Independent University

Bangladesh (IUB)

IUB Academic Repository

Dept. of Marketing

Internship Report

2008-12

A RELATIONAL STUDY ON CUSTOMER SATISFACTION, CUSTOMER COMMITMENT, TRUST, AND CUSTOMER LOYALTY IN THE CONTEXT OF DHAKA BANK LIMITED

Habib, Tashfia Binte

Independent University, Bangladesh

http://ar.iub.edu.bd/handle/11348/933 Downloaded from IUB Academic Repository

A RELATIONAL STUDY ON CUSTOMER SATISFACTION, CUSTOMER COMMITMENT, TRUST, AND CUSTOMER LOYALTY IN THE CONTEXT OF DHAKA BANK LIMITED

By

Tashfia Binte Habib ID: 0310062

An Internship Report Presented in Partial Fulfillment of the Requirements for the Degree Bachelor of Business Administration

INDEPENDENT UNIVERSITY, BANGLADESH December 2008 A RELATIONAL STUDY ON CUSTOMER SATISFACTION, CUSTOMER COMMITMENT, TRUST, AND CUSTOMER LOYALTY IN THE CONTEXT OF DHAKA BANK LIMITED

A RELATIONAL STUDY ON CUSTOMER SATISFACTION, CUSTOMER COMMITMENT, TRUST, AND CUSTOMER LOYALTY IN THE CONTEXT OF DHAKA BANK LIMITED

By

Tashfia Binte Habib ID: 0310062

has been approved December 2008

Ms. Arpita Jahan Internship Supervisor School of Business Independent University, Bangladesh December, 2008

To Ms. Arpita Jahan Lecturer School of Business Independent University, Bangladesh Dhaka

Subject: Submission of final report on "A relational study on customer satisfaction, customer commitment, trust, and customer loyalty in the context of Dhaka bank Ltd"

Dear Madam,

It's my great pleasure to place my internship report for your kind approval. My internship report is on "A relational study on customer satisfaction, customer commitment, trust, and customer loyalty in the context of Dhaka bank Ltd". The observations and result of my study are embodied on this report. In addition to my careful study, this report has been a worth while review allowing me to go for in-depth analysis about real situation.

I would be always available for answering any queries on this report.

I request your kind excuse for the mistakes that may take place in this report instead of my best effort.

Thanking you

Sincerely yours

Tashfia Binte Habib ID#0310062 BBA Major in Marketing Independent University, Bangladesh

Acknowledgement

This project would not have been possible without the dedication and contribution of number of individuals. While I was preparing this internship report I had to take assistance and guidance from a number of persons to whom I am deeply indebted. At first I would like to express my gratitude to my esteemed teacher and supervisor Ms. Arpita Jahan for providing detailed feedback and advice on the research project. She always gave me her suggestions that were crucial in making the study as flawless as possible.

I truly believe that saying, "Thank You "to all individuals of Dhaka bank Ltd. is not good enough to honor their support that I have been provided in preparing my report. My extreme gratitude goes to Mr. Shahed Noman (Managing Director) for giving me the opportunity to do my internship in this organization. I would like to thank Mr. Shabbir Ahmed (Vice president & Manager).I also like to acknowledge Mr. Shaminul Rahman (Senior Assistant Vice President), who is the supervisor of this research for his day to day monitoring, supervision and maximum assistance for the last 3 months. My appreciation also goes to Ms. Farzana Parveen, (Principal Officer) for precious support all the time. I am also grateful to my department colleagues who spent their time in making me adapt quickly to the environment of the bank.

Finally, I would like to give thanks to all the respondents for their participant and data collector teams to assist me sincerely.

Executive Summary

A conceptual framework is proposed that investigates the customer satisfaction, customer commitment, trust, and customer loyalty in the context of Dhaka Bank Ltd. It is a correlational study. This present study is a unique one for Dhaka Bank Ltd, Baridhara Branch which aims to focus on the relationship among customer satisfaction, customer commitment, trust, and customer loyalty.

The sample for this study was the current account holders of Dhaka Bank Ltd, Baridhara Branch. To test the framework a structured questionnaires has been distributed among 100 respondents to collect and take as the data for the research. Structured questionnaires have been utilized with five-point Likert Scale. The data has been analyzed with SPSS 12.0. Reliability coefficient and descriptive statistics, correlation analysis, simultaneous regression, and stepwise regression were performed to assess the hypothesis. Overall, the result is quite satisfactory and showing strong positive relationship in terms of Hypotheses.

This study has an important and significant role for the management of Dhaka Bank Ltd. By accessing the findings the management can improve their service and make long-term relationship by satisfying and committing more their customer which may help them to improve their market share which means acquiring high profit.

TABLE OF CONTENTS

1.0 Introduction	1
1.1 Problem of the Statement	1
1.2 Purpose of the Study	2
1.3 Research Timeline	2
1.4 Limitations of the Study	3
1.5 Significance of the study	3
2.0 Review of Literature	4
2.1 Customer Satisfaction	4
2.2 Customer Commitment	5
2.3 Trust	6
2.4 Customer Loyalty	8
2.5 Relationship between Customer Satisfaction and Customer Loyalty	10
2.6 Relationship between Customer Commitment and Customer Loyalty	11
2.7 Relationship between Trust and Customer Loyalty	12
3.0 Operational Definitions	14
4.0 Research Questions	14
5.0 Research Hypotheses	15
6.0 Development of Conceptual Framework	15
7.0 Research Methodology	15
7.1 Research Design	15
7.2 Research Approach	16
7.3 Sampling Method	16
7.4 Survey Instrument	16
7.5 Data Collection	17

7.6 Data Analysis Procedure	17
8.0 Results Analysis	18
8.1 Reliability coefficients and descriptive statistics	18
8.2 Correlation Analysis	18
8.3 Simultaneous Analysis	19
8.4 Stepwise Regression Analysis	20
9.0 Assessment of the research hypothesis	21
• Hypothesis 1	21
• Hypothesis 2	21
• Hypothesis 3	22
10.0 Recommendations	22
11.0 Conclusion	23
12.0 References	24
13.0 Appendixes	28
Appendixe-1	29
Appendixe-2	32

List of Tables

1. Operational Definition of Measured Variables	14
2. Reliability Coefficient and Descriptive Statistics of	18
Customer satisfaction, Customer commitment, Trust, and Customer Loyalty	
3. Correlation Matrix for Customer satisfaction, Customer	19
commitment, Trust, Customer Loyalty	
4. Standardized (simultaneous) Regression on employees' Customer Loyalty	19
5. Stepwise Regression on Customer Loyalty	20
List of Figure	
List of Figure	

1. Developed Conceptual Framework of Research Variables and their	15
relationship	

1.0 Introduction

Dhaka Bank Limited (DBL) is the leading private sector bank in Bangladesh. This bank started its operation on July 1995 with a target to play the vital role on the socioeconomic development of the country. This bank started its commercial operation on July 05, 1995 with an authorized capital of Tk.1, 000 million and paid up capital of Tk.100 million. The paid up capital of the bank stood at Tk.1, 289,501,900 as on June 30, 2007. The total equity (capital and reserves) of the bank as on June 30, 2007 stood at Tk. 2,188,529,224. The bank has 37 branches across the country and a wide network of correspondents many countries in the world. Within this short time the bank has been successful in positioning itself as progressive and dynamic financial institution in the country. DBL is offering full range of Personal, Corporate, International Trade, Foreign Exchange, Lease Finance and Capital Market Services. The bank offers the full range of banking and investment services for personal and corporate customers, backed by the latest technology and a team of highly motivated officers and staff. Bank is providing e-business facility to the bank's clients through Online and Home banking solutions. Dhaka Bank Limited is the preferred choice in banking for friendly and personalized services, cutting edge technology, tailored solutions for business needs, global reach in trade and commerce and high yield on investments, assuring Excellence in Banking Services.

1.1 Statement of the Problem

Today's, banking service has become very much competitive. Customer loyalty is one of the most important factor which is need to be improve for Dhaka Bank Ltd to stay in competitive market. So far, no research has focused upon the critical determinants of customer loyalty in Dhaka Bank Ltd.

Previous researcher like Dimitriades (2006) investigated that customer loyalty in relation to customer satisfaction, customer commitment, and trust is an important issue for service

2

organization. Present researcher is also trying to find out whether there are any relationships among customer satisfaction, customer commitment, and trust with customer loyalty. Hence, this study will investigate the significant relationship among customer satisfaction, customer commitment, and trust with customer loyalty in the context of Dhaka Bank Ltd, Baridhara Branch.

1.2 Purpose of the Study

Banking service has become an important issue for the economy and also for the bankers. It has become very much insistent also. Thus it has become very important to build a superior position in this competitive banking industry. For creating a superior position a bank needs to grab more customers, and make them loyal to there service. As clients are the key sources for any business, so it is compulsory for the management to know whether their customers are

- satisfied or not
- committed or not
- has trust on bank and bankers or not and
- how the management can make more loyal customers

Because of this above circumstances the researcher will test a model to identify the relationship among Customer satisfaction, Customer commitment, and Trust (independent variables) with Customer loyalty (dependent variable) in the context of Dhaka Bank Ltd, Baridhara Branch.

This type of study was never conducted before in the context of DBL, Baridhara Branch.

1.3 Research timeline

2008	September	Research proposal writing and literature review
2008	October	Development of Conceptual Framework &
		Data collection procedure
2008	November	Data analysis and interpretation of findings

2008 November Submission of draft copy

2008 December Submission of Research Paper

1.4 Limitations of the Study

The study faced some limitations by number of factors like,

- Data collection was restricted within Baridhara Branch of DBL only. As a result, the data may not represent the total customer perception of DBL.
- Maximum customers of this branch represent only one class of the society which will not represent other classes of the society related to the branch.
- There are many other factors can influence customer loyalty but the researcher could not include them in the study because of duration of the report writing.

1.5 Significance of the Study

The present study is significant in various aspects. A previous study was conducted on some of the considered variables like customer loyalty in relation to customer satisfaction, customer commitment, and trust by Dimitriades (2006).But this type of study has never been conducted before in the context of DBL, Baridhara Branch. The proposed study investigates whether relationship exist among the measured variables (customer loyalty in relation to customer satisfaction, customer commitment, and trust) or not in the context of DBL. This research will be helpful to identify that why customer will be loyal to DBL. This study will also assist the management or authority to provide better service, better price, strong commitment and more trust towards the customers. And by improving all these factors of DBL can create outstanding image in front of their customers which may help to reach them at leading position. In this way DBL will be more prominent and improve their market share which will help to increase high profit.

2.0 Review of literature

2.1 Customer Satisfaction

Satisfaction is an ''overall customer attitude towards a service provider'' (Levesque and McDougall, 1996, p. 14), or an emotional reaction to the difference between what customers anticipate and what they receive (Zineldin, 2000), regarding the fulfillment of some need, goal or desire(Oliver, 1999). A similar definition is provided by Gerpott, T.J.,Rams, W. and Schindler, A. (2001) who proposed that satisfaction is based on a customer's estimated experience of the extent to which a provider's services fulfils his or her expectations. During the last four decades, satisfaction has been considered as one of the most important theoretical as well as practical issues for most marketers and customer researchers (Jamal, 2004). Most researchers and practitioners accept the notion that customer satisfaction is positively associated with desirable business outcomes. Research has found that customer satisfaction has a measurable impact on purchase intentions (Bolton and Drew, 1991; Mittal et al., 1999; Oliver and DeSarbo, 1988), on customer retention (Anderson and Sullivan, 1993; Bolton, 1998; Ittner and Larcker, 1998; Mittal and Kamakura, 2001), and on firms' financial performance (Anderson and Mittal, 2000; Fornell et al., 1996; Rust and Zahorik, 1993).

Recently, researchers have argued that there is a distinction between customer satisfaction as related to tangible products and as related to service experiences. The marketing literature emphasizes price as an important factor of consumer satisfaction, because whenever consumers evaluate the value of an acquired product or service, they usually think of the price (Zeithaml, 1988; Fornell, 1992; Anderson and Sullivan, 1993; Anderson, E.W., Fornell, C. and Lehmann, D.R. 1994; Cronin, J. Jr, Brady, M.K. and Hult, G.T.M. 2000). As for the relationship of price to satisfaction, Zeithaml and Bitner (1996) indicated that the extent of satisfaction was subject to the factors of service quality, product quality, price, situation, and personal factors. However, price has not been fully investigated in previous empirical studies (Bei and Chiao, 2001).Service quality, service features and customer-complaint handling determined customer satisfactions in banks. Anderson et al. (1994) consider that satisfaction requires previous consumption experience and depends on price, whereas quality can be perceived without previous consumption experience and does not normally depend on price, although in circumstances where there is little available information or where quality evaluation is difficult, price can be an indicator of quality. Mano and Oliver (1993) establish that satisfaction is an attitude or evaluative judgment varying along the hedonic continuum focused on the product, which is evaluated after consumption.

Along these lines, Halstead, D., Hartman, D. and Schmidt, S.L., (1994) regard satisfaction as an affective response, focused on product performance compared to some pre-purchase standard during or after consumption. Fornell (1992) identifies satisfaction as an overall evaluation based on the total purchase and consumption experience focused on the perceived product or service performance compared with pre-purchase expectations over time. Oliver (1997, 1999) regards satisfaction as a fulfillment response/judgment, focused on product or service, which is evaluated for one-time consumption or ongoing consumption.

2.2 Customer Commitment

Morgan and Hunt (1994, p. 23) define commitment to the relationship as: . . . an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it; that is, the committed party believes the relationship is worth working on to ensure that it endures indefinitely. Commitment, for example, has been defined as the desire to continue a relationship, along with the willingness to work towards that continuance and the expectation that the relationship will continue (Wilson, 1995; Anderson and Weitz, 1989).Recent research on customer loyalty reflects attempts to integrate the concept of attitudinal commitment in an effort to distinguish between true and spurious loyalty (Bloemer and Kasper, 1995; Fullerton, 2005). There are two types of customer

commitment conceptualizations: affective and calculative or continuance commitment, having different antecedents, contents and consequences (Zins, 2001). Calculative commitment is the way that the customer is forced to remain loyal against his/her desire (De Ruyter, K., Wetzels, M. and Bloemer, J., 1998). In calculative commitment customers can be committed to a selling organization because they feel that ending the relationship involves an economic or social sacrifice (Fullerton, 2005). Affective commitment reflects a consumer's sense of belonging and involvement with a service provider akin to emotional bonding (Rhoades L., Eisenberger, R. and Armeli, S., 2001; Fullerton, 2003). The definition of customer commitment in the present investigation is based on its affective aspect, in view of its larger effect on loyalty compared to satisfaction (Johnson M., Gufstafsson, A., Andreassen, T.W., Lervik, L. and Cha, J., 2001). Moorman, C., Zaltman, G. and Deshpande, R., (1992) defined commitment as an enduring desire to maintain a valued relationship. This implies a higher level of obligation to make a relationship succeed and to make it mutually satisfying and beneficial (Gundlach et al., 1995; Morgan and Hunt, 1994). Since commitment is higher among individuals who believe that they receive more value from a relationship, highly committed customers should be willing to reciprocate effort on behalf of a firm due to past benefits received (Mowday, R., Porter, L. and Steers, R. 1982) and highly committed firms will continue to enjoy the benefits of such reciprocity.

2.3 Trust

Trust is a person's willingness to be dependent on another party in the belief that the party will not intentionally disappoint them. Trust is an important construct catalyst in many transactional relationships. Moorman et al., (1992), (1993) defined trust as ". . . a willingness to rely on an exchange partner in whom one has confidence. Other authors have defined trust in terms of, shared values, mutual goals, opportunistic behavior, making and keeping promises, uncertainty, and actions with positive outcomes (Anderson and Narus, 1984;

Wilson, 1995; Dwyer, F.R., Schurr, P.H. and Oh, S., 1987; Bitner, 1995; Crosby, L.A., Evans, K.R. and Cowles, D. 1990; Morgan and Hunt, 1994). Although numerous definitions of the term trust have been offered over the years, many of them are not unlike that offered by Giffin (1967) in the communications literature such that trusting behavior occurs when a person:

- Relies on another;
- Risks something of value; and
- Attempts to achieve a desired goal.

Dwyer and Oh (1987) maintain that trust refers to a party's expectation that another desires coordination, will fulfill its obligations, and will pull its weight in the relationship. In the case of service it is more important to get the trust for a company. It considers s the main aspect to build a relation. Trust is also considering as a social relationship in which principals invest resources, authority, or responsibility in another to act on their behalf for some uncertain future return Shapiro (1987).

Trust involves both cognition and emotion. To be valid, trust must be based on a cognitive assessment of the likelihood that the seller will benefit the buyer (Kramer, 1999; Robinson, 1996), based on an assessment of both the characteristics and incentives of the seller (Mayer, Davis, & Schoorman, 1995; Morgan and Hunt, 1994; Hardin, 1993): there must be reason to believe (Dasgupta, 1988). Emotions are also an important part of the experience of trust (Lewis, & Weigert, 1985; Jones, & George, 1998; McAllister, 1995), and serve as signals that trigger cognitive reassessments of trust (Jones, & George, 1998). Trust may be defined as "one party's belief that its needs will be fulfilled in the future by actions undertaken by the other party" (Anderson and Weitz, 1989, p. 312). Trust refers to the value that one of the parties assigns to certain attributes of the partner in the exchange, particularly the degree of honesty (Gundlach and Murphy, 1993) and of goodwill (Larzelere and Huston, 1980; Doney

and Cannon, 1997). Gwinner, K.P., Gremler, D.D. and Bitner, M.J., (1998) proposed trust as a confidence benefit rated highly by customers in long-term relational exchange with service firms. Doney and Cannon (1997) suggested that the construct of trust involves a calculative process based on the ability of a party to a transaction to continue to meet its obligations and on an estimation of the cost-benefits of staying in the relationship. Therefore, the customer should not only perceive positive outcomes but also believe that these positive outcomes will continue in the future. Authors have defined trust in terms of opportunistic behavior (Dwyer et al., 1987), shared values (Morgan & Hunt, 1994), mutual goals (Wilson, 1995), making and keeping promises (Bitner, 1995), uncertainty (Crosby et al., 1990), actions with positive outcomes (Anderson & Narus, 1984), and mutualistic symbiosis (Ndubisi, 2003b).

2.4 Customer Loyalty

Customer loyalty is defined as: . . . a deeply held commitment to rebury or repatronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior (Oliver, 1999, p. 34). It is assumed that customers who are behaviorally loyal to a firm display more favorable attitudes towards the firm, in comparison to competitors. A common approach is to distinguish between a consumer's attitudinal loyalty and behavioral loyalty (Dick and Basu, 1994; Zeithaml, 2000; Chaudhuri and Holbrook, 2001). Behavioral loyalty is repeated transactions (or percentage of total transactions in the category, or total expenditures in the category) and can sometimes be measured quite simply with observational techniques. Attitudinal loyalty is often defined as both positive affect toward the relationship's continuance, and the desire to continue to remain in the relationship, and is sometimes defined equivalently with relationship commitment (e.g. Morgan and Hunt, 1994). Attitudinal loyalty is measured by questionnaire methods. Loyalty of customers is considered to be a function of satisfaction (Fecikova, 2004,

p. 57) and loyal customers contribute to company profitability by spending more on company products and services, via repeat purchasing, and by recommending the organization to other consumers (Bowen and Chen, 2001; Fecikova, 2004). Ganesh J., Reynolds, K. and Arnold, M., (2000) found two factors in their loyalty items, active loyalty (word-of-mouth and intention to use) and passive loyalty (not switching even under less positive conditions).Loyalty brings profit for a bank. Loyalty signifies a favorable correspondence between relative attitude and repeat patronage. Customer loyalty is a deeply held commitment to re-buy or re-patronize a preferred product or service in the future despite there are situational influence and marketing efforts having the potential to cause switching behavior (Oliver, 1999). It has been argued that for loyal buyers, companies must invest in relationship building and customer intimacy. Building such relationship and intimacy will also culminate to stronger loyalty (Ndubisi et al., 2004). The traditional product-oriented bank is becoming increasingly customer-oriented in accordance with the basic principles of relational marketing, which focuses on customer loyalty as its main goal. Therefore, loyalty is a concept that goes beyond simple purchase repetition behavior since it is a variable which basically consists of one dimension related to behavior and another related to attitude, where commitment is the essential feature (Day, 1969; Jacoby and Kyner, 1973; Berne', 1997). Jacoby and Chestnut (1978) have explored the psychological meaning of loyalty in an effort to distinguish it from behavioral (i.e. repeat purchase) definitions.

Several authors emphasize the positive relationship existing between customer loyalty and business performance (Reichheld and Sasser, 1990; Reichheld, 1993; Sheth and Parvatiyar, 1995). Loyal customers not only increase the value of the business, but they also enable it to maintain costs lower than those associated with attracting new customers (Barroso Castro and Martı'n Armario, 1999).

2.5 Relationship between Customer Satisfaction and Customer Loyalty

Customer satisfaction and loyalty are highly correlated (Athanassopoulos et al., 2001; Hallowell, 1996; Silvestro and Cross, 2000), but form two distinct constructs (Bennett and Rundle Thiele, 2004; Oliver, 1999). Customer satisfaction with a bank relationship is a good basis for loyalty (Bloemer et al., 1998; Pont and McQuilken, 2005), although it does not guarantee it, because even satisfied customers switch banks (Nordman, 2004). Hence, banks have launched customer loyalty programs that provide economic incentives. Although the effectiveness of loyalty programs has been questioned (Dowling and Uncles, 1997; Sharp and Sharp, 1997; Stauss et al., 2005), research has shown that they have a significant, positive impact on customer retention, service usage, and/or share of customer purchases (Bolton et al., 2000; Verhoef, 2003).

Loyalty is an outcome of satisfaction. Loyalty of customers is considered to be a function of satisfaction (Fecikova, 2004, p. 57) and loyal customers contribute to company profitability by spending more on company products and services, via repeat purchasing, and by recommending the organization to other consumers (Bowen and Chen, 2001; Fecikova, 2004). There is a common assumption in the literature that satisfaction is likely to increase loyalty (Oliver, 1980; Patterson et al., 1997; Bolton, 1998; Page and Eddy, 1999; Jones and Suh, 2000). Customer satisfaction brings many benefits. satisfied customers are less price sensitive, buy additional products, are less influenced by competitors and stay loyal longer (Zineldin, 2000). Although customer satisfaction is important, it is not equally important to the company. There are many customers whose satisfaction is less important, such as those a company cannot serve or who are unprofitable; on the other hand, there are customers whose satisfaction is crucial to a company's survival, and the goal should always be to satisfy those customers (Bhote, 1996). The satisfaction-loyalty link is stronger when involvement and experience are high (Bolton, 1998; Anderson, 1994). The relationship between satisfaction and loyalty is moderated by the type of failure recovery effort in service settings (Webster and Sundaram, 1998).

2.6 Relationship between Customer Commitment and Customer Loyalty

Commitment is one of the important variables for understanding the strength of a marketing relationship, and it is a useful construct for measuring the likelihood of customer loyalty as well as for predicting future purchase frequency (Gundlach, G.T., Achrol, R.S. and Mentzer, J.T., 1995; Morgan and Hunt, 1994; Dwyer et al., 1987). Recent research on customer loyalty reflects attempts to integrate the concept of attitudinal commitment in an effort to distinguish between true and spurious loyalty (Bloemer and Kasper, 1995; Fullerton, 2005).

Committed customers are positive in both attitude and behavior. Many might be described as delighted or obsessed with the brand. They can be depended upon to make continuing purchases and to engage in positive and delighted word-of-mouth exchanges with other potential customers (and in the public sector, other stakeholders). In a number of service settings, they may also make a positive contribution to the ambience of the service experience for other customers; this contribution is particularly important in service settings in which customer-to-customer interaction is an important element of the service experience, as in many leisure and travel contexts. In this sense, they add value to the brand. More specifically, they barely consider other brands. Information search and the decision-making associated with switching is regarded as too labor intensive, and switching, in general, is regarded as too risky. Clearly, every business would wish to convert as large a proportion as possible of their customers into committed loyal. They are the true loyal. They "add value" to the brand, and are almost as enthusiastic to continue the relationship with the seller, as the seller might be to continue the relationship with them. Both sides recognize the mutual benefits of the relationship, in minimizing risk. Committed loyal customers are likely to be willing to extend their business with the brand, and to evolve their relationship with the brand over a period of time. Committed loyal customers are the customers whom organizations would wish to retain, and for whom some investment in retention, in the advent of a service delivery failure, or onslaught from a competitor, may be worth significant investment and counter-persuasion. Indeed, a committed loyal may expect such evidence of the value of their relationship from the supplier, and might be offended if they were not offered special deals, when these were offered to new customers. They may react very negatively to poor recovery if there has been a significant failure in service delivery. They are entitled to expect reciprocal loyalty from the seller or provider.

2.7 Relationship between Trust and Customer Loyalty

Gremler and Brown (1996) proposed trust as a conceptual antecedent of customer loyalty. Trust works at preserving relationship investments by cooperating with exchange partners, resists attractive short-term alternatives in favor of the expected long-term benefits of staying with existing partners, and views potentially high-risk actions as being prudent because of the belief that partners will not act opportunistically (Morgan and Hunt, 1994). Trust is logically and experientially a critical variable in relationships, as has been hypothesized and borne out in the marketing literature (Moorman et al., 1993; Morgan and Hunt, 1994). Those who are not willing to trust a vendor in a competitive marketplace are unlikely to be loyal. The importance of trust in explaining loyalty is also supported by authors as Lim et al. (1997), Garbarino and Johnson (1999), Chaudhuri and Holbrook (2001), Singh and Sirdeshmukh (2000), and Sirdeshmukh et al. (2002).

Trust is sometimes conceived of having two components, performance or credibility trust and benevolence trust, as Ganesan (1994) pointed out in a business-to-business context. In this context, Ganesan found strong effects for credibility trust on relationship commitment but not for benevolence trust. He argued that this was because businesses base their purchase and selling decisions much more on performance issues. Clearly, performance or credibility trust is important in business-to-consumer relationships as well. Other authors have also suggested the existence of an effect for credibility trust on loyalty (e.g. Chaudhuri and Holbroook, 2001; Garbarino and Johnson, 1999). Recently, Singh and Sirdeshmukh (2000) and Sirdeshmukh et al. (2002) have argued strongly for benevolence as a component of trust that may contribute to explaining loyalty. We argue that in a business-to-consumer context, the benevolence component of trust may be strong in determining loyalty. We argue this first of all; because many service markets where loyalty is important have a credence component, i.e. the consumer cannot always tell if the service provided is up to a high standard. That leaves the consumer to trust to the benevolence and integrity of the service provider. Second, benevolence trust may be critical because (particularly in the case of strong retail relationships such as banking), the consumer may perceive the firm as being in a more powerful position due to the difficulty of switching. An increase in customer trust will have a positive direct effect on loyalty, because trust can make a customer loyal to that particular bank.

3.0 Operational Definition

From the literature review the operational definition of the measured variables are identified as follows:

Table 1:

Operational Definition of Measured Variables

Measured variable	Operational definition
Customer satisfaction	Operationally defined by Dimitriades (2006)
Customer commitment	Operationally defined by Dimitriades (2006)
Trust	Operationally defined by Carlos Flavia'n,
	Migue Guinalı'u and Eduardo Torres
	(2005)
Customer Loyalty	Operationally defined by Dimitriades (2006)

4.0 Research Questions

The proposed study will investigate the following research questions:

- 1. Is there any significant relationship between customer satisfaction and customer loyalty in the context of Dhaka Bank Ltd. in Bangladesh?
- 2. Is there any significant relationship between customer commitment and customer loyalty in the context of Dhaka Bank Ltd. in Bangladesh?
- 3. Is there any significant relationship between trust and customer loyalty in the context of Dhaka Bank Ltd. in Bangladesh?

5.0 Research Hypotheses

The following hypotheses are derived from the research questions:

- 1. There is a significant relationship between customer satisfaction and customer loyalty in the context of Dhaka Bank Ltd in Bangladesh.
- 2. There is a significant relationship between customer commitment and customer loyalty in the context of Dhaka Bank Ltd in Bangladesh.
- There is a significant relationship between trust and customer loyalty in the context of Dhaka Bank Ltd in Bangladesh.

6.0 Development of Conceptual Framework

The developed conceptual framework for the proposed study is presented below:



Figure 1: Developed Conceptual Framework of Research Variables and their Relationship

7.0 Methodology

7.1 Research Design

The representation of the proposed framework (figure 1) represents the pattern and structure of relationships among the set of considered variables. The research questions and hypotheses clearly maintain this model. Research that studies the relationship between two or more variables is also referred to as a correlational study (Cooper & Schindler, 2003). In this research, the researchers want to identify whether any relationships exists between these considered variables or not. Here customer satisfaction, customer commitment, and trust are independent variables and customer loyalty is dependent variable.

7.2 Research Approach

To inspect research questions and collection data the researcher will be gathered information's from the clients of Dhaka Bank Ltd, Baridhara Branch. All the participants will be given a letter from the researcher explaining the context of the research focus. All participation will be intended. If any participants want to withdraw, they could be leave without providing any reason any time.

7.3 Sampling Method

To inspect the research questions current researcher has decided to choose the clients as the population of Dhaka Bank Ltd, Baridhara Branch. Due to time and budget constrain the study will be settled only on Baridhara Branch of Dhaka Bank Ltd. Probability sampling technique would be suitable technique to explain a sample from the sampling frame. Considering this current study a simple random sampling method would be appropriate and developed. The sample size was 100 for this study.

7.4 Survey Instrument

To collect data the researcher used structured questionnaires. Therefore questionnaire survey is the most effective method for this study, so the researchers will apply questionnaire method to obtain data for this study for the following reasons:

- Respondent's secrecy can be maintained.
- It will not be possible to conduct personal interview because of time limitation.
- Hence, Internet survey will not be feasible for the context of Bangladesh because many areas do not have available internet facility. The respondent might not reach to the questionnaire. Even mail survey will be time consuming for this study too. That's why, online survey will also be inappropriate for this study.
- It takes fewer times to fill up a questionnaire.
- Assembling data through questionnaire is simple to put in a quantitative analysis.

The customer satisfaction was being measured by using 4 items, Question (1-4) at section 1. The customer commitment was being measured by using 7 items, Question (5-11) at section 2. The trust was being measured by using 8 items Question (12-19) at section 3. The customer loyalty was being measured by using 7 items, Question (20-26) at section 4. Here all of these assembled materials are taken in the context of Dhaka Bank Ltd, Baridhara Branch to maintain the simplicity to evaluate properly, which is developed by the previous researcher Dimitriades (2006). Current researcher of this study used five point Likert scale to compute all these variables.

7.5 Data Collection

The current research is a unique one for Dhaka Bank Ltd, Baridhara Branch. As a result, a secondary source of data will not be accessible for the present study. Therefore, the researchers will require primary data to study the research questions. To collect data from the primary sources, the researchers will use the questionnaire survey method. This technique is commonly used in surveys to collect data from primary sources. That means the questionnaire will be circulated among the customers in the collected sample.

7.6 Data Analysis Procedure

This proposed study is a correlational study. A Correlational analysis is the statistical tool that can be used to portray the degree to which one variable is linearly related to another (Levin & Rubin, 1998). Correlation analysis will be used to find out whether any relationship exists between the independent and dependent variables.

For the current study, the Statistical Package for Social Science (SPSS) software utilized by the researcher as a statistical data analysis tool as it offers greater flexibility in data analysis and visualization.

8.0 Result Analysis

8.1 Reliability Coefficient and Descriptive Statistics

Table: 2

Reliability Coefficient and Descriptive Statistics of Customer satisfaction, Customer commitment, Trust, and Customer Loyalty

Variable	Number of items	М	SD	Alpha
Customer satisfaction	4	3.73	.518	.672
Customer commitment	7	3.61	.687	.817
Trust	8	3.74	.551	.765
Customer Loyalty	7	3.66	.516	.716

Note: N=100

Mean scores have been computed by equally weighting the mean scores of all the items. On a five-point scale, the mean score for Customer satisfaction is 3.73 (sd = .518 and alpha = .672). The mean score for Customer commitment is 3.61 (sd = .687 and alpha = .817). The mean score for trust is 3.74 (sd = .551 and alpha = .765). The mean score Customer Loyalty is 3.66 (sd = .516 and alpha = .716).

8.2 Correlation analysis

A correlation analysis was conducted on all the variables to explore the relationship between variables. In interpreting the strength of relationships between variables, the guidelines suggested by Rowntree, D. (1981) were followed his classification of the correlation coefficient (r). Correlation is a vibrate measure of association (strength) of the relationship between two variables. It varies from 0 (random relationship) to 1 (perfect linear relationship) or -1 (perfect negative linear relationship). The vibrate correlation procedure is subject to a two tailed of statistical significance at two different levels highly significant (p<. 01) and significant (p<. 05).

Table: 3

Correlation Matrix for Customer satisfaction, Customer commitment, Trust, Customer

Loyalty

Variables	Cust_Sat	Cust_Comit	Trust	Cust_loylty
Cust_Sat	-	.392(**)	.677(**)	.676(**)
Cust_Comit		-	.731(**)	.622(**)
Trust			-	.763(**)
Cust_loylty				-

Note: *p < .05, **p < .01

The result of correlation analysis for all the variables is shown in Table 3. It examines the correlations among Customer satisfaction, Customer commitment, Trust, and Customer Loyalty at DBL. All the independent variables, Customer satisfaction (r = .676, p < .01), Customer commitment (r = .622, p < .01), Trust (r = .763, p < .01), are found to significantly positively correlated with Customer Loyalty. Customer satisfaction, Customer commitment, Trust tends to improve the customers loyalty of the clients of Dhaka Bank Ltd.

Both simultaneous and stepwise regressions have been conducted to assess the Customer Loyalty of the customers of Dhaka Bank Ltd.

8.3 Standardized (simultaneous) analysis on Customer Loyalty

Simultaneous regression analysis has been employed to identify the influence of Customer satisfaction, Customer commitment, Trust on Customer Loyalty at Dhaka Bank Ltd. Table: 4

Standardized (simultaneous) Regression on employees' Customer Loyalty

Independent Variable	В	SE B	β	R2
Cust_Sat	.334	.084	.336	.649
Cust_Comit	.159	.068	.212	
Trust	.356	.108	.380	

Table: 4 depicts that at DBL three Predictors; Customer satisfactions, Customer commitment, Trust were found to be statistically significantly related with Customer Loyalty. Significantly related five predictors together explained 64.9%. All the independent variables can explain 64.9% variance in Customer Loyalty at Dhaka Bank Ltd. The other variables that are not considered in the current study can explain the rest of the variance of Customer Loyalty at Dhaka Bank.

8.4 Stepwise regression analysis on Customer Loyalty

To find out the most influential independent variable that can explain the variance in Customer Loyalty at Dhaka Bank Ltd, stepwise regression analysis has been conducted. In Table: 5, the results of stepwise regression analysis have been presented.

Table: 5

Independent Variable	В	SE B	β	R2	$\Delta R2$
Step1	713	061	763	.582	
	.715	.001	.705		
Step 2				.629	
Trust	.526	.079	.563		
Customer					
Satisfaction	.294	.084	.295		
				(10)	.047
Step 3				.649	
Trust	.356	.106	.380		
Customer					
Satisfaction	.334	.084	.336		
Customer					
Commitment	.159	.086	.212		
					.02

Stepwise Regression on Customer Loyalty

In first step, trust is found to explain 58.2% variation of Customer Loyalty at Dhaka Bank Ltd. In the second step, customer satisfaction along with trust is found to explain 62.9% variation of Customer Loyalty at DBL. Customer satisfaction alone can explain only 4.7% variation in Customer Loyalty at DBL. In the third step, customer satisfaction along with Customer Commitment is found to explain 64.9% variation of Customer Loyalty at DBL. Customer Commitment alone can explain only 2.0% variation in Customer Loyalty at DBL.

9.0 Assessment of the research hypothesis

Hypothesis 1

There is a significant relationship between customer satisfaction and customer loyalty in the context of Dhaka Bank Ltd in Bangladesh.

The result of correlation analysis illustrates that the Customer satisfaction (r = .676, p< .01) has positive and very strong relationship with customer loyalty and their relation is statistically significant. That's why this correlation analysis has provided support for 1st hypothesis.

The result of stepwise regression depicts that in DBL, the relationship between Customer satisfaction (p<. 01) and customer loyalty is statistically significant. This significant variable, Customer satisfactions explain 4.7% of the customer loyalty. Therefore, the results of stepwise regression also supported the 1st hypothesis.

The result of standardized regression depicts that in DBL, Customer satisfaction (p<.01) significantly associated with customer loyalty. Entire predictor variables explain 4.7% of the variance in customer loyalty. So the result provides full support for hypothesis 1st.

Hypothesis 2

There is a significant relationship between customer commitment and customer loyalty in the context of Dhaka Bank Ltd in Bangladesh.

The result of correlation analysis illustrates that the customer commitment (r = .622, p< .01) has positive and strong relationship with customer loyalty and their relation is statistically significant. As a result, this correlation analysis has provided support for 2nd hypothesis.

The result of stepwise regression depicts that in DBL, the relationship between customer commitment (p<.01) and customer loyalty is statistically significant. This significant variable, customer commitment explains 2.0% of the customer loyalty. Therefore, the results of stepwise regression also supported the 2nd hypothesis.

The result of standardized regression depicts that in DBL, customer commitment (p < .01) significantly associated with customer loyalty. Entire predictor variables explain 2.0% of the variance in customer loyalty. So the result provides full support for hypothesis 2.

Hypothesis 3

There is a significant relationship between Trust and customer loyalty in the context of Dhaka Bank Ltd in Bangladesh.

The result of correlation analysis illustrates that the Trust (r = .763, p< .01) has positive and strong relationship with customer loyalty and their relation is statistically significant. As a result, this correlation analysis has provided support for 3rd hypothesis.

The result of stepwise regression depicts that in DBL, the relationship between trust (p<. 01) and customer loyalty is statistically significant. This significant variable, trust can explain 58.2% variance of the customer loyalty. Therefore, the results of stepwise regression also supported the 3rd hypothesis.

The result of standardized regression depicts that in DBL, trust (p < .01) significantly associated with customer loyalty. Entire predictor variables explain 58.2% of the variance in customer loyalty. So the result provides full support for hypothesis 3.

10.0 Recommendations

After analyzing the collected data through SPSS following issues were to be recommended-

From the result of regression analysis it was found that all the three studied variable customer satisfaction, customer commitment and trust are significantly related with customer loyalty in the context of DBL. For improving the level of customer satisfaction, customer commitment and trust DBL, Baridhara Branch should take some steps which will increase the customer loyalty towards the bank. For improving the customer satisfaction Dhaka bank can improve their service quality by introducing new service and provide their service more effectively and efficiently. Dhaka bank have to improve their customers commitment towards the Bank because this studied variable also found have the significant influence on the customer loyalty of Dhaka Bank so the bank can take some activities which makes the customers emotionally attach with bank which ultimately improve the commitment of the customers toward the bank. Trust is another studied variable which also significant influence on the customer loyalty at Dhaka bank. So the bank has to perform some activities that customers rely on their service.

Conclusion

Loyal customer is very essential for any service giving institution. So it's very important to hold customer as loyal customer to make profitable business. By accessing the findings, the study proves the relationship between customer satisfaction, customer commitment, trust (independent variables) and customer loyalty (dependent variable) in the context of DBL. The results are satisfactory and it proves the hypotheses very clearly. By conceiving of high standards service quality, providing flexible price, strong committing attitude bank, and trustworthy relationship with bank, can maintain significant level of customer satisfaction, customer commitment, and trust to make customers loyal. Hence, this study on Dhaka Bank Ltd. can obtain suggestions on which of the issues they have to pay more concentration to make loyal customers as well as attract potential customers. Finally, this research will encourage further study and also useful guidelines for this type of researches.

24

12.0 References

- Aydin, S., Ozer, G. and Arasil, O. (2005). Customer loyalty and the effect of switching costs as a moderator variable. *Marketing Intelligence & Planning*. 23(1), 89-103.
- Aldlaigan, A. and Buttle, F. (2005). Beyond satisfaction: customer attachment to retail banks. *International Journal of Bank Marketing*. 23 (4), 349-359.
- Andaleeb, S.S. (1996). An experimental investigation of satisfaction and commitment in marketing channels: the role of trust and dependence. *Journal of Retailing*. 72 (1), 77-93.
- Bejou, D. and Palmer, A. (1998). Service failure and loyalty: an exploratory empirical study of airline customers. *Journal of Services Marketing*.12 (1), 7-22.
- Ball, D., Coelho, S. P., and Macha's, A. (2004). The role of communication and trust in explaining customer loyalty. *European Journal of Marketing*. 38 (9/10), 1272-1293.
- Bennett, R. and Rundle-Thiele, S. (2004). Customer satisfaction should not be the only goal. *Journal of Services Marketing*. 18 (7), 514-523.
- Beerli, A., Martı'n, D. J. and Quintana, A. (2004). A model of customer loyalty in the retail banking market. *European Journal of Marketing*. 38 (1/2), 253-275.
- Chan, H. S. (2006). Organizational identification and commitment of members of a human development organization. *Journal of Management Development*. 25 (3), 249-26.
- Cooper, R. D., & Schindler, S. P. (2003). Business Research Methods. New York.
- Cronin, J.J., Brady, M.K. and Hult, G.T.M. (2000). Assessing the effects of quality, value, and customer satisfaction on consumer behavioural intentions in service environments. *Journal of Retailing*. 76(2), 193-218.
- Deutsch, M. (1960). The effect of motivational orientation upon trust and suspicion. *Human Relations*. 13, 123-39.
- DeRuyter, K., Bloemer, J. and Peeters, P. (1997). Merging service quality and service satisfaction an empirical test of an integrative model. *Journal of Economic Psychology*. 18, 387-406.
- Doney, P.M. and Cannon, J.P. (1997). An examination of the nature of trust in buyer seller Relationships. *Journal of Marketing*. 61 (2), 35-51.
- Dimitriades, S. Z. (2006). Customer satisfaction, loyalty and commitment in service organizations. *Management Research News*. 29 (12), 782-800.
- Ehigie, O.B. (2006). Correlates of customer loyalty to their bank: a case study in Nigeria. *International Journal of Bank Marketing*.24 (7), 494-508.

- Emery, R. C. and Barker, J. K. (2007). Effect of commitment, job involvement and teams on customer satisfaction and profit. *Team Performance Management*. 13 (³/₄), 90-101.
- Flavia'n, C., Guinali'u, M. and Torres, E. (2005). The influence of corporate image on consumer trust. *Internet Research*. 15 (4), 447-470.
- Fornell, C. (1992). A national customer satisfaction barometer: the Swedish experience. *Journal of Marketing*. 56, 6-21.
- Fullerton, G. (2005). The impact of brand commitment on loyalty to retail service brands. *Canadian Journal of Administrative Sciences*. 22 (2), 97-110.
- Gonza'lez, E. M., Quesada, G., Picado, F. and Eckelman, A. C. (2004). Customer satisfactionusing QFD: an e-banking case. *Managing Service Quality*. 14 (4), 317–330.
- Garbarino, E. and Johnson, M.S. (1999). The different roles of satisfaction, trust, and commitment in customer relationships. *Journal of Marketing*. 63, April, 70 87.
- Hansemark, C. O. and Abinsson, M. (2004). Customer satisfaction and retention: the experiences of individual employees. *Managing Service Quality*. 14 (1), 40-57.
- Hennig-Thurau, T. (2004). Customer orientation of service employees, its impact on customer satisfaction, commitment, and retention. *International Journal of Service Industry Management*. 15 (5), 460-478.
- Hess, J. and Story, J. (2005). Trust-based commitment: multidimensional consumer-brand relationships. *Journal of Consumer Marketing*. 22 (6), 313–322.
- Hart, C.W. and Johnson, M.D. (1999). Growing the trust relationship. *Marketing Management, Spring.* 8-19
- Jones, H. and Farquhar, D. J. (2007). Putting it right: service failure and customer loyalty in UK banks. *International Journal of Bank Marketing*.25 (3), 161-172.
- Jacoby, J. and Kyner, D.B. (1973). Brand loyalty versus repeat purchasing behaviour. Journal of Marketing Research. 10 (1), 1-9.
- Kassim, M. N. and Abdulla, A. M. K. A. (2006). The influence of attraction on internet banking: an extension to the trust-relationship commitment model. *International Journal of Bank Marketing*. 24 (6), 424-442.
- Keiningham, L. T., Perkins-Munn, T., Aksoy, L. and Estrin, D. (2005). Does customer satisfaction lead to profitability? *Managing Service Quality*. 15 (2), 172-181.
- Leverin, A. and Liljander, V. (2006). Does relationship marketing improve customer relationship satisfaction and loyalty? *International Journal of Bank Marketing*. 24 (4), 232-251.

- Lopez, J., Hart, K. L. and Rampersad, A. (2007). Ethnicity and customer satisfaction in the financial services sector. *Managing Service Quality*. 17 (3), 259-274.
- Levesque. T. and McDougall. G.H.G. Determinants of customer satisfaction in retail Banking.
- Malhotra, N. and Mukherjee, A. (2004). The relative influence of organizational commitment and job satisfaction on service quality of customercontact employees in banking call centres. *Journal of Services Marketing*. 18 (3), 162-174.
- Meyer, J.P. and Allen, N.J. (1991). A three-component conceptualization of organizational Commitment. *Human Resource Management Review*. 1 (1), 61-89.
- Marti'n-Consuegra, D., Molina, A. and Esteban, A. (2007). An integrated model of price, satisfaction and loyalty: an empirical analysis in the service sector. *Journal of Product & Brand Management.* 16 (7), 459–468.
- Mayer, R.C., Davis, J.H. and Schoorman, F.D. (1995). An integrative model of Organizational trust. *Academy of Management Review*. 20 (3), 709-734.
- Malhotra, K. N. (2006). Marketing Research.
- Ndubisi, O. N., Wah, K. C. and Ndubisi, C. G. (2007). Supplier-customer relationship management and customer loyalty. *Journal of Enterprise Information Management*. 20 (2), 222-236.
- N'Goala, G. (2007). Customer switching resistance (CSR), the effects of perceived equity, trust and relationship commitment. *International Journal of Service Industry Management.* 18 (5), 510-533.
- Ndubisi, O. N. and Wah, K. C. (2005). Factorial and discriminate analyses of the underpinnings of relationship marketing and customer satisfaction. *International Journal of Bank Marketing*. 23 (7), 542-557.
- Parasuraman, A., Zeithaml, V.A. and Berry, L.L. (1985). A conceptual model of service quality and its implications for future research. *Journal of Marketing*. 49, Fall, 41-50.
- Parasuraman, S., Zeithaml, V.A. and Berry, L.L. (1988). SERVQUAL: a multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing*. 64 (1).
- Pritchard, M.P., Havitz, M.E. and Howard, D.R. (1999). Analyzing the commitment-loyalty link in service contexts. *Journal of the Academy of Marketing Science*. 27 (3), 333-48.
- Parasuraman, A., Zeithaml, V.A. and Berry, L.L. (1985). A conceptual model of service quality and its implications for future research. *Journal of Marketing*. 49, 41-50.
- Parasuraman, S., Zeithaml, V.A. and Berry, L.L. (1988). SERVQUAL: a multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing*. 64 (1), 12-40.

27

- Rowley, J. (2005). The four Cs of customer loyalty. *Marketing Intelligence & Planning*. 23(6), 574-581.
- Richey, G. R., Genchev, E. S., and Daugherty, J. P. (2005). The role of resource commitment and innovation in reverse logistics performance. *International Journal of Physical Distribution & Logistics Management.* 35 (4), 233-257.
- Rotter, J. (1967). A new scale for the measurement of interpersonal trust. *Journal of* Personality. 35 (4), 651-65.
- Singh, J. and Sirdeshmukh, D. (2000). Agency and trust mechanisms in customer satisfaction and loyalty judgements. *Journal of the Academy of Marketing Science*. 28 (1), 150-67.
- Szymanski, D.M. and Henard, D.H. (2001).Customer satisfaction: a meta-analysis of the empirical evidence. *Journal of the Academy of Marketing Science*. 29(1), 6-35.
- Stauss, B., Schmidt, M. and Schoeler, A. (2005). Customer frustration in loyalty programs. *International Journal of Service*.16 (3), 229-252.
- Tyler, K. and Stanley, E. (2007). The role of trust in financial services business Relationships. *Journal of Services Marketing*. 21 (5), 334–344.
- Vasudevan, H., Gaur, S. S. and Shinde, K. R. (2006). Relational switching costs, satisfaction and commitment. *Asia Pacific Journal of Marketing and Logistics*. 18 (4), 342-353.
- Zineldin, M. (2006). The royalty of loyalty: CRM, quality and Retention. *Journal of Consumer Marketing*. 23 (7), 430–437.

13.0 Appendix-1 Research Questionnaire This questionnaire has been designed to conduct a research to fulfill the course requirement of BBA 499: Internship, under the School of Business, Independent University Bangladesh (IUB).

Please carefully read each statement and give us your opinion about the mentioned questions. The following questions are purely for research statistical and analysis purposes and will be treated with strict confidentiality.

Please put tick mark (\checkmark) on the number of per statement by using the following scale:

1= strongly disagree	2= Disagree	3= Uncertain
4=Agree	5= Strongly Agree	

Scale items Section 1: Customer satisfaction

(Please put **tick mark** ✓ on your answer option)

	Strongly Disagree			St	rongly
				Agree	
	1	2	3	4	5
1: I am fully satisfied with Dhaka Bank	1	2	3	4	5
2: Dhaka Bank always fulfills my expectations	1	2	3	4	5
3: My experiences with Dhaka Bank are excellent	1	2	3	4	5
4: Dhaka Bank has never disappointed me so far	1	2	3	4	5

Scale items Section 2: Customer commitment

(Please put **tick mark** \checkmark on your answer option)

S	Strongly			Strongly	
J	Disagre	e		Agree	
	1	2	3	4	5
5: I feel emotionally attached to Dhaka Bank	1	2	3	4	5
6: Dhaka Bank has a great deal of personal meaning for me	1	2	3	4	5
7: I feel a strong sense of identification with Dhaka Bank	1	2	3	4	5
8: My relationship with Dhaka Bank is important to me	1	2	3	4	5
9. If Dhaka Bank were no longer to exist, this would be a significant loss for me	1	2	3	4	5
10. The level of my emotional attachment to Dhaka Bank is high	1	2	3	4	5

11. My relationship with Dhaka Bank has a great deal of	1	2	3	4	5
personal meaning					

Scale items Section 3: Trust

(Please put **tick mark** ✓ on your answer option)

	Strongly				Strongly
	Disagree				Agree
	1	2	3	4	5
12: I trust Dhaka Bank to carry out my cash transactions	1	2	3	4	5
through the internet					
13: I trust that the operations that I carry out with Dhaka	1	2	3	4	5
Bank will be exact and without error					
14: The operations carried out with Dhaka Bank on	1	2	3	4	5
the internet gives me complete trust					
15: I believe that if an outsider gains access to my		2	3	4	5
account, the bank will take complete responsibility for					
my money					
16: Dhaka Bank is truly concerned with the proper	1	2	3	4	5
functioning of my investments, transactions and deposits					
17: I believe that there is some risk involved in doing		2	3	4	5
business with this Dhaka Bank					
18: I believe in the veracity of the information given to		2	3	4	5
me by Dhaka Bank through the internet					
19: I believe that Dhaka Bank respects the	1	2	3	4	5
confidentiality of my personal information and my					
transactions					

Scale items Section 4: Customer Loyalty

(Please put **tick mark** ✓ on your answer option)

	Strongly			S	Strongly	
	Disagr	Disagree			Agree	
	1	2	3	4	5	
20: I would definitely recommend Dhaka Bank to someone who seeks my advise	1	2	3	4	5	
21: I encourage relatives and friends to do business with Dhaka Bank	1	2	3	4	5	
22: I intend to do more business with Dhaka Bank in the next few years	1	2	3	4	5	
23: I say positive things about Dhaka Bank to others	1	2	3	4	5	
24: I consider Dhaka Bank my first choice to buy the services I need	1	2	3	4	5	
25: I would continue to do business with Dhaka Bank even if its prices increased somewhat	1	2	3	4	5	
26: I would pay a higher price than competitors charge	1	2	3	4	5	

A RELATIONAL STUDY ON CUSTOMER SATISFACTION, CUSTOMER COMMITMENT, TRUST, AND CUSTOMER LOYALTY IN THE CONTEXT OF DHAKA BANK LIMITED 31

for the benefits I currently receive			

NAME: _____

GENDER:

- o MALE
- o FEMALE

THANK YOU

Appendix-2

SPSS output

Reliability of customer satisfaction

Warnings

The space saver method is used. That is, the covariance matrix is not calculated or used in the analysis.

Case Processing Summary

		Ν	%
Cases	Valid	100	100.0
	Excluded (a)	0	.0
	Total	100	100.0

a Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.672	4

Reliability of customer commitment

Warnings

The space saver method is used. That is, the covariance matrix is not calculated or used in the analysis.

Case Processing Summary

		Ν	%
Cases	Valid	100	100.0
	Excluded (a)	0	.0
	Total	100	100.0

a Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.817	7

Reliability of trust

Warnings

The space saver method is used. That is, the covariance matrix is not calculated or used in the analysis.

Case Processing Summary

		Ν	%
Cases	Valid	100	100.0
	Excluded (a)	0	.0
	Total	100	100.0

a Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.765	8

Reliability of customer loyalty

Warnings

The space saver method is used. That is, the covariance matrix is not calculated or used in the analysis.

Case Processing Summary

		Ν	%
Cases	Valid	100	100.0
	Excluded (a)	0	.0
	Total	100	100.0

a Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.716	7

Descriptive

Descriptive Statistics

	Ν	Minimum	Maximum	Mean	Std. Deviation
cust_sat	100	1	5	3.73	.518
cust_comit	100	1	5	3.61	.687
trust	100	2	5	3.74	.551
cust_lolty	100	2	5	3.66	.516
Valid N (listwise)	100				

Correlations

Correlations

		cust_sat	cust_comit	trust	cust_lolty
cust_sat	Pearson Correlation	1	.392(**)	.677(**)	.676(**)
	Sig. (2-tailed)		.000	.000	.000
	Ν	100	100	100	100
cust_comit	Pearson Correlation	.392(**)	1	.731(**)	.622(**)
	Sig. (2-tailed)	.000		.000	.000
	Ν	100	100	100	100
trust	Pearson Correlation	.677(**)	.731(**)	1	.763(**)
	Sig. (2-tailed)	.000	.000		.000
	N	100	100	100	100
cust_lolty	Pearson Correlation	.676(**)	.622(**)	.763(**)	1
	Sig. (2-tailed)	.000	.000	.000	
	Ν	100	100	100	100

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

Simultaneous Regression

Variables Entered/Removed (b)

Model	Variables Entered	Variables Removed	Method
1	trust, cust_sat, cust_comit (a)		Enter

a All requested variables entered.

b Dependent Variable: cust_lolty

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.806(a)	.649	.638	.310		
a Predictors: (Constant) trust cust sat cust comit						

a Predictors: (Constant), trust, cust_sat, cust_comit

ANOVA (b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regressio n	17.094	3	5.698	59.167	.000(a)
	Residual	9.245	96	.096		
	Total	26.339	99			

a Predictors: (Constant), trust, cust_sat, cust_comit

b Dependent Variable: cust_lolty

		Unstandardized Coefficients		Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	.511	.243		2.099	.038
	, cust_sat	.334	.084	.336	3.998	.000
	cust_com it	.159	.068	.212	2.344	.021
	trust	.356	.106	.380	3.361	.001

Coefficients (a)

a Dependent Variable: cust_lolty

Regression

Variables Entered/Removed (a)

Model	Variables Entered	Variables Removed	Method
1	trust		Stepwise (Criteria: Probability -of-F-to- enter <= .050, Probability -of-F-to- remove >= .100).
2	cust_sat		Stepwise (Criteria: Probability -of-F-to- enter <= .050, Probability -of-F-to- remove >= .100).
3	cust_comit		Stepwise (Criteria: Probability -of-F-to- enter <= .050, Probability -of-F-to- remove >= .100).

a Dependent Variable: cust_lolty

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.763(a)	.582	.577	.335
2	.793(b)	.629	.621	.317
3	.806(c)	.649	.638	.310

a Predictors: (Constant), trust

b Predictors: (Constant), trust, cust_sat

c Predictors: (Constant), trust, cust_sat, cust_comit

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regressio n	15.321	1	15.321	136.280	.000(a)
	Residual	11.018	98	.112		
	Total	26.339	99			
2	Regressio n	16.565	2	8.282	82.194	.000(b)
	Residual	9.774	97	.101		
	Total	26.339	99			
3	Regressio n	17.094	3	5.698	59.167	.000(c)
	Residual	9.245	96	.096		
	Total	26.339	99			

ANOVA (d)

a Predictors: (Constant), trust b Predictors: (Constant), trust, cust_sat c Predictors: (Constant), trust, cust_sat, cust_comit

d Dependent Variable: cust_lolty

Coefficients (a)

		Unstandardized Coefficients		Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	.995	.231		4.315	.000
	trust	.713	.061	.763	11.674	.000
2	(Constant)	.598	.246		2.429	.017
	trust	.526	.079	.563	6.695	.000
	cust_sat	.294	.084	.295	3.513	.001
3	(Constant)	.511	.243		2.099	.038
	trust	.356	.106	.380	3.361	.001
	cust_sat	.334	.084	.336	3.998	.000
	cust_com it	.159	.068	.212	2.344	.021

a Dependent Variable: cust_lolty

Excluded Variables(c)

						Collinearity Statistics
					Partial	
Model		Beta In	t	Sig.	Correlation	l olerance
1	cust_sat	.295(a)	3.513	.001	.336	.541
	cust_com it	.138(a)	1.450	.150	.146	.466
2	cust_com it	.212(b)	2.344	.021	.233	.446

a Predictors in the Model: (Constant), trust

b Predictors in the Model: (Constant), trust, cust_satc Dependent Variable: cust_lolty