure 1. Logical chain of relationship marketing



Concerning the upstream portion of the chain, Zeithaml (1988), Parasuraman, Zeithaml, and Berry (1988), who studied means-ends chains, empirically validated the "perceived quality → value" link, emphasizing that quality is one of the major antecedents of value. Oliver (1999) and Slater and Narver (2000) insisted on the role of perceived quality, among other factors, as a source of value enhancement (understood as a cost-benefit ratio) and hence greater satisfaction. Cronin and Taylor (1992) showed that it is perceived quality that influences satisfaction and not the reverse, contrary to the formulations of Bitner (1990) or Bolton and Drew (1991). Other authors have also justified the "perceived quality → satisfaction" link (Fornell, 1992; Anderson, Fornell, & Lehman, 1994; Anderson & Sullivan, 1993) and emphasized the role of perceived quality in creating a feeling of overall satisfaction. Zeithaml, Berry, and Parasuraman (1996) argued for the causal link "perceived quality → satisfaction → loyalty" and empirically demonstrated the "perceived quality → loyalty" link. In their ACSI model, Fornell, Johnson, Anderson, Cha, and Bryant (1996) validated -- but at an aggregated level -- the causal chain "perceived quality → value → cumulative satisfaction → loyalty". Finally, Oliver (1999) proposed that value be regarded as an antecedent of satisfaction when seen as the overall cost-to-benefit ratio (as in this study).

Note that the author also suggested that a "broader" view of value could make satisfaction a source of perceived value, or value and satisfaction, both functions of perceived quality, could be "situated at the same level" rather than linked by a causal relation. Concerning the downstream portion of the chain, Morgan and Hunt (1994) demonstrated the "trust → commitment" causality in an industrial setting. They emphasized the role of performance, value, and satisfaction as antecedents of trust, placing them under the heading "benefits of the relationship". Certain authors have nevertheless suggested inverting the causality between satisfaction and trust, using the structural model validated by Morgan and Hunt (1994). Accordingly, Singh and Sirdeshmukh (2000) situated trust (in the "cumulative" sense) as a prerequisite to "satisfaction with the transaction". These authors, who articulated the cumulative (acquired trust) and transactional (satisfaction with the transaction) perspectives, identified the cumulative relationship (in this case, trust) as an influential factor in evaluating a particular experience (transactional quality and satisfaction), which logically led them to reverse the causality. In sum, perceived quality is most often considered as the foundation of a brand - consumer relationship that is manifested downstream by the creation of a deep commitment to the brand. Two links have nevertheless given rise to contradictory conceptualizations ; value and satisfaction on the one hand, and satisfaction and trust on the other. This contradiction can be explained in terms of the perspective adopted by the authors: transactional, cumulative, or a combination of the two. Indeed, the cumulative status of the relationship (trust, cumulative satisfaction) at any given moment influences perceived performance during a particular experience, as well as any evaluation that follows from that relationship (quality, value, satisfaction). The present study takes a solely cumulative approach.

AN EMPIRICAL STUDY ON RETAIL BANKING

This empirical study concerns the consumer relationship to a large bank. Due to its complexity and the associated implications and perceived risks, the banking services sector is an interesting field for studying the brand-consumer relationship (Berry, 1983, 1995). In addition, as Berry (2000) emphasized, "the company becomes the brand" in the service sector. Banks today still stand to lose business if they are not able to counter their competitors' offers of products (often hard to differentiate) and to cope with

critical incidents (Parasuraman & Grewal, 2000). From this perspective, the development of a reciprocal relationship of trust and commitment between the bank and its customers becomes a prime objective.

This study pertains more to the bank as an institution than to the customer's relationship to a customer relations manager or a particular product. Two surveys were conducted, the second one serving as a cross-validation of the first. For the first survey (Phase 1) run in the spring of 2000, 30,000 questionnaires were sent by mail to a representative sample of 18- to 75-years old customers of a regional branch of the bank. The sample was randomly drawn from the general client base. A total of 2,150 completed questionnaires were returned, making for a response rate of 7.16%. The second phase (Phase 2) was run under similar conditions in the Spring of 2001. Of the 30,000 questionnaires sent out, 2,154 were returned (response rate 7.2%). Among the respondents, there were 528 individuals who had participated in the first phase. The second sample was used for the cross-validation.

Exploratory Factor Analysis

Since the questionnaire was to be distributed by mail, by the bank itself, to its own customers, it needed to be reasonably short, with a limited number of items measuring each concept. The rating scales used were not developed by the authors but were borrowed or adapted from the literature (Appendix A1); all had been validated previously. Because our approach was relational, the concepts were defined and operationalized according to a "cumulative" logic. Our formulation of the items was not based on a "particular consumption experience" (from a transactional perspective) but on the cumulative, overall relationship with the bank as a whole, from a perspective that spans different time frames. In order to maintain the rigor of the validity test, the items were mixed up in the questionnaire and were not presented "construct by construct", given that the latter practice tends to have a direct impact on the internal consistency of the ratings. As a first step, exploratory factor analyses were conducted on the first sample (phase 1), to refine the seven constructs (technical and functional quality, value, satisfaction, credibility and benevolence, commitment) taken in isolation, then two by two, three by three, etc. These analyses led us to delete one functional-quality item that showed too little correlation with the other two (funcqual1). In accordance with Grönroos's (1983) theoretical framework, perceived quality can be

broken down into "technical quality" and "functional quality". By contrast, trust consists of a single dimension; this runs contrary to the results found by Ganesan and Hess (1997), who distinguished credibility and benevolence. The global exploratory factor analysis of the six constructs (Table 1) indicated that, despite their number, their conceptual proximity, the use of a single method (Likert scale), and the mixing up of the items in the questionnaire, the constructs demonstrated an acceptable degree of convergent and discriminant validity. All correlations between the items and the factor they are assumed to measure were high; inversely, all correlations between these items and the other factors were less than 0.25. Cronbach's alpha coefficients calculated on this basis are shown in Table 1. They range between .73 and .90, which can be considered satisfactory.

Table 1. Principal component analysis on all items and Cronbach's Coefficients (Phase 1, 2000) , oblique rotation, correlations below .25 are not shown).

Item	factor1	factor2	factor3	factor4	factor5	factor6
Cronbach's alpha	0.77	0.75	0.90	0.89	0.73	0.82
techqual1					.93	
techqual2					.73	
funcqual1		.84				
funcqual2		.90				
funcqual3						
val1						-.98
val2						-.81
satis1				-.98		
satis2				-.60		
satis3				-.61		
trust1			-.87			
trust2			-.85			
trust3			-.76			
trust4			-.68			
commit1	.59					
commit2	.51					
commit3	.92					

Confirmatory Factor Analysis

We tested the unidimensionality (in the sense defined by Anderson, Gerbing, and Hunter, 1987) of each construct separately, then two by two, three by three, etc., and finally for all six constructs taken together. The confirmatory factor analysis were performed by Lisrel 8 software. The estimation was performed

using the maximum likelihood method because of its robustness for large sample sizes ($n = 2,150$ and $n = 2,154$ for Phases 1 and 2, respectively). The results are presented in Table 2. For Phase 1, the values of the goodness-of fit indexes, RMSEA, AGFI, and RMR, are quite satisfactory, as were the principal indexes of the goodness of fit with a saturated model (non-normed fit index, comparative fit index). We can therefore accept the overall unidimensionality of the six constructs. Note, however, that we had to delete one item from the commitment construct (attach3). The Phase 2 estimation, conducted for the purposes of cross-validation, was computed on exactly the same items. The result was confirmed and the fit was slightly better. Having demonstrated the unidimensionality of the constructs, we then went on to determine their psychometric properties.

Convergent validity. The six constructs exhibited good convergent validity. The lambda coefficients (equivalent to the notion of saturation in factor analysis) were all above 0.70 and are highly significant. The reliability coefficients of the composite factors ranged between 0.72 and 0.90 (percentage of the variance shared by all items measuring a given factor). The mean variance indicators, which assess the portion of true variance extracted from the questions measuring a construct with respect to the margin of error (Fornell and Larcker, 1981), were all above 0.57 (Table 3), which is still within the satisfactory range. Very similar results were found in Phase 2, the cross-validation phase. We can see considerable stability in the reliability coefficients and variance coefficients obtained (Table 3).

Discriminant validity. Here, the results are not as good due to the higher correlations between the constructs. Comparing the mean variance indicators obtained (shared variance indexes) with the squares of the inter-construct correlations (see Table 4), we can see that technical quality, global value, satisfaction, trust, and commitment share about the same amount of variance with each other as with their own measures (sometimes a little more, sometimes a little less). This lack of discriminant validity was confirmed by the cross-validation (Phase 2), where we observed very similar correlation levels (Table 4). These results, observed for a large sample of "real" customers, allay doubts as to the discriminant validity of the constructs and to the magnitude of their respective contributions to explaining consumer behavior, since they share essentially the same variance. To put this strict interpretation into perspective, note that

the high correlations can be partly attributed to the fact that the items were measured via a single method (Likert scale), which artificially increases correlations between constructs, through a common "method" effect.

Table 2. Fit indicators of the measurement model (confirmatory factor analysis)

	Phase 1 (2000)	Phase 2 (2001)
Chi-square, 75 df (prob)	389 (.0)	343 (.0)
RMSEA (prob)	.044 (.99)	.041 (1)
standardized RMR	.021	.019
AGFI	.96	.97
CFI	.98	.99
RFI	.94	.98

Table 3. Psychometric properties obtained in the confirmatory factor analysis

	No. of items	Phase 1 (2000)		Phase 2 (2001)	
		Coefficient of reliability ()	Coefficient of shared variance	Coefficient of reliability	Coefficient of shared variance
Functional quality	2	.75	.60	.73	.58
Technical quality	2	.72	.57	.76	.62
Global value	2	.81	.68	.83	.72
Satisfaction	3	.88	.71	.89	.73
Trust	4	.90	.68	.90	.69
Commitment	2	.74	.59	.73	.57

Table 4. Correlations between constructs (confirmatory factor analysis), Phase 1 (2000) and Phase 2 (2001)

	Technical quality	Functional quality	Global value	Satisfaction	Trust
Technical quality	1				
Functional quality	.52 (.56)	1			
Global value	.77 (.79)	.58 (.59)	1		
Satisfaction	.75 (.78)	.66 (.65)	.83 (.82)	1	
Trust	.70 (.75)	.66 (.63)	.72 (.73)	.82 (.83)	1
Commitment	.75 (.81)	.67 (.69)	.81 (.83)	.81 (.86)	.84 (.86)

Thus, we found contrasted results that fit well enough to allow us to validate the unidimensionality of the constructs but with high correlations, suggesting a lack of discriminant validity. During both research phases, we observed that the least correlated constructs were the two dimensions of product quality -- technical and functional ($r = 0.52$, see Table 4). The other constructs (value, satisfaction, trust, and commitment) were strongly and approximately equally correlated (between 0.72 and 0.84 for Phase 1 and

between 0.73 and 0.86 for Phase 2), and as we have seen, lack discriminant validity. This observed lack of discriminant validity answers our initial question. At the theoretical level, each concept has its own meaning: the excellence of products and services (perceived quality), the cost-benefit tradeoff (perceived value), the fulfillment of individual goals through consumption experiences (cumulative satisfaction), the credibility and perceived benevolence of the brand (trust), and the desire to maintain a strong and lasting relationship with the brand (commitment). On the other hand, at the empirical level, a simultaneous analysis of all of these concepts indicated strong correlations between them, casting doubt on the usefulness of having separate concepts in our attempts to understand the consumer relationship to the brand. As soon as the questionnaire moved away from concrete evaluations of products in order to assess abstract constructs related to brands, the respondents seemed to have more difficulty discriminating the concepts (satisfaction, trust, commitment). While these theoretical developments are relevant, applying them to surveys may seem at least partly superfluous in studying the brand-consumer relationship and predicting its effects on consumer behavior.

Testing the Relational Chain "Quality → Value → Satisfaction → Trust → Commitment"

Our study of the literature shows that few authors have devised and empirically tested an overarching model of the relationship to the brand. Most researchers prefer to visualize the principal constructs in pairs (quality and value, trust and commitment, etc.) Nevertheless, the literature does propose a theoretical model in the form of a causal chain: quality → value → satisfaction → trust → commitment, as we discussed in Section 1 (see figure 1 below). In order to validate this chain, we began by testing a completely recursive model (depicted as solid lines in Figure 2) which represents the (strong) hypothesis that the effect of each concept in the upstream portion of the chain is completely mediated by the concepts in the downstream portion. Although this model is very restrictive, it is faithful to the idea that the fundamental goal of relationship marketing is to build a lasting relationship through the accumulation of positive experiences, based on a quality management policy that leads to lasting customer commitment to the brand (Dwyer, Schurr, and Oh, 1987). The Phase 1 assessment showed that the model, in its most restrictive form, is not satisfactory. We had to make it more flexible by allowing both facets of perceived

quality to have direct effects on satisfaction, trust, and commitment (dotted lines in Figure 2). This made for a satisfactory estimation, including in Phase 2 (Table 5). We clearly observed a "relational chain" structure with significant direct effects of both quality components (technical and functional) on value, and effects of value on satisfaction, of satisfaction on trust, and finally, of trust on commitment (Figure 2). Indeed, all these links are positive, strong, and nearly equal in intensity (close to 0.5). The same results were obtained in Phase 2 (values shown in parentheses in Figure 2).

Figure 2. Structure of the model of the relationship marketing chain (standardized coefficients for Phase 1 (Phase 2 in parentheses))

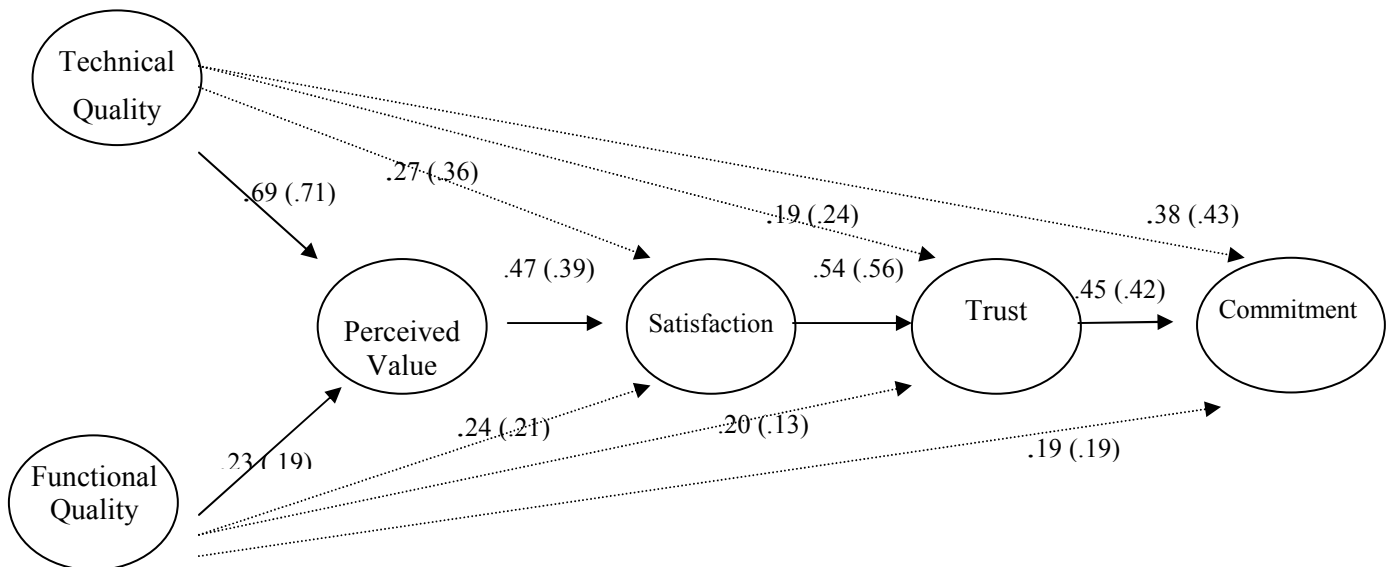


Table 5. Test of model : Relational chain: quality -> value -> satisfaction -> trust -> commitment

	Phase 1 (2000)	Phase 2 (2001)
Chi-square, 78 df (prob)	447 (.00)	389 (.00)
RMSEA (prob)	.048 (.79)	.044 (.99)
standardized RMR	.023	.021
AGFI	.96	.96
CFI	.98	.99
RFI	.98	.98

However, this causal chain does not in itself account for the full impact of perceived quality on the relational process. Technical and functional quality still have significant direct effects on satisfaction, trust, and commitment. These direct effects characterize the impact of the perceived quality of products

and services -- outside of the consumption experience -- on the relationship between the customer and the institution, and they confirm the fundamental role played by quality in building a lasting relationship with the customer. A comparison of the magnitude of these direct effects showed that technical quality (bank products) plays a more important role than functional quality (bank services), particularly with the former's strong impact on perceived value. Note also that the direct effect of technical quality on commitment was almost as great as that of trust. Added to the indirect effects of technical quality via the components of the relational chain, this direct effect gave us a total effect of technical quality on commitment of 0.61 versus 0.36, 0.11, 0.24, and 0.47 for functional quality, value, satisfaction, and trust, respectively (keeping in mind that the parameter values are partially affected by the theoretical structure of the model tested). Thus, among the concepts studied here, technical quality had the strongest effect on commitment to the brand, a concept shown in the literature to be strategic in building a lasting relationship with customers. The same result having been observed in Phase 2, we can conclude that technical quality remains a fundamental indicator to be monitored, for any decline in technical quality has potentially major consequences at the downstream end of the chain. The model of the relational chain -- which is the most common in the existing literature -- emphasizes the fundamental role played by perceived quality at the managerial level, in so far as it is the basis for developing and maintaining the relationship with the customer. Furthermore, because the causal structure is in the form of a chain ending with commitment -- the final stage in the development of the relationship according to Berry (2000) -- all the links in the chain must be reinforced: quality, value, satisfaction, and trust. Like all chains, it may become more fragile if any one of its links weakens, putting the entire relational structure in jeopardy. An example might be the case of a customer who left his bank after years of satisfactory dealings leading to a strong commitment, because he perceived more value in what a competitor had to offer.

CONCLUSION

Working in the field of relationship marketing, we tested the validity of five major concepts characterizing the customer's relationship to the brand: perceived quality (both technical and functional), global value, satisfaction, trust, and commitment. While we were able to show their unidimensionality

and their convergent validity, their strong correlations (ranging from 0.70 to 0.80) cast doubt on their discriminant validity. This raised a question about the respective contributions of concepts which share more than 50% of their variance, whether in characterizing the customer-brand relationship at a given moment or in predicting its impact on consumer behavior, particularly on loyalty (repurchase, price tolerance, resistance to change, positive word of mouth). An analysis of the relationships between these concepts showed that, if we admit that causal structure, the sequence "quality → value → satisfaction → trust → commitment" is the one that fits our data the best. Nonetheless, this causal structure merits further development at the theoretical level. In particular, we suggest that the causal structure of the chain may vary according to whether it is viewed from a transactional or cumulative perspective.

This study suffers from several limitations and brings up a number of methodological questions for future research in relationship marketing. 1) We studied the brand-consumer relationship at a single moment, even though it is more of an incremental process, as Weitz and Jap (1995) already emphasized in their critique of the studies by Morgan and Hunt (1994) or Fournier (1998). 2) At the time of our surveys, it is difficult to guarantee that the object evaluated (even though it was clearly stated in the questionnaire) was the same for all respondents: Was it the institution, the brand, a particular product, a customer service manager? 3) The use of a single method could have artificially inflated the correlations, thus undervaluing the discriminant validity. Using the same method (Likert scales) to measure the same object (the relationship to the brand) at the same moment (one questionnaire) can create halo effects. 4) Since the response rate to the questionnaire was only 7.7%, our sample certainly suffered from representativity problems, even though it maintained the division of the population according to the major socio-demographic criteria. 5) Since banks mainly provide a "utilitarian" service, it would be interesting to see how the results evolve for more experiential products or services in fields like consumer food products, sports, leisure activities, or artistic pursuits.

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APPENDIX 1. DESCRIPTION OF THE ITEMS

Perceived quality. We adopted the approach taken by Grönroos (1983), who distinguished two dimensions: (1) core-service performance -- here banking products (savings accounts, stocks, homeowner's loans, and life insurance, 2 items) -- which corresponds to the notion of *technical quality*, and (2) quality as manifested in the bank's physical service provisions (arrangement of lobby, cleanliness, and general welcome in the bank's branches, 3 items), which corresponds to the notion of *functional quality*.

Perceived global value. This dimension was measured in a cumulative perspective, as the ratio of received benefits to agreed sacrifices in the course of the customer's dealings with the service provider (Zeithaml, 1988; 2 items).

Cumulative satisfaction. Derived from Oliver's (1997) rating scale, cumulative satisfaction is affected by the possible regret felt from having established a commercial relationship with the bank (3 items).

Trust. Trust was measured through its two main facets, based on the work by Ganesan and Hess (1997): the service provider's credibility (2 items) and benevolence (2 items).

Commitment. Commitment refer to the "relative intensity of identification and involvement" with the bank (Mowday, Steers, and Porter, 1979). It was operationalized as a whole with the use of three items that mean the share of values and goals of the bank and a sense of membership.

Construct	Item	How construct is approached in questionnaire
Technical quality (Grönroos)	techqual1	If I have to take out a loan to buy a house or apartment, Bank XX will offer me a mortgage at an advantageous rate
	techqual2	If one day I have to buy some stocks or bonds, I think I would go to Bank XX to accomplish this operation
Functional quality (Grönroos)	funcqual1	I always feel welcome in the branch offices of Bank XX
	funcqual2	The branch offices of Bank XX are particularly well kept
	funcqual3	The branch offices of Bank XX are well designed and furnished
Global value (Zeithaml)	val1	The products and services of Bank XX are generally offered at a good quality-to-price ratio
	val2	The services provided by Bank XX are good for the price they charge
Cumulative satisfaction (Oliver)	satis1	Since I've been a customer of Bank XX, I've had no complaints about the management of my checking account
	satis2	I really made the right decision in choosing Bank XX as my bank.
	satis3	I'm satisfied with the services provided by Bank XX
Trust (Ganesan & Hess)	trust1	My account advisor at Bank XX performs his/her job with real integrity
	trust2	I know I can count on the promises my financial advisor makes me
Benevolence	trust3	My counselor at Bank XX takes my interests into account
	trust4	My counselor at Bank XX is always ready to help me in case of a problem
Commitment (Mowday, Steers and Porter, 1979)	commit1	At Bank XX, I feel like I'm more than just a customer
	commit2	I share the values stated by Bank XX
	commit3	Bank XX is clearly different from other banks

Note.: The scales have been adapted to a European context and to a retail banking market and translated into a European language (and translated again in English in this appendix)