

Impact of Customer Winning Attitude on Customer Loyalty within KSA Mobile Telecommunication Industry

**Aftab Alam and Mairaj Salim
King Abdulaziz University
Saudi Arabia**

Abstract

At the advent of the burgeoning competition in today's business, many companies are required to build long-term profitable winning attitude towards the customer to achieve customer loyalty. Therefore, relationship marketing has become more and more important since last decade of 20th Century, especially in service industry. It has been also observed that, there are many different relationship marketing tactics are being implemented to retain the customer. Though it some tactics in lieu of retentions has found that did not affect customer loyalty and keep switching behaviors frequently customers. Therefore, this study is aimed to investigate the impact of customer winning relationship marketing tactics on customer telecommunication sector how does play a lead role in building up customer loyalty. To prove its accuracy over all, a model in respect to test the relationships between relationship marketing tactics, relationship quality (trust and satisfaction) and customer loyalty is earmarked to find out the accuracies of overall customer satisfaction. As a result the projected increase of customer loyalty can be gauged through focusing on Saudi mobile telecommunication sector. Factors: To prove overall factors, a specific analytical model is being put up as a guideline to test the relationships between relationship marketing tactics, relationship quality (trust and satisfaction) and customer loyalty. A quantitative method with deductive approach is also being chosen in this research. Which in turn can be procured the relevant features of the data? Methodologies': In order to collect primary data, a self-completed questionnaire has been designed and randomly sent out by email to the different levels of users of Mobile in KSA. The SPSS for windows is used to process the primary data. The findings show that Service Quality, Price Perception, and Value Offers have impact on customer loyalty indirectly via the customer satisfaction and trust. Brand image is positively and directly related to customer loyalty. However, switching costs is found to be less correlation with customer loyalty, as well as satisfaction and trust in KSA telecommunication industry.

Keywords

Relationship Marketing, Relationship Marketing Tactics, Relationship Quality, Customer Loyalty, Trust, Satisfaction, Switching Cost, Mobile Telecommunication.

Introduction

The telecommunication industry is becoming one of the most important industries in the world. The telecommunication industry delivers voice communications, data, graphics, and video at ever increasing speeds. Telecommunication influences the world economy and the telecommunication industry's revenue was estimated to be \$1.2 trillion in 2006. The competition is also becoming more and more sharp. In order to obtain sustainable competitive advantage, telecommunication firms are forced to make innovation and do the best for customer satisfaction. Due to this, customer relationship marketing plays an important role in telecommunication industry. It demands a relationship-oriented strategy in marketing (Grönroos, 2004).

Moreover, the new electronic communication regulations suggested that the regulations would harmonize the legislation of the countries wherever it belongs to and increase competition in order to win the consumers. With the outset of our study towards finding out the Impact of Customer winning attitude on Customer loyalty within KSA Mobile Telecommunication Industry, we have a study at a glance to get the actual relations in this regard. Since, Saudi Arabia is the largest telecom market in the GCC sized at USD 11.6 bln in 2010, with the growth in telecom revenues has done a commendable job to achieve the targets about USD 1 bln from 2009 to 2010. Saudi Arabia alone has grown, in absolute terms, more than the rest of the GCC telecom markets put together. Riding the wave of the phenomenal telecom growth that began in 2005 with the liberalisation of the telecom sector, the Saudi Arabian telecom market has now reached an exciting phase in its evolution – well-established with voice and basic data services, Saudi Arabia is strongly positioned to benefit from the next wave of growth opportunities with it credible

Six key promise pillars which are shaping the next wave of growth opportunities: these can be visualized in the driver's seat: A youth-centric and expatriate consumer generation bolstering demand, The internet and broadband surge, Unleashing the growth The smart device, An integral lifestyle choice Beyond the basic innovation in telecom applications and services. Mobile financial services i.e Banking at the fingertips and The connected corporation: Need for sophisticated ICT services Each of the promise pillars has strong implications for the industry stakeholders and they need to act now to seize the relevant opportunities that lie within this market(Joshep Que Sept' 2010)

After going through the overall study of telecom sectors of Saudi Arabia , we have found that it is the only market where the region's three largest operators – Etisalat of the UAE, Zain of Kuwait and STC on its home turf – go head to head. In addition, Qtel, also an aspirant to join the international big league of players, owns a smaller iDEN operator. Competition in the market is very fierce and growth high.. Facing the fierce competition, it is more and more important for each firm to execute relationship marketing tactics in order to retain loyal customers who will bring long-term profit and create competitive advantage to the firms. Relationship marketing is concerned about building customer loyalty by providing value to all the parties involved in the relational exchanges (Peng and Wang, 2006), as customer loyalty is the final goal of relationship marketing. It is being observed generally that buyers and sellers in market achieves mutual benefits through developing relationships, which are not simple that a customer is 100 per cent loyal to a vendor (Stone & Woodcock & Machtynger, 2000). There are often switching behaviors occurred in different stages of a partnership relationship. Relationship marketing tactics are thus approaches to apply relationship marketing in practice (Tseng, 2007). Effective customer-oriented relationship marketing tactics may help marketers to acquire customers, keep customers, and maximize customer profitability, and finally build up customer loyalty.

Role of Relationship Marketing:

Considering the significant importance of relationship marketing in today's business, it will make sense to understand how the relationship marketing are executed in practice and how this type of marketing take effect, e.g. influencing long-term relationship building and customer loyalty. Therefore, this study is aimed to develop and exam a analytical model regarding the field of relationship marketing in practice, based on reviewing literatures and theories about relationship marketing tactics, relationship quality and customer loyalty may make sense to understand how the relationship marketing are executed in practice and how this type of marketing take effect, e.g. influencing long-term relationship building and customer loyalty.

Therefore, this study is aimed to develop and exam a analytical model regarding the field of relationship marketing in practice, based on reviewing literatures and theories about relationship marketing tactics, relationship quality and customer loyalty

Relationship marketing tactics: Relationship marketing is carried out with many relationship marketing tactics, which are widely to be applied in today's business. Many tactics may have potential to influence relationship quality and retaining customers. On basis of previous researches, four ways of implementing relationship marketing tactics are focused on this study, such as *service quality, price perception, value offers* and *brand image*. These four tactics will be discussed in detail in the next chapter.

Relationship marketing compared with traditional marketing	
Relationship Marketing	Traditional marketing
Orientation to customer retention contact	Orientation to single sales Continual customer contact
Focus on product features Long-term	Episodic customer contact Focus on customer value
Short –term horizon	little emphasis on Customer
Short-term horizon	
High customer-service emphasis	little emphasis on customer service
High commitment to meeting	Limited commitment to meeting
Customer expectations	customer expectations
Quality concerns all staff members	Quality concerns only production staff
<p>*Traditional marketing can also be considered transactional marketing, in which each sale is considered to be a discrete event. This table is based on an idea from: F. Robert Dwyer, Paul Schurr, and Sejo Oh, "Developing Buyer-seller Relationships." Journal of Marketing, Vol. 51, April 1987, pp. 11-27.</p>	

Figure 1 Relationship marketing compared with traditional marketing, Source: Bowen and Shoemaker, 2003

Since the final purpose of relationship marketing is to gain the maximal value of a customer, customer loyalty should be emphasized to achieve this goal. The benefits of relationship marketing derive from the continuing patronage of loyal customers who as a partnership are not sensitive to price cut over time (Bowen and Shoemaker, 2003). Interdependence, mutual cooperation and commitment between supplier and customer tend to be essential in relationship marketing, as such whole relationship is viewed as the key to competitive advantage (Hougaard and Bjerre, 2002).

2. Relationship Marketing Tactics

There have been various ways for marketers to implement relationship marketing tactics, which are expected to have impact on customer retention and loyalty. Bansal, Taylor and James (2005) suggested that relationship marketing tactics can be executed through service quality, price perception, value offered, alternative attractiveness, and so on. Tseng (2007) discussed that tactics as direct mail, tangible rewards, interpersonal communication, preferential treatment and membership could enhance long-term relationship and increase relationship satisfaction, trust and commitment. Peng and Wang (2006) also examed the application of relationship tactics in service quality, reputation (brand), price perception, value offers. Based on the early theories, certain relationship marketing tactics which are considered of importance in service industry, such as service quality, price perception, value offers and brand image, will be focused in the following parts.

3. Service Quality

Service is different from physical products. Compared with physical products, Service is thought to be intangible, heterogeneous, produced and consumed simultaneously, unable to be kept in stock, etc. A widely accepted definition of *service* is proposed by Grönroos in 1990 as: "A service is a process consisting of a series of more or less intangible activities that normally, but not necessarily always, take place in interactions between the customer and service employees and/or physical resources or goods and/or systems of the service provider, which are provided as solutions to customer problems" (see Grönroos, 2000, p.46). This definition implied that service is a process where interactions between customer and service provider most often exist. Hence, in a service context, there are almost a relationship between customer and service provider, such relationship can be used as a basis for marketing (Grönroos, 2000). In order to retain loyal customer who will bring long-term profit to the firm, the key issue for service provider is to make use of this relationship in the way it manages customers by offering what the customers needs and wants.

The quality of a service is subjectively perceived by customers during the interactions with a firm (Grönroos, 2000).

Parasuraman *et al.* (1988) defined *service quality* as the consumers' judgment about a firm's overall excellence or superiority. What happens and perceived by customers in the interaction process will obviously have critical impacts on customers' evaluation of service quality (Grönroos, 2000).

Due to the peculiar attributes of service, the evaluation of service quality is more complex than evaluation of product quality. There have been various ways for measurements of service quality proposed by previous researches and literatures. The famous measurement model of service quality is SERVQUAL developed by Parasuraman *et al.* (1988), who measured the differences between customer expectations and perceptions cross five determinants as follows:

Tangibles: Appearance of physical facilities, equipment, employees and communication materials from a service company.

Reliability: A service company's ability to perform the promised service dependably and accurately.

Assurance: employees' knowledge and behavior about courtesy and ability to convey trust and confidence.

Responsiveness: A service company is willing to help customers and provide punctual services.

Empathy: A service company provides care and individualized attention to its customers, as well as having convenient operating hours.

Later, based on integrating previous studies and conceptual works, Grönroos (2000) summarized seven criteria of good perceived service quality as: (1) professionalism and skills; (2) employees' attitudes and behavior; (3) accessibility and flexibility; (4) reliability and trustworthiness; (5) service recovery; (6) servscape; and (7) reputation and credibility. The first criteria is outcome-related and thus a technical quality dimension; the last one is image-related and fulfils a filtering function; and the rest five ones are process-related and present the functional quality dimensions (Ibid).¹⁰

4. Price Perception

Price is the monetary cost for a customer to buy products or services. It is the critical determinant that influences customer buying decision. Customers usually select their service providers strongly relying on perceived price. Oliver (1997) suggested that consumers often judge price relating to service quality, and accordingly generate satisfaction or dissatisfaction, depending on the equity principle - 11

Based on above discussion, the following hypothesis is proposed:

H2a: Fair price perceived by customers is positively related to customer satisfaction. *H2b*: Fair price perceived by customers is positively related to customer trust.

5. Brand Image

Brand image was defined by Keller (1993, p3) as the "perceptions about a brand as reflected by the brand associations held in consumers' memory." It is thought as the perception or mental picture of a brand formed and held in customers' mind, through customers' response, whether rational or emotional (Dobni and Zinkhan, 1990). According to Grönroos (2000, p.287), "A brand is not first built and then perceived by the customers."¹²

Therefore, a positive brand image is supposed to meet customer's expectation and offer more benefits to customer, which may lead to customer satisfaction and trust. Two hypotheses are thus proposed as follows:

H3a: Positive brand image perceived by customers is positively related to customer satisfaction

H3b: Positive brand image perceived by customers is positively related to customer trust.

6. Value Offers:

Customers will judge the value of consumption after contrasting benefits gained from products and services with their costs (Zeithaml, 1988). Service firms provide superior value through enhanced offers can improve customer satisfaction by increasing the customer's perceived benefits and reducing the sacrifice so that customer retention is improved (Ravald and Grönroos, 1996).¹³

Ravald and Grönroos (1996) described the effect of value-adding strategies in long term relationship

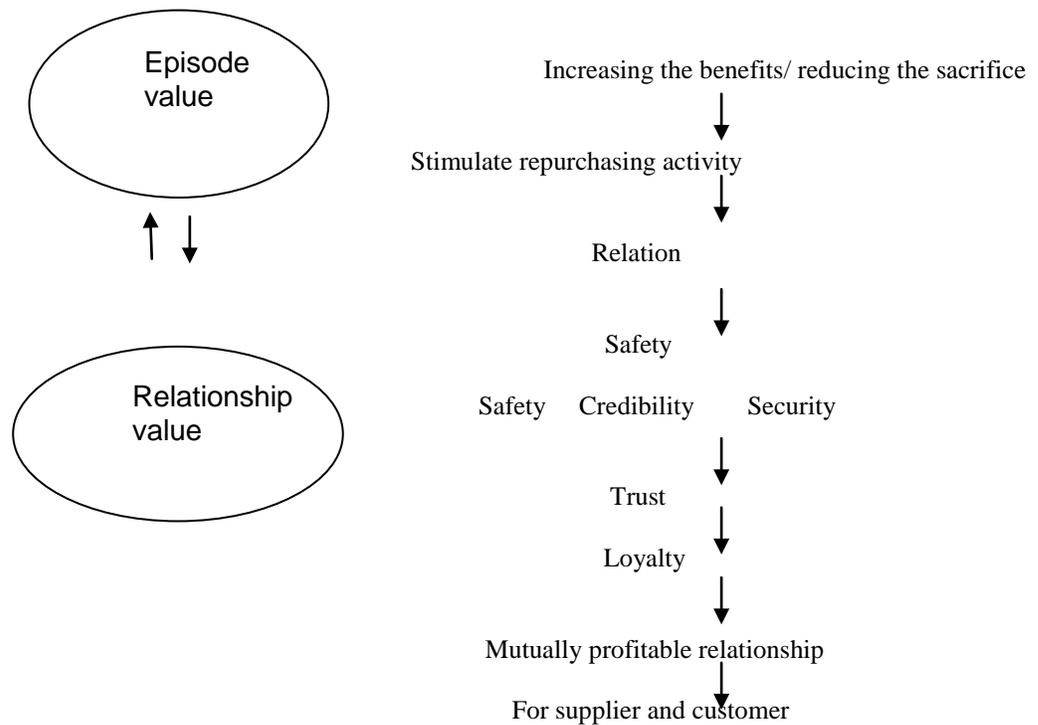


Figure 2. The Effect of Value-Adding Strategies in a Long Term Relationship
Source: Raval and Grönroos (1996)

Interpretation: According to figure 2, It is clear that companies execute certain value-adding strategies can increase customer's perceived benefits and reducing customer's perceived sacrifices, which in turn stimulate customer repurchasing activities and remain in the same service provider. In a long-term relationship, customer perceived value offered is related to both episodes and expectations (Raval and Grönroos , 1996). When customer's expectations are satisfied, they will feel safety, credibility, and security as perceived value in this relationship, which all together increase trust and then enhance customer's loyalty (Ibid). Therefore, companies should concern about customer's value from customer's point of view, and thoroughly understand customer's value chain in order to be able to reduce customer-perceived sacrifice (Wilson and Jantrania, 1995). Increasing the customer benefits means adding something to the core product that the customer perceives important, beneficial and of unique value (Ibid). In telecommunication sector, it is essential for operators to offer something valuable to customers in service interaction process, such as reward refund activities and promotional offers, in order to gain customer satisfaction and trust, which are expected to enhance customer loyalty.

Therefore, the following hypotheses are proposed:

H4a: The value offers perceived by customers is positively related to customer's satisfaction.

H4b: The value offers perceived by customers is positively related to customer's trust.

7. Relationship Quality: Relationship Quality (RQ) emerged from the field of Relationship Marketing (RM). Successful exchange events can finally lead to an enduring buyer-seller relationship if they are properly treated from both a buyer and a seller's perspectives (Crosby *et al.*, 1990). In some service contexts, since service is invisible and heterogeneous, customers would feel high uncertainty and risk in the transaction (Li and Ho, 2008). Whereas, good relationship quality could reduce service uncertainty and risk for the purpose of increasing customers' reliability to develop long-term relationships (Crosby *et al.*, 1990; Li and Ho, 2008). In other words, higher quality of relationship creates association between service providers and customers, and fosters long-term stable exchanges where both parties can gain mutual benefits (Singh, 2008).

8. Trust: Trust is one of the most widely subjects across multi disciplines, including management, economics,

philosophy and psychology. Various definitions of trusts have been given in previous literatures. One general concept of trust was provided by Mayer, Davis and Schoorman (1995), who systematically studied organizational trust and defined trust as 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 the other party. Geyskens and Steenkamp (1995) also summarized trust as the extent to which a firm believes that its exchange partner is benevolent and honest. Doney and Cannon (1997) emphasized that trust is the perceived credibility and benevolence. Based on above definitions, it is clear that trust is a human characteristic that is based on assessment of one another's personality traits (Chu, 2009), motives and behaviors (Tian *et al.*, 2008). In the development of trust, trustors' expectations and perception about trustees are involved. This is suggested that the level of trust is different significantly among individuals based on their personal decision-making habits and characteristics (Chu, 2009).¹⁶

Trust is considered so important to long-term relationships and enhancing customer loyalty. Many researchers have suggested that customers' trust is a significant role in building long-term relationship and achieving customer loyalty (Berry, 1995; Bowen and Shoemaker, 2003; Chu, 2009). With trust as a precursor, a customer becomes loyal to a firm and forms a commitment to that firm (Bowen and Shoemaker, 2003)¹⁷

Therefore, the following hypothesis is proposed:

H5: Customer trust is positively related to customer loyalty.

9. Satisfaction: Customer satisfaction has been paid much attention among theoretical literatures and practical researches. It is also an expected outcome of implementing marketing activities, as providing satisfying products or services to customers relates to success achieved in today's tensely competitive world of business. Fornell (1992) defined satisfaction as an overall evaluation dependent on the total purchase and consumption experience of the target product or service performance compared with repurchase expectations over time. Oliver (1997, 1999) reviewed satisfaction as pleasurable fulfillment which is sensed by customers in the consumption. It means that "the consumer senses that consumption fulfills some need, desire, goal, or so forth and that this fulfillment is pleasurable" (Oliver, 1999, p.34).

In relationship marketing literatures, customer satisfaction has also been thought to be an key performance indicator for evaluating the quality of a relationship between service provider and customers. Customers' eexpectations regarding costs and benefits of the relationship mainly depend on past experience, and satisfying experiences increase the motivation and the likelihood that an individual stays in the relationship (Mouri, 2005). Customer perception to products or services has been widely used to measure customer satisfaction. According to Li (2008), five emotions perceived by customers as below are satisfactory:

- (1) Satisfaction: the products can be accepted or tolerated;
- (2) Content: the products bring people with a positive and happy experience;
- (3) Relieved: the products remove people's negative state;¹⁸
- (4) Novelty: the products bring people with freshness and exciting;
- (5) Surprise: the products make customer unexpectedly pleased.

Furthermore, customer satisfaction also has been measured relying on the phases of customer relationship life cycle, which characterizes different stages of a customer relationship and requires focus on specific target and customer expectation of different stages (Spath and Fährnich, 2007). In general, customer satisfaction enhances the quality of relationship between customers and service providers, and increases the repeat purchase behavior.

Therefore, the following hypothesis is proposed:

H6: Customer satisfaction is positively related to customer loyalty.

10. Switching Costs: Switching cost incurred when a customer switches from an existing service provider to a new one. It is a barrier that influence customer's decision to change service provider. Selnes (1993) suggested that switching cost includes the technical, financial, and psychological costs that make it difficult or costly for customers to change brands. Patterson and Smith (2003) defined switching cost as the customer's perception of the importance of the additional cost led to ending up a relationship and to securing an alternative one. N'Goala (2007) argues that the perceived costs of switching can be either monetary or non-monetary (time, effort, risk taking, psychological nature, etc.). Higher switching costs perceived by customers may affect their switching behaviors. In other words, the higher switching costs perceived, the more willing of a customer to remain loyalty with current service provider.¹⁹

Therefore, the following hypothesis is proposed:

H7: High switching costs perceived by customer is positively related to customer loyalty

11. Customer loyalty: It is the most important goal of implementing relationship marketing activities. Oliver (1997, p.392) defined customer loyalty as a “deeply held commitment to rebury or repatronize a preferred product or service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior” . Loyal customers are less likely to switch to a competitor solely because of price, and they even make more purchases than non-loyal customers (Bowen and Shoemaker, 2003). Loyal customers are also considered to be the most important assets of a company (Blackton, 1995). It is thus essential for vendors to keep loyal customers who will contribute long-term profit to the business organizations (Tseng, 2007). Attempt to make existing customers increase their purchases is one way to strengthen the financial growth of a company (Hayes, 2008). Furthermore, organization’s financial growth is dependent on a company’s ability to retain existing customers at a faster rate than it acquires new ones (Ibid). Therefore, good managers should understand that the road to growth runs through customers – not only attracting new customers, but also holding on existing customers, motivating them to spend more and getting them to recommend products and services to the other people (Keiningham *et al.*, 2008).²⁰

In general, customer loyalty are the final purpose that firms implement relationship marketing. This study is seeking to investigate the impact of the above mentioned relationship marketing tactics on relationship quality and customer loyalty, by examining the above proposed hypothesizes²¹. Research Method: There are two helpful research methodologies: quantitative and qualitative. Bryman and Bell (2003) pointed out that the connection between theory and research, epistemological considerations and ontological considerations, quantitative and qualitative research can be considered as two distinctive Due to the purpose of this research is to test the proposed hypothesizes, a quantitative method is chosen in this research. “Quantitative research can be construed as a research strategy that emphasizes quantification in the collection and analysis of data and that: Entails a deductive approach to the relationship between theory and research, in which the accent is placed on the testing of theories; Has incorporated the practices and norms of the natural scientific model and of positivism in particular; and Embodies a view of social reality as an external. Objective reality (Bryman and Bell, 2003).

Fundamental differences between quantitative and qualitative research strategies		
	Quantitative	Qualitative
Principal orientation to the role of theory in relation to research	Deductive; testing of theory	Inductive; generation of theory
Epistemological orientation	Natural science model, Particular positivism	interpretivism
Ontological orientation	Objectivism	Constructionism

Figure 3. Fundamental differences between quantitative and qualitative research strategies
Source: Bryman and Bell (2003)

2. Case selection and Sampling

In this Research .The Case selection is focus on the KSA Mobile Telecommunication Sector .One of the reason is that we are staying in KSA and it will easy for us to have kind of access directly with the Customers, Users .Authors are having easy access to know the reality of the sectors over its position in Market after liberalization in 2005. Due to the research is studied from customers’ point of view, the population was expected to involve the people who are consuming the mobile services from Saudi telecom services provider. Due to the paucity of time and costs, the population are being targeted on the king Abdulaziz university students, therefore, undergraduate students and master students who study in Random sampling is being practiced to measure the functional areas and maximum has been tried to justify through quantitative research.

Questionnaire Design and Data Collection

In this survey, a self-completion questionnaire with closed questions are developed. The self-completion questionnaire is very similar method of business research, and the research instrument has to be especially easy to

follow and its questions have to be particularly easy to answer (Bryman and Bell, 2003). Meanwhile, whether to ask a question in an open or closed format is one of the most significant considerations for many researchers. According to Bryman and Bell (2003), closed questions have some advantages: it is easy to process answers; it enhances the comparability of answers, and makes them easier to show the relationship between variables. It is better than open question for this research. The questionnaire was composed of two parts and total 40 statements (see appendix). The first part is about individual characteristics with two questions by asking respondents' gender and the name of the mobile telecom operator they are choosing currently. The second part contains all eight constructs in the research model with total 38 statements. Several items on each construct are developed and adopted from relevant literatures (show as Table 3.1). All of the items were measured by using a five-point Likert-type response scales, anchored at 5 strongly agree and 1 strongly disagree

Table 3.1

Constructs	Items	Referred To
Service quality	<ol style="list-style-type: none"> 1. This mobile telecom operator follows up in a timely manner to customer requests 2. The frontline employees of this operator are always willing to help me. 3. This operator is consistent in providing good quality service. 4. This operator is consistent in providing good quality service. 5. This operator offers personalized services to meet customers' need. 6. This operator provides timely information when there are new services 	Peng and Wang (2006); Grönroos (2000) Parasuraman <i>et al.</i> (1988);
Price Perception	<ol style="list-style-type: none"> 1. This operator took effective ways to help us know its pricing policies of products and services. 2. The pricing policies of products and services from this operator are attractive. 3. The calling rate offered by this operator is reasonable. 4. This operator is offering flexible pricing for various services that meet my needs. 5. I will continue to stay with this operator unless the price is significantly higher for the same service. 	Cheng <i>et al.</i> (2008) Peng and Wang (2006);
Brand Image	<ol style="list-style-type: none"> 1. I consider that this operator's reputation is high. 2. I have a good feeling about the operator's social responsibility. 3. The operator delivered a good brand image to its customers. 	Aydin and Özer (2005); Grönroos (2000); Raval and Grönroos (1996)
Value Offered	<ol style="list-style-type: none"> 1. The promotional offers from this operator were worth the money. 2. It was easy to get benefits from the promotional offers. 3. The proposed rewards from this operator were what I wanted. 4. It is highly likely that I will achieve the proposed reward. 	Peng and Wang (2006); Zeithaml (1988);
Trust	<ol style="list-style-type: none"> 1. This operator is reliable because it is mainly concerned with the consumers' interests. 2. The billing system of this operator is trustworthy. 3. The reputation of this operator is trustworthy. 4. The policies and practices of this operator are trustworthy. 5. The service process provided by this operator is secure. 	Chu (2009); Aydin and Özer, (2005); Tian <i>et al.</i> (1998); Morgan and Hunt (1994); etc.
Satisfaction	<ol style="list-style-type: none"> 1. I am satisfied with the overall service quality offered by this operator. 2. I am satisfied with the professional competence of this operator. 3. I am satisfied with the performance of the frontline employees of this operator. 4. I am comfortable about the relationship with this operator. 	Mouri (2005); Oliver (1997); Fornel (1992); etc.
Switching cost	<ol style="list-style-type: none"> 1. I feel that switching to a new operator causes monetary cost. 2. To switch to a new operator; I should compare all operators (on account of services, coverage area, billing, etc.) 3. Even if I have enough information, comparing the operators with each other takes a lot of energy, time and effort 4. If I change my phone number, I would be concerned if people dial my previous number but could not reach me. 5. If I switch to a new operator, I am not able to use some services (MMS, GPrice Perceptions, WAP, etc.), until I learn to use them 	N'Goala (2007) Aydin and Özer (2005); Keaveney (1995); etc.
Customer Loyalty	<ol style="list-style-type: none"> 1. I intend to continue using mobile services from this operator for a long time. 2. If I want to change a new telecom service, I am willing to continue selecting this operator. 3. Even if another operator' price is lower, I will go on using this provider. 4. I am willing to say positive things about this operator to other people. 5. I will encourage friends and relatives to use the services offered by this operator. 6. To me, this operator clearly is able to provide the best service 	Aydin and Özer, (2005); Wulf <i>et al.</i> (2001); Morgan and Hunt (1994); etc.

Questionnaires are administrated in different ways: face to face, telephone, postal, e-mail and Web. In this study Web and e-mail questionnaires methods been chosen. This survey chose on-line questionnaire to collect data about people's attitude of customer loyalty and other relationship marketing tactics.

Reliability and Validity

1. Reliability

Reliability is defined as be fundamentally concerned with issues of consistency of measures.(Bryman and Bell, 2003) There are three prominent factors related to considering whether a measure is reliability: stability, internal reliability and inter-observer consistency. In this study, internal reliability will be considered.

2. Validity

Validity is defined as how much any measuring instrument measures what it is intended to measure. Bryman and Bell (2003) also suggested that the important issue of measurement validity relates to whether measures of concepts really measure the concept.

3. Statistical Analysis

The results of the survey were analyzed using descriptive statistics. There are many basic techniques for analyzing quantitative data. In this study, the research chose the software of SPSS for Windows to analyze the exploratory factors

Table 4. Cronbach's alpha for constructs

Constructs	Cronbach's Alpha	Number of Items
Service Quality	0.791	6
Price Perception	0.766	5
Brand Image	0.798	3
Value offers	0.791	4
Trust	0.848	5
Satisfaction	0.808	4
Switching Costs	0.486	5
Customer loyalty	0.850	6

Due to the Cronbach's alphas of Switching Costs is only 0.486 (< 0.7), it indicates that the internal reliability/consistency of this construct is low and there may be some items that are multi-dimensional. In order to select a subset of items that tend to have internal consistency, the correlation matrix for the 5 items of Switching Cost is then calculated (the result showed as Table 4.1). The fifth item (SC5) seems to be uncorrelated with any other item within this construct (the correlation coefficients are not significant). Therefore, SC5 is removed from the analysis, the lack of correlations of SC5 could be due to the fact that the statement does not capture the characteristics of switch cost. After the removal, the Cronbach's alpha for Switching Costs with 4 items increase to 0.529 (show as Table 4.2), which is still a little low.

Table 4.1 Pearson's correlations between items of Switching Cost

Items	SC1	SC2	SC3	SC4	SC5
SC1	1	.297(**)	.107	.195	.137
SC2	.297(**)	1	.094	.288(**)	.012
SC3	.107	.094	1	.334(**)	.163
SC4	.1951	.288(**)	.334(**)	1	-.018
SC5	.137	.012	.163	-.018	1

Note: ** Correlation is significant at the 0.01 level (2-tailed).
SC = Switching Costs

Table 4.2 Cronbach's alpha for new switching costs

Constructs	Cronbach's Alpha	Number of Items
New Switching Costs	0.529	4

Empirical Data of Correlation Analysis

After checking the reliability of the items, it needs to take the averaged scores of items for each construct as the final score upon which we conduct further analysis. Table 4.3 shows the means, standard deviations for all the constructs. Five of the eight constructs have scales mean that are within half of the scale of the center of scales (3) except for (Service Quality, Value and Customer Loyalty). The sample standard deviations of Brand Image (0.779) and Customer Loyalty (0.724) are relatively higher, while the others range from 0.605 to 0.696 (mean 0.665). Many of the constructs are negatively skew, the non-normality could be a sign of inter-correlation.

Table 4.3 Summary of descriptive statistics of constructs

Constructs	Mean	Std deviation	Skewness
Service Quality	3.4785	.60812	.057
Price Perception	3.6535	.069102	-149
Brand Image	3.5578	.77904	-.727
Value Offers	3.3540	.62676	.066
Trust	3.5396	.60491	.135
New Switching Cost	3.7574	.69593	-.743
Customer Loyalty	3.3845	.72409	-.576

Note: * Standard errors of skewness 0.240

From the correlation matrix in Table 4.4, preliminary tests of the hypotheses were implicitly performed. Almost all the variables are positively correlated to each other at the 0.01 level except for the pair of Value Offers and Switching Cost. Meanwhile, the correlations between Switching Cost and other variables are weaker if we look at the scale of correlation more closely, ranging from (0.183 to 0.450), while the correlations between other pairs are at least 0.392 (Brand Image and Value Offers), ranging from 0.392 to 0.750. Pair-wise correlations provide a rough view of the relationships between these different factors. To investigate the structure of the hypotheses in a more sophisticated way, it is better to fit the corresponding (multivariate) linear models by accounting for the effects of other constructs.

Table 4.4 Pearson's correlations between constructs

	SQ	PR	BI	VA	TR	SA	New SC	CL
SQ	1	.507 (**)	.594 (**)	.444 (**)	.616 (**)	.682 (**)	.301 (**)	.628 (**)
PR	.594 (**)	1	.551 (**)	.456 (**)	.601 (**)	.600 (**)	.346 (**)	.585 (**)
BI	.594 (**)	.551 (**)	1	.392 (**)	.742 (**)	.602 (**)	.344 (**)	.730 (**)
VA	.444 (**)	.456 (**)	.392 (**)	1	.438 (**)	.467 (**)	.183	.501 (**)
TR	.616 (**)	.601 (**)	.742 (**)	.438 (**)	1	.600 (**)	.450 (**)	.701 (**)
SA	.682 (**)	.600 (**)	.602 (**)	.467 (**)	.600 (**)	1	.314 (**)	.750 (**)
NEW SC	.301 (**)	.346 (**)	.344 (**)	.183	.450 (**)	.314 (**)	1	.375 (**)
CL	.628 (**)	.585 (**)	.730 (**)	.501 (**)	.701 (**)	.750 (**)	.375 (**)	1

Note: ** Correlation is significant at the 0.01 level (2-tailed).
 SQ = Service Quality; PR = Price Perception; BI = Brand Image; VA = Value Offers;
 TR = Trust; SA = Satisfaction; New SC = New Switching Costs; CL = Customer Loyalty.

Overall Data Analysis:

Overall data analysis deals with empirical data and gave the legible and specific results of the analytical model. This analytical further analyze the hypotheses and achieve the research purpose. Based on overall analysis data reveals that

- Customer always prefers to buy a service that they trust.
- Many early researches have underscored that trust and its implication is an important factor to drive profitable, long-term
- customer relationships have an indelible impact (Garbarino and Johnson, 1999).

- A high customer satisfaction level leads to a high customer loyalty level that helps firms realizing economic success in terms of profitability, market share and investment return (Reichheld, 1996).

Conclusion

Retaining customers in the service industry has become a major objective of relationship marketing. Relationship marketing tactics are considered to be essential for building long-term relationship with customers in order to achieve mutual benefits of all parties. Although relationship marketing tactics has been widely implemented by service providers, customers still tend to switch to competitor. Therefore, this study was conducted to exam the impact of relationship marketing tactics (service quality, price perception, value offered and brand image) on relationship quality (trust and satisfaction), and in turn effect the customer loyalty within on Saudi mobile telecommunication industries. The findings of the survey can be summarized as below:

- The four Relationship marketing tactics are positively related to relationship quality.
- Relationship quality (trust and satisfaction) are positively related to loyalty.
- Switching cost however does not show much correlation with customer loyalty, as well as customer trust and satisfaction.
- Brand image tactic especially turns out to directly lead to customer loyalty, regardless of the influence of mediated factors as trust and satisfaction.

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