A Study of Influencing Factors Towards Customer Loyalty: A Case Study of Islamic Bank of Thailand

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ABSTRACT

The purpose of this study was to identify influencing factors towards Islamic bank of Thailand. In this research, the dependent variable is customer loyalty while, independent variables are service fairness, perceived service quality, trust and customer satisfaction. Service fairness has further four sub-variables which includes, interpersonal, informational, procedural and distributive fairness whereas, perceived service quality has six-sub variables which includes, tangible, reliability, responsiveness, assurance, empathy and compliance. These variables are been observed and thirteen hypotheses are developed to identify the influencing factors. The data was collected through a questionnaire survey of 400 respondents in selected areas of Bangkok, Thailand from March, 2014 to June, 2014. A total of 388 respondents were chosen as accurate target population, who has accounts in Islamic bank of Thailand. All of the data were analyzed by SPSS and Multiple Linear Regression was utilized to identify the factor which has influence on customer loyalty and Pearson Correlation was used to test the relationship between trust customer loyalty and satisfaction.

In terms of hypotheses testing, some hypothesis were failed to reject. On the other hand, some hypotheses were rejected. Firstly, sub variable of service fairness which is interpersonal fairness have strongest influence on perceived service quality in terms of tangible, informational fairness have strongest influence on perceived service quality in terms of reliability, interpersonal fairness have strongest influence on perceived service quality in terms of responsiveness, interpersonal fairness have strongest influence on perceived service quality in terms of assurance, interpersonal fairness have negative influence on perceived service quality in terms of empathy, interpersonal fairness have strongest influence on perceived service quality in terms of tangible, perceived service quality in term of compliance is not influenced by any sub-

variables of service fairness, interpersonal fairness have strongest influence on customer satisfaction, informational fairness have strongest influence on trust, sub- variable of perceived service quality which is tangible have strongest influence on customer satisfaction, reliability have strongest influence on trust , tangible have strongest influence on customer loyalty respectively. Trust and customer satisfaction has no relationship in this study, whereas customer loyalty and trust have significant positive relationship.

The findings of this research can be useful for Islamic bank Of Thailand to face new challenges in the Islamic banking industry and to understand the customer behavior toward Islamic banking to improve its business performance once and for all. The effective use of a management strategy may increase positive perceived service quality, which can lead to customer satisfaction and generate loyalty. The findings suggested that the management should enhance factors of service fairness, to improve the productivity of the bank in terms of maintaining more loyal customers.

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Chapter 1

Generalities of the study

1.1 Introduction

In today's world where competition is getting higher with every passing day, it is very important to retain current customers and make them loyal towards the organization; loyal customers always spend more to utilize products and services which raise the profitability of a company (Harris and Goode, 2004). A loyal customer contributes to the long term profits to organizations. There urge and willingness to buy more from the same company increases not only the profit levels but also generates positive word of mouth (Ganesh, 2000). Many empirical studies have proved that successful business firms always pay more attention to existing customers rather than new ones, because new customers require more time and large investments to be attracted (Hogan and Kelley, 2003).

Many researchers have investigated the importance of customer loyalty in several industries. In the banking industry the competition is getting higher between Islamic and conventional banking. To compete in the market, banks should focus on achieving customer satisfaction which will lead to customer loyalty. Griffin (1995) found that customer loyalty is one important fundamental the banking sector; by increasing service quality, sales increases, which generates customer loyalty. Most importantly Wong and Sohal (2003) investigated

that most effective strategy to make a customer loyal in the banking industry is to provide good service quality and satisfy their demands.

There are many prior researches on determinants of customer loyalty. Some of the researchers suggested that trust has a significant effect on customer loyalty. Trust is logically a critical variable in determining relationships (Morman et al., 1993; Morgan and Hunt, 1994). Those who are not willing to trust in a market place are not loyal, importance of trust in explaining loyalty is also supported by authors like
(Lim *et al.*, 1997; Garbarino and Johnson, 1999; Chaudhuri and Holbrook; 2001; Singh and Sirdesmukh, 2000).

Past researches have explained and suggested that improvement in service quality can directly influence customer loyalty. Perceived service quality has a positive and significant relationship with customer loyalty in the banking sector (Oliver, 2007). Loyalty is defined as customer's commitment while purchasing, a strong commitment is mandatory for loyalty of customers (Jacoby and Chestnut, 1978). In traditional service context researches had proved that improving service quality gains the loyalty of more customers (Chu and Lu, 2009). On the other hand Lin and Sun (2009) investigated the direct relationship of service quality and loyalty in the context of online shopping. Besides as a critical factor for profitability, perceived service quality has a positive relationship with customer satisfaction and trust which leads to customer loyalty (Cronine, 2000). In the service literature, Oliver (1980) explained that customer satisfaction is the result of meeting customer expectations for any product or service if the perceived performance matches or even exceeds the expectations of

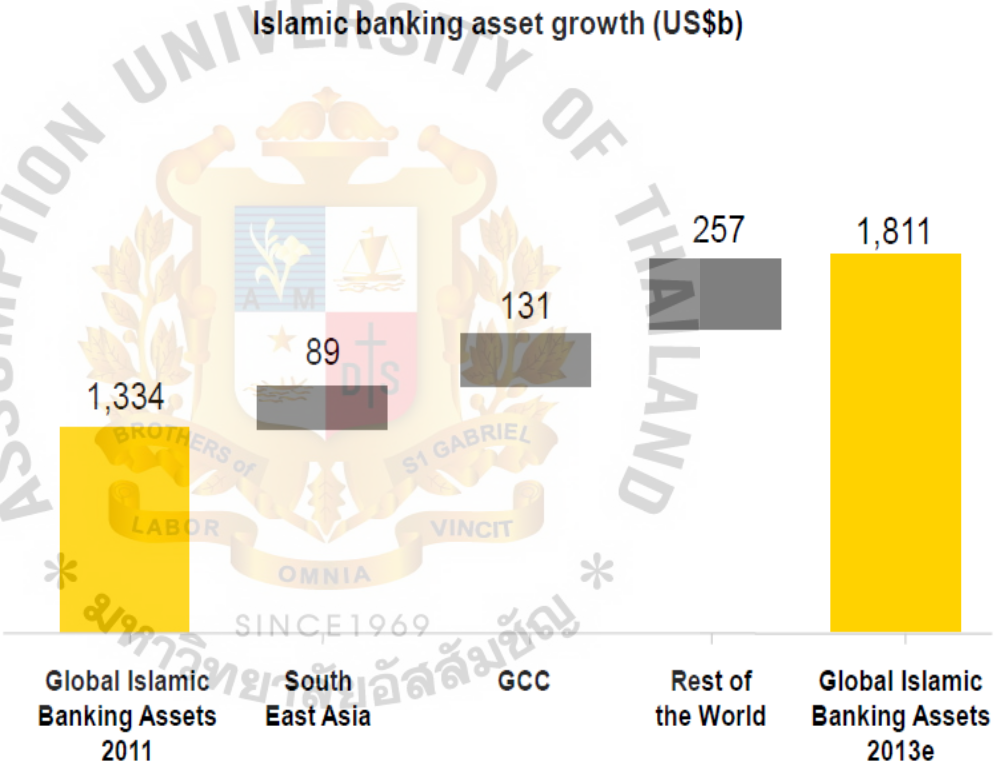
customers they tend to be satisfied. In the real world, dissatisfied customers tend to generate a negative image of the brand by negative word of mouth (Lewis, 1991; Neman, 2001; Caurauna, 2002). Researchers suggest that perceived service quality is also positively related to trust. Trust is always considered as one of the most important determinants of loyalty, where consumers perceived higher levels of risk (Anderson and Srinivasan, 2003).

A few studies have investigated the relationship between service fairness and perceived service quality. People usually respond negatively to unfair services provided, or when the services do not match the expectation of customers (Adams, 1965 and Walster, 1978). In a business context consumers perceive fairness and when their perception regarding services is increased, the outcome of the service should be also increased.(Ambrose et al., 2007). Unfair treatment leads to complaints and negative reaction in the banking sector. Smith et al. (1999) documented that fairness is positively related to customer satisfaction. Distributive justice also affects customer satisfaction level (Ambrose et al., 2007). As trust is a key element in maintaining various relations of variable (Konovsky and Pugh, 1994). Many researchers have examined the relationship between service fairness and trust which is positive. Procedural and distributive fairness; which is a part of service fairness, influences the factor of trust in customers (Folger and Konovsky, 1989).

In the banking industry trust in a party can be assumed by their willingness to rely on the bank, belief on quality and reliability of the service/products being provided (Henning-Thurav et al., 2002). When perceiving lack of fairness, customers should lower the urge to rely on those institutions.

As a result of the development of the banking industry over the past few years, Islamic banking has also gradually developed. The trend is not just seen in Muslim countries but the concept of Islamic banking is spreading in the whole world. Islamic banking is gaining popularity which is shown in the Figure 1.1

Figure 1.1: Islamic banking assets growth from 2011 to 2013



Source: IMF, the Banker, Central Bank Reports 2013

Islamic banking assets with commercial banks globally grew to $1.3 trillion in 2011, suggesting an average annual growth of 19% over the past four years. The top four markets account for 84% of industry assets. The Islamic banking growth story continues to be positive,

growing 50% faster than the overall banking sector (http://www.ey.com/Publication/vwLUAssets/EY_World_Islamic_Banking_Competitiveness_Report_2013%E2%80%9314/$FILE/EY-World-Islamic-Banking-Competitiveness-Report-2013-14.pdf) accessed on 25 March 2014.

1.1.1 History of Islamic banking

Islamic banking is conducted on the principles of Islamic religion, , where it is prohibited to give or take any interest. The main idea of Islamic banking, is taking interest before any completed economic activity is unfair; the concept behind Islamic banking is based on the idea of profit sharing after the economic transaction is being completed. In this case the bank can suffer a loss if the company goes in loss where the money is invested. Similarly if the bank gains profits, it is unlawful for the customer to bear any kind of loss. Islamic banks are not allowed to invest in industries which are not lawful in Islamic religion like gambling, selling alcohol (Siddiqui, 1992). Muslims are guided in Koran that taking interest is a major sin. To protect Muslims customers from sins, the idea of Islamic Banking had emerged. The common products and services used in Islamic banking are mudharabah which mean “profit sharing”, wadiha, means “safekeeping”,mustyarakah means “joint venture”, murabahah means “cost plus” and ijirah means “leasing”.

According to the Malaysian Bank Act (1983) all the Islamic banks are required to establish a Sharia Advisory Committee to guide them for all rules and norms according to Sharia law. The Islamic Bank of Thailand was set up by the Islamic Bank of Thailand Act B.E. 2545 (2002), as a state enterprise under the Ministry of Finance, administered by a board of governors, with an

advisory council on Islamic banking. The bank operates in accordance with the rules of Sharia, or the Islamic rules on transactions.

1.1.2 History of Islamic Banking in Thailand

Thailand is a multi-religious country where Islam is the second largest religion. Approximately six million people follow Islam in Thailand. Muslims are scattered in the southern region of Thailand in provinces like Yala, Pattani, Narathiwat, Satun and Songkla as these areas are near the northern states of Malaysia. Islamic Banking has become more popular in those areas. Islamic banking was started in 1988 when the Government Savings Bank (GSB) came up with the concept of Islamic banking. Islamic banking system became popular and expanded in 2003. Due to the new emergence of concepts in Thailand it still faces a lot of challenges. Major challenges are public acceptance, economic potential, rules and regulations according to the Sharia law. The majority of Muslim population living in Thailand lives in rural areas, and are engaged mainly in agricultural activities. These Thai Muslims are amongst the poorest community in the southern provinces of Thailand. Table 1.1 shows the rate of poverty in these provinces. Narathiwat has the highest poverty rate, followed by Pattani and Yala. (http://www.bankthailand.info/Islamic-Bank-of-Thailand.htm) accessed on 25 March 2014.

Table 1.1: Rate of Poverty in 1998

Province	**Total Population**	**Number of population below Poverty Line**
Songkla	1289508	20992
Pattani	598636	124200
Yala	402889	152777
Narathiwat	641489	292451

Source: The National Committee of Social and Economic Office, 1998.

As table 1.1 indicates that these provinces have a high poverty rate. Furthermore, provinces in the Southern Region have low Gross Provincial Product and income per capita compared to the whole of Thailand. Therefore, this poses a challenge to Islamic banks as they will face difficulties in attracting local deposits. As a result, banks might have to attract deposits from other localities to finance activities in these provinces.

1.1.2 History of the Islamic Bank of Thailand

Islamic Bank of Thailand was established in 2003 and it began to serve as a government bank for people who were not aware of and ineligible because of strict commercial banking rules. Recently, data shows that Islamic Bank had a growth rate around 30% annually but from 2010 to 2011 the growth rate has shown a significant difference which is up to 100% due to more branches being opened and better operational efficiency. Currently, the bank holds over 750,000

accounts across 107 branches nationwide, staffed by 2,800 employees. During the initial stage the bank just focused on the segment of Muslims but now with the progress, Islamic banking system can serve anyone with new innovative products and idea of banking. The bank promotes ethical norms and serves good governance with social responsibility to the environment. Currently Islamic Bank is a state owned enterprise. The aim of this research is to study the factors which affect customer loyalty in the Islamic bank of Thailand.

(http://www.hds.com/assets/pdf/hitachi-success-story-islamic-bank-of-thailand.pdf) accessed on 20 March 2014

1.2 Research Objectives

The main objective of the research is to know the importance of service fairness, perceived service quality, customer satisfaction, and trust on customer loyalty and identification of various factors which combines together and increases the loyalty of customers. Importantly, service fairness cannot be described individually it contains further sub variables like interpersonal, informational, procedural and distributive service fairness. Whereas, perceived service quality is classified into six sub variables tangibles, reliability, responsiveness, assurance, empathy, compliance to test the relationship between different variables. The objectives of the research are:

1. To explain how perceived service quality is influenced by service fairness
2. To explain how customer satisfaction is influenced by service fairness
3. To explain how trust is influenced by service fairness
4. To explain how customer satisfaction is influenced by perceived service quality
5. To explain how trust is influenced by perceived service quality
6. To explain how customer loyalty is influenced by perceived service quality

7. To determine if there is a relationship between customer satisfaction and trust
8. To determine if there is a relationship between trust and customer loyalty.

1.3 Statement of the Problem

The major problem or reason to conduct this research is to identify how Islamic bank can work and apply better strategies to gain customer loyalty. As in today's world to get the trust of customers is not an easy task. Different variables are tested like service fairness, which has four sub-variables; Perceived service quality has six sub-variables, customer satisfaction and trust. Islamic banking is an emerging concept which is governed by the principles of Islam*;* it can be translated as the way/path which has to be adopted by Muslims. According to this philosophy, Muslims are prohibited from adultery, gambling, collecting and paying interest, consumption of liquor and eating pork (Al-Qardawi, 1999). Therefore, for every Islamic Bank, it is essential to follow the Sharia law, which makes them unique in the rest of the market of conventional banks. Thus it is very important to know after all the Islamic laws are followed, how the Islamic Bank of Thailand can increase its loyal customers.

The purpose of this study is to define clearly the factors affecting customer loyalty in banks. Service fairness, perceived service quality, customer satisfaction and trust, are all the variables which have a relationship with each other and affect the dependent variable, customer loyalty. As service fairness and perceived service quality have sub variables, identifying them with all the sub variables need to be tested with other factors to test the relationship between them. It is very important to justify which variable has more impact on another in terms of gaining more customer loyalty in banks. To identify this fact each of the following questions tested:

1. Does service fairness in terms of interpersonal, informational, procedural and distributive fairness have a significant impact on perceived service quality?
2. Can service fairness in terms of interpersonal, informational, procedural and distributive fairness affect customer satisfaction significantly?
3. Does service fairness in terms of interpersonal, informational, procedural and distributive have a significant impact on trust?
4. Does perceived service quality in terms of tangible, reliable, responsiveness, assurance, empathy and compliance have significant impact on customer satisfaction, trust and customer loyalty?
5. Is there a significant relationship between customer satisfaction and trust?
6. Is there a significant relationship between customer satisfaction and customer loyalty?

1.4 Scope of the Research

This research concentrated on assessing the determined key factors which influence customer loyalty in the Islamic bank of Thailand. The researcher in tends to find out how customer loyalty of Islamic bank of Thailand will be influenced by different antecedents. In order to get the results of the study, a series of correlations will be examined. The investigation will focus on customers who have accounts in the Islamic bank of Thailand and they have utilized the products and services of the bank. The researcher has analyzed the results by testing the hypothesis among one independent variable and four dependent variables. Service fairness, perceived service quality, customer satisfaction and trust are dependent variables, where service fairness has four sub-variables, which are interpersonal, informational, procedural and distributive factors and in addition perceived service quality is analyzed through service quality dimensions, which are

tangibles, reliability, responsiveness, assurance, empathy, and compliance. Customer loyalty is independent in this research.

The researcher has used the survey methodology by distributing 400 questionnaires at four selected branches of Islamic bank of Thailand located in Bangkok. The target population of the research consisted of people who have accounts with the Islamic Bank of Thailand in Bangkok. In this study, the researcher used non-probability sampling and conducted the research in four branches which have the highest number of transactions per day in Bangkok

- Islamic bank of Thailand Head office, at Asoke, Sukhumvit Road
- Islamic bank of Thailand, Khlongton branch
- Islamic bank of Thailand Srinakarin branch
- Islamic bank of Thailand Central world branch

The questionnaires used in the research consisted of four parts: the first part describes the screening question for people who have accounts with the Islamic bank of Thailand. The second part includes factors affecting customer loyalty variables like service fairness, perceived service quality, customer satisfaction and trust. The third part includes the independent variable, customer loyalty. The last part of the questionnaire consists of general information of the respondents, the researcher. The researcher utilized all previous studies which are secondary data of the research. Secondary data helped the researcher in building the questionnaire and conceptual framework of the study.

1.5 Limitations of the Study

The target population of this research included customers of the Islamic Bank of Thailand who have accounts in the bank. There are some limitations to this study that are shown below:

The first limitation comes from the fact that the researcher has conducted the research only in four branches of the Islamic bank of Thailand located in Bangkok, whereas there are 38 branches located in Bangkok city. Due to the limitation of time the researcher has focused only at four branches of the Islamic Bank of Thailand. Secondly, in this research the researcher has selected only a few variables from past researches; there may be some other important factors which affect customer loyalty. The third limitation could be place. As due to convenient sampling the researcher has selected only four branches and the selection was based on the convenience of the researcher, so there can be differences in the perception of people from one branch to another, it cannot be applied to all the branches of the Islamic Bank of Thailand.

Moreover, some criteria and variables may be neglected or missed because of time or budget limitations. Due to the time frame of this study, the results may not be reliable and applicable for use for other periods of time.

The last limitation of the research is the questionnaires used in the study by the researcher; all the questions were measured by using the Five-point Likert scale; the use of only one type of scale may decrease the authentication and evidence of the research.

1.6 Significance of the Study

In terms of significance, this study comes into view through the identification of relationships among several antecedents and customer loyalty. With the emergence of Islamic Banking

System in the world this research can help the management system in order to implement strategies in accordance to gain more customer loyalty.

This research aims to provide information that is useful to understand the concept of Islamic bank in terms of service fairness, perceived quality, customer satisfaction, and trust and customer loyalty. Therefore, this research can be helpful for the marketers and management of the bank working on Islamic principles and laws.

The main purpose of the research was to measure customer loyalty of Islamic Banking and finding the relationships between different variables. The results confirmed that each variable has a distinct and positive relationship. Based on the finding the researcher expects the management of the bank to understand customer loyalty. Additionally, this study might be helpful to other researchers who conduct researches from similar sectors.

1.7 Definitions of Terms

Service Fairness: are unbiased procedures which do not favor any group or individual (Arasli, 2005 and Al Hawari, 2009). It has four sub-variables interpersonal, information, procedural and distributive which are defined below:

Interpersonal service fairness: is showing concern and importance to the people in which outcomes are distributed (Greenberg, 1993).

Information service fairness: is giving appropriate, authentic and timely information to the people in order to help them (Greenberg, 1993).

Procedural service fairness: is showing fairness in policies and processes to make customers satisfied by acceptable principles s (Lind & Tyler, 1988).

Distributive service fairness: is the behavioral reaction which shows non- biased behavior towards customer, which means treating every individual in same way without and preference (Cohen-Charash and Spector, 2001).

Perceived Service Quality: is the result of the evaluation process where customers evaluate the service provided by the firm and compare it with their perceived expectations (Gronroos, 1984). It is divided into six-sub variables which are defined below:

Tangible: is appearance of physical facilities, equipment, personnel and other communication materials. Physical surrounding in which the service is being provided are tangibles (Parasuraman et al., 1988)

Reliability: is accuracy of services provided to the customers, it is the ability to perform promises which has been made by the service providers. Reliable services are always expectations of customers (Parasuraman et al., 1988)

Responsiveness: is working on time and showing efficiency work. It means how willingly the service providers make their actions prompt and accurate which creates a positive perception among customers (Parasuraman et al., 1988)

Assurance: is knowledge and ability to gain trust and confidence of the customers. Treating customers in a polite and courteous way in order to build trust (Parasuraman et al., 1988)

Empathy: is attention given by the firm to customers, provision of caring and security provided to clients to make them feel comfortable (Parasuraman et al., 1988)

Compliance: are the rules, norms and regulations followed by certain people, in Islamic banking it means path of Islamic principles (Amin & Isa, 2008).

Customer Satisfaction: is the meeting the expectations of customers, in terms of product/ services which they have perceived, it can be exceeding the perception or even meeting it, which is called customer satisfaction (Oliver, 1980).

Trust: is the willingness of the customer to rely on the ability of the other in terms of value or quality (Chaudhari and Holbrook, 2001).

Customer Loyalty: is a very deeply held commitment with any kind of product/service which is shown by repetition of purchase while ignoring others and depending on one service/product (Oliver, 1999).

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Chapter 2

Literature Review

This chapter contains of three parts and focuses on the concepts and theories of the variables. The first part explains different ideas and explanations of each variable which is being studied in the research. The second part reviews related literature which is described by the relationship among variables. The last part discusses the previous studies which are relevant to the research conducted.

2.1 Theory

2.1.1 Service Fairness

Service fairness means an unbiased procedure which does not favor any group or individual. The researcher accepts that service fairness leads to higher customer satisfaction, mostly financial departments are more focused on service fairness (Arasli, 2005 and Al Hawari, 2009). Carr (2007) presented a fact that service evaluation is not being done by just the quality of service offered, it has to be fair which means equal treatment for every customer. Consumers are interested in equal and favorable treatments.

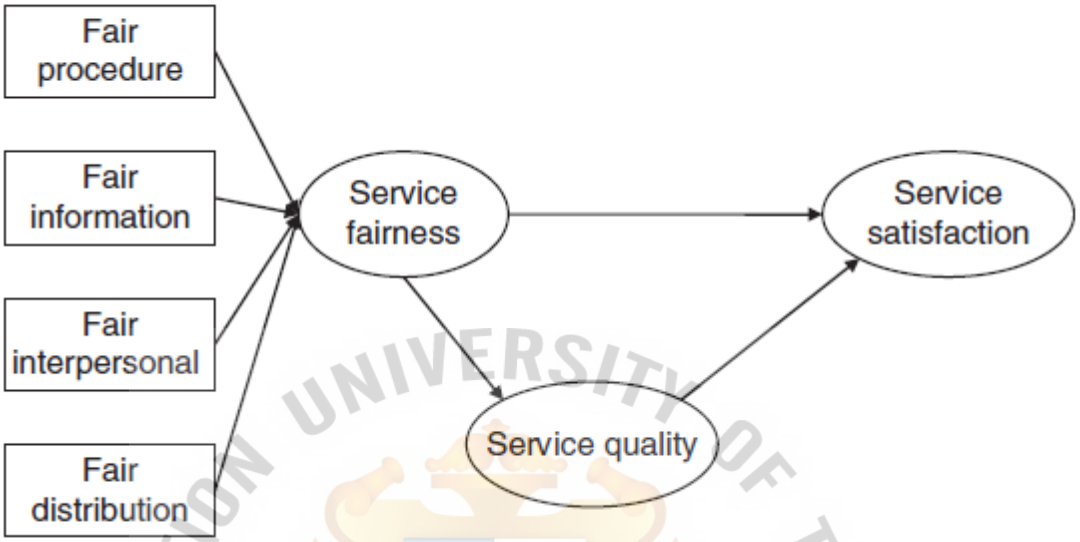
Customer evaluation of services fairness has recently appeared in the tourism industry (Huang and Su, 2010). The importance of perception about equal distribution brings a significant effect to service providers (Chebata and Slusarczyk, 2005).Mostly people obtain the best services but yet they look for fair services, they try to build relations with service providers which is unbiased and consistent where unfair treatment has a negative effect on consumers (Ambrose, 2007).

Service fairness encourages customer loyalty in growing stages for the companies (Chebata and Slusarczyk, 2005) while Carr (2007) presented model of service fairness which is based on four dimensions procedural, information interpersonal and distributive fairness.

- Procedural fairness: It is the fairness in policies, procedures and other activities related to any organization which contributes to acceptable principal (Lind and Tyler, 1988)
- Informational fairness: it is about providing knowledge and appropriate information to the customer which is needed on time (Greenberg, 1993)
- Interpersonal fairness: it is about showing concern and helping people individually, in order to solve queries of customers regarding products or services being offered (Greenberg, 1993)

Consumer evaluation not only pertains to personal standards but is also caused by the influence of procedural, information, interpersonal and distributive fairness .Not only in banking but also in the online industry, where loyalty is influenced by service fairness (Chiu, 2009). Carr (2007) argued that service fairness has a positive effect on perception of service quality which means service fairness is directly related to customer satisfaction also has an association with service quality and satisfaction; the researcher proposed a model called FAIRSERV model as shown in the figure 2.1

Figure 2.1 FAIRSERV Model



Source: Chen, G. H., Liu, J. Y. C., Sheu, T. S. and Yang, M. H. (2012)

The researcher also suggests that individual judgments of a firm- service-related outcome should increase as the firm achieves higher levels of satisfaction (Smith and Ambrose, 2007). Prior researches have stated the facts which show that fairness influences customer satisfaction (Chiu, 2007).

2.1.2 Perceived Service Quality

Gronroos (1984) defined service quality as the result of the evaluation process where customers evaluate the service provided by the firm and compare it with their perceived expectations. If the service provided is beyond or equal to their expectation then, a favorable customer evaluation is perceived. In banking industry the factor of perceived service quality has

become more important in order to apply the concept of service quality in banks and to sustain a strong position in the market. Harris and Goode (2004) stated that every financial institution has to satisfy the demands of customers so they can manage to get loyal customers to their organization. In this condition loyal customers spend more to take the benefits of products and services. But Taylor (1992) mentioned that measuring perceived service quality is very difficult for a firm. Due to the complicated structure perceived service quality has drawn attention of a lot of researchers. As Kim (2004) investigated that providing good products and service to customers has become an important factor to gain a competitive advantage. Companies with good services and products capture high market share and have more penetration in the market relative to others.

Whereas, Griffin (1995) explained the spending phenomena of customers, the more customers will spend, the more the company will to earn profits which reduce the cost to attract more customers. The most effective strategy in Banking including Islamic banking is to provide high perceived service quality to customers (Wong and Sohal, 2003).

In service literature there are a lot of researches which presents different models for perceived service quality. Parasuraman et al. (1988) proposed a model named SERVQUAL, which is based on the explanation of service quality on the basis of the difference between consumer perceived performance and expectation. However, in this research the researcher has applied SERVPERF (Cronin and Taylor, 1992). It is purely performance based and is used to measure service quality in different sectors. Cronin and Taylor (1992) stated that measures of SERVPERF produce better results and are more reliable with greater convergence and less bias then SERVQUAL. SERVPERF consists of five variables; tangibles, reliability responsiveness, assurance and empathy.

The five dimensions of SERVPERF model for measuring service quality is stated below:

- Tangibles The appearance of physical things and tangible facilities like equipments and tools (Parasuraman *et al.,* 1988)

- Reliability: The ability of a firm to perform its promised service with consistency (Parasuraman *et al.,* 1988)

- Responsiveness: The ability of the staff of firms to provide prompt service to customers and resolve their queries. (Parasuraman *et al.,* 1988)

- Assurance: The ability of employees to build trust and confidence among customers (Parasuraman *et al.,* 1988)

- Empathy: Providing special attention for every single customer and the ability to understand their needs and wants (Parasuraman *et al.,* 1988)

As the result of increased Islamic banking concepts and advancement in most countries, many researchers around the world have applied SERVPERF model to measure and conceptualize service quality. In order to improve services of Islamic banks an alternative model named CARTER was developed by (Othman and Owen, 2001). It is a multi-dimensional model with six variables. CARTER stands for compliance, assurance, reliability, tangibles, empathy and reliability

- Compliance: The ability to perform banking activities as per orders

  (Amin, and Isa, 2008)

In this study the researcher has adopted the framework from (Amin *et al,*. 2008) who modified the SERVQUAL model by adding compliance as the sixth dimension. Compliance dimension was added and modified because Islamic banking shows greater importance to compliance to retain existing customers and attract new customers too so that they can compete with conventional banking (Wang, 2003). With the growth in industry different researchers presented and described that satisfaction was of paramount importance and that service quality influences satisfaction (Holliday, 1996). Moreover service quality has a significant issue in the banking industry (Stafford, 1994). As financial services are generally undifferentiated products, it became difficult for the banks to improve the quality of service. But Bowen and Hedges (1993) stated that improvement in the quality is like expansion of shares in the market. Service quality can be improved by filling the difference between expectations and perception using the above models.

2.1.3 Customer Satisfaction

Customer satisfaction is defined as a judgment based on a series of customer interactions (Yi, 1990). While, Oliver (1981) argued that satisfaction is basically pre- used standard by which people feel contended. Customer satisfaction usually increases the behavior of customers to look for the same thing frequently e.g. Researches show that customers who are satisfied tend to stick with the same brand or company for a longer period of time (Zeinthmal, 1996).Whereas, Grey (2006) cleared one more point regarding previous studies which is that they don't just stick with same firm they also recommend it to others, which is called (WOM).

Customer satisfaction had always been an important topic of research, as there are two important concepts related to customer satisfaction explained by (Boulding et al., 1993). One is a transaction specific concept which means that the assessment made by customers after purchasing certain goods or experiencing services. The other concept is called cumulative concept in which customers give a rating to the brand or service which they had experienced a few times in their life.

Oliver and Swan (1989) presented their idea that perceived service quality should be considered as the strongest among all predictors of customer satisfaction. Customer satisfaction also shows links between current and future behavioral intensions. If a customer is satisfied with products/services it is obvious that they will repeat purchase (Maiyaki, 2011). Customer satisfaction can be very much beneficial for the company because, the cost of satisfying existing customers is less then attracting new customers (Fornell, 1992).

Banks also concentrate more on retention of their customers, the challenge faced by Islamic banks are uncertainty and ambiguity in Islamic laws (Naser, 1998). There are several choices available to each customer, like if one bank fails to offer good service quality and products (Kholi and Jaworski, 1990). An increase in the number of retained customers provides an increased percentage of profits (Rechheld and Sasser, 1990). In other words, customer satisfaction directly impacts profit. Customer satisfaction can be said to be the most important ingredient to establish customer loyalty.

2.1.4 Trust

Trust is a complicated term on which most researchers have conflicts on understanding the meaning. In terms of marketing Rousseau (1998) defined trust as a psychological state of

mind to accept everything based on your expectations. In general terms Mouraman (1993) defined trust as the courage to buy the same thing again and again and rely on your exchange partner for good trust.

Trust is the major key in developing the relation between customers and the bank. In marketing theory it is acknowledged as sustaining long term relationship with others (Crosby et al., 1990). It is important for the organization to build mutual beneficial relationship with customers on the basis of trust factor (Dayal *et al*., 2001). Generally, trust is an essential element for a successful relationship (Moormanet et al., 1993; Morgan and Hunt, 1994; and Berry, 1995). Morgan and Hunt (1994) explained that trust exists if one group has the confidence to engage themselves with the other party who is also trustworthy.

While Moorma (1992) presented his idea based on just one line that trust is willingness to engage in partnership. Further, researchers have shown that trust can be explained by two approaches. Firstly, trust is defined as confidence or expectation from the partner who they trust. Secondly, trust is intentional behavior which reflects partners trust, this involves the element of uncertainty (Moorman, 1993).

In Islamic banking industry trust is a very important part to build long term relationships with customers. But researchers have suggested that trust has different meanings in Islamic banking. Hanafi and Sallam (1997) defined trust as a moral obligation of each individual to fulfil their social and spiritual responsibilities. While, Ahmad (1997) stated the core concept of trust is accountability, trust is honesty and keeping your words. Therefore, value of honesty in Islamic banking is very important. However, Islamic banking encourages trust to be implemented in all

business transactions as well as trade. This approach explains that if the money is obtained from fraud it will not be acknowledged as a system of Islamic banking (Siddiqui, 1992)

2.1.5 Customer Loyalty

Loyalty is defined as a deeply held commitment from customers for a particular product or service which influences the purchasing power of the customer and repeated purchases are seen by getting attracted to particular products and neglecting others (Oliver, 1990). Whereas, Jacoby and Chestnut (1978) found loyalty as a strong commitment of attitude towards certain brands, he explained the fact that it is not important to just focus on new customers but also sustain the old ones and make possible efforts for their loyalty (Kim, 2004). Lovelock (1996) presented his idea on customer loyalty as a willingness of customers to shop from the same firm repeatedly and recommend it to other friends and family members. According to the behavioral view the definition and measurement of customer loyalty is based on the customer's actual purchasing power. The purchasing pattern is typically measured by purchases of certain brands among the total purchases in certain phases but Jacoby and Chestnut (1978) concluded that consistent purchasing can be invalid because some time people prefer convenience of buying rather than the brand so, it is important to emphasize on attitudinal part of loyalty.

As there are two main approaches of loyalty "behavioral approach" and "attitudinal approach". The behavioral approach is defined as a behavior of customers while attitudinal approach is defined as the psychological involvement of customers towards products and services (Zeithaml, 1996). Customer loyalty is considered to be the most important factor for the success and strong survival of firms. Customer loyalty brings a lot of benefits to the firm which

improves the profit levels of the firm by a reduction in the total cost of targeting new customers (Reicheld and Sasser, 1990).

Customer loyalty is one of the marketing research themes which has great importance for the managers, this growing interest is generally due to very strong competition in service industry, where there is a wide range of choices available (Stevens, 2000). According to Dimitriades (2006) loyal customers are defined as those customers who have favorable attitudes towards the organization.

Apart from profitability, customer loyalty plays an important role from the investment point of view in which loyal buyers and companies invest more in building a healthy and long term relationships which increases customer loyalty and reduces the risk (Ndubis, 2004).

2.2.1 Related literature on the relationship between service fairness and perceived service quality

Carr (2007) identified the relationship of service fairness and perceived service quality by saying that fairness is a key factor to access over all service quality. Equity theory argues that people are motivated after the comparison of the received outputs with others (Adma, 1965). The theory explains two points; one is undervalued outcomes, mean customers did not get what they perceived, secondly unbiased services are not provided to the customers. In both of the facts customer motivation will be lowered. Customers not only desire for expected service quality but also fair services (Ambrose et al., 2007). Whereas equity theory it also suggested that consumers want fair level of services and perceived service quality need to be provided as unbiased and to be consistent with the service by which the level of satisfaction is also raised.

Perceived service quality and fair services directly influences customer loyalty, with the increased number of purchases from a particular brand or service firms (Chebata and Slusarczyk, 2005). Studies of Carr (2007) suggested and supported that service fairness and perceived service quality have a positive relationship.

2.2.2 Related literature of the relationship between service fairness and customer satisfaction

Some researchers had argued that service fairness has a positive effect on customer satisfaction for example Smith et al. (1999) stated that distributive fairness is positively related to satisfaction of the customers. An integrated model "FAIRSEV" presented in the study entitled "The impact of financial services quality and farness on customer satisfaction" not only presents the direct relationship between service fairness and customer satisfaction but also with perceived service quality.

Firms always show greater importance to service fairness in order to increase satisfaction among their consumers. According to Winer (2001) the overall goal of every firm is to pay attention to customer satisfaction for all relationships programs. As Oliver (1997) stated, satisfaction is primary and is also the variable which is most affected in any kind of organization. Whereas service fairness is said to be the most important, followed by satisfaction because the evaluation is based on fairness in service through which satisfaction can be idealized or judged (Bagozzi, 1992; Lazarus, 1991).Whenever customers think that they have not been treated fairly

or the significance of services is not appropriate than usual the impact of satisfaction go negative (Carr, 2007).Thus service fairness has a positive relation with customer satisfaction.

Distributive fairness also affects the attitudes of customers and fair service has a positive effect on evaluation process of customers, which directly increases customer satisfaction for particular brands or service (Ambrose et al., 2007). Prior studies have suggested that procedural fairness enhances the factor of satisfaction among the customers (Seiders and Berry 1998; Ruiz et al., 2008). Whereas, Blodgett et al. (1997) argued that interactional and informational fairness are also positively associated with perceived service quality. Based on the equity theory service, fairness has a great direct influence on satisfaction thus showing a positive relationship.

2.2.3 Related literature of the relationship between service fairness and trust

Fairness is considered a necessary condition for trust Seiders and Berry (1998). Folger and Konovsky (1989) investigated that fair treatment leads to stronger trust among the new customers, while trust is also termed as central in constructing customer loyalty. People decide to be loyal when they trust a product or service (Sirdeshmuki, 2003 and Verhoef, 2002). Trust is the key element in maintain certain relationships like customer-organization relation (Konovsky and Pugh, 1994). A lot of researches have been conducted to examine how trust emerges in individuals. Researchers have found that distributive fairness and procedural fairness which are sub-variables of service fairness influences the factor of trust and decision making of customers (Folger and Konovsky, 1989).

In general terms, fair treatment leads to the development of trust. In service sector like banking, customers trust can be found by their willingness to depend or believe on the services providers or products offered. So, fair services by service provider increases trust and thus shows

a positive relationship between services fairness and trust (Mayer *et al.*, 1995). While, Henning-Tharau (2002) investigated that trust increases the reliability on product/ services of different firms.

Customers are conscious and sensitive to service fairness and when they perceive a lack of fairness, the willingness to believe or trust the service provider decreases. Their confidence and reliability level goes very low. Therefore, customer trust is strongly related to service fairness (Ambrose et al., 2007).

Researches proved service fairness has a positive relationship with trust .Oliver (1997) stated that people exert influence on the perception of others to build trust. A lot of theories like Social exchange theory also work as mediating factors between satisfactions as (Andaleeb, 1996) points that when any party trusts a source they feel the sense of security which ultimately leads to trust. In the service sector, researchers support a positive link between service fairness and trust (Carr, 2007).

2.2.4 Related literature of the relationship between perceived service quality and customer satisfaction

In service sector there has always been confusion between the relationship of service quality and customer satisfaction. To know its importance is very necessary for managers and the entire organization in order to satisfy customers by trying to provide the highest level of service quality (Cronin and Taylor, 1992).

Several researchers have tried to identify the state of the relationship; Parasuraman, Zeitham and Berryl (1985, 1988) presented that a high level of perceived service quality will result in increased customer satisfaction; in contrast most recent researchers say that satisfaction is an

antecedent of perceived service quality. Bitner (1990) further analyzed the path between satisfaction and service quality in the structure equation. Bitner (1990), Parasuraman (1988), Zeithmanl (1990) stated that both the terms focus on the idea of comparison which are received to the set standards in the minds that they had perceived. Researchers usually use different standards to analyze the level of satisfaction. Whereas perceived service quality is also generated when people decide what they want, while comparing it with what they need to get. Oliver (1993) suggested that perceived service quality was identified with six sub variables; tangibles, reliability, responsiveness, assurance, empathy and compliance.

2.2.5 Related literature of the relationship between perceived service quality and trust

Service quality is related to a feeling and attitude which is experienced when the service is provided by the banks. A customer forms a perception of the service being provided; by his/her own experience (Gale, 1994). Customer's trust is related to service quality assurance which mainly helps to increase the factor of trust when two parties are unknown to each other and have never interacted before (Muknight, 1998). Parasraman (1988) very nicely combined the words by stating that trust in the service itself shows these variables are closely related and show a positive relationship.

Whereas, Berry and Parasuraman (1991) found that the customer-company relationship requires trust and that the degree of trust is defined as, a fundamental building block of a relationship. Many studies have indicated that better or good service quality has a positive impact on commitment. In the study conducted on the banking sector assessed that service quality and trust have a positive relationship with each other (Bloemer et al., 1998; Ehigie,

2006). In another study Yavas et al. (2004) investigated service quality link with commitment and its positive impact on trust.

2.2.6 Related literature of the relationship between perceived service quality and customer loyalty

As Oliver (1999) has defined customer loyalty as repurchasing of a particular product or service which they prefer among others. So in that case loyalty will be generated when perceived service quality is favorably delivered, customers will maintain loyalty until any negative thing happens (Selnes, 1993). Customer loyalty plays a mediating role between perceived service quality and satisfaction; in marketing, perceived service quality is found to be the main driver of behavior related to customer loyalty (Fullerton, 2005).

Zeithaml (1996) assessed loyalty as the willingness to pay for whatever you have perceived to get for any product and service, which shows a positive relationship.

Loyalty can develop the urge to pay more. Loyalty is determined as a strong attitudinal commitment which is both mandatory as well as a prerequisite of customer loyalty (Jacoby and Chestnut, 1978). As Kim et al (1994) stated the fact that retaining existing customers by investing in enhancing the product value or service quality is the most effective strategy in the business world. This shows that by providing good quality of service, customer loyalty will increase.

Many empirical studies have been done to understand the relationship between service quality and customer loyalty. Past researches like those in the brick and mortar service context suggested that by improving service quality, loyalty will be generated among the people using services and products (Chu and Lu, 2009; Dick and Basu, 1994).

In the concept of banking the relationship is technical, therefore Lin and Sun (2009) reported a direct relationship between perceive service quality and customer loyalty. Zeinthaml et al., (1996) found a positive relationship between service quality and willingness to pay more which is loyalty. Chow et al., (2007) carried out a research which showed that higher level of service quality in service industry impacted loyalty and it was positively associated with each other. Whereas, Cronin and Taylor 1992 stated that service quality has no significant impact on repurchase intention. He cleared the fact that the association of perceived service quality differs from one industry to another.

Jung et al., (2010) studied and supported the satisfaction loyalty model and stated that service quality affected both satisfaction and loyalty.

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2.2.7 Related literature of the relationship between customer satisfaction and trust

In the world of research results appear to be mixed in the context of the relationship between customer satisfaction and trust. Firstly it has been observed that trust is prior /antecedent of satisfaction (Andaleeb, 1998 and Geyskens, 1998). On the contrary Ganesan (1994), John and Reve (1982) determined that satisfaction was an important variable to judge trust.

In the marketing field a lot of studies have been made in determining the relationship between satisfaction and trust. According to Johnson and Grayson (2005), satisfaction has a multi-dimensional nature; experiencing certain level of satisfaction contributes to both forms of trust that is both cognitive and affective.

In the service context, the results of the empirical studies show that satisfaction results from the interactions between customers and service providers, which is done on the basis of trust factor. Geyskens et al., (1999) and Odekerken-Schroder (2002) suggested that satisfaction indeed precedes trust, so satisfaction is considered to be an antecedent of trust. A majority of the researchers have stated that satisfaction is an antecedent of trust. Customer satisfaction is defined as an emotional state of mind in which the customer starts comparisons between expectation and consumption during the emotional judgment of any service made (Westbrook and Oliver, 1991).

2.2.8 Related literature of the relationship between trust and customer loyalty

The importance of trust in building customer loyalty is yet explained by a lot of authors like (Chaudhuri and Holbrook, 2001), (Chiou and Droge, 2006) and (Rauyruen, 2007). Chiou and Droge (2006) investigated the relationship between trust and the two dimensions of loyalty, i.e. attitudinal and behavioral loyalty. The results of the study showed that trust and customer loyalty

are positively related by the mediating effect of attitudinal loyalty. In the business world, trust has an influence customer loyalty which consists of both types of loyalty. As Rowyruen et al., (2007) stated that customer trust influences the dimensions of loyalty. As in this study, attitudinal and behavioral loyalty is determined by only one variable that is customer loyalty.

Chaudhuri and Holbrook (2001) explained that trust usually determines customer loyalty in terms of brands or other things in a study of expensive and luxurious cosmetics goods. . Chiou and Droge (2006) presented their idea after a series of researches that trust and customer loyalty, were positively related.

2.3 Previous studies

Kishada and Wahab (2013) studied the factors affecting customer loyalty in Islamic banking, with evidence from Malaysian bank. The objective of the study was to analyze the factors which influence customer loyalty in Malaysian banks. The researchers had collected the data through the survey method from customers of two Islamic banks in Malaysia by using the questionnaire as an instrumental tool. The researcher has used convenience sampling method and distributed over 250 questionnaires among the customers of the banks. The researcher got 124 questionnaires back as responses from customers. In the research reliability of the data and hypothesis were tested using SPSS 17.0 software. Questionnaires were designed to measure the answer on a five point Likert scale from one= strongly disagree to five=strongly agree. The results of the descriptive statistics showed that respondents displayed a positive level of satisfaction and loyalty. The results of the study by using multiple regression explained that the

one factor which is associated with customer loyalty is trust. Trust has a positive influence on customer loyalty.

Zial, Nigar and Muslim (2010) conducted a research in Malaysia on the effect of trust, customer satisfaction and image on customer loyalty in Islamic banking. The purpose of the study was to investigate the role of customer trust, satisfaction and image in influencing Malaysian Islamic bank customer loyalty. The study was carried out by comparison of two types of banks one Islamic bank and the other dual window bank in Malaysia. The researcher designed the questionnaires to get the response of customers from four branches, two from the Islamic bank and another two from a dual window bank. Quota sampling technique is used by the researcher in order to determine relevant characteristics of respondents. A total of 600 questionnaires were distributed and 440 were returned back. The data was analyzed by using square multiple-correlation. The findings of the research showed that there were no significant differences between Muslim and non-Muslim customers on customer satisfaction, image, and trust and customer loyalty at Islamic banks. Image was found to be positively significant to trust and the highest level of trust leads to enhanced customer loyalty. The results showed that both Muslim and non-Muslim customers trusted Islamic banks.

Mumin, Hassan and Amar Lo (2008) investigated and examined perceived justice and customer loyalty in the retail banking sector in UAE. In the study, the impact of three dimensions of justice (distributive, interactional and procedural) on consumers post behavior that is loyalty of both conventional and Islamic banking, which was investigated. The researcher used convenience sampling as a sampling procedure for the study. Questionnaires were used in the

study as data collecting tool, where 500 questionnaires were equally distributed in conventional and Islamic banks of UAE. 300 questionnaires were returned back which represents 60% of response rate. The results of the study show that procedural justice has no impact on either negative/positive emotions of customers. It does not have any influence on loyalty of Islamic bank customers or on conventional bank's customers.

Goshi and Kailash (2009) studied the impact of service quality on customer loyalty, commitment and trust. The study was conducted in India on private and public sector banks. The objective of the study was to examine the strength of association between service quality and customer trust, loyalty and commitment. The study was conducted using the exploratory framework and using the survey method and by distributing questionnaires to collect data from the customers of the banks. A total of 300 questionnaires were distributed in both sectors, both ins private and public sector banks in West Bengal. In the study, the data was analyzed by using multiple regression analysis (MRA) and analysis of variance (ANOVA). The sampling method used in the study was purposive sampling according to which the researcher conducted research in 5-public sector banks and 3-private sector banks. The results of the study showed that service quality such as assurance, tangibility, reliability, empathy significantly predicted customer trust and commitment. The results also proved that service quality was positively associated with customer loyalty. According to the results, private bank customers were more loyal and committed to their banks, as they received better service quality in comparison. In general, this research can be beneficial for public sector banks to regain and win back customer loyalty to perform and compete well in the banking sector.

Hafeez (2010) studied the impact of service quality, customer satisfaction and loyalty programs on customer loyalty in the banking sector of Pakistan. The aim of the research was to analyze the fact that enhanced service quality, satisfaction and loyalty programs can increase loyalty of customers in the banking sector. As, a lot of researchers have indicated the importance of service quality, satisfaction and loyalty in increasing customer loyalty. The target population of the research was people who had accounts in banks. A total of 400 questionnaires were distributed using the five-point Likert scale as a measurement scale for the questionnaires. The data in the study was analyzed by using SPSS 20 version. As the results of the study showed that all variables like service quality, customer satisfaction and loyalty programs have strong effect of customer loyalty. In general terms this study can also be used in improving service quality of banks to enhance customer loyalty.

Omar (2011) studied the interaction between service quality attributes, customer satisfaction and customer loyalty in the retail banking sector in Bangladesh. The main purpose of the study is to find the interrelationship between; service quality attributes customer satisfaction and customer loyalty in the banking sector of Bangladesh. The data for the study was gathered from the retail banking customers in Bangladesh. The sample size consisted of 100 customers, who were using Islamic retail banking in different banks of Bangladesh. According to Aderson (1998) the sample size of the study was taken.

Questionnaires were used as the instrumental tool with a five point liker scale in the research. The results showed that all the service quality attributes were positively related to customer loyalty in retail banking of Bangladesh. According to the results of the study empathy was the strongest among all. Tangibility showed the least positive correlation with customer satisfaction.

Table 2.1: Summary of the previous studies

Article	**Authors**	**Methodology**	**Key Findings**
Factors effecting customer loyalty in Islamic banks of Malsysia	Kishada and Wahab (2013)	• 250 questionnaires • Regression analysis	• Trust is the most significant and positive variable which affects customer loyalty • Indications for the banks to build trust in order to attract more customers to banking sector
The effect of trust, customer satisfaction and image on customer loyalty in Islamic banking : case study of Malaysian Banks	Hoq, Ziaul, Sultana, Nigar, Amin and Muslim (2010)	• 660 questionnaires were distributed • Squared multiple correlation	• Image is positively significant to trust. • Higher level of trust will leads and enhance customer loyalty

Perceived justice and customer loyalty in retail banking sector in UAE	Mumin, Hassan and Amar (2008)	• 500 questionnaires • EQS software program	• Procedural justice has no impact on either positive/negative and exit loyalty behavior of either Islamic banking consumer or commercial banking consumers
The impact of service quality on customer loyalty, commitment and trust in India	Goshi and Kailash (2009)	• 300 questionnaires • Multiple regression • ANOVA	• Service quality is positively associated with customer loyalty • Private bank sector customers were more loyal then public banks
The impact service quality, customer satisfaction and loyalty programs on customer loyalty in Pakistan.		• 400 questionnaires • SPSS 20	• The most important factor in enhancing customer loyalty are satisfaction, service quality and loyalty Programs. • Region moderates the interaction between awareness, compatibility and complexity

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			• Region and religion play a vital role in influencing intention of customers
Interrelation between service quality attributes, customer satisfaction, and customer loyalty in the retail banking sector of Bangladesh	Omar (2011)	• 100 questionnaires • Pearson's correlation coefficient	• Service quality attributes were positively related to customer loyalty in retail Islamic banking of Bangladesh.

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Chapter 3

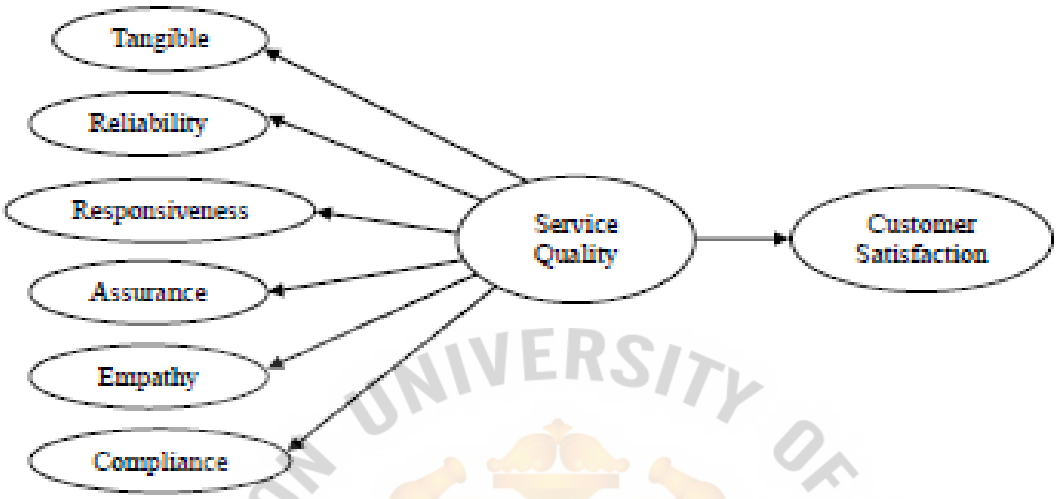
RESEARCH FRAMEWORK

This chapter provides the details of the research framework. In this chapter, the theoretical framework and variables to be studied are described. Therefore, the researcher develops a conceptual framework to study the relationship of variables and explain them. All the hypotheses in the research focus on the relationship between different variables in the conceptual framework. Operationalization of the table is also provided and explained in this chapter.

3.1 Theoretical Framework

In this part the researcher has applied three research models to develop the conceptual framework. The first research model was developed by Amin and Isa (2008) who studied "An examination of the relationship between service quality perception and customer satisfaction". The second model was developed by Chen, Liu, Sheu, and Yang, (2012). They studied the "Impact of financial services quality and fairness on customer satisfaction". The third research model was developed by Butt and Aftab (2012) who studied "Incorporating attitude towards Halal banking in an integrated service quality, satisfaction, and trust and loyalty model in online Islamic banking context. The details are on next page:

Figure 3.1: The research model of an examination of the relationship between service quality, perception and customer satisfaction



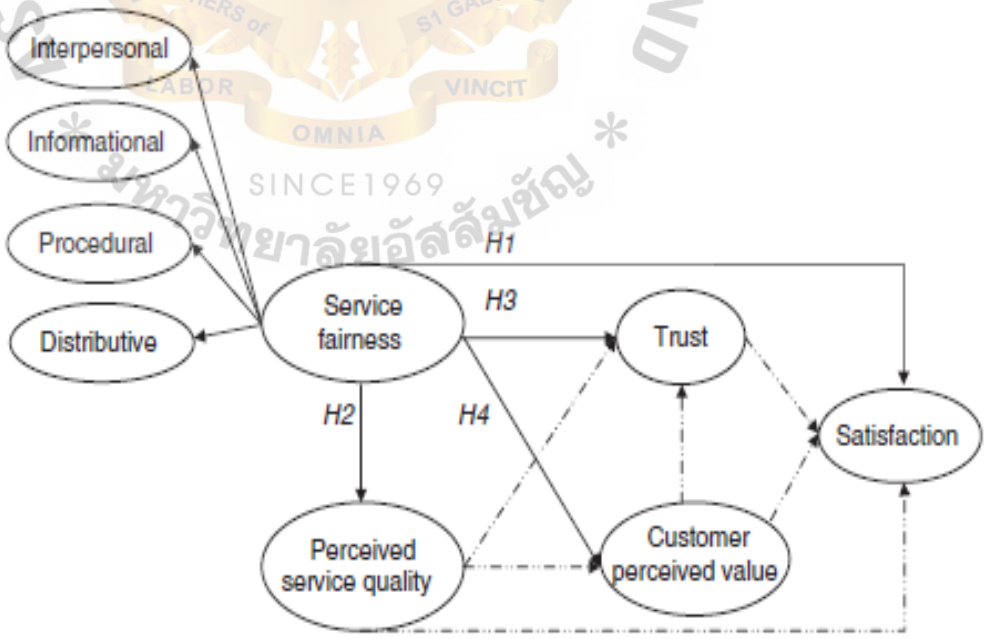
Source: Amin, M., and Isa, Z. (2008). An examination of the relationship between service quality perception and customer satisfaction, *Journal of Islamic and Middle Eastern Finance and Management*, 1 (3), 191-209.

Amin and Isa (2008) examined the relationship between service quality perception and customer satisfaction, a SEM approach towards Malaysian Islamic banking. The purpose of the study was to measure the service quality perception of Islamic banking customers and to examine the relationship between service quality and customer satisfaction in the context of Malaysian Islamic banking. The SEM approach is used to test the framework that customer satisfaction was influenced by the perception of Islamic banking service quality. The research used quota sampling technique for the study, which is used to represent certain characteristics of respondents which can be approximately the same as a proportion of the population. According to which the researcher selected four branches, two fully fledged Islamic banking branches and

two dual window banking branches for the comparison of the study. There were 440 valid responses from the respondents where a total of 660 questionnaires were distributed. The survey data was tested by CFA model to examine measurement using AMOS 5. Secondly squared multiple correlations are used to measure each indicator. Thirdly, T-test is used to show the mean between Muslims and non-Muslims for the significance service quality dimension.

The results showed that both Muslims and non-Muslims understood the Islamic banking terminologies. Malaysian customers showed good understanding of products and services offered by Islamic banks. The term such as *riba* (84%), mudharabah (75%), murabahah (61%) and ijarah (64%) are understood. But about 27% of Muslims respondents could not define the meaning of riba and mudharabah and showed little understanding of ijarah and murabahah.

Figure 3.2: The research model of "The impact of financial services quality and fairness on customer satisfaction".



Source: Chen, G. H., Liu, J. Y. C., Shue, T.S., and Yang, M. H. (2012). The impact of financial services quality and fairness on customer satisfaction, *Journal of Managing Service Quality*, 22 (4), 399-421

Chen *et al.* (2012) investigated the impact of financial services quality and fairness on customer satisfaction. The objective of the study was to build understanding of how service fairness perception can influence service quality. The researcher used cross-sectional questionnaire survey on the customers from the financial industry in Taiwan. The confidentiality was assured before the questionnaires were distributed to customers of different financial industries with a total of 550 questionnaires distributed from which only 420 valid responses were obtained. Data for the study was analyzed by PLS analysis for its flexibility. The results of the study showed that service fairness had a positive direct influence on customer satisfaction, perceived level of service quality, trust and customer perceived value. In general, the results showed that consumers were interested in equal and fair treatment which creates a direct relationship between service fairness and customer satisfaction.

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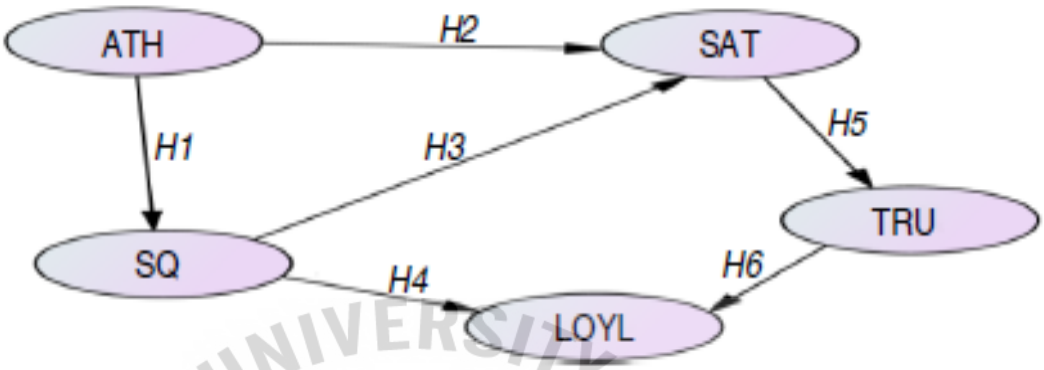
Figure 3.3: The research model of "Incorporating attitude towards Halal banking in an integrated service quality, satisfaction, and trust and loyalty model in online Islamic banking context"



Notes: ATH, attitude towards *Halal* banking; SAT, satisfaction; SQ, service quality; TRU, trust; LOYL, loyalty

Source: Butt, M. M., and Aftab, M. (2012). Incorporating attitude towards Halal banking, satisfaction, trust and loyalty model in online Islamic banking, *Journal of Bank Marketing,* 31 (1), 6-23

Butt and Aftab (2012) studied the incorporating attitude towards Halal banking in an integrated service quality, satisfaction trust and loyalty model in online banking context. The purpose of the study was to empirically investigate the influence of consumer attitude towards halal banking on e-service quality and e-satisfaction in online banking context. Questionnaires were used as an instrumental tool for the study, which was designed to collect data from users of online banking services in Pakistan. Convenience sampling was used to select the sample from target population that is customers from six Islamic banking branches in Pakistan who provides online banking services. 350 questionnaires were distributed out of which only 292 were returned. The procedure used to test the data of the study was structured equation modelling. The results of the study suggest that attitude towards Halal banking positively influenced perceived e-

service quality and overall e-satisfaction. Perceived e-service quality increases customer satisfaction and loyalty towards Islamic banking of Pakistan whereas, e- trust mediates the relationship between satisfaction and loyalty. In general, the results of the study showed that understanding of any specific religion can positively influence the assessment of bank and enhance overall satisfaction.

3.2 Conceptual Framework

With the following chart of the conceptual framework, the researcher tried to get the image of the relationship of different variables which are service fairness, perceived service quality customer satisfaction, trust and customer loyalty. In the research the dependent variable is customer loyalty, the mediating variable is perceived service quality and service fairness, customer satisfaction and trust are independent variables. Service fairness has a relationship with perceived service quality, customer satisfaction and trust whereas perceived service quality has relationship with customer satisfaction, trust and loyalty. Customer satisfaction has a relationship with trust and trust is related to loyalty.

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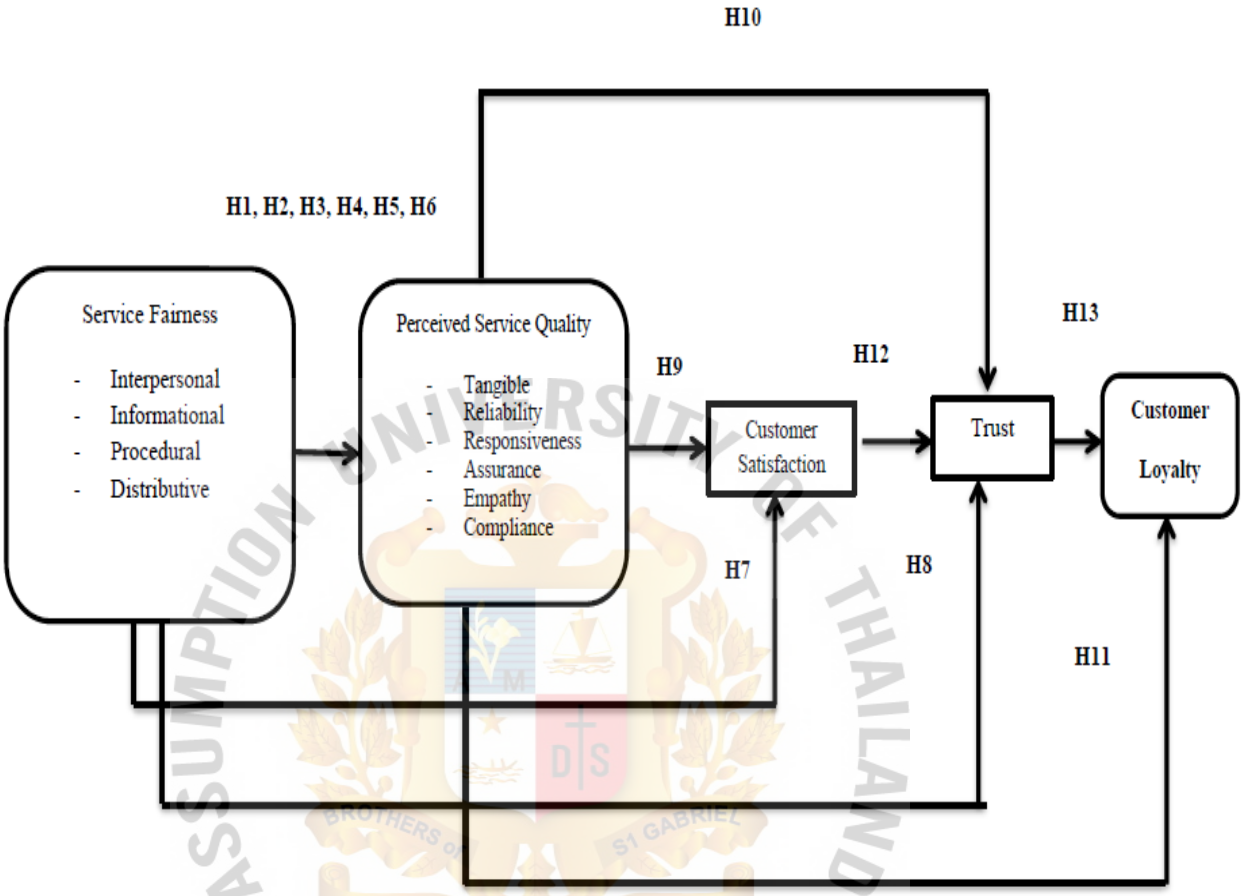
Figure 3.4: Conceptual Framework



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Research Hypothesis

Zikmund (2003) stated that hypothesis is a statement or an unproven proposition which is based on the conceptual framework. The researcher has set a total of 13 hypotheses in the research which is explained below;

Part 1: Hypothesis between Service Fairness and Perceived Service Quality

$H1_o$: Perceived service quality in terms of tangibles is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness

$H1_a$: Perceived service quality in terms of tangibles is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness

$H2_o$: Perceived service quality in terms of reliability is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness

H2a: Perceived service quality in terms of reliability is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness

$H3_o$: Perceived service quality in terms of responsiveness is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness

$H3_a$: Perceived service quality in terms of responsiveness is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness

$H4_o$: Perceived service quality in terms of assurance is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness

$H4_a$: Perceived service quality in terms of assurance is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness

$H5_o$: Perceived service quality in terms of empathy is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness

$H5_a$: Perceived service quality in terms of empathy is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness

H6o: Perceived service quality in terms of compliance is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness

$H6_a$: Perceived service quality in terms of compliance is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness

Part 2: Hypothesis between Customer Satisfaction and Service Fairness

$H7_o$: Customer satisfaction is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness

H7a: Customer satisfaction is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness

Part 3: Hypothesis between Trust and Service Fairness

$H8_o$: Trust is not influenced by service fairness in terms of interpersonal, information, procedural and distributive

H8a: Trust is influenced by service fairness in terms of interpersonal, information, procedural and distributive fairness

Part 4: Hypothesis between Customer Satisfaction and Perceived Service Quality

H9o: Customer satisfaction is not influenced by perceived service quality in terms of tangible, reliability, responsiveness, assurance, empathy and compliance

H9a: Customer satisfaction is influenced by perceived service quality in terms of tangibles, reliability, responsiveness, assurance, empathy and compliance

Part 5: Hypothesis between Trust and Perceived Service Quality

H10o: Trust is not influenced by perceived service quality in terms of tangibles, reliability, responsiveness, assurance, empathy and compliance

H10a: Trust is influenced by perceived service quality in terms of tangibles, reliability, responsiveness, assurance, empathy and compliance

Part 6: Hypothesis between Customer Loyalty and Perceived Service Quality

H11o: Customer loyalty is not influenced by perceived service quality in terms of tangibles, reliability, responsiveness, assurance, empathy and compliance

H11a: Customer loyalty is not influenced by perceived service quality in terms of tangibles, reliability, responsiveness, assurance, empathy and compliance

Part 7: Hypothesis between Trust and Customer Satisfaction

H12o: Trust has no relationship with customer satisfaction

H12a: Trust has a relationship with customer satisfaction

Part 8: Hypothesis between Customer Loyalty and Trust

H13o: Customer loyalty has no relationship with trust

H13a: Customer loyalty has a relationship with trust

Table 3.1: Operationalization of the variables

Variable	Concept of Variable	Operational Component	Measurement Scale
Services fairness	Service fairness is an evaluative judgment about the treatment provided by others (Adam, 1965) which is divided into four sub-variables		
Interpersonal fairness	Interpersonal fairness is defined as a fairness which is related to showing concern for people in accordance with how the outcomes are being distributed (Greenberg, 1993) It further describes that all customers should be treated with same level of sincerity.	- Employees in the bank are polite - Employees in the bank are respectful - Employees in the bank treat customers with dignity - Employees in the bank are courteous	**Interval scale**
Informational Fairness	Informational fairness is defined as providing knowledge on procedures that demonstrate regard for customer concern (Greenberg,1993)	- Employees in the bank give timely and specific explanation - Employees in the bank give thorough explanation Employees in the bank provide reasonable information - Employees in the bank	**Interval scale**

		tailor their explanations to customer needs	
Procedural Fairness	Procedural fairness is defined as fairness of policies and procedures that will contribute to outcome of acceptable principles. Like no one should be allowed to skip the head of the queue when waiting for service. (Lind and Tayler, 1988)	- The process of wording with employees in the bank is generally fair - The activities of the employees are conducted without bias - The process involving employees in bank attempts to meet all customer needs - The procedures used by the employees in the bank are consistent across customers	**Interval scale**
Distributive Fairness	Distributive fairness is defined as cognitive, affection and behavioral reaction to the results from the source. (Cohen-Charash and Spector, 2001)	- Employees in the bank helps all customers get the outcomes they need without favoring any one group - Employees in the bank produce desired results for all customers without bias of any kind. - Employees in the bank deliver good outcomes for all customers without bias of any kind - In general, employees in the bank deliver reasonable results for all customers	**Interval scale**

Perceived Service Quality	The overall assessment about the inferiority or superiority of a service (Wang et al ., 2004) Which is further divided into six sub-variables.		
Tangible	Parasuraman (1988) defined *tangible* as a physical facilities, equipment and appearance of personnel	- Visually appealing materials associated with services - Speed and efficiency of transactions - Bank has convenient opening business hours	
Reliability	Reliability is defined as the ability to perform promised services which is accomplished on time, reliable services are customer expectations Ngandee (2000)	- Bank keeps its records accurately - The bank employees provide services at the promised time - When you have a problem bank is able to solve the problem and offer their cooperation - A wide range of products and services are provided - Availability of general takaful (insurance) facilities	**Interval scale**

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Responsiveness	Responsiveness is defined as the willingness to help customers and to provide them prompt service. (Ngandee,2000)	- Employees of banks are always willing to help customers - Employees of the bank respond to customer requests promptly - Fast and efficient counter services - Bank provides more branches to open up	**Interval scale**
Assurance	Assurance is defined as employee's knowledge, courtesy and ability to build trust and loyalty in customers. (Ngandee,2000)	- Employees of the bank are polite and the staff are friendly - The bank employees are knowledgeable and give precise answers to our inquiries - Bank provides customer data confidentiality - Bank provides financial advice	**Interval scale**

Empathy	Empathy is defined as individual attention from the service providers to their customers. (Ngandee,2000)	- Availability of internet banking facility - Availability of ATM machines which are easily accessible - 24 hours availability of ATM services - Availability of credit on favorable terms - The bank employees give personal attention - The bank provides lower service charges	**Interval scale**
Compliance	Compliance is defined as to followed which has been ordered, in Islamic banking in refers to activities based on Shria. (Amin and Isa, 2008)	- Provision of free interest neither paid nor taken - Availability of zakat (alms tax) payment facility - Provision of profit sharing investment product - Provision of free interest loans	**Interval scale**

Customer satisfaction		- I am generally pleased with my banks online services. - I am satisfied with my banks online services	**Interval scale**
Trust		- I am prepared to give private information to the bank. - My bank is professional in online banking. - My bank always fulfills the promises.	**Interval scale**
Customer Loyalty		- I will recommend Islamic bank of Thailand to other people. - I would recommend my bank website to others. - I intend to continue using my bank online services. - I will prefer Islamic Bank of Thailand above others.	**Interval scale**

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Chapter 4

Research Methodology

The purpose of this chapter is to provide an overview of the methods which are being used to conduct the research. This chapter consists of six sections which are described in detail below. The first section provides the information about the method of research. The second section provides the information about target population, sample size, sample unit and sampling procedure being used in the research. The third section identifies the development of questionnaire which is also known as the research instrument. The fourth section is the pre-testing of questionnaires which further checks the reliability of all the questions in the questionnaires. The fifth section identifies the data collection and the last section shows the statistical treatment of the data being input.

4.1 Methods of Research Used

In the research, the researcher has used descriptive research because it is used to analyze factors which may or may not affect the other variables. Descriptive research is defined as observations of factors to interpret the array of data and generate opinions by elaborating patterns and hypothesis (Krishnawamy, Sivakumar & Mathirajan, 2009). Creswell (1994) stated that descriptive method is used to gather information and emphasizing more on describing rather judging present conditions. According to John (2002) who stated a fact that research is a systematic and objective analysis of controlled observations that may lead to the development of the organization, principles and possibility of ultimate control of events. It is a systematic way to find the solution of different problems (Kothari, 2002). In other words Jaksoz (2009) defined

descriptive research as the data and characteristics of the population which has to be studied. The purpose of descriptive research is to obtain an accurate profile of the people, so, the researcher investigated the collection process before it was carried out.

Nowadays, as a result of the growth in the banking sector both types of banking are getting attention, both conventional as well as Islamic banking. Islamic banking is gradually growing, not only in Muslims countries but also in other parts of the world. Customer demands are high from the services being provided. As the leading Muslim bank in Thailand is Islamic bank of Thailand therefore the importance of understanding customer loyalty toward the bank is important to keep leading in the market. The descriptive method is most suitable for the study because it can identify and interprets the characteristics of customer loyalty towards Islamic bank of Thailand. The researcher is clear about the population, variables and data which have to be collected.

Secondly, the researcher has applied survey the method in the study. Survey is defined as data collection process to gather information about individuals. Surveys are used to research self-report data on information about individuals (Marx, 1999). Surveys can be administered in couple of ways. In this study, researcher has distributed questionnaires as tool for data collection from the respondents. As Bourgue and Fielder (1995) stated that questionnaire survey can be used only when the objective of the study is clear and not complex.

4.2 Respondents and Sampling Procedures

4.2.1 Target Population

McDaneil and Gates (1998) defined population as the mean of the total group from where the information is collected. Malhotra and Bricks (2006) presented that target population serves as a set, on which the research is conducted and justifies the result. According to Sekaran (1992) the target population is a total group of people with similar interests.

In the study the researcher has investigated customer loyalty of people using Islamic Bank of Thailand in Bangkok. In Thailand there are 106 branches of Islamic Bank of Thailand whereas; presently in Bangkok city 38 branches of Islamic Bank of Thailand are found. As the researcher has conducted research in Bangkok, so branches of Bangkok city are considered for this study. In the study, the researcher has selected the top four branches that have maximum numbers of transactions per day and ranked accordingly (interviewed the manager of Islamic Bank of Thailand on 4, April 2014). Transactions in the bank are of different types, like deposit or withdraw funds from ATM, funds deposits, online withdraws, transfer and many more. On the basis of all the transactions type, Islamic bank of Thailand in Bangkok city is ranked in table 4.1

Table 4.1: Target population

Rank of Islamic Bank of Thailand in Bangkok	Number of transactions per day
1. Head office asoke	250-300
2. Khlongton branch	200-300
3. Srinakarin branch	150-200
4. Central world branch	100- 200

Source: interviewed the manager Miss Sirirat of Islamic Bank of Thailand on 4, April 2014.

The researcher conducted the research, taking information from people who have accounts in Islamic Bank of Thailand in order to understand the intentions of people and their loyalty towards the bank. The purpose of selecting the population from Islamic Bank of Thailand is to find what people perceive from Islamic banking and are they satisfied by services and products offered by bank in accordance with Islamic norms. As Davis and Cosenza (1993) claimed that a population refers to complete set of unit which has to be analyzed. Whereas, Zikmund (1997) stated that population is a group of people who share same common characteristics or features. In this research the researcher has focused on the customers of Islamic bank of Thailand who used the products and services of the bank, as the target population.

4.2.2 Sample unit

Gilbert (1999) defined sample unit as group of people who takes part in the study and represent the whole population. The researcher has taken target population on the basis of individual respondents due to which the sample unit will be same as the population from which it has been taken. The target population of the research is Islamic Bank of Thailand; the researcher has selected this bank because the rules, regulations, norms and profit sharing in Islamic system of banking are totally different from the commercial banking. Islamic banking has becoming popular in different parts of the world that's why it is important to know how the management should be organized to serve customers and which factors can be more helpful in maintaining loyalty and increase customer satisfaction. In this study, sampling unit refers to all the customers from the following four branches who were respondents to the questionnaires.

- Islamic bank of Thailand Head office, Asoke
- Islamic bank of Thailand Khlongton branch

- Islamic bank of Thailand Srinakarin branch
- Islamic bank of Thailand Central world branch

4.2.3 Sample Size

Sample size is based on sample unit; the researcher has determined the sample size above. As sample size is defined as number of respondents who are being studied to refer to the whole population (McClave, 2006). Sample size serves as representative of the whole population as to study whole population is not so easy task, for the convenience sample size was utilized in order to generalize it to the whole population. As in this study the researcher could not get the exact numbers of customers who have accounts in Islamic Bank of Thailand as per the confidentiality of the bank this information cannot be publicized. So in order to get appropriate sample size the estimation has been made by the help of a formula developed by (Berenson and Levine 1999). According to which, the respondents were chosen at 95% of confidence level and 5% is taken as sampling error.

Formula: $n = Z^2 p (1-p) / E^2$

Where:

n = number of sample size

Z^2 = the square of the confidence level in standard error units

p = the population proportion in this research, which is estimated by the percentage of respondents that is supposed as 50% or 0.50 (Vanichbuncha, 2003)

1-p = the estimated proportion of failure

E^2 = the square of the allowance for error.

With the unknown population of account holders in Islamic Bank of Thailand in Bangkok, the researcher set that Z =1.96 of 95 % confidence level, and estimated proportion of success: p = 0.50, allowance for error: E = 0.05, respectively. Hence, the calculation for fixing the total sample size is that:

$$n = Z^2 p (1-p) / E^2 = (1.96)^2 (0.5) (0.5) / 0.05^2 = \underline{384.16 \approx \mathbf{385}}$$

This means the sample size of the study will be approximately 385. However, the researcher finding should be round up (Mcclave, 2004). The researcher has used 388 questionnaires for the study.

4.2.4 Sampling Procedure

It is a very important part of the research in which the researcher selects which procedure to follow for conducting the research. There are two methods of sampling, one is probability sampling and the other is non-probability sampling. Probability sampling is a controlled procedure in which the whole element of the population has been given a non- zero chance to select their preference for a particular research (Cooper and Schindler, 1998).

Whereas non-probability sampling depends on the decision and judgment of a researcher, it provides an ease and convenience of conducting research to the researcher (Zikmund, 2003)

Non-Probability Sampling

In this research, the researcher has used the second method of sampling procedure which is non-probability sampling. Precisely simple random sampling is being used which means convenience and judgmental sampling procedures.

Stage 1: Judgmental Sampling

This type of sampling is defined as, a decision or judgment made by the researcher as per his/her own experience (McCormack and Hill, 1997). The researcher has used the Islamic Bank of Thailand as per his personal judgment. While Sekaran (1992) stated that judgment sampling is a kind of non-probability sampling in which the individuals have the right to select the sample. There are certain judgments which are taken by the researcher for this study like the selection of Islamic Bank for the purpose of research and secondly selecting the top 4 branches that have maximum numbers of transactions per day out of 38 branches of Islamic bank of Thailand in Bangkok.

- Islamic bank of Thailand Head office Asoke
- Islamic bank of Thailand Khlongton branch
- Islamic bank of Thailand Srinakarin branch
- Islamic bank of Thailand Central world branch

Stage 2: Quota Sampling

Quota sampling is also known as a purposive sample or a non-probability sampling in which the objective is representative (Abrahamson, 1983). Quota sampling allows the researcher to control variables without having a sampling frame. Quota sampling is used to determine the number of each area's respondents. Also Sekaran (1992) suggested that the quota sampling

method would be used to represent the subgroup of the population. In this research, in each place, the researcher distributed questionnaires to 100 respondents by using the stage 3 sampling method.

Total number of sample size / Four branches of Bangkok = 400 / 4 = 100 for each area as shown in the following Table 4.1

Table 4.2: Four Selected Sampling Places

	Area	**Place**	**The number of sample size**
1	Sukhumvit 21, North Khlongtoey,Wattana, Bangkok	Asoke (Head Office)	100
2	Khlong Ton	Khlong Ton branch	100
3	Srinakarin	Srinakarin branch	100
4	Siam	Central world	100
TOTAL			400

Stage 3: Convenience Sampling

The convenience sampling procedure is one of the types of non-probability sampling. In this the researcher has the freedom to collect data from the ones who are easily available or using any inexpensive techniques. As Zikmund (2003) stated that convenience sampling occurs when the

researcher collects data from the respondents who are coincidently around or finds an easy and inexpensive ways to collect data from the respondents to apply on the whole population. The researcher has used convenience sampling for this research by gathering the data from questionnaires from the customers who were available in the bank at any point of time. Around 400 questionnaires were distributed in four branches of Islamic bank of Thailand with limited time budget and labor.

4.3 Research Instruments/Questionnaire

In the research the researcher has used questionnaire as the tool of data collection from the target population. The questionnaire is designed as per the set hypothesis in which every variable contains questions. The researcher has made questions in two languages Thai and English. Thai questionnaires were designed as the customers of the Islamic Bank of Thailand were not much familiar with English language. The questionnaire was divided into four parts. In the study, the researcher has used a set of questions to get the response from the respondents.

In part two and three of the questionnaire, there was a total of 48 items used five point Likert scale. Likert scale was developed by Rensis Likert in 1932. It includes five responses which respondents choose according to the level of agreement. Five point Likert scale measurement is shown below:

1= Strongly Disagree

2= Disagree

3= Neutral

4= Agree

5= Strongly Agree

Likert scale is the most commonly used format now days. . Zikmund (2003) stated that the Likert scale is highly reliable when it comes to the ordering of people with regard to a specific attitude. Also, the benefit of utilizing the scale is that it could indicate the amount of agreement or disagreement with a variety of statements as for attitudes or objectives (Davis & Consenza, 1993)

Part 1: Screening Question

The first part of the questionnaire contained a screening question which is set in order to know that whether the respondent have account in the bank or not. If the answer is “No” the respondent cannot proceed forward, because the research is conducted on the basis of customer loyalty so it is important to have account to know the experience of Islamic bank of Thailand. Screening question is designed to obtain the population who is qualified to answer the entire question. Zikmund (2003) stated that questionnaire scale is to present fixed alternatives to the respondents.

Part 2: Service Fairness, Perceived Service Quality, Customer Satisfaction and Trust towards Islamic Bank of Thailand

This part of the questionnaire contains independent variables of the study. In the study, the independent variables are service fairness which has four sub variable, perceived service qualities, which has six sub variables, customer satisfaction and trust. A total of 48 questions were asked from the respondents using a five point Likert scale.

Part 3: Customer Loyalty

There were four questions about customer loyalty. Customer Loyalty serves as dependent variable for the research. In this part researcher has used five points Liker-scale in order to evaluate the score of respondents.

Part 4: General Information:

This part includes the general information about the respondents which is termed as demographic factors like gender, age, education and occupation. Robert (1996) explained that gender, age, education, occupation are the elements of demographic variables by which the behavior can be estimated of respondents. Questions in this section are close ended. Zikmund (2004) defined closed ended questions as restricted answers provided to respondents to choose the closet according to individual identification.

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Table 4.3: Summary of Research Instrument Design

Part	Variables	Number of Items	Measurement Scale
Part 1	Screening Question	1	N/A
Part 2	Service Fairness		
	Interpersonal fairness	4	Likert
	Informational fairness	4	Likert
	Procedural fairness	4	Likert
	Distributive fairness	4	Likert
	Perceived Service Quality		
	Tangible	3	Likert
	Reliability	5	Likert
	Responsiveness	4	Likert
	Assurance	4	Likert
	Empathy	6	Likert
	Compliance	4	Likert
	Customer Satisfaction	2	Likert
	Trust	3	Likert

Part 3	Customer Loyalty	4	Likert
Part 4	Personal Data		
	Gender	1	Close ended
	Age	1	Close ended
	Education	1	Close ended
	Occupation	1	Close ended

4.4 Pretesting of Questionnaire

The questionnaires are pre distributed before the final wide distribution in order to check the questions in the questionnaire. Pre-test is essential to k now weather the questions are bias or irrelevant to the research being made. The minimum number of questionnaires is 20 which could be exceeded up to 100 questionnaires distribution. In this research 50 numbers of questionnaires were distributed in Islamic bank of Thailand to analyze the response of the customers and to attain confidence that the questinnoiarre doesn't contain any ambiguity. The pre-test was conducted from December 1, 2013 to Dec 11, 2013. After the complexion of questionnaires the data was processed by the researcher in the program SPSS by using the Cronbach Alpha values. The result of the reliability analysis by using the Cronbach Alpha value is discussed in table 4.3:

Table 4.4: Reliability Analysis for Pretesting

Variable	**Alpha Values**
Interpersonal	0.667
Informational	0.923
Procedural	0.873
Distributive	0.764
Tangible	0.884
Reliability	0.909
Responsiveness	0.889
Assurance	0.929
Empathy	0.879
Compliance	0.701
Customer satisfaction	0.921
Trust	0.805
Customer loyalty	0.783

As Ikeda (1971) has described the fact that if the Alpha value is equal or greater than 0.6, it means that the variables which are being tested are reliable and can be used in the research tool that is questionnaire. On the other hand, Sekaran (2000) stated a fact that if the value of Alpha is

equal to 0.6 then also the variable will be treated as reliable and effective for the questionnaire whereas, if the value of alpha is less than 0.6 then variable will be considered as not reliable. According to the research all the variables are equal and higher than 0.6 so the researcher concluded that all variable are sufficiently important for the hypothesis testing.

4.5 Collection of Data/Gathering Procedures

4.5.1 Collection of Data

The researcher has gathered the data in two ways, which are primary data and secondary data discussed below:

Primary Data

Cooper and Schindler (1998) explained that primary data is accumulated and assembled for special projects which are in hand and which can be said raw data or the original work from the researchers which cannot be interpreted as an official statement. The first source is always the primary data in any form of research where the researcher collects the data from the people with the help of questionnaires or other methods. Researchers have signified that primary data is not used for the official opinion until it has being processes through some tests. In this research, the researcher has used non-probability sampling as the collection of primary data by using the means of judgment, quota and convenience sampling. The data was collected from the four branches in Bangkok of Islamic Bank of Thailand ranked by highest transactions per day. As the researcher is a non-Thai and the target population to conduct research is Thai, so the questionnaires are translated in Thai language by the help of acquaintances. The researcher will

collect the data from customers of the four branches of Islamic Bank of Thailand from March till August 2014. All the data will be analyzed by using Statistical Package for Social Science Version 20 (SPSS) program. Data was collected in weekdays with time schedule provided in table 4.4.

Table 4.4: Time Schedule of Data Collection

Days	**Morning**	**Afternoon**
Monday	9 am – 11 am	3 pm- 5 pm
Tuesday	9 am – 11 am	3 pm- 5 pm
Wednesday	9 am – 11 am	3 pm- 5 pm
Thursday	9 am – 11 am	3 pm- 5 pm
Friday	9 am – 11 am	3 pm- 5 pm
Saturday	Holiday	-
Sunday	Holiday	-

Secondary data

Crouch and Housden (2003) defined secondary research as data that has been already published by someone at any point of time; the research therefore becomes the secondary data, gathered from the existing sources of information which could be from the internet, magazines, journals, databases etc. The researcher has used secondary data to develop a conceptual

framework of the research and to understand the concept of Islamic banking of Thailand via journals, internet, websites and textbooks.

4.6 Statistical Treatment of Data:

After the collection of the data thorough questionnaires the data was analyzed by SPSS software, Statistical Package for Social Science Version 20 (SPSS) is used analyze the data. The analysis is divided into parts first is descriptive analysis and second inferential analysis. Description analysis refers to the transformation of raw data into a refined form which could easily be interpreted (Zikmund, 2000). In this research the descriptive analysis was used to describe the demographics factors of the respondents whereas, inferential statistics is used to test the relationship and difference between two hypotheses.

4.6.1 Descriptive Statistics:

This type of analysis is done to explain the demographic factors of respondents in this research, such as mean, standard deviation, percentage and frequency analysis. The most popular and easy form to summarize the raw data is to calculate: mean, standard deviation, percentage and frequency distribution. Following factors in this research has being analyzed

- Gender
- Age
- Education
- Occupation

4.6.2 Inferential Statistics for Hypothesis Testing

Inferential statistics is defined as the investigation of samples and generalization about the population from which it has been designated (Gravetter and Wallnau, 2000).In this research the researcher has identified that Pearson Correlation Coefficient "r" is a best method which can provide that association between two interval scaled variables (Hussey & Hussey, 1997). The value is between positive 1 and negative one. If the value is positive 1 it describes that there is positive and perfect relationship between the variables and if the value is negative 1, it shows that there is no opposite relationship; which means, that when one variable increases the other will decrease. If the value is zero it identifies that there is no linear relation between the variables. As Zikmund (2003) identified a formula for the calculation of Pearson Correlation Coefficient for the two variables discussed below:

$$r = \frac{\sum_{i=1}^{n}((X_i - X)(Y_i - Y))}{\sqrt{\sum_{i=1}^{n}(X_i - X)^2 \sum_{i=1}^{n}(Y_i - Y)^2}}$$

Where:

X_i = Each X value

Y_i = Each Y value

X= X-bar = Mean of the X's

Y = Y-bar = Mean of the Y's

n = Number of paired values

The rule for the acceptance and rejection relies on Pearson Correlation Coefficient where: the null hypothesis (Ho) is rejected when the P-value is less than the value of alpha estimated. On the other hand Ha is accepted for similar condition. The strength of coefficient is shown in table 4.4 below:

Table 4.6: The values of "r" relevant to strength of Pearson Correlation Coefficient

Correlation value (r)	**Interpretation**
1	Perfect positive linear association
0	No linear association
-1	Perfect negative linear association
0.90 to 0.99	Very high positive correlation
0.70 to 0.89	High positive correlation
0.40 to 0.69	Medium positive correlation
0.01 to 0.39	Low positive correlation
-0.01 to -0.39	Low negative correlation
-0.40 to -0.69	Medium negative correlation
-0.70 to -0.89	High negative correlation
-0.90 to -0.99	Very high negative correlation

Source: Hussey,J. and Hussey ,R. (1997), Business Research, Macmillan Press Ltd, Basingstoke

Aldrich (1995) stated that a correlation (r) does not mean that there is a causal association between variables. It shows weather a relationship exists between the two variables, or whether it should be checked by significance. As Proctor (2003) suggested that by using the t-test, the significance of the correlation can be measured. The t- statistics is used when comparing (α), which is known or assumed to be known. The t-test statistical formula is

$$t = r\sqrt{\frac{n-2}{1-r^2}}$$

The test of the hypothesis for correlation coefficient provides the rule to reject the null hypothesis, if the t-value is greater than the critical value. In other words, the null hypothesis failed to reject, when the t-value is less than the critical value (Aaker et al, 2001).

Multiple Linear Regression Analysis (MLR)

In this study, the researcher has used multiple linear regressions. Multiple linear regressions (MLR) is a technique employed to model the linear relationship among a dependent variable and one or more independent variables. Multiple regression analysis is applied to specify the relationship among two or more independent variables on the one hand, and a dependent variable on the other hand (Blumberg et al., 2005). Multiple regressions, is a technique that allows additional factors to enter the analysis separately so that the effect of each can be estimated.

Multiple regression analysis is an expansion of bivariate regression analysis, which permits for simultaneous investigation of the influence of two or more numerical independent variables on a sole interval scaled dependent variable (Zikmund, 2003).

Malhorta (2004) expressed that multiple regression analysis is a purpose to define the relationship among a dependent variable and numerous independent variables. In the multiple

regression, one applies other independent variables to assist better interpretation or predict the dependent variable (Y). Multiple regression analysis can be defined as a descriptive or an inferential technique. The regression analysis was used to test one research hypotheses (H1 to H8) The formulation is:

$$Y' = a + b1\ X1 + b1\ X1 + b1\ X3 + \ldots\ldots\ldots\ldots + bk\ Xk$$

Where:

a = the Y-intercept, the assessed significance of Y when X's are zero.

b = the amount by which Y is modified when X is modified by one unit with all other values held the same.

Y= predicted value of the dependent value "Y"

X1, X2, X3…= are the independent variables

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Table 4.7: Summary of Hypothesis and Statistical Analyses

No.	Hypothesis	Statistical Measurement
1	$H1_o$: Perceived service quality in terms of tangibles is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness $H1_a$: Perceived service quality in terms of tangibles is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness	Multiple Linear Regression
2	$H2_o$: Perceived service quality in terms of reliability is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness H3o: Perceived service quality in terms of reliability is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness	Multiple Linear Regression
3	$H3_o$: Perceived service quality in terms of responsiveness is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness $H3_a$: Perceived service quality in terms of responsiveness is influenced by service fairness in	Multiple Linear Regression

	terms of interpersonal, informational, procedural and distributive fairness	
4	$H4_o$: Perceived service quality in terms of assurance is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness $H4_a$: Perceived service quality in terms of assurance is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness	Multiple Linear Regression
5	$H5_o$: Perceived service quality in terms of empathy is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness $H5_a$: Perceived service quality in terms of empathy is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness	Multiple Linear Regression
6	H6o: Perceived service quality in terms of compliance is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness $H6_a$: Perceived service quality in terms of compliance is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness	Multiple Linear Regression
7	$H7_o$: Customer satisfaction is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness H7a: Customer satisfaction is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness	Multiple Linear Regression

8	$H8_o$: Trust is not influenced by service fairness in terms of interpersonal, information, procedural and distributive fairness H8a: Trust is influenced by service fairness in terms of interpersonal, information, procedural and distributive fairness	Multiple Linear Regression
9	H9o: Customer satisfaction is not influenced by perceived service quality in terms of tangibles, reliability, responsiveness, assurance, empathy and compliance H9a: Customer satisfaction is influenced by perceived service quality in terms of tangibles, reliability, responsiveness, assurance, empathy and compliance	Multiple Linear Regression
10	H10o: Trust is not influenced by perceived service quality in terms of tangibles, reliability, responsiveness, assurance, empathy and compliance H10a: Trust is influenced by perceived service quality in terms of tangibles, reliability, responsiveness, assurance, empathy and compliance	Multiple Linear Regression
11	H11o: Customer loyalty is not influenced by perceived service quality in terms of tangibles, reliability, responsiveness, assurance, empathy and compliance H11a: Customer loyalty is not influenced by perceived service quality in terms of tangibles, reliability, responsiveness, assurance, empathy and compliance	Multiple Linear Regression

12	H12a: Trust has no relationship with customer satisfaction H12o: Trust has a relationship with customer satisfaction	Pearson's correlation analysis
13	H13a: Customer loyalty has no relationship with trust H13o: Customer loyalty has a relationship with trust	Pearson's correlation analysis

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Chapter 5

PRESENTATION OF DATA AND CRITICAL DISCUSSION OF RESULTS

This chapter will present the results of the data which were analyzed; it includes the findings from the reported data which was collected by distributing 400 questionnaires within the time period of March until June, 2014. A total of 388 questionnaires were collected from the target population based on one screening question.

In this research, the researcher attempts to determine the factors which influence customer loyalty. The Statistical Package for the Social Sciences (SPSS) was used to evaluate and analyze the data. The data analysis has been divided into three sections: descriptive analysis for demographic factors: descriptive analysis for the variables and hypothesis testing as inferential analysis.

5.1 Descriptive analysis for Demographic Factors

The researcher has applied descriptive analysis in order to present a demographic profile and general information of the respondents. Descriptive analysis has been described as the transformation of data which is in raw form, to a form which is easily interpretable and understandable (Zikmund, 2003). In this research the researcher has collected the data through a questionnaire survey by distributing 400 questionnaires in four branches of the Islamic Bank of Thailand, on the basis of highest transactions per day. Whereas, 388 respondents were chosen as an accurate representation of the population by the help of screening question: “Do you have an account in the Islamic Bank of Thailand”. Respondents who had accounts in the bank proceeded filling out the questionnaire and customers who visited the bank for any information without any bank accounts skipped the questionnaires.

To obtain a profile of the subjects all the respondents were asked to complete the questions regarding Gender, Age, Education and Occupation. The profiles of the respondents are displayed through the use of frequency distribution and percentages which are presented in the table below:

Table 5.1 Summary of descriptive analysis for demographic factors

Characteristics				**Frequency**	**Percentage**
Gender	-		Male	140	36.1%
	-		Female	248	63.9%
			Total	388	100.0%
Age	-		25 to 30 Years	40	10.3%
	-		31 to 35 Years	147	37.9%
	-		36 to 40 Years	153	39.4%
	-		41 to 45 Years	39	10.1%
	-		Over 50 years	9	2.3%

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			Total	388	100.0%
Education	-		Intermediate	30	7.7%
	-		Bachelors	169	43.6%
	-		Masters	189	48.7%
	-		PhD	0	0.0%
			Total	388	100.0%
			Total	388	100.0%
Occupation	-		Student	3	0.8%
	-		Employee	166	42.8%
	-		Government Officer	117	30.2%

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	-		Ownership	64	16.5%
	-		Housewife/ Not Working	38	9.8%
	-		Others	0	0.0%
			Total	388	100.0%

Table 5.1 showed that the highest percentage of respondent's gender is 63.9% (248) of females and 36.1 % (140) of males. The majority of the respondents in the research are females and minorities are males.

The highest percentage of the respondents age in the research is 39.4% (153) ranging between 36-40 years old, followed by37.9% (147) ranging between 31-35 years old, 10.3% (40) of age between 25-30 years old, 10.1% (39) of age between 41-45 years old and 2.3% (9) of age more than 50 years old.

For the education of the respondents, the majority of the respondents hold a master degree representing 48.7% (189). While the others were represented by 43.6% (169) holding a bachelor's degree, 7.7% (30) of intermediate and none were holding a PhD degree.

Based on the data provided in table 5.1 the respondents with the highest percentage of occupation are employees representing 42.8% (166) of the total population. This is followed by

the respondents who are government officers representing 32.2% (117) of total respondents, 16.6% (64) of ownerships, 9.8% (38) of house wives, 0.8% (3) of students respectively.

5.2 Descriptive Analysis for Variables Characteristics

In this part the researcher has measured the mean and standard deviation of each of the variables which is being used in the study. According to Sanders (2000) the average mean is frequently used as a measure of tendency and standard deviation is the most important measure of dispersion for each group of data. All the results are summarized below.

Independent Variables

Table 5.2 Mean and standard deviation of Interpersonal Fairness

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Employees in the bank are polite	388	3	5	4.47	.539
Employees in the bank are respectful	388	3	5	4.46	.572
Employees in the bank treats customers with dignity	388	3	5	4.64	.522
Employees in the bank are courteous	388	3	5	4.52	.577
Valid N (listwise)	388				

As shown in Table 5.2 the highest mean score was “Employees in the bank are polite” at an average mean of 4.47, and lowest mean score was 4.52 which came from “Employees in the bank are courteous”. The lowest standard deviation was “Employees in the bank treat customers with dignity” at 0.522 which indicated that respondents agreed in the similar respect. The highest standard

deviation was “Employees in the bank are courteous” at 0.577, which indicated respondents had different feelings among each other.

Table 5.3 Mean and Standard Deviation of Informational Fairness

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Employees in the bank give timely and specific explanations	388	3	5	3.57	.721
Employees in the bank give thorough explanations	388	3	5	3.44	.638
Employees in the bank provides reasonable information	388	3	5	3.51	.728
Employees in the bank tailor their explanations to customers need	388	3	5	3.46	.644
Valid N (listwise)	388				

As shown in Table 5.3 the highest mean score was “Employees in the bank give timely and specific explanations” at an average mean of 3.57, and lowest mean score was 3.44 which came from “Employees in the bank give thorough explanations”. The lowest standard deviation was “Employees in the bank give thorough explanations” at 0.638 which indicated that respondents agreed in the similar respect. The highest standard deviation was “Employees in the bank provide reasonable information” at 0.728, which indicated respondents, had different feelings among each other.

Table 5.4 Mean and Standard deviation of Procedural Fairness

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
The process of wording with employees in the bank is generally fair	388	1	5	3.89	.899
The activities of the employees are conducted without bias	388	2	5	3.88	.817
The process involving employees in bank attempts to meet all customer needs	388	2	5	3.84	.859
The procedures used by the employees in the bank are consistent across customers	388	1	5	3.69	1.010
Valid N (listwise)	388				

As shown in Table 5.4 the highest mean score was “The process of working with employees in the bank is generally fair” at an average mean of 3.89, and lowest mean score was 3.69 which came from “The procedures used by the employees in the bank are consistent across customers”. The lowest standard deviation was “The activities of the employees are conducted without bias” at 0.817 which indicated that respondents agreed in the similar respect. The highest standard deviation was “The procedures used by the employees in the bank are consistent across customers” at 1.010, which indicated respondents had different feelings among each other.

Table 5.5 Mean and standard deviation of Distributive fairness

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Employees in the bank helps all customers to get the outcome they need without favoring any group	388	3	5	3.82	.738
Employees in the bank produce desired results for all customers without bias of any kind	388	3	5	3.71	.726
Employees in the bank deliver good outcomes for all customers without bias of any kind	388	3	5	3.80	.774
In general, employees in the bank deliver reasonable results for all customers	388	2	5	3.60	.936
Valid N (listwise)	388				

As shown in Table 5.5 the highest mean score was “Employees in the bank help all customers to get the outcome they need without favoring any group” at an average mean of 3.82, and lowest mean score was 3.60 which came from “In general, employees in the bank deliver reasonable results for all customers”. The lowest standard deviation was “Employees in the bank produce desired results for all customers without bias of any kind” at 0.726 which indicated that respondents agreed in the similar respect. The highest standard deviation was “In general, employees in the bank deliver reasonable results for all customers” at 0.936, which indicated respondents had different feelings among each other.

Table 5.6 Mean and Standard Deviation of Tangible

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Visually appealing materials associated with services	388	3	5	3.84	.907
Speed and efficiency of transactions	388	2	5	3.80	.915
Bank has convenient opening business hours	388	2	5	3.53	.805
Valid N (listwise)	388				

As shown in Table 5.6 the highest mean score was “Visually appealing materials associated with services” at an average mean of 3.84, and lowest mean score was 3.53 which came from “Bank has convenient opening business hours”. The lowest standard deviation was “Bank has convenient opening business hours” at 0.805 which indicated that respondents agreed in the similar respect. The highest standard deviation was “Speed and efficiency of transactions” at 0.915, which indicated respondents had different feelings among each other.

Table 5.7 Mean and Standard Deviation of Reliability

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Bank keeps its record accurately	388	1	5	3.52	.824
The bank employees provide services at the promised time	388	2	5	3.59	.872
When you have problem bank is able to solve the problem and cooperate	388	2	5	3.63	.870
Wide range of	388	2	5	3.72	.858

products and services and provided					
Availability of general insurance facilities	388	2	5	3.72	.809
Valid N (listwise)	388				

As shown in Table 5.7 the highest mean score was “Wide range of products and services and are provided” and “Availability of general insurance facilities” at an average mean of 3.72, and lowest mean score was 3.52 which came from “Bank keeps its record accurately”. The lowest standard deviation was “Availability of general insurance facilities” at 0.809 which indicated that respondents agreed in the similar respect. The highest standard deviation was “The bank employees provide services at the promised time” at 0.872, which indicated respondents, had different feelings among each other.

Table 5.8 Mean and Standard Deviation of Responsiveness

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Employees of bank are always willing to help	388	2	5	3.41	.726
Employees of the bank respond to customer requests promptly	388	2	5	3.67	.797
Fast and efficient service counters are	388	2	5	3.53	.755
Bank provides more branches to open up	388	2	5	3.43	.818
Valid N (listwise)	388				

As shown in Table 5.8 the highest mean score was “Employees of the bank respond to customer requests promptly” at an average mean of 3.67, and lowest mean score was 3.41 which came from “Employees of the bank are always willing to help”. The lowest standard deviation was “Employees of bank are always willing to help” at 0.726 which indicated that respondents agreed in the similar respect. The highest standard deviation was “Bank provides more branches to open up” at 0.818, which indicated respondents had different feelings among each other.

Table 5.9 Mean and Standard Deviation of Assurance

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Employees of the bank have friendly staff	388	2	5	3.46	.898
The bank employees are knowledgeable and give precise answers to our inquires	388	2	5	3.55	.875
Bank provides data customer confidentiality	388	2	5	3.44	.803
Bank provide financial advice	388	2	5	3.44	.796
Valid N (listwise)	388				

As shown in Table 5.9 the highest mean score was “The bank employees are knowledgeable and give precise answers to our inquires” at an average mean of 3.55, and lowest mean score was 3.44 which came from “Bank keeps customer data confidential” and “Bank provides financial advice”. The lowest standard deviation was “Bank provides financial advice” at 0.796 which indicated that respondents agreed in the similar respect. The highest standard deviation was “Employees of the

bank have friendly staff" at 0.898, which indicated respondents had different feelings among each other.

Table5. 10 Mean and Standard Deviation of Empathy

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Bank provides availability of internet banking facility	388	2	5	3.45	.723
The availability of ATM machines are easily accessible of Islamic bank	388	2	5	3.34	.649
There are 24 hours availability of ATM services	388	2	5	3.36	.682
The availability of credit and loan from bank is on favorable terms	388	2	5	3.42	.751
The bank employees give personal attention to customers like help in filling opening account form etc	388	2	5	3.45	.733
The bank provides lower service charges	388	2	5	3.67	.898
Valid N (listwise)	388				

As shown in Table 5.10 the highest mean score was "The bank provides lower service charges" at an average mean of 3.67, and lowest mean score was 3.34 which came from "The availability of ATM machines are easily accessible of Islamic bank". The lowest standard deviation was "The availability" of ATM machines are easily accessible of Islamic bank" at 0.649 which indicated that respondents agreed in the similar respect. The highest standard deviation was "The bank provides lower service charges" at 0.898, which indicated respondents had different feelings among each other.

Table 5.11 Mean and Standard Deviation of Compliance

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Islamic bank provides provision of free interest neither paid nor taken	388	2	5	3.90	.493
Facility of zakat payment is available	388	2	5	3.96	.921
Provides provision of profit sharing and investment product	388	1	5	3.49	.905
Interest free loans are provided to customers by banks	388	2	5	3.39	.878
Valid N (listwise)	388				

As shown in Table 5.11 the highest mean score was “Facility of zakat payment is available” at an average mean of 3.96, and lowest mean score was 3.39 which came from “Interest free loans are provided to customers by banks”. The lowest standard deviation was “Islamic bank provides provisions of free interest neither paid nor taken” at 0.493 which indicated that respondents agreed in the similar respect. The highest standard deviation was “Facility of zakat payment is available” at 0.921, which indicated respondents had different feelings among each other.

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Table 5.12 Mean and Standard Deviation of Customer Satisfaction

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
I am generally pleased with my bank online services	388	2	5	3.40	.783
I am satisfied with banks online services	388	2	5	3.43	.885
Valid N (listwise)	388				

As shown in Table 5.12 the highest mean score was “I am satisfied with the bank's online services” at an average mean of 3.43, and lowest mean score was 3.40 which came from “I am generally pleased with my bank's online services”. The lowest standard deviation was “I am generally pleased with my bank's online services” at 0.783 which indicated that respondents agreed in the similar respect. The highest standard deviation was “I am satisfied with the bank's online services” at 0.885, which indicated respondents had different feelings among each other.

Table 5.13 Mean and Standard Deviation of Trust

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
I am prepared to give private information to the bank	388	2	5	3.56	.658
My bank is professional in online banking	388	2	5	3.52	.724
My bank always fulfills their promises	388	2	5	3.60	.657
Valid N (listwise)	388				

As shown in Table 5.13 the highest mean score was “My bank always fulfills their promises” at an average mean of 3.60, and lowest mean score was 3.52 which came from “My bank is a professional in online banking”. The lowest standard deviation was “My bank always fulfills their promises” at 0.657 which indicated that respondents agreed in the similar respect. The highest standard deviation was “My bank is a professional in online banking” at 0.724, which indicated respondents had different feelings among each other.

Dependent variable

Table 5.14 Mean and Standard Deviation of Customer loyalty

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
I will recommend Islamic bank of Thailand to other people	388	2	5	3.26	.597
I would recommend my bank website to others	388	2	5	3.32	.618
I attend to continue using my bank online services	388	2	5	3.29	.604
I will prefer Islamic bank of Thailand above others	388	2	5	3.40	.793
Valid N (listwise)	388				

As shown in Table 5.13 the highest mean score was “I will prefer the Islamic bank of Thailand above others” at an average mean of 3.40, and lowest mean score was 3.26 which came from “I will recommend the Islamic bank of Thailand to other people”. The lowest standard deviation was “I will recommend the Islamic bank of Thailand to other people” at 0.597 which indicated that respondents agreed in the similar respect. The highest standard deviation was “I will prefer the Islamic bank of

Thailand above others" at 0.793, which indicated respondents had different feelings among each other.

5.3: Reliability Analysis

In this research the reliability test was applied to test the reliability of the questions of each variable. In this study Cranach's alpha was adopted by the researcher in SPSS. The Cranach's alpha results of the variables would be limited at greater than or equal to 0.06 to test whether the questions were acceptable and reliable (Malhotra, 1993).

Table 5.15 The Reliability Test

Variables	Cronbach's Alpha Values
Service Fairness	**3.066**
Interpersonal	0.678
Informational	0.907
Procedural	0.740
Distributive	0.741
Perceived Service Quality	**5.209**
Tangible	0.885
Reliability	0.916
Responsiveness	0.893
Assurance	0.930
Empathy	0.882
Compliance	0.703
Customer Satisfaction	**0.917**
Trust	**0.798**
Customer Loyalty	**0.792**

From the outcome of the test of reliability shown in Table 5.15, the alpha values of all the variables were higher than the value in the pretest and greater than 0.6. Thus, the questionnaire is consistent and reliable to use in the study.

5.4 Inferential Statistics of Hypothesis Testing

Inferential analysis enables a researcher to perform the needed statistical test of hypotheses (Zikmund, 2003). In this section, 13 hypotheses had been developed to test the influencing factors on customer loyalty towards the Islamic Bank of Thailand. The methods applied in this research are Multiple Regression and Pearson's Correlation.

Hypothesis 1: Analysis of the influence of service Fairness factors on tangible

H1o: Perceived service quality in terms of tangible is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness.

H1a: Perceived service quality in terms of tangible is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness.

Table 5.16 Regression Model summary of Hypothesis 1

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.415[a]	.172	.163	2.16932
a. Predictors: (Constant), MeanDIS, MeanINT, MeanPRO, MeanINF				

In the Table 5.16, the value correlation coefficient (R) is 0.415, which means that the service fairness factors and tangible have a medium positive correlation. The multiple coefficient of determination, R-square (R^2), is equal to 0.172, which indicates that 17.2% of the variation of tangibles can be explained by the sub-variables of service fairness which are interpersonal, informational, procedural and distributive fairness.

Table 5.17 ANOVA Table for Regression Model of Hypothesis 1

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	374.387	4	93.597	19.889	.000[b]
	Residual	1802.386	383	4.706		
	Total	2176.773	387			
a. Dependent Variable: MeanTAG						
b. Predictors: (Constant), MeanDIS, MeanINT, MeanPRO, MeanINF						

Table 5.17 shows that the F value is equal to 19.889, and the significance level is equal to.000 which is less than .05 (.000<.05). Therefore, the null hypothesis is rejected. It means that the sub-variables of service fairness have at least one variable which significantly affected the tangible.

Table 5.18 Coefficient summary for Regression Model of Hypothesis 1

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-2.043	1.890		-1.081	.280
	MeanINT	.587	.072	.390	8.141	.000
	MeanINF	.005	.047	.005	.113	.910
	MeanPRO	.017	.041	.020	.420	.675
	MeanDIS	.151	.046	.153	3.271	.001

As shown in Table 5.18, the significant values of interpersonal and distributive fairness were equal to .000 and .001, which were less than the 0.05 significant levels. Therefore, the null hypothesis was rejected. It would be implied that the sub-variables of service fairness which are interpersonal and distributive fairness had a significant influence on the tangibles of the Islamic bank of Thailand.

For the other factors, the significant values of information and procedural fairness were equal to .910, .675, respectively, which were greater than the 0.05 significance level. Therefore, the null hypothesis failed reject. This means that informational and procedural fairness had no significant influence on the tangibles of the Islamic bank of Thailand.

Hypothesis 2: Analysis of the influence of service Fairness factors on reliability

$H2_o$: Perceived service quality in terms of reliability is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness.

H2a: Perceived service quality in terms of reliability is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness.

Table 5.19 Regression Model summary of Hypothesis 2

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.319[a]	.102	.092	3.49058
a. Predictors: (Constant), MeanDIS, MeanINT, MeanPRO, MeanINF				

In the Table 5.19, the value correlation coefficient (R) is 0.319, which means that the service fairness factors and reliability have a low positive correlation. The multiple coefficient of determination, R-square (R^2), is equal to 0.102, which indicates that 10.2% of the variation of reliability can be explained by the sub-variables of service fairness which are interpersonal, informational, procedural and distributive fairness.

Table 5.20 ANOVA Table for Regression Model of Hypothesis 2

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	528.249	4	132.062	10.839	.000[b]
	Residual	4666.524	383	12.184		
	Total	5194.773	387			
a. Dependent Variable: MeanREA						
b. Predictors: (Constant), MeanDIS, MeanINT, MeanPRO, MeanINF						

Table 5.20 shows that the F value is equal to 10.839, and the significance level is equal to.000 which is less than .05 (.000<.05). Therefore, the null hypothesis is rejected. It means that the sub-variables of service fairness have at least one variable which significantly affected reliability and there is at least one sub-variable of service fairness that can affect reliability.

Table 5.21 Coefficient summary for Regression Model of Hypothesis 2

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	12.147	3.041		3.994	.000
	MeanINT	.185	.116	.080	1.598	.111
	MeanINF	.345	.075	.228	4.583	.000
	MeanPRO	.142	.067	.105	2.141	.033
	MeanDIS	-.290	.074	-.190	-3.909	.000

As shown in Table 5.20, the significant values of informational, procedural and distributive fairness were equal to .000 and .033, which were less than the 0.05 significant levels. Therefore, the null hypothesis was rejected. It would be implied that the sub-variables of service fairness

which are informational, procedural and distributive fairness had a significant influence on reliability of the Islamic bank of Thailand.

For the other factors, significant value of interpersonal fairness was equaled to .111, which is greater than the 0.05 significant levels. Therefore the null hypothesis failed to reject. This means that interpersonal fairness had no significant influence on reliability of the Islamic bank of Thailand.

Hypothesis 3: Analysis of the influence of service Fairness factors on responsiveness

$H3_o$: Perceived service quality in terms of responsiveness is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness.

$H3_a$: Perceived service quality in terms of responsiveness is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness.

Table 5.22 Regression Model summary of Hypothesis 3

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.420[a]	.177	.168	2.45880
a. Predictors: (Constant), MeanDIS, MeanINT, MeanPRO, MeanINF				

In the Table 5.21, the value correlation coefficient (R) is 0.420, which means that the service fairness factors and responsiveness have a medium positive correlation. The multiple coefficient of determination, R-square (R^2), is equal to 0.177, which indicates that 17.7% of the variation of responsiveness can be explained by the sub-variables of service fairness which are interpersonal, informational, procedural and distributive fairness.

Table 5.23 ANOVA Table for Regression Model of Hypothesis 3

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	496.756	4	124.189	20.542	.000[b]
	Residual	2315.499	383	6.046		
	Total	2812.255	387			
a. Dependent Variable: MeanRES						
b. Predictors: (Constant), MeanDIS, MeanINT, MeanPRO, MeanINF						

Table 5.23 shows that the F value is equal to 20.542, and the significance level is equal to.000 which is less than .05 (.000<.05). Therefore, the null hypothesis is rejected. It means that sub-variables of service fairness have at least one variable which significantly affected responsiveness.

Table 5.24 Coefficient summary for Regression Model of Hypothesis 3

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	9.681	2.142		4.519	.000
	MeanINT	.511	.082	.299	6.248	.000
	MeanINF	-.256	.053	-.230	-4.831	.000
	MeanPRO	-.013	.047	-.013	-.283	.778
	MeanDIS	-.073	.052	-.065	-1.390	.165

As shown in Table 5.24, the significant values of interpersonal and informational fairness were equal to .000, which were less than the 0.05 significant levels. Therefore, the null hypothesis was rejected. It would be implied that the sub-variables of service fairness which are

interpersonal and informational fairness had a significant influence on responsiveness of the Islamic bank of Thailand.

For the other factors, significant values of procedural and distributive fairness were equal to .778, .165 respectively, which were greater than the 0.05 significance level. Therefore, the null hypothesis failed to reject. This means that procedural and distributive fairness had no significant influence on responsiveness of the Islamic bank of Thailand.

Hypothesis 4: Analysis of the influence of service Fairness factors on assurance

$H4_o$: Perceived service quality in terms of assurance is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness.

$H4_a$: Perceived service quality in terms of assurance is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness.

Table 5.25 Regression Model summary of Hypothesis 4

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.508[a]	.258	.250	2.65768
a. Predictors: (Constant), MeanDIS, MeanINT, MeanPRO, MeanINF				

In the Table 5.25, the value correlation coefficient (R) is 0.508, which means that the service fairness factors and assurance have a medium positive correlation. The multiple coefficient of determination, R-square (R^2), is equal to 0.258, which indicates that 25.8% of the variation of assurance can be explained by the sub-variables of service fairness which are interpersonal, informational, procedural and distributive fairness.

Table 5.26 ANOVA Table for Regression Model of Hypothesis 4

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	939.307	4	234.827	33.246	.000[b]
	Residual	2705.239	383	7.063		
	Total	3644.546	387			
a. Dependent Variable: MeanASU						
b. Predictors: (Constant), MeanDIS, MeanINT, MeanPRO, MeanINF						

Table 5.26 shows that the F value is equal to 33.246, and the significance level is equal to.000 which is less than .05 (.000<.05). Therefore, the null hypothesis is rejected. It means that the sub-variables of service fairness have at least one variable which significantly affected responsiveness.

Table 5.27 Coefficient summary for Regression Model of Hypothesis 4

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.203	2.315		1.815	.070
	MeanINT	.751	.088	.386	8.504	.000
	MeanINF	-.291	.057	-.230	-5.082	.000
	MeanPRO	.178	.051	.157	3.519	.000
	MeanDIS	-.172	.057	-.134	-3.035	.003

As shown in Table 5.27, the significant values of interpersonal, informational, procedural and distributive fairness were equal to .000 and .003 which were less than the significance level of 0.05. Therefore, the null hypothesis was rejected. It would be implied that the sub-variables of service fairness which are interpersonal, informational, procedural and distributive fairness had a significant influence on assurance of the Islamic bank of Thailand.

Hypothesis 5: Analysis of the influence of service Fairness factors on empathy

$H5_o$: Perceived service quality in terms of empathy is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness.

$H5_a$: Perceived service quality in terms of empathy is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness.

Table 5.28 Regression Model summary of Hypothesis 5

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.149[a]	.022	.012	3.51545
a. Predictors: (Constant), MeanDIS, MeanINT, MeanPRO, MeanINF				

In the Table 5.28, the value correlation coefficient (R) is 0.149, which means that the service fairness factors and empathy have a low positive correlation. The multiple coefficient of determination, R-square (R^2), is equal to 0.022, which indicates that 0.2% of the variation of empathy can be explained by the interpersonal, informational, procedural and distributive fairness.

Table 5.29 ANOVA Table for Regression Model of Hypothesis 5

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	107.240	4	26.810	2.169	.072[b]
	Residual	4733.262	383	12.358		
	Total	4840.503	387			
a. Dependent Variable: MeanEMP						
b. Predictors: (Constant), MeanDIS, MeanINT, MeanPRO, MeanINF						

Table 5.29 shows that the F value is equal to 2.169, and the significance level is equal to.072 which is greater than .05 (.072>.05). Therefore, the null hypothesis failed to reject. It means that sub- variables of service fairness have at least one variable which significantly affects assurance.

Table 5.30 Coefficient summary for Regression Model of Hypothesis 5

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	19.905	3.063		6.499	.000
	MeanINT	.161	.117	.072	1.374	.170
	MeanINF	.078	.076	.053	1.029	.304
	MeanPRO	-.045	.067	-.034	-.671	.502
	MeanDIS	-.169	.075	-.114	-2.253	.025

As shown in Table 5.30, the significant values of distributive fairness were equal to .000, which were less than the significance level of 0.05. Therefore, the null hypothesis was rejected. It would be implied that the sub-variable of service fairness which is distributive fairness had a significant influence on assurance of the Islamic bank of Thailand.

For the other factors, the significant values of interpersonal, informational and procedural fairness were equal to .170, .304 and .502 respectively which were greater than the 0.05

significance level. Therefore the null hypothesis failed to reject. This means that interpersonal, informational and procedural distributive fairness had no significant influence on assurance of the Islamic bank of Thailand.

Hypothesis 6: Analysis of the influence of service Fairness factors on compliance

H6o: Perceived service quality in terms of compliance is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness.

$H6_a$: Perceived service quality in terms of compliance is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness.

Table 5.31 Regression Model summary of Hypothesis 6

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.146[a]	.021	.011	2.36935
a. Predictors: (Constant), MeanDIS, MeanINT, MeanPRO, MeanINF				

In the Table 5.31, the value correlation coefficient (R) is 0.146, which means that the service fairness factors and compliance have a low positive correlation. The multiple coefficient of determination, R-square (R^2), is equal to .021, which indicates that 0.21% of the variation of compliance can be explained by the sub-variables of service fairness which are interpersonal, informational, procedural and distributive fairness.

Table 5.32 ANOVA Table for Regression Model of Hypothesis 6

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	46.624	4	11.656	2.076	.083[b]
	Residual	2150.084	383	5.614		
	Total	2196.709	387			
a. Dependent Variable: MeanCOM						
b. Predictors: (Constant), MeanDIS, MeanINT, MeanPRO, MeanINF						

Table 5.32 shows that the F value is equal to 2.076, and significance level is equal to.083 which is less than .05 (.083>.05). Therefore, the null hypothesis failed to reject. It means that there are no sub-variables of service fairness that can affect compliance.

Table 5.33 Coefficient summary for Regression Model of Hypothesis 6

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	16.255	2.064		7.875	.000
	MeanINT	-.106	.079	-.070	-1.343	.180
	MeanINF	.070	.051	.071	1.374	.170
	MeanPRO	-.089	.045	-.100	-1.960	.051
	MeanDIS	.052	.050	.052	1.023	.307

As shown in Table 5.33, the significance values of interpersonal, informational, procedural and distributive fairness were equal to .180, .170, .051 and .307 respectively, which were greater than the significance level of 0.05. Therefore, the null hypothesis failed to reject. It would be implied that the sub-variables of service fairness which are interpersonal, informational, procedural and distributive fairness had no significant influence on compliance of the Islamic bank of Thailand.

Hypothesis 7: Analysis of the influence of service Fairness factors on customer satisfaction

$H7_o$: Customer satisfaction is not influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness.

H7a: Customer satisfaction is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness.

Table 5.34 Regression Model summary of Hypothesis 7

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.260[a]	.068	.058	1.55859
a. Predictors: (Constant), MeanDIS, MeanINT, MeanPRO, MeanINF				

In the Table 5.34, the value correlation coefficient (R) is 0.260, which means that the service fairness factors and customer satisfaction have a low positive correlation. The multiple coefficient of determination, R-square (R^2), is equal to 0.068, which indicates that 0.68% of the variation of customer satisfaction can be explained by the factors of interpersonal, informational, procedural and distributive fairness.

Table 5.35 ANOVA Table for Regression Model of Hypothesis 7

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	67.729	4	16.932	6.970	.000[b]
	Residual	930.381	383	2.429		
	Total	998.111	387			
a. Dependent Variable: MeanCUS						
b. Predictors: (Constant), MeanDIS, MeanINT, MeanPRO, MeanINF						

Table 5.35 shows that the F value is equal to 6.970, and the significance level is equal to.000 which is less than .05 (.000<.05). Therefore, the null hypothesis is rejected. It means that the sub-variables of service fairness have at least one variable which significantly affected customer satisfaction.

Table 5.36 Coefficient summary for Regression Model of Hypothesis 7

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.792	1.358		2.793	.005
	MeanINT	.210	.052	.206	4.057	.000
	MeanINF	-.023	.034	-.035	-.691	.490
	MeanPRO	.059	.030	.099	1.993	.047
	MeanDIS	-.090	.033	-.134	-2.711	.007

As shown in Table 5.36, the significance values of interpersonal, procedural and distributive fairness were equal to .000, .047 and .007 respectively, which were less than the significance level of 0.05. Therefore, the null hypothesis was rejected. It would be implied that the sub-variables of service fairness which are interpersonal, procedural and distributive fairness had a significant influence on trust of the Islamic bank of Thailand.

For the other factors, the significant value of informational fairness was equal to .490, which was greater than the 0.05 significance level, therefore the null hypothesis failed to reject. This means that informational fairness had no significant influence on customer satisfaction of the Islamic bank of Thailand.

Hypothesis 8: Analysis of the influence of service Fairness factors on trust

$H8_o$: Trust is not influenced by service fairness in terms of interpersonal, information, procedural and distributive.

H8a: Trust is influenced by service fairness in terms of interpersonal, information, procedural and distributive.

Table 5.37 Regression Model summary of Hypothesis 8

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.296[a]	.088	.078	1.65390
a. Predictors: (Constant), MeanDIS, MeanINT, MeanPRO, MeanINF				

In the Table 5.37, the value correlation coefficient (R) is 0.296, which means that the service fairness factors and trust have a low positive correlation. The multiple coefficient of determination, R-square (R^2), is equal to 0.088, which indicates that 0.88% of the variation of trust can be explained by the sub-variables of service fairness which are interpersonal, informational, procedural and distributive fairness.

Table 5.38 ANOVA Table for Regression Model of Hypothesis 8

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	100.718	4	25.180	9.205	.000[b]
	Residual	1047.653	383	2.735		
	Total	1148.371	387			
a. Dependent Variable: MeanTRU						
b. Predictors: (Constant), MeanDIS, MeanINT, MeanPRO, MeanINF						

Table 5.38 shows that the F value is equal to 9.205, and the significance level is equal to.000 which is less than .05 (.000<.05). Therefore, the null hypothesis is rejected. It means that service fairness factors have no significant effect on trust and there is no sub-variable of service fairness that can affect trust.

Table 5.39 Coefficient summary for Regression Model of Hypothesis 8

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	11.153	1.441		7.741	.000
	MeanINT	.020	.055	.018	.361	.718
	MeanINF	.129	.036	.181	3.612	.000
	MeanPRO	-.013	.032	-.021	-.428	.669
	MeanDIS	-.163	.035	-.226	-4.619	.000

As shown in Table 5.39, the significant values of informational and distributive fairness were equal to .000, which were less than the significance level of 0.05, the null hypothesis was rejected. It would be implied that the sub-variable of service fairness which is informational and distributive fairness had a significant influence on trust of the Islamic bank of Thailand.

For the other factors, the significant values of interpersonal and procedural fairness were equal to .718 and .669 which were greater than the 0.05 significance levels. Therefore the null hypothesis failed to reject. This means that interpersonal and procedural fairness had no significant influence on trust of the Islamic bank of Thailand.

Hypothesis 9: Analysis of the influence of perceived service quality factors on customer satisfaction

H9o: Customer satisfaction is not influenced by perceived service quality in terms of tangible, reliability, responsiveness, assurance, empathy and compliance.

H9a: Customer satisfaction is influenced by perceived service quality in terms of tangible, reliability, responsiveness, assurance, empathy and compliance.

Table 5.40 Regression Model summary of Hypothesis 9

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.336[a]	.113	.099	1.52472
a. Predictors: (Constant), MeanCOM, MeanREA, MeanRES, MeanTAG, MeanEMP, MeanASU				

In the Table 5.40, the value correlation coefficient (R) is 0.336, which means that the perceived service quality and customer satisfaction have a low positive correlation. The multiple coefficient of determination, R-square (R^2), is equal to 0.113, which indicates that 11.3% of the variation of customer satisfaction can be explained by tangible, reliability, responsiveness, assurance, empathy and compliance.

Table 5.41 ANOVA Table for Regression Model of Hypothesis 9

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	112.367	6	18.728	8.056	.000[b]
	Residual	885.744	381	2.325		
	Total	998.111	387			
a. Dependent Variable: MeanCUS						
b. Predictors: (Constant), MeanCOM, MeanREA, MeanRES, MeanTAG, MeanEMP, MeanASU						

Table 5.41 shows that the F value is equal to 8.056, and the significance level is equal to.000 which is less than .05 (.000<.05). Therefore, the null hypothesis is rejected. It means that the sub-variables of perceived service quality have at least one variable which significantly affected customer satisfaction.

Table 5.42 Coefficient summary for Regression Model of Hypothesis 10

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	8.590	1.064		8.071	.000
	MeanTAG	.137	.034	.202	4.041	.000
	MeanREA	-.095	.023	-.217	-4.218	.000
	MeanRES	.007	.031	.011	.215	.830
	MeanASU	-.054	.028	-.103	-1.956	.051
	MeanEMP	-.032	.024	-.070	-1.336	.182
	MeanCOM	-.016	.037	-.024	-.437	.662

As shown in Table 5.42, the significance values of tangible and reliability were equal to .000, which were less than the significance level of 0.05. Therefore, the null hypothesis was rejected. It would be implied that the sub-variables of perceived service quality which are tangible and reliability had a significant influence on customer satisfaction of the Islamic bank of Thailand.

For the other factors, the significance values of responsiveness, assurance, empathy and compliance were equal to .830, .051, .182 and .662 respectively, which is greater than the 0.05 significance level. Therefore, the null hypothesis failed to reject. This means that responsiveness, assurance, empathy and compliance had no significant influence on customer satisfaction of the Islamic bank of Thailand.

Hypothesis 10: Analysis of the influence of perceived service quality on trust

H10o: Trust is not influenced by perceived service quality in terms of tangible, reliability, responsiveness, assurance, empathy and compliance.

H10a: Trust is influenced by perceived service quality in terms of tangible, reliability, responsiveness, assurance, empathy and compliance.

Table 5.43 Regression Model summary of Hypothesis 10

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.250[a]	.062	.048	1.68107
a. Predictors: (Constant), MeanCOM, MeanREA, MeanRES, MeanTAG, MeanEMP, MeanASU				

In the Table 5.43, the value correlation coefficient (R) is 0.250, which means that perceived service quality and trust have a low positive correlation. The multiple coefficient of determination, R-square (R^2), is equal to 0.062, which indicates that 0.62% of the variation of trust can be explained by tangible, reliability, responsiveness, empathy, assurance and compliance.

Table 5.44 ANOVA Table for Regression Model of Hypothesis 10

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	71.671	6	11.945	4.227	.000[b]
	Residual	1076.701	381	2.826		
	Total	1148.371	387			
a. Dependent Variable: MeanTRU						
b. Predictors: (Constant), MeanCOM, MeanREA, MeanRES, MeanTAG, MeanEMP, MeanASU						

Table 5.44 shows that the F value is equal to 4.227, and the significance level is equal to.000 which is less than .05 (.000<.05). Therefore, the null hypothesis is rejected. It means the sub-variables of perceived service quality have at least one variable which significantly affected trust.

Table 5.45 Coefficient summary for Regression Model of Hypothesis 10

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	7.146	1.173		6.090	.000
	MeanTAG	.021	.037	.029	.575	.566
	MeanREA	.101	.025	.215	4.056	.000
	MeanRES	.038	.034	.060	1.136	.257
	MeanASU	.015	.030	.027	.496	.620
	MeanEMP	-.011	.026	-.022	-.412	.680
	MeanCOM	.064	.041	.088	1.564	.119

As shown in Table 5.45, the significant value of reliability was equal to .000, which was less than the 0.05 significance levels. Therefore, the null hypothesis was rejected. It would be implied that the sub-variable of perceived service quality which is reliability had a significant influence on trust of the Islamic bank of Thailand.

For the other factors, the significant values of tangible, responsiveness, assurance, empathy and compliance were equal to .566, .257, .620, .680 and .119 respectively, which are greater than the 0.05 significance level. Therefore, the null hypothesis failed to reject. This means that tangible, responsiveness, assurance, empathy and compliance had no significant influence on trust of the Islamic bank of Thailand.

Hypothesis 11: Analysis of the influence of perceived service quality on customer loyalty

H11o: Customer loyalty is not influenced by perceived service quality in terms of tangible, reliability, responsiveness, assurance, empathy and compliance.

H11a: Customer loyalty is not influenced by perceived service quality in terms of tangible, reliability, responsiveness, assurance, empathy and compliance.

Table 5.46 Regression Model summary of Hypothesis 11

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.347[a]	.120	.106	1.95224
a. Predictors: (Constant), MeanCOM, MeanREA, MeanRES, MeanTAG, MeanEMP, MeanASU				

In the Table 5.46, the value correlation coefficient (R) is 0.347, which means that perceived service quality and customer loyalty have a low positive correlation. The multiple coefficient of determination, R-square (R^2), is equal to 0.120, which indicates that 12.0% of the variation of trust can be explained by tangible, reliability, responsiveness, assurance, empathy and compliance.

Table 5.47 ANOVA Table for Regression Model of Hypothesis 11

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	198.621	6	33.104	8.686	.000[b]
	Residual	1452.087	381	3.811		
	Total	1650.709	387			
a. Dependent Variable: MeanLOY						
b. Predictors: (Constant), MeanCOM, MeanREA, MeanRES, MeanTAG, MeanEMP, MeanASU						

Table 5.47 shows that the F value is equal to 8.686, and the significance level is equal to.000 which is less than .05 (.000<.05). Therefore, the null hypothesis is rejected. It means the sub-variables of perceived service quality have at least one variable which significantly affected customer loyalty.

Table 5.48 Coefficient summary for Regression Model of Hypothesis 11

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	9.762	1.363		7.163	.000
	MeanTAG	.248	.043	.285	5.742	.000
	MeanREA	.041	.029	.073	1.415	.158
	MeanRES	-.010	.039	-.013	-.245	.807
	MeanASU	.016	.035	.024	.455	.650
	MeanEMP	-.122	.030	-.208	-3.990	.000
	MeanCOM	.163	.047	.189	3.460	.001

As shown in Table 5.48, the significant values of tangible, empathy and compliance were equal to .000 or .001 which were less than the 0.05 significance levels. Therefore, the null hypothesis was rejected. It would be implied that the sub-variabless of perceived service quality which are tangible, empathy and compliance had a significant influence on customer loyalty of the Islamic bank of Thailand.

For the other factors, the significance values of reliability, responsiveness and assurance were equal to .158, .807 and .650 respectively, which were greater than the 0.05 significance levels. Therefore, the null hypothesis failed to reject. This means that reliability, responsiveness and assurance had no significant influence on customer loyalty of the Islamic bank of Thailand.

Hypothesis 12: Analysis of the relationship between trust and customer satisfaction

H12o: Trust has no relationship with customer satisfaction.

H12a: Trust has a relationship with customer satisfaction.

Table 5.49 Pearson's Product Moment Correlation Coefficient for Hypothesis 12

Correlations			
		MeanTRU	MeanCUS
MeanTRU	Pearson Correlation	1	.091
	Sig. (2-tailed)		.074
	N	388	388
MeanCUS	Pearson Correlation	.091	1
	Sig. (2-tailed)	.074	
	N	388	388

The analysis of the Pearson correlation in table 5.49 showed that there is no significant correlation between trust and customer satisfaction with a two-tailed significance of .074 which is greater than 0.01 (0.074>0.01). Therefore, the null hypothesis failed to reject. Therefore there is no relationship between trust and loyalty.

Hypothesis 13: Analysis of the relationship between customer loyalty and trust

H13o: Customer loyalty has no relationship with trust.

H13a: Customer loyalty has a relationship with trust.

Table 5.50 Pearson's Product Moment Correlation Coefficient for Hypothesis 13

Correlations			
		MeanTRU	MeanLOY
MeanTRU	Pearson Correlation	1	.185**
	Sig. (2-tailed)		.000
	N	388	388
MeanLOY	Pearson Correlation	.185**	1
	Sig. (2-tailed)	.000	
	N	388	388
**. Correlation is significant at the 0.01 level (2-tailed).			

The analysis of the Pearson correlation in table 5.50 showed that there is a significant correlation between trust and customer loyalty with a two-tailed significance of .000 which is less than 0.01 (0.000<0.01). It means that the null hypothesis is rejected. Therefore there is a relationship between trust and loyalty.

R=.185 means that there is a low positive relationship between trust and loyalty or two variables move in the same direction. If the customers have trust, they will be more loyal towards the Islamic Bank of Thailand.

Table 5.50 Summary of the Results from Hypothesis Testing

Hypothesis	**Statistical Treatment**	**Level of Significance**	**Beta coefficient values**	**Results**
H1o:Perceived service quality in terms of tangible is not influenced by service fairness in terms of • Interpersonal fairness • Informational fairness • Procedural fairness • Distributive fairness	Multiple Regression Analysis	• .000 • .910 • .675 • .001	• .587 • .005 • .017 • .151	Reject H1o Failed to RejectH1o Failed to RejectH1o Reject H1o
H2o:Perceived service quality in terms of reliability is not influenced by service fairness in terms of • Interpersonal fairness • Informational fairness • Procedural fairness • Distributive fairness	Multiple Regression Analysis	• .111 • .000 • .033 • .000	• .185 • .345 • .142 • -.290	Failed to RejectH2o Reject H2o Reject H2o Reject H2o
H3o:Perceived service quality in terms of responsiveness is not influenced by service fairness in terms of • Interpersonal fairness • Informational fairness • Procedural fairness • Distributive fairness	Multiple Regression Analysis	• .000 • .000 • .778 • .165	• .511 • -.256 • -.013 • -.073	Reject H3o Reject H3o Failed to RejectH3o Failed to RejectH3o

H4o:Perceived service quality in terms of assurance is not influenced by service fairness in terms of • Interpersonal fairness • Informational fairness • Procedural fairness • Distributive fairness	Multiple Regression Analysis	• .000 • .000 • .000 • .003	• .751 • -.291 • .178 • -.172	Reject H4o Reject H4o Reject H4o Reject H4o
H5o:Perceived service quality in terms of empathy is not influenced by service fairness in terms of • Interpersonal fairness • Informational fairness • Procedural fairness • Distributive fairness	Multiple Regression Analysis	• .170 • .304 • .502 • .025	• .161 • .078 • -.045 • -.169	Failed to RejectH5o Failed to RejectH5o Failed to RejectH5o Reject H5o
H6o:Perceived service quality in terms of compliance is not influenced by service fairness in terms of • Interpersonal fairness • Informational fairness • Procedural fairness • Distributive fairness	Multiple Regression Analysis	• .180 • .170 • .051 • .307	• -.106 • .070 • -.089 • .052	Failed to RejectH6o Failed to RejectH6o Failed to RejectH6o Failed to RejectH6o
H7o:Customer satisfaction is not influenced by service fairness in terms of • Interpersonal fairness • Informational fairness • Procedural fairness • Distributive fairness	Multiple Regression Analysis	• .005 • .490 • .047 • .007	• .210 • -.023 • .059 • -.090	Reject H7o Failed to RejectH7o Reject H7 Reject H7o
H8o:Trust is not influenced by service fairness in terms of • Interpersonal fairness • Informational fairness • Procedural fairness • Distributive fairness	Multiple Regression Analysis	• .718 • .000 • .669 • .000	• .020 • .129 • -.013 • -.163	Failed to RejectH8o Reject H8o Failed to RejectH8o Reject H8o
H9o:Customer satisfaction is not influenced by perceived service quality in terms of • Tangible • Reliability	Multiple	• .000 • .000	• .137 • -.095	Reject H9o Reject H9o

• Responsiveness • Assurance • Empathy • Compliance	Regression Analysis	• .830 • .051 • .182 • .662	• .007 • -.054 • -.032 • -.016	Failed to RejectH9o Failed to RejectH9o Failed to RejectH9o Failed to RejectH9o
H10o:Trust is not influenced by perceived service quality in terms of • Tangible • Reliability • Responsiveness • Assurance • Empathy • Compliance	Multiple Regression Analysis	• .556 • .000 • .257 • .620 • .680 • .119	• .021 • .101 • .038 • .015 • -.011 • .064	Failed to RejectH1o Reject H10o Failed to RejectH10o Failed to RejectH01o Failed to RejectH10o Failed to RejectH10o
H11o:Customer loyalty is not influenced by perceived service quality in terms of • Tangible • Reliability • Responsiveness • Assurance • Empathy • Compliance	Multiple Regression Analysis	• .000 • .158 • .807 • .650 • .000 • .001	• .248 • .041 • -.010 • .016 • -.122 • .163	Reject H11o Reject H11o Failed to RejectH11o Failed to RejectH11o Reject H11o Reject H11o
H12o: Trust has no relationship with customer satisfaction	Pearson's Correlation	0.74	0.091	Failed to RejectH1o
H13o: Customer loyalty has no relationship with trust	Pearson's Correlation	.000	0.185	Reject H13o

CHAPTER 6

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

This chapter consists of four parts. The first part explains the summary of the findings, which includes a summary of the demographic factors and the hypothesis testing. The second part is the conclusions of the study which were used to explain the statement of the problems in chapter one. The third part discusses recommendations which the researcher would like to provide based on some suggestions from the hypothesis results. And the last part provides the suggestions for future research.

6.1 Summary of the Findings

This section summarized the thesis by outlining the research problem, the research methodological considerations, and the analysis in the hypothesis testing. The main purpose of the research was to study the influential factors towards customer loyalty in the Islamic Bank of Thailand.

6.1.1 Summary of Demographic Factors

The researcher distributed 400 questionnaires in four branches of the Islamic bank of Thailand in which 388 questionnaire were selected based on a screening question: “Do you have an account in the Islamic Bank of Thailand”. Based on the demographic factors of the research, the results showed that out of 388 respondents, 63.9% were females and 36.1% were males. The highest respondents group of the Islamic bank of Thailand customers was 39.4% who were aged between 36-40 years old. The study also showed that 48.7% of the respondents hold a master’s

degree. The majority of respondent's occupation was employees which accounted for 42.8% of the total population.

Table 6.1 Summary of results from respondents' demographic profile

Demographic Profile	Majority Group	Total of respondents
Gender	Female	248 (63.9%)
Age	Between 36 to 40 years	153 (39.4%)
Education	Masters	189 (48.7%)
Occupation	Employees	166 (42.8%)

6.1.2: Summary of Hypothesis Testing

Based on the research objectives, Multiple Regression analysis and Pearson's Correlation analysis are used in the study. After analyzing the hypotheses, some null hypotheses were rejected but some failed to reject. It indicates that some variables had a positive relationship and some were negatively related with each other. The results are summarized as follows:

Hypothesis 1: Perceived service quality in terms of tangible is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness. The results showed that the sub-variables of service fairness which includes interpersonal and distributive fairness have a positive significant influence; whereas, informational and procedural fairness have no significant influence on perceived service quality respectively, in terms of tangibles towards the Islamic bank of Thailand.

Hypothesis 2: Perceived service quality in terms of reliability is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness. The results implied that the sub-variables of service fairness which include informational and procedural fairness have a positive influence whereas, distributive fairness has a negative influence and interpersonal fairness has no significant influence respectively, on perceived service quality in terms of reliability towards the Islamic bank of Thailand.

Hypothesis 3: Perceived service quality in terms of responsiveness is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness. The results revealed that the sub-variables of service fairness which include interpersonal fairness have a positive influence whereas, informational fairness has a negative influence and procedural and distributive fairness have no significant influence respectively, on perceived service quality in terms of responsiveness towards the Islamic bank of Thailand.

Hypothesis 4: Perceived service quality in terms of assurance is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness. The results revealed that the sub-variables of service fairness which include interpersonal and procedural fairness have a positive influence whereas, informational and distributive fairness have significantly negative influence on perceived service quality respectively, on perceived service quality terms of assurance towards the Islamic bank of Thailand.

Hypothesis 5: Perceived service quality in terms of empathy is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness. The results showed that the sub-variables of service fairness which includes distributive fairness has a negative

influence whereas, interpersonal, informational and procedural fairness have no significant influence on perceived service quality in terms of empathy towards the Islamic bank of Thailand.

Hypothesis 6: Perceived service quality in terms of compliance is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness. The results showed that the sub-variables of service fairness which include interpersonal, informational, procedural and distributive fairness have no significant influence on perceived service quality in terms of compliance towards the Islamic bank of Thailand.

Hypothesis 7: Customer satisfaction is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness. The results showed that the sub-variables of service fairness which include interpersonal and procedural fairness have a positive influence whereas, distributive fairness has a negative influence and informational fairness has no significant influence on customer satisfaction respectively, in terms of reliability towards the Islamic bank of Thailand.

Hypothesis 8: Trust is influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness. The results showed that the sub-variable of service fairness which includes informational fairness has a positive influence whereas, distributive fairness has a negative influence and interpersonal and procedural fairness have no significant influence on trust respectively towards the Islamic bank of Thailand.

Hypothesis 9: Customer satisfaction is influenced by perceived service quality in terms of tangible, reliability, responsiveness, assurance, empathy and compliance. The results showed that the sub-variables of perceived service quality which includes tangibles has a positive influence whereas, reliability has a negative influence and responsiveness, assurance empathy and

compliance have no significant influence on customer satisfaction respectively towards the Islamic bank of Thailand.

Hypothesis 10: Trust is influenced by perceived service quality in terms of tangible, reliability, responsiveness, assurance, empathy and compliance. The results showed that the sub-variable of perceived service quality which includes reliability has a positive influence whereas, tangible, responsiveness, assurance, empathy and compliance have no significant influence on trust respectively towards the Islamic bank of Thailand.

Hypothesis 11: Customer loyalty is influenced by perceived service quality in terms of tangibles, reliability, responsiveness, assurance, empathy and compliance. The results revealed that the sub-variable of perceived service quality which include tangibles and compliance have a positive influence whereas, empathy has a negative influence and reliability, responsiveness and assurance have no significant influence on customer loyalty respectively towards the Islamic bank of Thailand.

Hypothesis 12: There is a relationship between trust and customer satisfaction. The results revealed that trust and customer satisfaction have no relationship towards the Islamic bank of Thailand.

Hypothesis 13: There is a relationship between customer loyalty and trust. The results showed that there is positive relationship between customer loyalty and trust towards the Islamic bank of Thailand.

6.2: Conclusions

This study investigated the influencing factors towards customer loyalty of the Islamic bank of Thailand by considering service fairness factors (interpersonal, informational, procedural, and distributive), perceived service quality factors (tangibles, reliability, responsiveness, assurance, empathy and compliance), customer satisfaction, trust, and customer loyalty. The following paragraphs show the conclusions for the research and also how it was implied in the study of the results.

For the demographic factors of the research, the results indicated that most of the customers of the Islamic bank of Thailand were female and aged between 36-40 years old, most of whom were employees. In other words, customers who have accounts in the Islamic bank of Thailand are females in the middle age group. It was also observed that customers are highly qualified with the majority holding a master's degree. So, it is important for the managers to pay more attention to this group to increase customer loyalty of the bank. They need to analyze and understand their needs and wants in order to make them more satisfied and generate more loyal customers.

Based on the results of hypothesis 1, the researcher found that perceived service quality in terms of tangibles is positively influenced by service fairness in terms of interpersonal and distributive fairness. According, to the values of Beta (β) coefficient got from the multiple regression analysis the research indicated the sub-variables of service fairness which include interpersonal, informational, procedural and distributive fairness with (β =.587), (β=.005), (β.017) and (β.151) respectively. Interpersonal fairness at (β =.587), had the highest positive influence on tangibles whereas, distributive fairness at (β=.151) had the lowest positive influence on tangibles of the Islamic bank of Thailand. In addition, informational fairness at (β=.910) and

procedural fairness at (β=.675) had no significant influence on tangibles of the Islamic bank of Thailand.

Based on the results of hypothesis 2, the researcher found that perceived service quality in terms of reliability is positively influenced by service fairness in terms of informational fairness. According, to the values of Beta (β) coefficient got from the multiple regression analysis the research indicated the sub-variables of service fairness which include interpersonal, informational, procedural and distributive fairness with (β=.185), (β=.345), (β=.142) and (β=-.290) respectively. Informational fairness at (β=.345) had a positive and significant influence on reliability whereas, distributive fairness at (β=-.290) had a negative influence on reliability of the Islamic bank of Thailand. In addition, interpersonal and procedural fairness with (β=.185), and (β=.142), had no significant influence on reliability of the Islamic bank of Thailand.

Based on the results of hypothesis 3, the researcher found that perceived service quality in terms of responsiveness is positively influenced by service fairness in terms of interpersonal and informational fairness. According, to the values of Beta (β) coefficient got from the multiple regression analysis the research indicated the sub-variables of service fairness which include interpersonal, informational, procedural and distributive fairness with (β =.511), (β=-.256), (β =-.013) and (β =-.073) respectively. Interpersonal fairness at (β.511) had the highest positive and most significant influence on responsiveness whereas, informational fairness at (β=-.256) had a negative influence on responsiveness of the Islamic bank of Thailand. In addition, procedural and distributive fairness with (β=-.013), (β =-.073) respectively, had no influence on responsiveness of the Islamic bank of Thailand.

Based on the results of hypothesis 4, the researcher found that perceived service quality in terms of assurance is positively influenced by service fairness in terms of interpersonal and procedural fairness. According to the values of Beta (β) coefficient got from the multiple regression analysis the research indicated the sub-variables of service fairness which include interpersonal, informational, procedural and distributive fairness with (β =.751), (β =-.291), (β=.178) and (β =-.172) respectively. Interpersonal and procedural fairness at (β =.751) and (β=.178) respectively, had a positive and significant influence on assurance, whereas, informational and distributive fairness at (β =-.291) and (β =-.172) respectively, had a negative and significant influence on assurance of the Islamic bank of Thailand. It is indicated by the results, that interpersonal fairness had the highest influence and informational fairness had the lowest influence on assurance of the Islamic bank of Thailand.

Based on the results of hypothesis 5, the researcher found that perceived service quality in terms of empathy is not positively influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness. According to the values of Beta(β) coefficient got from the multiple regression analysis the research indicated the sub-variable of service fairness which include interpersonal, informational, procedural and distributive fairness with (β =.161), (β=078), (β= -.045) and (β=-.169) respectively. Distributive farness at (β=-.160) had a negative and significant influence on empathy whereas, interpersonal, informational and procedural fairness at (β =.161), (β=078), (β= -.045) respectively, had no influence on empathy of the Islamic bank of Thailand.

Based on the results of hypothesis 6, the researcher found that perceived service quality in terms of compliance, is not positively influenced by service fairness in terms of interpersonal, informational, procedural and distributive fairness. By considering the beta (β) coefficient from

the multiple regression analysis the researcher indicated that the sub-variables of service fairness which include interpersonal, informational, procedural and distributive fairness with (β =-.106), (β=.070), (β=-.089) and (β =.052) respectively, had no influence on compliance of the Islamic bank of Thailand.

Based on the results of hypothesis 7, the researcher found that customer satisfaction is positively influenced by service fairness in terms of interpersonal and procedural fairness. According to the value of Beta (β) coefficient got from the multiple regression analysis the research indicated the sub-variables of service fairness which include interpersonal, informational, procedural and distributive fairness with (β =.210), (β= -.023), (β=.059), (β=0.59) and (β=-.090) respectively. Interpersonal and procedural fairness at (β =.210) and (β=.059) respectively, had a positive and significant influence on customer satisfaction of the Islamic bank of Thailand. Distributive fairness at (β=-.090) had a negative influence whereas, informational fairness at (β=-.023) had no influence on customer satisfaction of the Islamic bank of Thailand.

Based on the results of hypothesis 8, the researcher found that trust is positively influenced by service fairness in terms of informational fairness. According to the value of Beta (β) coefficient got from the multiple regression analysis the research indicated the sub-variables of service fairness which include interpersonal, informational, procedural and distributive fairness with (β =.020), (β=.129), (β=-.013) and (β=-.163) respectively. Informational fairness at (β =.020) had the highest positive and significant influence whereas, distributive fairness at (β=-.163) had a negative influence on trust of the Islamic bank of Thailand. Interpersonal

fairness at (β=.020) and procedural fairness at (β=-.013) had no influence on trust of Islamic bank of Thailand.

Based on the results of hypothesis 9, the researcher found that customer satisfaction is positively influenced by perceived service quality in terms of tangible. By considering the Beta (β) coefficient got from the multiple regression analysis the research indicated that sub-variables of perceived service quality which include tangible, reliability, responsiveness, assurance, empathy and compliance with (β =.137), (β =-.095), (β=.007), (β=-.054), (β=-.032), (β=-.016) respectively. It is confirmed that perceived service quality in terms of tangibles had the highest influence on customer satisfaction at (β=.137). Reliability at (β =-.095) had a negative influence whereas, responsiveness, assurance, empathy and compliance at (β=.007), (β=-.054), (β=-.032), (β=-.016) respectively, had no influence on customer (loyalty) of the Islamic bank of Thailand.

Based on the results of hypothesis 10, the researcher found that trust is positively influenced by perceived service quality in terms of reliability. According to the values Beta (β) coefficient got from the multiple regression analysis the research indicated that the sub-variables of perceived service quality which include tangibles, reliability, responsiveness, assurance, empathy and compliance with (β=.021), (β=.101), (β=.038), (β=.015), (β=-.011), and (β =0.64) respectively. Reliability at (β=.101) had a positive and significant influence on trust whereas, tangibles, responsiveness, assurance, empathy and compliance at (β=.021), (β=.038), (β=.015), (β=-.011), and (β =0.64) respectively, had no significant influence on trust of the Islamic bank of Thailand.

Based on the results of hypothesis 11, the researcher found that customer loyalty is positively influenced by perceived service quality in terms of tangibles, reliability and compliance. According to the values Beta (β) coefficient got from the multiple regression analysis the research indicated the sub-variables of perceived service quality which include tangibles, reliability, responsiveness, assurance, empathy and compliance with (β=.248), (β=.041), (β=-.010), (β=.016), (β=-.122) and (β=.163) respectively. Tangible and compliance at (β=.248) and (β=.163) had a positive and significant influence whereas, empathy at (β=-.122) had a negative influence on customer loyalty of the Islamic bank of Thailand. It is confirmed that perceived service quality in terms responsiveness and assurance at (β=-.010), (β=.016) has no influence on customer loyalty of the Islamic bank of Thailand.

Based on hypothesis 12, derived from Pearson's correlation, the researcher found that the null hypothesis was failed to reject. The results showed that trust has no relationship with customer satisfaction of the Islamic bank of Thailand.

Based on Hypothesis 13, calculated from Pearson's correlation, the researcher found that null hypothesis was rejected. The results showed that customer loyalty and trust are positively related to each other in the Islamic bank of Thailand.

By better understanding the customers of the Islamic bank of Thailand it is more important to make effective strategies in order to attract more people and increase the loyalty among people who already have accounts in the bank. Managers should be able to employ more effective strategies for the improvement of fair and improved services to meet customers' actual needs. Once customers perceive the services provided are valuable, the higher satisfaction would occur and it increases the customer loyalty of the bank. The issues allowing better understanding

of customers' perception of service fairness and service quality and the role of them in customers' satisfaction and customer loyalty of the bank should be addressed and warrant a future study.

6.3: Discussion and Implications

From hypothesis 1, the researcher found that the sub-variables of service fairness which include interpersonal and distributive fairness had a positive and significant influence on perceived service quality in terms of tangibles, which means the null hypothesis was rejected. Moreover the Beta coefficient (β) showed that among service fairness, interpersonal fairness has the highest influence and distributive fairness has least positive influence on perceived service quality in terms of tangibles. These finding are supported by many researchers such as Zeithaml (1988) who found that the service industries are providing intangible services and tangible goods, always play an important role in terms of satisfying customers' demands by providing fair services.

Most researchers suggested that high service quality is a result of fairness in services provided by the firms (Parasuraman and Berry, 1985 and 1988). Whereas, Bitner (1990) suggested that interpersonal fairness is an exchange of values between customers and service providers. The interaction directly relates to perception of customers on service quality and therefore, it is relevant to improvise interpersonal skills for a high perceived service quality (Nikolich and Sparks, 1995). Accordingly, if people feel fairly treated when the economic outcomes are the same relevant to others, the balance in distributive fairness leads to a high motivation and high perception of service quality (Adam, 1965). When the ratios are not in

balance, individuals compare them with others, which may encourage demotivation and lower perception of service quality.

From hypothesis 2, the researcher found that the sub-variables of service fairness which include informational and procedural fairness had a positive and significant influence whereas, distributive fairness had a negative influence on perceived service quality in terms of reliability, which means the null hypothesis were rejected. Moreover the Beta coefficient (β) showed that among service fairness, informational fairness has the highest positive influence whereas, distributive fairness has a negative influence on perceived service quality in terms of reliability respectively. These findings are supported by many researchers such as Parasuraman and Zeithmal (1994) who discussed that SERVAQUAL dimensions are positively related to overall service quality and service quality affects service fairness. As Greenberg (1993) suggested that informational fairness is about providing knowledge about procedures, which may include providing brochures or technical support, it imports directly on perceived service quality. Customers do not evaluate the services based on just favorable dimensions but, also through comparison with fairness of firms, whereas, distributive fairness deals with perceived fairness of outcomes. When a particular outcome or set of outcomes are perceived as unfair by customers, it affects the person's emotions, cognition and their behavior, which creates negative impact on reliability of bank (Adam, 1965) and (Freedom, 1976).

From hypothesis 3, the researcher found that the sub-variables of service fairness which includes interpersonal fairness had a positive and significant influence whereas, informational fairness had a negative influence on perceived service quality in terms of responsiveness, which means the null hypothesis were rejected. Moreover, the Beta coefficient (β) showed that among service fairness, interpersonal fairness has the highest positive influence and informational

fairness has a negative influence on perceived service quality in terms of responsiveness respectively. These findings are supported by Bies and Moag (1986), Tyler and Bies (1990) who related interpersonal and informational fairness with perceived service quality in terms of responsiveness by explaining that interpersonal fairness is related to the aspect of the communication process between the source and the receipt like, politeness, honesty and respect which leads to positive attitudes towards perceived service quality. However, if a person receives informational unfairness he/she will predictively respond negatively (Masterson, Lewis, Goldman and Taylor, 2000). This affects perceived service quality in terms of responsiveness negatively.

From hypothesis 4, the researcher found that the sub-variables of service fairness which include interpersonal and procedural fairness had a positive significant influence whereas, informational and distributive fairness had a significant negative influence on perceived service quality in terms of responsiveness, which means the null hypothesis was rejected. Moreover, the Beta coefficient (β) showed that among service fairness, interpersonal fairness has the highest influence and informational fairness has a negative influence on perceived service quality in terms of assurance. These findings are supported by a few researchers as service fairness is a new construct and it mediates the other dimensions. Greenberg (1990) and Sheppard (1992) found that service fairness is taken into consideration when assessing the overall service quality of an organization. This proved that consumers wanted a balanced level of service fairness like informational, interpersonal, procedural and distributive fairness to increase perceived levels of service quality. When unbiased services are perceived by service providers, the customers feel great and their assurance level is increased whereas, when biasness is perceived in services, it has a negative impact on customers and the assurance level declines (Beugre and Baron, 2001).

From hypothesis 5, the researcher found that the sub-variable of service fairness which includes distributive fairness had a negative and significant influence on perceived service quality in terms of responsiveness, which means the null hypothesis was rejected. Moreover, the Beta coefficient (β) showed that among service fairness only distributive fairness had an influence but a negative influence on perceived service quality in terms of empathy. These findings are supported by Liao (2007), who found that distributive fairness refers to perceived service quality, like when a customer receives an outcome due to failure of service it affects their feelings and emotions which is referred to as empathy. Whereas, Chung-Herrera, Goldschmidt and Hoffman (2004), suggested that perceive service quality can be affected by unfair or biased decisions by organizations, so service providers can make recovery efforts to improve. In some cases, it is not the policy of organizations which are unfair but it could be a misinterpretation of policies which affects empathy factors of perceived service quality.

From hypothesis 6, the researcher found that the sub-variable of service fairness which includes interpersonal, informational, procedural and distributive fairness had no significant influence on perceived service quality in terms of compliance, which means the null hypothesis was failed to reject.

From hypothesis 7, the researcher found that the sub-variable of service fairness which includes interpersonal and procedural fairness had a positive and significant influence, whereas, distributive fairness had a negative and significant influence on customer satisfaction, which means the null hypothesis was rejected. Moreover, the Beta coefficient (β) showed that among service fairness interpersonal fairness has the highest influence and distributive fairness has a negative influence on customer satisfaction. These findings are supported by (Bery et al., 1994) who found that fairness is especially exposed in service industries because of intangibility of

services. Carr (2007) proposed that service fairness is based on evaluation with traditionally four dimensions of interpersonal, informational, procedural and distributive fairness. Berry and Parasuraman (1991) proposed that relationship marketing concerns customer relationships, which increases customer's positive feeling towards the bank and customer satisfaction will be increased. Bagozzi (1992) and Lazarus (1991) proposed that customer satisfaction is primarily and affective variable and fairness will be antecedent of satisfaction. On the contrary, when customers think that they have been treated unfair in terms of distributive fairness their reaction tends to be immediate, emotional and enduringly negative (Seiders and Berry, 1998).

From hypothesis 8, the researcher found that the sub-variable of service fairness which includes informational fairness had a positive and significant influence, whereas, distributive fairness had a negative influence on trust, which means the null hypothesis was rejected. Moreover, the Beta coefficient (β) showed that among service fairness, informational fairness has the highest positive influence and distributive fairness has a negative influence on trust. These findings are supported by many researchers such as Seider and Berry (1998) who explained fairness as a deemed necessity condition for trust. Folger and Konovsky (1989) proposed that fair treatment develops trust. Furthermore, it is explained that good interpersonal skills and interpersonal fairness can lead to higher trust, which regards trust as a central construct (Srideshmukh et al., 2002).

From hypothesis 9, the researcher found that the sub-variables of perceived service quality which includes tangibles had a positive significant influence, whereas, reliability had a negative influence on trust, which means the null hypothesis was rejected. Moreover, the Beta coefficient (β) showed that among perceived service quality, tangibles has the highest influence and reliability had a negative influence on customer satisfaction. These findings are supported by

many researches like Stafford (1994) who proposed that service quality is viewed as a significant issue in the banking industry. Since in banks there are generally undifferentiated products it is important to improve the service quality to distinguish from the competition. Cronin and Taylor (1992) have suggested that service quality and customer satisfaction are the most heavily studied concepts by managers of banks. According to Oliver (1980) if a customer is convinced by the interior and tangible factors of the firm, it does affect the level of satisfaction. Whereas, Levesque and Mcdougall (1996) confirmed that unsatisfied customer services could lead to dissatisfaction. If the bank is not reliable enough it would be negatively related to customer satisfaction.

From hypothesis 10, the researcher found that the sub-variable of perceived service quality which includes reliability had a positive and significant influence on trust, which means the null hypothesis was rejected. Moreover, the Beta coefficient (β) showed that among perceived service quality only reliability has an influence on trust. Gummerus et al. (2004) presented their concept of understanding requirements and developing services based on perception, which enhances trust, it explains the relation between perceived service quality and trust. The reliability dimension of perceived service quality is related to promise activities which are provided by the bank, and it measures the trust level of customer satisfaction (Zeinthml et al., 2000). If the reliability dimension of the bank is not satisfactory it has a negative effect on customer satisfaction of the bank (Wang et al., 2003).

From hypothesis 11, the results showed that perceived service quality in terms of tangibles and compliance had a positive and significant influence and compliance had a negative influence on customer loyalty respectively, which means that the null hypothesis was rejected. Moreover, the Beta coefficient showed that among perceived service quality tangibles has the highest

influence on customer loyalty. A limited number of attempts have been made to conceptualize service loyalty and to investigate its antecedents (Gremler and Brown, 1996). Few of the researchers supported customer loyalty as an ultimate dependent variable in the service quality model (Fornell et al., 1996). Yet, the precise nature of service quality and loyalty remains fuzzy (Boulding et al ., 1993). Cronin and Taylor (1992) explained the positive relationship between tangible factors of perceived service quality and customer loyalty, depending on the industry being studied. Zeithmal et al. (1990) reported a positive relation by stating a fact that, when people perceive what they have expected, the willingness to pay higher and sustain loyalty becomes important for them. On the contrary, if customers remain inactive, it causes dissatisfaction which will lead to disloyal customers; it is argued that people will respond to dissatisfaction at any point in their service using experience (Day, 1984). Although, prior researches have not comprehensively examined the impact of service quality on customer loyalty, all dimensions but it has been discussed that different types of service industries faces different relationships among cross sections of the sub-variables of service quality. In the case of the Islamic bank of Thailand, the relation between the sub-variables of service quality tangibles and compliance it is positive, whereas, its negative in terms of empathy with loyalty (Zeithmal, 1996).

From hypothesis 12, the results showed that trust statistically has no relationship with satisfaction in the Islamic bank of Thailand. Due to a change in geographic location, culture and traditional aspects, the results showed no relationship between trust and customer satisfaction. Although, several researchers have supported the positive relation among these variables like, Srinett and Walters (1977), who suggested that trust plays an important role in increasing security in a relationship, reduces inhibitions and defensiveness. It makes people free to share

their feelings and dreams, and if trust exists to the extent that a person believes the other party is benevolent and honest, then levels of satisfaction arise (Larzelere and Huston 1960).

Rempel, Holmes and Zanna (1985) found that faith is the most important aspect of trust in a close relationship between customers and the bank. Whereas, few researchers only think that trust is a mediating factor like Bauer et al. (2002), in a study concluded that trust is mediator between satisfaction and loyalty.

From hypothesis 13, the results showed that trust has statistically positive relationship with loyalty. It means that the null hypothesis was rejected. Furthermore, Egan (2001) elaborated that customer loyalty is a central concept in a relationship study. Chakravarty et al. (2004) stated that in the banking sector due to the competitiveness, it is very important to build trust and focus on developing and maintaining customer loyalty. The importance of trust in explaining loyalty is supported by several authors like (Chaudhuri and Holbrook 2001; Chiou and Droge 2006; Rauyren et al., 2007). Chaudhuri and Holbrook (2001) suggested that trust is the factor which determines loyalty towards a brand or any service providers. Chiou and Droge (2006) investigated that the relationship between trust and two dimensions of loyalty, namely attitudinal and behavioral. Rauyren (2007) showed that customer trust influence dimensions of loyalty. These results are due to their positive relation, if a customer trusts any firm he/she will repurchase or revisit. The results showed that trust contributes significantly on the relationship of service providers, thus indicating the degree of loyalty.

6.4: Recommendations

Based on the results of hypothesis 1, the researcher found that service fairness, which includes interpersonal and distributive fairness, statistically influenced perceived service quality in terms of tangibles. The findings also showed that interpersonal and distributive fairness had a positive and significant influence on perceived service quality in terms of tangibles. Based on the results of the beta (β) coefficient which the researcher got from the multiple regressions, it was illustrated that interpersonal fairness had the highest influence and distributive fairness had a low positive influence on perceived service quality in terms of tangibles of the Islamic bank of Thailand. Then the researcher would like to provide some recommendations based on the hypothesis results as follows:

The Islamic bank of Thailand should understand that interpersonal fairness is the most outstanding factor among all other factors of service fairness, which influences perceived service quality in terms of tangibles. Therefore, they should pay more attention and focus on interpersonal skills of employees to improve service quality of the bank. Customers expect from bank employees to be more polite, respectful and courteous. For this reason the Islamic Bank of Thailand should present better interpersonal fairness in order to increase perceived service quality. The focus of interpersonal fairness is how managers of the bank treat their subordinates, and how this treatment affects perception of fairness (Cobb and Frey, 1996). Similarly, if services are equal and fair to everyone, people see themselves connected to others, which enhances the relationship between banks and customers (Brockner et al., 2000).

By considering the beta coefficient got from the multiple regression analysis, the researcher indicated that distributive fairness has a low positive influence on perceive service quality in

terms of tangibles. In order to improve service quality the Islamic bank of Thailand should improve the factors of distributive fairness. Employees should be guided to help customers without any favoring of specific groups and provide all the desired information without bias. The fair process creates a positive influence on customer's perceived quality (Van den Bus et al., 1997). Distributive fairness refers to comparison of outcomes, so if the bank provides fair distribution of outcomes overall perceive service quality in terms of tangible will be increased (Grewal et al., 1998).

Based on the results of hypothesis 2, the researcher found that service fairness, which includes informational, procedural and distributive fairness, influenced statistically perceived service quality in terms of reliability. Based on the results of the beta (β) coefficient which the researcher got from the multiple regression analysis, it was illustrated that informational fairness had the highest influence and distributive fairness had a negative influence on perceived service quality in terms of reliability of the Islamic bank of Thailand. Then the researcher would like to provide some recommendations based on the hypothesis results as follows:

The Islamic bank of Thailand should understand that if they focus on the fairness regarding: providing timely and specific explanations, giving reasonable information and assisting customers with their queries it can affect the factor of reliability in the long term. Similarly, researchers have argued that informational fairness conveys both trust and service quality by reducing dishonesty in the bank (Tyler and Bies, 1990). So, for the bank it is an important factor to guide employees for the procedures and effective fairness. Scholars have suggested that managers should be able to satisfy the informational fairness claims of multiple parties by simply focusing on their expectations and providing them specific constituency (Greenberg, 1990).

By considering the beta coefficient got from the multiple regression analysis, the researcher indicated that distributive fairness had a negative influence on perceived service quality in terms of reliability of the Islamic bank of Thailand. In order to improve service quality in terms of reliability it is important to focus on distribution fairness by the bank comparison of every individual which they make, every individual should be served individually by the employees to meet desired results. The Bank should provide more time for consumer evaluation to treat people fairly and offer them valuable products and services (Van de bos et al., 2007). Similarly, once consumers have confidence in identification of fair service they will judge the firm fairly, which will have a positive effect on reliability (Haws and Bearden, 2006).

Based on the results of hypothesis 3, the researcher found that service fairness, which includes interpersonal and informational, statistically influenced perceived service quality in terms of responsiveness. Based on the results of the beta (β) coefficient which the researcher got from the multiple regression analysis, it was illustrated that interpersonal fairness had the highest influence and informational fairness had a negative influence on perceived service quality in terms of responsiveness respectively of the Islamic bank of Thailand. Then the researcher would like to provide some recommendations based on the hypothesis results as follows:

The Islamic bank should understand that interpersonal fairness is the most outstanding factor among other factors of service fairness. Therefore, it is important for the bank to hire employees who are soft spoken, unbiased and knowledgeable to increase the factor of responsiveness among customers of the bank. The literal meaning of responsiveness is, to react quickly, so if the employees have good interpersonal qualities it will increase responsiveness gradually. Customers desire prompts actions and fast and efficient service (Greenberg, 1990).

Based on the results of hypothesis 3 and considering the beta coefficient got from the multiple regression analysis the researcher indicated that informational fairness has a negative and significant influence on perceived service quality in terms of responsiveness of the Islamic bank of Thailand. In order to improve service quality in terms of responsiveness the bank should improve informational fairness which indicated that providing reasonable information to customers can reduce the perception of injustice and can lessen the erosion which increases service quality.

Based on the results of hypothesis 4, the researcher found that service fairness, which includes interpersonal, informational, procedural and distributive fairness, statistically influenced perceived service quality in terms of assurance. Based on the results of the beta (β) coefficient which the researcher got from the multiple regression analysis, it was illustrated that interpersonal fairness had the highest influence and informational fairness had a negative influence on perceived service quality in terms of assurance of the Islamic bank of Thailand. Then the researcher would like to provide some recommendations based on the hypothesis results as follows:

The Islamic bank of Thailand should understand that interpersonal fairness is the most outstanding factor among other factors of service fairness. Therefore, it is important for the bank to manage good relationships with customers and offer learning to employees in order to sustain a good position in the market. Interpersonal fairness affects assurance because customers desire friendly staff, precise answers to financial advice and to maintain confidentiality. Interpersonal fairness includes behaviors which are largely in control and at the discretion of managers so the Islamic bank should motivate managers to engage in interpersonal fairness activities (Korsgaard, Roberson and Rymph, 1998). If a desired relationship is maintained between the bank and

customers then the relation between perceive service quality in terms of assurance becomes significant (Brockner et al., 2000).

Based on the results of hypothesis 4, and considering the beta coefficient got from the multiple regression analysis the researcher indicated that informational fairness has a negative and significant influence on perceived service quality in terms of assurance of the Islamic bank of Thailand. In order to improve the assurance factor which includes friendly staff, it is important to focus on informational fairness. The Bank should increase quality and attractiveness of information without any bias for customers. They should also create and develop plans before hand to increase the quickness of obtaining information by the customers, so that they can gather the favorable information faster. Such marketing saves customers time and the factor of fairness (Vijayasarathy and Jones, 2001).

Based on the results of hypothesis 5, the researcher found that service fairness, which includes only distributive fairness, statistically influenced perceived service quality in terms of empathy. Based on the results of the beta (β) coefficient which the researcher got from the multiple regression analysis, it was illustrated that distributive fairness has a negative influence on perceived service quality in terms of empathy of the Islamic bank of Thailand. Then the researcher would like to provide some recommendations based on the hypothesis results as follows:

In order to improve service quality it is very important for the bank to focus on the distributive fairness. If customers have a good perception of policies, procedures and guideline or financial advisory of the bank, it will certainly influence service quality (Yoshidn, 2001). Empathy refers to the availability of services, special attention towards customers etc. So the

Islamic bank should induce more efforts to makes services fair and unbiased which gradually will affect perceive service quality in terms of empathy. The bank should make better plans for complex of transactions, and make efficient techniques for convenient bank transactions. (Chen et al., 2001).

Based on the results of hypothesis 6, the researcher found that service fairness which includes interpersonal, informational, procedural and distributive fairness has no statistical influence on perceived service quality in terms of compliance.

Based on the results of hypothesis 7, the researcher found that service fairness, which includes interpersonal, procedural and distributive fairness, statistically influenced customer satisfaction. Based on the results of the beta (β) coefficient which the researcher got from the multiple regression analysis, it was illustrated that interpersonal fairness had the highest influence and distributive fairness had a negative influence on customer satisfaction respectively, towards the Islamic bank of Thailand. Then the researcher would like to provide some recommendations based on the hypothesis results as follows:

The Islamic bank should focus more on interpersonal fairness among other factors of service fairness, because it is the most outstanding factor among all. When employees treat their customers with dignity, respect and fairness the level of customer satisfaction increases (Winer, 2001). The overall attention of the bank should be on customer satisfaction as satisfaction is primarily an affective variable of success for any service firm (Oliver, 2007). Whereas, fairness has been treated as an antecedent of satisfaction, when customers think that they have been treated unfairly their reaction tends to be negative. So, the Islamic bank should focus on customer satisfactory policies by asking questions on a regularly basis from customers to know

what they feel about the services provided (Seiders and Berry 1998). Substantial fairness is the key factor for satisfaction of Islamic bank (Carr, 2007).

Based on the result of hypothesis 7 and considering the beta (β) coefficient from the multiple regression analysis, the researcher indicated that distributive fairness has a negative significant influence on customer satisfaction of the Islamic bank of Thailand. In other words, it has been found that customers compare their benefits of service received and if they may perceive negative impression, the level of satisfaction goes down. The Islamic bank of Thailand should make efforts to mediate the relationship between fairness and customer satisfaction. Unfair practices should be avoided because they bring out suspiciousness in customers.

Based on the results of hypothesis 8, the researcher found that service fairness, which includes informational and distributive fairness, statistically influenced trust. Based on the results of the beta (β) coefficient which the researcher got from the multiple regression analysis, it was illustrated that informational fairness had the highest influence and distributive fairness has a negative influence on trust of the Islamic bank of Thailand. Then the researcher would like to provide some recommendations based on the hypothesis results as follows:

The bank should pay more attention to informational fairness in order to maintain the trust factor of the bank. Generally, informational fairness is found to be one of the strongest predictors of personal outcomes e.g. customers with fair information are noted to have greater trust (Cohen-Charash and Spector, 2001). The bank should increase trust in senior management through the implementation of more accepted and fair performance appraisal systems (Mayer and Davis, 1999). Greater trust among employees leads to fair service delivery, which makes customers feel more satisfied towards the bank.

Based on the results of hypothesis 8, and considering the beta (β) coefficient from the multiple regression analysis the researcher indicates that distributive fairness had negative influence on trust of the Islamic Bank of Thailand. So, in order to maintain trust it is important for the bank to focus on distributive fairness of the bank. As, Bruckner, Siegel, Daly, Tyler and Martin (1997) concluded, unfavorable or unexpected outcomes of distributive fairness is one factor that people may use in deciding on the trustworthiness of the other party. This means, if the activities are not fair it will decline the trust level. Distributive fairness is a strong predictor in managing trust. The bank should make major organizational changes to differentiate between employee's perceived service and expectations.

Based on the results of hypothesis 9, the researcher found that perceived service quality, which includes tangibles and reliability, statistically influenced customer satisfaction. Based on the results of the beta (β) coefficient which the researcher got from the multiple regression analysis, it was illustrated that tangibles had the highest influence and reliability has negative influence on customer satisfaction of the Islamic bank of Thailand. Then the researcher would like to provide some recommendations based on the hypothesis results as follows:

The Islamic bank of Thailand should focus more on the tangible factors among all other factors of perceived service quality in order to increase customer satisfaction. The Bank should emphasize on the quality of their services because service quality is considered as the core strategic competition. Moreover, tangible factors like materials associated with services, speed and efficiency, convenient opening hours of the bank are highly expected by the customers of the Islamic bank of Thailand. Service quality should define overall excellence which raises satisfaction (Mohamed and Shirley, 2009).

Based on the results of hypothesis 9, and considering the beta (β) coefficient, reliability has a negative significance, so in order to improve customer satisfaction it is important for the bank to focus on the reliability factor. The Bank should bring in more advisory services, they should be more focused towards the problem solving management, and insurance facilities are also in need of being increased. Managing functions on a timely basis and providing services on time affects customer satisfaction is necessary. As Wang and Nguyers and Tran (2009) had suggested, employees can prove certain levels of service quality delivered to customers which impacts overall customer satisfaction.

Based on the results of hypothesis 10, the researcher found that perceived service quality, which includes reliability, statistically influenced trust. Based on the result of the beta (β) coefficient which the researcher got from the multiple regression analysis, it was illustrated that reliability is the only factor which has a positive influence on trust of the Islamic bank of Thailand. Then the researcher would like to provide some recommendations based on the hypothesis results as follows:

In order to maintain trust among customers the bank should focus on the reliability factor of perceived service quality. The Islamic bank of Thailand should increase bank services in different parts. So that it would be easier for customers to use extensive bank services wherever they want to, like more ATMs, and ADM would increase the reliability factor among customers.

Based on the results of hypothesis 11, the researcher found that perceived service quality, which includes tangibles, empathy and compliance influence customer loyalty. Based on the result of 'the beta (β) coefficient which the researcher got from the multiple regressions analysis it was illustrated that tangibles had the highest influence and reliability has a negative and

significant influence on perceived customer loyalty of the Islamic bank of Thailand. Then the researcher would like to provide some recommendations based on the hypothesis results as follows:

The Islamic bank of Thailand should focus on the tangible factors more to improve or increase customer loyalty. The bank should pay more attention to service quality as it is the most critical issue in the service industry, since it can improve the productivity, decrease the cost, build customer loyalty and increase profits to firms (Marquardt, 1989; Power, 1992). The bank should pay attention towards the outlook of bank; they should increase service delivery hours, as the timings of banks should be convenient for the customers. Many researchers suggested improving service delivery and avoiding failures. Hart et al. (1990) claimed that mistakes are critical parts of service and they try hard to provide the best service and prevent late payments, system errors and late accessing of data. Because the services in the bank are performed in front of customer's presence, some error is inevitable.

Based on the results of hypothesis 11 and considering the beta (β) coefficient got from the multiple regressions, the researcher indicated that reliability had a negative and significance influence on customer loyalty. So, in order to increase customer loyalty it is important for the bank to enhance the empathy factor and avoid service failures as service failures are inevitable due to [high people consideration confusing] in the banking business (Susskind, 2002). Any failure in the service accelerates dissatisfaction which will lead to customer complaints and low loyalty. The bank should pay special attention towards marinating the privacy and confidentiality of customer accounts, because service failures happen when customer perceived service quality falls below customer expectations (Bitner, Browned and Meuter, 2000).

Based on the results of hypothesis 12, from Pearson's correlation, the researcher found that trust has no relationship with customer satisfaction of the Islamic bank of Thailand.

Based on the result of hypothesis 13, from Pearson's correlation, the researcher found customer loyalty and trust has a significant relationship. The results also showed that the customer loyalty has a positive and significant influence on trust of the Islamic bank of Thailand.

By better understanding trust and loyalty in the bank, the bank should employ more effective marketing strategies of special and improved services to meet customers' actual needs, which may lead to higher levels of customer loyalty. Once customers perceive their service experience valuable, the higher satisfaction would occur and it increases and keeps the trust factor maintained within customers.

6.5: Further studies

There are several recommendations from the researcher that would be highlighted so as to provide a reference for future studies and those references could help other researchers to make improvement in the future research.

First, this research investigated about the influential factors towards customer loyalty of the Islamic bank of Thailand. In this study only four independent variables have been studied to know the influential factors towards customer loyalty, but in the future there might be other independent variables which may affect or have greater influence on customer loyalty.

Second, in this study the researcher collected the data from only four branches of the Islamic bank of Thailand depending upon the highest transactions per day. For future studies, other researchers should research other branches, which may affect customer loyalty differently.

The further researchers may compare service quality with customer satisfaction or loyalty based on different geographical areas.

Finally, this research focused only on the topic of “Influencing factors towards customer loyalty”. In addition, the target market of this research is the customers of the Islamic bank of Thailand, who have bank accounts in the bank. Future researchers can select the people who have no experience about services of the Islamic bank as a target market, and study about the expectation and attitude that may cause them to use Islamic bank of Thailand.

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Appendix A

(Questionnaire English Version)

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ธนาคารอิสลาม
แห่งประเทศไทย
ISLAMIC BANK OF THAILAND • المصرف الإسلامي بتايلاند

Questionnaire

This questionnaire is designed to obtain information as the partial fulfillment of Thesis for the degree of Master Business Administration, Assumption University Thailand. Please kindly answer all the questions about "Determining the relationship between Perceived Service Quality and Customer Loyalty: A case study of Islamic Bank of Thailand "All information will be kept strictly confidential and not used for any other purposes. Thank you for your kind cooperation.

Instruction on this questionnaire

For the next page of questionnaire, please answer the following questions and fill **(✓)** in the box that applies to each statement.

Part 1: Screening Question

Q1: Do you have account in Islamic bank of Thailand?

Yes ☐ No ☐

If you answered **"NO" in Q1, Please skip filling the questionnaire*

Please mark your response using the answer key provided below:

Strongly Agree	**Agree**	**Neutral**	**Disagree**	**Strongly Disagree**
5	**4**	**3**	**2**	**1**

Part 2: Independent Variables:

There are four independent variables which the researcher has used to conduct this study. First variable Service Fairness is further classified into four sub- variables, while second variable is classified into six sub-variables. The respondents were asked to indicate the importance of factors related to Customer Loyalty.

Service Fairness Interpersonal Fairness	5	4	3	2	1
1. Employees in the bank are polite					
2. Employees in the bank are respectful					
3. Employees in the bank treats customers with dignity					
4. Employees in the bank are courteous					
Informational Fairness					
5. Employees in the bank give timely and specific explanations					
6. Employees in the bank give thorough explanations					
7. Employees in the bank provide reasonable information					
8. Employees in the bank tailor their explanations to customer needs					
Procedural Fairness					
9. The process of wording with employees in the bank is generally fair					
10. The activities of the employees are conducted without biasness					
11. The process involving employees in bank attempts to meet all					

customer needs					
12. The procedures used by the employees in the bank are consistent across customers					
Distributive fairness					
13. Employees in the bank helps all customers get the outcomes they need without favoring any one group					
14. Employees in the bank produce desired results for all customers without bias of any kind.					
15. Employees in the bank deliver good outcomes for all customers without bias of any kind					
16. In general, employees in the bank deliver reasonable results for all customers					

Perceived Service Quality Tangible					
17. Visually appealing materials associated with services like bank interior, outlooks etc					
18. Speed and efficiency of transactions					
19. Bank has convenient opening business hours					
Reliability					
20. Bank keeps its records accurately					
21. The bank employees provide services at the promised time					
22. When you have, problem bank is able to solve the problem and cooperate with you					
23. Wide range of products and services provided like , financial leasing, home loans etc					

24. Availability of general *takaf*ul (insurance) facilities					
Responsiveness					
25. Employees of banks are always willing to help customers					
26. Employees of bank respond to customer request promptly					
27. Fast and efficient counter services					
28. Bank provides more branches to open up					
Assurance					
29. Employees of bank have friendly staff					
30. The bank employees are knowledgeable and give precise answers to our inquiries					
31. Bank provides data customer confidentiality					
32. Bank provide financial advice to help people where and when to invest					
Empathy					
33. Bank provide availability of internet banking facility					
34. The availability of ATM machines are easily accessible of Islamic Bank					
35. There is 24 hours availability of ATM services					
36. The availability of credit and loan from the bank is on favorable terms					
37. The bank employees give personal attention to customers, like help in filling opening account forms etc.					

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38. The bank provides lower service charges					
Compliance					
39. Islamic Bank provides provision of free interest neither paid nor taken based on Islamic principals					
40. Facility of zakat (alms tax) payment facility is available Note: zakat is obligatory payment made annually under Islamic law on certain kinds of property.					
41. Provides provision of profit sharing investment product like providing retirement plans for aged customers etc					
42. Interest free loans are provided to customers by Bank, based on Islamic law					
Customer Satisfaction					
43. I am generally pleased with my banks online services.					
44. I am satisfied with my banks online services					
Trust					
45. I am prepared to give private information to the bank					
46. My bank is professional in online banking					
47. My bank always fulfills their promises.					

Part 3: Dependent Variable

The dependent variable of this study is Customer Loyalty.

Loyalty					
48. I will recommend Islamic Bank of Thailand to other people.					

49. I would recommend my bank website to others.					
50. I intend to continue using my bank online services.					
51. I will prefer Islamic Bank of Thailand above others.					

Part 4: Personal Data

1. Gender

☐ Male ☐ Female

2. Age

☐ Below 25 yrs ☐ 25-30 yrs
☐ 31- 35 yrs ☐ 36-40 yrs
☐ 41-45 yrs ☐ 46-50 yrs
☐ Over 50yrs

3. Education

☐ Intermediate
☐ Bachelors
☐ Masters
☐ PhD

4. Occupation

☐ Student ☐ Employee
☐ Government Officer ☐ Owner ship
☐ Housewife/ Not Working ☐ Others ……..

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Appendix B

(Questionnaire Thai Version)

แบบสอบถาม

แบบสอบถามชุดนี้ออกมาเพื่อทำการเก็บข้อมูลในการวิจัย ซึ่งเป็นส่วนหนึ่งของวิทยานิพนธ์ปริญญาโทคณะบริหารธุรกิจ มหาวิทยาลัยอัสสัมชัญ ขอความกรุณาตอบคำถามทั้งหมดเกี่ยวกับ “การหาความสัมพันธ์ระหว่างการรับรู้คุณภาพของบริการ และ ความจงรักภักดีของลูกค้า : กรณีศึกษาธนาคารอิสลามแห่งประเทศไทย” ข้อมูลทั้งหมดจะถูกเก็บเป็นความลับ และถูกใช้เพื่อการศึกษาในครั้งนี้เท่านั้น ขอขอบคุณในความร่วมมือ

ข้อแนะนำในการตอบแบบสอบถาม

กรุณาตอบคำถามต่อไปนี้ และใส่เครื่องหมาย (✓) ลงในช่องของแต่ละข้อคำถาม

ตอนที่ 1 : คำถามคัดกรอง

Q1 : ท่านมีบัญชีของธนาคารอิสลามแห่งประเทศไทยหรือไม่

มี ☐ ไม่มี ☐

**หากท่านตอบ “ไม่มี” ในข้อ Q1 กรุณาหยุดทำแบบสอบถามชุดนี้*

กรุณาตอบคำถามโดยใช้ตัวเลือกตามต่อไปนี้

เห็นด้วยอย่างยิ่ง	เห็นด้วย	เป็นกลาง	ไม่เห็นด้วย	ไม่เห็นด้วยอย่างยิ่ง
5	4	3	2	1

ตอนที่ 2 : ตัวแปรต้น

ในแบบสอบถามนี้มีตัวแปรอิสระ 4 ตัวที่ผู้วิจัยใช้ในการศึกษาครั้งนี้ซึ่ง ตัวแปรตัวแรก คือ ความเหมาะสมของบริการ แบ่งออกเป็น 4 ตัวแปรย่อย ขอความกรุณาท่านช่วยสละเวลาในการตอบแบบสอบถาม

ความเหมาะสมของบริการ	5	4	3	2	1
1. พนักงานในธนาคารสุภาพ					
2. พนักงานในธนาคารให้ความเคารพต่อลูกค้า					
3. พนักงานในธนาคารให้เกียรติลูกค้า					
4. พนักงานในธนาคารมีมารยาทนอบน้อม					
ความเหมาะสมของข้อมูล					
5. พนักงานในธนาคารยินดีสละเวลาเพื่อให้คำอธิบายในเรื่องต่างๆ					
6. พนักงานในธนาคารให้คำอธิบายที่ชัดเจน					
7. พนักงานในธนาคารให้ข้อมูลที่สมเหตุสมผล					
8. พนักงานในธนาคารให้คำอธิบายที่ตรงกับความต้องการของลูกค้า					
ความเหมาะสมของกระบวนการ					
9. กระบวนการในการใช้คำพูดของพนักงานในธนาคารมีความเหมาะสม					
10. พนักงานในธนาคารให้บริการโดยไม่มีอคติ					
11. กระบวนการในการบริการของพนักงานในธนาคารมีความสอดคล้องกับความต้องการของลูกค้า					
12. กระบวนการในการให้บริการของพนักงานในธนาคารมีความเป็นมาตราฐานเดี่ยวกันต่อลูกค้าทุกคน					

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ความเหมาะสมของการกระจาย					
13. พนักงานในธนาคารให้ความช่วยเหลือลูกค้าทุกกลุ่ม โดยที่ไม่ได้ให้บริการกลุ่มใดกลุ่มหนึ่งเป็นพิเศษ					
14. พนักงานในธนาคารให้สิ่งที่ลูกค้าต้องการ โดยไม่มีอคติใดๆ					
15. พนักงานในธนาคารให้สิ่งที่ดีแก่ลูกค้า โดยไม่มีอคติใดๆ					
16. โดยทั่วไป พนักงานในธนาคารให้บริการที่สมเหตุสมผลกับลูกค้าทุกๆคน					

การรับรู้คุณภาพของบริการ สิ่งที่เห็นได้ชัดเจน					
17. มีอุปกรณ์ที่เหมาะสมที่ใช้สำหรับให้การบริการ					
18. การทำธุรกรรมมีความรวดเร็วและมีประสิทธิภาพ					
19. ธนาคารมีเวลาเปิดทำการที่เหมาะสม					
ความน่าเชื่อถือ					
20. ธนาคารมีการเก็บบันทึกอย่างแม่นยำ					
21. พนักงานของธนาคารใช้เวลาในการให้บริการตามที่ได้แจ้งไว้					
22. เมื่อลูกค้ามีปัญหา ทางธนาคารสามารถช่วยแก้ปัญหาและให้ความร่วมมือ					
23. ธนาคารมีผลิตภัณฑ์และการให้บริการหลายหลายเพื่อบริการลูกค้า					
24. มีระบบการประกันหรือหลักประกันที่เหมาะสม					
ความรับผิดชอบ					
25. พนักงานของธนาคารมีความเต็มใจที่จะช่วยเหลือลูกค้า					
26. พนักงานของธนาคารตอบสนองต่อคำขอร้องของลูกค้าในทันที					

27. ธนาคารมีการให้บริการที่มีความรวดเร็วและมีประสิทธิภาพ					
28. ธนาคารมีสาขาให้เลือกใช้บริการหลายสาขา					
การรับประกันเพื่อทำให้เกิดความเชื่อมั่น					
29. พนักงานของธนาคารมีความเป็นมิตร					
30. พนักงานของธนาคารมีความรู้ และให้คำตอบที่ตรงต่อคำถามของลูกค้า					
31. ธนาคารเก็บรักษาความลับของลูกค้าได้					
32. ธนาคารให้คำแนะนำและช่วยเหลือทางด้านการเงินเมื่อลูกค้าต้องการจะลงทุนในธุรกิจ					
การเอาใจใส่					
33. ธนาคารมีการให้บริการทำธุรกรรมผ่านอินเตอร์เนต					
34. สามารถเข้าถึงตู้ ATM ของธนาคารอิสลามได้ง่าย					
35. ตู้ ATM เปิดให้บริการ 24 ชั่วโมง					
36. ธนาคารมีเงื่อนไขที่ดีในการให้เครดิตและปล่อยสินเชื่อ					
37. พนักงานของธนาคารเอาใส่ใจลูกค้า เช่น ให้ความช่วยเหลือในการกรอกข้อความในเอกสารสำหรับขอเปิดบัญชี					
38. ธนาคารคิดค่าบริการในอัตราที่ต่ำ					
การให้ความร่วมมือ					
39.ธนาคารอิสลามไม่คิดอัตราดอกเบี้ย ทั้งเงินฝากและเงินกู้					

40.มีการให้บริการชำระภาษี หมายเหตุ Zakat คือ ภาษีที่ต้องจ่ายทุกๆปี ภายใต้กฎหมายอิสลาม หากมีการครอบครองทรัพย์สินบางประเภท					
41. มีผลิตภัณฑ์ทางการเงิน ที่จะช่วยสร้างกำไรให้กับการลงทุน					
42. มีการให้บริการเงินกู้ที่ไม่คิดดอกเบี้ยแก่ลูกค้าของธนาคาร					
ความพึงพอใจของลูกค้า					
43.โดยทั่วไปลูกค้ามีความพอใจต่อการให้บริการออนไลน์ของธนาคาร					
44.ลูกค้ามีความพอใจกับการให้บริการออนไลน์ของธนาคาร					
ความไว้วางใจ					
45.ลูกค้ายินดีที่จะเปิดเผยข้อมูลส่วนตัวให้กับธนาคาร					
46.ธนาคารมีความเป็นมืออาชีพในการให้บริการออนไลน์					
47.ธนาคารจะรักษาคำสัญญาที่ให้ไว้เสมอ					

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ตอนที่ 3 : ตัวแปรตาม

ตัวแปรตามในการศึกษาครั้งนี้ คือ ความจงรักภักดีของลูกค้า

ความจงรักภักดี					
48.ลูกค้าจะแนะนำให้ผู้อื่นใช้บริการธนาคารอิสลามแห่งประเทศไทย					

49.ลูกค้าจะแนะนำเว็บไซต์ของธนาคารให้แก่ผู้อื่น					
50.ลูกค้าตั้งใจที่จะใช้บริการออนไลน์ของธนาคารต่อไป					
51.ลูกค้าที่จะเลือกใช้บริการธนาคารอิสลามแห่งประเทศไทย มากกว่าที่ใช้บริการธนาคารอื่น					

ตอนที่ 4: ข้อมูลส่วนบุคคล

1. เพศ

☐ ชาย ☐ หญิง

2. อายุ

☐ต่ำกว่า 25 ปี ☐ 25-30 ปี

☐ 31- 35 ปี ☐ 36-40 ปี

☐ 41-45 ปี ☐ 46-50 ปี

☐ มากกว่า 50 ปี

39. การศึกษา

☐ ต่ำกว่าปริญญาตรี

☐ ปริญญาตรี

☐ ปริญญาโท

☐ ปริญญาเอก

40. อาชีพ

☐ นักเรียน นักศึกษา ☐ พนักงาน

☐ ข้าราชการ ☐ เจ้าของกิจการ

☐ แม่บ้าน / ว่างงาน

☐ อื่นๆ……..

“ขอบคุณที่กรุณาสละเวลาอันมีค่าของท่านในการตอบแบบสอบถาม”

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BROTHERS of S1 GABRIEL
LABOR OMNIA VINCIT

APPENDIX C

RELIABILITY of QUESTIONNAIRE

(Pretest)

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1. Interpersonal Fairness

Case Processing Summary			
		N	%
Cases	Valid	50	90.9
	Excluded[a]	5	9.1
	Total	55	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.667	4

2. Informational Fairness

Case Processing Summary			
		N	%
Cases	Valid	50	90.9
	Excluded[a]	5	9.1
	Total	55	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.923	4

3. Procedural Fairness

Case Processing Summary			
		N	%
Cases	Valid	50	90.9
	Excluded[a]	5	9.1
	Total	55	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.909	5

4. Distributive Fairness

Case Processing Summary			
		N	%
Cases	Valid	50	90.9
	Excluded[a]	5	9.1
	Total	55	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.764	4

5. Tangible

Case Processing Summary			
		N	%
Cases	Valid	50	90.9
	Excluded[a]	5	9.1
	Total	55	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.884	3

6. Reliability

Case Processing Summary			
		N	%
Cases	Valid	50	90.9
	Excluded[a]	5	9.1
	Total	55	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.909	5

7. Responsiveness

Case Processing Summary			
		N	%
Cases	Valid	50	90.9
	Excluded[a]	5	9.1
	Total	55	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.889	4

8. Assurance

Case Processing Summary			
		N	%
Cases	Valid	50	90.9
	Excluded[a]	5	9.1
	Total	55	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.929	4

9. Empathy

Case Processing Summary			
		N	%
Cases	Valid	50	90.9
	Excluded[a]	5	9.1
	Total	55	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.879	6

10. Compliance

Case Processing Summary			
		N	%
Cases	Valid	50	90.9
	Excluded[a]	5	9.1
	Total	55	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.701	4

Reliability Statistics	
Cronbach's Alpha	N of Items
.805	3

11. Customer Satisfaction

Case Processing Summary			
		N	%
Cases	Valid	50	90.9
	Excluded[a]	5	9.1
	Total	55	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics	
Cronbach's Alpha	N of Items
.912	2

12. Trust

Case Processing Summary			
		N	%
Cases	Valid	50	90.9
	Excluded[a]	5	9.1
	Total	55	100.0

a. Listwise deletion based on all variables in the procedure.

13. Customer loyalty

Case Processing Summary			
		N	%
Cases	Valid	50	90.9
	Excluded[a]	5	9.1
	Total	55	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics	
Cronbach's Alpha	N of Items
.783	**4**

Reliability Statistics	
Cronbach's Alpha	N of Items
.805	**3**

APPENDIX D

RELIABILITY of QUESTIONNAIRE

(Population)

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1. Interpersonal Fairness

Case Processing Summary			
		N	%
Cases	Valid	**388**	**86.0**
	Excluded[a]	**63**	**14.0**
	Total	**451**	**100.0**
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items

.678	4

2. Informational Fairness

Case Processing Summary			
		N	%
Cases	Valid	388	86.0
	Excluded[a]	63	14.0
	Total	451	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.907	4

3. Procedural Fairness

Case Processing Summary			
		N	%
Cases	Valid	388	86.0
	Excluded[a]	63	14.0
	Total	451	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.740	4

4. Distributive Fairness

Case Processing Summary			
		N	%
Cases	Valid	388	86.0
	Excluded[a]	63	14.0
	Total	451	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics	
Cronbach's Alpha	N of Items
.741	4

5. Tangible

Case Processing Summary			
		N	%
Cases	Valid	388	86.0
	Excluded[a]	63	14.0
	Total	451	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.885	3

6. Reliability

Case Processing Summary			
		N	%
Cases	Valid	388	86.0
	Excluded[a]	63	14.0
	Total	451	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.916	5

7. Responsiveness

Case Processing Summary			
		N	%
Cases	Valid	388	86.0
	Excluded[a]	63	14.0
	Total	451	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.893	4

8. Assurance

Case Processing Summary			
		N	%
Cases	Valid	388	86.0
	Excluded[a]	63	14.0
	Total	451	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.930	4

9. Empathy

Case Processing Summary			
		N	%
Cases	Valid	388	86.0
	Excluded[a]	63	14.0
	Total	451	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.882	6

10. Compliance

Case Processing Summary			
		N	%
Cases	Valid	388	86.0
	Excluded[a]	63	14.0
	Total	451	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.703	4

11. Customer Satisfaction

Case Processing Summary

		N	%
Cases	Valid	388	86.0
	Excluded[a]	63	14.0
	Total	451	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.917	2

12. Trust

Case Processing Summary			
		N	%
Cases	Valid	**388**	**86.0**
	Excluded[a]	**63**	**14.0**
	Total	**451**	**100.0**

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics	
Cronbach's Alpha	N of Items
.798	**3**

13. Customer Loyalty

Case Processing Summary			
		N	%
Cases	Valid	**388**	**86.0**
	Excluded[a]	**63**	**14.0**
	Total	**451**	**100.0**

a. Listwise deletion based on all variables in the procedure.

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Reliability Statistics	
Cronbach's Alpha	N of Items
.792	**4**

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APPENDIX E

Descriptive Analysis for Variables

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1. Interpersonal fairness

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Employees in the bank are polite	**388**	**3.00**	**5.00**	**4.4691**	**.53947**
Employees in the bank are respectful	**388**	**3.00**	**5.00**	**4.4613**	**.57155**
Employees in the bank treats customers with dignity	**388**	**3.00**	**5.00**	**4.6392**	**.52208**
Employees in the bank are curteous	**388**	**3.00**	**5.00**	**4.5180**	**.57707**
Valid N (listwise)	**388**				

2. Informational fairness

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Employees in the bank give timely and specific explanations	**388**	**3.00**	**5.00**	**3.5696**	**.72090**
Employees in the bank give thorough explanations	**388**	**3.00**	**5.00**	**3.4356**	**.63772**
Employees in the bank provides reasonable information	**388**	**3.00**	**5.00**	**3.5129**	**.72770**
Employees in the bank tailor their explanations to customers need	**388**	**3.00**	**5.00**	**3.4613**	**.64383**
Valid N (listwise)	**388**				

3. Procedural Fairness

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
The process of wording with employees in the bank is generally fair	**388**	**1.00**	**5.00**	**3.8943**	**.89885**
The activities of the employees are conducted without bias	**388**	**2.00**	**5.00**	**3.8814**	**.81736**
The process involving employees in bank attempts to meet all customer needs	**388**	**2.00**	**5.00**	**3.8428**	**.85877**
The procedures used by the employees in the bank are consistent across customers	**388**	**1.00**	**5.00**	**3.6933**	**1.00965**
Valid N (listwise)	**388**				

4. Distributive Fairness

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Employees in the bank helps all customers to get the outcome they need without favoring any group	**388**	**3.00**	**5.00**	**3.8222**	**.73792**
Employees in the bank produce desired results for all customers without bias of any kind	**388**	**3.00**	**5.00**	**3.7088**	**.72620**

Employees in the bank deliver good outcomes for all customers without bias of any kind	**388**	**3.00**	**5.00**	**3.8015**	**.77379**
In general, employees in the bank deliver reasonable results for all customers	**388**	**2.00**	**5.00**	**3.6005**	**.93604**
Valid N (listwise)	**388**				

5. Tangible

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Visually appealing materials associated with services	**388**	**3.00**	**5.00**	**3.8402**	**.90661**
Speed and efficiency of transactions	**388**	**2.00**	**5.00**	**3.7990**	**.91544**
Bank has covenient opening buisness hours	**388**	**2.00**	**5.00**	**3.5309**	**.80475**
Valid N (listwise)	**388**				

6. Reliability

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Bank keeps its record accurately	**388**	**1.00**	**5.00**	**3.5180**	**.82417**
The bank employees provide services at the promised time	**388**	**2.00**	**5.00**	**3.5851**	**.87189**
When you have problem bank is able to solve the problem and cooperate	**388**	**2.00**	**5.00**	**3.6263**	**.86984**
Wide range of products and services and provided	**388**	**2.00**	**5.00**	**3.7165**	**.85788**
Availibility of general insurance facilities	**388**	**2.00**	**5.00**	**3.7242**	**.80933**
Valid N (listwise)	**388**				

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7. Responsiveness

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Employees of bank are always willing to help	**388**	**2.00**	**5.00**	**3.4124**	**.72608**
Employees of the bank respond to customer requests promptly	**388**	**2.00**	**5.00**	**3.6701**	**.79691**
Fast and efficient service counters are	**388**	**2.00**	**5.00**	**3.5309**	**.75505**
Bank provides more branches to open up	**388**	**2.00**	**5.00**	**3.4304**	**.81827**
Valid N (listwise)	**388**				

8. Assurance

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Employees of the bank have friendly staff	**388**	**2.00**	**5.00**	**3.4588**	**.89838**
The bank employees are knowledgable nad give precise answeers to our inquires	**388**	**2.00**	**5.00**	**3.5464**	**.87481**
Bank provides data customer confidentiality	**388**	**2.00**	**5.00**	**3.4381**	**.80296**
Bank provide financial advice	**388**	**2.00**	**5.00**	**3.4381**	**.79650**
Valid N (listwise)	**388**				

9. Empathy

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Bank provides availibility of internet banking facility	**388**	**2.00**	**5.00**	**3.4510**	**.72260**
The availibility of ATM machines are easily accdesible of Islamic bank	**388**	**2.00**	**5.00**	**3.3402**	**.64918**
There are 24 hours availibility of ATM services	**388**	**2.00**	**5.00**	**3.3634**	**.68154**
The availibility of credit and loan from bank is on favourable terms	**388**	**2.00**	**5.00**	**3.4201**	**.75144**

The bank employees give personal attention to customers like help in filling opening account form etc	**388**	**2.00**	**5.00**	**3.4485**	**.73307**
Ther bank provides lower service charges	**388**	**2.00**	**5.00**	**3.6701**	**.89756**
Valid N (listwise)	**388**				

10. Compliance

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Islamic bank provides provision of free interest neither paid nor taken	388	2.00	5.00	3.8969	.49252
Facility of zakat payment is available	388	2.00	5.00	3.9613	.92121
Provides provison of profit sharing and investment product	388	1.00	5.00	3.4897	.90499
Interest free loans are provided to customers by banks	388	2.00	5.00	3.3918	.87818
Valid N (listwise)	388				

11. Customer Satisfaction

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Iam generally pleased with my bank online services	**388**	**2.00**	**5.00**	**3.4021**	**.78302**
Iam satisfied with banks online services	**388**	**2.00**	**5.00**	**3.4304**	**.88502**
Valid N (listwise)	**388**				

12. Trust

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
I am prepared to give private information to the bank	**388**	**2.00**	**5.00**	**3.5593**	**.65816**

My bank is professional in online banking	**388**	**2.00**	**5.00**	**3.5206**	**.72396**
My bank always fulfills their promises	**388**	**2.00**	**5.00**	**3.6005**	**.65706**
Valid N (listwise)	**388**				

13. Customer Loyalty

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
I will recommend slamic bank of Thailand to other people	**388**	**2.00**	**5.00**	**3.2552**	**.59659**
I would recommend my bank website to others	**388**	**2.00**	**5.00**	**3.3170**	**.61842**
I attend to continue using my bank online services	**388**	**2.00**	**5.00**	**3.2861**	**.60413**
I will prefer Islamic bank of Thailand above others	**388**	**2.00**	**5.00**	**3.4021**	**.79286**
Valid N (listwise)	**388**				

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