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Is Relationships Marketing Dead?

An Empirical Investigation into SME - Bank Relationships

Summary

Banking relationships are largely researched in the context of retail banking. Small and medium sized enterprises (SMEs) play a vital role in reviving the economy. However, there is limited research on SME-bank relationships. It is not established yet whether the key relationship components that are used in retail banking are adequate to understand SME-bank relationships. Therefore, the purpose of this paper is to investigate the impact of key relationship components (which are identified as trust in relationship partner, customer satisfaction and buyer-seller bonds) on customer loyalty and share-of-wallet in the context of SME-bank relationships.

By taking a quantitative approach, a survey was designed targeting SMEs in the UK. We have identified similarities between B2C and B2B marketing as well as some differences. The findings of this research can be used by financial services marketers looking to build relationships with their SME customers, and may also help to inform future research.

1. Introduction

The rapidly expanding relationship marketing literature emphasises the inherent variability and unpredictability of relationships due to (1) co-existence of both transactional and relational exchanges (Laing and Lian, 2005), (2) a relational orientation turning into a transactional orientation in line with the length of relationship (Pillai and Sharma, 2003), and (3) following non-linear development patterns driven by dynamic interactions between the buyer and seller (Anderson et al., 1994; Laing and Lian, 2005). The business-to-customer marketing literature suggests that customer relationships range from more formal interactions to more personal relationships with varying levels of core relationship components (Liljander and Strandvik, 1995; Sheaves and Barnes, 1996; Barnes, 1997; Patterson and Ward, 2000; Liljander and Roos, 2002). However, there is no consensus on what type of relationships customers can have with service providers, nor what the salient characteristics of such relationships are (Dalziel et al, 2011). Consequently, several relationship typologies are developed over the years, yet mostly in business-to-consumer markets.

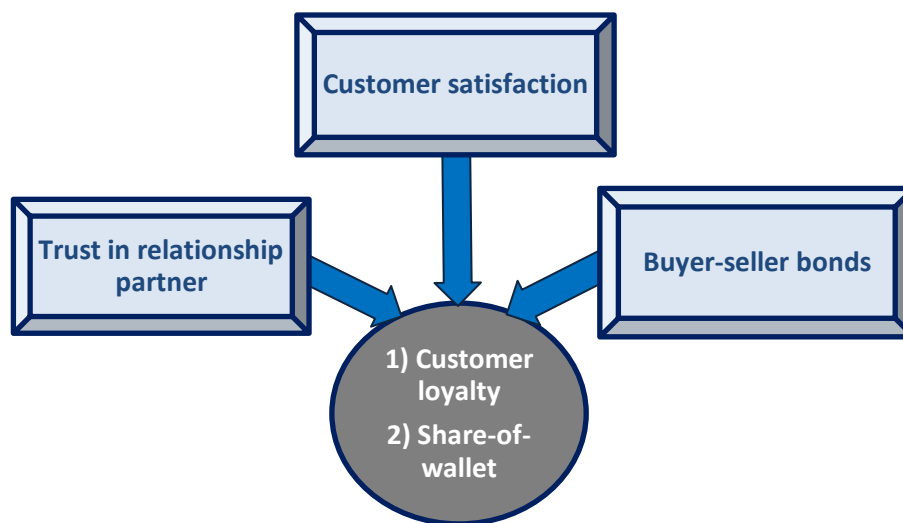
Although RM is extensively researched (Liljander and Strandvik, 1995; Barnes, 1997; Coulter and Ligas, 2004; O'Loughlin and Szmigin, 2006, Eriksson and Soderberg, 2010; Dalziel et al., 2011), interestingly banking relationships are largely looked at in the context of retail banking with limited research on the relationship between banks and small and medium sized businesses (SMEs). Whilst retail banking concentrates on the personal banking needs of individuals, SMEs require a number of different, often more complicated, financial products. Therefore, the purpose of this paper is to provide insight into SME-bank relationships, and to examine whether the key relationship components that are used in retail banking research are adequate to understand SME-bank relationships.

Moreover, it is acknowledged that relationships develop over time through multiple interactions between the buyer and seller (Sheaves and Barnes, 1996). Nevertheless, mere interactions between the parties are not sufficient in order for a relationship to be encouraged. For a series of interactions to be considered a relationship, such interactions should encompass a number of characteristics. Concentrating on the widely recognised components of customer relationships in retail bank marketing literature, fundamental

components of customer relationships are identified as (1) trust in relationship partner, (2) customer satisfaction, (3) buyer-seller bonds, (4) customer loyalty and (5) share-of-wallet (e.g., Dwyer et al., 1987; Grönroos, 1994; Morgan and Hunt, 1994; Liljander and Strandvik, 1995; Sheth and Parvatiyar, 1995; Doney and Cannon, 1997; Gwinner et al., 1998; Garbarino and Johnson, 1999; Sharma and Patterson, 1999; Laing and Lian, 2005). Subsequently, these components are used as the conceptual framework employed in this research (Figure 1) and to formulate the following research questions:

- RQ1:** To what extent do SME-bank relationships are grounded in trust between partners from the perspective of SMEs?
- RQ2:** To what extent do SME-bank relationships are grounded in customer satisfaction from the perspective of SMEs?
- RQ3:** To what extent do SME-bank relationships are grounded in buyer-seller bonds from the perspective of SMEs?
- RQ4:** To what extent do SME-bank relationships are grounded in customer loyalty from the perspective of SMEs?
- RQ5:** How significant are these relationship components in facilitating customer loyalty and increasing share-of-wallet in the context of SME-bank relationships?

Figure 1: Conceptual framework employed in the research process



It should be noted that there are other components which can be used to describe customer relationships; yet this paper uses the five components due to their key role in the context of financial services. Past research has shown strong empirical support for using these components to understand bank-customer relationships. At the same time, it needs to be noted that these components are not totally independent. There are links and probably overlaps among them. However this does not affect the rationale of this study.

2. Literature Review

2.1. Trust in Relationship Partner

Trust is a widely recognised construct in the RM literature as a fundamental component of successful relationships (Dwyer et al., 1987; Grönroos, 1994; Morgan and Hunt, 1994; Doney and Cannon, 1997; Garbarino and Johnson, 1999; Liljander and Roos, 2002; Palmatier et al., 2006; Parish and Holloway, 2010). As a gateway between past and future, trust is a future oriented concept (Ganesan, 1994) while based on past experiences (Fletcher and Peters, 1997). Among many definitions of trust, a comprehensive one is offered by Mayer et al. (1995):

‘The willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party.’ (p712)

A willingness to make oneself vulnerable is facilitated by having a feeling of security and confidence in the reliability, honesty and justice of the other party (Lindskold, 1978; Morgan and Hunt, 1994). Trust enables long term relationships to be established (Fletcher and Peters, 1997) and helps to reduce perceived risk and uncertainty which is inherent in market exchanges (Selnes, 1998). The risk reduction role of trust is believed to be central in relationship development. While reducing perceived risk and uncertainty, trust puts participating parties in a vulnerable position. Interestingly, trust is not predicated on evidence, but on the lack of contrary evidence. This feature is believed to make the trustor vulnerable to actions of the trustee (Fletcher and Peters, 1997).

Three characteristics of the trustee are reported to be significant in determining the nature of trust in a business setting: ability, benevolence and integrity (Lindskold, 1978; Mayer et al., 1995; Johnson and Grayson, 2000). Ability is about a group of skills, competencies and expertise that a party has on a specific subject or area. The trustee, first of all, needs to be perceived as having a thorough knowledge of the profession and the organisation in order to be trusted on the subject area. However, having ability does not assure that the trustee would present helpful behaviour. The trustee needs to have a positive orientation or some specific attachment toward the trustor, aside from a mere profit motive, which is called benevolence. Finally, the trustee should possess a set of principles that are acceptable to the trustor, such as consistency of the party’s past actions, having a strong sense of justice and credible reputation, all of which affect the level of integrity.

Although trust is a fundamental component of a relationship, this does not necessarily mean that a relationship cannot be maintained without trust. There is evidence that some relationships may continue despite the lack of trust. Labelled as ‘faltering’ (Dalziel et al., 2011), such relationships are found to continue primarily because of the feelings of being trapped with no choice of dissolution, which is discussed next.

2.2. Buyer-Seller Bonds

Buyer-seller bonding is another critical element of customer relationship. Buyer-seller bonds are defined as ‘exit barriers that tie the customer to the service provider and maintain the relationship’ (Storbacka et al., 1994, p25), which can be in the form of perceived economic and psychological costs. This construct is closely related to a switching barrier which acts as

an exit barrier. Jones et al. (2007) distinguish between positive and negative switching barriers depending on whether the relationship termination cost derives primarily from creating benefits and value for the customer.

In the context of financial services where a relationship is mostly contractualised, the cost of terminating a relationship can be rather high. On the other hand, it is not always a contractual obligation that creates a switching barrier. It is found that perceived hassle of switching an existing account or the process of opening a new bank account also forms a considerable deterrent in relationship termination (Dalziel et al., 2011).

2.3. Customer Satisfaction

Satisfaction is viewed as another core component of customer relationships (de Wulf et al., 2001; Hennig-Thurau et al., 2002; Lang and Colgate, 2003; Rajaobelina and Bergeron, 2009; Vesel and Zabkar, 2010), which is defined as:

‘A customer's perception that his or her needs, wishes, expectations, or desires with regard to products and service have been fulfilled.’ (Szuts & Tóth, 2008, p357)

Despite being widely researched, customer satisfaction is still a highly debated construct. Various models of satisfaction are developed over the years. In a synthesis by Hom (2000), these models are categorised as micro and macro models. Macro models include Woodruff and Gardial's (1996) traditional model incorporating perceived performance and comparison standards. In addition, more comprehensive models such as those proposed by Bateson (1991) and Bitner & Hubbert (1994) which differentiate between actual service quality and perceived service quality are other macro models. Micro models include the widely cited Expectations Disconfirmation Model and Multiple Process or Attribution Models.

It is demonstrated that customer satisfaction has an impact on customer loyalty, retention and corporate profitability (Rahman, 2013; Boonlertvanich, 2013; Bloemer et al., 1998; Rust & Zaborik, 1993). There is also evidence that customer satisfaction reduces price sensitivity in B2B markets (Stock, 2005). Satisfaction is often used as a predictor of firm performance, with the assumption that customer satisfaction goes hand in hand with market share (Morgan et al., 2005) although there is, at the same time, some contradictory evidence (Rego et al., 2013; Anderson et al., 1994).

Satisfaction, along with trust, is reported among key drivers of relationship commitment (Zineldin and Jonsson, 2000; Patterson and Smith, 2001; Bansal et al., 2004) impacting on behavioural loyalty (Liljander and Strandvik, 1995; Garbarino and Johnson, 1999). It is noted that without experiencing a fair level of satisfaction it is difficult for customers to feel committed to their service providers (Sharma and Patterson, 2000).

However, not all researchers agree on the association between customer satisfaction and loyalty. For example, Oliver (1999) argues satisfaction is an unreliable precursor to loyalty while Liljander and Roos (2002) and Panther and Farquhar (2004) have observed that some customers stay with their service providers regardless of the low level of satisfaction. Marketing scholars provide explanations why satisfaction can, in some instances, fail to act as a predictor of commitment. According to Sharma and Patterson (2000) and Panther and Farquhar (2004), the impact of dissatisfaction on customer loyalty is weaker under conditions of perceived switching costs. Yen and Gwinner (2003) argue that the path from

satisfaction to loyalty would lose its significance in an online setting due to the instant access to performance and price comparison websites.

2.4. Customer Loyalty

Customer loyalty is a widely documented construct with mixed definitions. Some scholars tend to conceptualise loyalty merely as repeat purchasing behavior which is based on convenience, price or other non-emotive factors (Jacoby and Kyner, 1973; Liljander and Strandvik, 1995; de Wulf et al., 2001; Odekerken-Schröder et al., 2003). There is evidence that it is entirely possible for customers to demonstrate repeated patronage and a high level of retention without having emotional attachment, but instead as a function of inertia or convenience, such as familiarity and the feeling of indifference with the choice (Bloemer and Kasper, 1995), which appears to be an underlying factor in customers' relationship with financial institutions (Barnes, 1997, Coulter and Ligas, 2004, Dalziel et al., 2011, O'Loughlin and Szmigin, 2006). Other marketing scholars, on the other hand, view loyalty to denote both attitudinal and behavioural elements which is related to a customer's long term commitment to an organisation and is different from mere customer repeat purchasing behaviour (Bloemer and Kasper, 1995; Oliver, 1999; Reynolds and Beatty, 1999; Caruana, 2002; Shankar et al., 2003; Panther and Farquhar, 2004).

There is evidence that customer satisfaction and trust in relationship partner fosters customer loyalty (Călin, 2013), which is also supported in the context of banking relationships (Kaur et al., 2014; Deloitte, 2010). However, repurchase behaviour by itself is not sufficient for a committed long-term relationship (Morgan and Hunt, 1994; Oliver, 1999; Iniesta and Sanchez, 2003; Panther and Farquhar, 2004). A relationship which is based on mere repeat patronage with low or no affection is argued to be spurious (Dick and Basu, 1994; Liljander and Roos, 2002) and therefore offered to be re-labelled as 'passive acceptance' (Panther and Farquhar, 2004).

Customer loyalty is crucial to firms. It leads to higher growth opportunities, limits the need to obtain new customers, can turn customers into advocates, increases profitability, market share and in the case of deposits, increases regulatory capital reserves (Jumaev et al., 2012; Rust & Zaborik, 1993). A study on a credit card company by Reichheld & Sasser Jr. (1990) suggests that a 5% increase in customer retention increases profitability by 125%. Their research presents evidence that retaining customers reduce operational costs, and also that customer spending increases over the length of the relationship.

Traditionally, loyalty in the banking industry is built upon one-to-one relationships with members of staff (such as a branch manager). However, following changes in the modern banking system towards automation and centralisation, the level of personal communications between banks and their customers has reduced dramatically. Some argue that, as a result, customers have less incentive to stay loyal to their financial institution. Indeed, industry evidence suggests that loyalty amongst banking customers is dropping. According to research on global retail banking by Ernst & Young (2012), 12% of customers seek to move their banks with 31% already having more than one bank. Whilst overall low levels of SME switching is one of the elements prompting a Competition and Markets Authority (CMA) review into the British SME banking market (CMA, 2014), the latest data from the Payments Council (2014) suggests that 10,626 small businesses and charities in the UK used the current account switching service in the first half of 2014, with the numbers rising steadily.

Recent increases in regulatory costs and impacts of the declining or stagnating economy have

led banks to seek to maximise the revenue gained from their existing customer base through cross-selling opportunities (Hughes & Youra, 2014), which is discussed next.

2.5. Share-of-Wallet

Share-of-wallet (SoW) is defined as the percentage of the customer's total products and services held by a financial institution (Cheng, 2011a). There is support that trust in relationship partner and customer satisfaction impacts on SoW, in addition to customer loyalty (Cooil et al., 2007, Baumann et al., 2005). For example, according to a study by Beck et al. (2008) negative publicity surrounding a business or its brand reduces customers' willingness to buy from that company. Likewise, Davis (2008) argues that banks with higher trust scores achieve a 20% higher SoW compared to those with the lowest scores. Landy (2009) states that a trusting relationship promotes SoW. Likewise, Cheng (2011a) reports that SoW reduces when trust between the relationship partners decreases.

2.6. SME Banking

SMEs play a vital role in the development of economies worldwide. SME is defined commonly by using variables such as asset size, number of employees and turnover. In Europe, for instance, companies with less than 250 employees, having a turnover of less than €50 million or a balance sheet not exceeding €43 million are defined as an SME.

SME banking is essentially a B2B relationship. In comparison with a B2C relationship, a B2B relationship is more complex, involves more people within the process and can involve departments with differing decision-making criteria (Chakraborty et al., 2007).

It is interesting that the majority of the literature on B2C relationships concentrates on the retail banking market. This market differs significantly from that of the SME market; firstly in the complexity of the financial requirements, and secondly in the banking model employed to manage these banking relationships. Those at the smaller end of the SME market (with more straightforward needs) are likely to be served in a similar way to personal customers through business managers in the branch and via internet and mobile banking. As the needs of the business grow (often assessed via the turnover of the business), many banks utilise the Relationship Manager) model to manage these relationships. Relationship Managers act as the first point of contact for business and build a continued relationship with the customer, thus reducing the impact of information asymmetries and establishing strong links with the business over a period of time.

These differing banking needs and operational models suggest that SMEs are likely to have different opinions and drivers to that of retail banking customers, making it difficult to generalize retail banking research to SMEs. It is, therefore, appropriate to study the SME market as an independent group of customers.

3. Research context and methodology

Since the purpose of this research is to investigate the relationship between a set of variables, an exploratory research approach was taken in the form of an online survey. The survey questions were primarily drawn from previous studies of retail banking relationships. In parallel with the literature, Likert scale questions were used throughout this study in order to gauge the opinions of the respondents. Answers were scored from 1 (strongly disagree) to 5

(strongly agree). The survey questions along with their sources, the grouping scales and the Cronbach Alpha scores are presented in Appendix 1.

The study population was SME businesses with a bank account in the UK. Using the definition of an SME provided by the SME Finance Monitor, there were approximately 4.5 million qualifying businesses in 2013 (BDRC, 2013). Obtaining a sampling frame of these SMEs was problematic due to access, time and cost restraints, hence we employed non-probability methods which were in the form of a number of internet-mediated access methods. One regional Chamber of Commerce accepted to provide access to their member directory, from which 200 email addresses were obtained. Further, social media in the form of Facebook, LinkedIn and Twitter were utilised. LinkedIn was utilised via posting a response request within relevant SME groups and Twitter via tweeting the link to the survey to various SME organisations and requesting that they respond and retweet the link. Facebook was utilised via the direct messaging service, sending a request to 50 SME businesses to complete the survey. Finally, 84 responses were achieved, 76 of which were fully completed and usable, which formed the research data as analysed in the next section.

To analyse the data, correlation analysis was performed in order to measure the strength and directions of the relationships between the independent and dependent variables in the conceptual framework. The coefficients of loyalty scores and percentage of primary bank SoW were calculated using Spearman's Rank-order correlation (Spearman's-rho). Further, in order to confirm the robustness of the data for parametric testing, the Pearson's Correlation Coefficient (Pearson's) was used as a comparison for the coefficients of loyalty scores (the data for percentage share-of-wallet was skewed and therefore unsuitable for parametric testing). The data for loyalty and primary bank percentage share-of-wallet were tested in accordance with the requirements for Spearman's, in that preliminary visual analysis of scatterplots confirmed that there was a monotonic relationship between all variables.

4. Research Findings

Tables 1 and 2 show the demographics of the respondents in the study. The majority of our sample was SMEs with 1 to 9 employees followed by sole traders and businesses with 10-49 employees. Looking at the primary banks of the respondents, the major high street banks were represented well in our sample while Co-op, Lloyds and Santander were under-represented.

Table 1: Number of participants by business size, compared to the percentage of UK SME population

Category of SME	Frequency	Percent	Cumulative Percent	Overall UK SMEs %*
Sole Trader	14	18.4	18.4	74
1-9 employees	48	63.2	81.6	24
10-49 Employees	12	15.8	97.4	3
50-249 employees	2	2.6	100.0	1
Total	76	100.0		

Table 2: Respondents by Primary Bank, as compared to 2011 Market Share

Primary Bank	Frequency	Percent	Cumulative Percent	UK Market Share 2011*
HSBC	16	21.1	21.1	18.0
Barclays	26	34.2	55.3	15.0
NatWest	18	23.7	78.9	30.0
RBS	10	13.2	92.1	
Lloyds	2	2.6	94.7	21.0
Santander	2	2.6	97.4	
CoOperative	2	2.6	100.0	
Total	76	100.0		

*Source: (Peston, 2011)

4.1. To what extent do SME-bank relationships are grounded in trust between partners from the perspective of SMEs?

There were mixed feelings of trust across the SMEs who responded to our survey (Appendix 2). Almost a quarter of the sample (23%) did not seem to have any trust in their primary bank, while 26% were neutral and only 50% trusted their bank. Looking at the mode response, it was neutral across the majority of the trust questions.

A closer look into the data revealed that 61% agreed they trusted their bank to do what it said it would do while only a quarter (32%) agreed the bank had the best interest of their business at heart and 34% disagreed. None of SMEs with 10 or more employees agreed that their bank had the best interest of their business at heart. Less than half of the sample (47%) believed that their banks were always honest with them, again 40% were neutral and 13% that disagreed were concentrated amongst the larger businesses.

Banks, on the other hand, scored better on reliability, with the majority (61%) agreeing that their bank was very reliable, but again scored worse on this measure with the larger businesses. 21% of 10-49 employee sized businesses disagreed with the statement, and all of the 50-249 employee businesses disagreed.

These differing results are interesting. Whilst the majority of SMEs found their bank very reliable, only half of them had trust in the bank and far fewer thought their bank had their business interest at heart. Larger businesses seemed to have more negative views about their banks being trustworthy.

4.2 To what extent do SME-bank relationships are grounded in customer satisfaction from the perspective of SMEs?

As seen with the trust component, the majority of the SMEs (61%) were satisfied with their primary bank; yet satisfaction reduced as the size of the business increased (Table 3). All of the sole traders within the sample were either satisfied or very satisfied, reducing to 40% of 1-9 employee businesses, 3% of the 10-49 employee businesses, and both of 50-249 employee businesses classed themselves as dissatisfied. Overall, about a quarter (26%) of the sample responded neutrally, with 13% dissatisfied. The high proportion of neutral responses suggests that the banks may be simply meeting the minimum levels of service expected, and hence highlighting issues with service quality offered to SMEs.

Table 3: Overall satisfaction with bank by size of SMEs

Category of SME		Overall Satisfied with Bank					Total
		Very Dissatisfied	Dissatisfied	Neutral	Satisfied	Very Satisfied	
Sole Trader	Count	0	0	0	10	4	14
	% of Total	0.0%	0.0%	0.0%	13.2%	5.3%	18.4%
1-9 employees	Count	4	2	12	26	4	48
	% of Total	5.3%	2.6%	15.8%	34.2%	5.3%	63.2%
10-49 Employees	Count	0	2	8	2	0	12
	% of Total	0.0%	2.6%	10.5%	2.6%	0.0%	15.8%
50-249 employees	Count	0	2	0	0	0	2
	% of Total	0.0%	2.6%	0.0%	0.0%	0.0%	2.6%
Total	Count	4	6	20	38	8	76
	% of Total	5.3%	7.9%	26.3%	50.0%	10.5%	100.0%

4.3 To what extent do SME-bank relationships are grounded in buyer-seller bonds from the perspective of SMEs?

The respondents, overwhelmingly, believed that their business had other banking options available, with 82% of the sample either strongly disagreeing or disagreeing with this statement (Appendix 3). Despite this, 34% agreed that they stayed with their bank because they had to, yet only 18% of these respondents thought that their business did not have any other banking options. Only two of the respondents who stated that they had to stay with the bank believed that their business did have other banking options. This could suggest that the way the respondents viewed ‘having to’ stay with the bank differently than not having another option, or could indicate that the respondents were reluctant to consider their business as unattractive to other banks.

Despite the concerns that have been recently expressed by the competition commission (CMA, 2014), switching costs did not appear to be prohibitive for the respondents, with only a quarter (26%) believing that switching to another bank would be ‘too expensive’. Overall more than half (51%) of the SMEs did not see switching banks as an issue.

4.4 To what extent do SME-bank relationships are grounded in customer loyalty from the perspective of SMEs?

Loyalty within the sample was relatively low. Just under half of the SMEs (43%) offered a neutral response to whether they were likely to move banks in the next twelve months, with only 34% stating that they were not looking to move. In comparison, about a quarter (24%) indicated that they were looking to move banks.

Comparing the sample’s likelihood to move the primary bank with their intention to recommend the bank (Appendix 4), 37% indicated they would not stay with their bank if offered a better deal elsewhere although all were likely or very likely to recommend their bank. Further, of those who stated that they were likely to recommend their bank, 13% stated that they were likely to move banks within the next twelve months.

The seemingly contradictory findings between the intention to recommend the bank and likelihood to move banks by SMEs can be explained by the central role of product features,

in particular interest rates and banking charges, in their commitment to financial institutions, which is similar to retail banking research (Dalziel, 2007). We have already discussed that the majority of the sample was satisfied with their bank, which can be why SMEs were willing to recommend their bank. This could imply that when it comes to customer referral behaviour, non-product features, such as the service quality, could be a key consideration, which may not necessarily translate into customer loyalty in itself.

We also asked future intentions to borrow funds by using a dichotomous variable. There was a marked lack of demand amongst the sample, with only 29% stating that they would be requesting or renewing finance in the next twelve months. Questioning the reasons behind this lack of demand, the overwhelming majority (70%) was because no finance was required.

4.5 How significant are these relationship components in facilitating customer loyalty and increasing share-of-wallet in the context of SME-bank relationships?

Moving onto the relationship between our dependent (customer loyalty, share-of-wallet) and independent (trust in relationship partner, customer satisfaction, buyer seller bonds) variables, total loyalty scores were found to be correlated with all three independent variables, all of which were statistically significant using both correlation measures. A comparison between the results of Spearman's-rho and Pearson's tests showed very similar results, further supporting the notion that the data is suitable for parametric analysis. As Pearson's r can be squared to measure the effect of the variance, the percentage of the variance explained was also calculated.

Trust in relationship partner and customer loyalty

There was a strong positive correlation between total trust scores and total loyalty scores using Spearman's-rho $r_s(74) = .647$, $p < .0005$, and similarly strong correlations for the Pearson's test, $r(74) = .645$, $p < .0001$, $R^2 .416$. Trust scores explained 42% of the variance in loyalty scores, suggesting that there is a strong positive relationship between these variables.

Customer satisfaction and loyalty

Overall, satisfaction was positively correlated with total loyalty scores for Spearman's-rho $r_s(74) = .662$, $p < .0005$, and strongly correlated using the Pearson's test, $r(74) = .669$, $p < .0005$, $R^2 .438$. Satisfaction explained 44% of the variance in trust scores, indicating a strong positive relationship between the variables.

Buyer-seller bonds and customer loyalty

There was negative correlation between buyer-seller bonds scores and total loyalty scores for Spearman's-rho $r_s(74) = -.389$, $p = .001$ and Pearson's $r(74) = -.313$, $p = .006$, $R^2 = .098$, suggesting a moderate negative relationship between the variables that explained 10% of the variance.

Overall, loyalty was shown to be strongly positively correlated with trust and satisfaction, with a moderate negative relationship between loyalty scores and levels of buyer-seller bonds. This suggests that respondents were more likely to have a higher loyalty score if they have higher levels of trust and satisfaction scores, and that continuance commitment has a negative effect on loyalty.

Looking at future intentions to borrow results (as a sub-component of customer loyalty), our data suggested that there was a negative correlation with trust $r_{pbi}(74) = -.350$, $p = .002$, a

positive correlation with buyer-seller bonds scores ($r_{pbi} = .156$) and a negative correlation with satisfaction scores ($r_{pbi} = -.107$), neither of which were statistically significant. This was further confirmed by the use of scatterplots. This suggests that trust and satisfaction do not have a positive impact on whether an SME chooses to either renew or request new finance from their primary bank, again highlighting the central role of product features.

4.5.1 Share-of-Wallet Findings

Primary banks' SoW was predominantly 100% across the whole sample (79%) with the rest (21%) showing a range from 33% to 80% of products held with their primary bank. Of the respondents, primary bank products ranged from one (21%) to six, with 87% of the sample holding three products or less. Sixteen respondents held up to four products with other providers.

The data for primary bank percentage was skewed due to the number of respondents who held 100% of their SoW with their primary bank and was, therefore, unsuitable for parametric testing. Therefore Spearman's-rho was the only correlation coefficient applied to this data. Spearman's-rho showed moderate correlation between trust scores and SOW $r_s(74) = .304$, $p = .008$. There was a relatively weak negative correlation between buyer-seller bonds and primary bank SoW $r_s(74) = -.279$, $p = .015$, and there was no statistical significance to the correlation between overall satisfaction and SOW $r_s(74) = .159$, $p = 0.015$.

This indicates that SMEs with higher trust scores and lower levels of buyer-seller bonds are more likely to hold a higher percentage of their wallet share with their bank (Table 4). Since the level of satisfaction did not have a statistically significant effect, this suggests that satisfaction does not influence whether a respondent chooses to hold financial products with other providers.

As the data was skewed and this could have been impacting the results, the respondents were further split into two groups; those with one bank (therefore held 100% of their wallet share with their bank), and those who held products elsewhere (and therefore held a wallet share <100%) in order for Point-Biserial Correlation analysis to be performed. Those with wallet share <100% had a moderate negative correlation with trust scores $r_{pbi}(74) = -0.359$, $p = .001$, $R^2 = .129$, which explained 12.9% of the variance in the grouping. There was a weak negative correlation with satisfaction scores $r_{pbi}(74) = -0.239$, $p = .037$, $R^2 = .057$, therefore explaining 5.7% of the variance in grouping. There was a moderate positive correlation with buyer-seller bonds $r_{pbi}(74) = .409$, $p < .0005$, $R^2 = .167$, explaining 16.7% of the variation in grouping.

Table 4: Point-Biserial Correlation Analysis results

Point- Biserial Correlation	Future Intentions	Multiple Providers
Overall Trust Score	-.350**	-0.359**
Overall Satisfaction with Bank	-.107	-0.239*
Buyer-Seller Bonds Score	.156	.409**

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

These results indicate that those who held financial products elsewhere (SoW <100%) had lower trust and satisfaction scores, but had higher buyer-seller bonds. When we look at the types of products the respondents had with other providers, it became clear that respondents were holding more ‘peripheral products’, such as foreign exchange, credit cards and asset finance, elsewhere. Only one of the additional products included a current account. This suggests that when the level of trust and satisfaction is low, switching barrier can induce customer loyalty for the products/services that the customer is tied to, and hence buyer-seller bond on itself is likely to promote spurious loyalty.

4.6 Regression Analysis

Hierarchical multiple linear regression was used in order to determine the amount of variation that could be explained not only by trust, but also by buyer-seller bonds and satisfaction. This allowed for the examination of how much each of the variables contributed to the effect, which is not possible through standard regression techniques. Buyer-seller bonds and satisfaction were treated as covariates, and therefore added to the regression individually first, before the independent variable of trust was added.

Prior to the analysis, the data was checked against the six assumptions required for hierarchical regression. Satisfaction was entered into the model first, with the Stepwise method used for entering buyer-seller bonds and then overall trust scores were entered into the model. Buyer-seller bonds were excluded from the final model as it did not have a significant impact on the loyalty scores of the respondents ($t = -.55, p = .542$).

There was independence of residuals, as assessed by a Durbin-Watson Statistic of 1.943. An examination of scatter plots for each of the variables was examined and showed varying degrees of linear relationships. A visual review of the residual values showed that homoscedacity was not evident, and no correlations above 0.8 showed that there was no evidence of multicolinearity. Of the four cases highlighted via casewise diagnostics within SPSS, none showed a residual higher than 3 and therefore there were no significant outliers. No significant leverage values were seen (there was no value above 0.17 when ‘safe’ value is 0.2), and there were no Cook Distance values above 1. The P-Plot showed that the residuals were normally distributed.

Both models showed a good level of prediction of loyalty scores, as seen in Table 5. The addition of trust scores to the prediction of loyalty scores (Model 2), led to a statistically significant increase in R^2 of .056 $F(1, 73) = 8.251, p = .005$.

Table 5: Linear model of predictors of loyalty scores

Model		Unstandardized Coefficients		Standardized Coefficients	Sig.	95.0% Confidence Interval for B		R	R Square	Adjusted R Square	F
		B	Std. Error	Beta		Lower Bound	Upper Bound				
1	(Constant)	2.850	.771		.000	1.315	4.386	0.669	.448	.440	59.970
	Overall Satisfied with Bank	1.632	.211	.669	.000	1.212	2.052				
2	(Constant)	1.691	.839		.048	.019	3.363	0.710	.504	.490	37.049
	Overall Satisfied with Bank	1.036	.289	.425	.001	.459	1.612				
	Overall Trust Score	.198	.069	.340	.005	.061	.335				

Another regression model was built in order to assess whether the independent variables could assess whether a respondent is likely to hold 100% of their wallet share with their primary bank.

The data for primary bank percentage was skewed due to the number of respondents who held 100% of their share-of-wallet with their primary bank. Therefore, the respondents were again split into two groups; those with one bank, and those who held products with other financial providers, in order for binary logistic regression to be performed. 18 of the sample had more than one bank providing financial products, making the sample size sufficient for this regression model.

The Box-Tidwell procedure confirmed that there was a linear relationship between all of the variables. The Stepwise (forward conditional) method was initially utilised to examine the independent variables in order to decide on the final regression model. Satisfaction was removed from the model through the Stepwise procedure by SPSS as it did not have a significant impact on the model, even when entered as the first variable. This confirmed that the impact of satisfaction was not diluted due to the impact of the other variables ($p = .288$ when forced into the model). The final regression model, therefore, included buyer seller bonds and trust scores (Table 6).

Table 6: Coefficients of the model predicting whether a respondent is more likely to hold 100% of their wallet share with their primary bank

Included	B	Sig.	Exp(B)	95% C.I. for EXP(B)		R2
				Lower	Upper	
Constant	-5.318	.002	.005			
Trust Score	.175	.023	1.191	1.024	1.386	0.22
Buyer-Seller Bonds Score	-.381	.006	1.464*	1.116*	1.920*	0.29

Note: Homer and Lemeslow 0.18

* Predictive power and confidence intervals inverted due to show the negative predictive power

The logistic regression model was statistically significant $X^2(2)= 18.835$, $p<.0005$. The model explained 33% (Nagelkerke R^2) of the variance in those who held 100% of wallet share with their primary bank, with an increase of 5.3% of cases accurately predicted when the variables were added to the model. Overall model sensitivity was 93.1%, specificity 44.4%. The positive predictive value of the model was 84.4% and the negative predictive value was 66%, indicating that the model was able to predict those who did hold 100% of their share-of-wallet 84.4% of the time and those who did not hold 100% wallet share 66% of the time.

For each unit increase in trust score, respondents were 1.19 times more likely to hold 100% of wallet share with their primary bank, and for each unit reduction in buyer-seller bonds, the respondent was 1.46 times more likely to hold 100% of their wallet share with their primary bank.

Goodness of fit was assessed via the Hosmer and Lemeshow Test, which indicated that the model is a poor fit for the data $p= .018$. Whilst the significance of the goodness of fit model shows that the model is not a good fit for the data, examination of the data revealed that there were four significant outliers identified with residual z-scores above 3, with all four showing deviance, standardized and studentized residuals outside of the normal parameters of ± 1.96 .

Re-running the analysis with just one of the four outlier cases removed, changed the Hosmer and Lemeshow test significance to .78 and the predictive value to 38.6% (Nagelkerke R^2), suggesting that these outliers had a substantial influence on the 'fit' of the test.

5. Discussion

This paper investigates the impact of trust in relationship partner, customer satisfaction and buyer-seller bonds (i.e. switching barrier) on customer loyalty and share-of-wallet in the context of SME-bank relationships.

We have identified that, similar to retail banking research (Barnes, 1997; O'Loughlin and Szmigin, 2003; Dalziel et al., 2011), SMEs have limited trust in their primary bank. This was because banks were not perceived to be customer-oriented and not honest in their dealings with businesses, despite being seen as reliable. Banks were doing better in terms of offering a satisfactory service, yet by just meeting their customer's service expectations. Larger businesses perceived their bank was less trustworthy and they were less satisfied in comparison with sole traders and smaller size businesses. Issues with switching banks were not seen forcing businesses to stay with their bank.

Based on the profile of our sample, it was not unexpected that we identified low levels of customer loyalty. What was more surprising was the willingness by the SMEs to recommend their bank to friends and families. This can be related to their satisfaction with their bank. It can be argued that customers' satisfaction level can be sufficient for their referral behaviour without the need to go for extra mile by service providers. Consumer perception of UK banks as 'all banks being the same' (Barnes et al., 2000; Jones and Farquhar, 2003; O'Loughlin et al., 2004; Dalziel et al., 2011) along with experiencing minimal problems can be seen to be adequate to recommend their service provider.

The literature presents buyer-seller bonds as a strong driver of both loyalty and SoW (Storbacka et al., 1994; Sharma and Patterson, 2000). Yet, our research suggests that if customers feel that they are 'trapped' into staying with their primary bank, they are likely to move other peripheral products elsewhere. Whilst buyer-seller bonds may be keeping the

SMEs with their primary bank due to its impact on loyalty, the primary bank is losing additional products to competitors. The bank is then unable to gain a full view of the customer's facilities, which could lead to information asymmetries and incorrect advice, whilst the bank is also failing to maximise the profitability of their customer base.

Finally, similar to B2C relationships, we found that trust and satisfaction play a significant role in customer loyalty whereas it is a negative correlation for buyer-seller bonds. This is consistent with RM research (Dwyer et al., 1987; Grönroos, 1994; Morgan and Hunt, 1994; Doney and Cannon, 1997; Garbarino and Johnson, 1999; Liljander and Roos, 2002; Palmatier et al., 2006; Parish and Holloway, 2010). A closer look into our data revealed some interesting insights. This sample of SMEs were characterised by low levels of trust, customer loyalty and buyer-seller bonds. On the other hand, they were satisfied with the level of service received and willing to recommend their bank. The majority was holding all their financial products with one bank. Intuitively, it can be argued that if a customer is satisfied with service quality it is not unexpected for the customer to purchase the majority of all their products from the same provider. Yet, we did not find a significant relationship between customer satisfaction and SoW while there was a moderate positive correlation for trust and weak negative correlation for buyer-seller bonds. It was surprising to observe customer satisfaction being insufficient in itself to encourage SMEs to meet all their financial needs by their primary bank. Taking into account that our respondents had limited trust in their bank and low levels of buyer-seller bonds, it looks that there should be some other factor(s) impacting on SMEs decision on whether the primary bank should be considered for their additional financial needs. The literature sheds light into this. There is evidence of the substantial role of product features, such as interest rates and fees, in consumer decision making process for financial products. Consequently, our research suggests that the SME – bank relationships in this study are more likely to resemble transactional marketing which is characterised by a focus on sale, orientation on product features and limited customer commitment (Christopher et al., 1991). SME-bank relationships, in this research, were primarily shaped by the limited level of trust which can be attributed partly to banks' unsuccessful attempts to induce trust in their customers and partly to negative media coverage.

The results of this research have also highlighted that it is important that the banks do not concentrate on one component in establishing relationships with their SMEs. Concentrating on trust without maintaining high levels of service quality could harm customer loyalty, and equally, concentrating on satisfaction levels and neglecting trust could impact on SoW. Essentially, banks need to work on all aspects of the relationship if they are to both serve their customers well and maximise profitability.

Managerial Implications

This research has shown that the banks are right to make trust a priority. Trust in the bank has the power to impact both the loyalty and share-of-wallet SMEs hold with their primary bank, leading to stronger and more profitable relationships. However, it is unlikely to be enough to increase the level of trust of their customers if banks simply communicate their customers that they can trust them as part of a marketing campaign. It appears that very few banks and the industry as a whole are asking their customers, especially SMEs, what they could do to improve trust.

NPS is a widely used industry loyalty measure which primarily measures customers' likelihood to recommend their bank to others. Our research showed that there are some customers who are willing to recommend their bank and at the same time are susceptible to

better offers from other providers and could also be contemplating switching. This suggests that banks need to look at how they can accurately measure behavioural loyalty intentions, rather than relying on a single simplistic measure.

Finally, the majority of the sample did not see the cost of switching banks to be of particular concern, with only just over a quarter of the sample agreeing that this was an issue. Similarly, the majority felt that their business has alternative banking options. This suggests that these oft-cited barriers to competitiveness and switching in the market may not be having the impact that is suggested by the government. It would, therefore, be sensible for other potential barriers to switching to be identified as part of the government's recently announced review of the SME market.

Limitations of the research

This study, whilst adding to the research within RM literature, has a number of limitations. The sample lacked representativeness of the SME market and the banking industry as a whole, and this prevents our conclusions to be generalised to the wider SME population. Secondly, no information was collected of the length of time that the SME had a relationship with their bank, or indeed how long they had been operating as a business. Such information may be useful in providing insights into customer loyalty and SoW. Moreover, different banks operate under different regulations. The extension of this study to other financial institutions operating in different regulatory and technological environments needs to be tested.

Recommendations for future research

Further qualitative research in the form of in-depth interviews can assist in the understanding of the antecedents of trust formation and how the banks can influence the trust levels of their SME customers.

Due to the importance the literature placed on the employees of the bank in engendering trust, and the relationship model adopted by the banks in order to manage their relationships with SMEs, there would also be a benefit in researching the impact the relationship management model has on trust, satisfaction and the dependent variables within our theoretical framework.

This study collected data from the decision makers within SMEs who acts as the primary person when dealing with banks, but may not be the person who deals with the bank on a regular basis. Future studies could collect data not only from the primary decision maker but also the member of staff who deal with banks regularly.

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Appendix 1: Question scales, sources and Cronbach Alpha scores

	Source	Cronbachs Alpha
Trust in Relationship Partner Scale		
1. I trust my bank to do what it says it will do	Adapted from the trust index questions: Ennew (2008)	0.821
2. I trust my bank to have the best interests of the business at heart		
3. My bank is very reliable		
4. My bank is always honest with me		
5. Overall I feel I can trust my bank		
Buyer – Seller Bonds Scale		
1. The business stays with the bank because it has to	Created by the researcher based on the literature review.	0.757
2. It would cost too much to move banks		
3. The business does not have other banking options		
Customer Loyalty Scale		
1. In relation to the primary bank for your business, how likely would you be to recommend the bank to friends or family?	Question 1: Adapted from Net Promoter Score: Reichheld (2003) Questions 2 & 3 created by the researcher based on the literature review	0.568
2. The business would stay with the bank even if offered a better deal elsewhere		
3. How likely are you to consider moving the primary banking for your business		
Customer Satisfaction		
In relation to the primary bank for your business, how satisfied are you overall with the Bank?	Common industry measure of satisfaction (based on researchers experience)	N/A

Appendix 2: Tables of trust questions

Responses to trust question one by size of SME

			I trust the bank to do what it says it will do					Total
			Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Category of SME	Sole Trader	Count	0	6	0	4	4	14
		% within Category of SME	0.0%	42.9%	0.0%	28.6%	28.6%	100.0%
1-9 employees		Count	4	0	14	26	4	48
		% within Category of SME	8.3%	0.0%	29.2%	54.2%	8.3%	100.0%
10-49 Employees		Count	0	0	4	8	0	12
		% within Category of SME	0.0%	0.0%	33.3%	66.7%	0.0%	100.0%
50-249 employees		Count	0	0	2	0	0	2
		% within Category of SME	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
Total		Count	4	6	20	38	8	76
		% within Category of SME	5.3%	7.9%	26.3%	50.0%	10.5%	100.0%

Responses to trust question two by size of SME

			I trust the bank to have the best interests of the business at heart					Total
			Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Category of SME	Sole Trader	Count	0	0	6	4	4	14
		% within Category of SME	0.0%	0.0%	42.9%	28.6%	28.6%	100.0%
1-9 employees		Count	8	8	16	14	2	48
		% within Category of SME	16.7%	16.7%	33.3%	29.2%	4.2%	100.0%
10-49 Employees		Count	2	6	4	0	0	12
		% within Category of SME	16.7%	50.0%	33.3%	0.0%	0.0%	100.0%
50-249 employees		Count	2	0	0	0	0	2
		% within Category of SME	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Total		Count	12	14	26	18	6	76
		% within Category of SME	15.8%	18.4%	34.2%	23.7%	7.9%	100.0%

Responses to trust question three by size of SME

			My bank is very reliable					Total
			Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Category of SME	Sole Trader	Count	0	0	2	8	4	14
		% within Category of SME	0.0%	0.0%	14.3%	57.1%	28.6%	100.0%
1-9 employees		Count	2	8	6	28	4	48
		% within Category of SME	4.2%	16.7%	12.5%	58.3%	8.3%	100.0%
10-49 Employees		Count	0	6	4	2	0	12
		% within Category of SME	0.0%	50.0%	33.3%	16.7%	0.0%	100.0%
50-249 employees		Count	2	0	0	0	0	2
		% within Category of SME	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Total		Count	4	14	12	38	8	76
		% within Category of SME	5.3%	18.4%	15.8%	50.0%	10.5%	100.0%

Responses to trust question four by size of SME

			My bank is always honest with me					Total
			Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Category of SME	Sole Trader	Count	0	0	6	4	4	14
		% of Total	0.0%	0.0%	7.9%	5.3%	5.3%	18.4%
1-9 employees	Count	4	0	16	24	4	48	
		% of Total	5.3%	0.0%	21.1%	31.6%	5.3%	63.2%
10-49 Employees	Count	0	4	8	0	0	12	
		% of Total	0.0%	5.3%	10.5%	0.0%	0.0%	15.8%
50-249 employees	Count	0	2	0	0	0	2	
		% of Total	0.0%	2.6%	0.0%	0.0%	0.0%	2.6%
Total	Count	4	6	30	28	8	76	
		% of Total	5.3%	7.9%	39.5%	36.8%	10.5%	100.0%

Responses to trust question five by size of SME

			Overall I feel I can trust my bank					Total
			Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Category of SME	Sole Trader	Count	0	0	6	4	4	14
		% within Category of SME	0.0%	0.0%	42.9%	28.6%	28.6%	100.0%
1-9 employees	Count	6	2	10	26	4	48	
		% within Category of SME	12.5%	4.2%	20.8%	54.2%	8.3%	100.0%
10-49 Employees	Count	0	8	4	0	0	12	
		% within Category of SME	0.0%	66.7%	33.3%	0.0%	0.0%	100.0%
50-249 employees	Count	2	0	0	0	0	2	
		% within Category of SME	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Total	Count	8	10	20	30	8	76	
		% within Category of SME	10.5%	13.2%	26.3%	39.5%	10.5%	100.0%

Comparison of results between trust questions three and four

Overall I feel I can trust my bank		I trust the bank to have the best interests of the business at heart					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Strongly Disagree	Count	6	0	2	0	0	8
	% within Overall I feel I can trust my bank	75.0%	0.0%	25.0%	0.0%	0.0%	100.0%
Disagree	Count	2	6	2	0	0	10
	% within Overall I feel I can trust my bank	20.0%	60.0%	20.0%	0.0%	0.0%	100.0%
Neutral	Count	4	2	12	2	0	20
	% within Overall I feel I can trust my bank	20.0%	10.0%	60.0%	10.0%	0.0%	100.0%
Agree	Count	0	6	10	14	0	30
	% within Overall I feel I can trust my bank	0.0%	20.0%	33.3%	46.7%	0.0%	100.0%
Strongly Agree	Count	0	0	0	2	6	8
	% within Overall I feel I can trust my bank	0.0%	0.0%	0.0%	25.0%	75.0%	100.0%
Total	Count	12	14	26	18	6	76
	% within Overall I feel I can trust my bank	15.8%	18.4%	34.2%	23.7%	7.9%	100.0%

Appendix 3: Tables of buyer-seller bonds questions

Buyer-seller bonds question two by size of SME

Category of SME		The business does not have other banking options					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Sole Trader	Count	2	10	2	0	0	14
	% of Total	2.6%	13.2%	2.6%	0.0%	0.0%	18.4%
1-9 employees	Count	18	22	4	2	2	48
	% of Total	23.7%	28.9%	5.3%	2.6%	2.6%	63.2%
10-49 Employees	Count	4	6	0	2	0	12
	% of Total	5.3%	7.9%	0.0%	2.6%	0.0%	15.8%
50-249 employees	Count	0	0	2	0	0	2
	% of Total	0.0%	0.0%	2.6%	0.0%	0.0%	2.6%
Total	Count	24	38	8	4	2	76
	% of Total	31.6%	50.0%	10.5%	5.3%	2.6%	100.0%

Buyer-seller bonds question one by size of SME

Category of SME		The business stays with the bank because it has to					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Sole Trader	Count	0	6	4	4	0	14
	% of Total	0.0%	7.9%	5.3%	5.3%	0.0%	18.4%
1-9 employees	Count	4	22	6	12	4	48
	% of Total	5.3%	28.9%	7.9%	15.8%	5.3%	63.2%
10-49 Employees	Count	2	2	4	4	0	12
	% of Total	2.6%	2.6%	5.3%	5.3%	0.0%	15.8%
50-249 employees	Count	0	0	0	2	0	2
	% of Total	0.0%	0.0%	0.0%	2.6%	0.0%	2.6%
Total	Count	6	30	14	22	4	76
	% of Total	7.9%	39.5%	18.4%	28.9%	5.3%	100.0%

Buyer-seller bonds question three by size of SME

Category of SME		It would cost too much to move banks					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Sole Trader	Count	2	8	4	0	0	14
	% of Total	2.6%	10.5%	5.3%	0.0%	0.0%	18.4%
1-9 employees	Count	6	18	8	14	2	48
	% of Total	7.9%	23.7%	10.5%	18.4%	2.6%	63.2%
10-49 Employees	Count	2	0	6	4	0	12
	% of Total	2.6%	0.0%	7.9%	5.3%	0.0%	15.8%
50-249 employees	Count	0	2	0	0	0	2
	% of Total	0.0%	2.6%	0.0%	0.0%	0.0%	2.6%
Total	Count	10	28	18	18	2	76
	% of Total	13.2%	36.8%	23.7%	23.7%	2.6%	100.0%

Comparison of answers to buyer-seller bonds one and two

The business stays with the bank because it has to		The business does not have other banking options					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Strongly Disagree	Count	6	0	0	0	0	6
	% of Total	7.9%	0.0%	0.0%	0.0%	0.0%	7.9%
Disagree	Count	8	20	2	0	0	30
	% of Total	10.5%	26.3%	2.6%	0.0%	0.0%	39.5%
Neutral	Count	6	8	0	0	0	14
	% of Total	7.9%	10.5%	0.0%	0.0%	0.0%	18.4%
Agree	Count	4	8	6	4	0	22
	% of Total	5.3%	10.5%	7.9%	5.3%	0.0%	28.9%
Strongly Agree	Count	0	2	0	0	2	4
	% of Total	0.0%	2.6%	0.0%	0.0%	2.6%	5.3%
Total	Count	24	38	8	4	2	76
	% of Total	31.6%	50.0%	10.5%	5.3%	2.6%	100.0%

Appendix 4: Tables of customer loyalty questions

Comparison of answers to loyalty questions one and two

Recommend to Family & Friends		Would stay with bank if offered a better deal elsewhere				
		Strongly Disagree	Disagree	Neutral	Agree	Total
Very Unlikely	Count	4	2	2	2	10
	% within Recommend to Family & Friends	40.0%	20.0%	20.0%	20.0%	100.0%
	% within Would stay if better deal	22.2%	5.3%	20.0%	20.0%	13.2%
Unlikely	Count	2	2	0	0	4
	% within Recommend to Family & Friends	50.0%	50.0%	0.0%	0.0%	100.0%
	% within WouldStayIfBetter Offer	11.1%	5.3%	0.0%	0.0%	5.3%
Neutral	Count	4	14	4	0	22
	% within Recommend to Family & Friends	18.2%	63.6%	18.2%	0.0%	100.0%
	% within WouldStayIfBetter Offer	22.2%	36.8%	40.0%	0.0%	28.9%
Likely	Count	6	16	2	6	30
	% within Recommend to Family & Friends	20.0%	53.3%	6.7%	20.0%	100.0%
	% within Would stay if better deal	33.3%	42.1%	20.0%	60.0%	39.5%
Very Likely	Count	2	4	2	2	10
	% within Recommend to Family & Friends	20.0%	40.0%	20.0%	20.0%	100.0%
	% within Would stay if better deal	11.1%	10.5%	20.0%	20.0%	13.2%
Total	Count	18	38	10	10	76
	% within Recommend to Family & Friends	23.7%	50.0%	13.2%	13.2%	100.0%
	% within Would stay if better deal	100.0%	100.0%	100.0%	100.0%	100.0%

