Introduction

Research on Small and Medium Enterprise (SME) commitment relationship to banks is particularly important for both parties. This is because commitment relationship is crucial in establishing and maintaining long term valuable relationship between businesses (Morgan and Hunt, 1994; Goodman and Dior, 2001; Cater and Cater, 2010). Also, long term relationship through commitment enhances parties’ investments in specialised and beneficial assets (Rindfleisch and Heide, 1997; Williamson, 1985). In context, SMEs desire valuable and profitable relationship with their retail bank for their growth and development (Sanusi, 2010; Berger, 2006). Likewise, retail bank require customer loyalty (repurchase intention and advocacy) of their SMEs (customers) to increase their competition and profitability in the banking sector (Connolly, 2000; Zineldin, 1995). Besides, SMEs is an essential sector to an economy. In Nigeria, the sector employed 32 million people and contributed 46 per cent to the Nominal GDP (National Bureau of Statistics, and Small and Medium Enterprise Development Agency of Nigeria, 2010).

In relationship marketing studies, commitment is considered as a key mediating construct for establishing and maintaining long term relationship to service providers (Moorman, Zaltman, Deshpande, 1992; Morgan and Hunt, 1994; Gilland and Bello, 2002; Fullerton, 2003, 2005, 2011; Jones et al, 2008; Cater and Cater, 2010). The conceptualisation of commitment dimension remains problematic in the literature (Cater and Zabkar, 2009). Some studies have conceptualised commitment from a global perspective (Morgan and Hunt, 1994, Garbino and Johnson, 1999, Keh and Xie, 2009). Noticeably, such studies composite view of commitment is construed to affective commitment both in their conceptualisation and measurements (Morgan and Hunt, 1994; Garbarino and Johnson, 1999; Bloemer and Oderken-Schroder, 2003; Keh and Xie, 2009). Whist other studies modelled commitment as two dimensions, mainly affective and calculative commitment (Jones et al, 2007; Gilland and Bello, 2002; Gournaris, 2005). Other studies have assessed commitment as three dimensions, mainly affective, calculative and normative commitment (Bansal, Irving and Taylor, 2004, Fullerton, 2011; Beatty et al, 2012). Evidence from a number of empirical studies suggest that affective commitment is the most dominant and predictive construct in explaining customers’ long term relationships, negative effects to switching intentions and customer advocacy behaviour (Fullerton, 2005, Bansal, Irving and Taylor, 2004; Fullerton, 2011; Cater and Cater, 2010). One fundamental reason is that customers with affective commitment continue their relationship with a service provider based on emotional identification, involvement and attachment. This form of relationship is driven by genuine customer affection to the service provider.

Commitment relationships have been investigated in different contexts. For example, in a dyadic buyer and seller (business to business) channel of distribution relationship (Morgan and Hunt, 1994; Goodman and Dion, 2001; Cater and Cater, 2010, Chang et al, 2011). Likewise, studies have examined relationship commitment from customer perspective, in customer to service provider relationships (B2C), (Bansal, Irving and Taylor, 2004; Fullerton, 2005, 2011; Jones et al, 2008, 2010). In the financial service sector, customer commitment has been modelled to explain advocacy (Fullerton, 2011, 2005), repurchase intention (Jones et al, 2010) and switching intentions (Kaur, Sharma and Mahajan, 2012). However, despite the importance of relationship commitment in marketing literature, no empirical study has examined SMEs commitment relationship to their retail banks. Moreover, most models of customer commitment relationships are western based studies, no conceptualisation and empirical investigation of customer commitment relationship has been investigated in
Nigeria. Furthermore, studies that investigated customer commitment to retail banks are ambiguous on the classification of bank customers. Such research findings are potentially misleading and biased. Thus, this research is aimed to fill the gap in the literature by investigating SMEs affective commitment to retail banks in Nigeria. In addition, this research will validate measuring instruments of affective commitment, satisfaction and trust, repurchase intentions and advocacy in Nigeria. The research seeks to provide an empirically validated instrument for application in future customer commitment studies in Nigeria and Africa. Lastly, this study will examine the moderating effect of relationship length on the drivers (satisfaction and trust) and consequences (repurchase intention and advocacy) of SMEs affective commitment to retail banks.

This research is on-going; the authors are in the process of face validation of the research instruments, collection of empirical data for the assessment of reliability of the research constructs and to statically test the developed hypotheses using structural equation modelling.

**Research Conceptual Model**

![Diagram of Research Conceptual Model]

**Affective Commitment**

Affective commitment originates from organisational studies (Bansal, and Taylor, 2004; Fullerton, 2003; Gruen, Summers and Acito, 2000). The dominant understanding of employee affective commitment within organisational studies is on the mind-set of employees’ emotional involvement, attachment and identification with an organisation (Meyer and Allen, 1991; Mowday, 1979). In the marketing research discipline, definitions of affective commitment arguably have followed the conceptual themes used in organisational research. The central notion of customer affective commitment is a psychologically bond to their service provider out of emotional involvement, identification and attachment. For example, Fullerton (2010) defined affective commitment as: “the psychological state that links the customer to a marketing partner that is based on identification and attachment” (p.93). Similarly, Jones et al (2010) defined affective commitment as: “the degree to which a customer is psychologically bonded to the service organisation on the basis of how favourable the consumer feels about the organisation” (p.18). Likewise, Bansal et al (2004) defined affective commitment in the consumer context as the “affective force that binds the consumer to the service out of desire” (p. 238). The common themes in these definitions of affective commitment connote customers’ mind-set of desire and likeness towards the service provider. In keeping with the core theme in affective commitment definition, this research defines affective commitment as the psychological force of emotional involvement, identification and attachment that binds SMEs (customer) to continue relationships with their retail banks.
Hypotheses Statement

**H1a:** The longer the relationship length, the stronger will satisfaction positively impact on SMEs affective commitment.

**H1b:** The shorter the relationship length, the weaker will satisfaction positively impact on SMEs affective commitment.

**H2a:** Trust will have a stronger positive impact on SMEs affective commitment in a longer relationship length.

**H2b:** Trust will have a weaker positive impact on SMEs affective commitment in a shorter relationship length.

**H3a:** Affective commitment will have a higher impact on repurchase intention in a longer relationship length.

**H3b:** Affective commitment will have a lower impact on repurchase intention in a shorter relationship length.

**H4a:** The longer the relationship length, the stronger will affective commitment positively impact on advocacy.

**H4b:** The shorter the relationship length, the weaker will affective commitment positively impact on advocacy.

Research Methods

This research method is divided into four sequential stages. The first phase is the face validation of the research instruments (see appendix 2 for source of scales and application). This stage is included to ensure the research instruments are simple and easy to understand by the respondents. Phase one is in line with Hardesty and Bearden’s (2004) call for face validation as a way to ensure scales purification. The next phase is the content validity. This stage involves the application of Exploratory Factor Analyses (EFA) using principal component analyses with varimax rotation to establish the factor loadings on each indicator and the structure of indicators measuring a relational construct. Also, at phase two, Cronbach’s alpha will be employed to assess the reliability of the research construct (see appendix 3 for operationalisation of constructs). Subsequently, Confirmatory Factor Analysis (CFA) will be employed to examine the goodness of fit of this measurement model. This is necessary to ensure that data adequately fit the model prior to investigating the structural path analyses. To examine the effect of relationship length, an approach of multiple-group analyses using LISREL Structural Equation Modelling (SEM). The relationship length will be divided into two categories; mainly less than 5 years as short term relationship length, whilst more than 5 years as long term relationship length. This approach is consistent with studies that have examined the impact of demographics such as relationship age, gender on relationship constructs (Homburg and Giercing, 2001; Wang and Wu, 2012).

Conclusion

Customer commitment is evidenced as an essential construct in the development of mutually beneficial relationship (Morgan and Hunt, 1994; Goodman and Dior, 2001; Cater and Cater, 2009). From the review of the literature, a hypothesized model of SEMs affective commitment to retail bank has been proposed. This research is in progress; the next stages are on the collection of empirical data for the assessment of content validity and reliability of the research instruments and to statistically test the developed hypotheses using LISREL SEM. The findings from this study will shed light on the nature of SME’s to bank relationship in Nigeria.
References


Appendix 1

Potential Contribution to Knowledge and Practice

This paper will be contributing to academy knowledge and practice in the following ways:

- This is the first empirical study to assess and validate a model of affective commitment measurements within Nigeria, a non-western context. In doing so, it provides a validated research measurement instruments for further studies within Africa.

- Also, this research is the first to empirically investigate an affective commitment conceptual framework in Nigeria. Thus, this study is extending the validation of affective commitment relationships into a new sectorial and geographic setting. This research will seek to confirm or disconfirm the theoretical framework of affective commitment model. Moreover, this is the first study to examine a segment of retail bank customers (SMEs) that hitherto have not been examined in marketing studies before.

- A consequence of this research is that marketing practitioners in retail banks will have a great knowledge of the nature of affective commitment exhibited by the SMEs customer. Also, knowledge will be gained on the drivers (satisfaction and trust) and the outcome (repurchase intention and advocacy) behaviours. This has the potential to allow marketing practitioners design marketing strategies to build and sustain long term relationship with SMEs based on the findings from this research.
Appendix 2

Sources of measurement scale and application

<table>
<thead>
<tr>
<th>Authors / Construct</th>
<th>Measurement Items</th>
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| **Affective commitment** | 1. My company feels emotionally attached to my retail bank (0.72)  
2. My company feels a sense of belonging to my retail bank (0.82)  
3. My company feels a sense of identification with my retail bank (0.99)  
4. My retail bank has a great deal of personal meaning to my company (0.99) |

*Items 1 and 2 are adapted from Bansal, Irving and Taylor (2004), whilst Items 3 and 4 are adapted from Fullerton (2005). Items changed to suite research context.*

| Overall Satisfaction | 1. In general my company is very satisfied with my current retail bank (N/A)  
2. Overall, it’s been good to bank with my current retail bank (N/A)  
3. Overall, the services of my retail bank comes up to my expectations (0.89)  
4. Overall, my retail bank treats my company in a fair manner (N/A) |

*Items for 1, 2, 3, and 4 are adapted from Lam et al, 2004.*

| Trust | 1. My company has great confidence in my retail bank services (0.72)  
2. My retail bank is capable in providing banking services to my company (N/A)  
3. Promises made by my retail bank are reliable (0.80)  
4. My retail bank treats my company in an honest way in every transaction (N/A)  
5. In times of uncertainty and vulnerability my retail bank has my company best interest in mind (0.89)  
6. My retail bank is genuinely concerned that my company succeeds (0.77) |

*Items 1 and 3 are adapted from Coote, Forrest, and Tam (2003). Items 2 adapted from (McKnight, Choudhury and Kaemner, 2002 (further applied in Palvin, 2009, Park, Gunn, Han, 2012). Item 4 was adopted from Ball, Coelho and Machas (2004). Items 5 and 6 from Cater and Cater (2010) (also adopted in Doney and Cannon, 1997).*

| Advocacy (Positive words of mouth) | 1. My company says positive things to other people about my retail bank (0.96)  
2. My company recommends my retail bank to other companies that seek advises (0.98)  
3. My company encourages business partners to bank with my retail bank (0.98)  
4. When the topic of my retail banks comes up in conversation, my company goes out of its way to recommend my retail bank (0.83) |

*Items 1, 2 and 3 are adapted from the Fullerton (2005), Item 4 derived from Gremler and Gwinner (2000).*
<table>
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<tr>
<th>Repurchase Intention</th>
<th>Measurement items</th>
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| Items 1 and 2 adapted from Keh and Xie (2009). Whilst items 3 and 4 are derived from Bell and Eisingerich (2007). | 1. My company will consider my retail bank as the main bank in the next few years (0.88)  
2. My company will do more banking with my retail bank in the next few years (0.84)  
3. My company chances of staying in the relationship with my retail bank are very good (0.87)  
4. My company will use my retail bank for most of my company’s investment needs (0.76) |

**Notes**  
- All items are measured using 7 points likert scale ranging from very strongly agree to very strongly disagree.  
- N/A indicates factor loading not available from the source.
Appendix 3

Operationalisation of the Research Constructs

**Affective commitment:** assesses the psychological force of emotional involvement, identification and attachment that binds SMEs to continue relationships with their retail banks in Nigeria (Allen and Meyer, 1991; Fullerton, 2011).

**Overall SME satisfaction:** is operationalised as the SMEs’ emotional state that occurs in the post purchase appraisals of encounters with their retail bank over a period of time (Crosby et al, 1990).

**Trust:** is operationalised as the SMEs’ confidence belief in the competency, integrity, and benevolence of their retail banks in times of uncertainty and vulnerability (Doney and Cannon, 1997).

**Repurchase Intention:** is operationalised as the SMEs’ judgment about continuing to patronise their retail bank, taking into accounts the business current situation and circumstances (Hellier et al, 2003).

**Advocacy:** is operationalised as the positive willingness of the SMEs’ to speak positively to others (business associates) about their retail bank, making recommendations and praise of their banks (File, Judd, and Prince, 1992; Fullerton, 2011).