

**T.C.  
ISTANBUL AYDIN UNIVERSITY  
INSTITUTE OF GRADUATE STUDIES**



**AN ANALYSIS OF CUSTOMER SATISFACTION LEVEL IN BANKING  
SECTOR OF AFGHANISTAN**

**MASTER'S THESIS**

**AJMAL AMIRY**

**Department of Business  
Business Administration Program**

**AUGUST, 2022**



**T.C.**  
**ISTANBUL AYDIN UNIVERSITY**  
**INSTITUTE OF GRADUATE STUDIES**



**AN ANALYSIS OF CUSTOMER SATISFACTION LEVEL IN BANKING  
SECTOR OF AFGHANISTAN**

**MASTER'S THESIS**

**AJMAL AMIRY**  
**(Y1912.130222)**

**Department of Business**  
**Business Administration Program**

**Thesis Advisor: Prof. Dr. Erginbay UĞURLU**

**AUGUST, 2022**

**APPROVAL PAGE**

## **DECLARATION**

I hereby declare with respect that the study “An Analysis of Customer Satisfaction level in Banking sector of Afghanistan”, which I submitted as a Master thesis, is written without any assistance in violation of scientific ethics and traditions in all the processes from the project phase to the conclusion of the thesis and that the works I have benefited are from those shown in the Bibliography. (August,2022)

AJMAL AMIRY

## **FOREWORD**

It has been written to fulfill the graduation requirements of the Master in Business Administration at Istanbul Aydin University. I would like to thank Dr. Erginbay ugluru for her guidance and support throughout this process. I also wish to thank all of the respondents; without whose cooperation I would not have been able to conduct this analysis. Thanks also to the members of the committee who attended my master's thesis defense. I appreciated the chance to discuss issues with my friends and family. It kept me motivated whenever I lost interest. I particularly admire the wisdom and kindness of my parents: they have always given me invaluable advice and support.

August, 2022

AJMAL AMIRY

# **AN ANALYSIS OF CUSTOMER SATISFACTION LEVEL IN BANKING SECTOR OF AFGHANISTAN**

## **ABSTRACT**

The quality of customer service and customer satisfaction is emerging as one of the most relevant and significant factors within service providing organizations and financial institutes like banks. The element that most tends to differentiate some entities from others is the quality of service provided to the client and the level of effectiveness of the solutions that are offered. In this research paper, quantitative research method was used where SPSS was applied to questionnaire filled by the customers of Azizi Bank. The goal was to analyze the relationship between service quality and customer satisfaction and customer loyalty. The result of the study suggests that the level of customer satisfaction in the banking sector of Afghanistan is slightly low and the major reason behind the fact is that the country has poor IT infrastructure and the relevant facilities like the modern nations.

**Keywords:** Azizi Bank, Customer Satisfaction, Customer Loyalty, Service Quality.

# AFGANİSTAN'IN BANKACILIK SEKTÖRÜNDE MÜŞTERİ MEMNUNİYETİ DÜZEYLERİNİN ANALİZİ

## ÖZET

Müşteri hizmetlerinin kalitesi ve müşteri memnuniyeti, hizmet sağlayan kuruluşlar ve bankalar gibi finans kuruluşları içinde en ilgili ve önemli faktörlerden biri olarak ortaya çıkmaktadır. Bazı işletmeleri diğerlerinden en çok ayıran unsur, müşteriye sunulan hizmetin kalitesi ve sunulan çözümlerin etkililik düzeyidir. Bu araştırma makalesinde, Azizi Bank müşterileri tarafından doldurulan ankete SPSS'nin uygulandığı nicel araştırma yöntemi kullanılmıştır. Amaç, hizmet kalitesi ile müşteri memnuniyeti ve müşteri sadakati arasındaki ilişkiyi analiz etmektir. Çalışmanın sonucu, Afganistan'ın bankacılık sektöründeki müşteri memnuniyet seviyesinin biraz düşük olduğunu ve bunun arkasındaki ana nedenin ülkenin modern ülkeler gibi zayıf BT altyapısına ve ilgili tesislere sahip olması olduğunu gösteriyor.

**Anahtar Kelimeler:** Azizi Bank, Müşteri Memnuniyeti, Müşteri Sadakati, Hizmet



## TABLE OF CONTENT

<b>DECLARATION</b> .....	<b>iii</b>
<b>FOREWORD</b> .....	<b>iv</b>
<b>ABSTRACT</b> .....	<b>v</b>
<b>ÖZET</b> .....	<b>vi</b>
<b>TABLE OF CONTENT</b> .....	<b>vii</b>
<b>LIST OF TABLES</b> .....	<b>x</b>
<b>I. INTRODUCTION</b> .....	<b>1</b>
A. Problem Statement .....	6
B. Research Question and Purpose a. Primary research question .....	6
1. Study Objectives .....	6
C. Limitations of the Study.....	7
<b>II. THEORETICAL BACKGROUND</b> .....	<b>8</b>
A. Customer Satisfaction .....	8
B. Customer Loyalty.....	9
C. Service Quality.....	11
<b>III. LITERATURE REVIEW</b> .....	<b>12</b>
A. Attributes of Service Quality .....	12
B. Customer Loyalty.....	15
C. Customer Loyalty Formation Stages.....	17
1. Problem resolution phase:.....	17
2. Problem solving phase: .....	17
3. Purchase behavior phase automatic: .....	17
4. Phase of doubt and abandonment of the product: .....	17
D. Conditioning Factors of loyalty .....	18
E. Customer Satisfaction .....	19
F. Service Quality and Banks .....	22
1. Reliability.....	22
2. Responsiveness .....	22

3.	Competence.....	22
4.	Access .....	23
5.	Communication .....	23
G.	Customer Loyalty and Banking Sector .....	26
H.	Customer Satisfaction and Banking Sector .....	29
I.	Structure of Banking System in Afghanistan.....	34
J.	Case Analysis of Azizi Bank Afghanistan .....	35
1.	Corporate Accounts:.....	37
K.	Azizi Bank Customer Acceptance Policy: .....	38
L.	Azizi Bank Customer Acceptance policy: .....	39
1.	Procedure.....	39
M.	The Customer Identification Procedures in the Bank .....	40
N.	Customer Identification and profile: .....	40
1.	Accounts of Individuals .....	40
O.	Tools available for determining customer expectations in Azizi Bank .....	40
P.	Customer Satisfaction Surveys: .....	41
Q.	Azizi Bank Vision and Mission: .....	42
1.	Vision .....	42
2.	Mission.....	42
R.	Methods for maintaining customer relationships in Azizi Bank.....	43
<b>IV.</b>	<b>METHODOLOGY.....</b>	<b>44</b>
A.	Hypothesis.....	44
1.	Quantitative observation .....	44
2.	Qualitative observation .....	44
3.	Cross-sectional research.....	45
4.	Longitudinal research.....	45
B.	Research Approach .....	46
C.	Research Strategy and Model.....	46
D.	Population .....	47
E.	Sampling .....	47
F.	Data Collection Process .....	47
G.	Sample size Calculator.....	48
H.	Study Reliability .....	49
<b>V.</b>	<b>ANALYSIS .....</b>	<b>50</b>

<b>VI. RESULTS .....</b>	<b>57</b>
<b>VII. CONCLUSION.....</b>	<b>60</b>
<b>REFERENCES .....</b>	<b>62</b>
<b>APPENDIX .....</b>	<b>71</b>
<b>RESUME.....</b>	<b>78</b>

## LIST OF TABLES

Table 1 Descriptive Statistics of the study variables .....	50
Table 2 Demographic Characteristics of Study Variables .....	51
Table 3 Correlation coefficient between Service quality and customer satisfaction .	52
Table 4 Correlation coefficient between Service quality and Customer loyalty .....	52
Table 5 Regression coefficients of Tangibility and Customer satisfaction.....	52
Table 6 Regression coefficients of Tangibility and Customer loyalty.....	53
Table 7 Regression coefficients of Customer satisfaction and reliability.....	53
Table 8 Regression coefficients of Customer loyalty and reliability.....	54
Table 9 Regression coefficients of Customer satisfaction and responsiveness .....	54
Table 10 Regression coefficients of Customer loyalty and responsiveness .....	55
Table 11 Regression coefficients of Customer satisfaction and assurance.....	55
Table 12 Regression coefficients of Customer loyalty and assurance.....	56
Table 13 Regression coefficients of Customer loyalty and customer satisfaction.....	56
Table 14. Results .....	57

## **I. INTRODUCTION**

The quality of customer service and customer satisfaction is emerging as one of the most relevant and significant factors within service providing organizations and financial institutes like banks. These institutes stimulate economic growth and play a crucial role in the development of society and the efficient distribution of financial resources. Banks seek effective strategies, efficient and capable of fueling higher profit and further reduction of costs, but above all, to achieve a firm position in the minds of their clients. One of these strategies is par excellence, the focus on service quality and enhancing customer satisfaction. Such elements have today reached very high levels of development and technology similar from one entity to another.

The element that most tends to differentiate some entities from others is the quality of service provided to the client and the level of effectiveness of the solutions that are offered. Companies grow and remain in the market, due to the loyalty of their customers, because without them, they would not sell their products and/or services, which means that the profitability would be nil, and therefore they would not fulfil their corporate purpose. The above observations have led to reflect that customers are one of the infallible elements for the operational success of organizations. That is why, knowing and understanding their way of acting, there must be a central theme(Safi, Abbey, Goucha, Serhan, & Gleason, 2020). It has been observed that customer service is any effort to serve the customer and to resolve their concerns, suggestions, doubts or claims. In other words, customer service is every moment of contact between the client and the company and leads towards customer satisfaction.

In this technologically advanced era, the customer is increasingly demanding products and services. The globalization that has created the world of the internet has allowed the majority of people to be aware of their rights as consumers. Through web access, banking consumers can perform various banking transactions, from issuing a tip up to stock transactions. Still, it can be seen daily that people go to bank

agencies to carry out all these negotiations, there they continue to make use of traditional means such as cashier service and services balcony; in many cases, they have to make long rows until it is their turn.

Currently, service companies operate in more complex markets, so they must constantly adapt to the demands of the consumers in their eagerness to improve quality levels and keep their customers satisfied and loyal. A very common problem in society, especially among people who work actively, is that their time is quite tight and as consumers, they can rarely manage a complaint against a nonconformity. This important factor can determine whether the customer complains or not. When consumers are dissatisfied with a service or establishment and do not complain, they can develop different behaviors simultaneously: they don't come back anymore, they go to the competitor and/or they speak badly about the company. In either case, they are denying the service provider the opportunity to correct their errors and recover the client.

Despite the efforts made by companies to encourage the presentation of complaints and the importance they have in satisfaction and customer loyalty, various studies show a low rate of customer complaints (Zubair & Hasan, 2020). Customer loyalty, on many occasions, will depend on customer satisfaction; therefore, every company must manage adequate customer service policies regarding the channels to address claims and the easiness of doing business in the banking sector. The problem is focused on people from Afghanistan, users of the financial system of Afghanistan banks specifically Azizi Bank.

Most of the financial institutions in Afghanistan are deficient, property rights are not well demarcated and properly enforced, monitoring to comply with what was agreed is imperfect, and the collection of credit information is not adequate. Despite having a financial system based on modern legislation and regulations, monitored by the Ministry of treasury and financial superintendence. Consequently, there is no clear relationship with the client and therefore there is a need to increase their satisfaction. Indeed, the banking entities in Afghanistan, offer products and services that do not fully meet the needs of consumers. Well, customers' needs are met for a short time, not meeting expectations.

However, researchers point out that each client is different and understanding the explicit objectives and instructing the implicit objectives of the client will allow

the manager to establish the bases of a good personal relationship and a service as they can be the sustenance of a relationship (Amiri & Hazarika, 2020). The manager must analyze the needs, goals, particular circumstances, and the client's attitude towards risk, to achieve their total satisfaction. Within this framework, social, cultural and psychological conditions are of vital importance but difficult to standardize. It is mainly in personal interviews that the manager can perceive their peculiarities, their hobbies and their virtues. The problem is getting deeper only in the profile of the investor and leaving behind the subjective, which is what will allow the manager to build a portfolio of risk and expected return, then there are clients from the banking sector of the Afghanistan who refuse to invest in a particular type of asset, this happens to cause of some psychological determining factor of a high aversion to risk.

In this order of ideas, the main deficiencies observed regarding the satisfaction of the client, which relates to and compares the expectations and the perception of the client in the banking sector bank of Afghanistan; It is evident that the situation of customer satisfaction is not a priority and the scenario is far from perfection having very least amount of trust and customer satisfaction concerning multiple aspects such as the ability to response, courtesy, understanding of the client, accessibility, reliability, professionalism, elements tangible, among other indicators (Khairzada, 2020).

Certainly, if these inconveniences continue to occur, behaviour will be experienced negative in the indicators that measure the expectations that the client brings to the banking sector of Afghanistan, turning it into a disinterested consumer, for example, not expecting staff to always abide by company standards, keep promises, respond promptly, have the knowledge and experience required to deliver the service, make that the treatment with the clientele is pleasant; show consideration and respect towards the client and towards their belongings. In this sense, an inadequate relationship with the client is caused by the bank entities in Afghanistan, the generation of risks, fiscal management and patrimonial, alters the level of customer satisfaction. Similarly, the loss of the lasting and profitable relationship with the client, total ignorance about preferences, customer needs and therefore a very low level of satisfaction is obtained for the study.

The banking sector in Afghanistan has several peculiar characteristics. First of all, the offer of all banks is essentially the same: they all offer similar mechanisms to collect money and lend it: accounts, checking accounts, savings accounts, time deposits, loans, credit cards etc. In short, they all capture and offer money (Aliyu, 2019). As the type and number of clients have increased, quality aspects related to the service provided by banks have been becoming more relevant.

According to Ateed and Rehman (2020), the services of financial institutions have a transcendental role in satisfaction, taking into account that customer satisfaction is an important goal to be achieved in banking entities and that one way to achieve it is to do it through the quality of service. The evaluation of the quality of services is an essential task to know the expectations of the clients. This measure may offer services for the benefit of the users themselves. It is important to identify the factors that determine the quality of service perceived by customers of banking entities and how this influences customer satisfaction, even recommending that entities must have a good understanding of customer needs, which goes beyond the design of banking goods and services.

Then, it can be indicated that the satisfaction and quality of the service are different constructs that have obtained different positions concerning their causal ordering, taking into account that customer satisfaction is an important objective to be achieved in banking entities and that is a way achievable only through the quality of service and providing customers with contemporary financial services. Unfortunately, in the banking field, Afghanistan has not investigated and implemented these variables and their relationship. The financial and banking sector in the country has many loopholes and needs regulations that make it align with the international practices, however, the government is looking to invite international agencies and advisors to help them develop policies and strategies that bring prosperity to the sector.

Currently, the people have no trust in the banking process and the future of established financial institutions due to the political scenario of Afghanistan and as stated earlier the absence of regulation from the state. Even the Islamic Banking sector is not well received by the public which emphasizes the need for government intervention and the formulation of financial strategies and regulations (Forogh et al., 2017). The financial institutes in Afghanistan were always vulnerable and there were



major shifting in policies and no stability due to the political turmoil in the country and periods of absence of the state, no writ of the government and foreign occupations in the country.

Before the US invaded Afghanistan in 2001, there were only six commercial banks in the country that were working on the traditional practices and there was no presence of customer satisfaction or customer-oriented policies to work towards prosperity and financial independence. After the invasion, the western countries tried to streamline the financial situation in Afghanistan according to the contemporary trends and latest methods, however, there is little to no success and still, the process is much slower. In 2008, the number of banks have grown to sixteen and a healthy financial activity started in the country due to international investment by the countries like the USA, China, and India. The banks are providing loans to domestic lenders and businesses that are increasing the business activity in the country. The presence of international clients, foreigners, and due to inception of big projects from foreign countries have paved the way for the smooth and healthy investment window and prosperity in the financial and banking sector.

The primary focus of this research is to explore customer satisfaction in the banking sector of Afghanistan, specifically, the Azizi Bank. The Bank has made significant investments in physical infrastructure and technology in order to provide a welcoming environment and cutting-edge services to potential clients. The bank now has 57 branches across Afghanistan, making it a leader in the growth of the country's financial culture. We currently have 57 branches across the country, with 24 in Kabul and 33 in the provinces. We also have permits for 11 more branches, which will open in the near future. We applied to Da bank of Afghanistan for a license for further 20 branches.

This research will analyze the different factors playing a crucial role in increasing the satisfaction level of the customers in Afghanistan, especially in Azizi Bank and after comprehensively examining these factors, numerous progressive recommendations will be suggested to improve the satisfaction level and enhance the customers' loyalty.

## **A. Problem Statement**

Companies and financial institutions including banks are required to show conclusive and relevant strategies to improve customer satisfaction to improve customer loyalty and thus capture a bigger share in the market and open new doors of opportunities. That is why, by providing them with the best service and satisfying their needs, companies and organizations will be able to have faithful clients, and likewise attract new ones. One of the main problems encountered in relation to the customer satisfaction in the banking sector of the under-developed countries like Afghanistan is that the banks are not recognizing what the customers want, the low quality of the service, the little commitment and training of human talent, and minimal research on the customer behavior. These predicaments represent some of the main issues of customer service. The audit of the service must focus on the fulfilment of the goals of marketing.

The study aims to target the significance of customer satisfaction level in increasing customer loyalty in the banking industry specifically the Azizi bank. The study will highlight the numerous factors affecting the satisfaction level of the customers. This research also seeks to highlight the connection between customer satisfaction and customer loyalty. Moreover, some recommendations will be provided at the end, for inducing improvements in the banking sector for increasing customer satisfaction levels.

## **B. Research Question and Purpose a. Primary research question**

What are the primary attributes of service quality influencing customer satisfaction in the banking sector of Afghanistan?

### **1. Study Objectives**

- **Main objective**

The primary objective of the study is the evaluation of service quality attributes impacting the satisfaction level of the customers in Azizi Bank Afghanistan

- **Specific Objectives**

- Identification of the compelling contributors to service quality in the banking sector of Afghanistan

- Identification of compelling contributors associated with customer loyalty in the banking sector of Afghanistan
- Identification of interrelationship between service quality, customer satisfaction and loyalty of the customers in the banking sector of Afghanistan
- Identification of the benefits associated with the relationship of these three variables and its impact on the overall performance of the bank

### **C. Limitations of the Study**

The study will be using secondary data as well as primary data for collecting pieces of evidence to support its hypothesis. The major limitations regarding the use of secondary data in this context include issues like data reliability and data accuracy. In the same manner, the major issues regarding empirical data include poor data analysis and lack of effective data collected by the researchers. Such issues can have a negative impact on the research design, philosophy, data collection, data analysis, and the result of the thesis.

## **II. THEORETICAL BACKGROUND**

### **A. Customer Satisfaction**

Psychology is one of the sciences that has been most devoted to the problem of satisfaction. Multiple theories, empirical representations and methodological approaches have confirmed, since the end of the 19th century and the beginning of the 20th, the importance of the satisfaction-dissatisfaction dialectic in understanding human behavior. This dialectic has become the core of all psychological understandings of behavioral dynamics (Bratianu, 2018). If there is any doubt about this fact, to dispel it, it would suffice to recall the names of Freud, James and Winsbagger, then Rogers and Maslow and, more recently, the theory of intellectual emotions, or neurolinguistic programming.

Through a review of the literature, Sanchez-Hernandez, Martinez-Tur, González-Morales, Ramos, & Peiro, (2009) observe that the concept of satisfaction has been nuanced based on the analysis of its different aspects and the progress of research on consumer satisfaction. These authors find that in the 1970s when this field of research began to grow significantly, interest was focused primarily on determining the variables involved in the process of forming satisfaction. In the 1980s, the interest broadened to include, in addition, the investigation of the satisfaction formation process itself. The aforementioned authors maintain, based on their review, that what is understood as satisfaction depends on the point of view from which it is analyzed. Thus, for economists, satisfaction is a result or final state, while for psychologists it is an evaluation process.

In turn, there are two main perspectives on satisfaction as a result or final state. One relates it to a feeling of being satiated, associated with low activation, a feeling of contentment, from which it is assumed that the product has continuous and satisfactory performance. The other, and more recent interpretation, includes a wider response range than the mere feeling of contentment since in many cases satisfaction implies a high level of activation, which is why we can speak of satisfaction as a

surprise, positive or negative (Silva-Treviño, Macías-Hernández, Tello-Leal, & Delgado-Rivas, 2021).

The first theories that incorporate expectations are known as expectancy-value theories, which, according to Williams, were proposed in research on customer satisfaction by Linder-Pelz, based on Fishbein and Azjen's research on customer satisfaction. Linder-Pelz (1982) made this proposal in consideration of the fact that such theories took into account the relations between beliefs and attitudes: the strength of the belief that an object possesses certain attributes and the evaluations made of these, are, without a doubt, determinants of an attitude such as satisfaction .

According to (Vojvodic, Terzic-Supic, Santric-Milicevic, & Wolf, 2017) this author, five elements of a psychosocial nature intervene in satisfaction: beliefs about the occurrence of certain attributes, expressible in terms of probabilities; the value, good or bad, assigned to those attributes; the perception of the occurrence of such attributes; interpersonal comparisons so that services are compared with previous experiences, and beliefs that are involved in individual judgments.

As indicated by the Linederpelz in 1982, Lawler proposed three variants of the expectation-value theory, such as the fulfilment theory, the discrepancy theory and the equity theory. The first of these variants refers to the distance between what is desired, what is expected, what is important, or what should be, and what is experienced when consuming the product. The second, gives that distance a relative character, by dividing it between what is expected, desired, important, or what should be. The third considers the balance between inputs and outputs of each consumer and compares it with the balances of other consumers satisfaction .

## **B. Customer Loyalty**

The behavioral theory of customer loyalty is based on the instrumental conditioning of reinforcement based on the traditional purchasing decision scheme. It suggests that when someone buys a good brand, based on the stimuli of their own experience or by the influence of reference groups, is reinforced and increases the probability of buying it again because the subject has learned to systematically associate a given response (stimulus-response perspective). This means, that the probability of repurchasing a product increases according to its frequency of

purchase and its ability to deliver satisfactory results. That is, when more systematic is the most loyal response, the individual is considered from this perspective (Kato, 2019). The definition of customer loyalty under this theory is through the actions performed by the customer, that is: if a customer buys a type of product 10 times a year, and chooses a mark the 10 times, it means that he is 100% loyal. If you choose it only five times, it's 50% loyal. But, because the stimuli that can influence and motivate decisions to purchase or repurchase a product or brand, this approach suggests that predictions of loyal buying behavior will be better when the greater the number of stimuli identified as explanatory factors of the behavior.

The limitations of the concept of customer loyalty from the probabilistic approach, in terms of management and decision making, are compensated by a second theory that it defends the intentional and deterministic attitude of loyalty within the behavior of the subject. This attribution involves placing greater emphasis on understanding mental, emotional, and cognitive structures as antecedents of behavior, as well as the predisposition to action, thus offering a theoretical and deductive explanation of the phenomenon. Especially, it focuses in the existing thought process behind the behavior of the individual, focusing his interest in the formation and measurement of attitude given its character as a predictor or precursor of said attitude.

This approach is manifested when: a high level of insistence is observed by a consumer for a brand, without accepting substitutes, except in an emergency. The consumer feels that the brand has a real superiority and when presenting the option there is a desire to recommend the brand to friends or other people. Consequently, the attitudinal approach suggests that loyalty cannot simply be repeat purchases as a result of behavioral inertia, that it does not represent any compromise and that substitution can be easily generated (Bloemer and Poiesz, 1989). On the contrary, it is the degree of commitment and rootedness by the marks that constitute the heart of loyalty (Silva-Treviño, Macías-Hernández, Tello-Leal, & Delgado-Rivas, 2021). Criticism of this model has arisen when trying to characterize loyalty since the existence of favorable attitudes and manifest commitments on the part of the consumer are not guarantees of choice and consequent acquisition of a brand (Tuominen, P. 1999). Same way, there is no real loyalty if the consumer develops a commitment to the brand that does not result in repetitive purchases. A one-

dimensional measurement is likely to be insufficient to measure such a complex phenomenon and multidimensional like customer loyalty (Christodoulides & Chernatony, 2010).

### **C. Service Quality**

Service Quality was already visualized some years ago as an essential element to achieving consumer satisfaction, due to this situation, in the mid-1950s and in the 20th century, several experts on the subject matter dealt with in this manuscript issued theories and points of view regarding what quality implies and how it can be achieved. These theories were based on the efficiency and effectiveness of the work carried out by the stakeholders .and in the application of total quality policies aimed at the control and standardization of production processes, in order to prevent errors from occurring with the respective losses that they bring to the industry.

### **III. LITERATURE REVIEW**

#### **A. Attributes of Service Quality**

The evaluation and attributes of the service quality are born from the opinion of the client who informs the company if it is offering a service with a high or low quality. This factor is therefore understood as the comparison between expectations and customer experience with the service performance and when it comes to evaluating said quality, cognitive responses are given at the level of service attributes such as the tangible aspects and the interactive aspect provided by employees (Pakurár, Haddad, Nagy, Popp, & Oláh, 2019).

Therefore, service quality is defined as the customer's overall judgment of the superiority of the service, which results from comparing their expectations and perceptions about the service offered. Some studies have shown that a determining factor in the quality of service, in general, is the gap between the performance of the service and what was expected from it. Therefore the construct expectations are an antecedent of the quality of service and with a positive effect on the perceived performance/functioning.

It has been examined that services emerge in the economic system because they satisfy the needs of customers better than they would on their own, whether they are individuals or organizations. The first interpretation of the service has been to understand it as an added value to the product (Upadhyai, Jain, Roy, & Pant, 2019). It was then conceived as a utility in itself than in opportunities, it requires presenting itself through goods tangible and, in others, through client-supplier communication.

Today it is estimated that the service is inherent in all the processes of exchange; which is the central element of transfer that takes the form of two forms: the service itself and the service added to a product (Islam, Ahmed, Rahman, & Al Asheq, 2020). Researchers have examined that any organization oriented towards Quality of Service, must be built with the conception of incorporating value during its design, production and delivery, which implies going through certain processes



horizontally throughout the institution (Li & Shang, 2020). How is it known, effective management is not the sum of the actions, but the product of the interactions of each system with the rest of the institutions of the system, with the certainty that their results will focus on the satisfaction of internal customers and the impact that this satisfaction give to external customers?

According to the researchers, it has been identified that the key to achieving quality in the service, implies paying attention to the processes from its conceptualization to its assurance and guarantee, achieving that satisfy the users, not only in their needs but in the wishes and expectations they have within the context of effectiveness . According to a recent study by (Nunkoo, Teeroovengadum, Ringle, & Sunnassee (2020), making customers not only loyal to the organization but also, they comment on the level of their satisfaction regarding the service quality while discussing it with friends and talk good about the organization in their circle. Increasingly in business sectors, which have the different types of services and auxiliary elements of the companies, is the offer you can make to your customers, following a clear market orientation and competitiveness.

Nunkoo et al (2020) explored that the world is now extremely competitive and businesses are always looking to increase their revenue and capture a bigger share in the market by developing strategies to improve their relationship with their clients They not only look for new customers but also develop plans and implement policies to retain their clients. These trends are not only seen in the banking sector but also in every other industry, especially after the digital transformation of the businesses and the inception of the information technological era.

It has been observed in the study that the analysis model SERVQUAL also highlights characteristics and attributes needed for efficient service quality (Famiyeh, et al., 2018). It includes Assurance, Responsiveness, Reliability, and Tangibility. Services have some special characteristics that are very different from those of consumer goods, which condition management and quality from the very moment of design; they are Ownership: customers do not acquire ownership, but the use or availability of the service .The intangibility of the service makes it unnecessary transfer ownership of the purchase process Direct contact: the production of companies is classified according to the degree of direct contact with the client; contact you as you grow is more committed to the service area.

**Participation of the client:** in the service, production and consumption are inseparable, so the user is part of them and the provision. Participation is carried out through some functions, namely:

- ***Specification of the service:*** the internal or external client provides information for the effectiveness of the process, becoming the owner, user or beneficiary thereof.
- ***Co-production:*** the client helps to produce the service when participating in the construction process.
- ***Maintenance of the ethos:*** the organization can decide the participation of the client, to provide experiences and stimuli, so that the contact influences the behavior, motivation and productivity of the individuals involved in the provision of the service.
- ***Commercialization of the service:*** the interaction of the clients during the phase of provision of the service and, above all, oral transmission, contribute to the commercialization of the product.
- ***The intangibility:*** services have no existence other than to the extent that they are produced and consumed. The potential user cannot know the service before consuming it (Famiyeh et al., 2018). This feature leads to a higher level of risk perceived by the user; economic risk, social, moral that forces the institution to try to reduce it.
- ***The inseparability of the process:*** the service is created, marketed and consumed at the same time. The simultaneity of the production-consumption process has characteristics that can be the cause of various problems. In the production of the service must be integrated the human factor and the technical factor.
- ***Heterogeneity:*** in the market, we are all different. There are not two same consumers nor two equal suppliers: for this reason, the services are difficult to generalize.

**Expiration:** as a consequence of the intangibility and simultaneity of production consumption, services are perishable. Services cannot be stored; they can be repeated but not recovered.

- ***Human reliability***: it is the complement of human error. The problem of the quality of the service is to prevent the error, correct it and control it.
- ***Quality control***: this characteristic guides the organization, in the periodic evaluation of the capacity of the processes, in terms of giving satisfaction to the requirements and specifications raised by the users. If quality is not offered, it cannot be improved or repeated.
- ***Development and improvement of the system***: a demanding, safe and very well documented offer the opportunity to do a job of a better level.

## **B. Customer Loyalty**

According to academics, customers who are considered regulars (those who often repeat their experiences in the same service) are responsible for generating higher returns for companies, so it is stated that maintaining or making profitable the relationship with a known customer is more profitable than attracting a new customer; but in the reality, in emerging markets, despite this reality, it is increasingly difficult to maintain customer loyalty, then it is when the managers of the organizations begin to question why customers leave the service?. It is important to start to understand what loyalty means and the types of customers according to the profitability that they represent for the organizations.

Loyalty has been considered as more than a long relationship of a customer with a certain brand or the frequency with which a customer visits or buys in a store, is rather considered as the feeling of affinity that customers feel with the products or services of this brand (Bilgin, 2018). It has been explored that different types of loyalty are recognized there are first loyalty which occurs when there is a favorable correspondence between the individual's attitude towards the company and its buying behavior, this represents the ideal situation for the company and for the client, in these cases the clients usually act as ambassadors of the brand latent loyalty, the customer has a positive attitude towards the brand, but not shows really significant loyalty, known as mercenary clients, usually be customers who have favorable opinions of the company but do not usually have stable purchasing behavior due to external factors, generally economic spurious loyalty, in this type the customer has a high purchasing behavior, but usually has bad opinions of the brand, is usually a

hostage customer, that is that you do not have the option to change your service provider Non-fidelity, in this case, there is neither attitude nor buying behavior of the customer towards the brand, called fundamentalist clients tend to give the brand bad publicity (Arora & Narula, 2018).

Based on a behavioral criterion, it has been identified that customer loyalty as a response of non-random behavior expressed by some decision unit over time in relation to one or more alternative brands, being a function of psychological processes decision and evaluation (Siemieniako, 2018). The author also relates the loyalty term to the index of repurchase of the product. For his part, Alfaro define fidelity or loyalty as a favorable attitude towards a brand, which can be reflected in the repetition of acts of purchase (Siemieniako, 2018). Based on the attitudinal approach, researchers Dick and Basu focus on the loyalty as a kind of force between a relative individual attitude and behavior of repeated purchase, that is, they address loyalty as repeat purchase behavior based on attitude (Siemieniako, 2018).

In this same order of ideas, the author concludes from previous studies, that Loyalty can be defined broader through three approaches: customer loyalty behavioral, attitudinal and cognitive (El-Adly, 2019). The author first defines loyalty as a targeted customer behavior towards a particular brand. In relation to attitude, it highlights the importance of the internal disposition during the repeat purchase process, which goes beyond a simple behavior of the individual. From this definition it follows that purchases not guided by a strong attitude, but by situational demands, would not be considered as part of a process of true loyalty (El-Adly, 2019).

Cognitive loyalty, as a third approach, suggests that customer loyalty means that it becomes the priority in the mind of the consumer when evaluating purchase alternatives (El-Adly, 2019). In this situation, the commitment of the client with his provider of services as a result of a process of evaluation and some situational factors. Another definition that addresses all three previously raised meanings of loyalty is the one proposed, Service fidelity is the degree to which a customer exhibits buying behavior repeated to a service provider, has a positive attitude toward provider, and consider using only this provider when you need this service. As has been observed, there are various criteria and elements that have been considered by researchers based on defining customer loyalty.

### **C. Customer Loyalty Formation Stages**

A number of models have been developed over time, related to the various phases that are considered part of the process of formation of the state of loyalty or fidelity. Arellano lists four phases of the curve of customer loyalty (Rasool, Shah, & Tanveer, 2021).

#### **1. Problem resolution phase:**

The client requires a large quantity information related to the products or brands available in the market, mainly because they are new products or customers who had not purchased the products previously. Customers are very sensitive to factors such as prices, contents, packaging, technical aspects of the product, among others.

#### **2. Problem solving phase:**

It occurs after the completion of the first purchases and repurchases of the product, for what the purchase decision implies a minor effort. Consider a limited number of marks and attributes, the amount of stimuli and information required by the consumer with relation to the brand, packaging and price is lower and the characteristics become more important intrinsic to the products. The importance of this phase lies in the fact that, if there is satisfaction, increases the likelihood of brand repurchase and therefore the consumer enters a process decisive towards brand loyalty.

#### **3. Purchase behavior phase automatic:**

it is presented after the client have bought repeatedly the product, that is, it has been reached favorably customer' loyalty and purchase decision is instantaneous demanding directly the goods or services without fixing in details or in other competitors (A. Rashid & Rokade, 2019). The main differentiating element is the brand, therefore that the distribution and exhibition processes are essential in order to facilitate the encounter between the consumer and its brands favorites.

#### **4. Phase of doubt and abandonment of the product:**

Despite the achievement of the loyalty there are reasons that lead to decline attachment to a certain brand. Maybe the consumers get bored of using the brand due

to the faults or possible inability of the provider to adequately meet needs and contemplate the evaluation of new products. The resolution phase begins of expanded problem and possible loyalty but of another competing product or service. The consumer performs more detailed analyzes of certain characteristics not considered previously.

#### **D. Conditioning Factors of loyalty**

Researchers have explored that among the key elements to achieve of loyalty is the satisfaction of the client, which can be considered as the pleasurable compliance, while loyalty would reflect the deep commitment to repurchase of a preferred product or service consistent over time. Loyalty goes beyond of satisfaction and demonstrates a commitment despite situational factors and efforts of marketing that could be influencers' behavior change potential a consumer (Martinez, 2020). Also, analyzing satisfaction from the sequential perspective of the development of customer relations, you can see that these begin with satisfaction passing then by subsequent stages until achieving the ultimate goal of loyalty. The aforementioned stages go through satisfaction, trust, conduct faithful, mental fidelity and loyalty (Alfaro, 2015).

There are also studies that show the existence of consumers who say be satisfied with the service provided lends a certain provider but usually abandon it over time even when are highly satisfied. In this context, in the research carried out by researchers states of satisfaction are decomposed consumers in two related facets but independent of each other – satisfaction and high satisfaction – and then examine the role of intense satisfaction in moving from a state from satisfaction to a state of loyalty (Vázquez-Casielles, R., Suárez-Álvarez, L., & Del Río-Lanza, A. B. 2009).

Using data related to a study of consumers conducted by a company of services, satisfaction levels were studied in two study contexts. One examines the level of high satisfaction in the generation of loyalty in a business scenario and, in the other, examines the alleged relations of a service in situations of failure/recovery in a scenario of Business to consumer (Nguyen-Phuoc, Su, Tran, Le, & Johnson, 2020). Studies have shown that high satisfaction plays a key role in the passage from a state of satisfaction to one of loyalty. One of the most important findings in this investigation is that although the state of satisfaction can be transformed into a state

of loyalty when well-managed, the transformation is significantly less (approximately 60% less) when the satisfaction itself is weakly managed (Nguyen-Phuoc et al., 2020).

There are also other conditions that lead to satisfaction culminating in loyalty (or just the opposite), that is, to consider loyal to a customer must additionally be given two conditions: on the one hand, the provision and, on the other, emotion, which together will encourage the buying action (Monferrer, Segarra, Estrada, & Moliner, 2019). The disposition reflects the authentic intention of the client by repurchase the brand, use the service or continue to use it if it is an ongoing service. The second necessary condition (but not enough) to consider loyal to a client is the emotion, understanding by this the set of sensations that the client perceives as inherent to the product or service and that inclined to choose it over alternative offers (Monferrer et al., 2019).

#### **E. Customer Satisfaction**

The economic change and the highly competitive nature of the market especially after Covid-19 has made very difficult for the businesses and companies to retain their customers and revenue. Customers are seen to be swiftly changing brands and when dissatisfied quickly adopt alternatives and look for other businesses to cater their needs (Kurdi, Alshurideh, & Alnaser, 2020). The customer satisfaction has become one of the biggest attribute of any business and the dissatisfaction associated with the customers poses biggest risk for every kind of business in every market (Otto, A.S., Szymanski, D.M. and Varadarajan, R., 2020).

There are a variety of approaches to defining the customer satisfaction. The most common definition of Customer satisfaction is based on the

Confirmation/disconfirmation paradigm. Accordingly Satisfaction is the result of a complex Information processing process, at its center Target/actual comparison between customer expectations (Target) stands with the services of a provider (Actual) (Kurdi et al., 2020). This Target/actual comparison either leads to a confirmation or non-confirmation ("disconfirmation") of expectations and thus to satisfaction or dissatisfaction. Customer satisfaction provides an indication of the extent to which this is the case the company's offer actually met expectations the

customer corresponds (Kurdi et al., 2020).

Achieving a satisfied customer base has both grown over the last two decades developed into a main topic in science as well as in practice. The scientific publications dealing with the construct of customer satisfaction, dealing with determinants and measurement options have been ongoing since the early 1980s have increased (Kurdi et al., 2020). The growing interest of marketing researchers in the phenomenon of satisfied customers is a counterpart in corporate practice: in the continuous measurement or increase of more and more companies see customer satisfaction as a central challenge in present time. With the introduction of customer care programs of all kinds, measures for Quality assurance through Total Quality Management and employee compensation based on Customer satisfaction ratings, businesses try to get a little closer to the goal of customer satisfaction. This objective in corporate principles such as Customer Satisfaction is the number-one priority for every employee in today's business world (Kurdi et al., 2020).

It has been examined in 2020, that the customer has individual expectations of a product or service, with which he implicitly establishes a standard of comparison that includes both subjective and objective criteria includes. This view of target performance is supported by existing consumption experiences, knowledge of alternative products, word-of-mouth communication and that communication behavior of the manufacturer (Budur & Poturak, 2021). Loyal customers offer a number of advantages for Company. Investing in customer loyalty is particularly worthwhile for large customers, since acquiring new customers there is associated with high barriers. If customer satisfaction is the way to customer loyalty or retention, then it should be the focus of the corporate goals stand. Topfer emphasizes the importance of customer satisfaction in context of customer loyalty and explicitly mentions it as a mandatory requirement (Budur & Poturak, 2021). A lack of satisfaction triggers the search for alternative products in the customer, which leads to willingness to change and it can lead to adoption of other brands by the customer.

Rita, Oliveira, & Farisa (2019) have identified that Customer satisfaction makes it easier for companies to make better use of their core competencies and the existing one to use cross-selling potential. It ensures a higher repurchase rate, so it influences future decisions and thus increases sales with low advertising costs (Rita,



Oliveira, & Farisa, 2019). The customer is less sensitive to price increases, and high customer satisfaction works for protection. Overall, the cash flow is positively influenced, the company value can be sustainably increased.

Customer satisfaction has a positive impact on the financial performance of a company, both internal and external variables, such as e.g. net profit or share price. The philosophy of the ISO 9001:2000 standard focuses on the importance of the customer and the capabilities of a company while growing customer satisfaction (Rita et al., 2019). Companies are encouraged to design processes that analyze customer requirements and continuously improve them within the framework of quality management systems in order to ensure customer satisfaction. Overall, customer satisfaction is an important goal in strategic alignment of companies. A consistent customer orientation is necessary in order to achieve this goal and to be able to stand up to the competition.

The measurements should be carried out continuously, so that customer satisfaction can be enforced as a strategic goal (Cengiz, . 2010). The measurement can help to add e.g.:

- Misunderstandings when recording customer needs by their own employees to uncover
- Impact of customer satisfaction on internal and external factors (sales, repurchase rate, etc.).
- Identifying causes of dissatisfaction, thus hidden potential for improvement uncover and prioritize the resulting measures in a meaningful way, stakeholders' reliable information on the prospects of their investments to share
- To enable managers to make decisions on a solid basis of information,
- To establish comparability with the competition.
- A good measuring system alone does not guarantee high customer satisfaction. • The decisive factors are the measures that result from the information obtained.
- Measurement system is therefore only the first step towards increasing customer satisfaction and thus stabilizing business success .

All efforts to increase customer satisfaction implicitly based on the assumption that satisfied customers remain loyal to their provider and thus help this to a number of economic advantages (e.g. through repurchase, multiple purchases, cross-selling effects, positive word of mouth, lower price elasticity, etc.)

## **F. Service Quality and Banks**

With the advancement of technology and trying to serve consumers more and more demanding, financial institutions need to adapt their product offerings and services to new reality, to stay competitive in your current market. The client in the first place is based on the philosophy of total quality, in conformity with the current administration (Narteh, 2018).

The following five characteristics have become essential for every bank and financial institution to follow and develop strategies to integrate these determinants into their policies to bring service quality to their institution and avoid losing customers due to bad service quality (Narteh, 2018).

### **1. Reliability**

Reliability refers to accuracy, consistency, and reliable performance. The service process requires identifying the problem, simplifying the process, and development policies, train employees, and motivate them.

### **2. Responsiveness**

The employees of the bank should be responsive to each and every query of the customer and they should be trained to never feel bored or irritated by the customer's lack of understanding. The banking staff should be vigilant and responsive to resolve any issues of the customer and bring swift changes to make the customer satisfied by elevating their service quality (Narteh, 2018).

### **3. Competence**

In order to achieve service quality, the bank should look out for policies that ensure internal and external competence while hiring and allocating employees to different positions within the bank. The Human Resource department should assess the capabilities and talent of their employees and file reports accordingly so that the

competent staff handle each department (Ayo, 2018).

#### **4. Access**

Accessibility and customer satisfaction goes hand in hand when it comes to provide supreme service quality to the customers. The working hours, locality, building infrastructure and design all plays a role in service quality.

#### **5. Communication**

The employees must listen to the customers and act accordingly. The use of language and the PR skills are very important when it comes to service quality.

Moghavvemi & Lee, (2018) have explored that with changes in forms of consumption and with more demanding customers', financial organizations like banks launch new mechanisms to survive the market that converges to the need for a longterm commercial relationship with consumers, in view of the fact that it is more profitable to build loyalty than always be behind new buyers and consumers of your products . To address the companies to produce their products and services according to the latest trends and modern philosophy, banks are looking to bring contemporary services to the clients to capture the bigger share in the market. For this, massive investments are necessary in quality of customer service. It forms a dependency relationship between the attendant, the organization and the client .

Khamis & AbRashid (2018) identified that the companies, unable to take action according to their results will suffer with the evasion of market loss. Their clients in the middle of the future may enter into difficulties. Due to terms lived many years of authoritarian regime in African countries , protectionism of market, monopolies and etc., many foreign companies taken to an attitude of pervasive arrogance for consumer (Khamis & AbRashid, 2018). Therefore, with the globalization of the economy and the integration of our economy into the market, gives growing competitiveness and gives better communication in the Internet era, or the client began to wake up to be true role that he exercises for his power of purchasing or selecting a bank. Clients of banking sector want much more than courtesy, they want services that add value, providing the consumer with services that, in their perception, meet or exceed their expectations (Khamis & AbRashid, 2018).

With the transformations that we see happening daily to establish non-market, companies use quality as a differential against other Business. When talking about service quality in the banking sector, we can find various definitions. says that quality is defined by the client and not by the bank or financial institution. explored that quality is a set of characteristics that make part of service and that many times exceeds the expectations of clients (Asnawi, Sukoco, & Fanani, 2019).

Quality is directly linked to customers where banks are looking ways to enhance their experience and provide usability to not only cater that client but use him to be their spokesperson and bring more individuals to the their bank (Asnawi et al., 2019). Aswani emphasizes (2019) that quality must be present in all processes, this is, the quality will reach all the clients of the company (internal, external, etc). With all the changes that have occurred in the organizations and not customer profile, quality is shown as a great competitive differential for as companies and contribute to strengthen the relationship as a customer and build loyalty (Asnawi et al., 2019).

It has been examined that despite presenting a set of technical resources and other tools of quality that can be applied both to the production of strategies, as well as to provision of services, each of which has its own characteristics, as it is clear that it does not refer to the provision of services, some of them are means to achieve excellence not service (Asnawi et al., 2019). On the other hand, quality service in banking sector is an intangible product because it is something that can be experienced, but it cannot be touched or preserved. Sometimes in some cases, some tangier elements are used for their execution.

Famiyeh et al., (2018) explored that the concept of quality is linked to the products offered by the banking sector, at the head of the consumer, by criteria such as durability, robustness, ease of use and absence of faults, among others .

Service and quality are not closely linked, since the service includes the dimensions related to the sale of products/services and treatment offered functional hair at the time of sale.

Every customer looking for a financial company like banks hopes to be well treated and find the products and services that satisfy customers' needs. It is a job that does not depend on resources requirements of technology, but exclusively of the

skills of the official in establish a friendly communication channel with the client (Famiyeh et al., 2018). A product offered to the customer with quality, reaching two main points of customer satisfaction. It is necessary that the bank understands or is interested in his clients and said they will be placed in the same place.

One of the most significant attribute in any bank demanded by the customers is the quality of service provided by the banks and the clients always expect from their bank to step up and create an environment where financial issues are tackled well (Dandis et al., 2021). The clients look for easier means to withdraw money, deposit cash, use ATM machines across the globe, and use internet banking without getting into any trouble. Furthermore, clients need their banks to provide quick and easy financial loan services where there is no delays and the approval gets by providing minimum documents.

Service quality has become one of the factor that leads a customer to stop using or continue using the services of a bank and dissatisfied customers leave the bank and find alternative bank in the market more quickly than ever. It must be taken into account that the intangibility, heterogeneity and inseparability of the service become complicated to measure the quality, as well as the offer of a standard quality of service, it is difficult to guarantee that the service is executed exactly in the same way for all clients (Dandis et al., 2021).

Abror (2019) perceived as high quality is a strong customer winner and something very difficult to imitate, or that generates competitive advantage for the organization and positively influences to perception of value by the customer. It is emphasized that the direct provider of the service and its perception of the quality of the service strongly influences the perception that the client will have, the service reflects the image of the bank and impacts the formation of the opinion that the client will have about the institution.

Daniel (2019) studied the perception of quality in banking services offered to the market by two officials of the institution. The way officials perceive service will influence the way they will be provided and, therefore, to the perception that the client will have about the service and the bank (Saleh, Abdullah, Nawi, & Muhammad, 2019). Pena et al. (2018) propose the application of the SERVQUAL scale to assess the perception of quality by users of banking system, emphasizing that this sector lacks effective measures of clients' perception about the services (Saleh et

al., 2019).

A conclusion by (Blanco-Oliver, Veronesi, & Kirkpatrick, 2018) in relation to satisfaction can be referred to a view from (Prasadh, 2018) in relation to perceived quality. A tenuous relationship between the two constructs is a consensus between the majority of two authors who are dedicated to the studies of marketing and consumer behavior (Anjalika & Priyanath, 2018). Researchers proposed to deepen the understandings in relation to satisfaction, on both lines of research: (i) one understands satisfaction as a punctual occurrence, expressed as a post-consumer concept; (ii) another understands satisfaction as a cumulative concept, resulting from a set of experiences that the client experienced together with the bank and indicates a relationship of cause and consequence between the constructs of perceived quality and satisfaction, both to the quality of a background of satisfaction (Anjalika & Priyanath, 2018).

### **G. Customer Loyalty and Banking Sector**

For (Wahjudi, Kwanda, & Sulis, 2018), service loyalty differs from brand loyalty in several aspects inherent to the nature of the service, such as the existing links between providers and clients, opportunities for person-person interaction, perceived risk and existing barriers. Likewise, the personal interactions that the provision of the service requires can allow us to anticipate opportunities to achieve better relationships that contribute to loyalty (Bhat, Darzi, & Parrey, 2018). For its part, satisfaction is a key factor in opting for customer loyalty and its relationship with high levels of favorable attitudes and behaviors towards the brand has been widely demonstrated.

Although the concept of brand loyalty has been defined in quite different ways, studies made recently in the area of banking sector, view brand loyalty and satisfaction of customers is due to the prior experiences and cognitive judgment of the clients while emotions and communication gap also play its part (Bhat et al., 2018). Oliver defines brand loyalty in banking sector especially as "the consumer's assessment that a product characteristic or service, or the product or service itself, provides (or is providing) a liking result derived from consumption, including levels above or below what is expected" (Darmawan, 2018).

According to the disconfirmation model of expectations (2018), suggested in the consumer brand loyalty literature, consumers rate satisfaction with the product against their expectations about it. In the context of internet banking, Anderson and Srinivasan define brand loyalty as the pleasure of the consumer regarding their previous experience of using products provided by their bank over the Internet (Yen, Hui, Jais, & Rasiah, 2018). This expression of pleasure may well refer to the purchase on the Internet considered globally or simply to a specific characteristic of the online purchase of products/services (for example, the satisfaction derived from being able to consult bank accounts without having to travel) (Yen et al., 2018).

The customer loyalty in banking sector can be traced and quantified by looking into the customer's usage of the banking services provided by the bank and the time he or she holds account in the same bank (Yen et al., 2018). However, as selecting financial institution and opening bank accounts after one another is considered risky by the clients and most of the time they avoid stop using the services by their bank and it looks that they are loyal to the bank but they are among the dissatisfied customers and want changes (Yen et al., 2018).

The second most sought factor that contribute towards customer loyalty in banking sector is the emotional attachment of customers with their banks and the engagement of managers and banking staff while providing services efficiently (Mainardes, de Moura Rosa, & Nossa, 2020). Bank Image is also one of the salient factor when it comes to building brand loyalty as it has been seen that people are more loyal to the banks that have positive image, no fraudulent activities noticed and considerable campaigns sponsoring local talent and ventures. The banks that sponsor and market well in local community caters more loyal customers and hence achieve more competitive edge in the market compared to those banks that only look for international campaigns (Mainardes et al., 2020).

It has been observed that companies regardless of the industry must not only measure the loyalty of the customers by the degree of satisfaction since this is only an indicator. To measure the degree of fidelity behaviors should be observed of customers. A classic example, with which customer loyalty is measured, are loyalty programs that is miles of the airlines, the number of miles accumulated means the amount that the customer has used the services of the airline (Lubis, Dalimunthe, Absah, & Fawzee, 2020).

Another way is to ask new customers how they got to the company or organization, if it is for a former client, for an advertisement, what has been the path that made him choose. A widely used strategy is to measure the keys of interaction with customers that are called “moments of truth”. These moments of close conversation with customers, they serve to ask how they feel with the services received, which is a great opportunity to build good relationships (Lubis et al., 2020).

Researchers (2019) have examined that all banks have among their objectives, the attraction of new customers, when these have been captured through various products, offers and services, the intention of banking houses is that they continue to be clients of the bank and that any investment that make the client pass through them (Giebe, Hammerström, & Zwerenz, 2019).

Bank services are segmented into age and socio-economic groups, the products offered by each of the services also have an age definition and economic partner. For example, many banks have accounts for young college or university students, and for technical education students. What is the purpose of these accounts? One may ask, if the young students usually do not handle money. The answer is simple, make them loyal, how?, offering them debit and credit cards, lines of small credits and accounts view with low maintenance costs for example: young blue BBVA, or Junge Konto of Deutsche Bank (Fida, Ahmed, Al-Balushi, & Singh, 2020).

These types of accounts are maintained until an average age of 28 years, which is the age at which young people finish their degrees and begin to generate money. For neoworkers, ex-young account holders, there are accounts preferential low rates and credit options of various kinds, then the banks, begin to offer these customers mortgage loans, savings plans, programs vacation, pension programs, etc. That is one of the ways that banks to attract a new customer and then retain it.

So it's important to highlight the levels of language they use from banking websites. It has web pages designed for each level and type of client. The use of language can be measured by the degree of formality used to reach each customer level (Fida et al., 2020). Youth services are always referenced, to appear with a high degree of closeness to young people, so instead, programs for the elderly have all the information, to demonstrate the level of respect with which this segment is treated, because it is assumed that the elderly people of a bank present a highly loyalty, many



times in level of emotional fidelity, they are already used to a certain banking house and in many cases to certain branches, in particular, those in the pension plan sector, because usually, they have been using the bank's services for a long time, therefore if it is an old client, and should be treated with respect, also because it is a way of attracting new customers commenting on the advantages of investing in a particular institution (Fida et al., 2020).

With respect to customer loyalty, there is a study by Kaynak and Whiteley (2020) carried out in Australia in retail banking. In this it is postulated that customer service by front-line employees, is constituted as proving ground for consumer loyalty. Furthermore, loyalty is strongly connected with trust, and this is how the authors found that confidentiality of the bank and the confidentiality of the bank manager are important (M. Rashid et al., 2020). But nevertheless, this finding was more important in women than in men. The evidence in literature review portrays that most of the customers leave their banks after registering complaints and trying to get the solution after waiting for the bank to respond.

The evidence suggest that when the bank ignores the customers or they feel that they are being ignored, deflection occurs. This deflection and finding alternative bank occurs after multiple problems arises and bank never pays a heed to their issue and thus relationship between the bank and customer gets deteriorated making customers to seize the operation with the bank (Fida et al., 2020). Having said that, it is also noted that the severe nature of bad incident can cause a customer to leave immediately though mostly the reasons are complicated and much complex in nature and develop gradually.

## **H. Customer Satisfaction and Banking Sector**

It is important to review the literature on service quality and client satisfaction, customers in banking, because as we have already seen, a higher quality of service, and therefore satisfaction leads to higher profits for the firm. Before analyzing the above, it is considered relevant to review the literature on the different reasons that a consumer has for choosing a bank, since it is the point of beginning of the companyclient relationship, and provides the basis for a future evaluation of the quality of service (Gazi, Rahaman, Hossain, Hli, & Mamoon, 2021). Below is an overview of the different existing research in the area: Dupuy and Kehoe found

convenience to be the most important factor in determining the selection of a bank. Other studies found that it was the price level (Khazeh and Decker, 2020; Javalgi et al., 2019).

Bearing in mind that banks invest trillions in Internet infrastructure (the Deutsche Bank invests €500 million a year), customer satisfaction and retention it grows as good EBanking programs are developed. The most important E-Banking programs are not only focused on acquiring of new clients, but also to the retention of those who already have established long-term relationships generating positive feelings in customers (Hammoud, Bizri, & El Baba, 2018).

Bank websites are the windows they have to show themselves, they try to capture customers' attention, they are the window of what the bank offers, the positive corporate image, the target market, real or potential, to publicize the services, products, offers and promotions (Famiyeh et al., 2018). The bank has traditionally been a contact service, with human interaction, that has allowed to reinforce the perceptions of the clients regarding attention. A quality service is a key to differentiate offers and develop advantages comparatives. The same must be applied to online environments, it is crucial to develop quality e-banking services(Anouze, Alamro, & Awwad, 2019).

It has been explored that all bank websites have the corporate image, which includes the logo or image of the company and the motto. They also have spaces with information differentiated for each group of clients and a space for clients to contact those in charge of customer service, either for claims or doubts. Each bank has a target market, to which they aim a large part of their efforts, although they have other services for the different types of clients (Anouze et al., 2019). An example is the Deutsche Bank, which has its efforts focused on investors, particularly investments from young professionals, although it has services for everyone else clients, the most advantageous offers are for those who invest. Next, it is observed, on the websites of the selected banks, that strategies used to retain or satisfy customers, the most important are marked in red, so that customers get well aware with the efforts of the bank and start using the contemporary services as soon as possible (Anouze et al., 2019).

Anouze (2019) have identified that there are two strategies that banks seek to achieve: one emphasizes the reduction of expenses and the development of a greater

variety of services that entices customers, while the other emphasizes service quality, relationship marketing and customer satisfaction of the client. This second strategy requires that employees that interact with customers generate satisfaction and retention, for which it is necessary highly motivated quality employees, who are satisfied with the conditions of the job (Anouze et al., 2019).

Before seeing the different existing scales to measure the quality of service in the banks, and analyze different studies about it, customer satisfaction and loyalty customer, the issue of expectations must be taken into account. The above is important because as we have already seen, most of the models presented make use of the comparison between customer expectations and actual service performance for the evaluation of the quality of service (Devesh, 2019). In this way, the theories of service quality suggest that, the ignorance about customer expectations is one of the most relevant when looking for causes of failure to meet these expectations (Zeithaml et al., 2020). In this current, Parasuraman et al. (2021) found that, bank executives' assumptions about customer expectations were frequently wrong. Executives often make their own assumptions, but the only way to understand customer expectations is to asking them directly. In the investigation of Allred and Addams (2020), it was found that only 27% of the bank customers surveyed said they had been contacted to ask their your needs and expectations with the bank (Yilmaz, Ari, & Gürbüz, 2018).

Another point to consider when analyzing the banking industry is that in said industry, unlike most service industries, customers are not all same. In the UK a study revealed that only 10 to 20% of customers are profitable (Newman et al., 2018). Thus, the high quality of service and the maintenance of expensive branches are not feasible for all customers. The above suggests a segmentation strategy, offering different levels of service quality (Merendino et al., 2018), Now, as stated before, the SERVQUAL survey has been used to evaluate the quality of service of various service organizations including banks. In a study conducted in this industry, found that the highest disparity between the customer expectations and satisfaction was in reliability, responsiveness and empathy.

Newman (2020), in a study on banking in the United Kingdom found that, customer expectations were not being met in four of the five dimensions of SERVQUAL, and more critically for banking, was not being fulfilling above all in

the dimension of reliability, which showed the greatest difference between consumer expectations, satisfaction and perceptions (Jahan, Ali, & Al Asheq, 2020). However, as stated above, SERVQUAL has received innumerable criticism, so it is good to consider alternative measures to measure the quality of service in this industry. Bahia and Nantel (2020) proposed a scale to measure perceived service quality in banking, which is made up of 31 items classified into six dimensions (effectiveness and certainty, access, price, tangible assets, service portfolio and reliability), and it is called BSQ, Banking Services Quality (Jahan et al., 2020).

When comparing both models, the authors conclude that the Quality model Technical/Functional is more suitable than SERVQUAL to measure the quality of service in high contact services, and where high standards of customer service are handled, which is the case of private banking. Furthermore, the authors postulate that when the technical or main element of the service is relatively stable and there are low levels of service failures; the customer will pay more attention to how the service is delivered (Jahan et al., 2020). On the other hand, (Madavan & Vethirajan, 2020) suggested the use of joint experiments to measure quality of service, developing an application for the banking industry, which consists of 28 attributes including four dimensions of service quality:

- Accessibility
- Competition
- Accuracy and kindness
- Tangible

The accessibility dimension describes seven attributes that are related to the ease with which the service can be obtained. Examples of these attributes are: travel time (with the mode of transport commonly used in visits to the bank), and the opening hour. The most important is proper operation of ATMs automatic, followed by the frequency with which reports are received (YuSheng & Ibrahim, 2019). The dimensions of competence and accuracy and agreeableness involve attributes related to staff. The five attributes that comprise the dimension of competence of the personnel, are more focused on the technical knowledge of the staff and their skills, the most important being how complaints are handled, followed by the accuracy in the execution of money transfers. The Accuracy and agreeableness dimension

represents attributes related to reliability, courtesy, credibility, security and understanding Parasuraman, the most important being the friendliness and courtesy of the staff at the counter, and telephonically (YuSheng & Ibrahim, 2019).

Finally, the tangible dimension comprises seven attributes. Four of them describe characteristics of the physical space where the service encounter occurs (size, decoration, staff clothing, and privacy at the counter). The rest are the added attributes of price (interest) and product assortment. Of the four general dimensions, the third is the most important when it comes to determine preference for a bank (accuracy and friendliness), followed by competence, tangibles and accessibility (Islam et al., 2020).

Regarding the attributes analyzed separately, the most important are the friendliness and courtesy of the staff, followed by establishment and handling of complaints, frequency of unavailability of ATMs, interest in savings (capture rate), privacy at the counter and interest on loans (placement fee). Clients' assessment of banks' failures and strategies of associated recovery leading towards customer satisfaction, are significantly different as clients' evaluation of a certain type of recovery depends on the type of failure (Darzi & Bhat, 2018).

It has been explored by Darzi and Bhatti (2018) that some failures are more difficult to treat successfully than others. However, the perceived relative effectiveness of recovery strategies applicable, is generally the same for different faults. Customers' perception of the magnitude of some types of failure depends on their previous experiences. Customers tend to make harsher judgments for failures in which they have already had experience (Darzi & Bhat, 2018). Customer perceptions about the magnitude of failures are not related to age, gender or income, but with respect to the perception of clients of the effectiveness of recovery strategies, there is a tendency that clients with higher income and age are more demanding. Clients with a longer relationship with the bank, and higher deposits, appear for being more demanding (Darzi & Bhat, 2018). Thus, service recovery expectations are related to the length and financial importance of the customer to the bank.

Pricing issues had the greatest impact on exchange behavior, on the other hand, customers tended to complain more often about service failures, prior to get out of the bank. However, even though defection affected many banks, researches have shown in literature review that 86% of banking customers have indicated that

the bank had made no attempt to ask the reasons for their departure, and neither had encouraged their permanence (Ajmal, 2019).

The role played by complaints must be taken into account to increase customer satisfaction, since 74% declared having complained at least once before retiring, and 40% said they had done so more than twice (Ajmal, 2019). In addition, customers highlighted that the ineffective recovery of the service was also an important reason to leave the bank. Thus, the development of an effective program of service recovery, it is important to ensure that customers perceive the firms as responsible and willing to solve problems (Ajmal, 2019).

## **I. Structure of Banking System in Afghanistan**

The financial regulation of money matters of the country and private banking sector is controlled by the state owned DA Afghanistan Bank which is a central bank commenced its operations in 1930s. However, there were short period of times when the bank exercised its regulatory powers given by the Afghanistan constitution of 2004. After the US invaded Afghanistan and overthrewed the Taliban government of 90s, International Monetary Fund worked closely with DAB on its regulatory policies and started a new era for banking sector in Afghanistan where private investors and banking sector was encouraged (Zubair & Hasan, 2020). The Governor office of DAB is responsible for supervising monetary policies in the country as well as banking supervision.

Afghanistan has both conventional and Islamic banks like other muslim countries where additional regulations are present for overseeing Islamic Banking Liquidity Risk Management and licesing of such banks (Naseri & Sharofiddin, 2020).

There are twelve banks in Afghanistan where three banks are controlled by the state and regarded as public banks and the country has got the branches of two foreign bank while the remaining seven banks are private financial institutions. The structure of Afghanistan banking system is modernized in 2000s where more assests lies with the private banking system where private banks are those who have private shareholders whereas public banks have single shareholder in the form of state of Afghanistan (Arslan, Ali, & Amanat, 2020). All the humanitarian actors and the

governments of different cities and provinces use these financial institutions to transfer money between each other and carry out their administrative work using banking system.

Afghanistan was working on a central payment system to allow clients of banks to withdraw money from the ATMs' of different banks which is a norm in most countries, however, the system never was implemented and was still in its development phase when US decided to withdraw its forces from the Afghanistan and country's US supported government was toppled by the Taliban's. International wire transfers were allowed to and from the banks of Afghanistan before the Taliban's government, however, now the country's financial institutions as well as the banks are under many sanctions especially from the western world including Europe, USA and its allies (Safi, Abbey, Goucha, Serhan, & Gleason, 2020).

Before 2001, the country has limited banking network and services and people used to engage in traditional and informal financial services. After 2001, International Monetary Fund and international community started developing a working banking system to provide services to the local population and also to carry out developmental activities in the region. The banking sector in Afghanistan witnessed USD \$400 million to over USD \$4.25 billion in these years where first time in the history payments to government and private employees were also started to be carried out using banking channels (Tahiri, 2018).

The loan to assets ratio of banks in Afghanistan has been less than 20% that means banks tend to keep money with them rather than loaning it to the general public and private organizations in the country due to the unstable political conditions and uncertainty. The IMF's Financial Action Task Force has declared the country in the grey area due to bank's malpractices in 2012 and the country never succeeded in implementing more transparency in the financial matters that has led to one of the lowest customer satisfaction and service quality in the world.

## **J. Case Analysis of Azizi Bank Afghanistan**

Azizi Bank is an Afghan commercial bank that was established in accordance with the

Central Bank of Afghanistan's licensing policy. The bank received its license

on June 13, 2006, and began operations on the same day. Mr. Mirwais Azizi (of the Azizi Hotak Group) and Haji Ali Akbar Zhawandai have promoted Azizi Bank, which is a result of Afghan vision and enterprise.

The promoters are committed to establishing a sound financial institution, and in order to provide the highest level of security to the bank's customers, they established the bank with an initial paid-up capital of USD 7.5 million, which was 150 percent of the central bank's minimum requirement of USD 5 million. As of December 31, 2009, the capital was USD 42.5 million (Bhattacharya & Gul, 2014).

The Bank's management staff is a good combination of youth and experience. With the help of a youthful and well-trained operating team, the company aims to alter the banking scene in the country by providing consumers with a really professional and delightful experience. In 2021, the bank now employs over 1000 people and has a 20% female workforce, allowing it to play a discreet but effective role in women's emancipation and empowerment (Adil Rasool, Siddiq, & Ullah, 2018).

The Bank has made significant investments in physical infrastructure and technology in order to provide a welcoming environment and cutting-edge services to potential clients. The bank in 2021, has 57 branches across Afghanistan, making it a leader in the growth of the country's financial culture. The bank currently have 57 branches across the country, with 24 in Kabul and 33 in the provinces. they also have permits for 11 more branches, which will open in the near future. They have applied to DAB for a license for further 20 branches (Mohammady, 2019).

They achieved another milestone in Afghanistan's banking history in 2009 when we purchased the Development Bank of Afghanistan from Da Afghanistan Bank (the Central Bank of Afghanistan), and we have now reopened banking operations under the new name of Bakhtar Bank (a 100 percent subsidiary of Azizi Bank) with 15 branches in place as of 2009 and there are now 14 branches open. Azizi Bank makes no pretense of catering to a certain customer segment. Its main goal is to promote financial inclusion across Afghanistan (Mohammady, 2019). As a result, there are no fees for opening/maintaining accounts, issuing passbooks/statements of account, or collecting checks, and there is no minimum balance requirement for salary accounts, among other things.



The deposit options (Current Account, Savings Fund, and Fixed/Term Deposits) were created to encourage the habit of saving while also providing convenience and competitive rates. The bank's credit products address fundamental needs and encourage business (fund-based facilities such as term/working capital loans and nonfund based facilities such as letters of credit and financial/performance guarantees for trade and industry) (Mohmand & Rahim, 2016). The Bank began offering mortgage loans for the purchase of commercial offices, shops, and residential apartments in 2009.

Account and non-account holders can send money locally and internationally because the bank has a correspondent banking network with top worldwide banks (Comers Bank AG Frankfurt, Germany, T.C. Ziraat Bank, PNB London). SWIFT and Western Union offer inward/outward remittance services in a variety of currencies. Through a specific tie-up with a large public sector bank in India, Bank of India, and a significant private sector bank, HDFC, a particular facility for INR remittances is available for the Indian community in Afghanistan.<sup>1</sup>

## **1. Corporate Accounts:**

1. AISA License /MOC License /MOE License /any other License (Government License)
2. Resolution by the Company on their Letter Pad:
  - Decided to open Account with Azizi Bank, Branch Name.
  - Name of Authorized Persons.
  - Operation instructions.
  - Signature of Authorized Persons.
3. Tazkira / Passport of all Authorized People including company President +Vice President.

---

<sup>1</sup> **Note:** All of the above documents must be verified from originals and formally signed by the CSO/BM along with his/her employee number and a rubber stamp that says "Verified from the Originals."

4. Photo of all authorized People. (Take the picture through digital-Camera & upload in the System.

**K. Azizi Bank Customer Acceptance Policy:**

5. Customer signature in the customer information file (CIF) and Account Opening Form (AOF) at all required locations in the presence of the Customer Relation CSR/ Customer Service Officer (CSO)/ Bill of materials (BOM) (No Account be opened by giving the form outside the Bank, if opened Outside the Bank, signature must be obtained in the presence of BOM).

6. Before being entered into the system, all corporate accounts must be finalized and checked by the BOM.

**Following types of Customers forbidden to open an account with Azizi Bank:** Due to the significant danger of their activities, Azizi Bank does not allow the following customer categories to open an account with us:

- Customers that do not provide enough information for us to verify their identity and/or the company they work for.
- Customers who provide financial or insurance services without first obtaining a license from a regulatory entity such as the Da Afghanistan Bank.
- Shell banks (A shell bank is a financial word for a financial entity that operates under the radar.)
- According to EU Directive 60/2005, does not have a physical presence in any nation.
- Customers who are subjected to sanctions as a result of the government's decisions
- The European Union, OFAC, or state authorities are all options.<sup>2</sup>

Mandatory Information to be included in the opening form:-

---

<sup>2</sup> **Note:** If the account holder's identification cannot be verified and/or the documents/information required cannot be obtained/confirmed owing to the customer's non-cooperation, the account will not be opened or closed (except as stipulated in this Policy).

- 1) Occupation
- 2) Source of funds
- 3) Monthly Income
- 4) Annual turnover
- 5) Date of Birth
- 6) Dealings with other banks
- 7) Purpose or usage of account
- 8) Complete (Permanent, Current & Office Address)

Customers are classified into multiple risk categories by the bank, which is based on risk perception. Each customer category has its own set of acceptance requirements. Accept customers only after confirming their identities as outlined in the Customer Identification Procedures section above, and do not open accounts in their names.

The name of anonymous / fictitious / suspicious persons.

#### **L. Azizi Bank Customer Acceptance policy:**

Discomfort the general people, particularly those who are financially or socially disadvantaged.

##### **1. Procedure**

- The first requirement of customer identification procedure is to be satisfied that a Prospective customer is who he/she claims to be.
- The second requirement of customer identification procedures is to ensure that sufficient information is obtained on the nature of the business that the customer expects to undertake and any expected or predictable pattern of transactions. The Information collected will be used for profiling the customer.
- Identity to be verified for:
  - The named account holder beneficial owners
  - Signatories to an account and intermediate parties.

## **M. The Customer Identification Procedures in the Bank**

- When the bank believes it is important to gather additional information from current Customers based on the account's conduct or behavior.
- Information on the nature of business activity, location, and mode of payment, volume of turnover, social and financial standing, and other factors will be collected as needed to complete the customer profile.
- Customers are divided into three risk groups based on their risk perception: high, medium, and low. The risk classification will be reassessed on a regular basis.
- Customer identification shall be conducted in the case of non-account holders approaching the bank for a high-value one-time transaction, as well as any person or entity associated with a financial transaction that could expose the Bank to severe reputational or other risks.

## **N. Customer Identification and profile:**

### **1. Accounts of Individuals**

- Client identification entails a thorough examination of all documentary evidence presented to the bank that confirm the individual's identity and the nature of his business.
- The Bank has the responsibility to confirm the importance of documents supplied for the identity of its clients, beneficiaries, suppliers, and others when suspicion arises. In other words, before beginning banking connections, the client must be properly and fairly identified.<sup>3</sup>

## **O. Tools available for determining customer expectations in Azizi Bank**

Periodic contract reviews, market research, telephonic interviews, personal visits, warranty records, informal chats, and satisfaction surveys are all examples of

---

<sup>3</sup> **Note:** Customer identification is the primary and greatest line of defense against money laundering.

The strict observance of client identification processes has been the focus of constant attention.

ways to identify customer expectations. We can choose the most effective method for measuring customer perceptions based on the customer base and available resources. The exercise's goal is to determine where changes should be made first. We need to come up with a method (or a combination of methods) for continuously improving service.

#### **P. Customer Satisfaction Surveys:**

Formal surveys have shown to be the most effective means of monitoring client satisfaction on a regular basis. The survey is more of an information gathering tool than a marketing tool. Before starting the survey, make sure you've done enough homework. This includes the following:

- Defining Objectives of the Survey
- Design Survey approach
- Develop questionnaires and forms
- Administer Survey (Email, Telephone or Post)
- Method of compiling data and analyzing the findings
- Format of the report to present the findings

It's pointless to ask irrelevant questions on a customer satisfaction survey. The main goal is to figure out what is done correctly or incorrectly.

A customer satisfaction measurement survey should at least identify the following objectives:

- Importance to customers (Customers priorities)
- Customer's perception of supplier's performance
- Your performance relative to customer's priorities.
- Priorities for improvement

Customers should be able to complete survey forms in the least amount of time and effort possible. They should be created in such a way that the customer is actively encouraged to answer the questions. They must, however, give accurate data that is also dependable enough for managerial decision-making. This can be

accomplished by including objective type questions that require the client to rate. On a scale of 1 to 10, how would you rate yourself? You might provide the customer's previous rating if you're conducting multiple surveys. This serves as a point of reference for the customer.

Customers should always be given the opportunity to express their own ideas, as this allows them to state any extra requirements or highlight any flaws that are not addressed by the objective inquiries. Customer satisfaction can be measured by polling a large number of people for each customer. It's possible that a different questionnaire will be required for each of them.

Respondents must be able to express how important particular survey parameters are to them. Respondents should be asked to assign a weighting factor to each need, using a rating scale of 1 to 10. By comparing the performance rating (scores) with the importance rating, providers can get a better idea of the relative relevance of each parameter to overall customer satisfaction, making it easier for them to prioritize their action plans (weighing).

## **Q. Azizi Bank Vision and Mission:**

### **1. Vision**

- To develop and position the bank as a world-class, progressive, cost-effective, and customer-friendly financial and related services provider.
- Integrating technological frontiers and servicing various elements of society, particularly the underserved.
- Committed to providing excellent service to the public while simultaneously exceeding corporate values.

### **2. Mission**

- To improve its position as a leader in financial and associated services by providing exceptional professional services.
- Create and sustain a motivated staff with a strong work ethic.
- Utilize cutting-edge technologies to ensure client satisfaction and serve as a powerful catalyst for socioeconomic progress.

## **R. Methods for maintaining customer relationships in Azizi Bank**

The banking industry's capacity to achieve socioeconomic goals while simultaneously attracting more and more clients will ultimately be determined by customer happiness. The organization believes that a happy customer is the most important aspect in growing their business (Adil Rasool et al.). At Punjab National Bank felt that, in order to become more customer-friendly, the bank should issue a Charter of its services to clients, The Citizens' Charter concept was chosen as the foundation for addressing this need, and this document was created as a result.

This document was developed in collaboration with users and shows their Bank's commitments to customer satisfaction, assuring accountability and responsibility among its officials and employees. This Customer Code not only describes their commitment and responsibilities, as well as the redressed ways, but it also specifies the customer's responsibility for healthy customer-banker relationships (Adil Rasool et al.). This is not a legal document that establishes rights and responsibilities. The Code was created to promote ethical banking practices and to provide information on a variety of customer care activities

Azizi Bank appreciate the Ministry of Finance of the Government of India, as well as the Ministry of Administrative Reforms and Public Grievances, for encouraging the employees to publish this Code. The bank consult with our customers on a regular basis through seminars, customer meetings, and other means in order to analyze, improve, and broaden the variety of services available to them. However, all of our clients are encouraged to keep us informed about their experiences with the Bank's various services and to provide feedback on this Code. In the coming years, they are planning to publish it in a variety of regional languages

## **IV. METHODOLOGY**

### **A. Hypothesis**

H1. Service quality has a positive relationship with customer satisfaction.

H2 Service quality has a positive relationship with customer loyalty.

H3 Tangibility has an impact on customer satisfaction.

H4 Tangibility has an impact on customer loyalty.

H5 Customer satisfaction is affected by reliability

H6 Customer loyalty is affected by reliability.

H7 Customer satisfaction is affected by responsiveness.

H8 Customer loyalty is affected by responsiveness

H9 Customer Satisfaction is affected by Assurance

H10 Customer loyalty is affected by Assurance

H11 Customer loyalty is affected by customer satisfaction

#### **1. Quantitative observation**

It refers to specifying the record of behaviors, in a systematic, orderly and reliable, to analyze conflicts, massive events, etc. It has the characteristic of not being participative, among its advantages it highlights that the observer does not relate to the study subjects, although this has as a disadvantage that the observer, by not getting involved with the subjects of research, at some point may cause the alteration of the behavior of these individuals, registering external behaviors.

#### **2. Qualitative observation**

In this observation, a direct participation is needed between the observer and the context in which the research takes place. The observer must reflect on each event and behavior, therefore, you must remain alert to analyze and capture what



happens at a certain moment, and take notes of some circumstance even if it is small, since it can be of great relevance to research (Busetto, Wick, & Gumbinger, 2020).

### **3. Cross-sectional research.**

In this philosophical methodology, researchers collect the data in a single moment, in a single time. His purpose is to describe variables and analyze their incidence and interrelation at one point. This type of research is like a photograph at a given moment of the problem being studied and can be: descriptive or correlation, depending on the problem under study.

### **4. Longitudinal research.**

Unlike cross-sectional research in this type of study, collect data from the same population at different times. Here researchers compare the data obtained in the different opportunities at the same population or sample and changes over time can be analyzed certain variables or the relationships between them.

When the research topic is related to the quality, it refers to the rigor methodology with which it has been designed and developed, and the trust that, as a consequence, we can have in the veracity of the achieved results. In general, the idea of research quality is therefore associated with the credibility of the work developed. Next we expose the appropriate terms to define the rigor scientific, contrasting research of a quantitative type and qualitative. It is necessary to have the sufficient time that enables the researcher to integrate into the scenario of action in order to avoid, as much as possible, the distortions produced by the novelty of their presence, fear or expectations that it may have caused in the initial stage, (these are aspects to consider in the first moments) so it is necessary to dedicate an extended period to the same place so that those investigated get used to the presence of researchers and convince themselves that they do not constitute a threat (it is quite possible that this factor will be attenuated or disappear over time) (Thanem & Knights, 2019). Finally we want to point out that the participant observation has to be prolonged in order to separate what anecdotal of the relevant, the irrelevant of the substantive, the superficial deep.

The reality of the object research can be observed by all those who are involved in a form or another in the same way, enabling the confrontation of

different perceptions in order to reflect and interpret the data obtained. It cannot be thought that all researchers have the same analytical perspective, it is simply interesting to confront several opinions to enrich the analysis of the results.

## **B. Research Approach**

Descriptive and quantitative approach has been used in this research thesis as it has been justified over other measures and methodologies. The quantitative methodology usually starts from theoretical bodies accepted by the scientific community on the basis of which it formulates hypotheses about expected relationships between the variables that are part of the problem being studied. In this research, finding is done through the collection of quantitative information oriented by concepts measurable empirical data, derived from the theoretical concepts with which the conceptual hypotheses (Ghuri, Grønhaug, & Strange, 2020). The analysis of the information collected is intended to determine the degree of significance of the predicted relationships between the variables. The procedure that follows is hypothetical-deductive which begins with the formulation of the hypotheses derived from the theory, continues with the operationalization of the variables, the collection, data processing and interpretation. This research uses the empirical data form the basis for testing the hypotheses and theoretical models formulated by the researcher and thus qualitative approach has been applied to correctly assess the situation and provide relevant and reliable recommendations.

## **C. Research Strategy and Model**

There are many different research strategies and approaches applied in qualitative methodology. For this research, we have used descriptive analysis and applied likert scale based questionnaire approach in the selected sample from population to derive results that are reliable and ensures credibility. We will make hypothesis and through the analysis study objectives will be reached in an effective manner. SPSS software will be used in this research while applying quantitative approach to study the data deeply statistically and by applying deviation on all questions given to respondents. Factor analysis, reliability analysis, correlation analysis, and regression analysis will be used to test the accuracy of the hypothesis to form results and conclude the thesis research.

The factor analysis will help us concise the variables and formulate the research from expansion to concision the variables thus achieving comprehension in the results. Harmon single method will be applied to ensure and realize the essence of the research. Correlation analysis will be used to establish relation between variables such as banking sector and customer satisfaction. Regression analysis will also be applied to understand and sustain the organizational performance of our respondents and to explain the variables.

#### **D. Population**

Targeted population in a research is the group of individuals acquired for the purpose of getting data with a goal of replication of the whole research on a larger scale. In this research, population is the customers of Azizi Bank and they quantify as 400 individuals. Online questionnaire has been sent to the customers.

#### **E. Sampling**

Non-probability convenience sampling will be used in this quantitative research as it will help us validate the results of our hypothesis. As the availability and willingness of individuals in population as respondent are overseas, this sampling technique suits the research. The results will be very helpful for the testing of the hypothesis and there will be no issues with the credibility of the research with this sampling technique.

#### **F. Data Collection Process**

The data collection process is applied to get the results of given hypothesis by using analysis through SPSS or any other software. The process is a tool that is the essence of any qualitative research where variables are tested by applying different forms of methodologies to ensure scientifically accepted prowess of results and measure the sufficient objectivity and subject to analytical understanding thus achieving quality and reliability.

Data gathering and the process is one of the most salient feature of our qualitative study where we comprehend the results and discuss the conclusion on the basis of the analysis. We have formulated the questionnaire and has given proper

consideration to each and every aspect of the questionnaire to achieve high quality and to yield proper results and preserve the research findings (Rose, McKinley, & Baffoe-Djan, 2019).

A five point Likert scale questionnaire will be used in this research and given to the population in Afghanistan who are the customers of Azizi Bank and the primary data will be collected based on the level of agreement of our respondents. The Likert scale has the following format: 1) Always; 2) Mostly; 3) Sometimes; 4) Rarely; 5) Never. The questionnaire is designed with the variables in mind and the Likert scale is formatted as follows: a) Very dissatisfied, b) Somewhat dissatisfied, c) Neither satisfied nor dissatisfied, d) somewhat satisfied, e) Very satisfied.

The questionnaire incorporated variables for this research; Attributes of service quality, loyalty of the customers, customer satisfaction and it is divided into three section where their demographic information was also gathered.

#### G. Sample size Calculator

A sample from Azizi bank in Afghanistan as been selected for this study.. The sample size formula is used for calculating the sample size. The below section shows the calculation of sample size

$$n = N \times \frac{Z^2 \times p \times (1-p)}{[ (N - 1) + \frac{Z^2 \times P \times (1-P)}{e^2} ]}$$

$$=(500*(95^2)*0.5*(1-0.5)/(0.05^2)/(500 - 1+((95^2)* 0.5*(1-0.5)/(0.05^2)))$$

$$=218$$

- N = Population size,
- Z = confidence level
- p = Sample proportion,
- e = Margin of error

## H. Study Reliability

### Reliability Analysis

Cronbach's Alpha	No of Items
.742	25

Reliability refers to the degree to which a scale shows accurate results despite repeated repetitions of measures. Checking the internal accuracy of this tool, which is used to collect data, is called reliability analysis. Above table shows that the scale used in this study have good reliability. The scale is considered reliable if the value is greater than 0.70, while the scale values are less than 0.70, the scale is less reliable. The results show that the Cronbach  $\alpha$  of the Customer Satisfaction (25items) is 0.74 scales are reliable.

## V. ANALYSIS

After the collection of data, the next step was editing the raw data. The incomplete scales were excluded by the researcher. The questionnaires with inappropriate responses were also excluded. Mistakes were eliminated. The questionnaires were separated according to the study population i.e. questionnaires filled by male and female were separated, and the corrected data was finalized for scoring. After the scoring, next step was of data entry. All the data was enter in SPSS, case data was fed very carefully in SPSS for appropriate results. The finalized data was labeled. Numerical values were given to the variables for identification in the analysis through SPSS. Descriptive analysis, correlation and regression were applied.

Table 1 Descriptive Statistics of the study variables

s	Range				
	N	M	SD	Minimum	Maximum
Scale					
Service quality	400	40.66	6.794	24	82
Tangibility	400	12.77	4.124	6	61
Reliability	400	13.04	3.523	5	23
Responsiveness	400	7.46	2.570	3	14
Assurance	400	7.38	2.726	3	15
Customer Loyalty	400	7.80	4.092	3	55
Customer satisfaction	400	15.36	3.878	7	28

*Note, M=Mean, SD=Standard Deviation*

Table 1 shows the Means, Standard deviation and Range values of Service quality, Tangibility, Reliability, Responsiveness, Assurance, customer Loyalty and customer satisfaction.

Table 2 Demographic Characteristics of Study Variables

Characteristics	N	%
Type of bank		
Current	144	36.0
Saving	129	32.3
Fixed Deposit	87	21.8
Another	40	10.0
Gender		
Male	229	57.3
Female	171	42.8
Marital Status		
Married	191	47.8
Single	209	52.3
Age		
Under 20	76	19.0
21-30	108	27.0
31-40	100	25.0
41-50	60	15.0
Above 50	56	14.0
Qualification		
Undergraduate	128	32.0
Graduate	179	44.8
Postgraduate	93	23.3
Income		
10,000	142	5.5
10,000-20,000	124	31.0
Above 20,000	134	33.5
Profession		
Business	136	34.0
Service	104	26.0
Student	92	23.0
Housewife	40	10.0
Others	28	7.0
Years of using the bank		
Less than 1 year	84	21.0
1-3 years	70	17.5
3-5 years	103	25.8
5-10 years	74	18.5
More than 20 years	69	17.3
Frequency of using the bank		
Daily	36	9.0
Once a week	56	14.0
Twice in weeks	78	19.5
Once in weeks	103	25.8
Once in a month	127	31.8

Table 2 reveals the demographic information about the 400 respondents in numbers and frequency.

Table 3 Correlation coefficient between Service quality and customer satisfaction

Variables	1	2
Service Quality	-	
Customer satisfaction	.311**	-

\*\* $p < 0.01$ , \* $p < 0.05$

Table 3 revealed that Service Quality significant positive relationship with Customer satisfaction ( $r = .311^{**}$ ).

Table 4 Correlation coefficient between Service quality and Customer loyalty

Variables	1	2
Service Quality	-	
Customer loyalty	.186**	-

\*\* $p < 0.01$ , \* $p < 0.05$

Table 4 revealed that Service Quality significant positive relationship with Customer loyalty ( $r = .186^{**}$ ).

Table 5 Regression coefficients of Tangibility and Customer satisfaction

Variable	B	SE	T	p
Constant	13.014	.620	20.974	.000***
Tangibility	.184	.046	3.977	.000***

$R^2 = .038$ ;  $F = 15.820$ ;  $P < .001$   
a. \* $P < 0.05$ ; \*\* $P < 0.01$  \*\*\* $P < .001$   
b. Dependent Variable: Customer satisfaction  
c. Independent Variable: Tangibility

Note  $N = 400$

\*\*\* $P < .001$

Table 5 shows the impact of Tangibility on customer satisfaction. Linear regression analysis was applied to predict the value of dependent variable (Customer satisfaction) based on the value of independent variable (Tangibility). The  $R^2$  value of .04 revealed that the predicted variable explained 4% variance in the outcome variable with  $F(1,339) = 15.820$ ,  $P < .001$ . The findings revealed that Tangibility positively predicted customer satisfaction ( $\beta = .20$ ,  $P < .001$ ).



Table 6 Regression coefficients of Tangibility and Customer loyalty

Variable	$\beta$	SE	t	p
Constant	6.446	.436	14.795	.000***
Tangibility	.098	.032	3.029	.000***

$R^2 = .023$ ;  $F=9.175$ ;  $P < .001$   
a.  $*P < 0.05$ ;  $**P < 0.01$   $***P < .001$   
b. Dependent Variable: Customer loyalty  
c. Independent Variable: Tangibility

Note  $N=400$

\*\*\* $P < .001$

Table 6 shows the impact of Tangibility on customer loyalty. Linear regression analysis was applied to predict the value of dependent variable (Customer loyalty) based on the value of independent variable (Tangibility). The  $R^2$  value of .02 revealed that the predicted variable explained 2% variance in the outcome variable with  $F(1,339) = 9.175$ ,  $P < .001$ . The findings revealed that Tangibility positively predicted customer loyalty ( $\beta = .15$ ,  $P < .001$ ).

Table 7 Regression coefficients of Customer satisfaction and reliability

Variable	$\beta$	SE	t	p
Constant	12.527	.730	17.149	.000***
Reliability	.217	.054	4.021	.000***

$R^2 = .039$ ;  $F=16.169$ ;  $P < .001$   
a.  $*P < 0.05$ ;  $**P < 0.01$   $***P < .001$   
b. Dependent Variable: Customer satisfaction  
c. Independent Variable: Reliability

Note  $N=400$

\*\*\* $P < .001$

Table 7 shows the impact of Reliability on customer satisfaction. Linear regression analysis was applied to predict the value of dependent variable (Customer satisfaction) based on the value of independent variable (Reliability). The  $R^2$  value of .04 revealed that the predicted variable explained 4% variance in the outcome variable with  $F(1,339) = 16.169$ ,  $P < .001$ . The findings revealed that Reliability positively predicted customer satisfaction ( $\beta = .19$ ,  $P < .001$ ).

Table 8 Regression coefficients of Customer loyalty and reliability

Variable	$\beta$	SE	t	p
Constant	6.400	.515	12.436	.000***
Reliability	.100	.038	2.621	.009***

$R^2 = .017$ ;  $F=6.872$ ;  $P < .001$   
a.  $*P < 0.05$ ;  $**P < 0.01$   $***P < .001$   
b. Dependent Variable: Customer loyalty  
c. Independent Variable: Reliability

Note  $N=400$

\*\*\* $P < .001$

Table 8 shows the impact of Reliability on customer loyalty. Linear regression analysis was applied to predict the value of dependent variable (Customer loyalty) based on the value of independent variable (Reliability). The  $R^2$  value of .02 revealed that the predicted variable explained 2% variance in the outcome variable with  $F(1,339) = 6.872$ ,  $P < .001$ . The findings revealed that Reliability positively predicted customer loyalty ( $\beta = .13$ ,  $P < .001$ ).

Table 9 Regression coefficients of Customer satisfaction and responsiveness

Variable	$\beta$	SE	t	p
Constant	13.364	.587	22.750	.000***
Responsiveness	.268	.074	3.599	.000***

$R^2 = .032$ ;  $F=12.950$ ;  $P < .001$   
a.  $*P < 0.05$ ;  $**P < 0.01$   $***P < .001$   
b. Dependent Variable: Customer satisfaction  
c. Independent Variable: Responsiveness

Note  $N=400$

\*\*\* $P < .001$

Table 9 shows the impact of Responsiveness on customer satisfaction. Linear regression analysis was applied to predict the value of dependent variable (Customer satisfaction) based on the value of independent variable (Responsiveness). The  $R^2$  value of .03 revealed that the predicted variable explained 3% variance in the outcome variable with  $F(1,339) = 12.950$ ,  $P < .001$ . The findings revealed that Responsiveness positively predicted customer satisfaction ( $\beta = .18$ ,  $P < .001$ ).

Table 10 Regression coefficients of Customer loyalty and responsiveness

Variable	$\beta$	SE	t	p
Constant	1.002	.271	3.703	.000***
Responsiveness	.869	.033	26.001	.000***

$R^2 = .629$ ;  $F=676.031$ ;  $P < .001$   
a.  $*P < 0.05$ ;  $**P < 0.01$   $***P < .001$   
b. Dependent Variable: Customer loyalty  
c. Independent Variable: Responsiveness

Note  $N=400$

\*\*\* $P < .001$

Table 10 shows the impact of Responsiveness on customer loyalty. Linear regression analysis was applied to predict the value of dependent variable (Customer loyalty) based on the value of independent variable (Responsiveness). The  $R^2$  value of .63 revealed that the predicted variable explained 63% variance in the outcome variable with  $F(1,339) = 676.031$ ,  $P < .001$ . The findings revealed that Responsiveness positively predicted customer loyalty ( $\beta = .79$ ,  $P < .001$ ).

Table 11 Regression coefficients of Customer satisfaction and assurance

Variable	$\beta$	SE	t	P
Constant	7.063	.388	18.200	.000***
Assurance	1.077	.048	22.659	.000***

$R^2 = .751$ ;  $F=513.416$ ;  $P < .001$   
a.  $*P < 0.05$ ;  $**P < 0.01$   $***P < .001$   
b. Dependent Variable: Customer satisfaction  
c. Independent Variable: Assurance

Note  $N=400$

\*\*\* $P < .001$

Table 11 shows the impact of Assurance on customer satisfaction. Linear regression analysis was applied to predict the value of dependent variable (Customer satisfaction) based on the value of independent variable (Assurance). The  $R^2$  value of .75 revealed that the predicted variable explained 75% variance in the outcome variable with  $F(1,339) = 513.416$ ,  $P < .001$ . The findings revealed that Assurance positively predicted customer satisfaction ( $\beta = .75$ ,  $P < .001$ ).

Table 12 Regression coefficients of Customer loyalty and assurance

Variable	$\beta$	SE	t	p
Constant	1.002	.271	3.703	.000***
Assurance	.869	.033	26.001	.000***

$R^2 = .793$ ;  $F=676.031$ ;  $P < .001$   
a.  $*P < 0.05$ ;  $**P < 0.01$   $***P < .001$   
b. Dependent Variable: Customer loyalty  
c. Independent Variable: Assurance

Note  $N=400$

\*\*\* $P < .001$

Table 12 shows the impact of Assurance on customer loyalty. Linear regression analysis was applied to predict the value of dependent variable (Customer loyalty) based on the value of independent variable (Assurance). The  $R^2$  value of .79 revealed that the predicted variable explained 79% variance in the outcome variable with  $F(1,339) = 676.031$ ,  $P < .001$ . The findings revealed that Assurance positively predicted customer loyalty ( $\beta = .79$ ,  $P < .001$ ).

Table 13 Regression coefficients of Customer loyalty and customer satisfaction

Variable	$\beta$	SE	t	p
Constant	-.329	.366	-.901	.000***
Customer satisfaction	.523	.023	22.659	.000***

$R^2 = .751$ ;  $F=513.416$ ;  $P < .001$   
a.  $*P < 0.05$ ;  $**P < 0.01$   $***P < .001$   
b. Dependent Variable: Customer loyalty  
c. Independent Variable: Customer satisfaction

Note  $N=400$

\*\*\* $P < .001$

Table 13 shows the impact of customer satisfaction on customer loyalty. Linear regression analysis was applied to predict the value of dependent variable (Customer loyalty) based on the value of independent variable (customer satisfaction). The  $R^2$  value of .75 revealed that the predicted variable explained 75% variance in the outcome variable with  $F(1,339) = 51.416$ ,  $P < .001$ . The findings revealed that customer satisfaction positively predicted customer loyalty ( $\beta = .75$ ,  $P < .001$ ).

## VI. RESULTS

Table 14. Results

H1. Service quality has a positive relationship with customer satisfaction.	Accepted
H2 Service quality has a positive relationship with customer loyalty.	Accepted
H3 Tangibility has an impact on customer satisfaction.	Accepted
H4 Tangibility has an impact on customer loyalty.	Accepted
H5 Customer satisfaction is affected by reliability	Accepted
H6 Customer loyalty is affected by reliability.	Accepted
H7 Customer satisfaction is affected by responsiveness.	Accepted
H8 Customer loyalty is affected by responsiveness	Accepted
H9 Customer Satisfaction is affected by Assurance	Accepted
H10 Customer loyalty is affected by Assurance	Accepted
H11 Customer loyalty is affected by customer satisfaction	Accepted

Hypothesis 1 and Hypothesis 2 are accepted in the analysis because Service Quality has a significant positive relationship with Customer satisfaction and customer loyalty with values ( $r=.311^{**}$ ) and ( $r=.186^{**}$ ) respectively.

Hypothesis 3 was tested to analyze the impact of Tangibility on customer satisfaction with the help of Linear regression analysis. The  $R^2$  value of .04 revealed that the predicted variable explained 4% variance in the outcome variable with  $F(1,339) = 15.820, P < .001$ . The findings revealed that Tangibility positively predicted customer satisfaction ( $\beta=.20, P < .001$ ) and the hypothesis is also accepted.

Hypothesis 4 is tested to analyze the impact of Tangibility on customer loyalty by Linear regression analysis. The  $R^2$  value of .02 revealed that the predicted variable explained 2% variance in the outcome variable with  $F(1,339) = 9.175, P < .001$ . The findings revealed that Tangibility positively predicted customer loyalty

( $\beta=.15, P < .001$ ) so, the hypothesis 4 is also accepted.

Hypothesis 5 is based on assessing the the impact of Reliability on customer satisfaction. Linear regression analysis which showed that the  $R^2$  value is .04. The predicted variable explained 4% variance in the outcome variable is  $F(1,339) = 16.169, P < .001$ . The findings revealed that Reliability positively predicted customer satisfaction ( $\beta=.19, P < .001$ ) which shows that hypothesis 5 is also accepted.

Hypothesis 6 is tested to analyze the impact of Reliability on customer loyalty. Linear regression analysis was applied and the  $R^2$  value of .02 revealed that the predicted variable explained 2% variance in the outcome variable with  $F(1,339) = 6.872, P < .001$ . The findings revealed that Reliability positively predicted customer loyalty ( $\beta=.13, P < .001$ ) showing that hypothesis 6 is accepted.

Hypothesis 7 is tested to show the impact of Responsiveness on customer satisfaction by Linear regression analysis. The  $R^2$  value of .03 revealed that the predicted variable explained 3% variance in the outcome variable with  $F(1,339) = 12.950, P < .001$ . The findings revealed that Responsiveness positively predicted customer satisfaction ( $\beta=.18, P < .001$ ) showing the hypothesis 7 is accepted.

Hypothesis 8 is tested to asses the impact of Responsiveness on customer loyalty with the help of Linear regression analysis. The  $R^2$  value of .63 revealed that the predicted variable explained 63% variance in the outcome variable with  $F(1,339) = 676.031, P < .001$ . The findings revealed that Responsiveness positively predicted customer loyalty ( $\beta=.79, P < .001$ ) showing that hypothesis 8 is accepted.

Hypothesis 9 tested to examine the impact of Assurance on customer satisfaction by Linear regression analysis. The  $R^2$  value of .75 revealed that the predicted variable explained 75% variance in the outcome variable with  $F(1,339) = 513.416, P < .001$ . so, the hypothesis 9 is accepted because the findings revealed that Assurance positively predicted customer satisfaction ( $\beta=.75, P < .001$ ).

Hypothesis 10 is tested by analyzing the impact of Assurance on customer loyalty with the help of Linear regression analysis. The  $R^2$  value of .79 revealed that the predicted variable explained 79% variance in the outcome variable with  $F(1,339) = 676.031, P < .001$ . The hypothesis 10 is accepted because the findings revealed that Assurance positively predicted customer loyalty ( $\beta=.79, P < .001$ ).

Hypothesis 11 is tested by examining the impact of customer satisfaction on

customer loyalty with the help of Linear regression analysis. The  $R^2$  value of .75 revealed that the predicted variable explained 75% variance in the outcome variable with  $F(1,339) = 51.416$ ,  $P < .001$ . Hypothesis 11 is accepted because the findings revealed that customer satisfaction positively predicted customer loyalty ( $\beta = .75$ ,  $P < .001$ ).

## **VII. CONCLUSION**

The aim of this study is to analyze and assess the service quality and customer satisfaction in the banking sector of Afghanistan. The situation in Afghanistan is not upto the mark due to the political situation and financial crisis in the country. That is the reason that service quality and customer satisfaction is not the priority by the policy makers, however, the aim of this study was to analyze the current situation, factors, and the ongoing customers opinion about the banking sector of Afghanistan. The aim was to assess the banking sector of Afghanistan and post results that are facts and statistically govern.

For this research, we have used descriptive analysis and applied likert scale based questionnaire approach in the selected sample from population to derive results that are reliable and ensures credibility. This research uses the empirical data form the basis for testing the hypotheses and theoretical models formulated by the researcher and thus qualitative approach has been applied to correctly assess the situation and provide relevant and reliable recommendations. The variables selected for this research are customer satisfaction, brand loyaty, and service quality.

To conclude, Customer service and satisfaction are quickly becoming one of the most important and essential criteria in service firms and financial institutions such as banks. These institutions promote economic progress and play an important role in societal improvement and the effective allocation of monetary assets. Banks want effective methods that are competent and reliable of fueling larger profits and additional cost reductions, but most importantly, they strive to establish a strong position in the eyes of their clientele. One of these methods is par excellence, which focuses on improving service quality and client happiness. Such elements have currently attained very high degrees of development and technology that are comparable from one entity to the next.

The service quality supplied to the customers and the level of efficacy of the solutions delivered are the elements that most likely to separate certain businesses from others.



Organizations expand and survive in the market thanks to the commitment of their consumers, since without them, they would not be able to offer their products and/or services, which implies that profitability would be nil, and therefore they would not be able to fulfil their corporate mission. The preceding findings have led to the conclusion that consumers are one of the key aspects for an organization's operational performance.

The result of the study suggests that the level of customer satisfaction in the banking sector of Afghanistan is slightly low and the major reason behind the fact is that the country has poor IT infrastructure and the relevant facilities like the modern nations. Moreover, the management of the banks and the staff members need to play their vital role in making banks successful. They could do so by improving their managerial strategies and having robust hold over the functions so that the customers are satisfied with their services. The future authors should explore the qualitative analysis of customer satisfaction using interviews and focus group techniques in the banking sector of Afghanistan.

## REFERENCES

### BOOKS

- BRATIANU, C. **Intellectual capital research and practice: 7 myths and one golden rule.** Management & Marketing (2018)
- DEVESH, S, **Service quality dimensions and customer satisfaction: empirical evidence from retail banking sector in Oman.** Total Quality Management & Business Excellence, 2019
- GHAURI, P., GRØNHAUG, K., & STRANGE, R. **Research methods in business studies:** Cambridge University Press (2020).
- HARRIS, D. E., HOLYFIELD, L., JONES, L., ELLIS, R., & NEAL, J. **Research methods** (2019).
- KHAIRZADA, P. M. **Factors affecting online service quality and customer satisfaction in the Passport Department of Afghanistan** (2020).
- LÌ, Y., & SHANG, H. **Service quality, perceived value, and citizens' continuous-use intention regarding e-government: Empirical evidence from China.** Information & Management, (2020) 57 (3), 103197.
- LUBIS, A., DALIMUNTHE, R., ABSAH, Y., & FAWZEEA, B. K. **The Influence of Customer Relationship Management (CRM) Indicators on Customer Loyalty of Sharia Based Banking System.** Lubis, A, (2020). 84-92.
- MADAVAN, K., & VETHIRAJAN, C. **The Impact Of Electronic Banking Services On The Public And Private Sector Banks In Puducherry Region.** Aegaeum, (2020).
- MARTÍNEZ, C. **Determining factors of loyalty in Brazilian agricultural cooperatives:** Liège (Belgium): CIRIEC International, Université de Liège. (2020)
- MONFERRER, D., SEGARRA, J. R., ESTRADA, M., & MOLINER, M. Á. **Service**

**quality and customer loyalty in a post-crisis context.** Prediction-oriented modeling to enhance the particular importance of a social and sustainable approach. *Sustainability*, (2019).

PAKURÁR, M., HADDAD, H., NAGY, J., POPP, J., & OLÁH, J. **The service quality dimensions that affect customer satisfaction in the Jordanian banking sector.** *Sustainability*, (2019).

ROSE, H., MCKINLEY, J., & BAFFOE-DJAN, J. B. **Data collection research methods in applied linguistics:** Bloomsbury Academic (2019).

SIEMIENIAKO, D. **Bibliometric analysis of scientific research on customer loyalty in the business-to-business context.** *Handel Wewnętrzny* (2018)., 257-267.

TAHIRI, N. R. **Study on financial performance of da Afghanistan Bank 2015 and 2016.**(2018)

THANEM, T., & KNIGHTS, D. **Embodied research methods:** Sage. (2019)

TUOMINEN, P. **Managing brand equity.** *Lta*, (1999). 1 (99), 65-100.

## **ARTICLES**

ABROR, A., PATRISIA, D., ENGRIANI, Y., EVANITA, S., YASRI, Y., & DASTGIR, S. (2019). Service quality, religiosity, customer satisfaction, customer engagement and Islamic bank's customer loyalty. **Journal of Islamic Marketing.**

AJMAL, S. (2019). An Implementation of Customer Relationship Management and Customer satisfaction in Banking Sector of Quetta, Balochistan. **International Business Research**, 12 (10), 26-37.

AMIRI, H., & HAZARIKA, D. D. (2020). Customer Satisfaction In Electronic Banking Services: A Case Study Of Afghanistan. **Solid State Technology**, 63 (6), 92439263.

ANJALIKA, W., & PRIYANATH, H. (2018). Effect of service quality on customer satisfaction: an empirical study of customers who have bank accounts in both public and private banks in Sri Lanka. **International Journal of**

**Marketing and Technology**, 8 (1), 11-36.

- ANOUBE, A. L. M., ALAMRO, A. S., & AWWAD, A. S. (2019). Customer satisfaction and its measurement in Islamic banking sector: a revisit and update. **Journal of Islamic Marketing**.
- ARORA, P., & NARULA, S. (2018). Linkages between service quality, customer satisfaction and customer loyalty: A literature review. **IUP Journal of Marketing Management**, 17 (4), 30.
- ARSLAN, E., ALI, B., & AMANAT, A. H. (2020). Comparative Analysis of Conventional and Islamic Banking: The Case of Bakhtar Bank Transforming into Islamic Bank of Afghanistan. **Yönetim ve Ekonomi Dergisi**, 27(3), 479-493.
- ASNAWI, N., SUKOCO, B. M., & FANANI, M. A. (2019). The role of service quality within Indonesian customers satisfaction and loyalty and its impact on Islamic banks. **Journal of Islamic Marketing**.
- ATEED, H., & REHMAN, A. U. (2020). Determinants of bank choice in Afghanistan. **Journal of Islamic Finance**, 9 (1), 061-075.
- AYO, F. E. (2018). A two-phase multiobjective optimization for benchmarking and evaluating service quality in banks. **International Journal of Intelligent Computing and Cybernetics**.
- BHATTACHARYA, S., & GUL, M. M. S. (2014). Job Rotation: A Study On The Banking Sector With Reference To Kabul City, Capital Of Afghanistan. **International Journal of in Multidisciplinary and Academic Research (SSIJMAR)**, Vol. 3, No. 6.
- BİLGİN, Y. (2018). The effect of social media marketing activities on brand awareness, brand image and brand loyalty. *Business & Management Studies: An International Journal*, 6 (1), 128-148.
- BLANCO-OLIVER, A., VERONESI, G., & KIRKPATRICK, I. (2018). Board heterogeneity and organisational performance: The mediating effects of line managers and staff satisfaction. **Journal of Business Ethics**, 152(2), 393-407.
- BUDUR, T., & POTURAK, M. (2021). Employee performance and customer

- loyalty: Mediation effect of customer satisfaction. **Middle East Journal of Management**, 8 (5), 453-474.
- BUSETTO, L., WICK, W., & GUMBINGER, C. (2020). How to use and assess qualitative research methods. **Neurological Research and practice**, 2 (1), 1-10.
- CENGİZ, E. (2010). Measuring customer satisfaction: must or not. **Journal of naval science and engineering**, 6(2), 76-88.
- CHRISTODOULIDES, G., & CHERNATONY, L. (2010). Consumer-Based Brand Equity Conceptualisation and Measurement: A Literature Review. **International Journal of Market Research - INT J MARKET RES**, 52. doi:10.2501/S1470785310201053
- DANDIS, A. O., WRIGHT, L. T., WALLACE-WILLIAMS, D. M., MUKATTASH, I., AL HAJ EID, M., & CAI, H. (2021). Enhancing consumers' self-reported loyalty intentions in Islamic Banks: The relationship between service quality and the mediating role of customer satisfaction. **Cogent Business & Management**, 8(1), 1892256.
- DARMAWAN, D. (2018). The effect of service quality, customer satisfaction and corporate image on customer loyalty in the banking sector in Indonesia.
- DARZI, M. A., & BHAT, S. A. (2018). Personnel capability and customer satisfaction as predictors of customer retention in the banking sector: A mediated moderation study. **International Journal of Bank Marketing**.
- DŹWIGOŁ, H. (2019). Research methods and techniques in new management trends: research results. **Virtual Economics**, 2 (1), 31-48.
- EL-ADLY, M. I. (2019). Modelling the relationship between hotel perceived value, customer satisfaction, and customer loyalty. **Journal of Retailing and Consumer Services**, 50, 322-332.
- FAMIYEH, S., ASANTE-DARKO, D., & KWARTENG, A. (2018). Service quality, customer satisfaction, and loyalty in the banking sector: The moderating role of organizational culture. **International Journal of Quality & Reliability Management**.
- FIDA, B. A., AHMED, U., AL-BALUSHI, Y., & SINGH, D. (2020). Impact of

- service quality on customer loyalty and customer satisfaction in islamic banks in the Sultanate of Oman. **Sage Open**, 10(2), 2158244020919517.
- FOROGH, S., DASANAYAKA, S., AL SERHAN, O., ALARIKI, A. A., HOUJEIR, R., & RECEZY, I. (2017). Service Quality Factors Influencing Customer Satisfaction in Afghanistan's Mobile Telecommunication Industry. **Journal of Economic & Management Perspectives**, 11(4), 119-133.
- GAZI, M. A. I., RAHAMAN, M. A., HOSSAIN, G., ALI, M. J., & MAMOON, Z. (2021). An empirical study of determinants of customer satisfaction of banking sector: Evidence from Bangladesh. **The Journal of Asian Finance, Economics, and Business**, 8 (2), 497-503.
- HAMMOUD, J., BIZRI, R. M., & EL BABA, I. (2018). The impact of e-banking service quality on customer satisfaction: Evidence from the Lebanese banking sector. **Sage Open**, 8(3), 2158244018790633.
- ISLAM, R., AHMED, S., RAHMAN, M., & AL ASHEQ, A. (2020). Determinants of service quality and its effect on customer satisfaction and loyalty: an empirical study of private banking sector. **The TQM Journal**.
- JAHAN, N., ALI, M. J., & AL ASHEQ, A. (2020). Examining the key determinants of customer satisfaction Internet banking services in Bangladesh. **Academy of Strategic Management Journal**, 19 (1), 1-6.
- KATO, T. (2019). Loyalty management in durable consumer goods: trends in the influence of recommendation intention on repurchase intention by time after purchase. **Journal of Marketing Analytics**, 7(2), 76-83.
- KHAMIS, F. M., & ABRASHID, R. (2018). Service quality and customer's satisfaction in Tanzania's Islamic banks: A case study at People's Bank of Zanzibar (PBZ). **Journal of Islamic Marketing**, 9(4), 884-900.
- KURDI, B., ALSHURIDEH, M., & ALNASER, A. (2020). The impact of employee satisfaction on customer satisfaction: Theoretical and empirical underpinning. **Management Science Letters**, 10(15), 3561-3570.
- LINDER-PELZ, S. (1982). Social psychological determinants of patient satisfaction: a test of five hypotheses. **Social science & medicine**, 16(5), 583-589.
- MAÏNARDES, E. W., DE MOURA ROSA, C. A., & NOSSA, S. N. (2020).

- Omnichannel strategy and customer loyalty in banking. **International Journal of Bank Marketing**, Vol. 38 No. 4, pp. 799-822.
- MERENDINO, A., DIBB, S., MEADOWS, M., QUINN, L., WILSON, D., SIMKIN, L., & CANHOTO, A. (2018). Big data, big decisions: The impact of big data on board level decision-making. **Journal of Business Research**, 93, 67-78.
- MOGHAVVEMÍ, S., LEE, S. T., & LEE, S. P. (2018). Perceived overall service quality and customer satisfaction: A comparative analysis between local and foreign banks in Malaysia. **International Journal of Bank Marketing**, Vol. 36 No. 5, pp. 908-930.
- MOHAMMADY, E. (2019). A Study on Financial Performance of Private and Public Banks in Afghanistan (2014–2017). **Asian Journal of Research in Banking and Finance**, 9 (4), 8-30.
- MOHMAND, A. M., & RAHÍM, A. (2016). Evaluating Monetary Performance of Banking Sector: A Case Study of Afghanistan Banks. **University of Haripur Journal of Management (UOHJM)**, 1(2), 76-85.
- NARTEH, B. (2018). Service quality and customer satisfaction in Ghanaian retail banks: the moderating role of price. **International Journal of Bank Marketing**.
- NASERÍ, K., & SHAROFÍDDÍN, A. (2020). Exploring the Challenges of the Historical Development of Islamic Banking System in Afghanistan Using Document Analysis. **Journal of Islamic Finance**, 9 (2), 13-25.
- NGUYEN-PHUOC, D. Q., SU, D. N., TRAN, P. T. K., LE, D.-T. T., & JOHNSON, L. W. (2020). Factors influencing customer's loyalty towards ride-hailing taxi services—A case study of Vietnam. **Transportation Research Part A: Policy and Practice**, 134, 96-112.
- NUNKOO, R., TEEROOVENGADUM, V., RINGLE, C. M., & SUNNASSEE, V. (2020). Service quality and customer satisfaction: The moderating effects of hotel star rating. **International Journal of Hospitality Management**, 91, 102414.
- OTTO, A.S., SZYMANSKI, D.M. AND VARADARAJAN, R., 2020. Customer

satisfaction and firm performance: insights from over a quarter century of empirical research. **Journal of the Academy of Marketing science**, 48 (3), pp.543-564.

PALESE, B., & USAI, A. (2018). The relative importance of service quality dimensions in E-commerce experiences. **International Journal of Information Management**, 40, 132-140.

PRASADH, R. R. (2018). Examining the roles of perceived quality and customer satisfaction as predictors of customer loyalty in the Indian e-banking context. **Journal of management research**, 18 (3), 176-187.

RASOOL, A., SHAH, F. A., & TANVEER, M. (2021). Relational dynamics between customer engagement, brand experience, and customer loyalty: An empirical investigation. **Journal of Internet Commerce**, 20 (3), 273-292.

RASHID, A., & ROKADE, V. (2019). Service quality influence customer satisfaction and loyalty. **UKH Journal of Social Sciences**, 3 (1), 50-61.

RASHID, M., UR, H., NURUNNABI, M., RAHMAN, M., MASUD, M., & KAIUM, A. (2020). Exploring the relationship between customer loyalty and financial performance of banks: Customer open innovation perspective. **Journal of Open Innovation: Technology, Market, and Complexity**, 6(4), 108.

RASOOL, A., SHAH, F. A., & TANVEER, M. (2021). Relational Dynamics between Customer Engagement, Brand Experience, and Customer Loyalty: **An Empirical Investigation. Journal of Internet Commerce**, 1-21.

RASOOL, A., SIDDIQ, A. R., & ULLAH, W. (2018) Service Quality Base for Bank Customer Satisfaction and Trust: A Study of Aziz Bank.

RITA, P., OLIVEIRA, T., & FARISA, A. (2019). The impact of e-service quality and customer satisfaction on customer behavior in online shopping. **Heliyon**, 5(10), e02690.

SAFI, L., ABBEY, B., GOUCHA, N. B. S., SERHAN, O. A., & GLEASON, K. (2020). Knowledge of Islamic banking and bank customer satisfaction in



- Afghanistan: an exploratory analysis. **International Journal of Business Performance Management**, 21(1-2), 21-38.
- SALLEH, M. Z. M., ABDULLAH, A., NAWÍ, N. C., & MUHAMMAD, M. Z. (2019). Assessing the service quality and customer satisfaction on Islamic banking by using SERVQUAL model. **Research in World Economy**, 10(2), 79-83.
- SANCHEZ-HERNANDEZ, R. M., MARTÍNEZ-TUR, V., GONZÁLEZ-MORALES, M. G., RAMOS, J., & PEÍRO, J. M. (2009). A cross-level analysis of the links between service quality and disconfirmation of expectations and customer satisfaction. **Psicothema**, 21(3), 421-426.
- SÍLVA-TREVIÑO, J. G., MACÍAS-HERNÁNDEZ, B. A., TELLO-LEAL, E., & DELGADO-RÍVAS, J. G. (2021). The relationship between service quality, customer satisfaction, and customer loyalty: A case study of a trading company in Mexico. **CienciaUAT**, 15(2), 85-101.
- STRÍJKER, D., BOSWORTH, G., & BOUTER, G. (2020). Research methods in rural studies: Qualitative, quantitative and mixed methods. **Journal of Rural Studies**, 78, 262-270.
- SUCHÁNEK, P., & EGER, L. (2019). Customer Satisfaction and Enterprise Performance: A Study from the Electronics and Communication Equipment Retail Industry in the Czech Republic.
- UPADHYAÍ, R., JAÍN, A. K., ROY, H., & PANT, V. (2019). A review of healthcare service quality dimensions and their measurement. **Journal of Health Management**, 21(1), 102-127.
- VÁZQUEZ-CASIELLES, R., SUÁREZ-ÁLVAREZ, L., & DEL RÍO-LANZA, A. B. (2009). Customer satisfaction and switching barriers: Effects on repurchase intentions, positive recommendations, and price tolerance. **Journal of Applied Social Psychology**, 39(10), 2275-2302.
- VOJVODÍĆ, K., TERZÍĆ-SUPÍĆ, Z., SANTRÍĆ-MÍLÍCEVIĆ, M., & WOLF, G. W. (2017). SocioEconomic Inequalities, Out-of-Pocket Payment and Consumers' Satisfaction with Primary Health Care: Data from the National Adult Consumers' Satisfaction Survey in Serbia 2009–2015.

**Frontiers in Pharmacology**, 8, 147.

WAHJUDI, D., KWANDA, T., & SULIS, R. (2018). The impact of after-sales service quality on customer satisfaction and customer loyalty of middle-upper class landed housings. **Jurnal Teknik Industri**, 20(1), 65-72.

YEN, Y. Y., HUI, D. G. M., JAIS, M., & RASIAH, D. A. (2018). Determinants of customer loyalty in banking industry. **Advanced Science Letters**, 24(5), 30263030.

YILMAZ, V., ARI, E., & GÜRBÜZ, H. (2018). Investigating the relationship between service quality dimensions, customer satisfaction and loyalty in Turkish banking sector: An application of structural equation model. **International Journal of Bank Marketing**.

YUSHENG, K., & IBRAHİM, M. (2019). Service innovation, service delivery and customer satisfaction and loyalty in the banking sector of Ghana. **International Journal of Bank Marketing**.

ZUBAIR, A., & HASAN, H. (2020). Exploring Service Quality in Islamic Banking Industry of Afghanistan: An Analysis of Customer Satisfaction. **iRASD Journal of Economics**, 2(2), 73-97.

## **OTHER SOURCES**

ALIYU, A. S. (2019). Impact of e-service Quality on Customer Satisfaction: A Study of Afghanistan International Bank.

BHAT, S. A., DARZI, M. A., & PARREY, S. H. (2018). Antecedents of customer loyalty in banking sector: A mediational study. *Vikalpa*, 43(2), 92-105.

GIEBE, C., HAMMERSTRÖM, L., & ZWERENZ, D. (2019). Big Data & Analytics as a sustainable Customer Loyalty Instrument in Banking and Finance. In *Spiritually and Developmentally Mature Leadership* (pp. 57-65): Springer.

## **APPENDIX**

**APPENDIX A** Questionnaire

**APPENDIX B** Ethical Approval Form

## APPENDIX A Questionnaire

### **SURVEY QUESTIONNAIRE** ***AN ANALYSIS OF CUSTOMER SATISFACTION LEVEL IN BANKING*** ***SECTOR OF AFGHANISTAN***

I am conducting a survey on “*AN ANALYSIS OF CUSTOMER SATISFACTION LEVEL IN BANKING SECTOR OF AFGHANISTAN*”. Could you please set aside several minutes in order to participate in my research and fill in the Questionnaire below? Your opinion will be used only for the research purpose. Without the help of people like you, research on customer satisfaction could not be conducted. Through your participation, I eventually hope to finish my research. Your identity will be kept anonymous for the readers.

#### ***I. Part A: General Information***

1. Customer Name:
2. Bank Name:
3. Type of Account:
  - a) Current
  - b) Savings
  - c) Fixed Deposit
  - d) Any other
4. Gender:
  - a) Male
  - b) Female
  - c) Other
5. Marital Status:
  - a) Married
  - b) Single
6. Age:
  - a) Under 20
  - b) 21 – 30 years
  - c) 31 – 40 years
  - d) 41 – 50 years
  - e) Above 50 years
7. Qualification:
  - a) Undergraduate
  - b) Graduate
  - c) Post Graduate
8. Income:
  - a) Below 10,000
  - b) 10,000 – 20,000
  - c) Above 20,000
9. Profession:
  - a) Business
  - b) Service
  - c) Student
  - d) House wife
  - e) Others
10. How long have you been using the bank?
  - a) Less than 1 Year
  - b) 1-3 Years

- c) 3-5 Years
  - d) 5-10 Years
  - e) More than 20 years
11. What is your frequency using the bank:
- a) Daily
  - b) Once in a week
  - c) Twice in 2 weeks
  - d) Once in 3 weeks
  - e) Once in a Month

**Part B: Attributes of Service Quality**

**Tangibility**

1. Is the building and interior of the bank visually appealing? How much are you satisfied?
- a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.
2. Do you find technological up-to-date equipment of the bank satisfactory?
- a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.
3. Is the employee's dress code satisfactory for u?
- a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.
4. Share your satisfaction level related to the pamphlets distributed by the bank? Especially their clarity and information provided
- a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.
5. Are you satisfied with the visually clarity of the bank statement?
- a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.

**Reliability**

6. Are the services provided by the bank according to the promised quality?
- a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.

- e) Very satisfied.
- 7. Is the bank handling problems efficiently, are you satisfied with its performance?
  - a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.
- 8. Is the bank providing promised services to its customers timely?
  - a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.
- 9. Are the operating hours of the bank satisfactory for u?
  - a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.
- 10. Is the way of delivering up to date record by the bank satisfactory for u?
  - a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.

**Responsiveness**

- 11. Is the promptness level of the employees during service provision satisfactory for you?
  - a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.
- 12. Is the employee willingness in helping customers satisfactory for you?
  - a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.
- 13. Is the process followed by bank for sending bank statement in time satisfactory for you?
  - a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.

**Assurance**

- 14. How much are you satisfied with the bank security?
  - a) Very dissatisfied.
  - b) Somewhat dissatisfied.

- c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.
15. How much are you satisfied with the eagerness of the employees in boosting your confidence?
- a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.
16. Are u satisfied with the knowledge ability of the employees engaged with the customers?
- a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.

**Part C :Loyalty of the Customers**

17. How much are you satisfied with the provision of best interest at heart to the customer by bank?
- a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.
18. What is your satisfaction level related to the provision of product which is most suitable for you?
- a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.
19. How much are you satisfied by the overall service quality of the bank provided?
- a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.

***II. Part D: Customer Satisfaction***

20. How much is it likely that you will recommend this bank to other people?
- a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.
21. How much is it likely that you will say positive things about this bank to your family and friends?
- a) Very dissatisfied.

- b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.
22. How much do you intend of continuing business with the bank in future
- a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.
23. How much is your preference associated with the bank?
- a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.
24. How much satisfactory do you consider this bank to be as your primary bank?
- a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.
25. What is your satisfaction level related to the bank performance?
- a) Very dissatisfied.
  - b) Somewhat dissatisfied.
  - c) Neither satisfied nor dissatisfied.
  - d) Somewhat satisfied.
  - e) Very satisfied.



## APPENDIX B Ethical Approval Form

Evrak Tarih ve Sayısı: 31.05.2022-51937



T.C.  
İSTANBUL AYDIN ÜNİVERSİTESİ REKTÖRLÜĞÜ  
Lisansüstü Eğitim Enstitüsü Müdürlüğü

Sayı : E-88083623-020-51937  
Konu : Etik Onayı Hk.

31.05.2022

Sayın AJMAL AMIRY

Tez çalışmanızda kullanmak üzere yapmayı talep ettiğiniz anketiniz İstanbul Aydın Üniversitesi Etik Komisyonu'nun 26.05.2022 tarihli ve 2022/09 sayılı kararıyla uygun bulunmuştur. Bilgilerinize rica ederim.

Dr.Öğr.Üyesi Alper FİDAN  
Müdür Yardımcısı

Bu belge, güvenli elektronik imza ile imzalanmıştır.

Belge Doğrulama Kodu : BSD4BDLC42 Pin Kodu : 86042

Belge Takip Adresi : <https://www.turkiye.gov.tr/istanbul-aydin-universitesi-ebys?>

Adres : Beşyol Mah. İnönü Cad. No:38 Sefaköy , 34295 Küçükçekmece / İSTANBUL

Telefon : 444 1 428

Web : <http://www.aydin.edu.tr/>

Kep Adresi : [iau.yazisleri@iau.hs03.kep.tr](mailto:iau.yazisleri@iau.hs03.kep.tr)

Bilgi için : Hicran DEMİR  
Unvanı : Yazı İşleri Uzmanı



## **RESUME**

Name Surname: AJMAL AMIRY

### **Education:**

#### **Masters Degree:**

August-2022-in progress Master of Business Administration in Aydin University of Istanbul Turkey

#### **Bachelors Degree:**

September -2016- in progress (CIA) in American University of Afghanistan

2010\_ 2015 Bachelor in Business Administration (BBA) in Kardan University

#### **Diploma:**

2019 Diploma in Turkish Tomer Language form Gelisim University of Istanbul Turkey

2009-2010 Diploma in English Language from Rana Institute of Higher Education

#### **Secondary School:**

2007 Mohammad Alam Faizad High School, Kabul, Afghanistan

#### **Work Experience:**

 **Senior Finance Officer in Agency for Assistance and Development of Afghanistan (AADA) Feb 2013 till December 2016**

- ✚ Senior Finance Officer (TB) and project of (UNDP)  
Preparing Quarterly financial report to (UNDP) and cash request controlling of

Financial documents and Controlling of Sub office focal points.

- ✚ Finance Officer Nutrition projects of (Save the children) preparing monthly
- ✚ Financial report and controlling of financial documents budget vs expense etc...
- ✚ Preparing vouchers for the different types of transaction.
- ✚ Entering vouchers to the system (Quick book)
- ✚ Maintain a proper filling and record keeping of financial documents.
- ✚ Preparing General Journal and lager.
- ✚ Managing Petty cash.
- ✚ Preparing financial report.
- ✚ Review all supporting documents to a voucher and controlling vouchers.
- ✚ Preparing Income Expenditure.
- ✚ Preparing Monthly Salary Payroll
- ✚ Preparing Monthly and Quarterly Financial Report

#### ✚ **Finance Officer (Full Time) in MOPH August 2012- Jan 2013**

- ✚ To assist in preparing financial procedures for the management of the HSS grants, in light of the MoF financial procedures.
- ✚ Assist the finance department of the MoPH and staff of relevant departments involved in the HSS grant implementation to strengthen and improve the financial management systems.
- ✚ Ensuring that the financial processes applied for HSS grant implementation are in line with the MOF requirements and properly documented.
- ✚ To assist for the preparation of financial reports on a quarterly basis.
- ✚ Day to day strict follow up of financial issues based on the requirements.

#### ✚ **Finance Officer (Full Time) July 2010 - January 2012**

##### **Finance Department – Maiwand Bank**

- Checking Monthly Reports
- Checking the Balance Sheet
- Reporting employees Salary report
- Processes and/or oversees the processing of financial/business forms.
- Checks, corrects and maintains a variety of financial and other business records and documents.

- To be aware of Trust policy and relevant legislation (principally the Data Protection Act) with regard to Client confidentiality and communicate appropriately.
- To analyze basic financial information in response to queries from Managers, suppliers and customers.
- To sometimes work long and irregular hours in order to meet the finance accounting service commitment to internal and external clients, taking into account any staff sickness or absences.
- Tracking revenue received and following up with Finance to ensure the revenue deposited into the proper accounts.
- Establishing and maintaining consistent administrative procedures in terms of correspondence, filing systems, travel arrangements.
- Passing Entries in the system.
- Preparing Exchange rate.
- Any other tasks assigned by Finance manager/Deputy CFO/CF

#### **AML Compliance Officer (Full Time) April 2009 – July 2010**

##### **AML Compliance Department – Maiwand Bank**

- Managing all compliance activities
- Monitoring of Transactions
- Categorizing Customers into different Risk Categories, (Low Risk, Medium Risk & High Risk)
- Checking Account Opening Forms
- Preparing and reporting Large Cash Transactions to FIU (DAB) on monthly bases
- Finding and reporting Suspicious Transactions to FIU as encountered
- Searching for Black listed customer
- Training and providing awareness programs for Maiwand Bank staff regarding AML and KYC
- Training staff for doing Total Customer Due Diligence
- Supervising AML Assistants

 **Account Authorizer (Full Time) Jan 2009- Mar 2009**  
**Customer Care Department – Maiwand Bank**

**Languages:**

- Dari
- Pashto
- English
- Urdu
- Turkish

**Skills:** 2018-2019 Completed Turkish language (TOMER) Course at Aydin University of Istanbul

- 2017 Completed Turkish Language Course at (Esenyurt Belediyesi) in Istanbul Kultur Belediyesi Turkey
- 2015 Finance Management Training (Save the Children)
- 2013 Intuit QuickBooks Enterprise Training (Accounting Software) held in Agency for Assistance and Development of Afghanistan (AADA)
- 2009 General Banking Training held in Maiwand Bank
- 2009 Special AML & CFT Training held in Maiwand Bank
- 2009 Bank mate Training (Banking Software) held in Maiwand Bank
- 2009 ICBS Training (Banking Software) held in Maiwand Bank
- 2009 Etisalat knowledge & training consultancy
- 2007 Completed Algebra Course at Nazar Zulmai Academy
- 2007 Micro Soft Office, Photoshop, Flash at Arian Computer Academy
- 2004 Completed English Language Course at Azhraksh English Language Center