

YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF MANAGEMENT STUDIES
MBA PROGRAMME

**FACTORS AFFECTING CUSTOMER SATISFACTION
AND CUSTOMER LOYALTY TOWARDS E-BANKING
SERVICES OF KBZ BANK**

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EMBA II – 39

EMBA 20th BATCH

MAY, 2025

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ACADEMIC YEAR (2023-2025)

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This thesis is submitted to the Board of Examiners in partial fulfilment of the requirements for the degree of Master of Business Administration (MBA).

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ACCEPTANCE

This is to certify that the thesis entitled “**Factors Affecting Customer Satisfaction and Customer Loyalty towards E-Banking Services of KBZ Bank**” has been accepted by the Examination Board for awarding Master of Business Administration (MBA) degree.

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ABSTRACT

This study aims to explore the elements influencing customer satisfaction regarding E-banking services and to investigate the mediating role of trust in the connection between customer satisfaction and customer loyalty towards E-banking services. This research utilizes both primary and secondary data. Yamane's sample size formula indicates that the sample consists of 400 out of 5,200,242 E-banking clients. The respondents are chosen using a simple random sampling method. For gathering primary data, a structured survey utilizing a five-point Likert scale is used. Data is collected via an online survey approach. The techniques employed in this research include descriptive statistics and regression analysis. Secondary data are gathered from KBZ bank reports, earlier studies, textbooks, websites, and various pertinent sources. The regression analysis shows that security and privacy, fulfillment, personal needs, and customer service and support significantly positively impact customer satisfaction. Concerning mediation outcomes, trust has a mediating influence on the connection between customer satisfaction and customer loyalty to KBZ E-banking. KBZ bank must provide E-banking services competently and promptly to enhance customer satisfaction and loyalty.

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LIST OF ABBREVIATIONS

ATM	Automated Teller Machine
EFT	Electronic Funds Transfer
ESQUAL	Electronic Service Quality
FAQ	Frequently Asked Questions
ICT	Information and Communication Technologies
KYC	Know Your Customer
OTP	One-Time Password
PDA	Personal Digital Assistant
PC	Personal Computer
PIN	Personal Identification Number
POS	Point of Sale
POP	Point of Purchase

CHAPTER 1

INTRODUCTION

In today's world, the internet has turned into a crucial resource in everyone's daily life. The progress in information and communication technologies (ICT) has changed the manner of conducting business. Technology serves as a link in the flow of information and business operations. Banks, alongside other business entities, have been leveraging ICT for an extended period. In nearly every sector, ICT is fulfilling a significant function (Versteeg & Bouwman, 2006).

Because of the fast-evolving technology, everyone favors conducting all transactions online. The banking system is crucial in contemporary finance. In the modern era, everyone requires immediate banking options for an improved quality of life. To meet customers' demands, all the banks are also engaged in providing top-notch services in E-banking. E-banking is offered by most banks. Online banking, often known as e-banking, uses the internet to supply banking services (Furst & Nolle, 2002).

ATMs, debit cards, credit cards, mobile banking, internet banking, and other services digitize all banking processes under e-banking. Customers can use PCs and phones for E-banking. E-banking is driving digital technology adoption and changing client expectations for digital financial transactions. Online banking is popular among account holders (Singh et al., 2017). Companies must remember client experience (Mansoor et al., 2020). E-banking client happiness depends on many factors. E-banking customer satisfaction measures how satisfied consumers are with online banking options, services, and overall experience (Zeithaml, 2002).

Efficiency is a factor that pertains to how user-friendly the site is and how well banks can meet the service requirements of their clients (Parasuraman et al., 2005). Security and privacy entail that personal data remains undisclosed and that credit or debit card details are protected (Sakhaei et al., 2014). This aspect focuses on how E-banking demonstrates reliability for its users. Fulfilment is characterized as the precision of service commitments and the provision of the service within the guaranteed timeframe (Sakhaei et al., 2014). In E-banking, fulfilment refers to how well the website satisfies customer needs regarding the speed of web page loading and the confirmation of services requested (George & Kumar, 2014). Moreover, E-banking can fulfill customer demands by providing

convenient and tailored financial management solutions, including online account access, immediate notifications, and budgeting tools, enabling customers to manage their finances effectively.

The availability of an online system indicates the system's capacity to be reachable and operational whenever required by users (Ahmed et al., 2021). Clients can access the bank's E-banking services—like mobile banking and online banking—without any interruptions. Personal needs pertain to factors that drive consumers to buy a product or service (Ahmed et al., 2021). Customer service and support denote the quickness of response to any issues raised by the user during or following their service interaction (Blut et al., 2015). In E-banking, trust and loyalty are highly significant. Customer trust denotes the confidence and belief that consumers possess in a brand or company's ability to fulfill its promises and obligations (Zeithaml, 2001). It plays a crucial role in fostering customer loyalty.

Providing solutions to the concerns and queries that customers have regarding online banking is the primary means by which e-customer loyalty is achieved. According to Raza et al.'s research from 2020, customer loyalty is defined as a strong commitment to purchasing or supporting a preferred product or service on a continuous basis in the future. According to Yousafzai et al. (2003), e-banking trust is defined as the customer's desire to utilise the bank's online services, presuming that the bank would conduct its business in an ethical and secure manner. According to Reichheld and Schefer (2000), customer loyalty in online banking refers to the continuing desire and actions of customers to regularly utilise the digital services of the same bank throughout the course of time. This is motivated by pleasant experiences, trust, and satisfaction.

A bank known as Kanbawza (KBZ) was established on July 1st, 1994. At this time, KBZ Bank is one of the largest privately held banks, and it has roughly 500 branches that it operates out of. Due to the fact that it introduced electronic banking services in October of 2018, the bank is in vanguard, particularly in the digital and technological realms. Customers of KBZ Bank have access to a wide variety of digital platforms through the bank's electronic banking services, which are meant to make financial transactions more accessible and convenient for them. KBZ mbanking, KBZ ibanking, KBZ pay, and a self-service banking portal are all included in the e-banking services that are available.

Through the provision of financial services that were easily accessible to Myanmar's predominantly cash-dependent society, the effort intended to improve digital literacy and financial inclusion. It is the purpose of this study to investigate the factors that influence customer satisfaction and loyalty in relation to the electronic banking services provided by KBZ Bank.

1.1 Rationale of the Study

The function that banks play in the economy of every nation is of the utmost importance. Customers are able to meet their various transactional demands in a simple manner by using e-banking services, which have emerged as the most modern approach utilised internationally. Loyalty from customers is required for the success of online banking since it generates a steady and reliable flow of money, reduces the costs associated with client acquisition, and improves the reputation of the brand. All of these factors are crucial for long-term sustainability and profitability in the highly competitive internet banking industry. It is possible to earn the loyalty of customers by providing them with higher levels of satisfaction. The satisfaction of customers is absolutely necessary for the success of online banking services. Because there is less opportunity for face-to-face connection in the arena of digital banking, a positive user experience has a significant influence on the level of trust and loyalty enjoyed by customers. Customers who are satisfied with the platform are more likely to continue using it, to recommend it to others, and to learn about further digital services offered by the bank for themselves.

Efficiency of electronic banking is essential for financial institutions since it reduces costs and boosts customer satisfaction by making the service accessible around the clock and making it simple to use. Electronic banking has emerged as an essential component in the process of improving operational efficiency. Due to the fact that e-banking involves sensitive financial information, such as personal details, account information, and transaction histories, it is necessary for customers to feel safe and secure when using this service. Concerns have been raised by customers over the possibility of unauthorized access to their personal and financial information. In light of this, the privacy and confidentiality of customer information are also extremely important concerns in the realm of electronic banking. When it comes to e-banking, fulfilment is an essential component for customer satisfaction because it shows how successfully the bank operates

in accordance with its obligations. This includes the right execution of transactions, the prompt handling of requests, and the provision of trustworthy service availability. Bank customers expect an improvement in the level of service provided by the institution, which, if realized, might result in a rise in customer satisfaction. In addition, the accessibility of the online platform is essential for electronic banking since customers anticipate having access to their financial services at all hours of the day and night, particularly in the present environment, which is characterized by a quick and digital-centric environment. The convenience, dependability, trustworthiness, and overall satisfaction of customers are all increased when an online banking service is consistently accessible and runs without interruptions. Banking institutions are able to create experiences that are more fascinating and dynamic if they have a thorough understanding of the specific requirements of their consumers. Banks are now able to deliver more individualized services and products through their internet platforms. If the items or services do not satisfy the requirements of the customers, then the clients will not be satisfied with such products and services even if they are offered. The fulfilment of individual criteria thus has a substantial influence on customer satisfaction in the realm of electronic banking. This is because satisfying these requirements results in a banking experience that is more relevant, accessible, and user focused. Additionally, in order to have an effect on customer satisfaction, it is necessary to provide effective customer care and support. On the other hand, failing to provide acceptable service can lead to discontent. When consumers have the impression that their concerns are being heard and resolved in a prompt and effective manner, they are more likely to feel valued and appreciated, which in turn increases the possibility that they would return for further purchases in the immediate future.

Customers have a right to be certain that the system they use for online banking is secure, trustworthy, and protects their information. This is because internet banking entails the management of sensitive personal and financial facts. Customers have a tendency to make continuous use of electronic banking services and report feeling satisfied with their overall experience when trust is there. The perception of danger and uncertainty that may accompany the use of digital financial services can be mitigated to some extent by confidence, which acts as a contributing factor. The convenience that this provides to clients during transactions, the exploration of new capabilities, or the reliance on the platform for vital activities is increased. On the other hand, a lack of trust might lead to discontent, that is, a reluctance to use the service, or even a decision to switch to a different

supplier. In light of this, creating and maintaining trust is critically important for increasing consumer happiness in the realm of electronic banking.

At the moment, the vast majority of banks in Myanmar offer electronic banking services, which has resulted in an increase in the level of competition within the banking sector. Services provided by electronic banking are considered to be a competitive advantage for the banking business. As a result of the intense competition that it faces, KBZ bank is working hard to keep its client base by delivering innovative digital services. A few consumers have terminated their KBZpay and mobile banking accounts as a direct result of this happening. This study does an analysis of the factors that influence customer satisfaction and loyalty with reference to the electronic banking services offered by KBZ bank.

1.2 Objectives of the Study

The objectives of the study are as follows.

- 1) To examine the factors affecting customer satisfaction towards E-banking services of KBZ bank, and
- 2) To analyze the mediating effect of trust on the relationship between customer satisfaction and customer loyalty towards E-banking services of KBZ bank.

1.3 Scope and Method of the Study

This research primarily examines elements influencing customer satisfaction and loyalty related to the E-banking services provided by KBZ bank. This research employs both primary and secondary information. In 2025, the total customer count for E-banking services at KBZ bank stands at 5,200,242. Yamane's formula for sample size indicates that the sample consists of 400 from a total of 5,200,242 E-banking clients. E-banking clients are chosen through a straightforward random sampling technique. A structured questionnaire utilizing a five-point Likert scale is used to gather primary data. Data is collected using an online survey approach. This study employs regression analysis and descriptive statistics as its analytical methods. Secondary data is collected from reports by KBZ bank, earlier research papers, textbooks, websites, and various pertinent sources.

1.4 Organization of the Study

This research includes five chapters. Chapter one introduces the study, detailing its rationale, objectives, scope, methodology, and organization. Chapter two outlines the theoretical framework of elements influencing customer satisfaction, trust, and loyalty. This chapter also encompassed earlier research and the conceptual framework for the study. Chapter three outlines the profile and E-banking services of KBZ bank, details on the respondents, and the reliability analysis. Chapter four provides an examination of the impact of customer satisfaction and customer loyalty on the E-banking services offered by KBZ Bank. Chapter five ultimately showcases the results and discussions, along with suggestions and recommendations, and highlights the requirements for additional research.

CHAPTER 2

LITERATURE REVIEW

This chapter introduces the idea of E-banking and various forms of E-banking. It then discusses the relevant literature concerning the elements influencing customer satisfaction, customer trust, and customer loyalty. Ultimately, it showcases earlier research and the study's conceptual framework.

2.1 E-Banking

E-banking encompasses numerous definitions, all of which convey comparable ideas. Later sections give numerous definitions. E-banking uses electronic signal transfers between financial institutions instead of cash, cheques, or other negotiable instruments (Kamrul, 2009). E-banking is sometimes called EFT.

It involves using electronic techniques to transfer money between accounts instead of cheques or cash (Malak, 2007). E-banking is online or internet banking that delivers services remotely (Furst & Nolle, 2002). E-banking involves using a computer to access and manage banking information (statements, transaction details, etc.) and conduct transactions (payments, transfers, service requests, etc.) with a bank or other financial service provider remotely via a telecommunications network. E-banking goes beyond internet banking.

Internet banking, TV-based banking, mobile banking, and personal computer (PC) banking allow customers to access services via an intelligent electronic device like a PC, PDA, ATM, POS, kiosk, or touch-tone telephone (Alagheband, 2006). Clients can use many E-banking channels. Below, we explore the most prevalent banking methods: ATM, POS, mobile, and internet.

An ATM is a public electronic device linked to a data system and accompanying equipment that allows bank customers to use banking services without visiting the branch. Withdrawals, transfers, balance enquiries, cheque book requests, account statements, direct deposits, currency exchange, and more are available to clients (Fenuga, 2010). ATMs require an ATM card and a password, or PIN.

Internet banking requires connecting to the bank online. Online banking allows physical banks to offer services outside of business hours. Online banking lets customers do financial transactions on a secure site administered by the bank. Online banking can be done on a computer or a phone with internet access (Alabar & Timothy, 2012).

Purchases are made at the Point of Sale (POS), also known as POP. A "checkout" is a POS terminal or checkout hardware and software, like an electronic cash register. A salesperson-accessible POS terminal manages the sales process. This system generates and prints receipts (Shittu, 2010).

M-Banking, or mobile banking, involves using a mobile phone or PDA to check balances, make payments, apply for credit and more. SMS banking was the first mobile banking service. Mobile banking is used in many remote and undeveloped areas. This aspect of mobile commerce is very popular in countries with only big city banks, forcing clients to travel many kilometers to reach them. Services may include bank and stock market transactions, account management, and customized information (Tiwari & Buse, 2007).

2.2 Factors Affecting Customer Satisfaction

Numerous factors can influence customer satisfaction regarding E-banking services. These elements consist of effectiveness, safety and confidentiality, satisfaction, accessibility of digital platforms, individual requirements, and customer assistance and support (Jun & Cai, 2001).

2.2.1 Efficiency

Efficiency means customers can quickly access and complete transactions on an E-banking platform (Zeithaml et al., 2002). E-banking requires a fast, functional bank website (Khurana, 2009). It helps firms answer client questions by searching, retrieving, and combining information (Li & Suomi, 2009). Efficiency includes automatic answers, fast download times, and well-organized websites that answer client questions, confirm orders, and provide shipping and payment information (Rotter, 2003).

According to Jehan and Ansari (2018), transactional efficiency refers to the ability of a client to enter a website, locate the exact product together with its important data, and

complete the checkout procedure in a quick and uncomplicated manner. By taking into consideration aspects such as up-to-date information, response speed, download speed, extensive product information, tutorials/demonstrations, and support features, it is also possible to evaluate the success of online banking in relation to the efficiency of transactions (Nochai & Nochai, 2013). According to Ranchi and Khudjanov (2011), the extent to which a website is successful in the realm of electronic banking is determined by the proportion of completed banking transactions to the total number of banking transactions that were cancelled.

For the purpose of expanding efficiency, boosting operational management, and decreasing expenditures, online banking has developed into a strategic asset. This is accomplished by replacing paper-based techniques with digital solutions. Generally speaking, clients are more likely to remain loyal and happy when transactions are carried out in an efficient manner. According to Santos and Shaikh (2008), one of the most important factors to consider when evaluating the quality of online banking services is the quality of the website that the bank maintains. Customers are often more satisfied with their encounters with digital services when such services are quickly accessible, user-friendly, and dependable. Customers' perceptions of the quality of the service are tremendously impacted by essential characteristics such as the ease of navigation, the speed with which transactions are processed, and the robustness of security. The efficacy of these platforms has a big influence in affecting levels of satisfaction, which is becoming increasingly important as the usage of electronic banking continues to grow. Providing customers with a digital experience that is uncomplicated and hassle-free helps them save time and increases their faith in the bank. Therefore, the level of consumer happiness and loyalty is directly proportional to the degree to which the digital platform is both efficient and user-friendly.

2.2.2 Security and Privacy

Security and privacy in E-banking (or online banking) pertain to the strategies and methods employed by financial organizations and users to safeguard sensitive financial information and transactions from unauthorized access, misuse, or exposure during online banking operations (Suhartanto et al., 2019). For every company, privacy and security are two crucial elements. Service security is regarded as essential for the success of any

financial organization. E-banking is protected by effective and rapid encryption techniques. Transaction details and personal information are protected by every possible digital means. Providers communicate a feeling of trust and safety through the concept of service security (Akman & Mishra, 2017). Weiss et al. (2003) state that privacy involves safeguarding personal data and ensuring security against the dangers of fraud and financial loss. The primary aspect ensures that customer data is not disclosed and that credit information remains protected (Zethaml et al., 2002).

Online security refers to customers' faith that the website is safe from hackers and third parties or has a lesser chance of financial loss from transaction errors or server faults. It represents the level of security against uncertainties and risks for consumers, encompassing a framework that guarantees a sense of protection in their transactions and private data (Parasuraman et al., 2005). This indicates that customers are more inclined to conduct transactions online when they perceive a sense of security on the bank's site. Customers who view a bank as having strict or elevated security are more inclined to be satisfied than those who do not.

Every component and instrument used by the esteemed banks exhibits this security feature. It encompasses a framework that ensures the client feels safe in their dealings and represents the absence of risk and uncertainty for the consumer (Hilliard & Baloglu, 2008). Furthermore, it provides users with a sense of privacy by reassuring them that their system access and any transactions conducted within are confidential. Individuals are more comfortable utilizing the system since they have confidence that it is protected from hackers and external threats (Nawrocki, 2011).

2.2.3 Fulfilment

Fulfilment is meeting service obligations and product delivery on schedule (Sakhaei et al., 2014). Some studies include fulfilment in efficiency rather than as a distinct variable. According to Parasuraman et al. (2005), fulfilment is when a website achieves its order delivery and item accessibility promises. This definition is fundamentally rooted in the efficiency aspect. The availability of the online system includes the effectiveness of websites and technical infrastructure (Ali & Raza, 2017).

The precise fulfilment of service obligations, the maintenance of inventory levels, and the guarantee of timely delivery of the goods in accordance with the promise are all

components of fulfilment. When we talk about the fulfilment component, we are referring to how successfully the service provider fulfils its obligations to offer the services that are expected of them and does so within an acceptable amount of time. Additionally, it is connected to the ease with which people may receive services and the rate at which these services can be provided (Zeithaml & Berry, 1988).

Fulfilment is a key component to consider when determining the value of electronic services since it has the potential to affect the level of happiness or discontent experienced by customers (Yang & Fang, 2014). In the context of online banking services, the term "fulfilment" refers to the degree to which customers' wishes and expectations are met. It takes into account variables such as the variety of services that are offered, the simplicity of the transactions, and the precision of the account information.

2.2.4 Availability of Online System

It is possible for customers to manage their accounts and carry out transactions whenever they want and from wherever they are (Vinayek & Jindal, 2011). E-banking availability refers to the continual access and simplicity of using electronic platforms for banking services. According to Surabaya (2020), availability refers to the accessibility of the website as well as its capacity to function correctly every time it is accessed. For online banking, system stability is of the utmost importance since it has a direct impact on the satisfaction and confidence of customers. It is possible for financial institutions to suffer damage to their reputation, as well as frustration, when they experience periods of slowness or disruptions.

According to Polatoglu and Ekin (2001), electronic banking provides a higher level of system availability, which enables clients to continuously access online banking and locations. Availability of the system is a term that describes the framework that ensures the dependability and usefulness of online banking. If the online banking system continues to be dependable and available on a constant basis, with a low number of instances of outages or technical issues, it is anticipated that the levels of customer satisfaction would reach higher levels.

There are many different perspectives from which one may examine the availability of the system on the website. These perspectives include the stability of the web page, the speed and smoothness of the product's operations, the quality of the service,

the design of the website, the quality of user interaction, and the system's continual readiness for business activities. According to Kuo and Chen (2011), effective system quality in online platforms is believed to be a crucial factor for being deemed successful. This is especially true when the system is able to analyze and assess website interaction. In the event that the availability of the system is appropriately organized and carried out for e-commerce websites, it has the potential to increase consumer happiness.

2.2.5 Personal Needs

The term "personal need" refers to the act of meeting the desires of customers who shop online (Raza et al., 2015). The consumer is the source of their own personal wants. The fundamental concept is that management is able to monitor consumer requests, grasp customer desires, and provide services that meet the expectations of customers. Whenever a bank is able to properly meet the demands of its customers and deliver services that are in line with the preferences of its customers, those customers will feel content with the service they have gotten. Providing or promoting items or services online is connected with speed, effectiveness, and an enormous range of possibilities, which eventually leads in convenience in individuals' day-to-day life (Gunasekaran et al., 2002). This is the experience that customers have when they are looking at the situation from the perspective of consumers. A shift in the expectations and requirements of individuals has occurred as a consequence of their increasing proximity to the digital sphere. This transformation is something that cannot and should not be disregarded. Because of this, businesses are increasingly being forced to adapt their strategies to the circumstances of the internet in order to meet the expectations of the expanding market. They are also required to provide a greater variety of services that are tailored to the specific needs of their customers by supplementing their conventional offers with digital alternatives (Chung et al., 2020). As stated by Gronroos (2007), the financial institution is required to take into consideration the specific demands of each of its banking clients. When cyberbanks have access to sufficient information on the specific needs of their customers, they are better able to provide innovative capabilities that will increase customer happiness and loyalty. According to Yoon (2010) and Keskar et al. (2020), it also helps banks recognize the age, gender, lifestyle, and preferences of internet customers. This is something that is mentioned in both texts. As a result, it is possible to analyze the individual needs of users in order to provide recommendations for offerings and satisfy their particular requirements (Hamadi,

2010). Certain criteria, such as safety, belonging, and preference, are examples of the kinds of demands that might potentially impact how people see online banking. Recognizing the specific requirements of consumers, providing them with personal care, demonstrating a variety of types of empathy and warmth, and considering them to be close friends and valued customers (Amin, 2016).

2.2.6 Customer Service and Support

According to Pettigrew (2008), customer service is defined as assistance that contributes to the delivery of the primary items offered by the organization. Customer service may be connected to products in a variety of ways, including product warranties, shipping, and other similar aspects. It encompasses actions that add value to products or services, whether they are physical or intangible, and are related to those products or services in some way, either directly or indirectly, in order to achieve the expectations of customers and ensure their happiness and loyalty.

Support for customers includes help that is offered both before and after a sale has been made. Prior to establishing opinions, the corporation ought to provide some support in order to entice clients and assist them in feeling comfy during the process. After a customer has purchased a product or service, the firm is obliged to remedy any difficulties that the client may have or to swiftly reply to any enquiries that the customer may have regarding the specific issues.

In the field of electronic banking, assistance is of the utmost importance (Toor et al., 2016). The fact that not everyone is adept with computers means that they will require direction. Furthermore, even if a person is very knowledgeable about computers, they may still experience difficulties and require assistance, or they may have queries that are not answered after using internet services. The level of happiness experienced by customers will increase in tandem with a matching result that they support.

2.3 Customer Satisfaction

Modern businesses prioritize customer pleasure, underpinned by the customer-focused mindset and the principles of continuous development (Arokiasamy, 2013). Satisfaction is described as an assessment of the user's psychological condition formed by

merging emotions related to unmet expectations with the user's past feelings regarding their usage experience (Oliver, 1980).

Jamal and Nasser (2003) described customer satisfaction as a sentiment or perspective that a customer has towards a service or product following its use. Customer satisfaction can be described as assessing a product or service according to the needs and perceptions of customers (Oliver, 1980). Consequently, customer satisfaction reflects how well the product meets expectations from the customer's viewpoint, impacting future actions (Adamson et al., 2003).

Customer satisfaction understood as the evaluation of feelings is frequently being applied over time. Customer satisfaction is viewed as the degree to which a user believes that the management or use of the service elicits positive feelings (Rust & Oliver, 1994). Overall satisfaction serves as a crucial component of perceived service quality since it reflects the users' total experience resulting from the organizational facility performance, which subsequently acts as an indicator of user loyalty.

According to Magesh (2010), satisfaction is the emotion of pleasure derived from possessing something or accomplishing something. It is an act of satisfying a need, want, requirement, or anticipation. Customers evaluate their anticipations regarding a particular product or service against its real advantages. According to Kotler and Armstrong (2010), satisfaction is defined as an individual's feelings of contentment or dissatisfaction that arise from comparing the perceived performance of a product against their expectations.

Customer satisfaction indicates how users view the effectiveness, security, accessibility, and alignment of online and E-Banking services with their expectations, leading to favorable user experiences and loyalty to the banking institution (Sadeghi, T., et al., 2013). E-customer satisfaction is perceived through the electronic or online environment, as noted by Zeithaml (2002). Furthermore, customer satisfaction refers to a customer's overall happiness with the service experience, especially when the service meets or surpasses expectations regarding usability, security, responsiveness, and reliability (Zeithaml et al., 2018).

2.4 Customer Loyalty

Customer loyalty is the strong desire to repurchase or continue favoring a preferred product or service in the future, even when situational factors and marketing strategies may

cause switching (Oliver, 1999). Brand loyalty is a good attitude and repeated repurchasing (Jacoby & Kyner, 1973). Customers are likely to stay loyal to a service organization if they perceive the value of what they receive as significantly higher than what they expect from competitors (Jacoby & Chestnut, 1978).

Customer loyalty encompasses not just the habit of purchasing repeatedly but also the customer's readiness to suggest a service or brand to others. This phase indicates attitudinal loyalty, where emotional ties and trust in the brand foster positive word-of-mouth and supportive behaviors. A continuously positive emotional experience, physical satisfaction, and perceived value of the encounter, including the product or service, lead to customer loyalty. It encourages repeat purchases and referrals (Kotler & Keller, 2016).

Customer loyalty refers to a sentiment that reflects the connection between the consumer and the business or enterprise (Godwin et al., 2010). As stated by Oliver (1997), loyalty represents a deep commitment to being a regular customer (patronizing) or to making future purchases of the favorite product or service. Consequently, loyalty will result in the continuous purchase of the same product or service regardless of marketing tactics or situational influences.

Rabinovich and Bailey (2004) noted that understanding customer loyalty is greatly advantageous for both the company and the customers. Devoted customers are keen to purchase from businesses that provide the greatest value relative to their rivals. Customer loyalty refers to customers who intend to buy the same product or service again and may also suggest this product or service to other consumers (Blomqvist et al., 2000). Moreover, Bowen and Chen (2001) noted that customer loyalty represents a customer's dedication to buying the product or service again in the future and, in some cases, the customer will suggest the same product to others.

According to Heskett et al. (1994), private banking service providers measure client loyalty by their readiness to suggest, invest more, and shift institutions. Cyr et al. (2007) described e-loyalty as the perception of loyalty to an online platform, accompanied by the intention to return to the site or buy from it later.

2.5 Customer Trust

Trust is a party's reliability in an exchange relationship (Yang, 1967). Trust is a psychological state that fosters online banking because clients expect the bank to follow its

pledges, regardless of their ability to control the bank's behavior (Yousafzai, 2003). Consumer trust is in the service provider's reliability and capacity to provide (Pennanen, 2009).

Patrick (2002) defined customer trust as thoughts, sentiments, emotions, or behaviors that develop when customers think a supplier will prioritize their best interests after ceding direct control. Morgan and Hunt (1994) defined trust as confidence in another's honesty and dependability. Ranaweera and Prabhu (2003) also noted that trust is stronger than satisfaction and better predicts loyalty. Marketing trust is typically linked to customers' perceptions of the company's capacity to deliver on its promises (Moorman et al., 1992). This depends on the company's expertise, ethics, and friendliness.

Ba and Pavlou (2002) defined trust as an assessment of an individual's connections with others who must undertake particular transactions in an uncertain situation. Costabile et al. (2002) define customer trust as the consumer's sense of reliability, based on experiences or transactions or interactions that satisfy product performance and satisfaction expectations. Barnes (2004) defines trust as a person's willingness to behave based on the expectation that their partners will satisfy their needs and the idea that those who give assurances or promises can be trusted.

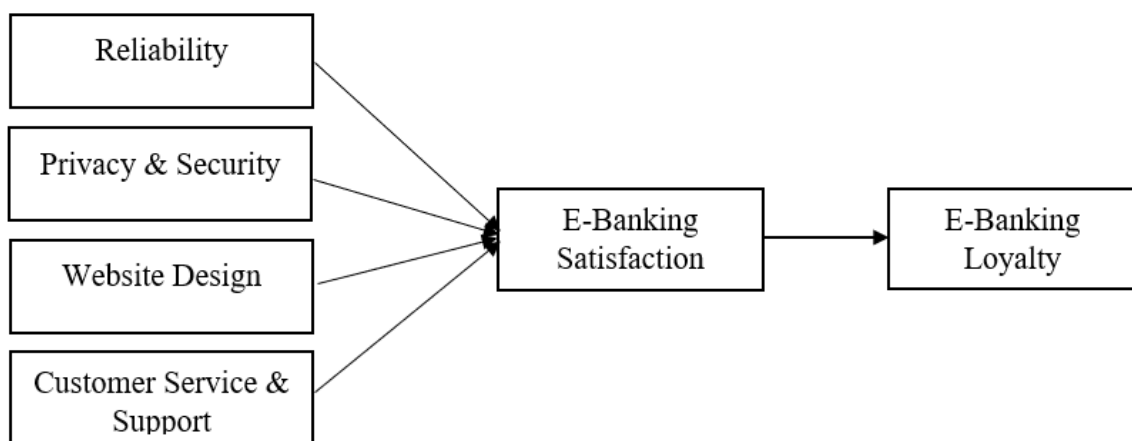
When E-banking features and advantages exceed client expectations, trust is developed between the customer and the organization (Sohail et al., 2020). Trust fosters cooperation between the commercial bank and its customers. This enables the bank to uphold/secure a competitive edge in the marketplace. As the variety of services offered by commercial banks expands, trust becomes a crucial element influencing customers' decisions to embrace or reject innovations. Establishing trust leads customers to anticipate beneficial results and seek long-term positive outcomes, which signifies customer loyalty (Yap et al., 2012).

2.6 Previous Studies

This research relies on two previous articles. The first study by Haq & Awan (2020) examined how e-satisfaction affected e-loyalty during the pandemic, while the second paper by Ahmed et al. (2021) used serial mediation and a revised electronic service quality (E-S-QUAL) Model and Second-Order PLS-SEM.

Haq and Awan (2020) explored how E-banking service quality influences loyalty, mediated by satisfaction. During COVID-19, account holders of three domestic systemically significant Pakistani banks were surveyed on their electronic services. A redesigned questionnaire was sent via email and messaging applications. Analysis included 976 replies from a Pakistani marketing company's database. The study's claims were assessed using structural equation modelling. Figure (2.1) depicts Haq and Awan's (2020) conceptual framework.

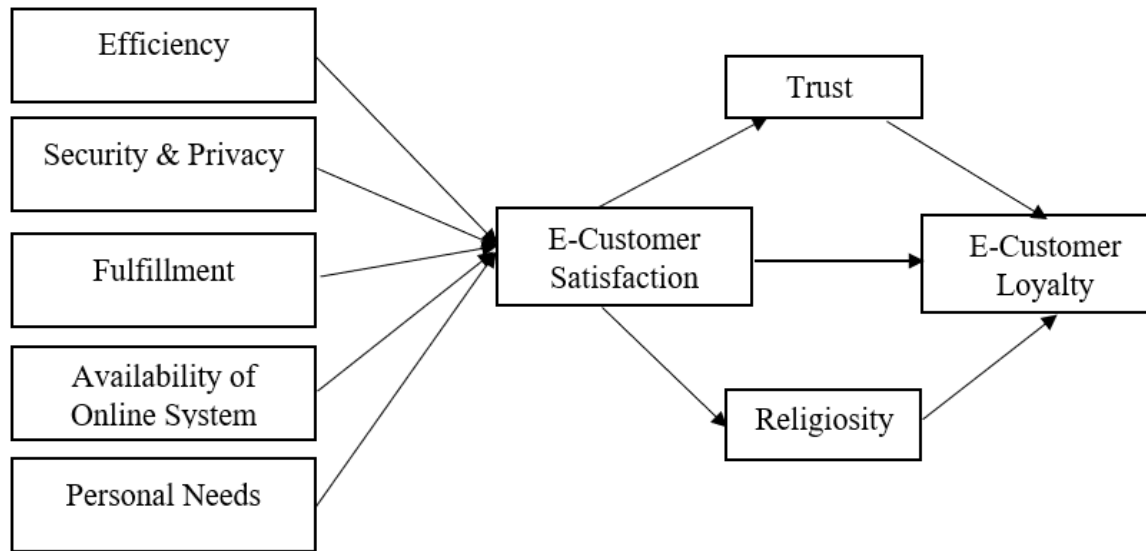
Figure (2.1) Conceptual Framework of Haq & Awan



Source: Haq & Awan (2020)

The results showed that website dependability and design increased E-banking loyalty, notably during COVID-19. E-banking satisfaction totally mediated the relationship between privacy and security and loyalty, although dependability and website design only slightly mediated the indirect effect. Ahmed et al. (2021) examined e-customer satisfaction and loyalty in Pakistan's Islamic E-banking business to evaluate service quality. Ahmed et al. (2021) included online system availability and customer personal demands to the multiple-item scale electronic service quality model (E-S-QUAL). Both religion and trust in Islamic E-banking were mediators. A systematic questionnaire collected 674 Pakistani Islamic banking user replies. Direct and sequential mediation were examined using second-order PLS-structural equation modelling (PLS-SEM). Ahmed et al. (2021) conceptual framework is shown in Figure 2.2.

Figure (2.2) Conceptual Framework of Ahmed et al.



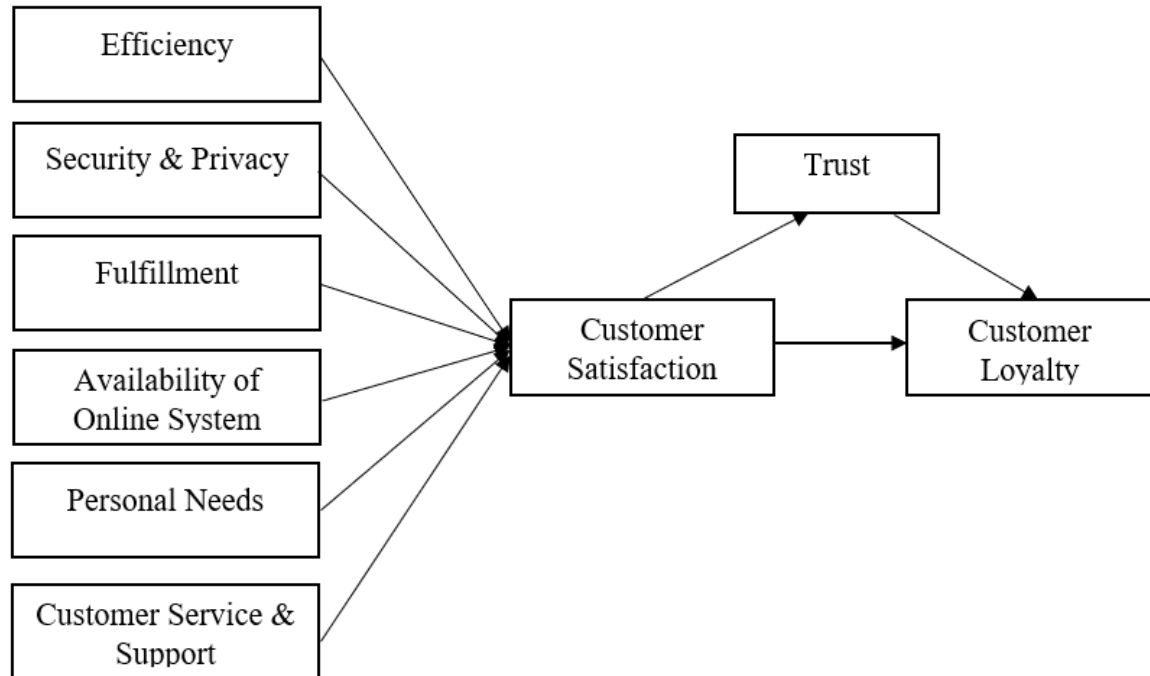
Source: Ahmed et al. (2021)

Ahmed et al. (2021) found that altered E-S-QUAL parameters positively affected e-customer satisfaction. Additionally, e-customer satisfaction positively correlates with loyalty. The serial mediation relationship showed that e-customer satisfaction, trust, and religiosity mediated E-S-QUAL model changes and loyalty.

2.8 Conceptual Framework of the Study

The study's conceptual framework is grounded in the literature review and earlier research outlined above. This research is primarily based on Haq & Awan (2020) and Ahmed et al. (2021).

Figure (2.3) Conceptual Framework of the Study



Source: Own Compilation (2025)

Figure (2.2) illustrates that the conceptual framework is organized around the ideas of influencing factors, customer satisfaction, trust, and customer loyalty. According to Haq and Awan (2020) and Ahmed et al. (2021), performance, security, privacy, fulfilment, online system availability, personal needs, customer service, and support are independent variables, while customer satisfaction is the dependent variable. Ahmed et al. (2021) states that customer happiness is an independent variable, customer loyalty is the dependent variable, and trust is the mediating variable in the latter segment.

CHAPTER 3

PROFILE AND FACTORS AFFECTING CUSTOMER SATISFACTION OF KBZ BANK

Profile, vision, purpose, and organizational structure of KBZ Bank are covered in this chapter. It also highlights KBZ E-banking. Next, it presents respondents' profiles and analyses reliability.

3.1 Profile of KBZ Bank

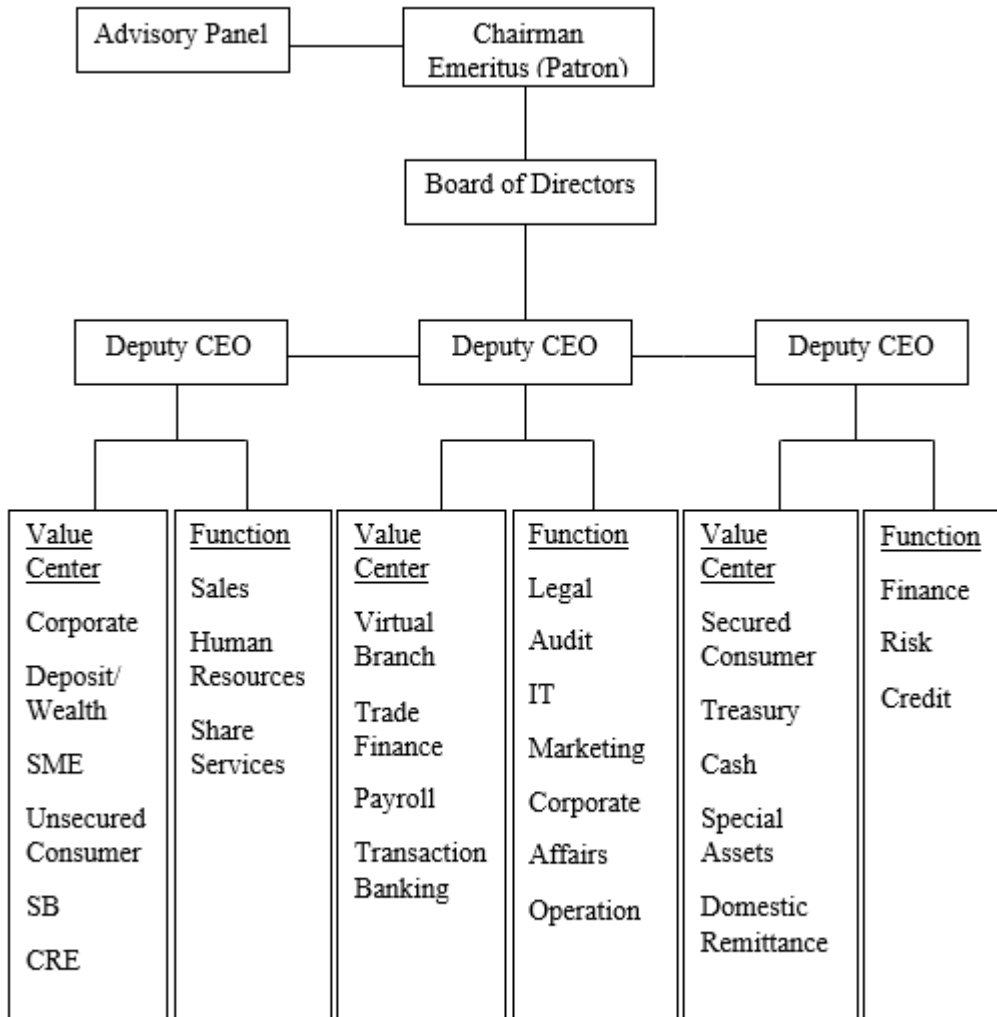
Kanbawza Bank was created in southern Shan State's Taunggyi on July 1, 1994. At first, the bank serviced Taunggyi residents. The present management bought the bank from the old owner in November 1999 and grew it into Myanmar's largest private commercial bank. KBZ transferred its headquarters to Yangon, Myanmar's commercial center, in April 2000. The largest privately held bank in Myanmar, KBZ Bank, with over 500 branches. The national retail and commercial banking market share is 40% for KBZ Bank. The bank leads Myanmar's rapidly changing financial services industry, notably in digital and technology, by recognizing innovation prospects, Myanmar's population's needs, and the nation's unique economic conditions.

KBZ Bank aims to be Myanmar's top bank, delivering a variety of goods and services for businesses and individuals. The bank's goals are to maximize customer satisfaction and trust by providing exceptional banking services, to continuously improve financial offerings through inventive ideas, investment in advanced technology, and human capital, to provide fulfilling career paths and encourage accountability among all staff members, and to function as a responsible corporate citizen by merging business goals with ethical practices and socially responsible practices.

3.2 Organizational Structure of KBZ Bank

Bank KBZ includes many divisions and units. Every department has a head and every branch a manager. The KBZ Bank Limited Board of Directors and top management team. The KBZ bank organizational structure is shown in Figure 3.1.

Figure (3.1) Organizational Chart of KBZ Bank



Source: KBZ Bank (2025)

The new organizational structure comprises seventeen (17) value centres and eleven (11) functions, representing a contemporary corporate governance and operational model. This action probably promotes improved efficiency, governance, and service provision throughout the bank’s activities. The newly appointed board of directors began their duties and responsibilities on April 1st, 2018. Value centers are business divisions or units that are directly accountable for creating value (generally in the form of revenue or customer impact) for the organization. These centers typically concentrate on providing particular products, services, or customer experiences.

Corporate/financial institution loans, deposit/wealth management, SME/Agent Banking, unsecure consumer lending, Treasury services, cash management, special assets, smart branches (emerging 600), and domestic remittance are included. Finance, Risk,

Credit, Legal & Compliance, Audit, Technology, Marketing, Corporate Affairs, Sales, HR, and Shared Services are also functions. Three Deputy CEOs create Value Centers and Functions.

3.3 Factors Affecting Customer Satisfaction of KBZ Bank

KBZ bank in Myanmar has greatly improved the effectiveness of its E-banking services by utilizing advanced technology, optimizing operations, and focusing on user-friendly digital tools. In April 2023, KBZ bank enhanced its core banking system, allowing for the management of more than 15 million transactions each month and finishing end-of-day processing cycles in less than 90 minutes. This enhancement has enhanced customer service by offering a comprehensive perspective on customer information, streamlining workflows, and minimizing wait times at branches.

3.3.1 Efficiency of KBZ Bank

Oracle FLEXCUBE Universal banking and Oracle banking Payments are the key banking systems utilized by KBZ bank. These systems were upgraded in 2023 to ease the processing of account openings, transfers, payments, and other banking activities in a more expedient manner. In addition, Oracle FLEXCUBE makes it possible for you to facilitate electronic banking services, which enables you to monitor your accounts, transfer cash, and make payments online in a simple and expedient manner. For mobile banking, it makes use of a platform called Flow Stax, which is both no-code and artificial intelligence-based. This platform helps consumers update their Know Your Customer information and get them operational more rapidly. Customer demands, such as changing personal information and applying for online banking services, were made more efficient by KBZ bank thanks to the use of Flow Stax, a Business Process Management system that is driven by artificial intelligence and does not require the ability to write code. This led to a reduction of 75% in the amount of time required for processing, as well as the integration of 300 branches over a timeframe of twelve weeks. Through the use of these technologies, KBZ bank is able to improve the quality of the services it provides to its clients by utilizing cutting-edge technology pertaining to banking operations in Myanmar.

3.3.2 Security & Privacy of KBZ Bank

The KBZ Bank in Myanmar employs a broad variety of security methods in order to protect the information of its customers and to ensure that its electronic banking services remain under strict secrecy. Oracle Financial Crime and Compliance Solutions are primarily utilized by KBZ bank in order to identify fraudulent activities, improve the security and reliability of operations, and adhere to international standards. When it comes to iBanking, mBanking, and KBZPay services, KBZ bank uses technology-driven security systems to protect the safety of its customers and their personal information. Firewalls are utilized by KBZ Bank in order to prevent unauthorized access to internal systems. Additionally, powerful SSL encryption is utilized in order to safeguard the transit of data between users and the bank's servers. To generate personal identification numbers (PINs) for customers directly on their cellphones, the bank makes use of RSA software tokens. In addition to serving as an alternative to Auto OTP, this technology is especially helpful for those who travel internationally, since it may save around 10,000 dollars over the course of three years of use. In addition, in order to prevent unauthorized access, sessions will automatically end after a certain amount of time has passed without any action.

In order to authenticate the identity of its customers, the bank uses Multi-Factor Authentication methods such as Biometric Login and Automatic One-Time Passwords. The one-time password (OTP) is sent directly to the mobile application of the client using Auto OTP, which enables the process to be carried out in a safe manner. In comparison to SMS OTP, this technology provides a higher level of security and is more user-friendly for clients. The process of onboarding new customers at KBZPay involves the utilization of a personal data (KYC) system, which provides assistance in verifying the personal information of consumers. In order to protect its customers against fraudulent and phishing activities, KBZ Bank provides its customers with security advice and notifications. Access controls at KBZ Bank are adapted to the specific tasks and responsibilities of each employee and are implemented accordingly. By taking this method, it is possible to restrict access to only the information that corresponds to the responsibilities of each individual worker. The installation of these steps provides KBZ Bank with the certainty that its electronic banking services are secure, therefore safeguarding the data of its customers and providing users with a sense of comfort.

3.3.3 Fulfilment of KBZ Bank

KBZ Bank Myanmar improves customer satisfaction in its E-banking services by integrating user-focused design, effective digital solutions, and a dedication to financial inclusion. Customers may sign up for mobile banking by providing necessary information and completing a verification procedure, which takes 3 to 5 business days. The bank allows customers to take out cash from ATMs without a physical card by utilizing One-time Passwords (OTPs) dispatched to both the sender and the recipient. KBZ Bank's E-banking services provide 24/7 access, allowing bill payments, mobile recharges, and fund transfers, which offer customers convenience and flexibility. Users can oversee their savings, checking, and debit accounts from a single location. Sending money from KBZ Bank to different banks is simple.

KBZ Bank offers various avenues for customer assistance, featuring a round-the-clock call center and specialized email support. This allows customers to conveniently seek help, strengthening the bank's dedication to prompt and trustworthy service. By implementing these initiatives, KBZ Bank showcases its commitment to delivering on its promises in E-banking services, emphasizing customer satisfaction, technological progress, and inclusive financial options.

3.3.4 Availability of Online System of KBZ Bank

KBZ Bank Myanmar guarantees the accessibility and dependability of its online banking services by employing strong infrastructure, ongoing availability, and proactive communication. KBZ Bank Myanmar guarantees excellent system reliability for its E-banking services by utilizing strong infrastructure, careful planning, and clear communication. The E-banking services of KBZ Bank, which encompass Internet Banking and Mobile Banking, are intended to be available around the clock, every day of the week. This constant accessibility enables customers to conduct transactions, verify balances, and oversee their accounts at their convenience.

To guarantee smooth access throughout Myanmar, the E-banking services of KBZ Bank, including KBZ iBanking, mBanking, and KBZPay, work with the leading mobile data networks such as MPT, Telenor, Ooredoo, and Mytel. Customers are encouraged to utilize mobile data rather than Wi-Fi or VPNs for the best performance. To improve service dependability, KBZ Bank performs regular system updates. For example, in April 2023,

when upgrading the core banking system, the bank planned maintenance from 11:45 PM on April 7 until 11:00 AM on April 12. Throughout this time, some services were momentarily inaccessible, yet the bank made sure to inform customers beforehand and that vital services were quickly restored after the upgrade was finished.

3.3.5 Personal Needs of KBZ Bank

KBZ Bank Myanmar customizes its E-banking services to address individual customer needs by providing a complete set of digital tools aimed at convenience, security, and accessibility. KBZ E-banking apps are offered in the Myanmar language, making it user-friendly for local clients and minimizing language obstacles. Users have the ability to track their transaction history, establish alerts, and oversee their accounts directly via mobile apps, offering enhanced control over their finances. KBZ Bank's digital services facilitate transactions in MMK and USD, accommodating customers with different currency needs. Through E-banking, customers can manage a variety of account types such as savings, current, term deposit, and loan accounts, enabling them to oversee different facets of their financial portfolio. With these customized digital services, KBZ Bank Myanmar efficiently meets the individual banking requirements of its clients, offering safe, convenient, and accessible options for handling their finances.

3.3.6 Customer Service & Support of KBZ Bank

Recognizing the significance of customer service, KBZ Bank runs a call center that is available 24/7. KBZ Bank offers an extensive FAQ section on their site to answer frequent inquiries. KBZ bank utilizes official social media platforms like Facebook, Twitter, and LinkedIn. Clients may additionally go to any KBZ Bank location for in-person help. This guarantees that clients can obtain help at any moment, further improving the dependability and credibility of the bank's E-banking services. KBZ Bank Myanmar provides extensive customer service and assistance to guarantee a smooth banking experience for its clients. KBZ Bank's multi-channel support system guarantees that customers can obtain help whenever required, whether via phone, email, face-to-face visits, or online services.

3.4 Profile of the Respondents

Original data is gathered from 400 E-banking clients of KBZ bank. A demographic profile is essential for research as it provides vital information regarding a population's characteristics, such as the gender, marital status, age, education, occupation, and duration of KBZ E-banking use among respondents. Table (3.1) displays the demographic details of individuals who participated in the online survey.

As shown in Table (3.1), among 400 participants, 216 (54%) are males, while 184 (46%) are females. This suggests a fairly even gender distribution among KBZ Bank's E-banking users, with a minor majority of male users.

The majority of the participants are married, totaling 289 people (72.25%), whereas 111 (27.75%) are unmarried. This suggests that married people might be more likely to embrace and utilize E-banking services, possibly because of increased financial obligations.

Table (3.1) Profile of Respondents

Sr. No.	Particular	Frequency	Percentage
	Total	400	100.00
1	Gender:		
	Male	216	54.00
	Female	184	46.00
2	Marital Status		
	Single	111	27.75
	Married	289	72.25
3	Age (Years):		
	20 or younger	20	5.00
	21-30 years	156	39.00
	31-40 years	124	29.00
	41-50 years	76	19.00
	Older than 50 years	24	6.00
4	Education Level:		
	High School	36	9.00
	Undergraduate	136	34.00
	Graduate	184	46.00
	Master's degree	44	11.00
5	Occupation:		
	Government Employee	26	6.50
	Company Employee	286	71.50
	Business Owner	64	16.00
	Student	24	6.00
6	Years of KBZ E-banking Usage:		
	<6 months	112	28.00
	6 months to 1 year	116	29.00
	1-3 years	96	24.00
	More than 3 years	76	19.00

Source: Survey Data (2025)

As shown in Table (3.1), among 400 respondents, there are 216 males and 184 females. Results show that the majority of participants are male (54.0%), while females

make up the remaining 46.0%, indicating that most users of KBZ E-banking services are men.

Concerning marital status, 289 participants, which accounts for 72.25% of all respondents, are married, while 111 participants, making up 27.75%, are single. This suggests that a majority of the users of KBZ E-banking services are married people.

The age breakdown shows that 5.0% of the participants are 20 years old or less, 41.0% are aged 21 to 30, 29.0% fall within the 31 to 40 age range, 19.0% are between 41 and 50 years old, and 6.0% are over 50 years of age. This distribution shows that the majority of respondents are users in their young adult years.

Regarding the educational attainment of the participants, 36 individuals (9.0%) have finished high school, 136 individuals (34.0%) are currently undergraduates, and 184 individuals (46.0%) hold graduate degrees. The remaining 48 participants (11.0%) hold a master's degree. This indicates that most of the participants are individuals who are either graduates or undergraduates.

Concerning employment, 286 participants (71.5% of respondents) are employees in companies, 64 participants (16.0%) are entrepreneurs, 26 participants (6.5%) are government workers, and 24 participants (6.0%) are students. This indicates that the majority of users are currently working in the corporate sector.

Regarding the length of time using KBZ E-banking, 116 respondents (29.0%) have utilized the service for 6 months to 1 year, 112 respondents (28.0%) for under 6 months, 100 respondents (24.0%) for 1 to 3 years, and the remaining 76 respondents (19.0%) for over 3 years. This indicates that a considerable percentage of users are quite new to KBZ E-banking services.

It can be concluded that most KBZ E-banking users are males who are married and aged between 21 and 30 years, a period recognized as young adulthood, characterized by significant digital involvement. The majority of users possess either undergraduate or graduate degrees and are employed by companies. Moreover, a significant number of participants have utilized KBZ E-banking services for under a year, suggesting an increasing shift towards E-banking usage.

3.5 Reliability Analysis

Statistical reliability analysis evaluates a system or measuring instrument's dependability, stability, and consistency. Hair et al. (2010) defined five dependability ratings. Table 3.2 indicates Cronbach's alpha level.

Table (3.2) Value Level of Reliability Cronbach's Alpha

Sr. No.	Cronbach's Alpha Value Level	Level of Reliability
1	0.0 - 0.20	Less Reliable
2	0.20 – 0.40	Rather Reliable
3	0.40 – 0.60	Quite Reliable
4	0.60 – 0.80	Reliable
5	0.80 – 1.00	Very Reliable

Source: Hair et al. (2010)

Hair et al. (2010) categorized five degrees of reliability according to the spectrum of Cronbach's Alpha scores, illustrated in Table (3.2). This research references the reliability value of Cronbach's Alpha as established by Hair et al. (2010). Table (3.3) shows the Cronbach's Alpha values for the variables utilized in this study.

Table (3.3) Reliability Test

Sr. No.	Variables	No. of Items	Cronbach's Alpha	Interpretation
1	Efficiency	5	.801	Very Reliable
2	Security & Privacy	5	.806	Very Reliable
3	Fulfillment	5	.811	Very Reliable
4	System Availability	5	.823	Very Reliable
5	Personal Needs	5	.823	Very Reliable
6	Customer Service and Support	5	.831	Very Reliable
7	Customer Satisfaction	6	.824	Very Reliable
8	Customer Loyalty	6	.841	Very Reliable
9	Customer Trust	5	.814	Very Reliable

Source: Survey Data (2025)

Values of Cronbach's Alpha are calculated for each variable using the reliability assessment. Every variable is assigned scores between 0.80 and 1.00. The results show that the Cronbach's Alpha values for each variable are acceptable, demonstrating the survey data's validity and reliability.

CHAPTER 4

ANALYSIS ON THE FACTORS AFFECTING CUSTOMER SATISFACTION AND CUSTOMER LOYALTY TOWARDS E-BANKING SERVICES OF KBZ BANK

This chapter discusses customer views on the elements influencing (efficiency, security & privacy, fulfillment, online system availability, personal needs, and customer service & support), as well as customer satisfaction, trust, and loyalty. Subsequently, elements influencing customer satisfaction are analyzed. Finally, it shows how trust mediates the relationship between customer happiness and loyalty in KBZ Bank E-Banking Services.

4.1 Customer Perception on Factors Affecting Customer Satisfaction, Trust and Customer Loyalty

This segment outlines customer perceptions regarding the effectiveness of influencing factors such as efficiency, security & privacy, fulfillment, accessibility of online systems, individual requirements, customer service & support, customer satisfaction, trust, and customer loyalty, measured by mean score and standard deviation. Table (4.1) displays the mean rating scale derived from the mean rating scale of Best (1977).

Table (4.1) Mean Rating Scale

Sr. No.	Score Range	Mean Rating
1	1.00 -1.80	Strongly Disagree
2	1.81 -2.60	Disagree
3	2.61-3.40	Neutral
4	3.41- 4.20	Agree
5	4.21-5.00	Strongly Agree

Source: Best (1977)

Table (4.1) illustrates that Best (1977) identifies five mean rating scales for interpreting the survey data. Five average rating scales centered on the average score range are outlined by

Best (1977). In this study, the average rating scale developed by Best (1977) is utilized to analyze the average score.

4.1.1 Customer Perception on Factors Affecting Customer Satisfaction

This part showcases customer views on efficiency, security and privacy, fulfillment, online system availability, personal requirements, and customer service and support. According to the descriptive statistics, every result is shown in relation to the average score. Additionally, the average score is computed for every variable to encapsulate customer perception for each variable.

(a) Efficiency

Customer views on the effectiveness of KBZ bank’s E-banking service are assessed through five questions. The average scores and total average score are displayed in Table (4.2).

Table (4.2) Efficiency

Sr. No.	Description	Mean Score
1	Finding the needs at KBZ E-banking easily	3.69
2	Loading KBZ E-banking pages quickly	3.72
3	Using KBZ E-banking is simple	3.73
4	Having well-organized layout	3.81
5	Completing a transaction quickly	3.61
	Overall Mean	3.71

Source: Survey Data (2025)

In Table (4.2), the average values (including the entire mean range) between 3.41 and 4.20 at an agreeable level suggest that most respondents agree with KBZ Bank's E-banking services' efficacy. Participants agree that the KBZ E-banking website is well-organized and user-friendly. They likewise concur that KBZ E-banking rapidly loads pages and conserves time. Participants indicate that KBZ E-banking facilitates swiftly locating their requirements and efficiently finalizing a transaction.

(b) Security and Privacy

This section outlines customer views regarding the security and privacy of KBZ Bank's E-banking services. Table (4.3) displays the survey findings regarding customer attitudes towards security and privacy, highlighting mean scores and the overall average score.

Table (4.3) Security and Privacy

Sr. No.	Description	Mean Score
1	Ensuring protecting personal information	3.76
2	Ensuring protecting financial information	3.90
3	Not worrying about misuse of personal information	3.81
4	Having adequate security	3.97
5	Ensuring making secure transactions	3.90
	Overall Mean	3.87

Source: Survey Data (2025)

In Table (4.3), the average values (which include the total mean range) between 3.41 and 4.20 at the agree level suggest that a majority of respondents agree with KBZ Bank's E-banking security and privacy.\. They also concur with safeguarding financial information, implementing proper security, and ensuring secure transactions. KBZ bank ensures the protection of personal information, preventing any misuse of customers' data. Furthermore, they conclude that the E-banking services provided by KBZ Bank are safe for their financial dealings and personal data.

(c) Fulfilment

Customer views on the delivery of KBZ bank E-banking services are based on five questions. Table (4.4) presents the individual mean scores as well as the overall mean score.

Table (4.4) Fulfilment

Sr. No	Description	Mean Score
1	Offering services available within a suitable time frame	3.71
2	Keeping promises to do something by a certain time	3.92
3	Relying on truthful offerings	3.80
4	Making accurate promises about the services being delivered	3.89
5	Taking care of problems promptly	3.73
	Overall Mean	3.81

Source: Survey Data (2025)

Based on the average values (which include the overall mean range) of 3.41 to 4.20 within the agree level, displayed in Table (4.4), it can be inferred that a majority of the respondents concur with the provision of E-banking services by KBZ Bank. Respondents also concur with truthful commitments regarding its services, honest propositions, and quick resolution of issues. They concur that receiving services in a timely manner meets their requirements.

(d) System Availability

Customer views on the system availability of KBZ Bank's E-banking services are assessed through five questions. The individual average scores and the total average score are presented in Table (4.5).

Table (4.5) System Availability

Sr. No.	Description	Mean Score
1	Offering always available E-banking service	4.14
2	Launching and running right away	3.32
3	Not dealing with E-banking crashes	3.74
4	Offering E-banking service 24/7	3.44
5	Providing services at the promised time	3.64
	Overall Mean	3.66

Source: Survey Data (2025)

Based on the average values (including the overall mean range) except for 3.32, which falls between 3.41 and 4.20 at the agree level, as indicated in Table (4.5), it can be concluded that the majority of the respondents support the system availability of KBZ E-banking. Participants largely concur that KBZ Bank provides E-banking services that are perpetually accessible, reflecting worries about reliable service availability. Additionally, participants concur that E-banking services are available around the clock or delivered at the specified time since the system is not prone to failures.

Based on the average values, launching and running immediately range from 2.61 to 3.40, indicating that respondents neither agree nor disagree about the system's capability to launch and operate instantly without delays.

(e) Personal Needs

Customer perception regarding the personal needs of KBZ bank's E-banking services is shaped by five questions. The mean score for each individual and the overall mean score can be found in Table (4.6).

Table (4.6) Personal Needs

Sr. No.	Description	Mean Score
1	Meeting banking needs by KBZ E-banking	3.96
2	Accessing a wide range of online services by KBZ E-banking	4.01
3	Providing the right solutions for each customer	3.96
4	Meeting today customer expectations	3.90
5	Providing information and products according to customer preferences	3.80
	Overall Mean	3.92

Source: Survey Data (2025)

Based on the average values (covering the total mean range) between 3.41 and 4.20 at the level of agreement, as indicated in Table (4.6), it can be inferred that a majority of respondents are in favor of the personal needs for E-banking services offered by KBZ Bank. Participants also concur with a diverse selection of online service offerings, simplicity in handling finances, and appropriate solutions for E-banking services provided by KBZ Bank. Additionally, they concur that KBZ E-banking fulfills current customer expectations by offering products and services tailored to individual needs.

(f) Customer Service and Support

Customer views on the service and support of KBZ bank's E-banking services are assessed through five questions. Table (4.7) shows the individual mean scores as well as the overall mean.

Table (4.7) Customer Service and Support

Sr. No.	Description	Mean Score
1	Having knowledgeable customer service personnel for E-banking services	3.78
2	Willing to help with all E-banking matters by customer service personnel	3.79
3	Answering E-banking queries promptly	4.09
4	Caring about customers' best interests at heart	4.01
5	Having a customer representative available online at any time	3.95
	Overall Mean	3.92

Source: Survey Data (2025)

Based on the average values (incorporating the overall mean range) between 3.41 and 4.20 at the agree level, as indicated in Table (4.7), it can be inferred that the majority of respondents are in agreement with the customer service and support provided by KBZ bank's E-banking services. They also concur with timely responses to inquiries, prioritizing customer care, and having a customer representative accessible online around the clock. Additionally, participants concur that efficient customer service and the readiness of informed customer service staff to assist clients are important.

4.1.2 Customer Perception on Satisfaction towards E-banking Services of KBZ Bank

Customer views on the satisfaction with KBZ bank's E-banking services are assessed through six questions. The mean scores for each individual, as well as the overall mean, are presented in Table (4.8).

Table (4.8) Customer Satisfaction

Sr. No.	Description	Mean Score
1	Feeling satisfied with 24/7 system availability of KBZ E-banking services	3.74
2	Feeling satisfied with the privacy and security controls of KBZ E-banking	3.97
3	Feeling satisfied with the prompt and reliable service of KBZ E-banking	4.15
4	Feeling satisfied with the ease of KBZ E-banking	4.03
5	Feeling satisfied with the well-structured user interface of KBZ E-banking	4.05
6	Feeling satisfied with customer service and the products of KBZ E-banking	4.02
	Overall Mean	3.99

Source: Survey Data (2025)

Based on the average values (which encompass the total mean range) between 3.41 and 4.20 at the agree level, illustrated in Table (4.8), it can be inferred that a majority of the respondents express satisfaction with the E-banking services of KBZ Bank. They also concur that customers are pleased with the quick and dependable service of KBZ E-banking. They also concur that the organized user interface of KBZ E-banking results in pleased customers. They also concur that easily navigating the KBZ E-banking website makes me happy with the service. They concur that customers are pleased with the customer service and products offered by KBZ E-banking. They also concur with having confidence in its privacy and security measures, with customers pleased with KBZ E-banking. They also concur that customers are content with the round-the-clock availability of KBZ E-banking services.

4.1.3 Customer Perception on Trust towards E-banking Services of KBZ Bank

Customer perception regarding the effectiveness of KBZ bank's E-banking services is assessed through five questions. Table (4.9) displays the average scores and the overall average.

Table (4.9) Customer Trust

Sr. No.	Description	Mean Score
1.	KBZ E-banking service is provided with the customers' best interests in mind	3.70
2.	Believing responsible KBZ E-banking service policy	3.89
3.	Having confidence in KBZ Bank's administrators to handle customers' personal information responsibly and not misuse it	4.05
4.	Believing that KBZ E-banking server is not too busy to respond to customer requests	3.99
5.	Trusting the notifications in the event of any issues with transactions of customers	3.97
	Overall Mean	3.92

Source: Survey Data (2025)

Based on the average values (which include the overall mean range) of 3.41 to 4.20 at the agree level, as illustrated in Table (4.9), it can be deduced that a majority of the participants support the customer trust in the E-banking services of KBZ Bank. They likewise concur that the managers of the KBZ bank will not exploit customers' personal data. Participants indicated that the KBZ E-banking server is always available to address requests and notify customers about any transaction problems. The KBZ E-banking service has a commitment to uphold responsibility while prioritizing the best interests of its clients.

4.1.4 Customer Perception on Loyalty towards E-banking Services of KBZ Bank

Customer views on the effectiveness of KBZ bank E-banking services are assessed through six questions. The average score and overall average can be found in (Table 4.10).

Table (4.10) Customer Perception on Loyalty towards E-banking Services of KBZ Bank

Sr. No.	Description	Mean Score
1.	Saying positive things about KBZ E-banking to other people	3.88
2.	Recommending KBZ E-banking to other people	4.07
3.	Considering KBZ bank as the first choice for e-banking transactions	4.05
4.	Continuing to patronize KBZ E-banking page even if the service charges are increased moderately	4.06
5.	Preferring making any transaction on KBZ E-banking page rather than using other E-banking channels	4.00
6.	Continuing preference for KBZ E-banking despite the recommendations from close friends	4.06
	Overall Mean	4.02

Source: Survey Data (2025)

Based on the average values (which include the overall mean range) from 3.41 to 4.20 at the agree level, as indicated in Table (4.10), it can be inferred that a majority of the respondents concur that they display loyalty to the E-banking services of KBZ Bank. They likewise concur that they will suggest KBZ E-banking to others. Participants indicated that they still use the KBZ E-banking page despite a moderate rise in service fees. Additionally, they concur with selecting KBZ Bank as their primary choice, have no plans to switch to different banks, and prefer conducting transactions on the KBZ E-banking platform rather than through other means. In addition, they concur that their loyalty is demonstrated by expressing positive remarks about KBZ E-banking to others.

4.2 Analysis on Factors Affecting Customer Satisfaction

This part examines the elements (efficiency, security and privacy, fulfillment, accessibility of online systems, personal requirements, and customer service and support) that influence customer satisfaction by evaluating the 400 survey responses gathered from KBZ bank's E-banking clients. To identify factors influencing customer satisfaction, multiple regression analysis is utilized. Table (4.10) displays the results of the regression analysis.

Table (4.11) Factors Affecting Customer Satisfaction

Variable	Unstandardized Coefficients		Standardized Coefficients (Beta)	t	Sig
	B	Std. Error			
(Constant)	-.750	.283		-2.648	.008
Efficiency	.066	.046	.065	1.446	.149
Security & Privacy	.187***	.040	.188	4.635	.000
Fulfillment	.117***	.043	.115	2.738	.006
System Availability	.150***	.045	.148	3.317	.001
Personal Needs	.451***	.050	.440	9.051	.000
Customer Service and Support	.317***	.041	.314	7.719	.000
R Square	.751				
Adjusted R Square	.747				
F value	197.863***				

Source: Survey Data (2025)

*** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

The regression results in Table (4.11) show that security and privacy improve consumer satisfaction. The regression outcome shows that this model explains 74.7% of customer satisfaction variance with an adjusted R square value of 0.747. The Adjusted R Square score of 0.747 indicates that the model explains 74.7% of customer satisfaction variability. The F value of 197.863, significant at 1%, supports the hypothesis.

The p-value (0.000) at 1% significance shows that the security and privacy coefficient positively affect customer satisfaction. The unstandardized coefficient (B = 0.187) shows that Security & Privacy improvements boost consumer satisfaction. This shows that improving E-banking security and privacy will increase consumer satisfaction.

The p-value (0.006), representing a 1% significance level, reveals that the fulfilment coefficient positively affects customer satisfaction. The unstandardized coefficient (B = 0.117) implies that E-banking service improvements boost consumer satisfaction. This shows that improving E-banking delivery will increase consumer happiness.

System availability coefficient has a considerable positive effect on customer satisfaction, as evidenced by the p-value (0.001) at 1% significance. The unstandardized coefficient (B = 0.150) shows that E-banking System Availability improves customer satisfaction. This shows that expanding E-banking services will improve consumer satisfaction.

The p-value (0.000), showing 1% significance, shows that personal needs coefficient positively affects customer happiness. The unstandardized coefficient (B = 0.451) implies that E-banking Personal Needs improvements increase customer satisfaction. This discovery suggests that improving E-banking customers' personal needs increases satisfaction.

The p-value (0.000) indicates a 1% significance that customer service and assistance positively affect customer happiness. The unstandardized coefficient (B = 0.317) implies that E-banking Customer Service and Support improvements increase customer satisfaction. This discovery implies that improving E-banking customer service and assistance will increase consumer happiness.

Regression study of security & privacy, fulfilment, system availability, personal demands, and customer service and support considerably and favorably affects customer happiness. This shows that E-banking's technological stability, personalized experience, privacy, and rapid assistance will boost consumer happiness.

4.3 Analysis on the Mediating Effect of Trust on the Relationship between Customer Satisfaction and Customer Loyalty

In order to evaluate the mediating role of trust in the connection between customer satisfaction and customer loyalty, the subsequent steps are taken:

1. Total effect through regression analysis on effect of independent variable on dependent variable.
2. Regression analysis on the effect of independent variable on mediating variable.
3. Regression analysis on effect of independent variable and mediating variable on dependent variable.
4. Sobel test for the significance of mediating variable.
5. Finding indirect effect, direct effect, and total effect.

Table (4.12) Effect of Customer Satisfaction on Loyalty

Variable	Unstandardized Coefficients		Standardized Coefficients (Beta)	t	Sig
	B	Std. Error			
(Constant)	1.151	.106		10.867	.000
Customer Satisfaction	.719***	.026	.810	27.531	.000
R Square	.656				
Adjusted R Square	.655				
F value	757.949***				

Source: Survey Data (2025)

*** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

As indicated in Table (4.12), the overall impact of customer satisfaction on customer loyalty is 0.719. Subsequently, the influence of customer satisfaction (independent variable) on trust (mediating variable) is examined and the findings are presented in Table (4.13).

Table (4.13) Effect of Customer Satisfaction on Trust

Variable	Unstandardized Coefficients		Standardized Coefficients (Beta)	t	Sig
	B	Std. Error			
(Constant)	.891	.119		7.481	.000
Customer Satisfaction	.759***	.029	.792	25.841	.000
R Square	.627				
Adjusted R Square	.626				
F value	667.762***				

Source: Survey Data (2025)

*** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

According to Table 4.13, the coefficient is 0. Customer happiness affects trust by 759, with a standard error of 0.029 (independent and mediating variables). The mediating effect is being assessed after customer happiness (independent variable) and trust (mediating variable) were analyzed. The independent variables are trust and consumer happiness, whereas the dependent variable is loyalty. The results are in Table 4.14.

Table (4.14) Effect of Customer Satisfaction and Trust on Customer Loyalty

Variable	Unstandardized Coefficients		Standardized Coefficients (Beta)	t	Sig
	B	Std. Error			
(Constant)	.752	.098		7.687	.000
Customer Satisfaction	.380***	.037	.428	10.265	.000
Customer Trust	.447***	.039	.483	11.588	.000
R Square	.743				
Adjusted R Square	.741				
F value	573.041***				

Source: Survey Data (2025)

*** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

As indicated in Table (4.14), the coefficient for customer trust influencing customer

loyalty is 0.447, with a standard error of 0.039. The Sobel test is performed to examine the mediating role of trust in the relationship between customer satisfaction and customer loyalty. The outcome is displayed in Table (4.15).

Table (4.15) Sobel Test Result for Mediating Effect of Trust on the Relationship between Customer Satisfaction and Customer Loyalty

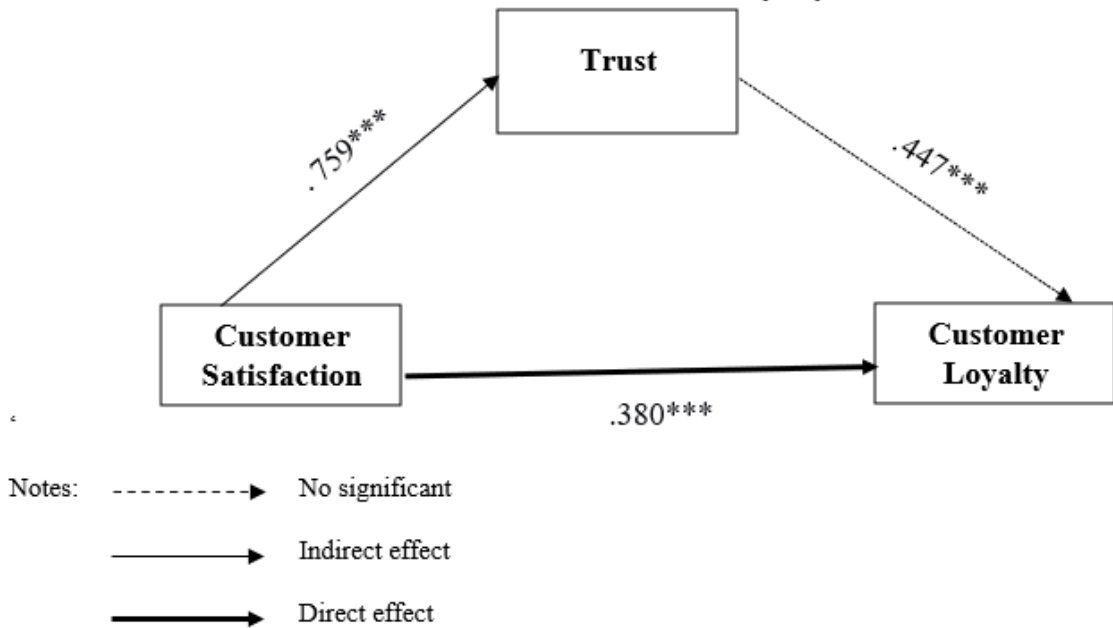
Input			Test statistic	Std. Error	p-value
a	.759	Sobel test:	10.49893568	0.03231499	0.000
b	.447	Aroian test:	10.49251126	0.03233478	0.000
S _a	.029	Goodman test:	10.50537191	0.03229519	0.000
S _b	.039				

Source: Survey Data (2025)

$$\begin{aligned}
 \text{Total Effect} &= .719 \\
 \text{Direct Effect} &= .380 \\
 \text{Indirect Effect} &= .759 * .447 = .339 \\
 \text{Direct Effect + Indirect Effect} &= \text{Total Effect} \\
 .380 + .339 &= 0.719
 \end{aligned}$$

Figure (4.1) shows the direct and indirect impacts of trust on customer satisfaction and loyalty. The relationship between customer happiness and loyalty is mediated by trust.

Figure (4.1) Mediating Effect of Trust on the Relationship between Customer Satisfaction and Customer Loyalty



Source: Survey Data (2025)

Trust and satisfaction positively and dramatically affect client loyalty indirectly. KBZ E-banking client happiness and loyalty are mediated by trust. This shows that consumer happiness and trust affect loyalty.

Thus, trust mediates the relationship between KBZ E-banking customer pleasure and loyalty. This study shows that consumer happiness and trust directly affect customer loyalty, with trust mediating.

When customers are pleased with E-banking services regarding quality, reliability, or responsiveness, they start to cultivate a sense of trust in the organization. Through investment in trust-building efforts, companies can turn pleased customers into dedicated advocates who promote the brand for the long haul. Consequently, trust is not merely a passive result but a proactive catalyst for loyalty, and its cultivation should be central to any customer relationship management strategy.

CHAPTER 5

CONCLUSION

This chapter provides the results and discussions derived from survey information collected from 400 clients of KBZ Bank. Next, it outlines the proposals and advice aimed at enhancing customer satisfaction, customer trust, and customer loyalty. Ultimately, it also addresses the necessity for additional research.

5.1 Findings and Discussions

This research aims to examine the factors that affect customer satisfaction with KBZ bank's E-banking services, how customer satisfaction affects customer loyalty, and how trust mediates this relationship. Data from 400 KBZ E-banking users is collected using simple random sampling, comprising primary and secondary data.

Demographic data shows that most KBZ E-banking customers are men. Most consumers are married 21–30-year-olds. Most users of KBZ E-banking services possess graduate or undergraduate degrees. The majority of participants are employed by companies. They have utilized KBZ E-banking services for under one year, signaling an increasing trend in E-banking uptake.

Based on the descriptive statistics regarding the effectiveness of E-banking services, the majority of respondents believe that KBZ E-banking services are efficient. They view the platform as well-structured, user-friendly, and fast in loading pages. Participants also concur that it helps save time, allows for straightforward access to required services, and permits swift transaction completion. These results suggest that KBZ Bank offers a convenient and effective E-banking experience.

Most responders agree that KBZ E-banking services are secure and private. They demonstrate assurance in the safeguarding of their financial data and the sufficiency of the security measures implemented. Participants also concur that KBZ Bank protects personal information and does not exploit customer data. Additionally, they hold the view that KBZ E-banking guarantees safe transactions and safeguards both personal and financial data. These results show that KBZ Bank successfully provides secure and privacy-focused E-banking services.

Regarding the provision of E-banking services, a majority of the respondents concur that KBZ e-banking services fulfill their expectations. They concur that the bank delivers precise commitments, offers honest services, and resolves issues quickly. Participants also mention that being able to access services in a timely manner aids in meeting their banking requirements. These results suggest that KBZ Bank successfully provides dependable and prompt E-banking services.

Concerning the accessibility of E-banking services, a majority of respondents concur that KBZ E-banking services are consistently available and reliable. They concur that the platform operates around the clock and provides services as scheduled. Participants also recognize that the system functions seamlessly without any failures. Nevertheless, they do not agree or disagree that the system can be launched and operated right away without any delays. These results show that KBZ Bank successfully guarantees the dependable accessibility of its E-banking services.

Concerning personal needs, the majority of respondents concur that KBZ E-banking services adequately fulfill individual customer demands. They concur that the platform presents a diverse array of online service packages, facilitates financial management, and offers suitable solutions. Additionally, participants think that KBZ E-banking aligns with contemporary customer expectations by providing products and services customized to individual requirements. These results demonstrate that KBZ Bank effectively tailors its E-banking services to meet the particular requirements of its clients.

Regarding customer service and support, the majority of respondents concur that KBZ E-banking services offer efficient and dependable customer help. They concur that the bank replies quickly to inquiries, prioritizes customer service, and guarantees the presence of customer representatives online around the clock. Additionally, participants concur that the support team is well-informed and eager to assist. These results show that KBZ Bank provides excellent customer service and assistance via its E-banking platform.

Concerning efficiency, the majority of respondents concur that customers are pleased with the E-banking services provided by KBZ Bank. They concur that timely and dependable service increases their satisfaction, coupled with an organized user interface that improves navigation. Participants also concur that the caliber of customer service and products, along with trust in the platform's privacy and security measures, results in increased satisfaction. Additionally, they are pleased with the round-the-clock accessibility

of KBZ E-banking services. These results suggest that KBZ Bank successfully provides a fulfilling E-banking experience for its clients.

The majority of respondents concur that they have confidence in the E-banking services provided by KBZ Bank. They concur that the bank's managers do not exploit personal data, and that the system continues to be prompt without interruptions. Participants also recognize that KBZ E-banking notifies clients about any transaction problems and follows a policy that emphasizes customer interests and accepts responsibility when needed. These results demonstrate that KBZ Bank effectively builds trust with its secure, transparent, and customer-centric E-banking services.

Regarding customer loyalty, the majority of respondents concur that they are faithful to KBZ Bank's E-banking services. They consent to recommending KBZ E-banking to others and plan to keep using the service, even if fees rise slightly. Participants also concur that KBZ Bank is their top choice, having no plans to transition to different banks. Furthermore, they favor conducting transactions via the KBZ e-banking platform instead of other methods. In addition, they demonstrate loyalty by sharing favorable views about KBZ e-banking with others. These results show that KBZ Bank effectively establishes robust customer loyalty via its E-banking services.

To meet the initial goal, the elements influencing customer satisfaction regarding KBZ bank's E-banking services are analyzed using multiple regression analysis. Security and privacy, fulfilment, online system uptime, personal demands, and customer care & support increase customer pleasure, whereas efficiency does not. The personal needs component has the greatest impact on customer happiness.

To achieve the second goal, linear regression analysis is used to examine how trust mediates the link between customer happiness and loyalty to KBZ bank's E-banking services. Results reveal that trust mediates KBZ E-banking customer pleasure and loyalty.

5.2 Suggestions and Recommendations

The findings indicate that a satisfactory level of customer satisfaction has a beneficial impact on customer loyalty. The component of personal requirements is likewise shown to be the most powerful factor on organizational commitment, according to the findings of their investigation. As a result, KBZ bank has to place more emphasis on this particular component in order to improve client satisfaction. The KBZ bank need to make it possible for customers to customize the notification settings (such as service updates,

money advice, and new products) in their account choices in order to better meet the various requirements of individual customers.

The bank ought to make use of machine learning algorithms in order to analyze the behavior of customers and generate customized marketing campaigns (for instance, loan proposals for those who are evaluating their credit data and savings accounts for those who are frequent depositors). Customers should be able to easily find what suits their requirements by using the filtering and sorting options that should be available on the KBZ E-banking website. These functions should be available when customers are researching bank products or promotions. A further recommendation is that KBZ E-banking should provide consumers with monthly customized financial summaries or reports. This would aid customers in grasping their spending habits and identifying products that are suitable for them. Additionally, it should deliver individualized notifications on promotions, future bills, account transactions, and financial advice based on the behaviors of the user. Through the implementation of these recommendations, KBZ bank will be able to provide services that satisfy the criteria of their customers. The KBZ bank should create frequent, specialized training sessions for its customer care professionals. These sessions should focus on E-banking products, digital tools, troubleshooting procedures, and updates on new features. The goal of these sessions is to improve customer service and support. It is recommended that the bank establish a central information repository or a frequently asked questions website that is routinely updated and utilized by agents in order to preserve information that is accurate and consistent. In addition to this, it should conduct performance evaluations and mystery shopping in order to assess the level of knowledge possessed by the service workers and fill in any knowledge gaps through the use of coaching or retraining. Mover, the bank is required to assign dedicated E-banking experts within the support staff in order to answer queries that are more complex or technical in nature regarding E-banking. It would be beneficial for the bank to institute incentives and recognition programs for customer service professionals who continuously go above and beyond the requirements of their clients. In addition, the KBZ bank should routinely examine the comments and complaints of its customers in order to identify and correct any behaviors or procedures that hinder the bank's ability to provide assistance. By implementing these suggestions, KBZ bank will improve the quality of its customer care and assistance, which will ultimately result in increased levels of customer satisfaction. The

KBZ bank has to install tight access controls on its internal systems in order to improve its security and privacy.

These controls will ensure that only authorized personnel can access client information, and they will be based on the job duties that they do. For the purpose of preventing identity theft, the bank ought to employ secure digital identity verification mechanisms (such as biometric authentication or face recognition) whenever customers register or alter their personal information. Furthermore, it is necessary for it to provide clients with information regarding digital hygiene, which includes avoiding phishing links, developing robust passwords, and enabling two-factor authentication options. The KBZ bank ought to provide clients with the ability to govern the data that they expose (such as their location, contact details, and preferences) through the E-banking site by providing adjustable privacy settings. This would be done in order to improve both security and privacy. It is also required to offer quick notifications in the event that any modifications are made to personal profiles, passwords are changed, or logins are made from unrecognized devices. By implementing these suggestions, KBZ bank will improve its level of security and privacy, which will ultimately result in increased levels of client satisfaction. In order to improve the availability of the system, KBZ Bank must ensure that the servers and technical support are continuously operating in order to prevent any downtime that may occur outside of normal business hours. Additionally, it must include automated chatbots or virtual assistants in order to assist with the management of frequent support enquiries at any time. In addition, scheduled maintenance must be carried out during off-peak hours and users must be informed in advance of the repair in a clear and concise manner. Essential services, such as cash transfers, bill payments, and loan approvals, should be automated by KBZ bank in order to reduce the amount of time spent on processing and delays caused by human intervention.

Furthermore, it is necessary to add a real-time tracking system for services, which will provide clients with information regarding the current state of their requests as well as the anticipated completion time. When a service has been successfully completed or if there is a delay, the bank ought to give quick notifications (by SMS, email, or in-app alerts) so that customers are aware of the situation. To the contrary, the financial institution ought to regularly assess service performance measures and create internal standards in order to ensure that service-level pledges are routinely satisfied. By implementing these suggestions, KBZ bank will improve the availability of its system, which will ultimately

result in increased levels of customer satisfaction. It is necessary for KBZ bank to conduct routine system audits in order to ensure that all electronic banking services, including as cash transfers, loan applications, and account changes, are carried out within a time period that is both acceptable and clearly defined. This will allow the bank to improve its fulfilment capabilities. In addition, KBZ bank ought to build a specialised E-banking support team that is able to resolve urgent concerns immediately through the use of chat, the phone, or the ticketing system. It is necessary for it to offer customer support professionals with full access to transaction data and system resources. This will enable them to handle issues immediately, without holding them up or requiring them to transmit information. The KBZ bank will be able to satisfy the financial requirements of its clients if it follows these guidelines, which will ultimately lead to an improvement in customer satisfaction. The KBZ bank ought to openly announce and apply customer-first principles across all service policies in order to increase the level of confidence that customers have in the bank. In addition, it should describe how the features benefit clients, such as how they save time, how they increase convenience, or how they increase security. In addition, it is necessary to provide clients with clear information regarding any policy changes that may occur and to explain the benefits that these changes may bring. In addition, employees should get regular training on the appropriate methods of delivery service, and compliance audits should be carried out with regularity.

5.3 Needs for Further Research

Although the results provide important information regarding customer satisfaction, trust, and loyalty related to KBZ Bank's E-banking services, the research has multiple limitations. To begin with, the study is limited to KBZ Bank and does not involve a comparative evaluation with other banks or digital financial service providers within Myanmar. Future studies ought to encompass various banking institutions to offer a wider and more representative view of the elements affecting E-banking satisfaction and loyalty throughout the sector. Secondly, the research mainly concentrates on efficiency, security, system availability, customer service, and personalization. Additional studies are suggested to investigate various elements like user experience design, accessibility of mobile interfaces, financial literacy, and the culture of digital trust, as these may significantly influence customer satisfaction and loyalty in E-banking platforms. Finally, while this research includes the mediating role of trust, subsequent studies might explore additional

mediating or moderating factors like perceived risk, customer engagement, or technology acceptance, to offer a more complete model of customer behavior in E-banking's.

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APPENDIX A

QUESTIONNAIRE

Dear Respondent,

The below mentioned questionnaire is for research title “Factors Affecting Customer Satisfaction and Customer Loyalty towards E-Banking Services of KBZ Bank”. Please tick your response for the following questions. Your time and effort to complete this survey will be appreciated. The information you provide will be kept confidential and will only be used for research purpose.

Part (A) Individual Factors

1. Gender:

- Male
- Female

2. Marital Status:

- Single
- Married

3. Age:

- 20 or younger
- 21-30 years
- 31-40 years
- 41-50 years
- Older than 50 years

4. Education Level:

- Lower than Bachelor’s degree
- Bachelor’s degree
- High School
- Master Degree
- Other, please specify_____

5. Occupation:

- Government Employee
- Company Employee
- Business Owner
- Student
- Other, please specify_____

6. Years of KBZ E-Banking Usage:

- <6 months
- 6 months to 1 year
- 1-3 years
- More than 3 years

Part (B)

The following statements relate to customer perceptions towards e-banking of KBZ Bank.

To what extent do you agree or disagree with each of the statement?

Use a scale where 1- Strongly disagree, 2- disagree, 3- Neither agree nor disagree, and 4- Agree and 5-Strongly agree.

I. Efficiency

No.	Particular	1	2	3	4	5
1.	KBZ e-banking makes it easy to find what I need.					
2.	KBZ e-banking loads its pages fast.					
3.	KBZ e-banking is simple to use.					
4.	KBZ e-banking site is well organized.					
5.	KBZ e-banking enables me to complete a transaction quickly.					

II. Security & Privacy

No.	Particular	1	2	3	4	5
1.	Personal information is protected on KBZ e-banking.					
2.	Financial information is protected on KBZ e-banking.					
3.	KBZ bank does not misuse my personal information.					
4.	KBZ e-banking has adequate security.					
5.	KBZ e-banking service enables secure transactions.					

III. Fulfillment

No.	Particular	1	2	3	4	5
1.	KBZ e-banking makes services available within a suitable time frame.					
2.	When KBZ bank promises to do something by a certain time, it does so.					
3.	KBZ bank is truthful about its offerings.					
4.	KBZ bank makes accurate promises about the services being delivered.					
5.	KBZ bank takes care of problems promptly.					

IV. System Availability

No.	Particular	1	2	3	4	5
1.	KBZ e-banking is always available.					
2.	KBZ e-banking launches and runs right away.					
3.	KBZ e-banking does not crash.					
4.	KBZ e-banking can be accessible 24/7.					
5.	KBZ e-banking always provides the services at the promised time.					

V. Personal Needs

No.	Particular	1	2	3	4	5
1.	KBZ e-banking meets my banking activities.					
2.	KBZ e-banking offers a wide range of online service package.					
3.	KBZ e-banking provides the right solutions for each customer.					
4.	KBZ e-banking meets today's customers' expectations.					
5.	KBZ e-banking service provides me information and products according to my preferences.					

VI. Customer Service and Support

No.	Particular	1	2	3	4	5
1.	Customer service personnel are knowledgeable of e-banking services.					
2.	Customer service personnel are always willing to help me with matters relating to e-banking.					
3.	My queries relating to e-banking are answered promptly.					
4.	E-banking customer care team has customers' best interests at heart.					
5.	KBZ e-banking as a customer representative available online (24/7 operating hours).					

Part (C) Customer Satisfaction

No.	Particular	1	2	3	4	5
1.	I am satisfied with 24/7 system availability of KBZ e-banking services.					
2.	I am satisfied with the privacy and security controls of KBZ e-banking.					
3.	I am satisfied with prompt and reliable service of KBZ e-banking.					
4.	I am satisfied KBZ e-banking is easy to get anywhere on the website of the online bank .					
5.	A well-structured user interface of KBZ e-banking leads to satisfied customers.					
6.	I am satisfied with customer service and products of KBZ e-banking.					

Part (D) Customer Loyalty

No.	Particular	1	2	3	4	5
1.	I would like to say positive things about KBZ e-banking to other people.					
2.	I will recommend KBZ e-banking to other people.					
3.	KBZ bank has always been my first choice for my e-banking transactions.					
4.	I will continue to patronize KBZ e-banking page even if the service charges are increased moderately.					
5.	I prefer making any transaction on KBZ e-banking page rather than using other e-banking channels.					
6.	Even if close friends recommended another e-banking, my preference for KBZ e-banking would not change.					

Part (E) Customer Trust

No .	Particular	1	2	3	4	5
1.	I believe that KBZ bank keeps customers' best interests in mind.					
2.	I believe that KBZ e-banking service provides a policy ensuring that KBZ bank will take responsibility.					
3.	I trust that administrators of the KBZ bank will not misuse my personal information.					
4.	I believe that KBZ e-banking server is not too busy to respond to customer requests.					
5.	I believe that KBZ bank will inform me if there are problems with my transactions.					

APPENDIX B

Effect of Influencing Factors on Customer Satisfaction

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.867a	.751	.747	.36410

a. Predictors: (Constant), Customer Service and Support Mean, Efficiency Mean, System Availability Mean, Security & Privacy Mean, Fulfillment Mean, Personal Needs Mean

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	157.383	6	26.231	197.863	.000b
	Residual	52.100	393	.133		
	Total	209.483	399			

a. Dependent Variable: Customer Satisfaction Mean

b. Predictors: (Constant), Customer Service and Support Mean, Efficiency Mean, System Availability Mean, Security & Privacy Mean, Fulfillment Mean, Personal Needs Mean

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.750	.283		-2.648	.008
	Efficiency Mean	.066	.046	.065	1.446	.149
	Security & Privacy Mean	.187	.040	.188	4.635	.000
	Fulfillment Mean	.117	.043	.115	2.738	.006
	System Availability Mean	.150	.045	.148	3.317	.001
	Personal Needs Mean	.451	.050	.440	9.051	.000
	Customer Service and Support Mean	.317	.041	.314	7.719	.000

a. Dependent Variable: Job Satisfaction Mean

Effect of Customer Satisfaction on Customer Loyalty

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.810a	.656	.655	.37784

a. Predictors: (Constant), Job Satisfaction Mean

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	108.207	1	108.207	757.949	.000b
	Residual	56.820	398	.143		
	Total	165.027	399			

a. Dependent Variable: Employee Performance Mean

b. Predictors: (Constant), Job Satisfaction Mean

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.151	.106		10.867	.000
	Job Satisfaction Mean	.719	.026	.810	27.531	.000

a. Dependent Variable: Customer Loyalty Mean

Effect of Customer Satisfaction on Trust

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.792a	.627	.626	.42499

a. Predictors: (Constant), Customer Satisfaction Mean

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	120.610	1	120.610	667.762	.000b
	Residual	71.886	398	.181		
	Total	192.496	399			

a. Dependent Variable: CustomerTrust Mean

b. Predictors: (Constant), Customer Satisfaction Mean

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.891	.119		7.481	.891
	Job Satisfaction Mean	.759	.029	.792	25.841	.759

a. Dependent Variable: CustomerTrust Mean

The Mediating Effect of Trust on the Relationship between Customer satisfaction and Customer loyalty towards Net banking services of KBZ bank

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.862a	.743	.741	.32703

a. Predictors: (Constant), CustomerTrust Mean, Customer Satisfaction Mean

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	122.570	2	61.285	573.041	.000b
	Residual	42.458	397	.107		
	Total	165.027	399			

a. Dependent Variable: Customer Loyalty Mean

b. Predictors: (Constant), CustomerTrust Mean, Customer Satisfaction Mean

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.752	.098		7.687	.000
	Customer Satisfaction Mean	.380	.037	.428	10.265	.000
	CustomerTrust Mean	.447	.039	.483	11.588	.000

a. Dependent Variable: Customer Loyalty Mean