



Retail Banking Service Quality and Customer Loyalty: The Role of Trust and Commitment as Mediators

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ABSTRACT

The study seeks to demarcate the association between crucial constructs, namely service quality, trust, commitment, and loyalty in a retail banking environment. A mediated model is proposed to further investigate these relationships by incorporating trust and commitment as mediating variables between service quality and bank loyalty. The study follows a descriptive research design and implements a quantitative research method to achieve its objectives. Data collected from a sample size ($n = 271$) were analysed and the mediation analysis was performed using the PROCESS macro-Version 3.5. The results of the analysis confirm that service quality in retail banking has a significant positive impact on the trust and commitment of customers towards retail banking services. In turn, customer trust and commitment are confirmed as immediate predictors of customer loyalty in retail banking. The mediation analysis reveals that the direct effect of service quality on bank loyalty is positive and significant. Furthermore, the mediation analysis reveals that the indirect effect of service quality on bank loyalty is positive and significant validating the mediating role of trust and commitment between service quality and customer loyalty. Since the direct effect of service quality on loyalty remained significant after the intervention/mediation of trust and commitment in the model, the mediation is interpreted as partial mediation. The findings of this study do provide a marketing guide to banking professionals who design and implement banking solutions in the retail banking environment. The testing and provision of empirical evidence of the direct and indirect effect of service quality on bank loyalty by incorporating trust and commitment as mediating variables in an emerging economy, South Africa, can be regarded as the main contribution of this study.

Keywords: Service Quality, Trust, Commitment, Loyalty, Mediation Analysis

JEL Classifications: M3, M31, M310

1. INTRODUCTION

Retail banks, like all businesses, aim to cultivate and keep a loyal customer base in order to remain competitive and profitable in today's competitive economic environment. The banking business environment is particularly becoming competitive as competition also emanates from traditionally non-financial players such as retail stores offering financial services (for example, credit card facilities) to customers. It is not an option for banks to look for loyalty from their customers; it is the only option left for them to remain relevant and competitive (Bansal and Gupta, 2001). Loyal customers are key to retail banks as they spread positive word of mouth and conduct repeat purchases thereby contributing immensely to the profitability of the bank (Iacobucci, 2016).

Service quality is one of the key focus areas for achieving an organisation's successes (Buttle, 1985; Parasuraman et al., 1988). By providing excellent services, organisations aim to enhance the trust and commitment (Debab and Yateem, 2012; Eakuru and Mat, 2008; Qayyum and Khang, 2011; Redda and Deventer, 2020) of their customers in the business with the aim of keeping them loyal to the business. Providing superior retail banking services is said to positively influence customer loyalty intentions while the trust and commitment of customers to the services provided are believed to play a crucial role in the process. This paper aims to investigate these assertions by building on solid theoretical foundation and empirical evidence.

Several studies have attempted to determine the trust-commitment variables as mediating variables between service quality and

customer loyalty and several others have considered customer satisfaction as a mediating variable between service quality and customer loyalty in various industries around the world (Caceres and Paparoidamis, 1995; Garbarino and Johnson, 1999; Moreira and Silva, 2015; Morgan and Hunt, 1994). The purpose of this study is to demarcate the relationships among crucial constructs, namely service quality, trust, commitment, and loyalty in a retail banking environment. A mediated model is proposed to further investigate these relationships by incorporating trust and commitment as mediating variables between service quality and bank loyalty. The key research questions addressed in this study are:

- What is the nature of the relationships between crucial constructs in relationship marketing, namely service quality, trust, commitment, and loyalty in a retail banking environment?
- Do trust and commitment play as mediating variables between service quality and customer loyalty in a retail banking environment?

2. THEORETICAL FRAMEWORK AND HYPOTHESES FORMULATION

2.1. Customer Loyalty

The importance of customer loyalty in leading a successful business has received a great deal of attention from marketing professionals and scholars (Caruana and Malta, 2000; Oliver, 1999). Loyalty is believed to have two components: behavioural and attitudinal. While attitudinal loyalty is measured by a psychological commitment to a firm, behavioural loyalty focuses on a percentage/fraction of purchases of a specific brand (Hawkins & Vel, 2013; Koo, 2006; Pritchard et al., 1999). While behavioural loyalty is an ongoing propensity to buy the brand, usually as one of several options, attitude loyalty is a deeply held commitment to repurchase or patronize a preferred product/service consistently in the future. This results in repetitive same brand-set purchases despite situational influences and marketing efforts that may cause switching behaviour (Oliver, 1999). Thus, loyalty implies that the customer maintains a firmly held commitment to buy and re-buy products from the same organisation regardless of the situational factors. Obtaining customer loyalty is frequently seen as the ultimate objective of any marketing effort. Attaining customer loyalty has a number of benefits, including generating more revenue and profit, and the spread of positive word-of-mouth to family and friends about the quality of goods and services rendered by an organisation.

2.2. Service Quality

There is an abundance of literature on the importance of service quality in the theoretical and empirical realms of research because of its influence on the overall performance of the business because of its link to customer satisfaction and customer loyalty. One of the main reasons that scholars and practitioners are interested in service quality is their belief that it enhances the firm's bottom-line performance (Caruana and Malta, 2000). Rendering quality service is regarded as a crucial strategy in service industries around the world (Buttle, 1985; Gupta and Bansal, 2012; Parasuraman

et al., 1985a, 2005; Santos, 2003; Zeithaml et al., 1988). Service quality is a multidimensional construct that includes attributes such as reliability, responsiveness, assurance, empathy, and physical evidence (Parasuraman et al., 1985b, 1988). Service quality is defined as the degree and direction of the gap between consumers' perceptions and expectations of services (Parasuraman et al., 1988). This is based on the disconfirmation paradigm of perceptions and expectations (Grönroos, 2007).

There is an avalanche of studies that underscore the importance of providing excellent service quality in building and maintaining customer loyalty (Lee and Moghavvemi, 2015; Lewis and Soureli, 2006; Siddiqi, 2011). There are also several studies that confirm the positive influence service quality in building customer trust to the business (Caceres and Paparoidamis, 2007; Lee and Moghavvemi, 2015). Similarly, several studies do suggest a positive association between the quality of services rendered by a business and customer commitment levels in the business-to-customer relationship (Caceres and Paparoidamis, 2007).

2.3. Trust

Trust is an important factor in the case of a bank-customer relationship. The customer trusts the bank with his/her hard-earned money and the bank is expected to live up to the customer's expectations. A trust exists when one party to a relationship believes that its obligation/commitment will be fulfilled by the other party sometime in the future (Anderson and Weitz, 1989). Benevolence, honesty, and competence are essential components of trust that make any relationship marketing successful (Walter et al., 2000) Moreira and Silva (2015) conducted an empirical study on the role of trust and commitment in the relationship between service quality and loyalty in the case of the health sector and found that trust does indeed influence commitment and loyalty. Trust has also been a mediator between customer satisfaction and customer loyalty and customer knowledge management and customer loyalty (Bhat et al., 2018). Trust is also viewed as a major determinant of relationship commitment (Caceres and Paparoidamis, 2007; Moreira and Silva, 2015; Morgan and Hunt, 1994).

2.4. Commitment

The term commitment may refer to one's belief that an existing relationship is so vital that one is ready and willing to make a concerted effort to keep the relationship going. Morgan and Hunt (1994) define commitment as "one party's belief that the relationship is so important that it is worth making an effort to keep it." Baker et al. (1999) are of the view that the concept of commitment may be viewed from three different angles: A desire to build a solid working relationship; a readiness or willingness to do sacrifices to sustain this working relationship; and a desire to maintain trust while working on the relationship. In service industries such as retail banking, building on mutual commitment with customers is viewed as a vital strategy for maintaining a long-term profitable relationship. Commitment and loyalty are closely related concepts, and commitment is viewed as an antecedent to customer loyalty in service industries (Bettencourt, 1997; Bettencourt and Brown, 1997; Caceres and Paparoidamis, 2007; Morgan and Hunt, 1994; Pritchard et al., 1999). Moreira and Silva

(2015) are of the view that commitment implies more than just a favourable attitude; it implies a robust and stable relationship that includes a recommendation of the service to others.

2.5. Trust and Commitment as Mediating Variables

Morgan and Hunt (1994) pioneered the study of the commitment-trust theory of relationship marketing in the 1990s and several studies have adopted and adapted the study in different contexts (Caceres & Paparoidamis, 2005; Garbarino and Johnson, 1999; Moreira and Silva, 2015). Morgan and Hunt (1994) tested the mediating roles commitment-trust in the automobile tire retail industry. Following the theory initially proposed by Morgan and Hunt (1994) which considers trust and commitment as mediators, this study considers these variables as mediators between service quality and customer loyalty in a retail banking environment in South Africa. Figure 1 illustrates the conceptual model tested in this study, where M_i (customer trust) and M_{ii} (customer commitment) play as a mediating variable between X (service quality) and Y (customer loyalty).

2.6. Hypotheses Development

In line with the literature reviewed and in support of the research objective and research questions, the following alternative hypotheses are formulated as depicted in Figure 1:

- *H1: Service quality has a significant positive impact on customer trust in retail banking.*
- *H2: In retail banking, service quality has a significant positive effect on customer commitment.*
- *H3: In retail banking, service quality has a significant positive effect on customer loyalty.*
- *H4: In retail banking, trust has a significant positive effect on customer loyalty.*
- *H5: In retail banking, commitment has a significant positive effect on customer loyalty.*
- *H6: Trust and commitment act as moderators between service quality and bank loyalty.*

In a nutshell, the paper aims to underscore the importance of cultivating and retaining a loyal customer base for retail banks in a highly competitive environment. The study intends to look into the relationships between service quality, trust, commitment, and

loyalty in a retail banking setting. The paper proposes a mediated model to investigate the mediating variables between service quality and bank loyalty. The key research questions addressed in this study are the nature of the relationships between critical constructs in relationship marketing, namely service quality, trust, commitment, and loyalty in a retail banking environment, and whether trust and commitment act as mediating variables between service quality and customer loyalty in a retail banking environment. The study concludes that loyalty implies that the customer maintains a firmly held commitment to buy and re-buy products from the same organization regardless of situational factors, and the importance of trust in the bank-customer relationship.

3. RESEARCH DESIGN AND METHODOLOGY

3.1. Data Collection and Sampling

The study employed a descriptive research design and a quantitative research approach to achieve its research objectives. The study's target group was Generation Y retail banking customers between the ages of 18 and 24, who were enrolled in South African public higher education institutions (HEIs). Participation in the study was entirely voluntary, and all ethical procedures, such as obtaining ethics clearance and obtaining permission for questionnaire distribution on individual campuses, were strictly followed.

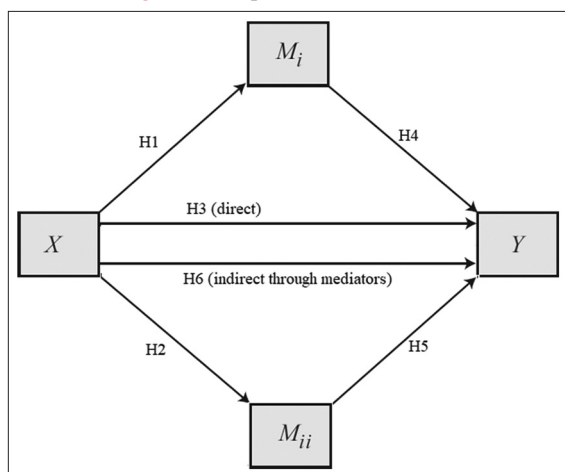
A convenience sample in an emerging market yielded 271 valid replies using a non-probability sampling technique (Gauteng Province of South Africa). Given the scaled questions on the questionnaire and the type of analysis used in this study, this sample size is regarded as adequate (Blanche et al., 2006; Malhotra, 2010). Section A of the questionnaire was designed to obtain demographic information from participants as well as determine bank account ownership. Validated scales from previously published studies were added in Section B of the questionnaire. Customer loyalty, service quality, customer commitment, and trust were measured using Lewis and Soureli (2006) validated scales, whilst customer satisfaction was examined using a Veloutsou et al. (2004) validated scale.

3.2. Data Analysis

Descriptive analysis such as mean values, standard deviation, reliability analysis, correlation analysis, and collinearity diagnostics was performed using IBM Statistical Package for Social Sciences (SPSS). The Cronbach's alpha value indicates internal consistency reliability, whilst the correlation coefficients indicate links between latent components and the measurement theory's nomological validity. Furthermore, collinearity diagnostics were carried out to determine whether the components are multicollinear.

In order to have a full and deeper understanding of the intricate relationships among the constructs such as service quality, trust, commitment, and loyalty, a mediation analysis using the PROCESS macro version 3.5 (Abbu, 2021; Hayes, 2018)

Figure 1: Proposed research model



was pursued. The statistical analysis was implemented, as recommended by Hayes (2018). The indirect effect was tested using non-parametric bootstrapping. The null of zero was assessed if it fell between the lower and upper bound of the confidence interval. The confidence interval was set at a 95% level and the percentile bootstrap estimation method with 50 000 samples was selected (Shrout and Bolger, 2002).

In equation form, the mediation analysis with two mediating variables as illustrated in Figure 1 is given as follows:

$$y = c + (a * x) + (b * Mi) + (b * Mii)$$

where:

y is the dependent variable

x is the independent variable (the predictor variable)

Mi, Mii are the mediating variables

a is the regression coefficient for the effect of x on Mi, Mii

b is the regression coefficient for the effect of Mi, Mii on y

c is the intercept term

Multiplying a and b yields the mediation effect (i.e., the indirect effect of x on y via M_i, M_{ii}). It should be noted that this formula assumes M_i and M_{ii} yield partial or full mediation between x and y. Bootstrapping techniques are commonly used to determine the significance of an indirect effect and to test for mediation. The Process Macro can perform these analyses, as well as produce additional results such as the total and direct effects of x on y. (Hayes, 2009; Preacher & Hayes, 2008).

4. RESULTS AND DISCUSSION

4.1. Sample Profile

The study utilised 271 valid responses for analysis. The sample profile figures are reported in Table 1. Participants between the ages of 18 and 24 years old were selected in compliance with the target population parameters. The sample represented the eleven official South African language groups, five ethnic groupings, and nine provinces, with somewhat more male participants than female ones.

4.2. Correlation Analysis, Descriptive Statistics, Reliability, and Collinearity Diagnostics

Table 2 illustrates the descriptive statistics, correlation matrix, reliability, and collinearity diagnostics. As shown in Table 2, each latent factor returned a mean value that exceeds 3.5. On a six-point Likert-type scale used, these high mean values suggest that Generation Y customers do have sufficient trust, commitment, and loyalty based on the quality of banking services they receive. Each latent component returned a Cronbach's alpha value more than the suggested level of 0.70, indicating internal consistency dependability (Malhotra, 2010). In terms of correlation coefficients, a statistically significant positive link ($P < 0.01$) was seen between each pair of latent factors, indicating the measurement theory's nomological validity (Hair et al., 2010). Given that these correlation coefficients were less than the acceptable limit of 0.90, the likelihood of multicollinearity between the components is low (Pallant, 2020). Furthermore,

Figure 2: Results of mediation analysis

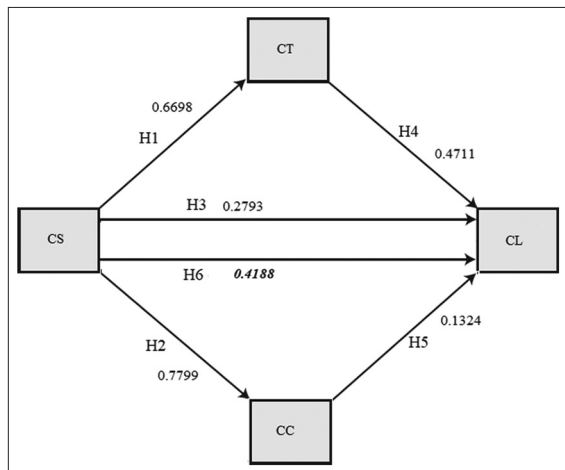


Table 1: Sample profile

Age	%	Language	%	Province	%	Ethnic group	%
18	15.5	Afrikaans	7.0	Eastern Cape	1.1	Black	88.6
19	24.0	English	3.7	Free State	10.3	Coloured	1.5
20	25.1	isiNdebele	1.8	Gauteng	53.9	Indian	0.7
21	13.7	isiXhosa	6.6	KwaZulu-Natal	2.2	Asian	0.4
22	10.0	isiZulu	13.7	Limpopo	18.5	White	8.5
23	8.5	Sepedi	10.0	Mpumalanga	6.3		
24	3.3	Sesotho	29.2	Northern Cape	0.7		
Gender		Setswana	8.5	North West	4.8		
Female	48.0	SiSwati	5.2	Western Cape	1.8		
Male	52.0	Tshivenda	7.0				
		Xitsonga	6.6				

Table 2: Correlation matrix, descriptive statistics, reliability, and collinearity diagnostics

Latent factors	\bar{X}	σ	α	F1	F2	F3	F4	TV	VIF
Service quality (F1)	4.85	0.79	0.80	1				0.72	1.39
Trust (F2)	4.75	1.06	0.86	0.46*	1			0.40	2.51
Customer commitment (F3)	3.85	1.32	0.88	0.41*	0.60*	1		0.52	1.93
Customer loyalty (F4)	4.81	1.17	0.90	0.41*	0.61*	0.47*	1	0.43	2.31

* Statistically significant at $P \leq 0.01$ (2-tailed)

collinearity diagnostics were used to assess more subtle kinds of multicollinearity. The tolerance values (TV) ranged from 0.30 to 0.72, above the desired level of 0.10, and the average variance inflation factor (VIF) of 2.26 fell short of the recommended level of 10. (Pallant, 2010). As a result, major multicollinearity concerns may be alleviated.

Having ascertained the validity, reliability, and absence of multicollinearity issues, the next step was to assess the relationships further through multivariate regression analysis.

4.3. Mediation Analysis

The mediation analysis results are reported in Table 3 and illustrated in Figure 2. To test the hypothesis that trust, and commitment serve as mediating variables between service quality and loyalty in the retail banking environment, a mediation analysis was performed using the PROCESS macro version 3.5 (Hayes, 2017). Table 4 summarizes the findings and conclusions of the various hypotheses.

4.4. Part 1: Service Quality on Trust

Part 1 of the statistical output shows the results of the outcome variable (trust) and independent variable (quality). As reported in

Table 3 and illustrated in Figure, the results indicate that service quality has a significant positive effect on customers’ trust of their retail bank, as evidenced by the beta value, $\beta = 0.6698$, $P < 0.001$, $SE = 0.0723$, 95% CI (0.6643, 0.8558), providing support for H1. Consequently, H1, postulated as *service quality having a significant positive effect on the trust of customers in retail banking, is supported*. An R-squared value of 0.2416 was produced suggesting approximately 24% of the variance in customer trust was explained by the service quality of their retail bank.

4.5. Part 2: Service Quality on Commitment

The second part of the statistical output shows the results of the outcome variable (commitment) and independent variable (service quality). As reported in Table 3 and illustrated in Figure 2, the results indicate that service quality has a significant positive effect on customers commitment toward their retail bank, as evidenced by the beta value, $\beta = 0.7799$, $P < 0.001$, $SE = 0.0919$, 95% CI (0.5989, 0.9608), providing support for H2. Consequently, H1, postulated as *service quality having a significant positive effect on the commitment of customers in retail banking, is supported*. An R-squared value of 0.2111 was produced suggesting approximately 21% of the variance in customer commitment was explained by the service quality of their retail bank.

Table 3: A mediation analysis using the PROCESS macro

Part 1: Service quality on trust						
	Coeff.	SE	t	P	LLCI	ULCI
Service quality	0.6698	0.0723	9.2573	0	0.5273	0.8122
Part 2: Service quality on commitment						
	Coeff.	SE	t	p	LLCI	ULCI
Service quality	0.7799	0.0919	8.4851	0	0.5989	0.9608
Part 3: Service quality, trust and commitment on loyalty						
	Coeff.	SE	t	P	LLCI	ULCI
Service quality	0.2793	0.0781	3.5758	0.004	0.1255	0.4330
Trust	0.4711	0.0639	7.3753	0.000	0.3454	0.5969
Commitment	0.1324	0.0503	2.6321	0.0090	0.0333	0.2314
Part 4: Direct and indirect effect of X on Y						
The direct effect of X on Y (service quality on loyalty)						
	Effect	SE	t	P	LLCI	ULCI
Service quality	0.2793	0.781	3.5758	0.004	0.1255	0.4330
The indirect effect of X on Y (service quality on loyalty)						
	Effect	BootSE	BootLLCI	BootULCI		
Total	0.4188	0.0820	0.2726	0.5936		
Trust	0.3155	0.0723	0.1871	0.4731		
Commitment	0.1032	0.0515	0.0078	0.2104		

Y: Loyalty, X: E-banking service quality, M: Satisfaction, Confidence intervals=95, Number of bootstrap samples=5000

Table 4: Testing of hypotheses

Hypothesis	T-Statistics	P-values	Decision
H1: Service quality has a significant positive effect on trust of customers in retail banking.	9.2573	0.000	Supported
H2: Service quality has a significant positive effect on commitment of customers in retail banking.	8.4851	0.000	Supported
H3: Service quality has a significant positive effect on loyalty of customers in retail banking.	3.5758	0.004	Supported
H4: Trust has a significant positive effect on loyalty of customers in retail banking.	7.3753	0.000	Supported
H5: Commitment has a significant positive effect on loyalty of customers in retail banking.	2.6321	0.009	Supported
H6: Trust and commitment do play as mediating variables between service quality and bank loyalty.			Supported
Mediators	BootLLCI	BootULCI	Decision
Trust	0.1871	0.4731	Supported
Commitment	0.0078	0.2104	Supported

4.6. Part 3: Service Quality, Trust, and Commitment to Loyalty

The third part of the statistical output shows the result of the outcome variable (customer loyalty) and independent variables (service quality, trust, and commitment). The results indicate that all three variables are predictors of customer loyalty in retail banking. As can be seen, the direct effect of service quality on customer loyalty is confirmed, $\beta = 0.2793$, $P < 0.004$, $SE = 0.0781$, 95% CI (0.1255, 0.4330), providing support for H3, which was stated as *service quality has a significant positive effect on the loyalty of customers in retail banking*, in line with the literature (Lee and Moghavvemi, 2015). Before deciding on the mediating role of trust and commitment, first, the direct effect of these variables on customer loyalty is tested. The results indicate that trust has a direct and significant positive effect on customer loyalty of retail banking, $\beta = 0.4711$, $P < 0.000$, $SE = 0.0639$, 95% CI (0.3454, 0.5969), thereby supporting H4: *trust has a significant positive effect on the loyalty of customers in retail banking*, consistent with the literature (Bhat et al., 2018; Caceres and Paparoidamis, 2007; Lee and Moghavvemi, 2015; Moreira and Silva, 2015). Similarly, H5: *commitment has a significant positive effect on the loyalty of customers in retail banking* and is also supported by confirming the direct effect of customer commitment on customer loyalty in retail banking, $\beta = 0.1321$, $p < 0.009$, $SE = 0.0503$, 95% CI (0.0333, 0.2314), which supports extant literature (Caceres and Paparoidamis, 2007; Moreira and Silva, 2015). Thus, while the trust and commitment of customers are affected by the quality of retail banking service, in turn, customer trust and commitment are confirmed as immediate predictors of customer loyalty in retail banking as well. The model containing these three variables produced an R-square of 0.4483, which can be interpreted as that approximately 45% of the variance in customer loyalty towards retail banking is accounted for by service quality of retail banking services, and the trust and commitment of customers.

4.7. Part 4: Direct and Indirect Effect of Service Quality on Customer Loyalty

The main outcome of the mediation analysis is produced by part 4 of the statistical output, which also provides the direct and indirect effects of service quality on customer loyalty. The indirect effect was examined as a suggested procedure in this kind of mediation analysis using the PROCESS macro version 3 (Hayes, 2018), which was implemented with the percentile bootstrap estimation method with 50 000 samples (Shrout and Bolger, 2002). The indirect effect of service quality on customer loyalty is nonzero because the null hypothesis of zero did not fall within the lower-level confidence interval (LLCI) and upper-level confidence interval (ULCI) (0). The last hypothesis (H6), which postulated that trust and commitment do function as mediating variables between service quality and bank loyalty, is therefore supported, as shown in Table 3 and Figure 2. In retail banking, customer trust and commitment play a mediating role between service quality and customer loyalty, as shown in Table 3's statistical data for trust ($\beta = 0.3155$, $SE = 0.0723$, 95% CI [0.1871, 0.4731]), and commitment ($\beta = 0.1032$, $SE = 0.0515$, 95% CI [0.0078, 0.2104]). In other words, the indirect effect flowing through customer trust ($\beta = 0.3155$) and commitment ($\beta = 0.1032$) is statistically

significant because the null hypothesis of zero did not fall between the lower- and upper-level confidence intervals (ULCI) of the two constructs. Through this mediating process, the total indirect effect ($\beta = 0.4188$) is produced.

The findings of this study do provide support to extant knowledge on the subject. The findings do corroborate previous studies that established customer trust and commitment as mediating variables between service quality and customer loyalty (Moreira and Silva, 2015; Morgan and Hunt, 1994; Van Tonder, 2016). Since the direct effect of service quality on customer loyalty remained significant after the intervention/mediation of the two variables (trust and commitment) in the model, the mediation is interpreted as partial mediation (Hayes, 2018; Hayes and Scharkow, 2013; Nyan et al., 2020).

5. CONCLUSION AND RECOMMENDATIONS

To remain competitive and profitable in the market today, retail banks must build and maintain a strong customer base. A growing number of non-financial players, such as retail establishments that provide financial services, are entering the market. Customer loyalty is crucial for banks to stay relevant and competitive. Through positive word-of-mouth and repeat business, loyal customers help the bank maintain its profitability. This study started by demarcating the relationship among crucial constructs, namely service quality, trust, commitment, and loyalty in a retail banking environment. A mediated model was proposed to further investigate these relationships by incorporating trust and commitment as mediating variables between service quality and bank loyalty.

The findings of the study confirm that service quality in retail banking has a significant positive impact on customer trust and commitment to retail banking services. As a result, in retail banking, customer trust and commitment are confirmed as immediate predictors of customer loyalty. According to the mediation analysis, the direct effect of service quality on bank loyalty is positive and significant. Furthermore, the mediation analysis shows that the indirect effect of service quality on bank loyalty is positive and significant, confirming the role of trust and commitment in mediating the relationship between service quality and customer loyalty. The mediation is interpreted as partial because the direct effect of service quality on loyalty remained significant after the intervention/mediation of trust and commitment in the model.

The findings do provide managers tasked with promoting customer relationship marketing with valuable insight and understanding. Banks should be aware that service quality has a direct impact on the trust, commitment, and loyalty of retail banking customers. In addition to mediating the relationship between the quality of retail banking service and customer loyalty, customer trust and commitment have a direct impact on customer loyalty. As a result, in retail banking, the importance of customer trust and commitment cannot be overstated. The study's limitation is that

it only considered one independent variable and two variables as mediators of customer loyalty, which can be addressed by incorporating more independent variables based on solid evidence.

The study's findings can assist retail banking managers in developing effective strategies to increase customer loyalty. Managers can tailor their initiatives to meet the needs and expectations of their customers by focusing on the factors that influence loyalty, such as service quality, trust, and commitment. Banks can improve service quality by investing in training programs for their employees. This can help ensure that employees have the skills and knowledge they need to provide high-quality services to customers. Furthermore, banks can use customer feedback to identify areas where service quality needs to be improved.

Banks can foster customer trust by being transparent and honest in their dealings with them. This can include providing customers with clear and concise information about their products and services, as well as informing them of any fees or charges associated with their accounts. Banks can also use social media to engage with customers and respond to their concerns in a timely and transparent manner. Offering personalized services and reward programs, for example, can help to build customer commitment. Banks, for example, can offer exclusive discounts or rewards to long-term customers to reward their loyalty. Furthermore, banks can use customer data to tailor their services and offerings to their customers' specific needs and preferences.

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