

## Mobile Banking and Customer Satisfaction: The Case of Dhaka City

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*This study tries to analyze the relationships of variables under consideration into two different steps. At first, it examines the relationship between the quality of service and satisfaction of the customer. Secondly, it identifies the relationship between customer loyalty with quality of service, cost of switching and finally trusts in the mobile banking sector of Bangladesh. In this research several hypotheses are extracted from the framework are tested by using correlation and regression analysis. A sample of 250 respondents (user of mobile banking services) participates and convenience sampling method is used. The study was conducted from January 2014 to July 2014. The correlation and regression analysis in the examination endow with full support for the hypothesis which are related to reliability, responsiveness, trust, switching costs and demographic environment. The findings advocate that the executives of these banks should put more focus on escalating switching cost, developing more creative activities to grow trust among clients to increase loyalty. Findings also show that action loyalty, customer satisfaction has positive relationship. In addition, service quality was seen to affect customer satisfaction, but its impact on action, loyalty of customer was not significant to a greater extent.*

**Keywords:** Mobile banking, customer, satisfaction, action loyalty.

### 1. Introduction

The growth and development of telecommunication and banking sector in Bangladesh have been phenomenal. The use of mobile telephones has largely been familiar and increased in the late 90's and became one of the fastest growing areas of the economy. The growth potentials will continue to remain robust for the foreseeable future. There are around 151.82 million people in Bangladesh, according to Asian Development Bank, 2012 of which only 13 percent have bank accounts whereas more than 95 percent are mobile phone users. Banks can now offer the banking services to both the rural community and the population (without banking transaction) through mobile phones. Mobile banking refers to a system that enables bank customers to access accounts and general information on bank products and services through Mobile devices. The central bank has already approved 25 banks to operate mobile banking services. Of which, 16 banks have already started operation and NCC Bank launched its operation as number 17 (Bangladesh Bank).

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The primary supervisory body of the banking industry Bangladesh Bank (BB) nurtures innovation and monitor the impact of mobile banking services in improving peoples' lives by formulating policies for easy access to banking services at an affordable cost. According to BB the total number of mobile bank subscribers has reached 1.50 cr, daily average transaction is 263.18 cr and daily growth rate is 20.83 percent (Atiur,R, 2014). As part of the government's financial inclusion programme, the central bank allowed 28 banks to provide mobile-banking. To date, 19 have launched the service. BRAC Bank's bKash, Dutch-Bangla Bank's mobile banking, Islamic Bank's MCash, United Commercial Bank's UCash, Trust Bank's mobile money, ONE Bank's OK mobile banking are now the key players in MFS in the country. Last year, Mobile banking registered 186 percent growth in cash transactions and 262 percent in the number of subscribers (Moazzem, 2012).

As the subscriber is increasing day by day the competition is becoming fierce among the competitors. So that the companies are facing difficulties in retaining customers and some of them are fighting hard to survive. The intensified competition gives people more bargaining power which forces the banks to fight hard against each other. This immense competition creates the problem of low customer satisfaction and customer loyalty. Companies are racing to improve their services, grow trust and create barriers so that clients remain loyal. They are interested in focusing on factors affecting satisfaction and loyalty among clients (Islam, 2010). Marketing literature indicates that service quality, trust, demographic environment and switching cost affect customer satisfaction and loyalty.

The previous work undermines the role of service quality as a determinant of customer loyalty, and rather intended to focus on corporate image. In addition to that, no effort was put to study relationship between service quality and customer satisfaction. But this study focuses on the role of service quality, switching cost, trust and demographic environment as determinants of customer loyalty. Furthermore, an effort is made to study relationship between service quality and customer satisfaction. Since research in the banking industry recognized service quality as one of the major contributors to satisfaction and loyalty, the author added these independent variables to the previous model and excluded corporate image. Corporate image was omitted due to the notion that, people in the developing countries are more prices sensitive and rational and are less guided by the image factor. The objective of the current study is to cross check the previous findings and know more about service quality and satisfaction so that; it will contributes to formulate effective marketing strategies for companies to become victorious. The findings of the study shows that the executives of the banks should escalating switching cost and developing more inventive activities to grow trust among clients in order to increase customer satisfaction and loyalty.

This paper is organized in five sections. Section one focuses on problem statement, reasons behind the study, importance and findings of the study. Literature review and the model based on the hypothesis are presented in section two. In section three, sampling method, survey instrument and data collection methods are focused followed by the analysis and the conclusion of this study.

### 2. Literature Review

Mobile Banking is a process of no branch banking which provides financial services to unbanked communities in both urban and rural areas at affordable cost. The aim of the service is not to destroy branch banking, but to consider those people under the umbrella of banking service that are away from banking facilities. The Government thinks it has a great prospect as it is a new technology in digital Bangladesh. Through M-banking one can avail various services i.e.; utility bill payment, Fund Transfer, Shopping, Cash Withdrawn from selected ATM or Cash point and many more exciting facilities. But in Bangladesh many people think traditionally, because they cannot think it has any facility to use of mobile banking.

Bangladesh will be a role model for Mobile Financial Services globally if the present trend of growth continues. Mobile banking now registers more than 20 percent growth in cash transaction in a month thanks to the growing popularity of the services. On average, around Tk 263 crore is transacted a day through mobile banking services, which was only Tk 121 crore in April last year, according to Bangladesh Bank data. (Atiur,R,2014). There is a lot of enthusiasm with mobile banking, as the banking regulator is promoting commercial banks to develop the financial service. A rising number of people are now taking mobile financial services as it gives them a hassle-free transaction at an affordable cost. (Moazzem, 2013).

According to BB statistics, BB has allowed 21 state owned Bank (SCBs), private commercial Bank (PCBs) and Foreign Commercial Bank (FCBs) to operate mobile banking. One foreign bank has shown reluctance to operate it. Five foreign banks are now operating banking in the country. (Moazzem, 2013). It is observed that person to person money transfer—'cash in' and 'cash out'—are the most popular types of transactions. The total number of agents providing such services across Bangladesh stood at 2.93 lakh until March 31, up from 1.88 lakh until December 31, according to the BB-data.

Service quality has become a useful weapon for the organization since it helps them differentiate from other competitors (Berry et al. 1988). Overall service quality of an organization is decided by the interaction, physical and corporate quality (Lentinen and Lentinen, 1982). The output of the comparison between expected and perceived service is the definition of service quality (Lewis and Booms, 1983). Service quality is also known as attitude which is formed on the basis of long term evaluation of the service quality and attitudes considered as parallel constructs (Bitner & Hubert, 1994). Since attitude indicates a consistent positive or negative direction toward an object (Allport, 1935). There are some tools to measure service quality.

Parasuraman et al (1988) used ten dimensions and named it SERVQUAL. This instrument was revised 1991 and brought down to five dimensions - reliability, responsiveness, assurance, empathy and tangibles. These dimensions are very useful to measure service quality and in this research those dimensions will use for explanation. In service marketing literature, service quality is generally defined as the overall assessment of a service by the customers (Eshghi et al, 2008, p121) or the extent to which a service meets customers' needs or expectations (Asubonteng et al, 1996). Parasuraman et al (1985) define service quality as "The discrepancy between consumer perceptions of service offered by a particular firm and their expectations about firms' offerings such services".

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The SERVQUAL model was made of the ten dimensions of service quality when created; tangible, reliability, responsiveness, communication, credibility, security, competence, courtesy, understanding the customer and access. Parasuraman et al (1985, p. 47-48) but later on these dimensions were reduced to five because some dimensions were overlapping (communication, credibility, security, competence, courtesy, understands customs and access) and they included, tangibles - physical facilities, equipments and staff appearance. Reliability- to perform the promised service dependency and accurately; Responsiveness- willingness to help customers and provide prompt service; Assurance - knowledge and courtesy of employees and their ability to inspire trust and confidence; Empathy - caring, individual attention the firms provide its customer.

Buttle, (1996, p. 8) makes of several researchers that have used the SERVQUAL model in various industries (retailing, restaurants, banking, telecom, airline, catering, local government, hotel, hospitals and education). He further suggests that service quality has become an important topic because of its apparent relationships to costs, profitability, customer satisfaction, customer retention and positive word of mouth and it is widely considered as a driver of corporate marketing and financial performance.

### ***Switching cost, trust, demographic variables, customer loyalty and customer satisfaction:***

The cost not only includes monetary form, it even broadens the scope by taking other cost like psychological and physical effort, economic cost and time cost associated with dealing with uncertainties in trying a new service provider or unfamiliar brand (Dick & Base, 1994; Giltinan, 1989; Kim et al, 2003).

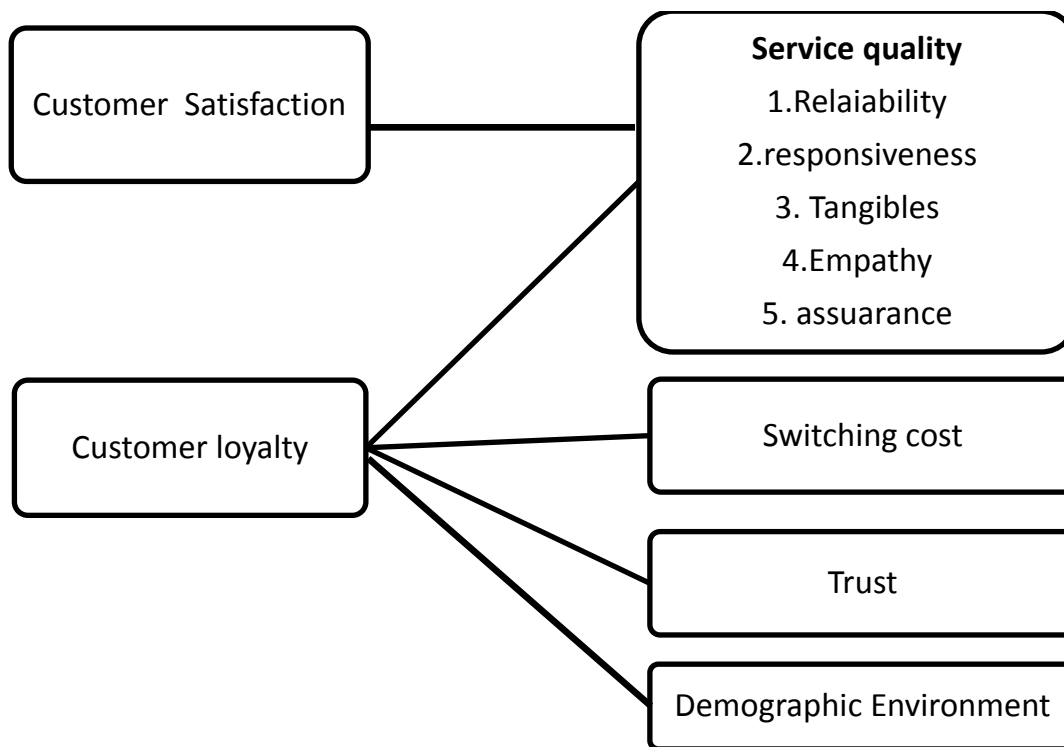
Switching cost normally varies from person to person (shy, 2002). According to porter (1998), the cost that customers incur to move from one company to another is switching cost. Trust is built on the notion by one party that the other party will assure a favorable outcome to him (Anderson & Narus, 1990) and it has been considered as a means to create a constant platform which ensure long lasting and mutually related (Geyskens et al, 1996; Singh & sirdeshmukh, 2000) . This means, it is not only the expectation about the positive outcome by the customers, but also the belief that such good things will be consistent and persistent in the future (Doney & Canon, 1997). Because of this trust a positive attitude is formed and that leads to affirmative buying intentions (Lau & lee, 1999)<sup>15</sup> toward a creation of the brand. There has always been a possibility to fail in delivering trust and without such vulnerability the concept of trust is meaningless (Bingley & Pearce 1998;). The importance of trust in relationship building has been confirmed by many research works and literatures are available on that (Blois, 1999). A loyal customer has positive feelings about a creation of the brand and this loyalty in quantifiable financial benefits. Repeat purchase of customers and their positive word of mouth communication to others represents customer loyalty and it can be measured by the repeat sales (Heskkett et al. 1994). Loyalty shows long term preference for brands and act as a barrier for switching (Feick & lee, 2001) , and hence, help companies maintain customer and increase market share (Duffy, 2003) . Faithful relation as such, lead people to establish exchange on the basis of past experience (Czepid & Gilmore, 1987): According to olive et al, (1992), attitudinal (intention to patronize) measure of loyalty is better than behavioral measure (repeat purchase)

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since, that gives an in-depth understanding of the dynamics of loyalty development and variation.

The demographic factors of customer also have some impact on customer satisfaction. Many previous studies have attempted to explain the relation between customer satisfactions and loyalty in all over the world, but no one has tried to understand what would be the impact of demographic factors on satisfaction and ultimately on customer loyalty (Naureen and Sahiwal, 2013). Customer satisfaction and different demographics are crucial demands for building loyalty among customers of the banking industry, however, they cannot assure that long term relationship will be build.

**Figure 1: Conceptual framework and hypothesis**



Here customer loyalty is explained with the help of the Oliver's model of loyalty. It generally consists of four stages, including cognitive, affective, conative and action, loyalty (Oliver, 1997). Conative loyalty is a consumers' readiness to suggest a service or product to a relative and friends. This is positive word-of-mouth statement. Action loyalty is expressed in terms of frequency of taking services or spending money. It implies that the customers' intention is transformed into action (Kuhl and Beekmann, 1985). In this study action-loyalty is used to obtain a comprehensive analysis of customer loyalty pattern in the mobile banking sector. The model is improved by including demographic environment, switching costs and trust in association with action loyalty. Based on this literature review a series of hypothesis are developed:

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**H1:** There is a significant relationship between service quality and customer satisfaction in the mobile banking sector of Bangladesh.

**H2:** There is an important relationship between service quality and action loyalty.

**H3:** There is a significant relationship between switching cost and action loyalty.

**H4:** There is an imperative relationship between trust and action loyalty.

**H5:** There are considerable relationships between demographic environment and action loyalty.

### 3. Methodology

The pictorial depiction of the framework (Figure 1) shows the structures of the relationship among the set of measured variables. The independent variables are service quality, trust, switching cost, demographic environment and dependent variables are customer satisfaction, action loyalty. Demographic environment and action loyalty are the new two variables added in this model. The objective is to investigate the relationship between quality of service (reliability, responsiveness, assurance, empathy, tangibles) and customer satisfaction and secondly the impact of quality, switching cost, trust and demographic environment on the action loyalty of customers.

#### 3.1 Sampling Method

A total of 250 participants were chosen randomly from the close locality of residential area. The respondents were the accounts holder of different banks in Dhaka city. Out of the total participants, 25% were Dutch Bangla mobile bank users, 40% were Bkash users, 20% U cash users, 10% M-cash users, 5 % were ok cash users. The sample consisted of 50% male and 50% female.

#### 3.2 Survey Instrument & Data Collection

The study needs primary data and therefore questionnaire was used to collect information. Quality of service was measured in terms of reliability, responsiveness, assurance empathy and tangibility based on the scale developed by Zethaml and Bit Nee (1996). Switching cost and trust included 7 items and 5 items and was developed by Burnham et al (2003), Morgan and Hunt (1994) respectively. A three item scale (Feick et al, 2001) of customer satisfaction and five (5) item scale for loyalty (Narayandas, 1996) were employed in present day. All the questions asked respondents to show their agreement or disagreement on a five point Likert scale with 1 as “strongly disagree” and 5 as “strongly agree”.

#### 3.3 Data Analysis

Descriptive statistics were used to summarize data. Mean and standard deviation of service quality dimension as well as for other dependent and independent variables had been calculated. Cronbach's alpha of each construct was measured to check the reliability of the questionnaire. To investigate the relationship between service quality and customers' satisfaction, correlation (Pearson product-moment correlation) and multiple regression models was used.

The second stage of the study, which intends to show the influences of four independent variables on customers’ action, loyalty availed the opportunity of using multiple regression analysis as it involved more than one independent variable. SPSS version 16 was used to conduct statistical analysis.

#### 4. Analysis and Findings of the Study

##### 4.1 Reliability Coefficient and Descriptive Statistics

The Cronbach’s alpha, means and standard deviations of all independent and dependent variables are presented in table 1. Typically, the value of reliability coefficient .50-.60 is considered acceptable for any kind of research at the primary stage (Nunnaly, 1987). Here, all the reliability coefficients meet the Nunnaly’s standard.

**Table 1: Cronbach’s Alpha and descriptive statistics of quality, trust, cost, customer satisfaction and action loyalty**

Scale	No of items	Alpha	M	SD
Reliability	5	.70	4.11	.42
Responsiveness	5	.75	4.15	.55
Assurance	3	.74	4.35	.60
Empathy	4	.74	4.56	.75
Tangibility	4	.72	4.35	.50
Switching cost	7	.70	4.00	.55
Trust	5	.53	4.40	.25
Demographic environment	5	.53	4.40	.55
Customer satisfaction	3	.69	4.32	.50
Action loyalty	7	.89	4.35	.60

Note: n=250

Average score of the dimension of services quality ranges from 4.11 to 4.56 on a Likert scale which is a tool to measure a service quality. It indicates the fact that the customer’s sensitivity regarding quality of service in the mobile banking sector are moderately high. Since the standard deviation it is clear that clients’ responses are more or less clustered around the mean which means they are reluctant to spend extra money and energy in changing operator. Other variables such as trust and action, loyalty have a coefficient of 4.40 and 4.30 respectively, which shows a positive result of their respective service provider.

##### 4.2 Correlation Analysis

In order to analysis the relationship between the independent and dependent variables a bivariate correlation was performed. This analysis was conducted by a two tailed statistical significance test and relationships are interpreted as highly significant ( $p > .01$ ) and significant ( $p < .05$ ).

All combinations of relationship between the variables are shown in table2. In analyzing the relationship between the quality of service and customer satisfaction, coefficients of these two

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variables were considered. It is observed that the coefficient of reliability ( $r=.40$ ,  $p>.01$ ), responsiveness ( $r=.50$ ,  $p>.01$ ), assurance ( $r=.24$ ,  $p<.01$ ), empathy ( $r=.39$ ,  $p<.01$ ), and tangibles ( $r=.49$ ,  $p<.01$ ) are highly significant in nature. All of these variables positively influence customer satisfaction.

The quality of service influence on customers' action loyalty reliability ( $r=.35$ ,  $p<.01$ ), responsiveness ( $r=.45$ ,  $p<.01$ ), assurance ( $r=.25$ ,  $p<.01$ ), empathy ( $r=.30$ ,  $p<.01$ ) and tangibles ( $r=.35$ ,  $p<.01$ ) was found highly significant. At the same time switching cost ( $r=.40$ ,  $p<.01$ ), trust ( $r=.50$ ,  $p<.01$ ) on customer action loyalty found the similar positive relationship with high statistical significance. In case of demographic environment ( $r=.45$ ,  $p<.01$ ), the correlation with customer action, loyalty and satisfaction are highly significant.

**Table 2: Correlation matrix for service quality (reliability, responsiveness, assurance, empathy, and tangibility), transfers cost, trust, customer satisfaction and loyalty.**

	DEMO. ENVIR	REL	RES	ASSU	EMP	TAN	SWT COS	TRUST	CUS SAT	CUS LOYL
DEMO.ENVIR	-	.50	.55	.30	-.140	-.15	.60	.50	.40	.45
REL		-	.60	.70	.73	.71	.454	.070	.40	.35
RES			-	.65	.70	.60	.50	.50	.50	.45
ASSU				-	.60	.65	.59	-.015	.24	.25
EMP					-	.75	.60	.013	.39	.30
TAN						-	.71	.013	.49	.35
SWT COS							-	.150	.50	.40
TRUST								-	.40	.50
CUS SAT									-	.80
CUS LOYL										-

### 4.3 Regression Analysis

At two separate levels, multiple regression analysis was performed. One is between quality of service (variables: reliability, responsiveness, assurance, empathy, tangibles), customer satisfaction and other one is between service quality and customer loyalty.

**Table 3: Simultaneous regression on customer satisfaction**

Variable	B	SE B	B	R <sup>2</sup>
Reliability	.293	.160	.320*	.315
Responsiveness	.305	.120	.340*	
Assurance	.198	.130	.300*	
Empathy	.095	.105	.179*	
Tangibles	.294	.125	.350*	

Note: \* $p<.05$ , \*\* $p<.01$ , \*\*\* $p<.001$ .

All variables of service quality In table 3, showing a positive relationship to the customer's satisfaction. Positive Beta ( $\beta$ ) of reliability (.320), responsiveness (.320), assurance (.300), empathy (.179) and tangibles (.350) are indicating the fact. The value of P ( $<.05$ ) for all the



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variables confirming that, the relationship is statistical significance. The above variables that are considered, together explain ( $R^2=.315$ ) or 30% of total variation in customer satisfaction.

**Table 4: Simultaneous regression on customer loyalty**

Variable	B	SEB	$\beta$	$R^2$
Reliability	.134	.199	.138*	.350
Responsiveness	.160	.150	.198*	
Assurance	.045	.140	.065	
Empathy	.022	.125	.030	
Tangibles	.031	.149	.020	
Transfers cost	.170	.130	.178*	
Trust	.541	.150	.350*	
Demographic environment	.658	.160	.378*	

Note: \* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

Table 4 shows a positive relationship between demographic environment and customer action loyalty ( $\beta=.378$ ) and this relationship is highly significant ( $p < .01$ ). Although not highly significant, switching costs and trust also stimulates customers' action loyalty ( $\beta=.178$ ,  $.350$  respectively) and statistically they are significant ( $p < .05$ ).

Among all the variables of service quality, only responsiveness ( $\beta=.198$ ) and reliability ( $\beta=.138$ ) possess a highly statistically significant relationship ( $p < .05$ ). While in spite of the fact that, assurance ( $\beta=.065$ ), the tangibles ( $\beta=.020$ ) and empathy ( $\beta=.030$ ) are related to customer loyalty, but having no statistical significance.

### 4.4 Hypothesis Assessment

**H I:** Significant relationship between service quality and customer satisfaction.

**Table 5: Assessment of Hypothesis 1.**

Hypothesis	r	P<	$\beta$	P<	$R^2$	Decision
HI a: Reliability	.40	.01	.320	.05	.318	Supported by both correlation and regression analysis
HI b: Responsiveness	.50	.01	.340	.05		Supported by both correlation and regression analysis
HI c: Assurance	.24	.01	.300	.05		Supported by both correlation and regression analysis
HI d: Empathy	.39	.01	.179	.05		Supported by both correlation and regression analysis
HI e: Tangibles	.49	.01	.350	.05		Supported by both correlation and regression analysis

Note:  $p < .05$  (level of significance)

**H2:** Significant relationships between quality of service and customer loyalty.

**H3:** Significant relationships between transfers/switching cost and action loyalty.

**H4:** Significant relationships between trust and action loyalty.

**H5:** Significant relationships between demographic environment and action loyalty.

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**Table 6: Assessment of Hypothesis 2,3,4,5.**

The hypothesis	r	P<	$\beta$	P<	R <sup>2</sup>	Decision
H2a: Reliability	.35	.01	.138	.05	.350	Supported by both correlation & regression analysis.
H2b: Responsiveness	.45	.01	.198	.05		Supported by both correlation & regression analysis
H2c: Assurance	.25	.01	.065	No significance		Rejected
H2d: Empathy	.30	.01	.030	No significance		Rejected
H2e: Tangibles	.35	.01	.020	No significance		Rejected
H3f: Switching cost	.40	.01	.178	.05		Supported by both correlation & regression analysis
H4g: Trust. 50	.50	.01	.350	.01		Supported by both correlation & regression analysis
H5h: Demographic	.01	.01	.378	.01		Supported by both correlation & regression analysis

Note: P<. 05 (statistically significant); P<. 01 (highly significant).

Hypothesis 1 and 2 were divided into further five different aspects since, the research incorporated five variables to measure service quality. Hypothesis 1, 3, 4 and 5 were accepted. Hypothesis 2 has received partial acceptance since assurance, empathy and tangibles failed to show any relationship with loyalty. In table 5 and 6, correlation and regression coefficient ( $\beta$ ) of the variables considered for the study and their level of significance. The adjusted R<sup>2</sup> value of the regression analysis is also shown to explain the variance.

### 5. Conclusion

The data analysis reveals some facts which the bank should seriously take under consideration for its' mobile banking sector. Banks can improve this service by creating more satisfied and loyal customer. The effect of identifying variables (independent) on customer satisfaction and action-loyalty will help companies to equip with better knowledge and initiatives to organize their marketing activities which supports the previous study (Islam,2010) . This given information will help banks to put emphasis on the right influencing factors while putting less emphasis on others that do not create any impact on the dependent variables. This study will be more informative for pragmatic managers though some of the results are seen as deviations from the normal assumption. Based on the analysis following are some of the implication that the banks can practice to solve its' problem regarding customer satisfaction and action loyalty.

Important determinants of customer satisfaction are reliability and responsiveness. This indicates that customers want service and its quality in the same way every time they buy it. Clients want the same quality as banks promised in their mobile banking sector. This is known as a reliability aspect in which a simple variation shows inconsistency makes service provider unreliable. It would be wise for the banks not to claim anything that their service cannot deliver. To overcome this problem, companies need to grow up human resources with their best steady

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performance. Organization need to hire the right people for the right position, providing them training on a regular basis, and maintaining healthy motivating activities both in monetary and nonmonetary form to help employees work without fail.

Service provider in the banking industry, particularly in the mobile banking has to listen carefully to customer requirements and provide feedback as soon as possible. Clients want a quick solution to their problems and such problems could arise from network facilities, transfer expense, funds availability. It is of utmost importance to identify those problems and solve them. A late response can easily erode market share and thus pave the way for the competitors to fight back. Whenever customer experiences any problem which cannot be solved at the moment, an effort should be put to inspire confidence in customer's mind that they will be taken care of. That means the view of the bank should be – your (clients') problem is our (banks) problem. So carefully designing commercial advertisement and developing caring attitudes of employees (executives and local agents) are essential to guarantee clients and make them experience that customer's problem is bank's problem. Banks should also notice the reality that, like stationary business, clients provide importance on tangible aspects of the services. In order to make services visible, the bank or service center can provide physical facilities (waiting lounge, sitting arrangement, air conditioning spaces etc.).

The analysis could only find a partial relationship between service quality and customers' action loyalty and that emphasize the need to provide more reliable and responsive related activities. According to the study all service quality dimensions in the study generated satisfaction, but only two of them contributed to the formation of loyalty. This might be because empathy, assurance and tangibles do not play a vital role in creating loyal (action) customer in banking (mobile) industry or secondly, the eccentric nature of answering the question altered the findings. Banks should be more involved with being responsive and reliable while further study should be carried out to identify the relationships in second case.

The key to create action loyal customer is to post positive barrier so that clients do not switch. A trustworthy relationship should be built to stop clients to choose new operators. Tricky marketing practice should be avoided to grow trust among the customers. Even if there are any discrepancies in the billing section is found, corrective action should be taken immediately. Customers' tendency not to switch is also influence by financial condition. Special discount, bonus and other financial benefits could eventually make clients/customer loyal and it will discourage the switching. In addition, banks should constantly introduce innovative services and depict the inconvenience associated with switching practices to retain customers for their advantage. Service quality and its impact on action loyalty showed an unexpected result. It should be noted that satisfying customers and keeping them loyal are separate issue. In order to make loyal-satisfied customer/clients, more thoughts should be given on building trust and increasing switching cost.

The findings of the study are only confined (limited) to the mobile banking sector of Bangladesh. Clients show a different attitude for different services. Though the service industries can be benefited to a certain extent from this analysis, few could be understood about the consumers buying decision. Even in the case of the service sector, the service of a lawyer, for example, is different from service of a banking (mobile) industry. Thus, the results from this study cannot be generated for other industries blindly. A stratified random sampling would have been chosen to

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yield more concrete outcomes. This study relied on simple random sampling. The literature suggests, customer satisfactions and loyalty are influenced by numerous factors. The present study only investigates the impact of quality of service, transfers/switching cost, trust, demographic environment for customers' action loyalty and satisfaction. Hence, further study should consider other variables to validate the findings. A factor analysis should be carried out to produce a better result to explain the relationship between service quality and customer loyalty.

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