

Determinants of customer loyalty in Yemen banking industry

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Abstract : *The purpose of this research is to examine customer motivations to use the banking system in Yemen. It remains unpredictable as the rise of new types of banking systems - for example, Automated Teller Machines (ATM), internet banking, developed financial markets and worldwide competition - have constrained banks to investigate the significance of customer loyalty. Therefore, research needs to focus on these changes within the banking system. According to Central Bank of Yemen,(2008)Regulators in Yemen are paying attention to increase the number of bank client because of the important role of banking to the economy (Alkibsi& Lind, 2011).The majority of people still do not use banking services to facilitate their financial needs in Yemen. Therefore, for banks to gain customer loyalty and to offer them what they need has become a considerable challenge for banks in Yemen.*

This research paper aims to provide better awareness of the factors that influencing loyalty among customers in the Yemen banks. The study is a quantitative research; 200 questionnaires were distributed to bank customers in Yemen. Statistical Package for the Social Sciences SPSS were used for Analysis to examine the contribution of independent variables in predicting the dependent variable customer loyalty.The findings showed that the five factors:service quality, brand image, corporate social responsibility, satisfaction and trust are significantly and positively influence the customer's loyalty in Yemen.The study has had a significant contribution towards identifying the factors that influencingcustomer loyalty in Yemen, which might guide bankers, policy makers and business managers to use the right strategy in order to attract more customersand maintain their loyalty in Yemenretail banks.

Keywords -*Cooperate Social Responsibility, Brand Image, Customer Trust, User Satisfaction and Customer Loyalty.*

Date of Submission: 16-09-2018

Date of acceptance: 01-10-2018

I. Introduction

It has been stated that the history of customer loyalty is complex, develops over the time and is dynamic (Johnson et al., 1995) and that the extent of the interrelationships between the factors that affect it has not been completely understood (Taylor et al., 2006). Measuring customer loyalty is to make decisions on how to improve it. Since the financial crisis, financial institution managers have been attempting to maintain customerloyalty.The significance of loyalty customers in financial services has been generally contemplated in the current literature (Arbore and Busacca, 2009) and the marketing activity of numerous organizations have concentrated on customer satisfaction and loyalty (Vesel&Zabkar, 2009). Customer loyalty has been recognized for many decades for its role in creating many successful businesses (Chaudhuri and Holbrook et al., 2001; Kotler and Armstrong et al., 2008; Lewis &Soureli et al., 2006; Oliver et al, 1980)

Customer loyalty can be applied as a standard to test a bank's service quality. Service standards must begin with the demands of customers and end with the satisfaction, trust and loyalty of customers. Banks will probably procure higher profits on the off chance that they can position themselves in a better path than their rivals in a specific market (Davies et al., 1995). Along these lines, it is basic for banks to focus on service quality as their essential competitive technique (Chaoprasert& Elsey, 2004). Additionally, both satisfaction and service quality have been included by all bank areas all through the world (Hossain & Leo, 2009).

On the other hand, Corporate Social responsibility attracts customers to use the service provided. The advantages of corporate social responsibility regarding banks, including increased profits, trust, customer loyalty, positive brand mentality and battling negative publicity. The adoption of the global banking community allows for a situation to be reached whereby equality has returned to bank sector. That is, the general public may deem the banking community to be socially responsible.Quite recently, the construction of corporate social responsibility (CSR) has been used in studies integrating customer loyalty. However, most research on CSR has been conducted in Western countries. There are still relatively few studies published in the context of the

Middle East. CSR issues in the financial industries indicate that customer awareness on CSR commitments in Yemen are still relatively low.

Brand image According to Genoveva, (2015), is a description of association and the confidence of customer towards a particular brand. "brand image is perceived by consumers". Brand image has proven to be a topic of significant discussion in market research in recent years. Branding has turned into an extremely significant concept in all corporations. However, it is typically emphasized more in the private sector than public due to the level and nature of competition.

Banking institutions are increasingly facing challenges concerning customer satisfaction and trust in light of their services in a few circumstances; inconsiderate service both at the counter and in online transactions, insufficient manpower to deal with customers, occupied phone lines and constrained banking times. In addition, bank image is proving to be a critical factor in the banking sector. Bank image is one of the fastest and most powerful tools used to inform existing and potential consumers of the services and products provided by banks in order to raise awareness, improve the image and benefit society. Unfortunately, some banks in Yemen have ignored the power of the banks' image to create such awareness and knowledge among customers. They have only paid attention and taken advantage of image in recent years, when some banks have launched campaigns to increase the number of their customers (Al-Adhi, 2009). Also, CSR, despite its popularity and importance, is still relatively vague, neglected and often confused in several countries, especially third world countries, According to Amba-Rao (1993).

These gaps have motivated researchers to investigate the factors that influence customer loyalty in Yemen. This research was conducted to determine the relationship between service quality, bank brand image, CSR, customer satisfaction and trust with customer loyalty in Yemen banks. Past research and relevant research on significant theories have been drawn upon for the various components of this study. Also the research does not just discuss the idea of customer loyalty, but also analyses how the factors service quality, corporate social responsibility, brand image, satisfaction and trust influence customer loyalty. At the end This research explores the importance to maintain customer loyalty and to recommend a set of endorsements for the banks future development in Yemen by studying the factors that have influence on customer loyalty since customers are the most important factor for banks to achieve success.

II. Theoretical Background

Service quality.

In a competitive environment, banks need to have a solid strategy to differentiate themselves from their competitors. To achieve this, they have to deliver high service quality. High service quality is proven by customers as their satisfaction will directly lead to customer loyalty. Customer loyalty is one of the most important issues concerning business organization of all types. As Hill, Roch & Allen (2007) stated, "to understand the variance between customer satisfaction and loyalty and how the relation between them works is significant for managers intricate with any part of customers' administration, since satisfaction demonstrates the customer loyalty and trust demonstrates customer loyalty. Therefore, the maintenance of a high level of quality is crucial to many banks in order to have a competitive advantage, from "quality excellence" to "quality is value" to "quality is conformance to specifications", to "quality is meeting and/or exceeding customer's expectations the concept of quality has changed" (Reeves & Bednar, 1994).

SERVQUAL dimensions

According to Babakus & Boller (1992) SERVQUAL is a tool accepted to measure service quality as it is highly reliable. Cronbach's alpha has been reported from 0.87- 0.90, while applied in many service organization SERVQUAL sample model was restored in 1991, with the following five dimensions for service quality:

- Assurance: the knowledge of employees' empathy towards a service and product, compassionate attitudes, and customized consideration to customers.
- Reliability: consistently and precisely committed to accomplish services to customers, and ability to perform services accurately.
- Responsiveness: efficient service, support customers, willingness to assist customers and respond to customers' needs.
- Tangibility: equipment provided, employee and physical appearance of services and building.
- Empathy: giving customers attention, caring about customers and individual services is given to the customer.

Relationship between service quality and customer loyalty

Zahorik & Rust (1993) have argued that placing service quality as a factor influencing customer loyalty will offer significant diagnostic capability to any framework that includes customer loyalty as a dependent variable. Earlier research has also confirmed that the relationship between service quality and customer loyalty occurs

and is positive (Anderson & Sullivan, 1993; Cronin & Taylor, 1992; Harrison-Walker, 2001). In the banking sector, quality of service plays a key role in improving customer satisfaction. The results of Berry & Thompson (1982) suggest that there is a strong relationship between banks services and build loyal customers, giving the banks a competitive edge. In the same way, Teas (1993) investigation clarified the long-term connection between the service quality and customer loyalty.

Bank image

The impressions customers have of an organization extend well beyond the services or products that the banks provide. As per Balderston, F (1985) stated brand is a mental image that reflects the way a brand is seen, including all the recognizing components, the product or organization identity, and the feelings and association evoked in the buyer's brain. Also Keller (1993) characterizes brand as recognitions about a brand as reflected by the brand association held in the purchaser's memory. The degree to which an image is handled and organized as an appearance in the mind might be distinctive in various people and groups contingent upon their level of involvement. Thus, the structure of the bank image in the person's mind can differ in such manner (Cornelissen, 2000).

Relationship between bank image and customer loyalty

Brand image is considered a significant factor in the evaluation of a service provided, and indeed there is sufficient evidence that image significantly affects the evaluative findings of customers such as perceptions of quality. Davies et al. (1995) proposed that branding relates closely to customer loyalty. Since brand image has been recognized as an important factor to customer loyalty, banks with a positive brand image will tend to generate higher levels of customer loyalty.

Corporate social responsibility

The perception of CSR goes back to the 1950s. Corporate Social Responsibility has been described as a feeling of social commitment, which Bowen (1953) suggests "follows after those lines of activity which are desirable in terms of the objectives and values of our general public". Organizations that make available CSR records, rather than only giving data about the general nature of their products, make a general setting for customers' assessment (Brown & Dacin 1997). Twenty-first century scientists concur that social responsibility can improve the reputation and public image of regular banks and that banks must demonstrate a larger amount of social obligation. Few investigations of customer perception of CSR do demonstrate positive outcomes and discernments in Yemen retail banks are relatively few in number, leaving gaps in the assemblage of researches.

Relationship between corporate social responsibility and customer loyalty

Customer loyalty is well-defined as an overall assessment based on the total buying and consumption of the customer experience with a product or service over time (Anderson, Fornell & Mazvancheryl, 2004). In marketing research, customer satisfaction has been recognized as a significant part of corporate strategy (Fornell et al. 2006) and a key driver of a company's long-term profitability and market value (Gruca & Rego 2005). Based on this, Daub and Ergenzinger (2005) propose the term "generalized customer" to refer to persons who are not only customers worrying about the consumer experience but also real or potential stakeholders from various stakeholder groups. In this way, such generalized customers are likely to be more satisfied with the products and services of socially responsible companies than those of "socially irresponsible counterparties". Second, a strong CSR balance creates a favourable environment which positively stimulates consumer attitude towards the company (Brown & Dacin et al., 1997, Gürhan Canli & Batra et al., 2004; Sen & Bhattacharya et al., 2001). Precisely, Luo & Bhattacharya (2006) found that in firms that are less innovative, CSR has in fact reduced customer loyalty levels and satisfaction, resulting in an impairment of market value.

Customer satisfaction

In 1980, Oliver defined customer satisfaction is "complete fulfilment of his/her expectations". It is an attitude or feeling that results from the use of a successful product or service. When company performance expectations are established, customers with a high level of company identification will tend to be less dissatisfied because of their more affective attachment to the business. (Chaudhuri & Holbrook, 2001); Anderson & Sullivan, 1993, examined the background and results of satisfaction of business customers and found that situations in which quality did not meet expectations had a greater impact on satisfaction and loyalty compared to those in which expectations were exceeded, determined that satisfaction positively affects customer loyalty.

Relationship between customer satisfaction and customer loyalty

Among the numerous studies devoted to customer satisfaction in banks. Albro, 1999, in the context of Washington, USA, used banks customer's data from all geographic areas and banking assets. The study

involved a national survey of customers of 814 banks in an attempt to investigate customer Satisfaction by asking customers about their satisfaction with banks. He concluded that cross-selling depends on a high level of customer satisfaction. The study also found a very strong correlation between satisfaction scores and the predisposition of customer loyalty (Bei&Chiao, 2001). Fullerton and Taylor (2009) found a non-linear relationship between satisfaction and loyalty intention: the relationship was more positive at higher levels of satisfaction. A study in a retail banking market also found satisfaction to have a positive effect on customer loyalty (Beerli et al., 2004). Yang and Peterson (2004) also found that customer satisfaction drives customer loyalty.

Customer trust

Trust has been defined as the level of integrity, honesty and competence that one party perceives in another. In other words, it depends on the perceived reliability and integrity of a brand or service provider. Henning-Thurau et al, (2007) argue that the direct influence of trust on loyalty has been questioned by a number of empirical studies. In support, Ranaweera & Prabhu, (2003) argued that trust in the context of one company to another has been used in a somewhat ambivalent way. Chiou, Droge&Hanvanich(2002) argue that when a customer trusts a brand, it means that it is also likely to form a positive attitude towards the brand.

Relationship between customer trust and customer loyalty

Trust is logically and experientially a critical variable in relationships, and this has long been assumed and confirmed in the marketing literature (Moorman et al., 1993; Morgan & Hunt, 1994). Those who do not want to trust a supplier in a competitive market are unlikely to find loyalty. The importance of trust in the explanation of loyalty is also supported by the authors (e.g, Lim et al. 1997; Chaudhuri & Holbrook 2001). Trust in performance or credibility is an important aspect of the relationship between banks and consumers. Other authors such as Chaudhuri & Holbrook, (2001) have also suggested the existence of an effect of trust on loyalty.

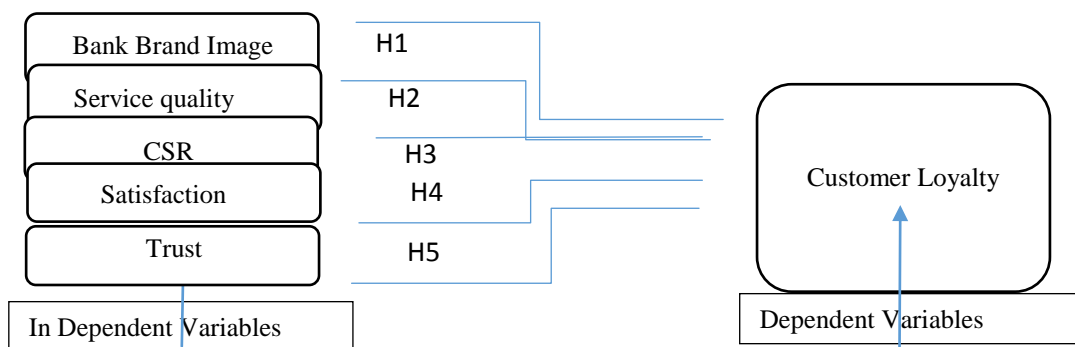
Customer loyalty

Customer loyalty has been defined as an obligation to buy back or repatriate a product / service consistently preferred in the future, thus causing repetitive same brand purchases, despite situational influences and marketing efforts having the potential to provoke a change in behaviour (Oliver, 1980). Following this, Ribbink et al. (2004) stated that this general definition also applies to online loyalty. In the banking areas, loyalty is defined as the repetition of customer who continue using the services of a certain bank for a long period (Ladhari et al., 2011). Faithful customers are characterized by the repetitive purchase of products and services, recommending the company to others, defending it against bad reviews by supporting their choices (Akhter et al., 2011).

III. Research Model & Hypothesis

Figure 1 shows the conceptual frame work and the hypothesis to be tested. The model that has been developed consists of independent variables of the determinants of customer loyalty. The framework focuses on the factors influencing customer loyalty which are the relationships between the quality of service, bank image, CSR, satisfaction and trust with customer loyalty within the Yemen retail banks.

figure 1: Conceptual frame work.



The research hypothesis of this study was created based on previous empirical studies, and they are as follows:
Hypothesis 1: There is a positive and significant relationship between service quality and customer loyalty in the Yemen banks.

Hypothesis 2: There is a positive and significant relationship between bank image and customer loyalty in the Yemen banks.

Hypothesis 3: There is a positive and significant relationship between CSR and customer loyalty in the bank industry in Yemen banks.

Hypothesis 4: There is a positive and significant relationship between customer satisfaction and customer loyalty in Yemen banks.

Hypothesis 5: There is a positive and significant relationship between customer trust and customer loyalty in Yemen banks.

IV. Methodology

The researcher has collected the data from respondents using a questionnaire. The questionnaire was designed and distributed to a sample size of 200 respondents. The research subjects were of legal age and have savings, current or investments accounts with banks in Yemen. The researcher chose to use the questionnaire to measure the customer loyalty based on the variables discussed. Overall, out of a total of 200 questionnaires distributed during a one-month period of data collection, there were only 190 valid questionnaires suitable for analysis. This represents a response rate of 95%, which is sufficient to arrive at the desired and expected realization of this study. There were 99 females (52.1%) and 91 Males (47.9%). Approximately 56.8% were aged 18 years old to 30 years old, 32.2% aged between 31 and 40 years old, another 6.3% were between 41 and 50 years old and 3.7% were above 51 years of age, as shown below in table 1.

Table 1: Profile of Sample.

Measure	Item	Frequencies	Percentage
Gender	Male	91	47.9
	Female	99	52.1
Age	18-30	108	56.8
	31-40	63	33.2
	41-50	12	6.3
	51 above	7	3.7
	Operating with bank less than 1 year	33	17.4
Operating with bank	1-3 years	58	30.5
	5 and above	99	52.1
	Occupation		
Occupation	Student	90	47.4
	Employee	64	33.7
	Business man	22	11.6
	Other	14	7.4
Account Type	Savings	117	61.6
	Current	61	32.1
	Investment	11	5.8
others		1	.5

The questionnaire contains six variables. The measurement items have been designed according to previous literatures on the banks environment. The measurement elements are then reformulated so that all the elements reasonably apply to Yemen bank industry.

Service quality

To evaluate the banking industry in Yemen in terms of service quality, this research adapted 20 questionnaire items from the SERVQUAL dimensions scale developed by Parasuraman et al., (1991). Thus 20 items are grouped into five dimensions: (1) Tangibility. (2) Reliability. (3) Responsiveness. (4) Assurance and (5) Empathy. Respondents were asked to indicate the degree to which they were in agreement with each statement, using Likert scale from strongly disagree (= 1) to strongly agree (= 5).

Bank image

To evaluate the banks in Yemen in terms of bank image, five questionnaire items were adapted from Rahi, S (2015) study. The bank users are asked to indicate the degree to which they were in agreement with the importance of bank image based on their opinion. This item was measured using Likert scales ranging from strongly agree (1) to strongly disagree (5).

Corporate social responsibility

The CSR questionnaire item was adapted from Carroll & Shabana (2010) study. Bank users are asked to indicate their perception of CSR based on their opinions and experience. This item was measured using Likert scales ranging from strongly agree (1) to strongly disagree (5).

Satisfaction

To measure the level of customer satisfaction four items were adapted from Mols, (1998) study. Respondents are asked to indicate their level of satisfaction using Likert scales ranging from strongly agree (1) to strongly disagree (5).

Trust

In this part, a total of four items were adapted to measure customer trust in banks, based upon the research of Elizabeth Brown (2012). These four items are measured using Likert scales ranging from strongly agree (1) to strongly disagree (5).

Customer loyalty

To measure customer loyalty, this research adapted five questionnaire items from Rahi, S (2015). Respondents would indicate their loyalty using Likert scales ranging from strongly agree (1) to strongly disagree (5).

V. Data Analysis And Results

Reliability and validity test

To be certain of the validity as well as the reliability of the information, this analysis initially pre-tested the questionnaire by reviewing to supervisor lecturer and discuss it. Concerning reliability, all of the things show a strong inner consistency measuring the constructions of it by reaching Cronbach's alpha greater than 0.70. The outcome has satisfied the minimum acceptable Cronbach's alpha coefficient of 0.70 as indicated by Hair et al. (1998). Thus, they recommended that the requirements properly assess each of the individual variables tested (quality of service, bank image, CSR, satisfaction, trust as well as customer loyalty). Thus, Cronbach's Alpha is clearly positively significant. The measurement of the reliability of the variables is actually provided below in table2.

Table 2: Cronbach Alpha Test for each variable
Reliability Statistics

Variables	Cronbach's Alpha	N of Items
Bank Image.	0.837	5
Service Quality	0.932	20
CSR	0.826	5
Customer Satisfaction	0.781	4
Customer Trust	0.793	4
Customer Loyalty	0.793	5
Total		38

Correlation analysis

Based on Pallant (2001), correlation examination is utilized for describing the power as well the guidance of the linear connection between two variables. Pearson correlation coefficients (r) are only able to take values from -1 to +1. The (r) is between zero as well as one may be translated as follows: When the value of r is between 0.1 to 0.29, the relationship is going to be vulnerable; when the value of r is between 0.30 and 0.49, the relationship is going to be average, and once the value of r is above 0.50, the relationship will be considered strong (Pallant, 2001). The correlation analysis involves the dependent adjustable variable of customer loyalty and the factors: customer trust, customer satisfaction, CSR, bank image, and service quality. The result of the analysis is shown in table 3.

Table 3: Pearson's Correlation Coefficient between the Research Variables

Correlations

	Bank Image	Bank services	CSR	Customer Trust	Customer Satisfaction	Customer Loyalty
Pearson Correlation	1	0.653**	0.588**	0.600**	0.644**	0.602**
Sig. (2-tailed)		0.000	0.000	0.000	0.000	0.000
N	190	190	190	190	190	190
Pearson Correlation	0.653**	1	0.691**	0.714**	0.792**	0.674**
Sig. (2-tailed)	0.000		0.000	0.000	0.000	0.000

	N	190	190	190	190	190	190
CSR	Pearson Correlation	0.588**	0.691**	1	0.701**	0.616**	0.563**
	Sig. (2-tailed)	0.000	0.000		0.000	0.000	0.000
Customer Trust	N	190	190	190	190	190	190
	Pearson Correlation	0.600**	0.714**	0.701**	1	0.732**	0.640**
Customer Satisfaction	Sig. (2-tailed)	0.000	0.000	0.000		0.000	0.000
	N	190	190	190	190	190	190
Customer Loyalty	Pearson Correlation	0.644**	0.792**	0.616**	0.732**	1	0.706**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000		0.000
Customer Loyalty	N	190	190	190	190	190	190
	Pearson Correlation	0.602**	0.674**	0.563**	0.640**	0.706**	1
Customer Loyalty	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	
	N	190	190	190	190	190	190

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

Table no.3 shows, the results indicate that all variables were positively correlated with customer loyalty. All variables had correlation values of 0.5 or greater than 0.5. For those variables where we can see the relationship between them, there is a strong positive relationship between customer loyalty and bank image ($r=0.602$, $P=0.000$) and p -value $< p=0.01$ level (2-tailed), a strong positive relationship between customer loyalty and bank service quality ($r=0.674$, $P=0.000$) and p -value $< p=0.01$ level (2-tailed), an equally strong positive relationship between customer loyalty and CSR ($r=0.563$, $P=0.000$) and p -value $< p=0.01$ level (2-tailed) and indeed the relationship between customer trust and customer loyalty is also positively strong ($r=0.640$, $P=0.000$). Lastly, there is a strong positive relationship between customer satisfaction and customer loyalty ($r=0.706$, $P=0.000$) and p -value $< p=0.01$.

Multiple regression analysis

Table 4 and Table 5 show that the regression is significant ($F(5, 184) = 47.886$, $p < .01$). There is clear correlation between 5 independent variables; which are: service quality, bank image, CSR, satisfaction and trust with dependent variable customer loyalty ($R = 0.752$). The service quality, bank image, CSR, satisfaction and trust explain 56.5% of the variance of customer loyalty ($R^2 = 0.565$) and 55.4% of the variance of customer loyalty in the real population (Adjusted $R^2 = 0.554$).

Table 4: Multiple Regression of IV'S on DV (Customer Loyalty)

Model Summary^b

Model	R	R Square	Adjusted Square	Std. Error of the Estimate	Change Statistics				
					R Change	Square Change	F Change	df1	df2
1	0.752 ^a	0.565	0.554	0.46562	0.565	47.886	5	184	0.000

a. Predictors: (Constant), Customer Satisfaction, CSR, Bank Image, Customer Trust, Bank services

b. Dependent Variable: Customer Loyalty

Table 5: Significance of IV'S on DV (Customer Loyalty)

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	51.908	5	10.382	47.886	0.000 ^b
	Residual	39.891	184	0.217		
	Total	91.799	189			

a. Dependent Variable: Customer_Loyalty

b. Predictors: (Constant), Customer_Satisfaction, CSR, Bank_Image, Customer_Trust, Bank_services

Table 6 shows that bank image, service quality, CSR, trust and customer satisfaction correlate positively and significantly with customer loyalty. Bank image was found to be a significant, positive predictor of customer loyalty ($\beta = 0.0341$, $p < 0.01$). Service quality ($\beta = 0.365$, $p < 0.01$), CSR ($\beta = 0.042$, $p < 0.01$), CSR

($\beta = 0.042, p < 0.01$) customer trust ($\beta = 0.245, p < 0.01$), and customer satisfaction ($\beta = 0.332, p < 0.01$) are also significant positive predictors of customer loyalty. In addition, the data show that the service quality coefficient ($\beta = 0.365$) is the highest, followed by bank image ($\beta = 0.341$), followed by customer satisfaction ($\beta = 0.332$) and customer trust ($\beta = 0.245$). This indicates that service quality are even more predictive of customer loyalty than bank image, customer satisfaction and customer trust.

Table 6: Coefficient and Significance of Each IV on DV (Customer Loyalty)

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig. <0.05	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	0.288	0.232		1.241	0.216		
Bank Image	0.170	0.071	0.341	2.387	0.018	0.501	1.995
Service quality	0.197	0.106	0.365	3.645	0.005	0.288	3.470
CSR	0.042	0.076	0.042	0.557	0.578	0.422	2.372
Customer Trust	0.151	0.069	0.245	4.641	0.000	0.351	2.847
Customer Satisfaction	0.355	0.094	0.332	3.764	0.000	0.303	3.300

a. Dependent Variable: Customer Loyalty

Based on the a, bank services, bank image, customer satisfaction and trust clearly have a significant, positively influence on customer loyalty. On the other hand, CSR does not have a significant positive influence on customer loyalty. Therefore, H3 is rejected in this study. The results indicate that bank service quality, bank image, customer satisfaction and customer trust are predictors of customer loyalty in Yemen banks.

Meanwhile, a beta value of 0.341 indicates that 1 unit increase in the bank image variable will result in a 0.341 unit increase in the customer loyalty variable. Since service quality have a beta value of 0.365, a 1 unit increase in the service quality variable will result in a 0.365 increase in customer loyalty. Customer trust with a beta value of 0.245 indicates that a 1 unit increase in the customer trust variable will result in a 0.245 increase in customer loyalty. Customer satisfaction with a beta value of 0.332 indicates that a 1 unit increase in the customer satisfaction variable will result in a .332 increase in customer loyalty.

The empirical findings of this study are in line with the evidences offered by Carroll & Shabana, (2010); Elizabeth Brown, (2012); Parasuraman et al., (1991) and Rahi, S (2015). The major findings of this study have indicated that bank image, bank services quality, customer satisfaction and customer trust play an important role in building customer loyalty in Yemen retail banks.

Additionally, when comparing the independent variables of bank services quality, bank image, and customer satisfaction we find a highly significant, positive influence on customer loyalty towards bank industries, followed by customer trust. The results have shown that bank service quality, bank image and customer satisfaction and trust are all essential factors when it comes to ensuring customer loyalty in Yemen retail banks.

Hypothesis testing.

All these results lead to the realization of the stated research questions and therefore reflect a number of conclusions and managerial implications drawn as indicated in table 7.

Table 7: Summary of hypothesis testing.

Hypothesis	Coefficient	Results	Supported Literature
H1	There is a positive and significant relationship between service quality and customer loyalty in banking industry in Yemen.	supported	Genoveva, (2015)
H2	There is a positive and significant relationship between bank image and customer loyalty in the banking industry in Yemen.	supported	Onyancha, (2013)
H3	There is no positive and significant relationship between CSR and customer loyalty in the banking industry in Yemen.	Not supported	Pomering, & Dolnicar, (2008)

H4	There is a positive and significant relationship between customer satisfaction and customer loyalty in the banking industry in Yemen.	supported	Genoveva, (2015)
H5	There is a positive and significant relationship between customer trust and customer loyalty in the banking industry in Yemen.	supported	Singh & Sirdeshmukh (2000); Sirdeshmukh et al., (2002)

Table no. 7 shows that the quality of service has an impact on customer loyalty in the bank industry in Yemen. Customers tend to be loyal although bank service providers offer average quality services and have earned high customer satisfaction. However, there are few documents that corroborate the positive results that are consistent with the results of this study, as shown in table 7.

Therefore, as the results suggest that quality of service significantly influences customer loyalty in Yemen banks, previous studies by Zahorik and Rust (1993) have shown that quality modelling is perceived as a factor influencing customer loyalty and provide a significant diagnostic capacity framework that includes customer loyalty as a dependent variable. Prior research has additionally settled that the connection between perceived quality and customer loyalty exists and is positive (Anderson & Sullivan 1993; Cronin & Taylor 1992; Harrison-Walker, 2001).

From a management point of view, the retail bank in Yemen must realize that providing good services will ensure customer loyalty, quality of service is a major factor differentiating between competitors. According to the questionnaires completed by some of the respondents, the quality of service offered is not what they expected to receive. This perception will result in the relationship between quality of service and loyalty being very strong in Yemen since consumers believe that it is necessary to be loyal to the banks.

However, banks should not totally ignore this factor as these are the fundamental attributes to be integrated into the strategies of the banking business and to increase adoption by the users. However, for the customer loyalty strategy, Yemen banks should look for other services that can retain them in order to maintain a long-term competitive advantage.

Next, the CSR isn't predictive of customer loyalty in the banking industry in Yemen. Clients usually do not tend to be loyal purely because the banks provide CSR services, and this is not in line with the majority of the previous studies as stated in literatures. Nevertheless, there aren't many works of literature which support the unfavourable findings aligned with results of the study (Dolnicar & Pomeroy, 2008) as shown in Table 7. The results do however suggest that CSR isn't substantially influencing consumer loyalty. From a managerial viewpoint, the retail bank in Yemen needs to understand that using CSR in banks will not ensure customer loyalty. Thus, CSR isn't a significant factor in distinguishing a bank from its competitors.

Third, when customers find that their bank image is actually good, it contributes to loyalty towards the retail bank in Yemen. Brand image is considered a crucial component with regards to services. As stated in the research, there is adequate proof that bank reputation influences customer loyalty. Additionally, Bloemer et al. (1998) studied image issues in banks & pointed out that a bank's image correlates significantly with the quality of service perceived. Thus, we can conclude that customers not only make use of the services offered but also connect the bank image with the service offered. From a managerial viewpoint, it is essential to have a very good bank image as well as services because these all positively and directly affect consumer loyalty.

Lastly, people that are highly confident as well as satisfied with the banking provider tend to be customers that are loyal to a specific bank. Customers who don't believe in or perhaps are dissatisfied with the banks are less likely to be loyal to their particular bank, due to the lower level of trust and satisfaction. These assumptions are actually in line with earlier studies, as shown in table 7. Hence from a managerial perspective, satisfaction and trust are able to directly impact on customer loyalty. Banks must develop a connection of trust with clients by being sincere and honest with their promises made to their customers. They must also strive to obtain greater satisfaction to the customers by offering them beyond what they expect from the banks.

VI. Discussion And Conclusion

Research discussion

This study has explored the influence of bank service quality, bank image, CSR, trust and satisfaction on customer loyalty in the context of the retail bank in Yemen as well as the elements which are crucial in developing that customer loyalty in the first place through using the banking services. Various assumptions determine the links between as well as the effects of these variables. The analysis concludes that hypothesis 1, hypothesis 2, hypothesis 4 and hypothesis 5 are well supported by the data while hypothesis 3 is actually rejected. It has also been discovered that among the 5 impartial variables, bank service quality is actually the greatest predictor of customer loyalty to the retail bank in Yemen. These outcomes lead to the realization of the stated exploration objectives and reflect a selection of conclusions.

Therefore, it is found that customer loyalty depends to a large extent on the degree to which customers are satisfied with the bank services. Additionally, Tan & Ogba, (2009) reported that a good brand image will likely allow for superior consumer loyalty as well as buyer commitment towards a service provided in the market place. Numerous participants in the survey suggest that trust, quality and satisfaction are really essential factors when it comes to retaining customers. Furthermore, one of the most crucial elements appears to be the availability of accurate information from the bank. The image that the banks produce during their business life is actually a precedent to the bank image. The measure of the services provided is significant for developing a brand image which significantly influence customer loyalty. Likewise, Titko & Lace, (2010) reported that the crucial elements affecting customer choices regarding the suspension of interactions with their banks might include increase service fees, operational mistakes and poor services of workers.

Providing high service quality clearly influences customer loyalty, as shown in this study. This is in accordance with Tjiptono, (2005), "One more way to distinguish is to consistently provide quality services better than the competitors". The quality of service can be expressed in terms of perceived services and services expected. When services are perceived to be of lower quality than expected, then the customers will probably no longer be interested in the bank service provider. If the opposite is true, it is possible that customers would use the service provided again and this means that the customer is satisfied with the bank, and this in turn significantly and positively influence on customer loyalty.

This research has studied the determinants of customer loyalty towards the banking industry in Yemen. Analysis has been conducted and the results have shown significant and positive correlation between customer loyalty and various factors including service quality, bank image, customer satisfaction and trust. Each individual variable influences customer loyalty, except for the CSR variable, as the results showed that CSR has no significant influence on customer loyalty, even though previous studies have shown a relationship between the two variable. This may be explained by the fact that in Yemen the situation has been different and the reason for that might be that customers are perhaps not yet fully aware of the benefits of applying CSR in retail banks.

Research recommendations

It should be noted that the present study does not include all possible variables which potentially impact on consumer loyalty to the banking industry in Yemen. Since customer loyalty has not been tested in Yemen in the context of the banking business, once again the present model serves as a foundation introduction to the concept of loyalty by which the unit concentrates just on the immediate consequence of the variables on customer loyalty. The model might have to be further enhanced as there might be different potential independent variables capable of effecting customer loyalty considerably or maybe the presence of a mediating or moderator variables in the analysis version could create new findings for the banking industry in Yemen.

Thus, for future research, the model must be improved by searching for extra variables which will further enhance the capability of predicting to a greater degree of precision consumer loyalty to the banking industry in Yemen. These extra variables must be seen as applicable in the context of the banking business. For example, perceived value by consumers or moderator variables: consumer attributes including customer participation as well as online technology. This particular suggestion is usually a fascinating challenge for researchers and provides them with exciting and new research opportunities. Additionally, when can choose to make use of modelling of structural equations (SEM) which is actually recommended worldwide as an excellent method of analysis capable of producing more accurate and reliable outcomes.

Furthermore, the Yemen bank sectors should think about applying a customer loyalty program since it can be argued such a program is essential for keeping the current portfolio as the price of acquiring new customers is definitely higher compared to that of simply retaining them. Banks in Yemen must build a solid connection with the consumer as well as improve the quality of the services they provide, in order to reduce the rate of changeover from one bank to the next bank. As mentioned earlier, the bank image and services provided by the bank, customer satisfaction as well as customer trust all exhibit strong and positive correlation with customer loyalty.

Bankers must also concentrate on operational problems, particularly the personnel department, customer connection supervisors as well as private bankers. Additionally, the packages provided to the consumer should fit the demands of the industry. Consumer loyalty is founded on the quality of a bank's products as well as its services. This particular study suggests that if the consumer is actually satisfied and content, there is a competitive advantage, since the customer will likely continue to be loyal to the bank in the long term. Bankers are able to bring in innovative services and products as well as to provide competitive services to the industry, such as services for disabled customers in order to attract new types of customers.

Conclusion

The results of this empirical study provide support for the conceptual model, the outcome supported the idea that quality of service, bank image, satisfaction and trust have played a significant and positive role in customer retention in the banking industry in Yemen. In addition, as clearly shown by the main adjustment

statistics, the framework tests demonstrated a significant level of correlation between the dependent variables and the independent variables.

The outcomes of the hypothesis tests offer satisfactory support for the variables through the SPSS analysis. Although H3 was rejected as it showed there is no influence on customer loyalty in Yemen banks, in general, the results confirm that the model offers a good understanding of the factors that influence customer loyalty in Yemen.

At the core of all successful business relationships are bank services, bank image, satisfaction and trust. Trust can be built by bank image, satisfaction and trust can be expressed in customer valuations of service quality. There is a growing interest in being able to express customer loyalty in the bank industry. Banks need to reassess their customer loyalty. In addition, there is an increasing focus on loyalty programmes in the banking industry today. The findings of this study should be of particular interest in forming marketing strategies for the banks in Yemen and for these loyalty programmes in particular.

Furthermore, the present competitive environment in Yemen has exclusively promoted the banking industry growth and development through enhanced efficiency as well as sector discipline, and also introduced more advanced products & services. It's currently essential for banks in Yemen to understand how certain behaviours impact the customer and customer loyalty, and how one can build customer loyalty is actually thought of as forming the basis of a company's competitive advantage thus influencing performance (Rust et al., 1993).

Additional analysis is suggested as a way of extending the outcomes discussed in this specific study. For future research, further variables must be integrated into the product which may include both behavioural and attitudinal dimensions standing for the whole customer loyalty connection in the banks industry. The sample size could be enhanced to obtain more accurate and reliable data. To conclude, it is crucial that banks concentrate on the improvement of loyalty programs since effective loyalty will result in competitive advantage as well as profitability, which can in turn lead to greater competitiveness in the current bank business environment.

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