

The Role of Relationship Marketing in Enhancing Customer Loyalty Towards Financial Products and Services: Empirical Insights from the Saurashtra Region

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Abstract

This study investigates the impact of Customer Relationship Marketing (CRM) strategies on customer loyalty in the financial services sector, with a specific focus on the Saurashtra region of Gujarat. Drawing from a structured survey of 875 respondents across seven cities, the research evaluates both behavioural and attitudinal loyalty dimensions. Using exploratory factor analysis and multiple regression techniques, the study identifies seven core CRM strategies—customer segmentation, omnichannel engagement, advisory services, retention programs, communication and feedback, cross-selling, and financial literacy initiatives—as critical variables. The findings reveal that retention and advisory strategies exert the strongest influence on behavioural and attitudinal loyalty, respectively. While personalization and proactive communication significantly enhance customer engagement, transactional efforts like cross-selling show mixed results. The research emphasizes the need for trust-based, personalized CRM approaches in regional markets and provides strategic guidance for financial institutions seeking to build enduring customer relationships beyond transactional interactions. The study contributes to bridging the CRM research gap in semi-urban India and offers practical implications for loyalty-driven growth in emerging financial landscapes.

Keywords: Customer Relationship Marketing (CRM), Customer Loyalty, Behavioural Loyalty, Attitudinal Loyalty, Financial Services, Relationship Marketing Strategies.

Introduction

In today's increasingly competitive financial services environment, organizations face growing challenges in both attracting and retaining customers (Kumar & Reinartz, 2016). Much like marketers, financial institutions must understand customer preferences, expectations, and behaviors to build meaningful relationships (Payne & Frow, 2017). Customer behavior in this sector is complex and shaped by multiple factors, including service quality, personalization, trust, and convenience (Mittal & Kamakura, 2001). These factors significantly influence a customer's decision to remain loyal to a financial service provider (Chaudhuri & Holbrook, 2001). Therefore, customer loyalty cannot be assumed; it must be continually nurtured through effective relationship-building strategies (Reichheld & Sasser, 1990). The financial services sector is distinct due to the intangible nature of its offerings and the pivotal role of trust in customer decision-making (Sirdeshmukh, Singh, & Sabol, 2002). Customers evaluate financial providers not only based on products but also on the quality and consistency of service interactions (Ladhari, 2009). In this context, Customer Relationship Marketing (CRM) has emerged as a crucial approach that goes beyond transactional promotion to focus on building emotional engagement, satisfaction, and long-term loyalty (Nguyen & Mutum, 2012; Verhoef, Reinartz, & Krafft, 2010).

This significance of CRM becomes particularly relevant in regional markets like the Saurashtra region of Gujarat, which comprises economically diverse and rapidly urbanizing cities such as Rajkot, Jamnagar, Bhavnagar, Porbandar, Junagadh, Surendranagar, and Morbi (Gupta & Sharma, 2021). These areas have witnessed increased penetration of financial services and a growing base of tech-savvy consumers who demand efficient, personalized, and reliable service. However, most CRM research has focused on metropolitan regions, leaving a knowledge gap in understanding how these strategies perform in smaller cities and towns (Srinivasan, Anderson, & Ponnnavolu,

2002). This study seeks to fill that gap by empirically investigating the impact of CRM strategies on customer loyalty in the Saurashtra region.

The scope of the study encompasses various CRM initiatives, including personalized communication, advisory services, loyalty programs, and the integration of digital channels such as mobile and internet banking. It examines both behavioral loyalty—measured by repeated usage—and attitudinal loyalty—reflected in trust and emotional connection with the provider. By analyzing these aspects, the study aims to offer meaningful insights into how financial institutions can effectively engage and retain customers in regional and semi-urban settings. Primary data has been collected from 875 respondents across key cities in the Saurashtra region, representing a diverse customer base including salaried professionals, entrepreneurs, and other financial service users. This comprehensive sample allows for nuanced analysis of how CRM strategies impact different socio-economic and demographic segments. Ultimately, this research contributes to the limited body of literature on CRM in non-metropolitan Indian contexts and offers practical recommendations for financial institutions. In an era of rapidly evolving customer expectations, these insights are vital for enhancing customer satisfaction, loyalty, and long-term competitive advantage in the financial services landscape of Saurashtra and similar regions.

Literature reviews

Customer Relationship Management (CRM) has evolved into a critical strategic tool for financial service providers aiming to build and sustain customer loyalty amid growing competition and changing customer expectations. Early foundational work highlighted the importance of understanding customer needs and tailoring offerings, as Bergeron (2002) emphasized CRM's role beyond technology—enabling segmentation, personalized service, and cross-selling that strengthen customer bonds. This aligns with Swift's (2001) model advocating a 360-degree customer view for comprehensive engagement, improving satisfaction and retention. In the Indian financial context, Singh and Arora (2011) found that CRM applications such as grievance redressal and customer profiling significantly improve retention and acquisition, while Mukerjee (2007) demonstrated the vital role of relationship managers in creating emotional engagement and trust, a sentiment echoed by Sharma and Goyal (2017) who highlighted personalized communication in insurance as a loyalty driver. Mehta and Mehta (2011) stressed the value of predictive analytics and customer data in preventing churn and enhancing lifetime value through targeted CRM strategies. These findings indicate that Indian banks and insurers must blend technology with human interaction for CRM to be truly effective.

Patel and Shah's (2016) research on cooperative banks illustrated how CRM tools tailored for rural customers via localized messaging improve financial inclusion and loyalty, whereas Iyer and Malhotra (2018) found that personalization and automation in NBFCs boost trust and reduce attrition. Gupta and Srinivasan (2021) and Khandelwal and Rao (2019) further evidenced that AI-enabled CRM features like chatbots and personalized app notifications accelerate complaint resolution and product adoption in digital banking and mutual funds. These technological enhancements demonstrate CRM's growing sophistication in service delivery, complementing traditional relational approaches. Saxena and Rajput (2015) extended CRM's applicability to microfinance, emphasizing client education and proactive communication as means to sustain loyalty in socially oriented finance. Rao and Mukherjee (2019) reinforced this by showing how CRM personalization reduces commoditization in retail banking and nurtures emotional ties critical for long-term profitability.

The theoretical foundation laid by Oliver (1999) and Dick and Basu (1994) differentiates true loyalty—which combines both favorable attitudes and repeat behaviors—from mere satisfaction or habitual repurchasing. Reichheld and Sasser's (1990) influential research linked loyalty to profitability, advocating for retention-focused strategies supported by the concept of customer lifetime value (CLV). Zeithaml et al. (1996) further validated that loyalty mediates service quality and profitability through satisfaction and behavioral outcomes like repeat purchase and referrals. In India, Balaji (2009) pinpointed trust, service quality, and satisfaction as loyalty antecedents in financial services, which Bhardwaj and Mishra (2012) elaborated by stressing emotional engagement's role in resisting competitive offers. Dey and Ghosh (2015) underscored digital payments' loyalty drivers including app reliability and rewards, while Narang and Bansal (2013) showed consistent brand communication bolsters trust and recall. Singh and Bhatia (2016) highlighted ethical transparency as a cornerstone of loyalty in trust-sensitive sectors like banking and insurance.

Building on these foundations, Verhoef (2003) identified trust-building through personalized, consistent CRM interactions as essential for converting satisfaction into loyalty. Reinartz and Kumar (2016) refined this view by urging CRM strategies to focus selectively on profitable customers based on CLV, ensuring resource allocation aligns with economic returns rather than blanket retention efforts. This strategic lens is especially pertinent in Indian financial markets with diverse customer bases. Empirical studies by Yadav and Singh (2014) and Mishra and Mishra (2010) demonstrated that CRM efforts emphasizing responsiveness, personalization, and relationship orientation in Indian banks and insurers significantly foster trust and loyalty. Garg and Gupta (2019) further argued for embedding emotional intelligence into CRM systems, proposing that affective bonds enhance loyalty resilience, especially during service failures.

The infusion of AI into CRM, as explored by Deshmukh and Kulkarni (2020), offers powerful tools for hyper-personalization and predictive retention efforts but necessitates ethical vigilance and human oversight to maintain trust. Joshi and Yadav (2018) highlighted the efficacy of personalized, multi-channel CRM campaigns in creating emotional attachment and deeper brand loyalty. Banerjee and Sharma (2012) emphasized communication consistency and transparency as trust-building mechanisms that safeguard loyalty through crises. Kapoor and Jain (2017) pointed to complaint resolution efficiency enabled by CRM platforms as a critical retention factor, reinforcing reliability and customer confidence. Rani and Rao (2021) demonstrated that integrating CRM with omnichannel strategies delivers seamless, personalized experiences essential for modern customers' loyalty expectations, particularly in digital-first financial services. Kumar and Rajput (2021) empirically confirmed that personalized communication, prompt complaint handling, and data-driven customization are significant CRM drivers of customer loyalty in India's retail banking sector. Ahmed and Khan (2022) validated customer satisfaction as a mediator linking CRM responsiveness and clarity with long-term retention in insurance.

Although Customer Relationship Management (CRM) has been extensively studied in fostering customer loyalty, significant gaps exist in understanding its impact in emerging and semi-urban regions like Saurashtra. Most research focuses on urban centers, neglecting the unique socio-economic factors—such as literacy, income, and access to finance—that shape customer behavior in these areas. Furthermore, existing work often isolates satisfaction or trust without integrating them with perceived relationship quality and loyalty in regional contexts. This study addresses these gaps by examining diverse customer segments in Saurashtra and comparing CRM practices across institutional types to provide actionable insights for enhancing loyalty in this emerging market.

Methodology and Data Collection

Grounded in a quantitative, cross-sectional framework, this study adopts a deductive approach to assess the influence of Customer Relationship Marketing (CRM) strategies on customer loyalty within the financial services sector in the Saurashtra region. The research design integrates descriptive and causal elements, enabling the identification and evaluation of CRM constructs such as trust, satisfaction, and relationship quality. Data were collected from 875 respondents—125 each from seven major cities—using a structured questionnaire aligned with established CRM and loyalty scales. Quota sampling ensured geographic representation, while convenience sampling facilitated practical respondent outreach. The questionnaire comprised four sections covering demographic profiles, financial product usage, CRM strategy perceptions, and customer loyalty outcomes, with responses primarily recorded on a 5-point Likert scale.

The study employed a tiered analytical approach, focusing on univariate and multivariate techniques to draw meaningful conclusions. Univariate analysis offered foundational insights into customer characteristics and CRM engagement patterns across banking, insurance, and mutual fund services. The central analytical emphasis was placed on multivariate techniques: Exploratory Factor Analysis (EFA) was used to extract underlying CRM constructs, followed by multiple regression analysis to determine the predictive influence of these constructs on customer loyalty dimensions. This empirical process enabled the validation of CRM theory in a regional context and yielded practical insights for financial institutions to tailor relationship marketing strategies, enhance loyalty, and deepen customer engagement in emerging markets.

Data Analysis and Discussion

The collected data underwent rigorous analysis employing a suite of statistical techniques, complemented by tabular and graphical presentations, to ensure precision and depth in addressing the research objectives. This methodological approach comprehensively examined both behavioral and attitudinal dimensions of customer loyalty, enabling a robust and objective evaluation of the impact of CRM strategies on customer experience and sustained engagement with financial institutions in the Saurashtra region.

- **Perception towards CRM strategies used by Financial Institutions**

Customers’ perception of CRM strategies was assessed across seven key areas including Customer Segmentation & Personalization, Omnichannel Engagement, Advisory Services, Retention Programs, Communication & Feedback, Cross-Selling, and Financial Literacy Initiatives. Respondents rated carefully designed statements related to each parameter on a 5-point Likert scale, enabling a detailed assessment of their views on the effectiveness and relevance of these CRM components.

Table 1: Summary of perception towards CRM strategies used by Financial Institutions

CRM Strategies	Grand Mean
Customer Segmentation & Personalization	4.09
Omnichannel Customer Engagement & Support	4.19
Relationship Management & Financial Advisory Services	2.91
Customer Retention & Loyalty Programs	4.14
Proactive Communication & Feedback Management	3.96
Cross-Selling & Upselling Strategies	3.93
Customer Education & Financial Literacy Initiatives	2.97

(Source: Primary data from a structured questionnaire survey)

The study indicates that customers perceive strategies like omnichannel engagement, customer retention programs, and personalized segmentation quite favorably. This supports the findings of Swift (2001) and Bergeron (2002), who emphasized that personalized communication and digital integration enhance engagement. Rani and Rao (2021) also noted that omnichannel CRM improves service consistency and customer satisfaction. Conversely, relationship management and financial advisory services, along with financial literacy initiatives, were viewed less positively. This contrasts with Mukerjee (2007) and Saxena and Rajput (2015), who emphasized the importance of human interaction and client education in fostering trust and long-term loyalty. The regional context may explain this gap, as Patel and Shah (2016) found that rural and semi-urban customers need more accessible, locally relevant CRM approaches. Proactive communication and cross-selling strategies received a mixed response, suggesting that while CRM efforts are visible, they may lack alignment with customer expectations or personalization depth. This partly supports Joshi and Yadav (2018), who highlighted the importance of tailored, multichannel CRM campaigns. Overall, customers favor tech-enabled and reward-based CRM, but expect stronger advisory and educational outreach for a more holistic experience.

- **Loyalty towards Financial Institution**

Customers’ loyalty towards financial institutions was evaluated across five dimensions: Behavioral Loyalty, Attitudinal Loyalty, Satisfaction Level, Quality and Convenience of Customer Service, and Customer Loyalty and Emotional Connect. Respondents rated statements related to these dimensions on a 5-point Likert scale, providing insights into both their actions and feelings towards the financial services they use.

Table 2: Customers' Loyalty towards Financial Institution

Parameters	Grand Mean
Behavioral Loyalty	4.35
Attitudinal Loyalty	4.1
Satisfaction Level	3.94
Quality and Convenience of Customer Service	3.93
Customer Loyalty and Emotional Connect	3.95

(Source: Primary data from a structured questionnaire survey)

The findings reflect high levels of both behavioral and attitudinal loyalty, indicating that customers are not only consistently using financial services but also maintain a favorable emotional connection. These results align with Oliver's (1999) and Dick and Basu's (1994) conceptualization of true loyalty as a combination of positive attitudes and repeat behavior. It also supports Reichheld and Sasser's (1990) view that loyal customers contribute significantly to institutional profitability. However, satisfaction, emotional connection, and perceived service quality—though generally positive—suggest room for improvement. This partially supports the findings of Balaji (2009) and Bhardwaj and Mishra (2012), who linked loyalty to emotional engagement and service delivery. While digital CRM tools are playing a strong role, there appears to be a gap in personalized attention and relational depth. These outcomes also reinforce Ahmed and Khan's (2022) assertion that satisfaction mediates the link between CRM responsiveness and retention. In sum, financial institutions in the Saurashtra region are on the right path, but enhancing personalized communication and emotional engagement will be key to further strengthening customer loyalty.

- **Exploratory Factor Analysis**

Exploratory Factor Analysis (EFA) was employed to identify the underlying dimensions of customers' perceptions regarding CRM strategies implemented by financial institutions. The primary objective was to reduce a broad set of observed variables into a concise number of latent factors that capture the core structure of the data.

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.841
Bartlett's Test of Sphericity	Approx. Chi-Square	16162.619
	df	378
	Sig.	.000

The suitability of the data for factor analysis was assessed using the Kaiser-Meyer-Olkin (KMO) measure and Bartlett's test of sphericity, as recommended by Pallant et al. (2016). The KMO value of 0.841 exceeds the minimum threshold of 0.6, indicating adequate sampling. Bartlett's test was highly significant ($\chi^2 = 16,162.619$, $df = 378$, $p < 0.001$), confirming sufficient correlations among variables. These results support the appropriateness of applying exploratory factor analysis, suggesting the data's underlying structure is meaningful.

Component	Initial Eigenvalues	Extraction Sums of Squared Loadings	Rotation Sums of Squared Loadings

	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.510	12.535	12.535	3.510	12.535	12.535	3.211	11.467	11.467
2	3.352	11.972	24.507	3.352	11.972	24.507	3.171	11.326	22.793
3	3.201	11.433	35.940	3.201	11.433	35.940	3.150	11.249	34.042
4	3.117	11.133	47.074	3.117	11.133	47.074	3.134	11.192	45.234
5	3.035	10.841	57.914	3.035	10.841	57.914	3.130	11.178	56.411
6	2.912	10.399	68.313	2.912	10.399	68.313	3.126	11.164	67.575
7	2.882	10.292	78.605	2.882	10.292	78.605	3.088	11.030	78.605
8	0.379	1.353	79.957						

Principal Component Analysis (PCA), a widely accepted method for data summarization (Field, 2018; Hair et al., 2010), was used to extract factors. Following Kaiser’s criterion, components with eigenvalues greater than one were retained. This resulted in seven factors explaining 78.61% of the total variance, which exceeds the recommended 60% threshold (Hair et al., 2010). The first three factors accounted for approximately 35.94% of the variance, with subsequent factors contributing similarly. Rotation of factors improved interpretability by balancing the variance distribution and aligning factors with distinct variable groups. Additionally, the scree test validated the retention of seven factors by identifying the point of inflection where further factors contributed minimally (Hair et al., 2010). While statistical rules guide factor retention, the final decision also reflects theoretical rationale and researcher judgment (Pallant et al., 2016). Thus, retaining seven factors provides a statistically sound and conceptually meaningful framework for understanding customer perceptions of CRM strategies in financial institutions.

Table 5: Rotated Component Matrix^a

	Component						
	1	2	3	4	5	6	7
CSP_1			.906				
CSP_2			.880				
CSP_3			.875				
CSP_4			.881				
OCES_1						.900	
OCES_2						.890	
OCES_3						.863	
OCES_4						.880	
RMFAS_1	.901						
RMFAS_2	.876						
RMFAS_3	.902						

RMFAS_4	.897					
CRLP_1		.924				
CRLP_2		.879				
CRLP_3		.874				
CRLP_4		.878				
PCFM_1						.878
PCFM_2						.887
PCFM_3						.871
PCFM_4						.872
CSUS_1				.884		
CSUS_2				.883		
CSUS_3				.882		
CSUS_4				.885		
CEFLI_1					.885	
CEFLI_2					.877	
CEFLI_3					.873	
CEFLI_4					.896	

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 5 iterations.

The rotated component matrix, a key output of Principal Component Analysis, shows the correlation between observed variables and extracted components. In this study, all 28 variables had high communalities (0.748 to 0.855), indicating that the components explain a substantial portion of variance in each item. This supports the retention of all variables. The seven components identified represent distinct dimensions of CRM strategies—such as relationship management, customer retention, cross-selling, personalization, financial literacy, omnichannel engagement, and feedback management—highlighting a clear, multidimensional structure in customer perceptions.

- **Regression analysis to examine the impact of CRM strategies on Behavioural Loyalty towards financial institutions**

Regression analysis was conducted to examine the impact of various Customer Relationship Management (CRM) strategies on behavioural loyalty in financial institutions. Behavioural loyalty, reflected in repeated customer transactions and continued engagement, is crucial for long-term business sustainability. The analysis explores the predictive influence of seven CRM strategies: Relationship Management and Financial Advisory Services (RMFAS), Customer Retention and Loyalty Programs (CRLP), Cross-Selling and Upselling Strategies (CSUS), Customer Segmentation and Personalization (CSP), Customer Education and Financial Literacy Initiatives (CEFLI), Omnichannel Customer Engagement and Support (OCES), and Proactive Communication and Feedback Management (PCFM). Considering the conceptual model and the identified set of variables, the following multiple

regression equation was developed to estimate the influence of various Customer Relationship Management (CRM) strategies on behavioural loyalty:

$$\text{Behavioural_Loyalty} = \beta_0 + \beta_1(\text{CSP}) + \beta_2(\text{OCES}) + \beta_3(\text{RMFAS}) + \beta_4(\text{CRLP}) + \beta_5(\text{PCFM}) + \beta_6(\text{CSUS}) + \beta_7(\text{CEFLI})$$

The regression analysis reveals a strong and statistically significant relationship between various Customer Relationship Management (CRM) strategies and behavioural loyalty among customers of financial institutions in the Saurashtra region.

Table 6: Multiple Regression analysis to examine the impact of CRM strategies on Behavioural Loyalty – Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.950 ^a	.902	.901	.11937
a. Predictors: (Constant), CEFLI, OCES, CSP, RMFAS, CRLP, PCFM, CSUS				

With an R value of 0.950 and an R² of 0.902, the model demonstrates that 90.2% of the variance in behavioural loyalty is explained by the combined effect of seven CRM strategies, including Relationship Management & Financial Advisory Services, Customer Retention & Loyalty Programs, Cross-Selling & Upselling Strategies, Customer Segmentation & Personalization, Customer Education & Financial Literacy Initiatives, Omnichannel Customer Engagement & Support, and Proactive Communication & Feedback Management. The adjusted R² of 0.901 confirms the model’s robustness, and the low standard error of estimate (0.11937) indicates a high level of predictive accuracy, suggesting that the model predicts behavioural loyalty quite well.

Table 7: Multiple Regression analysis to examine the impact of CRM strategies on Behavioural Loyalty – ANOVA test

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	113.142	7	16.163	1134.373	.000 ^b
	Residual	12.353	867	.014		
	Total	125.495	874			
a. Dependent Variable: Behavioral_Loyalty						
b. Predictors: (Constant), CEFLI, OCES, CSP, RMFAS, CRLP, PCFM, CSUS						

The ANOVA results indicate that the combined effect of Customer Relationship Management (CRM) strategies is statistically significant in predicting behavioural loyalty among customers of financial institutions in the Saurashtra region. The high F-value and the highly significant p-value confirm the robustness of the model, underscoring the critical role of CRM practices in enhancing customer engagement and fostering repeat patronage.

Table 8: Multiple Regression analysis to examine the impact of CRM strategies on Behavioural Loyalty – Coefficients

		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	.020	.052		.391	.696
	CSP	.198	.005	.440	41.175	.000
	OCES	.208	.005	.430	40.362	.000
	RMFAS	.196	.005	.433	40.574	.000
	CRLP	.204	.005	.450	42.197	.000
	PCFM	.194	.005	.408	38.173	.000
	CSUS	.003	.005	.007	.641	.522
	CEFLI	-.011	.006	-.020	-1.865	.063

a. Dependent Variable: Behavioral_Loyalty

The estimated Ordinary Least Squares (OLS) regression model with substituted coefficients is expressed as follows,

$$\text{Behavioural_Loyalty} = 0.02 + 0.198(\text{CSP}) + 0.208(\text{OCES}) + 0.196(\text{RMFAS}) + 0.204(\text{CRLP}) + 0.194(\text{PCFM}) + 0.003(\text{CSUS}) - 0.011(\text{CEFLI})$$

The regression results indicate that several Customer Relationship Management (CRM) strategies exert a statistically significant positive influence on behavioural loyalty among customers of financial institutions in the Saurashtra region. Notably, Customer Retention and Loyalty Programs (CRLP) emerged as the most potent predictor ($\beta = 0.450$), followed by Customer Segmentation and Personalization (CSP), Relationship Management and Financial Advisory Services (RMFAS), Omnichannel Customer Engagement and Support (OCES), and Proactive Communication and Feedback Management (PCFM), each exhibiting substantial standardized beta coefficients and statistical significance at $p < 0.001$. These findings underscore the critical role of personalized customer engagement, trust-enhancing advisory services, and effective communication in fostering sustained loyalty. Conversely, Cross-Selling and Upselling Strategies (CSUS) and Customer Education and Financial Literacy Initiatives (CEFLI) were not significant predictors ($p > 0.05$), indicating that transactional sales efforts and informational initiatives alone do not substantially drive repeat customer behavior. Collectively, the results emphasize that customer loyalty is predominantly cultivated through trust, personalization, retention efforts, and proactive support rather than solely through sales or educational tactics.

- **Regression analysis to examine the impact of CRM strategies on attitudinal Loyalty towards financial institutions**

This section presents a regression analysis to examine the impact of various Customer Relationship Management (CRM) strategies on attitudinal loyalty towards financial institutions. Attitudinal loyalty reflects a customer’s emotional attachment, trust, and long-term commitment—key drivers of sustained engagement in the financial sector. The analysis assesses the predictive influence of seven CRM strategies: Relationship Management and Financial Advisory Services (RMFAS), Customer Retention and Loyalty Programs (CRLP), Cross-Selling and Upselling Strategies (CSUS), Customer Segmentation and Personalization (CSP), Customer Education and Financial Literacy Initiatives (CEFLI), Omnichannel Customer Engagement and Support (OCES), and Proactive

Communication and Feedback Management (PCFM). Considering the conceptual model and the identified set of variables, the following multiple regression equation was developed to estimate the influence of various Customer Relationship Management (CRM) strategies on attitudinal loyalty,

$$\text{Attitudinal_Loyalty} = \beta_0 + \beta_1(\text{CSP}) + \beta_2(\text{OCES}) + \beta_3(\text{RMFAS}) + \beta_4(\text{CRLP}) + \beta_5(\text{PCFM}) + \beta_6(\text{CSUS}) + \beta_7(\text{CEFLI})$$

The regression analysis assessing the impact of Customer Relationship Management (CRM) strategies on attitudinal loyalty towards financial institutions indicates a strong and statistically significant model fit. An R value of 0.947 reflects a high degree of correlation between CRM strategies and attitudinal loyalty, while the R² value of 0.897 suggests that approximately 89.7% of the variance in attitudinal loyalty is explained by the combined influence of the seven CRM strategies included in the model. This substantial explanatory power highlights the effectiveness of CRM practices in shaping customers’ emotional attachment, trust, and long-term commitment to financial institutions.

Table 9: Multiple Regression analysis to examine the impact of CRM strategies on Attitudinal Loyalty – Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.947 ^a	.897	.896	.11836
a. Predictors: (Constant), CEFLI, OCES, CSP, RMFAS, CRLP, PCFM, CSUS				

The adjusted R² value of 0.896 further confirms the model’s reliability, indicating that the inclusion of multiple predictors does not compromise its generalizability. Additionally, the low standard error of the estimate (0.11836) suggests a high level of predictive accuracy. Overall, the findings validate the critical role of CRM strategies in fostering attitudinal loyalty, emphasizing the need for financial institutions in the Saurashtra region to adopt relationship-focused approaches that strengthen trust, satisfaction, and emotional engagement with customers.

Table 10: Multiple Regression analysis to examine the impact of CRM strategies on Attitudinal Loyalty – ANOVA test

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	105.389	7	15.056	1074.699	.000 ^b
	Residual	12.146	867	.014		
	Total	117.535	874			
a. Dependent Variable: Attitudinal_Loyalty						
b. Predictors: (Constant), CEFLI, OCES, CSP, RMFAS, CRLP, PCFM, CSUS						

The ANOVA test shows that the regression model is highly significant in predicting attitudinal loyalty towards financial institutions. The F-value of 1074.699 and p-value of 0.000 confirm the model’s strong impact. The Sum of Squares for Regression (105.389) is much higher than the Sum of Squares for Residuals (12.146), highlighting that CRM strategies account for most of the variation in attitudinal loyalty. These results validate that CRM strategies significantly influence customer trust and emotional attachment, emphasizing their importance in fostering long-term loyalty.

Table 11: Multiple Regression analysis to examine the impact of CRM strategies on Attitudinal Loyalty – Coefficients

		Coefficients ^a				
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.038	.051		-.742	.458
	CSP	.008	.005	.019	1.778	.076
	OCES	-.001	.005	-.003	-.275	.783
	RMFAS	.203	.005	.464	42.420	.000
	CRLP	.201	.005	.458	41.890	.000
	PCFM	.198	.005	.430	39.271	.000
	CSUS	.201	.005	.444	40.535	.000
	CEFLI	.197	.006	.385	35.208	.000

a. Dependent Variable: Attitudinal_Loyalty

The estimated Ordinary Least Squares (OLS) regression model with substituted coefficients is expressed as follows:

$$\text{Attitudinal_Loyalty} = -0.038 + 0.08(\text{CSP}) - 0.001(\text{OCES}) + 0.203(\text{RMFAS}) + 0.201(\text{CRLP}) + 0.198(\text{PCFM}) + 0.201(\text{CSUS}) + 0.197(\text{CEFLI})$$

The regression results indicate that several Customer Relationship Management (CRM) strategies exert a significant positive influence on attitudinal loyalty towards financial institutions. Specifically, Relationship Management and Financial Advisory Services (RMFAS), Customer Retention and Loyalty Programs (CRLP), Proactive Communication and Feedback Management (PCFM), Cross-Selling and Upselling Strategies (CSUS), and Customer Education and Financial Literacy Initiatives (CEFLI) demonstrate substantial and statistically significant contributions to enhancing emotional attachment, trust, and commitment. Among these, RMFAS and CRLP exhibit the highest impact. Conversely, Omnichannel Customer Engagement and Support (OCES) shows no significant effect, while Customer Segmentation and Personalization (CSP) exhibits a relatively weak influence. These findings underscore the critical importance of trust-building interactions, personalized support, and proactive communication in fostering attitudinal loyalty, while transactional and informational strategies contribute to a lesser but still relevant extent.

Conclusion

This study empirically examined the influence of Customer Relationship Marketing (CRM) strategies on both behavioural and attitudinal loyalty among financial service users in the Saurashtra region. The results underscore the multidimensionality of CRM, where personalized segmentation, advisory services, loyalty programs, proactive communication, and omnichannel engagement emerged as key strategic drivers of customer loyalty. Regression analyses revealed that behavioural loyalty—reflected in repeat patronage—is significantly driven by retention programs, personalization, and trust-based engagement. In contrast, attitudinal loyalty—rooted in emotional attachment and long-term commitment—is more strongly influenced by relationship advisory services, communication, and customer education initiatives. The study further highlighted that while transactional efforts such as cross-selling had a limited role in promoting behavioural loyalty, they significantly impacted attitudinal loyalty. The findings affirm that loyalty in the financial services sector cannot be sustained solely through product offerings or sales tactics, but must be cultivated through trust, relevance, and consistent value-driven interactions. Importantly, the study fills a critical gap in CRM research within non-metropolitan contexts and provides actionable insights for financial institutions aiming to enhance loyalty in regional markets like Saurashtra.

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