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THE PSYCHOLOGY BEHIND COMMITMENT AND LOYALTY
AN EMPIRICAL STUDY IN A BANK SETTING

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ABSTRACT

Despite the extant literature on customer loyalty, it is recognized that the psychological processes *behind* commitment and customer loyalty are still ill understood. Therefore, the primary objective of this study is to assess the impact of three psychological antecedents (position involvement, volitional choice and informational complexity) on affective, calculative and normative commitment to a bank. In turn, we assess the impact of an individual difference variable (consumer relationship proneness) on these three psychological antecedents. And finally, this research project addresses the consequences of affective, calculative and normative commitment on loyalty in terms of word of mouth, purchase intention, price insensitivity and complaining. An empirical research among 439 bank customers was conducted to test our conceptual model. Structural Equation Modeling (SEM) results reveal the pivotal role of affective commitment as an antecedent of customer loyalty. In turn, affective commitment can best be explained by position involvement. Moreover, relationship proneness seems to be most strongly related to position involvement. Managerial implications, limitations and directions for future research are provided.

INTRODUCTION

Despite the extant literature on customer loyalty, it is recognized that the psychological processes *behind* customer loyalty and commitment are still ill understood (Pritchard et al. 1999). The objective of our study is threefold. First, we assess the three psychological antecedents of commitment to a bank. Second, we study an individual difference variable underlying these antecedents of commitment. Finally, we investigate the influence of affective, calculative and normative commitment on customer loyalty in a bank setting.

In the literature on organizational psychology, Allen and Meyer (1990) distinguish between affective, continuance (calculative) and normative commitment. The differences between these three types of commitment reflect the psychological state that binds the individual to the organization. Affective commitment refers to the emotional attachment to an organization, while continuance commitment refers to the costs that individuals associate with leaving the organization and the normative component refers to individuals' feelings of obligation to remain with the organization. They argue, that a more comprehensive understanding of the link between commitment and loyalty will be achieved when all three types of commitment are considered simultaneously.

Pritchard et al. (1999) argue that an analysis of commitment 'should move beyond a general expression of attachment and incorporate an understanding of the psychology inherent in binding a person to that disposition' (p. 334). They distinguish information processes, identification processes and volition processes as antecedents of commitment. As we want to grasp the psychology behind commitment, we will assess these three antecedent processes simultaneously in a single study.

Finally, our aim is to move beyond an assessment of the antecedent processes and investigate their origin in terms of a recently introduced individual difference variable

“consumer relationship proneness”. Consumer relationship proneness refers to the idea that some customers are intrinsically inclined to engage in relationships (De Wulf et al. 2001). It has been shown that consumer relationship proneness has a positive impact on commitment and loyalty (De Wulf et al. 2001). We consider relationship proneness as an individual difference variable that activates the psychological processes underlying commitment.

The studies mentioned before focus on a single aspect: either types of commitment, or the psychological processes behind commitment or consumer relationship proneness. Despite their tremendous contribution to the field, we aim at providing a complete picture by investigating these aspects simultaneously. Therefore in this study we investigate the relationships between consumer relationship proneness; the three antecedents of commitment; the three types of commitment and customer loyalty in terms of word-of-mouth, purchase intentions, price insensitivity and complaining in a bank setting.

We continue with a description of the theoretical background of our conceptual model. Next, we formulate hypotheses about the interrelationships between the concepts. Then, we describe the research design and the results of the empirical research conducted. Finally, we come up with conclusions, managerial implications, limitations and recommendations for future research.

THEORETICAL BACKGROUND

Figure 1 shows the conceptual model underlying this study. In this section, we will first elaborate upon the three types of commitment, followed by their antecedent constructs and consumer relationship proneness. Finally, we address the four types of customer loyalty.

Insert Figure 1 about here

Commitment

Commitment is generally referred to as an enduring desire to maintain a relationship (Morgan and Hunt 1994). The concept of commitment is similar to the concept of a long-term orientation that comprises the desire and utility of a buyer to have a long-term relationship with a seller (Gruen 1995). In line with Day (1969), Dick and Basu (1994) stated that the stronger commitment, the more likely the buyer is to overcome potential obstacles in the buyer-seller relationship, resulting in customer loyalty. Similarly, Beatty, Homer, and Kahle (1988) state that commitment and loyalty are related, yet by definition distinct constructs, with commitment leading to loyalty.

In this research we distinguish three different types of commitment: affective commitment, calculative commitment and normative commitment. Affective commitment can be defined as *“a party’s desire to continue a relationship because of the enjoyment of the relationship for its own sake, apart from the instrumental worth and because they experience a sense of loyalty and belongingness”* (Allen and Meyer, 1990; Geyskens et al. 1996). Calculative or continuance commitment can be defined as *“the degree to which channel members experience the need to maintain a relationship, given the significant perceived termination of switching costs associated with leaving”*. It is the cold calculation of costs and benefits, including investments and available alternatives to replace or make-up for foregone investments (Allen and Meyer, 1990; Geyskens et al. 1996). And normative commitment is reflected in *“the (moral) obligation to stay in a relationship”* (Allen and Meyer, 1990). In line with Allen and Meyer (1990), Geyskens (1998, p. 50) states that ‘the use of global commitment measures – which measure intention to continue a relationship without

consideration of the underlying motivation – could confound or mask different, and possibly even opposite effects’.

Psychological antecedents of commitment

Since commitment is a desirable outcome it is valuable to gain insights into its antecedent processes. Position involvement, volitional choice and informational complexity represent the three psychological formative processes distinguished by Pritchard et al. (1999): identification processes, volitional processes and informational processes.

In our context, the identification process refers to the question whether customers identify themselves with the values and images embodied by a particular bank. It is expected that the more strongly customers identify themselves with the bank, the stronger their commitment towards the bank. The volitional process refers to customers’ perceptions that their preferences are free and not dictated by any constraints. When customers sense that their choice for the bank is unhindered, the resulting commitment is likely to be stronger and more deeply held (Pritchard et al. 1999). Finally, the informational process distinguished by Pritchard et al. (1999) deals with cognitive structures and how customers manage information about their preferred bank. It is assumed, that the need to maintain a consistent informational structure, about for instance reasons for revisiting the bank, has a positive impact on commitment.

Position involvement

Position involvement is considered to be an important construct representing the identification process. Position involvement is defined as “*a situation in which important values or self-images are identified with a particular bank choice*” (cfr. Freedman, 1964). Customers’ position involvement is determined by the extent to which the customer’s public association

with the service in question is in line with certain values and self-images of that customer.

Some researchers even indicate that the highest form of commitment is driven by the need for social representation and self-identity (Buchanan 1985).

Volitional choice

According to Pritchard et al. (1999) volitional choice, being a construct representing the volitional process, can be defined as “*a process that involves both a freedom from constraints and a freedom to choose*”. In our setting, *freedom from* refers to the notion that a bank choice is elicited freely and not constrained by external considerations that might limit a customer’s sense of personal responsibility in that decision. The *freedom to* component of volitional choice refers to the potential for a choice to reflect meaningful action or effort (Bagozzi, 1993). Research suggests that when people sense they are acting freely in choosing an object, they attribute meaning toward that object (Bem, 1967). For instance, when customers choose ‘First American Bank’ or another bank from a wide range of banks, they usually infer greater meaning in that selection (e.g. “It’s my favorite or the best alternative”).

Informational complexity

Informational complexity is deemed to be an important construct representing the informational process. Informational complexity can be defined as “*the extent to which information processing is required to form cognitive structures*”. Pritchard et al. (1999) claim that when complex informational schema underlie customers’ commitment, changing their mind becomes more difficult as accommodating disparate cognitions require even greater change (Millar and Tassar, 1986). Moreover, deviation from an attitude that is supported by a complex cognitive structure involves higher psychological costs than deviation from an attitude that is supported by a simple cognitive structure (Salancik, 1977).

Consumer Relationship Proneness

Knowing which psychological processes underlie commitment is step one. But for banks it is interesting to know which customers are most inclined to reveal these desirable antecedent processes. Therefore, we investigate the individual difference variable of consumer relationship proneness. In this study, in line with De Wulf et al. (2001), we define consumer relationship proneness as “*a consumer’s relatively stable and conscious tendency to engage in relationships with retailers of a particular product category.*” In the current context, consumer relationship proneness refers to the *stable* tendency of a customer to engage in relationships with banks and can therefore be considered as an individual difference variable. In addition, we emphasize a *conscious* tendency to engage in relationships as opposed to a tendency to engage in relationships based on inertia or convenience (e.g., Dick and Basu 1994). Moreover, the concept of proneness is focused on the tendency to *engage* in relationships as opposed to the tendency to maintain or enhance relationships. The latter would not be generic as it would be contingent upon a particular bank, leading to a close resemblance to the construct of commitment. Finally, since several authors stress that a buyer’s proneness to engage in relationships might vary across groups of sellers (Barnes 1997; Bendapudi and Berry 1997; Christy, Oliver, and Penn 1996) (e.g., banks versus supermarkets), we postulate that consumer relationship proneness differs across service retailers of different *product categories* (e.g. hotels, banks, supermarkets etc.).

Bagozzi (1975, p. 33) already stated that “retailers, for example, know that they will not obtain repeat purchases if the consumer is taken advantage of and deceived”. While many relationship marketing studies dealt with relationships based on dependence and locking in buyers (constraint-based relationships), consumer relationship proneness focuses on positive motivations of customers driven by a stable and conscious tendency to engage in relationships with sellers (dedication-based relationships) (Barnes 1995/1997; Davis 1995; Ganesan 1994;

Oliver and Swan 1989; Palmer 1995; Smith and Barclay 1997). Christy, Oliver, and Penn (1996) used the term “psychologically predisposed” in order to express the idea that some buyers are intrinsically inclined to become loyal to a retailer.

Customer Loyalty

In line with Jacoby and Chestnut (1978) we define customer loyalty as the “*biased (i.e. non random) behavioral response, expressed over time, by some decision making unit, with respect to one bank out of a set of banks, which is a function of psychological (decision making and evaluative) processes resulting from commitment*”.

The conceptualization and measurement of loyalty has often remained limited, ignoring the full range of conceivable loyalty (re)-actions that may follow the evaluation of a service (Zeithaml et al. 1996). Cronin and Taylor (1992) for instance focused solely on repurchase intentions, while Bolding et al. (1993) measure repurchase intentions and willingness to recommend. As Zeithaml et al. (1996) argue, dimensions of loyalty, such as, willingness to pay more, and loyalty under increased pricing have often been left out in previous research. Similarly, customer evaluations following a negative service experience have received only limited attention in scales designed to measure customer loyalty intentions and behavior (Singh 1991). With regard to behavioral intentions in a service setting Zeithaml et al. (1996) proposed a comprehensive, multi-dimensional framework of customer behavior intentions in services. This framework was conceptually comprised of the following four main dimensions: (1) word-of-mouth communications, (2) purchase intentions, (3) price sensitivity, and (4) complaint behavior. In this paper, we therefore also distinguish these four biased behavioral responses.

THE INTERRELATIONSHIPS BETWEEN THE CONCEPTS

By definition, relationship proneness refers to a conscious tendency to engage in relationships with banks (De Wulf et al. 2001). This tendency to engage in relationships is supposed to have a direct positive influence on the antecedents of commitment in terms of position involvement, volitional choice and informational complexity. Relationship proneness will have a positive impact on position involvement as relationship prone customers will be more eager to identify themselves with a particular bank choice that reflects their important values or self-images, than customers who are not relationship prone (Freedman 1964). Moreover, we expect relationship proneness to have a positive influence on volitional choice since especially relationship prone customers will value dedication-based relationships as opposed to constraint-based relationships. These relationship prone customers will appreciate a voluntary choice, in term of a freedom from constraints and a freedom to choose, for a particular bank more than customers who are not relationship prone (Bem 1967). Finally, relationship proneness will have a positive impact on informational complexity because it can be expected that customers who are relationship prone will have more complex cognitive structures to make a conscious choice for a particular bank than customers who are not relationship prone (Festinger 1957). By definition relationship proneness is a *conscious* tendency to engage in relationships, which implies that relationship prone customers actively process information concerning particular bank relationships. Therefore, we formulate the following hypothesis:

- H1 There is a positive relationship between relationship proneness and (a) position involvement, (b) volitional choice and (c) informational complexity

Crosby and Taylor (1983) suggested that the congruence between a customer's personal values and self-images (position involvement) and the values and norms embodied by a product or service, strengthens commitment. This implies that a customer who considers a particular bank to represent important personal values will show a stronger commitment towards this bank. Cialdini et al. (1978) argued that once volitional processes were engaged, customers develop a sense of commitment in which they were prepared to continue with an initial decision, even though certain sales incentives were withdrawn. In line with Festinger (1957) we argue that much of a customer's commitment is driven by the psychological cost (informational complexity) involved in the cognitive reordering and rethinking of what was known about the bank. Pritchard et al. (1999) found empirical support for the positive relationships between position involvement, volitional choice, informational complexity and commitment as a one-dimensional construct. To the best of our knowledge, no other study investigated the impact of the three psychological antecedents of commitment on the three distinct types of commitment as such. Therefore, in line with these preliminary findings, we extend the positive relationship between the antecedents and commitment as a one-dimensional construct to the three distinct types of commitment and hypothesize:

- H2 There is a positive relationship between position involvement and (a) affective commitment, (b) calculative commitment and (c) normative commitment
- H3 There is a positive relationship between volitional choice and (a) affective commitment, (b) calculative commitment and (c) normative commitment
- H4 There is a positive relationship between informational complexity and (a) affective commitment, (b) calculative commitment and (c) normative commitment

A desire to continue a relationship and a willingness to make efforts to maintain it, imply higher chances of customer loyalty. Therefore, we assume there exists a positive

relationship between commitment and customer loyalty. Several authors support the notion that commitment motivates buyers to act (Gruen 1995; Hennig-Thurau and Klee 1997; Mathieu and Zajac 1990). Liljander and Strandvik (1993) concluded that commitment and behavioral intentions are related concepts. Morgan and Hunt (1994) found significant relationships between the level of a buyer's commitment and his acquiescence, propensity to leave, and cooperation, all of which can be regarded as behavioral intentions. Several organizational commitment studies focused on the intent to leave and turnover as primary behavioral intentions (Rylander, Strutton, and Pelton 1997). Moorman, Zaltman, and Desphandé (1992) suggested that buyers who are committed to a relationship might have a greater propensity to act because of their need to remain consistent with their commitment. Finally, Dick and Basu (1994) stated that the stronger commitment, the more likely the buyer is to overcome potential obstacles in the buyer-seller relationship, resulting in repeat patronage.

The nature of affective, calculative and normative commitment is different, in terms of the focus on the genuine want to stay, the need to stay out of economic and/or psychological investments and the need to stay out of moral obligations. We argue, that the genuine want to stay (affective commitment) and the need to stay out of moral obligations (normative commitment) indeed have a positive impact on customer loyalty, whereas the need to stay out of economic and/or psychological investments (calculative commitment) is negatively related to customer loyalty. Affective and normative commitment can be considered to be driven by mere personal considerations such as personal attachment or personal norms, while calculative commitment is rather based on a rational trade-off of costs and benefits comparing the focal bank with potential alternatives and the sunk costs made to establish the relationship (Meyer and Allen 1984). A customer who is mainly calculatively committed is rather sensitive for any change in the cost/benefit ratio in the marketplace. And therefore, customers

who show a high level of calculative commitment will be unwilling to voice positive word-of-mouth and complaints, will be unwilling to increase their purchase intentions and will be rather price sensitive, because there is no true intrinsic motivation to be loyal to the bank. The reason here might be that customers who's commitment is based on calculation do not want to invest in the relationship with their bank either by talking positively about the bank or by increasing their purchase intentions. These customers are even more price sensitive and unwilling to complain. It might be expected that they might stay with the bank mainly because of high perceived switching costs or other (perceived) constraints.

Therefore, we formulate the following hypotheses:

- H5 There is a positive relationship between affective commitment and (a) word-of-mouth (b) purchase intention, (c) price insensitivity and (d) complaining
- H6 There is a negative relationship between calculative commitment and (a) word-of-mouth (b) purchase intention, (c) price insensitivity and (d) complaining
- H7 There is a positive relationship between normative commitment and (a) word-of-mouth (b) purchase intention, (c) price insensitivity and (d) complaining

RESEARCH DESIGN

Data were collected from a sample of customers of three bank offices belonging to one Belgian bank, in three mid-sized towns in the Flemish part of Belgium. In April 2001 customers were randomly asked to fill out the questionnaire. Four hundred and thirty nine correctly filled out questionnaires were collected. The sample was found to be representative for the customers of the focal bank in terms of gender, age, education and occupation.

The design of the questionnaire was based on multiple-item measurement scales that have been validated and found to be reliable in previous research. All constructs were measured on seven-point Likert scales ranging from completely disagree to completely agree. The measurement items of the different constructs (consumer relationship proneness, volitional choice, position involvement, informational complexity, affective-, calculative- and normative commitment, word-of-mouth, price insensitivity, purchase behavior, and complaint behavior) and their origin are shown in Table 1.

RESULTS

In order to test our conceptual model, structural equation modeling (SEM) with observed variables was conducted using maximum likelihood estimation in LISREL 8.3. A variance-covariance matrix was calculated using LISREL's companion program PRELIS and was used as input for the path analyses. We subsequently analyzed the overall model, the measurement model and the structural model.

Overall Model Evaluation

In the overall model, the chi-square value is significant (1878.54 with 673 degrees of freedom), a finding not unusual with large sample sizes (Doney and Cannon 1997). The ratio of chi-square to degrees of freedom is 2.79, which can be considered as adequate. The values of GFI (0.81) and AGFI (0.78) are somewhat lower than those of CFI (0.88), IFI (0.88) and NNFI (0.87). This result is mainly due to the former measures being more easily affected by sample size and model complexity. In general, the indicated fits are adequate, including RMSEA, which is 0.066, and SRMR, being 0.010. Given the objectives of our study, the

adequacy of these indices, given the fact that the model was developed on theoretical bases, and given the relative complexity of the model, no model re-specifications were made.

Measurement Model Evaluation

We assessed the quality of the measurement model (see Table 1) on unidimensionality, convergent validity, reliability, and discriminant validity. Evidence for the unidimensionality of each construct was based upon a principal components analysis revealing that the appropriate items loaded at least 0.60 (except for one item of informational complexity) on their respective hypothesized component, with a loading no larger than 0.30 on other components. Convergent validity was supported by a good overall model fit, all loadings being significant ($p < 0.01$), and most R^2 exceeding 0.50 (Hildebrandt 1987). Reliability was indicated by composite reliability measures all exceeding 0.70 except for informational complexity and complaint behavior. Discriminant validity was tested in a series of nested confirmatory factor model comparisons in which correlations between latent constructs were constrained to 1, and indeed chi-square differences were significant for all model comparisons ($p < 0.01$). In addition, the average percentage of variance extracted for nearly all constructs was greater than 0.50, except for informational complexity and complaint behavior. In sum, the measurement model (Table 1) is clean, with evidence for unidimensionality, convergent validity, reliability, and discriminant validity.

Insert Table 1 about here

Structural Model Evaluation

Table 2 and Figure 2 contain the detailed results related to the structural model. Almost all proposed relationships between the concepts could be supported. However, we were not able

to find a significant positive relationship between normative commitment and purchase intentions and normative commitment and complaining. Neither could we show a positive relationship between volitional choice on the one hand and calculative and normative commitment on the other hand.

Insert Table 2 about here

Insert Figure 2 about here

The results clearly show that affective commitment is the most important determinant of loyalty in terms of increased positive word of mouth, increased purchase intention, increased price insensitivity and increased complaining. Calculative commitment on the other hand seems to have the hypothesized negative impact on loyalty. The influence of normative commitment on loyalty is limited in the sense that it only has a small positive relationship with positive word of mouth and price insensitivity.

Affective commitment is clearly positively influenced by position involvement and in a lesser extent by informational complexity and volitional choice. Calculative commitment is positively influenced by position involvement and informational complexity and negatively influenced by volitional choice. And normative commitment is also positively influenced by position involvement and informational complexity and negatively influenced by volitional choice. Relationship proneness as an individual difference variable positively impacts the psychological antecedents underlying commitment: position involvement, volitional choice and informational complexity.

Moreover, the results did not show a significant relationships between normative commitment and purchase intentions nor complaining. We might argue here that when a customer's commitment is based on a moral obligation to stay in the relationship, this

customer will not necessarily increase its intention to visit the bank more frequently.

Furthermore, this customer will not complain about problems with the bank, as this would imply cognitive dissonance.

The unexpected negative relationship between volitional choice and calculative commitment might be explained by the fact that calculative commitment is more a constraint in terms of loyal behavior whereas volitional choice asks for freedom of choice and dedication. Volitional choice therefore limits calculative commitment. The same applies for the negative relationship between volitional choice and normative commitment. Volitional choice is in contradiction with the (moral) obligation to stay in a relationship.

Finally, our results clearly indicate that affective commitment plays a pivotal role in explaining customer loyalty, whereas the impact of normative commitment is positive but rather limited and the impact of calculative commitment seems to be negative. These results support the findings of Geyskens (1998) stating that the use of a global commitment construct would have masked the effect of different types of commitment, stressing the importance of our distinction between affective, calculative and normative commitment. In addition, we explained more than 70% of the variance in affective commitment, which seems to be the result of the strong impact of position involvement even to the neglect of important antecedents such as for example satisfaction, trust and value (Sirdeshmukh et al. 2002). This means that position involvement is a type of involvement that should be taken into consideration in future research. Moreover, the refinement of the commitment construct as well as the refinement of the antecedents seems to be promising as our empirical results showed clear differences in terms of the directions and magnitudes of the relationships between the constructs.

MANAGERIAL IMPLICATIONS

The results of this study clearly show that affective commitment is the most important determinant of word of mouth, purchase intentions, price insensitivity and complaining behavior. Affective commitment deals with having a sense of belongingness to the bank, being happy of being a customer of the bank, feeling emotionally attached to the bank and feeling part of the family of the bank. Moreover, it deals with having a comfortable and reliable relationship with the bank. Improving these aspects of affective commitment exerts a positive influence on loyalty. A bank therefore, should make sure that a customer is treated as a true individual in which the bank is really interested and cares for. This can be achieved by, among others, actually personalizing the communication efforts of the bank. And by showing attachment and by being of personal meaning to each and every individual customer. In line with our study, especially the effect of position involvement in stimulating affective commitment might not be overlooked. Position involvement can be created by making sure that the image of the bank comes close to the lifestyle of the customer and that the bank reflects the personality of the customers in terms of their values and norms. Careful analyses of which norms and values customers in the target market expect to be reflected in their bank is important here and based upon this the concise selection of a well defined segment. Moreover, our study indicates that the bank should target those customers who are intrinsically inclined to engage in relationship with banks. It is important to realize that not every customer is willing to engage in long-term relationships and therefore the bank should not waste resources on targeting these unwilling customers. Relationship prone customers tend to reveal high position involvement which impacts affective commitment and finally loyalty.

Finally, our study shows the possible danger of the role of calculative commitment as this has a negative impact on loyalty. Moreover, calculative commitment seems to function as an exit barrier as long as the benefits of the current bank exceed the costs of switching. Apparently, customers who feel constrained in their relationship do not experience the required dedication to be loyal to the bank. This implies that the bank should avoid calculative commitment by not stressing the cost benefit relationship of the offered services but rather emphasizing the personal attachment and the comfort of having an ongoing relationship with the bank.

LIMITATIONS AND DIRECTIONS FOR FUTURE RESEARCH

Our research should be seen as a preliminary attempt to address an issue that has important implications for marketing theory and practice. Any preliminary attempt will involve a number of limitations. However, acknowledgement of these limitations also suggests new directions for future studies.

A first potential shortcoming in the study is common method bias. As we used one single questionnaire to measure all constructs included, the relationships between these constructs may be somewhat inflated. No database information could be used as input for measuring actual behavior. This study could be improved with access to more substantial data on customer purchase histories that are not subject to potential recall loss. It would then be possible to look at longer strings of purchases and to perhaps incorporate contextual information. With respect to the measurement items, we have to conclude that the scales used to measure informational complexity and complaining could be improved. In a follow-up study we have to develop a more appropriate scale. Moreover, it must be recognized that our sample of Belgian bank customers cannot necessarily be generalized. This limits the findings as relevant only to these types of customers and service providers. Future studies need to

assess the generalizability of our findings to other contexts. Furthermore, future research should concentrate on issues that could help management identifying, attracting and retaining the relationship prone customers as they will have strong position involvement, reveal a high affective commitment and will most probably be loyal to the bank.

In conclusion, it is hoped that these research results will serve as a stimulus for additional empirical research involving ongoing relationships in a services setting.

TABLE 1
Measurement Model

		Composite reliability	Variance explained	Loading	R ²
Consumer relationship Proneness (De Wulf et al. 2001)	1. Generally, I am someone who likes to be a regular customer of a bank	0.87	0.69	0.63	0.39
	2. Generally, I am someone who wants to be a steady customer of the bank			0.92	0.85
	3. Generally, I am someone who is willing to 'go the extra mile' to purchase at the same bank			0.91	0.82
Position involvement (Pritchard et al. 1999)	1. I prefer to bank with Bank X because their image comes closest to reflecting my lifestyle	0.85	0.65	0.77	0.60
	2. When I bank with Bank X it reflects the kind of person I am			0.88	0.77
	3. I prefer to bank with Bank X because their service makes me feel important			0.79	0.62
Volitional choice (Pritchard et al. 1999)	1. My decision to bank with Bank X was freely chosen from several alternatives	0.79	0.55	0.76	0.58
	2. I did not control the decision on whether to bank with Bank X (reversed)			0.65	0.42
	3. I am fully responsible for the decision to bank with Bank X			0.78	0.60
Informational complexity (Pritchard et al. 1999)	1. I don't really know that much about Bank X (reversed)	0.63	0.48	0.50	0.25
	2. I consider myself to be an educated consumer regarding Bank X			0.84	0.70
	3. I am knowledgeable about Bank X*				

<p>Affective commitment (based upon: Allen and Meyer 1990)</p>	<p>1. I do feel a strong sense of belonging to Bank X</p> <p>2. I stay with Bank X because I am very happy to be their customer</p> <p>3. I stay with Bank X because of the comfortable relationship I have with Bank X</p> <p>4. Bank X has a great deal of personal meaning for me*</p> <p>5. I do feel like “part of the family” at Bank X</p> <p>6. I do feel “emotionally attached” to Bank X</p>	0.90	0.64	0.77	0.59
<p>Calculative commitment (based upon: Allen and Meyer 1990)</p>	<p>1. It would be too costly for me to leave Bank X, therefore I stay</p> <p>2. One of the major reasons I continue to bank with Bank X is that leaving would require considerable personal sacrifice</p> <p>3. I stay with Bank X because the costs of changing exceed the benefits</p> <p>4. If I had not already put so much of myself in Bank X I might consider going elsewhere*</p>	0.88	0.71	0.81	0.65
<p>Normative commitment (based upon: Allen and Meyer 1990)</p>	<p>1. I do feel an obligation to remain with Bank X</p> <p>2. Even if it were to my advantage, I do feel it would be wrong to leave Bank X now</p> <p>3. I would feel guilty if I left Bank X now</p> <p>4. Bank X deserves my loyalty*</p> <p>5. I would not leave Bank X now, because I have a sense of obligation to it</p> <p>6. I owe a great deal to Bank X</p>	0.84	0.52	0.66	0.43
<p>Word-of-mouth (based upon: Zeithaml et al. 1996)</p>	<p>1. I say positive things about Bank X to other people</p> <p>2. I recommend Bank X to someone who seeks advice</p>	0.90	0.74	0.82	0.67

	3. I encourage friends to go to Bank X			0.79	0.63
Purchase intentions (based upon: Zeithaml et al. 1996)	1. I consider Bank X as my first choice* 2. I go more often to Bank X in the next few weeks 3. I go less often to Bank X in the next few weeks (reversed)	0.74	0.60	0.91 0.61	0.82 0.38
Price-insensitivity (based upon: Zeithaml et al. 1996)	1. When the services I usually buy at Bank X are charged less at another Bank I go to that bank (reversed) 2. I am willing to go to another bank that offers more attractive prices (reversed) 3. I am willing to pay a higher price than other banks charge for the benefits I currently receive from Bank X*	0.76	0.62	0.81 0.76	0.66 0.57
Complaint behavior (based upon: Zeithaml et al. 1996)	1. I switch to a competitor if I experience a problem with Bank X* 2. I complain to other consumers if I experience a problem with Bank X (reversed) 3. I complain to an external agency if I experience a problem with Bank X (reversed) 4. I complain to Bank X'SB: employees if I experience a problem with Bank X*	0.63	0.47	0.75 0.61	0.56 0.37

* not included in structural model

TABLE 2
Structural Model

Parameter	Hypo- Thesis	ML estimate
Relationship proneness → position involvement	1a (+)	0.56**
Relationship proneness → volitional choice	1b (+)	0.37**
Relationship proneness → informational complexity	1c (+)	0.21**
Position involvement → affective commitment	2a (+)	0.79**
Position involvement → calculative commitment	2b (+)	0.14**
Position involvement → normative commitment	2c (+)	0.40**
Volitional choice → affective commitment	3a (+)	0.12**
Volitional choice → calculative commitment	3b (+)	-0.20**
Volitional choice → normative commitment	3c (+)	-0.22**
Informational complexity → affective commitment	4a (+)	0.11**
Informational complexity → calculative commitment	4b (+)	0.12*
Informational complexity → normative commitment	4c (+)	0.26**
Affective commitment → word-of-mouth	5a (+)	0.62**
Affective commitment → purchase intentions	5b (+)	0.56**
Affective commitment → price insensitivity	5c (+)	0.38**
Affective commitment → complaining	5d (+)	0.21**
Calculative commitment → word-of-mouth	6a (+)	-0.11**
Calculative commitment → purchase intentions	6b (+)	-0.18**
Calculative commitment → price insensitivity	6c (+)	-0.10*
Calculative commitment → complaining	6d (+)	-0.33**
Normative commitment → word-of-mouth	7a (+)	0.10*
Normative commitment → purchase intentions	7b (+)	0.07
Normative commitment → price insensitivity	7c (+)	0.11*
Normative commitment → complaining	7d (+)	-0.05
Squared multiple correlations for structural equations		Estimate
Position involvement		0.31
Volitional choice		0.14
Informational complexity		0.04
Affective commitment		0.71
Calculative commitment		0.06
Normative commitment		0.25
Word-of-mouth		0.43
Purchase intention		0.36
Price insensitivity		0.19
Complaining		0.14

FIGURE 1
Conceptual Model

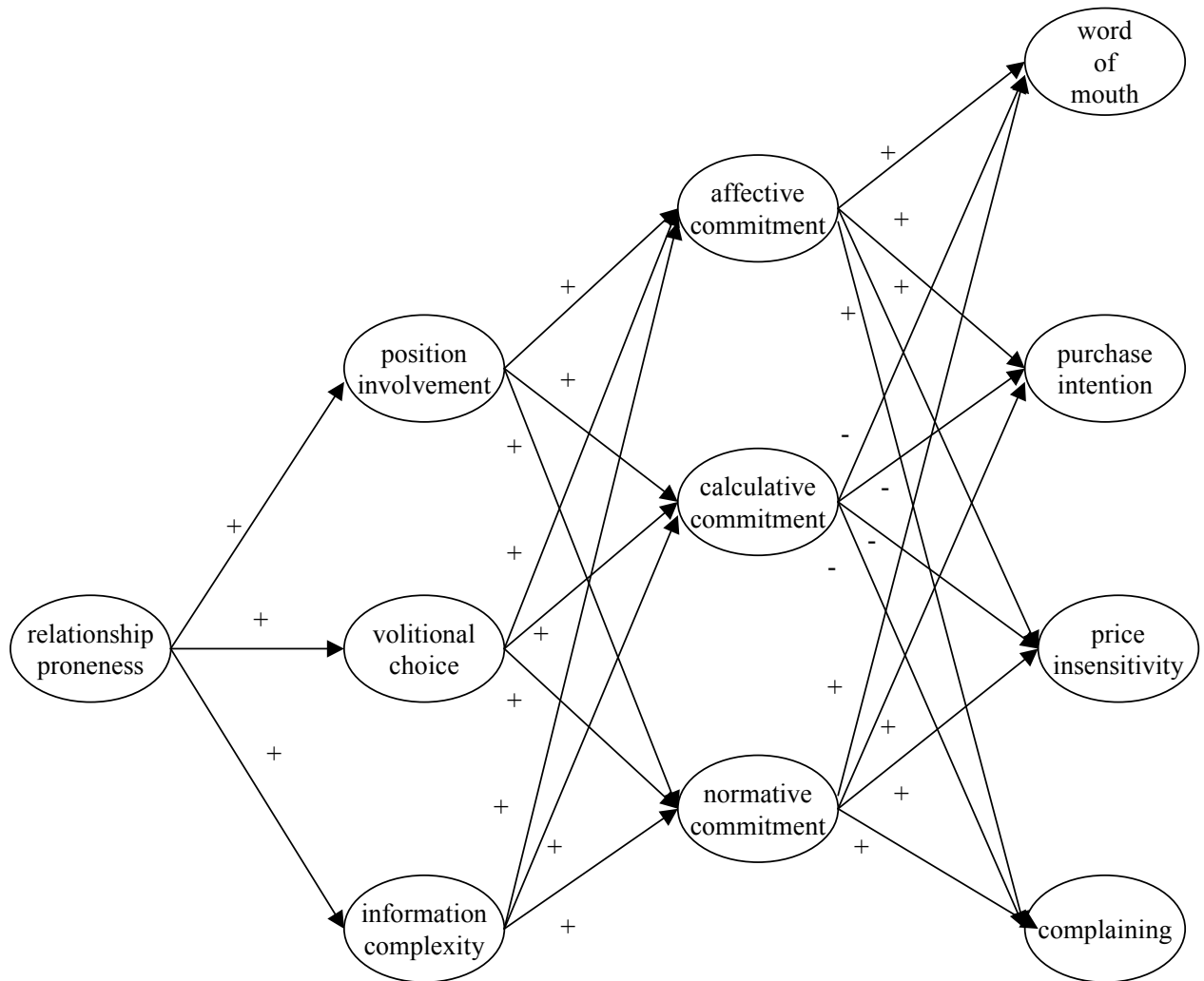
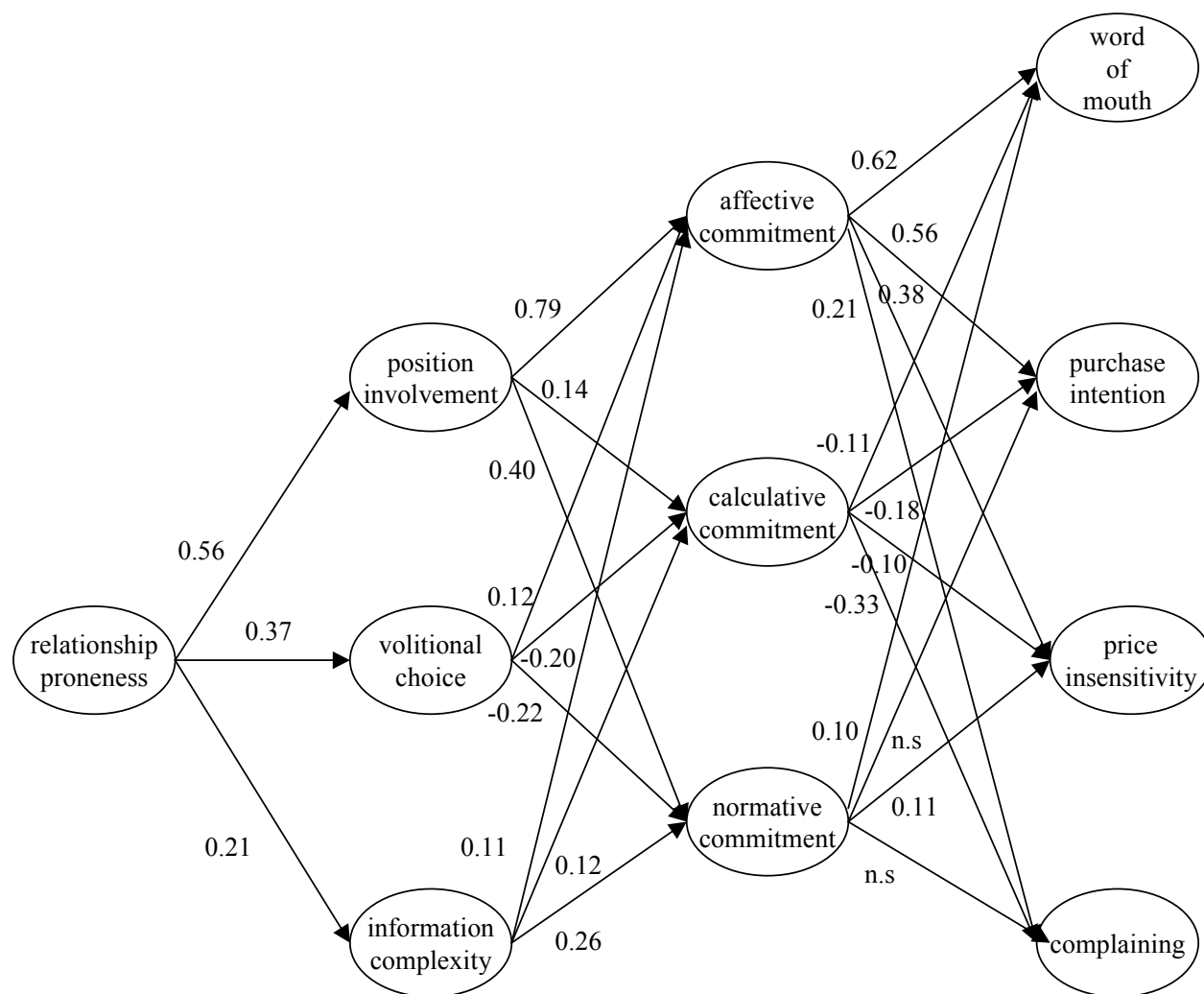


FIGURE 2
Structural Model



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