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RELATIONSHIP MARKETING IMPACT ON CUSTOMER ATTITUDE: MEDIATING ROLE OF ADVERTISING IN PAKISTAN'S BANKING

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Abstract

In recent years, groups of various businesses in Pakistan have shifted focus from tangible to intangible assets, essential for comparing short- and long-term success. The banking sector, facing rising customer expectations, relies on effective management and strategic marketing for client loyalty. Transitioning from traditional to comprehensive marketing is deemed unique in this industry, emphasizing customer retention amid growing competition. This research delves into the impact of relationship marketing and impactful advertising on consumer perceptions within the banking sector of Pakistan. The focus is on key relationship marketing elements: trust, connection, communication, shared values, empathy, engagement, and their role in shaping positive client sentiments. Through empirical research, the study validates the positive influence of these elements on customer attitudes. Additionally, the research introduces advertising effectiveness as a mediator variable, underscoring its importance in shaping consumers' views of relationship marketing efforts and attitudes. Moreover, the study employed the Structural Equation to analyze the variables; the results offer valuable insights for banks, empowering them to enhance customer-centric initiatives and gain a competitive advantage. In Pakistan's banking industry, this study makes a substantial contribution by underscoring the significance of relationship marketing components and their impact on shaping consumer perceptions. Its findings provide actionable information for banks seeking to refine their strategies and distinguish themselves in a competitive market.

Keywords: Marketing Relationship, Attitude of Customer, Effectiveness of Advertisement, Pakistan Banking Sector

Introduction

Background of research

In recent years, the corporate paradigm has shifted from valuing tangible to intangible assets, one of many changes to the global business climate. For this reason, evaluating intangible assets is an essential procedure for firms. Considering intangible assets allows a more accurate analysis of a firm's short- and long-term successes (Gashti & Chirani, 2017). Furthermore, because there is an increasing demand for banking services in communities, customers have higher expectations

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and a wider range of services from banks. Gaining current clients' loyalty and establishing trust to attract new ones requires competent management in banking services. Effective marketing can help a business attract and retain clients (Amin, 2016). Therefore, the effectiveness of long-term communication with partners such as clients, staff, financial intermediaries, banks, and others is crucial to the success of financial institutions. Changing from traditional to comprehensive marketing is seen as a unique method in the banking business. Customary marketing has a distinct advantage since it heavily emphasizes customer expectations. But occasionally, this tactic might work against the banks and their customers. Businesses with exceptional success across various industries concentrate on retaining consumers and winning their loyalty because most markets are frequently in the maturation phase, competition is increasing, and the cost of bringing in new clients has greatly increased (Laketa et al. 2015).

This study intends to fill a gap in the literature by investigating the interaction between relationship marketing, advertising efficacy, and customer attitudes in the context of Pakistan's banking sector. The findings are intended to provide significant insights for banks in developing enhanced advertising techniques to attract and retain clients, thereby helping to contribute to the development and growth of the industry in Pakistan.

Scope of Research

Marketing has traditionally been considered a powerful tool for influencing a shift in consumer perception. To keep their loyal customers, improve their communications with them, and reduce the amount of lost revenue, several companies have stepped up their marketing efforts and employed advertising as a defensive strategy. Banks use advertising to market their products and create a positive impression in the eyes of their customers (Talh Akkaya et al. 2017). Customers' perceptions of banks improve when they advertise more, encouraging customer satisfaction and loyalty. Every year, the banks spend a lot of money on marketing, which is directed toward educating the public about the bank's novel and distinctive services and increasing consumer awareness (Gashti & Chirani, 2017).

This study addresses crucial industry issues, addressing the urgent need for banks to maintain and grow their client base in the face of rapid market developments and fierce competition. The study intends to uncover the impact of relationship marketing methods**,** such as customized offerings and efficient communication**,** on consumer perceptions by delving into them. Furthermore, it investigates the critical role of advertising in raising brand awareness and shaping client perceptions. Thus, th**is** research aims to provide useful insights into Pakistan's banking sector's intellectual and practical worlds.

Rationale of Research

The necessity to comprehend the interplay between interpersonal marketing, advertising efficacy, and consumer attitudes in Pakistan's banking sector underpins the rationale for this research. This investigation is necessary due to several compelling causes. For instance, the banking business in Pakistan has witnessed fast instability and severe competition. To remain profitable in this unpredictable

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environment, banks must cultivate and maintain strong customer relationships (Gashti & Chirani, 2017). As a result, understanding how these relationship marketing components influence client sentiments is critical for banks' customer-centric initiatives. Second, advertising is a key instrument for banks to increase brand visibility and reach out to customers. Understanding the success of advertising campaigns requires assessing how advertising mediates the interplay between relationship marketing components and client attitudes. This study aims to experimentally investigate these complex linkages to gain insight into the influence of confidence, involvement, communication, shared values, empathy, and reciprocal relationships on consumer attitudes. Furthermore, by examining advertising's role as a mediator, it attempts to offer an in-depth comprehension of how the relationship marketing through advertising influences customer attitudes.

Research Problem

There is a notable lack of detailed research specifically suited to the Pakistani market, leaving an obvious vacuum in our grasp of the region's unique dynamics, difficulties, and opportunities. Second, the interaction between relationship marketing and advertising efficacy is understudied in the existing literature, with research frequently treating these components as distinct entities. This gap necessitates thoroughly investigating how these two components overlap and mutually impact client attitudes in Pakistan's banking business. Furthermore, previous research usually adopts overly simplified criteria to assess client sentiments, focusing exclusively on satisfaction. A more sophisticated and comprehensive approach is required to evaluate customer views fully, incorporating loyalty, trust, and perceived value. In addition, many studies focus on short-term results, ignoring the long-term effect of relationship marketing and advertising techniques on client attitudes and, as a result, a bank's overall achievement in the Pakistani market. Addressing these research gaps will result in a more integrated and contextually pertinent understanding, ultimately helping policymakers and professionals by supporting informed decisions and improving Pakistan's banking industry's profitability.

Research Questions

- How do trust, engagement, communication, shared values, empathy, and mutual ties affect consumer attitudes in Pakistan's banking sector?

- What is the role of advertising as a mediator variable in the relationship between trust, interaction, communication, shared values, empathy, mutual interactions, and consumer attitudes in the context of Pakistan's banking sector?

- How do trust, interaction, communication, shared values, empathy, mutual relations, and relationship marketing through advertising influence customer attitudes and practical recommendations for improving customer-centric strategies in the Pakistani banking industry?

Theoretical Framework

Relationship Marketing

Relationship marketing has grown in popularity in the Pakistani banking industry due to its capacity to develop long-term customer connections, increase customer loyalty, and boost profitability. Banks in Pakistan increasingly understand the advantages of developing trust, effective communication, shared values, and compassionate relationships with clients (Solangi et al., 2019). This strategy goes beyond transactional encounters, concentrating on long-term client happiness and retention. Furthermore, advertising is critical in communicating these relationship-building activities to customers (Shahzad et al. 2021). Understanding the intricacies of relationship marketing in the context of Pakistan's banking business is critical for retaining a competitive edge and adjusting to changing client expectations. According to Biscaia et al. (2017), the exchange of values across various mediums is at the heart of marketing. Because their resources differ, the parties' exchange power in a commercial transaction is unequal. A connection is formed under two conditions: first, both parties seek to profit from the relationship. Second, the parties are committed to the partnership indefinitely. In relationship marketing, for example, sellers may aim to create stronger connections with buyers, while buyers may want to earn a group of reliable suppliers (Nasuka, Wijaya & Hidayat, 2021). In general, the following are the most crucial requirements for a long-term partnership in relationship marketing: According to Sousa and Alves (2019), as stated in the study of Gashti and Chirani (2017), relationship marketing is a one-dimensional framework with six important variables depicted in Figure 1.

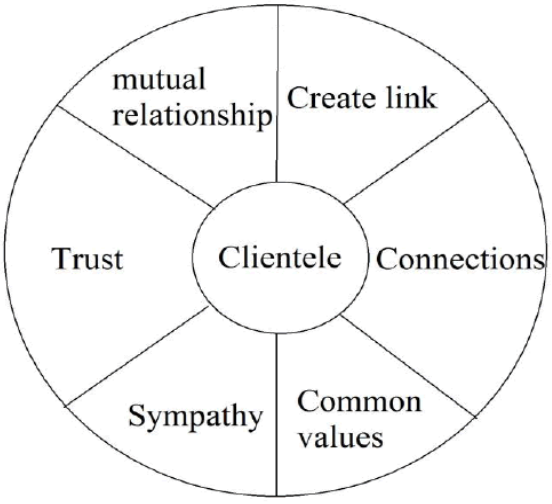


Figure 1: Marketing relationship components (Gashti & Chirani, 2017)

Trust, Interaction, Bonding, Communication, Shared values, Empathy (Customers)

Trust is a significant component of economic relationships, indicating how much one side of the connection can rely on the assurances of the other party. Long-term relationships rely heavily on trust. Grönroos, Grönroos (1994). Trust was

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investigated as a critical structure in the interpersonal marketing paradigm. More trust between the consumer and seller leads to greater efficiency and longer-term connections.

Bonding: It is a further aspect of developing commercial interaction between the two elements of the connection (customer and seller) and plays a part in achieving the intended goal in an integrated setting. The presence of this component in relationship marketing leads to growth and increased customer loyalty by directly creating a sense of belonging to the relationship and indirectly creating a sense of belonging to the firm. According to Fournier, S., Dobscha, and Mick (1998), a stronger bond between buyers and sellers promotes a greater commitment to maintaining the partnership (Wray et al. 1994)

Communications: The buyer and seller's official and informal communications result in meaningful and important information sharing. According to Grönroos (1997), communication is critical in forming trust. Grönroos' (1994) research demonstrated communication's positive and informal impact on establishing commitment between the automotive industry's key suppliers and retailers. In marketing interactions, communication is sometimes disregarded. Unfortunately, all of the other parts are experienced through conversation. Communication, particularly timely communication, increases confidence by resolving disagreements and fulfilling expectations (Iglesias, Markovic & Rialp, 2019).

Shared values: common values are the parties to a relationship's common attitudes about actions, goals, and policies, regardless of their relevance, inappropriateness, or rightness or wrongness. The presence of shared aims and values increases relationship commitment.

Empathy: This aspect of the marketing relationship enables each side to see the connection through the eyes of the other party. Understanding the expectations and goals of the other side of the connection is what empathy is all about. Empathy is a prerequisite for the parties to a transaction to strengthen their bonds (Sofi et al., 2020).

Interaction: Another significant aspect of a marketing relationship involves the reciprocal connection, which establishes a foundation on which one party obtains services or attention from the other party and, in turn, delivers special services to the other party later.

According to Ghobadian et al. (1994), "Interactions and long-term commitments have defined relationship marketing" (Nasuka, Wijaya, & Hidayat, 2021). The Chinese think that the interaction can take shape based on the client's details so that the service provider (supplier) may offer advantages for customers to contend with other market sectors (competitors) (Seyedin et al. 2021).

Customer attitude

In Pakistan's banking industry, customer attitude is crucial since it directly impacts financial institutions' long-term survival and prosperity. A range of emotions are included in customer attitudes, from loyalty and perceived value to satisfaction

and trust (Said et al., 2022). Comprehending and cultivating these mindsets is crucial in this cutthroat environment. Customer attitudes are impacted by several variables, including the caliber of the bank's services, its product offerings, and the effectiveness of its marketing and communication campaigns. For banks in Pakistan to thrive and maintain a significant market position, they must continuously assess and create strategies to positively affect customer perceptions and cultivate enduring relationships with their customers. This was considered by Yoo et al. (2021) when formulating a positive consumer attitude (Gao et al., 2020). A positive outlook denotes a strong commitment to making the same brand or product purchases in the future, even in the face of possible setbacks and competition from competitors (Rana & Sarva, 2023). Developing an attitude toward something is an internal concept that shapes people's views and attitudes and enables us to observe it in individual behavior; therefore, only witnessing this cannot demonstrate whether loyalty exists. It is well-recognized that several factors influence consumer choices in practice and generate repeat purchases.

These attributes include apathy, cheap cost, habit, switching costs, and the risk an individual must take when switching suppliers (Corbishley et al., 2023). When the risks and costs are high, they either result in client lockup or prevent customer displacement while also, at the very least, increasing behavioral loyalty (Mokhtari et al., 2021). Consumer attitude is defined by Djajanto et al. (2019) as "the psychological, emotional, and physical behaviors individuals engage in when buying, employing, and disposing of products and services that fulfill their requirements and desires." Put differently, consumer behavior is made up of a range of actions, both mental and physical, that start before and continue after a purchase. Numerous factors influence customer attitude. Every consumer has unique ideas, emotions, objectives, choices, and purchases. People who only pay attention to the purchasing process ignore many other interconnected processes (Gashti & Chirani, 2017). Marketers should investigate a broad range of consumer behaviors, including contemplating products, obtaining information, focusing on marketing, making a purchase, and using the product until the client is satisfied and returns.

Effectiveness of the advertising

In Pakistan's banking industry, advertising efficacy is essential for banks looking to stand out in a competitive financial market. The accomplishment of advertising campaigns directly affects customer acquisition, retention, and brand awareness. In the digital age, when consumers' attention is valuable, advertising strategies must be carefully crafted to connect with the intended audience (Ahmed et al., 2019). It is impossible to exaggerate the significance of channel selection, creativity, and message clarity. Determining the advertising activity's return on investment is also crucial for banks hoping to prosper and grow their market share in Pakistan's banking industry; knowing what appeals to Pakistani customers and continuously optimizing advertising campaigns are essential (Rahmayati, 2021). By analyzing the impact of advertising and its relationship to the company's goals, organizations can change the advertising budget, communication setup and content, media, and interpersonal channel types, and, finally, the timing and conditions of the campaign launch. As a result, advertising has become more advantageous and successful than it has historically been. Because the effects of advertising are diverse and unique, applying appropriate scientific methods and procedures is necessary to

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separate one instance from another and even evaluate the influence of an advertisement over time (Rosli et al., 2020). Advertising modifies its target audience's perception, comprehension, and behavior (Gashti & Chirani, 2017).

Research Objectives

- To explore empirically the impact of trust, engagement, communication, shared values, empathy, and mutual ties on consumer attitudes in Pakistan's banking sector.

- To evaluate the role of advertising as a mediator variable in the relationship between trust, interaction, communication, shared values, empathy, mutual interactions, and consumer attitudes in the context of Pakistan's banking sector.

- To offer extensive knowledge into how trust, interaction, communication, shared values, empathy, mutual relations, and relationship marketing through advertising influence customer attitudes and practical recommendations for improving customer-centric strategies in the Pakistani banking industry.

Conceptual Framework

The conceptual model of this study has been adopted from the study by Sweeney and Swait (2008) and is provided below.

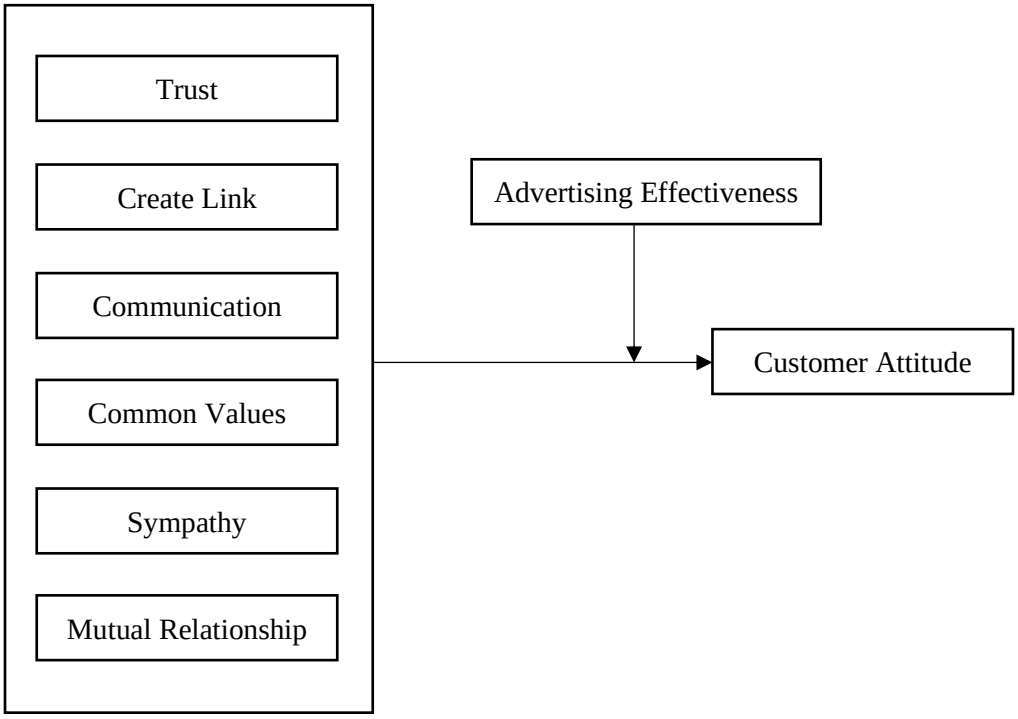


Figure: 02- Conceptual Model

Research Hypotheses

The research hypotheses were written as follows by the theoretical foundations:

H_1: Trust influences customer attitudes positively.

H_2: Interaction influences customer attitudes positively.

H_3: Communication influences customer attitudes positively.

H_4: Shared values influence customer attitudes positively.

H_5: Empathy influences customer attitudes positively.

H_6: Mutual relationships have a favorable effect on client attitudes.

H_7: As a mediator variable, advertising influences client attitudes through relationship marketing.

Significance of Research

Marketing is a key tool for banks to increase emblem visibility and reach out to customers. Evaluating how advertising and marketing mediate the interaction between dating advertising additives and purchaser sentiments is critical for information on the efficacy of marketing campaigns. When analyzing the big studies gaps in Pakistan's banking system, the significance of these studies will become clear. For starters, there's a scarcity of in-depth studies geared to the occasions of the Pakistani market that are required to fully apprehend the location's problems and potentialities. This information gap, as highlighted by Gashti and Chirani (2017), constitutes a massive void within the literature. Furthermore, prior research has frequently focused on short-term results, ignoring the lengthy-term impact of relationship marketing and advertising and marketing strategies on patron attitudes and general financial institution performance inside the Pakistani marketplace. Therefore, this research fills the essential gaps while supplying a more complicated and contextually suitable attitude to assist policymakers and industry people make informed choices to improve Pakistan's banking area's monetary viability.

Limitation of Research

Despite the useful insights garnered from this study, it is critical to recognize its limits. The study focuses on a single sector within Pakistan, notably the banking business, which may limit the findings' applicability to other industries or nations. Furthermore, this study is based on quantitative data, and future research could benefit from a mixed-methods approach to better grasp the customer perspective. Furthermore, external factors such as economic conditions or regulatory changes may impact customer views and go unnoticed. In terms of future research, this study offers a way for more in-depth research on relationship marketing and advertising efficacy, possibly leading to cross-industry or cross-cultural analyses to broaden the findings' relevance.

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Literature Review

Acar and Temiz (2017) look into how accounting measures of income and performance in the banking sector relate to marketing expenses spent by banks. The results show a strong and favorable correlation between financial performance and advertising expenses. In addition to the positive effect, the writers present a framework for figuring out how much advertising contributes to long-term benefits. The results show a positive, long-lasting association between marketing expenses and financial performance, suggesting that marketing costs should be invested in and then amortized rather than immediately incurred. Expenses should be compounded and delayed rather than incurred all at once.

The article finds evidence that advertising offers "future economic benefits," which is a prerequisite for asset identification, to the banking industry. Tahmasbi (2014) examined the relationship between consumer mental conflict and the importance of relationship marketing in the service sector. The results showed that because services are intangible, customers ignore them when evaluating their importance and related quality. Companies that generate customer satisfaction see a considerable revenue increase and a positive client-company relationship. The impact of customer relationship management (CRM) and business image on customer loyalty is examined in the study by Khan et al. (2022), with client fulfillment acting as a mediator between small and medium-sized firms and consumer loyalty. Customer happiness is crucial for corporate credibility and loyalty because it greatly influences a company's reputation in volatile markets. As a result, a study is being carried out in Pakistan to examine how consumers perceive the company's reputation. The study's findings demonstrate that a company's reputation and customer relationship management positively and significantly impact customer loyalty. Furthermore, customer satisfaction mediates the interaction between corporate image, client retention, and client relationship management.

Solangi et al. (2019) aim to support relationship marketing as an approach to client involvement. Additionally, a case study of Pakistan's banking industry is conducted in this research. This study aimed to investigate how relationship marketing affects bank customer retention. Globally, relationship marketing is becoming more and more popular as a means of fostering customer loyalty and happiness. With a satisfactory fit between each independent variable's validity and the adequacy of the sample size, all of the independent factors were useful and significant predictors of the dependent variable. The primary takeaway from the study for bank managers, particularly those in Pakistan, is that they need to put in significant effort to implement CRM effectively for customer retention in a complicated marketing environment that has evolved due to technological and business advancements. The deployment of managing customer connections and its impact on relationship marketing and business productivity was examined in da Silva Tolentino et al. (2021), titled "Relationship between Customer Relationship Management, Relationship Advertising, and the Performance of the Company." The statistical population for the study was Taiwan's hotel hospitality industry. The results of the study showed that implementing customer relationship management significantly and favorably impacted relationship marketing and the general performance of Taiwan's hotel industry. Finally, the researchers suggested that its advantages should be well understood before using CRM to improve performance.

Husnain and Akhtar (2015) investigate whether improving banking relationships strengthen these ties and how relationship marketing strategies affect customer retention in Pakistan's retail banking industry. The study employed multiple regression analysis to examine the effects of four primary relationship marketing constructs—trust, determination, communication, and dispute resolution—on customer retention. The results demonstrate that four factors significantly influence and predict a sizable portion of the variance in customer loyalty. With this information, it is reasonable to believe that marketing strategies focused on building trust, demonstrating dedication to service, interacting with customers quickly, consistently, and proactively, and skillfully handling disagreement can create, maintain, and increase customer loyalty. Conversely, Sweeney and Swait (2008) found in a study titled The Implications of Relationship-Based Marketing on the Behavior of Customers that: "On the one hand, customers provide the business with highly precise and pertinent data regarding product changes, price assessment, marketing techniques, and delivery time—they also spend less time purchasing when there are similarities in values, confidence, and dedication."

Research Methodology

In terms of the objective, this study represents applied research, descriptive research about the data-gathering method, and a correlation category. The population of this research included bank clients in Karachi, Pakistan, known for being a congested and ethnically diverse metropolis (individuals from all across the country live there). The method of convenience sampling was employed for selecting respondents. During August and September 2023, respondents completed a survey questionnaire. Responses were evaluated from over 250 clients with accounts at various banks; 100 questionnaires were submitted; 105 were usable, and the percentage of respondents who responded was 80%. The relationship was investigated using a survey. The research questionnaire was divided into two sections: the connection between the marketing index in the first part, consumer perception in the subsequent one, and advertising effectiveness in the final part, all of which were graded on a 5-point scale (totally disagree=1, disagree=2, no ideas=3, agree=4, totally agree=5). To assess the research hypotheses, the validity of the survey was initially investigated using Cronbach's alpha. This coefficient was more than 0.7 for every factor in the research's conceptual framework. Various statistical tools were employed to analyze data; regression analysis was a method to investigate the relationship between the study's dependent and independent variables. The resulting figure demonstrated the research frameworks' acceptable internal legitimacy and cohesiveness (Table 1).

Table 1: Reliability Measure of the Variables

Variables	Number of questions	Values of Cronbach's alpha
Marketing relationship	27	0.812
Attitude of customer	20	0.822
Impact of the advertisement	10	0.862

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Review of the research hypotheses: To test the hypotheses, this study first looked at the distribution of the data collected for the study. We used the Kolmogorov-Smirnov test to assess the normality of the data before deciding whether to apply non-parametric or parametric testing. Table 2 displays the outcomes of the Kolmogorov-Smirnov test.

Table 2: Findings of the Investigating the Research Data Distribution

Variable	Level of Significance	Error probability level (α)	Kolmogorov stats	Result
Trust	0.221	5%	1.832	Normal
Bonding	0.065	5%	1.711	Normal
Communication	0.213	5%	1.521	Normal
Shared value	0.011	5%	1.233	Normal
Empathy	0.315	5%	1.812	Normal
Interaction	0.881	5%	1.213	Normal
Attitude of Customer	0.061	5%	1.021	Normal
Effectiveness of the advertisement	0.853	5%	1.172	Normal

- H_0 indicates that the distribution of the population is normal.
- H_A indicates that the distribution of the population fails to be normal.

The finding of the results verified the null hypothesis, i.e., the variables' normal state.

Analyses and Interpretations

The structural equation modeling technique was used with PLSM software version 8.5 to analyze the hypotheses, and through route evaluation, the primary and secondary hypotheses were tested. Table 3 shows the full titles of the variables in the study model.

Table 3: Guide to Identifying the Abbreviations of the Model Variables	
Parameter	**Abbreviation**
TST	Trust
BG	Bonding
COM	Communication
SV	Shared values
EHY	Empathy
INT	Interaction
AC	Attitude of Customer
EA	Effectiveness of the advertisement

Testing the hypotheses

The findings of the causal analysis of structural equations modeling to evaluate the study hypotheses are shown in Table 4. The model's findings support a causal connection between the influence of advertising relationship aspects (trust, bonding, shared values, communication, empathy, and interaction) and the customer's attitude.

Table 4: Finding of Testing the Research's Secondary Hypotheses			
Hypotheses	**Estimation standard**	**Quantity of t**	**Test result**
Trust affects the attitude of the customer	0.52	3.95	Significant
Bonding effects on the attitude of the customer	0.60	7.23	Significant
Communication affects the attitude of the customer	0.72	4.72	Significant
Shared values affect the attitude of the customer	0.63	5.42	Significant
Empathy affects the attitude of the customer	0.57	5.12	Significant
Interaction affects the attitude of the customer	0.79	6.14	Significant

Table 5 displays the goodness of fit parameters that indicate the model's adequate fitness.

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Table 5: The goodness of fit of the research model			
Fitness parameter	**Model amount**	**Desired amount**	**Result**
χ^2/df	3.21	<3.00	Significant
BG	0.84	>0/90	Significant
COM	0.85	>0.7	Significant
SV	0.022	<0.05	Significant
EHY	0.81	>0.90	Significant
INT	0.85	>0.90	Significant
AC	0.85	>0.90	Significant
EA	0.076	>0.08	Significant

According to Table 6, because the total value of all variables is greater than 0.3, the mediator hypothesis has been verified, and one can conclude that because the aggregate amount of impact that was acquired for this equation is greater than 0.6, this correlation has become extremely desirable, as well as the hypothesis is verified.

Table 6: Testing the Mediator Hypotheses						
Hypotheses	**Standard β value**					**Result**
Marketing relationship and attitude of the customer	0.86			β2	β3	
Impact of Effectiveness of Advertising wrt to Marketing Relationships and Attitude of the Customer	Direct effect	Indirect effect	Total effect	Effectiveness of advertising and marketing relationship	Effectiveness of advertising and attitude of the customer.	Confirmed
	0.55	0.68× (0.86)	1.40	0.86	0.68	

Discussion

The study explores the complex connection between relationship marketing, advertising efficacy, and customer attitudes in Pakistan's banking sector based on a thorough examination of literature and empirical findings. This study's theoretical framework highlights the basic elements of relationship marketing, such as trust, bonding, communication, shared values, empathy, and engagement, and emphasizes their impact on customer views. The study's findings highlight the importance of

these elements in creating client sentiments in the framework of Pakistan's banking system. Trust, bonding, communication, shared values, empathy, and contact all benefit and statistically significantly impact customer sentiments, according to the study's empirical research. This is consistent with previous research indicating that establishing favorable attitudes requires building trust, fostering emotional connections, and engaging in successful client communication (Husnain & Akhtar, 2015).

Communication, a vital component of relationship marketing, has critically affected client perceptions. This outcome is consistent with prior research emphasizing the importance of efficient engagement in building consumer trust and commitment (Grönroos, 1997; Grönroos, 1994). The mediation analysis demonstrated that advertising efficiency is a mediator factor. This supports the literature's assertion that advertising is crucial for communicating relationship marketing attempts to customers and improving brand recognition and loyalty among consumers (Acar & Temiz, 2017; Rahmayati, 2021). Consequently, the empirical results of this study back up the theoretical framework created in the literature review by emphasizing the importance of relationship marketing aspects and their role in establishing consumer attitudes in Pakistan's banking sector. Integrating theory and empirical data provides substantial insights to practitioners, assisting in refining customer-focused techniques in the highly dynamic banking industry.

This research examined the complex interaction between relationship marketing, advertising efficacy, and consumer perceptions in Pakistan's banking sector. The research has emphasized the importance of essential marketing components, such as trust, bonding, communication, shared values, empathy, and, most importantly, engagement, in shaping customer perceptions through a comprehensive review of existing literature and empirical investigations. The study's findings have shed light on the critical impact these components play in shaping customer emotions in Pakistan's banking industry. According to prior research, trust, bonding, effective communication, shared values, empathy, and engagement all have a beneficial and statistically important effect on customer attitudes (Husnain & Akhtar, 2015). The consequences of this research are essential as Pakistan's banking system evolves and becomes more competitive. Encouraging these key relationship marketing aspects can serve as a strategic blueprint for banks looking to boost client pleasure and loyalty, ultimately contributing to their long-term success in Pakistan's volatile financial landscape.

Conclusion

This study investigated the dynamic interplay between relationship marketing, advertising effectiveness, and client sentiments within Pakistan's banking sector. The literature analysis highlighted the changing global corporate landscape, where intangible resources and customer-focused approaches have taken center stage. Intangible assets, such as company image and customer relationships, have emerged as significant drivers for company achievement, and their valuation is critical for evaluating organizational performance. Given the growing demand for diverse and better banking services, the necessity for efficient relationship marketing in the banking sector has expanded dramatically. Customer loyalty and trust are essential for success in this field, and good marketing is critical. Advertising has long been

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considered a powerful influence in changing customer attitudes since it raises customer awareness and involvement with banking services. This chapter emphasizes the vital importance of advertising in developing a positive brand image, which leads to customer satisfaction and loyalty.

The research study began with the assumption that Pakistan's banking market is fast evolving and becoming highly competitive. Banks must implement customer-centric strategies emphasizing personalized services, effective communication, and trust-building to remain viable and grow their customer base. This study is critical since it empirically fills a gap in the existing literature. They investigated the complicated interactions between these variables in the Pakistani banking system. The findings are expected to give significant insights for banks, allowing them to improve their marketing efforts to attract and keep consumers, eventually enhancing Pakistan's banking industry's development and economic growth.

Recommendations

This study's practical consequences are substantial for the banking system in Pakistan and worldwide. To begin with, the study emphasizes the significance of effective relationship marketing methods in the highly competitive banking industry. Banking organizations can benefit from focusing on trust, bonding, communication, and establishing shared values and empathy with their clients (Acar & Temiz, 2017). Relationship marketing initiatives play an important role in developing favorable consumer views, which leads to customer loyalty and long-term connections. Furthermore, the mediating role of advertising effectiveness emphasizes the importance of banks investing in advertising strategies that efficiently communicate their relationship marketing efforts to clients (Khan et al., 2022). Establishing a solid reputation as a brand and making clients aware of the bank's many services may increase client retention and loyalty. The findings also imply that banks may enhance their overall efficiency, increase client retention, and obtain a competitive advantage in the market by employing customer-centric relationship-based marketing methods and improving advertising strategies. The practical consequences of this research serve as a roadmap for banks to develop their customer-centric approaches, adjust to changing client demands, and ultimately prosper in the banking sector in this digital age.

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