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## The Impact of Service Quality on the Customer Loyalty in Sudanese Banking sector

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### المستخلص:

الهدف الرئيسي من هذه الدراسة هو معرفة اثر جودة الخدمة علي ولاء العملاء في قطاع المصارف السوداني، بناء على نظرية التبادل الإجتماعي تم بناء نموذج الدراسة وإستنبطت منه فرضيات تم إختبارها على 364 عميلا في المصارف العاملة في ولاية الخرطوم (34 مصرفا) مستخدمين عينة غير إحتماالية حصصية حيث اوضحت نتائج الدراسة أن جودة الخدمة لها تأثير كبير على ولاء العملاء الموقفي والسلوكي .

### ABSTRACT:

The main objective of this study is to investigate the effect of service quality on customers loyalty in the Sudanese banking sector. The study model was built depending on the social exchange theory, hypotheses were deducted from this model and tested on 364 customers in thirty-four banks based in Khartoum State through using a non-probability sample. The results of the study showed that the quality of the service has a significant impact on the customer attitudinal and behavioral loyalty.

**Keywords:** Service quality, Customer loyalty, attitudinal loyalty, Behavioral loyalty.

### Introduction:

The phenomenon of decrease in customer loyalty is important to notice since it is the key factor that Influence the performance of service provider companies in that it cause the deflation of market share and company's profit. Customer loyalty increasingly becomes very important and appears to be the main concern of many businesses, especially when many companies are facing costly challenges in customer acquisition (Abdolv and *et al.*, 2006) and high customer turnover (Spiller *et al.*, 2007).

Loyalty is considered by many practitioners and academics as being one of the key elements to a company's success (Set-Pamies, 2012) but this component alone seemed insufficient to capture what is sometimes called "true" or "full" loyalty (Han and Back, 2008). Therefore, it is necessary to build strong loyalty, which represents one of the key requirements for generating long-term profitability.

Consequently, service firms focus on achieving customer satisfaction and loyalty by delivering superior value, an underlying source of competitive advantage (Woodruff, 1997). For service firms the challenge is identifying the critical factors that determine customer satisfaction and loyalty.

Furthermore, loyalty and customer retention, may lead to upturn from 25 percent to 75 percent in the company's profit (Reichheld & Sasser, 1990). Some confirmation by Wills (2009) suggest that the expense of gaining new customers may cost companies to spend five times more than to keep an existing ones, therefore, customer loyalty can contribute to the development of corporate revenues and ultimately, profit margins, while decreasing cost expenditures. (Firend A. Rasheed, M. F, 2014).

While Research on service quality has taken a prominent role in services marketing over the last three and a half decades, from the ground breaking work of early researchers (Shu, 2014). Service literature tends to view service quality as a most important construct in explaining customer loyalty (Lam and Burton, 2005; Aydin and Ozer, 2005), Thus, service quality has become a significant means of differentiation and path to achieve business success, such differentiation based on service quality can be a key source of competitiveness for companies and hence have implication for leadership in such organizations. (Siddiqui, 2010).

Fred and Christine (2003) regarded that value and better service creates mutually beneficial relationship between the firm and customer's. Moreover, (Firend A. Rasheed, 2014) explore service quality generally refers to firms' ability to deliver services in accordance to customer's level of expectation.

#### **Service quality concepts:**

For a long time, service quality has been one of the most important research areas for understanding customers' evaluation of service (Fisk et al., 1993). Researchers have often confirmed the subjective aspect of the concept of service quality. (Johansson, 2014), because the defining and measuring the concept of service quality is the importance issue, since doing so accurately determines both its theoretical and practical use. (Chen, 2014).

Service quality incorporates the concept of meeting and beyond the expectations of the customer and this has been rising in popularity since its inception in the late 1970s service quality has been derived from the field of marketing which value the human interaction between a business and customers. (Ghosh, 2004).

Johansson, (2014) agreed that service quality is an abstract concept, difficult to define and measure. Generally Quality has been defined as fitness for use and those product features which meet customer need and there by provide customer satisfaction. (Juga, juntunen, Grant, 2010). Accordingly, in the service industry service quality definitions tend to focus on how well a service provider meets or extend its customer expectations (Aftab, 2012).

Parasuraman et al in (1998) cited by (Muhmmmed, 2012). Defined Service quality as a global judgment or attitude relating to the overall excellence or superiority of the service. Also, (A.venetis-N.Ghauri, 2004) defined the Service quality as two element expected service quality, and perceived service quality; expected service quality is the quality level that consumer expect to be provide by service provider, while perceived service quality is the level resulted direct perception of consumers toward each service quality item. (A.venetis-N.Ghauri, 2004).

Service quality is regarded as one of the few means for service differentiation and competitive advantage which attracts new customers and contributors to the market share. In addition, service quality is viewed as important means for customer retention. (A-venetis-N-Ghauri, 2004). According to (Harvey 1998) Services quality is so intangible that objective quality measurement is impossible. Thus, Customers cannot evaluate a service prior to consumption, during consumption

and cannot store the service after consumption (Ghosh, 2004). In addition, service quality can be defined as meeting the need and expectations of the customer Smith (1998). According to Spreng and Mackoy (1996), service quality has previously been proposed as a construct that is different from customer satisfaction and at the same time it is an important antecedent of the latter.

### Dimensions of Service Quality:

There are different dimensions of service quality from various perspectives; these definitions included many dimensions of service quality that mean there is no one acceptable definition, the table below shows the different dimensions of service quality across a multiplicity of journals and books.

Authors	Dimensions of Service quality
Parasuraman et al. (1988). (SERVQUAL)	Tangible, reliability, Responsiveness, assurance, empathy
Groenroos, 1982, 1984	terms of functional, technical quality
Syed and Amiya (1994)	Facility, empathy, responsiveness, reliability, convenience
Brady and Cronin (2001)	interaction quality, physical environment quality, outcome quality.
Gilmore and Carson, 1992).	Tangible, reliability, Responsiveness, assurance, empathy, price, accessibility
Cronin and Taylor 1992(SERVPERF)	Empathy, Assurance, Visual Aspect

Essentially, “SERVQUAL measures customers’ expectations of what firms should provide in the industry being studied and their perceptions of how a given service provider performs against these criteria” (East, 1997). This SERVQUAL adopts the meeting expectations paradigm to measure service against firms (Iadhari2009).

Zeithaml-Parasuraman and Berry (1990) refined the ten dimensions into five to measure customers’ perceived value of service quality, which is known as SERVQUAL. SERVQUAL includes the five service dimensions of: tangible, reliability, responsiveness, assurance, and empathy. They stated that the SERVQUAL item represents core evaluation criteria that transcend specific companies and industries providing a basic skeleton underlying service quality that can be supplemented with context exact items when essential (AlMadan, 2005).

**Tangibility:** Represents physical facilities, equipment and appearance of personnel. Examples of tangible factors related to banks include comfortable design, up to date equipment for customer use and sufficient staff to provide service. These aspects are important for trade banks, contacts between customer and employee because there is an extensive face to face contact between customers and employees. Therefore, maintaining professional and comfortable store environment can increase customer satisfaction.

**Responsiveness:** Represents the willingness to help customers and provide prompt service, in order to be helpful and responsive to customers.

**Reliability:** means the ability to perform the promised service dependably and accurately. The major reason for customers to choose banks, because banks always promise customers a high level of security during transactions.

**Assurance:** means the knowledge and their ability to inspire trust and confidence. Bank commitments are important as customers may save a large sum of money in banks. For complicated products such as insurance and funds must provide a clear explanation of each product, so that customers can feel confident about the services provided by banks.

**Empathy:** which represents the individualized attention that firm provides to its customers. Employees who show understanding of customer needs and knowledge to solve customer problems are success factors for the service industry (Chu, 2013).

**Customer loyalty concepts:**

The concept of loyalty first appeared in the 1940s. In its first day's loyalty was proposed as a uni-dimensional construct. The researcher two separate loyalty concepts evolved, "brand preference" (Guest, 1944, 1955) which was later referred to as attitudinal loyalty and "share of market" (Cunningham, 1956), which was later referred to as behavioral loyalty. In the 1960s and 1970s, customer loyalty was approached mainly from a behavioral perspective. Marinkovic (2014) defends the loyalty was interpreting patterns of repeat purchasing in primarily panel data as a manifestation of loyalty.

Loyalty is usually defined as a customer's intention to give exclusive patronage to a particular product or service over a sustained period of time. Initially, more attention was given to the behavioral component, Miguel A. Moliner (2009). Moreover loyalty is habitually confused with repeat purchase behavior. However, from the conceptual point of view, repurchase is no more than a manifestation of loyalty, together with word-of-mouth communication (Oliver, 1999). For this reason, loyalty is conceived as an attitude or an intention that gives rise to certain behaviors' in the course of a relationship (Oliver, 1999). This approach is supported by those situations in which the customer has no real possibility of choice, as occurs with public services. In these cases, although repurchase behavior does take place, the attitude or intention may not be loyal to the supplier, though the non-existence of alternatives prevents different behavior (A.Moliner, 2009). On the other hand Hanqin Qiu, (2015) described the Customer loyalty as the proportion of customers 'total purchases to a given product brand'.

Furthermore, Dick and Basu (1994) defined loyalty as "the strength of the relationship between an individual's relative attitude and repeat patrons and supplemented the behavioral approach with the concept of relative attitude which reflects the degree to which the consumer's evaluation of one service dominates that of another". In addition Wetzels, (1997) stated that customer loyalty is "a feeling of attachment to or affection for a company's people, products, or services".

The loyalty is specified by (Jacoby) to be the amount of customers' service choice, switching tendency, purchase's regularity and the overall shopping, commitment and repurchasing decision, therefore, is influenced by customers' loyalty Firend A. Rasheed, (2014).

The composite definition of loyalty considers that loyalty should always comprise favorable attitudes, intentions and repeat-purchase (Jacoby and Chestnut, 1978). Some researchers (Oliver, 1999) suggested that loyalty evolves and that there are stages of loyalty. Loyalty is the key to the longevity of any brand and one type of loyalty, namely word of mouth has recently been correlated with company growth (Rundle, 2005). Also, customer loyalty can be defined from an expression of psychological (attitudinal) and process (behavioral) loyalty in a relationship between an actor and another entity, in the presence of alternative entities (Dick and Basu 1994; Melnyk et al., 2009; Oliver, 1999). Keeping a loyal customer also costs less than

creating a new one (Chen, 2014). Furthermore, many researchers have identified customer loyalty as a primary driver to organizational success. Customer loyalty is a prime determinant of long-term financial performance of firms (Jones and Sasser, 1995). Consequently, in this study we define customer loyalty as two dimension, attitude loyalty and behavior loyalty as shown by the following table:

### Dimensions of customer loyalty

Authors	Dimensions of customer loyalty
Dick and Basu, 1994; Melnyk et al, 2009, Oliver, 1999).	Attitudinal, behavioral
(Macintosh, 2002 (Reinartz and Kumar, 2002 (Bove and Johnson, 2009) (Blackman, 1985	lower degree of searching for alternatives, favorable word-of-mouth, greater stability regardless of competitor efforts, greater stability regardless of competitor efforts, more tolerance of minor mistakes
Oliver (1997)	cognitive loyalty, Affective loyalty, conative loyalty or behavioral intention ,action loyalty
Jane W. Licata-at el-2009	Behavioral Response (repeat purchasing), Commitment to the People providing the service, Commitment to the Institution

Loyalty is a behavioral or attitudinal phenomenon defining attitudinal and behavioral representations of loyalty, and discriminating between additional dimensions of loyalty and understanding the interrelationships between them. Sharyn Rundle (2005).

Practically 30 years after loyalty first appeared in the academic literature researchers ( Day, 1969) proposed that loyalty may be more complex and that it may comprise both attitudinal and behavioral loyalty. This bi-dimensional concept has since been combined and referred to as composite loyalty ( Jacoby, 1971).

**Attitudinal loyalty:** refers to parameters such as repurchasing imagination, resistant to buy to other firms, tend to introduce, persist and persuade the others to use a company's specific product or service (F.Abadi, 2014). The attitudinal component of loyalty can be viewed as the level of continuous favorable disposition to some value associated with the brand or the company

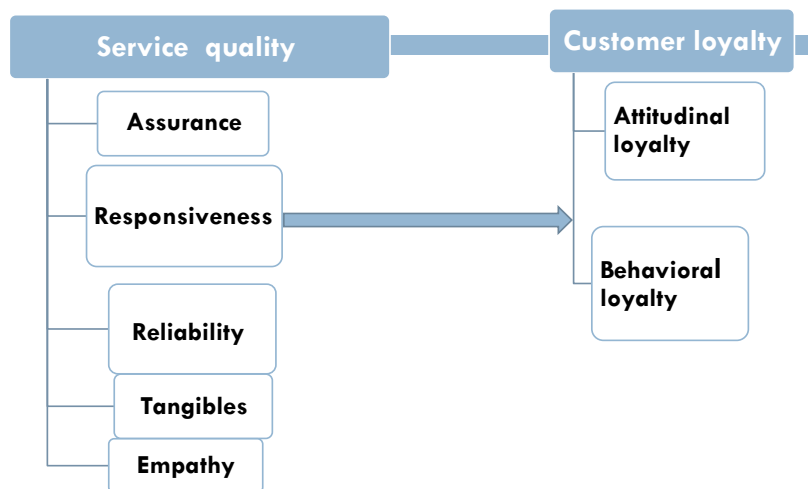
(Marinkovic-, 2014). In addition, attitude denotes the degree to which a consumer's disposition towards a service is favorably inclined (Wetzels, 1997).

**Behavioral loyalty:** refers to a behavior of customers on repurchase and illustrates a priority for services or products (Dick & Basu, 1994). The reason being, is that behavioral dimension can drive customers to the repurchase of products and the utilization of services from vendors. (Firend A. Rasheed , 2014). While the behavioral component exists when customers repeatedly buy (Sonmez and Graefe, 1998) cited by (Marinkovic-, 2014) the same brand or from the same company.

**Service quality and customer loyalty:**

(Firend A. Rasheed, 2014) in the study found that improving service quality leads to increase appropriate customer loyalty among subscribers of various services. Furthermore, (Segoro, 2013 ) in his study confirmed Customer loyalty is maintainable in an organization when the organization is able to increase customer satisfaction. Customer satisfaction will enhance when the organization improve their service quality and relationship quality. (He, 2014) tried to Results testing the relationships among casino service quality, customer satisfaction and loyalty show that service quality does have a direct effect on customer. These findings indicate that member loyalty is directly influenced by their attitudes (satisfaction), and service has indirect effect on their loyalty whereas nonmember loyalty can be achieved by focusing on service offerings which directly impact on their future patronage. When analyzing the influence of each casino service quality on customer satisfaction and loyalty, findings show that service quality does explain significant variance in customer satisfaction and loyalty, that service quality dimensions have different effects on gambler satisfaction and loyalty suggest that casinos should focus on the aspects that exert significant influence on their attitudes (satisfaction) and behaviors (loyalty), each dimension has different effect on outcome variables. Four SERVQUAL dimensions (tangibility, reliability, responsiveness and assurance) affect satisfaction significantly; however, empathy has negative influence. Also, (Prentice, 2013) in his study indicated that empathy has a negative effect on loyalty. (Lo Liang Kheng-Osman Mahamad, 2010) in this study found; Tangibles have no significant impact on customer loyalty. This result is contrary to the findings by Sureshchandar et al (2003), whereas Reliability is found to have positive relationship with customer loyalty. The finding is supported by the previous researchers including Nguyen & Leblanc (2001) and Bellini et al, (2005). (Joseph et al, 2005) in the study indicated that the relationship between responsiveness and customer loyalty is insignificant, these results are contrary to the prior findings in other studies, whereas empathy has significant positive relationship with customer loyalty. This evidence is supported by the findings by Butcher (2001), Ndubisi (2006) and Ehigie (2006), Lymperopoulos et al (2006) showed the existence of significant relationship between assurance and customer loyalty.





### THEORETICAL FRAMEWORK:

This subsection deals with hypotheses of the study which predicts that service quality has a positive relationship with the customer loyalty.

### Hypotheses:

**H1.1 There is positive relationship between service quality variables and customer loyalty.**

Developed sub hypotheses from first hypotheses as follows:

H1.1 There is a positive relationship between responsiveness and customer loyalty.

H1.a There is a positive relationship between responsiveness and attitudinal loyalty.

H1.1.b There is a positive relationship between responsiveness and behavioral loyalty.

H1.1.2 There is a positive relationship between tangible and customer loyalty

H1.2.a There is a positive relationship between tangible and attitudinal loyalty

H1.2.b There is a positive relationship between tangible and behavioral loyalty.

H1.3 There is a positive relationship between reliability and customer loyalty.

H1.3.a There is a positive relationship between reliability and attitudinal loyalty.

H1.3.b There is a positive relationship between reliability and behavioral loyalty.

H.1.4 There is a positive relationship between empathy and customer loyalty

H.1.4.a There is a positive relationship between assurance empathy and attitudinal loyalty.

H1.4.B There is a positive relationship between assurance and behavioral loyalty.

H1.5 There is a positive relationship between assurance and customer loyalty.

H1.5.a There is a positive relationship between assurance and attitudinal loyalty.

H.5. b there is a positive relationship between assurance and behavioral loyalty.

### METHODOLOGY:

Service quality leads to increase appropriate customer loyalty. How the service quality impacts on customer loyalty needed for empirical research. The unit of analysis in this study was applied in Sudanese banking sector. A structured questionnaire was the instrument of the data collection. A Questionnaire is a pre-formulated written set of questions to which respondent's record their answers. The sampling method was a quota sampling. Table 1 presents a summary of the response

rate. A total of 500 questionnaires were distributed to the respondents. Therefore, the customers of Sudanese banking sector were asked in sample of population to fill the questionnaires, a total of 364 questionnaires were return to researchers. The overall response rate was 73%.

Table(1): General Characteristics of the Respondents sample. (N=364)

Gender	Male	271	77.7
	Female	78	22.3
Total		339	100%
Age	Less than30	78	21.8
	30-40	142	39.8
	41-50	76	21.3
	51-60	45	12.6
	rather than 60	15	4.2
Total		356	100%
Academic Qualification	secondary school	37	10.5
	high school diploma	36	10.3
	university degree	173	49.3
	high university diploma	27	17.1
	master degree	60	3.4
	PhD degree	12	1.7
	Other	6	10.5
Total		351	100%
Period to deal with the bank	Less than 1 year	90	25.1
	2-5	110	30.6
	6-10	72	20.1
	11-15	34	9.5
	16-20	21	5.8
	More than 21	32	8.9
Total		359	100%

Source: prepared by researchers, 2015

### Reliability Analysis:

Reliability is an assessment of the degree of consistency between multiple measurements of variables (Hair et al., 2010). To test reliability this study used Cronbach's alpha as a diagnostic measure, which assesses the consistency of entire scale, since being the most widely used measure (Sharma, 2000). According to Hair et al., (2010), the lower limit for Cronbach's alpha is 0.70, although it may decrease to 0.60 in exploratory research. While Nunnally, (1978) considered



Cronbach's alpha values greater than 0.60 are to be taken as reliable. The results of the reliability analysis summarized in Table 2 confirmed that all the scales display satisfactory level of reliability (Cronbach's alpha exceed the minimum value of 0.6). Thus, it can be concluded that the measures have acceptable level of reliability.

Table(2): Cronbach's Alpha for Study Variables

Construct	Variable	Number of items	Cronbach's alpha
Service quality	Responsiveness	9	.9176
	Tangible	6	.8642
	Reliability	5	.8507
	Empathy	3	.7549
	Assurance	3	.7956
Customer loyalty	Attitudinal loyalty	6	.9079
	Behavioral loyalty	4	.7671

Source: prepared by researcher, 2015

### Descriptive Analysis of Variables:

Table3 shows the means and standard deviations of the five components of service quality: responsiveness, tangible, reliability, empathy, and assurance. The table reveals that the customers in Sudanese banking sector more one assurance. (Mean=4.2512, standard deviation=0.66446), followed by empathy (mean=4.1152, standard deviation=.73029) and responsiveness (mean=4.0078, standard deviation=.74912) followed by reliability (mean=3.9661, standard deviation=.73614) and the lowest components of service quality is tangible (mean=3.9433, standard deviation =.68558). Given that the scale used a 5-point scale (1=strongly disagree, 5=strongly agree) it can be concluded that all Sudanese banking sector is highly of assurance above the average mean.

Also the means and standard deviations of the two components of customer loyalty as attitudinal loyalty, and behavioral loyalty. The table reveals that the all Sudanese banks highest on attitudinal loyalty (mean=4.9916, standard deviation=.84271) and lowest is behavioral loyalty (mean=3.7021, standard deviation=.84508) Given that the scale used a 5-point scale (1=strongly disagree, 5=strongly agree) it can be concluded that all Sudanese banks is highly of attitudinal loyalty above the average mean.

Table(3): Descriptive Analysis of Variable

Service quality	Mean	Standard Deviation
Responsiveness	4.0078	.74912
Tangible	3.9433	.68558
Reliability	3.9661	.73614
Empathy	4.1152	.73029
Assurance	4.2512	.66446
<u>Customer loyalty</u>		
attitudinal loyalty	4.9916	.84271
behavioral loyalty	3.7021	.84508

Source: prepared by researcher, 2015

Table (4) Person's Correlation Coefficient for variables Data analysis procedures

Variable	E	D	B	A1	A2	K	L
Responsiveness(E)	1.00						
Tangible(D)	.714**	1.00					
Reliability(B)	.761**	.662**	1.00				
empathy	.675**	.573**	.660**	1.00			
Assurance	.563**	.540**	.643**	.603*	1.00		
attitudinal loyalty(K)	.676**	.618**	.600**	.624*	.563**	1.00	
behavioral loyalty(L)	.620**	.552**	.517**	.548*	.412**	.775**	1.00

Source: prepared by researcher, (2015). \*\* p < .01 \* p < .05

### Correlation Analysis:

Table (4) presents the results of the inter correlation among the variables. The Correlation analysis was conducted to see the initial picture of the interrelationships among the variables under the study. Therefore, the importance of conducting correlation analysis is to identify any potential problems associated with multi collinearity (Sekaran, 2000). Table (4) represents the correlation matrix for the constructs operationalized in this study. These bivariate correlations allow for preliminary inspection and information regarding hypothesized relationships. In addition to that, correlation matrix gives information regarding test for the presence of multi collinearity.

Table (4): shows that responsiveness is positively and significantly correlated with attitudinal loyalty ( $r = .676$ ,  $p$ -value = 0.00), responsiveness and behavioral loyalty, ( $r = .620$ ,  $p$ -value

### Multiple regression analysis was used to test the research hypotheses:

This technique is appropriate when the researchers' objective is to predict changes independent variables in response to changes in independent variables (Hair et al., 1998).

Table(5) shows the results of the multiple regression equation testing the hypothesis was supported, i.e. there is a positive relationship between service quality and customer loyalty. The results also showed that responsiveness have the most significant effect on attitudinal loyalty ( $\beta = .323$ ,  $p < 0.01$ ), followed by empathy ( $\beta = 0.216$ ,  $p < 0.10$ ), Tangible ( $\beta = 0.188$ ,  $p < 0.05$ ), and assurance ( $\beta = 0.152$ ,  $p < 0.10$ ). But reliability is not significant effect on attitudinal loyalty ( $\beta = -.016$ ,  $p > 0.10$ ). These results give support to hypotheses H1.1a (responsiveness and attitudinal loyalty). H1.2.a (tangible and attitudinal loyalty). H1.4.a (empathy and attitudinal loyalty). And H1.5.a (assurance and attitudinal loyalty) but not supports H1.3.a (reliability and attitudinal loyalty).

Therefore, these results provide support for the assertion that the effort to become service quality does lead to the attitudinal loyalty.

Too in table (5) showed that the hypothesis was supported, i.e. there is a positive relationship between service quality and behavioral loyalty .the results also showed that empathy have the most significant effect on behavioral loyalty ( $\beta = 0.343$ ,  $p < 0.01$ ), followed by responsiveness

( $\beta = -.293$ ,  $p < 0.01$ ), Tangible ( $\beta = .184$ ,  $p < 0.05$ ), But reliability and assurance are un significant effect on behavioral loyalty, reliability

( $\beta = -.044$ ,  $p > 0.10$ ) and assurance ( $\beta = 0. -.070$ ,  $p > 0.10$ ). These results give support to hypotheses H1.1b (responsiveness and behavioral loyalty). H1.2b (tangible and behavioral loyalty). H.1.4.b (empathy and behavioral loyalty). but not supports H1.3.b (reliability and behavioral loyalty) and H1.5.b (assurance and behavioral loyalty). Therefore, these results provide support for the assertion that the effort to become service quality does lead to the behavioral loyalty.

Table(5) showed that the hypothesis was supported, i.e. there is a positive relationship between service quality and behavioral loyalty .the results also showed that empathy have the most significant effect on behavioral loyalty ( $\beta = 0.343$ ,  $p < 0.01$ ), followed by responsiveness ( $\beta = -.293$ ,  $p < 0.01$ ), Tangible ( $\beta = .184$ ,  $p < 0.05$ ), But reliability and assurance are un significant effect on behavioral loyalty, reliability ( $\beta = -.044$ ,  $p > 0.10$ ) and assurance ( $\beta = 0. -.070$ ,  $p > 0.10$ ). These results give support to hypotheses H1.1b (responsiveness and behavioral loyalty). H1.2b (tangible and behavioral loyalty). H.1.4.b (empathy and behavioral loyalty). but not supports H1.3.b (reliability and behavioral loyalty) and H1.5.b (assurance and behavioral loyalty). Therefore, these results provide support for the assertion that the effort to become service quality does lead to the behavioral loyalty.

Table(5): Multiple Regressions: service quality ,and customer loyalty (attitudinal , and behavioral) (Beta coefficient)

Variables	Attitudinal loyalty	Behavioral loyalty
Responsiveness	.323	.293
Tangible	.188	.184
Reliability	-.016	-.044
Empathy	.216	.343
Assurance	.152	-.070
R2	.546	.418
Adjusted R2	.531	.400
R2change	.542	.407
Fchange	53.213	31.047

Source: prepared by researcher, (2015). Note: Level of significance: \*\* $p < 0.05$ , \*\*\* $p < 0.01$

## FINDINGS:

The finding of this research demonstrates that the attitudinal loyalty is significantly positive relationship with dimensions of service quality namely (responsiveness tangible, empathy, and Assurance) but insignificant relationship with reliability in Sudanese banking sector . Furthermore, the behavioral loyalty has significant relationship with (responsiveness tangible, empathy) but insignificant relationship with reliability and assurance in Sudanese banking sector.

## DISCUSSION:

In this research the five component of service quality (responsiveness, tangible, Reliability, empathy, and Assurance) suggested by Parasuraman et al (1991) was confirmed. This result agreed with (Sahar Siami, 2011), and (Jorge Vera a, 2013).

Furthermore, this research confirmed that the two dimensions of customer loyalty namely (attitudinal loyalty, and behavioral loyalty), this agreed with (Anisimova, (2007) ).

In this research the factor analysis to the measurement of service quality was excluded the items of (empathy) which represents one dimension of the construct, and the items of assurance split into two factors, this means that the items used to measure the empathy was not validated. However, this

research find that there is a positive relationship between service quality and customer loyalty, this result agree with (Ramayah, 2010), (Es, 2012), (Firend A. Rasheed M. F, 2014) and (Muchtar Rizka, 2013). Another finding in this paper is the dimensions of service quality (responsiveness tangible, empathy, and assurance) have significant relationship with customer loyalty (attitudinal), while reliability was un significant with attitudinal and behavioral, this result agree with (Lai-Ying Leong a, 2015). However, the significant relationship between (responsiveness tangible, empathy) and customer loyalty (behavioral) consistent with studies done by (Osman Mahamad, 2010).

In addition the finding of this research that the behavioral dimension of customer loyalty have no significant relationship with one dimension of service quality namely (Tangible), this result agree with (Ivanuskiene-Justinavloungeite, 2014) in his auni-dimensional construct of customer loyalty. Moreover this study shows un-significant effects of assurance on one dimension of customer loyalty (behavioral loyalty), and this is lined with (Ahmad Jamal, 2009).

#### **IMPLICATION TO RESEARCH AND LIMITATIONS:**

This study investigated the relationship between service quality and customer loyalty. This can contribute to a better understanding of the antecedents of the customer loyalty as tow dimensions (attitudinal loyalty, and behavioral loyalty). This study further will add to the theory of planned behavior view by specifying which of service quality is more influential in creating the customer loyalty.

The first limitation of this study is the use of quota sampling as sampling method. The second limitation was that the four foreign banks that operating in Sudan are refused to respond to the questionnaire, which means that there is no transparency, thus future research must take the lack of transparency into consideration. The last limitation was this study conducted on the banking sector. Therefore, it is germane that future research endeavors to focus on different services as well as other developing economies.

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