

**YANGON UNIVERSITY OF ECONOMICS  
DEPARTMENT OF COMMERCE  
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**SERVICE QUALITY, CUSTOMER SATISFACTION AND  
CUSTOMER LOYALTY TOWARDS INTERNATIONAL TRADE  
SERVICES OF MYANMAR CITIZENS BANK LTD**

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CUSTOMER LOYALTY TOWARDS INTERNATIONAL TRADE  
SERVICES OF MYANMAR CITIZENS BANK LTD**

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Executive Master of Banking and Finance (EMBF)

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## **ABSTRACT**

The aims of the study are to analyze the effect of service quality on customer satisfaction and to examine the effect of customer satisfaction on customer loyalty towards international trade services provided by Myanmar Citizens Bank Ltd. (MCB). Qualitative research method and descriptive statistics are used to achieved these aims. Both primary and secondary data are utilized to conduct this study. Multiple regression analysis is used in this study. As a sample size,150 corporate customers who used international trade services and made transactions at MCB Head Office are selected by using simple random sampling method. The secondary data are collected from various sources such as previous research papers, journals and related text books. Concerning the service quality variables, the study showed that reliability, responsiveness and product differentiation had positive and significant effect on customers satisfaction towards international trade services of MCB Bank. When the effect of customer satisfaction on customer loyalty was analyzed, it was found that there was a positive and significant effect of customer satisfaction on customer loyalty towards international trade services provided by MCB Bank. Therefore, higher level of reliability, responsiveness and differentiation positively affected on corporate customer satisfaction and consequently led to corporate customer loyalty towards international trade services provided by MCB. MCB Bank should focus on service quality provided by its employees concerning the aspects of assurance and tangibility and providing customers secure feeling when they make international transaction.

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## **LIST OF ABBREVIATIONS**

D/A	Document Against Acceptance
D/P	Document Against Payment
ICC	International Chamber of Commerce
IFC	International Finance Corporation
IMF	International Monetary Fund
INCOTERMS	International Commercial Terms
ISBP	International Standard Banking Practices
ISP	International Standby Practices
ITC	International Trade Center
L/C	Letter of Credit
MT	Message Type
SWIFT	Society for Worldwide Interbank Financial Telecommunication
SBLC	Standby Letter of Credit
TFP	Trade Finance Program
UCP	Uniform Customs and Practice for Documentary Credit
URC	Uniform Rules for Collections

# CHAPTER I

## INTRODUCTION

The banking industry is an important industry in any country's economy and the success of a country's banking system depends on its operations, products and services. Banks have always played an important role and are an integral part of the overall economy of the country.

Banks play an important role in international trade. The banks act as intermediaries between importers and exporters. Banks are large financial institutions, they are reliable and their customers can rely on them. They provide import and export customers with consulting and trading services on various objects. They collect payments from overseas countries and overseas importers and remit to overseas exporters on behalf of their customers. Banks provide a variety of structured trading services to the national and international business community.

Myanmar is in the midst of a democratic and economic transition. The country is moving from a centralized economy to a market-oriented economy. There are high expectations for this transition at both the national and regional levels. Myanmar's banking sector currently consists of 4 state-owned banks, 27 domestic private banks and 13 foreign bank branches. In addition, 49 representative offices of foreign banks are listed on CBM website. (GIZ Myanmar Bank Report, 2018)

Trade finance plays an increasingly important role in emerging markets like Myanmar. Prior to 2012, international trade services was monopolized by state-owned banks. Today, local banks offer fee-based services such as letters of credit, bank guarantees, interest-bearing services such as pre- and post-shipment import financing, and export financing. In December 2017, the Central Bank of Myanmar allowed foreign banks to provide export financing services, and in August 2018, allowed foreign banks to provide import trade financing services. (GIZ Myanmar Bank Report, 2018)

Banking today is more customer-centric than ever before. Customer satisfaction is a competitive advantage in the banking industry and plays an important role. Banks need to understand customer expectations.

Customer loyalty is also one of the most important factors in determining market-competitiveness. The customer loyalty leads more to a form of behavior rather than a form of attitude. Through the loyalty of front-line employees to the bank will lead to a

better quality of customer relationships. Frontline employees represent a representative of the bank's products and services leading to the achievement of customer loyalty through their performance. The performance of front-line employees will be perceived through service quality to customers. Customer loyalty considered as backbone for banks as it is way for sustaining and increasing sales. As well as it plays important role for increasing profits, as it is obvious that the cost of obtaining new customers is much higher than to serve current customers (Griffin, 2002). Therefore, the study is conducted to measure the service quality effect on customer satisfaction and customer loyalty of international trade service users.

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

The economies of the globe have grown increasingly linked, and a significant portion of most economies is comprised of foreign commerce through globalization. Consumers gain products or services from having more alternatives available to them, and firms are forced to manufacture things or provide services that are both high-quality and cost-effective as a result of the increased competition brought about by competitive organizations. Therefore, there is a need for international trade transaction services in banking industry.

Sometimes service is produced and consumed at the same time, it is not separated with service. In most services, quality arises during service delivery, usually when customer and service employee interacts. Delivering high service quality makes measurable benefits in profit, cost savings, and market share. Therefore, there are many researches about understanding of the nature of service quality and how it is achieved. Companies need to create an environment inside the organization that is more prone towards meeting service quality standards according to the customer requirements. There are many organizations actively using some form of customer satisfaction measurement to develop, monitor, and/or evaluate product and service offerings, as well as to evaluate, motivate, and compensate employees.

International Trade Services have low funding requirements, are a significant source of fee income, offer competitive risk-related margins, provide foreign currency exchange services, provide value-added services, and are authentic to our clients' businesses. It is very attractive to banks as it adds value of, provide strong cross-selling opportunities, and customer retention and expansion.

Bank staffs need to carry out these services not to make any error in every transactional steps in international trading. Therefore, this study is to measure mainly customer service quality in the international trade services.

MCB Bank is one of Myanmar's private banks with over 1000 employees and 47 branches nationwide. In recent years, MCB Bank has invested heavily in its strategic priorities of people, governance and technology. MCB Bank has provided international trade services to exporters and importers, supported by a dedicated and experienced trade operations team to meet customer needs and gain market share.

In terms of maintaining and growing market share, MCB Bank must have a certain level of customer satisfaction and customer loyalty with its products and services. For that reason, MCB bank need to know their customers' perceptions for retaining and winning important customer by offering better services and well-configured products.

Base on the result of this study, MCB Bank can review and evaluate their international trade services are efficient and effective for their customer and are performing the high level services quality among the other commercial banks.

This research targets to identify what are the international trade services and also analyze the effect of service quality on customer satisfaction and customer loyalty towards international trade services provided by MCB Bank.

## **1.2 Objectives of the Study**

The main objectives are to study as follows:

- i. To analyze the effect of service quality on customer satisfaction towards international trade services provided by MCB Bank
- ii. To examine the effect of customer satisfaction on customer loyalty towards international trade services provided by MCB Bank

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

This study focused on service quality, customer satisfaction and customer loyalty towards international trade services provided by MCB. Qualitative method and descriptive analysis are used in this study. Moreover, both primary and secondary data are utilized to conduct this study. Population of the study is corporate customers who use international trade services from MCB Bank (Head Office). To get the primary data, 150 corporate customers (20% of population) are selected by using simple random

sampling method. The secondary data are collected from various sources such as previous research papers, journals, theses, related text books. The structure questionnaire with five-point likert scale is used to get the perception of corporate customers on service quality, their satisfaction and their loyalty towards international trade services provided by MCB Bank.

#### **1.4 Organization of the Study**

The study is organized into five chapters. Chapter one is introduction that covers rationale of the study, objectives of the study, scope and method of the study and organization of the study. Chapter two is the theoretical background. Chapter three is profile and international trade services of MCB Bank. Chapter four is analysis of service quality, customer satisfaction and customer loyalty towards international trade services of MCB Bank. Chapter five is the conclusion which contains findings and discussions, suggestions and recommendations and need for further studies.

## **CHAPTER II**

### **THEORETICAL BACKGROUND**

This chapter focuses on the theories and the influencing factors on customers satisfaction and customer loyalty towards International Trade Services.

#### **2.1 Service Quality**

Service quality means the difference between customer expectations about perceived service and the actual service provided (Parasuraman et al., 1985). In this competitive era, service quality is like a weapon to sustain and compete with the competitors. Particularly in the banking sector, service quality is mostly essential because it provides high level of customer satisfaction, and thus it became a greater means of gaining competitive advantage (Almossawi, 2001). Especially in the context of private banking sector, service quality is the key to grab customers' attention by achieving customers' satisfaction and customers' loyalty. As there are huge options to the customers, if customers are not properly satisfied with the service provider, they will not be loyal to the organization and will switch to its competitors. To satisfy customers and make them loyal, it is necessary to strictly emphasize on organization's service quality as it has a great impact on customers satisfaction and customers loyalty.

Measuring quality in the service sector is harder than in the manufacturing sector because quality evaluations are not only based on the outcome of service but are also related to the service delivery process. There are previous studies that determined the criteria for evaluating service quality through the evaluation model. Parasuraman et al. (1985) and Zeithaml et al. (1988) are known as the first mover of service quality researching when providing Service quality model – SERVQUAL model in which service quality is assessed through the gap between “expectation” – (E) and “perception” – (P). The five major dimensions that customers apply to evaluate service quality contain reliability, responsiveness, assurance, product differentiation, and tangibles (Parasuraman et al., 1988).

### **2.1.1 Reliability**

Reliability is the most important determinant of service quality. It is important to give customers confidence that the bank will keep its promises. Reliability defines the ability to reliably and accurately deliver promised services. Customers choose their main banks because they are reputable and trustworthy to process their financial transactions. Banks can build customer trust by providing reliable service through well-trained staff (Parasuraman et al., 1988).

### **2.1.2 Assurance**

Assurance is the knowledge and courtesy of bankers and, as positively described, their ability to provide trust. Engagement is key in the banking industry as clients invest significant amounts of money in the use of trade products. Bankers must provide accurate information and explanations for complex commercial transactions so that clients can feel comfortable with the services provided.

Assurance is the ability to give customers trust and confidence. Most commonly, Assurance is measured by how a bank proves its "competence" in providing services. When a bank has staff with the right qualifications and knowledge to provide the services it needs, it increases trust among customers and increases customer security with the bank (Arasli, Smadi and Katircioglu, 2009).

### **2.1.3 Responsiveness**

In addition, responsiveness is the timely and systematic response to customer needs and desires within customer expectations (Gritti and Foss,2007). Gupta and Dev (2012), on the other hand, define responsiveness to a bank's diligent efforts to ensure that customer needs are met within a specified time.

### **2.1.4 Products differentiation**

Product is one of the most important drivers of the bank's strategy. Billions of dollars are being spent by banks trying to gain access to new product areas. Strategic partnerships have come and gone, and the bank backup model has come and gone many times. Quality from a marketing perspective is the ability of a product to meet customer needs. In that regard, this definition focuses only on the customer and how the customer thinks the product is fit for that purpose. Among the various aspects to be evaluated, product quality should be distinguished (Parasuraman, Zeithaml and Berry, 1991).



Consumers use product-specific, unique cues to assess product quality. At the same time, consumers also rely on relevant external factors, such as price, brand name and store name, as indicators of product quality.

Product differentiation is recognized as an effective way to meet individual customer needs. Helping customers make informed decisions about your company's capabilities and the added value of customization is essential. Customer value analysis not only allows customers to express their preferences for different product features, but also helps companies to justify different customized solutions. Faced with a buyer's market, many industries are moving from mass production to bulk order production. What was once a homogeneous market has evolved into a fragmented and heterogeneous market where customers can express their individual needs (Parasuraman, Zeithaml and Berry, 1994).

### **2.1.5 Tangibility**

Tangibility refers to the physical aspects of a product or service. In the banking industry, this refers to the physical attributes of banks and their services. Bank building checkout, hall aesthetics, waiting rooms, bank seating, and accessibility. Maintaining a professional and comfortable environment can increase customer satisfaction.

## **2.2 Customer Satisfaction**

Satisfaction is an evaluation of emotion and a summary of psychological state originating when the emotion surrounding disconfirmed expectation is coupled with the consumer's prior feelings about the consumption experience. Customer satisfaction is customer reaction to the state of fulfillment, and customer judgment of the fulfilled state (Oliver, 2000). Customer satisfaction reflects the extent to which a consumer believes that the possession or use of a service generate positive feelings.

The key difference between service quality and customer satisfaction is that quality relates to managerial delivery of the service while satisfaction reflects customers experiences with that service. Satisfaction is a post consumption experience which compares perceived quality with expected quality, whereas service quality refers to a global evaluation of a firm's service delivery system (Anderson & Fornell, 1994).

Service quality and customers satisfaction are closely linked constructs, but these are not interchangeable, although both constructs include a comparison of actual quality of service provided and the expected level of service quality.

To attain a high level of customer satisfaction, a high level of service quality should be delivered by the service provider as service quality is normally considered an antecedent of customer satisfaction (Shanka, 2012). Most organizations detect their services quality on a regular basis to ensure maximum customer satisfaction and to improve customer retention and loyalty (Khan & Fasih, 2014). With service quality, organizations can reach a higher level of service quality, a higher level of customer satisfaction, and can maintain a constant competitive advantage. As service quality improves, the probability of customer satisfaction increases and it is also considered to be an important prerequisite for establishing and maintaining a satisfactory relationship with customers (Shanka, 2012).

Banks need to maintain stable and close relationships with their customers keeping the importance of customer satisfaction in mind. Customer satisfaction levels need to be judged. The application of the knowledge of customer satisfaction is crucial to establishing and maintaining a long-term relationship with customers and long-term competitiveness. Banks recognize delivery of quality service to customers is essential for success and survival in today's global and competitive banking environment. Banks may not be able to provide superior services to the customers without knowing customer expectations. Customer expectations can be perceived through the knowledge of satisfaction levels of customers (Jham & Khan, 2009). This involves the measurement of customer satisfaction level. Customer satisfaction cannot be measured without determining the factors affecting customer satisfaction. The relationship between customer satisfaction and service quality has received a good deal of attention in the literature as well as found positive relationship between them Satisfaction is a post consumption experience which compares perceived quality with expected quality, whereas service quality refers to a global evaluation of a firm's service delivery system (Anderson & Fornell, 1994).

### **2.3 Customer Loyalty**

Loyalty is one of the results of customer satisfaction. Whether customer satisfaction directly or indirectly provides customer loyalty though commitments, customer satisfaction is often proposed as the leading determinant of customer loyalty (Jackson, 1985). Bank's profit is closely related to customer loyalty and customer retention. Therefore, banks must develop profitable long-term relationships with their

customers in order to survive in a competitive banking environment. Generally, customer loyalty is the property of enterprises and banks in particular.

In the service sector, service loyalty is the degree to which a customer exhibits repeated purchasing behavior with a service provider, possesses a positive attitude toward that provider, and considers using only this provider when they need. In the banking sector, loyalty refers to after using a bank's service, customers continue to do more businesses with that bank and recommend it to other people. And if there is a need to use other bank services, that bank will be considered as the first choice even though customers know there may have a relatively better option at another bank (Khirallah, 2005).

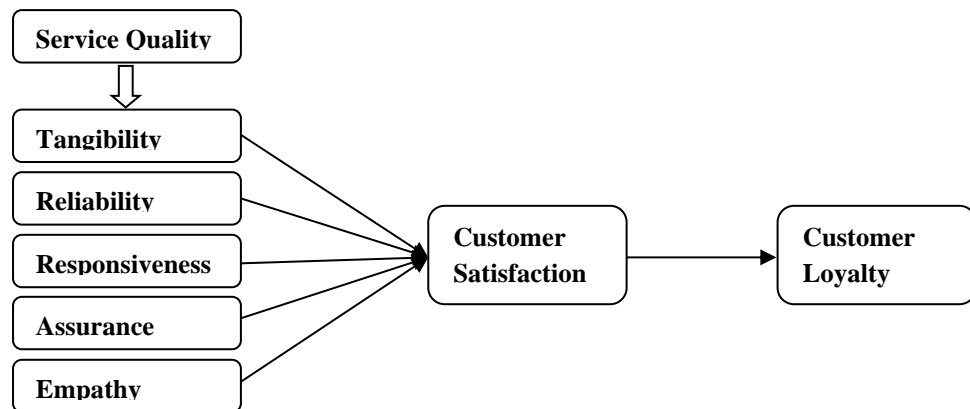
Customer loyalty is the overall behavior of customer regarding product, service or any other aspect of the organization in which customer is involved. Customer loyalty is a commitment to re-buy or re-patronize a preferred product/service consistently in the future. Customer loyalty is a behavior and defined customer loyalty as the proportion of times a purchaser chooses the same product or service in a specific class compared to the total number of purchases made by the purchaser in that class, under the condition that other acceptable products or services are conveniently available in that category. Customer loyalty is the future prediction about the intentions of the customer to do business with the firm as well as multidimensional form which comprises both positive and negative responses (Parasuraman, 1996). Customer loyalty may be measured by asking people how much they like the brand, feel committed to it, will recommend it to others, and have positive beliefs and feelings about it. The advantages of customer loyalty such as: the service cost of a loyal customer is less than new customers; they will pay higher costs for a set of products; and for a company, a loyal customer will act as a word-of-mouth marketing agent (Gee et al., 2008). It is better to maintain the existing customer before acquiring new customers because the cost of serving a loyal customer is five or six times less than a new customer. Customer loyalty motivates customers for repeat purchases and persuades them to refer those products or services to others (Heskett et al,1994).

## **2.4 Previous Studies**

Karim (2019) conducted an analysis "Influence of Service Quality on Customer Satisfaction and Customer Loyalty in the Private Banking Sector of Bangladesh: A PLS Approach". The study intended to determine the impact of Service Quality on Customer

Satisfaction and Customer Loyalty in private banking sector of Bangladesh. Five dimensions of Servqual Model such as tangibility, reliability, responsiveness, empathy, and assurance (Parasuraman, Zeithaml & Berry, 1985) are considered as the base for this study. A structured questionnaire with 5-point Likert scale had been used to gather the data for this study by conducting survey. The sample size was 100 and chosen on a convenient basis.

**Figure (2.1) Conceptual Framework of Karim**

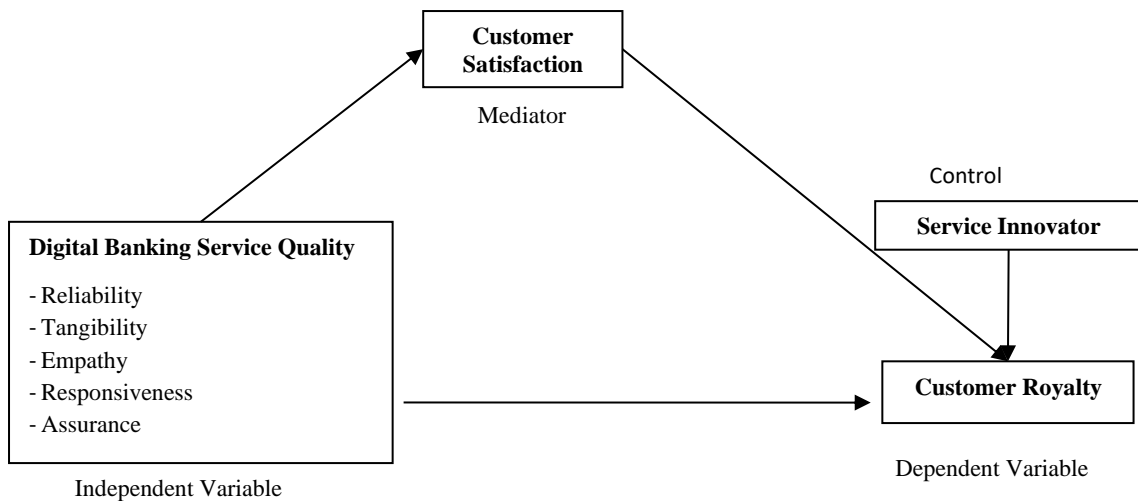


Source: Karim (2019)

The result showed that tangibility and empathy have significant effect on customer satisfaction, on the other hand, reliability, responsiveness and assurance did not have any significant effect on customer satisfaction. Moreover, customer satisfaction had direct significant effect on customer loyalty.

Hadid et al. (2022) did a research on mediating effect of customer satisfaction on The relationship between digital banking service quality and customer loyalty. This study had been conducted to ascertain the impact of customer satisfaction on the link between the quality of digital banking service and customer loyalty in order to meet these new demands and expectations. The research employed a stratified sample method and generated its data using the quantitative approach. The data were collected via the acquired, developed, and validated questionnaire. A total of 384 customers from five major commercial banks in Malaysia responded to the survey. The data were then analyzed using the Partial Least Square Structural Equation Modelling (PLS-SEM) SmartPLS software. Measurement and structural models were assessed for adequate validity and reliability.

**Figure (2.2) Conceptual Framework of Hadid et al.**

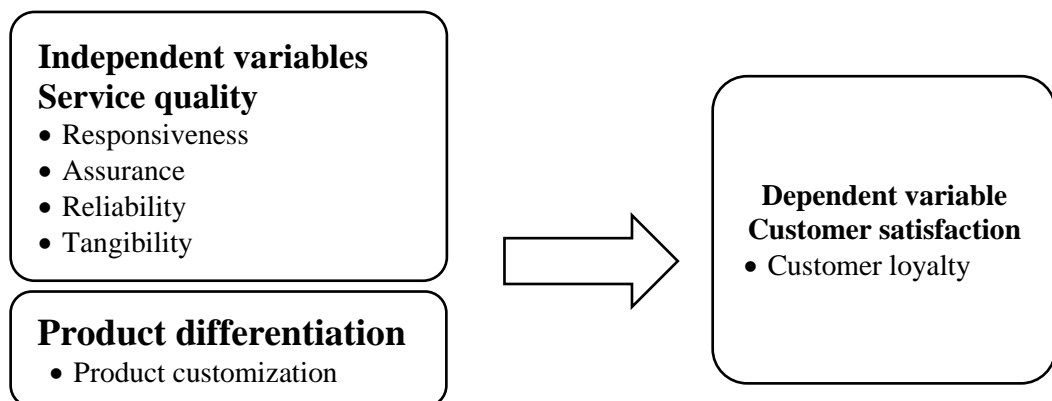


Source: Hadid et al. (2022)

The findings revealed that digital banking service quality factors comprising reliability, tangibility, responsiveness assurance, and empathy are all positively related to customer loyalty with the exception of empathy; and to customer satisfaction with the exception of responsiveness.

Warsame (2018) analyzed “Factors Influencing Customer Satisfaction In Commercial Banks: Some Selected Banks In Mogadishu”. The main objectives of the study were to identify the influence of service quality and product differentiation on customer satisfaction in commercial banks in Mogadishu Somalia. The method of was quantitative cross-sectional data and researchers took a sample for 73 respondents.

**Figure (2.3) Conceptual Framework of Warsame**



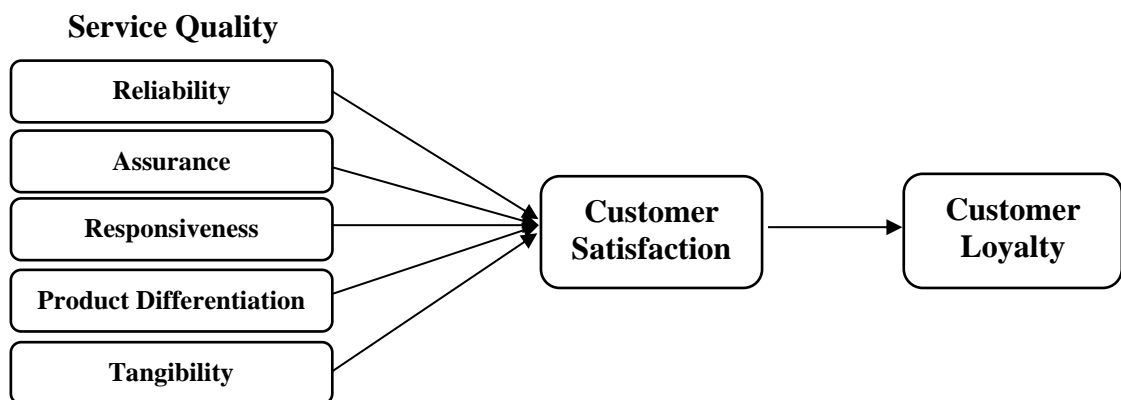
Source: Warsame (2018)

The study showed that most respondents agreed that service quality and product differentiation have an influence on customer satisfaction. As correlations showed, that service quality had moderate positive relationship to the customer satisfaction, while product differentiation had weak positive relationship to customer satisfaction. Finally, the researchers would recommend to the management of the banking industry to update and improve product qualities and product innovation of the banks. Second, the researchers recommended to the management of commercial banks to emphasize and develop service quality measurement tools, in order to satisfy their customers.

## 2.5 Conceptual Framework of the Study

This study attempts to provide a better understanding of the influencing factors such as reliability, assurance, responsiveness, products differentiation, tangibility and customer satisfaction affecting customer loyalty towards international trade finance services provided by MCB Bank.

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



Source: Own Compilation, 2023

The concept of customer satisfaction is considered as a major predictor of customer loyalty. It is also assumed that individuals are likely to satisfy service quality of international trade services and they repeatedly use the services showing their loyalty to the bank. According to the above Figure 2.4, the framework is developed to analyze the relationship between dependent variable and independent variable. The independent variables are service quality of international trade services and customer satisfaction whereas the dependent variable is customer loyalty of the customers who make transactions for international trade at MCB Bank. This present research is to

demonstrate how staffs of MCB offer customer services of international trade can trigger customer loyalty through customer satisfaction of respondents who make transaction at MCB Bank in Yangon.

## **CHAPTER III**

### **PROFILE AND TRADE SERVICES OF MYANMAR CITIZENS BANK LTD**

This chapter consists of the profile of Myanmar Citizens Bank Limited includes the backgrounds of the bank and international trade services provided by the bank.

#### **3.1 Background of the Myanmar Citizens Bank**

MCB is a semi-government public Bank. It was established in 1991, under special company Act registration No (274/1991-1992) on 30<sup>th</sup> October 1991, granted by Company Registration Office. Central Bank of Myanmar granted banking license Ma Ba Ba/J(i)-1(5) 1992, dated 25<sup>th</sup> May 1992, Money Changer License (MC) was granted on 24<sup>th</sup> October 2011 and Authorized Dealer License (AD) was granted on 17<sup>th</sup> August 2012 to operate foreign banking services. With the Banking License no: Ma Ba Ba/J (i)-1(5) 1992, it was granted by central bank of Myanmar on 25<sup>th</sup> of May 1992. Banks in Myanmar are classified as government bank, semi-government bank and private banks. Among the all types of bank, MCB is the semi-government public bank listed at Myanmar Security Exchange Centre. Now, MCB is a public bank. Myanmar Citizens Bank Ltd started its banking business at No.383 MaharBandoola Road, Kyauktada Township Yangon on 2<sup>nd</sup> June, 1992.

MCB has been able to stand strong in Myanmar's banking industry for 30 years and it is one of the oldest banks that firmly possess the trust of its customers. MCB Bank actively supplies the best services in various sectors with more than 1,000 professional banking staff and (48) branches throughout Myanmar, under the guidance and leading of senior management team and Board of Directors who are rich in banking and business experiences in Myanmar and Asia Pacific region.

Myanmar Citizens Bank Ltd aims to deliver banking excellence through inspired and outstanding customer service, while offering innovative products and services that meets their clients' requirement. They are committed and determined to lead the banking field in every product and service they offer to their customer. They provide innovative solutions, not only offering them what is available today but anticipating their needs for the future.



They treat their customers, staff and community with the utmost respect both as individuals for their ideas and future represent. They see employee development as a necessity and therefore recognize and reward outstanding performance.

They are committed to working within the rules, set by their regulators and own high standard. They always act transparently in all their dealings and relationships, both internally and externally. They are committed to high performance, teamwork and ensure accountability by ensuring that MCB is a trusted source of efficiency, strength and security.

Bank staff always carefully studies their customers' specific needs and wants in order to provide with the best solution. They aim to give their customer knowledgeable guidance to make their every tomorrow better. They believe that their ability to build sustainable relationships with their customers is crucial in order to be a successful bank. They treat their customers with respect, honesty and will always deal with their customer in a fair, humble and professional manner. They are dedicated to being there for customer and to work hand-in-hand at any-time. Whether it is to celebrate their achievements or to work towards a more progressive future, they will always be close to their customer. They will anticipate and understand their customer needs by trying to understand what matters to their customer most in order to deliver personalized experiences.

Nowadays, competitive power of organization is the strong management team and good organizers. MCB bank has well organized through board of Director (BOD) and strong management team. BOD of MCB bank was organized with good business bankers and leaders. Trade financing department is operating internationally to its clients.

### **3.2 International Trade Services at Myanmar Citizens Bank Ltd**

Since 2012 Myanmar Citizens Bank organized its experienced international trade operations team in order to provide International Trade Services such as Import Services, Export Services and Bank Guarantee Services to importers and exporters according to their trading objectives.

MCB bank planned to conduct international trade transactions through MCB's branches for the convenience of customers. MCB has been authorized to make Yuan-Kyat and Baht-Kyat payments from the Central Bank of Myanmar, therefore border trade payments can be made for the client through MCB's branches. MCB bank

conducts its service quality with five dimensions of reliability, assurance, responsiveness, product differentiation and tangibility.

### **3.2.1 Telegraphic Transfer**

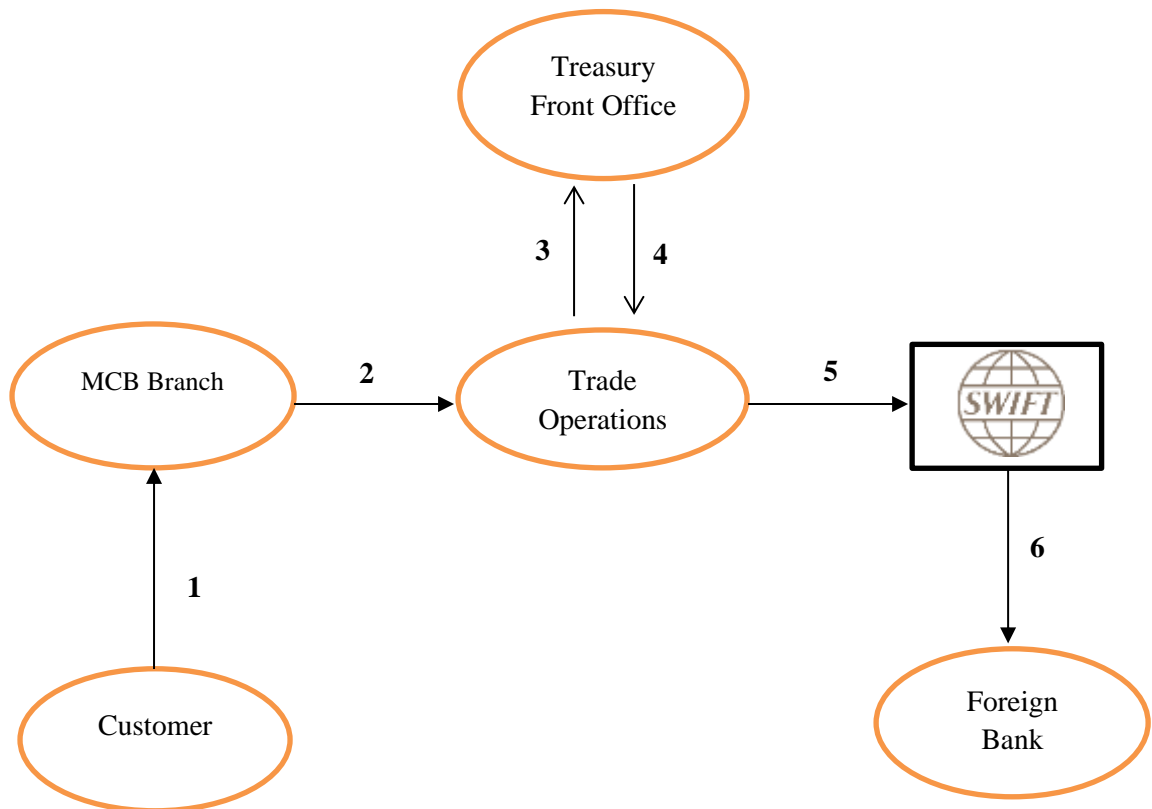
Telegraphic Transfer is undertaken by the international remittance section in MCB. Main importance is that this transaction is based on the foreign currency transfer between importer and exporter not only in domestic transactions but also for overseas remittance transactions. MCB bank provides foreign remittances facilities to their customers by accepting foreign funds remittances from abroad and also remits funds to abroad through its Nostro account. MCB provides Import Telegraphic transfer, Import advance Telegraphic Transfer, Export Telegraphic transfer and Export advance Telegraphic Transfer in the aspect of reliability.

#### **(a) Import Telegraphic transfer**

Import Telegraph Transfer is also known as an open account transaction which is a sale where the goods are shipped and delivered before payment is due, which in international sales is typically in 30, 60 or 90 days. Obviously, this is one of the most advantageous options to the importer in terms of cash flow and cost, but it is consequently one of the highest risk options for an exporter.

According to letter No. FE-1 Pa Ka / 2071 of the Central Bank of Myanmar dated (26.8.2022), MCB Bank provides import telegraphic transfer for customers who will pay the money transfer after importing goods and verifying with the import declaration or release order notification, import license (if any), sales agreement or contract, bill of lading, commercial invoice and packing list. MCB Bank's import telegraphic transfer process is as follows:

**Figure (3.1) Import Telegraphic Transfer Flow at MCB**



Source: MCB (2022)

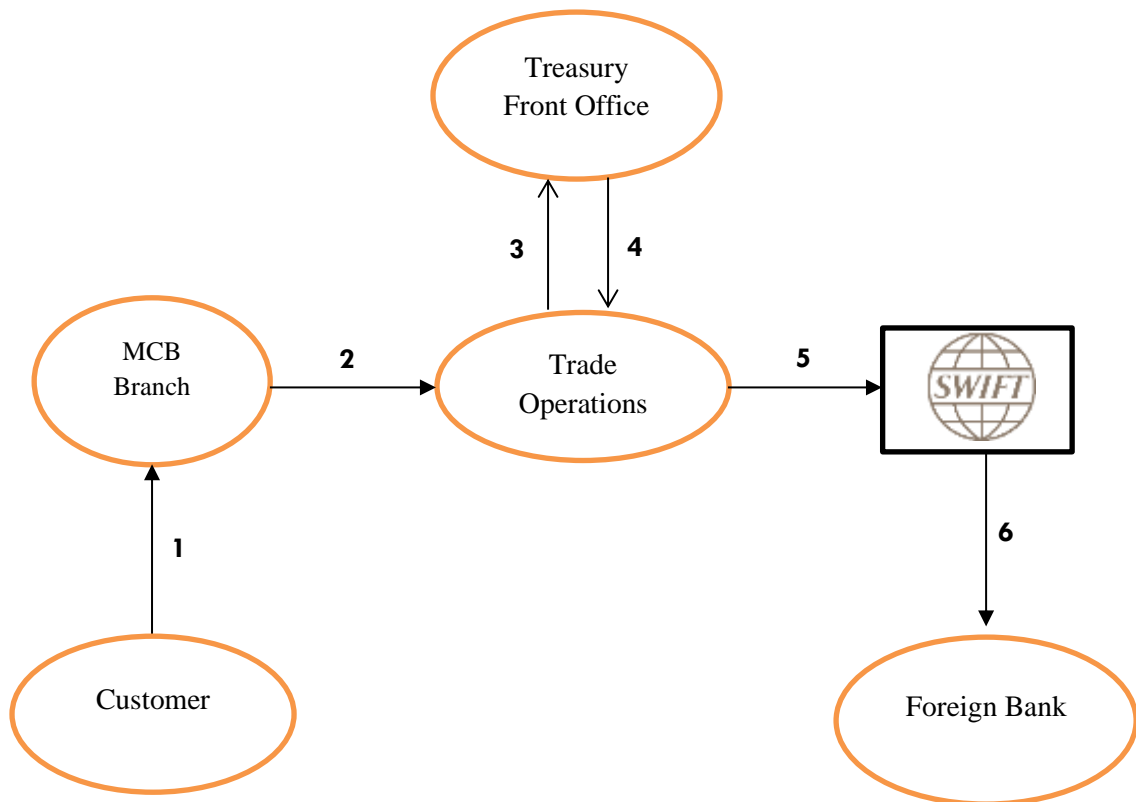
According to Figure (3.1), there are six steps in MCB Bank's import telegraphic transfer process as above: As a step one – customer apply import telegraphic transfer with related documents to MCB branch. Then, Step two – MCB branch check all the documents and sent to Trade Operations at MCB H.O, Next, Step three – Trade Operations recheck all the documents and ask for approval of nostro balance using to Treasury Front Office , After that, Step four – Treasury Front Office allow to use nostro balance for payment to Trade Operations, Finally, Step five – Trade Operations sends the SWIFT draft to SWIFT Operations Unit, and Step six – SWIFT Operations Unit sends the SWIFT message to Foreign bank for the payment.

### **(b) Import Advanced Telegraphic Transfer**

With advance payment terms, an importer can face the risk because payment is done before the ownership of the goods is transferred. For international sales, wire transfer is the most commonly used in advance options available to traders.

MCB Bank provides import advance telegraphic transfer for customers who will pay the money transfer before importing goods and verifying with import license (if any), sales agreement or contract and proforma invoice. MCB Bank's import advance telegraphic transfer process is as follows.

**Figure (3.2) Import Advanced Telegraphic Transfer Flow at MCB**



Source: MCB (2022)

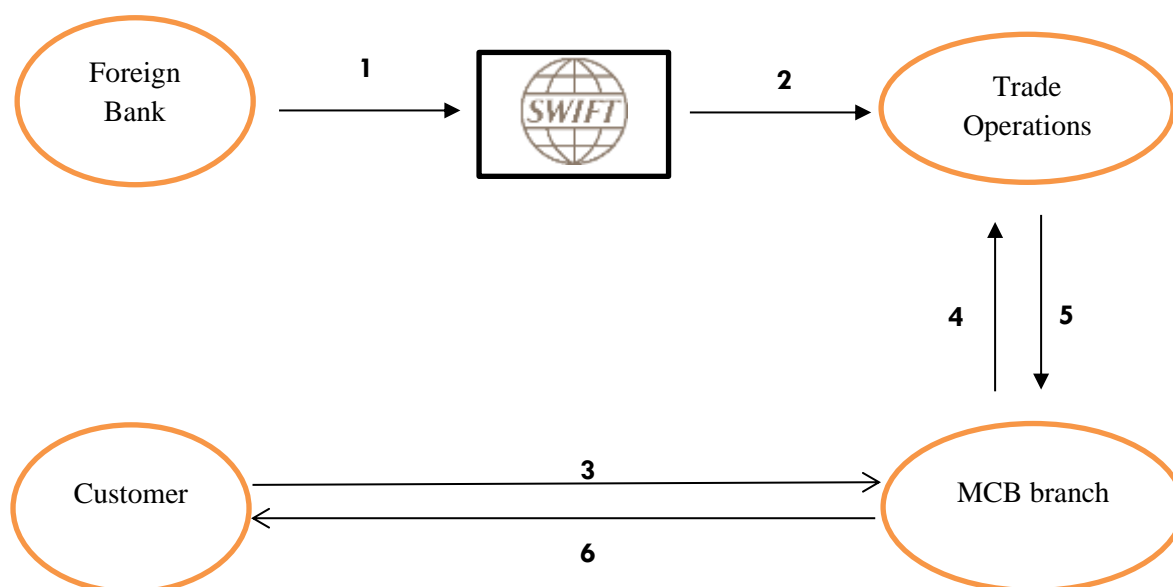
In Figure (3.2), there are six steps in Import Advanced Telegraphic Transfer Flow of MCB as above : As a step one – customer apply import advance telegraphic transfer with related documents to MCB branch ,Then, Step two – MCB branch check all the documents and sent to Trade Operations at MCB H.O, Next, Step three – Trade Operations recheck all the documents and ask for approval of nostro balance using to Treasury Front Office, After that, Step four – Treasury Front Office allow to use nostro balance for payment to Trade Operations, Finally, Step five – Trade Operations sends the SWIFT draft to SWIFT Operations Unit, and Step six – SWIFT Operations Unit sends the SWIFT message to Foreign bank for the payment.

### (c) Export Telegraphic Transfer

Export Telegraphic transfer is the proceeds for exported goods, where these goods are shipped and delivered before payment is due. Obviously, this is one of the most advantageous options to the importer in terms of cash flow and cost, but it is consequently one of the highest risk options for an exporter.

According to Notification No. 36/2022 of the Central Bank of Myanmar, MCB bank provides export telegraphic transfer for export customers to transfer 65% of their export proceeds to their kyat accounts within 24 hours and payment for self or sell to others or sell to AD banks from the remaining 35%. MCB Bank's export telegraphic transfer process is as follows.

**Figure (3.3) Export Telegraphic Transfer Flow at MCB**



Source: MCB (2022)

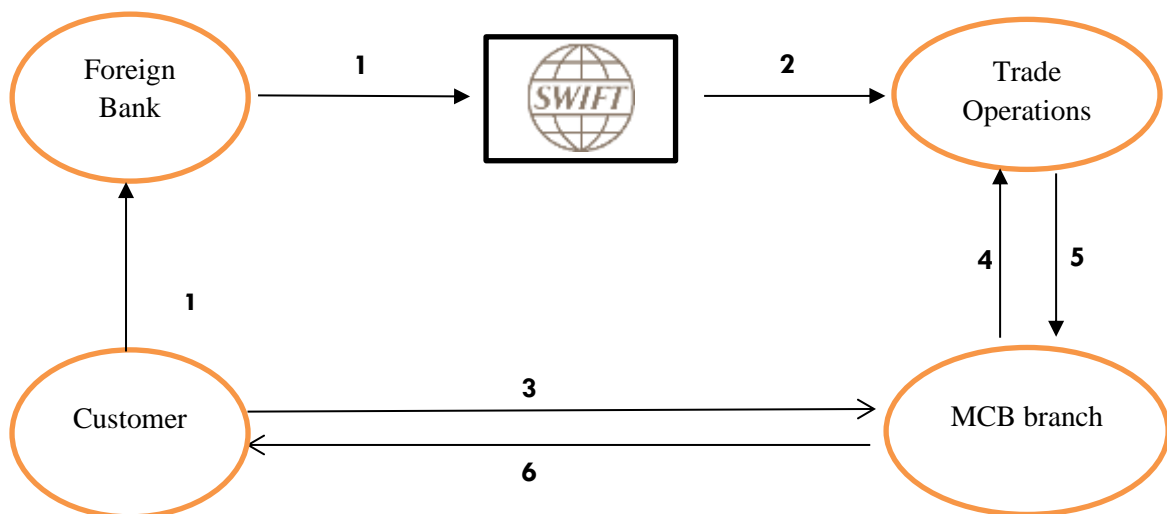
According to Figure (3.3), there are six steps in Export Telegraphic Transfer Flow of MCB. At first, Step one – SWIFT (Society for Worldwide Interbank Financial Telecommunication System) Operations Unit receive SWIFT message for Export Telegraphic transfer from foreign bank, Then, Step two – SWIFT Operations Unit send SWIFT message to both Trade Operations and customer, Next, Step three – Customer apply for Export Telegraphic transfer to MCB branch with related documents, After that, Step four – MCB branch send customer' application to Trade Operations at MCB H.O, Finally, Step five – Trade Operations check the documents, credit export proceeds to customer A/C, convert to MMK for 65% and inform to Branch, and Step six – Branch credit MMK for EP 65 % to respective customer A/C.

#### (d) Export Advanced Telegraphic Transfer

With advance payment terms, an exporter can get the opportunity because export proceeds is done before the ownership of the goods is transferred. This is one of the most advantageous options to the exporter in terms of cash flow, but it is consequently one of the highest risk options for an importer.

According to Notification No. 36/2022 of the Central Bank of Myanmar, MCB bank provides export advance telegraphic transfer for export customers to transfer 65% of their export proceeds to their kyat accounts within 24 hours and payment for self or sell to others or sell to AD banks from the remaining 35%. MCB Bank's export telegraphic transfer process is as follows.

**Figure (3.4) Export Advance Telegraphic Transfer Flow at MCB**



Source: MCB (2022)

Figure (3.4) indicates the export advance telegraphic transfer flow at MCB. There are six steps in the flow of export advance telegraphic transfer of MCB. As a step one – SWIFT Operations Unit receive SWIFT message for Export Advance Telegraphic transfer from foreign bank, Then, Step two – SWIFT Operations Unit send SWIFT message to both Trade Operations and customer, Next, Step three – Customer apply for Export Telegraphic transfer to MCB branch with related documents, After that, Step four – MCB branch send customer' application to Trade Operations at MCB H.O, Finally, Step five – Trade Operations checks the documents, credit export proceeds to customer A/C, convert to MMK for 65% and inform to Branch, and Step six – Branch credit MMK for EP 65 % to respective customer A/C.

### **3.2.2 Import Services and Financing**

MCB Bank made import services and financing in the aspect of assurance dimension of service quality to provide fast and assurance service. MCB Bank's Import Letter of Credit (LC) service is a fast and efficient service to the buyer/importer for importation of goods into Myanmar. An LC is issued by the issuing bank, on behalf of the buyer/importer, in favor of the seller/exporter. At the request of a buyer, the LC is an undertaking by the issuing bank to honor claims by the seller, provided that the required documents are presented to the issuing bank within a specified time and in accordance to the terms and conditions of the LC.

LC can be used best where the buyer and seller do not trust each other and need the comfort of a reputable intermediary such as MCB Bank. LCs is ideal for commercial businesses such as traders, wholesalers, manufacturers and contractors. Benefits for customers are the customer does not have to pay in advance for the goods purchased; customers can purchase goods from companies all over the world, even from sellers unknown to them; the customer can set conditions in the LC that the exporter must adhere to before payment is made; LCs are subject to UCP 600 (Uniform Customs and Practice for Documentary Credits), which are internationally recognized rules and standards governing LCs.

MCB Bank provides services for LC only available for customer importer who has an approve facility with the bank. The basis of application for facility may be in two ways: Transaction Basis and Permanent Line. Transaction Basis is: where No trade line/facility is established, against 100% cash collateral, available on per transaction basis, transaction ends when settlement is made by payment against the cash collateral. Permanent Line is: where trade line/facility is established, usually against approved collateral with Cash Margin (up to 40%) and 60% is property or fixed deposits, available on continuing basis, facility subject to yearly review.

### **3.2.3 Documentary Collection**

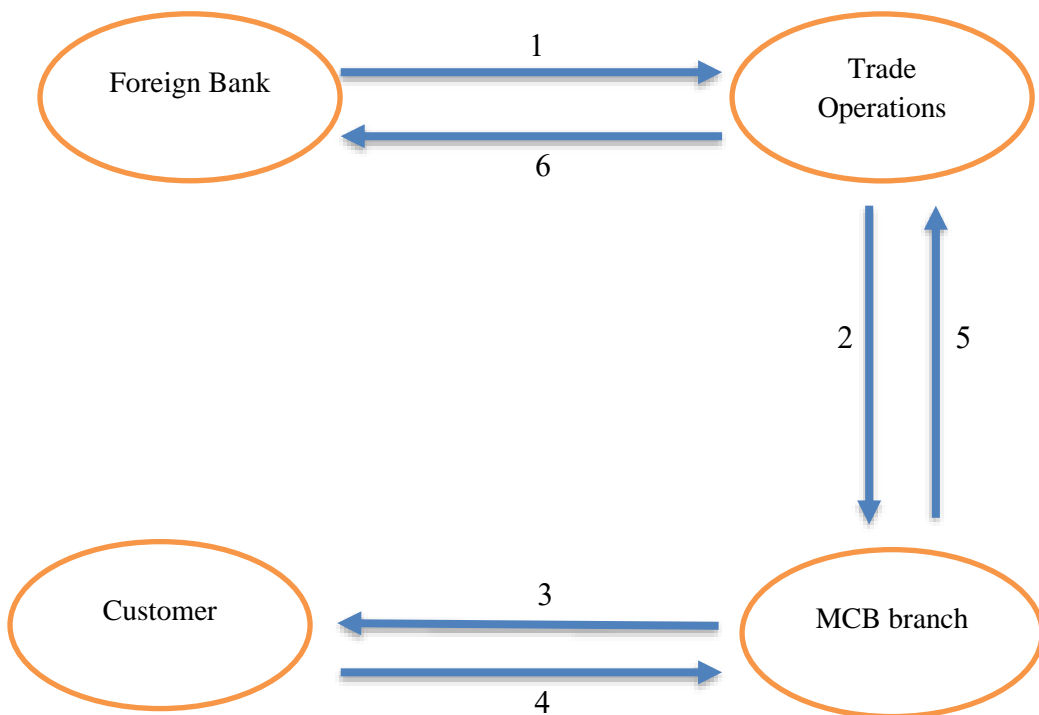
MCB Bank runs documentary collection in responsiveness manner by step by step. It is a trade transaction in which the exporter hands over the task of collecting payment for goods supplied to bank, which sends the shipping documents to the importer's bank together with payment instructions. A documentary collection (D/C) is so called because the exporter receives payment from the importer. Exchange for the shipping documents, with the funds and documents channeled through their respective

banks. While D/Cs are less complicated and cheaper than letters of credit, they are riskier for exporters because they do not have a verification process and offer limited recourse if the importer does not pay. They are therefore only recommended in situations where the exporter and importer have a longstanding trade relationship. MCB Bank has correspondent relationship with reputed International Banks throughout the world and can thus provide valuable services to importers who may be importing from any part of the Global. The import bills drawn on customers of other branches are also collected through these branches.

**(a) Import Documentary Collection (D/P or D/A)**

A documentary collection is a trade transaction in which the exporter hand over the task of collection payment for goods supplied to his or her bank which send the shipping documents if the importer bank to seller with the payment instruction. MCB provides Import documentary Collection (D/P or D/A) to the customer and it's process is as follows:

**Figure (3.5) Import Documentary Collections Flow at MCB**



Source: MCB (2022)

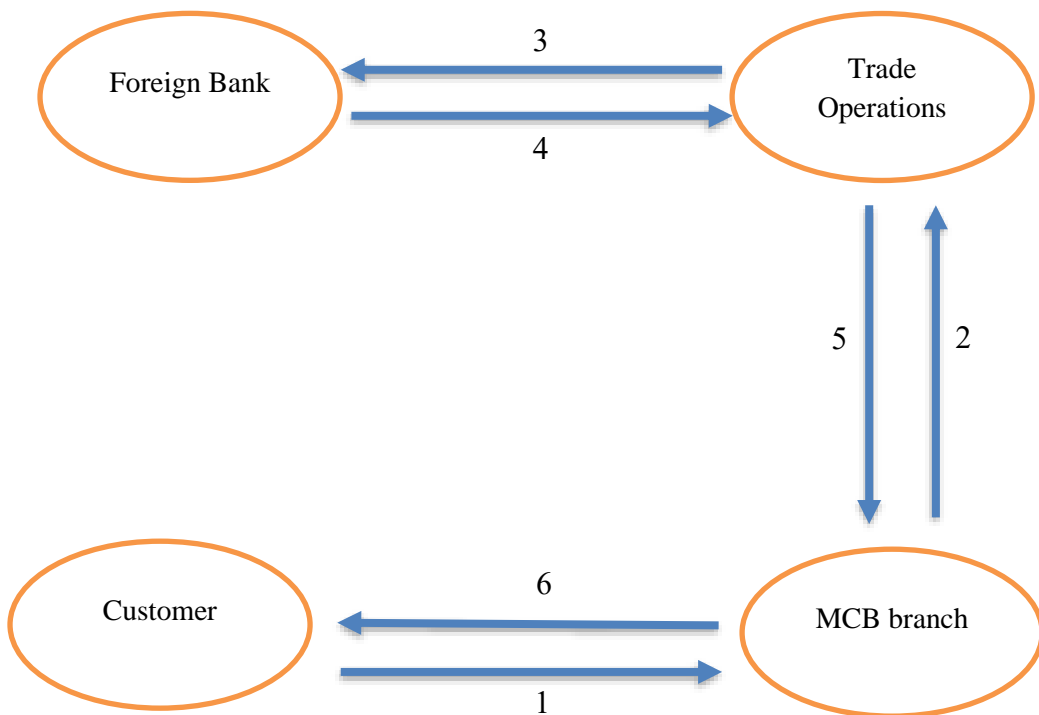


Figure (3.5) includes in six steps as above : As a step one – Foreign bank send the import bill documents for collecting the payment to Trade Operations at MCB H.O, Then, Step two – Trade Operations send this import bill documents to branch, Next, Step three – Branch inform to customer to deliver the bill documents , After that, Step four – Customer apply to deliver the bill documents , Finally, Step five – Branch sends the application to Trade Operations and Step six – Trade Operations settles the bill payment to foreign bank.

**(b) Export Documentary Collection (D/P or D/A)**

A documentary collection is a trade transaction in which the exporter hands over the task of collecting payment for goods supplied to his or her bank, which sends the shipping documents to the importer’s bank together with payment instructions. MCB provides Import documentary Collection (D/P or D/A) to the customer and it’s process is as follows:

**Figure (3.6) Export Documentary Collections Flow at MCB**



Source: MCB (2022)

Figure (3.6) defines in six steps as above :At first, Step one – Customer apply to collect the export bill payment with related documents to MCB branch, Then, Step two – Branch check the documents and send to Trade Operations at MCB H.O, Next, Step three – Trade Operations send this export bill document to foreign bank for collecting the payment ,After that, Step four – Foreign bank settle the export bill payment , Finally, Step five – Trade Operations credit export bill amount to customer A/C, convert to MMK for 65% and inform to Branch, and Step six – Branch credit MMK for EP 65 % to respective customer A/C.

### **3.2.4 Financing of Import Sight LC, Usance LC and Facilities**

Import Usance LC is a letter of credit payable at a determined future date after presentation of conforming documents. MCB Bank’s Usance L/C facility (Sight & Usance) provides the importer an opportunity to get credit from their supplier/supplier’s bank.

### **3.2.5 Deferred Payment Guarantee/Standby LC**

Deferred Payment Guarantee is a payment guarantee issued to exporter for deferred or time payment of the goods, and corresponding interest. Standby letters of credit are created as a sign of good faith in business abilities. A standby letter of credit will typically be in force for about one year, allowing for enough time for payment to be made through standard contractual guidelines. Standby letters of credit are often in international trade transactions, such as the purchase of goods from another country. The seller will ask for a standby letter of credit, which can be cashed on demand if the buyer fails to make payment by the date specified in the contract. MCB Bank’s Deferred Payment Guarantee /Standby LC facility also provides the importer an opportunity to avail credit from their supplier/supplier’s bank.

### **3.2.6 Shipping Guarantee**

Shipping Guarantees are indemnities given by the Bank to the carrier of goods, so that the goods can be released to the consignee without producing the Bill of Lading or Air Waybill. This helps the importer to avoid demurrage charges which otherwise will be imposed if delivery of the goods is not taken up due to the absence of shipping documents.

### **3.2.7 Export Services and Financing**

Selling products globally can increase opportunities, but the consequences can be unpredictable, especially in unfamiliar markets. Benefits of using export services and financing are: get assurance of payment from the buyer before starting work or shipping an order, access funds immediately after shipment and preparation of required letter of credit documentation, and receive payment quickly, while minimizing the risk of non-acceptance documents by the letter of credit-issuing bank. Better terms of credit including rates of interest than those extended to other exporters by the Bank. 'In-principle' limits for a period of 1 year with a provision for renewal, subject to fulfillment of the terms and conditions of sanction. Preference for grant of packing credit in foreign currency (PCFC), subject to availability of foreign currency funds, Lower charges schedule and fee-structure than those provided to other exporters.

Relaxations in the norms are in respect of security and collaterals, wherever feasible. Other facility/benefit to the exporters is subject to the fulfillment of extant rules and regulations applicable to export finance. There are three types of facilities for exporters. They are:

#### **a) Export Credit**

MCB bank provides both pre and post shipment credit to the exporters through Kyats Denominated Loans as well as foreign currency loans in Myanmar. Credit facilities are sanctioned to exporters who satisfy credit exposure norms of MCB Bank. Exporters having firm export orders or confirmed L/C from a bank are eligible to avail the export credit facilities. Kyats Export Credit is available generally for a period of 180 days from the date of first disbursement. In deserving cases extension may be permitted within the guidelines of Kyats. The corporate may also book forward contracts with MCB Bank in respect of future export credit draws, if required, as per the guidelines/directives provided by Kyats.

#### **b) Pre-shipment Financing in Foreign Currency (PFFC)**

MCB bank offers PFFC in the foreign currency to the exporters enabling them to fund their procurement, manufacturing/processing and packing requirements. These loans are available at very competitive international interest rates covering the cost of both domestic as well as import content of the exports. The corporate/exporters with a good track record can avail a running account facility with MCB Bank for PFFC. PFFC is generally available for a period of 180 days from date of first disbursement. In deserving cases extension may be permitted within the guidelines of Kyats.

### **c) Negotiation of Bills under L/C**

MCB bank is active in negotiation/discounting of sight/usance international export bills under L/Cs opened by foreign banks as well as branches of banks abroad. MCB bank offers the most competitive rates. These transactions are undertaken by our branches within the Bank/Country Exposure ceilings prescribed MCB Bank.

### **3.2.8 Bank Guarantee Services & Bank Guarantee Financing**

MCB Bank can act as a guarantor for the Principle Customer. A letter of guarantor is issued by the bank to the beneficiary as requested by the Principle Customer. The guarantee may be issued for tender of projects, performance of contracts and other purpose. MCB Bank provides Bank Guarantee financing with Collateral basis or Lien such as 100% cash deposit at bank. MCB Bank, on behalf of exporter constituents, issues guarantee in favor of beneficiaries abroad. The guarantees may be Performance and Financial. MCB bank, on behalf of importer constituent or other customers, issues guarantee in favor of beneficiaries abroad. The guarantees may be both Performance and Financial. Performance BG and Bid Bond are provided for Government Tender for all Government Ministry with 100% Cash Margin or Deposit against BG (Lien) with MCB Bank giving best FIXED Interest Rate.

## **CHAPTER IV**

### **ANALYSIS OF SERVICE QUALITY, CUSTOMER SATISFACTION AND CUSTOMER LOYALTY TOWARDS INTERNATIONAL TRADE SERVICES OF MCB BANK LTD**

This chapter of the study is dedicated to the interpretation of results that were gathered from the questionnaire. It contains research design, respondents' profile in this research, analytical methods and tools used in this research, and multiple linear regressions. Moreover, 150 respondents who acquired international trade services at MCB Bank are selected and given structured questionnaires.

#### **4.1 Research Design**

The main aims of the study are to analyze the effect of service quality on customer satisfaction and then, to examine the effect of customer satisfaction on customer loyalty towards international trade services of MCB Bank. To achieve these aims, qualitative and descriptive research methods are used in this study. Additionally, both primary and secondary data are utilized to conduct this study.

Population of the study is corporate customers who use international trade services from MCB Bank (Head Office). To get the primary data, 150 corporate customers (20% of population) are selected by using simple random sampling method. The secondary data are collected from various sources such as previous research papers, journals, theses, related text books.

The structure questionnaire is used to get the perception of corporate customers on service quality, their satisfaction and their loyalty towards international trade services provided by MCB Bank. Structured questionnaire contains two parts. Part A concerns with respondent's profile while part B relates to service quality, customer satisfaction and customer loyalty towards international trade services of MCB Bank. Customer perception is measured with five-point Likert scale questions, which are given numerical values ranging from strongly disagree to strongly agree (ranging is on 5-point scale; strongly disagree = 1, disagree = 2, neutral = 3, agree = 4, and strongly agree = 5). The descriptive statistics was applied by using SPSS Version 26 to

determine the extent of service quality, customer satisfaction and customer loyalty. And the multiple regression analysis is utilized as the statistical tools.

#### 4.2 Demographic Profile of Respondents

The initial phase of analysis is to determine the characteristics of the respondents involved in the study. A demographic characteristic of the respondents is developed in terms of background information of the personal characteristics relating to customer royalty. Firstly, 150 respondents' profile including general information such as gender, age, education, use of international trade services, kinds of business, countries with which international transaction made are identified. Each characteristic has been analyzed in terms of absolute value and percentage, and the summary table of demographic characteristics is used to display these data more clearly. Table (4.1) indicates the summary table of demographic characteristics of respondents.

For gender, out of the 150 respondents, 56 % are male and 44% are female. In the age group, most of the respondents were aged between 31 and 40 years. In addition, 88 (58.67%) respondents have Bachelor's degree, 47 (31.33%) respondents have Post Graduate degree, while only 15 (10%) out of 150 respondents are Master degree.

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

No.	Particular	Number	Percentage
1	<b>Gender</b>		
	Male	84	56
	Female	66	44
2	<b>Age (Years)</b>		
	20 and under	1	1
	21-30	35	23
	31-40	65	43
	41-50	40	27
	51-60	9	6
	60 and above	-	-
3	<b>Education</b>		
	Bachelor's degree	88	59
	Post Graduate Diploma	47	31
	Master degree	15	10

Source: Survey Data, 2022

The following Table (4.2) describes the experience of respondents who made international trade transaction at MCB Bank.

**Table (4.2) Experience of Respondents about MCB International Trade Services**

<b>No.</b>	<b>Particular</b>	<b>Number</b>	<b>Percentage</b>
1	<b>Frequency of using international trade services of MCB</b>		
	Daily	54	36
	Once a week	53	35
	Once a month	43	29
2	<b>Years of using international trade services at MCB</b>		
	Less than one year	29	19
	1-5 years	78	52
	6-10 years	39	26
	10 years and above	4	3
3	<b>Kind of business</b>		
	Private	130	87
	Public	20	13
4	<b>Countries with which international transaction is made by using trade services of MCB Bank</b>		
	Asia	74	49
	ASEAN	60	40
	Western Countries	16	11
	Africa	-	-

Source: Survey Data, 2022

In Table (4.2), 54% of respondents use international transaction in their trading daily, 53% use once a week and 43% of respondents use once a month. 52% of respondents make international transaction at MCB between one to five years, respondents 2.67% use international trade services 10 years and above. Respondents who make international transaction mostly run their own business as private. Most respondents make their trading within Asia.

### 4.3 Validity and Reliability Test

The reliability of a measure is established by testing for both consistency and stability. Consistency indicates how well the items measuring a concept hang together as a set, Cronbach's alpha is a reliability coefficient that indicates how well the items in a set are positively correlated to one another (Sekaran & Bougie, 2009). The range of coefficient of Cronbach's alpha and its reliability level is as shown in Table (4.3).

**Table (4.3) Rule about Cronbach's Coefficient Alpha**

No.	Coefficient of Cronbach's Alpha	Reliability Level
1	More than 0.9	Excellent
2	0.80 – 0.89	Good
3	0.70 – 0.79	Acceptable
4	0.60 – 0.69	Questionable
5	0.50 – 0.59	Poor
6	Less than 0.59	Unacceptable

Source: Sekaran and Bougie (2009)

Table (4.4) shows that the validity test of all variables, service quality factors, customer satisfaction and customer royalty are reliable. The questions in the questionnaire that associated with the different factors that influence customer satisfaction and customer loyalty in using international trade services of MCB Bank have the reliability at the level of  $\alpha = .87$  above. The alpha coefficient for all variables between .942 and .973, suggesting that the items have relatively high internal consistency then the questionnaire is acceptable.

**Table (4.4) Cronbach's Alpha and KMO Test**

No.	Factors	Number of Items	Cronbach's Alpha	Validity KMO
1	Reliability	5	.965	.909
2	Assurance	5	.942	.891
3	Responsiveness	5	.962	.905
4	Product differentiation	5	.957	.890
5	Tangibility	5	.973	.912
6	Customer Satisfaction	5	.963	.879
7	Customer Loyalty	5	.969	.912

Source: Survey Data, 2022



The reliability test of all variable sin two different tests: the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's test of Sphericity. The KMO measure values of all questionnaire statements are checked; since the KMO values of all statements enter into the interval .5 ~ 1, none of the statements is eliminated from the analysis. The general KMO measure of sampling adequacy, counted as the mean of KMO of all statements, in this case, all KMO values are above .8 (Table 4.4); this shows a rather high data dispersion which can be explained by the factors. The KMO measure can take values from .5 to 1; the closer this measure is to 1, then the higher the sampling adequacy is in the relation of data.

#### **4.4 Descriptive Statistics of Service Quality, Customer Satisfaction and Customer Loyalty**

Factors considered by international trade services users are measured by service quality factors with five items (statements), customer satisfaction with five items (statements), and customer royalty with five items (statements).

##### **4.4.1 Service Quality**

The mean scores and standard deviations of the statements of each variable in service quality factors are presented in detail in the following tables.

###### **a) Reliability**

In this study, one of the service quality factors of using international trade services, reliability includes five items. According to 5-point Likert type scale with respect to reliability, the result of mean values is as shown in table below.

**Table (4.5) Reliability**

<b>No.</b>	<b>Description</b>	<b>Mean</b>	<b>Standard Deviation</b>
1	Providing error free record of international trade services at MCB Bank at MCB Bank	3.67	.917
2	Keeping an error free record of international trade services at MCB Bank	3.70	.857
3	Meeting their promised time frame for response in making international transaction at MCB Bank	3.59	.943
4	Sympathetic employees reassuring when customer has problems at MCB Bank	3.73	.926
5	Dependable concerning with international trade transactions at MCB Bank	3.65	.912
	<b>Overall Mean</b>	<b>3.67</b>	

Source: Survey Data, 2022

Result from Table (4.5) indicates the high agreement level of mean values (3.73, 3.70, and 3.67) show that MCB Bank employees are sympathetic, and reassuring when customer has problems, an error free record of international trade services is kept and error free record of international trade services is also provided at MCB Bank. The least score mean 3.59 is meeting their promised time frame for response in making international transaction at MCB Bank. According to overall mean 3.67, the effect of reliability is moderate in making international transactions at MCB Bank.

**b) Assurance**

Assurance factor of service quality in making international transaction contains five items. The values of mean are measured by 5-point Likert scale as follows:

**Table (4.6) Assurance**

<b>No.</b>	<b>Description</b>	<b>Mean</b>	<b>Standard Deviation</b>
1	Feeling secured while doing international trade transaction with MCB bank	3.63	.902
2	Having very cooperative and courteous employees with customers.	3.80	.794
3	Having knowledgeable employees to reply customers' query.	3.81	.721
4	Feeling trustworthy because of the way employees behave	3.73	.841
5	Keeping the customer information as the bank	3.73	.874
	<b>Overall Mean</b>	<b>3.74</b>	

Source: Survey Data, 2022

Based on above table (4.6), the mean values of five statements are range between 3.63 – 3.81. Thus, all of statements are high response upon questionnaire. The assurance factor of service quality of a bank is required to make international transaction. Respondents highly agree with the mean value (3.81) in the assurance factor of the fact that employees are knowledgeable to reply customers' query.

**c) Responsiveness**

In this study, there are five items regarding responsiveness factor of service quality when making international transaction. The survey was conducted by the questionnaire to find out means value shown in Table (4.7).

**Table (4.7) Responsiveness**

<b>No.</b>	<b>Description</b>	<b>Mean</b>	<b>Standard Deviation</b>
1	Having willingly employees to help when needed	3.66	.889
2	Having employees who are very prompt in providing the services	3.67	.932
3	Performing to complete the services in time as employees	3.69	.941
4	Being never too busy to respond customer request as employees	3.69	.845
5	Being easier to change its transaction about international trade transaction than other banks.	3.65	.949
	<b>Overall Mean</b>	<b>3.67</b>	

Source: Survey Data, 2022

As presented in Table (4.7), among these five variables of responsiveness of service quality, employees' performance to complete their services in time and their respond to customers' request are the strongly related factors. It means that MCB Bank staffs are very responsive in their related task of international transaction service. Another important factor of responsiveness of service quality is that MCB Bank staffs are very prompt in providing services. The overall mean of responsiveness of service quality factor is 3.67. The overall average value is between 3.65 and 3.69, which is an agreed level. According to the overall mean value, most of the respondents have an agreed level of international trade services provided by MCB Bank staffs in aspect of responsiveness factor of service quality which causes high performance of bank staffs at MCB.

#### **d) Product differentiation**

Product differentiation factor of service quality in making international transaction contains five items. The values of mean are measured by 5-point Likert scale as follows:

**Table (4.8) Product Differentiation**

<b>No.</b>	<b>Description</b>	<b>Mean</b>	<b>Standard Deviation</b>
1	Providing various international trade finance services which are accountability	3.59	.898
2	Having designed products according to the requirement of the customers.	3.68	.915
3	Launching new products which represent a superior customer offer	3.64	.854
4	Being the effectively useful products about international trade transactions	3.71	.838
5	Making product innovation and general improvements in the products offered	3.69	.804
	<b>Overall Mean</b>	<b>3.66</b>	

Source: Survey Data, 2022

In the above Table (4.8), among these five variables of product differentiation, the fact that the products about international trade transactions are effectively useful is the strongly related factor. It means that international transaction products of MCB Bank are effectively useful. Another important factor of product differentiation is that MCB Bank makes product innovation and general improvements in the products offered. The overall mean of product differentiation factor is 3.66. The overall average value is between 3.59 and 3.71, which is an agreed level. According to the overall mean value, most of the respondents have an agreed level of product differentiation offered by MCB Bank.

**e) Tangibility**

In this study, there are five items regarding tangibility factor of service quality when making international transaction at MCB. The survey was conducted by the questionnaire to find out means value shown in Table (4.9).

**Table (4.9) Tangibility**

No.	Description	Mean	Standard Deviation
1	Having visually appealing physical facilities	3.61	.911
2	Being well dressed employees at this bank	3.65	.913
3	Having up to date equipment used at this bank	3.66	.858
4	Being consistent appearance of the physical facilities	3.66	.850
5	Offering parking facilities and accessibility and convenience of location	3.63	.930
<b>Overall Mean</b>		<b>3.64</b>	

Source: Survey Data, 2022

As in the above Table (4.9), among these five items of tangibility, the facts that the equipment used at MCB bank are up to date and appearance of the physical facilities are consistent are the strongly related items. It means that MCB Bank prepares the physical facilities well to be consistent with its image. Another important item of tangibility is that MCB Bank staffs are well dressed. The overall mean of tangibility item of service quality is 3.64. The overall average value is between 3.63 and 3.66, which is an agreed level. According to the overall mean value, most of the respondents have an agreed level of tangibility provided by MCB in making international transaction.

**Table (4.10) Mean of Variables**

No.	Factor	Mean
1	Reliability	3.67
2	Assurance	3.74
3	Responsiveness	3.67
4	Product Differentiation	3.66
5	Tangibility	3.64

Source: Survey Data, 2022

In this study, service quality encompasses five aspects: reliability, assurance, responsiveness, product differentiation and tangibility which are used to examine customer satisfaction and customer loyalty towards international trade services of MCB

Bank. All of the means value is high level of perception toward a specific variable (range 3.64– 3.74).

#### 4.4.2 Customer Satisfaction

Customer satisfaction consists of five items. In relation to 5-point Likert scale, almost all measured variables indicate high-level results. The mean values are shown as below.

**Table (4.11) Customer Satisfaction on Service Quality towards International Trade Services of MCB Bank**

No.	Description	Mean	Standard Deviation
1	Being satisfied with the services quality offered by MCB Bank	3.68	.907
2	Being satisfied with MCB Bank because its employees are very knowledgeable, cooperative and trustworthy.	3.67	.960
3	Being satisfied with the fact that employees provide the services promptly and flexible transaction	3.69	.928
4	Being satisfied with the product differentiation of MCB Bank.	3.69	.890
5	Being satisfied with the physical facilities provided by MCB Bank.	3.65	.921
	<b>Overall Mean</b>	<b>3.68</b>	

Source: Survey Data, 2022

As shown Table (4.11), among items the highest mean values are 3.69 and 3.68 that means respondents satisfy with the employees of MCB Bank concerning with prompt service providing, flexible transaction, production differentiation and service quality of the bank. Bank staffs' service providing and product differentiation is related to customer satisfaction on international trade services provided by MCB. The overall mean of satisfaction is 3.68. The overall average value is between 3.65 and 3.69, which is an agreed level. According to the overall mean value, most of the respondents have

an agreed level of customer satisfaction on service quality provided by MCB in making international transaction.

#### 4.4.3 Customer Loyalty

Customer loyalty consists of five items. In relation to 5-point Likert scale, almost all measured variables indicate high-level results. The mean values are shown in the table below.

**Table (4.12) Customer Loyalty towards International Trade Services**

No	Description	Mean	Standard Deviation
1	Saying positive things about MCB Bank	3.73	.910
2	Using MCB Bank in every bank transaction.	3.67	.980
3	Considering MCB Bank as consumer's first choice among others.	3.73	.924
4	Being able to share to continue as a client of MCB Bank even if charges are increased.	3.72	.920
5	Never changing MCB Bank even customer find another bank which offers completely international trade transactions.	3.73	.940
<b>Overall Mean</b>		<b>3.72</b>	

Source: Survey Data, 2022

As shown Table (4.12), among items the highest mean value are 3.73 and 3.72 that means respondents will say about positive things and they will choose MCB anyway whenever they make international transaction. The overall mean of customer loyalty towards international trade services is 3.72. The overall average value is between 3.67 and 3.73, which is an agreed level. According to the overall mean value, most of the respondents have an agreed level of customer loyalty towards international trade services provided by MCB Bank.



#### 4.5 Effect of Service Quality on Customer Satisfaction

To examine the effect of service quality on customer satisfaction, multiple regression analysis is performed. In this study, independent variables include service quality factors such as reliability, assurance, responsiveness, product differentiation and tangibility whereas dependent variable is customer satisfaction. The results of the multiple regressions are illustrated in the following Table (4.13).

**Table (4.13) The Effect of Service Quality on Customer Satisfaction**

Dependent Variable	Unstandardized Coefficients		β	t	Sig.	VIF
	B	Std. Error				
(Constant)	0.085	0.106		0.805	0.422	
Reliability	0.301***	0.062	0.299	4.837	0.000	7.090
Assurance	0.016	0.081	0.014	0.203	0.840	9.310
Responsiveness	0.346***	0.080	0.342	4.333	0.000	9.732
Product differentiation	0.329***	0.076	0.305	4.327	0.000	9.365
Tangibility	.066	.051	.065	1.302	.195	4.728
R Square	.923					
Adjusted R Square	.921					
F Value	347.494***					
Statistically significant indicate *** at 1%, ** at 5%, and * at 10% level						

Source: Survey Data, 2022

In Table (4.13), the model explains the overall level of customer satisfaction exist as adjusted R square value, 92.1%. This describes that independent variables (service quality variables) can explain 92.1% of the variation of dependent variable (customer satisfaction). The value of F (347.494) with a p-value of 0.000 implies that the model as a whole is statistically significant at 1% level. The multicollinearity statistics were measured by using Variance Inflation Factors (VIF) and multicollinearity does not exist among independent variables in this study because VIF values are less than 10.

In regression analysis shown in Table (4.13), three variables: reliability, responsiveness and product differentiation have significant and positive effects on customer satisfaction. Among these variables, standardized coefficients of reliability, responsiveness, and product differentiation are 0.299, 0.342 and 0.305, respectively. Therefore, according to the statistical results, responsiveness is the most significant and positive effect on customer satisfaction. However, assurance and tangibility have no significant effect on customer satisfaction. It can be said that respondents may not feel secured when they make international transaction and they may find difficulty with parking area when they come to the bank. Therefore, in this study regression analysis revealed that assurance and tangibility are not associated with customer satisfaction in using international trade services offered by MCB Bank.

#### 4.6 Effect of Customer Satisfaction on Customer Loyalty

Linear regression analysis is performed to analyze the effect of independent variable (customer satisfaction) on dependent variable (customer loyalty). The result of the linear regressions is demonstrated in the following Table (4.14).

**Table (4.14) The Effect of Customer Satisfaction on Customer Loyalty**

Dependent Variable: Purchase Decision	Unstandardized Coefficients		$\beta$	t	Sig.	VIF
	B	Std. Error				
(Constant)	.191	.111		1.713	.089	
Customer Satisfaction	.960***	.029	.937	32.552	.000	1.000
R Square	.877					
Adjusted R Square	.877					
F Value	1059.659***					
Statistically significant indicate *** at 1%, ** at 5%, and * at 10% level						

Source: Survey Data, 2022

According to the linear regression result shown in Table (4.14), R square, 87.7% indicates that independent variable (corporate customer satisfaction) can explain 87.7% of the variation of dependent variable (customer loyalty). Particularly, 87.7% changes in customer loyalty is due to customer satisfaction. The value of F (1059.659) with a p-value of 0.000 implies that the model as a whole is statistically significant at 1% level.

The multicollinearity statistics were measured by using Variance Inflation Factors (VIF) and multicollinearity does not exist among independent variables in this study because VIF values are less than 10.

The statistical result proved that the variable, customer satisfaction has a significant and positive effect on customer loyalty. The study finds that most of the respondents are satisfied with the services offered by MCB Bank, with the employees who provide prompt and flexible transaction services and product differentiation of MCB Bank. These all results are derived from the satisfaction of respondents on the services offered by MCB in international trading services. Therefore, it can be concluded that increasing customer satisfaction of respondents positively affects customer loyalty of respondents towards international trade services of MCB Bank.

## **CHAPTER V**

### **CONCLUSION**

This conclusion chapter presents finding and discussion drawn from analysis regarding the service quality factors, customer satisfaction and customer loyalty towards international trade services of MCB, the suggestions and recommendations and the needs for further studies.

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

The aims of this study are is to analyze the effect of service quality on customer satisfaction and to examine the effect of customer satisfaction on customer loyalty towards international trade services provided by MCB Bank using the descriptive statistics and linear regression analysis. This section of the study presents relevant findings that are shown throughout the results of data. The study results obtained from 150 corporate customers who use international trade services from MCB Bank (Head Office).

Concerning the characteristics of respondents, most of the respondents are male and at the middle age. Most respondents who make international transaction got a Bachelor's degree. Therefore, it can be said that most of the respondents are young and educated. Their term of years for the use of international trade services is one to five years and they run their own private business and mostly made trading in Asia.

The descriptive analysis of reliability of service quality factor reveals that reassuring by sympathetic MCB Bank staffs when customer has problems, keeping an error free record of international trade services and providing error free record of international trade services at MCB Bank have the highest mean scores while meeting the promised time frame for response in making international transaction at MCB Bank has the lowest mean score.

In assurance variable, it highlights employees are knowledgeable to reply customers' query is high while securing in making international trade transaction with MCB bank is low.

Concerning the responsiveness variable, the results represent that employees' performance to compete their services in time and their responds to customers' request

have highest mean scores and it may be seen that international transactions can be easier to change in MCB Bank than other banks.

In product differentiation variable, the products about international trade transactions of MCB Bank are effectively useful has the highest mean score while providing various international trade finance services which are accountability has the lowest mean score.

In tangibility variable, the equipment used at MCB bank are up to date and appearance of the physical facilities have highest mean scores whereas physical facilities of MCB are visually appealing has the lowest mean score.

Concerning the customer satisfaction, the study found that majority of the respondents are satisfied with MCB's international trade services. In particular, most respondents satisfy with the employees of MCB Bank because MCB's employees offer prompt service. For customer loyalty, the factors that respondents will say about positive things and they will choose MCB anyway whenever they make international transaction have highest mean scores while the factor that using MCB Bank in every bank transaction has the lowest mean score.

Concerning the first objective, the effect of service quality on customer satisfaction, the study found that there is a positive and significant effect of service quality on customer satisfaction. Among the service quality variables, responsiveness, reliability and product differentiation have positive and significant effects on customer satisfaction. This means that if the MCB Bank provides high level of responsiveness to its customers, customers will be more satisfied with its services. Similarly, if the bank has low level of reliability, the customers will be decrease in satisfaction whereas if the bank develop differentiated products in international trade service, the customers will be more satisfied with the international trade service.

The customers are satisfied due to sympathetic employees of MCB Bank and reassuring when customers face problems at MCB. Moreover, employees provide complete services in time and they respond to customers' request promptly. The study found that responsiveness has the highest significant and positive effect on customer satisfaction.

Regarding the second objective, the effect of customer satisfaction on customer loyalty, the study found that there is a positive significant effect of customer satisfaction on customer loyalty. It may be due to the service quality offered by MCB, providing

prompt and flexible transaction services and product differentiation that lead to customer loyalty towards international trade services of MCB.

As a conclusion, the study revealed that responsiveness, reliability and product differentiation can enhance the customer satisfaction and then, consequently customer satisfaction can lead to customer loyalty towards international trade services.

## **5.2 Suggestions and Recommendations**

In the analysis of reliability of service quality, the study finds that meeting the promised time frame for response in making international transaction at MCB Bank is least significant. In this case, there may be some unexpected difficulties to respond to international transaction to meet the promised time. It suggests that bank staffs at international transaction department should be able to perform within the time frame the customers need in order to avoid unexpected cases.

In assurance analysis, the fact of securing in making international trade transaction with MCB bank has the least score. It recommends that MCB Bank should create a secure environment for their customers in making international transaction.

In the aspect of responsiveness, MCB Bank should handle its transactions about international trade transaction easily than other banks so that customers will have more satisfaction on the international trade services in today's competitive world.

When the product differentiation is analyzed, the effect of providing various international trade finance services which are accountability is the least. It is recommended that MCB Bank should provide the services accountably in the future than at present.

In tangibility analysis, the factor that physical facilities of MCB are visually appealing is least significant. It is suggested that this fact indicates that MCB should provide physical facilities obviously.

In customer satisfaction, the significance of the physical facilities provided by MCB Bank is lowest. It is suggested that MCB should provide more physical facilities. When customer loyalty is analyzed, using MCB Bank in every bank transaction is least significant. MCB Bank should make strategies to attract more customers to use their bank transaction at MCB whenever they make trading.

Based on the findings of the analysis of the effect of service quality on customer satisfaction, it is found there is a significant on reliability, responsiveness and product differentiation than other variables of assurance and tangibility. It is suggested that

MCB Bank should focus on service quality provided by its employees concerning with the aspects of assurance and tangibility, providing customers secure feeling when they make international transaction and providing physical facilities obviously to get more customer satisfaction on the bank.

When the effect of customer satisfaction on customer loyalty is analyzed, it is found that there is a positively significant effect on customer satisfaction. This recommends that MCB Bank should prepare its facilities well in physical appearance.

### **5.3 Need for Further Research**

This study focuses only service quality factors (reliability, assurance, responsiveness, product differentiation and tangibility) and their influence on customer satisfaction and the effect of customer satisfaction on customer loyalty towards international trade services at MCB Bank in Yangon. This research was only conducted for international trade services offered by MCB. The next researchers should make a study on the rest of various bank services of other banks concerning with international trade services. There are many factors that cause customer satisfaction and customer loyalty in banking service industry. Therefore, the next study should include other factors of service quality that may cause different reflections of customer satisfaction and customer loyalty.

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6. What kind of business do you run?

- Private                       Public

7. Which countries do you make international transaction by using trade services of MCB Bank with?

- Asia                               Asean  
 Western Countries               Africa

**SECTION (B) Influencing Factors of Service Quality to Use International Trade Services of MCB Bank**

Please tick (√) in the box to indicate how agreeable you are with the following.

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

**Reliability**

No.	Reliability	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
		1	2	3	4	5
1	Providing error free record of international trade services at MCB Bank					
2	Keeping an error free record of international trade services at MCB Bank					
3	Meeting their promised time frame for response in making international transaction at MCB Bank					
4	Sympathetic employees reassuring when customer has problems at MCB Bank					
5	Dependable concerning with international trade transactions at MCB Bank					

### Assurance

No.	Assurance	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
		1	2	3	4	5
1	I feel secured while doing international trade transaction with MCB bank.					
2	Employees are very cooperative and courteous with me.					
3	Employees are knowledgeable to reply my query.					
4	The way employees behave, I feel them trustworthy.					
5	The bank keeps the customer information.					

### Responsiveness

No.	Responsiveness	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
		1	2	3	4	5
1	Employees are willing to help when needed.					
2	Employees are very prompt in providing the services.					
3	Employees performed to complete their services in time.					
4	Employees are never too busy to respond your request.					
5	I think this Bank is easier to change its transaction about international trade transaction than other banks.					

### Product Differentiation

No.	Product	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
		1	2	3	4	5
1	MCB Bank can provide various international trade finance services which are accountability.					
2	The products are designed according to the requirement of the customers.					
3	MCB Bank launches new products which represent a superior customer offer.					
4	The products about international trade transactions are effectively useful.					
5	MCB makes its product innovation and general improvements in the products offered.					

### Tangibility

No.	Tangibility	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
		1	2	3	4	5
1	Physical facilities of MCB are visually appealing.					
2	Employees at this bank are well dressed.					
3	Equipment used at this bank are up to date.					
4	Appearance of the physical facilities is consistent.					
5	This bank offers parking facilities and accessibility and convenience of location.					

**Section (C) Customer Satisfaction Factor in Using International Trade Services  
of MCB Bank**

No.	Customer satisfaction	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
		1	2	3	4	5
1	I am satisfied with the services quality offered by MCB Bank.					
2	I am satisfied with MCB Bank because its employees are very knowledgeable, cooperative and trustworthy.					
3	I am satisfied with the fact that employees provide the services promptly and flexible transaction.					
4	I am satisfied with the product differentiation of MCB Bank.					
5	I am satisfied with the physical facilities provided by MCB Bank.					

**Section (D) Customer Loyalty towards International Trade Services of MCB Bank**

No.	Customer Loyalty	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
		1	2	3	4	5
1	I will say positive things about MCB Bank.					
2	I will always use MCB Bank in every my bank transaction.					
3	I consider MCB Bank as my first choice among others.					
4	I will continue as a client of MCB Bank even if charges are increased.					
5	I will never change MCB Bank even I find another bank which offers completely international trade transactions.					

**The answer result will be used in EMBF thesis for educational purpose only!**

**Thanks for your kind help and participation!**



## APPENDIX - II

### Reliability Statistics

Cronbach's Alpha	N of Items
.965	5

### Reliability Statistics

Cronbach's	N of Items
.942	5

### Reliability Statistics

Cronbach's Alpha	N of Items
.962	5

### Reliability Statistics

Cronbach's Alpha	N of Items
.957	5

### Reliability Statistics

Cronbach's Alpha	N of Items
.973	5

### Reliability Statistics

Cronbach's	N of Items
.963	5

### Factor Analysis

#### KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.909	
Bartlett's Test of Sphericity	Approx. Chi-Square	934.467
	Df	10
	Sig.	.000

**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.891
Bartlett's Test of Sphericity	Approx. Chi-Square	689.633
	df	10
	Sig.	.000

**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.905
Bartlett's Test of Sphericity	Approx. Chi-Square	875.693
	df	10
	Sig.	.000

**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.890
Bartlett's Test of Sphericity	Approx. Chi-Square	862.418
	df	10
	Sig.	.000

**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.912
Bartlett's Test of Sphericity	Approx. Chi-Square	1041.21
		2
	df	10
	Sig.	.000

**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.879
Bartlett's Test of Sphericity	Approx. Chi-Square	919.861
	df	10
	Sig.	.000

**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.912
Bartlett's Test of Sphericity	Approx. Chi-Square	961.287
	Df	10
	Sig.	.000

**Descriptives****Descriptive Statistics**

Reliability [MCB Bank provides international trade services at the promised time.]	150	3.67	.917
Reliability [MCB Bank keeps an error free record of international trade services.]	150	3.70	.857

**Descriptive Statistics**

Assurance [I feel secured while doing international trade transaction with MCB bank.]	150	3.63	.902
Assurance [Employees are very cooperative and courteous with me.]	150	3.80	.794
Assurance [Employees are knowledgeable to reply my query.]	150	3.81	.721
Assurance [The way employees behave, I feel them trustworthy.]	150	3.73	.841
Assurance [The bank keeps the customer information.]	150	3.73	.874

**Descriptive Statistics**

Responsiveness [Employees are willing to help when needed.]	150	3.66	.889
Responsiveness [Employees are very prompt in providing the services.]	150	3.67	.932
Responsiveness [Employees performed to complete their services in time.]	150	3.69	.941
Responsiveness [Employees are never too busy to respond your request.]	150	3.69	.845
Responsiveness [I think this Bank is easier to change its transaction about international trade transaction than other banks.]	150	3.65	.949

**Descriptive Statistics**

Product differentiation [MCB Bank can provide various international trade finance services which are accountability.]	150	3.59	.898
Product differentiation [The products are designed according to the requirement of the customers.]	150	3.68	.915
Product differentiation [MCB Bank launches new products which represent a superior customer offer.]	150	3.64	.854

**Descriptive Statistics**

Tangibility [Physical facilities of MCB are visually appealing.]	150	3.61	.911
Tangibility [Employees at this bank are well dressed.]	150	3.65	.913
Tangibility [Equipment used at this bank are up to date.]	150	3.66	.858
Tangibility [Appearance of the physical facilities is consistent.]	150	3.66	.850
Tangibility [This bank offers parking facilities and accessibility and convenience of location.]	150	3.63	.930

**Descriptive Statistics**

Customer Satisfaction [I am satisfied with the services quality offered by MCB Bank.]	150	3.68	.907
Customer Satisfaction [I am satisfied with MCB Bank because its employees are very knowledgeable, cooperative and trustworthy.]	150	3.67	.960
Customer Satisfaction [I am satisfied with the fact that employees provide the services promptly and flexible transaction.]	150	3.69	.928
Customer Satisfaction [I am satisfied with the product differentiation of MCB Bank.]	150	3.69	.890
Customer Satisfaction [I am satisfied with the physical facilities provided by MCB Bank.]	150	3.65	.921

### Descriptive Statistics

Customer Loyalty [I will say positive things about MCB Bank.]	150	3.73	.910
Customer Loyalty [I will always use MCB Bank in every my bank transaction.]	150	3.67	.980
Customer Loyalty [I consider MCB Bank as my first choice among others.]	150	3.73	.924
Customer Loyalty [I will continue as a client of MCB Bank even if charges are increased.]	150	3.72	.920
Customer Loyalty [I will never change MCB Bank even I find another bank which offers completely international trade transactions.]	150	3.73	.940

## Regression

### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics			Sig. F Change	Durbin-Watson
						F Change	df1	df2		
1	.961 <sup>a</sup>	.923	.921	.24211	.923	347.494	5	144	.000	2.050

a. Predictors: (Constant), Tangibility, Assurance, Reliability, Product, Responsiveness

b. Dependent Variable: CustomerSatisfaction

### ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	101.843	5	20.369	347.494	.000 <sup>b</sup>
	Residual	8.441	144	.059		
	Total	110.284	149			

a. Dependent Variable: CustomerSatisfaction

b. Predictors: (Constant), Tangibility, Assurance, Reliability, Product, Responsiveness

### Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics		
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	.085	.106		.805	.422		
	Reliability	.301	.062	.299	4.837	.000	.141	7.090
	Assurance	.016	.081	.014	.203	.840	.107	9.310
	Responsiveness	.346	.080	.342	4.333	.000	.085	9.732
	Product	.329	.076	.305	4.327	.000	.107	9.365
	Tangibility	.066	.051	.065	1.302	.195	.211	4.728

a. Dependent Variable: Customer Satisfaction

## Regression

### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics			Sig. F Change	Durbin-Watson
						F Change	df1	df2		
1	.937 <sup>a</sup>	.877	.877	.30962	.877	1059.659	1	148	.000	1.823

a. Predictors: (Constant), CustomerSatisfaction

b. Dependent Variable: CustomerLoyalty

### ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	101.587	1	101.587	1059.659	.000 <sup>b</sup>
	Residual	14.188	148	.096		
	Total	115.775	149			

a. Dependent Variable: CustomerLoyalty

b. Predictors: (Constant), CustomerSatisfaction

### Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.191	.111		1.713	.089		
	Customer Satisfaction	.960	.029	.937	32.552	.000	1.000	1.000

a. Dependent Variable: CustomerLoyalty