

**EXAMINING THE IMPACT OF SERVICE QUALITY ON CUSTOMER LOYALTY
(CASE STUDY OF UNITED BANK FOR AFRICA AND FIRST BANK PLC)**

Thesis Submitted in Fulfillment of the Requirement for the MSc. In International Business

BY

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ABSTRACT

The issue of service quality has become a subject matter in the literature as customers now rely on effective delivery of service by any service provider before they can be committed to the service sector. Despite this claim, the service providers in some circumstances thereby having implications for the loyalty of their clients. This study, therefore, investigated the effect of service quality on customer loyalty using United Bank for Africa and First Bank Plc in Nigeria. A total of 350 respondents were using purposive analysis product-moment and multiple regression estimation to changes was used. Findings revealed that service quality measured by (tangibility, reliability, responsiveness, assurance, and empathy) predict customer loyalty, by 69 percent. The relative contribution of each of the component of service quality are ($\beta=0.097$, $\rho < 0.05$., $\beta=0.415$, $\rho < 0.05$., $\beta=0.415$, $\beta=0.006$, $\rho > 0.01$., $\beta=0.0326$, $\rho < 0.05$ and $\beta=0.300$, $\rho < 0.05$) respectively. Also, significant and positive relationship exist between service quality and customer loyalty with ($r=0.353$, $\rho < 0.05$ for reliability; $r=0.654$, $\rho < 0.05$ for empathy; $r=0.870$, $\rho < 0.05$ for assurance; $r=0.335$, $\rho < 0.05$ for responsiveness and $r=0.425$, $\rho < 0.05$ for tangibility). The study recommended that banks should put in their best to ensure that they maintain a good service quality with their customers to keep them committed and loyal in their transaction of business with them.

Declaration

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DEDICATION

Dedicated to Almighty God for guidance through my programme

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

The success and progress that any service provider be it financial or non – financial depends on the quality of their services rendered to their esteemed customers. This is because the place of customers in any organization is highly important as it determines their level of continuous patronage of the products provided to the service providers. (Ikhsan & Simarmata, 2021). The level at which different providers relate to their customers in terms of service delivery has attracted many researchers to look into the implications of service quality on the loyalty and satisfaction of customers in their attempt to continue patronizing such service providers' loyalty due to its relative importance. It has also attracted the interest of many clients to the degree that most clients will not find it difficult to pay any amount of money due to those who want high-quality services are willing to pay more for those services (Vivie, *et al.* 2020). Providing services of high quality shall enable the service provider to dominate the market and achieve a competitive advantage even if the services are very expensive. However, measuring such levels is not something easy for an organization as customers are faced with different alternatives (Mosimanegape, *et al.* 2020)

Service industries, such as banks, are required to offer outstanding services to their customers to ensure that they have a competitive edge over other providers to build the confidence of their customers. When compared with the price of maintaining current customers, the amount involved in attracting new customers to replace those customers lost by the bank is more expensive. Service

quality in the banking sector, therefore, distinguishes the level of performance between one bank from the other. According to Ejigu et al., (2016) the situation is important because it is now a requirement for profit and survival for most financial institutions. Furthermore, long-term consumers spend less time learning about new items or products, purchase more, and encourage more people, potentially leading to more consumer referrals and thus promoting the product of the financial institutions. One approach for retaining customers is to enhance service efficiency. Customers now place more concern on the level of quality of services provided by any banks of service providers to build their confidence in continuous patronage of such service provider's product. Hashem and Ali, (2019) are of the view that when consumers are happy with a particular product or service, they are likely to increase their level of patronage and also invite other people to patronize the product of the organization. The company's goods are consistently bought by loyal customers which also gives high scores and positive assessments to the organization. Consumers worldwide are more aware of quality; consequently, consumer expectations have been strengthened for quality service. Furthermore, service quality has an important influence on the success and efficiency of a bank. Today, quality service has received considerable attention due to its evident connection with cost, financial efficiency, customer loyalty, and retention of customers (Fida et al., 2020). Although the quality of services is of vital concern to companies, calculating the quality of service creates difficulties for service providers due to its specific features: tangibles, inseparability, diversity, and perishability. In light of this, Okeke, *et al* (2015) opined that services need a unique structure for defining and measuring quality.

Therefore, a company may use customer preservation as a weapon to achieve a strategic advantage in this competitive environment (Bhatt, 2020). Despite the positive progress mentioned above, banks still face customer retention challenges. Also, customers may measure which supplier

provides their expectations better over the quality of service and prices of competitive suppliers on the market such as word of mouth, increasing ads on the local market, and so on.

Service quality allows banks to focus on value-added procedures, allowing them to be more profitable and productive. The banking industry also faces difficulty in categorizing their customers as to whether they are service-oriented or price-oriented. Customers who are service responsive and willing to pay more for better service may tend to be drawn over time to industries that have a strong relative customer satisfaction position in their market. Price-sensitive consumers with a lower desire to pay for the quality of service can often gravitate with time to businesses with a relatively low quality/price marketplace.

1.2 Statement of the Problem

The expectations of customers in the Nigerian banking sector after restructuring are very high. However, most Nigerian banks were below this expectation in recent times. Customers have faced issues such as delayed transaction notice, stock-outs, non-availability of workers at service points, unprofessional or rude behavior by bank employees, poor record quality or incorrect details, and broken promises, among other things. Uwabor, *et al* (2021) expressed the opinion that poor customer service may affect loyal customers.

The objective of marketing for many businesses is the establishment of long-term consumer value-added ties. To ensure long-term sustainability and achieve favorable financial results, businesses must recognize rather than acquire new customers on their own the essential function of customer loyalty.

Almost every bank in Nigerian faces a similar challenge in meeting the quality of customers' expectations and ensuring customer loyalty. For example, delays in postal transactions such as the

transfer of funds from one customer to the other by the banks even with the advent of ATM and customer payments are an important problem faced by Nigerian bankers. In the majority of cases, the customer does not obtain notice that an account is automatically credited or debited for a longer period even when the transactions have been made. To validate such a transaction, the account holder can have to wait for notice or in worse cases must have to get to the banking hall to clarify the transaction (Esmaili, 2014)

As a result of the intensified competition in the industry, banks operating in Nigeria are under a great deal of stress. To ensure that their customers are retained, a variety of techniques are devised, the most important of which is to improve service quality. Service quality is especially important in the banking industry because it ensures high levels of customer satisfaction, making it a gateway to a competitive edge (Obananya, 2020). Customer satisfaction suffers as a result of poor customer care, as does the desire to recommend the product to a colleague.

The disintegration of the networks on the machines used for service also results in lengthy queues. Often it happens when cash officers force responsibilities on each other as to who is responsible for the customer. As a result, there is an issue with consumer satisfaction and the bank's profitability. One of the most important considerations for a bank's productivity is the ability to quickly match its service facilities to the needs of its customers. However, most banks in Nigeria have not been able to serve a large number of customers without significant delays. This condition has resulted in low customer satisfaction and inefficient banking operational efficiency in Nigeria. Many Nigerians have wondered when banks would be able to meet their insatiable demand to complete banking transactions in the shortest time possible. Since one of the primary goals of banks is to attract and retain customers while also increasing profits, however, financial

performance in the banking industry is a feature of a company's ability to deliver efficient and effective services to customers with little or no time waste. (Agbadudu, 1995).

With so many obstacles in the way of providing banking services in Nigeria, empirical research is required to answer the following questions: What impact does poor customer service have on customer loyalty and satisfaction in the deposit money banks in Nigerian? Why haven't Nigerian banks improved their service delivery by hiring more people? What is the percentage of customers who leave because of bad service? In Nigerian banks, does customer loyalty play a role in customer satisfaction? Is it essential for Nigerian banks to have a wide branch network to provide efficient service? Is it true that the size of a bank's workforce affects service quality? These and many other questions become imperative. Hence, there is a need to examine the effect of the service quality of banks on the satisfaction and loyalty of the customer.

1.3 Research Questions

The following questions are raised and will be addressed in this study

- i. Does service quality in terms of tangibility, reliability, responsiveness, assurance, and empathy positively and significantly determine customer satisfaction?
- ii. Does service quality in terms of tangibility, reliability, responsiveness, assurance, and empathy positively and significantly determines customer loyalty?
- iii. What is the impact of customer satisfaction on customer loyalty?
- iv. Is there any significant relationship between customer satisfaction and customer loyalty?
- v. Is there any significant relationship between service quality and customer satisfaction?
- vi. Is there any significant relationship between service quality and customer loyalty?

1.4 Research Objectives

The ultimate purpose of this analysis, based on the research question, is to explore the impact of quality of service upon customer satisfaction and loyalty. The basic goals are therefore to:

- i. Investigate whether service quality in terms of tangibility, reliability, responsiveness, assurance, and empathy positively and significantly determines customer satisfaction.
- ii. Investigate whether service quality in terms of tangibility, reliability, responsiveness, assurance, and empathy positively and significantly determines customer loyalty
- iii. Determine the impact of customer satisfaction on customer loyalty.
- iv. Verify if there is any significant relationship between customer satisfaction and customer loyalty.
- v. Assess if there is any significant relationship between service quality and customer satisfaction.
- vi. Determine if there is any significant relationship between service quality and customer loyalty.

1.5 Research Hypothesis

Based on the research objectives formulated, the following hypotheses are formulated in their null form and tested in this study

- H₀₁: Service quality in terms of tangibility, reliability, responsiveness, assurance, and empathy will not positively and significantly determine customer satisfaction
- H₀₂: Service quality in terms of tangibility, reliability, responsiveness, assurance, and empathy will not positively and significantly determine customer satisfaction
- H₀₃: Customer satisfaction has no significant effect on customer loyalty
- H₀₄: There is no significant relationship between customer satisfaction and customer loyalty
- H₀₅: There is no significant relationship between service quality and customer satisfaction
- H₀₆: There is no significant relationship between service quality and customer loyalty

1.6 Significance of the Study

Nigerian's banking industry is fiercely competitive, and as a result, customers have different varieties to consider in terms of their service delivery. Customers' appetite for higher-quality service has sparked bank competition. In an increasingly competitive world, service-oriented businesses should recognize service quality as a vital strategic concern for long-term success. This study reflects an attempt to make use of service delivery and customer satisfaction and loyalty experience in the Nigerian banking industry to address these literary differences. Therefore, the study is significant in many areas. First, the study will guide the banking sector to understand the major components of service quality that attract the customers to guide them in putting more effort into such area and hence retaining their customers.

1.7 Scope of the Study

This study on the effect of service quality on customer satisfaction and loyalty focused on commercial banks. However, since the researcher will not be able to visit all the banks in the country, two commercial banks United Bank for Africa and First Bank of Nigeria PLC are used as a case study. These two banks are used because they are major players in the Nigerian financial system and are also listed among the deposit money banks.

1.8 Organization of the Study

This dissertation is organized into five chapters. The first chapter addresses issues relating to the background view of the study, statement of the research problems, aims and objectives, research hypotheses, significance, and the scope of the study. The second chapter focus on the review of literature where the conceptual, theoretical, and empirical review is addressed. The third chapter focus on the methodology. The content of chapter four is on the data presentation, analysis of results, and the discussion of findings. Chapter five is based on the summary, conclusion,

recommendations, limitation of the study, the contribution of the study to knowledge as well as the area for further research.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

In this chapter of the dissertation, the review of relevant literature is presented and addressed. The conceptual review of literature, theoretical literature as well as and empirical review of relevant literature from different studies are addressed. The conceptual framework of the model and the gap in the literature are also presented in this chapter. Other relevant literature on the subject matter is also discussed in this chapter to guide the study

2.1 Conceptual Issues

In this section of the study, relevant concepts as regard service quality, customer satisfaction, customer loyalty as well as the measurement of service quality are discussed.

2.1.1 Concept of Service Quality

Quality of service is a construction, which has generated considerable interest and discussion in the literature of service marketing because of difficulties both in identifying and measuring it, without general agreement. As a result, several researchers are branded as 'superb' and 'individual' as an operating and measuring term (Obanaya, 2019).

There are different definitions of service quality in the literature. According to Parasuraman et al., 1985 cited in the work of Hakim (2019), service quality is regarded as the disparity between what customers expect from a service and what they get. In today's dynamic world, service quality is viewed as a tool for surviving and competing. Service quality is particularly important in the banking industry because it ensures a high degree of customer satisfaction, and as a result, it has become a more important means of obtaining a competitive advantage. Service quality plays a major role in capturing customers' interest by achieving the satisfaction and loyalty of customer, particularly in the context of financial institutions in Nigeria. As consumers have tremendous

possibilities, customers would not be loyal to the company if they are not adequately happy with the service provider and will become their rivals. To keep customers satisfied and loyal, the organization's service quality must be prioritized because it has a significant influence on customer satisfaction and loyalty.

Service quality is described as a service provider's overall evaluation of its performance to the general expectations of customers on how businesses in that industry operate. This means that service quality is the contrast in what customers perceive or expect from service organizations. Simply put, service quality assesses how well a service provider meets the needs of the customer.

2.1.2 Measures of Service Quality

In the literature, there have been several components used in measuring service quality by researchers. The components differ from one researcher to the other. For example, an early study by Parasuraman et al (1991) come up with ten dimensions of service quality that include access, communication, competence, credibility, courtesy, security, tangibles, responsiveness, reliability, and understanding the customer. Sangjae and Kun (2020) put forth six different dimensions of service quality which involve: ease of use, usefulness, reliability, system security, empathy, and responsiveness. However, in recent times most scholars have made use of five major components to stand as the dimension for service quality. These dimensions are reliability, responsiveness, assurance, empathy, and tangibles. These dimensions are successfully integrated into service quality aspects, implying that consumers' preferences and service providers' perceptions are interconnected.

Gogoi and Jyoti (2020) elaborated on the use of SERVQUAL (service quality), developed using both qualitative and quantitative research by Parasuraman et al. (1985, 1988, and 1994) to measure service quality. SERVQUAL identifies service gaps and measures strengths and weaknesses in service delivery using five dimensions of service quality to access the level of service quality along each dimension. These measures are

- i. Tangibility measures the appearance of physical facilities, equipment, personnel, and communication materials,
- ii. Reliability measures the staff ability to perform the promised service dependably and accurately

- iii. Responsiveness measures the willingness of the staff to help customers and provide prompt service when needed by the customers.
- iv. Assurance is the measure of knowledge and courtesy of employees and their ability to convey trust and confidence in the personal information that has to do with the customer, while
- v. Empathy measures the care, and individualized attention the firm provides its customers.

2.1.3 Concept of Customer Satisfaction

The satisfaction of customers means the extent to which an organization's customers repeatedly identify with the products and services of an organization. Customer satisfaction is a metric for determining how satisfied consumers are with a company's goods, services, and functionality. Customer satisfaction data, such as surveys and ratings, may assist a business in determining how to develop or adjust its goods and services to retain its customers.

The importance of customer satisfaction and loyalty is undeniable. Customer retention is far superior to new customer acquisition. As a result, an organization needs to retain its customers. Hence, the organization must seek what pleases the customer and ensure that they make them happy (Al Annan et al, 2020). The satisfaction of a customer can be seen in various ways. For example, It is a communication concept that describes how a company's goods or services meet or surpass the needs of its customers. It is often described as fulfilling the customer's needs, wants, and wishes throughout a product or service's life cycle.

2.1.4 Concept of Customer loyalty

Customer loyalty happens when consumers are pleased with a particular product or service. Loyal customers continuously purchase the goods of the company. Moretta, et al (2019) cites Anderson and Srinivasan (2003) to define customer loyalty as positive attitudes of customers toward a company or brand that result in repeated repurchasing behaviors and a lower customer sensitivity to the price and the offerings of competitors. Customer satisfaction, commitment, trust, and engagements are principal variables that are related to customer loyalty, Moretta, et al (2019). The

customers who are loyal to a brand are customers who return on different occasions to keep buying the brand because they feel connected to the brand and committed to it Rubio, and Yagüe, (2019). According to Mill, (2002), migration from new buyer conversion to loyal customers takes place in several stages.

The first purchase: The moment first-time buyers build a view regarding purchase and supplier. There is a possibility that a new buyer will likely buy again is dependent on how the first purchase they made meet their expectations if the buyer gets a satisfactory feeling, the buyer will buy again.

Repeated purchase: The more drawn out the purchaser utilizes the administrations, the more benefit it brings. Since long-haul purchasers of the organization are accomplishing better yields, they frequently take with them in any case. Client. Organizations that have a huge number of purchasers can assess them and treat them as clients.

Promoter: The more the purchaser prefers the organization, the almost certain it is that he is sure about it. Such purchasers can draw in other possible purchasers to purchase from this organization.

Member: An extremely steadfast purchaser organization can offer a special enrollment. This is since, in such a case that enrollment gives critical advantages, individuals won't have any desire to leave the organization and lose advantages.

Partner: Choosing a portion of the organization's clients as an accomplice. Client demands help with growing new items, they looked to work on the assistance, or they are conveyed on effective issues. Normally, the organization is "business-to-transactions than the mass customer market.

2.2 Model of Service Quality

2.2.1 The SERVQUAL Model

The SERVQUAL instrument, when applied over time, can help in understanding both customer expectations, perceptions of specific services, and areas of needed quality improvements. Proper development of items used in the SERVQUAL instrument provides rich item-level information

that leads to practical implications for a service manager. Though SERVQUAL scores are highly reliable, however when used in different industries may fail to produce a clear delineation of the five basic dimensions.

2.2.2 SERVPERF Model

According to CEOPedia, Cronin, and Taylor in 1994 developed the SERVPERF model by making adjustments to certain aspects of the SERVQUAL model which is viewed as an improper approach to quality assessment. The result was their SERVPERF model of estimating relations between expected and experienced quality. Their model consists of five service dimensions: tangibles, reliability, responsiveness, assurance, and empathy, with two sets of 22 item statements that describe expectation and perception as sections of the questionnaire. Tangibles measures physically visible aspects such as the cleanliness of the washroom, car parking facilities, waiting for lounge comfort, and the appearance of the employees. Reliability measures the ability to provide reliable service immediately and accurately. Responsiveness measures employees' willingness to respond to the wishes or needs of the customers' support and fast services, while assurance is a measure of the knowledge, courtesy, skills, and trustworthiness of the employees, as well as freedom from danger, risk, or doubt. The last dimension, empathy, measures the ease of relationships, good communication, personal attention, and understand the need of customers. Results from the questionnaire analyses and scores are summed up and weighted based on expert assessment of top management.

2.2.3 The Hierarchical Model

The model was developed by Brady and Cronin in 2001 taking into consideration strong literature support and combining several models of measuring service quality. The hierarchical model is generic and applicable for a variety of service industries and it has the ability and flexibility to have different factors depending on diverse businesses. By adopting a multilevel and multidimensional approach, the model enables managers to recognize problems in the primary stage of service provided and finding customers' needs and weaknesses of the service to enhance consumers' perceptions of service quality through offering a high quality of services. The model is considered highly suitable and applicable for service quality measurement. However, its shortcoming is in its generic nature because it requires modifications and consideration of different factors for some to meet certain specific service industries and businesses.

2.4 Theories of Service Quality

This section of the dissertation discusses some of the theoretical foundations on which this study is based. The section below introduces two theories; the resource-based view and strategic group theory.

2.4.1 The Resource-Based View

The resource-based approach (RBV) of the organization, following the efforts of university researchers and entrepreneurs such as Birger et al (1997), is a method for gaining competitive advantage during the 1980s and 1990s. The key concept of this theory is that the organization should look instead at resources and opportunities within its scope to gain a market niche or to gain a new edge against rivalry and threats. According to RBV, it is much easier to capitalize on potential opportunities by using existing capabilities and expertise rather than trying to learn new skills, qualities, or roles for each opportunity that may arise. The RBV model's key emphasis is on these tools, with proponents claiming that they should be prioritized in the creation of organizational strategy.

There are two key categories of assets within the framework of the RBV models, which accountants and financial experts know about and discussed in the literature. These are the Tangible assets and the Intangible asset. The tangible assets are regarded as physical objects such as property, land, goods, and money, for example. These are commodities that can usually be purchased easily on the market and therefore provide little competitive advantage because other organizations can quickly obtain the same assets as they want. The intangible asset or the immaterial asset refers to objects and ideas without physical value but held by the company.

Assumptions of Resource-Based Value approach

The RBV approach is based on two major assumptions. These are Heterogeneous and Immobile. Which they believed that resources need to hold:

- i. **Heterogenous.** The first main principle is that there would be substantial variations in personnel, abilities, and capabilities between organizations. If these organizations have the same number of resources and persons, they cannot employ different tactics to compete

with each other because other organizations will follow each other step by step. This situation is what they consider a perfectly competitive market. In the real-life there is no perfect competition – businesses may be subject to the same competitive and external pressures but are nevertheless able to devise various strategies to compete with each other. RBV believes this is because of the different values of its tools and skills.

- ii. **Immobile.** Secondly, RBV assumes that resources are immobile and thus cannot transfer freely, at least over the short term, from organization to organization, for example, movement of employees. This prevents organizations from replicating competing organizations' resources and thereby implementing the same tactics rapidly. Intangible assets - information, systems, intellectual property, and so on

Theoretical Framework

This study is based on the SERVQUAL model. The SERVQUAL model, developed by Parasuraman, et al (1985), is a widely used model for assessing service quality in all the service providers sectors. The SERVQUAL model is a multi-item assessment that is used to determine consumer perceptions and the expectation of customers on the services provided. It has been generally accepted for the assessment of service quality in several industries as a reliable and legitimate process. To establish the SERVQUAL scale, the authors collected empirical information from five different service sectors: renovation, repair, retail banking, long-haul, defense, broking, and credit cards. Initially, the SERVQUAL model recognized 10 dimensions of service quality which include; reliability, tangible, communication. Responsiveness, credibility, competence, security, courtesy, access, knowing customers, and understanding. These ten measurements were subsequently reduced to five that include responsiveness, tangibles, assurance, empathy, and reliability.

The SERVQUAL model relies on service quality disparities that resolve variations in the standards and perceptions of service quality. According to Obanaya (2020), the larger the difference is the smaller the perceptions of quality are in customer opinion and vice versa. The results of the customer's preferences and interpretation for each dimension of the SERVQUAL scale are compared to the estimation of the difference in levels between the two components. This distinction can be made to determine a company's quality assurance of service level, for example,

the greater the difference, the lower the quality assessment, and the lesser the gap, the bigger the assessment (Karim, 2019). To summarize, the Service quality scale measures how well service output in all of the five service quality dimensions meets the level of service quality that customers demand from a company.

There hasn't been a definitive formula for calculating service quality until now; nevertheless, different research studies in the literature have agreed that the SERVQUAL measurements are multifaceted and essential in any analysis of service quality (Aremu et al. 2018., Obanaya, 2020, Lomendra, et al, 2019 and so on) The five categories used on the SERVQUAL scale reflect, and provide, standardized instruments and dimensions for calculating the quality of services across various ranges of services; Parasuraman et al. (1985) and Amadu, et al, (2020) argued that the SERVQUAL instrument has been commonly and extensively used over recent years to measure the quality of service in various contexts and sectors, including banking, medical services, hotels, retail chains, communications, real estate, higher education, and so on. Furthermore, the SERVQUAL instrument is commonly used in various cultures and countries, both in developed, developing, and emerging economies in an attempt to investigate the extent to which it has assisted the loyalty of the customers. In this dissertation, therefore, SERVQUAL dimensions are adopted to assess the impact of quality of service of the banking on customer satisfaction and loyalty of customers in the Nigerian banking sector using United Bank for Africa and First Bank Plc.

2.4.2 Theories of Customer Satisfaction

According to Mill (2002), two theories best explain customer satisfaction. They are the disconfirmation paradigm and expectancy-value concept.

i. Disconfirmation Paradigm

Disconfirmation hypothesis shows that clients contrast another help insight and a standard they have created. Their conviction about the help is controlled by how well it compares this norm. Under the disconfirmation worldview, clients make buys dependent on their assumptions, perspectives, and aims. Afterward, during or after utilization, view of execution happens as clients assess the experience. The cycle is finished when clients contrast the real help execution and their pre-experience standard or assumption. The outcome is affirmation, fulfillment, or

disappointment. There are four parts to this worldview: assumptions, seen execution, disconfirmation, fulfillment. The degree of assumptions addresses pre-utilization assumption. Execution alludes to the client's impression of administration. Disconfirmation results in case there is a disparity among assumptions and execution. At long last, fulfillment is dictated by joining the fulfillment results for the different traits of the assistance.

Expectancy-value theory

The expectancy-value theory was first developed by John William Atkinson and later expanded by Jacquelynne Eccles and her associates. The theory assumes that customers often make some judgment about a product, its benefits, and the likely outcomes of using the product. People will learn to perform the behavior that they expect will lead to positive outcomes. Their overall attitude is a function of beliefs about an object's attributes and the strength of these beliefs. The relationship has been summarized as follows:

$$Q = \sum I_i (P_i - E_i)$$

Where Q is the overall quality; I is the importance of service attribute I. the sum is over the number of service attributes; P is the perception; E is expectation.

2.5 Empirical Review

In the literature, there are different empirical studies carried out by researchers in an attempt to examine the effect of service delivery on customer satisfaction and loyalty. Several studies have also focused on its effect on customer retention. The views from different studies have been controversial which may be in their area of measures from service quality. Some of the empirical findings are reviewed below.

Ikhsan and Simarmata (2021) addressed the implication of service quality on the outcome of the customer using the service industry. Data were sourced through online survey techniques through Google form with the use of social media platforms such as Facebook, Instagram, and LinkedIn. A total of 400 respondents were used. Two estimation techniques that involve, Structural equation modeling and Chi-square were used. They found that quality of service has a significant connection

with the loyalty, satisfaction, and behavioral intention of the customers either directly or indirectly based on the reputation of the country. More so, that customer satisfaction, the reputation of the company based on the customer are major factors that determine the quality of service in an organization and these factors also contribute to the behavioral intention of the customers and their loyalty to the organization.

Gogoi (2020) investigated the issue of measurement in the quality of service in the tourism industries and how it affects the loyalty and satisfaction of their customers in terms of their patronage. He made use of the descriptive survey method in the research design. Convenience sampling techniques were used through the primary source of data to determine the sample size. A total of 408 respondents were used as the sample size for the study. Descriptive statistics along with multiple regression analysis were employed in estimating the response of the respondents collected through the use of the questionnaire. He found that service quality measures; tangibility, reliability, responsiveness, assurance, and empathy help in improving the satisfaction of the customer, however, while all other measures were significant in determining the satisfaction of the customers only responsiveness through positive was not significant. Also, the satisfaction of the customers increases their loyalty. The study however failed to examine the connection that exists between the service quality measures and the customer loyalty and satisfaction which would have given a robust finding.

Using the public sector in Botswana, Mosimaregape, et al (2020) investigated whether there exists any relationship between service quality and the satisfaction of the customer. The study made use of 125 respondents selected through convenience sampling techniques. Both descriptive and inferential statistics were employed in analyzing the data collected from the questionnaire collected from the sampled respondent. They concluded that service quality in terms of assurance,

responsiveness, empathy, tangibility, and reliability assists in improving customer satisfaction. However, in terms of ranking, they concluded that tangibility is more preferable to the customers than other service quality measures. Their study, however, focused on the relationship between service quality and the satisfaction of the customer but failed to look at the effect on the loyalty of the customer.

In South Korea, Sangjae and Kun (2020), make use of internet banking to assess a comparative study of service quality on Very Important Person (VIP) customer satisfaction. In their study, a web survey of 645 general and VIP customers that make use of the internet banking system was used. Six factors were used as a measure of service quality that involves ease of use, usefulness, reliability, system security, empathy, and responsiveness. Their findings revealed that out of the six major measures used for service quality, system trust, usefulness, responsiveness, empathy, and ease of use stand as a major factor that determines the satisfaction of the VIP customers than that of the general customers while in the case of general customer system security is a more relevant factor that determines their satisfaction that the VIP customers. They concluded that what determines the satisfaction of Very Important Person customer of the internet banking use in South Korea differs from what makes the general public to be satisfied.

Hassan, Anmer, and Ahsanullah (2019) investigate the impact of service quality on customer satisfaction using a comparative study on the Pakistan banking sector. A total of five hundred (500) customers of twenty-seven commercial banks include the Private sector, Public sector, and Islamic banks. Their study makes use of the Weighted SerVPERE Model. Five measures were used to measure service quality which includes tangible, reliability, responsiveness, assurance, and empathy. Their findings revealed that the five dimensions of service quality impacted positively and significantly customer satisfaction. Also, out of the three areas used, the private sector

conventional bank followed by Islamic banks both in the public and private sector. However, the low-performance banking service in their findings falls within the conventional banks of the public sector.

Nguyen, Tran, and Pham (2020) examined the impact of service quality, customer satisfaction, and switching cost on customer loyalty in Hanoi city, Vietnam. A total of 227 uses of e-banking services were randomly selected from the customers of the banks who are mainly students. They make use of multivariate linear regression estimation techniques. Five factors were also used to measure service quality in their study which are reliability, service capacity, responsiveness, tangibility, and empathy. These findings showed that the five measures of service qualities positive correlation with the satisfaction of customers. However, among the five measures service capacity and tangibility are the major determinant with the strongest effect on the satisfaction of customers. Also, there is a strong correlation between the satisfaction of customers to the service quality of the bank and their loyalty. The study however failed to show the extent to which service quality predicts the satisfaction and loyalty of the customer which would have brought about a more precise result.

Karim (2010) Investigate the influence of service quality on customer satisfaction and customer loyalty in the private banking sector of Bangladesh using a PLS approach. The study makes use of 100 respondents selected through convenient random sampling techniques. Five dimensions of the service quality model were used involving assurance, tangibility, empathy, responsiveness, and reliability. The Ordinary least square estimation techniques were employed in analyzing the data collected from the response of the respondent on the questionnaire administered. Findings revealed that out of the five dimensions of service quality used, empathy and tangibility have a positive and significant impact on the satisfaction of the customer while assurance, responsiveness, and

reliability through positively related with the satisfaction of the customer were not significant. Also, positive and significant effects occur between the satisfaction of the customer and their loyalty.

Rahaman et al (2020) make use of the banking business sector in Bangladesh to investigate the effect on which service quality has no bank customer satisfaction. In their study, a total of 212 respondents were selected from the customers of the banks. A well-structured questionnaire was used to collect information from the respondents. Data collected were analyzed using SPSS statistical tools. Six measures of service quality were also employed that include employee competency, reliability, tangibles, assurance, empathy, and responsiveness. They concluded from their findings that out of the six measures of service quality, only employee competency does not have a positive influence on customer satisfaction. The study however failed to determine the relationship that exists between the satisfaction of the customer and their loyalty to the bank.

Lomendra et al (2019) assess the impact of the service quality dimension on the satisfaction of customers in the commercial banks in Mauritius. A total of 200 respondents that were customers of the commercial banks were randomly selected from the total customers using random sampling. Their study makes use of the SERVQUAL Model. In analyzing the data collected from the well-structured questionnaire administered to the respondents, they employed regression analysis techniques. Their findings revealed that all the five dimensions used in measuring service quality have a positive and significant influence on the satisfaction of the customer in the banking sector. The study however does not examine the effect of the service quality measures on the loyalty of the customer.

In Nigeria, Obananya (2020) examined the linkage between service quality and customer loyalty in the commercial banking industry. Four dimensions of service quality were used that include

assurance, responsiveness, tangibility, and reliability. The study makes use of five selected banks across the Southeast region that includes: Union Bank of Nigeria Plc in Enugu, Fidelity Bank, Ebonyi, First Bank of Nigeria, Abia, Guarantee Trust Bank in Imo State, and Zenith Bank in Anambra state. a total of 1800 respondents were selected from the five banks in the different states using stratified random sampling techniques. Simple percentage and multiple regression analyses were employed in analyzing the data collected from the response of the respondent from the questionnaire administered. The findings revealed that there is a significant correlation between service quality and customer loyalty in the Nigerian banking sector. Also based on the regression result, the study concluded that service quality in terms of tangibility assurance, reliability, and empathy has a strong significant impact on the loyalty of the customers.

Railyant and Halim (2020) assessed the influence of service innovation and service quality on customer satisfaction and loyalty in the Banking Industry of Indonesia. A total of 274 customers were selected using convenience sampling techniques among the customers of the banks. The structural Equation Modeling techniques were employed to analyze the data. Their result shows that the dimension of service quality was compatible. Also, that a positive and significant effect occurs between service innovation and customer satisfaction and loyalty. Also, service quality impacted positively on the satisfaction of the consumer, and the satisfaction of the consumer is positively related to customer loyalty. However, the effect of service quality on the loyalty of the customer was not supported.

Aremu and Aremu (2018) investigated how enhancing the service quality dimension stands as a means of sustaining customer, satisfaction in the Nigerian banking sector. The study makes use of two hundred and fifty (250) respondents that are customers of banks. The respondents were selected using purposive sampling techniques. The selected banks used for the study were First

Bank, United Bank for Africa, Zenith Bank, GTbank, and Skye Bank. The study makes use of a well-developed questionnaire to collect information gathered were analyzed using multiple regression. Three segmental quality measures were employed that include tangibility, reliability, and responsiveness. Their findings revealed that there is a strong relationship between enhancing the banking sector service quality and the sustainability of their customers. Also, tangibility, responsiveness, and reliability impacted significantly and positively on the satisfaction of the customer.

Amadi, *et al* (2020), examined internet banking service quality and customer retention in deposit money banks in the River state of Nigeria. The study makes use of a total of one hundred and sixty-nine (169) respondents who were randomly selected using convenience sampling techniques. A survey design method was used as the design. 19 commercial banks were used that are listed on the quoted banks in River State. Data were collected through a well-structured questionnaire. The study makes use of Kendal's correlation techniques and regression analysis. The finding reveals that there is a significant positive relationship between internet banking service efficiency and the referral of the customers. Also, that the customer's technological adoption influences positively the loyalty of the customer.

Paulo, *et al* (2020) examined the impact of e-service quality on the satisfaction of customers. Three dimensions of service quality in terms of e-service were used that include, word of mouth, site revisit, customer's trust, and intention to repurchase. Online survey methods were used to sample a total of 355 consumers that are online buyers with the organization. They concluded that fulfillment, design of the website, and privacy or security of the business impacted positively and significantly on the satisfaction of the customer. Also, that service quality helps in improving the

productivity of the organization and significantly improves the behavior of the customer to a positive part in terms of the likeness to the organization.

Another study by Ali (2020) assessed the roles of relationship and service quality as drivers of customer loyalty using 270 B2B firms in the city of Guangdong in China. He employed the social exchange theory as the theoretical framework. Both correlation and regression analysis were used in achieving the stated objectives of the study. He found that there is a positive relationship between service quality and relationship quality and also a positive relationship between relationship quality and customer loyalty. The study however focuses on only customer loyalty but failed to address the issue of customer satisfaction and retention.

In Kigali, Nshimiyimana (2020) investigate the mediating effects of customer satisfaction using the relationship that exists between ATM Service quality and the loyalty of the customer. A total of 254 respondents were used selected through convenience random sampling techniques. Well, returned questionnaires were used to collect data from the respondent. Regression analysis was used to achieve the specific objectives of the study. His findings revealed that a significant relationship exists between service delivery of the bank and the satisfaction of customers which in the case of the relationship between service quality and customer loyalty there exists an insignificant relationship.

Hashem and Ali (2019) examined whether service quality leads to customer loyalty using a dental clinic in Jordan. Five measures of service quality have also been used that consist of tangibility, assurance, reliability, responsiveness, and empathy.

2.6 Conceptual Framework for the model

To formulate the model, the following conceptual framework will be used. The study anchor five measures of service quality namely: empathy, tangibility, assurance, reliability, and responsiveness. The chart shows that the measures can lead to customer satisfaction and customer satisfaction can enhance their loyalty. Also, the service quality measures can directly lead to customer loyalty.

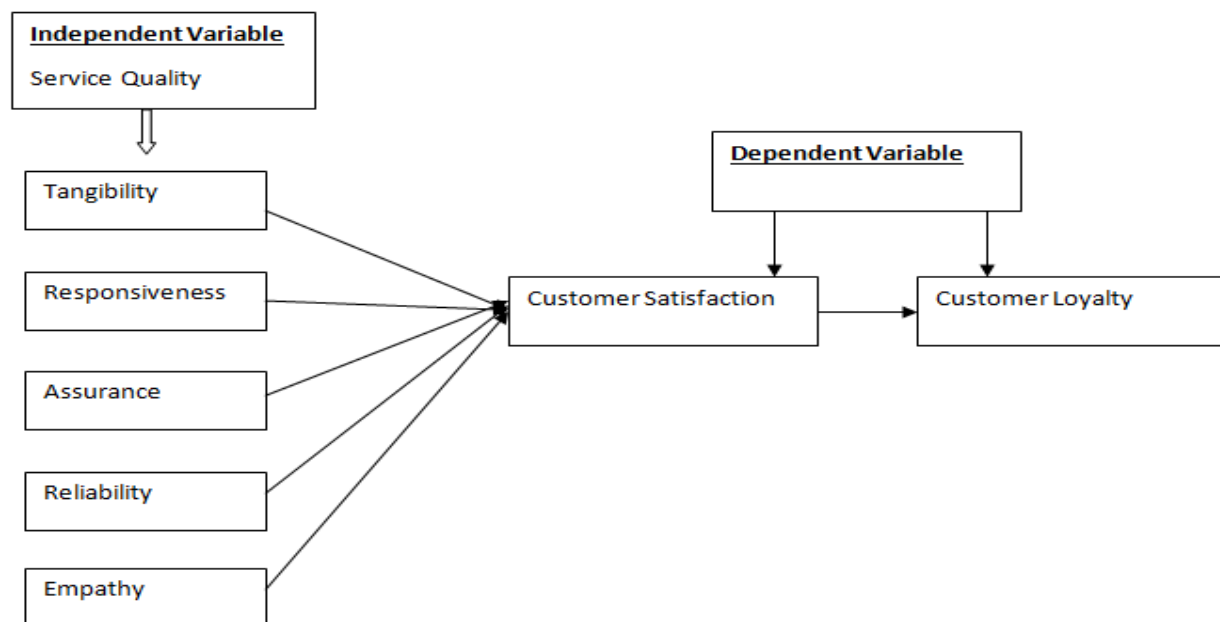


Figure 1 Conceptual Framework of the model

Source: Author's conceptual framework adapted from Karim, 2019

2.7 Literature Gap.

Drawing from the empirical literature reviewed in this study. It is worthy to note that several studies in the literature only focused on one financial institution or the other, thereby making it difficult to compare their findings with other banks. The resulting implication of such a result may be misleading as what happens in one bank may differ from another. Hence, this study bridges this gap by looking at both the United Bank for Africa and First Bank which are two of the major players in the Nigeria Financial Institution to make a comparison and have a robust finding.

Also, the empirical work in the literature only focused on the impact of service quality on customer satisfaction, loyalty, or customer retention. Studies however have not been able to combine the situation of service quality effect on customer satisfaction and loyalty. This study goes further not only in assessing the impact of service quality on customer satisfaction but also on the loyalty of the customer.

Moreover, studies in the literature either look at the impact of service quality, loyalty, or retention or the relationship that exists between them by making use of either regression analysis or correlation techniques. In most cases, they failed to look at the level of prediction which service quality has on customer satisfaction, loyalty or retention. This study assesses the effect, relationship, and level of prediction of service quality on customer satisfaction and loyalty.

The failure of most of the empirical work to investigate the service quality measures in most of the literature makes it important that further studies be carried out to see which of the service quality measures highly affected the loyalty and satisfaction of the customer.

The above put together will help to add to the existing literature in the area of service quality and customer loyalty and satisfaction

CHAPTER THREE

METHODOLOGY

This chapter presents the methodology adopted to achieve the set objectives of the research work. The chapter is divided into different subsections. The research sample design used is presented in the first subsection. The second subsection deal with the target population of the study. The third section focus on the sample size from the target population, followed by the data collection instrument. The research procedure, reliability of instruments, model specifications, as well as methods of data analysis used to analyze the model are also explained in the chapter.

3.1 Research Design

The research design is a technique employed to answer research questions and achieve a set of research objectives. According to Asenahabi, (2019) it is the procedure for collecting, evaluating, interpreting, and reporting data in research investigations. It is the general strategy for connecting conceptual research concerns to relevant (and feasible) empirical research. In other words, the research design establishes the procedure for collecting and analyzing the relevant data, as well as how all of this will be used to answer the study question. When carrying out any research the researcher must choose the best approach that will help achieve the objective of the research. Over the years, studies have proposed a means of how scholars in the academic world can conduct their estimation and also what it should contain Cooper and Schindler (2014) stated that research design deals with the structure of how the research problem is designed and the framework of the relationship. For this study, the descriptive survey research design is used.

3.2 Population of the Study

The population is very essential in any research. This is because it forms the object wherein a sample can be drawn. In research, therefore, the population consists of large groups either people

or objects in which scientific inquiry can be made. This is because, all research carried out is majorly for the consumption of the public in general (Tarherdoot, 2016). However, due to the huge size of populations, in most cases it will not be easy for researchers to get information regarding their studies, hence, the result into a selection of some sample size as a representative of the overall population. According to Turner, (2020), a population is considered as a well-defined group of people or items that share the same characteristics. In this study, the total employees of the foremost banks in Nigeria, First Bank of Nigeria Limited, and United Bank for Africa Plc, are the target population. The customers of the banks are relevant in this study. Therefore, the population of the study includes all the customers of the banks

3.3 Sampling Technique

The study adopted purposive random sampling. It's a non-random strategy that doesn't require any underlying ideas or a predetermined number of participants. Simply said, the researcher determines what information is required and then seeks out persons who can and are willing to supply information based on their expertise and knowledge (Etikan, Musa & Alkassim, 2016). It is a widely used method when working with quantitative research to categorize and choose the most relevant data cases to make the best use of available resources. This entails identifying and selecting individuals or groups of individuals who are skilled and knowledgeable about a particular phenomenon (Majid, 2018).

The structure comprises various levels of customers from different branches. The sampling technique used for the study is purposive sampling. This sampling technique is used because it gives the opportunity the advantage to fill the questionnaire based on their willingness to participate in the study.

3.4 Sampling Size

The number of participants or observations included in a study is referred to as sample size. The sample size has an impact on two statistical properties: the first is the accuracy of our calculations, and the second is based on the study's ability to bring conclusions from the selected sample size (Andrade, 2020). The sample size for this study comprises a total of 350 respondents. 200 customers were selected from First Bank PLC while 150 respondents were selected from UBA. The number of respondents was based on the number of customers that were willing to participate in the study.

3.5 Data Collection Method

There are two methods of sourcing data primary and secondary sources. The primary source is concerned with collections of information directly from the participants or respondents. These methods may be through questionnaires, interviewing, or experimentation. However, on the other hand, a secondary source involved those in which data are already available for the researcher but have not yet been collected to make the investigation. For this study, the primary source of data was used. The primary source of data includes questionnaire design, interviewing, and experimentation. This study makes use of a questionnaire in the collection of data from respondents. The questionnaires formulated were based on answering the research questions provided. Three sections were used for the questionnaire. The first section contained information concerning the demographic characteristics of the participants. The components of service quality (Assurance, Empathy, Responsiveness, Reliability, and Tangibility) are presented in the second section while section three focuses on customer loyalty. Five Likert scales were used. The scales range from strongly disagreed (1), Disagreed (2), Prefer not to say, or undecided is coded with 3, Agreed

(4) while 5=Strongly Agreed. To test for the validity of the instrument, Cronbach alpha was used. A value from 0.70 upward is accepted as reasonable for the instrument.

3.6 Validation of the Research

The validity of the research instrument is the degree to which the outcomes accurately reflect what they are designed to reflect. It is critical to assess the validity of the item used in any research project, particularly when information is gathered through the use of a questionnaire (Andrade, 2018). Therefore, to validate the research instrument, the questionnaire was approved by my supervisor before administering them to the participants

3.7 Reliability of Instrument

The reliability of the instrument used in this research is through the Cronbach's alpha test. All the items in the questionnaire were tested to see the level of their reliability as regards the questions asked. This test will be conducted using Cronbach's alpha test score. Johnson, et al, (2019) opined that a dependable assessment must be above 0.70. SPSS package will be used to run the test on all the items used in the course of this dissertation.

3.8 Model Specification

To determine the effect of service quality on customer loyalty, two methodologies were used to achieve the set objectives. The first is the multiple regression model. The model consists of the dependent variable (customer loyalty) and the independent variables (Reliability, Empathy, Assurance, Tangibility, and Responsiveness). This was used in achieving the first objective. The second model is the Pearson product-moment correlation which will be used in achieving the third to sixth objectives. The functional form of the multiple regression model is presented as follows

$$CL = F(REL, EMP, ASS, TAN, RES) \quad 3.1$$

Where:

CL = Customer Loyalty

REL = Reliability

EMP = Empathy

ASS = Assurance

TAN = Tangibility

RES = Responsiveness

Equation 3.1 in its mathematical formulation is specified as

$$CL = \beta_0 + \beta_1 REL + \beta_2 EMP + \beta_3 ASS + \beta_4 TAN + \beta_5 RES + \varepsilon_t. \quad 3.2$$

On a priori, $\beta_1 > 0$, $\beta_2 > 0$, $\beta_3 > 0$, $\beta_4 > 0$ and $\beta_5 > 0$ is expected. This means that all the service quality components should have a positive relationship with customer loyalty among the two banks used.

Model II

To determine the relationship between each of the service component variables and customer loyalty, Pearson Product moment correlation estimation techniques were employed and the specification of the model is shown in equation 3.3. The specification will be used to address the second, third, fourth, fifth, and sixth objectives of the study.

$$r = \frac{\sum(x_i - \bar{x})(y_i - \bar{y})}{\sqrt{\sum(x_i - \bar{x})^2 \sum(y_i - \bar{y})^2}} \quad 3.3$$

Where:

r = coefficient of correlation

x_i = values of the x variable in a sample

\bar{x} = mean of the value of the x variable

y_i = values of the y variable in a sample

\bar{y} = mean of the value of the y variable

The study expects a positive relationship between the measures of service delivery components and customer loyalty.

3.9 Method of Data Analysis

The questionnaire collected was coded to allow for analysis. The SPSS package was used to analyze the data collected after coding. The biodata of the respondent was analysed with descriptive analysis which involves the frequency and percentage. To achieve the second objective of the study in terms of the level of prediction of the independent variable on the dependent variable, multiple regressions were used. The second, third, fourth, fifth, and sixth hypotheses were addressed with the use of Pearson product-moment correlation techniques.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS OF RESULT

4.1 Introduction

The chapter presents the data and analysis of the result. The chapter is divided into four sections. The first section focused on the bio-data of the respondent in terms of their characteristics. The second section was on the response of the respondents to questions relating to the service quality of the banks. The third section focused on the test of the hypothesis while the last section was on the discussion of findings. Conclusion and recommendations are based on the findings in this chapter of the dissertation

4.2.1 Response Rate

In an attempt to examine the impact of service quality on customer loyalty. A total of 160 questionnaires were distributed to customers of United Bank for Africa and 200 questionnaires for customers in First Bank Plc. Of the 160-questionnaire distributed to customers of UBA, 150 were returned making 93.8 percent while 10 were not retrieved with 6.2%. However, for First Bank, all the questionnaires distributed were retrieved making a 100 percent respondent. The analysis of the result was based on the questionnaire retrieved. \table 4.1 present the response rate of the respondent

Table 4.1

Response.	Rate			
	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Completed	200	100	150	93,8
Not Completed	0	0	10	6.2
Total	200	100	150	100

Source: Field Survey, 2021

Table 4. 2 Respondent Demographic Distribution

Table 4.2 Gender

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Male	106	53	80	53.3
Female	72	36	53	35.3
Prefer not to say	22	11	17	11.3
Total	200	100	150	100

Source: Field Survey, 2021

The demographic distribution of the respondents in terms of their gender is presented in Table 4.2. Out of the 200 respondents from First Bank Plc, 53% of them are male, 36% are female while 11% of them prefer not to say. For UBA customers, 53.3% are male, 35.3% are female while 11.4% prefer not to say. Based on the field survey result, the majority of the respondents that completed the questionnaire for both banks are male. The above result is presented in figure 4.2 below

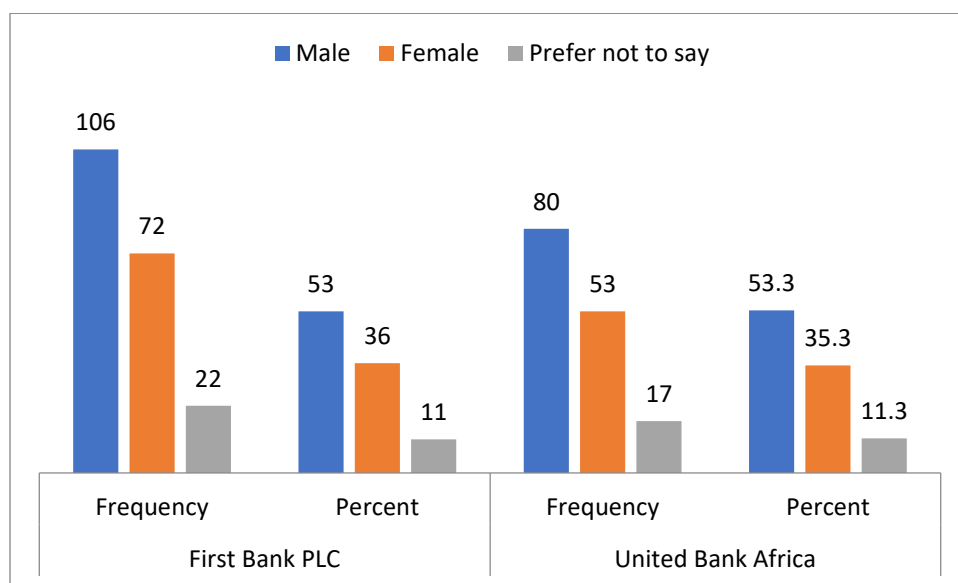


Figure 4. 2 Bar chart showing the distribution of respondent based on Gender

Table 4.3 Age

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
18-30years	75	37.5	70	46.7
31-40	94	47	73	48.7
41-50	14	7	4	2.7

51-60	17	8.5	3	2
Total	200	100	150	100

Source: Field Survey, 2021

In terms of the age of respondents as presented in Table 4.3. Out of the 200 respondents from First Bank Plc 37.5% of them fall between 18 to 30 years of age, 47% are between 31 to 40 years, 7% fall within the age of 41 – 50 years while 8.5% are between 51 years and above. As regards UBA, out of the 150 respondents 46.7% of them fall between 18 to 30 years of age, 48.7% are between 31 to 40 years, 2.7% fall within the age of 41 – 50 years while 2% are between 51 years and above. The majority of the customers fall between the ages of 31 to 40 years. The distribution of respondents based on their age is presented in figure 4.3

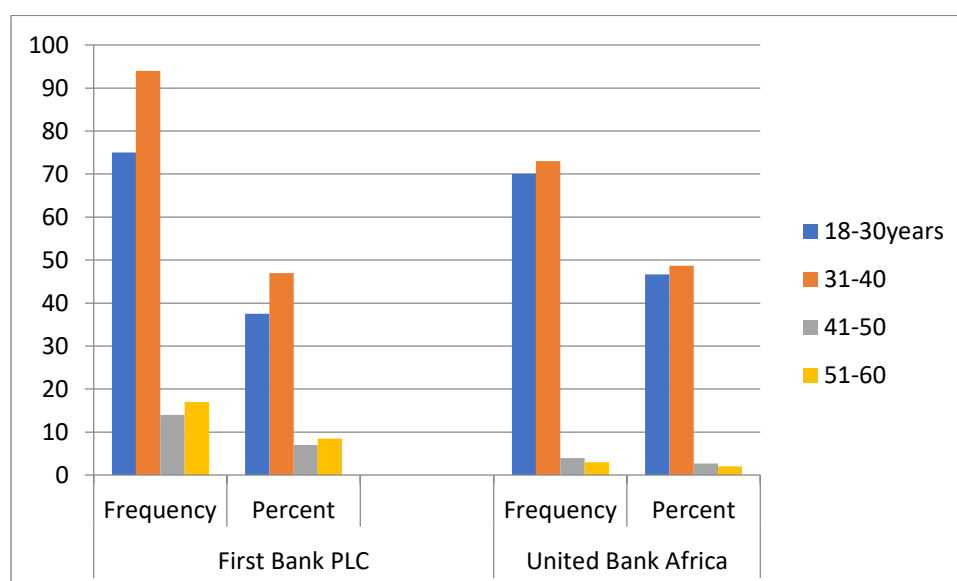


Figure 4.3 Bar chart showing the distribution of respondent based on their age

Table 4. 4 For how long have you been a customer of this bank

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Less than 1 years	7	3.5	7	4.7
1-4 years	114	57	86	57.3
5-9years	79	39.5	57	38
Total	200	100	150	100

Source: Field Survey, 2021

The respondents were asked the number of years they have spent with the banks. Out of the 200 respondents from First Bank Plc 3.5% of them have spent less than one year, 57% have been a customer of the bank between 1 to 4 years, while 39.5% of the respondent have been banking for 5 years and above. As regard UBA, 4.7% of them have spent less than one year, 57.3% have been a customer of the bank between 1 to 4 years, while 38% of the respondent have been banking for 5 years and above. The distribution of the respondent based on the number of years they have been a customer of the bank is presented in figure 4.4

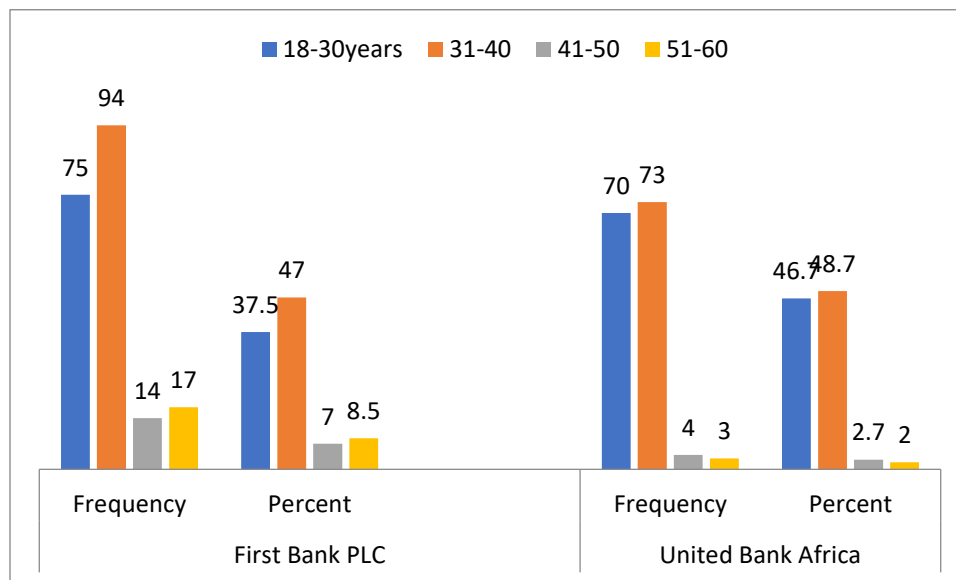


Figure 4.4 Bar chart showing the distribution of respondents based on the number of years they have been a customer of the bank

Table 4.5 Are you a customer of any other bank

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Yes	63	31.5	49	32.7
No	137	68.5	101	67.3
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.5 presented the view of the respondents as to whether they are a customer to any other banks. 31% of the respondents from First bank have other banks while 68.5% have no other bank aside from First Bank. For UBA, 32.7% of the respondents have other banks while 67.3% only banks with UBA alone. From the findings, the majority of the respondents only have one bank account. The distribution of the respondent based on if they are also a customer to any other bank is presented in figure 4.5 below

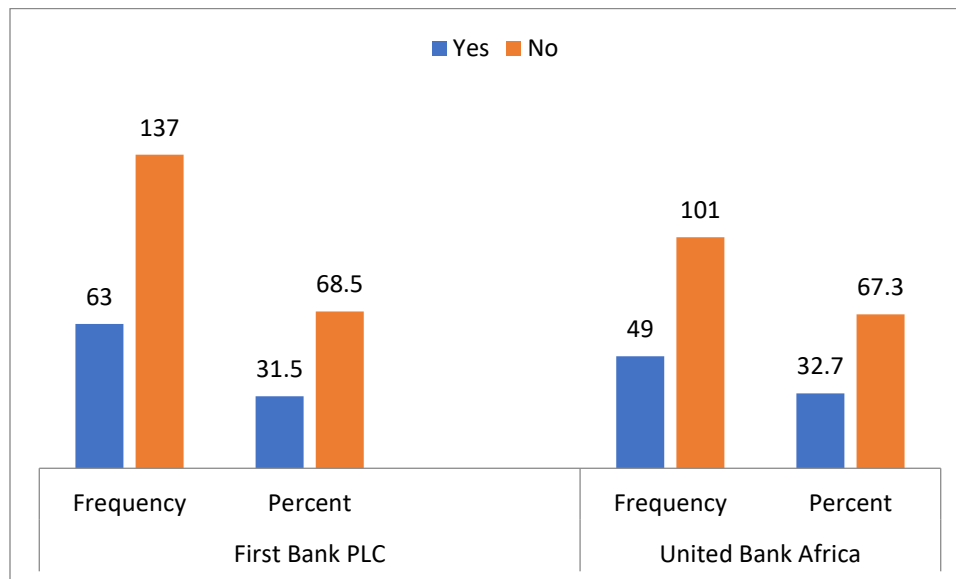


Figure 5 Bar chart showing the distribution of respondent if they are a customer to any other banks

Table 4.6 Nature of your job, trade, profession, or business

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Employee(public sector)	89	44.5	55	36.7
Employee(private sector)	57	28.5	46	30.7
Self-employed (Trader)	27	13.5	23	15.3
Self-employed (Workman\Artisan)	27	13.5	26	17.3
Total	200	100	150	100

Source: Field Survey, 2021

In respect to the nature of the job of the respondent as presented in table 4.6. 44.5% are public sector workers, 28.5% are employed in the private sector. 13.5% are traders, 13.5% are artisan from the respondents in the First bank. For UBA customers, 36.7% are public sector workers, 30.7% are employed in the private sector. 15.3% are traders, 17.3% are artisans. On the account of the respondent view, most of the customers of the bank that completed the structured questionnaires are working in the public sector for both United Bank for Africa and First Bank respectively. The composition of the distribution of the respondent is presented in figure 4.6 below.

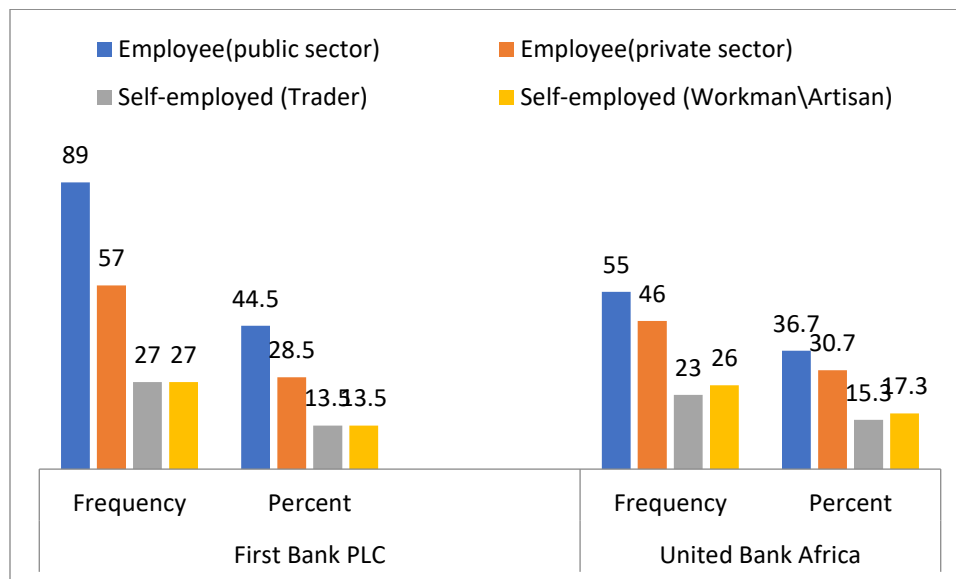


Figure 6 Bar chart showing nature of your job, trade, profession, or business

Table 4.7 Physical engagement in the bank is important

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	64	32	41	27.3
Agree	67	33.5	53	35.3
Undecided	23	11.5	21	14
Disagree	41	20.5	32	21.3

Strongly Disagree	5	2.5	3	2
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.7 displayed the response of the respondent as regards physical engagement in the bank is important, From the response of the respondents in First Bank, 64(32%) strongly agree, 67(33.5%) agreed, 23(11.5%) were undecided, 41(20.5%) disagreed while 5(2.5%) strongly disagree. However, for respondents in UBA, 41(27.3%) strongly agree, 53(35.3%) agreed, 21(14.5%) were undecided, 32(21.3%) disagreed while 3(2%) strongly disagree. From the response of the respondent, it can be inferred that for both banks, their customers are of the view that the physical structure is important. The distribution of the respondent on the account of physical engagement in the bank is important is presented in figure 4.7

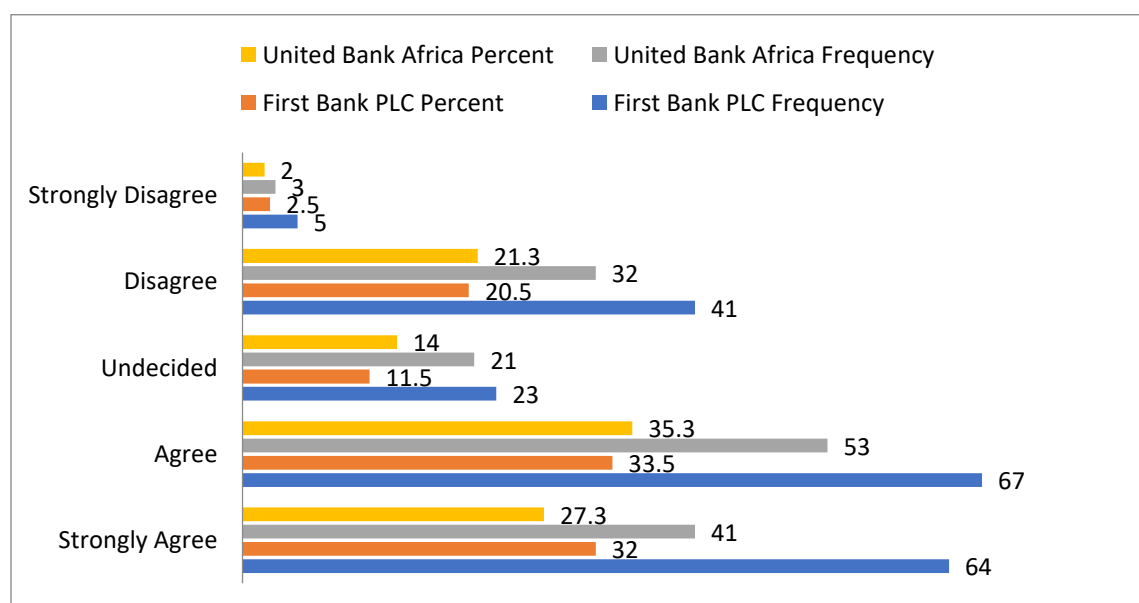


Figure 4.7 Bar chart showing the respondent view on whether physical engagement in the bank is important

Table 4.8 Physical engagement in the bank is important

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	99	49.5	71	47.3
Agree	65	32.5	49	32.7
Undecided	7	3.5	7	4.7
Disagree	13	6.5	10	6.7
Strongly Disagree	16	8	13	8.7
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.8 displayed the response of the respondent as regards to the physical appearance of the bank is in line with the service provided, From the response of the respondents in First Bank, 99(49.5%) strongly agree, 65(32.5%) agreed, 7(3.5%) were undecided, 13(6.5%) disagreed while 16(8%) strongly disagree. However, for respondents in UBA, 71(47.3%) strongly agree, 49(32.7%) agreed, 7(4.7%) were undecided, 10(6.7%) disagreed while 13(8.7%) strongly disagree. Therefore, the majority of the participants are of the view that physical engagement in the bank is important. The bar chart in figure 4.8 shows the distribution in terms of the respondent view.

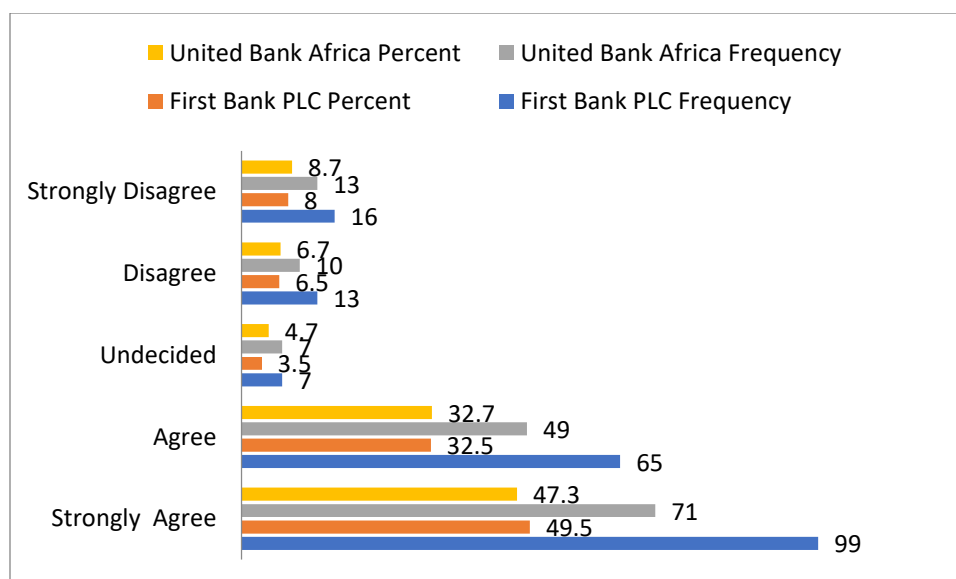


Figure 4.8 Bar chart on respondent view on whether the physical appearance of the bank is in line with the service provided

Table 4.9 The bank has up to date equipment

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	96	48	63	42
Agree	70	35	55	36.7
Undecided	10	5	9	6
Disagree	14	7	13	8.7
Strongly Disagree	10	5	10	6.7
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.9 displayed the response of the respondent as regard banks having up to date equipment. From the response of the respondents in First Bank, 96(48%) strongly agree, 70(35%) agreed, 10(5%) were undecided, 14(7%) disagreed while 10(5%) strongly disagree. However, for respondents in UBA, 63(42%) strongly agree, 55(36.7%) agreed, 9(6%) were undecided, 13(8.7%) disagreed while 10(6.7%) strongly disagree. Judging from the respondent's view from the field

survey, it can be concluded that customers of both banks agreed that the banks have up-to-date data as regards their banking system. The distribution of their response is presented in figure 4.9.

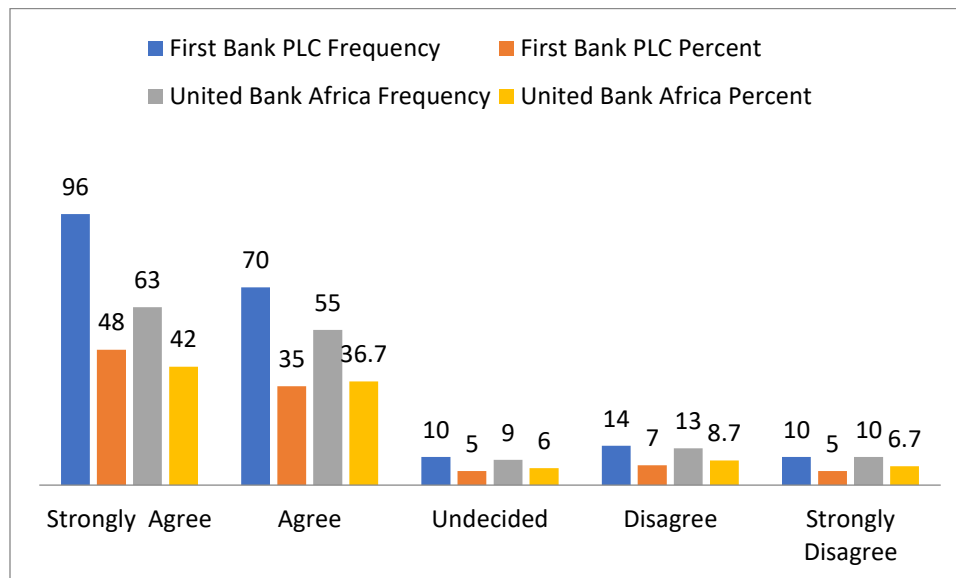


Figure 4.9 Bar chart on the respondent view as to whether the bank has up to date equipment

Table 4.10 I have no difficulty using the online services of the bank

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	97	48.5	75	50
Agree	51	25.5	38	25.3
Undecided	15	7.5	11	7.3
Disagree	22	11	16	10.7
Strongly Disagree	15	7.5	10	6.7
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.10 displayed the response of the respondent as regards they have no difficulty using the online services of the bank. From the response of the respondents in First Bank, 97(48.5%) strongly agree, 51(25.5%) agreed, 15(7.5%) were undecided, 22(11%) disagreed while 15(7.5%) strongly disagree. However, for respondents in UBA, 75(50%) strongly agree, 38(25.3%) agreed, 11(7.3%) were undecided, 16(10.7%) disagreed while 10(6.7%) strongly disagree. The distribution of the respondent view on whether they have no difficulty using the online services is presented in figure 4.10 below

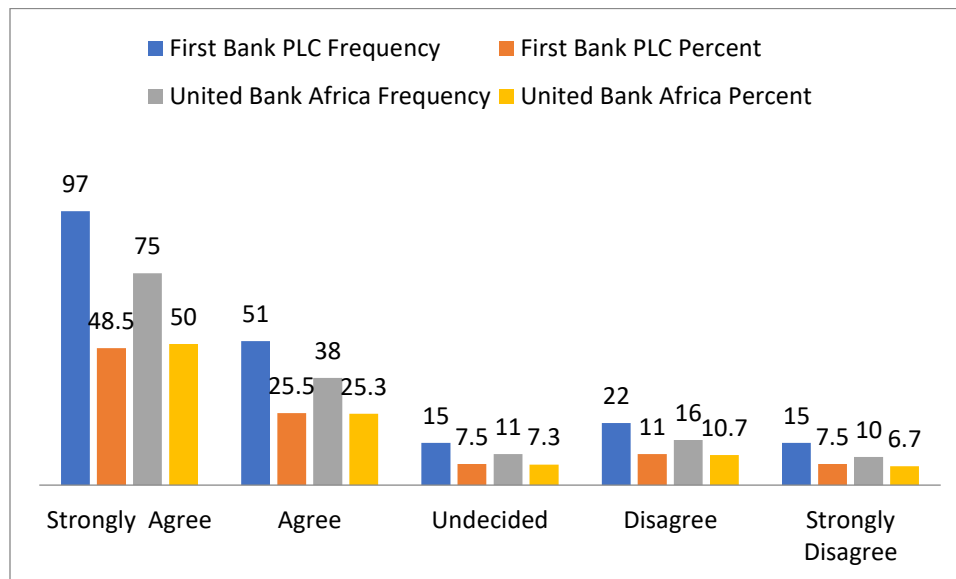


Figure 4.10 Bar chart on I have no difficulty using the online services of the bank

Table 4.11 Customers are attended to in a friendly manner

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	86	43	67	44.7

Agree	61	30.5	49	32.7
Undecided	7	3.5	7	4.7
Disagree	21	10.5	12	8
Strongly Disagree	25	12.5	15	10
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.11 displayed the response of the respondent as regard customers being attended to promptly and in a friendly manner by the staff of the banks, From the response of the respondents in First Bank, 86(43%) strongly agree, 61(30.5%) agreed, 7(3.5%) were undecided, 21(10.5%) disagreed while 25(12.5%) strongly disagree. However, for respondents in UBA, 67(44.7%) strongly agree, 49(32.7%) agreed, 7(4.7%) were undecided, 12(8%) disagreed while 15(10%) strongly disagree. Figure 4.11 shows the distribution of the respondent view if customers are attended to in a friendly manner.

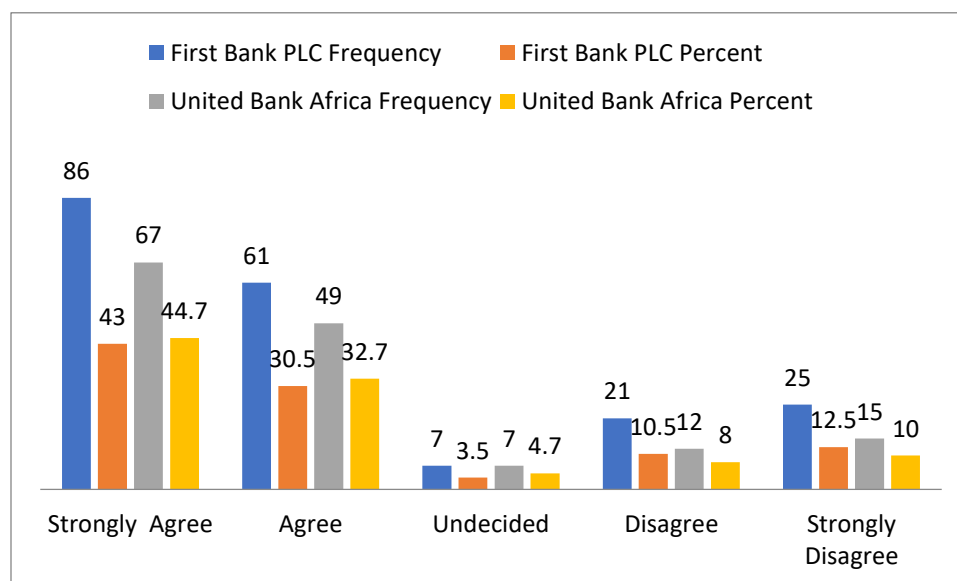


Figure 4.11 Bar chart on whether customers are attended to in a friendly manner

Table 4.12 Issues relating to online banking applications are resolved by the bank employees

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	91	45.5	58	38.7
Agree	70	35	55	36.7
Undecided	10	5	9	6
Disagree	14	7	13	8.7
Strongly Disagree	15	7.5	15	10
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.12 displayed the response of the respondent as regard Issues relating to online banking applications are resolved by the bank employees. The response of the respondent indicated that in First Bank, 91(45.5%) strongly agree, 70(35%) agreed, 10(5%) were undecided, 14(7%) disagreed while 15(7.5%) strongly disagree. However, for respondents in UBA, 58(38.7%) strongly agree, 55(36.7%) agreed, 9(6%) were undecided, 13(8.7%) disagreed while 15(10%) strongly disagree.

Figure 4.12 present the bar chart on the distribution of the respondent views.

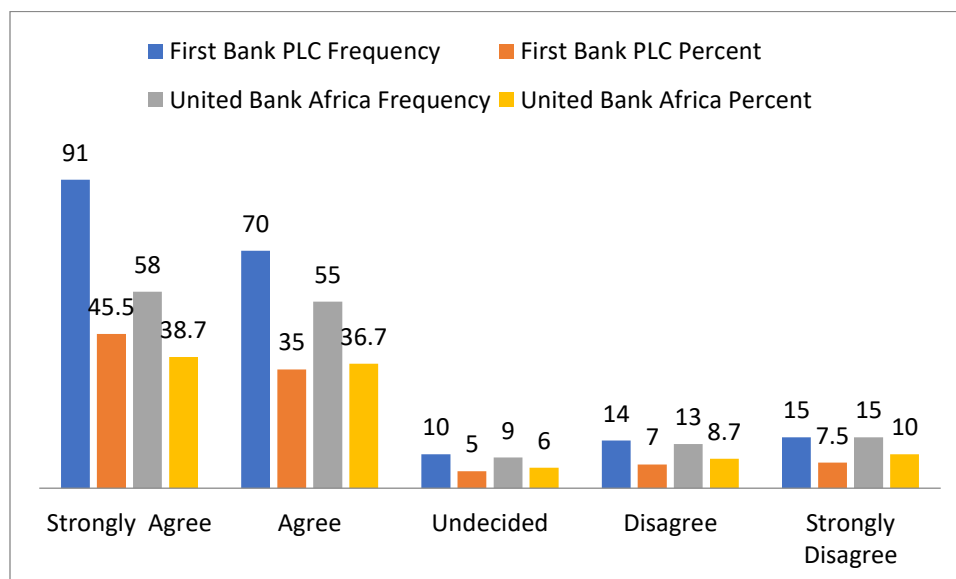


Figure 4.12 Issues relating to online banking applications are resolved by the bank employees

Table 4.13 There is preferential treatment for the pregnant, elderly, and physically challenged customers

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	119	59.5	99	66
Agree	48	24	25	16.7
Undecided	15	7.5	8	5.3
Disagree	11	5.5	11	7.3
Strongly Disagree	7	3.5	7	4.7
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.13 displayed the response of the respondent as regards whether there is preferential treatment for the pregnant, elderly, and physically challenged customers by the staff of the banks. The responses of the respondent revealed that in the case of First Bank, 119(59.5%) strongly agree, 48(24.5%) agreed, 15(7.5%) were undecided, 11(5.5%) disagreed while 7(3.5%) strongly disagree. However, for respondents in UBA, 99(66%) strongly agree, 25(16.7%) agreed, 8(5.3%) were undecided, 11(7.3%) disagreed while 7(4.7%) strongly disagree. Figure 4.13 displayed the response of the respondent on a bar chart.

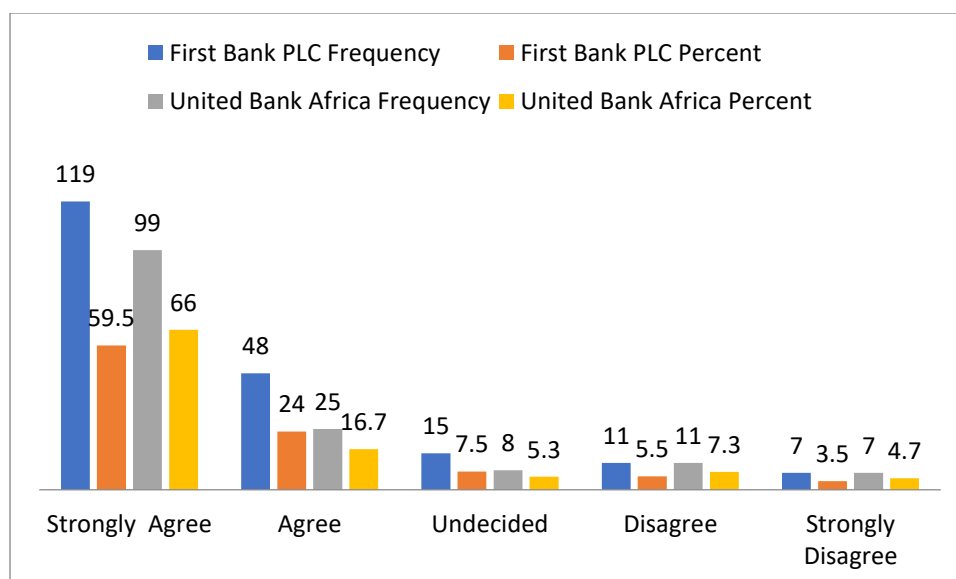


Figure 4.13 There is preferential treatment for the pregnant, elderly, and physically challenged customers

Table 4.14 Customers are attended to based on a first come first served basis

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	119	59.5	77	51.3
Agree	44	22	37	24.7
Undecided	6	3	5	3.3
Disagree	13	6.5	13	8.7
Strongly Disagree	18	9	18	12
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.14 displayed the response of the respondent if customers are attended to based on a first-come-first-served basis. In response to the questionnaire as regard customers from First Bank, 119(59.5%) strongly agree, 44(22%) agreed, 6(3%) were undecided, 13(6.5%) disagreed while 18(9%) strongly disagree. However, for respondents in UBA, 77(51.3%) strongly agree, 37(24.7%) agreed, 5(3.3%) were undecided, 13(8.7%) disagreed while 18(12%) strongly disagree.

Figure 4.14 displayed the distribution of the respondent on a bar chart as regards customers been treated on a first come first serve basis.

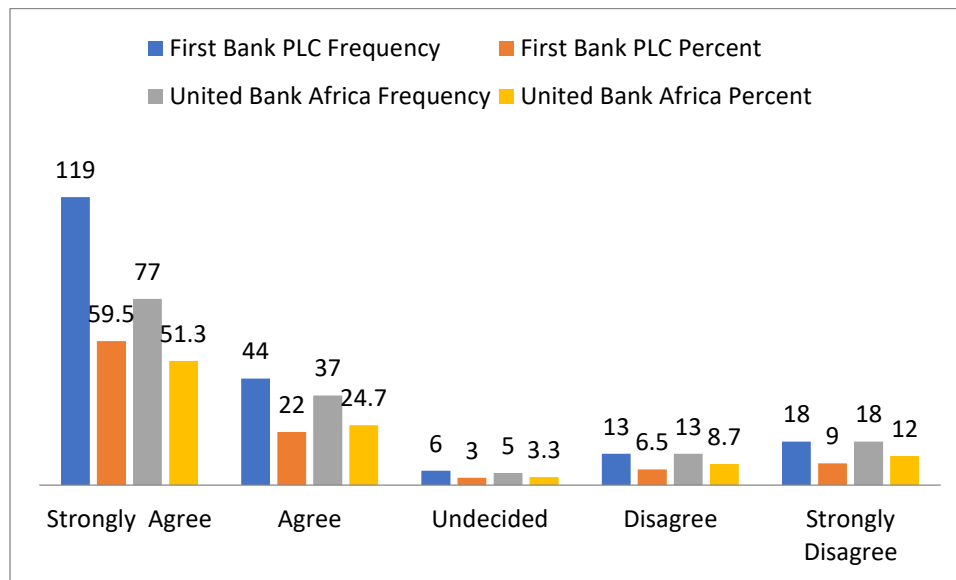


Figure 4.14 Customers are attended to based on a first come first served basis

Table 4.15 There is a sincere interest exhibited in solving customers' problems

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	115	57.5	89	59.3
Agree	57	28.5	40	26.7
Undecided	8	4	5	3.3
Disagree	12	6	9	6
Strongly Disagree	8	4	7	4.7
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.15 displayed the response of the respondent as to whether there is a sincere interest exhibited in solving customers' problems by the employees of the bank. The response of the respondent from customers of First Bank revealed that 115(57.5%) strongly agree, 57(28.5%)

agreed, 8(4%) were undecided, 12(6%) disagreed while 8(4%) strongly disagree. However, for respondents in UBA, 89(59.3%) strongly agree, 40(26.7%) agreed, 5(3.3%) were undecided, 9(6%) disagreed while 7(4.7%) strongly disagree. The view of the customer's response is presented in Figure 4.15 on a bar chart.

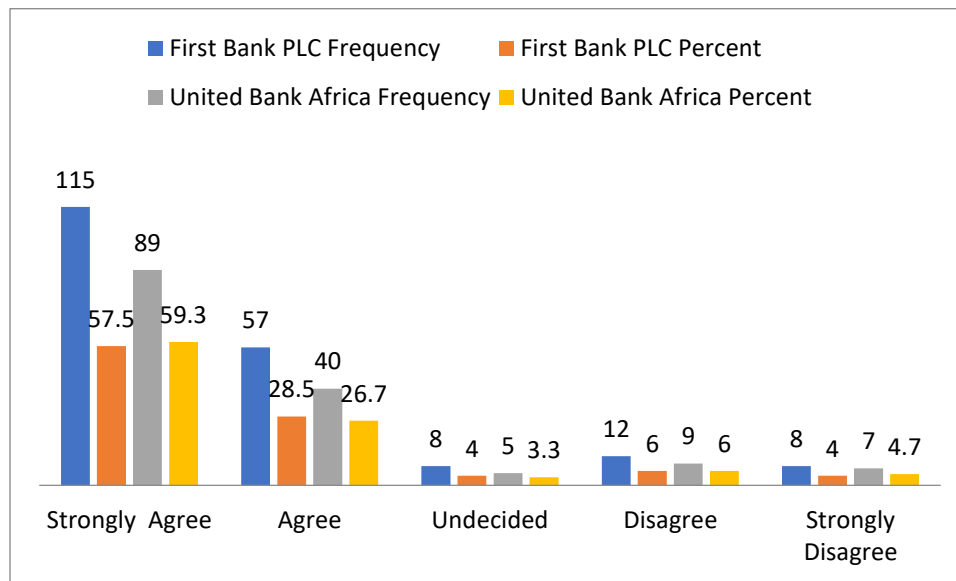


Figure 4.15 There is a sincere interest exhibited in solving customers' problems

Table 4.16 The services of the bank are delivered with accuracy

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	110	55	83	55.3
Agree	54	27	36	24
Undecided	10	5	10	6.7
Disagree	14	7	11	7.3
Strongly Disagree	12	6	10	6.7
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.16 displayed the response of the respondent as regards the services of the bank are delivered with accuracy. From the response of the respondents in First Bank, 110(55%) strongly agree, 54(27%) agreed, 10(5%) were undecided, 14(7%) disagreed while 12(6%) strongly disagree. However, for respondents in UBA, 83(55.3%) strongly agree, 36(24%) agreed, 10(6.7%) were undecided, 11(7.3%) disagreed while 10(6.7%) strongly disagree. From the customer's view as presented on the table, the majority of the respondents agreed that services of the bank are delivered with accuracy. The distribution of their views is presented in figure 4.16 below

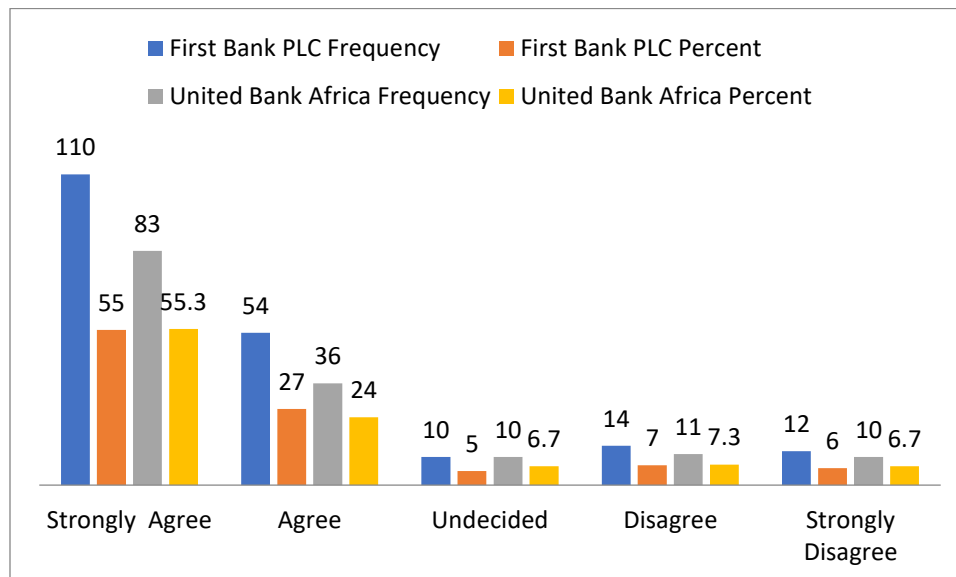


Figure 4.16 The services of the bank are delivered with accuracy

Table 4.17 The bank staff delivers their services efficiently

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	100	50	74	49.3
Agree	54	27	44	29.3

Undecided	5	2.5	3	2
Disagree	13	6.5	7	4.7
Strongly Disagree	28	14	22	14.7
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.17 displayed the response of the respondent as regard banks delivering their service efficiently, From the response of the respondents in First Bank, 100(50%) strongly agree, 54(27%) agreed, 5(2.5%) were undecided, 13(6.5%) disagreed while 28(14%) strongly disagree. However, for respondents in UBA, 74(49.3%) strongly agree, 44(29.3%) agreed, 3(2%) were undecided, 7(4.7%) disagreed while 22(14.7%) strongly disagree. From the respondent's views on the questionnaire completed, the majority of the respondent believed that both banks are delivering their service efficiently. Figure 4.17 displayed the respondent view on a bar chart if the bank staff delivers their services efficiently

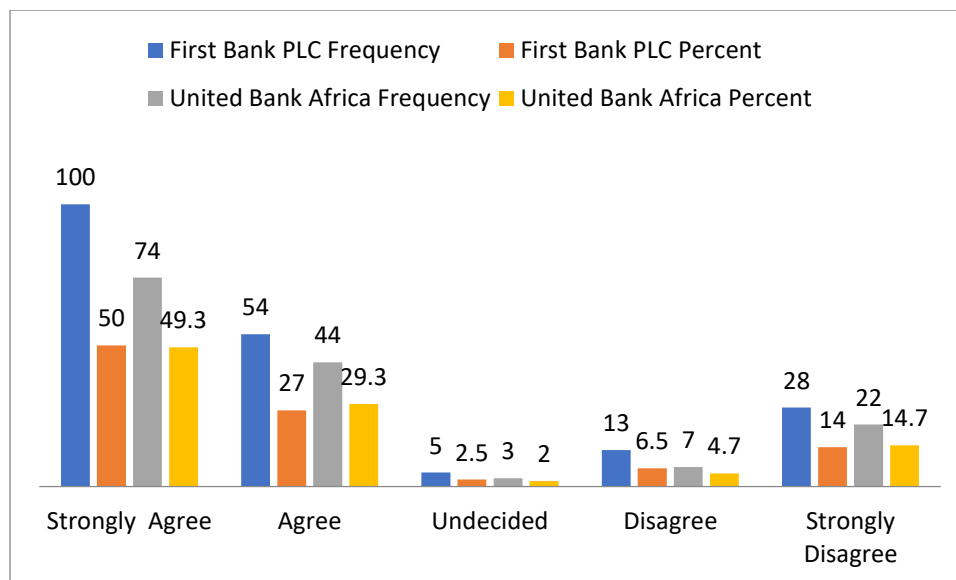


Figure 4. 17The bank staff delivers their services efficiently

Table 4.18 The bank has maintained error-free and up-to-date records such as bills and statements

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	121	60.5	87	58
Agree	49	24.5	35	23.3
Undecided	3	1.5	2	1.3
Disagree	10	5	10	6.7
Strongly Disagree	17	8.5	16	10.7
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.18 displayed the response of the respondent as regard bank has maintained error-free and up-to-date records such as bills and statements, From the response of the respondents in First Bank, 121(60.5%) strongly agree, 49(24.5%) agreed, 3(1.5%) were undecided, 10(5%) disagreed while 17(8.5%) strongly disagree. However, for respondents in UBA, 87(58%) strongly agree, 35(23.3%) agreed, 2(1.3%) were undecided, 10(6.7%) disagreed while 16(10.7%) strongly disagree. As regard to the customer's response, majority of the respondent agreed that bank has maintained error-free and up-to-date records such as bills and statements. The response is displayed in figure 4.18.

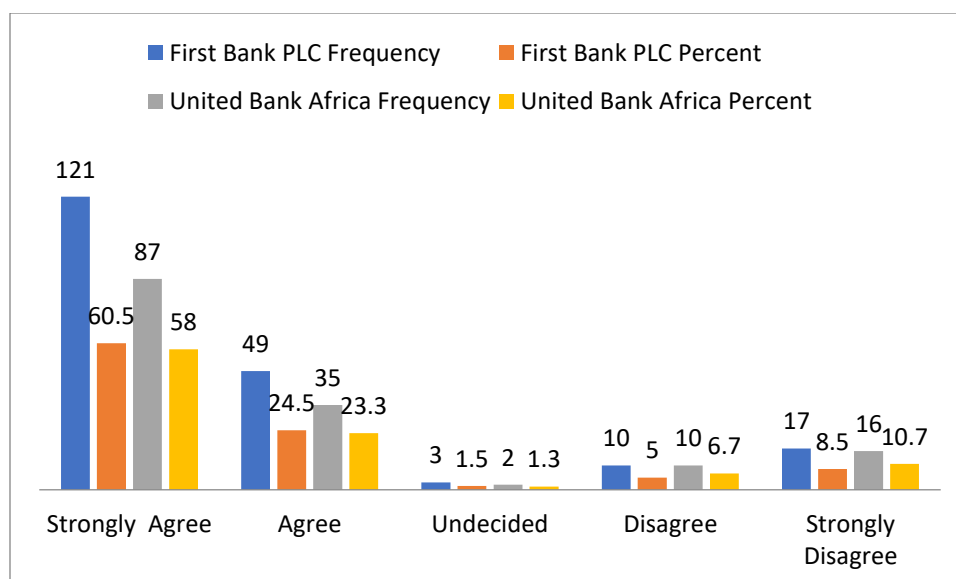


Figure 4.18 The bank has maintained error-free and up-to-date records such as bills and statements

Table 4.19 The bank ensures customers' transactions and records are kept with confidentiality

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	107	53.5	85	56.7
Agree	53	26.5	40	26.7
Undecided	7	3.5	7	4.7
Disagree	13	6.5	6	4
Strongly Disagree	20	10	12	6
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.19 displayed the response of the respondent as regards to bank ensuring customers' transactions and records are kept with confidentiality. From the response of the respondents in First Bank, 107(53.5%) strongly agree, 53(26.5%) agreed, 7(3.5%) were undecided, 13(6.5%)

disagreed while 20(10%) strongly disagree. However, for respondents in UBA, 85(56.7%) strongly agree, 40(26.7%) agreed, 7(4.7%) were undecided, 6(4%) disagreed while 12(6%) strongly disagree. From the customer's view in respect of the questionnaire administered, the majority of the customers are of the view that both banks ensure that customers' transactions and records are kept with confidentiality. Figure 4.19 displayed the bar chart on the respondent view

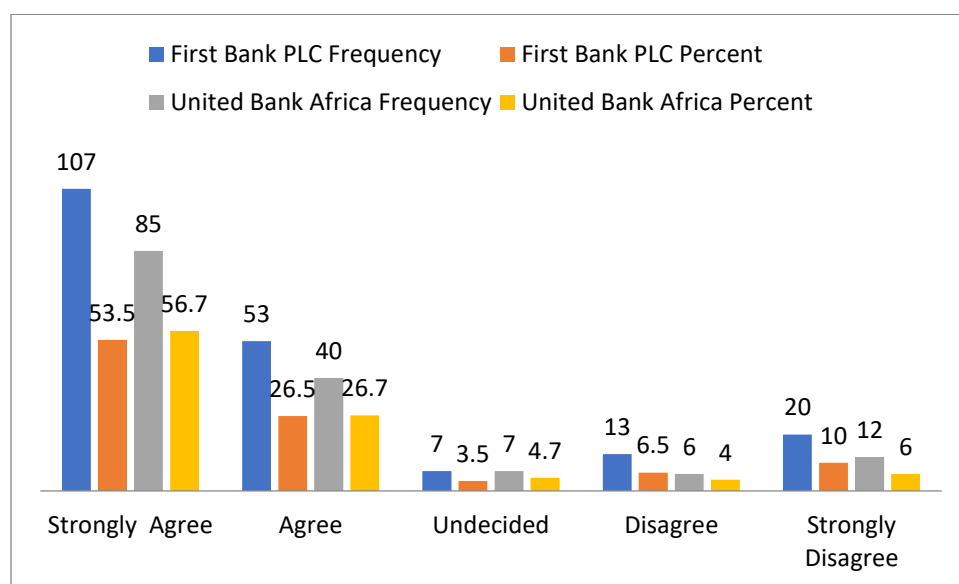


Figure 4.19 The bank ensures customers' transactions and records are kept with confidentiality

Table 4. 20 The staff show a willingness to respond to customers' needs

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	112	56	80	53.3
Agree	60	30	45	30
Undecided	6	3	5	3.3
Disagree	13	6.5	12	8

Strongly Disagree	9	4.5	8	5.3
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.20 displayed the response of the respondent as regards the staff showing a willingness to respond to customers' needs. From the response of the respondents in First Bank, 112(56%) strongly agree, 60(30%) agreed, 6(3%) were undecided, 13(6.5%) disagreed while 9(4.5%) strongly disagree. However, for respondents in UBA, 80(53.3%) strongly agree, 45(30%) agreed, 5(3.3%) were undecided, 12(8%) disagreed while 8(5.3%) strongly disagree. It is concluded from the responses of the respondent that the staff of both banks shows a willingness to respond to customers' needs. The distribution of the respondent views as to whether the staff shows a willingness to respond to customers' needs is presented in Figure 4.20.

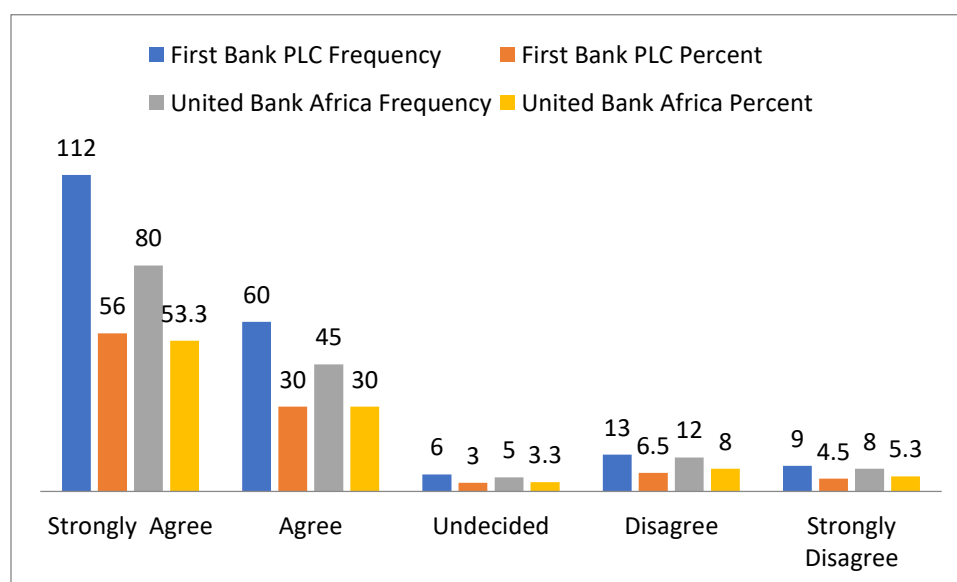


Figure 4.20 Bar chart showing customer view on whether staff show a willingness to respond to customers' needs

Table 4. 21 There is effective procedures that are maintained by the employees in solving customers complaint

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	114	57	85	56.7
Agree	62	31	45	30
Undecided	8	4	5	3.3
Disagree	8	4	7	4.7
Strongly Disagree	8	4	8	5.3
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.21 displayed the response of the respondent as regards whether there are effective procedures that are maintained by the employees in solving customer complaints. From the response of the respondents in First Bank, 114(57%) strongly agree, 62(31%) agreed, 8(4%) were undecided, 8(4%) disagreed while 8(4%) strongly disagree. However, for respondents in UBA, 85(56.7%) strongly agree, 45(30%) agreed, 5(3.3%) were undecided, 7(4.7%) disagreed while 8(5.3%) strongly disagree. As regards the customer's response, it can be concluded that the majority of them agreed that there are effective procedures that are maintained by the employees in solving the customer's complaint. Figure 4.21 displayed the respondent view on a Bar chart below

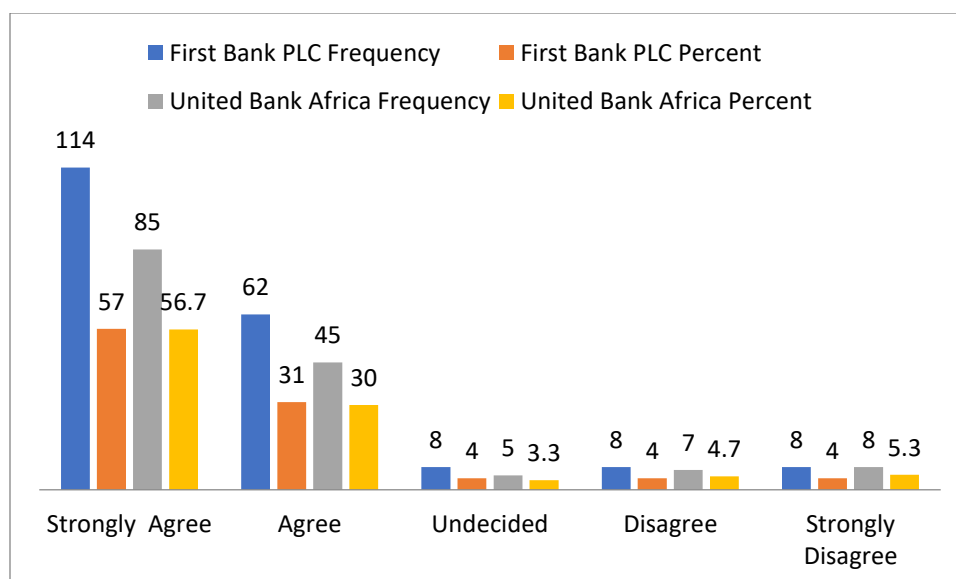


Figure 4.21 There are effective procedures that are maintained by the employees in solving customer's complaint

Table 4.22 My requests are resolved timely by the bank's staff

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	105	52.5	76	50.7
Agree	69	34.5	55	36.7
Undecided	13	6.5	11	7.3
Disagree	6	3	3	2
Strongly Disagree	7	3.5	5	3.3
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.22 displayed the response of the respondent as regards whether their requests are resolved timely by the banks., From the response of the respondents in First Bank, 105(52.5%) strongly agree, 69(34.5%) agreed, 13(6%) were undecided, 6(3%) disagreed while 7(3.5%) strongly disagree. However, for respondents in UBA, 76(50.7%) strongly agree, 55(36.7%) agreed, 11(7.3%) were undecided, 3(2%) disagreed while 5(3.3%) strongly disagree. Based on the

findings, customers of both UBA and First Bank agreed that their requests are resolved timely by the banks. The distribution of the response of the respondent is displayed in figure 4.22.

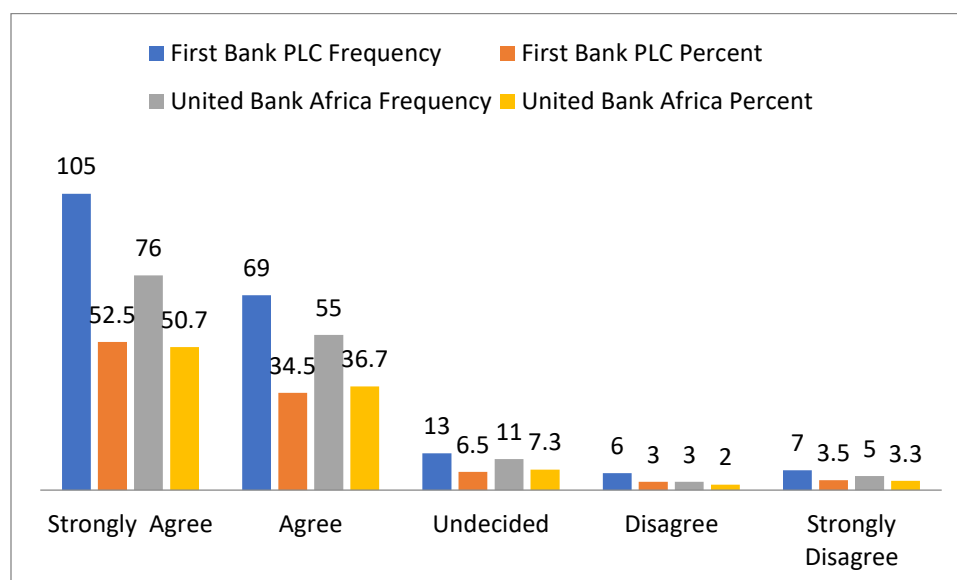


Figure 4.22 Bar chart showing the view of the respondent on whether their requests are resolved timely by the bank's staff

Table 4. 23Customers have ease of access to the required banking services

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	96	48	69	46
Agree	54	27	37	24.7
Undecided	8	4	6	5
Disagree	14	7	12	8
Strongly Disagree	28	14	26	17.3
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.23 indicated that 96(48%) of participants from first bank believe that customers have easy access to banking services. 54(27%) agreed, 8(4%) were undecided, 14(7%) disagreed while

28(14%) strongly disagree. However, for respondents in UBA, 69(46%) strongly agree, 37(24.7%) agreed, 6(5%) were undecided, 12(8%) disagreed while 26(17.3%) strongly disagree. This shows that customers from both banks believe that their services are easy to use. Figure 4.23 display the distribution of the response of the respondent.

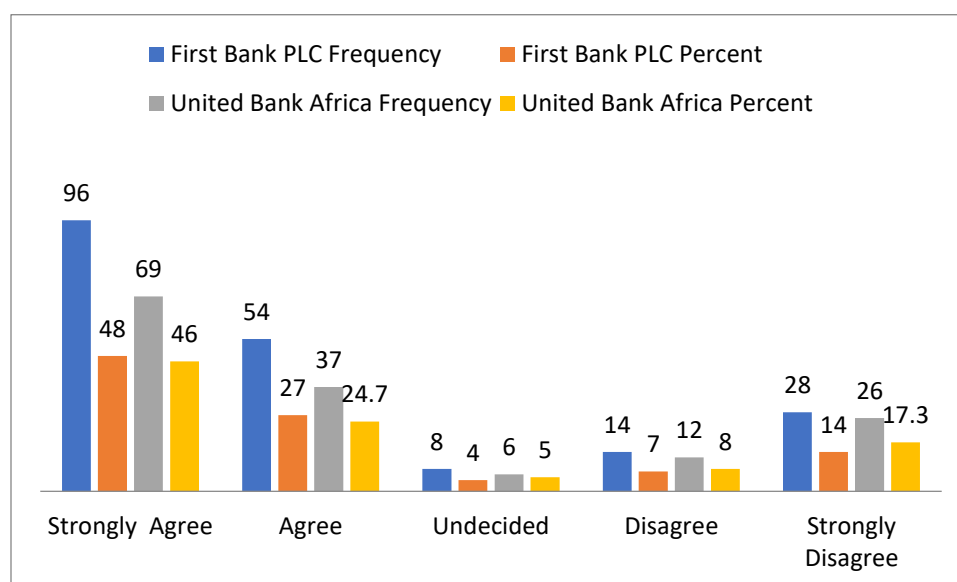


Figure 4.23 Customers have ease of access to the required banking services

Table 4.24 Bank employees exhibit a high level of competence and skills in the discharge of their duties

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	100	50	68	45.3
Agree	51	25.5	39	26
Undecided	4	2	3	2
Disagree	11	5.5	9	6
Strongly Disagree	34	17	31	20.7
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.24 displayed the response of the respondent as regards whether bank employees exhibit a high level of competence and skills in the discharge of their duties. From the response of the respondents in First Bank, 100(50%) strongly agree, 51(25.5%) agreed, 4(2%) were undecided, 11(5.5%) disagreed while 34(17%) strongly disagree. However, for respondents in UBA, 68(45.3%) strongly agree, 39(26%) agreed, 3(2%) were undecided, 9(6%) disagreed while 31(20.7%) strongly disagree. Based on the result, customers of both banks agreed that the bank employees exhibit a high level of competence and skills in the discharge of their duties. The distribution of the response of the respondent is presented below

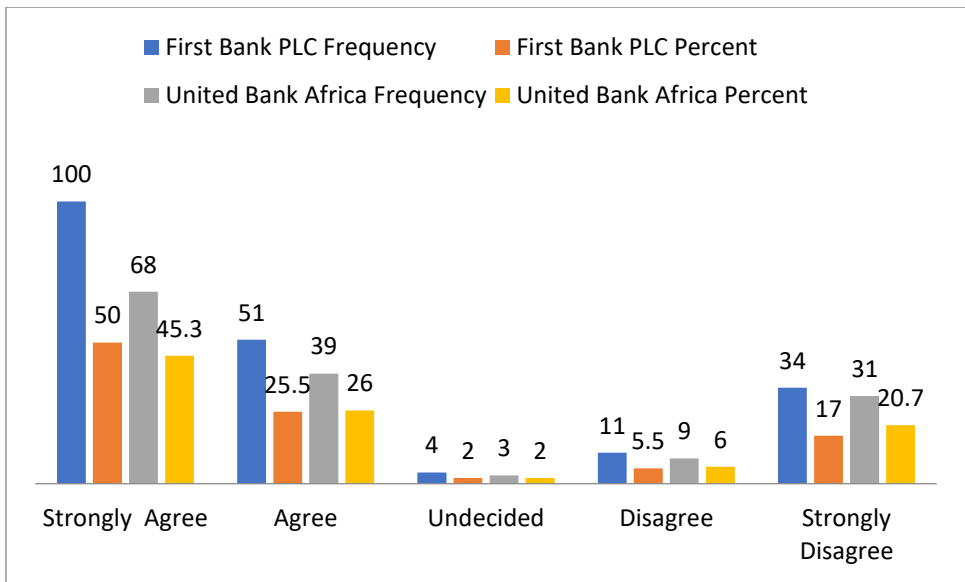


Figure 4.24 Bank employees exhibit a high level of competence and skills in the discharge of their duties

Table 4.25 The bank has a process for attending to customer complaints even after working hours

First Bank PLC		United Bank Africa	
Frequency	Percent	Frequency	Percent
		69	

Strongly Agree	95	47.5	76	50.7
Agree	70	35	55	36.7
Undecided	8	4	6	4
Disagree	13	6.5	4	2.7
Strongly Disagree	14	7	9	6
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.25 displayed the response of the respondent as regards the bank has a process to attend to a customer, From the response of the respondents in First Bank, 95(45.7%) strongly agree, 70(35%) agreed, 8(4%) were undecided, 13(6.5%) disagreed while 14(7%) strongly disagree. However, for respondents in UBA, 76(50.7%) strongly agree, 55(36.7%) agreed, 6(4%) were undecided, 4(2.7%) disagreed while 9(6%) strongly disagree. From the findings, therefore, customers of both banks believed that the employees have good processes in attending to a customer. The distribution of the findings is displayed in Figure 4.25.

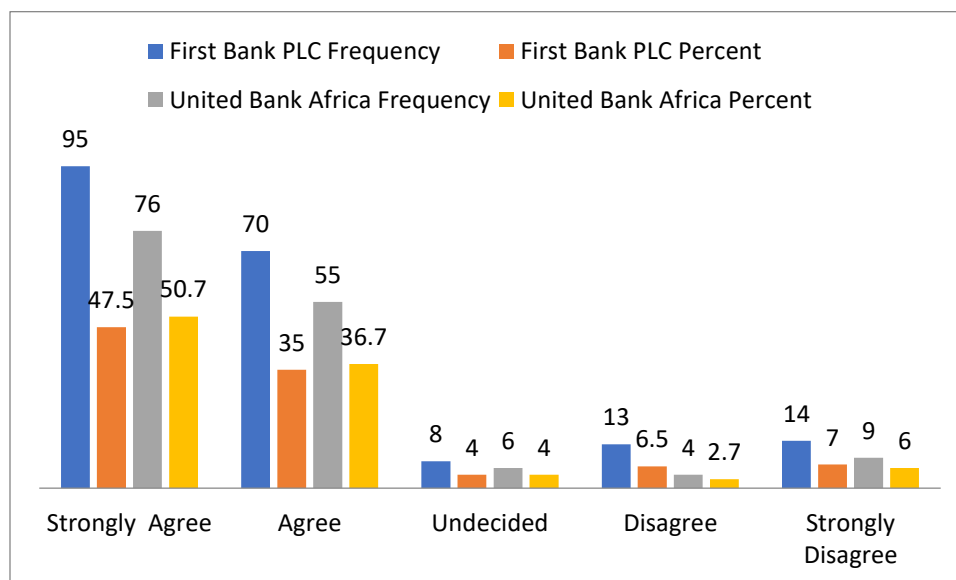


Figure 4.25 Bar chart showing the view of the respondent as to whether the bank has a process for attending to customer complaints even after working hours

Table 4.26 The confidential information of customers is well secured by the bank

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	96	48	74	49.3
Agree	51	25.5	36	24
Undecided	9	4.5	9	6
Disagree	16	8	10	6.7
Strongly Disagree	28	14	21	14
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.26 displayed the response of the respondent as regards if the confidential information of the customer is well secured. From the response of the respondents in First Bank, 96(48%) strongly agree, 51(25.5%) agreed, 9(4.5%) were undecided, 16(8%) disagreed while 28(14%) strongly disagree. However, for respondents in UBA, 74(49.3%) strongly agree 36(24%) agreed, 9(6%) were undecided, 10(6.7%) disagreed while 21(14%) strongly disagree. As regards the respondent's view, it can be concluded that confidential information of the customers of the banks is well secured. The distribution of the respondent views as regards to the confidential information of customers is well secured by the bank is displayed in Figure 4.26

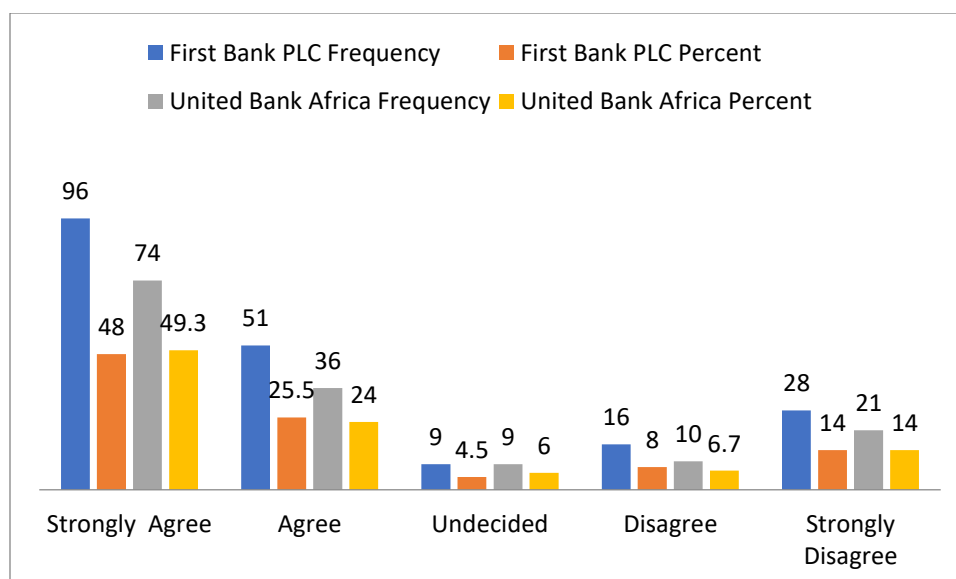


Figure 4.26 The confidential information of customers is well secured by the bank

Table 4.27 I am confident that this bank can stand the test of time

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	113	56.5	80	53.3
Agree	62	3.1	47	31.3
Undecided	8	4	6	4
Disagree	9	4.5	9	6
Strongly Disagree	8	4	8	5.3
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.27 displayed the response of the respondent as regards their confidence that the bank can stand the test of time. From the response of the respondents in First Bank, 113(56.5%) strongly agree, 62(3.1%) agreed, 8(4%) were undecided, 9(4.5%) disagreed while 8(4%) strongly disagree. However, for respondents in UBA, 80(53.3%) strongly agree, 47(31.3%) agreed, 6(4%) were undecided, 9(6%) disagreed while 8(5.3%) strongly disagree. From the outcome of the

respondent's view, customers of both banks feel confident that the bank can stand the test of time.

The distribution of the respondent view is displayed in Figure 4.27

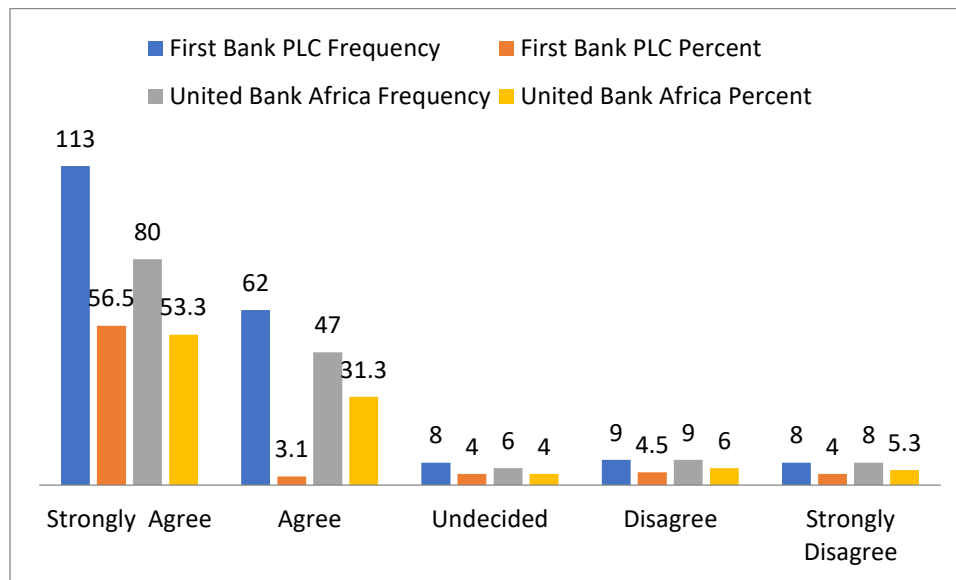


Figure 4.27 I am confident that this bank can stand the test of time

Table 4.28 The financial institution is dependable

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	128	64	96	64
Agree	50	25	37	24.7
Undecided	3	1.5	3	2
Disagree	9	4.5	7	4.7

Strongly Disagree	10	5	7	4.7
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.28 displayed the response of the respondent as regards whether the financial institution is dependable. From the customer's response, as regard First Bank, 128(64%) strongly agree, 50(25%) agreed, 3(1.5%) were undecided, 9(4.5%) while 10(5%) strongly disagree. However, for respondents in UBA, 96(64%) strongly agree, 37(24.7%) agreed, 3(2%) were undecided, 7 (4.7%) disagreed while 7(4.7%) strongly disagree. It can be concluded from the respondent's view that both banks are dependable. Figure 4.28 shows the distribution of the respondent view on a Bar chart.

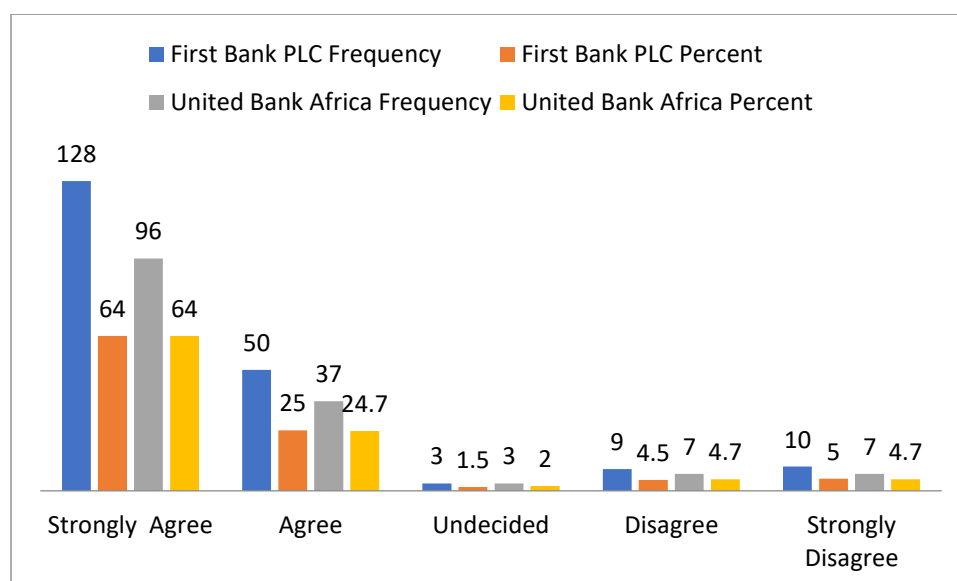


Figure 4.28 The financial institution is dependable

Table 4.29 The financial institution is a good services provider

First Bank PLC		United Bank Africa	
Frequency	Percent	Frequency	Percent

Strongly Agree	133	66.5	106	70.7
Agree	56	28	39	26
Undecided	3	1.5	1	0.7
Disagree	3	1.5	2	1.3
Strongly Disagree	5	2.5	2	1.3
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.29 displayed the response of the respondent as regards whether the financial institution is a good services provider. From the response of the respondents in First Bank, 133(66.5%) strongly agree, 56 (28%) agreed, 3(1.5%) undecided, 3(1.5%) disagreed while 5(2.5%) strongly disagree. However, for respondent in UBA, 106(70.7%) strongly agree, 39(26%) agreed, 1(0.7%) were undecided, 2(1.3%) disagreed while 2(1.3%) strongly disagree. From the outcome, customers of both banks are of the view that the financial institution is a good services provider. Figure 4.29 displayed the response of the respondent.

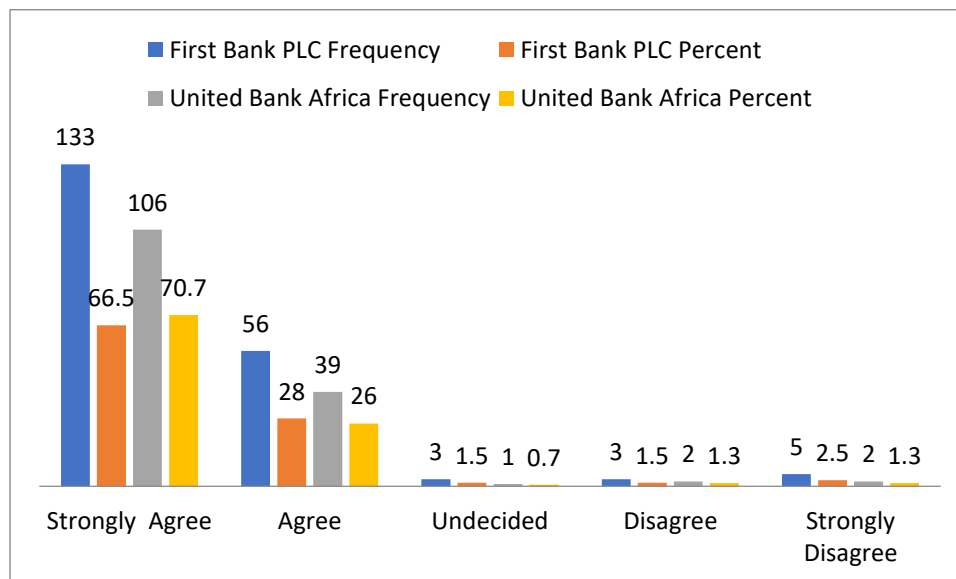


Figure 4. 29 The financial institution is a good services provider

Table 4.30 I seldom consider switching to another bank that provides the same services

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	112	56	79	52.7
Agree	75	37.5	58	38.7
Undecided	5	2.5	5	3.3
Disagree	4	2	4	2.7
Strongly Disagree	4	2	4	2.7
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.30 displayed the response of the respondent as regards them not switching to any other banks. From the response of the respondents in First Bank, 112(56%) strongly agree, 75(37.5%) agreed, 5(2.5%) were undecided, 4(2%) disagreed while 4(2%) strongly disagree. However, for respondent in UBA, 79(52.7%) strongly agree, 58(38.7%) agreed, 5(3.3%) were undecided, 4 (2.7%) disagreed while 4(2.7%) strongly disagree. Based on the result, the majority of them agreed that they are not ready to switch to any other banks. The distribution of the respondent view is presented in Figure 4.30

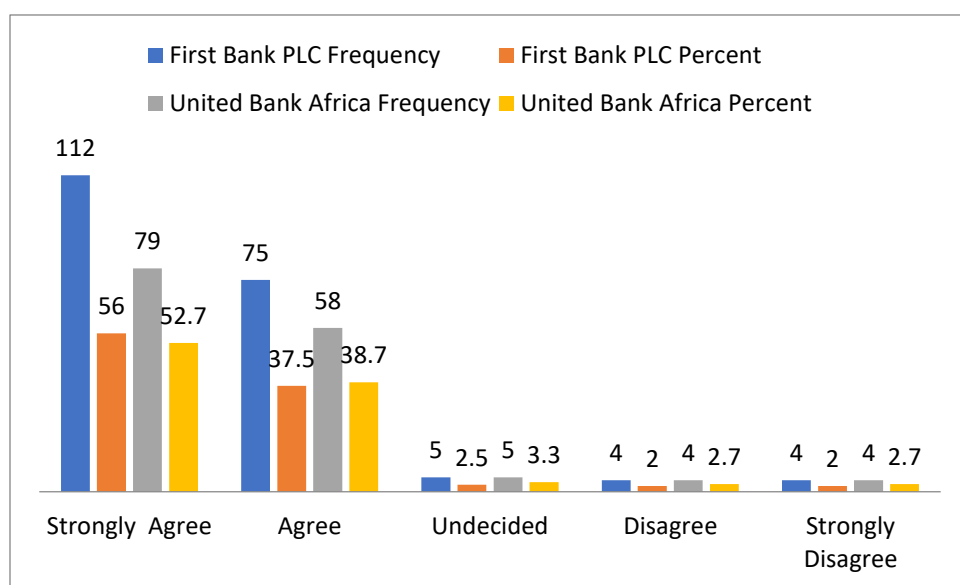


Figure 4.30 Bar chart showing respondent view on whether they seldom consider switching to another bank that provides the same services

Table 4.31 To the best of my knowledge, my present financial services provider is the best to transact business with

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	109	54.5	87	58
Agree	70	35	47	31.3
Undecided	6	3	3	2
Disagree	11	5.5	9	6
Strongly Disagree	4	2	4	2.7
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.31 displayed the response of the respondent as to whether their financial present financial services provider is the best to transact business. From the response of the respondents in First Bank, 109(54.5%) strongly agree 70(35%) agreed, 6(3%) were undecided, 11(5.5%) disagreed while 4(2%) strongly disagree. However, for respondents in UBA, 87(58%) strongly agree, 47(31.3%) agreed, 3(2%) were undecided, 9(6%) disagreed while 4(2.7%) strongly disagree. Based on the result, the majority of them agreed that to the best of their knowledge, their present financial services provider is the best to transact business with. Figure 4.31 displayed the respondent view on a Bar chart.

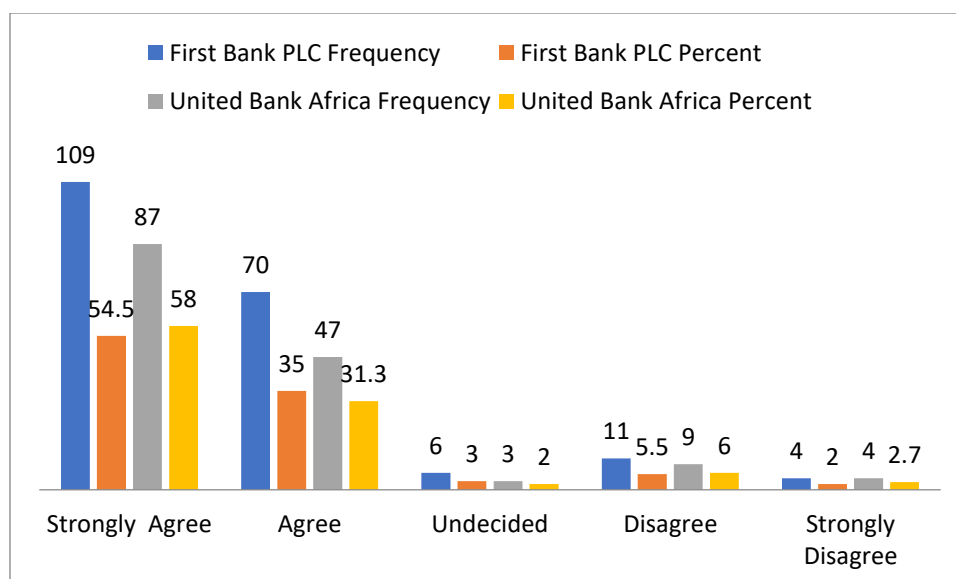


Figure 4.31 To the best of my knowledge, my present financial services provider is the best to transact business with

Table 4.32 This financial institution was my best choice when I needed a services provider

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	110	55	88	58.7
Agree	50	25	35	23.3
Undecided	4	2	2	1.3
Disagree	17	8.5	12	8
Strongly Disagree	19	9.5	13	8.7
Total	200	100	150	100

Source: Field Survey, 2021

Table 4.32 displayed the response of the respondent as regards whether the financial institution was their best choice when they needed a services provider. From the response of the respondents

in First Bank, 110 (55%) strongly agree, 50(25%) agreed, 4(2%) were undecided, 17(8.5%) disagreed 19(9.5%) strongly disagree. However, for respondents in UBA, 88(58.4.3%) strongly agree, 35(23.3%) agreed, 2(1.3%) were undecided, 12(8%) disagreed while 13(8,7%) strongly disagree. Based on customer's views from both banks, the majority of the respondent claimed that the financial institution was their best choice when they needed a services provider. Figure 4.32 displayed the respondent view as to whether the financial institution was my best choice when they needed a services provider

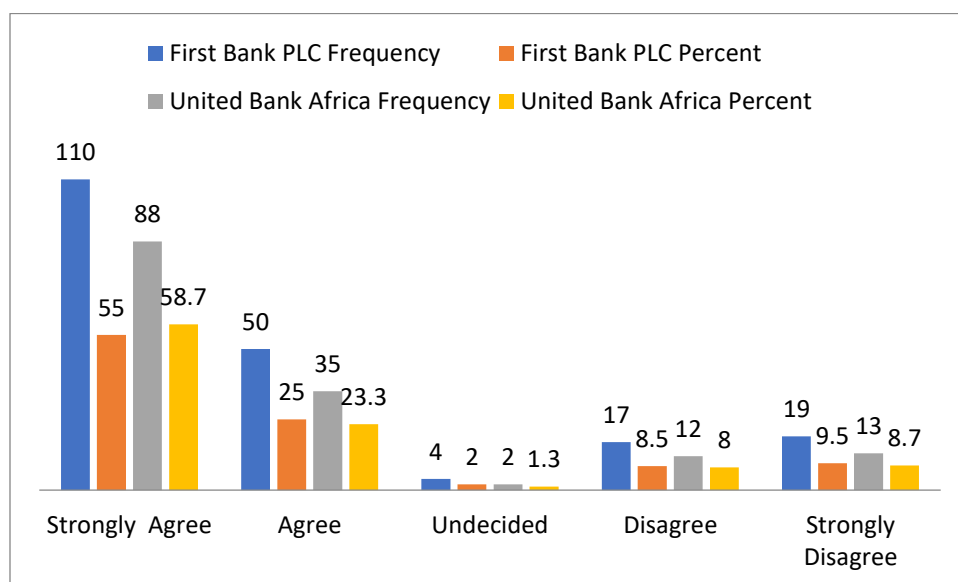


Figure 4.32 This financial institution was my best choice when I needed a services provider

Table 4.33 I always say positive things concerning my financial institution

	First Bank PLC		United Bank Africa	
	Frequency	Percent	Frequency	Percent
Strongly Agree	85	42.5	63	42
Agree	91	45.5	68	45.3
Undecided	9	4.5	7	4.7
Disagree	10	5	8	5.3
Strongly Disagree	5	2.5	4	2.7

Total	200	100	150	100
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Source: Field Survey, 2021

Table 4.33 displayed the response of the respondent as regards whether they always say positive things concerning their financial institution. From the response of the respondents in First Bank, 85(42.5%) strongly agree, 91(45.2%) agreed, 9(4.5%) were undecided, 10(5%) disagreed while 5(2.5%) strongly disagree. However, for respondents in UBA, 63(42%) strongly agree, 68(45.3%) agreed, 7(4.7%) were undecided, 8(5.3%) disagreed while 4(2.7%) strongly disagree. From the respondent's view, the majority of the respondent always say positive things concerning their financial institution. Figure 4.3 displayed the respondent view on a Bar chart

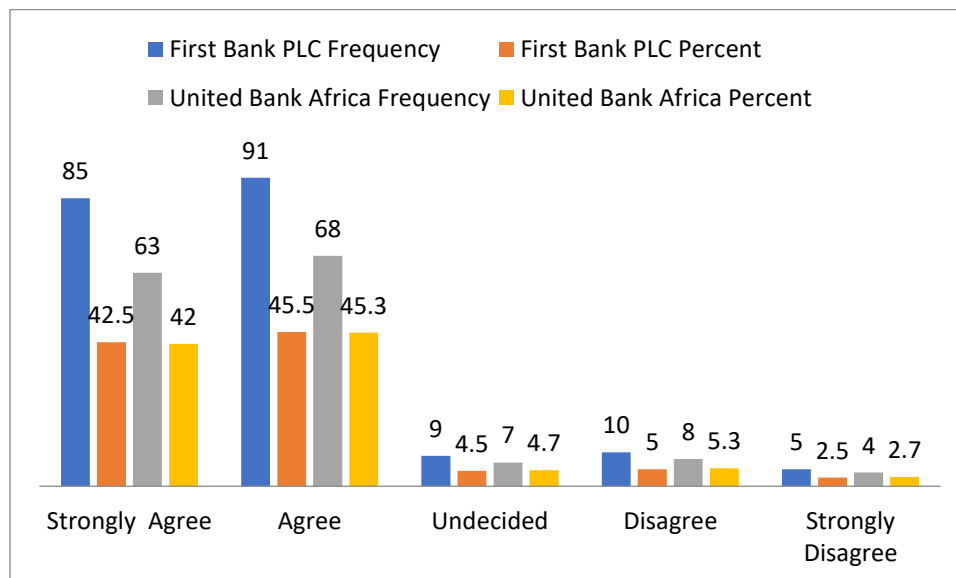


Figure 4.33 I always say positive things concerning my financial institution

4.8 Test of Hypothesis

Before testing the hypotheses of the study, the correlation analysis of all the variables was first addressed. The correlation result is presented below in Table 4.34

Table 4.36 Correlations

Control Variables	Reliability	assurance	Empathy	responsiveness	Tangibility
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customer loyalty	Reliability	Correlation	1.000	.259	.821	.017	.092
		Significance (2-tailed)	.	.090	.000	.915	.551
		df	0	42	42	42	42
	assurance	Correlation	.259	1.000	.169	.042	.477
		Significance (2-tailed)	.090	.	.272	.787	.001
		df	42	0	42	42	42
	Empathy	Correlation	.821	.169	1.000	-.238	.219
		Significance (2-tailed)	.000	.272	.	.120	.153
		df	42	42	0	42	42
	responsiveness	Correlation	-.017	.042	-.238	1.000	.015
		Significance (2-tailed)	.915	.787	.120	.	.921
		df	42	42	42	0	42
	tangibility	Correlation	.092	.477	.219	.015	1.000
		Significance (2-tailed)	.551	.001	.153	.921	.
		df	42	42	42	42	0

Source: Authors' computation 2021 using SPSS

The correlation result is shown in table 4.36. The component of service quality is presented. From the table, in terms of reliability components, there is a high correlation between reliability and empathy. The result is followed by assurance, tangibility then responsiveness with 0.821, 0.259, 0.92, and 0.17 respectively. For assurance, the correlation between it and another component of service delivery shows a high correlation with responsiveness followed by empathy, reliability, and tangibility with 0.787, 0.272, 0.90, and 0.01 respectively. For empathy variables, the correlation with other variables shows that it has a high positive correlation with reliability followed by tangibility and assurance but has a negative relationship with responsiveness. For responsiveness, it has a high correlation with all the other variables but low with empathy while tangibility has a low correlation with responsiveness and reliability.

Test of Hypothesis

The test of the hypothesis is presented in this section. Six hypotheses were formulated in an attempt to answer the research questions. However, before testing the hypotheses in the dissertation, the reliability test was tested using the Cronbach alpha coefficient. inline with previous studies, the study considered a Cronbach coefficient value that is above 0.60 to be recommended as a reliable item in the questionnaire. The test was carried out for each of the variables in the item and the values are presented in Table 4.37.

Table 4.34: Reliability test

Items	No of Items	Cronbach value	Decision
Reliability	5	0.817	Reliable
Assurance	6	0.731	Reliable
Responsiveness	6	0.756	Reliable
Tangibility	5	0.775	Reliable
Empathy	5	0.804	Reliable
Customer loyalty	5	0.729	Reliable

Source: Computed by Author using SPSS

From the test statistics carried out, it is shown that all the items variable has a Cronbach alpha value to be higher than .60. This, therefore, shows that all the variables are reliable for conducting the research

Hypothesis One

H₀: Empathy, bank reliability, bank assurance, bank tangibility, and bank responsiveness have no significant impact on customer loyalty.

H₁: Empathy, bank reliability, bank assurance, bank tangibility, and bank responsiveness have a significant impact on customer loyalty

To achieve this objective, regression analysis was employed and the result obtained is presented in table 4.3 below

Table 4.38. Regression Result

Variable	F-Ratio	Sig of ρ	R	R ²	Adj R ²	β	t-Statistics	ρ
Constant	17.344	0.00	0.831	0.690	0.650	10.45	3.860	0.000
Empathy						0.300	3.728	0.001
Bank reliability						0.415	3.094	0.004
Bank assurance						0.326	3.413	0.001
Bank tangibility						0.617	7.001	0.000
Bank responsiveness						0.006	0.579	0.955

Source: Authors computation 2021

To effectively investigate the level of prediction of service quality components (Empathy, Reliability, Assurance, Tangibility, and Responsiveness) on customer loyalty, regression analysis was carried out on the variables, and the result is presented in Table 4.38. R-square which shows the level of prediction indicated that service quality measures in terms of bank empathy, reliability, assurance, tangibility, and responsiveness accounted for about 69% of the variation in customer loyalty. The contribution of each of the service quality components based on the estimation carried out from the multiple regression revealed as follows ($\beta = 0.415$, $\rho < 0.01$ for bank reliability; $\beta = 0.300$, $\rho < 0.01$ for bank empathy; $\beta = 0.326$, $\rho < 0.05$ for bank assurance; $\beta = 0.617$, $\rho < 0.01$ for bank tangibility and $\beta = 0.006$, $\rho > 0.1$ for bank responsiveness. The outcome shows that the highest contributive value for customer loyalty is bank assurance. Also, all the variables were positive and significant in determining customer loyalty except bank responsiveness which though positive was not significant. However, from the findings, the null hypothesis of service quality measures that cannot predict customer loyalty is rejected.

Testing for correlation between Service quality measures (Assurance, Empathy, Reliability, Responsiveness, and Tangibility) and Customer loyalty

To test the hypotheses on the relationship between each service quality component of the banks and customer loyalty, the Pearson product-moment correlation was used. The correlation technique helps to know the strength of the relationship between both variables and their directions. To know the strength, therefore, the study makes use of the rule of thumb as suggested by Weiliang, et al (2011). Table 4.39 presents the coefficient and the strength of the relationship

Table 4.39. The rule of thumb for the correlation coefficient

Coefficient Range	Strength of Relationship
$\pm 0.91 - \pm 1.00$	Very strong
$\pm 0.71 - \pm 0.90$	High
$\pm 0.41 - \pm 0.70$	Moderate
$\pm 0.21 - \pm 0.40$	Small but definite relationship
$\pm 0.01 - \pm 0.20$	Slight, most negligible

Source: Adapted from Weiliang, et al (2011)

Hypothesis Two

H₀: There is no significant relationship between bank reliability and customer loyalty

H₁: There is a significant relationship between bank reliability and customer loyalty

Table 4.40. Correlation between bank reliability and Customer loyalty

Variable	Mean	Std Dev	Number of Respondent	R	ρ - value	Decision
Customer loyalty	17.2374	1.67453	350	0.353**	0.00	Sig.
Bank Reliability	12.6458	2.06220				

Source: Author's computation, 2021

The Pearson correlation study was performed on both variables bank reliability and customer loyalty at 0.05 and 0.01, and the results were summarized in table 4.40 to accurately quantify the impact and strength of the relationship between bank reliability and customer loyalty. The correlation analysis showed that a connection exists between bank reliability and customer loyalty

($R=.353^{**}$ $N=350$ $\rho<0.005$). it was also observed from the table that the value for the mean was in between the minimum and maximum value for both variables with 5.00 and 25.00 for Customer loyalty and 5.00 and 25.00 for bank reliability respectively. The value from the correlation coefficient of .353 concerning the rule of thumb indicated that a small but definite relationship exists between bank reliability and customer loyalty in UBA and First Bank customers. From the outcome, therefore, we reject the null hypothesis of no significant relationship between customer loyalty and bank reliability.

Hypothesis Three

H_0 : There is no significant relationship between bank assurance and customer loyalty

H_1 : There is a significant relationship between bank assurance and customer loyalty

Table 4.41. Correlation between Bank assurance and Customer loyalty

Variable	Mean	Std Dev	Number of Respondent	R	ρ -value	Decision
Customer loyalty	17.2374	1.67453	350	0.670**	0.00	Significance
Bank assurance	18.1286	2.4569				

Source: Author's computation. 2021

The Pearson correlation study was performed on both variables bank assurance and customer loyalty at 0.05 and 0.01, and the results were summarized in table 4.41 to accurately quantify the impact and strength of the relationship between bank assurance and customer loyalty. The correlation analysis showed that a connection exists between bank assurance and customer loyalty ($R=.670^{**}$ $N=350$ $\rho<0.005$). It was also observed from the table that the value for the mean was in between the minimum and maximum value for both variables with 5.00 and 25.00 for Customer loyalty and 6.00 and 30.00 for bank assurance respectively. The value from the correlation coefficient of .670 for the rule of thumb indicated a moderate strength of relationship bank assurance and customer loyalty in UBA and First Bank customers. From the outcome, therefore,

we reject the null hypothesis of no significant relationship between customer loyalty and bank assurance.

Hypothesis Four

H₀: There is no significant relationship between responsiveness and customer loyalty

H₁: There is a significant relationship between bank responsiveness and customer loyalty

Table 4.42. Correlation between Empathy and Customer loyalty

Variable	Mean	Std Dev	Number of Respondent	R	ρ - value	Decision
Customer loyalty	17.2374	1.67453	350	0.416**	0.00	Significant
Bank Responsiveness	17.4564	1.45297				

Source: Author's computation. 2021

The Pearson correlation study was performed on both variables bank responsiveness and customer loyalty at 0.05 and 0.01, and the results were summarized in table 4.42 to accurately quantify the impact and strength of the relationship between bank responsiveness and customer loyalty. The correlation analysis showed that a connection exists between bank responsiveness and customer loyalty (R=.350** N=350 $\rho < 0.005$). It was also observed from the table that the value for the mean was in between the minimum and maximum value for both variables with 5.00 and 25.00 for customer loyalty and 6.00 and 30.00 for bank responsiveness respectively. The value from the correlation coefficient of .350 for the rule of thumb indicated a small but definite relationship between bank responsiveness and customer loyalty in UBA and First Bank customers. From the outcome, therefore, we reject the null hypothesis of no significant relationship between customer loyalty and bank responsiveness.

Hypothesis Five

H₀: There is no significant relationship between bank tangibility and customer loyalty

H₁: There is a significant relationship between bank tangibility and customer loyalty

To achieve this objective, the Pearson moment correlation techniques were used and the result is presented below

Table 4.43. Correlation between Bank tangibility and Customer loyalty

Variable	Mean	Std Dev	Number of Respondent	R	p-value	Decision
Customer loyalty	17.2374	1.67453	350	0.425**	0.00	Significant
Bank tangibility	14.1243	1.5131				

Source: Author's computation 2021

The Pearson correlation study was performed on both variables bank tangibility and customer loyalty at 0.05 and 0.01, and the results were summarized in table 4.43 to accurately quantify the impact and strength of the relationship between bank tangibility and customer loyalty. The correlation analysis showed that a connection exists between bank tangibility and customer loyalty ($R=.425^{**}$ $N=350$ $\rho<0.005$). It was also observed from the table that the value for the mean was in between the minimum and maximum value for both variables with 5.00 and 25.00 for Customer loyalty and 5.00 and 25.00 for bank tangibility respectively. The value from the correlation coefficient of .425 for the rule of thumb indicated a moderate strength of relationship bank tangibility and customer loyalty in UBA and First Bank customers. From the outcome, therefore, we reject the null hypothesis of no significant relationship between customer loyalty and bank tangibility.

Hypothesis Six

H₀: There is no significant relationship between bank empathy and customer loyalty

H₁: There is a significant relationship between bank empathy and customer loyalty

Table 4.44. Correlation between Empathy and Customer loyalty

Variable	Mean	Std Dev	Number of Respondent	R	ρ -value	Decision
Customer loyalty	17.2374	1.67453	350	0.654**	0.00	Sig
Bank empathy	12.5617	2.12548				

Source: Computed by Author, 2021

The Pearson moment correlation techniques were done on both variables; bank empathy and customer loyalty at 0.05 and 0.01, and the results were summarized in table 4.44 to accurately quantify the impact and strength of the relationship between bank empathy and customer loyalty. The correlation analysis showed that a connection exists between bank empathy and customer loyalty ($R=.654^{**}$ $N=350$ $\rho<0.005$). It was also observed from the table that the value for the mean was in between the minimum and maximum value for both variables with 5.00 and 25.00 for Customer loyalty and 5.00 and 30.00 for bank empathy respectively. The value from the correlation coefficient of .654 for the rule of thumb indicated a moderate strength of relationship bank assurance and customer loyalty in UBA and First Bank customers. From the outcome, therefore, we reject the null hypothesis of no significant relationship between customer loyalty and bank empathy.

CHAPTER FIVE

DISCUSSION OF FINDINGS

5.1 Introduction

The dissertation focused on the effect of service quality by banks on the loyalty of customers using two different financial institutions that are players in the service delivery (UBA and First bank PLC). In an attempt to give answers to the research questions raised in the study, six hypotheses were formulated and tested with both correlation and multiple regression analysis. To guide the study, service delivery is measured with five components as supported by the literature. These are tangibility, empathy, reliability, responsiveness, and assurance. The discussion of the findings revealed as follows :

5.2 Discussion of findings

Firstly, in objectives one, the essence was to determine the level of prediction of the components of service quality on customer loyalty in both UBA and First Bank of Nigeria situated in Lagos State. The study confirmed that bank assurance, tangibility, empathy, reliability, and responsiveness accounted for approximately 65% of the variation of customer loyalty to the bank. On an account of the findings, the study accepts the alternative hypothesis that service quality can predict the loyalty of customers in both UBA and First bank. The null hypothesis was rejected.

As regards the second objective, the essence was to determine the extent and strength of the relationship between bank reliability and the loyalty of the customers in the bank. Correlation analysis was carried out using Pearson product-moment. The result revealed that a moderate relationship exists between bank reliability and customer loyalty to the banks. The findings from the study also related with findings from Leninkumar (2016) that investigated the effect of service quality on customer loyalty in Srilanka and found a positive relationship between bank reliability

and customer loyalty. The study by Rashid et al (2020) on exploring the relationship between customer loyalty and financial sector performance among banks in Bangladesh also confirmed a positive and significant relationship between the reliability of banks and customer loyalty. On the account of the findings, the null hypothesis of no significant relationship between the level of bank reliability and customer loyalty is rejected.

As regards the third objective, the essence was to determine the extent and strength of the relationship between bank assurance and the loyalty of the customers in the bank. Correlation analysis was carried out using Pearson product-moment. The result revealed that a moderate relationship exists between bank assurance and customer loyalty to the banks. The findings from the study also related with findings from a study by Rashid et al (2020) on exploring the relationship between customer loyalty and financial sector performance among banks in Bangladesh also confirmed a positive and significant relationship between banks assurance and customer loyalty. Fida, et al (2020) study on the impact of service quality on customer loyalty and satisfaction in the Islamic Bank of Sultanate also confirmed a positive and significant relationship. On the account of the findings, the null hypothesis of no significant relationship between the level of bank assurance and customer loyalty is rejected.

As regards the fourth objective, the essence was to determine the extent and strength of the relationship between bank responsiveness and bank loyalty. Correlation analysis was carried out using Pearson product-moment to address the research question. The result revealed that a moderate relationship exists between bank responsiveness and customer loyalty. The findings from the study also related with findings from other research carried out in the literature on the issue of service quality and customer loyalty. Studies such as Sangjae and Kun (2020) on the effect of service quality on customer loyalty using internet banking also found a positive and significant

relationship between bank responsiveness and customer loyalty. On the account of the strength of the relationship, the study rejects the null hypothesis of no significant relationship between both.

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As regards the fifth objective, the essence was to determine the extent and strength of the relationship between bank tangibility and customer loyalty. Correlation analysis was carried out using Pearson product-moment techniques to address the question. The result revealed that a moderate relationship exists between bank tangibility and customer loyalty of the bank. The findings from the study also related to findings by Karim (2010) who investigated the impact of service quality on customer satisfaction and customer loyalty using the private banking sector in Bangladesh. He confirmed a positive and significant relationship between both. Also, Rashid et al (2020) studies on exploring the relationship between customer loyalty and financial sector performance among banks in Bangladesh confirmed a positive and significant relationship between banks' assurance and customer loyalty.

Following the research questions to the sixth objective of the study, the essence was to determine the extent and strength of the relationship between bank empathy on customer loyalty. Correlation analysis was also employed to address the question using the Pearson product-moment technique. The result revealed that a positive and significant relationship exists between bank empathy and customer loyalty to the banks. The findings from the study also related to studies by Lomendra et al (2019) on the impact of the service quality dimension on the satisfaction of customers in the commercial banks of Mauritius.

5.3 Conclusion

They concluded that a positive and strong relationship exists between service quality in terms of empathy and customer loyalty. On the outcome of the findings, the null hypothesis of no significant relationship between both is rejected.

CHAPTER SIX

SUMMARY, CONCLUSION, AND RECOMMENDATIONS

6.1 Introduction

This chapter of the thesis deals with the summary, conclusion, and recommendations. The chapter also discusses issues relating to the limitation of the study, the contribution of the study to knowledge, and suggestions for future studies in the area of service quality and customer loyalty.

6.2 Summary of Findings

Service quality and delivery are one of the major areas in which customers look to remain loyal to any organization be it financial or non – financial. As a result, this study examined the impact of service quality on customer loyalty using First Bank Nigeria Plc and United Bank for Africa in Nigeria. The aim was to investigate whether service quality measured by (bank tangibility, bank empathy, bank reliability, bank responsiveness, and bank assurance) had any significant effect and association with the loyalty of the banks' customers. In an attempt to address the issue, purposive sampling was used to select a total of 350 customers that patronizes both banks comparing 150 customers from First Bank and 200 customers from UBA. Six hypotheses were formulated and tested. Six hypotheses were also formulated to address the research questions set. The summary of the findings are as follows:

- i. That tangibility, empathy, reliable responses, and assurance of the bank impacted positively and significant on the loyalty of customers
- ii. That a strong positive and significant relationship exert between tangibility and loyalty of customers in UBA and First bank

- iii. That empathy of bank has a positive and significant relationship with the loyalty of customers in UBA and First Bank
- iv. That a strong positive and significant relationship exist between the reliability of banks and the loyalty of their customer
- v. That bank's responsiveness has a strong positive and significant relationship with customer loyalty
- vi. That the assurance of customer towards the bank determine their loyalty and commitment to banks

6.3 Conclusion

The issues of service delivery have become important to every service provider in their quest to retain their customers either in the financial or non – financial sectors. This study examined the effect of service quality on customer loyalty using two major financial institutions in Nigeria (UBA and First Bank Plc). Five major components of service quality were used. The study concludes as follows: First, in terms of the service quality components, bank tangibility and reliability are the major service quality that influenced customers to be more loyal to the financial institutions. Second, all the components of service quality are positively related to customer loyalty for customers of UBA and First bank. The findings of the study are in line with Mosimaregape et al (2020) that opined that service quality is important for the financial sector to retain its customers.

6.4 Recommendation

From the outcome of the research, no doubt that service quality in any financial institution or service sector is very important as a means to keep their customers. Based on this, the study recommended as follows

- i. Management should ensure that tangible engagement is important.
- ii. Banks' online services should be effective and easy to use.
- iii. The staff of the banks should be more friendly to attract customers
- iv. There should be no preferential treatments as regard to attending to customers
- v. There is a need for banks to be ready to do what they promised the customers to have trust in them

6.5 Limitation of the study

This study on the effect of service quality on customer loyalty though has contributed to knowledge in different ways. The time limit for the study was short which would have accommodation for more participants to participate in the study, which would have led to more robust findings. Also, only the completed questionnaire was used in this study. Due to the fact that the study was carried out in Nigeria, data were collected through a research assistant, this make it difficult for the researcher to make an in-person oral interview with some of the participants.

This would have assisted the researcher to determine other major components of service quality aside from the measures used, that are also important to determine the continuous patronage of customers to the financial institution.

6.6 Suggestions for Further Research

The study examines the impact of service quantity making use of only two financial institutions UBA and First bank which are players in service delivery other studies may focus on more than two banks and also make comparisons with other banks.

Also, new finance banks need to be studied to see their implication in the loyalty of the customers.

Also, the study only makes use of customers in Lagos, only for the studies may look at other studies and make comparisons.

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QUESTIONNAIRE

A Survey on the Effects of Service Quality on Customer satisfaction and loyalty: Case Study of First Bank and United Bank for Africa.

Dear Sir/Madam,

I am a final year student in the school of Business at the National College of Ireland, Dublin. You are invited to take part in a research project on the effects of service quality on customer satisfaction and customer loyalty.

The objective of the study is to investigate the relationship between service quality practices and customer satisfaction and loyalty. The survey, therefore, contains questions relating to service quality, customer satisfaction, customer loyalty, and some personal information.

Participation in this research is voluntary. Your responses will be anonymous. The data from the survey will be used solely for academic research and for no other purpose.

Thank you very much for your participation. Your views are valued and much appreciated.

Thank you,

Ayobami Pase.

Please answer all questions in this section (tick appropriately)

Section A: General information

1. Which of these financial Institutions do you operate transaction with?

United Bank for Africa ()

First Bank Plc ()

2. Gender: Male () Female () Prefer not to say ()

3. Age (in years)
 Between 18-30 () Between 31-40 () Between 41-50() 51-60() Over 60 years ()
4. For how long have you been a customer of this bank? Less than 1year () 1-4 years () 5-9 years () 10-15 () Over 15 years ()
5. Are you a customer of any other bank?
 Yes ()
 No ()
6. Qualification HND/BSc Certificate () Postgraduate Certificate () Professional Certificate () Others ()
7. Nature of your job, trade, profession, or business
 Employee (Public sector) ()
 Employee (private sector) ()
 Self-employed (Trader) ()
 Self-employed (Workman/artisan) ()
 Others ()
8. Which of the following job titles best describes your role within your organization?
 Manager () Director () Marketer () Sales Representative () Other ()

Section B: Service Quality, Customer Satisfaction, and Customer Loyalty

Instructions:

S/N	Dimensions of service quality	Rating Keys			
		1 Strongly Agree	2 Agree	3 Strongly Disagree	4 Disagree
A	Tangibility				
9.	<i>Physical engagement</i> in the bank is important				
10.	Employees of the bank appear to be friendly				
11.	The online services of the bank are easy to use				
12.	The online services of the bank deliver good quality service.				

13.	I have no difficulty using the online services				
B	Empathy				
14	Customers are attended to in a friendly manner				
15.	Issues relating to online banking applications are resolved by the bank employees				
16.	There is preferential treatment for the pregnant, elderly, and physically challenged customers				
17.	Customers are attended to based on a First come first served basis				
C	Reliability				
18.	There is a sincere interest exhibited in solving customers' problems.				
19.	The services of the bank are delivered with accuracy				
20.	The bank has maintained error-free and up-to-date records such as bills and statements				
21.	The bank staff delivers their services efficiently				
22.	The bank ensures customers' transactions and records are kept with confidentiality				
D	Responsiveness				
23.	The staff show a willingness to respond to customers' needs				
24.	There is a procedure for quick response to complaints made				
25.	Customers requests are resolved timely by the bank's staff.				

26.	Customers have ease of access to the required banking services.				
27.	Bank employees exhibit a high level of competence and skills in the discharge of their duties				
28.	The bank has a process for attending to customer complaints even after working hours				
E	Assurance				
29.	The confidential information of customers is well secured by the bank				
30.	I am confident that this bank can stand the test of time				
31.	I am confident that my money is secured with the bank even when there is an emergency				
32.	I am confident that the bank keeps to its promise				
33..	The financial institution is dependable				
F	Customer Satisfaction				
34.	The bank staff has a courteous and hospitable approach to treating customers				
35.	I am satisfied with the manner with which my complaints are addressed in the banking hall				
36.	I am satisfied with the charges per transaction offered by the bank				
37.	Compared to other banks I transact business with, this present bank is better				
38.	I am not satisfied with the experience I get at this bank				
G	Customer Loyalty				
39.	This financial institution is a good service provider				
40.	To the best of my knowledge, my present financial service				

	provider is the best to transact business with				
41.	This financial institution was my best choice when I needed a service provider				
42.	I always say positive things concerning my financial institution				

Correlations

Control Variables			Reliability	assurance	Empathy	responsiveness	tangibility
customer loyalty	Reliability	Correlation	1.000	.259	.821	-.017	.092
		Significance (2-tailed)	.	.090	.000	.915	.551
		Df	0	42	42	42	42
	Assurance	Correlation	.259	1.000	.169	.042	.477
		Significance (2-tailed)	.090	.	.272	.787	.001
		Df	42	0	42	42	42
	Empathy	Correlation	.821	.169	1.000	-.238	.219
		Significance (2-tailed)	.000	.272	.	.120	.153
		Df	42	42	0	42	42
	responsiveness	Correlation	-.017	.042	-.238	1.000	.015
		Significance (2-tailed)	.915	.787	.120	.	.921
		Df	42	42	42	0	42
	tangibility	Correlation	.092	.477	.219	.015	1.000
		Significance (2-tailed)	.551	.001	.153	.921	.
		Df	42	42	42	42	0

Correlations

		Reliability	customer loyalty
Reliability	Pearson Correlation	1	.353 [*]
	Sig. (2-tailed)		.017
	N	350	350
customer loyalty	Pearson Correlation	.353 [*]	1
	Sig. (2-tailed)	.017	
	N	350	350

*. Correlation is significant at the 0.05 level (2-tailed).

Correlations

		Empathy	customer loyalty
Empathy	Pearson Correlation	1	.654**
	Sig. (2-tailed)		.002
	N	350	350
customer loyalty	Pearson Correlation	.654**	1
	Sig. (2-tailed)	.002	
	N	350	350

*. Correlation is significant at the 0.05 level (2-tailed)

Correlations

		Assurance	customer loyalty
assurance	Pearson Correlation	1	.670**
	Sig. (2-tailed)		.000
	N	350	350
customer loyalty	Pearson Correlation	.670**	1
	Sig. (2-tailed)	.000	
	N	350	350

*. Correlation is significant at the 0.05 level (2-tailed)

Correlations

		Tangibility	customer loyalty
tangibility	Pearson Correlation	1	.687**
	Sig. (2-tailed)		.000
	N	350	350
customer loyalty	Pearson Correlation	.687**	1
	Sig. (2-tailed)	.000	
	N	350	350

** . Correlation is significant at the 0.01 level (2-tailed).

Correlations

		Responsiveness	customer loyalty
responsiveness	Pearson Correlation	1	.335*
	Sig. (2-tailed)		.024
	N	350	350
customer loyalty	Pearson Correlation	.335**	1
	Sig. (2-tailed)	.024	
	N	350	350

*. Correlation is significant at the 0.05 level (2-tailed).

Correlations

		Tangibility	customer loyalty
Tangibility	Pearson Correlation	1	.425*
	Sig. (2-tailed)		.004
	N	350	350
customer loyalty	Pearson Correlation	.425*	1
	Sig. (2-tailed)	.004	
	N	350	350

*. Correlation is significant at the 0.05 level (2-tailed).

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.831 ^a	.690	.650	.70226	.690	17.344	6	344	.000	1.808

a. Predictors: (Constant), responsiveness, assurance, Reliability, tangibility, Empathy

b. Dependent Variable: customer loyalty

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	10.455	2.709		3.860	.000
1 Reliability	.415	.111	.608	3.728	.001
1 Empathy	.300	.097	.506	3.094	.004
1 Assurance	.326	.095	.326	3.443	.001
1 Tangibility	.617	.088	.696	7.001	.000
1 responsiveness	.006	.106	.006	.057	.955

a. Dependent Variable: customer loyalty

Residuals Statistics

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	17.0474	21.3646	19.3333	.98588	350
Residual	-1.46380	1.13631	.00000	.66115	45
Std. Predicted Value	-2.319	2.060	.000	1.000	45
Std. Residual	-2.084	1.618	.000	.941	45

a. Dependent Variable: customerloyalty

RELIABILITY TEST

Customer Loyalty

Reliability

Reliability Statistics

Cronbach's Alpha	N of Items
.729	5

Reliability Statistics

Cronbach's Alpha	Part 1	Value	1.000
		N of Items	3(a)
	Part 2	Value	1.000
		N of Items	2(b)
	Total N of Items		10
Correlation Between Forms			.755
Spearman-Brown Coefficient	Equal Length		.861
	Unequal Length		.861
Guttman Split-Half Coefficient			.859

Bank Reliability

Reliability

Reliability Statistics

Cronbach's Alpha	N of Items
.817	5

Reliability Statistics

Cronbach's Alpha	Part 1	Value	.698
		N of Items	3(a)
	Part 2	Value	.675
		N of Items	2(b)
	Total N of Items		14
Correlation Between Forms			.586
Spearman-Brown Coefficient	Equal Length		.544
	Unequal Length		.544
Guttman Split-Half Coefficient			.653

Responsiveness

Reliability

Reliability Statistics

Cronbach's Alpha	N of Items
.756	6

Reliability Statistics

Cronbach's Alpha	Part 1	Value	1.000
		N of Items	2(a)
	Part 2	Value	1.000
		N of Items	1(b)
	Total N of Items		3
Correlation Between Forms			.867
Spearman-Brown Coefficient	Equal Length		.756
	Unequal Length		.756
Guttman Split-Half Coefficient			.967

Empathy

Reliability

Reliability Statistics

Cronbach's Alpha	N of Items
.804	5

Reliability Statistics

Cronbach's Alpha	Part 1	Value	1.000
		N of Items	(a)
	Part 2	Value	1.000
		N of Items	3(b)
	Total N of Items		3
Correlation Between Forms			.678
Spearman-Brown Coefficient	Equal Length		.673
	Unequal Length		.654
Guttman Split-Half Coefficient			.756

Assurance

Reliability

Reliability Statistics

Cronbach's Alpha	N of Items
.731	6

Reliability Statistics

Cronbach's Alpha	Part 1	Value	1.000
		N of Items	(a)
	Part 2	Value	1.000
		N of Items	2(b)
	Total N of Items		4
Correlation Between Forms			.672
Spearman-Brown Coefficient	Equal Length		.723
	Unequal Length		.754
Guttman Split-Half Coefficient			.774

Tangibility

Reliability

Reliability Statistics

Cronbach's Alpha	N of Items
.775	5

Reliability Statistics

Cronbach's Alpha	Part 1	Value	1.000
		N of Items	(a)
	Part 2	Value	1.000
		N of Items	2(b)
	Total N of Items		4
Correlation Between Forms			.672
Spearman-Brown Coefficient	Equal Length		.723
	Unequal Length		.754
Guttman Split-Half Coefficient			.774