

The Impact of Service Quality, Customer Satisfaction, and Corporate Image in Building Customer Loyalty in The Sri Lankan Banking Industry

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Abstract

Introduction: The banking industry is experiencing intense competition, necessitating the development of strategies to retain existing customers rather than solely focusing on customer acquisition. Cultivating customer loyalty is crucial for the long-term sustainability of banks. This study investigates the impact of service quality, customer satisfaction, and corporate image on customer loyalty within the Sri Lankan banking sector.

Methodology: A structured questionnaire was employed to gather primary data from 380 bank customers in the Colombo district. Data collection utilized a Likert-type scale questionnaire administered to randomly intercepted customers exiting banks. Descriptive and inferential statistical techniques were applied to analyze the collected data using the SPSS software package.

Findings: The findings reveal a positive and significant impact of service quality, customer satisfaction, and corporate image on customer loyalty. These results imply that banks should prioritize enhancing service quality, ensuring customer satisfaction, and fostering a positive corporate image to cultivate customer loyalty. These findings suggest that banks should focus on improving service quality as a primary strategy for increasing customer loyalty. Banks should also invest in initiatives that enhance customer satisfaction and project a positive corporate image to further boost customer loyalty.

Conclusion: Overall, the study's findings provide valuable insights for banks in Sri Lanka on how to cultivate customer loyalty and achieve long-term success in the increasingly competitive banking landscape.

Keywords: Service Quality; Customer Satisfaction; Corporate Image; Customer Loyalty