Relationship quality as an antecedent of customer relationship proneness: A cross-cultural study between Spain and Mexico

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ABSTRACT

Key factors, such as globalization and the development of information technologies, have forced some firms to change their approach to customer relationship management, particularly within the new competitive framework of online channels. In this context, customer relationship proneness may guide relationship quality (RQ) by keeping commercial relations alive. This research proposes and examines a conceptual model using a comprehensive management approach that includes market orientation (MO), knowledge management (KM), and perceived relationship investment (PRI) as perceived by customers, which, when available, enhance RQ in an online context. To the best of our knowledge, this study is the first to investigate the effect of RQ on CRP, making a unique contribution to better understanding the continuity of customer–firm relationships.

The proposed conceptual model is tested in two different cultures and economic stages, providing relevant insights on the cross-cultural relationship marketing literature. Survey questionnaires are administered to a sample of Spanish and Mexican banking customers, and structural equation modeling, using partial least squares, is used to analyze the data collected.

The results show that, in both countries, CRP is significantly influenced by RQ, while PRI should be considered when improving the quality of customer relationships. However, intangible aspects (such as the level of MO or KM) seem to be relevant in more mature, competitive markets whose customers show a higher level of LTO.

In terms of practical applications, banks must recognize that customers give different priorities to different capabilities and resources based on their perceptions of the RQ. Hence, banks should give clear priorities to commercial strategies aimed at improving RQ. Implications of the results are discussed, and future research avenues suggested.

1. Introduction

Factors such as globalization, growing competitiveness, and the development of information technologies are changing the dynamics of relationship marketing (RM). The new competitive framework, defined by the relevance of online channels, has changed how relationship management with consumers is approached.

Researchers have agreed that RM is a form of customer-centric marketing, which emphasizes understanding and satisfaction of the needs and wants of individual consumers, rather than those of mass markets (Kasiri, 2017; Khan, 2014). However, in order to maintain such long-term relationships, it is not sufficient to simply offer better goods and services to satisfy customers’ needs. In order to survive in today’s competitive market, firms must attempt to connect with customers by offering permanent contact and better experiences as a differentiating strategy (Berry and Carbone, 2007; Bolton et al., 2014; Thakur, 2016). Concepts as relationship quality (RQ)—understood as the degree of appropriateness of a relationship to fulfill the needs of the customer associated with the relationship (Hennig-Thurau and Klee, 1997)—may allow us to understand the proneness of consumers to keep their commercial relations alive. In this sense, new concepts such as customer relationship proneness (CRP)—which is defined as a conscious tendency to engage in relationships with retailers of a particular product category (De Wulf et al., 2001)—can be considered as an evolution of some relational constructs, such as commitment, and may more accurately reflect the current competitive environment.

In this respect, the development of new technologies—particularly the Internet—seems to represent a huge opportunity for firms that are capable of creating these emotional connections and safeguarding the level of consumer loyalty. At the same time, firms are capable of comparing...
and contrasting competing products and services with minimal expenditure of personal time and effort (Liang et al., 2008). In doing so, firms have to consider key organizational concepts, such as market orientation (MO) and knowledge management (KM), as these concepts allow firms to obtain market intelligence (i.e., on customers and competitors), manage and disseminate information inside the firm, and propose adequate strategies to satisfy customers and generate relational bonds with them.

A literature review reveals several studies that have analyzed RQ antecedents, but none have used a comprehensive management approach, including resources and capabilities (such as MO and KM), as perceived by customers, that a company has available for management in order to enhance RQ in an online context. This research aims to analyze the effect of perceived quality on the customer’s proneness to maintain the relationship.

Another important aspect to consider is that, due to increasing globalization and market saturation, firms have developed e-commerce internalization processes that deal with cultural differences among countries (Belanche Gracia et al., 2015). Culture is the widest influence in many aspects of human behavior (Etgar and Rachman-Moore, 2011; Soares et al., 2007), and its impact on consumer behavior is preeminent in international marketing (De Mooij and Hofstede, 2002). Culture as such refers to the pattern of values, norms, and beliefs that affect the way people assess information; it leads to processes and evaluations of environmental information (Hofstede, 1991). Hence, it should also influence how people interpret and respond to RM activities (Samaha et al., 2014).

Salient literature has identified an important limitation regarding whether and how RM strategies should be adopted in different countries (Ghemawat, 2011; Samaha et al., 2014; Steenkamp, 2005) and how perceptions of relationship benefits—those that consumers receive beyond the basic product/service—may foster relationships (Wei et al., 2015). However, in today’s global market, research into the potential variations in consumer perceptions due to culture is becoming increasingly important (Morgeson et al., 2015) as the expressions of both values and behaviors linked to culture continue to intensify (De Mooij, 2001; Hsieh and Tsai, 2009).

Although consumption of the Internet and e-commerce has experienced unprecedented growth in recent years, most RM studies focusing on an offline context have barely discussed the integration of Internet technology with the concept of customer loyalty (Liang et al., 2008; Wirtz and Lihotzky, 2003). Moreover, there is yet no evidence from previous studies about the cross-cultural effects in online relational frameworks. To fill in this gap, this research explores possible implications of the influence that cultural differences may exercise on the customer’s predisposition to maintain their relationship with a firm in an online context. More specifically, our study is carried out in a cross-cultural context between Spain and Mexico, and focuses on the banking sector, which adds to prior studies that have considered RM outcomes in the context of banking (Alalwan et al., 2018; Baumann et al., 2017; Kushwaha and Agrawal, 2015; Reydet and Carsana, 2017; Rod et al., 2016; Tojib and Khajezadeh, 2017; Yoganathan et al., 2015).

Faced with an exodus of clients in recent years, banks have focused on developing strategies aimed at achieving long-term relationships with their customers. These strategies aim to create a superior customer experience, and by doing so, banks have found differentiation (Reydet and Carsana, 2017). Banks have also engaged in significant investments to modernize their branch offices with contemporary and open spaces, developing online transactions suitable for today’s mobile societies, and incorporating new digital technologies. Thus, marketing strategies and action plans should be created with the main objective of retaining existing customers and attracting new ones (Kushwaha and Agrawal, 2015). Furthermore, an RM orientation may help to enhance banks’ brand-management practices, such as brand loyalty and brand image (Yoganathan et al., 2015). In particular, due to the increase of Internet transactions, banks have been challenged to promote the use of new mobile banking products and services among their customers to improve customer relationships, whereas banking firms have traditionally relied on physical and social settings (Brun et al., 2014; Ganguli and Roy, 2011). Importantly, banks have been able to better record, manage, and enhance their customer relationships through a hybrid online–offline setting (Brun et al., 2014). Moreover, banks have focused on improving RQ in these settings during particular economic periods (Monferrer-Tirado et al., 2016). Brun et al. (2014) confirmed that in an online setting the same components of trust, commitment, and satisfaction, which traditionally comprise RQ, are also important in an online setting. However, they must be transformed to suit this context.

Therefore, the interest of our research is justified by the analysis of concepts such as RQ and CRP in the online banking sector, as well as the consideration of certain organizational elements (MO and KM) as perceived by customers. Moreover, the cross-cultural dimension reinforces our study’s relevance. Our conclusions present relevant ideas for retailers, as market forces tend to impact international and globalized contexts.

The remainder of the paper is organized as follows: next, we review the relevant literature and present the model and the hypotheses that form the basis of the empirical study. We then present the fieldwork and summarize the study’s contributions.

2. Conceptual framework

2.1. RM, CRP, and culture

RM is a process used to attract, retain, and strengthen customer relationships (Grönroos, 2000), and has the potential to increase customer retention by building long-term customer relationships (Wang and Head, 2005). Through strong customer–firm relationships, firms may gain invaluable information on how to best serve and prevent customers from being diverted to competing companies (Ndubisi, 2004; Nyadzayo, 2016). Thus, by creating customer relationships, firms create mutual rewards (Dewani et al., 2016; Rapp and Collins, 1990). Numerous studies have empirically demonstrated that these firms enhance profits (Morgan and Hunt, 1994; Liang et al., 2008; Palmatier et al., 2006; Samaha et al., 2014; Thakur, 2016).

The concept of RM has been useful in developing new definitions of concepts such as RQ—the degree of appropriateness of a relationship to fulfill the needs of the customer associated with the relationship (Hennig-Thurau and Klee, 1997)—and CRP—the conscious tendency to engage in relationships with retailers of a particular product category (De Wulf et al., 2001).

Some authors, such as Nakhleh (2012), have considered RM as a strategy designed to foster customer loyalty, interaction, and long-term engagement. In this sense, long-term and close customer relationships allow the company to obtain useful information from consumers and, with adequate management, deliver superior value as a source of competitive advantage (Ndubisi, 2004). Thus, improving RQ will lead to a greater willingness of the client to maintain the relationship (Alalak, 2014).

Under an RM approach, with today’s rapidly globalizing processes, it is essential to study technological changes and cultural developments (Matusitz and Musambira, 2013). In this sense, new technologies play an essential role as they facilitate not only customer interactions, but also the possibility to offer experiences in different channels. Thus, the Internet, apps, and social networks have become contact points with consumers that are complementary to traditional channels. This also applies, for example, in the banking sector, where the trend is to provide customers with better experiences through an all-around service (Cambra-Fierro et al., 2016a).

The existence of cultural differences between countries has been widely documented (Hampden-Turner and Trompenaars, 2004; Hofstede, 1980, 1991, 2001; Leaport, 1996). Culture has been defined as the “collective programming of the mind which distinguishes the
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