

**YANGON UNIVERSITY OF ECONOMICS**  
**DEPARTMENT OF COMMERCE**  
**MASTER OF BANKING AND FINANCE PROGRAMME**

**SERVICE QUALITY, CUSTOMER SATISFACTION AND  
CUSTOMER LOYALTY TOWARDS AUTOMOBILE LOAN  
SERVICES AT AYA BANK PCL**

**NYEIN NYEIN**

**EMBF - 31**

**EMBF 10<sup>th</sup> BATCH**

**JUNE, 2025**

**SERVICE QUALITY, CUSTOMER SATISFACTION AND  
CUSTOMER LOYALTY TOWARDS AUTOMOBILE LOAN  
SERVICES AT AYA BANK PCL**

A thesis submitted as a partial fulfilment towards the requirements for the degree of  
Master of Banking and Finance (MBF)

**ACADEMIC YEAR (2023-2025)**

**Supervised By:**

Dr. Thynn Thynn Myint  
Professor and Head  
Department of Commerce  
Yangon University of Economics

**Submitted By:**

Nyein Nyein  
EMBF - 31  
EMBF 10<sup>th</sup> Batch  
2023 – 2025

**JUNE, 2025**

## **ACCEPTANCE**

Accepted by the Board of Examiners of the Department of Commerce, Yangon University of Economics, in partial fulfillment for the requirements of the Master Degree, Master of Banking and Finance.

## **BOARD OF EXAMINERS**

---

(Chairperson)

Prof. Dr. Tin Tin Htwe

Rector

Yangon University of Economics

---

(Supervisor)

Prof. Dr. Thynn Thynn Myint  
Professor and Head  
Department of Commerce  
Yangon University of Economics

---

(Examiner)

Prof. Dr. Aye Thu Htun  
Professor  
Department of Commerce  
Yangon University of Economics

---

(Examiner)

Prof. Dr. Aye Thanda Soe  
Professor  
Department of Commerce  
Yangon University of Economics

---

(Examiner)

Dr. Phu Pwint Nyo Win Aung  
Associate Professor  
Department of Commerce  
Yangon University of Economics

**JUNE, 2025**

## **ABSTRACT**

This study examines that the effect of service quality on customer satisfaction towards automobile loan services and customer loyalty in the context of automobile loan services at AYA Bank PCL in Myanmar. The service quality dimensions are responsiveness, tangibility, reliability, assurance, and empathy. Quantitative research method was applied in this study. A sample of 373 customers who borrowed automobile loan from AYA Bank was selected through simple random sampling method to get the data. The findings indicated that assurance has the strongest effect on customer satisfaction, followed by empathy, responsiveness and tangibility. And then, customer satisfaction strongly effects on loyalty, indicating that satisfied customers are more likely to remain loyal to the bank. Based on these results, the study shows that customers especially appreciated the bank's comfortable physical environment, efficient service, and provision of reliable and personalized loan information. AYA Bank should invest in staff training, streamline processes, and adopt customer-centric strategies to strengthen long-term relationships in the competitive automobile loan market.

## **ACKNOWLEDGEMENTS**

First and foremost, I would like to thank Professor Dr. Tin Tin Htwe, Rector of Yangon University of Economics, for granting me the opportunity to pursue the MBF Programme and for allowing me to undertake this study.

I am especially thankful to my supervisor, Professor Dr. Thynn Thynn Myint, Professor and Head of the Department of Commerce, for her invaluable guidance, patience, motivation, and profound knowledge. Her unwavering support has been instrumental in the successful completion of this study.

I would also like to extend my sincere appreciation to all the professors, associate professors, lecturers, and my classmates at Yangon University of Economics. Their insights, encouragement, and shared experiences throughout the EMBF (Executive Master of Banking and Finance) programme have greatly enriched my academic journey.

In addition, I am grateful to the faculty and administrative staff of the Department of Commerce for their continuous assistance and support during my studies. My special and deepest thanks go to the participants who kindly took part in this study and provided valuable responses regarding water purifiers.

Finally, I would like to express my heartfelt appreciation to my family, colleagues, and friends for their unwavering encouragement and support throughout this academic endeavor.

# TABLES OF CONTENTS

	<b>Page</b>
<b>ABSTRACT</b>	I
<b>ACKNOWLEDGEMENTS</b>	ii
<b>TABLE OF CONTENTS</b>	iii
<b>LIST OF TABLES</b>	iv
<b>LIST OF FIGURES</b>	v
<b>LIST OF ABBREVIATION</b>	vi
<b>CHAPTER I INTRODUCTION</b>	<b>1</b>
1.1 Rationale of the Study	2
1.2 Objectives of the Study	4
1.3 Scope and Method of the Study	4
1.4 Organization of the Study	4
<b>CHAPTER II THEORETICAL FRAMEWORK OF STUDY</b>	<b>5</b>
2.1 Concept of Service Quality	5
2.2 Service Quality Dimension	6
2.3 Concept of Customer Satisfaction	10
2.4 Concept of Customer Loyalty	11
2.5 Related Theories of the Study	12
2.6 Previous Studies	14
2.7 Conceptual Framework of the Study	16
<b>CHAPTER III PROFILE AND AUTOMOBILE LOAN SERVICE OF AYA BANK PCL</b>	<b>18</b>
3.1 Profile of AYA Bank PCL	18
3.2 Financial Services of AYA Bank PCL	22

	3.3	Service Quality on Automobile Loan Services at AYA Bank PCL	26
<b>CHAPTER</b>	<b>IV</b>	<b>ANALYSIS OF SERVICE QUALITY, CUSTOMER SATISFACTION AND CUSTOMER LOYALTY TOWARDS AUTOMOBILE LOAN SERVICES AT AYA BANK PCL</b>	<b>30</b>
	4.1	Research Design	30
	4.2	Demographic Data of Respondents	31
	4.3	Reliability Test	32
	4.4	Respondent Perception on Service Quality, Customer Satisfaction and Customer Loyalty Towards Automobile Loan Services at AYA BANK PCL	32
	4.5	Relationship between Service Quality of Automobile Loan Services and Customer Satisfaction	41
	4.6	Analysis on effect of Service Quality on Customer Satisfaction towards Automobile Loan Services	41
	4.7	Analysis on the Effect of Customer Satisfaction on Customer Loyalty towards Automobile Loan Services at AYA Bank PCL	43
<b>CHAPTER</b>	<b>V</b>	<b>CONCLUSION</b>	<b>44</b>
	5.1	Findings and Discussions	44
	5.2	Suggestions and Recommendations	45
	5.3	Needs for Further Research	46
<b>REFERENCES</b>			
<b>APPENDIX</b>			

## LIST OF TABLES

Table No.	Particulars	Page
4.1	Demographic Data of Respondents	31
4.2	Cronbach's Alpha Reliability Test	32
4.3	Scoring Range of Likert Scale	33
4.4	Respondents Perception on Responsiveness	33
4.5	Respondents Perception on Tangibility	34
4.6	Respondents Perception on Reliability	35
4.7	Respondents Perception on Assurance	36
4.8	Respondents Perception on Empathy	37
4.9	Automobile Loan Service with Respective Mean Value	38
4.10	Respondents Perceptions on Customer Satisfaction	39
4.11	Respondents Perceptions on Customer Loyalty	40
4.12	Relationship between Service Quality of Automobile Loan Services and Customer Satisfaction	41
4.13	Analysis on effect of Service Quality on Customer Satisfaction towards Automobile Loan Services	42
4.14	Analysis on the Effect of Customer Satisfaction and Customer Loyalty towards Automobile Loan Services at AYA Bank PCL	43

## LIST OF FIGURES

<b>Figure No.</b>	<b>Particulars</b>	<b>Page</b>
2.1	Customer Satisfaction of Banking Services in Relation to Home Loans - A Study with Reference to Chennai City	14
2.2	Influence of Service Quality on Customer Satisfaction and Customer Loyalty in the Private Banking Sector of Bangladesh	15
2.3	Conceptual Framework of the Study	16
3.1	Organizational Chart of AYA Bank	20

## **LIST OF ABBREVIATIONS**

AYA Bank PCL	AYA Bank Public Company Limited
SERVQUAL	Service Quality Theory
CBM	Central Bank of Myanmar
SME	Small & Medium Enterprise
MSME	Micro Small & Medium Enterprise
FI Law	Financial Institution Law
BOD	Board of Director
CEO	Chief Executive Officer
HP	Hire Purchase

# CHAPTER I

## INTRODUCTION

Auto loan service quality directly affects borrowers' experiences and opinions of financial institutions, affecting customer satisfaction and loyalty (Subedi & Joshi, 2025). In the competitive financial services industry, service quality is crucial to client retention and long-term relationships (Parasuraman, Zeithaml, & Berry, 1988). Service quality in auto loans includes dependability, responsiveness, tangibility, certainty, and empathy. These characteristics determine how well financial organizations fulfill or surpass client expectations (Parasuraman et al., 1988; Ladhari, 2009). High service quality builds trust, customer satisfaction, loyalty, and positive word-of-mouth, which is essential for competitive advantage (Zeithaml, Berry, & Parasuraman, 1996).

Automobile loans represent a significant segment within consumer lending, providing individuals with the necessary financial means to purchase vehicles by spreading repayment over time. The appeal of such loans depends largely on their accessibility, affordability, and the efficiency of loan processing (Malhotra & Malhotra, 2003). Financial institutions are therefore challenged to balance competitive interest rates, flexible repayment terms, and superior customer service to attract and retain borrowers (Gupta & Arora, 2017). As automobile loans often involve substantial financial commitments, the perceived quality of service significantly impacts borrowers' decisions and satisfaction levels (Taylor & Baker, 1994).

In the context of Myanmar's evolving financial sector, automobile loan services have gained prominence as consumers increasingly seek convenient credit options for vehicle purchases. AYA Bank, as one of the leading private banks in Myanmar, plays a crucial role in providing diverse loan products, including automobile loans, to meet the rising demand for consumer financing. However, despite the growth in automobile loan disbursements, variations in customer satisfaction and loyalty levels indicate potential gaps in service delivery quality (Hussain et al., 2018). Ensuring consistent and high-quality service is essential for AYA Bank to not only satisfy current customers but also to sustain and expand its market share in a competitive environment.

This research examines AYA Bank customer satisfaction and loyalty and automotive loan service excellence. This research examines the five key elements of service quality—reliability, responsiveness, empathy, tangibles, and assurance—to discover characteristics that affect borrower perceptions and behaviors (Parasuraman et al., 1988). Understanding these links will help AYA Bank improve service delivery, client retention, and car loan market competitiveness. This research aims to help financial institutions in Myanmar and other emerging economies connect service quality with changing customer expectations to promote sustainable growth and client loyalty.

### **1.1 Rationale of the Study**

To retain customers in the competitive financial services market, service quality must be improved (Gupta & Arora, 2017). To compete in consumer lending, especially vehicle loans, financial institutions must provide smooth, efficient, and customer-centric services. Customer retention, good word-of-mouth, and long-term profitability depend on customer happiness and loyalty (Ladhari, 2009).

Financial services consumer happiness depends on service quality (Parasuraman, Zeithaml, & Berry, 1988). Reliability, responsiveness, empathy, tangibility, and assurance influence consumer views (Clemes, Gan, & Zhang, 2010). Service providers' responsiveness helps clients feel satisfied by helping them quickly. Fast service, clear communication, and resolution build confidence and long-term partnerships (Clemes, Gan, & Zhang, 2010).

Tangible factors including facilities, equipment, staff appearance, and communication materials strongly influence customer service quality views (Parasuraman et al., 1988). Modern infrastructure, well-maintained bank branches, and attractive digital banking systems improve consumer satisfaction. Customers tend to perceive banks with superior tangibility as more professional and reliable, reinforcing satisfaction and trust in financial institutions (Ladhari, 2009; Kant & Jaiswal, 2017). As a bank's capacity to deliver promised services reliably and precisely affects client satisfaction, reliability is another important element.

Employee knowledge, civility, and trustworthiness are crucial in the financial sector, where security and professionalism are key (Parasuraman et al., 1988; Siddiqi, 2011). Banks that prioritize customer concerns and offer tailored financial solutions

enhance satisfaction levels and encourage loyalty. Studies indicate that empathy fosters emotional connections, making customers feel valued and appreciated, which significantly impacts their overall satisfaction and long-term engagement with the bank (Zeithaml et al., 1996; Ladhari, 2009; Kant & Jaiswal, 2017).

Customer loyalty is shaped by customer pleasure, since happy customers are more likely to use and refer to a bank. Service quality dimensions—responsiveness, tangibility, dependability, assurance, and empathy—impact customer happiness and loyalty (Parasuraman, Zeithaml, & Berry, 1988). High service quality builds trust and a good attitude toward the bank, improving the chance of a long-term partnership (Zeithaml, Berry, & Parasuraman, 1996).

This study approaches the research problem by analyzing how each service quality dimension affects customer satisfaction and loyalty. It explores how responsiveness, through prompt assistance and effective communication, enhances customer trust. It examines how tangibility, through modern facilities and professional appearance, shapes perceptions of professionalism and reliability. The study evaluates how reliability builds confidence by ensuring accurate and dependable service delivery. It assesses how assurance fosters trust through staff expertise and courtesy, and how empathy strengthens emotional connections by offering personalized and attentive service. Through quantitative analysis, the study aims to uncover how these dimensions collectively influence satisfaction and loyalty, offering strategic guidance for improving AYA Bank's automobile loan services.

In Myanmar, rising urbanization, economic growth, and vehicle affordability have driven demand for automobile loans. Consequently, banks like AYA Bank have expanded their loan portfolios, but the intensifying competition underscores the need for differentiation through superior service quality. Despite this growth, varying levels of customer satisfaction indicate potential service gaps. Addressing these gaps is crucial for AYA Bank to maintain its competitive edge and strengthen customer relationships. This study helps AYA Bank improve service delivery, customer experiences, and customer loyalty by examining service quality variables that affect customer satisfaction.

## **1.2 Objectives of the Study**

The main objectives of this study are

1. To identify service quality dimension of automobile loan service at AYA Bank.
2. To examine the effect of service quality on customer satisfaction towards automobile loan services at AYA Bank.
3. To analyze the effect of customer satisfaction on loyalty towards automobile loan services at AYA Bank.

## **1.3 Scope and Method of the Study**

This study examines how vehicle loan service quality affects AYA Bank credit customer happiness and loyalty. This research considers responsiveness, tangibility, dependability, assurance, and empathy. This research uses quantitative methods. Both primary and secondary data are used. AYA Bank has 5,712 vehicle loan clients in January 2025. The study uses Slovin's Formula (2012) to calculate sample size. This sampling algorithm selects 373 AYA Bank vehicle loan clients. Primary data is collected using a 5-point Likert scale questionnaire. Previous research papers, AYA Bank reports, textbooks, foreign research papers, and journal articles are secondary data. A Google Form is used to efficiently collect data from February to April 2025.

## **1.4 Organization of the Study**

Five chapters comprised this study. Chapter One introduced the study's premise, objectives, scope, technique, and structure. Chapter Two included the theoretical foundation, service quality component, prior investigations, and study conceptual framework. Chapter Three introduced AYA Bank and its vehicle loans. Chapter Four examined AYA Bank's vehicle loan service quality, satisfaction, and loyalty. Chapter Five concluded with results, debates, recommendations, and further research.

## **CHAPTER II**

### **THEORETICAL FRAMEWORK OF STUDY**

This chapter discusses service quality, its dimension, customer satisfaction, customer loyalty, associated theories, past research, and the study's conceptual framework.

#### **2.1 Concept of Service Quality**

Service quality represented a fundamental determinant of customer satisfaction in automobile loan services. Service quality, according to Parasuraman et al. (1988), is the difference between customer expectations and service performance. This perspective emphasized that quality emerged from the comparison between what customers anticipated and what they actually experienced.

Johnson (1995) expanded this understanding by defining service quality as the comprehensive assessment customers made about an organization's services, evaluating their relative excellence or deficiency. This evaluation process was dynamic, with high-quality services consistently exceeding customer expectations while demonstrating continuous improvement (Walker & Cheung, 1998). Bloemer et al. (1998) further clarified that customers assessed service quality by comparing their pre-service expectations with their actual service experiences. The strategic importance of service quality could not be overstated. Kandampully et al. (2011) identified it as one of the most critical success factors for service organizations, noting that superior service quality enhanced customer perceptions and fostered loyalty. Gracia et al. (2011) supported this view, demonstrating that excellent service quality positively influenced customer attitudes and repeat patronage. Asubonteng et al. (1996) contributed to this discussion by defining service quality as the discrepancy between customers' perceptions of service performance and their normative expectations.

Grönroos (1984) distinguished technical and functional components in his service quality framework. Functional quality included staff-customer interactions, whereas technical quality covered the service's content. This approach showed that service quality depends on what and how was given. Due to services' intangibility, perishability, and heterogeneity, Grönroos stressed that service quality was the gap between customer expectations and perceived performance (Zeithaml et al., 2006). The service quality gap concept illuminated consumer satisfaction dynamics. Disparities in consumer expectations

and perceptions of important service aspects affected future purchases (Parasuraman, 1985). Satisfaction rating relied on customers comparing their expected and actual service experiences to evaluate service quality.

Strategically, Venetis and Ghauri (2004) saw high-quality service as a key differentiation that could attract new customers, gain market share, and improve customer retention. Danaher and Mattson (1994) divided service quality into technical and functional factors including tangibles, dependability, responsiveness, confidence, communication, sociability, valence, and waiting time. This broad approach claimed that service quality included both objective and subjective dimensions of service delivery. Eshghi et al. (2008) defined service quality as the consumer's holistic assessment of a service experience, whereas Ghylin et al. (2008) stressed that explicitly defining service quality helped firms improve service delivery and customer satisfaction. Hazlett (1997) warned that service quality was complicated and multimodal, making it difficult to define.

Oladepo and Abimbola (2014) defined service quality as meeting or exceeding customer expectations, taking into account the expectation-perception gap's magnitude and direction. This view supported Grönroos' (1984) view that service quality was determined by consumers' ongoing evaluation of specific experiences against their quality expectations. Service quality criteria focused on surpassing client expectations (Philip & Hazlett, 1997). Avkiran (1994) suggested using service quality to stay ahead in congested markets. Zeithaml and Bitner (1996) operationalized this concept using five dimensions: tangibles (physical facilities and materials), reliability (consistent service performance), responsiveness (prompt service delivery), assurance (employee knowledge and courtesy), and empathy. Organizations might evaluate and enhance service quality using these dimensions.

## **2.2 Service Quality Dimension**

There are several dimensions for service quality particularly in the context of automobile loan services. This section focuses on five key factors are responsiveness, tangibility, reliability, assurance and empathy.

### **2.2.1 Responsiveness**

Parasuraman et al. (1985) emphasize that responsiveness as a service quality dimension depends largely on an organization's readiness and ability to provide prompt and efficient service to its customers. This includes a genuine willingness to assist clients

and offer timely benefits, as further underscored by Khan, Lima, and Mahmud (2021). In the banking sector, responsiveness has been identified as a significant predictor of overall customer satisfaction (Krishnamurthy, Mani, Sivakumar, & Sellamuthu, 2010), with empirical evidence confirming a strong positive correlation between responsiveness and customer satisfaction (Khan et al., 2021).

Responsiveness plays a crucial role in the financial services industry, where timely and effective service delivery is critical. Specifically, in automobile loan services, responsiveness refers to the promptness and efficiency with which bank staff handle customer requests, such as processing loan applications, providing updates on approval status, and addressing questions or complaints. When customers experience quick, helpful, and attentive service, they feel valued and respected, which significantly enhances their satisfaction. Conversely, delays, poor communication, or inattentive service can lead to frustration, diminished trust, and dissatisfaction.

Parasuraman et al. (1988) highlight that customers assess service quality not only based on the final outcome but also on the quality of the service process, particularly the promptness and attentiveness of service personnel. A responsive automobile loan service fosters a sense of support throughout the customer's financial journey—from initial inquiry to loan disbursement and repayment—thereby improving the overall customer experience. In a competitive banking environment, responsiveness serves as a critical differentiator, positively shaping customer perceptions and encouraging repeat business and loyalty. Thus, enhancing responsiveness transcends operational efficiency and becomes a strategic approach to boosting customer satisfaction and cultivating long-term client relationships.

### **2.2.2 Tangibility**

According to Parasuraman et al. (1985), tangible proof of a service includes buildings, equipment, staff, and communication materials. In the context of automobile loan services, tangibility is reflected in the cleanliness and layout of bank branches, the professional appearance of staff, the quality and clarity of printed loan documents, as well as the design and usability of digital interfaces such as websites and mobile applications. These tangible elements serve as crucial visual cues that influence customers' perceptions of a service provider's credibility, professionalism, and commitment to quality.

Tangibility regularly improves consumer happiness, according to research. Peng and Moghavvemi (2015) highlight that tangible service components—ranging from

modern machinery and equipment to reliable customer support and user-friendly online banking platforms—significantly enhance perceived service quality and customer value. Similarly, studies by Kant and Jaiswal (2017) and Shanka (2012) confirm that tangible factors are positively and significantly linked to customer satisfaction in banking services. Parasuraman et al. (1988) further assert that tangibles constitute a key dimension of perceived service quality, particularly in sectors such as banking where trust and professionalism are critical.

The impact of tangibility on customer satisfaction in automobile loan services is especially important because tangible cues help shape first impressions and build trust even before the actual service delivery occurs. A well-maintained branch environment, combined with professionally presented loan brochures and seamless digital platforms, fosters confidence and reassures customers about the institution's competence. Moreover, clear and visually appealing loan documentation helps reduce misunderstandings and supports customers in making informed decisions. In highly competitive financial markets, investments in tangible aspects of service can differentiate institutions by enhancing customer perceptions, ultimately leading to higher satisfaction, loyalty, and a stronger market position.

### **2.2.3 Reliability**

Service quality depends on a provider's capacity to offer promised services reliably and precisely (Parasuraman et al., 1985; Ennew, Waite, & Waite, 2013). In auto loan services, reliability is shown by consistently processing loan applications within agreed timeframes, providing precise loan terms, ensuring timely fund disbursement, and clearly communicating repayment schedules. Banks that keep these promises build confidence and professionalism, which boosts consumer happiness. Service failures include delays, paperwork mistakes, and inconsistent communication can frustrate customers and damage the institution's reputation.

Financial services links dependability and consumer pleasure. Parasuraman et al. (1988) argue that dependability is the most important aspect of service quality since it impacts consumer impression of the supplier. Ennew, Waite, and Waite (2013) also highlighted that customers respect a company's promise-keeping. Selvakumar (2015), Shanka (2012), and Peng and Moghavvemi (2015) revealed that trustworthy service delivery boosts customer satisfaction in the Indian banking industry. As a high-value, long-

term service, vehicle loans require financial precision and consistency, making reliability even more critical. Reliable service delivery guarantees a seamless and efficient client experience and boosts consumer security and happiness. A financial institution's long-term performance and reputation depend on stronger client connections, loyalty, and favorable word-of-mouth.

#### **2.2.4 Assurance**

Employee knowledge, civility, and demeanor and their capacity to inspire client trust and confidence are key to service excellence (Parasuraman et al., 1985). Customer confidence is especially important in vehicle loan services since consumers are making long-term financial commitments and frequently lack the technical ability to properly grasp loan terms, interest rates, and repayment arrangements. As such, they depend heavily on the professionalism and competence of bank staff to guide them through the process. Assurance is demonstrated through staff's ability to clearly explain loan conditions, safeguard sensitive information, respond courteously, and provide ethical and transparent services. When customers interact with well-informed and respectful employees, they are more likely to feel secure and confident in the institution, thereby increasing their overall satisfaction.

Assurance reduces perceived risk and uncertainty in service interactions, especially in intangible areas like banking, according to Parasuraman et al. (1988). In a study of Indian public sector banks, Kant and Jaiswal (2017) discovered a substantial positive link between assurance and customer satisfaction, suggesting that assurance affects customer happiness. Selvakumar (2015) found that assurance, transaction security, and product understanding were the most important factors in consumer satisfaction. Munusamy, Chelliah, and Mun (2010) and Shanka (2012) revealed that assurance positively and significantly affects consumer satisfaction across banking situations.

In automobile loan services, where customers seek not only financial support but also clarity and peace of mind, the role of assurance becomes even more pronounced. When banks deliver assurance through trained personnel, ethical conduct, and customer-centric communication, they reduce anxiety, foster trust, and improve the overall customer experience. This ultimately leads to increased customer satisfaction, repeat borrowing, and long-term loyalty.

### **2.2.5 Empathy**

In banking and financial services, empathy—caring and customized attention to customers—is essential to service excellence (Parasuraman et al., 1985; 1988). In the context of automobile loan services, empathy is exhibited when staff take time to understand each borrower's unique financial needs and challenges, offer personalized advice, demonstrate patience, and respond to concerns with sensitivity and support. This personalized approach builds emotional connections with clients, fostering a sense of being valued, respected, and understood, which greatly enhances overall customer satisfaction.

Parasuraman et al. (1988) emphasized empathy as a key driver of emotional satisfaction, particularly in high-involvement financial decisions such as loans. Similarly, Ennew et al. (2013) highlighted the importance of empathy in resolving customer issues effectively, which requires a deep understanding of the customer's circumstances. In practice, empathetic behaviors—such as providing flexible repayment options during periods of hardship or simply listening attentively—can transform the customer's experience from a routine financial transaction into a relationship based on trust and care. Ananth, Ramesh, and Prabakaran (2011) noted a frequent gap between customers' expectations and perceptions of service quality, recommending that banks bridge this gap through superior, more empathetic service delivery.

Empirical studies further validate the significance of empathy in driving customer satisfaction. Research by Peng and Moghavvemi (2015), Selvakumar (2015), and Shanka (2012) confirms that empathy positively influences how customers evaluate their banking experience. In competitive financial markets, where products may be similar across institutions, empathy serves as a distinguishing factor that enhances customer loyalty, strengthens relationships, and contributes to a more favorable institutional reputation. Thus, delivering empathetic service in automobile loan contexts not only improves customer satisfaction but also ensures long-term retention and advocacy.

### **2.3 Concept of Customer Satisfaction**

Marketing and business research consider customer satisfaction a vital indicator of a company's effectiveness and a key aspect in building long-term client connections. It is the customer's reaction to the perceived discrepancy between their expectations and the product or service's performance after use.

Numerous writers have defined consumer satisfaction. Kotler and Keller (2006) define customer satisfaction as the enjoyment or fulfillment an individual feels when their needs and expectations are satisfied by an appealing product or service. Kotler (2003) defines satisfaction as the sensations of joy or disappointment a person feels when comparing a product's performance to their expectations. Customer satisfaction is low if performance falls short. Customer satisfaction is achieved if performance meets expectations. If the performance exceeds expectations, the consumer is thrilled.

Oliver (1980) defines customer satisfaction as a summary psychological state resulting from the consumer's past consumption experience and unverified expectations. In addition, Agarwal and Singhal (2013) defined customer satisfaction as the customer's pre-purchase assessment of perceived actual performance, incurred expenses, and predicted performance. This assessment method was previously noted by Churchill and Surprenant (1982). Customers are satisfied when they compare the actual performance or outcome to their expectations, according to Lovelock (2004). For Lovelock and Wirtz (2007), customer satisfaction is the buyer's overall perception and emotional response to a product or service. Also, Zrithaml et al. (1993) define customer expectations as service quality criteria.

Kotler (1999) defines customer satisfaction as the sensation of delight or unhappiness an individual experiences when comparing a product or service to their expectations. This shows that expectations and performance affect satisfaction. Objective factors like product and service features and subjective factors like consumer demands and emotions can affect satisfaction. Transactional and cumulative customer satisfaction perceptions exist. Transactionally, customer happiness is measured by a single post-purchase service interaction evaluation (Wang & Lo, 2002). In contrast, cumulative customer satisfaction is a consumer's overall assessment of a product or service based on their purchases and usage (Lovelock & Wirtz, 2007). Customer long-term loyalty to a brand or organization is frequently better predicted by cumulative satisfaction.

#### **2.4 Concept of Customer Loyalty**

Customer loyalty is a strong desire to re-buy or re-patronize a preferred product or service in the future, despite situational influences and marketing efforts that could cause switching (Oliver, 1999). A customer's positive view of a company, brand, product, or service leads to repeat purchases and reluctance to switch. Day (1969) defined loyalty as

both recurrent purchases and a good brand attitude. This is important since frequent purchases might be due to inertia, lack of alternatives, or high switching costs, not loyalty. True loyalty involves both conduct (repeat purchases) and attitude (positive preference and commitment).

Peiguss (2012) defines customer loyalty as the mentality and actions of a buyer who prefers one brand above another, regardless of product quality, and makes more frequent purchases. Singh and Khan (2012) describe customer loyalty as a consumer's willingness to pick a company's products or services above competitors. According to Abubakar et al. (2014), customer loyalty is a strong preference for a brand, service, or product above others, especially in the face of harsh competition. Loyal clients may withstand competition pressures. Yim (2008) believes that loyalty shows a persistent preference and passive improvement in any situation.

According to Ghavami and Olyaei (2006), consumer loyalty comes from pleasant prior experiences that make people return. They underline that devoted clients will keep doing business with a firm even if it doesn't always give the greatest product, pricing, or service. This shows how strong good experiences make relationships. Colgate et al. (1996) distinguish loyalty from repurchase behavior by stating that loyalty is only possible when consumers can pick various service providers. Thus, businesses must understand why customers keep coming back and cannot assume that it is always a positive, loyal decision.

Li (2012) sees loyalty as a tool for long-term, mutually beneficial partnerships. As a firm grows, especially in established sectors, loyal consumers might refer new clients at no expense. Customer advocacy lowers customer acquisition and retention costs, increasing profitability. Lucas (2005) said client loyalty is emotional rather than rational. He said it's mostly dependent on the customer's declared interest in maintaining the connection, frequently due to positive and satisfying operations and interactions with the firm. When a consumer makes repeat purchases, recommends the company, provides feedback, and is unlikely to switch, even when faced with conflict or enticements from competitors, they are loyal.

## **2.5 Related Theories of the Study**

This study employs the Service Quality Theory, specifically the SERVQUAL model and customer satisfaction theory, as its theoretical foundation.

### **2.5.1 Service Quality Theory**

The SERVQUAL approach, established by Parasuraman, Zeithaml, and Berry (1988), is frequently used to measure service quality by evaluating customer expectations vs actual service performance. This approach assumes service quality can be assessed across five dimensions: tangibles, dependability, responsiveness, assurance, and empathy.

The SERVQUAL approach has been widely utilized in service sectors to detect quality gaps and improve customer satisfaction. The methodology gives a systematic way to assess a financial institution like A Bank's trade finance services customer satisfaction. The research analyzes these five characteristics to identify opportunities for improvement to boost customer happiness and loyalty. Previous research has demonstrated that improving service quality not only enhances customer retention but also positively impacts overall business performance (Ladhari, 2009; Seth, Deshmukh, & Vrat, 2005). Therefore, leveraging the SERVQUAL model in trade financing services can provide actionable insights for service enhancement and competitive advantage.

### **2.5.2 Customer Satisfaction Theory**

Customer satisfaction theory focuses on understanding how customers evaluate products or services in relation to their expectations and actual experiences. One of the most popular models defining this notion is Oliver (1980)'s Expectancy-Disconfirmation Theory (EDT). This idea states that customer happiness is based on the difference between their expectations and service performance. When perceived performance surpasses expectations, positive disconfirmation leads to high pleasure. When performance disappoints, negative disconfirmation causes unhappiness. If service satisfies expectations, clients are neutrally satisfied (Oliver, 1980).

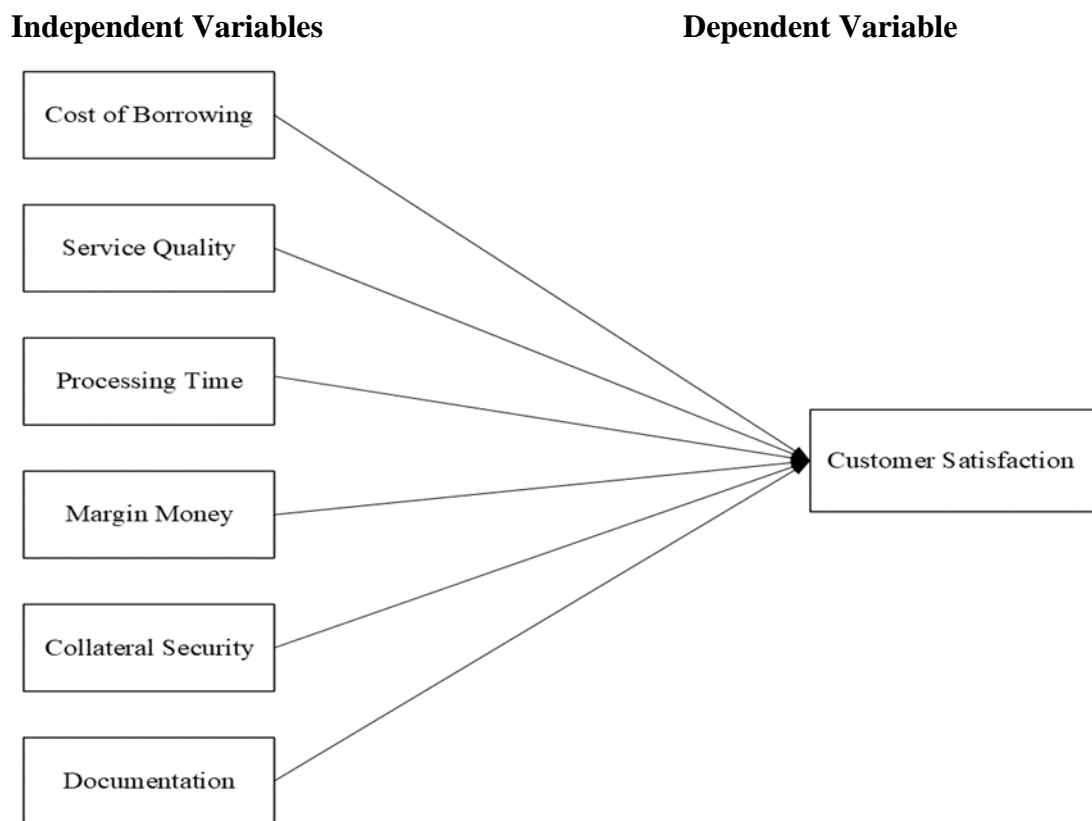
Parasuraman, Zeithaml, and Berry (1988) argue that expectations and performance determine service quality and satisfaction. Minimum gaps between expected and perceived service quality are key to client happiness. Kotler and Keller (2016) define customer satisfaction as a person's joy or disappointment from comparing a product's performance to their expectations. In the banking sector, including loan services, satisfaction is influenced by several factors such as service quality, interest rates, staff professionalism, and the efficiency of processes (Grönroos, 1984; Zeithaml et al., 2006). Managing expectations effectively and consistently delivering reliable service enhances the likelihood of positive disconfirmation and fosters long-term customer loyalty.

## 2.6 Previous Studies

Three prior research are cited to provide theoretical backdrop and conceptual context for this investigation.

A Study of Customer Satisfaction of Banking Services in Relation to Home Loans in Chennai City was undertaken by Babu (2020). Cost of Borrowing, Service Quality, Processing Time, Margin Money, Collateral Security, and paperwork are independent factors, but customer satisfaction with home loan products is dependent. Figure (2.1) depicts this study's conceptual structure.

**Figure (2.1) Customer Satisfaction of Banking Services in Relation to Home Loans - A Study with Reference to Chennai City**



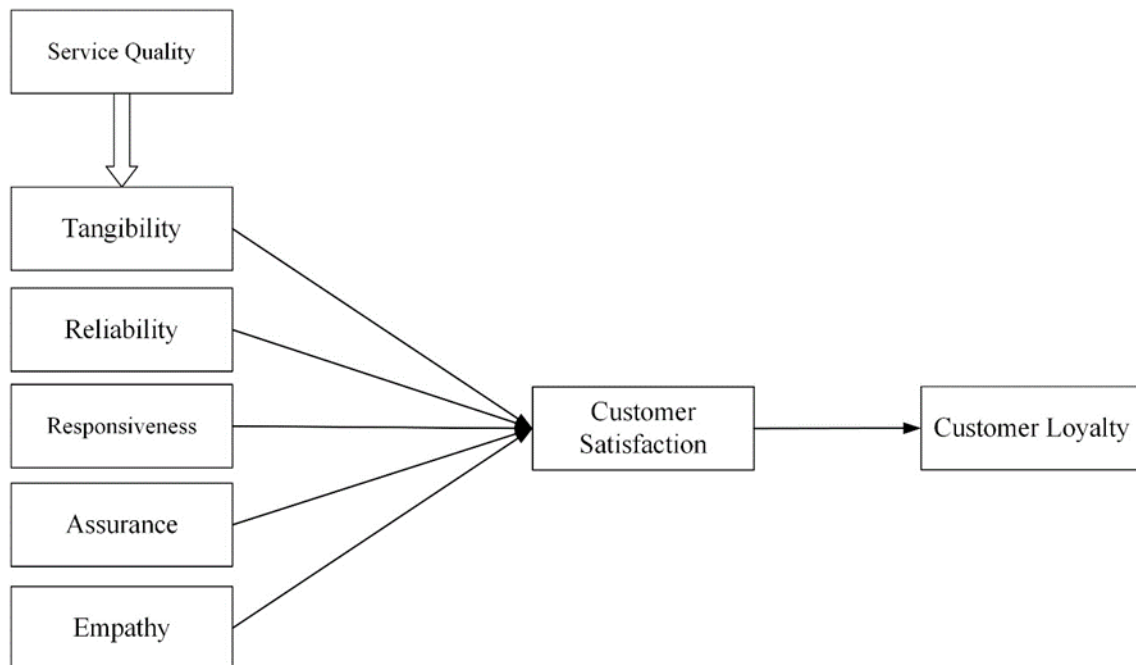
Source: Babu (2020)

The research focused on areas within Chennai's municipal boundaries, with respondents randomly selected from the city's fifteen zones. The participants were selected among applications for home equity, current loans, home improvement, property purchase, and land acquisition loans. He concluded that each independent variable significantly affected home loan client satisfaction. Each of these variables played a crucial role in shaping consumer perception and satisfaction regarding home loans. Positive experiences

in these areas led to higher customer satisfaction, while inefficiencies or unfavorable conditions negatively impacted consumer sentiment. The study highlighted that no single factor alone dictated satisfaction; rather, a combination of factors influenced the overall customer experience with banking services for home loans.

Karim (2019) examined how service quality affects client satisfaction and loyalty in Bangladeshi private banking. The study examined how tangible, reliable, responsive, assured, and empathetic service quality affected consumer views. A standardized five-point Likert scale questionnaire was used to obtain primary data from private bank clients. Data analysis was done using Partial Least Squares Structural Equation Modeling (PLS-SEM) on 100 respondents.

**Figure (2.2) Influence of Service Quality on Customer Satisfaction and Customer Loyalty in the Private Banking Sector of Bangladesh**



Source: Karim's (1988)

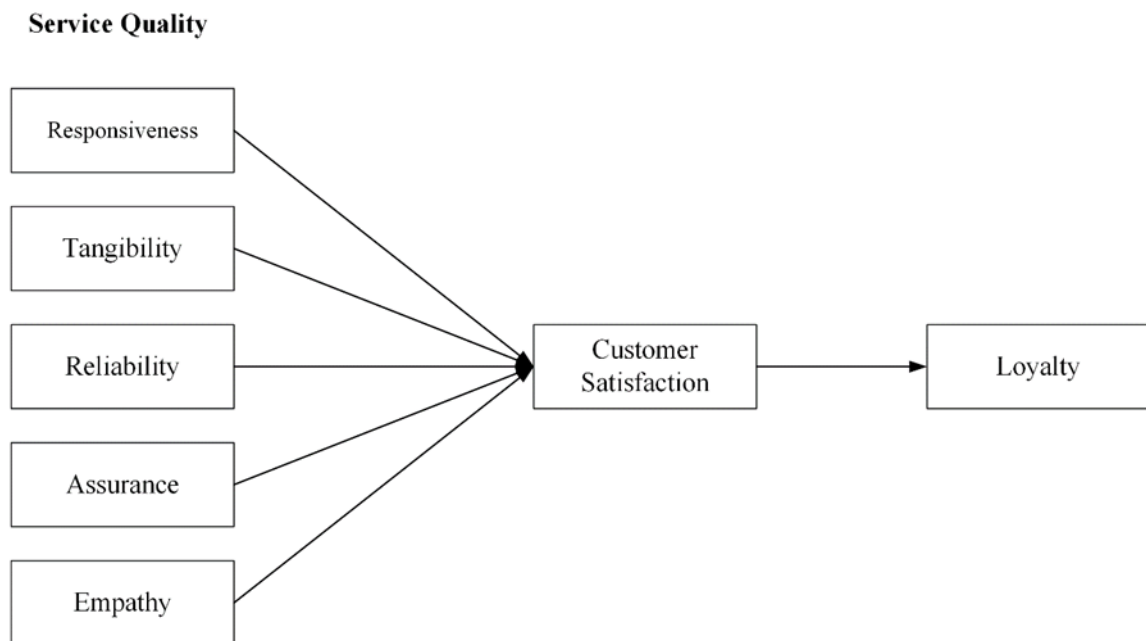
Customer satisfaction was positively correlated with tangibility and empathy, but not with dependability, responsiveness, or assurance. However, client pleasure directly affected customer loyalty. This shows that while not all aspects directly affect happiness, pleased consumers are more loyal to their bank. The findings show emotional and physical

service, specifically how consumers perceive the bank atmosphere and staff treatment, shape satisfaction and loyalty. This emphasizes the need to improve the quality of banking front-end service quality.

## 2.7 Conceptual Framework of the Study

This study provided the conceptual framework for how Automobile Loan Service Quality Affects Credit Customer Satisfaction and Loyalty at AYA Bank based on theoretical foundation and prior studies. Presenting the study's conceptual model. Figure (2.4) showed how Automobile Loan Service Quality Affects Credit Customer Satisfaction and AYA Bank Loyalty.

**Figure (2.4) Conceptual Framework of the Study**



Source: Own Compilation (2025)

This chart shows how Automobile Loan Service Quality Affects Credit Customer Satisfaction and AYA Bank Loyalty. Service Quality independent factors include responsiveness, tangibility, dependability, assurance, and empathy.

## **Working Definitions**

**Responsiveness:** AYA Bank staff's eagerness and promptness to help customers with car loans.

**Tangibility:** Facilities and cleanliness, contemporary equipment, and skilled personnel at AYA Bank.

**Reliability:** AYA Bank's reliability and accuracy in providing Auto Loan Services.

**Assurance:** The expertise and civility of AYA Bank workers and their ability to inspire consumer confidence.

**Empathy:** The caring, individualized attention AYA Bank provides to its customers during the automobile loan process.

**Customer Satisfaction:** Customer satisfaction reflect the level of contentment customers feel with AYA Bank's automobile loan services.

**Loyalty:** loyalty measures the likelihood of customers to continue using AYA Bank's automobile loan in the future, recommend the bank to others, and maintain a positive relationship with the bank. It reflects the customers commitment to AYA Bank as their preferred choice for automobile loans.

## CHAPTER III

### PROFILE AND SERVICES OF AYA BANK PCL

This chapter presents the profile, organization structure, financial services and influencing factors of automobile loan services at AYA Bank PCL.

#### 3.1 Profile of AYA Bank PCL

AYA Bank was licensed by the Central Bank of Myanmar as a development bank on July 2, 2010, and relicensed as a full-service universal bank under the Financial Institutions Law of 2016. The bank began operations on August 11, 2010, after being registered as a private limited company on July 14, 2010. AYA Bank has helped stabilize Myanmar's financial sector since its founding. The bank became a public limited corporation on December 30, 2022, to support sustainable growth, value creation, and long-term development.

This transformation reflects AYA Bank's dedication to increased transparency, stricter financial discipline, timely reporting, and enhanced regulatory compliance. Moving from private to public ownership allows the bank to broaden its shareholder base, enabling the general public to share in its financial successes through attractive returns. Headquartered in Yangon, AYA Bank serves a diverse clientele including individuals, SMEs, large corporations, and government entities, supported by an extensive network of branches nationwide. Moreover, the bank extends its reach beyond Myanmar, connecting with broader Asian and global markets to offer comprehensive banking services.

With MMK 140 billion in paid-up capital, MMK 7 trillion in assets, and MMK 334 billion in equity, AYA Bank is financially strong. As Myanmar's second-largest bank, it serves approximately 3.2 million customers through 265 locations. The bank's rapid expansion has been driven by a broad and loyal customer base. Committed to responsible banking, AYA Bank integrates sound governance and risk management frameworks to positively impact the financial sector, society, and the environment. This approach guides the bank's operations at strategic, portfolio, and transactional levels across all business areas.

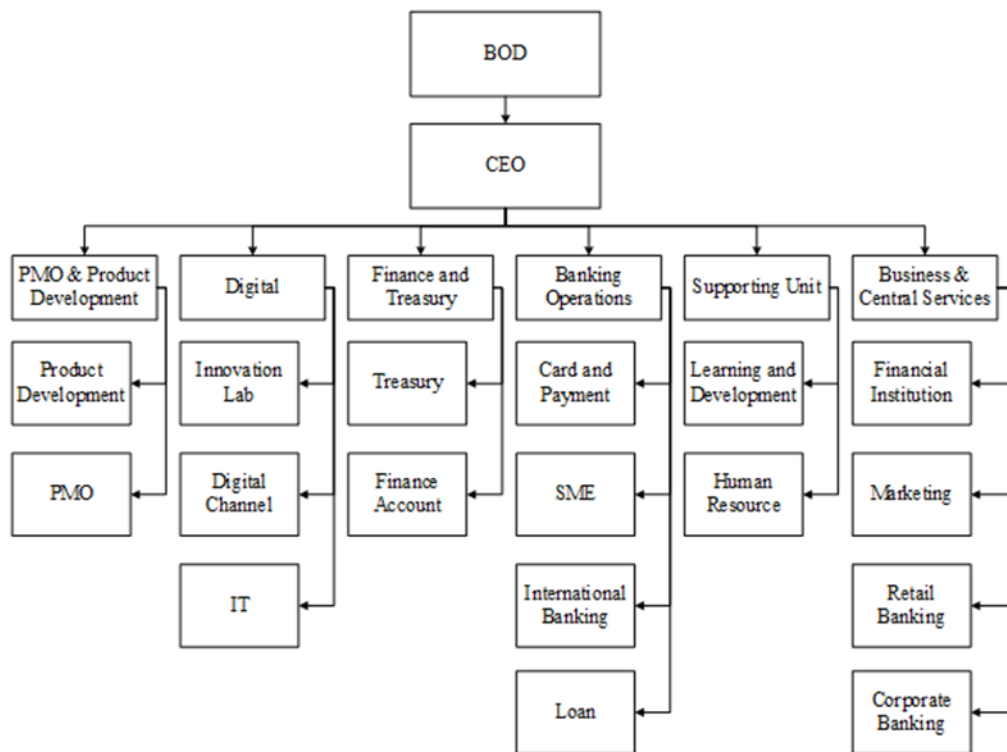
To safeguard customer interests, AYA Bank ensures that all financial products and services are presented accurately and fairly, complying fully with applicable laws, corporate policies, and best industry practices. The bank prioritizes educating clients to

support informed financial decisions and delivers a consistent, fair customer experience. Over decades, AYA Bank has cultivated trust among its creditors—including depositors, businesses, and other stakeholders—through transparent promotion and marketing efforts. All advertising materials adhere to legal and ethical standards, avoiding misleading or inaccurate representations.

AYA Bank also emphasizes inclusivity by tailoring financial solutions to meet the needs of vulnerable, marginalized, and underserved populations, including SMEs, NGOs, women, minorities, veterans, and people with disabilities. It offers a wide range of products and services on accessible and equitable terms, ensuring that no group is disproportionately disadvantaged. To maintain robust internal controls, the bank employs both financial and non-financial auditing processes. Additionally, it has engaged a global management consulting firm to evaluate and enhance its non-financial data controls. This dedication to responsible business practices aligns with AYA Bank’s mission to be a conscientious corporate citizen. Focused on sustainable development, the bank continually strengthens its governance, risk management, and compliance systems to support balanced and enduring growth.

The AYA Bank Board of Directors and Board Committees run the company. The Executive Chairman, who is also the CEO, runs the bank. The Executive Management Committee and Management Committee help the CEO. Business & Central Services, Supporting Unit, Banking Operations, Finance & Treasury, Digital and Project Management Office (PMO), and Product Development report to the CEO. Figure 3.1 shows AYA Bank's complete organizational chart.

**Figure (3.1) AYA Bank Organization Structure**



Source: AYA Bank (2022)

Each business unit is led by designated Chief Officers. For instance, the Chief Finance Officer (CFO) oversees the Finance & Accounts Department, which manages financial planning, reporting, and control functions, as well as the Treasury Department, which handles liquidity management, investments, and financial risk mitigation. The Chief Business Officer (CBO) is in charge of key departments such as the Card and Payment Department, responsible for issuing and settling debit, credit, prepaid, and Visa cards; the SME Department, which focuses on micro, small, and medium enterprise (MSME and SME) loan analysis; the International Banking Department, which manages international transactions and foreign exchange; and the Loans Department, which administers various loan products.

Under the leadership of the Chief Information Officer (CIO) are the IT Department, responsible for maintaining the bank’s technology infrastructure and systems; the Digital Banking Department, which develops and manages internet and mobile banking services; the Innovation Lab Department, dedicated to electronic transaction services including debit

and credit cards, ATMs, and point-of-sale (POS) systems; and the Agent Banking Department, which oversees relationships with agents and ensures service delivery.

The Chief Administrative Officer (CAO) supervises several departments, including the Administration Department, which handles administrative operations and supports overall efficiency; the Human Resources Department, responsible for recruitment, employee relations, and staff training; and the Learning and Development Department, which provides essential product and functional training for employees. Additionally, the Chief Compliance Officer (CCO) manages the Audit Department to ensure adherence to regulations and internal policies, as well as the Legal Department, which offers legal support and guarantees compliance with applicable laws.

As one of the largest banks in Myanmar, AYA Bank benefits from a broad customer base and operates within a diverse economy rich with development potential. The bank seeks to harness its industry knowledge and advanced digital technologies to promote sustainable growth and contribute to a stable economic environment that supports its long-term expansion objectives. AYA Bank's updated three-year strategic plan centers on becoming the most trusted and dependable financial institution in Myanmar, emphasizing a strong customer-centric philosophy. The bank is committed to delivering customized financial solutions tailored to meet the unique needs of both individual and corporate clients. Maintaining a consistent and transparent strategic direction is viewed as critical to sustaining growth and creating lasting value for all stakeholders.

To successfully execute its strategies, AYA Bank places great importance on solid foundational enablers that support its banking operations. Business actions must accord with the bank's values and prioritize sustainability. AYA Bank supports global corporate governance and compliance standards as a UNGC member. Since 2014–15, the bank has followed IFRS and been audited by a Big Four international auditing firm using ISA. To promote long-term success in its communities, AYA Bank has hired and kept experienced local and foreign professionals and invested extensively in staff learning and development.

AYA Bank is the leading provider of automobile loans in Myanmar, capturing approximately 34% of the market for new car financing. The bank has also successfully transitioned 52% of its active customers to digital banking platforms, encouraging the adoption of cashless transactions and digital payments. Its core business strategy focuses on offering comprehensive financial and banking services that support growth and enhance

customers' lives. The bank's management consistently delivers substantial value to its strategic investment partners through initiatives in digital transformation, human capital development, and innovative product offerings across diverse customer segments.

The bank prioritizes client connections, service, and technology to build its customer base. To promote balanced, sustainable growth, AYA Bank is strengthening its governance, risk management, and compliance systems.

AYA Bank aims to be Myanmar's top bank by achieving excellence and long-term growth for its stakeholders. All bank operations are guided by its basic beliefs, regardless of location or sector.

### **3.2 Financial Services of AYA Bank PCL**

AYA Bank provides a variety of financial products and services to fulfill consumer demands. In banking, "products" and "services" are typically interchangeable, and AYA Bank's whole range includes both. The bank's offerings fall under the umbrella of AYA Royal Banking and include deposit accounts, loan facilities, remittance options, insurance policies, international trade and payment services, worker remittances, cash management solutions, safe deposit lockers, and digital banking services.

#### **Deposit Products**

AYA Bank provides multiple savings deposit options tailored to different customer preferences and financial goals. These include Regular Savings, Maximizer Savings, Loyalty Savings, Ngwe Toe Mae-SShwe O Savings, AYA Su-Buu Savings, and Recurring Deposits. Each product is structured to encourage savings with various benefits and terms suited to individual needs.

For current accounts, the bank offers various types such as Regular Current Accounts, New Business Current Accounts, Seafarer Accounts (Foreign Currency), Retail FCA Current Accounts (Foreign Currency), Trading Bank Current Accounts, State Bank Current Accounts, Local Private Bank Current Accounts, and Foreign Private Bank Current Accounts. These are designed to accommodate diverse transactional requirements of personal, corporate, and institutional clients.

AYA Bank also provides Call Deposit and Fixed Deposit products, including Premium Call Deposits, New Business Call Deposits, Fixed Deposits with terms ranging from 1 to 12 months, Special Fixed Deposit Accounts, and New Year Fixed Deposits. These

options give customers flexibility in managing their short- to medium-term funds with competitive interest rates.

### **Lending Products**

The bank's loan portfolio includes a variety of credit facilities to support both personal and business financing needs. Lending options include Overdrafts, Demand Loans, Lien Letters, Gold Loans, Project Loans, Education Loans, Hire Purchase Loans, Automobile Loans, Home Loans, SME Loans, Syndicated Loans, and loans for Microfinance Institutions (MFI). These products are designed to provide accessible credit with terms and conditions suited to different borrower profiles.

AYA Bank offers an **Automobile Loan Services** designed to help individuals and businesses finance the purchase of new or used vehicles. This loan product aims to make vehicle ownership more accessible by providing flexible credit options tailored to the financial capacity and repayment ability of each borrower. Customers can use the loan to buy passenger cars, commercial vehicles, or motorcycles without needing to pay the full purchase price upfront.

The loan amount varies based on factors such as the vehicle type and price, as well as the borrower's creditworthiness and income level. AYA Bank provides competitive financing limits to meet diverse customer needs. Borrowers have the option to choose repayment terms that fit their financial situation, with typical loan durations ranging from short to medium terms. Repayments can be scheduled monthly or as agreed, with interest rates offered on either a fixed or reducing basis, designed to be affordable and transparent.

In most cases, the vehicle itself acts as collateral for the loan. To process applications efficiently, the bank requires standard documentation, including proof of income, identification, and vehicle purchase agreements. The application process is streamlined for customer convenience, with applicants able to apply directly at bank branches or through agent banking services, where loan officers provide assistance throughout the process. Additionally, AYA Bank often offers value-added benefits alongside automobile loans, such as insurance coverage options for the financed vehicle. This combination helps customers protect their investment and gain peace of mind. By providing accessible automobile financing, AYA Bank supports both personal mobility and business expansion, contributing to Myanmar's broader economic growth by enabling more people and businesses to own vehicles.

## **Remittance Services**

AYA Bank facilitates a wide range of money transfer services, including AYA Payment Loan, Local Online Remittance, SWIFT Telegraphic Transfer, International Money Transfer Services, and Central Bank of Myanmar (CBM) Net Payments. These services enable customers to send and receive funds domestically and internationally efficiently and securely.

## **Insurance Products**

AYA Bank offers a wide range of insurance packages to safeguard and reassure consumers. Health, motor vehicle, fire, personal accident, travel (AYA Go and AYA Joy plans), universal life, education life, one health solution individual plan, short-term endowment life, group life, domestic and overseas marine cargo, domestic inland transit, industrial all risk, contractor's all risk, and erection all risk insurance.

## **International Payment and Trade Services**

To support international business activities, AYA Bank offers services such as inbound and outbound money transfers through global banking partners like Maybank, IME, Western Union, and DBS. The bank manages inward and outward documentary and clean collections, SWIFT telegraphic transfers, and Letters of Credit for issuing, advising, and negotiating international trade payments. Currency exchange and account transfer services are also available to facilitate foreign exchange transactions.

## **Worker Remittance Services**

AYA Bank provides tailored remittance solutions aimed at assisting migrant workers in sending money back to their families securely, quickly, and affordably. These specialized products address the financial needs of workers and their beneficiaries, ensuring reliable transfer services.

## **Cash Management Services**

For corporate clients, AYA Bank offers cash management products to streamline financial operations and improve cash flow efficiency. Services include Receivables (collection services), Payables (payment processing), Liquidity Management (SWEEP accounts), Payroll Services, and Bulk Payments. These tools help businesses optimize cash handling and reconciliation through electronic payment tracking and speedy transaction processing.

## **AYA Pay**

Launched in 2020, AYA Pay is AYA Bank’s flagship digital payment platform designed to meet the demands of Myanmar’s mobile-centric population. Powered by advanced fintech, AYA Pay delivers fast, secure, and reliable digital payment services. This ecosystem connects users, merchants, and agents across Myanmar, facilitating cashless transactions that support national economic growth. AYA Pay allows users to transfer money between accounts, pay bills, top-up mobile phones, view transaction histories, and make QR code payments. The platform integrates features like insurance sales and real-time product updates via mobile apps, delivering a seamless customer experience. Security is a priority, with biometric authentication and instant transaction notifications ensuring safe digital interactions.

## **Debit and Credit Cards**

AYA Bank issues a variety of debit and credit cards under prominent networks like MPU, JCB, and VISA. Debit cards enable convenient electronic payments for goods and services, while credit cards—offered in Silver, Gold, and Platinum tiers—provide borrowing facilities with benefits such as interest-free periods up to 50 days and credit limits up to 3.5 times the cardholder’s income. The Royal VISA Credit Card offers additional perks including discounts, travel privileges, and lounge access, with no initial deposit requirement for qualified applicants.

## **Internet and Mobile Banking**

AYA Bank’s Internet Banking service caters to both individual and corporate clients, providing easy access to account balances, transaction histories, fund transfers, and bill payments. Mobile banking extends these capabilities, offering a convenient, secure channel for managing finances on the go.

## **Simple Pay**

Simple Pay is AYA Bank’s quick payment solution designed to reduce reliance on cash transactions. It is widely accepted by retailers, allowing customers to pay effortlessly and securely.

### **Point of Sale (POS) Services**

AYA Bank supplies businesses with electronic POS terminals supporting debit and credit card payments across multiple card networks. This service enhances the checkout experience by providing a fast, secure, and reliable payment option for customers.

### **E-Commerce Solutions**

To support growing online commerce, AYA Bank offers e-commerce payment gateways, enabling merchants to accept online card payments securely. These solutions help facilitate smooth online shopping experiences for customers using AYA Bank payment products.

### **Agent Banking**

AYA Bank extends financial services to remote and underserved areas through authorized agents. These agents enable banking activities such as account opening, cash deposits and withdrawals, fund transfers, bill payments, and loan application assistance. The agent banking model promotes financial inclusion by making banking accessible to customers who face barriers to visiting traditional branches.

## **3.3 Service Quality Dimension of Automobile Loan Services at AYA Bank PCL**

AYA Bank's vehicle loan service quality may be assessed using Parasuraman, Zeithaml, and Berry's SERVQUAL framework (1988), which specifies five service quality dimensions: responsiveness, tangibility, dependability, assurance, and empathy. These criteria greatly impact client happiness, loyalty, and bank service efficacy.

### **3.5.1 Responsiveness**

AYA Bank PCL provides responsiveness in its automobile loan services by ensuring that its staff are always prepared and willing to assist customers and deliver prompt services. The bank assigns dedicated loan officers and customer service representatives who are readily available to respond to customer inquiries and guide them throughout the loan application process. AYA Bank minimizes waiting times by streamlining application procedures and utilizing digital platforms to improve communication and document submission.

For automobile loans, the bank offers timely financing support by responding quickly to loan applications. It provides pre-approval services and keeps customers informed through SMS notifications, email updates, and its mobile banking application.

AYA Bank also forms specialized loan teams that are trained to address urgent financing needs, helping customers secure their auto loans without unnecessary delays. By implementing these measures, AYA Bank enhances customer satisfaction, reduces service bottlenecks, and builds trust with clients who depend on the bank for fast and reliable vehicle financing.

### **3.5.2 Tangibility**

AYA Bank PCL provides tangibility in its automobile loan services by offering modern and well-maintained physical facilities that create a comfortable and professional environment for customers. The bank ensures that its branches feature dedicated loan counters and private consultation areas, allowing customers to discuss loan matters with ease and confidentiality. Automobile loan officers present themselves with professionalism and are equipped with the necessary tools to serve clients effectively. AYA Bank also provides tangible support through high-quality printed materials, including brochures, product flyers, and application forms that clearly outline loan features, eligibility criteria, and repayment terms.

The bank's website and mobile banking app serve as important digital touchpoints, offering automobile loan calculators, product comparison tools, and user-friendly online inquiry forms. These physical and digital elements reflect AYA Bank's commitment to delivering accessible, modern, and reliable auto loan services. By investing in high-quality tangible aspects, the bank strengthens its brand image and helps customers make informed and confident financial decisions.

### **3.5.3 Reliability**

AYA Bank PCL provides reliability in its automobile loan services by consistently delivering accurate and dependable solutions as promised. The bank ensures efficient processing of loan applications, timely and precise disbursement of approved loan amounts, and strict compliance with clearly defined loan terms and conditions. Customers receive regular updates at each stage of the loan process—from application submission to approval and final disbursement—which helps reduce uncertainty and promote transparency.

AYA Bank's internal loan management systems are designed to minimize errors and streamline documentation, ensuring a smooth experience for borrowers. The bank provides timely disbursement of funds, enabling customers to secure vehicle purchases

without unnecessary delays. Additionally, AYA Bank offers consistent support through repayment reminders and account statements, reinforcing its dedication to dependable service. By prioritizing reliability, the bank builds trust and fosters loyalty among customers who value accuracy and consistency in financial transactions.

#### **3.5.4 Assurance**

AYA Bank PCL provides assurance in its automobile loan services by ensuring that employees demonstrate strong knowledge, professionalism, and courtesy to inspire customer trust and confidence. The bank trains its loan officers and support staff to deliver expert guidance on vehicle financing, loan eligibility, interest rates, and repayment options. Staff members clearly explain loan terms and promptly address customer concerns, helping to minimize confusion and strengthen customer confidence in the bank's services.

AYA Bank further reinforces assurance by strictly adhering to regulatory standards, maintaining transparent communication, and using secure systems to protect customer information. The professionalism and expertise of the bank's personnel provide customers with peace of mind, especially when making significant financial decisions such as automobile purchases. The bank's strong corporate governance and established reputation add to this sense of security, positioning AYA Bank as a trusted financial partner for reliable auto loan solutions.

#### **3.5.5 Empathy**

AYA Bank PCL provides empathy in its automobile loan services by offering caring, personalized attention and understanding each customer's unique financial needs. The bank tailors loan solutions to suit individual situations, whether the customer is a salaried employee, small business owner, or first-time car buyer. Flexible loan options, competitive interest rates, and repayment terms are designed to align with different income levels and purchasing goals. Loan officers actively listen to customers, understand their concerns, and provide guidance at every stage—from application to disbursement.

AYA Bank supports customers by helping calculate affordable monthly installments and, when appropriate, offering grace periods to ease financial pressure. Empathy is further demonstrated through the availability of multilingual staff and the design of accessible branch and digital services, ensuring inclusivity for customers from diverse backgrounds. By prioritizing empathy, AYA Bank strengthens customer

satisfaction, builds lasting relationships, and secures long-term loyalty in the competitive automobile loan market.

## **CHAPTER IV**

### **ANALYSIS OF SERVICE QUALITY, CUSTOMER SATISFACTION AND CUSTOMER LOYALTY TOWARDS AUTOMOBILE LOAN SERVICES AT AYA BANK PCL**

This chapter describes the study design, demographic data, reliability tests, respondents' service quality perceptions, and the link between service quality, customer happiness, and customer loyalty to AYA Bank PCL Automobile Loan Services.

#### **4.1 Research Design**

This study identifies the service quality characteristics of AYA Bank's vehicle loan services, analyzes how service quality affects customer satisfaction, and analyzes how consumer satisfaction affects customer loyalty. The study examines responsiveness, tangibility, dependability, assurance, and empathy as service quality factors. Quantitative research was used to answer research questions and collect data on car loan customers' perspectives and experiences. Service quality, customer satisfaction, and loyalty were examined using a descriptive study approach.

Data was collected through a structured questionnaire utilizing a 5-point Likert scale for all variables. The data collection period spanned from February 2025 to April 2025 and was conducted via an online Google Form to ensure efficiency and convenience. As of January 2025, AYA Bank had a total of 5,712 automobile loan customers. Using the Yamane Formula (1973) for sample size determination, a sample of 373 automobile loan customers was selected for the study. These respondents provided primary data via the structured questionnaire, while secondary data came from prior research projects, AYA Bank publications, textbooks, foreign studies, and journal articles.

The data was examined using SPSS. Descriptive statistics, reliability testing, correlation analysis, and regression analysis were used to assess how customer happiness affects AYA Bank vehicle loan loyalty.

## 4.2 Demographic Data of Respondents

The respondents' demographics include gender, age, education, job experience, and monthly income. The frequency analysis of chosen consumer demographic profiles follows.

**Table (4.1) Demographic Data of Respondents**

No.	Particulars	No. of Respondents	Percentage (%)
<b>Total</b>		<b>373</b>	<b>100</b>
1	<b>Gender</b>		
	Male	167	44.8
	Female	206	55.2
2	<b>Age (Years)</b>		
	Under 30 years	34	9.1
	31 to 40	102	27.3
	41 to 50	189	50.7
	51 over	48	12.9
3	<b>Level of Education</b>		
	Bachelor	158	42.4
	Master	215	57.6
4	<b>Monthly Income in Kyats</b>		
	0 to 1,000,000	14	3.8
	1,000,001 to 5,000,000	292	78.3
	5,000,001 to 10,000,000	36	9.7
	More than 10,000,000	31	8.3
5	<b>Working Experience</b>		
	Less than 3 years	16	4.3
	3 – 5 years	30	8.0
	5 – 10 years	37	9.9
	10 years above	290	77.7

Source: Survey Data (2025)

As shown in Table 4.1, there were 103 total respondents, of which 31 were male (30%) and 72 were female (70%). Most respondents fell in the 31 to 40 age group (54%), followed by 18 to 30 years (36%). Regarding education level, the majority of the respondents (63%) held a bachelor's degree, while 29% had attained a master's degree.

In terms of job designation, the highest number of respondents were Assistant Supervisors/Supervisors (27%), followed by Managers/Senior Managers (22%) and Office Assistants (20%). Most respondents had more than 5 years of working experience (59%), indicating that the data collected represents individuals with substantial exposure to automobile loan processes and service encounters. The demographic analysis provides a comprehensive understanding of the respondent profile, helping to contextualize their feedback regarding the service quality dimensions examined in this study.

### 4.3 Reliability Test

Before examining how service quality affects customer satisfaction and loyalty to car loan services, measuring scale dependability must be assessed. This study tests each questionnaire construct's internal consistency using Cronbach's Alpha. Good instrument internal dependability is indicated by a Cronbach's Alpha value over 0.7. Table (4.2) shows reliability test results:

**Table (4.2) Cronbach’s Alpha Reliability Test**

No.	Factors	Number of Items	Cronbach’s Alpha
1	Service Quality	7	0.904
2	Tangibility	7	0.887
3	Reliability	7	0.902
4	Assurance	7	0.892
5	Empathy	8	0.899

Source: SPSS Output, (2025)

The Cronbach’s Alpha values for all constructs exceed 0.80, with most values above 0.90. This indicates excellent internal consistency and reliability of the measurement instrument. Therefore, the scale items used in this study are considered highly reliable for measuring the constructs of service quality, customer satisfaction, and customer loyalty in the context of automobile loan services at AYA Bank.

### 4.4 Respondent Perception on Service Quality, Customer Satisfaction and Customer Loyalty Towards Automobile Loan Services at AYA BANK PCL

This section discusses respondents' views on responsiveness, tangibility, dependability, assurance, and empathy as service quality aspects. Survey responses are used to calculate mean and standard deviation perception levels. Using a 5-point Likert

scale, 373 AYA Bank Public Company Limited (PCL) vehicle loan clients rated their agreement with various claims. Table (4.3) explains Likert scale mean scores.

**Table (4.3) Scoring Range of Likert Scale**

No.	Interpretation	Mean Score
1	Very Low	1.00 - 1.80
2	Low	1.81 - 2.60
3	Moderate	2.61 - 3.40
4	High	3.41 - 4.20
5	Very High	4.21- 5.00

Source: Moidunny (2009)

#### 4.4.1 Respondents Perception on Responsiveness

The capacity of the bank staff to provide prompt assistance, accurate information, and courteous support plays a critical role in shaping customer perception of service quality. In the context of automobile loan services, responsiveness reflects how quickly and effectively the bank responds to customers' needs and inquiries.

**Table (4.4) Mean Value of Responsiveness**

No.	Particular	Mean Score	Std. Deviation
1	Treating customers politely and professionally when handling automobile loan applications.	3.81	0.510
2	Providing clear and complete information about the automobile loan process.	4.11	0.640
3	Processing automobile loan applications in a timely and efficient manner.	4.04	0.616
4	Inspiring confidence in the competence and knowledge of the bank staff handling loan services.	4.03	0.727
5	Responding promptly to customer inquiries about automobile loans.	3.87	0.471
6	Being reliable in providing accurate and dependable loan information.	4.16	0.620
7	Offering personalized services that suit automobile loan needs.	4.16	0.437
<b>Overall Mean</b>		<b>4.03</b>	

Source: SPSS Output, (2025)

As presented in Table (4.4), the respondents indicated a high level of agreement that AYA Bank staff provide responsive automobile loan services. Among the listed statements, the highest mean score was 4.16, observed in two items: being reliable in providing accurate and dependable loan information, and offering personalized services that suit automobile loan needs. This reflects a high level of customer agreement regarding the reliability and personalization of the services. The lowest mean score was 3.81 for being courteous and professional in handling automobile loan applications, indicating that, while perceptions are favorable, there is comparatively lower agreement on this aspect of responsiveness. The overall mean score for all items under the responsiveness dimension was 4.03, suggesting that customers generally perceive a high level of responsiveness in AYA Bank’s automobile loan services.

#### 4.4.2 Respondents Perception on Tangibility

Physical buildings, equipment, staff appearance, and communication materials are tangible aspects of service delivery. For vehicle loan services, it includes the bank's physical space, current tools, and personnel and document appearance.

**Table (4.5) Mean Value of Tangibility**

<b>No.</b>	<b>Particular</b>	<b>Mean Score</b>	<b>Std. Deviation</b>
1	Maintaining clean, organized, and professional physical facilities at AYA Bank.	4.05	0.719
2	Using modern and up-to-date equipment and materials, such as brochures and computers.	3.90	0.501
3	Providing comfortable seating and customer areas in the bank.	4.17	0.605
4	Ensuring the appearance of the bank’s staff is neat and professional.	4.06	0.553
5	Offering a visually appealing and easy-to-navigate website and mobile application.	4.01	0.605
6	Providing attractive and informative printed materials about automobile loan products.	3.98	0.448
7	Enhancing customer comfort through office furniture and interior design.	4.28	0.489
<b>Overall Mean</b>		<b>4.06</b>	

Source: SPSS Output, (2025)

As shown in Table (4.5), respondents expressed high-level perceptions regarding the tangibility aspects of AYA Bank’s automobile loan services. The highest mean score

was 4.28 for enhancing customer comfort through office furniture and interior design, indicating agreement that the physical environment contributes significantly to the customer experience. The lowest mean score, 3.90, was recorded for using modern and up-to-date equipment and materials, such as brochures and computers, suggesting a relatively lower yet still favorable evaluation in terms of technological modernity. The overall mean score for the tangibility dimension was 4.06, reflecting a high level of satisfaction with maintaining clean, organized, and professional physical facilities, providing comfortable seating and customer areas, ensuring the appearance of the bank’s staff is neat and professional, offering a visually appealing and easy-to-navigate website and mobile application, and providing attractive and informative printed materials about automobile loan products.

#### 4.4.3 Respondents Perception on Reliability

Reliability refers to the ability of the service provider to perform promised services dependably and accurately. In the context of automobile loan services, this includes accurate processing of applications, consistent service performance, fulfillment of commitments, and provision of dependable information.

**Table (4.6) Mean Value of Reliability**

<b>No.</b>	<b>Particular</b>	<b>Mean Score</b>	<b>Std. Deviation</b>
1	Consistently processing automobile loan applications accurately and without error.	3.60	0.501
2	Being depended upon to deliver the promised automobile loan services every time.	3.60	0.650
3	Meeting advertised service commitments with regard to automobile loans.	3.61	0.536
4	Providing precise and dependable information about automobile loan products and services.	3.87	0.577
5	Following systematic and reliable procedures for processing automobile loan applications.	3.99	0.563
6	Consistently adhering to standard operating procedures when handling automobile loans.	3.97	0.663
7	Minimizing errors during the processing of automobile loans.	3.85	0.587
<b>Overall Mean</b>		<b>3.78</b>	

Source: SPSS Output, (2025)

From the descriptive analysis, the statement with the highest mean score is following systematic and reliable procedures for processing automobile loan applications, with a mean of 3.99. This indicates that customers perceive a high level of structure and dependability in AYA Bank’s loan processing methods. The lowest mean scores, both at 3.60, are associated with consistently processing automobile loan applications accurately and without error and being depended upon to deliver the promised automobile loan services every time. These results suggest slightly lower, yet still moderate, confidence in consistency and reliability. The overall mean score is 3.78, reflecting a generally favorable perception of AYA Bank’s reliability in delivering automobile loan services, while highlighting opportunities for improvement in ensuring complete consistency and error-free processing.

#### 4.4.4 Respondents Perception on Assurance

Assurance refers to the knowledge, courtesy, and ability of bank employees to instill trust and confidence in customers, particularly in contexts involving significant financial decisions such as automobile loans. Table (4.7) presents the mean values and standard deviations of respondents’ perceptions regarding assurance in relation to AYA Bank’s automobile loan services.

**Table (4.7) Mean Value of Assurance**

No.	Particular	Mean Score	Std. Deviation
1	Being knowledgeable about automobile loan products and services.	3.84	0.908
2	Inspiring confidence in the abilities of AYA Bank employees to handle automobile loan transactions.	3.96	0.796
3	Providing clear explanations during the loan process.	4.06	0.733
4	Making customers feel secure when discussing financial matters.	4.09	0.741
5	Instilling confidence in customers through staff expertise and professionalism.	3.90	0.638
6	Ensuring a sense of safety and security in all financial transactions related to automobile loans.	3.74	0.569
7	Demonstrating professionalism and competence that reassures customers during loan decisions.	3.98	0.553
<b>Overall Mean</b>		<b>3.94</b>	

Source: SPSS Output, (2025)

According to the descriptive analysis, the highest mean score is observed in making customers feel secure when discussing financial matters, with a mean of 4.09. This highlights a high level of trust and comfort experienced by customers during financial interactions. The lowest mean score, at 3.74, relates to ensuring a sense of safety and security in all financial transactions related to automobile loans, indicating a slightly lower yet still favorable perception of overall transaction security. The overall mean score is 3.94, suggesting that respondents generally perceive AYA Bank’s staff as being knowledgeable about automobile loan products and services, inspiring confidence in their abilities to handle loan transactions, providing clear explanations during the loan process, instilling confidence through expertise and professionalism, and demonstrating professionalism and competence that reassures customers during loan decisions.

#### 4.4.5 Respondents Perception on Empathy

Empathy refers to the bank’s ability to provide caring and personalized attention to customers. It includes listening to customer concerns and offering suitable support based on individual needs. Table (4.8) shows the respondents’ views on how well AYA Bank demonstrates empathy in its automobile loan services.

**Table (4.8) Mean Value of Empathy**

<b>No.</b>	<b>Particular</b>	<b>Mean Score</b>	<b>Std. Deviation</b>
1	Building trust and long-term customer relationships through staff behavior.	3.60	0.650
2	Giving individual attention to customers applying for automobile loans.	3.93	0.709
3	Understanding specific needs regarding automobile financing.	3.63	0.551
4	Showing sincere interest in helping customers.	3.79	0.649
5	Providing services that are tailored to personal circumstances.	3.69	0.542
6	Minimizing waiting times out of consideration for customers.	4.24	0.472
7	Being patient when explaining the automobile loan process and answering questions.	3.70	0.564
8	Making customers feel valued throughout their interaction with the bank.	4.09	0.651
<b>Overall Mean</b>		<b>3.83</b>	

Source: SPSS Output, (2025)

Based on the descriptive statistics, the highest mean score is found in minimizing waiting times out of consideration for customers, with a mean of 4.24. This indicates that customers highly value the bank’s efficiency and respect for their time. Conversely, the lowest mean score, at 3.60, relates to building trust and long-term customer relationships through staff behavior, suggesting that while trust-building is acknowledged, there is room for improvement in strengthening long-term relationships through staff interactions. The overall mean score is 3.83, reflecting a generally favorable perception of the empathy and customer-focused behavior demonstrated by AYA Bank’s staff in the Automobile Loan Services context, including giving individual attention, understanding specific needs regarding automobile financing, showing sincere interest in helping customers, providing services tailored to personal circumstances, being patient when explaining the loan process and answering questions, and making customers feel valued.

#### 4.4.6 Automobile Loan Services with Respective Mean Value

Table (4.9) shows vehicle loan outcomes. Based on Five-Likert replies, the mean score and standard deviation are high, with a few really strong responses. Their most impressionable dimension gets the highest mean score, suggesting that respondents are more satisfied than expected.

**Table (4.9) Automobile Loan Services with Respective Mean Value**

No.	Description	Mean Value
1	Responsiveness	4.03
2	Tangibility	4.06
3	Reliability	3.78
4	Assurance	3.94
5	Empathy	3.83

Source: SPSS Output, (2025)

Table 4.9 results indicate that tangibility (4.06) and responsiveness (4.03) are the highest-rated dimensions, reflecting satisfaction with physical facilities and prompt service. Assurance (3.94) and empathy (3.83) are positively viewed, while reliability (3.78) shows a need for greater consistency. Overall, service quality is perceived favorably, with tangibility and responsiveness as key strengths.

#### 4.4.7 Respondents Perception on Customer Satisfaction

Customer satisfaction reflects how well the bank meets customer expectations regarding its automobile loan services. It includes aspects like service quality, ease of the process, and overall experience. Table (4.10) presents the respondents' perception of their satisfaction levels with AYA Bank's automobile loan services.

**Table (4.10) Customer Satisfaction**

No.	Particular	Mean Score	Std. Deviation
1	Receiving overall service provided by AYA Bank for automobile loans is satisfactory.	3.71	0.524
2	Experiencing the automobile loan application process as simple and clear.	4.16	0.554
3	Receiving regular updates and feedback during the loan process is considered satisfactory.	3.83	0.700
4	Receiving communication and information provided by the bank regarding the loan is adequate and satisfactory.	3.92	0.738
5	Perceiving the cost and terms of the automobile loan as offering good value.	3.88	0.599
6	Regarding AYA Bank as reputable and trustworthy in the automobile loan sector.	4.11	0.566
7	Experiencing the loan approval and disbursement process as fast and efficient.	3.65	0.712
	<b>Overall Mean</b>	<b>3.90</b>	

Source: SPSS Output, (2025)

Based on the descriptive analysis, the statement with the highest mean score is experiencing the automobile loan application process as simple and clear, with a mean of 4.16. This indicates a high level of satisfaction among respondents regarding the clarity and simplicity of the application procedure. On the other hand, the lowest mean score is observed in experiencing the loan approval and disbursement process as fast and efficient, with a mean of 3.65. This suggests relatively lower satisfaction in terms of speed and efficiency during approval and disbursement. The overall mean score across all items is 3.90, reflecting a generally favorable perception of AYA Bank's automobile loan services among respondents.

#### 4.4.8 Respondents Perception on Customer Loyalty

Customer loyalty refers to the likelihood that customers will continue using the bank's services and recommend them to others based on their satisfaction and trust. In the context of automobile loan services, loyalty reflects both repeat borrowing intentions and positive word-of-mouth. Table (4.11) presents the respondents' perceptions of their loyalty towards AYA Bank's automobile loan services.

**Table (4.11) Customer Loyalty**

<b>No.</b>	<b>Particular</b>	<b>Mean Score</b>	<b>Std. Deviation</b>
1	Intending continued use of AYA Bank for future financial services, including loans.	3.93	0.737
2	Recommending AYA Bank's Automobile Loan Services to friends and family.	4.04	0.704
3	Regarding AYA Bank as the first choice for automobile loans.	3.88	0.734
4	Maintaining loyalty to AYA Bank even if other banks offer similar automobile loan products.	4.06	0.520
5	Sharing positive experiences with AYA Bank's Automobile Loan Services with others.	3.98	0.695
6	Developing an emotional connection with AYA Bank as a result of the service quality.	3.88	0.604
7	Being less likely to switch to another bank for automobile loans after the experience with AYA Bank.	4.04	0.757
	<b>Overall Mean</b>	<b>3.97</b>	

Source: SPSS Output, (2025)

The responses in the table reflect a high level of customer loyalty toward AYA Bank's automobile loan services. The highest mean score is 4.06 for maintaining loyalty to AYA Bank even if other banks offer similar automobile loan products, suggesting that many customers are committed to continuing their relationship with the bank regardless of market competition. The lowest mean scores, both at 3.88, are observed in regarding AYA Bank as the first choice for automobile loans and developing an emotional connection with AYA Bank as a result of the service quality. While still favorable, these results indicate slightly lower levels of emotional attachment and brand preference. The overall mean score for customer loyalty is 3.97, indicating a strong likelihood of continued engagement with AYA Bank's financial services, particularly automobile loans.

#### 4.5 Relationship between Service Quality of Automobile Loan Services and Customer Satisfaction

The correlation coefficient measures the statistical link between two variables' strength and direction. From -1 to +1, -1 denotes a perfect negative correlation and +1 a perfect positive correlation.

**Table (4.12) Correlation Analysis between Service Quality of Automobile Loan and Customer Satisfaction**

No.	Description	Person Correlation Coefficient	P-value
1	Responsiveness	.666**	0.000
2	Tangibility	.718**	0.000
3	Reliability	.901**	0.000
4	Assurance	.873**	0.000
5	Empathy	.918**	0.000

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

Table (4.12) shows that all five service quality indicators positively correlate with customer satisfaction at the 0.01 level. The highest correlation coefficient was observed for empathy at 0.918, indicating that customers who feel they are treated with care and personalized attention tend to report the highest satisfaction. This was followed by reliability 0.901 and assurance 0.873, which show that consistent service delivery and staff competence play crucial roles in influencing satisfaction. Tangibility and responsiveness also show substantial correlations of 0.718 and 0.666 respectively, suggesting that physical facilities, promptness, and support further contribute to a positive customer experience. Overall, these findings confirm that each service quality dimension significantly enhances customer satisfaction with automobile loan services at AYA Bank.

#### 4.6 Analysis on effect of Service Quality on Customer Satisfaction towards Automobile Loan Services

Multiple regression analysis was used to answer 169 standardized questionnaire questions concerning service quality parameters and customer satisfaction. Regression results (Table 4.13) show the relationship between customer satisfaction and responsiveness, tangibility, dependability, assurance, and empathy.

**Table (4.13) Service Quality on Customer Satisfaction towards Automobile Loan Services**

Variable	Unstandardized Coefficients		Standardized Coefficients (Beta)	t	Sig.	VIF
	B	Std. Error				
(Constant)	0.932	0.106		8.838	0.000	
Responsiveness	0.307***	0.045	0.301	6.897	0.000	9.349
Tangibility	0.268***	0.056	0.247	4.785	0.000	13.044
Reliability	0.060	0.046	0.059	1.314	0.190	9.810
Assurance	0.649***	0.053	0.763	12.298	0.000	18.908
Empathy	0.653***	0.046	0.635	14.052	0.000	10.027
R Square	0.925					
Adjusted R Square	0.924					
F Value	908.028***					

Source: SPSS Output Data (2025)

\*\*\* Significant at 1%, \*\* Significant at 5%, and \* Significant at 10% Level

The regression analysis in Table 4.13 shows that the model accurately predicts 92.5% of customer satisfaction variation ( $R^2 = 0.925$ ). At 1% significance, the F-value of 908.028 supports the model. Assurance has the greatest influence on customer satisfaction, with a standardized coefficient (Beta) of 0.763 and significant at 1%. Empathy follows closely, with a Beta of 0.635 and high significance at the 1% level. Responsiveness also has a positive impact, reflected by a Beta of 0.301 and significance at the 1% level. Tangibility contributes positively with a Beta of 0.247, significant at the 1% level. On the other hand, Reliability shows the weakest influence, with a Beta of 0.059 and no statistical significance ( $p > 0.05$ ). These results suggest that assurance and empathy are the most important dimensions driving customer satisfaction with AYA Bank's automobile loan services, while improvements in reliability could further enhance the overall customer experience.

#### 4.7 Analysis on the Effect of Customer Satisfaction on Customer Loyalty towards Automobile Loan Services at AYA Bank PCL

A simple linear regression study of 169 responses examined how customer happiness affects customer loyalty in vehicle lending services. The regression analysis in Table 4.13 shows the strength of the association between customer satisfaction (independent variable) and loyalty (dependent variable).

**Table (4.13) Effect of Customer Satisfaction on Customer Loyalty**

Variable	Unstandardized Coefficients		Standardized Coefficients (Beta)	t	Sig.
	B	Std. Error			
(Constant)	0.097	0.094		1.034	0.302
Customer Satisfaction	0.995***	0.024	0.908	41.672	0.000
R Square	0.824				
Adjusted R Square	.823				
F Value	1736.577***				

Source: SPSS Output Data (2025)

\*\*\* Significant at 1%, \*\* Significant at 5%, and \* Significant at 10% Level

Table (4.13) reveals that customer happiness explains 82.4% of customer loyalty variance ( $R^2 = 0.824$ , F-value = 1736.577), demonstrating the model's strength and validity. A substantial positive correlation exists between customer happiness and loyalty at the 1% level, with a standardized coefficient ( $\beta$ ) of 0.908 and an unstandardized coefficient of 0.995. So, pleasure boosts loyalty approximately one-to-one. Satisfied clients are more likely to use AYA Bank's auto loan services again, suggest them, and stay loyal, making satisfaction crucial to long-term customer relationships.

## **CHAPTER V**

### **CONCLUSION**

This chapter includes the conclusion which is based on the analysis of the results of the thesis. This chapter has been structured into three main sections: findings and discussion, recommendations and needs for futures research.

#### **5.1 Findings and Discussions**

The purpose of this study was to examine the effect of service quality on customer satisfaction towards automobile loan services at AYA Bank and to analyzed the effect of customer satisfaction on customer loyalty. The service quality dimensions was responsiveness, tangibility, reliability, assurance, and empathy. Based on the demographic data of respondents, it was found that most participants were female, within the middle-aged group, and held advanced educational qualifications. A majority of them had extensive work experience and belonged to a higher income bracket. This demographic profile suggested that the sample group consists of experienced, well-educated, and financially stable individuals who are well-positioned to provide informed evaluations of the bank's automobile loan services.

Correlation analysis results indicated that all five service quality dimensions had significant and positive relationships with customer satisfaction. Among them, empathy showed the strongest correlation with satisfaction, followed by assurance and reliability. This suggested that emotional connection, professional support, and dependable service are crucial elements in shaping customer perceptions.

Regression analysis showed that assurance was found the highest impact on customer satisfaction, followed by empathy, responsiveness and tangibility. For assurance, customers appreciated feeling secure when discussing financial matters with bank staff and valued the clear explanations provided throughout the loan process. These findings showed the role of staff professionalism, knowledge, and communication in building customer confidence and trust. Empathy also had a strong impact, customers recognized the bank's efforts in minimizing waiting times and making them feel valued throughout their interactions. These outcomes highlight the importance of a customer-focused approach, where personalized care and respect for customer time enhance overall satisfaction.

The findings indicated that customers place high importance on responsiveness, particularly appreciating the bank's reliability in providing accurate and dependable loan information, as well as its ability to offer personalized services that suit individual automobile loan needs. These aspects highlight the bank's strength in delivering tailored support and clear communication during the loan process. In terms of tangibility, customers responded favorably to the physical environment of the bank. Elements such as the comfort provided by office furniture and interior design, along with the availability of well-arranged customer seating areas, contributed to enhancing the customer experience. These factors demonstrate the value customers place on a professional, inviting, and comfortable banking atmosphere.

In terms of customer loyalty, the regression results show that customer satisfaction has a strong and significant influence on loyalty. Satisfied customers are more likely to reuse AYA Bank's automobile loan services and recommend them to others. The emotional bond and trust developed through consistent service delivery and personal engagement are key drivers of long-term loyalty.

## **5.2 Suggestions and Recommendations**

According to the study findings, customers of AYA Bank are generally satisfied with the automobile loan services, especially in areas like staff responsiveness and the physical environment of the bank. However, some areas still need improvement to ensure higher customer satisfaction and long-term loyalty. Based on the mean value analysis of the five service quality dimensions such as responsiveness, tangibility, reliability, assurance, and empathy, the following suggestions and recommendations are presented.

AYA Bank should enhance customers' sense of safety and security in all financial transactions related to automobile loans by emphasizing secure processes and clear communication about data protection and transaction safety. The bank should strengthen efforts to provide clear and complete explanations throughout the loan process, further building customer confidence. AYA Bank should maintain its ability to make customers feel secure when discussing financial matters, as this is a significant strength that fosters trust and satisfaction.

AYA Bank should enhance the ability of staff to build trust and long-term relationships through customer interactions. Focusing on relationship-building and personalized engagement can further support loyalty. The bank should strengthen practices that make customers feel valued during their interactions, ensuring this is consistently

delivered across all service touchpoints. AYA Bank should maintain its efficiency in minimizing waiting times out of consideration for customers, as this is a highly valued aspect of its service.

AYA Bank should enhance the courteous and professional handling of automobile loan applications, as this received the lowest level of agreement among customers. Improving staff training focused on courteous communication and professionalism during loan processes can address this. The bank should strengthen efforts to process automobile loan applications in a timely and efficient manner, ensuring that loan approvals and updates are communicated promptly. AYA Bank should maintain its strength in providing accurate and dependable loan information and offering personalized services that suit individual loan needs, as these were highly appreciated by customers.

AYA Bank should enhance the modernity and effectiveness of equipment and materials, such as brochures, computers, and other communication tools, to better align with customer expectations for technological standards. The bank should strengthen the comfort and functionality of customer seating areas, ensuring consistency across all branches. AYA Bank should maintain its strong focus on creating a pleasant physical environment through office furniture and interior design that contributes to customer comfort.

AYA Bank should enhance efforts to minimize errors and ensure absolute consistency in loan processing, as these aspects received relatively lower customer ratings. Introducing additional quality control measures and process audits could help. The bank should strengthen adherence to standard operating procedures to reinforce customer trust in service consistency. AYA Bank should maintain its systematic and reliable procedures for processing automobile loan applications, which are generally well-regarded by customers.

### **5.3 Needs for Further Study**

This study focuses solely on customer satisfaction and loyalty related to automobile loan services at AYA Bank, excluding comparisons with other banks. Future research should include multiple financial institutions to provide a broader industry perspective. Additionally, this study examined only five service quality dimensions; therefore, further studies should explore other potential factors such as digital service experience, promotional offers, and economic influences to better understand what drives customer satisfaction and loyalty in Myanmar's automobile loan sector.

## REFERENCES

- Abubakar, B. A., Mokhtar, S. S. M., & Abdullateef, A. O. (2014). The role of after sales service in customer satisfaction and customer loyalty. *Journal of Research in Marketing*, 2(1), 63–68.
- Ananth, A., Ramesh, R., & Prabakaran, B. (2011). *Service Quality Gap Analysis in Private Sector Banks – A Customer Perspective*. *Indian Journal of Commerce & Management Studies*, 2(1), 245–252.
- Asubonteng, P., McCleary, K. J., & Swan, J. E. (1996). SERVQUAL revisited: A critical review of service quality. *Journal of Services Marketing*, 10(6), 62–81.
- Avkiran, N. K. (1994). Developing an instrument to measure customer service quality in branch banking. *International Journal of Bank Marketing*, 12(6), 10–18.
- Ayeyarwady Bank Public Company Limited. (2023). *Annual report FY 2022–2023*. AYA Bank.
- Babu, S. (2020). Customer satisfaction of banking services in relation to home loans – A study with reference to Chennai city. *Journal of Banking & Finance Perspectives*, 2(1), 45-54.
- Bloemer, J., Ruyter, K., & Peeters, P. (1998). Investigating drivers of bank loyalty: The complex relationship between image, service quality and satisfaction. *International Journal of Bank Marketing*, 16(7), 276–286.
- Clemes, M. D., Gan, C., & Zhang, D. (2010). Customer switching behavior in the banking industry. *Asia Pacific Journal of Marketing and Logistics*, 22(3), 252-269.
- Colgate, M., Stewart, K., & Kinsella, R. (1996). Customer defection: A study of the student market in Ireland. *International Journal of Bank Marketing*, 14(3), 23–29.
- Danaher, P. J., & Mattsson, J. (1994). Customer satisfaction during the service delivery process. *European Journal of Marketing*, 28(5), 5–16.
- Day, G. S. (1969). A two-dimensional concept of brand loyalty. *Journal of Advertising Research*, 9(3), 29–35.

- Ennew, C. T., Waite, N., & Waite, R. (2013). *Financial Services Marketing: An International Guide to Principles and Practice*. Routledge.
- Eshghi, A., Roy, S. K., & Ganguli, S. (2008). Service quality and customer satisfaction: An empirical investigation in Indian mobile telecommunications services. *Marketing Management Journal*, 18(2), 119–144.
- Ghavami, A., & Olyaei, A. (2006). The impact of customer satisfaction on customer loyalty: A case study of Iranian mobile telecommunication services. *International Journal of Business and Management*, 1(3), 83–90.
- Ghylin, K. M., Green, J. B., Drury, C. G., Chen, P. Y., Schultz, J., & Uggirala, A. (2008). Clarifying the concept of service quality: An integrative review. *Journal of Quality Assurance in Hospitality & Tourism*, 9(1), 32–70.
- Gracia, E., Bakker, A. B., & Grau, R. M. (2011). Positive emotions: The connection between customer quality evaluations and loyalty. *Journal of Services Marketing*, 25(4), 253–265.
- Grönroos, C. (1984). A service quality model and its marketing implications. *European Journal of Marketing*, 18(4), 36–44.
- Gupta, S., & Arora, A. (2017). Impact of service quality on customer satisfaction: A study of Indian banks. *International Journal of Bank Marketing*, 35(4), 541-560.
- Hazlett, S. A. (1997). A new conceptualization of service quality: Implications for theoretical and empirical development. *Managing Service Quality*, 7(4), 190–200.
- Hussain, M., Asif, M., & Khan, M. (2018). Service quality and customer satisfaction in banking sector: Evidence from Pakistan. *International Journal of Bank Marketing*, 36(5), 1048-1066.
- Johnson, M. D. (1995). The measurement of service quality: Current literature and future expectations. *Journal of Services Marketing*, 9(4), 6–14.

- Kandampully, J., Zhang, T., & Bilgihan, A. (2015). Customer loyalty: A review and future directions with a special focus on the hospitality industry. *International Journal of Contemporary Hospitality Management*, 27(3), 379–414.
- Kant, R., & Jaiswal, D. (2017). *The impact of service quality dimensions on customer satisfaction: A study of selected public sector banks in India*. *International Journal of Bank Marketing*, 35(3), 411–430.
- Karim, R. (2019). The impact of service quality on customer satisfaction and customer loyalty: Evidence from the private banking sector in Bangladesh. *International Journal of Bank Marketing*, 37(5), 1054–1072.
- Khan, A. G., Lima, R. P., & Mahmud, M. S. (2021). Understanding the service quality and customer satisfaction of mobile banking in Bangladesh: Using a structural equation model. *Global Business Review*, 22(1), 85-100.
- Kotler, P. (1999). *Kotler on marketing: How to create, win, and dominate markets*. Free Press.
- Kotler, P. (2003). *Marketing management* (11th ed.). Prentice Hall.
- Kotler, P., & Keller, K. L. (2006). *Marketing management* (12th ed.). Pearson Prentice Hall.
- Kotler, P., & Keller, K. L. (2016). *Marketing management* (15th ed.). Pearson.
- Krishnamurthy, R., Mani, T., Sivakumar, A. N., & Sellamuthu, P. (2010). Influence of Service quality on customer satisfaction: Application of servqual model. *International Journal of Business and Management* 5(4), 1-8.
- Ladhari, R. (2009). A review of twenty years of SERVQUAL research. *International Journal of Quality and Service Sciences*, 1(2), 172-198.
- Li, C. (2012). The customer loyalty management system: How to increase customer satisfaction and retention. *International Journal of Business and Management*, 7(7), 221–228.
- Lovelock, C. (2004). *Services marketing: People, technology, strategy* (5th ed.). Pearson Education.

- Lovelock, C., & Wirtz, J. (2007). *Services marketing: People, technology, strategy* (6th ed.). Pearson Prentice Hall.
- Lucas, R. W. (2005). *Customer service: Building successful skills for the twenty-first century* (3rd ed.). McGraw-Hill.
- Malhotra, N. K., & Malhotra, A. (2003). Dimensions of service quality in consumer banking: A multivariate analysis. *International Journal of Service Industry Management*, 14(4), 356-376.
- Moidunny, K. (2009). *The effectiveness of the National Professional Qualification for Headship (NPQH) programme in Malaysia* [Doctoral dissertation, University of Birmingham]. eTheses Repository.
- Munusamy, J., Chelliah, S., & Mun, H. W. (2010). *Service quality delivery and its impact on customer satisfaction in the banking sector in Malaysia*. *International Journal of Innovation, Management and Technology*, 1(4), 398–404.
- Oladepo, O., & Abimbola, O. W. (2014). The influence of service quality on customer satisfaction in banking industry. *Journal of Economics and Sustainable Development*, 5(2), 1–9.
- Oliver, R. L. (1980). A cognitive model for the antecedents and consequences of satisfaction decisions. *Journal of Marketing Research*, 17, 460–469.
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). *A Conceptual Model of Service Quality and Its Implications for Future Research*. *Journal of Marketing*, 49(4), 41–50.
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988). *SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality*. *Journal of Retailing*, 64(1), 12–40.
- Peiguss, C. (2012). What is customer loyalty? *HubSpot Blog*.
- Peng, L. Y., & Moghavvemi, S. (2015). *The influence of service quality on customer satisfaction: Evidence from the banking industry in Malaysia*. *International Journal of Bank Marketing*, 33(3), 314–336.

- Philip, G., & Hazlett, S. A. (1997). The measurement of service quality: A new P-C-P attributes model. *International Journal of Quality & Reliability Management*, 14(3), 260–286.
- Selvakumar, J. J. (2015). *Impact of service quality on customer satisfaction in public sector and private sector banks*. *PURUSHARTHA*, 7(1), 1–12.
- Seth, N., Deshmukh, S. G., & Vrat, P. (2005). Service quality models: A review. *International Journal of Quality & Reliability Management*, 22(9), 913–949.
- Shanka, M. S. (2012). *Bank service quality, customer satisfaction and loyalty in Ethiopian banking sector*. *Journal of Business Administration and Management Sciences Research*, 1(1), 001–009.
- Siddiqi, K. O. (2011). Interrelations between service quality attributes, customer satisfaction, and customer loyalty in the retail banking sector in Bangladesh. *International Journal of Business and Management*, 6(3), 12-36.
- Singh, R., & Khan, I. A. (2012). An approach to increase customer retention and loyalty in B2C world. *International Journal of Scientific and Research Publications*, 2(6), 1–4.
- Subedi, K. D., & Joshi, A. (2025). Factors Influencing Customers' Borrowing Decisions in Commercial Banks. *Nepalese Journal of Management Research*, 5(1), 47-56.
- Taylor, S. A., & Baker, T. L. (1994). An assessment of the relationship between service quality and customer satisfaction in the formation of consumers' purchase intentions. *Journal of Retailing*, 70(2), 163-178.
- Tejada, J. J., & Punzalan, J. R. (2012). On the misuse of Slovin's formula. *The Philippine Statistician*, 61(1), 129–136.
- Venetis, K. A., & Ghauri, P. N. (2004). Service quality and customer retention: Building long-term relationships. *European Journal of Marketing*, 38(11/12), 1577–1598.
- Walker, R. H., & Cheung, M. (1998). Service quality in the Hong Kong retail banking industry. *International Journal of Bank Marketing*, 16(5), 210–219.

- Wang, Y., & Lo, H.-P. (2002). Service quality, customer satisfaction and behavior intentions: Evidence from the banking industry in China. *International Journal of Bank Marketing*, 20(5), 233–246.
- Yim, C. K. (2008). Customer relationship management: Its dimensions and effect on customer outcomes. *Journal of Personal Selling & Sales Management*, 28(4), 313–326.
- Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1996). The behavioral consequences of service quality. *Journal of Marketing*, 60(2), 31-46.
- Zeithaml, V. A., Bitner, M. J., & Gremler, D. D. (2006). *Services marketing: Integrating customer focus across the firm* (4th ed.). McGraw-Hill.

**APPENDIX A**  
**QUESTIONNAIRE SURVEY**

Dear Sir/Madam,

The purpose of this questionnaire is to collect data for the research titled “**Service Quality, Customer Satisfaction and Customer Loyalty Towards Automobile Loan at AYA Bank PCL**” as part of my academic research study for the EMBF at YUE. I appreciate your value and time in responding to the questions and assure you of confidentiality and privacy.

Yours Sincerely,

Nyein Nyein

## **Section A: Profile of the respondents**

### **Gender of Respondents**

- Male
- Female

### **Age of Respondents**

- Under 30 years
- 31 to 40
- 41 to 50
- 51 over

### **Level of Education**

- High School
- Diploma
- Bachelor
- Master
- Doctorate

### **Working Experience of Respondents**

- Less than 3 year
- 3 – 5 years
- 5 – 10 years
- 10 years above

### **Monthly Income in Kyats**

- 0 to 1,000,000
- 1,000,001 to 5,000,000
- 5,000,001 to 10,000,000
- More than 10,000,000

**Section B: Please state level of your agreement on each statement by providing the most relevant number.**

**1= Strongly Disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly Agree**

**Service Quality**

No	Items	Scale				
		1	2	3	4	5
1	AYA Bank staff are courteous and professional in handling automobile loan applications.					
2	The bank provides clear and complete information about the automobile loan process.					
3	The bank processes automobile loan applications in a timely and efficient manner.					
4	Confidence is expressed in the competence and knowledge of the bank staff handling loan services.					
5	The bank responds to customer inquiries about automobile loans promptly.					
6	The bank staff are considered reliable in providing accurate and dependable loan information.					
7	AYA Bank offers personalized services that suit my automobile loan needs.					

**Tangibility**

No	Items	Scale				
		1	2	3	4	5
1	The physical facilities at AYA Bank are clean, organized, and professional.					
2	The equipment and materials used by AYA Bank (e.g., brochures, computers) are modern and up-to-date.					
3	Comfortable seating and customer areas are available in the bank.					
4	The appearance of the bank's staff is neat and professional.					
5	The bank's website and mobile application are visually appealing and easy to navigate.					
6	AYA Bank provides attractive and informative printed materials about automobile loan products.					
7	Office furniture and interior design enhance customer comfort.					

## Reliability

No	Items	Scale				
		1	2	3	4	5
1	AYA Bank consistently processes automobile loan applications accurately and without error.					
2	AYA Bank can be depended upon to deliver the promised automobile loan services every time.					
3	The bank meets its advertised service commitments with regard to automobile loans.					
4	AYA Bank provides precise and dependable information about automobile loan products and services.					
5	The bank's procedures for processing automobile loan applications are systematic and reliable.					
6	AYA Bank's staff consistently adhere to standard operating procedures when handling my automobile loan.					
7	Minimal errors are experienced during the processing of automobile loans by AYA Bank.					

## Assurance

No	Items	Scale				
		1	2	3	4	5
1	The staff at AYA Bank are knowledgeable about automobile loan products and services.					
2	Confidence is placed in the abilities of AYA Bank employees to handle automobile loan transactions.					
3	Clear explanations are provided during the loan process.					
4	Customers feel secure when discussing financial matters with staff.					
5	The bank's staff instill confidence in customers through their expertise and professionalism.					
6	A sense of safety and security is experienced in all financial transactions related to automobile loans with AYA Bank.					
7	AYA Bank staff demonstrate professionalism and competence that reassures customers during loan decisions.					

## Empathy

No	Items	Scale				
		1	2	3	4	5
1	AYA Bank staff give individual attention to customers applying for automobile loans.					
2	The staff at AYA Bank understand my specific needs regarding automobile financing.					
3	AYA Bank staff show sincere interest in helping customers.					
4	The bank provides services that are tailored to my personal circumstances.					
5	Waiting times are minimized out of consideration for customers.					
6	The employees are patient when explaining the automobile loan process and answering my questions.					
7	Customers feel valued throughout their interaction with the bank.					

## Customer Satisfaction

No	Items	Scale				
		1	2	3	4	5
1	The overall service provided by AYA Bank for automobile loans is satisfactory.					
2	The automobile loan application process is regarded as simple and clear.					
3	Regular updates and feedback during the loan process are considered satisfactory.					
4	Communication and information provided by the bank regarding the loan are adequate and satisfactory.					
5	The cost and terms of the automobile loan are perceived as offering good value.					
6	AYA Bank is regarded as reputable and trustworthy in the automobile loan sector.					
7	The loan approval and disbursement process is considered fast and efficient.					

## Customer Loyalty

No	Items	Scale				
		1	2	3	4	5
1	Continued use of AYA Bank for future financial services, including loans, is intended.					
2	AYA Bank's automobile loan service is likely to be recommended to friends and family.					
3	AYA Bank is regarded as the first choice for automobile loans.					
4	Loyalty to AYA Bank is likely to be maintained even if other banks offer similar automobile loan products.					
5	Positive experiences with AYA Bank's automobile loan service are shared with others.					
6	An emotional connection has developed with AYA Bank as a result of the service quality.					
7	Switching to another bank for automobile loans is less likely after the experience with AYA Bank.					

## APPENDIX -B

### SPSS OUTPUT

#### 1. Demographic Characteristics

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	206	55.2	55.2	55.2
	Male	167	44.8	44.8	100.0
	Total	373	100.0	100.0	

Age (Years)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	31-40	102	27.3	27.3	27.3
	41-50	189	50.7	50.7	78.0
	51 over	48	12.9	12.9	90.9
	Under 30	34	9.1	9.1	100.0
	Total	373	100.0	100.0	

Education Background					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bachelor	158	42.4	42.4	42.4
	Master	215	57.6	57.6	100.0
	Total	373	100.0	100.0	

Working Experience					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10 years above	290	77.7	77.7	77.7
	3 - 5 years	30	8.0	8.0	85.8
	5 - 10 years	37	9.9	9.9	95.7
	Less than 3 year	16	4.3	4.3	100.0
	Total	373	100.0	100.0	

Monthly Income					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0 to 1,000,000	14	3.8	3.8	3.8
	1,000,001 to 5,000,000	291	78.0	78.0	81.8
	1,000,001 to 5,000,001	1	0.3	0.3	82.0
	5,000,001 to 10,000,000	36	9.7	9.7	91.7
	More than 10,000,000	31	8.3	8.3	100.0
	Total	373	100.0	100.0	

Descriptive Statistics			
	Mean	Std. Deviation	N
Customer Satisfaction	3.8962	0.47416	373
Service Quality	4.0260	0.46431	373
Tangibility	4.0624	0.43717	373
Reliability	3.7851	0.46393	373
Assurance	3.9391	0.55759	373
Empathy	3.8348	0.46117	373

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.962 <sup>a</sup>	0.925	0.924	0.13055	0.925	908.028	5	367	0.000

a. Predictors: (Constant), Empathy, Service Quality, Reliability, Tangibility, Assurance

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	77.380	5	15.476	908.028	.000 <sup>b</sup>
	Residual	6.255	367	0.017		
	Total	83.635	372			

a. Dependent Variable: Customer Satisfaction

b. Predictors: (Constant), Empathy, Service Quality, Reliability, Tangibility, Assurance

Coefficients <sup>a</sup>							
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	VIF
		B	Std. Error	Beta			
1	(Constant)	0.932	0.106		8.838	0.000	
	Responsiveness	0.307	0.045	0.301	6.897	0.000	9.349
	Tangibility	0.268	0.056	0.247	4.785	0.000	13.044
	Reliability	0.060	0.046	0.059	1.314	0.190	9.810
	Assurance	0.649	0.053	0.763	12.298	0.000	18.908
	Empathy	0.653	0.046	0.635	14.052	0.000	10.027

a. Dependent Variable: Customer Satisfaction

Correlations							
		Service Quality	Tangibility	Reliability	Assurance	Empathy	Customer Satisfaction
Service Quality	Pearson Correlation	1	.926**	.534**	.885**	.770**	.666**
	Sig. (2-tailed)		0.000	0.000	0.000	0.000	0.000
	N	373	373	373	373	373	373
Tangibility	Pearson Correlation	.926**	1	.578**	.907**	.815**	.718**
	Sig. (2-tailed)	0.000		0.000	0.000	0.000	0.000
	N	373	373	373	373	373	373
Reliability	Pearson Correlation	.534**	.578**	1	.788**	.857**	.901**
	Sig. (2-tailed)	0.000	0.000		0.000	0.000	0.000
	N	373	373	373	373	373	373
Assurance	Pearson Correlation	.885**	.907**	.788**	1	.872**	.873**
	Sig. (2-tailed)	0.000	0.000	0.000		0.000	0.000
	N	373	373	373	373	373	373
Empathy	Pearson Correlation	.770**	.815**	.857**	.872**	1	.918**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000		0.000
	N	373	373	373	373	373	373
Customer Satisfaction	Pearson Correlation	.666**	.718**	.901**	.873**	.918**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	
	N	373	373	373	373	373	373

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

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
SQ1	373	3	5	3.81	0.510
SQ2	373	3	5	4.11	0.640
SQ3	373	3	5	4.04	0.616
SQ4	373	3	5	4.03	0.727
SQ5	373	3	5	3.87	0.471
SQ6	373	3	5	4.16	0.620
SQ7	373	3	5	4.16	0.437
T1	373	3	5	4.05	0.719
T2	373	3	5	3.90	0.501
T3	373	3	5	4.17	0.605
T4	373	3	5	4.06	0.553
T5	373	3	5	4.01	0.605
T6	373	3	5	3.98	0.448
T7	373	3	5	4.28	0.489
R1	373	3	5	3.60	0.501
R2	373	3	5	3.60	0.650
R3	373	3	5	3.61	0.536
R4	373	3	5	3.87	0.577
R5	373	3	5	3.99	0.563
R6	373	3	5	3.97	0.663
R7	373	3	5	3.85	0.587
A1	373	2	5	3.84	0.908
A2	373	3	5	3.96	0.796
A3	373	3	5	4.06	0.733
A4	373	3	5	4.09	0.741
A5	373	3	5	3.90	0.638
A6	373	3	5	3.74	0.569
A7	373	3	5	3.98	0.553
E1	373	3	5	3.60	0.650
E2	373	3	5	3.93	0.709
E3	373	3	5	3.63	0.551
E4	373	3	5	3.79	0.649
E5	373	3	5	3.69	0.542
E6	373	3	5	4.24	0.472
E7	373	3	5	3.70	0.564
E8	373	3	5	4.09	0.651
CS1	373	3	5	3.71	0.524
CS2	373	3	5	4.16	0.554

CS3	373	3	5	3.83	0.700
CS4	373	3	5	3.92	0.738
CS5	373	3	5	3.88	0.599
CS6	373	3	5	4.11	0.566
CS7	373	3	5	3.65	0.712
CL1	373	3	5	3.93	0.737
CL2	373	3	5	4.04	0.704
CL3	373	3	5	3.88	0.734
CL4	373	3	5	4.06	0.520
CL5	373	3	5	3.98	0.695
CL6	373	3	5	3.88	0.604
CL7	373	2	5	4.04	0.757
Valid N (listwise)	373				

<b>Reliability Statistics</b>	
Cronbach's Alpha	N of Items
0.904	7

<b>Reliability Statistics</b>	
Cronbach's Alpha	N of Items
0.887	7

<b>Reliability Statistics</b>	
Cronbach's Alpha	N of Items
0.902	7

<b>Reliability Statistics</b>	
Cronbach's Alpha	N of Items
0.892	7

<b>Reliability Statistics</b>	
Cronbach's Alpha	N of Items
0.899	8

<b>Descriptive Statistics</b>			
	Mean	Std. Deviation	N
Customer Loyalty	3.9732	0.51968	373
Customer Satisfaction	3.8962	0.47416	373

<b>Correlations</b>			
		Customer Loyalty	Customer Satisfaction
Pearson Correlation	Customer Loyalty	1.000	0.908
	Customer Satisfaction	0.908	1.000
Sig. (1-tailed)	Customer Loyalty		0.000
	Customer Satisfaction	0.000	
N	Customer Loyalty	373	373
	Customer Satisfaction	373	373

<b>Model Summary</b>							
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
					R Square Change	F Change	Sig. F Change
1	.908 <sup>a</sup>	0.824	0.823	0.21833	0.824	1736.577	0.000

a. Predictors: (Constant), Customer Satisfaction

<b>Coefficients<sup>a</sup></b>							
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	VIF
		B	Std. Error	Beta			
1	(Constant)	0.097	0.094		1.034	0.302	
	Customer Satisfaction	0.995	0.024	0.908	41.672	0.000	1.000

a. Dependent Variable: Customer Loyalty