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

SERVICE QUALITY, CUSTOMER SATISFACTION AND CUSTOMER LOYALTY TOWARDS SHWE BANK

WINT WAH PA PA PHYO
ROLL NO. 72
MBF (DAY) 3rd BATCH

FEBRUARY, 2023

SERVICE QUALITY, CUSTOMER SATISFACTION AND CUSTOMER LOYALTY TOWARDS SHWE BANK

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

Supervised by: **Submitted by:**

Dr. Aye Thu Htun   Wint Wah Pa Pa Phyo

Professor   MBF II-72

Department of Commerce   MBF Day 3rd Batch

Yangon University of Economics   2019-2023

FEBRUARY, 2023

ACCEPTANCE

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

BOARD OF EXAMINERS

…………………………

Professor Dr. Tin Tin Htwe

(Chairman)

Rector

Yangon University of Economics

……………………..	……………………..
(Supervisor)	(Examiner)
Dr. Aye Thu Htun	Dr. Tin Tin Htwe
Professor	Professor / Head
Department of Commerce	Department of Commerce
Yangon University of Economics	Yangon University of Economics

……………………..	……………………..
(Examiner)	(Examiner)
Dr. Aye Thanda Soe	Dr. Phoo Pwint Nyo Win Aung
Professor	Associate Professor
Department of Commerce	Department of Commerce
Yangon University of Economics	Yangon University of Economics

FEBRUARY, 2023

ABSTRACT

This study examined the relationship between the quality of the service provided and the degree to which a client's needs were met, as well as the impact that this relationship had on the client's continued business with SHWE Bank. For the primary data, a sample size of 152 respondents who are using savings accounts from the Yarzadiyit Branch of SHWE Bank were selected by using a simple random sampling method with a structured questionnaire. The questionnaire was prepared by the question with a Five-point Likert scale to measure the customer satisfaction, service quality, and customer loyalty. In this particular research endeavor, the quality of the service is evaluated based on eight different dimensions: reliability, assurance, tangibility, empathy, responsiveness, security, access, and reputation. According to the findings of a multiple regression analysis, among these factors, responsiveness, empathy, and assurance have the greatest significant impact on the level of customer satisfaction as well as the level of customer loyalty. According to the findings of the survey, responsiveness is the most influential component, empathy is the second most influential factor, and assurance is the third most influential aspect when it comes to customer satisfaction at SHWE Bank. According to this, it will lead to a high impact on customer loyalty with a favorable influence that is predicted by customer satisfaction. This will lead to a high impact on customer loyalty. As a result, the goal of this study was to propose that SHWE Bank should take steps to ensure that it has a strategic plan to improve service quality and to increase its competitiveness in the market by successfully retaining clients who are both satisfied and loyal to the bank.

ACKNOWLEDGEMENTS

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

CHAPTER I
INTRODUCTION

The banking industry is regarded as both one of the most important and one of the most rapidly expanding in the country. Banking has become an integral element of modern life, to the point where individuals and businesses alike are unable to function properly without engaging in financial transactions. Banks are responsible for the safekeeping and distribution of liquid capital. Liquid capital is the lifeblood of personal needs, commercial and industrial activities, as well as the economic well-being of the nation as a whole because it ensures economic and social stability as well as the continued growth and development of the economy. Banks are the custodians and distributors of liquid capital. Despite the fact that the vast majority of people are unable to lead a comfortable life without a personal bank account in which they can store their money securely and make withdrawals when the occasion calls for it, all businesses are dependent on banks in order to carry out their daily operations. These operations include money transfers, payment for purchases and salaries, and the safekeeping of company assets. The ability of banks to take deposits and to provide loans is the fundamental function that is the foundation for all of the other tasks that banks provide to consumers and commercial entities. As a direct result of globalization, financial institutions, particularly banks, are coming under increasing amounts of pressure to ramp up their level of competition. In point of fact, the introduction of brand-new financial products into the market by non-bank financial intermediaries paves the way for consumers to have access to a greater variety of options. As a consequence of this, financial institutions need to reevaluate their approaches to the provision of services to both commercial and individual clients. In this regard, the quality of the service provided and the level of satisfaction achieved by customers are, in today's banking institutions, of the utmost importance. Bank businesses, in order to exist, need to offer products of an extremely high quality, which will result in clients who are highly satisfied and loyal to the bank. For a number of years now, the primary objective of every company has been to ensure the fulfillment and contentment of their clientele. This is due to the fact that market share and customer pleasure are directly correlated (Dawar, 2013). The level of service provided to clients is becoming an increasingly important factor in the success of modern businesses. The level of service quality that

a business provides is one of the most important aspects that determines how competitive it is in its industry. A service is an example of an immaterial result because it does not have any material components; rather, its value is based on the functions it fulfills, the performances it provides, and the advantages it brings to customers who pay money for them (Parasuraman et.al. 1988). Customers today have a greater awareness of the necessary quality standards and expect sufficient services as a result of the fact that the quality of the service is equally vital for achieving customer happiness. The empirical evidence suggests that the quality of services provided is a significant factor in determining the success and longevity of businesses. Several researchers have pointed out the importance of service quality to a company and emphasized the role that it plays in the company's competitive advantage, profits, and increased market share, as well as return on investment, customer satisfaction, and the intention to make additional purchases in the near future. According to the opinions of Parasuraman, Zeithaml, and Malhorta (2005), the most important strategy for the success and continued existence of any firm is to provide the target market with quality services. When businesses offer high-quality services to their customers, they improve the efficiency of their service delivery, which in turn leads to an improvement in the company's profitability. In addition, the delivery of high-quality services may result in additional repeat business as well as favorable word of mouth that spreads further (Taherikia & Shamsi, 2014). Because of the significant roles that service quality plays in the performance of businesses, the quest for dimensions to assess service quality has become increasingly important. This study aims to identify service quality dimensions that could be used to quantify customer satisfaction and to assess the influence of service quality dimensions (reliability, assurance, tangibles, empathy, responsiveness, security, access, reputation) on customer behaviors. This is because service quality is a crucial variable in affecting customers' behaviors (Lee et al., 2019), and providing quality service is essential for maintaining customer satisfaction (Tabash et al., 2019). Therefore, the purpose of this study is to identify service quality dimensions Customers have also properly asked that banks provide services of a globally acceptable standard. Customers today are accustomed to having options, and as a result, they will not tolerate anything that is not the absolute finest. The need to fulfill the expectations of customers has been recognized by financial institutions. As a result, the quality of the service provided by the bank is an essential component of the driving force behind its ascent up the high technology ladder. (Saghier, Nathan (2013). As a result, it is essential for

the company that provides services to evaluate the quality of such services as well as the level of satisfaction experienced by its clients. The level of satisfaction a company's customers feel can be attributed to a variety of aspects, such as the product's quality, the perceived value of the product, the customer support service, the pricing, the product's user-friendliness, its speed, and its level of security. An increase in the level of satisfaction experienced by consumers typically results in a decrease in the amount of customer turnover experienced by the organization. In particular, the study that was carried out by Kotler and Armstrong (2010) highlighted service quality, service charges, and perceived value as the primary factors that determine consumer satisfaction in the banking industry. In order to win client loyalty and encourage repeat business, the banks rely on information regarding the factors that affect whether or not a consumer is satisfied with their experience. Loyalty on the part of customers is extremely valuable in the financial industry since it helps institutions to generate higher economic and financial returns. Loyalty can be defined as a form of customer commitment to buying or using a particular product or service, which results in the repetitive purchase and maintenance preference for a specific supplier or service provider through time despite the prevalence of situational influences and competitive efforts that have the potential to cause a change or switch in behavior. Loyalty can also be defined as a form of customer commitment to buying or using a particular product or service that is associated with a specific brand (Oliver, 2010; Yin & Matthews, 2016). Therefore, it is important for businesses to differentiate between trustworthy and unreliable clients in order to determine the strategies and services that should be provided to the various customer types (Liang et al., 2009). Not only are satisfied customers more loyal to a brand, but they are also less sensitive to price changes and more willing to spend a higher price than other customers. According to Pakurár et al2019 .'s research, the banking industry has been devoting its efforts to improving service quality and developing strategies to better meet the needs of existing customers while also focusing on attracting new customers and ensuring increased levels of customer satisfaction and loyalty. The Central Bank of Myanmar reports that there are 4 state-owned banks, 27 domestic private banks, and 17 foreign bank branches operating inside the country of Myanmar's banking sector. SHWE Rural and Urban Development Bank (SHWE Bank), one of the private banks operating within the borders of the Republic of the Union of Myanmar, was given a banking license by the Central Bank of Myanmar on July 28, 2014, following its incorporation as a limited

company in accordance with the provisions of the Financial Institutions Law of Myanmar. At the intersection of Merchant Road and Pansodan Street in Yangon, the Shwe (Rural and Urban Development) Bank Head Office and Head Office Branch opened their doors for business on January 11, 2016. It currently has a total of six branches, four of which are located in Yangon, one in Mandalay, one in Mawlamyine, and the most recent of which was opened in Naypyitaw just a few months ago. When compared to other banks, SHWE Bank is relatively new. As a result of the nature of banks, client happiness, which is dependent on both expectations and perceived performance, has emerged as a cause of concern for the bank. The term "customer satisfaction" is a qualitative and subjective term all at the same time. It results from the efficiency with which financial services are provided, engagement of the client (functional quality), price considerations, and exceeding the expectations of the consumer in terms of loyalty. The contentment of customers influences their loyalty through market communication, image, word of mouth, and the fulfillment of consumer requirements. Finally, financial institutions would be able to create the process of service delivery in an effective manner by analyzing and grasping the level of service quality offered to customers. Even while many different areas of service quality may have some bearing on a customer's overall satisfaction (Ashfaq & Irum, 2020). Banks are widely regarded as among the top providers of high-quality services to customers in the modern banking industry, making them an essential factor in both the progression of the industry and its continued existence. Consequently, the outcomes of this study will constitute a vital information basis on strategies for enhancing service quality for the purpose of increasing customer satisfaction and loyalty towards SHWE Bank.

1.1   Rationale of the Study

Banks are vital to the economies of all nations because economic expansion is impossible without the effective transfer of personal savings into business capital. As a result of the fundamental activities that they engage in, banks play a vital part in the financial lives of both individuals and businesses since they make the production, exchange, and distribution of wealth much easier. Because a bank is a client-oriented service industry that depends on its customers for its continued existence in the market, the ability to concentrate on those customers and provide superior customer service is one of the aspects that sets it apart from other businesses. The importance of customers in modern business is greater than it has ever been, and the range of options available

to consumers is unrestricted. Customers have a strong desire to receive the high quality of goods or services that they are supplied, which is already quite high and continues to rise steadily. It is becoming increasingly challenging to satisfy the tastes of customers and to obtain high levels of customer satisfaction, particularly given the fact that customers' preferences shift on a daily basis. And even after the banks have satisfied their customers with enhanced financial services, a sizeable number of those customers may still decide to switch to other banks and conduct their financial transactions with them. They switch from one product to another without warning and change their brand loyalty at whim given that they have the freedom of choice and variety of services among which to chose in the market space. Therefore, there is a need to examine the level of customers' satisfaction of banking services for the purpose of understanding the preference of customers in order to make a decision to develop a customer satisfaction program because the satisfaction and repurchase behavior of customers are constantly changing and unpredictable. It is essential to be able to measure the expectations of the client in order to provide satisfactory service to the consumer. To successfully manage a company and accomplish the goals outlined in its mission statement, one of the most crucial instruments is satisfied customers. It is possible for a bank to differentiate itself from its rivals by delivering superior customer service, and many banks are realizing that the quality of their customer care is becoming a competitive advantage for retaining valuable customers. It is necessary to detect and anticipate customers' wants and to be able to satisfy them in order to achieve customer satisfaction. Businesses that are able to promptly comprehend and satisfy customers' demands make larger profits than those that are unable to understand and satisfy those needs (Barsky & Nash, 2003). In point of fact, the level of happiness that a company's customers experience has a significant impact on the organization's trajectory into the future, and it is often regarded as the foundation for securing the institution's place in the market and accomplishing several other goals. As a result, achieving high levels of service is one approach that may be utilized to maintain both customer satisfaction and customer loyalty. It is essential to have accurate information regarding the level of happiness that customers have with the services offered by the bank; as a result, the bank can take action to improve areas with lower levels of customer satisfaction. Because it is more expensive to bring in new customers than it is to keep the ones you already have, a business that wants to be successful must focus its efforts on keeping the clients it already has by enacting policies that prioritize the happiness and continued business of those customers. Service

quality implementation in creating relationships with customers should take into consideration the variables; hence, a bank's strategy should be to place a priority on service quality in order to remain competitive. this is in connection with customer loyalty. Banks require a plan that will both raise the number of new customers and keep the ones they already have. Building long-term connections with customers is an important strategy for banks, since it helps retain existing customers and attract new ones. There are many different approaches to the development of new banking products, such as banking financial, insurance financial, trust financial goods, securities products, company's financial products, and leasing financial products (Nguli, 2016). The financial sector will be able to collect objective information regarding the quality of bank services and results if it first establishes client expectations regarding service quality, customer satisfaction, and customer loyalty indices. Greater emphasis on product quality within the banking industry will almost certainly result in the acquisition of higher-quality value, with the end goal of bolstering the organization's ability to compete. Boisvert and Nick (2011) conducted research on the customer perceptual process of service quality. The findings indicated that there was a positive association between the quality perception and attitudes, respectively. In their respective studies on the subject, Santoso and Kunto (2014) and Horvat and Dosen (2013) came to the same conclusions on the impact that customers' perceptions of quality have. According to the findings of the research conducted by Prakash et al. (2017), the quality of the service provided is the primary factor in determining how customers feel about particular products. On the other hand, a great number of research have investigated the connection between contentment and commitment (Gountas & Gountas, 2017; Fornell et al., 2006). According to the Central Bank of Myanmar, SHWE Bank is the 23rd private bank in Myanmar. As a result, the bank needs to ensure that it has a strategy plan and the objectives necessary to strengthen its competitiveness in the market. It is extremely vital for customers to feel satisfied with the level of service that is offered by SHWE Bank, as this will encourage them to remain loyal to the bank. Banks can provide services to cover the majority of Myanmar's territory if they create multiple branches. The bank needs to be aware of the level of satisfaction their customers have with the services they provide because this information can help them determine whether or not there is something that needs to be improved upon if they see the true opinion of their customers regarding their product or services. According to Potluri (2016: 23), a good bank service performance is driven by prime service quality

elements. Additionally, this study uses the BANKQUAL scale to measure customer satisfaction and loyalty in SHWE Bank, Yangon. "Since the primary goal of this paper is to develop a dependable measure of service quality, which is believed to be associated with customer satisfaction in the banking industry, an attempt is made to introduce a more robust alternative to SERVQUAL, which is known as BANKQUAL. This is because the paper's primary objective is to develop a reliable measure of service quality. In any case, this study can suggest better ways to deliver banking services to customers, allowing them to satisfy the expectations of customers, earn customer satisfaction and loyalty, obtain more market shares, succeed in Myanmar, and grow sustainably for the future.

1.2 Objectives of the Study

The objectives of the study are as follows;

(i) To determine the influence of service quality on customer satisfaction in SHWE BANK.

(ii) To examine the influence of customer satisfaction on customer loyalty in SHWE BANK.

1.3 Scope and Methods of the Study

The purpose of this study is to analyze the quality of services provided by SHWE BANK in Yangon, as well as the level of client satisfaction and loyalty. It makes use of both qualitative and quantitative research methodologies, including descriptive statistics. This study makes use of both primary and secondary sources of information. The clients of SHWE BANK who have savings accounts are the focus of this particular research project's demographic (Yarzadayit Branch). According on the data provided by the bank in the year 2022, a method of sampling that utilizes simple randomization was used to select 152 customers to represent 20 percent of the total customer base at this branch that use savings accounts. Regarding the data that is gathered from a sample of consumers by using well-structured questionnaires as a research instrument, the self-administered questionnaires are used in this study to conduct the research that is being presented here. The questionnaires for the survey cover eight different aspects of service quality: tangibility, reliability, responsiveness, assurance, empathy, security, access, and reputation, as well as customer satisfaction and customer loyalty toward SHWE Bank. The primary data of a structured questionnaire is created by questions

with a five-point Likert scale in order to gauge customer loyalty, customer happiness, and service quality. Secondary data regarding banking sectors are also included, and it can be found in text books on Service Management, the records of SHWE BANK, pertinent periodicals, and theses sourced from internet domains.

1.4   Organization of the Study

This research is broken down into five chapters. The first chapter provides an overview of the research project, including its motivation, objectives, scope, methodology, and organizational structure. The conceptual and theoretical foundation of the study is laid out in Chapter II of the report. In Chapter III, a profile of the SHWE BANK is presented, and in Chapter IV, an investigation into the degree to which customers are satisfied with the services provided by the SHWE BANK is discussed. The final chapter, Chapter V, presents the overall study along with a summary of the findings, discussions, and recommendations, as well as information for further research.

CHAPTER II
THEORETICAL BACKGROUND

This study present the theories and conceptual Service Quality. It has seven sections which are; (i) Concept of Service Quality, (ii) Service Quality Dimensions, (iii) Customer Satisfaction, (iv) Customer Loyalty, (v) Previous Studies, (vi) Relationship among Service Quality, Customer Satisfaction and Customer Loyalty and (vii) Conceptual Framework of the Study.

2.1 Concept of Service Quality

Over the course of the last few decades, practitioners and researchers have paid a great deal of attention to the topic of service quality due to its significant impact on a variety of factors, including cost, customer satisfaction and retention, positive word of mouth, customer loyalty, business performance, and profitability. Churchill and Surprenant (1982) and Parasuraman et al. (1985), who popularized the customer satisfaction theory by measuring the firm's actual service delivery in conformity with the expectations of customers, as defined by the attainment of perceived quality, and that is meeting the customers' wants and needs beyond their aspirations, have been credited with defining the concept of service since the 1980s. This definition was made by Churchill and Surprenant (1982) and Parasuraman et al. (1985 Based on this premise, Parasuraman et al. (1988) further developed the notion of service into the five dimensions of service quality. These dimensions included tangibles, reliability, responsiveness, assurance, and empathy. The gap that exists between a customer's expectations and perceptions of the services that they have gotten and those that they have perceived to have been provided to them is what constitutes service quality (Ueltschy & Krampf, 2001: Zeithaml & Parasuraman, 2003). The customer plays an essential role in the expansion of the commercial, industrial, and service sectors, particularly in the financial services sector. As a result of this, the relevance of providing excellent customer service in the banking industry came into force in order to compete in an environment driven by the market. It is more difficult to accurately measure the quality of services provided in the service industry, particularly in the banking sector, than it is to accurately measure the quality of manufactured commodities. The service industry as a whole is quite diverse, and the definitions of

what it means to be heterogeneous and what does not mean to be heterogeneous may vary depending on the type of service being discussed. Because of their unique characteristics and the fact that they are immaterial and so cannot be compared or examined, the various banking services offered by each financial institution are not amenable to standardization. Some academics contend that SERVQUAL has limitations, despite the fact that it is generally accepted as a method for measuring service quality. [Citation needed] [Citation needed] Despite this, many researchers are against using SERVQUAL as a tool to quantify service quality due to the disparities in features that exist between different industries.

(a)   SERVQUAL Model

The SERVQUAL model was initially employed by service companies and merchants, and it is one of the most important features of service providers in terms of assessing the level of customer satisfaction as the primary paradigm (Aghdaie, and Faghani., 2012). The firm will be able to determine the level of customer satisfaction as well as the customer's views of the quality of the service by utilizing this model. Analytical methodologies and reporting using priority matrices are what determine whether or not a service or customer satisfaction exists, as well as positioning in terms of whether or not requirements are met. where other measures such as loyalty and recommendation are measured alongside service indicator data. The primary responsibility of the service provider is to ensure that the quality of the service being provided to customers is maintained, as this is the factor that is most important for generating customer loyalty, maintaining relationships with customers, increasing profitability, motivating and retaining employees, and cutting costs. The five factors that make up the Service Quality model are tangibility, reliability, responsiveness, assurance, and empathy. These factors were adapted from (Parasuarman et al. 1982). In addition, Jaber and Islam (2012) identified four different aspects, which include: (tangibles, reliability, responsiveness and empathy).

(b)   BANKQUAL Model

The SERVQUAL model that was proposed by Parasuraman et al. (1988) was modified so that it could be used to conceptualize and assess the service quality characteristics of bank services. This model was given the name BANKQUAL. The SERVQUAL model is able to assess experiences as well as perceptions and expectations, and it has been put to good use in a variety of retail settings including

banking, quick service restaurants, dry cleaning, and health care (Babakus and Mangold, 1992). The use of the SERVQUAL can be found in a variety of industries such as the technologically advanced industrial sector (Pitt et al., 1992) and B2B (business to business) services (Brensinger and Lambert, 1990). On the other hand, this methodology prompts some people to question whether or not expectations are being evaluated at all. Tsoukatos and Mastrojianni came up with the idea for the BANKQUAL scale in 2010, based on a study that was done in the retail banking business in Greece. The BANKQUAL scale is proposed, with key dimensions including assurance, reliability, responsiveness, tangibility, and empathy, which are adopted from SERVQUAL by Parasuraman et al. (1988). Additionally, security, access, and reputation are also important to measure the quality of a bank, and the BANKQUAL scale measures all of these qualities. As a result, the quality of service is evaluated based on a total of eight different characteristics, namely reliability, assurance, tangibility, empathy, responsiveness, security, access, and reputation.

2.2   Service Quality Dimensions

The dimensions of service quality are a collection of characteristics that describe the experiences of customers with a given product or service. It has been proposed that certain aspects of service quality can explain the dimensions that determine the degree to which consumers are satisfied with the quality of service. The fundamental objective of the dimensions is to provide managers and researchers with insights into the aspects of service quality that, when improved, can result in improved service offerings. Every business strives to achieve maximum income, with the goal being to increase the number of loyal consumers who make subsequent purchases of the same product or service. Therefore, in order for them to do what they set out to do, they require in-depth information regarding the various facets of service quality..

2.2.1   Reliability

The capacity of an organization to carry out the service function in an accurate and dependable manner is what the reliability dimension measures. Because it is the most significant aspect of service quality for making a positive first impression, customers want to know that the service provider is dependable and can meet their requirements to their complete satisfaction. This aspect is extremely important due to the fact that all of the clients would prefer to conduct business with banks or companies who maintain their commitments, and in most cases, this is also implicitly expressed to

the clients of the firm. Customers decide whether they are able to rely on a bank's services or not in order to determine the quality of the bank's service because this leads to a higher level of satisfaction. In the hospitality industry, reliability can be understood to indicate a reservation that is in order upon the arrival of the customer, cleaning services that are provided on time, an accurate invoicing system, and other similar things.

2.2.2 Assurance

The expertise, information, and civility of personnel in the company, as well as their capacity to express trust and trustworthiness to clients, are the components that make up assurance. Aside from that, this aspect consists of having the skills necessary to perform the service, having respect for the client, being able to communicate effectively with the customer, and having a general mindset that the service has the customer's best interests at heart. It refers to the capacity of the bank to instill confidence in the clients on the security of their deposits and transactions. When a financial institution offers reassurance to its clients, the level of happiness experienced by those clients will, unsurprisingly, increase. If the client does not feel comfortable with the personnel who are associated to their account, there is a significant risk that the consumer will not return for additional business and will not use additional products or services, either.

2.2.3 Tangibility

The appearance of the company's physical buildings, equipment, staff, and communications materials are all considered part of the tangibility dimension. This dimension of service quality is one of the most significant ones, and it is one that organizations employ to transmit and indicate quality to their customers. It refers to the aspects of the bank that are easily observable as well as its surroundings (Parasuraman et al. 1985, 1988). In the context of the hotel sector, this refers to the physical appearance and state of the hotel, as well as the services and facilities offered by the establishment and the way its employees present themselves. This evaluation factor may also take into account the behavior of the service's other clients (e.g a noisy visitor in the next room at a hotel). Despite the fact that intangible factors do not directly contribute to client happiness, a tastefully decorated office can have an effect on how customers view the business.

2.2.4 Empathy

When it comes to giving their services to consumers, businesses often show clients empathy by providing them with a caring and personalised level of attention. Empathy is one of the dimensions that is discussed. It incorporates traits like as approachability, empathy, and making an effort to comprehend the requirements of the consumer. Having empathy for a customer implies making an effort to comprehend their specific requirements, acknowledging them as soon as they enter the business, and so on. It also takes into consideration the customer's belongings and property. If a consumer feels that they are receiving individualized and high-quality attention from a company, there is a significant likelihood that the customer will return to the company and conduct business with the company once again. Customers are more likely to feel a connection to a bank and experience satisfaction when they are treated with care and given special attention.

2.2.5 Responsiveness

Responsiveness dimension is the willingness and readiness of bank employees to help the customers and provide with a good quality and prompt services. A bank service can also be measured by the willingness and readiness of service availability. This dimension is concerned to deal with the customer's requests, queries and complaints promptly and attentively. The company is known to be responsive when it communicates to its customers how long it would take to get answers or have their problems deal with. The responsiveness affects the customer satisfaction greatly and to be successful, companies need to look at responsiveness from the view point of the customer rather than the company's perspective.

2.2.6 Security

According to Ojasalo (2010), the lack of danger, risk, or doubt is the definition of the security dimension. Physical safety, financial security, and the confidentiality of a customer's personal and financial information are all components of the security dimension. Both Flavian et al. 2004 and Parasuraman et al. 1985 discovered that customers prefer a safe and secure atmosphere. According to Narteh (2013), security can be described as the protection of customers against fraud and financial loss in addition to the protection of customers' personal information. It addresses the operational aspects of a website's credibility, security, and payment procedures. This factor takes into account other aspects of the firm, including its reputation, the level of

trust among consumers and staff participating in the communication process, and general confidentiality.

2.2.7 Access to Service

Yarimoglu (2014) defines access as both the availability of contact and the abundance of that contact. The service can be easily accessed by telephone, there is a short amount of time spent waiting to obtain the service, there are adequate hours of operation, and the service capacity is located in an adequate area. Access is the foundation for both the ease and appropriateness with which clients can use the services that banks offer. The two most important aspects that contribute to approachability are accessibility and the ease of getting in touch with someone. The availability of services may have a significant or unanticipated impact on a bank's customer happiness as well as loyalty (Flavian et al., availability of services may have an important or unintended impact on a bank's customer satisfaction and loyalty) (Ladhari et al., 2011).

2.2.8 Reputation

In any sector, a positive reputation contributes to a solid organizational image and goodwill, but this is especially true in banking. The customer has a perception of the reputation of the bank based on the bank's goodwill in dealings, which leads to an increase in the level of satisfaction in the relationship between the bank and the customer. The credibility, dependability, responsibility, and deservingness of customers' trust are the pillars around which a bank's reputation is built. Reputation can be described as the perception that consumers have of a bank. It also has a considerable influence on the decisions that customers make regarding purchases and repeat purchases, as well as on the customers' loyalty to the bank and their readiness to provide feedback or suggestions that are good. Researchers as well as practitioners acknowledge that reputation is especially important for banks, having an especially important strategic role that assists financial institutions in safeguarding their product portfolio, retaining and attracting customers, differentiating themselves in the market, and providing value to the financial system. It is impossible to establish a long-term, sustainable reputation without providing services of a high enough quality.

2.3   Customer Satisfaction

The concept of providing satisfactory service to one's customers is well-established in a number of scientific disciplines, particularly marketing. According to Mowen and Minorin Adah (2013), customer satisfaction refers to any relationship that exists between a consumer and a product, service, or commodity after the customer has used or consumed it. The entire disposition of a consumer or customer after obtaining and making use of the products or services being purchased is one definition of what is meant by "customer contentment." A post-sale rating known as customer satisfaction is given when the product or service purchased meets or exceeds the requirements set out by the consumer (Fadli et al., 2013). Customer satisfaction is an emotional issue that develops during the evaluation process whenever a customer compares a product or service to what he or she has received and what was expected of the product or service. The relationship between consumers and service providers can be measured by the level of customer satisfaction (Khan and Fasih, 2014). According to Kotler and Keller in Biati & Risnawati (2021), customer satisfaction can be defined as the joy or dissatisfaction that an individual experiences as a result of contrasting a product's perceived performance (or outcome) with their expectations. Customers will have a negative experience if the performance does not live up to their expectations, but they will have a positive experience if the performance does live up to their expectations. If the performance is superior to what was anticipated, the satisfied reaction of the consumer is guaranteed. Because of this, it is essential to maintain the satisfaction of one's consumers. This objective may be accomplished in a variety of ways, and one of these ways is to learn the preferences and perspectives of customers regarding the services that service providers offer. Both the level of service provided and the level of satisfaction experienced by customers could be evaluated in this manner. Customer satisfaction can be defined as the reaction of an individual who describes feeling either delighted or disappointed as a result of contrasting the performance of a product's perceived performance to the performance that was expected of the product. If the performance is not up to the customer's standards, the consumer may experience feelings of disappointment or discontent. If the performance is able to live up to the requirements, then the patron will have a sense of contentment. When the results live up to the specifications, the client ought to experience a high level of contentment.

2.4   Customer Loyalty

In today's world, research on consumer loyalty has garnered a significant amount of attention in the academic literature, despite the fact that defining and quantifying loyalty have proven to be exceedingly challenging endeavors (Yang and Peterson, 2004). The importance of having a comprehensive expertise in this field was brought into sharper focus by the benefits of maintaining loyal customers. The idea of a loyal consumer base is more clearly defined by actions than it is by attitudes. One of the positive attitudes of consumers can be displayed when they remain faithful to the products of the firm and recommend the product to other individuals and organizations. When people have bad views, they communicate those attitudes to other people through negative remarks (word of mouth) and migrate their business to other companies by making purchases from those other companies. Loyalty is not something that can be forced, but rather is something that develops naturally over time. According to Griffin, who was quoted in Sangadji and Shopiah (2013), the concept of loyalty refers more to the behavior of decision-making units to make continuous purchases of goods or services from a particular organization. The continuity of purchases made by clients on a regular basis can bring about benefits for the organization that are more long-term in nature. According to the definition provided by Kotler and Keller (2016), customer loyalty is "a deep-seated commitment to repurchase or repurchased a chosen product or service in the future, despite marketing efforts and situational variables that may prompt a behavioral shift." According to Tjiptono (2014), "shopping loyalty is a customer's promise to a brand, retailer, or supplier based on a very good attitude and is expressed in repeat purchases." This definition of "loyalty" in the context of retail is represented in the phrase "repeat purchases." According to Parasuraman, who was quoted in Sangadji and Shopiah (2013), "in the context of service marketing, customer loyalty is a promise or a response closely linked to a promise, maintaining that promise that underlies relationship continuity and is typically reflected in continued purchases from one and the same service provider for the basis of commitment and practical limits." Researchers have come to the conclusion that customer loyalty can be understood as a favorable behavior exhibited by a customer toward a brand, store, or supplier. This conclusion is based on some of the definitions supplied by the experts cited above.

2.5   Previous Studies

The conceptual framework was constructed based on a number of empirical and theoretical research, including those conducted by Agus et al. (2007), Caruana (2002),

and Khan and Fasih (2001), as can be seen in the following figure (2.1). (2014). The quantitative methodology was utilized in order to investigate the connection between high levels of service quality, high levels of customer happiness, and long-term client loyalty.

Figure (2.1)   The Impact of Service Quality on Customer Satisfaction and Customer Loyalty
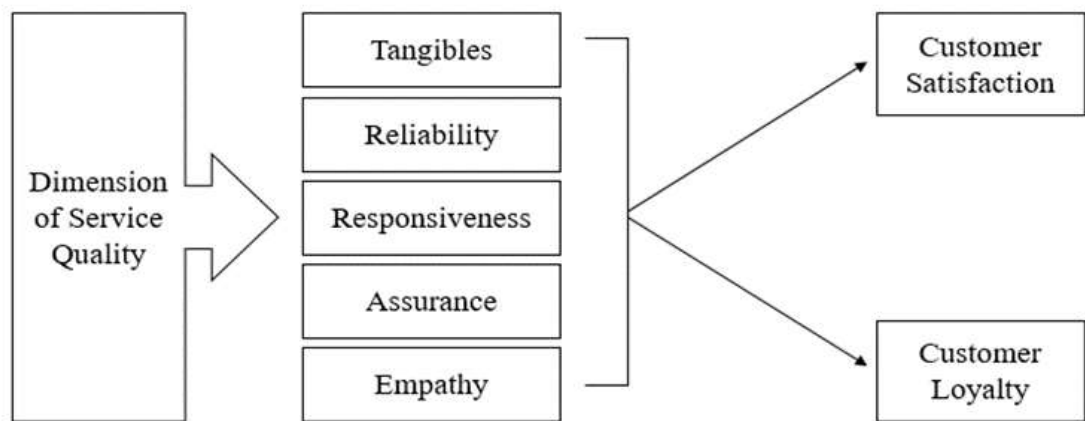
Source: Bashir Ahmad Fida. (2020)

The correlation study will look at the links between customer satisfaction, customer loyalty, and service quality aspects. The regression analysis will look at how the impact of service quality on customer satisfaction may be determined. The conceptual framework of this investigation is presented in the figure that was just presented (2.1). It has been established, on the basis of the data, that the implementation of three significant factors, namely the variables representing service quality, customer happiness, and customer loyalty, strongly relate to one another.

Figure (2.2)   Impact of Service Quality on Customer Satisfaction and Customer Loyalty

Service Quality Dimension
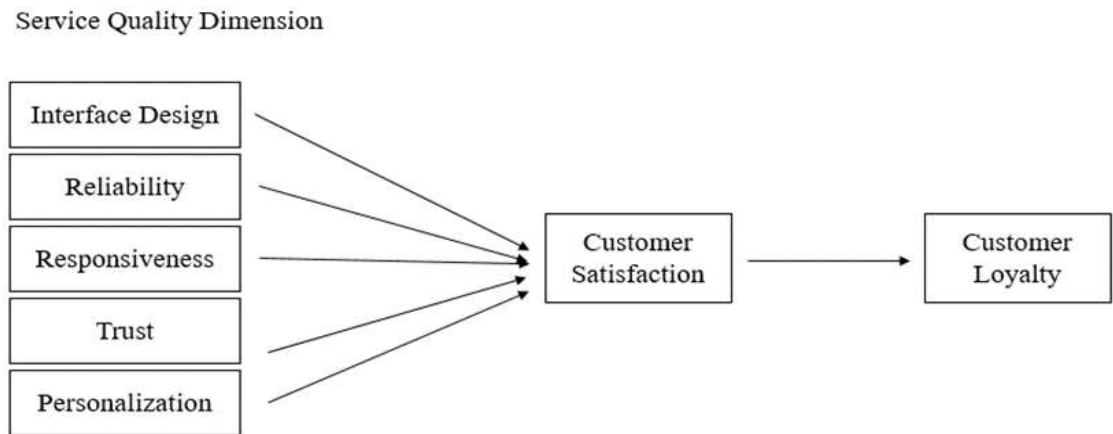
Source: Puriwat W., Tripopsakul 2017

Figure 2.2, which may be found above, depicts the conceptual foundation for the earlier research. The research article titled "The Impact of service quality on Customer Satisfaction and Loyalty in Mobile Banking Usage" was located during the course of this study's literature review (2017). This research took a quantitative approach, and the findings indicate that the quality of the e-service provided to consumers has a substantial impact on both their level of happiness and their willingness to remain loyal to mobile banking application providers. The discovery will assist banks managers in better understanding how customers rate the quality of service provided by mobile banking, as well as how the various service dimensions influence customer loyalty through satisfaction.

2.6   Relationship among Service Quality, Customer Satisfaction and Customer Loyalty

The study presents that the relationship between Service Quality and Customer Satisfaction and the relationship between Customer Satisfaction and Customer Loyalty.

2.6.1   Relationship of Service Quality and Customer Satisfaction

Many studies have established the relationship between service quality and satisfaction of the customer Companies and organizations put in a lot of effort to achieve high levels of customer satisfaction, and this is especially true for businesses

that value their ability to maintain a long-term relationship with their clientele. However, there is still a lot of debate and discussion surrounding the different aspects of service quality. For instance, customer satisfaction has emerged as a critical factor in determining the success of business operations in the banking industry, despite the fact that the identification of service quality features may not be completely understood (Belas & Gabcova, 2016: Chavan & Ahmad, 2013). Herington and Weaver (2009) conducted a study in which they utilized the model that was presented by Parasuraman et al. (1982) as a predictor variable of customer satisfaction. In this study, the authors established that the relationship between service quality dimension and customer satisfaction was regarded as a positive relationship. Many authors have accepted this model as a predictor variable of customer satisfaction. As a consequence of this, perceived service quality has been commonly considered an antecedent of customer satisfaction, and prior studies have established the relationship between the two (Naik et al., 2010: Yee et al., 2011). Despite this, there are still debates and differences of opinion on the causal relationship that exists between the two variables when examined in a variety of contexts. Brady et al. (2002) investigated three major hypotheses regarding the relationship: first, that service quality is the factor that leads to increased levels of customer satisfaction; second, that customer satisfaction is the factor that leads to increased levels of service quality (Bitner, 1990); and third, that there is no significant relationship between service quality and customer satisfaction (Dabbolkar, 1995). These three positions may have a varied impact on the findings of the study as well as the findings of other studies; however, there is general consensus among the researchers that the relationship between the two variables where service quality served as an antecedent to customer loyalty occupies a dominant position when applied to the context of the service industry, such as the banking sector.

2.6.2 Relationship of Customer Satisfaction and Loyalty

It is of the utmost significance to have an in-depth comprehension of the connection that exists between the ideas of happy customers and devoted customers. Both of these ideas are essential to the prosperity of any company, and they each contribute in their own unique way. When an organization is working toward increasing

the amount of customer loyalty and improving the overall performance of the business, one of the most important factors that must be taken into consideration is the concept of customer satisfaction. According to Dick and Basu (1994), the function of customer satisfaction in loyalty generally implies that loyalty is mostly determined by satisfaction. Dick and Basu state that satisfaction is a crucial determining factor. As a result, there is a connection between providing satisfactory service to customers and inspiring loyalty in those customers, but it is necessary to combine the two ideas in order for a business to realize its objectives, which are to increase its market share and increase its profits. Previous research, such as that conducted by Chodzaza and Gombackika (2013) and Chu et al. (2015), has, as is obvious, already validated the considerable positive association between service quality and customer loyalty by adopting customer satisfaction as the mediating variable in their analyses (2012). in addition, the following patterns have emerged from the same results: have been found: namely, that customer happiness acts as a mediator between improvements in service quality and increased levels of customer loyalty (Hassan et al., 2013: Lee & Moghavvemi. 2015).

2.7   Conceptual Framework of the Study

To a large extent, the conceptual framework is predicated on the primary aspects of service quality, and in accordance with this framework, there are eight variables to be achieved in order to accomplish the goals of the study.

Figure (2.3)   Conceptual Framework of the Study
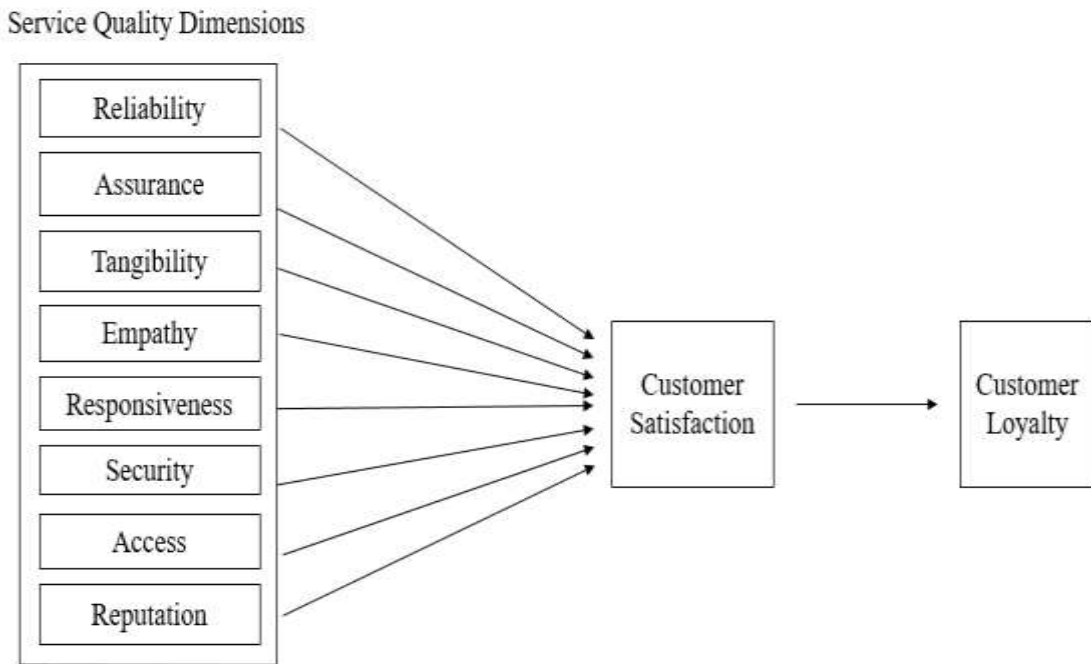
Source: Adapted from Parasuraman et al. (1988)

As shown in the above Figure (2.3) the predictor variables, the eight service quality dimensions in a diagrammatic format, namely, reliability, assurance, tangibility, empathy and responsiveness, which are common service quality dimensions, security, access and reputation are additionally added based on the model whereas the customer satisfaction and customer loyalty will be the dependent variable.

2.7.1   Definitions of Service Quality Dimensions

For the purpose of the study, the below table are taken;

Table (2.1) Definitions of Service Quality Dimensions

No.	Dimension	Definition
1	Tangibles	This dimension refers to physical facilities, equipment, personnel, and communication material. (Parasuraman et al., 1994)
2	Reliability	This is the ability of the firm to perform the service effectively and accurately. It measures whether the firm lived up to its promises or not. (Parasuraman et al., 1994)
3	Responsiveness	This dimension is related to the firm and its ability and willingness to aid customers and provide apt service as promised. (Parasuraman et al., 1994)
4	Assurance	This dimension depends on the employees of the firm. It is their skill to produce trust and credibility in minds of the consumer. It requires proper knowledge and dedication. (Parasuraman et al., 1994)
5	Empathy	This dimension refers to the attention and priority the organization gives to the needs and requests of the customers. (Parasuraman et al., 1994)
6	Security	It denotes five measures such as, security in transactions, of deposits, at entrance and exit and secured financial data and employee desk and table. (Allred & Addams, 2000 and Flavian et al., 2004)
7	Access	It means whether service is convenient, easy to access, and eases of contact. It includes convenient office time and available time for transaction. (Flavian et al. ,2004)
8	Reputation	The measures of this construct include reputation for keeping promises, goodwill, image, mass popularity and reputation for transaction with beneficiaries. (Flavian et al. ,2004)

CHAPTER III

PROFILE AND BANKING SERVICES OF SHWE BANK

The purpose of this chapter is to provide a description of the profile of SHWE Bank, which will include the history of the bank, the expansion of branches, the bank's vision, mission, and organizational structure, as well as the banking services that are offered by SHWE Bank.

3.1   Profile of SHWE Bank

The purpose of this chapter is to provide a description of the profile of SHWE Bank, which will include the history of the bank, the expansion of branches, the bank's vision, mission, and organizational structure, as well as the banking services that SHWE Bank offers.

3.1.1   Mission

The mission of SHWE Bank is to create a positive economic impact in our communities through the delivery of finest financial products using advance technology and diverse distribution networks across Myanmar.

3.1.2   Vision

The vision of SHWE Bank is to become a premier bank in Myanmar that provides diverse financial services to facilitate the Rural and Urban Development of the communities in nation building.

3.1.3   Core Value

The corporate values governing SHWE Bank are as follow; Integrity & Ethics, Trust, Professionalism, Commitment, Enthusiasm and Service Excellence (Customer-Oriented).

3.2   Organization Structure of SHWE Bank

The highest authority in the bank is called the Board of Directors, and it is composed of Directors who are led by the Chairman. The SHWE Bank policies are determined by the Board of Directors. The Executive Vice Chairman, in accordance

with the policies defined by the Board, is in charge of leading the Heads of Department in the execution of the day-to-day operations of the Bank while following to the procedure established by the Bank. The top management is the group that directs department heads to carry out their responsibilities within the parameters of the established procedures and in line with the policies that have been established by the board. The Head of Department is responsible for carrying out the operational plans in accordance with the directives provided by the top management committees. The three committees outlined below are comprised of directors from the Bank, as well as experts from outside the Bank, and high-ranking bank officials. The Risk Management Committee, the Credit Committee, and the Audit Committee are the three that are present. Administrative Department, Information and Communication Technology Department, Human Resources Development Department, Account Department, Finance Department, Domestic Banking Department, Currency Department, International Banking Department, Electronic Banking Department, Agent Banking Department, International Business Development Department, Loans Department, Internal Audit Department, and Legal Department are the fourteen departments that make up SHWE Rural and Urban Development.

Figure (3.1) Organization Structure of SHWE Bank

Chairman	
Vice Chairman	
Board of Directors	- Internal Audit Department - Bank Supervision Department

Executive Vice Chairman – 1

- Administrative Department
- Account Department
- International Banking Department
- International Business Development Department
- Legal Department
- Top Management Office
- Human Resources Development Department
- Finance Department

Duty Managing Director

- Information & Communication Technology
- Electronic Banking Department
- Agent Banking Department

Executive Vice Chairman – 2

- Domestic Banking Department
- Loan Department
- Fund Management Department
- Branches

Source: SHWE Bank (2019)

Figure (3.2)   Organization Structure of Yarza Di Yit Branches
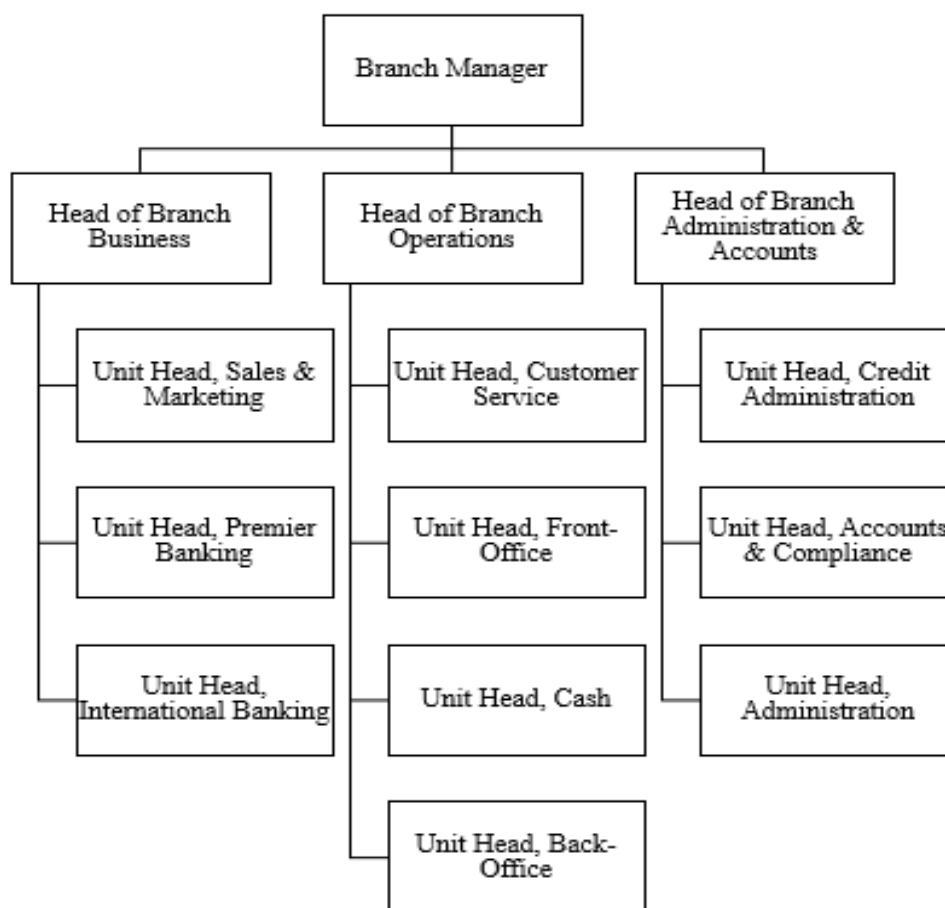
Source: SHWE Bank (2019)

3.3   Banking Services of SHWE Bank

The activities of SHWE Bank's banking division can be broken down into two distinct areas, which are (1) the acquisition of deposits and (2) the investment of funds. To invest the fund Equity, Public Funds, Public Investment, Team Deposit, Domestic Bank Loans, Foreign Bank Loans, Government Loans, Non-Governmental Organization Loans, ADB and JICA, Debenture Issues, and Deposit Certificates are the primary sources of funding. The obtained funds are loaned in the form of short-term, medium-term, and long-term loans, as well as hire purchase loans, commercial loans, project loans, rural area loans, and urban area loans as major bank investments. SHWE Bank is able to take part in services such as bill collection, cash cards, mobile banking, and external money transfers. ATMs (automated teller machines) are also available. In terms of mobile banking, the Regional Service Partners (RSPs) of SHWE Bank's Brother Company SKYNET in Myanmar will take on the role of SHWE Bank agents. Residents of urban and rural areas will be able to take use of reasonably priced banking

services such as cashing in, cashing out, and transferring cash. SHWE Bank will direct its attention toward both urban and rural residents in order to promote financial inclusion in development using its Mobile Banking System. In addition, SHWE Bank will be offering the following services for retail banking customers: International Banking Products and services include Letters of Credit for Export and Import, Bank Guarantees, Telegraphic Transfers, Currency Exchange, International Money Transfers, and Cash Cards (Master, Visa). Account Statement, Own Account Transfer, Internal Account Transfer, SkyNet-DTH Bill Payment, and Mobile Top-up are the five services that are offered through Internet and Mobile Banking.

(i) Deposit Services

The following types of domestic banking services are available for deposits: current accounts, savings accounts, foreign currency accounts, fixed deposit accounts, call deposit accounts, premium deposit accounts, and SHWE Cash Call Deposit Accounts. The SHWE Cash Call Deposit Account is the most popular type of domestic banking service. Reliability is one of the core values that SHWE Bank upholds, and it refers to the act of conducting ourselves in an honest and ethical manner with all of the people and companies with whom we conduct business. SHWE Bank conducts its business in an honest manner and without consideration to what is in the best interests of its customers. The staff members of SHWE Bank are providing consumers with accurate information regarding the timing of the performance of various services. A current account is a sort of deposit account as well as a type of account that does not accrue interest and for which customers can use cheque books to make payments and receivables. Current accounts are non-interest bearing accounts. Customers are given a cheque book as a courtesy, so that they can easily complete their routine business or financial transactions. This method is very well suited for such activities. The consumers' money will remain safe in the current account, and it will assist them in better managing their financial flow. The objective of a current account is to facilitate smooth payment and received transactions for business and to be able to link with other bank accounts. In addition, customers get the option to withdraw without loss in interest to be paid on balances as the general eligibility. The customers are received earn interest on balance, easy to open, safe keeping of funds; the customers are received earn interest on balance; the customers are received earn interest on balance; the customers are received earn interest on balance; the customers are received earn interest on balance; the customers are received earn interest

A savings account is a type of account that pays interest and is available to people, organizations, joint ventures, and enterprises who want to save money and earn interest. Deposits can be made between the first and fifth of each month, and interest is calculated at the end of each month on the account amount that was the lowest at the beginning of the month. The account holder receives a competitive interest rate of 8.5 percent per annum credited into their account on a quarterly basis. SHWE Bank is the provider of this service, which ensures that customers who use the bank's savings accounts will receive the benefits outlined in the following paragraphs: earn interest on balances, option to withdraw without loss in interest to be paid on the balances outstanding, safe keeping of funds, deposit insurance covered, easy to open and start building customers' financial profile, debit card for ATM access and merchant payments, internet and mobile banking, and finally, facilitate other banking transactions. When they open an account, customers can receive MPU Debit Cards and use the ATM services that are available. A fixed deposit account is suitable for use by either an individual or a joint entity consisting of two people or more. People who store their money with the intention of using it in the long term can take advantage of the high interest rates offered by fixed deposit accounts. It is quite convenient for customers who will have extra cash for a certain length of time but will only be able to withdraw it at the conclusion of that particular time period. However, the fixed deposits offered by SHWE Bank are quite popular among clients. This is likely due to the fact that the bank offers attractive interest rates on these deposits and allows customers to withdraw their money before the end of the defined period of time. SHWE Bank provides continuously to their customers the following benefits and eligibility regarding about this account: earn interest on balances, safe keeping of funds, deposit insurance covered, easy to open and start building customer's financial profile and facilitate other banking transactions and options to withdraw without loss in interest to be paid on the balances outstanding. Earn interest on balances. Safekeeping of funds. Deposit insurance covered. Easy to open and start building customer's financial profile. The interest earned on special deposit accounts will be credited to the account at the end of each month and will be calculated based on the day-end balance of at least 10 million kyats. The annual interest rate will be 8.5 percent. If the balance of the account drops below 10 million kyats on any given day, interest will not be paid out on that day. When you have a call deposit account, the interest rate is 4% per month, and it is computed daily on the day-end balance of the account. The interest is then deposited to the account

at the end of each month. This account is a fantastic choice for handling your day-to-day financial needs while also earning interest on a daily basis. The records that SHWE Bank has kept have been completely accurate and up to date. One of the services that SHWE Bank provides to the general public is the SHWE Cash Call Deposit account, which also includes a daily interest rate calculation based on the amount deposited. This service is more in demand than others as a direct result of the interest rate that it offers to customers, which is determined by the dependability of the business. After then, the customer's call deposit account would be credited with the monthly interest amount due to them. The information that an employee of SHWE Bank provides is straightforward and easy to comprehend. It is the responsibility of the bank to maintain the privacy of its clients' financial information and transaction records and to prevent any improper use of such information. The bank's website features information and technology that has been brought up to date, and employees are on hand to provide consumers with advice regarding electronic banking services.

(ii)   Loans Account

The following types of loans are available: long-term and short-term loans, overdrafts, hire-purchases, loans for small and medium businesses, and loans for employees (SME).

Customers of SHWE Bank are able to expand their businesses and investments through the use of loans and overdrafts from the bank. At SHWE Bank branches, commercial enterprises such as manufacturing, servicing, transportation, trading, and construction are eligible to apply for loans and overdrafts. One of the services that SHWE Bank offers its customers for the purchase of electronic products, computers, computer accessories, machineries, and automobiles is referred to as hire purchase. SHWE Bank will provide microfinance services and reach out to the public in remote areas where there is limited or no access to banking services by offering small and medium-sized enterprise loans through agent banking and mobile banking. This will allow SHWE Bank to reach out to areas where there is limited or no access to banking services.

In addition, SHWE Bank is able to provide exporters and importers with letters of credit (LC). SHWE Bank, which possesses a significant amount of LC, acts as a middleman in international trade by guaranteeing both the payment and delivery of products. It's possible that a client could use a document called an export documentary

letter of credit to order their bank to pay the vendor, on the condition that the agreed-upon criteria outlined in the original documentary credit are satisfied. Customers can choose between SHWE Bank's Import Letter of Credit (LC), Import bill under LC, or Import bill under collection options when banking with the institution.

(iii)   Other Services

Other services include domestic bank guarantees, safe deposits, payroll services, agent banking, ATMs, point-of-sale terminals, debit and credit cards, gift cheques, payment orders, and guarantee letters. Other services include internal money transfers.

Remittance Service is a telegraphic transfer that is the quickest means whereby the beneficiary generally receives payment within 24 hours of dispatch in local or foreign currency and payment to a beneficiary linked to a large network of branches. Remittance Service is the quickest means whereby the beneficiary generally receives payment within 24 hours of dispatch in local or foreign currency and payment to a beneficiary linked to a large SHWE Bank provides its clients care, respect, and specialized and personalized particular attention in providing the necessary services to its customers. This demonstrates that the bank demonstrates organizational empathy. Customers often make use of bank guarantees in order to fulfill common business or statutory requirements. Shipping Guarantee, Bid Bond Guarantee, and Performance Guarantee are some of the services that SHWE Bank may provide. Through the SWIFT system, telegraphic transfers (TT) can be done at SHWE Bank for the purposes of either trade or non-trade, provided that the necessary documentation are presented. These transfers can be sent to your business partners, friends, and other entities located all over the world. Foreign Currency Exchange Service is provided to the customers from designated Foreign Currencies (USD, EUR, SGD, and THB) transfer to Myanmar Kyat and International remittance in Foreign Currency. These services include payment by private enterprises to government institutions such as fuel diesel purchase; payment for services such as fuel refilling for aircrafts; rental payment such as for house rent and salary payment are also conducted. SHWE Bank offers a payroll solution that is dependable, safe, and quick for all businesses, which simplifies the process of businesses paying their employees' salaries. Customers of SHWE Bank are able to send money transfers from any of the bank's branches to any other area of the country in which there is a branch of a local bank that is linked in, and vice versa. Beneficiaries are given instantaneous notice of the arrival of monies that have been transferred. Customers who create savings, call, or special deposit accounts and pay through electronic channels are eligible to receive debit cards as a payment option. Customers

using debit cards have the ability to make money transfers from ATMs, either from card to card or from account to account, for a full twenty-four hours. Silver, gold, and platinum are the names given to the three tiers of credit cards that are offered by SHWE Bank. Payment orders are able to be utilized for the purpose of making settlement payments to individuals, companies, associations, and government agencies. It can be obtained at any of the SHWE Bank locations that sell products and services. In addition, customers can acquire Gift Cheques from SHWE Bank in a variety of amounts, ranging from a minimum of 10,000 Kyats to a maximum of 10,000,000 Kyats, based on the amount of money they wish to give. In accordance with the Myanmar Microfinance Law, SHWE Bank established the agent banking products in order to take deposits and savings and to provide microfinance loans to citizens living in rural and urban areas across the entirety of Myanmar. By utilizing Point-of-Sale (POS) terminals and mobile phones for Agent Banking, SHWE Rural and Urban Development Bank is able to provide a selection of banking services to urban and rural residents of Myanmar at prices that are affordable for them. Agent Banking services utilizing POS as well as Prepaid Cards and Mobile Money/Banking services using mobile phones have been offered with the intention of promoting financial inclusion. This has been done with a focus on those living in both rural and urban areas.

CHAPTER IV
ANALYSIS ON SERVICE QUALITY, CUSTOMER SATISFACTION AND CUSTOMER LOYALTY OF SHWE BANK

This chapter provides a comprehensive overview of the techniques and procedures that have been researched about the study of SHWE Bank's service quality, customer happiness, and customer loyalty. This chapter is broken up into three sections: the first section discusses the research design, the second section examines the

demographic features of the respondents, and the third section examines the service quality, customer satisfaction, and customer loyalty with regard to SHWE Bank.

4.1 Research Design

The goals of this part are to determine the influence that the different characteristics of service quality have on customer satisfaction and to evaluate the influence that customer satisfaction has on customer loyalty. The research design decided to use a descriptive approach and regression analysis to perform the assessment. The required data were gathered using a sample survey. In order to accomplish these goals, the research design used sample surveys to collect the necessary information. In terms of the instrument used for the survey, structural questionnaires are what are used to collect primary data. The questionnaires, which were the primary method of data collection for this investigation, were divided into two sections labeled A and B. In Section A's questionnaires, we asked clients to reply so that we might learn more about their demographic attributes. Questionnaires were included in Section B in order to investigate the level of service provided, the level of customer happiness, and the level of customer loyalty. In order to collect the necessary information for this study from the respondents, a self-structured questionnaire was used (Appendix B). All of the information gleaned from the surveys was entered into a program called Statistical Package for Social Science (SPSS), where it was processed and analyzed. The primary data from a structured questionnaire was used with a five-point Likert scale (1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, and 5=Strongly Agree) to ask questions in frequency count, percentages, and charts. These were used to demonstrate each survey questionnaire item, such as gender, age, education background, and working organization, among other things, and to measure customer satisfaction, service quality, and customer loyalty. Using a procedure known as simple random sampling, 152 customers—representing twenty percent of the total number of customers who use savings accounts at this branch—have been chosen in order to obtain the primary data.

4.2 Demographic Profile of Respondents

The first section of this report provides an analysis of the demographic profile of respondents, which includes their gender, marital status, age in years, educational background, wording organizations, monthly income, length of time they have used SHWE Bank's services, the frequency with which they use those services, the services

that they have used in the past from SHWE Bank, and the types of accounts they have. Each respondent is given the question together with the answer that is determined to be the most appropriate and relevant answer.

Table (4.1) Demographic Data of the Respondents

No.	Category		No. of Respondents	Percentage
1	Gender	Male	71	47
		Female	81	53
2	Marital Status	Single	85	56
		Married	67	44
3	Age (Year)	18 to 26	37	24
		27 to 35	60	40
		36 to 44	33	22
		45 to 53	13	9
		54 and above	9	6
4	Education Background	High School	2	1
		Under graduate	16	11
		Graduate	92	61
		Post-graduate	23	15
		Master and above level	15	10
		Other	4	3
5	Working Organization	Government	28	18
		Private	78	51
		Owner	30	20
		Dependent	16	11

Table (4.1) Demographic Data of the Respondents (Continued)

No.	Category		No. of Respondents	Percentage
6	Monthly Income	200,001 to 400,000 MMK	44	29
		400,001 to 600,000 MMK	36	24
		600,001 to 800,000 MMK	19	13
		800,001 to 1,000,000 MMK	16	11
		Above 1,000,000 MMK	13	9
		Under 200,000 MMK	24	16
7	Length of SHWE Bank's Services Usage	1 to 3 years	44	29
		3 years and above	39	26
		Less than 1 year	69	45
8	On Average, how often use the services.	Always	21	14
		Frequently	61	40
		Never	2	1
		Occasionally	50	33
		Rarely	18	12
9	On Average, how often use the services.	Deposit	92	61
		Remittance	18	12
		Withdrawal	42	28
10	Which types of accounts do you have in SHWE Bank?	Current/Call Deposit/Card	49	32
		Fixed Deposit	42	28
		Premium Call Deposit	7	5
		Savings/SHWE Cash Call Deposit	54	36
Total			152	100

Source: Survey data, 2023

According to Table (4.1), the gender % of the respondents is spread evenly, and the majority of the 152 respondents are single. This brings the total number of respondents to a total of 304. The bulk of the respondents are graduates who are between the ages of 27 and 35 and work at private companies. These respondents are therefore mostly educated and mature persons. Participants in this poll were selected based on their monthly income, and they came from a variety of various income and salary backgrounds. The majority of respondents had experiences that are less than one year old and make frequent use of the services for depositing money, particularly for holding savings accounts or SHEW cash call deposit accounts.

4.3 Descriptive Statistics of Service Quality, Customer Satisfaction and Customer Loyalty

In this survey, eight variables (reliability, assurance, tangibility, empathy, responsiveness, security, access, and reputation) and a total of 36 survey questions are utilized to determine the influence that service quality has on customer satisfaction as well as customer loyalty. To determine the importance of the factors that influence customer satisfaction and loyalty, structured questions based on a five-point Likert scale were utilized. On this scale, 1 indicates strong disagreement, 2 indicates disagreement, 3 indicates neutrality, 4 indicates agreement, and 5 indicates strong agreement.

4.3.1 Service Quality Dimensions

Service quality is measured by eight dimensions in this study; reliability, assurance, tangibility, empathy, responsiveness, security, access and reputation.

(a) Reliability

This aspect of service conducts the important aspects of service, such as how SHWE Bank provides services at the time it promises to do so, a sincere interest in solving problem, serves good interest rate, tells exactly when services will be performed, keeps and handles the data and information in a confidential manner, and tells exactly when services will be performed. There are five questions that are used to measure the reliability component of the service quality provided by SHWE Bank. As a result, the table that follows presents the mean scores obtained from each of the questions (4.2).

Table (4.2) Reliability Dimension

No.	Description	Mean	Std. Deviation
1	SHWE Bank provides services at the time it promises to do so.	3.66	0.821
2	SHWE Bank shows a sincere interest in solving problem.	3.72	0.825
3	SHWE Bank serves good interest rate on savings (high) and Loans (low).	3.95	0.792
4	SHWE Bank tells you exactly when services will be performed.	3.80	0.719
5	SHWE Bank keeps and handles your data and information in a confidential manner.	4.09	0.833
	Overall Mean	**3.84**	

Source: Survey data, 2023

According to Table (4.2), the respondents' highest mean score of 4.09 indicates that they are sure that SHWE Bank is handling and keeping the customer data and information very well. This confidence is shown by the respondents' high level of satisfaction with the bank. The respondents are highly satisfied with the good interest rate on savings and loans, as indicated by the mean score of 3.95, which is the second highest possible. The fact that the reliable service dimension has a mean value of 3.66, which is the lowest possible value, suggests that respondents agree with the assertion that SHWE Bank has maintained to provide services at the time it pledges to do so. Despite this, the total mean score of 3.84 indicates that the respondents are pleased with the reliability of the service in the dimensions, and they feel that SHWE Bank provides better service quality.

(b)   Assurance

There are four different questionnaires that are used to measure the assurance dimension of the service quality that SHWE Bank offers to its customers. They are reliable, secure when conducting transactions, pleasant while servicing customers, informed, and have sufficient ability to answer any queries that customers may have as shown in the following table (4.3).

Table (4.3) Assurance Dimension

No.	Description	Mean	Std. Deviation
1	SHWE Bank's employees are trustworthy and you feel secured in doing transactions with bank.	3.86	0.822
2	SHWE Bank's employees are friendly and courteous in serving.	3.99	0.750
3	SHWE Bank's employees are knowledgeable and good ability enough to reliably respond to my questions.	3.93	0.764
4	Information provided by SHWE Bank's employees are clear and understandable.	3.77	0.818
	Overall Mean	**3.89**	

Source: Survey data, 2023

According to Table (4.3), the assurance questions all have responses that are very similar to one another. The maximum possible mean score is 3.99, which indicates that the behavior of employees in SHWE Bank will inspire courteousness and confidence in clients since employees have the ability to build trust between customers and the bank.

It can be seen that employees of SHWE Bank can be consistent, and they have the knowledge to answer customers' questions. The respondents gave a mean score of 3.93, which indicates that this is the second mean score. This indicates that it is secure in transaction because of the reliable services they provide. The fact that the service assurance component has a mean value of 3.77, which is the lowest possible value, indicates that the majority of respondents have a neutral opinion about whether or not the information that is presented by SHWE Bank's workers is easy to grasp. The overall mean score for the assurance dimension is 3.89, which indicates that consumers are satisfied with the assurance element of service quality and that the service quality in the assurance dimension is excellent.

(c)   Tangibility

To know the dimension of tangible in service quality of SHWE Bank, there are four questions to measure and their responses were listed as shown in Table (4.4).

Table (4.4) Tangibility Dimension

No.	Description	Mean	Std. Deviation
1	SHWE Bank has good cleanliness of office facilities.	3.95	0.717
2	SHWE Bank offices are visually appealing and have adequate parking.	3.93	0.790
3	SHWE Bank's employee well dressed and professional appearance.	3.88	0.736
4	Printed materials (forms, brochures, monthly statements, banks cards, etc) look attractive.	3.99	0.780
	Overall Mean	**3.94**	

Source: Survey data, 2023

According to Table (4.4), the overall mean score of 3.94 indicates that the majority of respondents agree to the related statement of the physical factor, regarding with the Modern equipment, visually appealing of physical facility material associated with it service, and employee well dressed and professional appearance. The greatest mean value was 3.99, which is connected to the assertion of the physical component that the majority of respondents concur that the offered materials (such as forms, brochures, monthly statements, bank cards, and so on) have an appealing appearance. The lowest mean value of 3.88 demonstrates that the majority of respondents are generally in agreement with the assertion that bank employees always present themselves in a professional manner and are properly dressed.

(d) Empathy

According to the data presented in Table (4.5), the degree of empathy was evaluated using five different questionnaires, and each client was obliged to provide a response to questions on this aspect of the service. The total of five statements is used, and the responses to those statements are listed below.

Table (4.5) Empathy Dimension

No.	Description	Mean	Std. Deviation
1	SHWE Bank gives you individual attention.	3.84	0.831
2	Employees of SHWE Bank give personal attention to each customer.	4.00	0.737
3	SHWE Bank has operating hours convenient to all customers.	3.71	0.851
4	SHWE Bank's employees get adequate support from the bank to do their jobs well.	3.82	0.767
5	SHWE Bank's employees know to advise me what would be the most proper service for your specific needs.	3.89	0.747
	Overall Mean	**3.85**	

Source: Survey data, 2023

In order to comply with the requirements of Table (4.5), each of the empathy dimension questionnaires report a total overall score of 3.85, with the mean value indicating that respondents are quite extreme in their agreement with this empathy. The highest possible mean score of four points, which is related to the empathy statement of employee from SHWE Bank for the personal attentions paid to each customer. The second mean score was 3.89, which is illuminating regarding the empathy statement of bank's employees receiving appropriate support from the bank in order to perform their duties effectively. The lowest possible mean score of 3.71 demonstrates that the bank's empathetic statement provides clients with working hours that are convenient for them.

individual attention, operating hours that are convenient for all clients, employees who are skilled at their jobs and who are able to advise consumers on the kind of service that would be most appropriate for their particular needs, and so on and so forth.

(e)   Responsiveness

The following Table (4.6), there are four questionnaires to measure the responsiveness dimension and customer are required to response to the questions on the quality of responsiveness.

Table (4.6) Responsiveness Dimension

No.	Description	Mean	Std. Deviation
1	SHWE Bank's employees prevent long waiting lines.	3.68	0.811
2	SHWE Bank's employees have willingness to help and accepting advice from customers.	4.06	0.683
3	SHWE Bank's employees are quick in eliminating potential errors.	3.72	0.791
4	Employees of SHWE Bank are never too busy to respond to your request immediately.	3.99	0.772
	Overall Mean	**3.86**	

Source: Survey data, 2023

According to Table (4.6), the highest possible mean score is 4.06, which indicates that the majority of respondents agree with the responsiveness statement that bank personnel are willing to help clients and accept advise from consumers. The second mean score was a 3.99, which suggests that the respondents are revealing to the staff of SHWE Bank that they are never too busy to reply to the client request instantly. The statement that bank staff prevent long waiting lines received the mean score of 3.68, which is the lowest possible score, according to the respondents. This is because customers do not want to wait for extended periods of time while bank employees are processing their transactions. According to the overall mean of 3.86, it is presenting that the majority of the respondents agree to this service quality in the responsiveness dimension, and it is demonstrating that there is a higher likelihood of continuing to use the services.

(f)   Security

The following Table (4.7) presents that there are five questionnaires to measure the security dimension and customer are required to response the questions on the quality of security.

Table (4.7) Security Dimension

No.	Description	Mean	Std. Deviation

1	SHWE Bank is secured in transactions.	3.57	0.881
2	SHWE Bank provides security of deposits.	3.66	0.700
3	Personal and Financial data of SHWE Bank is secured.	4.07	0.926
4	SHWE Bank provides security at entrance and exit.	4.09	0.766
5	SHWE Bank secures the customer information.	3.92	0.960
	Overall Mean	**3.86**	

Source: Survey data, 2023

According to Table (4.7), the statement that a bank provides security at entrance and exit has received the highest possible mean score of 4.09, indicating that the majority of respondents agree with this statement. The statement that a bank secures personal and financial data received the second highest possible mean score of 4.07, indicating that respondents show that they are satisfied with this statement. The statement that SHWE Bank is secure in transactions was given the lowest possible mean score of 3.57, which indicates that the respondents agree with the statement. The majority of respondents appear to be content with the level of security service based on the mean score of 3.86, which was calculated overall.

(g)   Access

The data on Table (4.8), the dimension of access is measured with five questionnaires and customer are required to response to the questions on the quality of access.

Table (4.8) Access Dimension

No.	Description	Mean	Std. Deviation
1	SHWE Bank's services is convenient to me.	3.84	0.759
2	Required time available for transactions.	3.82	0.909
3	SHWE Bank's services is easy to access.	3.99	0.797
4	Branches of SHWE Bank have in convenient location.	3.67	0.897
5	SHWE Bank can be ease of contact.	4.10	0.761
	Overall Mean	**3.88**	

Source: Survey data, 2023

According to Table (4.8), the statement that the respondents agree to the access component for SHWE Bank can be ease of contact has received the maximum possible mean score of 4.10 from these respondents. The fact that the respondents gave the assertion that the services were easy to obtain a mean score of 3.99 indicates that they are satisfied with the statement. As a result, the total mean is 3.88, and the majority of respondents believe that SHWE Bank should have additional branches located in more convenient areas.

(h)   Reputation

Continuous usage also depends on the reputation of firm which is provided the services to customers. Table (4.9) shows the mean and standard deviation of reputation dimension of service quality.

Table (4.9) Reputation Dimension

No.	Description	Mean	Std. Deviation
1	SHWE Bank is reputed to keep promises for customers.	3.82	0.909
2	SHWE Bank has goodwill in the banking industry.	3.80	0.764
3	SHWE Bank has a positive image among customers and public.	3.88	0.879
4	SHWE Bank is well known to mass people.	4.12	0.868
	Overall Mean	**3.91**	

Source: Survey data, 2023

According to Table (4.9), more than half of the respondents have a favourable image among clients of SHWE Bank and are well recognized in the bank. The overall mean score is 3.91, which demonstrates that banks are able to positively impact the behavior of their customers by cultivating a solid bank reputation and trust, which ultimately results in loyalty. The highest possible mean score of 4.12 suggests that the majority of respondents agree with the linked reputation statement of bank being widely known to mass people. This is indicated by the fact that the score was achieved. The second mean score is 3.88, which indicates that respondents concur with the reputation statement that the bank enjoys a favorable image among clients and the general public. The finding that the respondents agree to the reputation assertion that the bank has

goodwill in the banking business gets a mean score of 3.80, which is the lowest possible score.

Table (4.10) Summary of Service Quality Dimensions

No.	Dimension	Overall Mean Score
1	Reliability	3.84
2	Assurance	3.89
3	Tangibility	3.94
4	Empathy	3.85
5	Responsiveness	3.86
6	Security	3.86
7	Access	3.88
8	Reputation	3.91

Source: Survey data, 2023

The above table provides an illustration of the overall mean scores obtained in each dimension (4.10). In the comparative study of eight factors, the high level of customer satisfaction was found to be associated with the tangibility factor, which was supported by the statement that SHWE Bank possesses modern equipment, a visually appealing physical facility, and material associated with it service, and that its employees appear neat and professional. The fact that the lowest mean score was 3.84 demonstrates reliability, which includes the assertion that SHWE Bank delivers services at the time it claims to do so.

4.3.2 Customer Satisfaction

The accompanying table provides an illustration of each dimension's overall mean score (4.10). The comparative analysis of eight dimensions revealed that high customer satisfaction is connected with the tangibility dimension. This is supported by the assertion that SHWE Bank possesses modern equipment, a visually appealing physical facility, and professional-looking people. The fact that the score with the lowest mean was 3.84 demonstrates reliability, which includes the statement that SHWE Bank delivers services at the time it pledges to do so.

Table (4.11) Customer Satisfaction

No.	Description	Mean	Std. Deviation
1	I am satisfied with office decoration.	3.72	0.756
2	I am satisfied with the employee cooperation.	3.89	0.711
3	SHWE Bank can meet my expectations better.	3.75	0.871
4	I am satisfied with the performance and service quality provided to me from SHWE Bank.	3.78	0.782
5	I have no complain against with SHWE Bank.	3.61	1.004
	Overall Mean	**3.75**	

Source: Survey data, 2023

The results of the survey are presented in Table 4.11, which shows that more than half of the respondents provided favorable responses regarding customer satisfaction. The higher the level of satisfaction customers have with the service quality, the greater the likelihood that they will continue to use the product. The overall mean is 3.75, and many respondents are satisfied with the services which are offered by SHWE Bank. Additionally, many respondents want to use the services which are provided by SHWE Bank on a regular basis.

4.3.3 Customer Loyalty

Customer loyalty is important to retain the customers for long term. Table (4.12) shows the mean and standard deviation of customer loyalty toward SHWE Bank.

Table (4.12) Customer Loyalty

No.	Description	Mean	Std. Deviation
1	I intend to keep using the products/services from SHWE Bank.	3.70	0.744
2	I would say positive things about SHWE Bank to other people.	3.86	0.776
3	I will recommend SHWE bank to someone who seeks my advice.	3.76	0.890
4	I consider myself to be loyal to the SHWE Bank.	3.70	0.814

5	I consider SHWE Bank that my first choice in the future.		3.67	0.926
	Overall Mean		**3.74**	

Source: Survey data, 2023

The results of the table (4.12) show that the majority of respondents have positive attitudes toward loyalty. The overall mean is 3.74, and the majority of respondents enjoy using the services provided by SHWE Bank on a regular basis, recommend them to others, and even tend to increase their usage frequency. The average respondents are likely to be loyal customers because of these factors.

4.4   Correlation Analysis

In order to investigate the nature of the connection between the independent variables listed in Table and the dependent variable of customer satisfaction, a person correlation test was carried out. The variables under consideration were reliability, assurance, tangibility, empathy, responsiveness, security, access, and reputation (4.13).

Table (4.13) Correlation influence of Service Quality dimension on Customer Satisfaction

No.	Dimension	Correlation Coefficient	Sig. (2-tailed)
1	Reliability	.387**	0.000
2	Assurance	.543**	0.000
3	Tangibles	.468**	0.000
4	Empathy	.633**	0.000
5	Responsiveness	.640**	0.000
6	Security	0.008	0.918
7	Access	0.110	0.178
8	Reputation	-.171	0.035

 Source: Survey data, 2023

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

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

Table 4.13 demonstrates that there is a positive and significant relationship between customer satisfaction and the five aspects of service quality that

are reliability, assurance, tangibles, empathy, and responsiveness. These relationships indicate that changes in customer satisfaction will result from either an increase or a decrease in responsiveness. As a result, the responsiveness dimension has a substantial correlation to satisfaction, placing it at the top of this list of the strength of the association.

A person correlation was computed in order to investigate the connection between the dependent variable, customer loyalty, and the independent variables listed in the following table: reliability, assurance, tangibility, empathy, responsiveness, security, access, and reputation (4.14).

Table (4.14) Correlation influence of Service Quality dimension on Customer Loyalty

No.	Dimension	Correlation Coefficient	Sig. (2-tailed)
1	Reliability	$.468^{**}$	0.000
2	Assurance	$.527^{**}$	0.000
3	Tangibles	$.525^{**}$	0.000
4	Empathy	$.634^{**}$	0.000
5	Responsiveness	$.599^{**}$	0.000
6	Security	-0.038	0.644
7	Access	0.07	0.389
8	Reputation	-.189	0.020

Source: Survey data, 2023

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

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

According to the findings presented in Table 4.14, five aspects of service quality—reliability, assurance, tangibles, empathy, and responsiveness—have a positive and significant relationship with customer loyalty. These findings suggest that variations in responsiveness will result in shifts in customer loyalty, regardless of whether the responsiveness itself changes. As a result, the responsiveness dimension has a strong correlation to the loyalty dimension in this order of the strength of the link.

4.5 Analysis on the influence of Service Quality dimensions on Customer Satisfaction

A structured questionnaire is given to 152 SHWE Bank customers in order to determine the influence that the various elements of service quality have on the degree to which customers are satisfied with the bank. In order to conduct an analysis of the data, multiple regression is utilized, and the findings are laid out in Table (4.14).

Table (4.13) Influence of Service Quality dimensions on Customer Satisfaction

Variable	Unstandardized Coefficients		Standardized Coefficients (Beta)	t	Sig
	B	Std Error			
(Constant)	0.167	0.443		0.377	0.707
Reliability	-0.015	0.085	-0.013	-0.173	0.863
Assurance	0.207**	0.083	0.189	2.500	0.014
Tangibles	0.015	0.090	0.014	0.167	0.867
Empathy	0.363***	0.092	0.315	3.933	0.000
Responsiveness	0.359***	0.096	0.320	3.739	0.000
Security	0.030	0.067	0.034	0.447	0.656
Access	0.039	0.068	0.042	0.569	0.570
Reputation	-0.070	0.067	-0.067	-1.043	0.299
R Square	0.525				
Adjusted R Square	0.498				
F Value	19.735***				

Source: Survey Data, 2023

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

As shown in the table below: (4.13), The value of the R square implies that 52.5 percent of the variance in usage behavior can be predicted based on eight independent factors. This value is indicated by the fact that the value is 0.525. Additionally, modified R square showed 0.498, which indicates that 49.8 percent of the variations in customer satisfaction of SHWE Bank are explained by the changes in the eight independent variables of service quality. When there is a one-unit rise in customer satisfaction, there will be a one-unit improvement in the quality of the service. There are three variables among the independent variables that have values that are significant. The fact that responsiveness has a significant value of 0.359 with a 1 percent significant level indicates that it has the greatest potential to contribute to an increase in the level of satisfaction experienced by SHWE Bank's customers. The second factor that has a substantial impact on the degree of customer satisfaction is the empathy dimension, which has a coefficient (Beta) score of 0.363 and is also significant at the 1 percent level. The coefficient (Beta) score for the assurance dimension is 0.207, and the assurance dimension also has substantial significance. The F value, 19.735, which

measures the overall significance, is significant at the 1% level (p 0.01, F = 19.735). In a nutshell, the findings of the study indicate that responsiveness, empathy, and assurance have a strong beneficial influence on the customer satisfaction level provided by SHWE Bank's service quality. Among the three variables that are considered significant, responsiveness has the highest value according to the standard coefficient (Beta) score. This indicates that responsiveness is the single most critical element in determining the level of pleasure a customer feels with SHWE Bank. According to the findings, responsiveness makes the greatest contribution to customer satisfaction, and it is an important component to inform customers about the certainty of the delivery time of services, prompt service quickly, willingness to help customers, and readiness to respond to customer requests. In addition, it is important to inform customers about the importance of informing customers about the certainty of the delivery time of services.

4.6   Analysis on the Influence of Customer Satisfaction on Customer Loyalty

SHWE Bank is collecting responses to a structured questionnaire from 152 of its customers in order to investigate the relationship between levels of customer satisfaction and customer loyalty. In order to conduct an analysis of the data, linear regression was utilized, and the findings are shown in Table (4.14).

Table (4.14) Influence of Customer Satisfaction on Customer Loyalty

Variable	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	B	**Std Error**	**(Beta)**		
(Constant)	1.128	0.272		4.153	0.00
Customer Satisfaction	0.696***	0.072	0.620	9.685	0.00
R Square	0.385				
Adjusted R Square	0.381				
F Value	93.805**				

Source: Survey Data, 2023

*** Significant at 1% level

According to Table (4.14), the value of R square is 0.385; therefore, it is possible to draw the conclusion that this particular model is capable of explaining 38.5% of the

variation in customer loyalty that is predicted by customer satisfaction. An increase in consumer loyalty is anticipated given that the B value is 0.696 units. There is a positive correlation between the two; an increase in customer loyalty to SHWE Bank is directly correlated to a higher level of customer pleasure. In terms of the model's overall importance, the F value is very significant at the 1 percent level hence, it is possible to say that this model is valid.

The findings of the regression suggest that the level of satisfaction experienced by customers has a substantial influence on the degree to which they remain loyal to a brand. owing to the fact that the vast majority of respondents are content, and they want to proceed with their current usage of the services offered by SHWE Bank. In addition, the consumers who were happy with the service awarded a higher score for both the quality of the service and their loyalty. As a result, one uses levels of customer satisfaction as a reliable indicator of customer loyalty.

CHAPTER V
CONCLUSION

This chapter presents the conclusion about the three parts of findings and discussions, suggestion and need for further studies based on the results of the statistical analysis.

5.1   Findings and Discussions

This study was carried out in great detail by collecting structured questionnaires from 152 consumers. The results of this study indicate how the independent factors impacting of service quality dimensions on customer happiness and how the influence of customer satisfaction on customer loyalty. In addition to this, it assists in gaining a grasp of the various reasons, causes, and effects.

According to the demographic profile of the respondents, the majority of the respondents are female. These respondents are mainly educated and mature people since they have sufficient information about banking services, and the majority of the respondents are also female. The findings also revealed that the vast majority of SHWE Bank customers have been using their services for less than a year and do so on a regular basis. The findings of the survey indicate that the vast majority of respondents make regular use of their savings accounts and SHWE Cash Call accounts, both of which are services offered by SHWE Bank. Furthermore, the vast majority of respondents have utilized these accounts in the past.

According to the findings of the descriptive study, the reliability factor may be distinguished by the fact that the bank ensures the privacy of its customers' data and information at all times and handles it in a responsible manner. According to the respondents, one of the most important aspects of reliability is the fact that SHWE Bank

offers competitive interest rates, both on savings accounts (high) and loans accounts (low).

The assurance dimension has a significant influence on customer satisfaction to use the services provided by SHWE Bank. This is based on the influence facts of bank's employees being friendly and courteous in serving, as well as employees of SHWE Bank being knowledgeable and good ability enough to reliably respond to the questions asked by customers.

Regarding the analysis of the tangibility dimension, the over mean score is higher, which includes the following: the printed materials such as forms, brochures, monthly statements, bank cards, and so on, which are provided by the bank look attractive, and the bank has good cleanliness of office facilities as the results of the majority of respondents from customers. In addition, the over mean score includes the fact that the bank has a good relationship with its customers.

According to the findings of the analysis, the empathy dimension has a significant impact on the level of customer satisfaction. This is indicated by the fact that banks are found to give individual attention to each customer and that bank employees are able to provide guidance regarding the type of service that would be the most appropriate to meet the individual requirements of each customer.

A substantial role in determining overall customer satisfaction is played by the responsiveness factor. According to the findings of the survey, the majority of respondents agreed with the conclusion that staff at SHWE Bank are willing to assist customers and welcome advise from those customers, and that the employees are never too busy to reply swiftly to customers' requests.

It was discovered that the majority of respondents are in agreement with the security facts that personal and financial data of SHWE Bank is secured, and that the bank provides security both at the entrance and the exit. The security dimension has been found to have a significant influence on customer satisfaction. The accessibility factor has a big impact on the level of customer satisfaction, and the findings of the survey indicate that respondents are in agreement on the fact that SHWE Bank's services are simple to use and that the bank is simple to get in touch with. According to the reputation of the respondents, it was discovered that a substantial influence of statement of SHWE Bank with SHWE Bank is well recognized to the general public. According to the findings of this research, there is a strong and considerable positive influence of responsiveness, empathy, and assurance on customer satisfaction toward SHWE Bank.

It is the most important factor to improve customer satisfaction because employees of SHWE Bank are always willing to assist customers and they never appear to be too busy to respond to customers' requests in a timely manner. The strongest connection and most significant item with customer satisfaction is responsiveness. Among these other factors, responsiveness has the strongest connection to customer satisfaction. The attentiveness of a bank employee is directly correlated to the level of pleasure experienced by a bank's customers. The banks that have workers that are very sensitive to consumer needs are more likely to have loyal customers. According to the study, the level of customer satisfaction has a substantial impact on the level of customer loyalty. The statistical results mention that the majority of the responses dimension showed the agreement of customer of I would speak positive things about SHWE Bank to other. Customers have a propensity to quickly move to another service, regardless of how wonderful the quality of the service may be, if it is not provided in a polite and courteous manner. As a conclusion to the findings, we can state that the quality of service is influenced by the level of customer satisfaction. The findings also show that the respondents provided positive feedback regarding the level of customer satisfaction, which has a positive influence on the quality of service provided by SHWE Bank's services. On the other side, there was a beneficial impact of customer loyalty, which is predicted by customer satisfaction. This resulted in a favorable outcome.

5.2 Suggestions and Recommendations

In the service industries, as well as among competitors, it is becoming increasingly crucial for marketers to have a better understanding of the worth of each individual consumer. A culture of putting the needs of customers first must permeate all levels of the business if it is to be able to deliver outstanding customer service. On the basis of the findings, a number of pertinent recommendations and ideas for the enhancement of SHWE Bank are able to be formulated.

According to the findings of this research, the characteristics of service quality known as responsiveness, empathy, and assurance each have a positive significant influence on customer satisfaction. Since responsiveness is the most important and influential component in determining whether or not a consumer is satisfied, it is imperative that staff of financial institutions demonstrate readiness to assist clients who seek their assistance. When assisting customers, staff of the bank will reply to their requests in a timely manner and will not give the impression that they are currently busy.

Employees of the bank are required in order to provide individualized attention to each individual customer, and each employee of the bank should be knowledgeable about the relevant services in order to advise customers as to which service would be most suited to meet their individual requirements. When a client indicates that they are interested in receiving a high interest rate on the money they save, personnel are able to recommend the SHWE Cash Call account as the one that is best suited for clients of this nature. In addition, in order for employees to perform their tasks effectively, financial institutions need to offer them the appropriate support, such as training for the products or customer service, as well as health care.

As a result of Myanmar's status as a developing nation and its population's general unfamiliarity with modern technology and various forms of information technology, As a result, SHWE Bank ought to support equipment that are more user friendly and appoint respective persons to support consumers. For instance, some individuals still use ATMs and mobile banking to transfer money, which is why SHWE Bank needs to supply more modern machines that are simpler to operate for consumers and increase the amount of advertising it does for these value-added services.

In addition, the workers from SHWE Bank have sufficient knowledge and good capacity to answer customers' inquiries in a dependable manner. It is important that this aspect of the business get further emphasis in order to successfully please customers. When it comes to providing the needed service to customers, staff at SHWE Bank are expected to demonstrate personalised and personalized special attention. The employee shows care, respect, and consideration for the customer at all times and truly has the customer's best interests in mind.

The third important factor is the assurance that customers will be satisfied with the service they receive from SHWE Bank as a result of the personnel' friendliness and courtesy in performing their jobs. The banking industry places a high premium on confidence, and trust in investments is enhanced when customers have it. They have confidence in the honesty of the workers of SHWE Bank, which makes them feel safe when conducting business with the bank. Due to these circumstances, the bank ought to give thought to motivating and providing enough training to its front-line employees, the ones who interact directly with and deliver services to consumers on an ongoing basis. In order to provide the necessary customer service and especially to strengthen customer loyalty, a bank needs to make an effort to understand the expectations of customers better than its competitors. Other aspects that still need to be worked on in

order to achieve customer satisfaction should be taken into consideration, and the requisite adjustments should be made to the services. For instance, the clients anticipate the opening of additional branches in locations that are convenient and simple to reach. In addition to this, during working hours, personnel are expected to maintain a tidy appearance, dress appropriately, and provide the individualized attention that is required of them to all clients at all times. In addition, the quality of service that consumers receive is the most important factor in determining whether or not they will remain loyal. Keeping existing customers happy and bringing in new ones are just two of the many benefits that come from maintaining a positive reputation. Consider developing a plan to promote the variables that have an influence on customers in order to improve the likelihood that they will be loyal to SHWE Bank. As a result of the fact that all aspects of service quality have a positive correlation with levels of customer satisfaction and loyalty, a bank manager's primary focus should be on ensuring that the bank's existing customers, in addition to any potential new customers, are pleased with the bank's products and services. According to the findings of this research, responsiveness shows the highest significant link with customer satisfaction, while empathy shows the second highest correlation with customer happiness. These two aspects are connected to the employees of the bank. The managers of the bank should place a strong emphasis on the willingness of their employees to assist customers so that they can provide individualized attention. The assurance displays the third essential component on customer happiness, which is that the bank manager should train the workers to fulfill the knowledgeable and good capacity enough to reliably answer to the customers' requests. Assurance shows that customers are satisfied with the bank. As a result, managers have the responsibility of ensuring that services are supplied to clients in a timely manner and to the best possible standards. In order to accomplish this, they must prepare for comprehensive employee training. If managers are able to achieve this, they will likely be able to satisfy bank customers, who will then become loyal patrons of the bank.

5.3   Needs for Further Studies

The scope of this study is limited to a single financial institution, namely SHWE Bank, and it places an exclusive emphasis on customer contentment and loyalty in relation to the services offered by that institution. There are just eight factors that can be used to measure the impact that service quality has on the level of happiness and loyalty experienced by customers. Additional research should be expanded to find and

assess additional remaining factors that can have an impact on customer satisfaction and loyalty through the quality of service that is offered by banks. This research cannot be said to be representative of the entire SHWE Bank because the survey data were solely based on 152 respondents in the Yazadiyit Branch in Yangon. As a result, a bigger sample size should be utilized for all of the branches. If you do this, the end result of determining the level of service provided by SHWE Bank will be more fruitful.

REFERENCES

Achmad Supriyanto, Bambang Budi Wiyono & Burhanuddin Burhanuddin (2021), the effects of service quality and customer satisfaction on loyalty of bank customers, (1), 193.

Aghdaie, S.F.A, & Faghani, F (2012). Mobile Banking Service Quality and Customer Satisfaction (Application of SERVQUAL Model). Int. J. Management. Bus. Res., 2 (4), 351- 361, autumn 2012

Agus, A., Barker, S., & Kandampully, J. (2007). An exploratory study of service quality in the Malaysian public service sector. *International Journal of Quality & Reliability Management*, 24(2), 177-190.

Akbar, M. M., & Parvez, N. (2009). Impact of service quality, trust, and customer satisfaction on customer's loyalty. *ABAC Journal*, 29(1).

Akhtar, S., Faff, R., Oliver, B., Subrahmanyam, A. (2011). The power of bad: The negativity bias in Australian consumer sentiment announcements on stock returns. *Journal of Banking & Finance*, 35(5), 1239-1249.

Allred, A.T. & Addams, H.L. (2000), "Service Quality at Banks and Credit Unions: What do Their Customers Say?", *International Journal of Bank Marketing* 10, 52-60.

Anand Prakash & Sanjay Kumar Jha & Kapil Deo Prasad & Abhishek Kumar Singh, 2017. "Productivity, quality and business performance: an empirical study," *International Journal of Productivity and Performance Management*, Emerald Group Publishing Limited, pages 78-91, January.

Babakus, E. & Mangold, G.W. (1992).Adapting the SERVQUAL scale to hospital services: an empirical investigation. Health Services Research, 26(6), 767-86.

Bagozzi, & Yi., Y. (1998). On the evaluation of structural equation models. *Journal of the Academy of Marketing Science*, 16(1), 74–94.

Barsky & Nash, 2003, Customer Satisfaction: Applying Concepts to Industry-wide Measures (October-December 2003), Issues 5-6, 173-183.

Belás J. & Gabčová, L. 2016. The relationship among customer satisfaction, Loyalty and financial performance of commercial banks. E & M Economic and Management, Issue 1, pp 132-144

Biati, L & Risnawati. (2021). The effect of sharia marketing strategy and member value toward member satisfaction at KSU BMT Al- Muhajirin Toili Banggai Central Sulawesi. Al- Falah: *Journal of Islamic Economics*.

Bitner, M. J. (1990). Evaluating service encounters: The effects of physical surroundings and employee responses. *The Journal of Marketing*, 69-82.

Boisvert, J.A.; Nick, J. (2011) How brand innovativeness and quality impact attitude toward new service line extension the moderating role of consumer involvement. *Journal of Service Marketing*, v. 25, n. 7, p. 517-527.

Brady, M. K., Cronin, J. J., & Brand, R. R. (2002). Performanceonly measurement of service quality: A replication and extension. *Journal of Business Research*, 55(1), 17–31.

Brady, N.C. and Weil, R.R. (2002) The Nature and Properties of Soil. 13th Edition, Prentice Hall, Upper Saddle River, New Jersey.

Cameran, Mara, Peter Moizer, and Angela Pettinicchio. 2010. Customer satisfaction, corporate image, and service quality in professional services. *Service Industries Journal* 30: 421–35.

Caruana, A. (2002). Service loyalty: The effects of service qual[1]ity and the mediating role of customer satisfaction. *European Journal of Marketing*, 36(7), 811–830.

Chavan, J., Ahmad, F. (2013). Factors Affecting On Customer Satisfaction in Retail Banking: An Empirical Study. *International Journal of Business and Management Invention*, no. 1, pp. 55-62.

Chodzaza, G. E., & Gombachika, H. S. H. (2013). Service quality, customer satisfaction and loyalty among industrial customers of a public electricity utility in Malawi. International *Journal of Energ y Sector Management*, 7(2), 269-282.

Churchill Jr, G.A. and Surprenant, C. (1982), "An investigation into the determinants of customer satisfaction", *Journal of Marketing Research*, November, pp. 491-504.

Cronin, J. J., & Taylor, S. A. (1992). Measuring service quality - A reexamination and extension *Journal of Marketing*, 56(3), 55-68

Cronin, J. J., & Taylor, S. A. (1994). SERVPERF Versus SERVQUAL - Reconciling performanc-based and perceptions-minus-expectations measurement of service quality *Journal of Marketing*, 58(1), 125-131

Cronin.Jr, 2000, Assessing the effects of quality, value, and customer satisfaction on consumer behavioral intentions in service environments, 76(2), 193-218.

Dabbolkar, P. A. (1995). A contingency framework for predicting causality between customer satisfaction and service quality. Advances in Consumer Research, 22(1), 101-108.

Dabholkar, P. A., Thorpe, D. I., & Rentz, J. O. (1996). A Measure of Service Quality for Retail Stores: Scale Development and Validation. *Journal of the Academy of Marketing Science*, 24, 3-16.

Dawar, P. (2013). A Study of Factors Affecting Customer Satisfaction in Present Highly Competitive Banking Industry Prerna Dawar. Asia Pacific *Journal of Marketing & Management* Review. ISSN, 2(2), 2319–2836.

Dick, S.A. & Basu, K. 1994. Customer Loyalty: Toward an integrated conceptual framework. *Journal of the Academic Marketing Science*, Issue 2, pp 99-113.

Flavian, C. Torres, E. & Guinaliu, M. (2004), "Corporate Image Measurement– A further Problem for the Tangibilization of Internet Banking Services", The *International Journal of Bank Marketing* 22, 366-384.

Fornell, Claes (2007), The Satisfied Customer: Winners and Losers in the Battle for Buyer Preference. New York: Palgrave Macmillan.

Gountas I., Sypsa V., Anagnostou O., Martin N. K., VickermanP., Kafetzopoulos E.et al. Treatment and primary prevention in people who inject drugs for chronic hepatitis C infection: is elimination possible in a high prevalence setting?Addiction2017;112:1290–9.

Gronroos, C. (1984). A service quality model and its marketing implications, European *Journal of Marketing* 18 (4), 36 – 44.

Hassan, M., Malik, A., Imran, M., Hasnain, A., & Abbas, J. (2013). Relationships among customers' perceived service quality, satisfaction and loyalty in the retail banking sector of Pakistan. *World Applied Science Journal*, 24(8), 1020–1030

Herington, C., & Weaven, S. (2009). E-retailing by banks: E-service quality and its importance to customer satisfaction. European *Journal of Marketing*, 43, 1220–1231

HORVAT, S.; DOSEN, D. O. (2013) Perceived risk influence on the consumer attitude to private labels in the product's life cycle growth stage. Economic and Business Review, n. 4, p. 267-9

Ismail, I., Haron, H., Nasir Ibrahim, D., & Mohd Isa, S. (2006). Service quality, client satisfaction, and loyalty towards audit firms: Perceptions of Malaysian public listed companies. *Managerial Auditing Journal*, 21(7), 738-756.

J Ojasalo (2010). E-service quality; a conceptual model, *International Journal of Arts and Sciences* 3 (7), 127-143

Jaber, H. M. and Islam, A. (2012). Understanding perceived service quality and satisfaction: A study of Dhaka University Library, Bangladesh. Performance Measurement and Metrics, No. 3, pp., 13(3): 169-82.

Joseph, M., Sekhon, Y., Stone, G., & Tinson, J. (2005). An exploratory study on the use of banking technology in the UK: A ranking of importance of selected technology on consumer perception of service delivery performance. International *Journal of Bank Marketing*, 23(5), 397-413.

Khadka, K & Maharjan, S (2017). Customer Satisfaction and Customer Loyalty. Centria University of applied Sciences, Business Management. Centria University of Applied Sciences Pietarsaari. No.4.

Khan, M., & Fasih, M. (2014). Impact of service quality on customer satisfaction and customer loyalty: Evidence from banking. Pakistan *Journal of Commerce and Social Sciences*, 8, 331–354.

Kheng, L. L., Mahamad, O., Ramayah, T., & Mosahab, R. (2010). The impact of service quality on customer loyalty: A study of banks in Penang, Malaysia. International *Journal of Marketing Studies*, 2(2), p57.

Kotler, P. & Armstrong, G. 2001. Wrong Veronica. Principles of marketing. 4th edition. England: Pearson Education Ltd.

Kotler, P., & Armstrong, G. (2010). The Influence of Personal Characteristics on Customers' Perception of E-Banking Service Quality and Cost Effectiveness in Vietnam, *Journal of Social Sciences,* No.1, January 27, 2022

Kotler, P., & Keller, K. (2006). Marketing Management (pp. 402): New Delhi, India: Prentice-Hall

Kotler, P., Browne, J.P. & Makens, J.C. 2003. Marketing for hospitality & tourism. 3rd Edition.

Kotler, P., Keller, K. L., Koshy, A., & Jha, M. (2009). Marketing management: A SouthAsian perspective (13th ed.): New Delhi, DL: Pearson Prentice Hall.

Kumar, V., Aksoy, L., Donkers, B., Venkatesan, R., Wiesel, T., & Tillmanns, S. (2010). Undervalued or overvalued customers: Capturing total customer engagement value. *Journal of Service Research*, 13(3), 297-310.

Ladhari, R., Souiden, N. and Ladhari, I. (2011) Determinants of Loyalty and Recommendation: The Role of Perceived Service Quality, Emotional Satisfaction and Image. *Journal of Financial Services Marketing*, 16, 111-124.

Lee, M. D., Criss, A. H., Devezer, B., Donkin, C., Etz, A., Leite, F. P., et al. (2019). Robust modeling in cognitive science.

Lee, S., & Moghavvemi, S. (2015). The dimension of service quality and its impact on customer satisfaction, trust, and loyalty: A case of Malaysian banks. *Asian Journal of Business and Accounting*, 8(2), 91–121.

Malhotra, K. N. 2005. Review of Marketing Research: Special issue marketing legends. UK: Emerald Group Publishing Limited.

Naik, C. K., Gantasala, S. B., & Prabhakar, G. V. (2010). Service Quality (SERVQUAL) and Its Effect on Customer Satisfaction in Retailing. European *Journal of Social Sciences*, 16, 231-243.

Narteh, B. (2013). Service quality in Automated Teller Machines: an empirical investigation. Managing Service Quality, 23(1), 62-89.

Nguli, R. K. (2016). Internal Factors Affecting Customer Satisfaction of Commercial Banks In Kitui Town. Kitui Town.

Oliver, R. "Value as Excellence in the Consumption Experience." In M. Holbrook (Ed.), Consumer Value: A Framework for Analysis and Research, 43-62, New York: Routledge, 1999.

Oliver, R. L., (1977), Effect of expectation and disconfirmation on post exposure product evaluation: An alternative interpretation, *Journal of Applied Psychology*, 62 (4), 480- 486.

Oliver, R. L., (1980), A cognitive model of the antecedents and consequences of satisfaction decisions. *Journal of Marketing Research*, 17(4), 460-469.

Oliver, R. Satisfaction: A Behavioral Perspective on the Consumer. Boston: McGraw-Hill, 1997.

Oliver, R.L. (1999), "Whence consumer loyalty?", *Journal of Marketing*, No. 4, pp. 33-44.

Panda, T. K. (2003). Creating customer life time value through effective CRM in financial services industry. *Journal of Services Research*, 2(2), 157-171.

Parasuraman, A., V. A. Zeithaml, V. A., & Berry. L. L. (1994). Alternative scales for measuring service quality: a comparative assessment based on psychometric and diagnostic criteria, *Journal of Retailing* 70 (3), 201 – 230

Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A Conceptual Model of Service Quality and Its Implications for Future Research. *Journal of Marketing*, 49(4), 10.

Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988). Servqual: A Multiple-Item Scale For Measuring Consumer Perceptions of service quality *Journal of Retailing*, 64(1), 12-40.

Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1991). Refinement and reassessment of the SERVQUAL scale, *Journal of Retailing* 67(4), 420 – 445.

Parasuraman, A., Zeithaml, V. A., & Malhotra, A. (2005). E-S-QUAL - A multiple-item scale for assessing electronic service quality. *Journal of Service Research*, 7(3), 213-233

Parasuraman, A., Zeithmal, V. and Berry, L.L. (1985), A conceptual model of service quality and its implications for future research, *Journal of Marketing*, Fall, pp. 41 50

Puriwat W., Tripopsakul S 2017, "The Impact of service quality on Customer Satisfaction and Loyalty in Mobile Banking Usage"

Saghier, N., & Nathan, D. (2013). Service Quality Dimensions and Customer's Satisfactions of Banks in Egypt. 20th International Business Research Conference, Dubai, 4-5 April 2013, 1-13.

Sangadji, E.M., dan Sopiah. (2013). Perilaku Konsumen. Yogyakarta: Penerbit Andi.

Santoso, J. F.; Kunto, Y. S. (2014) Pengaruh perceived quality terhadap attitude toward brand padapengguna smartphone samsung di surabaya. Jurnal Manajemen Pemasaran Petra, n. 1, p.1-7.

Taherikia, F., & Shamsi, B. (2014). Evaluation and ranking of the factors influencing the quality of e-banking service. Kuwait Chapter of the Arabian *Journal of Business and Management Review*, 3(11), 165.

Tsoukatos, E., & Mastrojianni, E. (2010). Key determinants of service quality in retail banking. uroMed *Journal of Business*, 5(1), 85-100.

Ueltschy Linda C., and Krampf Robert (2001), "Cultural Sensitivity to Satisfaction and Service Quality Measures," *Journal of Marketing Theory and Practice*, 9 (summer), 14–31.

Yang, Z. and Peterson, R.T. (2004) Customer Perceived Value, Satisfaction, and Loyalty: The Role of Switching Costs. Psychology and Marketing, 21, 799-822.

Yang, Z., Jun, M., & Peterson, R. T. (2004). Measuring customer perceived online service quality: Scale development and managerial implications. International *Journal of Operations & Production Management*, 24(11), 1149–1174

Yarimoglu, E. K. (2014). A review on dimensions of service quality models. *Journal of Marketing Management*, 2(2), 79-93

Yi Y (1990). A critical Review of Consumer Satisfaction. In: Zeithaml V (Eds.), Review of Marketing: 68-123. American Marketing Association, Chicago, USA.

Zeithaml, V., Berry, L., & Parasuraman, A. (1996). The behavioral consequences of service quality. *Journal of Marketing*, 60, 31–46

APPENDIX A

Location of SHWE Bank's Branches

No.	Branch	Address
1	Head Office	66-67, Pansoedan Street, Corner of Merchant Road, Kyauktada Township, Yangon.
2	Bayint Naung	K/39/A, Bayintnaung Road, Ward (1), Mayangone Township, Yangon.
3	Mandalay	No.132/51, Corner of 79 & 27 Street, Chan Aye Thazan Township, Mandalay.
4	Yarza Di Yit	149, Rm 8/9/10, Yarzadirit Street, Yarzadiyit Housnig, Botahtaung, Yangon.
5	Shwe Gone Thu	Bldg A/1, Rm G/5, Lower Kyeemyindaing Road, Shwe Gone Thu Housing, Kyeemyindaing Townshiop, Yangon.
6	Mawlamyine	No.26, Plot No.36, No.151/C, Dine Won Kwin Road, Mandalay Ward, Mawlamyine.
7	Naypyitaw	Pa-29/30, Pwe Yone Tan, Thapyay Kone Word, Zabuthiri Township, Naypyitaw.

Source: SHWE Bank

APPENDIX B

QUESTIONNAIRE SURVEY

Dear Sir/Madam,

      The purpose of this questionnaire is to collect data on Service Quality, Customer Satisfaction and Customer Loyalty Towards SHWE Bank as part of my academic research study for the MBF at YUE. I appreciate your value and time in responding to the question and assure you of confidentiality and privacy.

Section (A): General Information

Gender

☐   Male

☐   Female

Marital Status

☐   Single

☐   Married

Age (Years)

☐   18 – 26 years

☐   27 – 35 years

☐   36 – 44 years

☐   45 – 53 years

☐   54 years and above

Education Background

☐   High School

☐   Undergraduate

☐   Graduate

☐   Post-graduate

☐   Master and above Level

☐   Other….

Working Organizations

☐ Government

☐ Private

☐ Owner

☐ Dependent

Monthly Income

Under 200,000 MMK

200,001 – 400,000 MMK

400,001 – 600,000 MMK

600,001 – 800,000 MMK

800,001 – 1,000,000 MMK

Above 1,000,000 MMK

Length of SHWE Bank's Services Usage

☐ Less than 1 year

☐ 1 – 3 years

☐ 3 years and above

On Average, how often do you use the services?

☐ Rarely

☐ Occasionally

☐ Frequently

☐ Always

☐ Never

Which services had been used from SHWE Bank?

☐ Deposit

☐ Withdrawal

☐ Remittance

Which types of accounts do you have in SHWE Bank?

Saving Account

Current Account

Fixed Account

Call Deposit Account

Overdraft Account

Mobile Banking Account

Card User

Section (B)

Please describe level of your agreement on each statement by providing the most relevant number.

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

No	Service Quality Dimensions Statement	Agreement Level				
		1	2	3	4	5
Reliability						
1	SHWE Bank provides services at the time it promises to do so.					
2	SHWE Bank shows a sincere interest in solving problem.					
3	SHWE Bank serves good interest rate on savings (high) and Loans (low).					
4	SHWE Bank tells you exactly when services will be performed.					
5	SHWE Bank keeps and handles your data and information in a confidential manner.					
Assurance						
6	SHWE Bank's employees are trustworthy and you feel secured in doing transactions with bank.					
7	SHWE Bank's employees are friendly and courteous in serving.					
8	SHWE Bank's employees are knowledgeable and good ability enough to reliably respond to my questions.					
9	Information provided by SHWE Bank's employees are clear and understandable.					
Tangibility						
10	SHWE Bank has good level of cleanliness of office facilities.					

11	SHWE Bank offices are visually appealing and have adequate parking.					
12	SHWE Bank's employee well dressed and professional appearance					
13	Printed materials (forms, brochures, monthly statements, banks cards, etc) look attractive.					
Empathy						
14	SHWE Bank gives you individual attention.					
15	Employees of SHWE Bank give personal attention to each customer.					
16	SHWE Bank has operating hours convenient to all customers.					
17	SHWE Bank's employees get adequate support from the bank to do their jobs well.					
18	SHWE Bank's employees know to advise me what would be the most proper service for your specific needs.					
Responsiveness						
19	SHWE Bank's employees prevent long waiting lines.					
20	SHWE Bank's employees have willingness to help and accepting advice from customers.					
21	SHWE Bank's employees are quick in eliminating potential errors.					
22	Employees of SHWE Bank are never too busy to respond to your request immediately.					
Security						
23	SHWE Bank is secured in transactions.					
24	SHWE Bank provides security of deposits.					
25	Personal and Financial data of SHWE Bank is secured.					
26	SHWE Bank provides security at entrance and exit.					
27	SHWE Bank secures the customer information.					
Access						
28	SHWE Bank's services is Convenient to me.					
29	Required time available for transactions.					

30	SHWE Bank's services is easy to access.					
31	Branches of SHWE Bank have in convenient location.					
32	SHWE Bank can be ease of contact.					
Reputation						
33	SHWE Bank is reputed to keep promises for customers.					
34	SHWE Bank has goodwill in the banking industry.					
35	SHWE Bank has a positive image among customers and public.					
36	SHWE Bank is well known to mass people.					

No.	Customer Satisfaction Statement	Agreement Level				
		1	2	3	4	5
1	I am satisfied with office decoration.					
2	I am satisfied with the employee cooperation.					
3	SHWE Bank can meet my expectations better.					
4	I am satisfied with the performance and service quality provided to me from SHWE Bank.					
5	I have no complain against with SHWE Bank.					

No.	Customer Loyalty Statement	Agreement Level				
		1	2	3	4	5
1	I intend to keep using the products/services from SHWE Bank.					
2	I would say positive things about SHWE Bank to other people.					
3	I will recommend SHWE bank to someone who seeks my advice.					
4	I consider myself to be loyal to the SHWE Bank.					
5	I consider SHWE Bank that my first choice in the future.					

The answer result will be used in MBF Thesis for educational purpose only!

Thanks for your kind help and participation.

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	F	81	53.3	53.3	53.3
	M	71	46.7	46.7	100.0
	Total	152	100.0	100.0	

Marital Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	M	67	44.1	44.1	44.1
	S	85	55.9	55.9	100.0
	Total	152	100.0	100.0	

Age (Years)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	37	24.3	24.3	24.3
	2	60	39.5	39.5	63.8
	3	33	21.7	21.7	85.5
	4	13	8.6	8.6	94.1
	5	9	5.9	5.9	100.0
	Total	152	100.0	100.0	

Education Background

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	G	92	60.5	60.5	60.5
	H	2	1.3	1.3	61.8
	M	15	9.9	9.9	71.7
	O	4	2.6	2.6	74.3
	P	23	15.1	15.1	89.5
	U	16	10.5	10.5	100.0
	Total	152	100.0	100.0	

Working Organizations

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	D	16	10.5	10.5	10.5
	G	28	18.4	18.4	28.9
	O	30	19.7	19.7	48.7
	P	78	51.3	51.3	100.0
	Total	152	100.0	100.0	

Monthly Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	44	28.9	28.9	28.9
	4	36	23.7	23.7	52.6
	6	19	12.5	12.5	65.1
	8	16	10.5	10.5	75.7
	A	13	8.6	8.6	84.2
	U	24	15.8	15.8	100.0
	Total	152	100.0	100.0	

Length of SHWE Bank's Services Usage

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	44	28.9	28.9	28.9
	3	39	25.7	25.7	54.6
	L	69	45.4	45.4	100.0
	Total	152	100.0	100.0	

On Average, how often do you use the services?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	A	21	13.8	13.8	13.8
	F	61	40.1	40.1	53.9
	N	2	1.3	1.3	55.3
	O	50	32.9	32.9	88.2

		Frequency	Percent	Valid Percent	Cumulative Percent
	R	18	11.8	11.8	100.0
	Total	152	100.0	100.0	

Which services had been used from SHWE Bank?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	D	92	60.5	60.5	60.5
	R	18	11.8	11.8	72.4
	W	42	27.6	27.6	100.0
	Total	152	100.0	100.0	

Which types of accounts do you have in SHWE Bank?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	C	49	32.2	32.2	32.2
	F	42	27.6	27.6	59.9
	P	7	4.6	4.6	64.5
	S	54	35.5	35.5	100.0
	Total	152	100.0	100.0	

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.657	.658	5

Item Statistics

	Mean	Std. Deviation	N
R1	3.66	.821	152
R2	3.72	.825	152
R3	3.95	.792	152
R4	3.80	.719	152
R5	4.09	.833	152

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.846	3.664	4.092	.428	1.117	.031	5

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.760	.759	4

Item Statistics

	Mean	Std. Deviation	N
A1	3.86	.822	152
A2	3.99	.750	152
A3	3.93	.764	152
A4	3.77	.818	152

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.888	3.770	3.993	.224	1.059	.009	4

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.742	.734	4

Item Statistics

	Mean	Std. Deviation	N
T1	3.95	.717	152
T2	3.93	.790	152

T3	3.88	.736	152
T4	3.99	.780	152

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.936	3.882	3.987	.105	1.027	.002	4

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.856	.868	5

Item Statistics

	Mean	Std. Deviation	N
E1	3.84	.831	152
E2	4.00	.737	152
E3	3.71	.851	152
E4	3.82	.767	152
E5	3.89	.747	152

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.853	3.711	4.000	.289	1.078	.011	5

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.769	.799	4

Item Statistics

	Mean	Std. Deviation	N
Rp1	3.68	.811	152
Rp2	4.06	.683	152
Rp3	3.72	.791	152
Rp4	3.99	.772	152

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.862	3.678	4.059	.382	1.104	.036	4

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.902	.900	5

Item Statistics

	Mean	Std. Deviation	N
CS1	3.72	.756	152
CS2	3.89	.711	152
CS3	3.75	.871	152
CS4	3.78	.782	152
CS5	3.61	1.004	152

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.750	3.605	3.895	.289	1.080	.011	5

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.954	.953	5

Item Statistics

	Mean	Std. Deviation	N
CL1	3.70	.744	152
CL2	3.86	.776	152
CL3	3.76	.890	152
CL4	3.70	.814	152
CL5	3.67	.926	152

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.738	3.671	3.855	.184	1.050	.005	5

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.752	.797	5

Item Statistics

	Mean	Std. Deviation	N
S1	3.57	.881	152
S2	3.66	.700	152
S3	4.07	.926	152
S4	4.09	.766	152
S5	3.92	.960	152

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.863	3.572	4.092	.520	1.145	.055	5

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.716	.728	5

Item Statistics

	Mean	Std. Deviation	N
ACC1	3.84	.759	152
ACC2	3.82	.909	152
ACC3	3.99	.797	152
ACC4	3.67	.897	152
ACC5	4.10	.761	152

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.882	3.671	4.099	.428	1.116	.027	5

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.658	.655	4

Item Statistics

	Mean	Std. Deviation	N
RE1	3.82	.909	152
RE2	3.80	.764	152

RE3	3.88	.879	152
RE4	4.12	.868	152

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.903	3.803	4.118	.316	1.083	.022	4

Correlations

		Reliability	Assurance	Tangibles	Empathy	Responsiveness	Security	Access	Reputation	Custo_Sati	Customer_Loyality
Reliability	Pearson Correlation	1	.478**	.573**	.445**	.492**	-.006	.086	-.007	.387**	.468**
	Sig. (2-tailed)		.000	.000	.000	.000	.940	.293	.934	.000	.000
	N	152	152	152	152	152	152	152	152	152	152
Assurance	Pearson Correlation	.478**	1	.467**	.524**	.572**	-.094	-.004	-.142	.543**	.527**
	Sig. (2-tailed)	.000		.000	.000	.000	.250	.961	.081	.000	.000
	N	152	152	152	152	152	152	152	152	152	152
Tangibles	Pearson Correlation	.573**	.467**	1	.528**	.584**	.063	.245**	-.120	.468**	.525**
	Sig. (2-tailed)	.000	.000		.000	.000	.444	.002	.142	.000	.000
	N	152	152	152	152	152	152	152	152	152	152
Empathy	Pearson Correlation	.445**	.524**	.528**	1	.631**	-.029	.136	-.171*	.633**	.634**
	Sig. (2-tailed)	.000	.000	.000		.000	.722	.095	.035	.000	.000
	N	152	152	152	152	152	152	152	152	152	152
Responsiveness	Pearson Correlation	.492**	.572**	.584**	.631**	1	.006	.050	-.136	.640**	.599**
	Sig. (2-tailed)	.000	.000	.000	.000		.945	.539	.096	.000	.000
	N	152	152	152	152	152	152	152	152	152	152
Security	Pearson Correlation	-.006	-.094	.063	-.029	.006	1	.582**	.391**	.008	-.038
	Sig. (2-tailed)	.940	.250	.444	.722	.945		.000	.000	.918	.644
	N	152	152	152	152	152	152	152	152	152	152
Access	Pearson Correlation	.086	-.004	.245**	.136	.050	.582**	1	.192*	.110	.070
	Sig. (2-tailed)	.293	.961	.002	.095	.539	.000		.018	.178	.389
	N	152	152	152	152	152	152	152	152	152	152
Reputation	Pearson Correlation	-.007	-.142	-.120	-.171*	-.136	.391**	.192*	1	-.171*	-.189*
	Sig. (2-tailed)	.934	.081	.142	.035	.096	.000	.018		.035	.020
	N	152	152	152	152	152	152	152	152	152	152
Custo_Sati	Pearson Correlation	.387**	.543**	.468**	.633**	.640**	.008	.110	-.171*	1	.620**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.918	.178	.035		.000
	N	152	152	152	152	152	152	152	152	152	152
Customer_Loyality	Pearson Correlation	.468**	.527**	.525**	.634**	.599**	-.038	.070	-.189*	.620**	1

| Sig. (2-tailed) | .000 | .000 | .000 | .000 | .000 | .644 | .389 | .020 | .000 | |
| N | 152 | 152 | 152 | 152 | 152 | 152 | 152 | 152 | 152 | 152 |

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

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

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.738	3.671	3.855	.184	1.050	.005	5

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.720[a]	.519	.503	.33907	1.634

a. Predictors: (Constant), Responsiveness, Reliability, Assurance, Empathy, Tangibles

b. Dependent Variable: Custo_Sati

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.115	5	3.623	31.512	.000[b]
	Residual	16.785	146	.115		
	Total	34.900	151			

a. Dependent Variable: Custo_Sati

b. Predictors: (Constant), Responsiveness, Reliability, Assurance, Empathy, Tangibles

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.620[a]	.385	.381	.42452	1.892

a. Predictors: (Constant), Custo_Sati

b. Dependent Variable: Customer_Loyality

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	16.906	1	16.906	93.805	.000[b]
	Residual	27.033	150	.180		
	Total	43.939	151			

a. Dependent Variable: Customer_Loyality

b. Predictors: (Constant), Custo_Sati

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.128	.272		4.153	.000
	Custo_Sati	.696	.072	.620	9.685	.000

a. Dependent Variable: Customer_Loyality

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.724[a]	.525	.498	.34058	1.637

a. Predictors: (Constant), Reputation, Reliability, Access, Empathy, Assurance, Security, Tangibles, Responsiveness

b. Dependent Variable: Custo_Sati

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.313	8	2.289	19.735	.000[b]
	Residual	16.587	143	.116		
	Total	34.900	151			

a. Dependent Variable: Custo_Sati

b. Predictors: (Constant), Reputation, Reliability, Access, Empathy, Assurance, Security, Tangibles, Responsiveness

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.167	.443		.377	.707		
	Reliability	-.015	.085	-.013	-.173	.863	.589	1.697
	Assurance	.207	.083	.189	2.500	.014	.581	1.721
	Tangibles	.015	.090	.014	.167	.867	.489	2.047
	Empathy	.363	.092	.315	3.933	.000	.519	1.927
	Responsiveness	.359	.096	.320	3.739	.000	.454	2.204
	Security	.030	.067	.034	.447	.656	.568	1.759
	Access	.039	.068	.042	.569	.570	.596	1.678
	Reputation	-.070	.067	-.067	-1.043	.299	.800	1.250

a. Dependent Variable: Custo_Sati