CHAPTER 4

RESEARCH RESULTS

4.1 INTRODUCTION

This chapter is organised into several sections. Firstly, it presents the results from data sampling where descriptive analysis of the demographics and psychographics in terms of bank usage such as number of products taken with the main banker, years of banking relationship are presented. This is followed by a discussion on the assumptions for multivariate analysis, reliability test and intercorrelation matrix. Finally, the results of the hypotheses testing are also reported.

4.2 RESULTS OF SAMPLING

The primary data collected after 2 months were keyed into SPSS and analysed. Details of response rate and characteristics of respondents are as presented below.

4.2.1 Response Rate

The cross sectional survey was conducted from July to August 2010. During this period, questionnaires were self administered and electronically distributed among UM MBA students based on convenience sampling. The respondents were also encouraged to forward the electronic version of the questionnaires to their family and friends. Out of 500 questionnaires that were

distributed, 330 questionnaires were returned; representing 66% response rate. This was significantly higher than the earlier research by Bick et al. (2004) that achieved 45% out of 340 questionaires that was distributed. Table 4.1 indicates the various response rates according to the distribution method.

Table 4.1 Response Rate by Distribution Method

Method	**Total Distributed**	**Total Responded**	**Accumulated Response Rate**
Self-administered	400	259	78.5%
Electronically administered	100	71	21.5%
Total	500	330	100%

4.2.2 Data Cleaning

The questionnaires received were checked for completeness and missing values. Of the total received, 18 questionaires were rejected due to incompleteness while responses from partially incomplete questionnaires (those that with less than 3 items were missed out) were accepted by using the ‘exclude pairwise’ function in SPSS. Ultimately, the total samples qualified for analysis is 312 samples or 62.4% from the total questionnaire distributed.

4.2.3 Characteristics Of Respondents

Table 4.2 summarises the respondents’ profile in this study. Frequency and descriptive analysis (for categorical and continuous variables respectively) were conducted and the results are presented accordingly in the form of frequency, valid percentage and mean. A total of 135 males and 177

females responded to the survey; representing 43.3% and 56.7% respectively. In terms of age, 4 respondents (1.3%) were 20 years and below, 150 of the respondents or 48.1% were between 21 years to 30 years, 90 respondents (28.8%) were from 31 years to 40 years and 28 respondents (9.0%) were above 50 years old.

In terms of ethnicity, Malays, Chinese and Indians represents 36.9%, 45.1% and 12.1% respectively meanwhile other minority races represents 5.9% of the total respondents. Income wise, majority of respondents earned between RM2,001 to RM4,000 (37.9%), followed by those earning between RM4,001 to RM6,000 (27.2%), RM2,000 or less (13.3%), RM6,001 to RM8,000 (10.4%), RM8,001 to RM10,000 (5.8%) and those earning more than RM10,000 represents 5.5% of total respondents.

In terms education level, 58.7% of the respondents were either First Degree or Professional Qualification holders. Meanwhile those with Certificate or Diploma forms 17.9% of the total respondents followed by Postgraduates at 12.2%, High School Certificate (SPM/STPM) holders at 10.3% and Others at 1.0% (though the type of education qualification were not mentioned by respondents).

From a job designation perspective, 19 respondents were from the Top / Middle Management Group while 77 respondents are currently working as First Line Managers. In the working level categories, 42.4% of the respondents were Executives / Engineers, 21.7% were Support / Administrative / Clerical staff and 4.9% were either unemployed, full-time student or retirees. For those that were currently working, the respondents

were further asked to indicate the type of industry and the sector that they were in. Frequency analysis indicates that majority of the respondents were from the services sector (77.5%) and were working in the private sector (63.4%).

In terms of banking behaviour, 70.5% of the respondents are currently using a Local Bank as their Main Banker as opposed to 29.3% which are using a Foreign Bank as their Main Banker while in terms of years of banking relationship, maximum number of years is 40 years while the minimum is 0 years; giving a mean of 10 years banking relationship. In the survey, the respondents were also asked to indicate the type of banking facilities they are currently enjoying with their Main Banker.

Frequency analysis reveals that majority of the respondents or 50% only use their Main Banker for transactional purposes such as Internet Banking, maintenance of Current and Savings Account etc while 32.4% of the respondents have both loans and transactional facilities with the Main Banker. Only a small percentage i.e. 9% of the total respondents actually have a full suite of facilities with the Main Banker ranging from loans to transactional facilities and also for other needs such as investment (unit trust), insurance etc.

From a loyalty perspective, only 15.9% of the respondents maintain an exclusive banking relationship with their Main Banker while an overwhelming majority of 84.1% of the respondents have more than 1 banking relationship with mean of at least 2 banks.

Table 4.2: The profiles of respondents

Demographics	Description	Frequency, *n*	Percentage, %
Gender (N=312)	Male	135	43.3
	Female	177	56.7
Age Group (N=312)	20 years or less	4	1.3
	21 to 30 years	150	48.1
	31 to 40 years	90	28.8
	41 to 50 years	40	12.8
	More than 50 years	28	9.0
Ethnic Group (N=305)	Malay	112	36.7
	Chinese	138	45.2
	Indian	37	12.1
	Others	18	5.9
Income Level (N=309)	RM2,000 or less	41	13.3
	RM2,001 to RM4,000	117	37.9
	RM4,001 to RM6,000	84	27.2
	RM6,001 to RM8,000	32	10.4
	RM8,001 to RM10,000	18	5.8
	More than RM10,000	17	5.5
Highest Qualification (N=312)	SPM / STPM	32	10.3
	Certificate / Diploma	56	17.9
	First Degree / Professional Qualification	183	58.7
	Postgraduate Degree (Masters / Doctorate)	38	12.2
	Others	3	1.0
Designation (N=309)	Top / Middle Mgmt (eg CEO/CFO/Regional Mgr/Divisional Mgr)	19	6.1
	First Line Mgmt (Dept Head/ Supervisor/Team Leader)	77	24.9

Table 4.2 The profiles of respondents (Continued)

Demographics	Description	Frequency, n	Percentage, %
	Executive / Engineer	131	42.4
	Support / Administration / Clerical Staff	67	21.7
	Unemployed / Full Time Student / Retiree	15	4.9
Industry (N=307)	Not Applicable	9	2.9
	Manufacturing	29	9.4
	Agriculture	12	3.9
	Trading	19	6.2
	Services	238	77.5
Sector (N=309)	Not Applicable	9	2.9
	Government/Government Related	86	27.8
	Private	196	63.4
	Self-Employed	18	5.8
Type of Main Banker (N=311)	Local	220	70.7
	Foreign	91	29.3
Type of Facilities with Main Banker (N=312)	Loans	1	.3
	Transactional	156	50.0
	Others such as Unit trust, insurance	5	1.6
	Loans and Transactional Service	101	32.4
	Transactional service and Others	21	6.7
	Loans, transactional service and others	28	9.0
Relationship with other bank (N=308)	No	49	15.9
	Yes	259	84.1

4.3 ASSUMPTIONS OF MULTIVARIATE ANALYSIS

Before conducting any multivariate analysis, several assumptions were tested. Signs of multicollinearity and singularity were checked by using the correlations matrix and the Tolerance and VIF values. Tolerance is an indicator of how much variability of the specified independent is not explained by the other independent variables in the model while VIF (Variance inflation factor) is the inverse of Tolerance.

The preferred r, Tolerance and VIF values are (Pallant, 2005) :

R = >.3 but less than .7, in order to retain the variable.

Tolerance = >.10

VIF values = <10

Results of Scatterplot and Normal Probability P are presented in Appendix B. The results of skewness and kurtosis, which refer to the shape of distribution, or each variable was also considered normal. Assumptions regarding multicollinearity, outliers, linearity, normality and homoscedasticity have been tested and all variables are found not violating these assumptions.

4.4 Reliability Test

Cronbach's alpha coefficient was used to measure the internal consistency of the scales employed in this study. Nunnally (1978) recommends a minimum level of 0.70 for the scale to be considered reliable. The Cronbach's alpha value for a construct, was calculated based on the

number of items used. Table 4.3 indicates that all the constructs has Cronbach's alpha values greater than 0.80, which exceeds the recommended value of 0.70. However, as there are no past studies that have discussed these results before; no comparison is able to be made.

Table 4.3 : Cronbach Alpha Value for the Various Variables

Variables	Items	Cronbach's alpha value
Perception Operational Excellence (POE)	8	0.841
Perception Product Leadership (PPL)	8	0.885
Perception Customer Intimacy (PCI)	8	0.929
Expectation Operational Excellence (EOE)	5	0.865
Expectation Product Leadership (EPL)	3	0.8
Expectation Customer Intimacy (ECI)	3	0.878
Behavioural Loyalty (BL)	5	0.913
Attitudinal Loyalty (AL)	3	0.821
Cognitive Loyalty (CL)	3	0.893
Service Loyalty (SL)	11	0.935

4.5 Intercorrelation matrix

Intercorrelation analysis was conducted to explore the strength and direction of the linear relationship between the variables in this study. Pearson's correlation was used as the variables were interval level (continuous) variables. Coefficients (*r*) can take on any value from -1 to +1 for a correlational relationship but not 0 which indicates that there is no

relationship between the variables. The positive or negative sign at the front indicates the direction of the relationship (Pallant, 2005). Cohen (1988) suggests the following guidelines to interpret the strength of the relationship :

r = .10 to .29 or r = -.10 to -.29 small

r = .30 to .49 or r = -.30 to -.49 medium

r= .50 to 1.0 or r = -.50 to -1.0 large

Table 4.4 shows that all constructs are positively correlated with each other. There were strong and positive correlation between respondent's value perceptions of the 3 value disciplines i.e. POE with PPL [r=.566, n=312, p <.0005], PPL with PCI [r=.681, n=308, p <.0005] and POE and PCI [r=.574, n=308, p <.0005].

Similarly, there were also high and positive correlation among the respondent's expectation of value disciplines i.e. EOE with EPL [r=.686, n=306, p <.0005], EPL with ECI [r=.821, n=309, p <.0005] and ECI with EOE [r=.763, n=307, p <.0005].

There were also strong correlations among the 3 dimension of service loyalty. Behavioural loyalty was found to be positively correlated with attitudinal and cognitive loyalty i.e. BL with AL [r=.710, n=308, p <.0005], AL with CL [r=.596, n=311, p <.0005] and BL with CL [r=.730, n=309, p <.0005]. Lastly, service loyalty is also found to be strongly correlated with behavioural, attitudinal and cognitive loyalty with r of .941, .853 and .86 respectively [n=308, p<0.0005].

Table 4.4 : Pearson correlations values for variables

Correlations											
Variables		**POE**	**PPL**	**PCI**	**EOE**	**EPL**	**ECI**	**BL**	**AL**	**CL**	**SL**
Perception Operational Excellence (POE)	Pearson Correlation	1									
	Sig. (2-tailed)										
	N	309									
Perception Product Leadership (PPL)	Pearson Correlation	.566**	1								
	Sig. (2-tailed)	.000									
	N	309	312								
Perception Customer Intimacy (PCI)	Pearson Correlation	.574**	.681**	1							
	Sig. (2-tailed)	.000	.000								
	N	306	308	308							
Expectation Operational Excellence (EOE)	Pearson Correlation	.365**	.278**	.181**	1						
	Sig. (2-tailed)	.000	.000	.002							
	N	306	308	305	308						
Expectation Product Leadership (EPL)	Pearson Correlation	.302**	.366**	.226**	.686**	1					
	Sig. (2-tailed)	.000	.000	.000	.000						
	N	306	309	306	306	309					
Expectation Customer Intimacy (ECI)	Pearson Correlation	.255**	.289**	.190**	.763**	.821**	1				
	Sig. (2-tailed)	.000	.000	.001	.000	.000					
	N	307	310	307	307	309	310				
Behavioural Loyalty (BL)	Pearson Correlation	.561**	.514**	.566**	.289**	.275**	.225**	1			
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000				
	N	306	309	305	305	306	307	309			
Attitudinal Loyalty (AL)	Pearson Correlation	.480**	.503**	.519**	.142*	.179**	.135*	.710**	1		
	Sig. (2-tailed)	.000	.000	.000	.013	.002	.017	.000			
	N	308	311	307	307	308	309	308	311		
Cognitive Loyalty (CL)	Pearson Correlation	.419**	.412**	.396**	.353**	.261**	.232**	.730**	.596**	1	
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000		
	N	309	312	308	308	309	310	309	311	312	
Service Loyalty (SL)	Pearson Correlation	.556**	.540**	.566**	.295**	.271**	.222**	.941**	.853**	.860**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	
	N	305	308	304	304	305	306	308	308	308	308

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

4.6 HYPOTHESIS TESTING

Hypotheses were tested using several methods such as independent sample t-test, paired sample t-test, analysis of variance (ANOVA). In order to minimize Type 1 error (accepting Ho when you should be rejecting), p value is selected at $p<0.05$ to reject Ho. As the sample size is relatively large ($N>300$), the likelihood of Type 2 error (rejecting Ho when you should be accepting) is minimal (Sekaran, 2003).

4.6.1 Examining if any value discipline is perceived to be prominent.

Table 4.5 summarises the results of paired sample t-test to examine if any value discipline is perceived to be more prominent than the other. A paired sample t-test was used instead of ANOVA to gauge the perception of the same group of people on different occasions. The paired t-test was based on the following assumptions :

i) level of measurement – the dependent variable is measured at an interval level using 7 point likert scale from 1 (Strongly Disagree) to 7 (Strongly Agree)

ii) random sampling – scores were obtained from random samples

iii) independence of observations – the observation or measurement are not influenced by any other observation or measurement

iv) normal distribution – the population from which the samples were taken are normally distributed. The histograms of the 3 value disciplines indicate that it is normally distributed.

In order to test this hypothesis, total perception scores were computed for the three value disciplines respectively and subsequently compared. Results from paired samples t-test (Table 4.5) indicates that there is a significant difference among the value perceptions ($p<0.05$). Hence, Ho is rejected.

Table 4.5 Results of Paired Samples Test Among the 3 Value Perception

Paired Samples Test

		Paired Differences					t	df	Sig. (2-tailed)
					95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper			
Pair 1	PerceptionOE - PerceptionPL	2.20065	6.30954	.35894	1.49437	2.90693	6.131	308	.000
Pair 2	PerceptionOE - PerceptionCI	5.85294	7.17655	.41026	5.04565	6.66023	14.267	305	.000
Pair 3	PerceptionPL - PerceptionCI	3.64935	6.25624	.35648	2.94789	4.35081	10.237	307	.000

Comparing the average means (Table 4.6), Operational Excellence emerges with the highest mean when compared with Product Leadership [*M*=39.39, *SD*=6.77] or Customer Intimacy [*M*=39.38, *SD*=6.79]. In order to estimate the effect, Eta squared statistic is computed using the formula (t^2 / t^2 + N -1) and results are interpreted based on Cohen's (1988) guidelines i.e. if Eta squared value is .01 (small effect), .06 (moderate effect) and .14 (large effect). Eta squared statistic for the 3 pairs indicates that there is a large effect size i.e. Pair 1 (Eta = .1), Pair 2 (Eta = .4) and Pair 3 (Eta = .25).

Table 4.6 Paired Samples Statistics Among the 3 Value Perception

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	PerceptionOE	39.3883	309	6.76781	.38501
	PerceptionPL	37.1877	309	6.78164	.38579
Pair 2	PerceptionOE	39.3791	306	6.78958	.38813
	PerceptionCI	33.5261	306	8.43301	.48208
Pair 3	PerceptionPL	37.2110	308	6.78504	.38661
	PerceptionCI	33.5617	308	8.41857	.47969

4.6.2 Examining if any value discipline is expected to be prominent.

A paired sample t-test was performed to examine if any expectation of the 3 value discipline is more prominent. Based on the paired sample test results (per Table 4.7), there are significant differences among the expectation for Operational Excellence with the other 2 value disciplines $p<0.05$. However, when comparing the expectations between Product Leadership and Customer Intimacy, respondents do not have different expectations for this two value disciplines.

Table : 4.7 Results of Paired Samples Test Among the 3 Value Expectation

Paired Samples Test

		Paired Differences					t	df	Sig. (2-tailed)
					95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper			
Pair 1	ExpectationOE - ExpectationPL	.98693	2.62019	.14979	.69218	1.28167	6.589	305	.000
Pair 2	ExpectationOE - ExpectationCI	.79153	2.36163	.13479	.52631	1.05675	5.873	306	.000
Pair 3	ExpectationPL - ExpectationCI	-.18770	2.00738	.11420	-.41241	.03700	-1.644	308	.101

Based on average means (Table 4.8), expectations for Operational Excellence were higher than Product Leadership [*M*=17.27, *SD*=3.4] and Customer Intimacy [*M*=17.27, *SD*=3.4] meanwhile comparing the average means between the respondent's expectation for Product Leadership and Customer Intimacy, it can be seen that it is almost similar [*M*=16, *SD*=3].

Table 4.8 Paired Samples Statistics Among the 3 Value Expectation

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	ExpectationOE	17.2745	306	3.39862	.19429
	ExpectationPL	16.2876	306	3.20076	.18298
Pair 2	ExpectationOE	17.2769	307	3.39332	.19367
	ExpectationCI	16.4853	307	3.46065	.19751
Pair 3	ExpectationPL	16.2783	309	3.19296	.18164
	ExpectationCI	16.4660	309	3.46265	.19698

4.6.3 Examining if there is a difference between Respondent's Perception vs Expectation of their Main Banker

As this hypothesis involves testing if there is a difference between perception and expectation of respondents, a paired t-test was used. Results from paired samples t-test (Table 4.9) indicates that there is a significant difference as $p<0.05$. Hence, Ho is rejected.

Table 4.9 : Paired Samples Test Among the 3 Value Expectation

Paired Samples Test

		Paired Differences					t	df	Sig. (2-tailed)
					95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper			
Pair 1	POE1 - ExpectationOE	-2.76873	3.65443	.20857	-3.17914	-2.35832	-13.275	306	.000
Pair 2	PPL1 - ExpectationPL	-2.21036	3.30845	.18821	-2.58070	-1.84001	-11.744	308	.000
Pair 3	PCI1 - ExpectationCI	-4.17742	4.37455	.24846	-4.66630	-3.68854	-16.813	309	.000

Comparing the average means (Table 4.10), Pair 3 i.e. the difference between perception [*M*=12.29, *SD*=3.27] and expectation [*M*=16.47, *SD*=3.46] for customer intimacy was the highest. This is followed by Pair 2 i.e. the difference between perception [*M*=14.52, *SD*=2.92] and expectation

[*M*=17.29, *SD*=3.39] for Operational Excellence and last of all Pair 3, the difference between perception [*M*=14.07, *SD*=2.74] and expectation [*M*=16.28, *SD*=3.19] for Product Leadership. Eta squared statistics for the 3 pairs indicates that there is a large effect size i.e. Pair 1 (Eta = .4), Pair 2 (Eta = .3) and Pair 3 (Eta = .5).

Table 4.10 : Paired Samples Statistics Among the 3 Value Expectation

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	POE1	14.5212	307	2.91974	.16664
	ExpectationOE	17.2899	307	3.39222	.19360
Pair 2	PPL1	14.0680	309	2.74310	.15605
	ExpectationPL	16.2783	309	3.19296	.18164
Pair 3	PCI1	12.2903	310	3.27384	.18594
	ExpectationCI	16.4677	310	3.45717	.19635

4.6.4 Examining relationship between value disciplines and dimensions of service loyalty

In order to determine how well value disciplines predict the different dimensions of service loyalty, a multiple regression was conducted separately between the independent variables (value disciplines) and the 3 dependent variables (the different dimensions of customer loyalty).

Multiple regression depends on several assumptions i.e. there is large enough sample size (in order to be able to generalise results), no signs of multicollinearity and singularity, no major outliers (extreme high or low scores), checks for normality, linearity, homoscedacity and independence of residuals. As such, checks for normality, linearity, homoscedacity and independence of residuals have been performed and results indicate that

there is no violation to these assumptions. The correlation, tolerance and VIF values as well as Scatterplot and Normal Probability Plot for each relationship are available in Appendix B.

4.6.4.1 Relationship between Respondent's Value Perception and Behavioural Loyalty

Regression analysis is performed (Table 4.11) and based on the model summary (Table 4.12), 41% (r=.41) of respondent's behavioural loyalty can be explained by the following equation which is significant ($p<0.05$) :

Behavioural loyalty = perception of OE + perception PL + perception CI

$Y = 0.317x + 0.136x + 0.291x$

Table 4.11 : Summary of Coefficients and Collinearity Statistics

Model		Collinearity Statistics			Standardized Coefficients	t	Sig.
		r	Tolerance	VIF	Beta		
1	(Constant)					2.228	.027
	PerceptionOE	.561	.613	1.631	.317	5.627	.000
	PerceptionPL	.514	.491	2.038	.136	2.150	.032
	PerceptionCI	.566	.484	2.064	.291	4.584	.000

Dependent Variable : Behavioural Loyalty

Table 4.12 Model Summary of Behavioural Loyalty

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.642[a]	.412	.407	4.23540

a. Predictors: (Constant), PerceptionCI, PerceptionOE, PerceptionPL

b. Dependent Variable: Behvloyalty

4.6.4.2 Relationship between Respondent's Value Perception and Attitudinal Loyalty

The correlation, Tolerance and VIF values (Table 4.13) were all within the acceptable The relationship between respondent's value perception and attitudinal can be explained based on Table 4.14. Based on the r value, this model is able to explain 34% (r=.34) of the variance in attitudinal loyalty. Summary of the relationship :

Attitudinal loyalty = perception of OE + perception PL + perception CI
$Y = 0.218x + 0.207x + 0.253x$

Table 4.13 : Summary of Coefficients and Collinearity Statistics

Model		Collinearity Statistics			Standardized Coefficients	t	Sig.
		R	Tolerance	VIF	Beta		
1	(Constant)					.100	.921
	PerceptionOE	.480	.613	1.631	.218	3.650	.000
	PerceptionPL	.503	.491	2.038	.207	3.105	.002
	PerceptionCI	.519	.484	2.064	.253	3.760	.000

Dependent Variable : Attitudinal Loyalty

Table : 4.14 Model Summary of Attitudinal Loyalty

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.583[a]	.340	.333	3.00147

a. Predictors: (Constant), PerceptionCI, PerceptionOE, PerceptionPL

b. Dependent Variable: Attitudinalloyalty

4.6.4.3 Relationship between Respondent's Value Perception and Cognitive Loyalty

Summary of coefficients and collinearity statistics are presented in Table 4.15. Based on the regression model in Table 4.16, the respondent's value perception is able to explain 23% (r=.23) of the variance in cognitive loyalty. Summary of the relationship :

Cognitive loyalty = perception of OE + perception PL + perception CI

$Y = 0.237x + 0.189x + 0.131x$

Table 4.15 Summary of Coefficients and Collinearity Statistics

Model		Collinearity Statistics			Standardized Coefficients	t	Sig.
		R	Tolerance	VIF	Beta		
1	(Constant)					3.489	.001
	PerceptionOE	.419	.613	1.631	.237	3.674	.000
	PerceptionPL	.412	.491	2.038	.189	2.619	.009
	PerceptionCI	.396	.484	2.064	.131	1.806	.072

Dependent variable : Cognitive Loyalty

Table 4.16 Model Summary of Cognitive Loyalty

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.479[a]	.229	.222	3.20249

a. Predictors: (Constant), PerceptionCI, PerceptionOE, PerceptionPL

b. Dependent Variable: Cognitiveloyalty

4.6.4.4 Relationship between Respondent's Value Perception and Service Loyalty

Service Loyalty is measured collectively by behavioural, attitudinal and cognitive loyalty. As such a regression was also conducted to see if the value perceptions would be able to explain the variances in service loyalty. Results are significant with $p<0.05$. (Table 4.17).

Table 4.17 Summary of Coefficients and Collinearity Statistics

Model		Collinearity Statistics			Standardized Coefficients	t	Sig.
		R	Tolerance	VIF	Beta		
1	(Constant)					2.381	.018
	PerceptionOE	.556	.613	1.631	.295	5.248	.000
	PerceptionPL	.540	.491	2.038	.191	3.039	.003
	PerceptionCI	.566	.484	2.064	.267	4.213	.000

Dependent Variable : Service Loyalty

Table 4.18 Model Summary of Service Loyalty

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.647[a]	.418	.412	8.78216

a. Predictors: (Constant), PerceptionCI, PerceptionOE, PerceptionPL

b. Dependent Variable: serviceloyalty

Based on Table 4.18, the model is able to explain 42% (r=.42) of the variance in service loyalty. Summary of the relationship :

Service loyalty = perception of OE + perception PL + perception CI

$Y = 0.295x + 0.191x + 0.267x$

In summary, there is a significant relationship ($p<0.05$) between the different dimensions of service loyalty and the independent variables (3 perceptions of value disciplines), thus Ho is rejected and Ha is accepted. However, the strength of the relationship is weak given that R squared is less than 50%.

4.6.5 Examining if there is a difference in value perception based on the type of main banker (i.e. local or foreign bank)

There are two types of main bankers i.e. one local and the other is a foreign by definition of incorporation in Malaysia. In order to determine if there is a difference in value perception between the two groups, an independent t-test was performed. Significance level of Levene's test for all variables were larger than 0.05 hence the data has not violated the assumption of equal variance. However, as significant level (2 tailed) under the t-test for equality of means indicate that $p>0.05$, Ho is accepted. Thus, there is no difference between the value perception of respondents that have local or foreign bank as the main banker (refer to Table 4.19).

Table 4.19 Results of the independent sample t-test

Variables	Bank	Mean	t	Sig. (2-tailed)
PerceptionOE	Local Foreign	39.2719 39.5934	-.380	.704
PerceptionPL	Local Foreign	37.5409 36.3736	1.386	.167
PerceptionCI	Local Foreign	33.3009 34.0769	-.737	.461

Significant at $p<0.05$

4.6.6 Examining if the impact of the type of bank and facilities on service loyalty

In order to test this hypothesis, a two way ANOVA is performed as there are two independent variables (i.e. type of bank and type of facility) while the dependent variable is service loyalty. Some re-coding is required as the type of facilities are individually collected in the questionnaire. Hence, after re-coding, the facilities currently enjoyed by the respondents are as follows :

1 = Loans

2 = Transactional

3 = Others such as investments, insurance

4 = Loans and transactional services

5 = Loans and Others

6 = Transactional and Others

7 = Loans, transactional and Others

Table 4.20 : Results from Two Way ANOVA

Tests of Between-Subjects Effects

Dependent Variable:serviceloyalty

Source	Type III Sum of Squares	df	Mean Square	F	Sig.	Partial Eta Squared
Corrected Model	1685.525[a]	8	210.691	1.627	.117	.042
Intercept	193697.455	1	193697.455	1495.714	.000	.834
Type	2.301	1	2.301	.018	.894	.000
FacilityType	814.661	4	203.665	1.573	.182	.021
Type * FacilityType	578.994	3	192.998	1.490	.217	.015
Error	38591.492	298	129.502			
Total	861692.000	307				
Corrected Total	40277.016	306				

a. R Squared = .042 (Adjusted R Squared = .016)

Based on Table 4.20, the significance level, p>0.05 for Type*Facility Type. Hence, Ho is accepted i.e. there is no significant difference in the interaction effect of the type of facility on service loyalty among respondents with local or foreign bank as main bankers [F(3, 298)=1.49, p=0.217] between the different combination of facilities held with the bank. In addition, there is also no main effect for each independent variable as p>0.05.

4.6.7 Examining the preference of value disciplines

Table 4.21 : Descriptive Statistics on the Preference of Value Discipline

Statistics

		POE	PPL	PCI
N	Valid	304	304	304
Mode		3	2	1
Minimum		1	1	1
Maximum		3	3	3

The preference for which type of value discipline was enquired in Part C of the questionnaire. The respondents were asked to rank order the preference for the value discipline to be provided by their main banker. Based on this, a frequency analysis was conducted and results (per Table 4.21) indicate that most respondents feel that Operational Excellence (mod = 3) is still most important followed by Product Leadership (mod = 2) and the least important being Customer Intimacy (mod =1).

4.7 CHAPTER SUMMARY

This chapter discusses the results from data sampling and screening. It provides an overview of response rate and the respondents' profile in terms of demographics as well as bank psychographics (i.e. product usage and relationship with the main banker). This is followed by results of hypotheses testing. In the next chapter, the results are further discussed and conclusion as well as recommendation is presented.