

CHAPTER 4
RESEARCH FINDINGS

CHAPTER 4 – RESEARCH FINDINGS

4.1 Introduction

This chapter discusses on data analysis and interpretation of data collected from respondents. This chapter consists of seven sections. The first section is on descriptive statistics of research sample profiles and demographic profile. The second section is on pre-analysis data screening result. This section consists of normality and regression assumption test results. The third section is on reliability test result of each variable and validity test result which contains of content validity and construct validity. The fourth section is on minimum, maximum, mean and standard deviation of variables. The fifth and sixth sections are on multiple regression result and correlation test result. The multiple regression and correlation analysis were conducted to test the hypothesis. The seventh section is on Sobel test result. The Sobel test was conducted to test the mediation effect and for the validation of the research framework.

4.2 Descriptive Statistics for the Research Sample Profiles

Table 4.1: Usage of Banking Facilities

	Frequency	Percentage
Banking facility that respondents use :		
Savings/Current Account	240	100
Credit Card	159	66.3
Home/Hire Purchase/Personal/Business loan	101	42.1
Fixed Deposit	85	35.9
Mutual fund (Unit trust)	39	16.3
Insurance	49	20.4
The local retail bank that respondent used the facility in the past 6 months :		
Maybank	167	69.6
CIMB Bank	129	53.8
Public Bank	87	36.3
Hong Leong Bank	52	21.7
RHB Bank	44	18.3
Alliance Bank	15	6.3
Ambank	30	12.5
Affin Bank	6	2.5
Others:	22	9.2
Bank Islam (17)		
Bank Simpanan Nasional (3)		
Bank Rakyat (2)		

<i>'Table 4.1 continued'</i>		
	Frequency	Percentage
The local retail bank that respondents most frequently used the facility in the past 6 months:		
Maybank	100	41.7
CIMB Bank	68	28.3
Public Bank	28	11.7
Hong Leong Bank	23	9.6
RHB Bank	11	4.6
Alliance Bank	-	-
Ambank	8	3.3
Affin Bank	-	-
Others	2	0.8
The local retail bank that the respondent think provide the best service:		
Maybank	92	38.3
CIMB Bank	47	19.6
Public Bank	68	28.3
Hong Leong Bank	14	5.8
RHB Bank	4	1.7
Alliance Bank	-	-
Ambank	2	0.8
Affin Bank	2	0.8
Others	11	4.6
The local retail bank that the respondent will recommend to the others:		
Maybank	93	38.8
CIMB Bank	53	22.1
Public Bank	61	25.4
Hong Leong Bank	14	5.8
RHB Bank	7	2.9
Alliance Bank	1	0.4
Ambank	2	0.8
Affin Bank	1	0.4
Others	8	3.3

Sample size (n) = 240

This research is focus on the banking facility users who have used at least one banking facility in the past six months. From the total of 240 respondents, all the respondents own savings account or current account. This follows by other banking

facilities such as credit card, 66.3%, Home/Hire Purchase/Personal/Business loan, 42.1%, Fixed Deposit, 35.9%, mutual fund, 16.3% and insurance, 20.4%. All the respondents have at least one savings account or current account to deposit money into the account or withdraw money from the account. Other transactions also can be done if owns a savings account or current account such as bill payment, transfer fund and others.

From the survey, the domestic retail bank which the respondents most frequently used the banking facility in the past 6 months are Maybank, 41.7%, CIMB Bank, 28.3%, Public Bank, 11.7%, Hong Leong Bank, 9.6% and RHB Bank, 4.6%, Ambank, 3.3% and other local retail banks at 0.8%.

The top three local retail banks that the respondents think provide the best service are Maybank, 38.3%, Public Bank, 28.3% and CIMB, 19.6%. For the local retail bank that the respondent will recommend to the others, the top three local retail banks are Maybank, 38.8%, Public Bank, 25.4% and CIMB Bank, 22.1%. Maybank won the CRM Excellence Award 2010 for its high performance, high-ROI (Return of Investment) customer relationship management (CRM) programme. Therefore many banking facility users think that Maybank provides the best service and will recommend Maybank to others.

Public Bank Bhd won the Best Bank award and Best SME award at the 5th Annual Best Financial Awards 2011 by Hong Kong-based Alpha Southeast Asia Magazine for actively promoting loan products for small-and-medium (SME) enterprises. Apart from that, CIMB also won the awards for Best Investment Bank, Best Bond House, Best Equity House, Best Institutional Broker, Best Cash Management, Best Foreign Exchange for Corporates & Financial Institutions, Best Private Wealth Management, Best Islamic Finance Bank as well as the special marquee award for Southeast Asia. By winning the awards, Maybank, Public Bank and CIMB's corporate image will be enhanced.

Table 4.2: Demographic Profile

Demographic Profile	Frequency	Percentage
Gender :		
Male	82	34.2
Female	158	65.8
Age :		
below 21 years old	28	11.7
21-30 years old	108	45.0
31-40 years old	86	35.8
41-50 years old	14	5.8
51-60 years old	2	0.8
Above 60 years old	2	0.8
Ethnic Group:		
Malay	47	19.6
Chinese	166	69.2
Indian	13	5.4
Others	14	5.8
Marital Status :		
Single	159	66.2
Married	77	32.1
Divorced/Widow	4	1.7
Highest Level of Education :		
PMR/LCE or below	7	2.9
SPM/MCE	16	6.7
STPM/HSC	16	6.7
Certificate/Diploma	28	11.7
Degree/Professional Certificate	149	62.1
Postgraduate	24	10.0
Occupation :		
Top management (CEO,CFO,GM,VP)	4	1.7
Senior Manager / Manager	26	10.8
Asst. Manager / Snr. Exec / Executive	71	29.6
Professionals	57	23.8
Business Owner	21	8.8
Student	55	22.9
Others	6	2.5

<i>'Table 4. 2 continued'</i>		
Demographic Profile	Frequency	Percentage
Monthly Income :		
≤ RM2000	61	25.4
RM2001 - RM4000	87	36.2
RM4001 - RM6000	54	22.5
RM6001 - RM8000	20	8.3
RM8001 - RM10000	11	4.6
RM10001 and above	6	2.5
Missing Value	1	0.4

Sample size (n) = 240

From the total of 240 respondents, the gender percentage of male is 34.2% and female is 65.8%. Many respondents are degree holder or possess professional certificate and according to the Gender Parity Index (GPI) for tertiary education exceeds 1 (meaning positive parity where more women access higher education in comparison to men) in the Pacific Islands, Malaysia, Hong Kong SAR and People's Republic of China, the Islamic Republic of Iran, Thailand and the Philippines (Ramachandran, 2010).

For the age distribution, the age below 21 years old is 11.7%, 21-30 years old capped at 45.0% which is the highest age group in this research, 31-40 years old at 35.8% which is the second highest age group, 41-50 years old at 5.8%, 51-60 years old at 0.8% and above 60 years old at 0.8%. The data indicates majority of the respondents come from the productive age which is around 21 to 40 years old. The age range of between 21-40 years of age represents the most productive work force (Iheke, 2008).

For ethnic group, 19.6% of the respondents are Malay, 69.2% are Chinese, 5.4% are Indians and 5.8% are others. The questionnaires are distributed to the banking facility users in Klang Valley. Klang Valley is an urban area with population mostly Chinese. Therefore, the Chinese group made up of 69.2%.

The marital status of the respondents marked 66.2% for single, 32.1% for married and 1.7% for Divorced/Widow. For the education level of the respondents, the highest is 62.1% whereby the respondents possess Degree/Professional Certificate, follow by Certificate/Diploma at 11.7% and Postgraduate 10.0%. Since Klang Valley is an

urban area, therefore many graduates work here and they use the banking facility frequently.

The highest percentage for occupation is Asst. Manager / Snr. Exec / Executive which capped at 29.6%, follow by Professionals at 23.8%, Student at 22.9%, Senior Manager / Manager, 10.8%, Business Owner, 8.8%, others consists of housewives and retirees, 2.5% and Top management (CEO,CFO,GM,VP), 1.7%.

As shown in Table 4.3, the income group of more than RM6000 comprises of mostly Senior Manager/ Manager and Business Owner. The data also shows that 64.8% of Asst. Manager/Snr Exec/Executive falls under income group RM2001-RM4000. The average income for executive is between RM3000 to RM5000 in urban area according to a report from The Edge Malaysia on 24th November 2008. Therefore, the income group of the respondents in Klang Valley indicates consistency with the report.

Table 4.3 Monthly Income of Research Sample by Occupation

Monthly income	Occupation (Percentage)						
	Top management	Senior Manager/ Manager	Asst. Manager/ Snr Exec/ Executive	Professionals	Business Owner	Students	Others
≤ RM2000	0.0	0.0	5.6	0.0	4.8	92.7	83.3
RM2001 -M4000	0.0	7.7	64.8	45.6	38.1	7.3	16.7
RM4001 -M6000	66.7	38.5	22.5	42.1	9.5	0.0	0.0
RM6001 -M8000	0.0	34.6	4.2	5.3	23.8	0.0	0.0
RM8001 -M10000	0.0	11.5	2.8	5.3	14.3	0.0	0.0
RM10001 and above	33.3	7.7	0.0	1.8	9.5	0.0	0.0

4.3 Pre-analysis Data Screening Result

After the composite score for all the variables in this research was obtained, the boxplot analysis for each variable was performed to check if there is any outlier. All the outliers were removed.

Then, the normality tests such as Skewness and Kurtosis, histogram and box plot were performed. The Skewness for all the variables are less than 2 and kurtosis level are less than 3 as proposed by Hair et al. (1998) for univariate tests. The Skewness and Kurtosis provided satisfactory result as shown in Table 4.4. The boxplot presented in Appendix A shown that the distribution is normal after the outliers had been removed. The boxplot for perceived value, customer satisfaction and customer loyalty shows that the distribution is positively skewed. For the histogram in Appendix A, the shape of the distribution is considered normal. After confirmed the distribution is normal, parametric test could be performed.

Table 4.4: Skewness and Kurtosis

Variables	Skewness	Std. Error	Kurtosis	Std. Error
Service Quality	-0.096	0.157	-0.376	0.313
Perceived Value	0.003	0.157	-0.510	0.313
Corporate Image	-0.054	0.157	-0.570	0.313
Customer Satisfaction	0.016	0.157	-0.215	0.313
Customer Loyalty	0.208	0.157	-0.430	0.313

For the regression assumption test, there are three predictors and should have 60 cases. In this research, there are 240 cases which are more than 60 cases. The outliers had been removed earlier in the normality test. Multicollinearity does not exist if the tolerance level is more than 0.1 and VIF is less than 10 (Ho, 2006). Refer to the multicollinearity statistics shown in Table 4.5, the tolerance for the independent variables is more than 0.1 and the VIF is less than 10. This shows that the independent variables are not significantly correlated. For normality, linearity and homoscedasticity, the scores are evenly distributed in residual scatterplot and the scores distributed along regression line in residual normal plot. The scatterplot and

residual normal plot are presented in Appendix B. Therefore, there was no violation of regression assumptions and the multiple regression analysis could be proceed.

Table 4.5: Multicollinearity Statistics

Variables	Collinearity Statistics	
	Tolerance	VIF
(Constant)		
Service Quality	0.377	2.655
Perceived Value	0.339	2.946
Corporate Image	0.490	2.041

4.4 Reliability and Validity Test Result

The reliability test was performed and the Cronbach's alpha for service quality is 0.929, perceived value is 0.857, corporate image is 0.858, customer satisfaction is 0.914 and customer loyalty is 0.861. The Cronbach alpha for all the variables is above 0.7. According to Hair et al. (1998), items with loadings of 0.7 or more have adequate item reliability and this confirmed that the measurement items are reliable. The Cronbach alpha shows strong internal consistency of measures. The reliability statistics is as per Table 4.6.

Table 4.6: Reliability Statistics

Variables	Number of items (N)	Cronbach's Alpha
Service quality	20	0.929
Perceived value	3	0.857
Corporate Image	3	0.858
Customer satisfaction	4	0.914
Customer loyalty	4	0.861

The content validity ensures adequate measurement items tap the concept. The instruments are adapted from past literature. Therefore, the content validity is confirmed.

Hair et al. (1998) defined the validity as "the degree to which a measure accurately represents what it is supposed to". The construct validity is assessed through convergent and discriminant validity. For the discriminant validity, the correlation coefficient between the variables is not higher than 0.8 as proposed by Bagozzi (1994) and the variables are not highly correlated and deemed as an acceptable level of discrimination. The correlation coefficient between the variables is presented as per Table 4.7.

Table 4.7: Correlation Coefficient between the Variables

Variables	Service Quality	Perceived Value	Corporate Image	Customer Satisfaction	Customer Loyalty
Service Quality	1.000	0.774	0.649	0.705	0.561
Perceived Value	0.774	1.000	0.691	0.716	0.587
Corporate Image	0.649	0.691	1.000	0.739	0.653
Customer Satisfaction	0.705	0.716	0.739	1.000	0.734
Customer Loyalty	0.561	0.587	0.653	0.734	1.000

For the convergent validity, confirmatory factor analysis was conducted. KMO and Bartlett's test were performed. The factor loadings for the measurement items were also been examined. Kaiser-Meyer-Olkin (KMO) is a measure of sampling adequacy and if greater than 0.6 or at least 0.6 will be accepted as recommended by Pallant (2001). As per Table 4.8, the KMO for the variables are greater than 0.6 and the all the measurement items are significant at level $p < 0.05$. Therefore, the different instruments of the same construct measuring the same concept are highly correlated.

Table 4.8: KMO and Bartlett's Test of Sphericity of Research Variables

Variables	KMO	Bartlett's Test of Sphericity		
		Chi-Square	df	p-value*
Service Quality	0.930	2658.122	190	0.000
Perceived Value	0.733	326.251	3	0.000
Corporate Image	0.710	349.756	3	0.000
Customer Satisfaction	0.842	662.466	6	0.000
Customer Loyalty	0.748	470.287	6	0.000

*Note: significant at $p < 0.05$ level

Most of the factor loadings for the measurement items are more than 0.5 as suggested by Sanzo et al. (2003) except for SQ14 and SQ20. However the factor loadings for SQ14 and SQ20 are close to 0.5. Moreover, the KMO and Bartlett's test provided satisfactory results. The KMO for service quality is greater than 0.6 and the significance level is 0.000. Therefore, SQ14 and SQ20 are considered valid items.

This shows that the measurement items of the same variable are highly correlated and the construct validity is achieved in this research. The factor loadings for the measurement items are shown in Table 4.9.

Table 4.9: Factor Loadings for the Measurement Items

Measurement Items		Factor Loading
Service Quality		
SQ1	The bank has up-to-date equipment. (e.g., ATM)	0.536
SQ2	The bank's employees are well dressed and neat-appearing.	0.536
SQ3	The bank's materials associated with the service are visually appealing.	0.563
SQ4	The bank's statement is visually clear.	0.563
SQ5	When I have a problem, the bank shows a sincere interest in solving the problem.	0.687
SQ6	The bank performs the service right the first time.	0.701
SQ7	The bank provides its services at the time it promises to do so.	0.659
SQ8	The bank keeps its records accurately.	0.627
SQ9	The bank's employees tell me exactly when services will be performed	0.647
SQ10	The bank's employees give me prompt service.	0.775
SQ11	The bank's employees are always willing to help me.	0.767
SQ12	The bank's employees are never too busy to respond to my requests.	0.705
SQ13	Behaviour of the bank's employees instills confidence in customers.	0.726
SQ14	I feel safe in my transaction with the bank.	0.490
SQ15	The bank's employees are consistently courteous with me.	0.713
SQ16	The bank's employees have the knowledge to answer my questions.	0.727
SQ17	The bank gives me individual attention.	0.720
SQ18	The bank has my best interest at heart.	0.698
SQ19	The bank's employees understand my specific needs.	0.693
SQ20	The bank has operating hours convenient to all its customers.	0.470

<i>'Table 4.9 continued'</i>		
Measurement Items		Factor Loading
Perceived Value		
PV1	Overall, the service I receive from the bank is valuable.	0.855
PV2	The service quality I receive from the bank is worth my time, energy and efforts.	0.794
PV3	The product/service of the bank is considered to be good deal/buy.	0.806
Corporate Image		
CI1	The bank overall has a good reputation.	0.900
CI2	The bank's product and services has a good reputation.	0.852
CI3	I believe that the bank has a better image than its competitors.	0.713
Customer Satisfaction		
CS1	I am pleased to be associated with the bank.	0.875
CS2	I am happy to do transaction with the bank.	0.866
CS3	I feel affinity with the bank.	0.857
CS4	I feel good on my decision to do business with the bank.	0.814
Customer Loyalty		
CL1	I consider this bank to be my first choice for banking purpose in the future.	0.757
CL2	I will recommend this bank to a friend.	0.872
CL3	I will say positive things about this bank to other people.	0.789
CL4	I will do more business with this bank within the next 3 months.	0.702

4.5 Minimum, Maximum, Mean and Standard Deviation of Variables

Table 4.10 shows the minimum, maximum, mean, standard deviation of the variables. The statistics are based on the composite score of each variable. Therefore, the average mean score also stated in Table 4.10. There are 20 measurement items for service quality. The average mean score for service quality is 5.06 which derived from 101.20/20. According to seven-point Likert scale, the result shows that the respondents responded slight positive on this variable.

For perceived value and corporate image, the average mean score are 5.15 and 5.33 respectively. These results derived from 15.45/3 and 16.00/3. This indicates that the respondents have slightly positive evaluation on perceived value and corporate image of domestic retail banking.

As for the customer satisfaction and customer loyalty, the average mean score are 5.23 which derived from 20.91/4 and 5.07 which derived from 20.28/4. The results reported that the respondents are slightly satisfy and slight loyal to the domestic retail bank that they have frequently use the facility.

Table 4.10: Mean & Standard Deviation of Variables

Variables	Minimum	Maximum	Mean	Std. Deviation	Average Mean Score
Service Quality	69.00	135.00	101.20	13.196	5.06
Perceived Value	10.00	21.00	15.45	2.25	5.15
Corporate Image	10.00	21.00	16.00	2.347	5.33
Customer Satisfaction	13.00	28.00	20.91	2.97	5.23
Customer Loyalty	12.00	28.00	20.28	3.49	5.07

4.6 Multiple Regression Test Result

To test Hypothesis 1, 2 and 3, multiple regression analysis was performed. As indicated in Table 4.11 and 4.12, the R Square is 0.652 which means the independent variables together explain 65 percent of the variance in customer satisfaction which is statistically significant. The closer R Square is to 1.0, the greater the explanatory power of the regression equation.

Table 4.11: Multiple Regression Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
0.807	0.652	0.647	1.76350

Predictors: (Constant), Service Quality, Perceived Value, Corporate Image

Dependent Variable: Customer Satisfaction

Table 4.12: Multiple Regression Analysis-ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Regression	1374.042	3	458.014	147.275	0.000
Residual	733.941	236	3.110		
Total	2107.983	239			

Predictors: (Constant), Service Quality, Perceived Value, Corporate Image

Dependent Variable: Customer Satisfaction

The results of the multiple regression presented in Table 4.13 indicated that service quality, perceived value and corporate image have direct and positive relationship with customer satisfaction. Corporate Image is the strongest predictor of customer satisfaction ($\beta=0.411$, $p<0.05$). This follow by service quality ($\beta=0.260$, $p<0.05$) and perceived value ($\beta=0.231$, $p<0.05$) which are the significant, positive predictor of customer satisfaction.

Table 4.13: Multiple Regression Analysis-Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.968	0.927		2.124	0.035
Service Quality	0.059	0.014	0.260	4.158	0.000
Perceived Value	0.305	0.087	0.231	3.499	0.001
Corporate Image	0.519	0.069	0.411	7.481	0.000

Dependent Variables: Customer Satisfaction

According to the research findings, service quality, perceived value and corporate image are the predictors of customer satisfaction for domestic retail banking and corporate image is the best predictor among all the predictors. Therefore, H1, H2 and H3 are supported in this research.

4.7 Correlation Test between Customer Satisfaction and Customer Loyalty

Correlational analysis was performed to test Hypothesis 4 whether customer satisfaction has positive influence on customer loyalty in domestic retail banking sector. Correlational analysis was chosen since it is solely to test the relationship between customer satisfaction and customer loyalty. Before running the bivariate Pearson product-moment correlation, the scatterdot was obtained as per Appendix C. There is a linear relationship between customer satisfaction and customer loyalty. The scores are distributed along the regression line. Therefore, the assumption of homoscedasticity has not been violated.

As shown in Table 4.14, there is a significance, positive relationship between customer satisfaction and customer loyalty ($r=0.734$, $p<0.05$). Therefore, H4, customer satisfaction has a positive influence on customer loyalty in domestic retail banking sector is supported.

Table 4.14: Bivariate Pearson product-moment correlation test result

		Customer Satisfaction	Customer Loyalty
Customer Satisfaction	Pearson Correlation	1	0.734**
	Sig. (1-tailed)		0.000
	N	240	240
Customer Loyalty	Pearson Correlation	0.734**	1
	Sig (1-tailed)	0.000	
	N	240	240

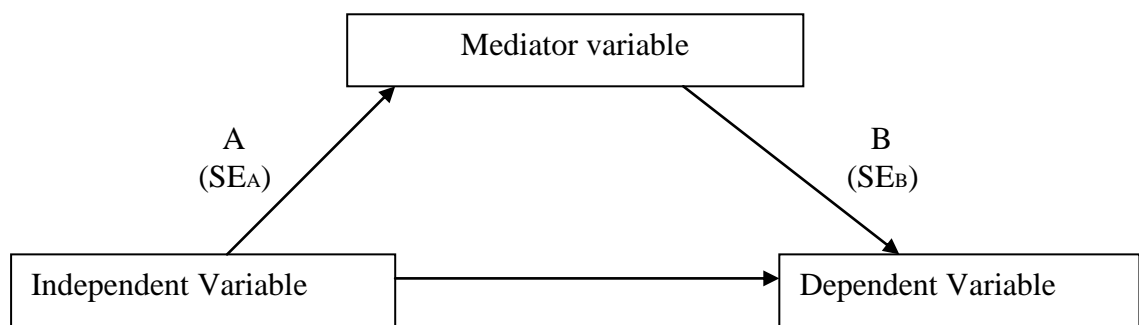
**Note: Correlation is significant at the $p<0.05$ level (1-tailed).

4.8 Sobel Test Result

For the testing of mediation effect of customer satisfaction on service quality, perceived value, corporate image and customer loyalty, the Sobel test was used. It would determine whether the mediator variable significantly influence the independent variable and dependent variable.

Based on the Sobel test, the mediation path stated as in Figure 4.1.

Figure 4.1: Mediation Path



A is the regression coefficient for the relationship between the independent variable and the mediator.

B is the regression coefficient for the relationship between the mediator and the dependent variable.

SE_A is the standard error of the relationship between the independent variable and the mediator.

SE_B is the standard error of the relationship between the mediator variable and the dependent variable.

(1) To test for the significance of mediation using the Sobel test, regression unstandardized coefficient, A which is the coefficient resulting from independent variables predicting the mediator with the standard error, SE_A need to be obtained and enter to the calculator.

(2) Next, regression unstandardized coefficient, B which is the coefficient resulting for predicting the dependent variable from the mediator with the standard error, SE_B need to be acquired and enter to the calculator.

(3) After entered A, B, SE_A and SE_B into the Sobel test calculator, the Sobel test statistic, one tailed and two tailed probability values were obtained.

The multiple regression analysis on independent variables predicting mediator already performed earlier and the results indicated in Table 4.13 as stated in section 4.6 multiple regression test result.

Table 4.13: Multiple Regression Analysis-Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.968	0.927		2.124	0.035
Service Quality	0.059	0.014	0.260	4.158	0.000
Perceived Value	0.305	0.087	0.231	3.499	0.001
Corporate Image	0.519	0.069	0.411	7.481	0.000

Dependent Variables: Customer Satisfaction

The simple regression analysis on mediator predicting dependent variable has been carried out and the test result as shown in Table 4.15.

Table 4.15: Simple Regression Analysis-Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.256	1.093		2.064	0.040
Customer Satisfaction	0.862	0.052	0.734	16.656	0.000

Dependent Variable: Customer Loyalty

According to Wuensch (2009) in the statistical tests of models that include mediating variables, by using Sobel error term, the 0.05 critical value is ± 0.97 . If the absolute value of the test statistic is 0.97 or more, the mediation effect is significant. Based on the Sobel test result stated in Table 4.16, the test statistics for service quality,

perceived value and corporate image are more than 0.97 and have statistical significance <0.05 . The result indicates that the mediation effect is significant for service quality, perceived value and corporate image. Therefore, H5, H6 and H7 are supported.

Table 4.16: Sobel Test Result

Variables	Regression Coefficient		Standard Error		Sobel Test Statistic	One-tailed probability	Two-tailed probability
	A	B	SE _A	SE _B			
Service quality	0.059	0.862	0.014	0.052	4.08	0.00	0.00
Perceived Value	0.305	0.862	0.087	0.052	3.43	0.00	0.00
Corporate Image	0.519	0.862	0.069	0.052	6.85	0.00	0.00

4.9 Chapter Summary

This chapter illustrate on the analysis of the data collected through questionnaire survey. A number of tests were conducted to test the hypotheses and to validate the research framework. The questionnaires collected from the respondents were first screened to confirm whether there is any error. Then, the data in the questionnaires was coded into SPSS 16.0.

First, analysis been conducted to obtain the descriptive statistics for the research sample profiles and demographic profile. Then, the normality tests result which is the skewness is less than 2 and kurtosis is less than 3 confirm on the normality.

The reliability test was performed and confirmed that the Cronbach alpha is more than 0.7 for all the variables. Therefore, the Cronbach alpha shows strong internal consistency for the measure. For the discriminant validity, the correlation is not higher than 0.8. This ensures that the variables are not significantly related. For convergent validity, the KMO for the variables are greater than 0.6 and the significance level is

0.000. The factor loadings for all the measurement items are more than 0.5 except for item SQ14 and SQ20. However, factor loading for item SQ14 and SQ20 is close to 0.5 and considered as acceptable since the KMO and Bartlett's tests show satisfying results. Therefore, discriminant and convergent validity are achieved in this research.

Follow by that, multiple regression analysis, correlation test and Sobel test were performed to test on the relationship among variables and to validate the research framework.

After performed the analysis, the results are shown in Table 4.17:

Table 4.17: Hypotheses and Result

Hypotheses	Result
Hypothesis 1: Service quality has a positive influence on customer satisfaction in domestic retail banking sector	Supported
Hypothesis 2: Perceived value has a positive influence on customer satisfaction in domestic retail banking sector	Supported
Hypothesis 3: Corporate image has a positive influence on customer satisfaction in domestic retail banking sector.	Supported
Hypothesis 4: Customer satisfaction has a positive influence on customer loyalty in domestic retail banking sector.	Supported
Hypothesis 5: There is a positive relationship between service quality and customer loyalty, mediated by customer satisfaction.	Supported
Hypothesis 6: There is a positive relationship between perceived value and customer loyalty, mediated by customer satisfaction.	Supported
Hypothesis 7: There is a positive relationship between corporate image and customer loyalty, mediated by customer satisfaction.	Supported

The tests result on the hypotheses will be discussed in next chapter.