

**YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF MANAGEMENT STUDIES
MBA PROGRAMME**

**THE EFFECT OF SERVICESCAPE AND HOSPITALITY
ON CUSTOMER LOYALTY AT AYA BANK, NAY PYI TAW**

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EMBA II - 37

EMBA 18th BATCH (NAY PYI TAW)

DECEMBER, 2022

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ACADEMIC YEAR (2019-2022)

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“A thesis submitted to the Board of Examiners in partial fulfillment 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 “**The Effect of Servicescape and Hospitality on Customer Loyalty at AYA Bank, Nay Pyi Taw**” has been accepted by the Examination Board for awarding Master of Business Administration (MBA) degree.

Board of Examiners

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December, 2022

ABSTRACT

This study aims to examine the effect of servicescape on customer satisfaction, to examine the effect of hospitality on customer satisfaction and to analyze the effect of customer satisfaction on customer loyalty of AYA Bank in Nay Pyi Taw. To achieve these objectives, both primary and secondary data were used. In this study, two-stage sampling method was used to select the respondents for primary data. At first stage, two out of five AYA Bank branches in Nay Pyi Taw were selected as sample. At second stage, the sample size was 218 customers by using Roasoft's formula and the respondents were selected by using simple random sampling method. They were asked a structured questionnaire. 145 out of 218 customers responded the complete answers to analyze the primary data. Secondary data were collected from previous papers, thesis, texts and websites. For data analysis, descriptive method and multiple linear regression method were applied. According to descriptive analysis, the respondents agreed with ambient condition, space/function, signs, symbols and artifacts and cleanliness provided by AYA Bank. They also agreed with personalization, warm welcome, special relationship, sincerity and comfort given by the AYA bank. According to regression analysis, servicescape such as ambient condition, space/function, signs, symbols and artifacts had significant and positive effect on customer satisfaction. In addition, it was found that the more customer is satisfied, the higher customer loyalty exists. Based on the results, the study recommended that AYA Bank should focus on and enhance servicescape such as ambient condition, space/function, signs, symbols and artifacts. Moreover, the bank hospitality except personalization had significant and positive effect on customer satisfaction. Customer satisfaction would lead to build up customer loyalty toward AYA Bank.

ACKNOWLEDGEMENTS

I would like to appreciate my sincere thanks to Professor Dr. Tin Tin Htwe, Rector of Yangon University of Economics for her permission for my selection of the research topic as a partial fulfillment towards the Master Degree of Business Administration.

I am very grateful to Dr. Nu Nu Lwin, Pro-Rector of Nay Pyi Taw State Academy, for her valuable teaching, discussion and suggestions for this thesis. Moreover, I would like to express my great appreciation to Dr. Myint Myint Kyi, Professor and Head, Department of Management Studies at the Yangon University of Economics, for her valuable comments teaching and advices. In addition, I would like to gratefully appreciate Professor Dr. Hla Hla Mon and Professor Dr. Than Thuzar for their valuable support and teaching throughout the study and also appreciate to Dr. Kay Thi Soe, Associate Professor, Department of Management Studies at the Yangon University of Economics, for her teaching, valuable advice, comments, suggestions this thesis.

I would like to express my deepest gratitude to my supervisor, Professor Dr. Thin Nwe Oo, Program In-Charge of Nay Pyi Taw Campus, Department of Management Studies, the Yangon University of Economics for her valuable teaching, guidelines, advice suggestions and nearly encouragement during all time preparing this thesis.

Moreover, I would like to respect to all our professors, associate professors, and lecturers from the Department of Management Studies, Yangon University of Economics, for their valuable lectures, guidance, and support throughout the study.

I would like to deliver thanks to my friends and my classmates who help and support me during my study. I also would like to thank the responsible persons of AYA Bank especially Nay Pyi Taw Regional Manager and branches managers who actively share the bank information and explain what I wanted to know for the survey. I also would like to thank the customers of AYA Bank in Nay Pyi Taw who actively participated in the survey. Finally, I am thankful to my supportive family, my wife, my parents, my daughter and son who understands and encourages me on every side to pursue this degree successfully.

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CHAPTER (1)

INTRODUCTION

Service economy plays in the economies of nations and in the world commerce. There are many various types of services. The people use the services such as transportation, advertising, consulting, banking, maintenance and communications in their whole life. Thus, services are essential for the human life. Services are at the heart of the economic activity of any society. Service activities are absolutely needed for the economy to function and to enhance the quality of life. A service system is a value-co production configuration of people, technology, other internal and external service system and shared information (such as language, processes, metrics, prices, policies and laws). Among them, banking service is necessary for any nation's economy to survive and people to prosper.

Servicescape provides the basis to create the suitable environment to achieve customers. Servicescape means that design a physical environment in the business or organization area. The thinking of a servicescape used to be first developed by means of Booms & Bitner (1981) with definition of servicescape as the surroundings in which the services are congregated and in which seller and consumer interconnect, combined with tangible commodities that facilitate the performance or communication of the service. The servicescape concept is based on the idea that the physical environment influences the behaviour and perception of service for both customers and employees. Three dimensions of servicescape exist. Those are ambient conditions, space/function, and sign, symbols and artifacts. Therefore, servicescape can be defined as a strategic element to differentiate the service organization with their competitors. A nice environment is one of these factors which are notably demanded. If customers do not go faster and friendly service, they will give up that establishment in search of another one which provides fast, convenient and better services (Tlapana, 2021).

Moreover, the customers expect the staffs' treatment to be good services especially hospitality. Thus, the staff's hospitality is important to satisfy the customers in the banking sector. This preliminary study covered the five dimensions of hospitality which are personalization, warm welcoming, special relationship, sincerity and comfort. The findings help bank managers to better understand how to increase their customer satisfaction within the context of hospitality.

Customer satisfaction defines that customer evaluation about the product after purchasing. Customers can also dissatisfy, fulfil and satisfaction related to their host services which performed by the specific organization. Satisfied customer is important because they are willing to spread the positive word-of-mouth to other customers with the loyalty. For past few decades, people only focused on product behave in the same manner as a shopper who has functions, features and attributes. Today, customers tend to ask for additional beneficial elements before they finalize their purchases.

The customer loyalty is more about expressing a kind of intended behaviour, which is directly related to the service provided by the organization. The loyal customer makes certain to renew the service contract in the future too but now the customers are changing patronage based on the services provided by the favoured organization and the competitor organization. The loyal customer can act as marketer for the favouring organization and spread positive word of mouth about the product and services.

The banking sector deals with large number of individual customers. The bank's profitability also relies on the number of customers and the number of transactions conducted by them. The industries of customer-oriented such as telecom, retail, banking, insurance, etc. require a various set of approaches as in these types of industries; the customers have enough options to choose whereas organizations are having a tough time retaining their customer. Now, as far as the customer loyalty aspect in the banking sector is bothered, the banking industry is under immense pressure to govern the loyalty aspect in order to fight the competition and to meet the higher expectation of the customers. When management of the organization understands the benefits of available alternatives and there is low switching cost, the organization is adjacent to the situation satisfying customer needs. Ayeyarwady (AYA) Bank Limited tries to get the more customer and customer retentions with their strategies such as special interest rate, time deposit and other related promotions. The bank will try to get the customer satisfaction toward the customer loyalty when they can create the good circumstance and staffs' services to meet the customer's expectation.

Many studies about the servicescape had been conducted in relation to the effect of the store environment and customers' behaviour (Cicenaite and Maciejewska, 2012). However, not many studies think about the store environment and customer satisfaction and also the researches are lack in the banking enterprise in Myanmar context. Since the

lack of learn about inside this field, this lookup tries to look at and fill this research gap on impact of servicescape on customer satisfaction toward customer loyalty in the banking field. Therefore, the question of the research what is the impact of servicescape on customer satisfaction toward customer loyalty.

1.1 Rationale of the Study

There are three aspects of service quality that are servicescape as tangible aspect, hospitality as human aspect and FinTech (financial technology) as technical aspect. This paper explores about the tangible aspect and human aspect of two AYA Bank branches in Nay Pyi Taw. The importance of receiving distinctive atmosphere, servicescape or surrounding has gained growing attention among bank managers since it is considered one of the key factors in attracting and satisfying customers who opened the bank in these two AYA bank branches since previous eight years.

Servicescape is an important element in managing the banks due to the customers' emotional responses to a service environment. If the servicescape is unfavourable for the customers, they don't prefer the bank even if the staff has hospitality. Hospitality is an important role in business life in term of companies having an advantage in the competition. Bank staff's hospitality and the positive effect of servicescape provide the customer satisfaction considerably in banks focusing on customer loyalty.

Customer satisfaction is able to increase customer loyalty in banking organizations. The affiliation between customer satisfaction and customer loyalty is one of the most fundamental relationships for marketing theory and practice because loyalty impacts the financial performance and value. Therefore, this study intends to focus on the effect of the bank servicescape and bank staff's hospitality on the customer satisfaction and its impact on the customer loyalty in the two Ayeyarwady (AYA) Bank Limited branches in Nay Pyi Taw.

There are 4 state-owned banks, 27 private banks and 20 foreign banks in Myanmar (Central Bank of Myanmar, 2022). Among these 51 banks, the two state-owned bank branches and about 20 private bank branches are operating the banking business in Nay Pyi Taw. The bank organization is necessary to facilitate the business activities. The bank also helps the people by facilitating different financial services. Among of the top banks in Nay Pyi Taw, the AYA Bank Limited also faces high competition in the banking industry.

1.2 Objectives of the Study

The objectives of the study are

- (1) To examine the effect of servicescape factors on the customer satisfaction at AYA Bank, Nay Pyi Taw
- (2) To examine the effect of hospitality on the customer satisfaction at AYA Bank, Nay Pyi Taw
- (3) To analyze the effect of customer satisfaction on the customer loyalty at AYA Bank, Nay Pyi Taw

1.3 Scope and Method of the Study

This study mainly focuses on the effect of bank hospitality and servicescape on customer satisfaction and customer loyalty at AYA Bank Limited. The study emphasizes on not only servicescape, focusing on lighting, space and decoration in the circumstance of the bank but also staff's hospitality focusing on warmly welcome, comfort and achievement in short time. These two variables are investigated whether customer satisfaction or not and then customer loyalty or not. The study aims to conduct from the two AYA bank branches are studied for this research to get relevant data and meet the main objectives of the research.

Primary and secondary data are used for this study. For primary data, two-stage sampling method is used in this study. Firstly, simple random sampling is done and then second method is also applied by simple random sampling. The data collection period starts 15th October 2022 to 14th November 2022. Primary data is collected by using a structured questionnaire with a 5-points Likert scale. Secondary data are collected from literature review including text books, publications, thesis papers, research papers, reports, articles, journals and internet websites.

There are 5 AYA bank branches in Nay Pyi Taw (AYA Bank, 2022). There are situated in Tatkon Township, Laiway Township, Pyinmana Township, Dekhina Thiri Township and Zabuthiri Township. Among them, this study surveys at two Branches in Nay Pyi Taw that are Zabuthiri bank branch and Dekhinathiri bank branch. There are 603 customers who are opening the bank account in AYA Dekhinathiri bank branch and 515 customers who opened the bank account in AYA Zabuthiri bank branch since previous

eight years. Thus, the total number of customers who opened the bank account in these two AYA Branches is 1,118. The Roasoft sample size calculator is used for sample size to survey the questionnaires with 5-point likert scale. It was considering a confidence interval of 90 %, margin of error of 5%. The simple random sampling method is used. A structured questionnaire is applied for 218 customers out of 1,118 bank customers in Nay Pyi Taw for primary data collection and received 145 complete responses out of 218 customers.

1.4 Organization of the study

This study paper contains five chapters. Chapter One consists of the introduction that includes the rationale of the study, methodology, sources of data, scope and organization of the study. The literature review on the effect of bank servicescape and bank staff's hospitality on customer satisfaction toward the customer loyalty is described in Chapter Two. The organization profile, servicescape and hospitality of the AYA bank are described in Chapter Three. Chapter Four is mentioned the analysis of the servicescape and hospitality of the bank on customer satisfaction and its result on customer loyalty in AYA Bank. Finally, Chapter Five organized the conclusion with the findings and discussions, suggestions and recommendations based on the result from the questionnaires and limitations and needs for further research.

CHAPTER (2)

LITERATURE REVIEW

This chapter presented service management, hospitality management, customer satisfaction, customer loyalty and reviews on previous papers are included in this chapter.

2.1 Service Management

Service industries are leaders in every sector in nation. Services can create the new jobs that enhance the national economy and improve the quality for living standard. Services are essential for today's global economy. Services are central to the economy activities in any society.

Infrastructure services, such as transportation and communication, are the essential foundation of an economy. There are many various services all over the world. There are financial services, infrastructure services, manufacturing services, distribution services, personal services, business services and government services. Both infrastructure and distribution services perform as economic intermediaries and as the distribution channel to the final consumer. Infrastructure and distribution services are prerequisite for an economy to become industrialized. So, there is no advanced society that can be without these services.

Financing, leasing, budgeting, banking and insurance are in the financial services sector. In manufacturing services, there are finance, accounting, legal and research & development and design. The consulting, auditing, advertising and waste disposal is the business services. The health care, restaurants, lodging, childcare and hotels are personal services which have been created to move former household function into the economy. Indeed, the consumer performing self-service activities is a service contributor often using technology (e.g., onboarding airline) to eliminate activities that do not add value or offer personalization and control (e.g. online brokerage). Wholesaling, retailing and repairing are the distribution services.

The government services are well maintained roads, safe drinking water, clean air, public safety, military, public education, judicial and police and fire protection. Government offerings play an imperative position in supplying steady surroundings for funding and financial growth. In an industrialized economy, specialized companies can

grant commercial enterprise offerings to manufacturing corporations extra cheaply and correctly than manufacturing companies can provide these offerings for themselves. Thus, advertising, consulting and other business services are providing for the manufacturing sector by service firms. Government services play a crucial role in providing a good environment for investment and economic growth. In an industrialized economy, specialized companies can provide services to manufacturing companies more economically and efficiently than manufacturing companies can provide these services on their own. Thus, advertising, consulting and other business services are providing for the manufacturing sector by service firms.

In general, the servicescape or physical environment of any business is an important determinant of Consumer Psychology Behavior (Ryu & Jang, 2007). Mary Jo Bitner (1992) defined service environment as the built surrounding, which has artificial physical environments as opposed to the natural or social environment. The typology of service organization described the type of organization based on who performs actions within the servicescape (Bitner, 1992). There are two dimension capturing differences in the management of servicescape that are level of interaction and physical complexity of the servicescape. In level of interaction, the vertical dimension, there are self-service (customer only), interpersonal service (both customer and employee) and remote service (employee only). The lean and elaborate include in the physical complexity of the servicescape, the horizontal dimension. Banks situate in the dimension of the interpersonal service and elaborate environments.

Bitner (1992) described a model of servicescape variables such as (1) ambient conditions (temperature, air quality, noise, music, odors); (2) space/function (layout, the way in which equipment and furnishings are arranged and the ability of those items to facilitate consumers' preferences); and (3) signs, symbols, and artifacts (signage, personal artifacts and style of décor). The service environment remains critical in forming initial impression of the customer which could predict customer intentions.

2.1.1 Ambient Conditions

Ambient elements are intangible background characteristics (e.g., music, smell, temperature) that tend to affect the intangible senses and may have a intuitive effect on customers. Background music can (1) influence customers' perceptions of workplaces; (2) arouse emotions; (3) influence customer satisfaction and relaxation; (4) increase shopping

time (5) decrease waiting time; (6) influence dining; (7) influence purchase intentions; (8) influence buyer/seller interaction; and (9) more sales. Moreover, the influence of nice scents as a powerful factor to increase sales has gotten much attention in retail businesses (Magnini & Parker, 2009). The pleasant surrounding flavour can impact a consumer's desire to make a purchase, mood, or emotion. In the bank, there should be the nice background music tune and fair temperature synchronized with environment.

2.1.2 Spatial Layout and Functionality

Spatial layout refers to the way objects (eg., furniture) are arranged in the environment. Just as the layout of discount stores facilitates the satisfaction of useful or utilitarian needs, an effective layout can additionally facilitate fulfilment of needs (Wakefield & Blodgett, 1994; Ryu & Jang, 2007). The spatial layout that makes people feel cramped can have a direct effect on customers' perception of quality, their level of enthusiasm, and indirectly on their desire to return. This implies that retail services or facilities are specifically designed to add a certain level of excitement or arousal to the service experience such as in an upscale restaurant should provide ample space to facilitate exploration and stimulation within the physical environment (Wakefield & Blodgett, 1994).

Social factors refer to the people such as employees and their customers as part of the service. Social variables include employee appearance, number of employees, gender of employees, and clothing or physical appearance of other customers. A professional employee uniform can effectively convey an organization's image and core values in a very up-close and personal way. Tombs and McColl-Kennedy (2003) reported that service staffs are related to the desired social density, which influences customers' affective and cognitive responses, as well as customer intentions. Similarly, Ryu and Jang (2007) argued for a strong employee influence on customer enjoyment and arousal states.

2.1.3 Signs, Symbols, and Artifacts

Signs, symbols, and artifacts are particularly important in forming first impressions, for communicating new service concepts for repositioning a service, and in highly competitive industries where customers are looking for cues to differentiate the organization. Many items in the physical environment serve as explicit or implicit signals that communicate about the place to its users. Signs displayed on the inside and outside of a structure are explanations of explicit communicators. They can be used as labels (e.g.,

company name, street name) for directional purpose (e.g. exit and entrance) and to communicate rules of behaviour (e.g., no smoking). Signage can play an important part in communicating firm image.

2.2 Hospitality Management

Hospitality is the quality or demeanour of getting and treating receivers in a warm, well-disposed and liberal way (Brotherton & Wood, 2008). Hospitality represents the cordial reception, welcome and enjoyment with kind and generous liberality for the customers who are from diverse social backgrounds and cultures. Measuring hospitality can also be indispensable especially from the experiential view of consumption. Literature indicates that a paradigm shift has occurred from the utilitarian view to be involved in product or service delivery, including tourism sector and hospitality as well as other sectors. Ariffin et al (2013) characterized hospitality conduct as a beneficial help that works on the worth of the centre help.

Hospitality is a connection between the host and visitor that goodly affects society. Hospitality plays a significant part in business life as far as organizations enjoying a benefit in the opposition. Hospitality is utilized by areas which directly communicate with customers, for example, inns, banks, cafés, hospitals, tourism industry, airlines and insurance sector. Moreover, the importance and commitment of hospitality can be perceived with hospitality assessment which is applied to customers. Ariffin and Maghzi (2012) described the five dimensions of hospitality as; (a) personalization (b) warm welcome (c) special relationship (d) sincerity and (e) comfort. The bank staff's attention, respect, treatment and ambient comfort have an important role in customer satisfaction.

2.3 Customer Satisfaction

Evanschitzky et al. (2012) suggested that a company's performance is derived from customer satisfaction and hence enhancing customer satisfaction is critical for survival. A positive relationship exists between customer satisfaction and loyalty (Chang & Hung 2013; Nasset & Helgesen 2014; Akamavi et al., 2015) and the results of some empirical analyses show that customer satisfaction has strong effects on the behavioural loyalty (Rajaguru 2016; Koklic et al., 2017; Shahid Iqbal et al., 2018). According to Gerpott et al., (2001) satisfaction can be obtained because of what was expected. If a company's offer met customers' expectations, they would be satisfied.

The amount of satisfaction hangs on the level of supply that meets the level of expectation or falls below expectation. Guo, Xiao and Tang, (2009); Lin and Wu (2011) states customer satisfaction is the necessary foundation for a company to retain recent customers. This submission stems from the logic that unsatisfied customers with the received services may not have long-run relationships with the company. This may suggest that poor services can also cause dissatisfaction. Auh and Johnson (2005) argue that variation in the quality and value of products and services supported to customers create variation in customer satisfaction and customer loyalty. In the same manner, Ganguli & Roy, 2011; Gil et al., 2008 agreed that customer satisfaction is an important element in determining the quality of service that is delivered to customers and the survival of an organization may directly or indirectly be hinged. Several scholars have patroned that a relationship exists between customer satisfaction and customer loyalty (Auh & Johnson,2005). Kim et al., 2007 argued customer satisfaction has an effect on customer loyalty and confirms the direct relationship between customer satisfaction and customer loyalty. Vesel and Zabkar (2009) confirmed that customer satisfaction is one of the important determinants of customer loyalty. An organization's ability to satisfy its customers is vital for a variety of reasons. For example, dissatisfied customers have been shown to complain to the company and to some cases more often ask them for reparation to compensate for cognitive dissonance and bad consumer experiences (Oliver, 1997; Nyer, 2000).

If service providers do not handle this behaviour properly, it can have serious negative effects. In great cases of dissatisfaction, customers may apply to negative word of mouth as a means of returning to the business. Unsatisfied customers may pick not to defect due to the fact that they do not expect to receive better service elsewhere or that the switching cost is high. Additionally, satisfied customers may seek out competitors because they believe they can receive better service elsewhere (Ocloo & tsetse, 2013). Bei & Chiao (2001) propose customer satisfaction to be the best pointer of a company's future profit and competitiveness and that the results of customer satisfaction include customer loyalty. They submitted that it is a crucial goal for corporate and consumer servicing entities. In the context of relationship marketing, customer satisfaction is the way that heads to long term customer retention because customers who are unsatisfied have a very high switching rate (Lin & Wu, 2011). If product or service fulfils the needs, wants and demand of the

customer, it may be safe to submit that such a customer will pass from patronage to loyalty thereby increasing the company's base of customers and hence company profitability.

Oliver (1997) submitted that customer satisfaction is the core philosophy of the marketing strategy of any organization and plays a key role in an organization's success. Bodies of work carried out by various researchers argues that customer satisfaction holds significant importance in a firm. This construct is based on the premise that satisfaction may improve customer relationships. Jana (2014) stated service quality as an important indicator of customer satisfaction that is, consumers may be loyal to a firm if it is observed as generating satisfaction among other consumers, particularly in credence products and services. This alone may generate an amount of unwillingness to switch.

By implication, unsatisfied customers through word of mouth may shift their negative impression of a product or service to other customers. The resultant effect of this may be low patronage and hence low or no loyalty. This agrees with Oliver's (1997) confirmation that a product or service that brings pleasure to the customer is connected with fulfilment or satisfaction, hence slogans such as Our focus is customer satisfaction, or customer is king; the Customer is cause for being in business by many businesses or organizations. It is safe to then tell that customer satisfaction is a collective outcome of perception, evaluation and psychological responses to the consumption experience of a product or service.

According to Kotler (2006), customer satisfaction plays a crucial role in total quality management. In comparison with other traditional performance measures, customer satisfaction is no doubt less sensitive to seasonal fluctuations, changes in costs, or changes in accounting principles and exercises Customer satisfaction in a cumulative evaluation fashion that needs summing the satisfaction associated with specific products and various facets of the firm. Satisfied customers aim to have a higher usage level of service than those who are not satisfied (Liu et.al, 2010). They have the possibility of a more likelihood for repurchase intentions and recommendation of goods and services to other users (Jana, 2014). Various body of works have also revealed and opined that because customer satisfaction positively affect loyalty, it is an important variable in boosting customer retention as it can affect a buyer's decision to continue a relationship with the organization (Dorotic et. al, 2012; Gil, Hudson & Quintana, 2006).

Customer satisfaction is to be answered client's requests completely and clients' requests are satisfied sufficiently. As per Ariffin and Maghzi (2012), the consumer loyalty is significant for the business associations since it provides with reinforcing a positive way of behaving towards a brand bringing about a higher likelihood which a similar brand will be bought from now on. In the event that clients are fulfilled, clients lean toward the brand and the business once more. This present circumstance gives the business' finding lasting success and determined. Areas which are mediated with their clients show up in toward the start of areas where consumer loyalty is significant are basically lodgings, travel services, auto vendors, telecom organizations, carrier organizations and cafés. Organizations in these areas have begun to give schooling to the staff regarding the matters of client relations as they probably are aware the significance of consumer loyalty very well since staff's ways of behaving are in any case in consumer loyalty. Basuroy et al (2014) expressed that consumer loyalty assumes a significant part regarding organizations' monetary exhibition. Additionally, consumer loyalty can lessen the uses connected with ensures, grumblings and damaged merchandise.

Accordingly, organizations evaluate the clients' perspectives with the studies through phone, web and eye to eye interviews to gauge the consumer loyalty. This assessment gives a positive criticism to organizations. According to Ariffin and Maghzi (2012), customer satisfaction is important for business organizations because it helps build a positive behaviour towards a brand, which increases the likelihood that the same brand will be purchased in the future. If the customers are satisfied, they again prefer the brand and the company. This situation ensures the success and sustainability of the company. Basuroy et al (2014) define it as customers are satisfied with the services offered, they are happy. Also, if the service exceeds customer expectations, customer satisfaction is high. Sectors which are intervened with their customers appear in at the beginning of sectors in which customer satisfaction is important are mainly hotels, travel agencies, automotive dealers, telecommunication companies, banks, airline companies and restaurants. Companies in these sectors have started to give education to the staff on the subjects of customer relations as they know the importance of customer satisfaction very well because staff's behaviours are in the first place in customer satisfaction. Basuroy et al. (2014) stated that customer satisfaction plays an important role in terms of companies' economic performance. Also, customer satisfaction can reduce the expenditures related to guarantees, complaints and defective goods. Therefore, companies assess customer opinions with

telephone, web, and face-to-face interviews to measure customer satisfaction. This evaluation supports positive feedback to businesses.

2.4 Customer Loyalty

Customer's loyalty is an intangible asset needed by organizations to succeed companies (Jiang, H. and Zhang, Y., 2016). According to Chen et al. (2010), customer loyalty is prominent because it is a building block toward revenue generation of business entities and its ability to remain in operation. Casidy, R. and W. Wymer, 2016 state customer loyalty as "one's feelings of dedicated attachment to the loyalty object, rather than repeated commercial transactions". By their statement, devotion supersedes commercial gain. They described that loyalty is not complete without devotion irrespective of financial gain. Kandampully (2015) suggested that there are two types of customers' loyalty – active loyalty and passive loyalty.

These classifications think both attitudinal and behavioural dimensions of loyalty (Bowen & McCain, 2015). Loyalty is a driver of the increases or decreases in a firm's market share (Ehrenberg et al., 1990) or increases in the degree of insensitivity customers have towards competing offers (Sharp & Sharp, 1997). While their perception varies, there is a common consensus of its components. Researchers have considered the impacts of several factors on customer's loyalty such as brands (Nisar & Whitehead, 2016), positive emotions (Bilgihan et al., 2016), experiential satisfaction (Wu & Ai, 2016), emotional commitment (Heo & Lee, 2016), customer commitment (Thaicho & Jebarajakirthy, 2016), customer engagement (Thakur, 2016), and experiential quality (Wu & Ai, 2016). There are a large number of definitions of customer loyalty, highlighting different sides and nuances of the concept. Neal, 1999 states that loyalty may be defined as the frequency at which a customer chooses the same product or service in a specific item in comparison with the total number of purchases made by the purchaser in that item, under the condition that other acceptable products or services are suitably available in that Dick and Basu (1994) described an approach that viewed customer loyalty as the might of the relationship between an individual's relative attitude and repeat This statement described customer loyalty as a psychological action, indicated by his/ her attitude. In a similar vein, Oliver (1997) argues loyalty as a deep commitment held by a customer to rebuy their favourite product or service in the future, in spite of situational influences and marketing efforts that can modify the experience.

This detailed description of what customer loyalty is explained the willingness of customers to play a vital role in the chain of events reviewing that they are willing to maintain their relations with a particular firm or service or product. This is in addition to customers' commitment to continue dealing with a particular firm, buying their products and services and citing the firm to others (Kim & Yoon, 2003; McIlroy & Barnett, (2000).

Similarly, Rauyruen and Miller (2007) solves customer loyalty as an appeared concept of behavioural loyalty and attitudinal loyalty. The customers that exhibit behavioural loyalty buy from the same place regularly while the ones that exhibit attitudinal loyalty not only buy from the same place but also advocate for the brand and are ambassadors who propagate the products. By implication, they argue that in reality, consumers usually exhibit both the behavioural and attitudinal stance, i.e., the willingness of a customer to continually use a product or service and advocate it to others. Zeithaml et al (1996) regard customer loyalty as customers' affinity towards an organization and the customers' predictability and intentions to do business with a firm. Oliver (1999) argue that loyalty is the customer's overall behaviour regarding a product, service or any other aspect of the organization in which customers are involved. According to him, customer loyalty is "a deeply held commitment to rebuy or re-patronize a preferred product/service consistently in the future, thereby causing repeat purchase of the same brand or set of brands, despite situational influences and marketing efforts that may cause switching behaviour". Molina and Suara (2008) suggest that customer loyalty is defined first as an attitude that involves relationships with the brand and secondly, exposes behaviours though repeated purchase in term of a positive attitude. Based on these varied yet similar definitions, one can argue that customer loyalty is not just built on customers' needs being met and satisfied.

There are also financial, interpersonal and emotional elements that play a big role in customers' decision to maintain patronage or switch to a competitor. It may also be safe to argue that when barriers to switching are high, customers may be unwilling to go through the rigors of moving elsewhere. Also, the barriers to switching are low, there may be the tendency to patronize competition offering similar services (and products) in order to maximize benefits derivable from service/ products. It may be safe to state that the financial, interpersonal and emotion components associated with customer loyalty (the latter two being intangible) may account for its lack of standardization. Because it is established on trust, which comes by building and maintaining a positive customer relationship.

Loyalty could be presented as the biased response that is bound by period measured by decision taking to purchase a particular product or service against similar ones. Hence, it is both a significantly psychological decision and evaluative approaches that result in the commitment to a company and it is a positive relationship between attitude and loyalty in retailing. Consequently, Bolton et al. 2000 suggest that in determining the long-term efficient of a loyalty rewards programmes, a company must quantify its influence on future purchase such as usage levels. This usage level in part explains customer loyalty programs as a focal point for numerous business organizations’ profit and sustainability (Vesel & Zabkar, 2009; Gerpott, Rams & Schindler, 2001).

Kim and Yoon, 2004 assert that customer loyalty can be measured by the intention of repurchase, recommending the product/services to others and patience towards price change. This review of various articles suggests that there are four primary factors in developing and enhancing customer loyalty. These are satisfaction (Casidy & Wymer, 2016; Jiang & Zhang, 2016; Kim et al., 2016) perceived quality (Ansari & Riasi, 2016), perceived value (e.g. Ansari & Riasi, 2016; Campón-Cerro et al., 2016; Han et al., 2017), and trust (Castaldo et al., 2016; Heo & Lee, 2016).

2.5 Reviews on Previous Research

The three previous research paper are based and modified to develop the conceptual framework of the study. They are the conceptual framework of Lap-Kwong (2017), the conceptual framework of Arifin (2013) and the conceptual framework of Anic and Radas (2006).

Among these three previous research papers are reviewed for this study, the following figure is the first previous paper for this study.

Figure (2.1) The Conceptual Framework of Lap-Kwong (2017)

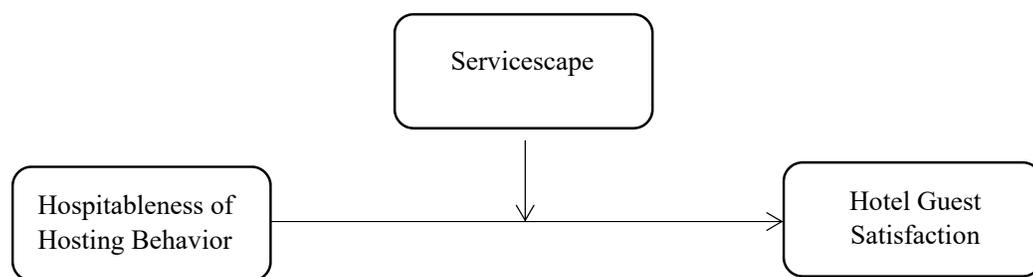


Source: Lap-Kwong (2017)

The research title is “The Role of Servicescape in Hotel Buffet Restaurant”. All-you-can-eat Buffet is developing into increasingly popular and related concepts are assumed to operate in either hotel restaurants or buffet restaurants. Since catering experiences are highly affected by surrounding atmosphere, its service facilities have an essential impact on its overall customer satisfaction. Nevertheless, there are no previous research studies on servicescapes and their relationships with customer satisfaction. This research is first to investigate whether Buffet servicescapes affect customer satisfaction. The aim of this research is to verify the relationship among Buffet servicescapes and customer satisfaction. Apart from this, which dimensions of servicescapes affect satisfaction the most are also examined. They have chosen Park Lane Hong Kong Hotel Buffet Restaurant as an example because it is very popular and is awarded as the best buffet restaurant in Hong Kong by a renowned Dining Magazine. Furthermore, they have also further studying on their effects on positive word-of-mouth since it results from the dining experience and it greatly affects others’ purchase decisions.

The results discover that all dimensions of servicescapes have a positive effect on customer satisfaction where cleanliness has the greatest impact. Finally, implications and recommendations are based on the findings for further improvement to buffet hotel restaurants on various dimensions of servicescapes to enhance customer satisfaction and help spreading positive word-of-mouth under keen competition. Figure (2.2) shows the conceptual framework of Ariffin (2013) as previous paper for this study.

Figure (2.2) The Conceptual Framework of Ariffin (2013)



Source: Ariffin (2013)

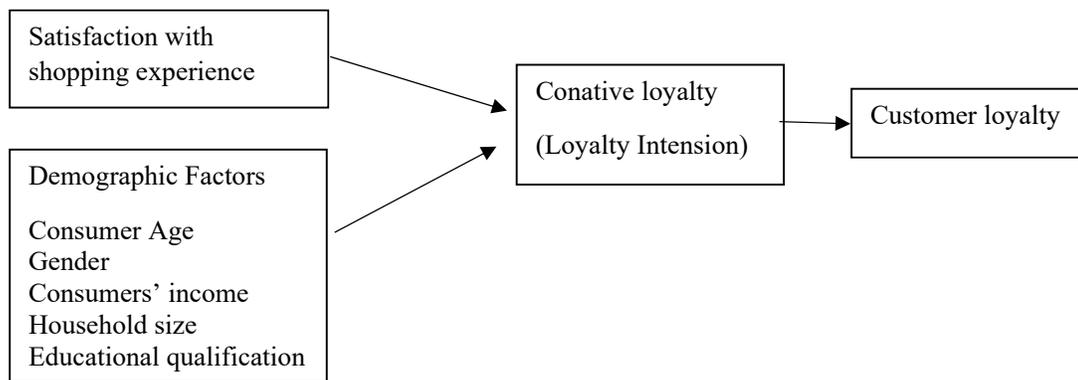
The research title is “The Effect of Hospitableness and Servicescape on Guest Satisfaction in the Hotel Industry”. This paper aims to investigate the influence of hotel hospitality on hotel guest satisfaction along with the hotel servicescape moderating effect

on the relationship between hospitality and satisfaction. In this preliminary study, this involved 403 hotel guests in Malaysia who employed a questionnaire survey as the main method of data collection. The structural equation modelling (CFA) used to assess the model revealed a good fit. A hierarchical moderated regression analysis was carried out and showed statistical support for the positive influence of hotel hospitality on guest satisfaction as well as a positive moderating effect of servicescape.

Figure (2.3) shows the conceptual framework of Anic and Radas (2006) as previous paper for this study.

Figure (2.3) The Conceptual Framework of Anic and Radas (2006)

The following figure is the third conceptual previous framework for this paper.



Source: Anic and Radas (2006)

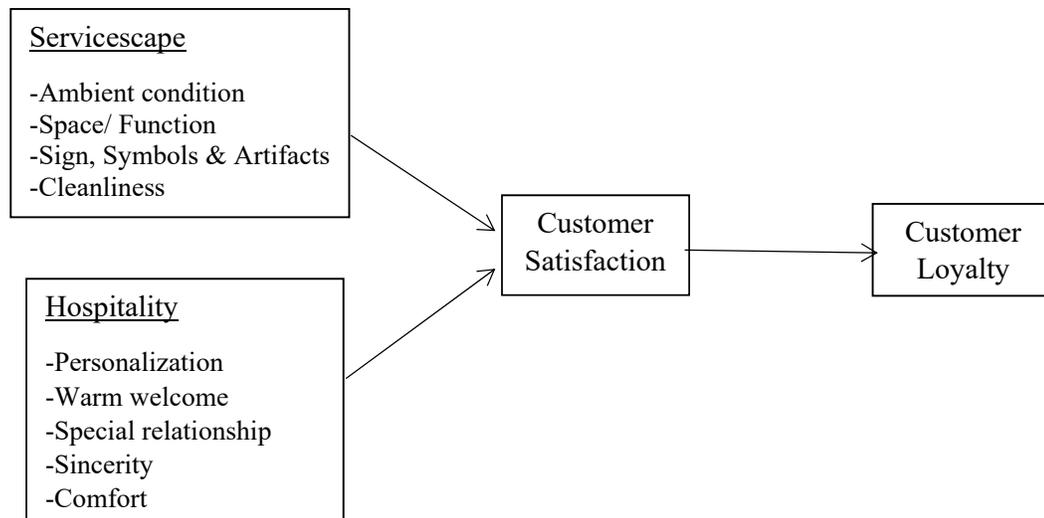
The research title is “The Exploring Relative Important of Satisfaction and Demographic Factors in Building Loyalty”. This paper analyses relative importance of satisfaction and demographic factors in building store loyalty behaviour. The paper was trailed with data collected from a consumer survey, carried out in the high/low Croatian hypermarket setting. Data were examined using descriptive statistics, and simple and multiple regression analysis. Generally, research results support the proposed framework. Conative loyalty was positively operated by satisfaction with the shopping experience, household size and age. Females described higher conative loyalty than males, and “near shoppers” exhibited higher conative loyalty than “distant shoppers”. Contrary to expectations, income did not forecast conative loyalty behaviour.

A further important finding of this study is that there is a positive buffer between conative and action loyalty. For retailers, the importance of the paper presented is in predicting consumer purchasing behaviour and using this information to design such

retailing strategies that will enhance satisfaction, conative and action store loyalty, and contribute to increased sales revenues.

Figure (2.4) Conceptual Framework of the Study

This own conceptual Framework as mentioned in Figure 2.4 is developed by adapting to three previous papers.



Source: Own Compilation (2022)

From the previous study (1) as shown in Figure (2.1), servicescape effect on the customer satisfaction in hotel industry. The measures for servicescape: temperature, colors, lighting, pictures, car park and overall layout are also analysed. From the previous study (2) as shown in Figure (2.2), the bank hospitality is affected. The measures for bank hospitality dimensions: a warm welcome, special relationship, sincerity, comfort and personalization are adopted. From the previous study (3) as shown in Figure (2.3), customer loyalty is adopted that are affecting the strength and direction of the relationship between customer satisfaction and customer loyalty. Then, in this study as shown in Figure (2.4), the servicescape has four independent variables of the study and the hospitality has five independent variables of the study. This study is to examine the effect of servicescape factors on the customer satisfaction, to examine the effect of hospitality on the customer satisfaction and to analyse the effect of customer satisfaction on customer loyalty at AYA Bank, Nay Pyi Taw.

CHAPTER (3)

PROFILE, SERVICESCAPE AND HOSPITALITY OF AYA BANK

This chapter is the profile of Ayeyarwady (AYA) Bank in which include the vision, mission, objective, motto and corporate value-ethics, UN Global Compact (UNGC) Compliance and awards. Moreover, the board committee and the organization structure of AYA bank is also including in this chapter. This chapter also described the servicescape and hospitality of AYA bank, Nay Pyi Taw.

3.1 Profile of AYA Bank

AYA Bank is a private bank, one of the largest banking and financial service organization in Myanmar and got the banking license from the Central Bank of Myanmar on 2nd July 2010. AYA Bank began its operations in August 2010 with the opening of Nay pyi taw Head Office and paid up capital of the bank is Kyat one hundred forty billion and and has step by step prolonged its network of branches to more than 265 branches as of 2022. The Nay Pyi Taw operation head office is Nay Pyi Taw Branch (1) (Dekhina Thiri Township) that is included as one of two branches in this study. Now, Administrative Head office of AYA bank is located the Maha Bandoola Garden St, Kyauktada Township, Yangon. The growth of the branch network, AYA Bank creates numerous job opportunities all through the country, with the workforce standing at more than 6000 at the end of July 2022. The over six thousand employees drive their business and AYA Bank fully takes pride in being an “Employer of Choice” in the country. Their human capital investment is the driving force that made it possible for them to grow up to (265) branches in 12 years. AYA Bank establishes a labour law policy that requires the commitment of suppliers with the service or product contract.

The AYA bank is permitted to carry out as an investment or development bank for the domestic market and the approved banking activities include: borrowing or rising of money, lending or advancing of money either secured or unsecured, receiving securities or valuables for safe. AYA bank affords a complete suite of retail and commercial banking products and solutions which include vast of digital banking services such as internet and mobile banking, ATMs, and bill payment in Myanmar banking sector. AYA Bank is fast, reliable, truthful banking relationships at all cost and offers the entire variety of retail and commercial products and services. The most critical activities of AYA Bank are Borrowing

and Raising of money, Lending or Advancing of either secured or unsecured Money, Receiving Securities or valuables for Safe. Custody, Collecting and Transmitting Cash and Securities and Provides International Banking Services inclusive of international remittance, fee and trade services. For years ahead, the bank will hold to boom its branch network all over Myanmar. For the instantaneously years ahead, the Bank will maintain to increase for attaining at some point of Myanmar, build relationships with new customers and foreign stakeholders and strengthen the Bank's capital and risk management controls. The Bank will also emphasize on improving their human capital, and foster a corporate culture of innovation through technology. The people believe that as Myanmar continues the reforms of the banking industry, the bank will be well-located to be the front-runner in terms of innovation and the form of products and services.

3.1.1 Vision, Mission, Objective, Motto and Corporate Values-Ethics of AYA Bank

The vision of the bank is to be a leading bank in Myanmar. Its mission is to be the leading bank in Myanmar through pursuit of excellent and long-term sustainable growth for the bank and its stakeholders. The objective of the bank is continued recognition on enhancing relationships with its customers by providing fast, reliable, honest banking relationships at reasonable cost to all sectors of the public. The bank also aims to further strengthen its governance, risk and compliance structure to ensure balance and support growth. Its motto is "Your Trusted Partner". Corporate Values-ETHICS are defined as follows:

- We pursue our targets with EXCELLENCE
- We develop as a TEAM
- We assume and act in all HONESTY
- We maintain INTEGRITY in all our dealings
- We CARE for our customers, our colleagues and the people we interact with and in all our actions,
- We always act with SINCERITY

3.1.2 UN Global Compact (UNGC) Compliance

AYA Bank is one of the registrar companies of the UN Global Compact (UNGC). The UNGC is the world's largest leadership to help companies situate their practices for an acceptable and comprehensive future. As a participant in the UNGC, they disclose their improvement on the performance of the Ten Principles and the tasks they are carrying out. AYA Bank embarks on the 12th year journey of placing their clients first and 10th year of

its steady adherence to the United Nations Global Compact (UNGC) regulations. Since they had committed Ten concepts of the UNGC in the areas of human rights, labor relations, environmental protection and the counter corruption, they began taking steps to incorporate these principles in their master plan and procedure towards manageable journey. Through this movement, AYA Bank has been working regularly to raise the governance standards internally and build credibility and their brand value. AYA Bank has been awarded ‘Myanmar’s Best Bank for CSR’ in 2017 and 2019 for its notable contribution to society as well as its own employees. AYA Bank strongly dedicated to continue to develop a wide range of corporate social responsibility programs covering a broad spectrum of social, economic, and environmental issues often associated with immediately changing society in which they operate. In the period of 12 years, AYA Bank Ltd. (AYA Bank) has developed into the 2nd largest private bank in Myanmar in terms of Customer Deposits, Loans & Advances, Capital, number of Branches and Customers. For successive years now, AYA Bank is comply with IFRS standard bank as well as audited under International Standards of Auditing (ISA) by a big-four international firm – Deloitte. In working towards their objectives to be a leading bank in the country, they adhere to and set the UNGC Principles into their practices, policies, and operations. In this 9th Communication on Progress Report, they point up a summary of their progress in adhering to the Ten Principles. Additionally, they carry out to share this information with their stakeholders using their main channels of communication.

3.1.3 Awards Achieved by AYA Bank

In 2013, AYA Bank achieved “Best Private Bank in Myanmar” award at the World Finance Banking Awards 2013. The following year, AYA again won two awards at the World Finance Banking Awards 2014 for “Best Private Bank in Myanmar” and “Best Retail Bank in Myanmar”. In the same year, AYA bank received “Fastest Growing Retail Bank Myanmar 2014” and “Most Innovative Banking Services (AYA i-Banking) Myanmar 2014” from Global Banking & Finance Review Awards 2014. The Myanmar Times also acknowledge its founder as ‘The Banker of the Year’ in 2014. In 2015 and 2016 in a row, AYA obtained more appreciation from the World Finance Banking Awards: “Best Private Bank in Myanmar”, “Best Banking Group in Myanmar” and “Most Sustainable Bank in Myanmar”. The bank continues to win awards in 2017 such as “Asia money Best Bank for CSR for Myanmar 2017”, “Best Regional Banking Awards 2017”, “Best Commercial Bank, Myanmar 2017”, and “Best Retail Bank, Myanmar 2017”. AYA bank

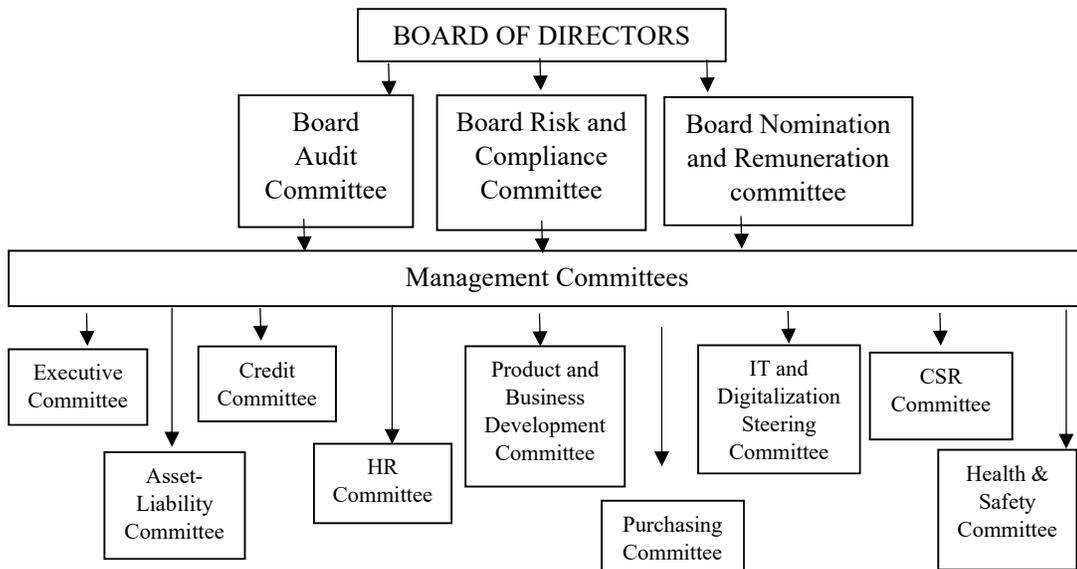
won “Asia Money 2019 Best Bank for SMEs & Asia Money 2019 Best Bank for CSR” and “EDGE Certificate for Gender Equality”. Moreover, in 2020, the bank got the award for the best bank for SMEs.

3.2 Structure of AYA Bank Board Committee

Bank Organization of AYA Bank are structured with the Board of director (BOD), Board committees in top management, Board committees support to BOD, Executive chairman follow the order of BOD and also executive management committees go along the command of executive chairman. Management committee needs to support to executive management committee. Executive management committee governs the departments.

There are 23 departments that are cards and ATM department, digital banking department, information technology department, retail banking department, corporate banking department, product development department, SME banking department, branding & marketing department, treasury department, finance and account department, banking operations department, e-channel department, international banking department, legal department, enterprise risk management department, human resources department, administration department, corporate affairs department, business unit department, internal audit department, credit department, strategic and planning department and learning and development department.

Figure (3.1) Board Committee Structure of AYA Bank



Source: AYA Bank (2022)

Board is the highest authority within the structure of the Bank and the Board of Directors has decisive responsibility for the bank's business strategy and financial soundness, organizational structure, management framework and practices, risk management and compliance responsibilities. The Board is chaired by the Founder and Chairman of the Bank and including nine members including three Independent Non-Executive Directors with diverse backgrounds and expertise. The Board ensures compliance with the regulatory and legal framework, and the existence of an effective and productive connection with key stakeholders. For greater dedication and better governance, the board has appointed a number of committees for designated areas. Board of directors plays a critical role in the Bank's success. In order to make sure every director is on board with the goal of bank, and the entire Board is in line with the Bank's mission, various training courses are also planned, including orientation. The new director orientation program will update directors on the Bank, its competitive environment, and Board strategies and processes. In exercising its responsibilities, the board of directors must take into account the legitimate interests of depositors, shareholders and other relevant stakeholders. The responsibilities of the Board of Directors are –

1. Keeping abreast of significant changes in the bank's business and in the external environment act quickly for the changes necessary to protect the long-term interests of the bank
2. Managing the development and approval of the bank's business aims and strategies and control their implementation.
3. Playing a main function in displaying the bank's corporate culture and values
4. Supervising fulfilment of the bank's governance foundation and analysis systematically that it endures appropriate in the brightness substantial changes in the bank's size, complexity, geographic footprint, business strategy, markets and regulatory requirements
5. Founding along with bank's managers, the bank's risk desire, taking into account the meeting and regulatory outlook in the banking sector and the bank's long-term interests, threat exposure and ability to manage menace effectively

6. Approving policy and oversee implementation of key bank policies and rules capital suitability assessment process, capital and liquidity plans, compliance policies and task and internal control system
7. Verification of the honesty, freedom and effectiveness of the bank's policies and procedures for reporting deceit and other unlawful activities
8. The preparation and approval of the bank's policy on related party transactions; and monitoring the bank's compliance with the Financial Institutions Act, regulations and directives issued there in

AYA bank board of directors contain with the 9 members include 6 executive directors and 3 non-executive directors. AYA bank governance builds up as the two tier committee. Upper tier committee is board committee and lower tier committee is management committee. In the upper tier committee divided into 3 committees (Board Audit Committee, Board Risk and Compliance Committee and Board Nomination & Remuneration Committee). The lower tier committee divided into 6 committees that are Executive Committee, Asset-Liability Committee, Credit Committee, Human Resources Committee, Product and Business Development Committee, Purchasing Committee, IT & Digitalization Steering Committee, CSR Committee and Health & Safety Committee.

(a) Audit Committee Board

Audit Committee Audit Committee Board Audit Committee is chaired by an Independent Non-Executive Director and participated of members from various fields such as risk and compliance, legal, finance and audit. The Board's Audit Committee provided ongoing advice to the Board on the effectiveness and the independence of the Bank's internal audit function, overall risk governance framework and internal control system. The Audit Committee is responsible for ensuring that senior management takes the necessary corrective action in a timely manner address control weakness, non-compliance with policies, laws and regulations, and other issues identified by auditors and other control functions.

(b) The Board Risk and Compliance Committee (BRCC)

BRCC is led by Vice Chairman of the AYA Bank. BRCC assists the board in establishing effective corporate governance and oversight responsibilities with respect to risk and conformity management strategy, framework and risk and compliance

management function for the Bank. BRCC oversees the policy of risk and conformity, determines Bank's risk demand, and risk tolerance, and ensures that risk evaluations are performed regularly and monitor the entire risk management and compliance process.

(c) The Remuneration and Nomination Committee

The Remuneration and Nomination Committee is conducted by an Independent Non-Executive Director and the major role of the committee is to set succession and compensation policies, identify directors and senior management according to established criteria and approve their meeting to the Board. The committee is responsible for the whole inaccuracy of the remuneration system for the whole bank. In addition, the committee regularly monitors and reviews results to ensure that the bank-wide remuneration system is operating as intended.

(d) Executive Committee (EC)

EC is headed by an Executive Chairman of the Bank and serves as steering committee for the rest of the Board. It has the power to smooth the progress of decision-making between board meetings or in imperative and crisis circumstances. EC reports to the Board and is responsible to make certain that Board's policies and guidelines are implemented in daily operations, and good corporate practices are preserved. In addition to this, the role of the executive committee is monitoring the ethics policies, human resources, security rules, quality management, good financial management and Bank's compliance in regulations.

(e) The Assets and Liabilities Committee

Assets and Liabilities Committee (ALCO), headed by Executive Chairman, is responsible for overseeing the management of the bank's assets and liabilities. ALCO presents an essential oversight for effectively evaluating on-and off-balance-sheet risk for the bank. One of the objectives is to ensure adequate liquidity by managing the gap between interest income and interest expense. Members also analyze the investments and operational risk. Responsibilities of ALCO members generally include managing market risk tolerance, setting up appropriate management information systems, and reviewing and approving liquidity and fund management policies. the bank. This This consists of growing and preserving a contingency funding plan, reviewing immediate funding needs and

sources and determine liquidity risk exposures to adverse scenarios with varying likelihood and severity.

(f) Credit Committee

The Credit Committee is headed by Managing Director of the Bank and is decision-making body for approval of credit facilities in the Bank. The aim of the committee is to monitor and supervise the credit and lending strategies, objectives of the bank, the credit risk management of the Bank, reviewing the credit policies and the quality of and performance of the entire Bank's credit portfolio, and regular assessment of the quality of risk assets in the Bank.

(g) Human Resources Committee

Human Resources committee is directed by Executive Director of the Bank and will provide the Board in fulfilling its oversight responsibilities for human resources related policies and strategies. The committee is responsible for employees' salaries, benefits, and performance management, and to ensure that the Bank is following government laws, international and local's best practices. The committee's purpose is to retain the qualified and productive employees, to ensure human resources risks are appropriately identified and mitigated, and to create attractive institution for recent and prospective employees of AYA Bank.

(h) Product and Business Development Committee

Product and Business Development Committee is conducted by Managing Director of the Bank and is involved Head of Business Units and Product Development Department. The committee is responsible to manage the process and procedures for product design and development in consent with Bank's strategy and official guidelines. That includes reviewing product performance, competitiveness in the current market for its continued consistency and justification.

(i) Purchasing Committee

Purchasing Committee is governed by Executive Director of the Bank and is created for independent review and evaluation of purchasing evidence. The committee is needed to decide the most appropriate supplier or service provider for the Bank and finally

responsible for the successful result of the evaluation process. The committee members must be in no way be related to or associate with any of the suppliers being appraised.

(j) IT & Digitalization and Steering Committee

IT & Digitalization and Steering Committee is guided by Managing Director of the Bank. The primary objective is to manage IT resources and implement IT Governance to associate with the strategic direction of the Board. This includes construction, achievement, and implementing the required infrastructure, implementation, and services for the Bank. The subsidiary objective is to support IT projects as defined by the committee. The committee is accountable for evaluating the performance and conformity of all the IT linked process, practices, and activities.

(k) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee is conducted by Independent Non-Executive Director and compel to define the strategy of the Bank's corporate social accountabilities to implement effectively and oversee the approach to be match with the Bank's CSR pillars. The committee decided from time to time and approved various aspects of corporate social responsibilities including the Bank's culture, employment issues, health & safety, human rights, workforce assortment & involvement, the environment, public & social investment, conformity with ethical trading and business implementation and other CSR-related issues.

(l) Health and Safety Committee

The health and safety committee (HSC) is managed by Managing Director of the Bank. The committee is formed to convey concerns related to job-related health and safety issues that affect employees. This includes addressing peril in the workplace, responding the health issues in pandemic dexterously, accomplish new safety and procedures, evaluating safety training concerns. The purpose is to create the communication with employees and management force to improve safety and reduce dangerous. The committee hold meetings quarterly and discuss health and safety matters, develop plans and procedures to resolve the identified matters, approve corrective actions and analyses the reports presented to the committee.

3.3 Servicescape of AYA Bank

According to the previous researchers, qualitative research (in-depth interview) is conducted to explore four dimensions of the AYA bank's servicescape that are ambient condition, spatial layout and functionality, signs, symbols and artifacts and cleanliness.

3.3.1 Ambient Condition to Customers

The building has minimum 10 air conditioners to maintain the inside temperature and two air curtains for air pollution protection. There are about thirty down light bulbs and lighting in the building. Moreover, the bank creates to get the natural lighting through the windows and glass partition system. The bank logo, bank seal name, bank motto and vinyl stand are systematically fitting with neat and tidy. The background music is randomly played with classical, pop and country music. Most of the building has about twenty-five down light bulbs, and three light small circle chandelier. The automated air-fresher sprays are used in the bank building for the nice scent for the customers. The bank well prepares for the customers not only to have the snack, candy and instant coffee in snack box and water with single used cup but also to read the newspapers and magazines related with banking and finance sector to know the updated conditions from bookshelf inside the bank when they are waiting for the banking service.

3.3.2 Space/ Function

Mostly, the bank branches are built one floor and building design is shopping complex. The inner layout and design are prepared with own design. The minimum total area is 12,000 square feet (150'x80'). The shape of the ceiling likes the Ayeyarwady River including the confluence of May Kha River and Mali Kha River. The floor is shaped like a ceiling track with a red carpet wrapped around small pebbles. The decoration is transitional style that may incorporate modern material such as steel, glass and plush. The disability customers can easily get banking service due to one floor building.

There are five types of counters in this branch. The customers firstly meet with reception counter and then they go to the service counters that have five chairs for customers at least. The service counters immediately perform banking products such as remittance (local/international transfer or receipt), deposit, saving, adding interest, account transfer and so on). If the customer wants to do the cash withdraw or deposit money from/to bank, they will go to the cash counters. If the customer wants to change the foreign

currency, they directly go to money changer counter through the reception. Another counter which has minimum three chairs for customers operates about the hire purchase and loan function for customers. The discussion room is near the waiting area that has seven chairs for the customers.

Moreover, the waiting area in front of the cash and money changer counter is about 1,600 square feet where has 80 seats for customers. The AYA Branch has about 200 daily customers. Thus, total one hundred customers can perform the banking business in the branch at the same time.

The bank arranges the machinery and equipment to facilitate performance to customers satisfaction. (For example, Token machine, LCD board, ATM and cash counter machine). The bank puts the pamphlets which can be got in easily and noticeable place because the customers can easily know about the updated banking services and financial news.

The updated information that the bank wanted to know the customers about banking services clearly. In Nay Pyi Taw, the bank can build the car parking area behind and in front of the bank and its minimum area is about 8,000 square feet. Therefore, the customers' cars can park about 50 cars in this area. The trees and flowers are planted around the building.

3.3.3 Signs, Symbols and Artifacts

The AYA logo is the sunrise behind the mountain and river. Sun is the red colour, the mountain is gray color and river is the white line. People know the bank logo because of their familiar. The bank sign board can significantly be seen from the main road due to large logo and bank name signboards that are installed in front and top of the building. The artifacts of the bank are sophisticated and fantasy. Many signages of banking products are described in front of and entrance of the bank so the customers can easily search the banking products that they want to deal. Moreover, the noticeboard is able to be read about the update news and current banking status.

3.3.4 Cleanliness

One permanent cleaning staff who performs daily cleaning tasks is assigned in each bank branch at least. Once a week, the bank employees conduct a round of cleaning outside of bank hours to manage their working space with the day cleaning workers. The building

cleaning function is performed monthly such as roof, high ceiling and top of the building. Moreover, the building maintenance is carried out once a year. According to the bank branch budget, the bank manager can report to the management committee to prepare and maintain the bank. Moreover, the bank cleans the inside and outside the bank building with high-technology such as floor cleaning machine, vacuum cleaner, air purifier and insect repellent machine.

3.4 Hospitality of AYA Bank

There are five structures of hospitality which are warm welcome, personalization, special relationship, sincerity and comfort that provide to strengthen a positive impact to a brand and the business again.

3.4.1 Personalization

Every bank staff has bank email account for communicating and directing with the customers and authorities. Thus, customers can easily contact to the bank and the staffs are more familiar each other. The bank staffs treat the customers as their important persons because they are proud to work at this bank. In addition, the bank staffs are always wearing the smile to their customer. If the customer is not satisfied with the employees, they can file a complaint to bank manager, at the bank websites and bank executives. The bank focuses on building relationship with customers, providing excellent customer service, and leverage on technology as the enabler to enhance its customer base.

3.4.2 Warm Welcome

The bank staff always says the greeting that is “Mingalarpar” whenever the customers are dealt. The new staffs are taught how to have to treat to the customers including greeting, dealing and so on since entrancing the job. The bank staffs used to greet the customers as their relatives because the bank applied the customers right policy to protect the customers. Moreover, the bank staffs make the direction to reach the customer to the right counter which the customer wants to go.

3.4.3 Special Relationship

The bank staffs must sign in the code of conduct for the bank rules and regulations. The bank staff can attend the related training for their banking professional. The bank staff gives the relevant suggestions for each customer to make the suitable banking products.

The bank focus to strengthen its governance, risk and compliance structure to ensure balance and support growth. With a vision to be a leading bank in Myanmar, the bank seeks highly-motivated individuals who share their passion for growth and success; and who would like to make a difference. The bank staffs can give the guideline to make the transactions with which banking products are suitable for the customers (For example: AYA loyal account, home loan, child saving and fixed deposit).

3.4.4 Sincerity

In building sustainable relationships with bank staffs, the bank not only focuses on the Allowances and Benefits that the employees enjoy, but also focus on capacity development – The bank promote a learning culture within the organization – be it trainings provided by the bank or giving time for their personal learning. Moreover, there is the lost and found section to recover the customers' forgotten belongings. The bank staffs who found and returned wholly and honestly the customers' lost items are appreciated with the intrinsic and extrinsic rewards.

Therefore, employees satisfy their jobs and the consequence of becoming employee's commitment and improving their job performance. As the result, the customers also satisfy to deal the bank staffs and become the trust and loyalty upon using the bank services.

3.4.5 Comfort

The minimum number of bank staff is about thirty in each AYA bank branch. This staff's strength can operate the banking business for one bank branch. Moreover, four security staff serve the two security shifts day and night at the bank branch. Each bank has fifteen CCTV cameras around the bank. The fire alarm system is also installed inside the bank. So, the customer will feel safe and secure when dealing with this bank. The banking business hours are from 9 am to 3 pm daily like other banks, but the bank arranged that customers can contact the bank by a hotline phone and the bank website. So, the bank has enough business hours and information. In addition, the bank staff can attend other banking professional training such as economic, business and banking courses to have good banking knowledge. The bank arranges privacy policies for the customers who get bank loans, such as setting up the privacy rooms and keeping the customer profile confidently.

CHAPTER (4)

ANALYSIS ON THE EFFECT OF SERVICESCAPE AND HOSPITALITY ON CUSTOMER SATISFACTION AND CUSTOMER LOYALTY AT AYA BANK

There are four main parts in this chapter. The demographic characteristics of respondents are described in the first part of this chapter. In the second part, there is the research design of the thesis. Another two parts of the chapter examines the effect of servicescape and hospitality on customer satisfaction and analyses the effect of customer satisfaction on customer loyalty of AYA Bank.

4.1 Demographic Profile of Respondents

In this study, the primary data are collected from 145 customers who are opening the bank account in two chosen AYA Bank branches in Nay Pyi Taw since previous eight years. The demographic profile included gender, age, education, occupation, and monthly income of customers. The demographic profile of 145 respondents is shown in Table 4.1.

Table 4.1 Demographic Profile of Respondents

Sr. No.	Statement	Numbers of Respondents	Percentage (%)
1.	Gender		
	Female	89	61
	Male	56	39
2.	Age (Years)		
	18-25	14	10
	26-35	65	45
	36-45	48	33
	46-55	15	10
	Over 55	3	2
3.	Education		
	Under High School	5	3
	Undergraduate	7	5
	Graduate	88	61
	Postgraduate	45	31
4.	Occupation		
	Student	3	2
	Dependent	2	1
	Self-employed	8	6
	Salaried worker (Company staff)	72	50
	Government Staff	60	41
5.	Monthly Income (kyats)		
	Under 100,000 kyats	2	1
	100,001-300,000 kyats	46	32
	300,001-500,000 kyats	67	46
	500,001-700,000 kyats	11	8
	Above 700,000 kyats	19	13
	Total	145	100

Source: Survey Data (2022)

According to the results shown in Table (4.1), 39 percent of respondents are males and 61 percent are female in gender. In age, 10 percentage are 18-25 years, 45 percentage are 26-35 years, 33 percentages are 36-45 years, 10 percentage are 46-55 years and 2 percentage are over 55 years. In education, under the high school level, undergraduate level, graduate level and postgraduate level of respondents are 3, 5, 61 and 31 percentages respectively.

In occupation, 2 percent of respondents are students, 1, 6, 50 and 41 percent of respondents are dependent, self-employed, salaried workers (company staff), and government staff respectively. In monthly income (kyats), 1 percent of respondents got under 100,000 kyats monthly income, 32 percent of respondents got between 100,001-300,000 kyats monthly income, 46 percent of respondents got between 300,001-500,000, 8 percent of respondents got between 500,001-700,000 and 13 percent of respondents got above 700,001 kyats monthly income.

4.2 Research Design

This section consists of four parts: sampling procedure, research instrument (Questionnaire), data collection, and data analysis.

4.2.1 Sampling Procedure

The survey is focused on the customers of AYA Bank in Nay Pyi Taw. This study also analyses the servicescape and hospitality of AYA Bank which covers and affects customer satisfaction and customer loyalty. There are five AYA bank branches in Nay Pyi Taw that are Pyinmana Branch, Laiway Branch, Tatkon ranch, Zabuthiri Branch and Dekhinathiri Branch. Among these branches in Nay Pyi Taw, two branches are chosen with sample random sampling method. In this study, the sample population is based on the customers who are opening bank account in the AYA bank at Nay Pyi Taw since previous eight years.

A structured questionnaire is developed for 145 respondents (customers) as primary data collection. Secondary data are collected from previous research papers, relevant textbooks, internet websites, journals, articles, and other related information resources concerned with banking business.

4.2.2 Research Instrument

This study applied structured questionnaires as the research instrument. The questionnaire is improved with closed-type questions and most are Likert-type 5 points scales. This questionnaire consists of five parts: demographic information, bank servicescape, bank hospitality, customer satisfaction, and customer loyalty.

Demographic information included gender, age, education, occupation, and monthly income. Bank servicescape presents four sections: ambient condition, space/function, signs, symbols and artifacts, and cleanliness from the questionnaires of (Lap-Kwong, 2017). Five sections: personalization, warm welcome, special relationship, and sincerity included in bank hospitality from the questionnaires of (Ariffin, 2013). Customer satisfaction and customer loyalty have eleven questions respectively from the questionnaires of (Anic and Radas, 2006).

4.2.3 Data Collection

Data is collected through a survey conducted of customers of two AYA bank branches in Nay Pyi Taw. The purpose of the questionnaire and its requirements are explained to each respondent before they answered the questionnaire. The survey included Likert-type scale questions and data could be assessed quantitatively. The one-month survey from 15th October 2022 to 14th November 2022 is conducted.

4.2.4 Data Analysis

For data analysis, the analytical approach is practiced to identify the measures of central tendency including mean and correlation between variables. Second, according to the analytical approach, SPSS is used to investigate the effect of servicescape and hospitality on customer satisfaction and analyze customer satisfaction on customer loyalty. The descriptive research method and linear regression method are used for data analysis.

4.3 Reliability Test

Reliability analysis is activated to test the internal consistency of the variables in the questionnaire. This method pointed reliability by examining the internal consistency of the research questionnaire which is posted on a Likert-type 5 points scale. The Likert scale is a scale that is commonly applied for questionnaires and it is mostly used in surveys. This study also used Likert-type 5 points scale (Strongly Disagree=1, Disagree=2, Neutral=3,

Agree=4 and Strongly Agree=5). Cronbach's alpha value was tested to look whether the respondents' answers to Likert Scale questions were reliable or not.

Reliability is determined by Cronbach's alpha coefficient, which is one of the popular criteria of reliability in quantitative studies. Cronbach's alpha value should be in the range of 0.0 to 1.0 but for research purposes, some researchers suggest that the generally accepted rule is Cronbach's alpha value of 0.6-0.7 indicating an acceptable level of reliability and the value of 0.8 or greater has a very good level. Pallant (2001) states Alpha Cronbach's value of above 0.6 is considered of high reliability and acceptable index and Alpha Cronbach's values in the range of 0.6-0.8 are considered in moderate extent, but acceptable. The reliability test is shown in Table 4.2.

Table 4.2 Reliability Test

Sr. No.	Variables	No. of Items	Cronbach's Alpha
1.	Ambient Condition	6	.810
2.	Space/ Function	6	.866
3.	Signs, Symbols and Artifacts	6	.827
4.	Cleanliness	5	.873
5.	Personalization	5	.936
6.	Warm Welcome	5	.909
7.	Special Relationship	5	.853
8.	Sincerity	5	.856
9.	Comfort	5	.877
10.	Customer Satisfaction	11	.951
11.	Customer Loyalty	11	.942

Source: Survey Data (2022)

According to the results shown in Table (4.2), all items of each variable support the acceptable level of reliability test. After that, the variables are represented with an acceptable reliability level (All Cronbach's Alpha values are above 0.7).

4.4 Customer Perception on Servicescape of AYA Bank in Nay Pyi Taw

In this study, the customer perception on servicescape of AYA Bank is quantitatively analyzed by surveying 145 customers of AYA Bank. The research method applied in this study is the quantitative method and the instrument to use for this research is a questionnaire. Likert-type 5 points scale contained a questionnaire collected and measured ranging from 1 (strongly disagree) to 5 (strongly agree).

Servicescape concepts such as (ambient condition, Space/Function, Signs, Symbols and Artifacts) are very important to achieve customer satisfaction. According to the result, customer satisfaction can become significantly increased. To analyse the servicescape of AYA bank, the questionnaires uses a 5-point Likert scale to determined customer perceptions of servicescape, then the average score is calculated. Each item is measured on a five- points Likert scale ranging from 1 to 5(from 1=strongly disagree, 2=disagree, 3=neutral, 4=agree, 5=strongly agree). Therefore, the mean value may range from 1 to 5 in this study. It can be assumed that an average below 3 indicates dissatisfaction, while an average above 3 indicates satisfaction. In respect to the classification of Best (1997), the responses are interpreted as follows: the mean value 1.00 to 1.80 is described as strongly disagree, 1.81-2.60 is categorized as disagree, 2.61-3.40 is classified as neither agree nor disagree, 3.41-4.20 is considered as agree and 4.21-5.00 is regarded as strongly agree for the perceptions of AYA bank customers.

The 218 questionnaires were distributed to customers who are opening the bank account at two AYA Bank Branches in Nay Pyi Taw. However, only 145 respondents can be used for data analysis due to incomplete information and no response. Therefore, the response rate of the questionnaire was 66.51%. The servicescape has four independent variables in this paper that are described in the four following tables.

4.4.1 Customer Perception on Ambient Condition

The survey result from the analysis of customer perception on ambient condition is shown in Table (4.3).

Table (4.3) Customer Perception on Ambient Condition

Sr. No.	Factors	Mean Value
1.	The comfortable temperature inside the bank	3.81
2.	The warm atmosphere colours of the bank	3.79
3.	The comfortable lighting within the bank	3.82
4.	The attractive paintings /pictures	3.53
5.	The nice odour in the bank	3.40
6.	The pleasure background music in the bank	3.30
	Overall Mean	3.61

Source: Survey Data (2022)

According to the results shown in Table (4.3), the overall mean value is 3.61. Therefore, it is a agree level for the perception of ambient condition of AYA bank. It shows that customers satisfy upon ambient condition of the bank such as temperature, scent, lighting, colour and background music. The highest mean value of ambient condition is 3.82, its statement is “The comfortable temperature inside the bank”. It means that the temperature is comfortable inside the bank because of supporting the electricity at all times. The lowest mean value of 3.30 at the neutral level showed that the background music is opening the repeat playing in the bank the whole business time.

4.4.2 Customer Perception on Space/ Function

The survey result from the analysis of customer perception on space/function with AYA Bank is shown in Table (4.4).

Table (4.4) Customer Perception on Space/ Function

Sr. No.	Factors	Mean Value
1.	The sophisticated interior decorations of the bank	3.51
2.	The enough functional space of the bank	3.90
3.	The enough car park of the bank	3.86
4.	The easily finding overall layout of the bank	3.84
5.	The high-quality furniture and equipment used by the bank	3.68
6.	The convenient bank entrance for disabled person	3.60
	Overall Mean	3.73

Source: Survey Data (2022)

According to the results shown in Table (4.4), the overall mean value of space/function is 3.73 at the agree level. “The enough functional space of the bank” is the maximum mean value of 3.90 described that the customers can broadly operate the banking products in the existing area as agree level. The customer prefers the spacious area. Therefore, the bank maintains the operating area like that. “The sophisticated interior decorations of the bank” is the minimum mean value of 3.51 mentioned that the bank decoration is a fair design as agree level. The bank concentrated on the bank functional space.

4.4.3 Customer Perception on Signs, Symbols and Artifacts

The survey results from the analysis of customer perception on signs, symbols and artifacts of AYA Bank is shown in Table (4.5).

Table (4.5) Customer Perception on Signs, Symbols and Artifacts

Sr. No.	Factors	Mean Value
1.	The significant bank logo and sign board	4.07
2.	The enough and comfortable furniture	3.99
3.	The clear banking products symbols	3.84
4.	The updated and reliable artifacts of the bank	3.71
5.	The clear direction of signage in the bank	3.81
6.	The appropriate artifacts in the bank	3.80
	Overall Mean	3.87

Source: Survey Data (2022)

According to the results shown in Table (4.5), the overall mean value of signs, symbols and artifacts is 3.87 that is at the agree level. The maximum mean value of 4.07 described that the customers can clearly see the bank logo and signboard and its statement is “The significant bank logo and sign board”. “The updated and reliable artifacts of the bank” is also the minimum mean value that is 3.71 showed that the bank facilities are in fair condition. The facilities and artifacts in the banks are set up since 2010. Therefore, some machines and equipment are old model with this current era.

4.4.4 Customer Perception on Cleanliness

The survey result from the analysis of customer perception on the cleanliness of AYA Bank is shown in Table (4.6).

Table (4.6) Customer Perception on Cleanliness

Sr. No.	Factors	Mean Value
1.	The comfortable cleanliness inside the bank	3.95
2.	The relaxed cleanliness inside the bank	3.81
3.	The clean facilities in the bank	3.87
4.	The neat and tidy decoration of the bank	3.86
5.	The fresh and clean circumstance outside the bank	3.61
	Overall Mean	3.82

Source: Survey Data (2022)

According to the results shown in Table (4.6), the overall mean value of perception on the cleanliness of AYA Bank is 3.82 which is at the agree level. The maximum mean value of 3.95 showed that the cleaning condition in the bank is good. The customer use to see the good sense about the cleaning utilities in the bank. Its statement is “The comfortable cleanliness inside the bank”. The minimum mean value of 3.61 described the statement “The fresh and clean circumstance outside the bank” that the customers refer to outside of the bank. The bank managers give the more attention in the bank than outside of the bank. Thus, the clean staff just clean without trash outside the bank.

4.5 Customer Perception on Hospitality of AYA Bank in Nay Pyi Taw

The customer perception on hospitality of AYA Bank is also quantitatively analyzed by surveying 145 customers of AYA Bank. The research method applied in this study is the quantitative method and the instrument to use for this research is a questionnaire. Likert-type 5 points scale contained a questionnaire collected and measured ranging from 1 (strongly disagree) to 5 (strongly agree).

The 218 questionnaires were distributed to customers who are opening the bank account at two AYA Bank Branches in Nay Pyi Taw. However, only 145 respondents can be used for data analysis due to incomplete information and no response. Therefore, the

response rate of the questionnaire was 66.51%. Hospitality has five independent variables in this paper that are described in the five following tables.

4.5.1 Customer Perception on Personalization

The survey result from the analysis of customer perception on personalization is shown in Table (4.7).

Table (4.7) Customer Perception on Personalization

Sr. No.	Factors	Mean Value
1.	Wearing smiles of bank staff all the time	4.1
2.	Feeling like an important person	3.97
3.	Making eye contact with customer during conversations	4.03
4.	Treating the customer with full respect	3.88
5.	Consistently courteous with the customer	3.83
	Overall Mean	3.95

Source: Survey Data (2022)

According to the results shown in Table (4.7), the overall mean value of perception on personalization is 3.95 which is at the agree level. The highest mean value of 4.1 is found that the bank staff performs the smile at all times and its statement is “Wearing smiles of bank staff all the time”. Thus, the customers warmly feel to relate with the AYA bank. The smiling bank staffs are important in personalization for customers. The lowest mean value is 3.83 showed that the bank staff performed the step-by-step. Its statement is “Consistently courteous with the customer”. The bank staff is consistently courteous with me. The customers seem the bank staffs that they are not always kind and support to them.

4.5.2 Customer Perception on Warm Welcome

The survey result from the analysis of customer perception on warm welcome is shown in Table (4.8).

Table (4.8) Customer Perception on Warm Welcome

Sr. No.	Factors	Mean Value
1.	Giving a warm welcome at the entrance of the bank	3.97
2.	Directing to the right department in line with requirements	3.83
3.	Giving detailed information about fees to be paid and other detailed information	3.84
4.	Directing about customer's financial transaction	3.98
5.	The neat appearing bank staffs	4.06
	Overall Mean	3.94

Source: Survey Data (2022)

According to the results shown in Table (4.8), the overall mean value perception on warm welcome is 3.94 that is at the agree level. The statement “The neat appearing bank staffs” is the highest mean value which is 4.06. It found that the bank staffs are smart with uniform dresses. The lowest mean value of 3.83 showed that the bank staff cannot show the individual customer to go to their right place. Its statement is “Directing to the right department in line with requirements”. They can only point out the customers that reached to another place that they want to do the banking products.

4.5.3 Customer Perception on Special Relationship

The survey result from the analysis of customer perception on special relationship is shown in Table (4.9).

Table (4.9) Customer Perception on Special Relationship

Sr. No.	Factors	Mean Value
1.	Giving warm 'good bye' after transactions	3.79
2.	Giving the customers personal attention	3.29
3.	Enthusiastic to help in solving the problems	3.90
4.	Building a good relationship in bank and phone banking	3.90
5.	Providing privileges to its customers	3.34
	Overall Mean	3.64

Source: Survey Data (2022)

According to the results shown in Table (4.9), the overall mean value perception on special relationship is 3.64 that is at the satisfied level. The highest two mean values of 3.90 are solving the customers' complaints and answering the customer's inquiring phone calls. Its statements are "Enthusiastic to help in solving the problems" and "Building a good relationship in bank and phone banking". The lowest mean value of 3.29 that is "Giving the customers personal attention" showed that the bank staff only treats like other bank staff as the neutral level. Thus, the bank staff should be awareness about personal attention of the customers

4.5.4 Customer Perception on Sincerity

The survey result from the analysis of customer perception on sincerity is shown in Table (4.10).

Table (4.10) Customer Perception on Sincerity

Sr. No.	Factors	Mean Value
1.	Having the best interest at heart	3.48
2.	Providing its services at the time it promises to do so	3.70
3.	Following the order when they made transactions	3.88
4.	Ensuring the security of customer money/account	4.10
5.	Enthusiastic to help disabled person.	3.81
	Overall Mean	3.79

Source: Survey Data (2022)

According to the results shown in Table (4.10), the overall mean value of perception on sincerity is 3.79 which is at the agree level. The highest mean value of 4.10 that is the high banking security level defined by the bank. Its statement is "Ensuring the security of customer money/account." The customers trust upon the bank. The lowest mean value of 3.48 described that the bank staff treatment is a little strong. Its statement is "Having the best interest at heart." The customers do not always like the bank in their heart.

4.5.5 Customer Perception on Comfort

The survey result from the analysis of customer perception on comfort is shown in Table (4.11).

Table (4.11) Customer Perception on Comfort

Sr. No.	Factors	Mean Value
1.	Having adequate security	3.84
2.	Being enough in busy hours	3.60
3.	Working fast and impeccably	3.77
4.	Giving enough information about customer transactions	3.78
5.	Having good banking knowledge	3.90
	Overall Mean	3.77

Source: Survey Data (2022)

According to the results shown in Table (4.11), the overall mean value perception on comfort is 3.77 that is at the agree level. The statement “Having good banking knowledge” is the highest mean value of 3.90. It means that the bank staff has enough acknowledgments to help the customers. “Being enough in busy hours” is the lowest mean value that is 3.60. It showed that the bank opens banking time as regularly but there are a lot of customers on payday. Therefore, the bank needs more staffs for this scenario.

4.6 Customer Satisfaction and Customer loyalty

The customer satisfaction and customer loyalty analysis of the respondent perceptions are presented in the two following tables. The respondent perception on structured questionnaires with Likert-type 5-point scales has described the range between 1.00-1.80 (Strongly Disagree), 1.81-2.60 (Disagree), 2.61 -3.40 (Neutral), 3.41-4.20(Agree) and between 4.21 and 5.00 (Strongly Agree).

4.6.1 Customer Satisfaction

The survey result from the analysis of customer perception on customer satisfaction of AYA Bank is shown in Table (4.12).

Table (4.12) Customer Satisfaction

Sr. No.	Factors	Mean Value
1.	Giving breadth and depth customer service	3.71
2.	The right decision to use this bank's services	3.78
3.	Choosing to use this bank's services was a wise one	3.66
4.	Thinking the right thing to doing this bank's services	3.80
5.	Being sound privacy policies in this Bank	3.82
6.	The successful businesses due to deal with the bank	3.77
7.	The exactly needed the bank	3.98
8.	The accurate bank information	3.84
9.	The satisfying and pleasure bank environment and interior area to the customers	3.80
10.	Being guarantees of the bank	3.76
11.	Being satisfied with the bank service overall	4.00
	Overall Mean	3.81

Source: Survey Data (2022)

According to the results shown in Table (4.12), the overall mean value is 3.81 at the agree level. The maximum mean value of 4.00 described that the customers were satisfied overall with the bank's services. The minimum mean value of 3.66 showed that choosing the bank is only the agree to be a wise customer. The customers satisfy the bank servicescape and bank staff hospitality due to the bank decoration, landscape, cleanliness, warmly welcome, honesty and secure position.

4.6.2 Customer Loyalty

The survey result from the analysis of correspondent perception on customer loyalty of AYA Bank is shown in Table (4.13).

Table (4.13) Customer Loyalty

Sr. No.	Factors	Mean Value
1.	Telling positive things about the bank to other people	3.85
2.	Recommending family, friends and relatives to do business with the bank	3.84
3.	Recommending the bank to someone who seeks the advice	3.77
4.	Recommending the bank to someone who wants to get financial service	3.83
5.	Deciding to continue to do more business with the bank	3.86
6.	Seldom considering the switching away from the bank	3.51
7.	Never changing the bank even found another bank which offer completely bank transactions	3.48
8.	Always using the bank in the bank transaction	3.64
9.	High level of this bank loyalty degree	3.56
10.	Committing that the customers do not deal with other banks except the bank	3.11
11.	Making a great difference and will not try an alternative if the bank is not available	3.29
	Overall Mean	3.61

Source: Survey Data (2022)

According to the results shown in Table (4.13), the overall mean value is 3.61 at the agreed level. The maximum mean value of 3.86 described that the customers like the bank's policy to deal with the bank due to their strong and fine policy. The minimum mean value of 3.11 (neutral level) is guaranteed by the bank because Myanmar people's culture is more prefer state-owned bank like Myanma Economic Bank than the private banks.

4.7 The Effect of Servicescape on Customer Satisfaction

In this section, the effect of servicescape on customer satisfaction to use explored by applying multiple regression analysis. Customer satisfaction is regressed with servicescape. The findings of the analysis are shown in Table (4.14).

Table 4.14 Effect of of Servicescape on Customer Satisfaction

Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	SE	Beta		
(Constant)	.000	.319		-.001	.999
Ambient Condition	.263**	.112	.210	2.356	.020
Space/Function	.366***	.109	.311	3.366	.001
Sign, Symbol and Artifacts	.457***	.150	.341	3.049	.003
Cleanliness	-.073	.144	-.058	-.509	.611
R Square	.521				
Adjusted R Square	.507				
F value	38.095***				
Durbin-Watson	1.980				

Source: Survey Data (2022)

*** Significant at 1%, ** Significant at 5%, * Significant at 10%
 Dependent Variable: Customer Satisfaction

According to the results from multiple linear regression analysis, as shown in Table (4.14), showed statistically significant relationship between the independent variable of servicescape and the dependent variable of customer satisfaction. Space/function and Sign, Symbol and artifact have a positive significant effect on customer satisfaction at a 1% significant level and ambient condition has a positive significant effect on customer satisfaction at a 5% significant level. The cleanliness in the bank is ignored by the customers because the most of the bank are clean and tidy due to their dignity. So, cleanliness has no significant effect on customer satisfaction. The B values of ambient condition, Space/function, Sign, Symbol and artifact and cleanliness are 0.263, 0.366, 0.457 and -0.073 respectively. The results showed that if the AYA Bank increases ambient condition, Space/function and Sign, Symbol, customer satisfaction will increase. Thus, the customer does not notice the bank cleanliness due to no significant.

The specified model could explain the variation of the effect of servicescape on customer satisfaction of the respondents since the value of R square is 0.521. The model

can explain 50.7 percent of the variance of the independent variable and dependent variable because the Adjusted R square is 0.507. The value of the F test, the overall significance of the model, is highly significant at a 1% significant level. This specified model can be said valid. The ambient condition, space/function and Sign, Symbol and artifact have a positive significant effect on customer satisfaction.

The ambient condition sign, symbol and artifacts and space/function are essential role on bank servicescape. The sign, symbol and artifacts are an important factor for developing the bank servicescape to be customer satisfaction and then get the customer loyalty. One of the main ways to sustained customer satisfaction is to enhance the symbol and artifacts and space/function. The better the bank servicescape, the higher the customers have satisfaction to the AYA bank.

4.8 The Effect of Hospitality on Customer Satisfaction

In this section, the effect of hospitality on customer satisfaction to use explored by applying multiple regression analysis. Customer satisfaction is regressed with hospitality. The findings of the analysis are shown in Table (4.15).

Table 4.15 Effect of of Hospitality on Customer Satisfaction

Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	SE	Beta		
(Constant)	-.09	.133		-.690	.491
Personalization	.020	.048	.022	.4236	.673
Warm Welcome	.280***	.072	.269	3.911	.000
Special Relationship	.143**	.058	.153	2.466	.015
Sincerity	.198***	.063	.190	3.133	.002
Comfort	.384***	.069	.369	5.588	.000
R Square	.872				
Adjusted R Square	.867				
F value	188.731***				
Durbin-Watson	2.185				

Source: Survey Data (2022)

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

Dependent Variable: Customer Satisfaction

According to the results from multiple linear regression analysis, as shown in Table (4.15), showed statistically significant relationship between the independent variable of hospitality and the dependent variable of customer satisfaction. Warm Welcome, sincerity, comfort have a positive significant effect on customer satisfaction at a 1% significant level and special relationship has a positive significant effect on customer satisfaction at a 5% significant level. Personalization has no significant effect on customer satisfaction. The B values of personalization, warm welcome, special relationship, sincerity, and comfort are 0.020, 0.280, 0.143, 0.198 and 0.384 respectively.

The personalization of bank staffs has not affected on customer satisfaction. The bank staffs rarely perform as the personalization because banking service is systematically procedure with standard of operation. But the bank staff can be more friendship with their customers with warm welcome, sincerity and comfortableness. So, the warm welcome, sincerity and comfort has a positive significant effect on customer satisfaction. According to the analysis, AYA Bank need to continue hospitality behaviour for customer satisfaction. Nevertheless, the bank has to find out to be more kindness, supportiveness and knowledge for the bank staffs than the exiting normal behaviours.

The results showed that if the AYA Bank increases in warm welcome, special relationship, sincerity, and comfort, customer satisfaction will increase. The specified model could explain the variation of the effect of hospitality on customer satisfaction of the respondents since the value of R square is 0.872. The model can explain 86.7 percent of the variance of the independent variable and dependent variable because the Adjusted R square is 0.867. The value of the F test, the overall significance of the model, is highly significant at a 1% significant level. This specified model can be said valid. The warm welcome, special relationship, sincerity, and comfort have a significant effect on customer satisfaction.

The warm welcome, special relationship, sincerity and comfort are essential role on bank staff hospitality. The comfort is an important factor for treating the customers to be customer satisfaction and then get the customer loyalty. One of the main ways to sustained customer satisfaction is to enhance the personalization. The better the bank staff hospitality, the higher the customers have satisfaction to the AYA Bank.

4.9 The Effect of Customer Satisfaction on Customer Loyalty

In this section, the effect of customer satisfaction on customer loyalty to use explored by applying multiple regression analysis. Customer loyalty is regressed with customer satisfaction. The findings of the analysis are shown in Table (4.16).

Table 4.16 Effect of Customer Satisfaction on Customer Loyalty

Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	SE	Beta		
(Constant)	0.461	0.175		2.636	.009
Customer Satisfaction	.827***	.045	.837	18.274	.000
R Square	.700				
Adjusted R Square	.698				
F value	333.956***				
Durbin-Watson	2.043				

Source: Survey Data (2022)

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

Dependent Variable: Customer Loyalty

According to the results from multiple linear regression analysis, as shown in Table (4.16), showed statistically significant relationship between the independent variable of customer satisfaction and the dependent variable of customer loyalty.

Customer satisfaction has a positive significant effect on customer loyalty at a 1% significant level. The B value of the independent variable of customer satisfaction is 0.827. The result showed that if the AYA Bank increase the practices of customer satisfaction, customer loyalty will increase.

The specified model could explain the variation of the effect of customer satisfaction on customer loyalty of the respondents since the value of R square is 0.7. The model can explain 69.8 percent of the variance of the independent variable and dependent variable because the Adjusted R square is 0.698. The value of the F test, the overall significance of the model, is highly significant at a 1% significant level. This specified model can be said valid. Customer satisfaction affects has significantly on customer loyalty. Therefore, the more customers feel satisfaction, the higher the customers have loyalty to the AYA Bank.

According to the analysis, customer satisfaction is successes in AYA Bank servicescape and hospitality up to now. However, customer preferences and expectations are changing with the times. AYA Bank should find out the customers' needs and wants concerning servicescape and hospitality and modify these factors under servicescape and hospitality to retain customer satisfaction in the long run. Moreover, AYA Bank should remove customers' negative feedback items of servicescape and hospitality in time. The feedback of the employees who always keep in touch with customers is coming form the customers. Thus, the bank managers listen, review and modify the employees' feedback on servicescape and hospitality.

CHAPTER (5)

CONCLUSION

This study is to examine the effect of servicescape and hospitality of the AYA Bank in Nay Pyi Taw and determine the extent to which servicescape and hospitality had resulted in customer loyalty for two bank branches. Moreover, this study describes the physical environment and hospitality. Based on data analysis from chapter 4, this chapter consists of three main sections. They are findings and discussions, suggestions and recommendations, limitations and needs for further research. In the first section, the findings of descriptive and regression analysis are discussed. In second section, the suggestions and recommendations that the bank should focus on servicescape and hospitality to improve the customer satisfaction of AYA Bank. The last section indicates what further study should focus on.

The findings are the results of an analysis of the relationships between servicescape and customer satisfaction, hospitality and customer satisfaction and customer satisfaction and customer loyalty. Based on the findings, this study suggests and makes recommendations to get more market shares, profitability, customers retention and profit growth and needs for further research were also clearly described.

5.1 Findings and Discussions

This study finds out customer satisfaction and customer loyalty by surveying 145 customers of AYA Bank in Nay Pyi Taw. The findings pointed that most of the respondents are females in Myanmar. Most of the respondents are 26 to 45 years old, graduates, and salaried workers. The majority of respondents got a monthly income between 300,001-500,000 kyats.

According to the descriptive analysis, the overall mean value of ambient condition, space/function, signs, symbols and artifacts, cleanliness are at agree level in the bank servicescape. That means the AYA Bank servicescape factors give the customers to convenient, smart and well dealing when interacting with the bank. In bank staff hospitality, the overall mean value of personalization, warm welcome, special relationship, sincerity and comfort are at agree level. That means the AYA Bank staffs serve good services, special treatments, right information, nice guideness, precious suggestions and acting like as their important person to the customers when the customers contact with the

bank. Moreover, the overall mean values of customer satisfaction and customer loyalty are at agree level.

According to regression analysis, this study finds out that space/function and sign, symbol and artifacts in servicescape are most significant factors on customer satisfaction. These factors are very important for customer satisfaction of AYA bank. It can be said up the bank need to more emphasis on spacing area, functional activities, sign and symbol to deal with the bank and perfect artifacts of the bank to improve customer satisfaction.

Regarding space/function of the bank, customers believe that decorations of the bank are sophisticated, the bank space is enough to process the functions, the bank has an enough car park, the overall layout of the bank makes it easy for customers to find the right department, the furniture and equipment used by the bank is high quality and the bank entrance is also convenient for disabled person.

For sign, symbol and artifacts of the bank, the customers strongly agree that the bank logo and signboard can be seen easily and significantly by customers, the bank also has enough, ease and relax able furniture for waiting time to get bank services, the symbol of bank products are described in every counter such as money changer counter, reception, cash counter and services counters, the equipment used in the bank are modern, reliable and appropriate.

Another significant factor on customer satisfaction is ambient condition. This factor is crucial role for getting customer satisfaction because the environment of the bank is important for customers to relax. Therefore, the bank needs to attention on this factor. Customers believe that the temperature in the bank is comfortable, the colours create a warm atmosphere, the lighting such as brightness, contrast, decorative lighting and lighting installation create a comfortable atmosphere. Lighting creates not only for emotion and mood but also spatial impression. The scent is also very pleasant, fresh and relaxing environment for the customers. The background music also enables active and happy emotion for the customers.

In hospitality, warm welcome and comfort are most significant factors for customer satisfaction. The bank staffs greet to customers with a warm welcome at the entrance of the bank and their servicing counters and they also help to customers to arrive the right department as per customers' requirements. Then, the bank staffs give the information regarding fees to be paid, waiting time and required documents. The bank staffs also share

knowledge about financial transaction. Their appearances are neat and tidy during servicing time.

For comfort factor, the customers agree that the bank has adequate security such as the customer bank account, the personal information of the customers, bank transaction and bank balance. The bank staffs are enough for rush hours and they can serve quickly without error. Moreover, the bank staffs have good knowledge regarding banking services.

Sincerity and special relationship factors also positively influence on customer satisfaction. The customers think that the bank has best interest at heart and provide its services at the promise time. The bank staffs follow the order when they serve banking transaction. Moreover, the customers trust to the bank regarding the bank policy, bank management and their banking practice. The bank staffs help the disable persons with enthusiastic and kindness.

For special relationship factor, the customers agree that the bank staffs give warm greeting “Thank you” after finishing the services and pay personal attention to customers. The bank staffs also help actively when solving the problem for customer complaints. They also build a better and strong relationship with customers within the bank and in phone banking.

For the first objective of examining the effect of servicescape factors on the customer satisfaction at AYA Bank, Nay Pyi Taw, the study found that among servicescape factors, sign, symbol and artifacts, space/function and ambient condition have a positively significant effect on customer satisfaction of AYA Bank in Nay Pyi Taw. Therefore, the bank needs to emphasis on these factors for getting customer satisfaction.

For the second objective of examining the effect of hospitality factors on the customer satisfaction at AYA Bank, Nay Pyi Taw, the study found that among the hospitality factors, comfort, warm welcome, sincerity and special relationship have positively significant on customer satisfaction of AYA Bank in Nay Pyi Taw.

For the last objective of analysing the effect of customer satisfaction on the customer loyalty, the study found that customer satisfaction has a positively significant effect on customer loyalty. The customers agree that the customers feel the good customer services from the bank, the bank has strong privacy policies, accurate information and good interior and exterior sectors of the bank, the customers feel that the bank gives the guarantees to customers.

5.2 Suggestions and Recommendations

The servicescape and hospitality of the banks are very important for bank managers to know how the bank servicescape attracts the customers and understand how service behaviour, particularly hospitality, affects the satisfaction of their customers. The customer satisfaction and customer loyalty are the first priority in the successful of corporate business.

The servicescape is the first impression place where the customer meets the bank to make the banking services so the bank should prepare the wide car park, good lighting, nice scent, clearly visible signboard and directions and so on. Due to the physical environment innovativeness, the bank should alternatively change the layout plan to make it interesting for the customers.

Regarding ambient condition, the bank should be more lighting, getting nature sense, pleasure music and significant viewing the logo and signboard. In space/function, the bank should prepare the avoid of crowded in the bank. Thus, the procedures of the banking services should be clear. Regarding sign, symbols and artifacts, the banking products and service counters are clearly described with the signages and vinyl stands. Moreover, the bank facilities should be update and sophisticated.

Another fact, hospitality is the frontline for the relationship between customers and bank. In hospitality, the bank should create the following factors: (a) the bank staffs should smile all the time while servicing to customers (b) the bank staffs should treat each and every person as an important one (c) the bank staffs should contribute their mind and heart in servicing to the customers (d) the bank staffs should kindly support and share knowledge to customers for banking transactions and (e) the bank should treat the customers kindly and respectfully.

Moreover, the bank authority should support their staffs to attend the training program to be smart and clever staffs. Thus, the bank staffs can give the good quality and experience to treat to their customer. Furthermore, the bank authority should have the employee recruitment plan and talent retention plan. The bank customers are not at the high levels of satisfaction with the hospitality of bank personnel. Therefore, the bank administrations should consider training program towards their personnel due to the fact that the treatments by employees are essential in customer loyalty. The bank should invest

or allocate more financial funds for improving servicescape facilities in their buildings to be feel better when getting service from the bank.

5.3 Limitations and Needs for Further Research

This study focuses only on the effect of servicescape and hospitality on customer satisfaction at AYA Bank in Nay Pyi Taw and the relationship between customer satisfaction and customer loyalty in Nay Pyi Taw by collecting surveys from 145 customers. Thus, it is not covered the whole AYA Banks in the country. If the research is countrywide, it could be the superior option. Therefore, further researchers should study the effects of servicescape and hospitality on customer satisfaction towards all AYA Bank branches in upper Myanmar and also the whole country. Moreover, further studies need to compare the influencing factors of customer satisfaction with other banks in Myanmar. In addition, the further studies should focus on other influencing factors such as 4Ps (process, price, promotion and place), the brand image, customer perceived quality, technology and so on.

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APPENDIX A

Questionnaire

The Effect of Servicescape and Hospitality on Customer Loyalty at Ayeyarwady Bank Limited, Nay Pyi Taw

The information is obtained from the questionnaires used only for the EMBA (Master of Executive Business Administration) thesis. It is not related to any other business purpose and the information about respondents will be kept confidential. Thank you for your time and cooperation.

Section (A): DEMOGRAPHIC FACTORS OF RESPONDENTS

Please choose the most relevant answer below.

1. Gender

- Female
- Male

2. Age

- 18-25 years
- 26-35 years
- 36-45 years
- 46-55 years
- Over 55

3. Education

- Under High School
- Undergraduate
- Graduate
- Postgraduate

4. Occupation

- Student
- Dependent
- Self-employed
- Salaried worker (Company Staff)
- Government Service

5. Monthly Income (kyats)
- o Under 100,000 kyats
 - o 100,001-300,000 kyats
 - o 300,001-500,000 kyats
 - o 500,001-700,000 kyats
 - o Above 700,000 kyats

**Section (B): SERVICESCAPE AND HOSPITALITY AFFECTING ON
CUSTOMER SATISFACTION AND CUSTOMER LOYALTY**

Strongly Disagree

Strongly Agree

1 2 3 4 5

I. BANK SERVICESCAPE

ID	BANK SERVICESCAPE	LIKERT'S SCALE
Ambient condition		
1.	The temperature inside the bank is comfortable.	1 2 3 4 5
2.	The colors of the bank create a warm atmosphere.	1 2 3 4 5
3.	The lighting within the bank creates a comfortable atmosphere.	1 2 3 4 5
4.	The paintings /pictures are visually attractive.	1 2 3 4 5
5.	The odor in the bank is comfortable to me.	1 2 3 4 5
6.	The background music in the bank is pleasant.	1 2 3 4 5
Space/ Function		
1.	The interior decorations of the bank are sophisticated.	1 2 3 4 5
2.	The bank space is enough to process the functions.	1 2 3 4 5
3.	The bank has an enough car park.	1 2 3 4 5

ID	BANK SERVICESCAPE	LIKERT'S SCALE
4.	The overall layout of the bank makes it easy for me to find the right department.	1 2 3 4 5
5.	The furniture and equipment used by the bank is high quality.	1 2 3 4 5
6.	The bank entrance is convenient for disabled person.	1 2 3 4 5
Signs, Symbols & Artifacts		
1.	I know the bank logo and sign board significantly.	1 2 3 4 5
2.	The bank has enough and comfortable furniture for waiting.	1 2 3 4 5
3.	The banking products symbols are clear.	1 2 3 4 5
4.	The bank artifacts are updated and reliable.	1 2 3 4 5
5.	The signage in the bank gives me a clear direction.	1 2 3 4 5
6.	Artifacts in the bank are appropriate.	1 2 3 4 5
Cleanliness		
1.	The cleanliness inside the bank is comfortable.	1 2 3 4 5
2.	The cleanliness inside the bank is relaxed.	1 2 3 4 5
3.	The facilities in the bank are clean.	1 2 3 4 5
4.	The decoration of the bank is neat and tidy.	1 2 3 4 5
5.	The circumstance outside the bank is fresh and clean.	1 2 3 4 5

II. BANK HOSPITALITY

ID	BANK HOSPITALITY	LIKERT'S SCALE
Personalization		
1.	The bank staff smiles are wearing all the time.	1 2 3 4 5
2.	The bank staffs made me feel like an important person.	1 2 3 4 5
3.	The bank staff made eye contact with me during conversations.	1 2 3 4 5
4.	The bank staff treated me with full respect.	1 2 3 4 5
5.	The bank staff is consistently courteous with me.	1 2 3 4 5
Warm Welcome		
1.	Given a warm welcome at the entrance of the bank.	1 2 3 4 5
2.	The bank staff directed me to the right department for my requirements.	1 2 3 4 5
3.	The bank staff gives detailed information about fees to be paid and other detailed information.	1 2 3 4 5
4.	The bank staff directed me about my financial transaction	1 2 3 4 5
5.	The bank staffs are neat appearing.	1 2 3 4 5
Special Relationship		
1.	The bank staff gives warm 'good bye' after transactions.	1 2 3 4 5
2.	The bank staff gives me personal attention.	1 2 3 4 5
3.	The bank staffs are enthusiastic to help in solving my problems.	1 2 3 4 5
4.	The bank staffs build a good relationship in bank and phone banking.	1 2 3 4 5
5.	The bank provided privileges to its customers.	1 2 3 4 5

Sincerity		
ID	BANK HOSPITALITY	LIKERT'S SCALE
1.	The bank has my best interest at heart.	1 2 3 4 5
2.	The bank provides its services at the time it promises to do so	1 2 3 4 5
3.	The bank staff follows the order when they made transactions.	1 2 3 4 5
4.	The bank staff ensured the security of my money/account.	1 2 3 4 5
5.	The bank staffs are enthusiastic to help disabled person.	1 2 3 4 5
Comfort		
1.	The bank has adequate security.	1 2 3 4 5
2.	The number of bank staff is enough in busy hours.	1 2 3 4 5
3.	The bank staff worked fast and impeccably.	1 2 3 4 5
4.	The bank staff gives enough information about my transactions.	1 2 3 4 5
5.	The bank staff has good banking knowledge.	1 2 3 4 5

III. CUSTOMER SATISFACTION

ID	CUSTOMER SATISFACTION	LIKERT'S SCALE
1.	The bank gives breadth and depth customer service.	1 2 3 4 5
2.	My decision is right to use this bank's services	1 2 3 4 5
3.	My choice to use this bank's services was a wise one.	1 2 3 4 5
4.	I think I did the right thing to use this bank's services	1 2 3 4 5
5.	There are sound privacy policies in this Bank.	1 2 3 4 5
6.	My businesses are successful due to deal with the bank.	1 2 3 4 5
7.	This Bank is exactly what I need.	1 2 3 4 5
8.	The information that presented by the bank is accurate.	1 2 3 4 5
9.	The bank environment and interior area satisfy and is	1 2 3 4 5
10.	There are guarantees of the bank.	1 2 3 4 5
11.	Overall, I am satisfied with the bank services.	1 2 3 4 5

IV. CUSTOMER LOYALTY

ID	CUSTOMER LOYALTY	LIKERT'S	SCALE
1.	I often tell positive things about the bank to other people.	1	2 3 4 5
2.	I recommend my family, friends and relatives to do business with the bank	1	2 3 4 5
3.	I recommend the bank to someone who seeks my advice.	1	2 3 4 5
4.	I recommend the bank to someone who wants to get financial service.	1	2 3 4 5
5.	I decided to continue to do more business with the bank.	1	2 3 4 5
6.	I seldom consider switching away from the bank.	1	2 3 4 5
7.	I will never change the bank even I found another bank which offer completely bank transactions.	1	2 3 4 5
8.	I will always use the bank in my bank transaction.	1	2 3 4 5
9.	My loyalty degree on this bank is at the high level.	1	2 3 4 5
10.	I committed that I do not deal with other banks except the bank.	1	2 3 4 5
11.	If the bank is not available, it makes a great difference to me and I will not try an alternative.	1	2 3 4 5

APPENDIX B

Multiple Liner Regression Analysis (Regression between Servicescape and Customer Satisfaction at AYA bank in Nay Pyi Taw)

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.722 ^a	.521	.507	.452	.521	38.095	4	140	.000	1.980

a. Predictors: (Constant), CM, SFM, ACM, SM

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	31.187	4	7.797	38.095	.000 ^b
Residual	28.653	140	.205		
Total	59.840	144			

a. Dependent Variable: CSM

b. Predictors: (Constant), CM, SFM, ACM, SM

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
	B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1 (Constant)	.000	.319		-.001	.999	-.631	.631					
ACM	.263	.112	.210	2.356	.020	.042	.484	.585	.195	.138	.430	2.324
SFM	.366	.109	.311	3.366	.001	.151	.581	.657	.274	.197	.400	2.499
SM	.457	.150	.341	3.049	.003	.161	.754	.669	.250	.178	.274	3.655
CM	-.073	.144	-.058	-.509	.611	-.357	.211	.591	-.043	-.030	.267	3.748

a. Dependent Variable: CSM

Multiple Liner Regression Analysis
(Regression between Hospitality and Customer Satisfaction
at AYA bank in Nay Pyi Taw)

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.934 ^a	.872	.867	.235	.872	188.731	5	139	.000	2.185

a. Predictors: (Constant), COM, PM, SRM, SIM, WM

b. Dependent Variable: CSM

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	52.157	5	10.431	188.731	.000 ^b
	Residual	7.683	139	.055		
	Total	59.840	144			

a. Dependent Variable: CSM

b. Predictors: (Constant), COM, PM, SRM, SIM, WM

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
	B	Std. Error				Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1 (Constant)	-.092	.133		-.690	.491	-.354	.171					
PM	.020	.048	.022	.423	.673	-.075	.115	.768	.036	.013	.336	2.976
WM	.280	.072	.269	3.911	.000	.138	.421	.878	.315	.119	.196	5.105
SRM	.143	.058	.153	2.466	.015	.028	.257	.843	.205	.075	.241	4.143
SIM	.198	.063	.190	3.133	.002	.073	.322	.849	.257	.095	.250	3.996
COM	.384	.069	.369	5.588	.000	.248	.519	.891	.428	.170	.212	4.716

a. Dependent Variable: CSM

Multiple Liner Regression Analysis
(Regression between Customer Satisfaction and Customer Loyalty
at AYA bank in Nay Pyi Taw)

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.837 ^a	.700	.698	.350	.700	333.956	1	143	.000	2.043

a. Predictors: (Constant), CSM

b. Dependent Variable: CLM

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	40.958	1	40.958	333.956	.000 ^b
	Residual	17.538	143	.123		
	Total	58.496	144			

a. Dependent Variable: CLM

b. Predictors: (Constant), CSM

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
	B	Std. Error				Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
(Constant)	.461	.175		2.636	.009	.115	.807					
CSM	.827	.045	.837	18.274	.000	.738	.917	.837	.837	.837	1.000	1.000

a. Dependent Variable: CLM