

Impact of E-Service Quality on Customer Loyalty: Reference to Digital Banking Industry in Southern Province

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Abstract

The banking industry plays a significant role in the Sri Lankan economy as one of the most important contributors to development. Furthermore, over the last few decades, the banking industry has experienced digitalization as a result of rapid technological advancements. Customers, on the other hand, are still looking for better quality during service experiences, including with automated banking applications. As a result, the aim of this research is to see how e-service quality affects consumer satisfaction in digital banking. A theoretical framework was developed based on a systematic literature review, and four service quality dimensions were defined as digital banking measurement. With quantitative evidence, the present study used a deductive research approach. The research's primary data came from customers that use digital banking services in the southern province. The sample of this study was selected through convenience sampling process, which includes a total of 384 individuals who responded to an online questionnaire. All the constructs were internally consistent as their Cronbach's Alpha values were higher than 0.7. Inferential statistical techniques such as correlation analysis and regression analysis were used to analyse the data using SPSS. The results suggest that there are a number of important links between the quality of an e-service and customer loyalty. All four hypotheses were agreed and only one hypothesis was denied, according to the correlation and regression analysis results. Theoretical and managerial consequences are explored in light of the study's conclusions. There are also some limitations and recommendations for potential study. The findings show that responsiveness is a major determinant of consumer loyalty in the digital banking industry of Southern province. The researcher concluded that e-service based marketing, both as a positioning strategy and through marketing operations, can assist brands in increasing consumer loyalty. Bank managers can use secure passwords to cover automated bank consumer purchases, according to the researchers. The generality of the findings should be identified by the researcher, who suggests that prospective researchers conduct additional studies in different settings or industries.

Keywords: Customer loyalty, digital banking, e-service quality