

**T.C.
YILDIZ TECHNICAL UNIVERSITY
INSTITUTE OF SOCIAL SCIENCES
DEPARTMENT OF BUSINESS ADMINISTRATION
MASTER OF BUSINESS ADMINISTRATION**

MASTER'S THESIS

**THE MEDIATING ROLE OF PERCEIVED
VALUE ON THE RELATIONSHIP BETWEEN
SERVICE QUALITY AND CUSTOMER SERVICE
LOYALTY: AN EXPLANATORY STUDY FOR
IRAQI PRIVATE BANKING SECTOR**

**HUSSEIN SABAH ABDULHASAN AL CHALABI
15713036**

**SUPERVISOR
Assist.Prof. Dr. AYGÜL TURAN**

**ISTANBUL
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Tez Danışmanı:

Yrd. Doç. Dr. Aysül TURAN



Jüri Üyesi:

Prof. Dr. Nihat Erdüymaz



Yrd. Doç. Dr. Aysegül Özbek



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ABSTRACT

THE MEDIATING ROLE OF PERCEIVED VALUE ON THE RELATIONSHIP BETWEEN SERVICE QUALITY AND CUSTOMER SERVICE LOYALTY: AN EXPLANATORY STUDY FOR IRAQI PRIVATE BANKING SECTOR

**Hussein Sabah Abdulhasan Al Chalabi
November, 2017**

Customer service loyalty is one of the crucial construct explained with different concepts in the literature. The aim of the research is to deepen the understanding of the concepts of service quality, perceived value, and customer service loyalty. In addition, evaluating the concepts of service quality and perceived value which explain customer service loyalty on the Iraq sampling frame is another aim of the present study. So, service loyalty, value and service quality perception of customers is within the scope of the present research.

The researcher selected the Iraqi Middle East Investment Bank and the Commercial Bank of Iraq in Baghdad Province to conduct the research. The total sample size was 250 individuals. A questionnaire relating to the whole dimensions adapted from the reliable and valid scales in the literature to measure service quality, perceived value and service loyalty. The research determined hypotheses which were tested correlation, simple regression, hierarchical regression analysis and T-test as well as F-test after the controlling validity and reliability of the scales via Cronbach Alpha values and factor analyses.

The results of analyses indicated there were significant correlation between service quality, perceived value and service loyalty. The research reached a set of conclusions which was the most important one was that perceived value variable played a mediating role between the relationship of service quality and customer service loyalty. In addition, some differences were found service quality, perceived value, and service loyalty in terms of demographic characteristics.

The former studies on service quality, perceived value and customer service loyalty have been done totally in normal circumstances; however, present research purposes to add some contribution to the literature of conducting such researches in unstable security contexts all over the world.

Keywords: Service quality, perceived value, customer service loyalty, and SERVPERF.

ÖZ

HİZMET KALİTESİ VE HİZMET SADAKATI ARASINDAKİ İLİŞKİDE ALGILANAN DEĞERİN ARACILIK ROLÜ: IRAK ÖZEL BANKACILIK SEKTÖRÜNDE AÇIKLAYICI BİR ARAŞTIRMA

**Hussein Sabah Abdulhasan Al Chalabi
Kasım, 2017**

Müşteri sadakati literatürde birbirinden farklı kavramlarla açıklanan önemli bir kavramdır. Bu araştırmanın amacı hizmet kalitesi, algılanan değer ve müşterileri sadakati kavramları hakkındaki var olan bilgiyi daha ileriye götürmek ve müşteri sadakati kavramını açıklamaya yardımcı olan hizmet kalitesi ve algılanan değer kavramlarını Irak örneğinde değerlendirmektir. Bu noktada müşterilerin aldıkları hizmete karşı olan sadakatleri, aldıkları hizmetin kalitesi ve bu hizmete verdikleri değer algıları bu araştırmanın ana kapsamını oluşturmaktadır.

Hizmet kalitesi, algılanan değer ve müşteri sadakati kavramlarını ölçmek amacıyla, literatürde geçerliliği ve güvenilirliği test edilmiş ölçeklerin uyarlanması ile bir anket formu oluşturulmuştur. Irak'ta bulunan ve özel sektörde hizmet veren iki özel bankanın (Orta Doğu Bankası ve Irak Ticaret Bankası) 250 müşterisine tasarlanan anket uygulanmıştır. Verilerin analizi aşamasında öncelikle ölçek geçerlilik ve güvenilirliği için faktör analizi, Cronbach Alpha katsayıları yorumlanmış, daha sonra korelasyon, basit regresyon, hiyerarşik regresyon, T-test ve F-test (ANOVA) testleri uygulanmıştır.

Analiz sonuçları hizmet kalitesi, algılanan değer ve müşteri sadakati değişkenleri arasında anlamlı bir ilişkinin bulunduğunu göstermektedir. Ayrıca, hizmet kalitesi ve müşteri sadakati ilişkisinde, algılanan değer kısmı aracılık rolü bu çalışmada elde edilen önemli bulgular arasındadır. Demografik değişkenler bakımından hizmet kalitesi, algılanan değer ve müşteri sadakati değişkenlerinde bazı anlamlı değişimler görülmektedir.

Hizmet kalitesi, algılanan değer ve müşteri sadakati konusunda yapılan önceki çalışmalar, daha stabil bir çevrede uygulanmış olmasına rağmen, bu çalışmada bahsi geçen kavramlar güvenli ve stabil olmayan bir çevrede hizmet veren işletmeler üzerinde yapılmıştır. Dolayısıyla literatüre bu bağlamda katkı yapılması amaçlanmaktadır.

Anahtar kelimeler: hizmet kalitesi, algılanan değeri, müşteri sadakati ve SERVPERF.

PREFACE

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ABBREVIATIONS

BCOI	: Commercial Bank of Iraq
CPV	: Customer Perceived Value
DEA	: Data Envelope Analysis
EP and NQ	: Evaluated performance and normed quality model
GDP	: Gross Domestic Product
GLOVAL	: GLObal purchased perceived VALue
IMEIB	: Iraqi Middle East Investment Bank
IT	: Information Technology
MOT	: Moments of Truth
OECD	: Economic Co-operation and Development
PAEI	: Cost Focus, Cost Leadership, Differentiation Focus, and Differentiation
PCP	: Pivotal, Core, and Peripheral
PERVAL	: PERCEIVED VALUE
RATER	: Reliability, Assurance, Tangibles, Empathy, and Responsiveness
SERVPERF	: Service Performance Measurement
SERVQUAL	: Service Quality Measurement

1. INTRODUCTION

The economy of the universe is becoming massively service oriented, whose movement is inverted in a large amount of research in the field of marketing that concentrated on services. The service industry in the United States of America participates more than 75% of its Gross Domestic Product (GDP) and more than 80% of the total workforce employ in the field of services. In the most of the countries of the Organization for Economic Co-operation and Development (OECD), the services currently form more than 60% of the total gross value added, and the expenditures for the sector of services in OECD countries obviously outperform the expenditures for physical products (OECD 2009).

Banking sector all over the world represents one of the most important fields of the service industry. The banking business is very old as the civilization itself. The main functions of the banks were related to granting of loans to persons or the state in times of crisis. Evaluating banks on Iraq framework, these days are presenting a variety of services ranging from opening a savings account to granting loans, selling insurance to providing locker facilities and transferring money abroad. Their customers come from all classes of society who are some of them having business activities all around the world. The private banks have to convince all the customers belonging to different social groups. The banking business has, therefore, become more complex and now it requires specialized skills. People working in private banks present as a bridge between the bank and the customer. They are the individuals who deal with customers directly and are the first persons who know what the needs of the client are. Needs and expectation of customers are important for satisfaction, repatronage intention and positive word-of-mouth of customers (Turan, Bük, 2016). Considering that the difference between expected and perceived service quality gives

the customer satisfaction (Parasuraman, Zeithaml, and Berry, 1988), it could be interpreted service quality concept is also vital for customer loyalty.

Presenting quality services will give a sustainable competitive advantage to a different type of business (Warraich et al; 2013). Subsequently, it enhances the perceived value and customer service loyalty level towards these financial organizations. Much empirical evidence may be found in the literature all over the world investigating the relationship among service quality, perceived value, and customer service loyalty (Parasuraman and Grewal, 2000). Furthermore, the mediating role of perceived value on the relationship between e-service quality dimensions (ease of use, care, product portfolio, and reliability) on customer loyalty was investigated by Jiang et al 2016), Taking into consideration the importance of service sector for developed countries, the researcher is encouraged to deal with the service sector in banking industry in Iraq, due to its unstable security context. Since such studies have not been much conducted in similar circumstances. In addition, many types of research on the effect of service quality on perceived value and customer service loyalty have been conducted in developed countries, but such studies have not been much conducted in unstable security context. Iraq has been having a severe war for more than three years and the whole country suffering from the unstable security situation which makes the economic mechanisms work abnormally. In brief, primary aim of present research is to fill the literature gap in service sector in an irregularly unstable security situation.

This research included five sections, the first section drew a detailed theoretical framework of the service quality concept and looked at the Importance of service quality, the characteristics of services, customer's perception of service quality, customer satisfaction, gap model, strengths and weaknesses of gap model, models of service quality, the SERVQUAL dimensions, criticisms of the SERVQUAL instrument, SERVQUAL vs SERVPERF, and so on. The second section was devoted to posing the detailed theoretical framework for the perceived value concept. It highlighted on the meaning and definition of value, creating and capturing Value, customer perceived value, and the perceived value dimensions with the concentration on the dimensions in the banking industry. The third section detailed the subject of customer loyalty with deep concentration on the definition of loyalty, approaches to the definitions of loyalty, levels of loyalty, the benefits of customer loyalty, loyalty

benefits for the customer, the relative attitudes of customer loyalty, phases of customer loyalty development, determinants of customer loyalty, the essential dimensions of customer loyalty, service loyalty, dimensions of service loyalty, service loyalty in banking sector, and the researches have been done among service quality, perceived value, and customer service loyalty . The fourth section dealt with the matter of the methodology of the research at the first part such as the statement of the problem, the significance of the study, the objectives, the hypotheses, and so on, and then the analysis of the data starting from interpreting the strength of the responses of the sample, then testing the relationships and the effects among the variables of the research, examining the the mediating role of perceived value variable on the relationship between service quality and customer service loyalty, and finally examining the differences in of demographic characteristics of the main variables of the research. The fifth section presented in the first part the conclusions of the research in the light of the results of the practical section and in the second part the researcher presented a set of recommendations and suggestions for private banking sector in general for the Iraqi Middle East Investment Bank (IMEIB) and the Commercial Bank of Iraq (BCOI) in particular.

2. SERVICE QUALITY

2.1. Concept of Quality

Sometimes the word of quality is used to explain services or products. It implicitly includes a different meaning to different people and institutions, therefore, it is difficult to find a general definition. There are a lot of definitions for the expressions in the literature in order to establish a general understanding. It has been found by several theorists that the concept of quality was related largely to products. Therefore, quality issues became an influence in the production era and a large number of quality definitions possess product features. Davis et al, (2003: 312) clarified that quality was initially viewed as a defensive mechanism but it is recognized as a competitive weapon to developing new markets as well as growing market share.

Yarimoglu (2014: 80) defined that quality means innate excellence. She stated that *“quality is a mark of uncompromising standards and high performance, entirely recognizable, and recognized only through experience”*. Moreover, The British Standard (BS4778) defined quality as the totality of characteristics and features of a product or service that bear on its capacity to satisfy a given need (Poku, 2012: 8). On the other hand, Goreck (1996: 80) defined quality as *“an added value combined with meticulous attention to detail”*.

2.2. Description of Service

The researchers stated that a given service should function seamlessly for clients to perceive it rightly as designed in any case of how the service organization defines their service and how customers perceive the service (Goldstein et al., 2002: 122). *“The service concept is an essential element of processes for service design, innovation, and development”* (Scheuing and Johnson, 1989: 27).

Edvarsson et.al (2000: 4) defined the service concept as “a detailed description of the client needs to be satisfied, how the customer is to be satisfied, what is to be done for the customer, and how this is to be accomplished”.

Lehtinen and Jarvinen (2015: 169) clarified that any service definition and conception is more or less questionable and finding an ideal definition and an identical list of features is very difficult, if not impossible. Lehtinen (1981: 17) defined service as “benefit giving an object of transaction that is a more or less process of activities or abstract activity essentially produced, marketed and consumed in a contemporary interaction”.

2.3. Characteristics of Services

Improvement and science switch need sound characterizations and descriptions of its underlying terms and forms. For that reason, the topic of services marketing has enduringly tried to explain and characterize its fundamental term “services”. From the 1980s onwards, the identification of the characteristics of service (intangibility, heterogeneity, perishability, and inseparability) was broadly noticeable to see (Edgett and Parkinson, 1993: 23 and Zeithaml et al., 1985: 36) for an overview.

Later, however, many criticisms on service characteristics were voiced (Lovelock and Wright, 2001: 212; Gummesson, 2000: 17; and Vargo and Lusch, 2004: 331). Lovelock and Gummesson (2004: 32) poignantly state that “as a paradigm, the concept that the four features make services uniquely different from goods is deeply flawed”. Benoit (2010: 359) stated that the reasons are twofold. Firstly, “the focus of services marketing has developed and secondly, the development of communication and information technology has improved dramatically”. The fundamental conception of services marketing research looked predominantly at individual services (Bowen, 2000: 18) high-touch or low-tech services. With this services marketing focus, the dichotomous view of produced tangible goods and heterogeneous intangible, inseparable and perishable services was not such an issue of controversy.

Awara and Anyadighibe (2014: 35) clarified that “the rationale for a separate treatment of services marketing centers on the presence of a number of features of services which are cited in the literature: intangibility, the inseparability of production and consumption, perishability and heterogeneity”.

2.3.1. Intangibility:

The major difference entirely cited by Bateson (1995: 275) and Lovelock (1999: 202) is intangibility. This is true because services are performances, rather than objects, they couldn't be seen, tasted, felt or touched in the same way in which goods could be sensed. Intangibility is “the critical goods-services superiority from which all other differences emerge”. Lehtinen and Järvinen (2015: 170) stated that services are in general considered intangible by nature. Nevertheless, no services are purely intangible. Even the most abstract services, like financial services, Järvinen (1998: 13); Ahonen (2007: 13); and Nordman (2004: 15), are often made more tangible through different written documents.

2.3.2. Inseparability:

Inseparability of consumption and production requires the simultaneous consumption and production which distinguishes most services. While goods are produced at the first, then sold and consumed, services are first sold, then provided and consumed concurrently (Zeithaml, et al, 2006: 204). Because the customer has to be present through the production of various services (trips, haircuts, aero plane), inseparability is defined as “*drives the buyer into intimate connection with the process of the production*”. Nevertheless, there are services which do not inevitably follow the inseparability philosophy. For instance, the services of insurance are occasionally marketed and produced independently. When a policy of insurance is funded, insurance consumption, i.e., the experience of safety, begins and continues for the whole insurance policy limit. Several, but not all, banking sector services follow the same style. In addition, inseparability means that “the seller and the producer are the same entity, doing only immediate distribution possible in most situations, thus making production and marketing to be very interactive” (Ylikoski & Järvinen, 2011: 230).

2.3.3. Heterogeneity:

Awara and Anyadighibe (2014: 35) explained that “heterogeneity involves the potential toward high variability in the performance of the services”. The quality and nature of a service (car rental, a medical testing, and restaurant meal) may vary from customer to customer, one producer to another, and from day to day. Heterogeneity in service production is “a critical problem for labor concentrated services”. Several

different workers may be in touch with a single customer, raising a problem of behavior consistency. Service fulfillment from the same individual may be different.

Zeithaml et al. (1985: 37) stated that “heterogeneity indicates the potential for tremendous variability in the service offering”. This is a special problem for services that require a high labor, as the service execution is passed by various people and the performance of people can be varied from day to day (Rathmell, 1966: 33; Carman and Langeard, 1980: 14; Onkvisit and Shaw, 1991: 6). Onkvisit and Shaw (1991: 6) consider heterogeneity to offer the possibility to provide a range of customization and flexibility of the service. Wyckham et al. (1975: 62) recommend that heterogeneity can be offered as a benefit and subject of differentiation.

2.3.4. Perishability:

Generally, services can't be stored and moved forward to a future time period (Rathmell, 1966: 33; Donnelly, 1976: 61; and Zeithaml et al, 1985: 38). It means that services can't be saved (Zeithaml et al, 2006: 206). Motel places not occupied, airline seats not bought, and telephone line capability not used cannot be restored. Because services are achievements often that cannot be stored, services firms frequently find it challenging to synchronize demand and supply. Often, too much demand is available "a famous restaurant on a Saturday night" and sometimes too limited demand exists "an income tax service in the summer". Awara and Anyadighibe (2014: 35) suggest that “each different characteristic of services guides to distinct problems for service marketers and require appropriate strategies for dealing with them”.

Onkvisit and Shaw (1991: 7) suggest that services are “time important” and “time dependent” that make them quite perishable. Hartman and Lindgren (1993: 8) claim that the matter of perishability is essentially the concern of the service generator and that the customer only becomes conscious of the matter when there is inadequate supply and that they must wait for the service.

2.3.5. Interaction:

Lehtinen and Järvinen (2015: 170) clearly explained that “the interaction between providers and customers is mainly achieved during the service appointment”. Some service researchers have selected this inter-active character in their definitions, e.g., Lovelock (2001: 304) defines services “*as an action or performance submitted by*

one party to the other party". Grönroos (2000: 178) also, stresses interaction between service providers and customers. Furthermore, Liljander and Strandvik (1995: 151) pinpoint that some services could be called relational, containing the interactive character of services.

2.4.The Concept of Service Quality

Wisniewski (2001: 382) concluded that "service quality is a concept that has aroused significant interest and discussion in the research literature because of the challenges in both defining it and measuring it with no total consensus emerging on either". There are several different definitions for the concept service quality. For example, authors stressed that the one generally used defines "service quality as the extent to which a service fits customers' needs or expectations" (Lewis and Mitchell, 1990: 13; Dotchin and Oakland, 1994a: 33; Asubonteng et al, 1996: 66; Wisniewski and Donnelly, 1996: 360). Parasuraman et al (1985: 44) and Lewis and Mitchell (1990: 13) defined service quality as "the difference between perceived service and customer expectations of service, thus, if expectations are greater than performance, then perceived quality is less than satisfactory and hence customer dissatisfaction occurs".

Service quality is also defined as "*the total assessment of a service by the customer*" (Eshghi et al., 2008, 121). Ghylis et al. (2008, 76) points out that, "by defining service quality, firms will be able to deliver services with higher quality level probably resulting in increased customer satisfaction". Understanding service quality must include acknowledging the features. Daniel and Berinyuy (2010: 32) defined "service quality as the difference between customer's expectation for service performed before to the service meeting and their perception of the service received". Customer's expectation serves as a reason for evaluating service quality because the quality is high when performance surpasses expectation, and quality is low when performance does not fit their expectation (Asubonteng et al., 1996, 64).

Petridou et al. (2007: 572) define service quality as "a way to a competitive advantage, as well as corporate profitability, for the service organization included". There is also a view by Goetsch and Davis (1997: 112) that service quality is "the

outcome of external and internal actions, where by the external customer describes the perceived service quality while the internal customer defines the quality of the processes that deliver the service”. Jamesb (2011: 15) emphasized that service quality is considered as “the group of different experiences through the communication among customers, organizational environment, and employees”, whereas, Heather Stewart (1998: 212) mentioned that “the simplest way to measure service quality is to recognize the service attributes through giving preference on the customer’s consideration”. Kumar (2008: 428) argued that service quality is provided by not only the service itself but also the production process, the employee’s behavior to the clients, the time of production, delivery process and the waiting time for accepting service.

Elmayar (2011:16) concluded that Parasuraman et al (1985: 44) have reviewed different studies on service quality and offer three suggestions, as follows:

1. Service quality is not as easy for a customer to evaluate as goods quality;
2. Service quality perception is the result of the comparison that a customer makes between the performance of a service and their expectations;
3. Quality estimate not only depends on the outcome of a service but it also involves assessment of the process of service delivery.

Parasuraman et al (1988, 16) defined service quality as “*a global judgment or attitude, relating to the superiority of the service, whereas satisfaction, is related to a specific transaction*”. Zeithaml (1988: 12) stressed clearly that service quality is an overall judgment of a service provider and the outcome of the comparison between customers’ perceptions and their expectations.

Reeves and Bednar (1994: 437) concluded that service quality has been defined from at least four perspectives, as it follows:

1. Excellence: Although the mark of an uncompromising student and high performance, the attributes of excellence could change dramatically and quickly. Excellence is often externally described.
2. Value: It combines multiple attributes, but value and quality are various constructs-one the perception of exceeding or meeting expectations and the stressing benefit for the recipient.

3. Conformance to specifications: It facilitates accurate measurement, but the customer may not care or know about internal specifications.

4. Meeting and/or exceeding expectations: This definition is all-encompassing and applies over service industries, but expectations change and could be formed by experiences with other service providers.

2.5.The Importance of Service Quality

Elmayar, (2011:61) explained the importance of service quality and stressed that “good service quality influences positively on business performance”. Giving a good level of service to clients is necessary for achieving surviving and success in the competitive world (Wang, Lo, and Hui, 2003: 78). Furthermore, Julian and Ramaseshan (1994:30) stated that *"providing a high quality of services and products enhances the reputation of the firm, attracts new customers through word-of-mouth, and increases profitability"*. Lewis and Mitchell (1990:14) and Spathis et al (2004:96) concluded that "service quality is recognized as a key strategic issue for organizations operating in service sectors". Companies achieving a greater level of service quality have tremendous levels of customer satisfaction, that is a precursor of a potential competitive advantage as Lewis and Mitchell (1990:15), Meuter et al (2000:56) and Guo et al (2008:312) clarified. Furthermore, studies show that “having a service quality strategy has a powerful relationship with financial performance, production costs, customer loyalty, customer retention, price insensitivity, word-of-mouth referral, sales growth, a successful marketing strategy, responsiveness to demand, development of an organization’s strategy, having better understanding of the client, coordinating service delivery with expectations of the client, giving strong customer orientation, and improving IT capability” (Parasuraman et al., 1985:46, Ravald and Gronroos, 1984: 23, Turnbull and Moustakatos, 1996:43, Chaston, 2000:156 Jabnoun and Al-Tamimi, 2003:464, Wang, et al , 2003: 77, Bell, et al , 2005:175, Petridou et al., 2007:576, Zhu and Nakata, 2007:195, Parnell and Menefee, 2007:8, Scotti, et al , 2007: 118).

Elmayar (2011:62) stated that a study of work focusing on service quality points the importance of this concept in maximizing or extracting value from customers. Hence, there is evidence in the service quality concept linked to the subject of management

of customer relationships and the value which brings to establishments. In accordance with existing discussion of Cronin and Taylor, (1992:61), Cronin, et al, (2000:128), Norreklit, (2000:73), Rao and Kelkar, (1997:97), Zhu and Nakata, (2007: 196), Metters and Marucheck, (2007: 202); Stading and Altay, (2007: 33) many factors that listed below to highlight the significance of service quality. Elmayar (2011:62) explained that such factors can be viewed as the critical framework of best practice in service quality in organizations:

1. Gaining customer satisfaction
2. Obtaining retention and customer loyalty.
3. Improving financial performance.
4. Assuring the attainment of the marketing strategy.
5. Guaranteeing service interaction is well-advanced.
6. Concentrating on “easily doing business” with buyers.
7. Enhancing IT ability to enhance customer orientation.

2.6.Customer Expectations and Perceptions of Service Quality

2.6.1.Customer Expectations:

Zeithaml and Bitner (1996: 76) clarified that *"customer expectations are beliefs about service delivery that function as standards or reference points against which performance is judged"*. They developed later on a discussion which is that customers hold various types of expectations for service execution. They explained also that *"customers compare their perceptions of service delivery with these reference points when evaluating service quality and therefore knowing what customers expect is critical in gaining the competitive advantage"*. They made explicit that “failure to recognize the levels of service customers expects could mean losing a client to competitors that are able to satisfy customers’ expectations and hence be at a jeopardy of losing business” (Zeithaml and Bitner, 2003: 60).

Parasuraman et al (1991: 433) classify customer service expectations into two levels: adequate and desired. The adequate customer expectation level is the level of service the client can only “accept” without being too convinced with it, whereas the service expectations desired level is a state of service the client desires to obtain.

Olson and Dover (1979:183) stated that “customer expectation is pre-trial beliefs about a product or service”. They explained that in the deficiency of any information, a former expectation of service will be totally diffuse. Almsalam (2014: 80) mentioned that in reality, “a customer has several sources of information which direct to an expectation about future service encounters with a distinct company”. These sources constitute prior disclosure to the service, expert opinion, publicity, word of mouth, and communication controlled by the firm (e.g., personal selling, advertising, and price), as well as previous exposure to competitive services (Zeithaml et al, 1993: 5). In the pre-purchase stage, expectation influence consumer decisions on which brand or type of product or service to buy. Through consumption, the expectation may be influenced by the attitude of service employees, equipment, and another customer.

Customer service expectation is formed on complex concerns, including other people’s opinions, and their pre-purchase beliefs. Customers’ expectation linked to various levels of satisfaction. It may be based on former product experiences, learning from word-of-mouth and advertisements communication. Expectation can be regarded as a pre-consumption mood before the succeeding purchase; it may include experience (Zeithaml et al 1990: 428).

Nabi (2012: 175) explained *that "customers’ expectation is what the customers wish to receive from the services"*. She argued that "the diversity of expectation definitions can be concluded that expectation is uncontrollable factors which including past experience, advertising, and customers’ perception at the time of purchase, background, attitude and product’s image". Besides, she stressed that the importance of customers’ expectation can be customers’ experiences, word of mouth communications, pre-purchase beliefs, individual needs, and other personal attitudes. She also clarified that various customers have a distinct expectation based on the’ knowledge of the customers of a service or product.

Ojasalo (2001:210) suggested a set of measures for efficient expectations management. He emphasized that customers may have many other expectations for the service than merely those stated clearly to the service provider. The client's set of expectations could include fuzzy-precise, unrealistic-realistic, implicit-explicit, expectations. Uncontrolled, these expectations may display a threat to the long-lasting satisfaction of the customer. Sophisticated management of those expectations

may, on the other hand, presents an opportunity to attain long-lasting customer satisfaction, competitive advantage, and strong customer relationships.

He explained that the customer's satisfaction level with the service provided may vary significantly, and consider customer satisfaction both in the long and short term. Short-term quality creates satisfaction that emerges instantly but does not last long, and long-term quality creates satisfaction which does not emerge immediately but lasts a long time. Oftentimes, clients do not know what satisfies them long term since they only see the marks, not the real underlying issue.

To recognize effective expectations, he urged management to focus on calibrate unrealistic ones obscure expectations and expose implicit expectations.

By using expectations, he suggested that management should originally provide high long-term quality in order to build long-term customer relationships. He stressed that the natural objective of any service provider is to produce both high long-term and high short-term quality. However, that is not always achievable in practice. If long- and short-term quality is an unavoidable trade-off, then, from the relationship management point of view, it is a better option to produce long-term quality at the cost of short-term quality than vice versa.

2.6.2.Customer Perceptions:

Zeithaml, et al (2006:87) insist that perceptions are considered always in relation to expectations. Zeithaml and Bitner (2003: 84) see that “perceptions are created through customers’ estimate of the quality of service provided by an organization and whether they are satisfied with the total service”. Zeithaml, et al (2006:102) argued that because perceptions could shift over time and therefore it is important for organizations to continually estimate customer perceptions.

Poku (2012:17) stated that *"customers perception of performance is what they experienced"* as Parasuraman et al (1988:15) mentioned. She argues that literature maintains that “customers' total perception of the service is based on their perception of the outcome and the process; where the outcome is either value added or quality and the process is the role undertaken by the customers” (Edvardsson, 1998:145).The customer's perception of quality of service is based on the degree of balance between expectations and experience (Kandampully, 1998:436).

Manuel (2008:10) stated that perceptions are defined in different ways. Strydom, et al (2000:84) defined customer perception as “the process of organizing, receiving and assigning meaning to stimuli or information discovered by the customer’s five senses and opine that it provides meaning to the world which surrounds the client”. Manuel (2008: 10) explained that perceptions are also defined as the end result of a number of views by the customer. He clarified that customers perceive services in the expression of the quality of services provided and the satisfaction level achieved.

Parasuraman et al (1988:15) defined perceived quality as a *"form of attitude, related but not equal to satisfaction, and results from a consumption of expectations with perceptions of performance"*. He clarified that “perceived quality is a form of attitude, indicating the customer’s view about a firm’s overall superiority or excellence. Such as perception and attitude include the individual response of customers to services”.

Angelova and Zekiri (2011:240) explained that “perception is a viewpoint about something assessed and viewed and it changes from customers to customers, as every client has various beliefs towards certain products and services that play a significant role in determining the process of customer satisfaction”. They stressed that customer perception is individual, but it provides some helpful insights for companies to develop their marketing strategies. Angelova and Zekiri (2011) see that providing a high level of quality service had become the selling point to attract customer’s attention and is the most significant driver that guides to satisfaction.

2.7.Customer Satisfaction

Satisfaction is defined as a “judgment that a service or product characteristic (or the product or service itself) produces a pleasurable level of consumption-related fulfillment” (Zeithaml and Bitner, 2003: 87). Choi and Chu (2001:58) consider satisfaction as “an evaluation by customers that the service or goods they have received are at least as good as it is assumed to be”. Cronin & Taylor (1992: 55) clarify that customer satisfaction is critically important as it reflects individual customer evaluations of the attribute performance correlated with the consumption experience.

Naik et al (2010: 234) explained that satisfying customers is one of the main goals of every business. They stressed that companies recognize that keep current customers

is more profitable for them than having to win new ones to replace these lost. Marketing and management theorists underscore the significance of customer satisfaction for an organization success (McColl-Kennedy and Schneider, 2000: 8; Reichheld and Sasser, 1990: 315). Accordingly, the prestigious Malcolm Baldrige National Quality Award realizes the role of customer satisfaction as the central element of the award process (Dutka, 1993: 233).

Naik et al (2010: 234) argued that “good customer satisfaction has an impact on the profitability of approximately every organization”. It's estimated that approximately one-half of the American company is built upon this informal, “word-of-mouth communication (Gitomer, 1998: 415). However, they mentioned that a lack of customer satisfaction has an even greater effect on the bottom line. Typically customers who receive bad service will relate their dissatisfaction to between twenty and fifteen others as they clarified. The average American business loses between 20 and 15 percent of its clients each year (Griffin, 1995: 588). Gitomer (1998: 415) stressed that the cost of winning a new customer is ten times bigger than the cost of keeping a satisfied client. In addition, he stated if the service is particularly bad, 91% of retail customers will not returning to the store. In fact, if the given service incident is so negative, the negative impacts can last years through repeated remembrance and recount of the negative experience (Gitomer, 1998; Reck, 1991).

Iberahim et al (2016:15) stated that in marketing term, customer satisfaction is defined as “a measure on how services or product supplied by business meet customers' expectation”. They clarify that one of the significant keys to ensure a business is successful because customers' satisfaction will be determining the market growth of the business in the future. They concluded that satisfaction is measured by the level of product quality, quality of service provided, the location where the service or product is purchased, and price of the service or product. Shen, et al (2000:95) stated that quality, whether it is exceeding or satisfying customers' expectation and needs, depending on the customers who use the provided services and judging the quality of the services or product.

Mohammad and Alhamadani (2011:62) mention that the most discussions on customer satisfaction include actual delivery of the customer experience, customer expectation of the service delivery and expectations that are either unmet or exceeded. They conclude that, if expectations are exceeded, it will be a result of

positive disconfirmation, while a negative disconfirmation results when customer experience is worse than expected. Shemwell et al. (1998:161) state that in today's world of strong competition, the key to sustainable competitive advantage lies in producing high-quality service that will, in turn, result in satisfied customers.

Kolter and Armstrong (1999: 371) stated that the customer satisfaction is defined as the customer's perception that comparing their pre-purchase expectations with the post purchase perception, whereas Oliver (1997:13) defines satisfaction as "*the consumer's fulfillment response*", a post-consumption judgment by the customer that a service provides a gratifying level of consumption-related fulfillment, including under or over-fulfillment. Oliver (1981: 27)'s viewpoint regarding customer satisfaction is the estimation a customer makes to a confirmed exchange, which reflects the relation of the customer's expectation and their real perception to services and products they receive.

Jones and Suh, (2000: 152) and Yi and La (2004: 358) argue that there are two general conceptualizations of satisfaction, cumulative satisfaction, and transaction-specific satisfaction. Boshoff and Gray (2004: 31) stated that transaction-specific satisfaction is a customer's evaluation of her or his reactions and experience to a special service encounter, and the cumulative satisfaction refers to the customer's overall estimation of the consumption experience to the date as Cook (2008: 340) emphasized.

Ojo (2010: 90) stated that generally increased customer satisfaction leads to:

- Higher customer retention rate,
- Increasing customer repurchase behavior, and
- Ultimately drive higher company profitability.

2.8. Service Quality (Gap Model)

Parasuraman, Zeithaml, and Berry were the pioneer on services quality research. They observed gaps between executives perceptions and consumers' perceptions about the same service quality, which gave rise to a five gap model, presented in Figure 1.

Gap (1) indicates various perceptions between clients and managers, that is, managers could not understand the properties valued by their customers, which

should describe the services characteristics. That gap could reduce the quality perception, as the services produced do not match clients' needs (Parasuraman et al,1985:44).

Gap (2) concerns the variation between the services real specifications and managers' perceptions about customer's needs. That gap results from the difficulty of providing services that meet the customers' expectations in many dimensions .

Gap (3) involves the difference between what is actually delivered and services specifications. Even when the properties of the service are clear and match consumers' expectations, it does not ensure a high-quality service will be performed, since employees behavior powerfully affects the service and, as a result, the consumer's perception of quality.

Gap (4) deals with the variation between what was communicated to the service and the service delivered. Communication at the media generate expectation; when the firm communicates more than it can actually deliver, gap 4 takes place. In this sense, a firm should communicate its efforts to serve customers appropriately and match consumers' needs, since it makes consumers perceive the service in a more suitable way.

Finally, the **gap (5)** concerns the variation between customers' expectations about the service and customer' real perceptions regarding the service produced. Then, a service that exceeds customers' expectations generates a favorable quality perception and a service that does not match clients' expectations, generates an unfavorable and frustration quality perception (Parasuraman et al,1985:44-46).

Luk and Layton (2002:115) clarified that Gap 5 is a function of the other four gaps, that is, each gap effect on service quality; then customers' quality perception is a function of the gaps 1, 2, 3 and 4. They explained that (Zeithaml et al, 1988: 91) published a paper that extended the original five-gap model showing variables and services attribute that describe each gap.

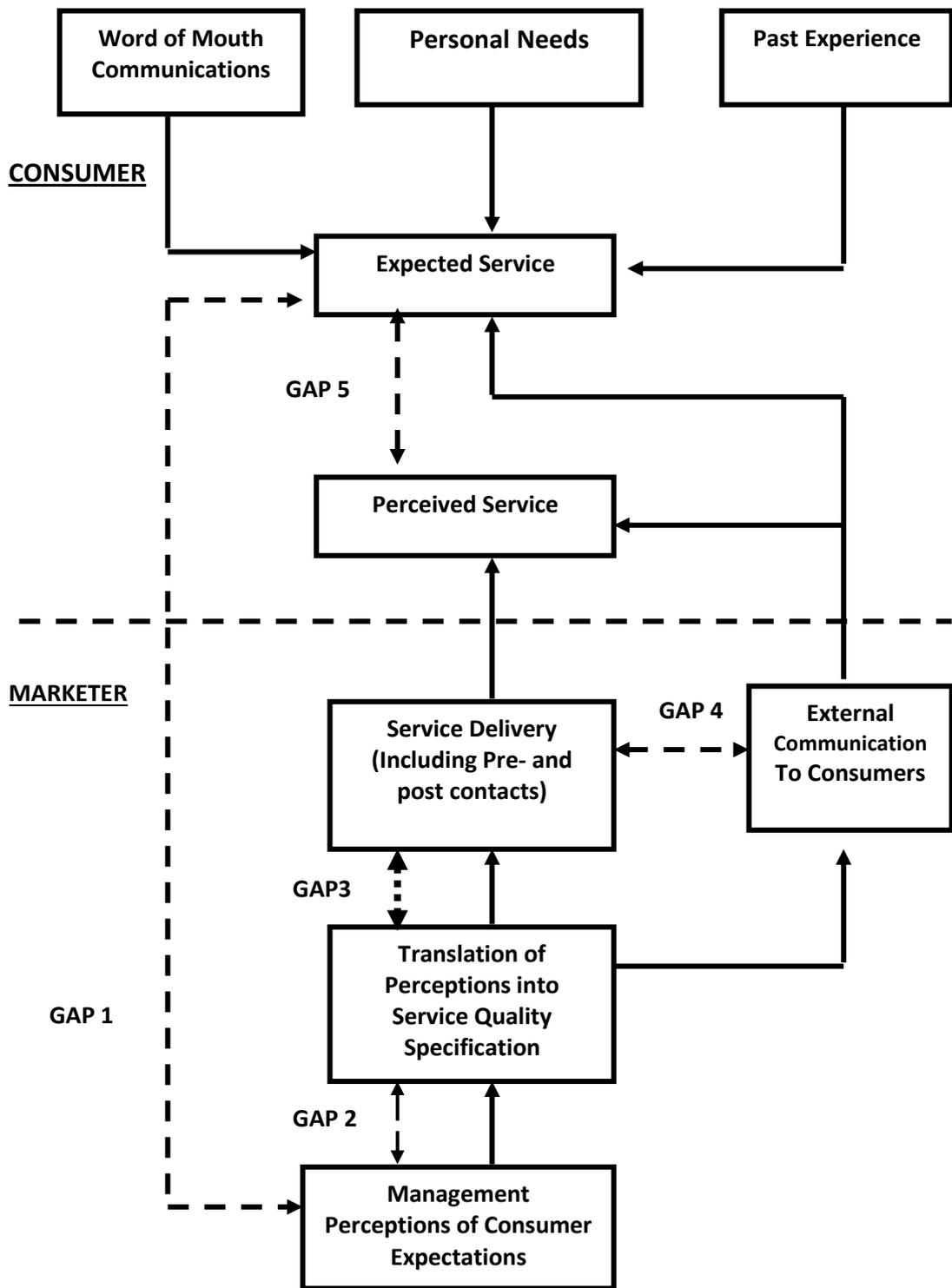


Figure 1: Service Quality Model (Gap Analysis)

Adopted from Parasuraman, A., Zeithaml, V.A. & Berry, L.L. 1985. A conceptual model of service quality and its implications for future research. *Journal of Marketing*, 49, 4, 41-50.

2.9. Strengths and Weaknesses of Gap Model

Kozerska (2007: 62) stated that in equivalent with their description of the dimensions of service quality, Parasuraman, et al, (1990:26) postulated the main causes of the perceived service quality gap (Fig. 2-1); that is the gap between perceptions and consumer expectations. They specified four potential causes of this gap, which they named as Gap 5. First, they clarified that service providers need to guarantee that management appreciates exactly what service properties are valued by their clients and in what order. Kozerska (2007: 62) clearly stated that a restaurant manager, for instance, may believe that customers' evaluation of the quality of the service is primarily affected by the decoration in the restaurant and that the quality of the provided food and the attitude of employees toward staff are of little importance. He insisted, if this is mistaken, decisions could be made about service delivery and design that could significantly influence the customers' evaluation of the quality being produced. He also stressed that the gap named as Gap 1 by Parasuraman, et al. (1990:26); that is, the gap between management perception of consumers' expectations and consumers' expectations.

Even if management entirely appreciates the attributes valued by consumers, often they are unwilling, simply or unable do not care enough to put resources into solving the issue. For instance, even though workers of theme parks recognize that the customers' evaluation of the quality of their experience at the theme park is negatively affected by the length of time they are forced to waste waiting in a line for a ride, little has been done by the workers to alleviate the situation. This gap was named by Parasuraman, et al. (1990: 26) as Gap 2; that is, the gap between service quality specifications management perception of customers' expectations. A problem that a specifically related to service delivery, even if quality standards are rightly set in accordance with an exact reading of consumer expectations, service quality may still be substandard because of lacks that relate to the manner and attitude of contact employees. Employees, for instance, could be not have been produced support and adequate training to bear out the duties required, or they could not be informed of precisely what they are expected to do. Parasuraman, et al, (1990:26) named this gap as Gap 3; that is, the gap between actual service delivery and service quality specifications (Kozerska, 2007: 63).

Another problem happens when companies promise that they will produce one level or type of service but in actuality deliver something different. This has been termed by Parasuraman, et al, (1990:26) the 'promises' gap and can simply occur if an actual service experience, at says a retail store, does not reflecting the explicit or implicit promises conveyed by television ads. Parasuraman, et al, (1990:26) named this gap as Gap 4; that is, the gap between external communications to the service delivery and client.

For many service businesses, one way of closing Gap 4 is trying to developing a strong service brand. As with goods branding, the strength of a service brand depends upon the extent to which the brand conveys a positive, consistent and clear message to customers about what is being presented. That is clearly a more challenging task for service businesses given the fundamentally intangible nature of the offer and the dependence on variable employee interactions to convey brand messages. A clear brand should help to distinguish the service presented from the competition. Gaps 1, 2, 3 and 4 contribute to the primary gap, Gap 5, the gap between consumer perceptions and expectations; the measurement of perceived service quality. The (Gaps model) has, therefore, understandably resulted in 'follow up' research into the understanding of the antecedents of customer expectations, and into methods of reducing Gaps 1 to 4 (Kozerska, 2007: 63).

2.10.The Extended Gaps Model (1988-1990)

Grapentine (1999: 8) stated that building upon their initial work, Zeithaml, Parasuraman et al. (1988: 92) offered an extended model of service quality, that is shown in Fig. 1-2. In that extended model, Zeithaml et al. (1988: 93) identified a set of factors, internal to an organization, that influence the level of service quality produced to the consumer.Those internal factors are relating to Gaps 1 through 4 in their primary conceptual model as it follows:

Gap 1: “Difference Between Consumer Expectations and Management Perceptions of Consumer Expectations”

This gap is influenced by the marketing research orientation of the business, upward communication, and the number of levels of management in the business.

Gap 2: ”Management Perception-Service Quality Specification Gap”

The actual specifications management establishes for a service often differ from client expectations. As shown in Fig.1-2, the size of Gap 2 can be influenced by management's commitment to service quality, goal setting, task standardization, and perception of feasibility.

Gap 3: “Service Quality Specification-Service Delivery Gap”

Grapentine (1999: 8) stated that this is sometimes referred to as the service performance gap which happens when employees are unwilling and/or unable to perform the service at the desired (i.e., management specified) level. Zeithaml et al. (1988: 93) give the following instances of problems affecting Gap 3:

Teamwork, Employee-job fit, Technology-job fit, Perceived control, Role conflict, Supervisory control systems, and Role ambiguity.

Gap 4: “Difference Between Service Delivery and External Communications -- Piecrust Promises”

Grapentine (1999: 8) clarified that horizontal communication and the propensity to over-promise can influence Gap 4. He stated that horizontal communication relates to communication within and between the departments in a business.

2.11.Two Additional Gaps Model:

Luk and Layton (2002:116) proposed two additional gaps to the model of (Parasuraman et al,1985:44) as shown in Figure 3. In their approach, employees significantly affect on the customers’ perceptions of quality; thus employees’ perceptions about customers’ expectations were involved in the model and created the additional gaps 6 and 7. Gap 6 measures the difference between employee’s perceptions about customer expectations and customer’s real expectations concerning the service. Gap 7 regards the difference between manager’s perceptions about consumers’ expectations and the employees’ perceptions about customer’s expectations.

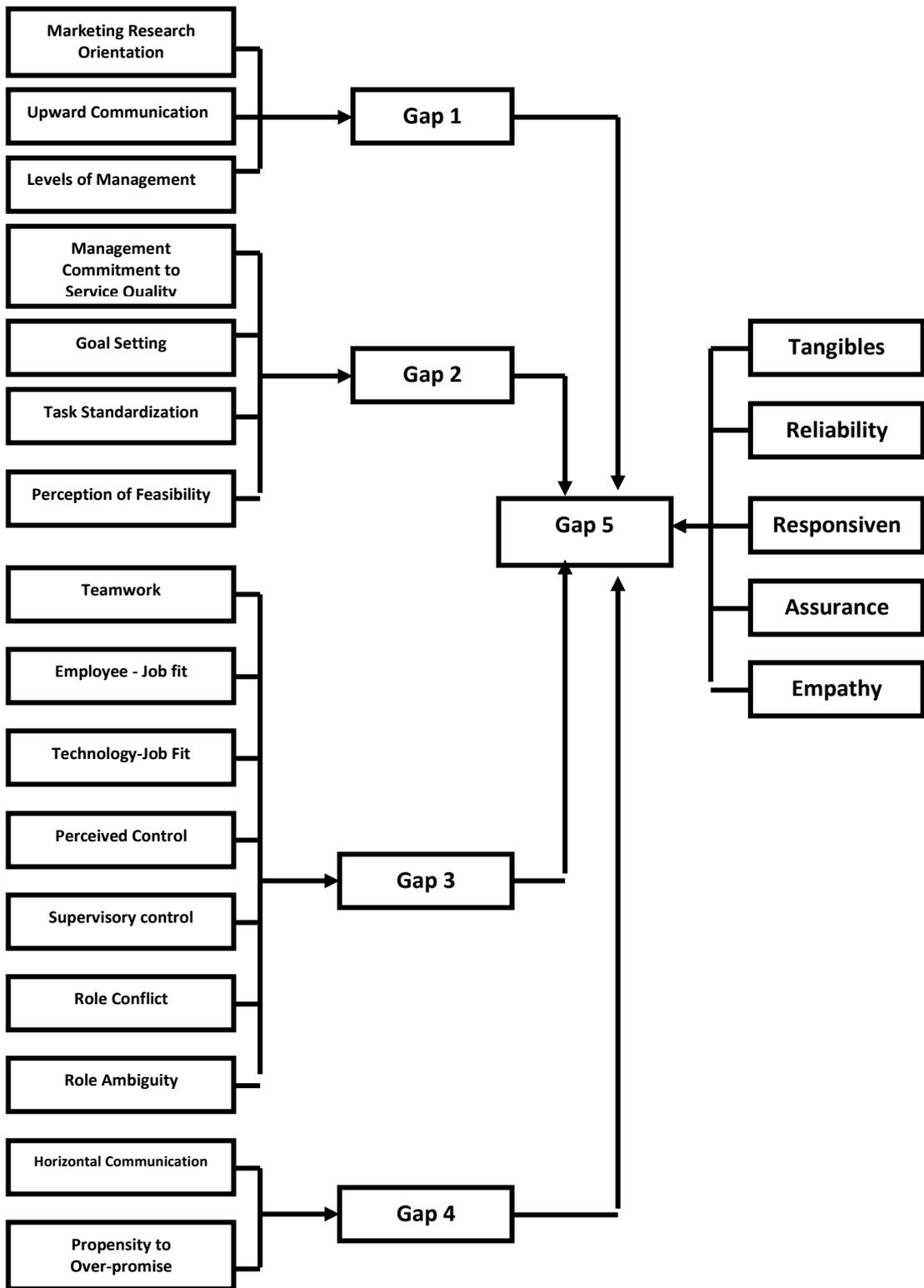


Figure 2: The Extended Gaps Model (1988-1990)

Adopted from Zeithaml VA, Berry LL, and Parasuraman .1988. A communication and control processes in the delivery of service quality. **J. Marketing**, 52, 2, 87-100.

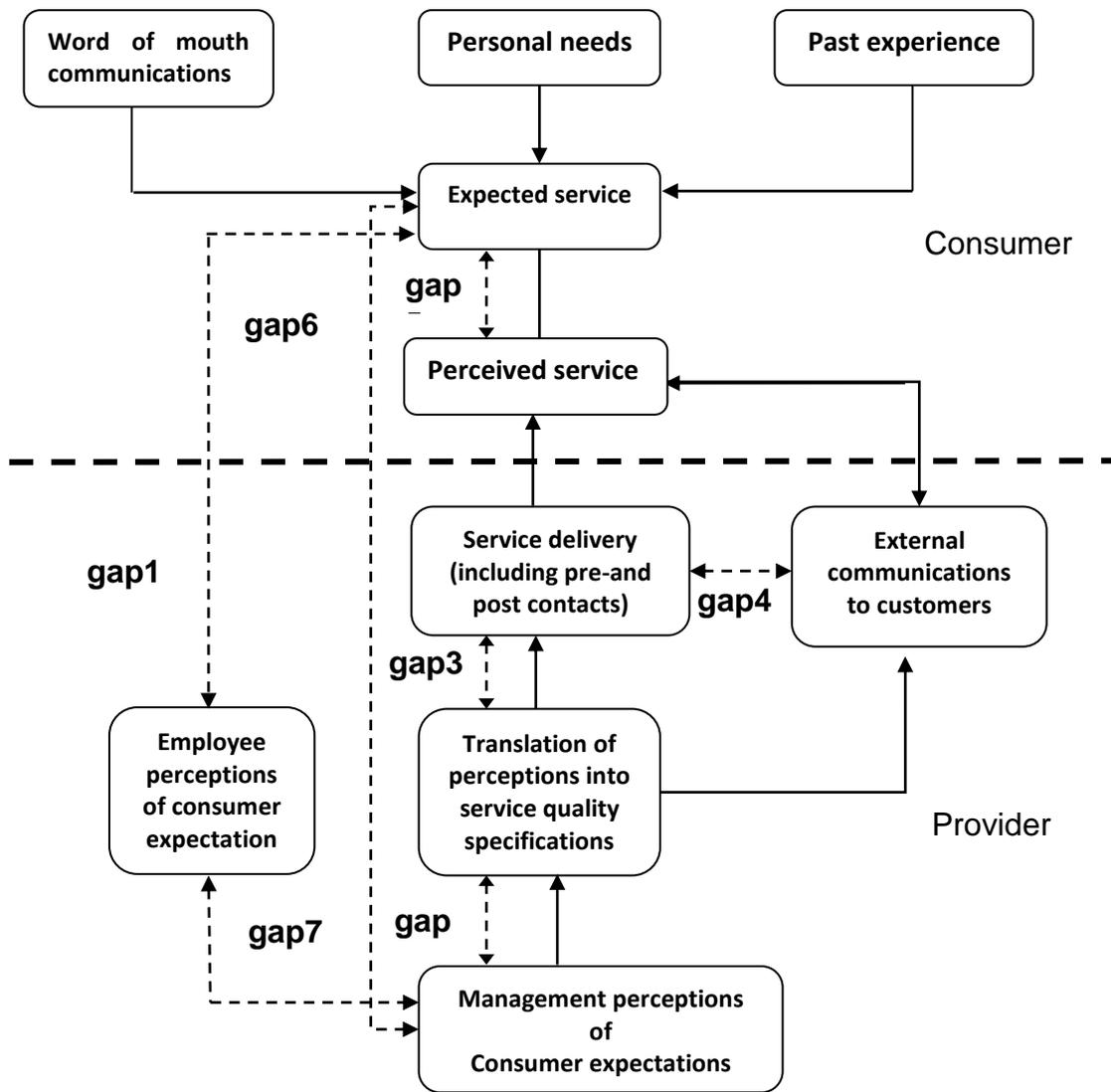


Figure 3: Modified model of service quality gaps

Adopted from Luk, Sh.T.K. & Layton, R. (2002). Perception Gaps in customer expectations: Managers versus service providers and customers. *The Service Industries Journal*, 22, 2, 109-128.

2.12.SERVQUAL

Zeithaml et al (1990: 220) designed SERVQUAL as a general instrument that may be slightly modified for use in any particular service industry. He stressed that SERVQUAL is the most popular method for the measurement of the fifth Gap. They explained that the word (SERVQUAL) is an abbreviation of two words, viz; the

word (SERVICE) which was abbreviated as (SERV), and the word (QUALITY) that was abbreviated as (QUAL).

Hernon and Nitecki (2001: 693) mentioned that the fifth Gap-the difference between customers' perceptions of what a service should deliver and how well that service meets idealized expectations is the conceptual basis for SERVQUAL.

Amankwah and Ohene-Adu (2011: 14) stated that the primary instrument used to measure service quality was designed by Parasuraman et al. (1985: 45). According to Parasuraman et al. (1988: 28), service quality is a function of perceived process quality, prepurchase customer expectation, and perceived output quality. They defined quality "as a gap between customers' expectation of service and their perception of the service experience (moments of truth) ultimately procuring the standard SERVQUAL multiple survey instrument".

Parasuraman et al. (1985: 45) identified 97 attributes which were found to have an influence on service quality. These 97 attributes were the standards that are significant in assessing customer's perceptions and expectations of delivered service. Parasuraman et al. (1985:47) were categorized these attributes into ten dimensions and later subjected the proposed 97 item instruments for estimating service quality by two stages in order to purify the instruments and select these with important influences. The primary purification step came up with ten dimensions, which they were called later by Buttle (1996:31) as components for estimating service quality which was; tangibles, reliability, communication, credibility, security, responsiveness, competence, courtesy, understanding and knowing customers, and access, as they detailed in Table 1 below:

Table 1: Ten components of service quality

Component No.	Component's name and definition	The statements related to each component
1	<i>Reliability: It involves consistency of performance and dependability. It also means that the firm performs the service right first time and honours its promises. Specifically.</i>	<ul style="list-style-type: none"> • Accuracy in billing. • Performing the service at the designated time.
2	<i>Responsiveness: It concerns the willingness or readiness of employees</i>	<ul style="list-style-type: none"> • Mailing a transaction slip immediately.

	<i>to provide service.</i>	<ul style="list-style-type: none"> • <i>Mailing the customer back quickly.</i> • <i>Giving prompt service (e.g. setting up appointments quickly).</i>
3	<i>Competence: It means possession of the required skills and knowledge to perform the Service.</i>	<ul style="list-style-type: none"> • <i>Knowledge and skill of the contact personnel.</i> • <i>Knowledge and skill of operational support personnel.</i> • <i>Research capability of the organization.</i>
4	<i>Access: It involves approachability and ease of contact.</i>	<ul style="list-style-type: none"> • <i>The service is easily accessible by telephone.</i> • <i>Waiting time to receive service is not extensive.</i> • <i>Convenient hours of operation and convenient location of service facility.</i>
5	<i>Courtesy: It involves politeness, respect, consideration, and friendliness of contact personnel (including receptionists, telephone operators, etc.).</i>	<ul style="list-style-type: none"> • <i>Consideration for the consumers property</i> • <i>Clean and neat appearance of public contact personnel.</i>
6	<i>Communication: It means keeping customers informed in language they can understand, and listening to them. It may mean that the company has to adjust its language for different customers.</i>	<ul style="list-style-type: none"> • <i>Explaining the service itself and how much the service will cost.</i> • <i>Explaining the trade-offs between service and cost.</i> • <i>Assuring the consumer that a problem will be handled.</i>
7	<i>Credibility: It involves trustworthiness, believability, honesty, and having the customer's best interests at heart.</i>	<ul style="list-style-type: none"> • <i>Company name and reputation.</i> • <i>Personal characteristics of the contact personnel.</i> • <i>The degree of hard sell involved in interactions with the customer.</i>
8	<i>Security: It is the freedom from danger, risk, or doubt.</i>	<ul style="list-style-type: none"> • <i>Physical safety.</i> • <i>Financial security and confidentiality.</i>

9	<i>Understanding: Means knowing the customer. Which involves making the effort to understand the customer's needs.</i>	<ul style="list-style-type: none"> • <i>Learning the customer's specific requirements.</i> • <i>Providing individualized attention.</i>
10	<i>Tangibles: They include the physical evidence of the service.</i>	<ul style="list-style-type: none"> • <i>Physical facilities and appearance of personnel.</i> • <i>Tools or equipment used to provide the service.</i> • <i>Physical representations of the service, such as a plastic credit card.</i>

Adopted from Buttle, F. 1996. SERVQUAL: review, critique, research agenda, **European journal of marketing**, Vo. 30, No. 1, 8-32.

Parasuraman et al. (1988:13) went into the second purification step and in this step, they focused on condensing scale dimensionality and reliability. further, They reduced the ten dimensions to five dimensions.

Parasuraman et al. (1988:18) announced the new instrument for a measurement of the service quality named SERVQUAL, consists of two key terms: SERV - service and QUAL - quality. In the practice, they clarified that the instrument is administered twice in various forms, first to measure expectations and second to measure perceptions. They stated that the respondent is asked to rate her/his perceptions and expectations of performance on a seven-point Likert scale ranging from 1 (strongly disagree) to 7 (strongly agree) and the results are then used to distinguish negative or positive gaps. Based on empirical tests with the instrument and different theoretical considerations, SERVQUAL is both a reliable and a valid measurement of service quality for service and retailing business. The instrument is suitable for a wide assortment of service contexts, although it could be important to reward and/or increase some of the items (Marković and Horvat, 2002: 149; Parasuraman et al,1988; Parasuraman et al,1994:217).

2.13.Models of Service Quality

Seth et al, (2005:925) stated there are many studies regarding the service quality models as in their research. They are 20 models examined from the period 1984 until 2004 for estimating the service quality as they are obvious in Table 2.

Table 2: Service Quality Models, The Researchers' Names, and The Years They Applied

Model No.	Model name	Researchers name	Year
SQ1	Technical and functional quality	Gronroos	1984
SQ2	Gap	Parasuraman et al	1985
SQ3	Attribute service quality	Haywood-Farmer	1988
SQ4	Synthesized model of service quality	Brogowicz et al.	1990
SQ5	Performance only	Cronin and Taylor	1992
SQ6	Ideal value model service quality	Mattsson	1992
SQ7	EP and NQ (Evaluated performance and normed quality)	Teas	1993
SQ8	IT (Information Technology) alignment model	Berkley and Gupta	1994
SQ9	Attribute and overall affect	Dabholkar	1996
SQ10	Model of perceived quality and satisfaction	Spreng and Mackoy	1996
SQ11	PCP attribute model (Pivotal, Core and Peripheral)	Philip and Hazlett	1997
SQ12	Retail service quality and perceived value	Sweeney et al	1997
SQ13	Service quality, customer value and customer satisfaction	Oh	1997
SQ14	Antecedents and mediator	Dabholkar et al	2000
SQ15	Internal service quality	Frost and Kumar	2000
SQ16	Internal service quality DEA (Data Envelope Analysis)	Soteriou and Stavrinides	2000
SQ17	Internet banking	Broderick and Vachirapornpuk	2002
SQ18	IT-based model (Information Technology)	Zhu et al.	2002
SQ19	e-service quality	Santos	2003
SQ20	Service quality versus service satisfaction	Gilbert et al.	2004

Adopted from Seth, N.S., Deshmukh, S.G., and Vrat, P. (2005). Service quality models: a review. *International Journal of Quality & Reliability Management*, 22, 9, 913-949.

Poku (2012:18) clarified that several models have been specified in the literature for measuring service quality. He stated that among the models or approaches are: performance-only approach, expectancy-disconfirmation approach, functional and technical dichotomy approach, service quality versus service satisfaction approach and attribute significance approach which the most applicable ones.

Oliver (1980:463) suggested that the expectancy-disconfirmation model focussing on identifying customer expectation versus what they actually experienced. He stated that It compares the expectations of the customers with service performance, which is estimated after the service encounter.

Cronin and Taylor (1994:127) concluded that the performance-only approach estimates service quality through enquiring from the consumers about their level of satisfaction with the different characteristics following a service encounter.

Gronroos (1984:39) explained that the functional and technical dichotomy approach classifies two service components that lead to customer satisfaction: technical quality of the product that is based on product features such as durability, physical characteristics, security; and functional quality that is involved with the relationships between the consumer and service provider such as speed of delivery, courtesy and helpfulness.

Gilbert et al. (2004:377) presented the model of service quality versus service satisfaction that focuses on two service elements that are interrelated; the transition-specific estimate and the overall estimate. They stated that this approach links perceived quality at the time of the service encounter or directly after it and overall satisfaction with the service.

Cronin and Taylor (1992:60) developed SERVPERF model (service performance) that ignores the expectation and measured service quality perceptions by assessing the customer's overall feeling towards the service.

Among the models for estimating service quality, the most recognized and applied model in the variety of industries is the SERVQUAL (service quality) model that developed by Parasuraman et al. (1988:18). The model was modified later on to be only five consolidated dimensions: tangibles, responsiveness, reliability, assurance, and empathy as the instruments for measuring service quality (Parasuraman et al., 1988: 27, Zeithaml et al., 1990:313). They emphasized the SERVQUAL model

evaluates perceptions of service quality and customer expectation through capturing the gap between experience and expectation.

2.14.Dimensions of SERVQUAL

SERVQUAL model has a five-dimensional construct of perceived service quality tangibles, assurance, reliability, responsiveness, and empathy as the tools for estimating service quality (Parasuraman et al., 1988:28; Zeithaml et al,1990: 335).

2.14.1.Reliability

Reliability depends upon handling customers' services problems; performing services right the first time; provide services at the promised time and maintaining an error-free record. Further, reliability is the most significant factor in conventional service. Reliability also consists of accurate order fulfillment; accurate quote; accurate record; accurate in billing; keep services promise; accurate calculation of commissions (Parasuraman et al., 1988:28). Yang et al. (2004:313) also mentioned that reliability is the most significant factor in banking services.

In a study by Parasuraman et al. (1985 : 46), SERVQUAL was applied to collect data in four various companies, including credit card companies, banks, the company's maintenance services, and long-distance phone firm. They found high reliability in all four of these firms, with the possible exceptions of some of the values related to important dimensions. Finally, reliability is defined as *"the ability to perform the promised service dependably and accurately"* (Parasuraman et al., 1988: 23).

2.14.2. Responsiveness

Parasuraman et al. (1985: 46) defined responsiveness as *"the willingness or readiness of employees to provide service"*. It includes timeliness of services. Responsiveness is also included understanding wants and needs of the clients, convenient operating hours, individual attention given by the staff, attention to problems and consumers' safety in their transaction(Kumar et al., 2009: 221).

Responsiveness is defined as *"the willingness to help customers and provide prompt service"* (Parasuraman et al., 1988: 23). Further, Johnston (1997: 113) defines responsiveness such as *"speed and timeliness of service delivery"*. This consists of processing speed and service capabilities to respond immediately to consumer

service requests, and wait a short and queuing time. It contains the timeliness of service (Parasuraman et al., 1985: 46). It also contains understanding the requirements and needs of the customer, easy operation time, individual attention provided by the staff, attention to the customers' safety and problem in their dealings (Kumar et al., 2009: 221).

2.14.3. Empathy

Parasuraman et al (1985: 46) defined empathy as *"the caring and individual attention the firm provides its customers"*. They explained that empathy includes providing customers individual attention and employees who recognize the needs of their clients and convenience business hours. Ananth et al (2011: 248) referred to empathy as *"giving individual attention; giving personal attention: convenient operating hours; best interest in heart and understand customer's specific needs"*.

Fitzsimmons and Fitzsimmons (2001: 241) suggest that *"empathy contains sensitivity, approachability, and efforts to understand customer needs"*. Also, Johnston (1997: 114) defined empathy as *"the ability to make customers feel welcome, especially by staff contacts"*. Additionally, the SERVQUAL model indicates that satisfaction is correlated to the direction and size of disconfirmation of a person's experience when she/he faces her/his initial expectations (Churchill and Surprenant, 1982; 498; Parasuraman, et al, 1985: 46, Smith and Houston, 1982: 60).

2.14.4. Assurance

Parasuraman et al. (1985: 46) defined assurance as *"knowledge and courtesy of employees and their ability to inspire trust and confidence"*. Sadek et al (2010: 3) confirmed that assurance means in British banks, the friendly and polite staff, provision of financial advice, eases of access to account information, interior comfort, and knowledgeable and experienced management team.

Dabholkar (1996: 37) recommended adding the assurance dimension to future service quality research. Assurance is ensured when the service becomes safe, and the customer information gets protection (Parasuraman et al., 2005: 12, Zeithamlet al., 2002: 365).

2.14.5. Tangibility

Parasuraman et al. (1985: 46) defined tangibility as *"the appearance of physical facilities, equipment, personnel, and written materials"*. Ananth et al (2011: 248) referred to tangibility as a physical facility, modern looking equipment, materials are visually appealing and employees are well dressed.

Al-Azzam (2015: 47) clarified that the tangibility includes physical facilities, the firms' representatives, materials, and equipment as well as communication materials. Fitzsimmons and Fitzsimmons, (2001: 241) stated that physical environmental conditions appeared as a clear evidence of the care and attention paid to the details given by the service provider. Davis et al (2003: 316) summarize tangibility like the physical confirmation of the service.

Parasuraman, Zeithaml, and Berry (1988: 1991: 1993) suggested a particular list of dimensions of service quality. Accordingly, the whole estimate of service quality taken from the evaluation through the five dimensions. Following is table 4-1 showing the dimensions of service quality that could be abbreviated into (RATER), and their definitions briefly:

2.15. Criticisms of the SERVQUAL Instrument:

Notwithstanding its popularity and widespread application, SERVQUAL has been subjected to a number of theoretical and operational criticisms (Cronin and Taylor, 1992, 1994), and (Snipes and Thomson, 1999) etc. Buttle (1996:10) divided these criticisms and controversies into theoretical and operational parts:

Theoretical: which includes the followings:

- Paradigmatic objections: SERVQUAL is based on a disconfirmation paradigm rather than an attitudinal paradigm; and SERVQUAL fails to draw on established economic, statistical and psychological theory.
- Gaps model: there is little evidence that customers assess service quality in terms of P – E gaps.
- Process orientation: SERVQUAL focuses on the process of service delivery, not the outcomes of the service encounter.
- Dimensionality: SERVQUAL's five dimensions are not universals;

the number of dimensions comprising SQ is contextualized; items do not always load on to the factors which one would a priori expect; and there is a high degree of intercorrelation between the five RATER dimensions.

Operational: that includes the aspects below:

- Expectations: the term expectation is polysemic; consumers use standards other than expectations to evaluate SQ, and SERVQUAL fails to measure absolute SQ expectations.
- Item composition: four or five items can not capture the variability within each SQ dimension.
- Moments of truth (MOT): customers' assessments of SQ may vary from MOT to MOT.
- Polarity: the reversed polarity of items in the scale causes the respondent error.
- Scale points: the seven-point Likert scale is flawed.
- Two administrations: two administrations of the instrument causes boredom and confusion.
- Variance extracted: the over SERVQUAL score accounts for a disappointing proportion of item variances.

Parasuraman et. al.(1985: 45)'s measure of service quality was based on the disconfirmation model of Oliver (1980,465) in which had been proposed that satisfaction is a function of the disconfirmation of performance from expectation. Parasuraman et. al (1985,1988) proposed that "service quality is a function of the differences between expectation and performance along the ten (later, along with the five) quality dimension". Just this disconfirmation, SERVQUAL paradigm is the most questioned issue. Cronin and Taylor (1992: 61) argued that SERVQUAL is paradigmatically flawed because of its ill-judged adoption of this disconfirmation model. In other work, Cronin and Taylor (1994: 128) comment that SERVQUAL confounds satisfaction and attitude and measuring neither service quality nor customer satisfaction. They stated that service quality can be operationalized as "similar to an attitude" and developed an alternative measurement tool, SERVPERF, which concerns only performance. Cronin and Taylor (1992: 61) and Buttle (1996:11) critique's draws support from the research of Oliver (1980: 466) which

suggests that service quality and customer satisfaction are distinct constructs but are related in that satisfaction mediates the effect of prior period perceptions of service quality and causes revised service quality perceptions to be formed.

On the basis of the disconfirmation theory, Parasuraman et. al. (1985: 43) defined the Gaps model, like a grounding of the SERVQUAL. Cronin and Taylor (1992: 61) posted that such conceptualization and operationalization of service quality is inadequate: "The SERVQUAL scale is based on gap theory of Parasuraman, et al. (1985,1988) which suggest that "the difference between consumers' expectations about the performance of a general class of service providers and their assessment of the actual performance of a specific firm within that class drives the perception of service quality". However, Kulašin and Santos (2005:137) clarified that little of any theoretical or empirical evidence supports the relevance of the expectations-performance gap as the basis for measuring service quality.

Buttle (1996: 24) concluded that critical face and construct validity questions which SERVQUAL researchers face are: Do consumers actually evaluate SERVQUAL in terms of expectations and perceptions? Do the five dimensions incorporate the full range of SERVQUAL attributes? Do consumers incorporate "outcome" evaluations into their assessments of SERVQUAL? He confirmed that issues of face and construct validity is of overriding importance in the development of instruments such as SERVQUAL. He also stressed that the operational criticisms are evidently less significant than the theoretical criticisms, and pose less of a threat to validity. He then concluded that the raised theoretical criticisms are, that the validity of the instrument must be called into question.

Despite these shortcomings, SERVQUAL seems to be moving rapidly towards institutionalized status (Buttle, 1996: 24). As Rust and Zahorik (1993: 202) have observed, "the general SERVQUAL dimensions ... should probably be put on any first pass as a list of attributes of service". These criticisms indicate that there is still a need for fundamental research. There are still doubts about whether customers routinely assess SERVQUAL in terms of expectations and perceptions; there are doubts about the utility and appropriateness of the disconfirmation paradigm; there are doubts about the dimensionality of SERVQUAL: there are doubts about the universality of the five RATER dimensions. These are serious concerns which are

not only significant for users of SERVQUAL but for all those who wish to understand better the concept of SERVQUAL (Buttle, 1996: 24).

Below Table 3 showing the dimensions of service quality and their definitions briefly:

Table 3: Dimensions of Service Quality

Item No.	The name of dimensions	The definitions	Items in scale
1	Reliability	<i>The ability to perform the promised service dependably and accurately.</i>	<ul style="list-style-type: none"> 1) <i>Providing services as promised</i> 2) <i>Dependability in handling customers' service performed.</i> 3) <i>Performing the services right the first time.</i> 4) <i>Providing services at the promised time.</i> 5) <i>Maintaining error-free records.</i>
2	Assurance	<i>The knowledge and courtesy of employees and their ability to convey trust and confidence.</i>	<ul style="list-style-type: none"> 1) <i>Employees who instill confidence in customers.</i> 2) <i>Making customers feel safe in their transaction.</i> 3) <i>Employees who are consistently courteous.</i> 4) <i>Knowledgeable employee to answer customer questions.</i>
3	Tangibles	<i>The appearance of physical facilities, equipment, personnel and communication materials.</i>	<ul style="list-style-type: none"> 1) <i>Modern equipment.</i> 2) <i>Visually appealing facilities.</i> 3) <i>Employees who have a neat, professional appearance.</i> 4) <i>Visually appealing materials associated with the service.</i>
4	Empathy	<i>The provision of caring,</i>	<ul style="list-style-type: none"> 1) <i>Giving customers</i>

		<i>individualized attention to customers.</i>	<i>individual attention.</i> 2) <i>Employees who deal with customers in a caring fashion.</i> 3) <i>Having the customer's best interest at heart.</i> 4) <i>Employees who understand the needs of their customers.</i> 5) <i>Convenient business hour.</i>
5	Responsiveness	<i>The willingness to help customers and to provide prompt service.</i>	1) <i>Keeping customers informed about when services will be performed.</i> 2) <i>Prompt service to customers.</i> 3) <i>Willing to help customers.</i> 4) <i>Readiness to respond to customers' requests.</i>

Adopted from Parasuraman A., Zeithaml V.A., Berry L.L. (1988), SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality, **Journal of Retailing**, Vol. 64, No. 1.

2.16. SERVQUAL VS SERVPERF

Cronin and Taylor (1992: 55) had presented two objectives when they criticized the instrument of SERVQUAL: First, they suggested that the conceptualization and operationalization of service quality (SERVQUAL) of Parasuraman, et al. (1985: 45) were inadequate. Cronin and Taylor (1992: 55) argued that the SERVQUAL scale is based on the gap theory of Parasuraman, et al. (1985: 45).

However, Cronin and Taylor (1992: 55) stated that little if any theoretical or empirical evidence supports the relevance of the expectations-performance gap as the basis for measuring service quality.

The second objective of their study was to examine the relationships between service quality, consumer satisfaction, and purchase intentions. Though these relationships have been discussed theoretically, they emphasized that they have not been subjected to a thorough empirical test. In particular, they stated that the purpose of the second

phase of their study was to provide managers and researchers more information about the causal order of the relationship between service quality and customer satisfaction and, the impact of service quality and customer satisfaction on purchase intentions.

Cronin and Taylor (1992: 56) mentioned that simply stated, the managers of service providers need to know how to measure service quality, what aspects of a particular service best define its quality, and whether consumers actually purchase from firms that have the highest level of perceived service quality or from those with which they are most satisfied.

The major conclusion from their study, Cronin and Taylor (1992: 64) stressed that the marketing's current conceptualization and measurement of service quality are based on a flawed paradigm. They presented empirical and literature support suggesting that service quality should be measured as an attitude. They also insisted that the performance-based scale developed by them which called SERVPERF is efficient in comparison with the SERVQUAL scale; it reduces by 50% the number of items that must be measured (44 items to 22 items). They clarified that the analysis of the structural models also supports the theoretical superiority of the SERVPERF scale; only the model that uses the SERVPERF scale consistently confirmed. They emphasized that these factors, along with the failure of the 5-component SERVQUAL model to confirm, support the use of a performance-based measure SERVPERF of service quality.

Accordingly, in the light of the facts mentioned above, this study will be conducted by applying the measurement of SERVEPERF rather than applying the SERVQUAL model.

3.THE PERCEIVED VALUE

3.1.Definition of Value:

Mazid (2012: 11342) explained that value was determined as a consequence of demand and it was conceptualized in 1871 by Carl Menger (2004:377). Menger (2004: 377) detailed the subjective basis of economic value, the theory of marginal utility (the greater the number of units of a good that an individual possesses, the less he will value any given unit) as Ulakoonja (2011:52) cited. Value is then determined by demand side characteristics, rather than a value determined by the cost of production. These economic theories come from the neoclassical school of economics and are based on the assumption of a “perfect” marketplace of “rational economic” individuals who form an aggregate of demand. They do not explore the actual drivers of customer demand and so ignore the effect of changing customer demand and its effect on the marketplace (Ulakoonja 2011:52).

According to Fernández and Bonillo (2006:43), traditionally in economics, value has been equated with utility or desirability. They clarified that in fact, many espouse the belief that utility theory provides the theoretical underpinning for the value construct (Patterson and Spreng 1997:421; Tellis and Gaeth 1990:39). They explained that this approach stresses that very often consumers do not buy products or services for their own sake. They emphasized that consumers will derive value according to the utility provided by the combination of attributes less the disutility represented by the final price paid.

Babin et al (1994:650) stated that the term ‘value’ has been used in many different contexts, reflecting its multifaceted nature. According to some scholars, the concept of value is one of the most overused and misused concepts in social sciences in general and in marketing/management literature in particular (Khalifa 2004:653). It

has its roots in many disciplines, including psychology, social psychology, economics, marketing, and management (Woodruff and Gardial 1996: 318).

Value means different things to different stakeholders of the firm. The customer value can be argued to mean consumer surplus or colloquially 'value for money'. This is a subjective judgment of the use value of the supplied product or service, the price charged for it, and its exchange value. In making these judgments customers factor in their knowledge and evaluations of competing for product offers. If they assume the customer is interested in optimizing 'value for money', then they could state that the customer would strive to optimize the ratio of use value acquired for exchange value paid price (Bowman and Ambrosini, 2003:12).

Firms must differentiate their product offerings in ways, which are valued by the customer. Firms must deliver more consumer surplus than competitors. This can be achieved by either offering equivalent perceived use value at a lower price, superior use value at equivalent prices to competitors, or indeed a combination of these. The availability of close substitutes will reduce prices, and thereby increase consumer surplus (Bowman and Ambrosini, 2003:12).

Several studies have found that value is given when a product or service has the ability to satisfy customer's needs (Morar, 2013: 177). Demirgüneş (2015: 211) explained that companies are operating in a complex competitive environment and increasing number of customers demand the creation of value. Yeh (2013: 97) stressed that this has created a growing interest in providing greater value to the customer. Many well-known authors have presented the definitions for the term "value" as shown in the Table 4:

Table 4: The Definitions of Term Value

AUTHORS	DEFINITIONS
Lichtenstein, Netemeyer and Burton (1990: 54)	<i>"We can define value as the ratio of quality to price"</i>
Dodds et al. (1991: 308)	<i>"The cognitive tradeoff between perceptions of quality and sacrifice results in perceptions of value"</i>
Rust and Oliver (1994: 7)	<i>"Value is some combination of what is received and what is sacrificed"</i>

Hunt and Morgan (1995: 6)	<i>“Value refers to the sum total of all benefits that consumers perceive they will receive if they accept the market offering”</i>
Sinha and DeSarbo (1998: 236)	<i>“Value is quality that the consumers can afford”</i>
Oliver (1999: 45)	<i>“Value is a positive function of what is received and a negative function of what is sacrificed”</i>
Kothandaraman and Wilson (2001: 380)	<i>“Value is the relationship of a firm’s market offering and price weighed by the consumer against its competitor’s market offering and price”</i>
Walter, Ritter and Gemünden (2001: 366)	<i>“We understand value as the perceived trade-off between multiple benefits and sacrifices gained through a customer relationship by key decision makers in the supplier’s organization”</i>
Afuah (2002: 172)	<i>“The value that a customer attaches to the characteristics is a function of the extent to which they contribute to the customer’s utility or pleasure”</i>

Adopted from Fernández, R.,S., Bonillo, M.,A.,I., 2006 Consumer Perception of Value: Literature Review and A New Conceptual Framework, **Journal of Satisfaction, Dissatisfaction, and Complaining Behavior**, 19, 40-58.

3.2.Creating and Capturing Value:

Porter (1985:11) argues that businesses must focus on areas of capability where they have a distinct advantage relative to their competitors in their target markets. They need to concentrate on one type of competitive advantage to achieve a distinct position in that market to create and capture value.

There are two dimensions along which strategies can be defined: the source of the competitive advantage (low cost or product differentiation), and the scope of the advantage (narrow or broad). Crossing the dimensions gives us four business strategies, written below in PAEI order:

P – Cost Focus: Competitive cost leadership in a small cluster of target segments.

A – Cost Leadership: Lower costs across a broad range of product offerings.

E – Differentiation Focus: Unique and distinct position in specific target segments.

I– Differentiation: Distinctly recognizable positions across a whole range of offerings.

Mackevičiūtė (2013: 10) cited that the customer value creation is considered as a basic marketing concept and the origin of competitive advantage as Woodruff (1997: 146), Smith and Colgate (2007: 18) explained. Mackevičiūtė (2013: 10) stated that customer value and its creation vary considerably in each industry. Therefore, Kotler and Keller (2012: 401) suggest starting with the value examination method to gain an understanding what customer believes about , wants, does, and concerns about firstly. Only then they suggest proceeding with value creation method utilizing all the possible resources and competencies.

Kotler and Keller (2006:365) presented a conceptual model to a holistic marketing orientation which provides insight into creating and capturing value. This model integrates three main issues:

- Value exploration.
- Value creation.
- Value delivery.

Value exploration marks the dynamic and aggressive nature of the value within and crossed market, and knowing the relationships and interactions among the spaces:

1. the customer cognitive that actually reflects existing and potential needs
2. the firms competence space referring to the overall abilities and strategy of the company
3. the collaborator's resources space that includes how horizontal partnership would exploit market possibilities or how vertical partnership would integrate value creation.

Value creation results from value exploration by equaling information about customer needs with the employable abilities of the firm and that of its collaborative arrangements to create value for the customer. Value delivery more tasks the competencies of the firm and its network. The firm's customer relationship management, business partnership management, and internal resource management must be well adjusted to deliver and capture value (Kotler and Keller, 2006:366).

All the activities of a firm are coordinated to produce and deliver some value. They draw a significant dichotomy between customer value and business value. Business value involves the activities that, on the company's side, help to accomplish goals, namely, customer intimacy, operational excellence, and product and service leadership, while customer value refers to the value which the customer receives in patronizing the goods or service of the firm (Chaudhury and Kuilboer, 2002:182).

3.3.The Concept of Perceived Value:

Huber, et al (2001:44) stated that perceived value is defined in different ways as the value concept is complicating and multifaceted with many interpretations, emphases, and biases. The value of products can be viewed as the tradeoff between what the product can present to the customer and what the customer has to spend to buy the products as Sweeney and Soutar (2001: 211) and Zeithaml (1988:13) concluded. Bolton and Lemon (1999: 177), Yang and Peterson (2004: 812) clarified that the equity theory discusses that a customer evaluates right, reasonable, or deserved values for the perceived cost of the offering, including nonpecuniary sacrifices and pecuniary payments, such as energy consumption, time consumption and stress suffered by a client. Jang (2015: 15) stated that although there are minor differences on the definition of perceived value, writers generally present it as an individuals' overall evaluation of both monetary and non-monetary considerations regarding the goods or service, on the foundation of a trade-off between the sacrifices required and relative benefits, to obtain such benefits as (Oh, 2000: 145; Yang and Peterson, 2004: 812; Zeithaml, 1988:14) explained.

Finally, Table 5 below shows some of the definitions of the most well-known authors regarding the term (perceived value) which are adopted from Fernández and Bonillo (2006: 47).

Table 5: Definitions of the Term of Perceived Value

AUTHORS	DEFINITIONS
Zeithaml (1988,14)	<i>“Perceived value is the consumer’s overall assessment of the utility of a product based on perceptions of what is received and what is given”</i>
Monroe (1990,51)	<i>Buyers' perceptions of value represent a balance between the quality or perceived benefits of the product compared to the perceived sacrifice by the payment of the price</i>
Liljander and Strandvik(1993,14)	<i>Perceived value equals perceived benefits/perceived price”</i>
Fornell, Johnson,	<i>“Perceived value is “the perceived level of product quality</i>

Anderson, Cha and Bryant (1996,9)	<i>relative to the price paid”</i>
McDougall and Levesque(2000,394)	<i>“Broadly defined, perceived value is the results or benefits customers receive in relation to total costs (which include the price paid plus other costs associated with the purchase). In simple terms, value is the difference between perceived benefits and costs”</i>
Chen and Dubinsky (2003,326)	<i>Perceived value is “a consumer’s perception of the net benefits gained in exchange for the costs incurred in obtaining the desired benefits”</i>

Adopted from Fernández, R.,S., Bonillo, M.,A.,I., 2006 Consumer Perception of Value:Literature Review and A New Conceptual Framework, **Journal of Satisfaction, Dissatisfaction, and Complaining Behavior**, 19, 40-58.

3.4.Customer Perceived Value:

Zeithaml (1988:15) defined customer perceived value (CPV) is the consumer’s overall evaluation of the utility of a commodity based on perceptions of what is gained and what is granted. Dev and Schultz (2005:19) and Monroe (2003:351) clarified that in simple terms, CPV represents the trade-off between perceived benefits and perceived sacrifice(i.e. “get” and “give” parts). Holbrook (1999:17) defined CPV as the consumer’s relative preference for something or experience and as the individual perception of advantage rising out of a customer’s relationship with an organization’s offering.

Woodruff (1997: 146) explained that CPV happens when consumers think of products as bundles of specific characteristics and attribute achievements. Smith and Nagle (2002: 22) stressed that as consumers normally search for benefits and perceive variations between products by looking at product characteristics, a value should be investigated such that the company gets an understanding of which, and how, characteristics that together deliver benefits to justify the price which reflects the value. Abdul Rahim and Abu Bakar (2014: 445) claimed that such opinions seem supported by Ravald and Grönroos (1996:24)’s definition of perceived benefits as some mixture of physical characteristics, service attributes and technical support possible in relation to the appropriate use of the product, and the purchase price and other pointers of perceived quality.

Customer perceived value as a customer’s perceived preference for an evaluation of those attribute performances and consequences arising from the use of the facilitates or blocks reaching the customer’s objectives and purposes in use cases (Woodruff,

1997:146). His definition expands the customer value concept and emphasized that value derives from consumers' preferences, learned perceptions, and evaluations.

Customer-perceived value from the perspectives of psychology, axiology, economics, and marketing, improving a more holistic understanding of the concept. Adopting this method has revealed areas of divergence and convergence between the perspectives, heading to a wider understanding of the customer-perceived value construct. For example, researchers drew an axiological view of customer-perceived value as an interactive, relativistic preference experience, to join customer experience into the study of customer-perceived value (Chang and Dibb; 2012: 23).

A more broad definition of customer-perceived value has been evolved, incorporating the trade-off concept from economics, and comprising ideas from axiology, marketing, and psychology. This definition capitalizes on the holistic view by reflecting the individual, situational and temporary aspects of value. For commercial organizations, this aspect highlights that customers instead of sellers 'own' the process of specifying the value, which has implications for what should be done to enhance value perceptions (Chang and Dibb; 2012: 23).

3.5.Perceived Value Dimensions

Šapić et al (2014: 396) clarified the way by which the value of a product or service will be assessed depending upon the customer's personal assessment. They stated that some customers may find a specific product insignificant, while for the others, it might be very important. Sweeny and Soutar (2001:212) have set the customer perceived value scale which explains value dimensions of products. Because of the need to measure the value of services perceived by the customers. Petrick (2002:126) has developed a model for measuring the key elements of perceived value of services. He clarified that the model contains 18 statements grouped into five main entities, each of which refers to one of the following factors: quality, reputation, emotional value, monetary and non-monetary cost. Nasution and Mavondo (2008:209) have arranged the following three perceived value dimensions according to the level of significance:

- reputation,
- value for money,
- prestige.

Šapić et al (2014: 396) emphasized that it is crucial to determine how important is the reputation of a service company to customers and to what extent it influences their purchasing decision. They claimed that the reputation of a specific service organization refers first of all to quality level in providing services. They also stressed that the higher the quality level, the better will be service organization's reputation. Thus, as they concluded, reputation can be seen as a part of quality, but also of emotional value according to Nasution and Mavondo (2008: 210).

Another important dimension in assessment of the value of services or products represents the value for money. It is most often identified with economic value. Customers determine it also by comparing the benefits they receive through purchasing a service and costs required for obtaining the same. Modern customers are even more careful during the purchasing process and want to get an appropriate value for the money they invest. They want to have a high-quality service and they are willing to pay for it. One of the key dimensions of customer value is also prestige. Customers primarily require a high-quality product and/or service for which they are willing to pay, but they also want a status and prestige that the use of such product and/or service will bring (Šapić et al., 2014: 396). Bergami and Bagozzi (2000: 570) concluded that prestige as a part of social value means customers' perception influenced by the people from their environment whose opinion is valued and respected and who see a particular company and its products and/or services as a status symbol.

It can be seen that customer investigation started with a cognitive direction of decision making. In other words, researchers have been focused on object or experience which might be seen to be valued for its own sake (Cengiz and Kırkbır, 2007: 254). Holbrook and Hirschman (1982: 136) specified an experiential view with the inclusion of the symbolic, hedonic and esthetic parts of consumption cycle. They asserted that products were generally judged through utilitarian criteria which grounded on how a product or service tends its planned aims or accomplish its suitable function. On the other hand, an experiential view sights the products or services owing to hedonic criteria (Sweeney and Soutar, 2001, 205).

Grewal et al. (1998:52) emphasized that perceived value might be separated into two parts: acquisition and transaction value. They specified that acquisition value is the net benefits which obtaining from the products or services, the transaction value is

the perceived psychological content obtained from a good treatment. They explained that acquisition value measured with three items and the transaction value with nine items. Woodruff (1997: 148) proposed that customers may want a specific value (desired value) and may appreciate a product or service when trying it (received value). So customers may comprehend value differently at the cycle of buying a product or service and during or after its use.

Another approach asserted by some researchers, for example, Woodruff (1997: 149), De Ruyter et al. (1997: 238), Sweeney and Soutar (2001: 213), and Sanchez et al. (2006: 401) is grounded on the multidimensional aspect of perceived value. Roig et al (2006:270) stated that this view of value which examining more closely subjects relating to the customers' selling treatment takes this concept as a composition of some dimensions as a functional dimension, effective dimension. Cengiz and Kirkbir (2007: 254) asserted that the functional value can be specified as the rational and economic evaluations of people, whereas the quality of the product and the quality of service are fragments of this dimension. They also clarified that the effective dimension is separated into an emotional dimension and a social dimension.

Mattson (1991:7) asserted that perceived value concept is multidimensional and might be divided into two part cognitive and affective aspects, whereas Grönroos (1997: 328) stated that it can be divided into cognitive and emotional (psychological) aspects.

De Ruyter et al. (1997: 239) offered a comprehensive approach which separates perceived value into two components; cognitive response and effective components. They stated that perceived value is created with three dimensions: emotional, functional and logical.

Sweeney and Soutar (2001: 213) did not give importance to the epistemic and conditional dimensions. They stated that three dimensions of the perceived value create the five initial dimensions which are functional value, social value and emotional value. They offered PERVAL (PERCEIVED VALUE) model which is a scale of measurement of value. Their construct includes factors like price, quality and versatility. They also stressed that social and emotional dimensions are symbolized by the set of Intangibles, while Sweeney et al. (1999: 98) asserted that the dimensions could be social value (acceptability), emotional value, functional

value (price/value for money), functional value (performance/quality), and functional value (versatility).

Sanchez et al. (2006:396) developed a scale named GLOVAL that is an assessment of post-purchase perceived value. They gained six dimensions of perceived value. Four dimensions which found the set to dimensions of functional value: installations, quality, professionalism, and price. They also stated that the other dimensions that they gained belong to an effective dimension that reflects the emotional value and social value.

All the preceding researchers have examined the multidimensional method of perceived value. While the constructs that inspecting comparison between advantages and devotions is highly cognitive. Cengiz and Kırkbr (2007: 254) concluded that the multidimensional form searches to define the concept by viewing both the cognitive and the affective factors. They stated that it could be seen in Table 6 that all the writers stated the two major dimensions of perceived value: effective and functional.

Table 6: Multidimensional approaches about perceived value

<p>Mattson (1991)</p> <ul style="list-style-type: none"> • Cognitive • Affective 	<p>Grönroos (1997)</p> <ul style="list-style-type: none"> • Cognitive • Emotional(psychological)
<p>Groth (1995)</p> <ul style="list-style-type: none"> • Cognitive:perceived utility • Psychological • Internal • External 	<p>deRuyter, Wetzels, Lemmink, and Mattson (1997)</p> <ul style="list-style-type: none"> • Emotional dimension or intrinsic value • Functional dimension or extrinsic value • Logical dimension
<p>Sweeney, Soutar, and Johnson (1999)</p> <ul style="list-style-type: none"> • Social value (acceptability) • Emotional value • Functional value (price/value for money) • Functional value (performance/quality) • Functional value (versatility) 	<p>Sweeney and Soutar (2001)</p> <ul style="list-style-type: none"> • Functional dimension (economic and quality) • Social dimension • Emotional dimension

Adopted from Sanchez, J., Callarisa, L.J., Rodriguez, R.M. & Moliner, M.A. 2006. Perceived value of the purchase of a tourism product. **Tourism Management**, 27, 4., 388-405.

They also asserted that the functional dimension is to the economic and rational appraisal made by people, and the part of the functional value dimension is a quality of the goods and of the service. Furthermore, they concluded that the affective dimension of perceived value reflects the emotions or feelings built by the

products or services. Sanchez et al (2006: 396) stated that generally, the effective dimension is separated into two parts: a social dimension and emotional dimension.

Ivanauskienė et al (2012: 79) presented a summary of some articles to illustrate multidimensionality of customer value construct, as shown in Table 7 below, in addition to the multidimensional approaches about perceived value which are mentioned in the Table 6 above.

Gounaris et al. (2007: 67) examined the relationships of customer-perceived value, satisfaction, loyalty and behavioral intentions in the automobile sector. Besides emotional value, social value, product value, and perceived sacrifice value the authors also had distinguished procedural value and personnel value. They asserted that procedural value is the benefit which is received from the after-sales service and maintenance offered by an organization, whereas personnel value is described as the benefit which is predetermined by personnel skills and capabilities. Sanchez et al. (2006: 396) developed GLOVAL model that allows measuring six dimensions of value perceived by customers: emotional value, social value, the functional value of price, functional value of the professionalism of organization employee, functional value of service quality and functional value of the establishment of the service provider.

Smith and Colgate (2007: 15) analyzed customer value types and proposed a comprehensive model of customer value creation and management. The model identifies the following five sources of customer value: information, products, interactions with employees and systems, environment (purchase and consumption), and ownership. In this sense, they distinguish four types of customer value: functional/instrumental value, experiential/hedonistic value, symbolic/expressive value, and cost/sacrifice value.

Roig et al (2006: 270) explained that the emotional dimension means the customer's emotional assessment of the service, whereas the functional dimension mirrors applied the feature of the service, and the logical dimension consists of the quality of service and the price.

Similarly, Sheth et al (1991:166) described perceived value as multidimensional route and specified five dimensions; social, emotional, functional, conditional and epistemic. They described functional value as a perceived benefit of the properties of

the products and services. They also described social value as the admissibility or benefit at the grade of the personal relationships with his/her social environment. They explained that emotional value subsists of the feelings or the affective states created by the experience of consumption. Sheth et al. (1991:167) described that conditional value means conjunctural or conditional agent such as illness or particular social cases. They stressed that epistemic value is the ability of the product or service to surprise, arouse concern or satisfy the wants for knowledge

Table 7: Selected Articles of Previous Studies of the Multidimensionality of Perceived Value

Reference	Customer values constructs	Industry
Sheth et al. (1991)	<i>Study focused on five types of customer value: functional value, social value, emotional value, epistemic value, and conditional value. Social value is determined by the utility perceived through customer identification with reference groups, whereas emotional customer value is determined by the following emotions perceived by customer – comfort, passion, security, and the feeling of guilt.</i>	Cigarette industry
Sweeney & Soutar (2001)	<i>The authors alleged that epistemic value and conditional value should not be included in customer value construct. Their research proposed PERVAL model and included some factors to the functional value dimension</i>	Durable goods
Gounaris et al. (2007)	<i>The study examined the relationships of customer-perceived value, satisfaction, loyalty and behavioural intentions in automobile sector. Beside emotional value, social value, product value and perceived sacrifice value the authors also had distinguished procedural value and personnel value. Procedural value is the benefit which is received from the after-sales service and maintenance offered by organization, whereas personnel value is described as the benefit which is predetermined by personnel skills and capabilities.</i>	Automobile sector
Izquierdo et al. (2006) Sanchez et al. (2006)	<i>The authors classified the dimensions of customer perceived value into the following three categories: functional value, affective value and saving value. Developed GLOVAL model that allows to measure six dimensions of value perceived by customers: emotional value, social value, functional value of price, functional value of the professionalism of organization employee, functional value of service quality and functional value of the establishment of service provider.</i>	Retail banking in Spain Tourism sector
Roig et al. (2006)	<i>The authors used the GLOVAL instrument to measure the value perceived by retail banking customers. In the model used by the researchers, customer perceived value</i>	Retail banking

	<i>consists of the emotional, functional and social value while the functional value consists of the following four sub-dimensions: functional value of the establishment, functional value of the personnel, functional value of the service received, and functional value price.</i>	
Smith & Colgate (2007)	<i>Their study analysed customer value types and proposed a comprehensive model of customer value creation and management. The model identifies the following five sources of customer value: information, products, interactions with employees and systems, environment (purchase and consumption), and ownership. In this sense the authors distinguish four types of customer value: functional/instrumental value, experiential/hedonistic value, symbolic/expressive value, and cost/sacrifice value.</i>	Not specified

Adopted from Ivanauskienė, N., Auruškevičienė, V., Škudienė V., 2012, Customer Perceptions of Value: Case of Retail Banking, **Organizations and Markets in Emerging Economies**, , 3, 1, 75-88.

3.6.Perceived Value Dimensions in Banking Industry:

The multidimensional customer value method is more suitable for the retail banking service sector (Ivanauskienė et al. 2012: 78). This method defines customer perceived value as a two-part form consisting of benefits gained (economic, social, and relational) and sacrifices made (price, risk, time, effort, and convenience) by the customer (Teas and Agarwal, 2000: 281; Cronin et al., 2000: 200; Kumar and Grisafe, 2004: 55; Roig et al., 2006: 271; and Gounaris et al., 2007: 72).

Park et al. (1986: 137), while studying customer value types, recognized three essential types of customer needs which are:

1. Functional needs, that encourage the customer to search for a product that would allow resolving problems, define functional customer value.
2. Symbolic needs, the satisfaction of that enables the customer to think as a member of the social group, i.e., to satisfy his/her individuality, perceive his/her value, is the source of symbolic customer value formulation.
3. Experiential needs, that encourage looking for goods that meet satisfaction, cognitive stimulation, and experiencing pleasure, limit the experiential customer value sort.

Sheth et al. (1991: 167) increased customer value typology while describing the five types as followings: social value, emotional value, functional value, epistemic value and conditional value. On the contrast, Sweeney and Soutar (2001: 214) included some elements to the functional value dimension (price or value-for-money,

perceived quality of the product, and adaptability) and argued that conditional value and epistemic value should not be included in customer value form.

In the study of Spanish retail banking clients, Izquierdo et al (2006: 64) classified the dimensions of customer perceived value into the following three divisions:

- functional value, that is gained as a greater utility from banking service by the brand's reliability, quality, warranty, added services and the personnel professionalism;
- effective value, that is such when the customer, while using bank services, perceives both emotional and social benefits, obtained from the various contacts with bank personnel, preferential treatment, identification, emotional links, and social integration;
- the saving value that is formed when the customer perceives the bank offer as cost attractive (lower search, information costs, and better economic conditions).

Roig et al. (2006: 272 and 2009: 781) put ahead a perceived value construct in the banking industry with six dimensions:

1. The functional value of the installations of the establishment (bank entity).
2. The functional value of the contact personnel.
3. The functional value of the service (quality).
4. Functional value price.
5. Social value.
6. Emotional value.

They also stated that functional value of the service is the most significant while creating customers' loyalty when the emotional value is the second factor in the order of importance.

Ivanauskienė et al (2012: 79) found that many researchers agree on the three main dimensions of customer value in the banking sector, namely, functional, social, and emotional as they defined in the Table 8 below:

Table 8: The Three Major Perceived Value Dimensions Agree Upon in Banking Industry

Dim. No.	Dimension name	The definition of dimensions	No. of items
1	functional values	<i>The tangibles that are related to price, service quality, contact personnel, and value of the installations of the bank entity.</i>	15
2	Emotional value	<i>The proposition of the non-physical features and may include good psychological climate; relaxation and certainty for financial operations security; comfort; reliability and satisfaction; positive emotions and experiences.</i>	5
3	Social value	<i>The personal beliefs, social integration, as well as opinion and references of relatives and/or friends.</i>	2

Adopted from Ivanauskienė, N., Auruškevičienė, V., Škudienė V., 2012, Customer Perceptions of Value: Case of Retail Banking, **Organizations and Markets in Emerging Economies**, , 3, 1, 75-88.

The researcher will explain these three major dimensions below in some details since he will be dependent upon the mentioned values in the analytical part of the study:

3.6.1.Functional Value

Sheth et al. (1991: 160) stated that functional value can be defined as “the perceived utility obtained from an alternative’s capability for functional, utilitarian or physical achievement”. According to Green and Peloza (2011: 50), functional characteristics and rational views dominate the consumption decision-making method, particularly when buying utilitarian items, in which self-oriented value is very prominent.

Woodruff (1997: 139) identified that functional value may have many dimensions. Cadden and Lueder (2012: 69) stated that this relates to features that may have some degree of measurability, such as proper performance, the speed of service, reliability or quality. They asserted that the other dimension of functional value may consider the degree to which the service or the product has the right features or characteristics. They also emphasized that the idea of features or characteristics may be, at times, pretty broad. Features may include aesthetics or an innovation element. They mentioned that different dimension of functional value could be related to the ultimate outcomes generated by a business.

Mazid (2012: 11342) stated that functional value is built on the utility acquired via satisfying an easy physiological need. The functional value was considered for a long time, the only value dimension because it is the base for the Standard Economic

Theory and hence for the rational economic person or homo economics (Ulakoonja, 2011: 52; Campus, 1987: 323). Sheth et al. (1991:161) observed reliability, price, and durability as parts of functional value. Because reliability and durability are parts of quality and, therefore, have a positive impact on perceived value, they would be measured individually from price, that has a negative influence on perceived value (Ulakoonja, 2011:52).

A product's or service's functional value could be derived from its features or attributes, including reliability, price, and durability, and is measured by a profile of choice properties (Mazid, 2012: 11342). Traditionally, a functional value is considered to become Stigler's economic utility theory and is usually expressed in terms of the rational economic person. It should be measured by monetary or functional term (Ulakoonja, 2011:52).

3.6.2.Social Value

Kosonen (2014:82) mentioned that social value is defined as "*the perceived social utility gained from an alternative's connection with one or more particular social groups*". The social value of the service or product is acquired through connection with positively or negatively conventional socioeconomic, cultural-ethnic and demographic groups (Sheth et al. 1991, 160).

Cadden and Lueder (2012: 70) clarified that social value includes a sense of relationship with another group by utilizing images or symbols. They said that this might appear to become a rather complex concept, but it is utilized by many businesses in various ways. They also stated that some companies may wish to be recognized with particular conditions and a company may highlight a commitment to the climate or sustainability.

SOCIAL VALUE UK Institution defined social value as the value that people set on the differences they experience in their lives. Some of this value is apprehended in market prices. It is necessary to consider and estimate this social value from the view of those influenced by an organization's work. It clarified that instances of social value could be the value which people experience from raising their confidence, or from living close to a community park. Those things are significant to people but are not usually expressed or estimated in the same way which financial value is.

(Social value UK) asserted that using the Principles of Social Value to the work, has a tremendous range of benefits such as the those shown below:

- a. Maximize the value you can build.
- b. Include the people who matter most.
- c. Obtain a competitive advantage.
- d. Improve communications, both internally and externally.
- e. Obtain funding and contracts.

3.6.3.Emotional Value

Sheth et al. (1991: 160) explain that emotional value is *“the perceived utility gotten from an alternative’s capability to stimulate feelings or affective states”*.

Cadden and Lueder (2012: 70) asserted that emotional value is obtained from the capability to provoke an emotional or an effective response. They stressed that this could cover a broad range of emotional responses. Some companies try to remind clients of a particular emotional situation.

Mazid (2012: 11342), mentioned that the emotional value can be the perceived utility gained when the good moods or other effective situations arise. He asserted that almost all kinds of products create emotional feelings to occur. For instance, seemingly utilitarian goods such as foods, are frequently associated with childhood adventures and remembrances of their taste. In more hedonistic classes, such as cars, the emotional value extracted by various brands is regularly even greater (Graf et al, 2008: 15, Ulakoonja, 2011:52). The affective dimension gains the feelings or emotions created by the goods or services. This affective dimension is made by an emotional part, relating to feelings or internal emotions.

Emotional value (experiential value) is the perceived utility of a product built on the feelings or effective situations. The emotional value of a product is obtained from particular feelings which a customer associates with it (Mazid 2012: 11342

4. CUSTOMER SERVICE LOYALTY

4.1. Definition of Loyalty

Gramer and Brown (2006: 253) present a definition of loyalty, viz, the degree to which consumer shows repeat buying behavior of a service provider has a mood or tendency of positive attitude approaching service providers and the only study using this service provider while there is a need to use the service.

Afifah and Asnan (2015: 280) concluded that loyalty represents a condition when the consumer would be devoted to purchasing again continuously. They explained that a loyal customer is not just a buyer that makes repeat purchases, yet also the one who keeps a positive attitude approaching service providers.

Oliver (1999: 34) defines loyalty as *“a strongly held commitment to rebuy or repatronize a chosen service/product consistently in the future, through causing repeated same brand or same brand-set buying, in spite of situational impacts and marketing efforts having the possibility to produce switching behavior”*.

In general, loyalty development is an objective traditionally is aimed at by managers (Andreassen, 1999: 328) for it enables greater future purchase intention.

Particularly, loyalty could be defined as a customer's intention or preference to purchase from the same establishment again (Edvardsson et al, 2000: 922), that result from the faith that the value gained from one seller is larger than the value available from different alternatives (Hallowell, 1996: 33). Keating et al (2003: 225) stressed, as a result, loyalty has been studied to be an essential factor in order to accomplish organization success and the sustainability over time.

Ahmad (2012: 104) emphasized that many authors have suggested that loyalty also favors greater strength in positive word of mouth (Hallowell, 1996: 33), lower price

sensitivity (Lynch and Ariely, 2000: 97) and more stable and greater incomes (Knox and Denison, 2000: 38). In general, Martisiute et al (2010: 8) presented a summary of some definitions for loyalty as shown in Table 9 below:

Table 9: Definitions of Loyalty

Author	Year	Definition
Newman and Werbel	1973	<i>Loyal customers are those a) who rebuy a brand; b) think before buying one brand; c) do not search any information about brand</i>
Pine et al	1995	<i>Loyalty can be measured in two ways: rebuys dynamic and recommendation.</i>
Hammond et al	1996	<i>Customer's tendency to repurchase a brand revealed through behavior which can be measured and which impacts directly on brand sales.</i>
Schiffman	1997	<i>Consistent preference and/ or purchase of one brand in a specific product or service category. Brand loyalty is not a simple concept. The complexity in terms of whether it should be viewed in terms of behaviour or attitude. Brand loyalty is a function of attitude that should not be measured via purchase levels to account for cognitively captured consumers, habitual purchases and no, or minimal, alternative situations.</i>
Oliver	1999	<i>A deeply held commitment to re-buy or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior.</i>
Dalton	2003	<i>Three factors that drive customer loyalty – value, trust and going the extra mile.</i>
Reichheld	2003	<i>Customers' loyalty is much more than rebuys. Customers may buy because of inertia, indifference or other barriers.</i>

Adopted from Martisiute, S., Vilutyte, G., Grundey, D., 2010, Product or Brand? How Interrelationship between Customer Satisfaction and Customer Loyalty Work, **European Journal of Interdisciplinary Studies**, 2, 1, 5-15.

4.2.Approaches to the Definitions of Loyalty

Kazár (2015:12) opined that built on the more decades many kinds of a literature of loyalty, a standard definition cannot be found. Touzani and Temessek (2009: 231) and Prónay (2011:36) assumed that the definitions of loyalty could be grouped into three major approaches: behavioral, attitudinal and a complex approach could be distinguished as below:

4.2.1. Behavioral Approach

Loyalty may be identified as repurchase from the viewpoint of behavioral approach (Bandyopadhyay and Martell 2007: 39; Touzani and Temessek, 2009: 231; Prónay, 2011:36). McConnell (1968: 14) explained loyalty tightly and easily, according to which brand preference or brand loyalty has sometimes been defined as the consumer's repurchase probability of a certain brand. Tucker (1964:33) grabs the phenomenon by the sequence of repurchases whereas Tellis (1988:136) identifies loyalty as the repurchasing intention estimated by the relative frequencies of repeat purchases from a brand through a given period. As (Touzani and Temessek 2009, 231) concluded that the definitions stated previously, (repurchasing rate, sequence of repurchases, a probability of repurchasing) a brand's repeat purchasing ratio in the product group could also be applied for assessing loyalty. Kazár (2015:12) asserted that the most important advantage of behavioral approach is the measurability; definitions could be simply operationalized, that makes assessing the definition of loyalty simpler. However, he stated that some disadvantages of the approach could be stated below:

- The behavioral approach can not explore the influencing factors behind loyalty.
- The behavioral approach is not able to be applied for forecasting repurchasing aims according to Touzani and Temessek (2009: 231) and Prónay (2011: 36).
- It is not certain that the lack of the repeat purchase or the low repurchasing rate happens due to the lack of loyalty; the other factors may play a role in the evolution of a low repurchasing rate.

Bandyopadhyay and Martell (2007:39) mention situational factors among the other loyalty affecting elements. Dick and Basu (1994:108) also explained that a high repurchasing rate may reflect situational factors, asserted that the repurchasing rate could increase according to a stock decreasing sale; or a low repurchasing rate may happen because of the lack of brand choice or because of variability seeking intentions. Dick and Basu (1994:108) emphasize that behavioral definitions aren't proper for explaining the progress and transformation of the loyalty concept. Depending upon the behavioral approach, the definition of loyalty is easy and simply measurable but it can not describe motivations that explaining the phenomenon.

4.2.2. Attitudinal Approach:

Kazár (2015:12) stated that the base of the attitudinal approach, is how loyal customers think and feel. Prónay (2011: 36) opined that the essence of attitudinal loyalty research is that loyalty could not be parallel to repurchase, it is also, containing emotional elements as well. In the structure of attitudinal approach, Jacoby and Kyner (1973:5) pointed out the shortcomings of behavioral approach and they formed a complex definition of loyalty. According to them, psychological methods behind loyalty are more complicated. As a result of evaluation and decision-making processes, the customer develops a sort of commitment towards the brand. They consider that the concept of commitment allows understanding the variation between loyalty and the different sorts of repurchase. Dick and Basu (1994: 108) believe also that there is not enough concentration on repurchase, the concept of loyalty would be widened by emotional components. They stressed that attitudes are relative since they could not be identified in a separate way, attitudes may be described in a given consumption state. The base of their theory, that loyal customers may have positive views and emotions towards certain brand. However, Kazár (2015:13) stated that the attitudinal approach gets limitations as well. Touzani and Temessek (2009: 231) concluded that the attitudinal approach does not analyze all of the influencing factors causing loyalty. Bandyopadhyay and Martell (2007: 39) stress that the attitudinal approach's aim is to understand loyalty entirely; however, the meaning and the operationalization of loyalty cannot be understood entirely in the frame of this approach. Based on the mentioned statements above, Kazár (2015:13) opined that it should not be stated that the utilization of behavioral or attitudinal approach can be more proper. He stressed that the two approaches have advantages and disadvantages, and a complex approach should be described, which is joining the elements of both behavioral and attitudinal approach.

4.2.3. The Complex Approach:

The complex (or as it called composite) approach define loyalty in multiple levels blending the components of behavioral and attitudinal approach (Kazár, 2015:13). Touzani and Temessek (2009: 231) note that the basis of complex approach is that loyalty involves certain attitudes toward the brand (appearing in commitment) and the repeat purchase of the brand. They recognize that various interpretation and definition have performed in the framework of complex approach, moreover, the

relation among the levels or components of loyalty aren't unified too. Bloemer and Kasper (1995:320) present a variety between real loyalty and spurious loyalty, depended on the definition of Jacoby and Kyner (1973: 5). They think that in the state of true loyalty, repurchase is a consequence of psychological manners, thus the base is commitment; whereas in the state of spurious loyalty, and repeat purchase is a indication of inertia. They stressed that true loyalty holds attitudinal and behavioral element too: a true brand loyal client is bound toward the brand. The customer emphasizes on the brand due to this commitment and the client also appears a necessity for repurchasing the offered brand. Commitment isn't enough, a committed customer may be considered as a true loyal customer in case he or she purchases the brand again in the coming future (Bloemer and Kasper, 1995: 320).

4.3.Customer Loyalty

Fraering and Minor (2013: 340) clearly define customer loyalty as the consequence of agreement of positive emotional activity, cognitive, affective and satisfaction of costumer. They conclude also that customer loyalty can be linked to fortitude and sense of virtual association towards the customer satisfaction.

Oliver (1997: 432) stated that customer loyalty can be defined as “*a deeply continued commitment to re-buy or re-patronize a selected product offering consonantly in the future, in spite of situational impacts and marketing efforts possessing the potential to produce switching behavior*”. Koduah and Farley (2016: 251) assumed that the customer is decided to repeatedly patronize a service or product and less likely to shift to a competitor brand in spite of attractive marketing efforts to attract new customers. Customer loyalty is chiefly viewed from three principal schools of thought: attitudinal, composite, and behavioral (Kumar et al, 2006: 222, Fullerton, 2005: 101, Jones and Taylor, 2007: 45, Bove et al, 2009: 699, and Kumar and Reinartz, 2006: 418). Koduah and Farley (2016: 251) stated that attitudinal definitions of customer loyalty are the view that loyalty represents a state of mind (Dick and Basu 1994: 108), or how the customer thinks. Attitudinal loyalty represents an emotional or a psychological commitment towards a brand and estimate loyalty in terms of consumer's force of desire towards the brand (Petrick, 2004: 466 and Brunner et al, 2008: 1101). Attitudinal loyalty is built on how the customer behaves, (Dick & Basu, 1994: 108, Brunner et al., 2008, and Oliver 1997: 432; 1999:39). Dick and Basu (1994:108) believe that behavioral loyalty from the

other side, is based on what the consumer will do as opposed to how the customer acts. It assesses customer loyalty in terms of real consumption, word-of-mouth recommendations, repeat purchase, frequency, duration, and proportion of market share (Jones, 1996:15). Thus, the degree to which customers purchase or use a service and their future purchasing plans (Jones, 1996:15 and Yoo and Bai, 2013: 172). The composite school of thought observed loyalty as a mixture of the attitudinal and behavioural variable. This means that loyalty can't be described by merely considering just behavioural or attitudinal loyalty (Dick and Basu, 1994:108, Petrick, 2004: 466, and Yoo and Bai, 2013: 172). In accordance with this school of thought, loyalty is estimated by taking into account the customers' preference of a product, the total amount of purchase, frequency of purchase, and ability of switching brands (Yoo & Bai, 2013:173). Nevertheless, Reichheld (2003: 52) argues that loyalty can be estimated by using only one indicator –willingness to recommend.

Badara et al (2013: 7) cited that customer loyalty increases the profitability of a firm, for example, the result finding of Oliver (1997:433) announced that customer loyalty may lead to a rise in profit. They explained that loyal customer can be regarded as a prosperous and worthy sale source that assist the organization execute better future plans. Loyal customers typically perform greater value to a firm (Boonlertvanich, 2011: 49). Amin and Isa (2008: 202) also saw that productive relationship marketing strategy assists the organization to recognize customers' needs, so the organizations can help their customers better than their rivals, which ultimately leads to cost decline and customer loyalty.

4.4. Levels of Loyalty:

Oliver (1999:40) gives a loyalty four different levels. He stated that there are few loyalty levels. Each of them has its own factors. These different factors cause different customers' loyalty, and the loyalty levels are described below:

- 1. Cognitive Loyalty:** Oliver (1999: 40) explained that it is the first level of loyalty. The main factor is the information about product: price, quality, etc. There is no loyalty to brand and loyalty is very poor. Evanschitzky and Wunderlich (2006: 336) emphasize that cognitive loyalty depends on customers' experience. This means that there is a relation between product's benefit and price.

2. **Emotional Loyalty:** There dominates a positive relation to brand or product. Oliver (1999: 40) says that when wants are met this causes satisfaction and then emotional loyalty. He asserted that loyalty is an emotion expression.
3. **Behavior Loyalty:** Loyalty calls action. This loyalty level is stronger than the emotional loyalty. Despite this fact, this loyalty level may be affected. It is very possible, that customers may search alternatives when something negative will appear. Also, it is possible that customers can be influenced by competitors (Oliver 1999: 40).
4. **Action Loyalty:** This loyalty level when customers look for products they want despite of all effort they will need to do. This customer retention is named an action of inertia (Oliver 1999:40).

4.5.The Benefits of Customer Loyalty:

Reichheld (1993: 64) stated that while a company consistently performs superior value and gains customer loyalty, revenues and market share go up, and the cost of obtaining and serving clients goes down. Nevertheless, it is not solely the organisation that gains from loyalty but clients benefit as well. Bennett and Bove (2002:3) reviewed the organisational and client benefits as below:

4.5.1. Loyalty Benefits for the Organisation.

- Getting new customer costs higher than retaining a current one.
- Loyal customers favor being less deal prone.
- Loyal customers may provide free word-of-mouth advertisement and referrals.
- Loyal customers may purchase extra products with invisible marketing effort.
- Loyal customers tend to put frequent, similar orders and, consequently cost less to serve.
- employee loyalty and customer loyalty tend to be surely correlated.
- Extended knowledge of loyal customers could be used to advance the effectiveness of marketing activities of the firms and then the negotiations with customers.
- Loyal customers enable a service provider to overcome in case of service failure.

4.5.2. Loyalty Benefits for Customer:

Long-term relationships with service providers decrease risk, ease choice, and present a sense of optimal satisfaction for the client (Cowles, 1994: 4 and Gremler and Brown 1996: 175). A long-term relationship with a firm diminishes a customer's perceived risk and promotes customer certainty that the company will not provide an improper or non-performing product, or if such a product is unwittingly sold, the customer is confirmed that the organisation shall take effective remedial action (Gremler et al. 1997: 253, Gwinner et al. 1998: 104, Jarvis and Wilcox 1977: 11, and Moriarty et al, 1983: 8). Loyalty is also viewed as a means by which clients may economize on decision effort via replacing habit for repeated, deliberate decisions (Bauer, 1967: 25 and Day 1969: 31). A comprehensive understanding of a client's needs obtained from a long-time association with the service provider decreases the time and effort spent by the customer in providing further information, product needs, and communicating difficulties (Goodwin and Verhage, 1989:550 and Moriarty et al. 1983: 8). In the case of staying with the same service provider, customers bypass the cost of learning different procedures (Goodwin and Verhage 1989: 550). Gremler et al. (1997: 254) and Gwinner et al (1998: 104) emphasized that long-term customers assist service providers in becoming more interested in their satisfaction and this will occur in the receipt of "special handling" from the service provider, which can take the form of price collapses, quicker service and/or customisation. Customisation may involve preferred treatment, more attention, special recognition and unique services which are not available to other clients (Gremler et al. 1997 and Gwinner et al. 1998: 104). Ultimately, customers obtain social benefits of long-term relationships with service providers which include feelings of personal recognition, familiarity, friendship, compatibility, and social support (Adelman et al, 1994: 144, Berry and Gresham 1995: 77, and Goodwin and Verhage 1989: 550).

4.6. The Relative Attitudes of Customer Loyalty:

Dick and Basu (1994: 109) produced the thought of relative attitudes whilst defining different forms of loyalty as shown in Figure 4 below. They explained loyalty as the energy of the relationship between repeat patronage and customer relative attitude, and four dimensions were identified: true loyalty, spurious loyalty, latent loyalty, and no loyalty.

Dick and Basu (1994: 109); Pritchard et al (1999: 339); and Mattila (2001:96) have defined relative attitudes as the evaluation of the service features comprising the force of the evaluation and the attitudinal differentiation that relates to the level of differentiation from substitutes.

Repeat Patronage			
		High	Low
Relative Attitude	High	True Loyalty	Latent Loyalty
	Low	Spurious Loyalty	No Loyalty

Figure 4: Categories of Loyalty

Adopted from Dick, A. S., & Basu, K. 1994. Customer loyalty: toward an integrated conceptual framework. *Journal of the Academy of Marketing Science*, 22, 99-113.

4.7. Phases of Customer Loyalty Development:

Oliver (1999: 39), Knox and Walker (2001:121), and Tsaur et al (2002: 399) initiated efforts to dig out higher awareness and understanding in relation to the method of evolving customer loyalty. The development of customer loyalty requires different stages and the clients that are at various stages need differentiated strategies (Palmer et al. 2000:231, Knox and Walker, 2001:121, and Rowley, 2005: 577). customer loyalty development was classified into four subsequent phases by Oliver (1999:39) as shown in the Table 10 below:

Table 10: Phases of Customer Loyalty Development

The Phases	The Definitions of The Phases
Cognitive loyalty	<ul style="list-style-type: none"> • <i>The customer believes the product to be superior than others and thus, chooses it over others.</i> • <i>Information about the brand and its perceived benefits affect the buying decision.</i>
Effective loyalty	<ul style="list-style-type: none"> • <i>Reiterated confirmations of customers' expectations lead to affective form of loyalty where a particularly favourable attitude gets developed towards the brand</i>
Conative loyalty	<ul style="list-style-type: none"> • <i>High involvement and motives fueled by strong buying intentions give way to the development of an intense form of loyalty i.e., conative loyalty</i>
Action loyalty	<ul style="list-style-type: none"> • <i>Strong motivations that ultimately lead to actions directed by the 'need to remove' every possible problem that might hinder the loyalty driven decision of purchasing a specific brand.</i>

Adopted from Oliver, R. L. 1999. Whence consumer loyalty? *The Journal of Marketing*, 63, 33-44.

4.8.Determinants Of Customer Loyalty:

Rai and Srivastava (2012: 52) cited that Dick and Basu (1994:109) and Oliver (1999:93) showed that over the years, theorists have noticed and studied several antecedents of customer loyalty to companies, stores, and brands. Terblanche and Boshoff (2006:9) asserted that it is crucial to understand the antecedent drivers of loyalty to leverage the numerous benefits possible from it. Johnson et al (2006: 128), as well as several other academicians and practitioners in the area of customer loyalty, discovered that the factors leading to loyalty are complicated and dynamic, changing and emerging over time. Taylor et al (2006: 30) remarked a number of significant gaps in the perception of loyalty and the relationship of marketing constructs.

Ball et al (2004: 1281) suggested that assessing customer loyalty and its determinants in another markets and countries might bring out important variance in the interpretation of loyalty. Brady et al (2005: 221) claimed that in spite of different studies concentrating on drivers of loyalty, scientists, as well as practitioners, are nevertheless lacking in the recognition of loyalty determinants and their relative significance. Table 11 below is constructed for presenting the significant determinants responsible for the configuration of customer loyalty and their consequential behavior:

Table 11: Determinants of Customer Loyalty and Their Impact on Loyalty

D. No.	Determinant	Consequential Behavior
1	Service Quality	<ul style="list-style-type: none"> • <i>Customer satisfaction (confirmation of expectations)</i> • <i>Positive behavioral intentions (Repurchase, recommendation, etc.)</i> • <i>Positive word of mouth</i>
2	Customer satisfaction	<ul style="list-style-type: none"> • <i>Future Purchase Intentions (Repeat purchases)</i> • <i>Customers' active participation in terms of buying additional services and spreading favourable word-of-mouth communication</i> • <i>Decrease in customers' sensitivity towards competitive offers</i> • <i>Increased market share from repeat business and referrals</i>
3	Trust	<ul style="list-style-type: none"> • <i>Repurchase intentions</i> • <i>Reduction in the cost of negotiations and removal of the customer's fear of opportunistic behaviour by the service provider</i> • <i>Formation of highly valued exchange relationships</i> • <i>Maintenance of long term relationships</i>

4	Commitment	<ul style="list-style-type: none"> • <i>Liking and emotional attachment to the firm</i> • <i>Resistance to switching behavior</i>
5	Switching cost	<ul style="list-style-type: none"> • <i>Repeat purchase behavior</i> • <i>Impact on customer satisfaction</i> • <i>Dissuade customers' attraction towards competitive brands</i>
6	Corporate image	<ul style="list-style-type: none"> • <i>Image congruence</i> • <i>Reinforcement of self-image</i> • <i>Repeat patronage</i>
7	Service recovery	<ul style="list-style-type: none"> • <i>Affecting favourable behavioral intentions</i> • <i>Impact on switching intentions</i>
8	Emotions	<ul style="list-style-type: none"> • <i>Impact on post-purchase behavior such as</i> <ul style="list-style-type: none"> - <i>repeat visit,</i> - <i>recommendation and</i> - <i>repurchase intentions</i> • <i>Influence the post consumption satisfaction judgement</i>
9	Communication	<ul style="list-style-type: none"> • <i>Responsible for</i> <ul style="list-style-type: none"> - <i>building awareness in the early stage,</i> - <i>developing customer preference, convincing and</i> - <i>encouraging the customers to make the decision to buy</i>

Adopted from Rai A.K., Srivastava M. 2012. Customer Loyalty Attributes: A Perspective, *Management Review*, 22, 49-76.

4.9. Essential Dimensions of Customer Loyalty:

According to Bobâlcă (2013: 105), the formation of loyalty dimensions can be of three parts depending on the conclusions of the study since there are three main approaches to this formation: (a) unidimensional approach; (b) bidimensional approach; (c) multidimensional approach.

4.9.1. Uni-dimensional Approach: Bobâlcă (2013: 105) described that since 1970, loyalty represented only a repatronage behavior. He stated that brand loyalty was described solely in terms of results, viz, (repeating the purchase) and not of causes. Day (1969:31) originates the bi-dimensional concept. Jacoby and Kyner (1973:2) are the first researchers who remain to expand this new and interesting perspective. They explained that loyalty is a repeated non-random purchase of a brand from an assortment of alternative brands, as a result of an unplanned evaluation process. They

also concluded that this is the easiest way to loyalty and the principal weakness of this study is the shortage of interest in the reasons for consumers' purchases.

4.9.2. Bi-dimensional Approach: Supporting this view, loyalty represents a relationship between behavior and attitude. This is a reasonable view and also is heavily argued in several marketing studies. The approach of loyalty as a bi-dimensional construct eases the identification of various customers segments, in accordance with their loyalty level and the development of marketing strategies which specially designed for acquiring particular classes of customers (Bobâlcă, 2013: 105 and Baloglu, 2002: 49).

Donio et al. (2006: 451) opined that the grounds for entering customers 'attitudes in determining the loyalty concept are:

1. It is essential and useful to make the separation between the clients with attitudinal loyalty and the customers that are not loyal at the attitudinal level to identify the customers most vulnerable to modify their behavior.
2. A simplistic behavioral definition doesn't explain the reasons for this process.

Despite loyalty is estimated by the behavior, in fact, it is about attitude. Without a constant relationship with the customer and without an immediate feedback, his attitudes, his needs, his intentions will not be recognized. The most powerful conceptualization of loyalty describes both behavioral and psychological dimensions (Too, et. al., 2001: 293). The bi-dimensional approach can be considered through two perspectives:

- **The Attitudinal Perspective:** Bobâlcă (2013: 105) mentioned that attitudinal loyalty can be investigated in terms of attitudes, commitment, preferences, and intentions according to Söderlund (2006: 84). He asserted that attitudinal loyalty may be defined as a consumer's desire to maintain his relationship with the firm despite the lower prices of the competing firms and to suggest the services or the products to his friends according to Dick and Basu (1994: 108) and Chaudhuri and Holbrook (2001: 88).

The value of the attitudinal variables must not be underestimated; the behavior reflects the current condition or, more probably, a set of former events whilst attitudes offer evidence about the customers' ultimate behavior (Filip and Costantinescu, 2007: 119).

Torres-Moraga, et. al (2008: 303) stated that attitudinal loyalty shows affective, cognitive, and conative predispositions of the person to maintain the relationship with a firm or a brand. Additional variables were included, such as commitment and trust, which are outcomes of satisfaction. Though the psychological effect of addressing the behavior as an antecedent of attitude is very well known, there are ideas that maintain the insufficiency of the attitudes in the intervention of explaining the repeating purchase (Dowling, 2002: 92).

- **The Behavioral Perspective:** The behavioral perspective agrees with the notion of retention, under the assumption that regardless of what the sources of loyalty are, this involves an undefined number of repeated acquisitions from the same firm, in a particular period of time. The behavioral loyalty includes elements such as the repetition of calls, the level of cross-selling buying, and the time of the relationship (Söderlund, 2006: 85). Filip and Costantinescu (2007: 119) affirmed that the behavioral dimension is sometimes based on quantitative criteria: the amount of purchases from one firm, the buying rotation, retention level, the money spent on the products of one specific firm, the number of clients who have chosen the buy from the competing firms, the client share (the rate of money spent for products/services of one certain company from the total amount spent for that category of product/service), and this approach is the most controversial but also the most supported by the marketing theorists. Donio et al. (2006: 452) explained that the chief debatable matter is that loyalty is defined according to the history of buying style and there is a shortage of interest related to customers' commitment to the company and his motivations as Bobâlcă (2013: 106) stated. Including and analyzing the consumer's attitudes make loyalty not only a larger construct (loyalty represents a process and not only an act) but besides, a practical one (Dick and Basu 1994: 109 and Oliver, 1999:). Bobâlcă (2013: 106) asserted that in marketing research, the researchers regularly estimate the coming buying behavior. He stated that two distinct types of questions are applied according to Pirc (2008: 36), both for the intention ("Do you intend to be loyal to a firm?") and for the expectations ("Do you expect to be loyal to one firm?"). He also opined that intentions differ from the expectation in the way the people perceive the future situations and behaviors. Furthermore, he

mentioned that because of the stress of connecting behaviors and attitudes, the researchers normally estimate the intentions as a sign of current behavior. Jacoby and Chestnut (1978:381) suggest measuring loyalty according to attitudinal and behavioral information to offer a general view of this construct. The study of Donio et al. (2006: 452) frames a loyalty model for the two elements: attitudinal loyalty (created by satisfaction, involvement, and trust) and the act of purchase (behavioral loyalty).

4.9.3. Multi-dimensional Approach:

In the former few years, loyalty approach was improved, from bi-dimensional view to multi-dimensional view: cognitive, conative, affective, and behavioral loyalty. The concepts: cognitive, conative, and effective were the subjects of several types of research from consumer behavior area (Akerlund, 2004: 42). These components are influenced by situational variables and they represent persistent characteristics of the persons (Aurifeille et al., 2001: 302). Jacoby and Chestnut (1978: 381) proposed that, to analyze loyalty, the formation of the consumer' s beliefs, affect and intentions have to be tested. Dick and Basu (1994: 40) also considered the three loyalty dimensions (cognitive, conative, effective) that influence the repeated purchase (the behavior). The most popular model is the one suggested by Oliver (1997: 395). He proposes that several aspects of loyalty display not simultaneous but sequentially. He also affirmed that customers firstly became loyal at a cognitive level, then affective and conative, and this order must be taken into consideration for studying the reasons of clients' defecting level. Harris and Goode (2004:144) produced a sequential loyalty model utilizing Oliver's example. They examined the impact of satisfaction, perceived value, trust, and service quality on loyalty. For each dimension, they build a four-item scale, using quantitative and qualitative research. They also examined the connection between the factors and the overall loyalty construct. They confirm the positive impact of the satisfaction and trust on loyalty and they think that both attitudinal and behavioral loyalty must be considered. Bobâlcă (2013: 106) supports the multidimensional approach that is the strongest and the broadest perspective. He indicated that it is hard to build

scales to assess all dimensions of loyalty, for various types of products and services, but this work has to be done in order to get relevant results.

4.10. Service Loyalty:

Bloemer et al. (1999: 1085) cited that investigation into customer loyalty has concentrated essentially on product-related or, as it is called, brand loyalty, while loyalty to service businesses is remained underexposed, according to (Gremler and Brown, 1996: 175). Dick and Basu (1994: 110) concluded that, with respects to service loyalty, perceived service quality is frequently observed as a fundamental antecedent of service loyalty. Nevertheless, Gremler and Brown (1996: 175) described that there are many reasons why conclusions in the area of product loyalty can't be generalized for service loyalty as. Service loyalty is highly dependent upon the evolution of interpersonal relations as exposed to loyalty with tangible goods, for person-to-person interactions constitute an essential factor in the selling of services (Bloemer et al., 1999: 1085). Besides, he emphasized that the impact of perceived danger is greater in the state of services, as customer loyalty might act as an obstacle to customer shifting behavior. He also stressed that, surely, it is demonstrated that loyalty is more widespread among service clients than that of customers of tangible goods. In the services setting, Dick and Basu (1994) opined that intangible characteristics such as reliability and confidence might play the main role in creating or maintaining loyalty.

Plenty of service organizations has improved customer loyalty programs as a component of relations developing activities. Customer loyalty is a sophisticated concept. Oxford Dictionary describes loyalty as a (state of true) to allegiance. However, the small repeated purchase by customers is mixed with the definition of loyalty mentioned above (Mosahab et al, 2010: 73). Bloemer et al. (1998: 280) explained that in the service field, loyalty is defined in an expanded form as “observed behaviors”. Caruana (2002: 821) claims that behavior is a full representation of loyalty to the brand and not only thoughts. However, he concluded that behavior patterns (such as repeated purchase) are criticized, because of the lack of a conceptual foundation of a dynamic method.

For instance, the low repetition of repeated purchase of a particular service can be produced from various situation factors, such as absence or non-availability of a provider. According to this viewpoint, loyal behavior can't offer a complete

conception of major causes of loyalty. Furthermore, repetition can be due to several restrictions emerged from the market. As a result, the loyalty of this kind of customers essentially differs from the loyalty of those clients who sincerely support a product, and do have the psychological connection with a commodity and a firm. Accordingly, customer's loyalty was recognized as an attitudinal formation. For instance, he focused that this problem appears in the trend to inform the service offered to other buyers. Lastly, in addition to attitudinal and behavioral approaches, another approach to customer's loyalty, named cognitive approach, was presented. The operational description of this approach frequently refers to the first service or product that comes to the mind of an individual, when making a decision for purchase (Mosahab et al, 2010: 74). Meantime, in their description of this approach, he cited that Ostrowski et al (1993: 19) and Bloemer (1999: 1098) point to the first service or product that an individual selects amongst products and services.

4.11. Dimensions of Service Loyalty:

Jacoby and Chestnut (1978: 381) explains that as most studies originated from the range of packaged consumer goods, a great emphasis was put on behavioral measures. Liljander and Strandvik (1995: 151) ended with a result that in a services setting, loyalty is often defined as observed behavior. Liljander and Strandvik (1995: 151) affirmed that, ultimately, it is real behavior that encourages a service company's performance. However, Day (1969: 32) explained that behavioral measurements, such as repeat purchasing and purchasing sequence, were criticized for a need of a conceptual foundation and for having a narrow, i.e. result focused view of what is really a dynamic process. For example, he ended with the conclusion that a low extent of repeat purchasing of a certain service might very well be the consequence of situational determinants such as lack of provider preference, nonavailability, variety seeking. However, related to actual behavior, DeKimpe et al. (1998: 408) asserted that current research in loyalty behavior has revealed that loyalty is somewhat consistent over time. Accordingly, Bloemer et al. (1999: 1085) cited that the behavioral approach to loyalty might not produce a broad insight into the significant reasons for loyalty, rather it is a consumer's disposition in terms of preferences or intentions that plays a significant role in limiting loyalty as Jain et al. (1987: 53) and Bloemer and Kasper (1995: 321) concluded. Besides, he said that in accordance with Storbacka et al. (1994: 28) and Liljander and Strandvik (1995: 152),

repeat purchasing behavior probably is not even be based on a preferred disposition but on different bonds that serve as switching barriers to buyers. Bloemer et al. (1999: 1085) cited that, through the past few years, customer loyalty was also approached as an attitudinal form according to Biong (1993: 31) and Hallowell (1996: 34). Selnes (1993: 23) concluded that this is displayed, for example, in the willingness to recommend a service provider to the others.

Lastly, Lee and Zeiss (1980: 411) concluded that, in addition to the attitudinal and behavioral approach to customer loyalty, it is argued that there is also a cognitive view to customer loyalty. Customer loyalty is often operationalized as the service or product which first comes to mind during making a purchase decision (Newman and Werbel, 1973: 405, Bellenger et al., 1976: 22, and Dwyer et al. 1987: 18), the service or product that is a customer's first select among alternatives (Ostrowski et al., 1993: 20), or price tolerance (Anderson, 1996: 24 and Fornell et al. 1996: 10). Consequently, Bloemer et al. (1999: 1085) emphasized that operationalization of service loyalty could have to study behavioral, attitudinal and cognitive aspects in the evolution of a composite index. These elements are shown in Table 12 below:

Table 12: Service loyalty-related outcomes

Dimension	Service loyalty related outcome	Definition	Related research
Behavioral	Repurchase intentions	<i>Customer's aim to maintain a relationship with a particular service provider and make his or her next purchase in the category from this service provider</i>	Jones et al. (2000); Zeithaml et al.(1996)
	Switching intentions	<i>Customer's aim to terminate a relationship with a particular service provider and patronize another in the same category.</i>	Bansal and Taylor (1999); Dabholkar and Walls (1999)
	Exclusive intentions	<i>Customer's aim to dedicate all of his or her purchases in a category to a particular service provider</i>	Reynolds and Arnold (2000); Reynolds and Beatty (1999)
Attitudinal	Relative attitude	<i>The appraisal of the service including the strength of that appraisal and the degree of differentiation from alternatives</i>	Dick and Basu (1994); Mattila (2001); Pritchard et al. (1999)
	Willingness to recommend	<i>Consumer willingness to recommend a service</i>	Butcher et al. (2001); Javalgi

		<i>provider to other consumers</i>	and Moberg (1997); Zeithaml et al.(1996)
	Altruism	<i>Consumer's willingness to assist the service provider or other service consumers in the effective delivery of the service</i>	Price et al. (1995)
Cognitive	Willingness to pay more	<i>Consumer's indifference to price differences between that of his or her current service provider and others in the same category</i>	Anderson (1996); de Ruyter et al. (1998)
	Exclusive consideration	<i>The extent to which the consumer considers the service provider as his or her only choice when purchasing this type of service</i>	Dwyer et al. (1987); Ostrowski et al. (1993)
	identification	<i>The sense of ownership over the service, affiliation with the service provider, or congruence of values that exists between the service provider and the consumer</i>	Butcher et al. (2001)

Adopted from Jones, T., & Taylor, S. F. 2007. The conceptual domain of service loyalty: how many dimensions?, **Journal of Services Marketing**, 21/1, pp 36–51.

4.12. Service Loyalty in Banking Sector:

Meidan (1996: 31) argues that the extent of loyalty in banking should be measured by “tracking customer’s accounts across a limited time period and noting the extent of continuity in patronage”. However, Day (1969: 33) indicated that behavioral measurements, such as repeat purchasing or visiting sequence, are criticized for a lack of a conceptual foundation and for having a close, i.e. outcome-focused, view of what is really a dynamic process. Bloemer et al (1998: 276) clarified that for example, a low extent of repeat purchasing of a certain service might very well be the consequence of situational factors such as non-availability, variety seeking and absence of provider preference. Therefore, the behavioural approach to loyalty might not generate a full insight into the underlying causes for loyalty; preferably, it is a consumer’s organization in terms of intentions or preferences that plays a significant role in determining loyalty (Bloemer and Kasper, 1995: 322 and Jain et al. 1987: 53).

Bloemer et al. (1998: 276) define bank loyalty as “*the biased i.e. non-random behavioral response i.e. revisit, revealed over time, by some decision-making unit*

with regard to one bank out of many other banks, which is a function of psychological decision-making and evaluative processes occurring in brand commitment". The important part of the definition of bank loyalty is the bank commitment. Bank commitment is a fundamental condition for bank loyalty to happen. The commitment of the bank is the binding or pledging of a person to his/her bank selection (Bloemer et al, 1998: 276, Kiesler, 1968: 218, and Lastovicka and Gardner, 1977: 331).

As a result of clear and thorough decision-making, as well as evaluative methods, a consumer will be committed to the bank and accordingly, becomes bank loyal. Customers whose patronage are not based on bank loyalty would exhibit an attachment to bank characteristics and may easily be lured away by opponents through, for example, pricing strategies (Bloemer et al, 1998: 276).

4.13. The Researches among Service Quality, Perceived Value, and Customer Service Loyalty:

4.13.1. Service Quality and Loyalty:

- **Bhatta and Durgapal, 2016 (Service Quality Perceptions And Customer Satisfaction in Nepalese Banking Sector):**

The goal of the present research is to discover out customer satisfaction and bank customers' perception of service quality and also to examine the relationship and association between service quality and customer satisfaction. Samples of 300 clients from six banks located in Kathmandu were involved in the analyses. Service quality was estimated using SERVPERF approach. The questionnaire contained 27 questions relating to the five dimensions of service quality viz. reliability, tangibility, empathy, assurance, and responsiveness. Customer satisfaction was estimated using a single item scale. A strong correlation was discovered between customer satisfaction and service quality dimensions. Regression analysis revealed tangibility, reliability, empathy, and responsiveness as statistically important predictors of customer satisfaction.

- **Sagib and Zapan, 2014(Bangladeshi mobile banking service quality and customer satisfaction and loyalty):**

The purpose of the present study explores the perceived service quality dimensions and their influence on customer satisfaction and then loyalty. Adopting from the

existing literature a set of dimensions of quality and using a self-administered questionnaire survey and a confirmatory factor analysis, and the researchers assert, through utilizing the scale of SERVPERF, that responsiveness, reliability, assurance and security, convenience of location, and easiness, and efficiency to operate are dimensions of perceived quality for mobile banking services in the context of Bangladesh. In addition, the regression analysis reached that service quality as a whole is a strong precursor of customer satisfaction, but only three dimensions have a positive impact on satisfaction (responsiveness, reliability, efficiency, and convenience) and two of them on customer loyalty (efficiency and reliability). despite the study's limits, the results work as stepping stones for future study in that area.

- **Shanka, 2012 (Bank Service Quality, Customer Satisfaction and Loyalty in Ethiopian Banking Sector):**

The major object of the research paper is to estimate the quality of service offered by private banks operating in Ethiopia. Furthermore, it attempts to investigate the relationship between customer satisfaction, service quality, and loyalty. The five dimensions of SERVPERF model i.e. reliability, tangibility, assurance, empathy, and responsiveness were used to estimate the quality of service presented by the private banks. In order to achieve the objects, both secondary and primary sources of data were used. The primary data were collected through administering questionnaire. The convenient sampling procedure was used to obtain 260 responses from the customer of banking services in Hawassa city on the 22 item SERVPERF scale measure perception concerning their respective bank's service. Multiple regressions and Correlation were used to examine the relationship between independent and dependent variables. The correlation results show that there is a positive correlation between customer satisfaction and the dimensions of service quality. The results of the regression examination showed that proposing quality service has a positive influence on overall customer satisfaction. The study proves that responsiveness and empathy play the most significant role in customer satisfaction level followed by the assurance, tangibility and finally the bank reliability. The study findings also indicate proposing high-quality service increase customer satisfaction, which in turn guides to a high level of customer commitment and loyalty.

- **Anand and Selvaraj, 2012 (The Impact of Service Quality on Customer Satisfaction and Loyalty in Indian Banking Sector: An Empirical Study through SERVPERF):**

This research investigates the influence of service quality on customer satisfaction and Loyalty in Indian Banking sector by utilizing SERVPERF scale. A total of 50 clients of state bank of India, Mohan Nagar Township branch of Salem District in Tamilnadu were interviewed on the convenient basis for the above object. Tools like Inter-Correlation, Exploratory factor analysis, Analysis of variance, Multiple Regression analysis are carried out and the result showed that out of five service quality factors examined, Assurance is having a highest Mean score of SERVPERF (P) score and the bank should focus on Reliability as it has the least mean score of SERVPERF. Regarding the association between the service quality factors and the Demographic variables, it is noticed that there is no important association discovered between them except income in case of Empathy and Matrimonial status in respect of all service quality factors. It is also noted that there is an important association found between all the Service quality factors and the customer satisfaction as well as with customer Loyalty. While analyzing the antecedents of customer satisfaction and Loyalty, factors like Reliability, Responsiveness and Empathy are significantly impacted and also described the respective percentage of related changes in the Independent variables examined.

- **Nguyen et al. 2011 (A Servperf Model of the Vietnamese Banking Industry):**

The aim of this study is to build and examine a model of factors influencing customer loyalty in Vietnamese banking industry. The data was obtained by classifying the questionnaire to 400 bank clients in Ho Chi Minh City, Vietnam and analyzed by structural equation modeling (SEM). The results revealed that customer loyalty is significantly and positively impacted by perceived service quality (SERVPERF), customer satisfaction, corporate image and switching costs. Additionally, the results showed that perceived service quality has an important effect on both customer satisfaction and corporate image.

4.13.2. Perceived Value and Loyalty:

- **Koupai et al, 2015 (effects of trust and Perceived value on customer loyalty by mediating role of customer satisfaction and mediating role of customer habit (case study: Agricultural internet bank customers in Tehran) :**

The aim of this research is to determine the impacts of Perceived value and trust on customer loyalty by mediating role of customer satisfaction and mediating role of customer habit. That study is in the descriptive category. For measurement of information, questionnaires with five - option Likert Spectrum have been used. In the present research, descriptive and inferential statistics were used to analyzing the data using both LISREL and SPSS. Analysis of ANOVA was also used for adjustment test. Cronbach's alpha was applied to examine the reliability of questionnaire, structural equation modeling (SEM) was also utilized to confirm or reject hypotheses and confirmatory factor analysis to estimate the ability of each variable to be explained by the questions in the questionnaire. Study findings showed an important positive relationship between customer loyalty and trust. The findings of that study show that satisfaction variable is a mediator in trust and has a positive and important impact on the establishment of loyalty.

- **Hasan et al, 2014 (Effects of Perceived Value and Trust on Customer Loyalty towards Foreign Banks in Sabah, Malaysia):**

The research focused on factors impacting customer loyalty in foreign banks at Kota Kinabalu, Sabah. This research examined the level of customer loyalty towards foreign banks in Malaysia and investigated whether factors like trust and perceived value influenced loyalty. Data were gained from 239 clients of foreign banks located in Kota Kinabalu, Sabah who responded to a self-administered survey questionnaire. The analyses revealed that customer loyalty is comparatively above average, at a mean of 4.86 (based on a seven-point Likert scale) and that both trust and perceived value revealed important and positive impacts on customer loyalty.

- **Karin, B., 2011 (Effect of customer perceived value on satisfaction and customer loyalty in banking service: the moderating effect of principal-bank status):**

The purpose of this research is to test the influence of customer perceived value on customer loyalty, for both direct and indirect impacts, in banking service business. Given the evidence that several banks are now concentrating on increasing clients' share of wallet and obtaining main bank status, the role of principal bank standing on the relationship between the satisfaction, customer loyalty, and customer perceived value has also been investigated. The conclusions confirm that perceived value has both direct and indirect impact on customer service loyalty. Employing path analyses and moderated regression analysis, the results show that the impact of principal-bank status. For principal-bank customers, the impact of satisfaction on customer service loyalty will be lower, whereas the impact of perceived value on customer service loyalty will be higher in comparison to the non-main bank clients.

4.13.3. Service Quality and Perceived Value:

- **Zameer et al, 2015 (Impact of service quality, corporate image and customer satisfaction towards customers' perceived value in the banking sector in Pakistan):**

The purpose of this research is to examine the impact of services quality, corporate image and customer satisfaction on customer perceived value in the banking industry of Pakistan. A model is advanced to reveal the relationship between dependent and independent variables exerted from the current literature. The data were obtained from 200 customers taken from the five main cities of Pakistan utilizing structured questionnaire. Regression and correlation were used to determine the relationship between variables and obtain the extent to which the independent variables have an influence on the dependent variable. Results confirm that there is a positive relationship between the service quality, corporate image, and customer satisfaction. Further, it is analyzed by the consequences that customer satisfaction and service quality have a high influence on perceived value where corporate image also influence the perceived value.

- **Vera and Trujillo, 2013 (Service quality dimensions and superior customer perceived value in retail banks: An empirical study on Mexican consumers):**

The research involves the service quality problem in the retail bank industry. A sample of 209 customers was taken, estimating the performance of service quality

characteristics of their bank. Behavioral performance variables like loyalty, satisfaction, and customer perceived value were also estimated. In factor analyses, the properties were divided into three factors. The three independent factors reveal a considerable quantity of variability of a satisfaction–loyalty factor. Furthermore, they could not explain the excellent perceived value; and no variations between the service quality performances were found. Finally, regardless of the level of loyalty and satisfaction, the customer is not prepared to pay more for the services of the banks at his normal bank than he will at different brands. This indicates that excellent perceived value is not being performed via service quality, which infers a lack of differentiation between the brands of this sector.

- **Uddin and Akhter, 2012 (Determinants of Customer Satisfaction of Banking Industry in Bangladesh):**

This research aims to examine, through the development and operationalized constructs of service charge, service quality, perceived value, and customer satisfaction and its determinants of the banking industry in Bangladesh. An exploratory factor analysis and structural equation modeling were utilized to analyzing data. The measurement model and structural model show that fair service charge and service quality both have the positive direct influence on customer satisfaction in a mass service industry (i.e., banking industry). It was further noted that they also have an indirect impact on customer satisfaction through perceive value, i.e. perceived value has the mediating role between quality, charge fairness and satisfaction. Bank directors are suggested to formulate marketing strategies and operations that focus on wants of clients to improve the level of satisfaction.

- **Malik, 2012 (Customer Satisfaction, Perceived Service Quality and Mediating Role of Perceived Value):**

The main goal of this research is to first discover out perceived service quality utilizing SERVQUAL and then the role of perceived value as a mediating variable in the service sector of Pakistan. Both inferential statistical techniques and descriptive are used to analyzing the influences of independent variables (i.e. perceived service quality) on customer satisfaction (dependent variable) and the role of mediating variable (i.e. perceived value). Stepwise regression analysis is utilized to test the influence of the mediating variable (i.e. perceived value) on customer satisfaction.

The perceived value had found strongly correlated with satisfaction. Results recommended that perceived value is a significant factor in customers' evaluation of satisfaction. Unlike other studies, the researcher applied an aggregate score for perceived service quality instead of service quality features.

4.13.4. Service Quality, Perceived Value, and Customer Loyalty:

- **Lee and Moghavvemi, 2015 (The Dimension of Service Quality and Its Impact on Customer Satisfaction, Trust, and Loyalty: A Case of Malaysian Banks):**

The research aims to measure service quality by using six dimensions: reliability, tangibles, empathy and price, security, online banking, and convenience. Those six dimensions are applied to investigate the relationship between bank image, service quality, perceived value, customer satisfaction, and customer trust and customer loyalty among bank clients in the Klang Valley, Malaysia. Data were analyzed via structural equation modeling (SEM) in order to examine all the relationships between the variables in the model. The findings confirm the proposed hypotheses, which are harmonious with the theoretical framework. The results show that the dimensions of reliability, tangibles, empathy, and security, and online banking have an important positive relationship with perceived value. The analyses reveal that bank image, service quality, customer satisfaction, and trust are significant determinants of loyalty.

- **Rasheed and Abadi, 2014 (Impact of service quality, trust, and perceived value on customer loyalty in Malaysia services industries):**

The goal of this research is to examine the influence of service quality, trust and customer perceived value on customer loyalty in the Malaysia services sector. The study investigates three factors of service quality, trust and perceived value by clients in the banking, insurance, and telecommunications industry. A quantitative approach was used to estimate the relationships between the variables of the study. Statistical analyses involved descriptive statistics, correlation, internal consistency, reliability, validity, and regression were conducted to determine the relationship and to confirm the research. The study found that there is a positive relationship between trust and service quality, perceived value and service quality, trust and customer loyalty and

perceived value and customer loyalty. Consequently, based on findings, perceived value, service quality and trust are supposed to be antecedents of customer loyalty.

- **Lee, 2013 (Major Moderators Influencing the Relationships of Service Quality, Customer Satisfaction, and Customer Loyalty):**

The research examines some main variables moderating the relationships of customer satisfaction, service quality, and customer loyalty in mobile phone services. The research employed statistical analyses, like factor analysis, reliability analysis, and hierarchical regression analysis. The results of the research expose that customer satisfaction and service quality positively influence customer loyalty. In addition, service quality positively affects customer satisfaction. Therefore, clients with high satisfaction and perceived service quality also have strong loyalty. Moreover, the research confirms the fact that moderating variables positively impact the relationships among the aforementioned factors. Among clients with a high level of perceived value, the influence of service quality on customer satisfaction increases. In addition, when customers' perception of sensible price increases, the influence of service quality on customer satisfaction increases as well. Finally, the research reveals that as perceived switching cost increases, the relationship between customer loyalty and satisfaction strengthens.

- **Auka, 2012 (Service quality, satisfaction, perceived value and loyalty among customers in commercial banking in Nakuru Municipality, Kenya):**

That paper investigates the extent to which service quality, perceived value and satisfaction impact customer loyalty in commercial banks. To accomplish that, data were obtained applying a questionnaire from 381 respondents who were selected through systematic sampling and stratified random procedures. Data analysis was accomplished through regression and Pearson correlation. The findings showed that there was an important and positive relationship between service quality, customer value, and customer loyalty and customer satisfaction. That research also discovered that service quality, customer value, and satisfaction are important success factors that impact the competitiveness of an establishment. It is suggested that banks should adopt the model consisting of the three constructs to creating and maintain customer loyalty so as to create competitive advantage and increase performance.

4.14. The General Evaluation of Literature Review:

The findings of previous researches support the direction of the current study towards matters that have not been searched in the territorial and patriotic environments, especially the concept of perceived value and estimating its mediating role between service quality and customer service loyalty, which enabled the researcher to select the most relevant statistical tools for the recent study.

Knowing the conclusions of the former researches ease the current study to start from the ends of the others. This study was differentiated from the previous researches by studying the effects of service quality on customer service loyalty directly by applying the scale of SERVPERF, and then through the perceived value as a mediator, which has not been done by the previous studies in the private banking sector in Iraq. On the other hand, the former studies have been done totally in normal circumstances. So present research aims to fill the gap of those literature in an instable security context.

The literatures, periodicals, and the theoretical and applied researches and studies benefited the researcher via paving his road to formulate the theoretical and philosophical framework for this study. Therefore, this study purposes to add some contribution to the literature of conducting such researches in unstable contexts all over the world.

5. METHODOLOGY AND ANALYSIS OF DATA

5.1. Methodology

5.1.1. Statement of the Problem:

The case of liberalization and globalization have resulted in keen competition among firms and industries. The Iraqi banking sector, especially private banking, is not exempted particularly with the proliferation of banking and financial institutions in the country after the year 2003.

The studies on service quality, perceived value, and customer loyalty in service sector like banking have been drawing high attention in this era. The maximum number of the studies have been accompanied in developed countries. Hence, there is a need for more authentication of service quality, perceived value and, customer loyalty in service sector like banking particularly for developing countries like Iraq.

The majority of the empirical literature on service marketing focuses on the quality of services and then customer satisfaction. It does not address the ambiguous situations of how customers are maintained and retained. This study represents an effort to fill this gap in the literature. High customer satisfaction, however, does not automatically mean greater customer loyalty. But, the assumption that satisfied customer is a predominately passive and transitory state and does not reflect the entire spectrum of involvement the customer has with the company. Many times, the customer who is merely satisfied, could be open to the next better opportunity or lower price.

In order to enhance customer loyalty, it is essential that the full extent of the relationship that customers have with a company has to be completely understood by taking into consideration, the other effective variables, such as service quality and

perceived value, that play a significant role in reinforcing customer service loyalty, not just their satisfaction.

5.1.2. The Significance of the Study:

This research will provide a comprehensive framework for service quality dimensions with respect to perceived value and customer loyalty. It also provides innovative ways to improve service quality to customers and revise the currently provided services by the banks, if necessary.

5.1.3. Objectives of the Study: There are two sorts of objectives:

5.1.3.1. General Objective:

The main objective of the study is to measure and analyze service quality, perceived value, and customer service loyalty in the Iraqi Middle East Investment Bank (IMEIB) and the Commercial Bank of Iraq (BCOI) in Baghdad Province.

5.1.3.2. Specific Objectives:

The specific objectives of the study include:

- To identify the key dimensions of perceived service quality.
- To investigate the determinants of service loyalty.
- To investigate the effect of service quality on service loyalty.
 - a. To investigate the effect of perceived value on customer service loyalty.
 - b. To determine whether perceived value mediates the relationship between service quality and customer service loyalty.
 - c. To determine whether there are differences in service quality, perceived value and customer service loyalty in terms of demographic characteristics of the customers.
 - d. To recommend possible courses of action that can help the two banks improve their service delivery.

5.1.4. The Assumed Model and the Main Variables of the Research:

5.1.4.1. The Assumed Model:

Figure 5 below represents the assumed model of the research which clarifies the main variables (service quality as the independent variable, perceived value as mediating variable, and service loyalty as a dependent variable) of the research.

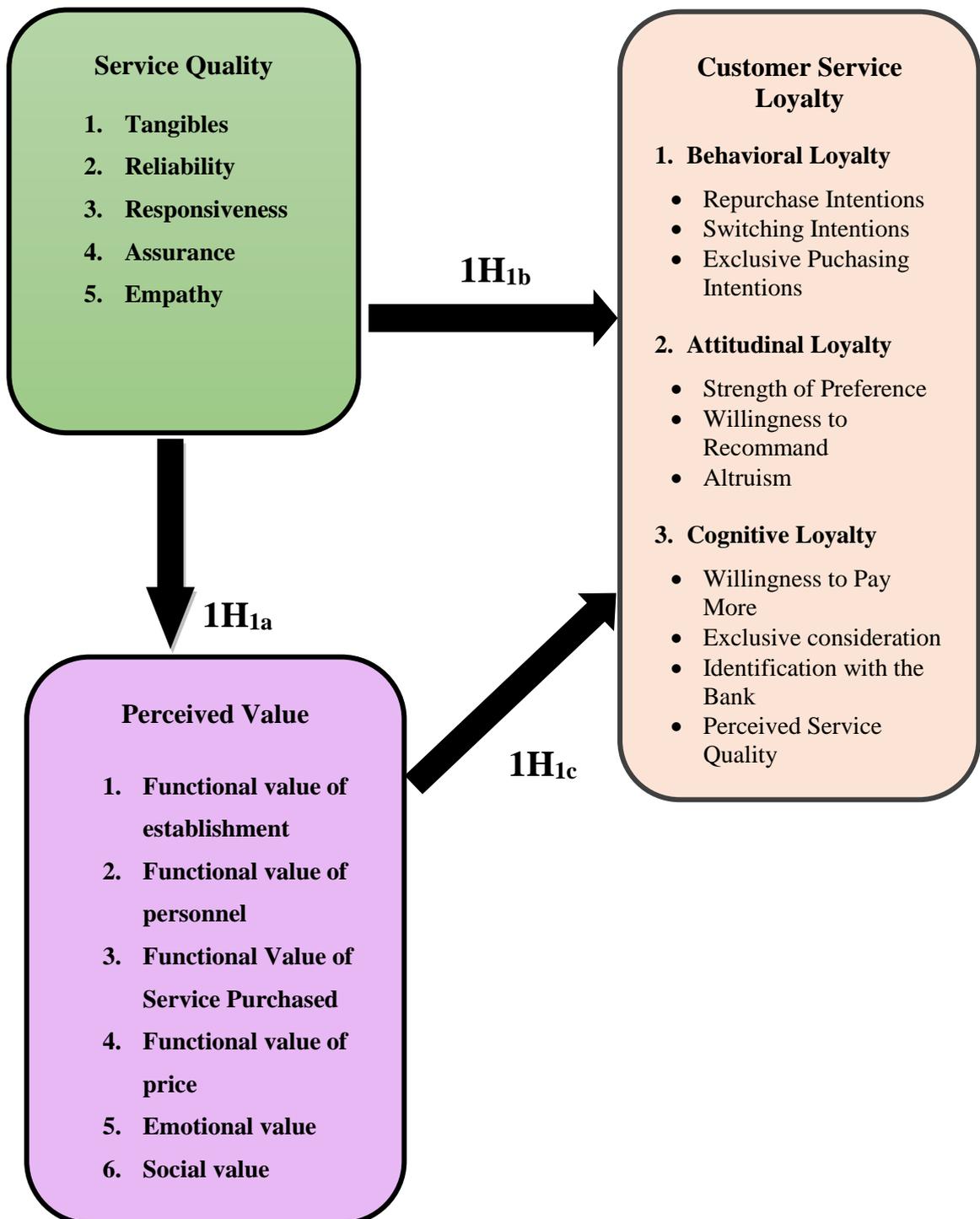


Figure 5: The Assumed Model Of The Research

5.1.4.2. The Main Variables:

1. The Independent Variable: It is the service quality variable that has been searched through the five dimensions (tangibles, reliability, responsiveness, assurance, and empathy).
2. Mediator variable: It is the perceived value variable that has been searched through six dimensions (functional value of establishment, functional value of personnel, functional value of service purchased, functional value of price, emotional value, and social value).
3. Dependent variable: it is the customer service loyalty which has been searched through three main dimensions and their sub-dimensions (behavioral loyalty main dimension which includes repurchase intentions sub-dimension, switching intentions sub-dimension, and exclusive purchasing intentions sub-dimension, the attitudinal loyalty main dimension which includes strength of preference sub-dimension, willingness to recommend sub-dimension and altruism sub-dimension, and cognitive loyalty main dimension which includes the sub-dimensions of willingness to pay more, exclusive consideration, identification with the bank, and perceived service quality).

5.1.5. Hypotheses of the Study:

1H₁: Perceived value mediates the relationship between service quality and customer service loyalty.

1H_{1a}: Service quality and its dimensions are significantly related to perceived value with its dimensions.

1H_{1b}: Service quality and its dimensions are significantly related to customer service loyalty with its dimensions.

1H_{1c}: Perceived value and its dimensions are significantly related to customer service loyalty with its dimensions.

2H₁: There are significant differences in a) service quality, b) perceived value, and c) customer service loyalty in terms of gender.

3H₁: There are significant differences in a) service quality, b) perceived value, and c) customer service loyalty in terms of age.

4H₁: There are significant differences in a) service quality, b) perceived value, and c) customer service loyalty in terms of education.

5H₁: There are significant differences in a) service quality, b) perceived value, and c) customer service loyalty in terms of dealing period with bank.

6H₁: There are significant differences in a) service quality, b) perceived value, and c) customer service loyalty in terms of monthly income.

5.1.6. Limits of the Research:

The research is framed within the theoretical, locative (location), and time limits.

Theoretical Limits are limited to the three variables (service quality, perceived value, and customer service loyalty) which are determined in the assumed research model, and included in the hypotheses of the research.

The human limits are the limits of the problem of the research concentrated on the customers of the Iraqi Middle East Investment Bank (IMEIB) and the Commercial Bank of Iraq (BCOI).

The locative (location) limits represented in the Iraqi Middle East Investment Bank (IMEIB) branch of Al-Arasat in Baghdad, and the Commercial Bank of Iraq (BCOI) the General Directorate in Baghdad too.

The time limits show that the research was conducted from March 15, 2017 to June 8, 2017, which comprise many research visits for diagnosing the problem, distributing questionnaires and taking them back from the research sample (the customers).

5.1.7. The Population and the Sample of the Research:

The population of the research comprises of a total of more than 50000 customers for both banks as below:

1. The number of customers in the Iraqi Middle East Investment Bank (IMEIB) is 31000 individuals.
2. The number of customers in the Commercial Bank of Iraq (BCOI) is almost 19000 individuals.

The number of completed responses the researcher's survey receives is the research sample.

The total random sample size is 250 individuals after taking into consideration that the confidence level is %99. This total of the sample size is divided as follows:

1. The sample size of the Iraqi Middle East Investment Bank (IMEIB) is (150) customers.
2. The sample size of the Commercial Bank of Iraq (BCOI) is (100) customers.

5.1.8.The justifications of Conducting the Research in the Private Banking Sector:

The strength and business expertise of the 36 small private banks in Iraq appear to be improving. However, the range of services provided by many of them is still limited, and the financial strength of a few of them is weak. None of the private banks have country-wide branch networks, but many are increasing their networks. One bank has 61 branches, three banks have more than 30, and 9 banks between 10 and 20. In total, private banks have 383 branches or roughly the same number as the state-owned banks. A review of the web sites of private commercial banks indicates that they offer an increasingly wide range of services. In the area of business lending, banks generally offer trade financing, including letters of credit, guarantees, bills discounting, working capital and project lending, domestic and external settlements, and foreign exchange transactions. As private banks are relatively small they are not able to take on large projects as syndication of loans is not yet used. In spite of the increased sophistication, interviews with banks and market participants, as well as available statistics, indicate that the services of most banks are still generally rather limited, and that trade financing, foreign exchange dealings, and payments services continue to constitute the bulk of banking business (Nasr et al, 2011: 20). For the purpose of developing the services of the private banking sector in Iraq, the researcher chose to search deeply in this sector because of the expected and bright future and role of this sector in developing the national economy in Iraq.

5.1.9.Measurement Instruments and Data Collection Process:

The theoretical side of data collection is covered through many resources that include books, periodicals, conferences issuing, and many modernistic and new books,

periodicals, and researches related to the subject matter of this research which were offered via the internet.

The practical side of data collection comprises of official resources, personal interviews, and questionnaire:

1. Official resources: Those include the archives, official documents, speeches, articles, and comments that enable the researcher to know some useful details related to the organizational structures, types of services, the number of employees and customers of both private banks under consideration.

2. Personal interviews: Through the repeated field visits, the researcher conducted some interviews with some effective personnel in the meant branches of the banks for the purpose giving them an idea regarding the problem, the importance, and the objectives of the research, and then accomplishing the requirements of it.

3. The questionnaire: It is the tool for obtaining the data related to the personal information of the sample and the variables of the research. The questionnaire is the major reliable measurement technique that is used to be applied for collecting the data and information related to the field side of the research. The questionnaire is designed in the light of the well-known ready scales of some famous researchers in this specialization. As shown in the Table 13 below, which includes the construction of the questionnaire in the light of its main parts, the variables, dimensions, and the sources of scales. The questionnaire comprises an introduction to explain briefly the subject of the research, its objectives, and the constructions of filling it up, in addition to four parts. The first part covers the personal information related to the customers (the sample), and the other three parts covered the items related to the variables of the research which are 77 items. This questionnaire is designed according to the quinary (Likert) scale which is range from 1-5. The numbers 4 and 5 represent high agreement, the numbers 1 and 2 represent low disagreement, while the number 3 represents the neutral or the mean of the choice.

Table 13: Construction of The Questionnaire

Item No.	Variables	Dimensions	No. of items	Sources of the Scales
	Personal Information	1. Gender. 2. Age. 3. Education level. 4. How long have you been	1-5	Prepared by the researcher

		customer of this bank? 5. Monthly income.		
	Service Quality	1. Tangibles. 2. Reliability. 3. Responsiveness. 4. Assurance. 5. Empathy.	1-4 5-9 10-13 14-17 18-22	Chanaka Ushantha et al, 2014: 75
	Perceived Value	1. Functional value of the establishment(installations) 2. Functional value contact personnel(professionalism) 3. Functional value of the service purchased(quality) 4. Functional value (price) 5. Emotional value 6. Social value	23-26 27-30 31-34 35-37 38-42 43-45	Roig et al, 2006: p.274)
	Service Loyalty	Behavioral: 1. Repurchase intentions. 2. Switching intentions. 3. Exclusive purchasing intentions. Attitudinal: 1. Strength of preference. 2. Willingness to recommend. 3. Altruism. Cognitive: a- Willingness to pay more. b- Exclusive consideration. c- Identification with the bank. d- Perceived service quality.	46-48 49-51 52-55 56-59 60-62 63-65 66-69 70,71 72,73 74-77	Jones and Taylor 2007: P41)
Total items of the main scale			82	

5.1.10. Validity and Reliability

Reliability and construct validity were investigated to confirm how consistent and valid (Pekdemir and Turan, 2014: 124) service quality, perceived value, and customer service loyalty scales used in this research. The item- total correlation

analyses were conducted each scale and no item's correlation coefficient is under 0.20, so exploratory factor analyses were done for the three scale separately.

Six items were in service quality, three items in perceived value, and six items in customer service loyalty were dropped. In service quality variable, the reliability dimension and assurance dimension were merged in one single dimension. Empathy, responsiveness and tangibles were loaded into separated factors as in the original research (Chanaka, Ushantha et al., 2014). In the perceived value variable, the dimension of functional value of the establishment (installation) was merged with the dimension of functional value contact personnel (professionalism) as in Ivanauskienė et al (2012)'s research. Functional value of service purchased and functional value of price were loaded distinct factors, also items of emotional value and social value were loaded their relevant factors parallel with the original scale developed by Ushantha et al (2014). In the customer service loyalty scale, dimensions of repurchase intentions, switching intention and exclusive purchase intention were merged together under the behavioral loyalty dimension. The dimensions of the strength of preference and willingness to recommend were merged together and altruism was loaded a distinct factor under the attitudinal loyalty dimension. Willingness to pay more, exclusive consideration and service perception were loaded their relevant factors as in the original research (Jones and Taylor (2007), while the dimension of the identification with the bank was dropped. So the final service quality scale explained 77,438% variances with 0,939 Cronbach alpha value; the Functional Value scale explained 78,269% variances with 0,930 Cronbach alpha value, the Emotional Value scale explained 72,852% variances with 0,906 Cronbach alpha value, social value scale explained 73,658% variances with 0,812 Cronbach alpha value, Behavioral Loyalty scale explained 51,785% variances with 0,860 Cronbach alpha value, Attitudinal Loyalty scale explained 74,187% variances with 0,921 Cronbach alpha value, and cognitive Loyalty scale explained 63,417% variances with 0,750 Cronbach alpha value as shown in Table 14 below:

Table 14: Results of Factor Analysis and Reliability Testing

Variable	Factor Loadings	Mean	Standard Deviation	Variance Explained (in %)	Cronbach Alpha (α)	KMO/ Bartlett's Test
SERVICE QUALITY (16 items)		4.2953	.5635	77,438	,939	0,866/ 0,000
Reliability & Assurance _6	,983					
Reliability & Assurance _7	,742					
Reliability & Assurance _5	,671					
Reliability & Assurance _15	,563					

Reliability & Assurance _16	,480					
Reliability & Assurance _17	,432					
Reliability & Assurance _8	,604					
Empathy _18	,877					
Empathy _19	,808					
Empathy _21	,644					
Responsiveness _12	,895					
Responsiveness _11	,794					
Responsiveness _13	,422					
Responsiveness _10	,799					
Tangibles _1	,564					
Tangibles _4	,313					
PERCEIVED VALUE		4.4065				
FUNCTIONAL VALUE (12 items)		4,4260	,6772	78,269	,930	0,852/ 0,000
Funct. Value of Est. and Per. _24	,890					
Funct. Value of Est. and Per. _23	,874					
Funct. Value of Est. and Per. _29	,779					
Funct. Value of Est. and Per. _30	,757					
Funct. Value of Est. and Per. _25	,724					
Funct. Value of Est. and Per. _28	,705					
Functional Value of Ser. Pur. _31	,832					
Functional Value of Ser. Pri. _36	,747					
Functional Value of Ser. Pur. _33	,540					
Functional Value of Ser. Pur. _34	,530					
Functional Value of Price _35	,733					
Functional Value of Price _37	,634					
EMOTIONAL VALUE(5 items)		4.3624	.7901	72,852	,906	0,725/ 0,000
Emotional Value _40	,951					
Emotional Value _42	,882					
Emotional Value _39	,855					
Emotional Value _41	,850					
Emotional Value _38	,499					
SOCIAL VALUE (3 items)		4.3920	.6943	73,658	,812	0,656/ 0,000
Social Value _44	,972					
Social Value _43	,714					
Social Value _45	,660					
SERVICE LOYALTY		4.1063				
BEHAVIORAL LOYALTY (8 items)		4.3135	.5998	51,785	,860	0,803/ 0,000
Behavioral Loyalty_Exc. _54	,749					
Behavioral Loyalty _Repur. _48	,745					
Behavioral Loyalty _Switc. _50	,712					
Behavioral Loyalty _ Repur. _47	,680					
Behavioral Loyalty _ Exc. _52	,650					
Behavioral Loyalty _ Exc. _55	,617					
Behavioral Loyalty _Repur. _46	,617					
Behavioral Loyalty _Switc. _51	,580					
ATTITUDINAL LOYALTY (9 items)		4.2477	.6283	74,187	,921	0,798/ 0,000
Attitudinal Loyalty _Will. _61	1,008					
Attitudinal Loyalty _Will. _62	,802					
Attitudinal Loyalty _Stren. _58	,795					
Attitudinal Loyalty _Will. _60	,688					
Attitudinal Loyalty _Stren. _57	,658					
Attitudinal Loyalty _Stren. _56	,595					
Attitudinal Loyalty _Altru. _64	,868					
Attitudinal Loyalty _Altru. _65	,844					
Attitudinal Loyalty _Altru. _63	,548					
COGNITIVE LOYALTY (9 items)		3.7578	.4754	63,417	,750	0,499/ 0,000
Cognitive Loyalty _Will. Pay. _68	,805					
Cognitive Loyalty _Will. Pay. _67	,690					
Cognitive Loyalty _ Will. Pay. _69	,688					
Cognitive Loyalty _ Will. Pay. _66	,441					
Cognitive Loyalty _Per. 76	,815					
Cognitive Loyalty _Per. 74	,676					
Cognitive Loyalty _Per. 77	,552					
Cognitive Loyalty _Exc. Co. _70	,583					
Cognitive Loyalty(R)_ Exc. Co. _71	,442					

5.1.11. Statistical Tests Used:

The researcher functioned a number of statistical tests to analyze the collected data after controlling the reliability and validity of the scales as stated below:

1. The statistical or arithmetic mean to know the level of each item, dimension, and variable.
2. The standard deviation to know the level of each variable and the degree of the dispersion of the values from their assumed arithmetic means.
3. Pearson correlation coefficient to measure the sort of the relations and their degrees among the variables as well as dimensions of the variables of the research.
4. Regression coefficient to measure the effect of one single independent variable and dimensions of the variables on another single dependent variable.
5. Hierarchical multiple regression to measure simultaneously the effect of the independent variable on the dependent variable via the mediator variable.
6. T-test to examine and diagnose the differences between two variables and the F test to examine the significance level of the simple regression coefficient and Tukey test to test the differences in means of the demographic factors of the research sample.

5.2. Analysis of Data

5.2.1. Diagnosing the Level of Research Variables:

This section aims to diagnose the reality of the variables of the study depending on the answers of scale items and the level of the means used to diagnose the significance of the study and standard deviation to estimate the range of dispersion.

5.2.1.1. Diagnosing the Variable of Service Quality and its Dimensions:

This variable was measured, after the factor analysis, through four dimensions (tangibles, reliability & assurance, responsiveness, and empathy) .

Table 15: Means and Standard Deviation of Service Quality Items

Dimension	Item	Mean	Std. Deviation
Tangibles	1) The bank has modern-looking equipment.	4.1680	.7786
	2) Materials associated with the service (such as forms, brochures, statements etc.) visually appealing at the bank.	4.2480	.6725
Reliability & Assurance	3) The services are performed within the promised time.	4.3280	.7841
	4) When I have a problem, The bank's employees show sincere interest in solving the problem.	4.3920	.7269
	5) The bank correctly performs the service right the very first time.	4.5760	.6433
	6) The bank provides its service right the first time.	4.4440	.6454
	7) I feel safe in my transactions with this bank	4.4520	.8064
	8) The bank's employees consistently courteous towards me.	4.3560	.8580
	9) The bank's employees have the knowledgeable to answer my questions.	4.3840	.8669
Responsive-ness	10) In this bank I do not spent much time waiting in line.	4.3360	.6993
	11) The bank's employees are always willing to help.	4.3280	.8192
	12) The bank's employees are quick in eliminating potential errors.	4.3120	.8351
	13) The bank's employees quickly respond to my requests.	4.3240	.7677
Empathy	14) The bank provides me an individual attention.	3.9360	1.0040
	15) this bank has convenience operating hours to my needs.	4.3120	.8910
	16)The bank considers my wishes and needs.	4.4400	.8056

General Mean for Service quality	4.2952	.56350
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N = 250

Table 15 above refers to the means and standard deviations related to the views of the sample concern with the variable of service quality. It reflects a general mean for this variable which is 4.2952 which is above the assumed mean of 3 out of 5. The standard deviation is .56350 and this confirms the importance of this variable to the sample of the study.

The variable of service quality includes four dimensions (tangibles, reliability & assurance, responsiveness, and empathy). All the means of the items are above the assumed mean which is 3 out of 5. The highest mean is 4.5760 with 0.64333 standard deviation which belongs to the 5th item (The bank correctly performs the service right the very first time) within the dimension of reliability and assurance. The lowest mean is 3.9360 with 1.00396 standard deviation which belongs to the 14th item (The bank provides me with an individual attention) within the empathy dimension.

5.2.1.2.Diagnosing The Variable of Perceived Value and Its Dimensions:

This variable was measured through five dimensions:

1. Functional value of the establishment & personnel
2. Functional value of service purchased
3. Functional value of price
4. Emotional value
5. Social value

Table 16: Means and Standard Deviation of Perceived Value Items

Dimension	Item	Mean	Std. Deviation
Functional value of the establishment & personnel	17) The installations in the bank favour the confidentiality and the privacy of dealings.	4.4200	.9419
	18) It seems this bank is tidy and well organised.	4.4920	.7511
	19) The installations of the bank are spacious, modern and clean.	4.4240	.7143
	20) The personnel's knowledge of the bank is up to date.	4.3760	.9154
	21) The information provided by the personnel of the bank has always been very valuable to me.	4.4640	.8785
	22) The personnel of the bank have knowledge of all the services offered by the entity.	4.4360	.8769
Functional value of the service purchased	23) The service of this bank as a whole is correct.	4.5160	.6955
	24) The level of quality at the bank is acceptable in comparison with other banks.	4.3880	.7481
	25) The results of the service received from the bank were as expected.	4.5080	.8128
Functional value of price	26) The payment of interest or commission in the bank is fully justified.	4.3920	.8056
	27) The service at the bank is good for the expense it causes me.	4.3920	.6813
	28) The total cost at the bank that it causes me is reasonable.	4.3320	.8489
Emotional value	29) I am happy with the financial services contracted at the bank .	4.4680	.7007
	30) I feel relaxed dealing with the bank.	4.3640	.9224
	31) The personnel at the bank give me positive feelings.	4.3240	.9668
	32) The personnel at the bank don't hassle me.	4.3400	.9982
	33) In general I feel at ease when I deal with this bank .	4.3160	1.0101
Social value	34) The bank is very well considered at a social level.	4.3560	.9385
	35) The fact that I come here at this bank, looks good to the people I know.	4.3680	.7713
	36) Many people I know deal with the bank.	4.4520	.7168
General Mean for Perceived value		4.4064	.60961

N = 250

Table 16 above refers to the means and standard deviations related to the answers of the sample under the research of perceived value. This table reflects a general mean for the variable of perceived value that is 4.4064 which is above the assumed mean of 3 out of 5 with 0.60961 standard deviation so this confirms the importance of perceived value to the sample of the study.

As mentioned above, this variable includes five dimensions and all items' mean is 3 out of 5. The highest mean is 4.5160 with 0.6955 standard deviation which belongs to the 23rd item (The service of this bank as a whole is correct) within the dimension of (functional value of the service purchased). The lowest mean is 4.3160 with 1.0101 standard deviation which belongs to the 33rd item (In general I feel at ease when I deal with this bank) within the dimension of emotional value.

5.2.1.3. Diagnosing the Variable of Customer Service Loyalty and Its Dimensions: The variable was measured through three main dimensions, each of them contains some minor dimensions within it as following:

1. Behavioural loyalty
2. Attitudinal loyalty: This main dimension contains the two sub-dimensions below:
 - Strength of preference & willingness to recommend.
 - Altruism.
3. Cognitive loyalty: This main dimension contains the following three sub-dimensions:
 - Willingness to pay more.
 - Exclusive consideration.
 - Perceived service quality.

Table 17 below refers to the mean and standard deviations that related to the answers of the sample of the research variable of customer service loyalty.

This table presents a general mean for the variable of customer service loyalty as 4.1063 which is above the assumed mean of 3 out of 5, and the standard deviation is 0.46108 so this confirms the importance of customer service loyalty variable to the sample of the research.

Table 17: Means and Standard Deviation of Customer Service Loyalty Items

Dimension	Item	Mean	Std. Deviation
Behavioral Loyalty	37) I will probably use the services of the bank again.	4.3840	.6116
	38) I intend to repurchase services from this bank again in the future.	4.3320	.8995
	39) It is possible that I will use the bank's services in the future.	4.3760	.9371
	40) Regardless of the circumstances, I will probably continue making business with the bank.	4.2360	.8337
	41) I will certainly stay dealing with the bank in the future.	4.2000	1.0566
	42) I do all of my business with the bank when I need this type of service.	4.3960	.7164
	43) This bank gets the majority of my business when I need this type of service.	4.2440	.8118
	44) I deal exclusively with this bank.	4.3400	.8019
Attitudinal			
1-Strength of preference & willingness to recommend	45) I prefer this bank in comparison to the other service providers in this category.	4.3800	.8039
	46) I would rank the bank as number 1 amongst the other service providers I listed.	4.2480	.9456
	47) The bank provides the best service among the alternatives I listed earlier.	4.3400	.7554
	48) I say positive things about the bank to other people.	4.2760	.8548
	49) I recommend the bank to someone who asks my advice.	4.3880	.7481
	50) I encourage friends and relatives to do business with the bank.	4.3800	.6491
2-Altruism	51) I am likely to do whatever I can to help the bank do better.	4.0800	.7562
	52) I purchase services from this bank because I like to give it my business.	4.2080	.7996
	53) I will go out of my way to assist the bank	4.1920	.8135
Cognitive			
1-Willingness to pay more	54) I am likely to pay a little bit more for using the bank.	3.9320	.8499
	55) Price is not an important factor in my decision to remain with the bank.	3.6760	1.0389
	56) If this bank were to raise the price of its services by 10%, I would likely remain.	3.7640	.9251
	57) I am willing to pay more for the bank's services.	3.5560	1.0054
2-Exclusive	58) I know many banks that provide the same services.	3.8880	1.1137

consideration	59) I may consider using services of other banks rather than this bank. (negative)	2.8240	1.0685
3-Perceived service quality	60) Overall, I consider the bank's service to be excellent	4.2640	.9108
	61) The quality of the bank's service is of a very high standard.	4.1520	1.0025
	62) The bank provides superior service in every way.	4.1400	.9613
General Mean for Customer service loyalty		4.1063	.45990

N = 250

As mentioned above, this variable contains three main dimensions. All the means of the items within this variable are above the assumed mean which is 3 out of 5 except the mean of the 59th item (I may consider using services of other banks rather than this bank) (negative) within the sub-dimension of exclusive consideration which is part of the main dimension of cognitive loyalty. This mean is 2.8240 which is accepted even its is below the assumed mean since the item is negative, and its standard deviation is 1.0685. The highest mean within this variable is 4.3880 with 0.74813 standard deviation which belongs to the 49th item (I recommend the bank to someone who asks my advice.) within the sub-dimension (strength of preference and willingness to recommend) which is part of the main dimension (attitudinal loyalty).

5.2.2. The Correlations Coefficient among Variables:

The important finding of the correlation among the variables of the research was represented in the Appendix 3. The correlation table showed that correlation coefficient among all the sub-dimensions of the variables as well as the whole main dimensions of the variables.

5.2.2.1. The Correlation Between Service Quality and Perceived Value:

1H_{1a}: Service quality and its dimensions are significantly related to perceived value with its dimensions.

As shown in the Table 18, service quality variable has four dimensions (tangibles, reliability & assurance, responsiveness, and empathy) and the variable of perceived value has the following five dimensions:

1. Functional value of establishment & personnel.
2. Functional value of service purchased.
3. Functional value of price.

4. Emotional value.
5. Social value.

Table 18: The Correlation Between Service Quality and Perceived Value

		Service Quality						Significance Relations	
		Tangibles	Reliability & Assurance	Responsiveness	Empathy	Total service quality	N o.	Sig. %	
		r	r	r	r	r			
Perceived Value	Func. value of establishment & personnel	,611**	,807**	,780**	,581**	,832**	4	100	
	Func. value service purchased	,593**	,844**	,675**	,486**	,775**	4	100	
	Func. value price	,657**	,608**	,425**	,466**	,639**	4	100	
	Emotional value	,542**	,838**	,761**	,472**	,780**	4	100	
	Social value	,518**	,685**	,800**	,455**	,735**	4	100	
	Total perceived value variable	,634**	,861**	,826**	,543**	,855**			
	Significance relations	No.	5	5	5				5
	Sig. %	100	100	100	100				

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

After comparing the values of correlation, the following results appeared: The correlation between the total of service quality variable and the total of perceived value was 0.855 and this correlation is significant at 0.01 level. The highest correlation appeared between the total service quality variable and the Functional value of establishment & personnel which was 0.832 and this is significant at the 0.01 level, whereas the lowest correlation is between total service quality variable

and the functional value of the price (0.639) which seems also significant at the 0.01 level. The total service quality variable has the significant correlation at level 0.01 with all the dimensions of the perceived value and the number of relations is 20 which form %100, and this shows that there is strong and significant correlation and this presents very strong justification to accept the $1H_{1a}$ hypothesis.

The following results are branched from the $1H_{1a}$ hypothesis:

1. Analyzing the correlation between tangibles and perceived value with its dimensions: The value of correlation is 0.634 at significant level of 0.01 with significant percentage of 100% and the highest correlation is 0.657 with the dimension of functional value of price, and the lowest correlation is 0.518 with the dimension of social value and both correlations are significant at level of 0.01. This indicates that there are significant relations between tangibles and the dimensions of perceived value.
2. Analyzing the correlation between reliability & assurance, and perceived value with its dimensions: The value of correlation is 0.861 at the significant level of 0.01 with significant percentage of 100% and the highest correlation is 0.844 with the dimension of functional value of service purchased, and the lowest correlation is 0.608 with the dimension of functional value of price and both correlations are significant at level 0.01. This indicates that there is significant relationship between the dimension of reliability & assurance and perceived value.
3. Analyzing the correlation between responsiveness and perceived value with its dimensions: The value of correlation is 0.826 at the significant level of 0.01 with a significant percentage of 100% and the highest correlation is 0.8 with the dimension of social value, and the lowest correlation is 0.425 with the dimension of functional value of price and both correlations are significant at level 0.01. This indicates that there is significant relation between responsiveness and the dimensions of perceived value.
4. Analyzing the correlation between empathy and perceived value with its dimensions: The value of correlation is 0.543 at a significant level of 0.01 with a significant percentage of 100% and the highest correlation is 0.581 with the dimension of functional value of establishment & personnel and the lowest correlation is 0.455 with the dimension of social value and both

correlations are significant at level 0.01. This indicates that there is the significant relationship between empathy and the dimensions of perceived value.

5.2.2.2.The Correlation Between Service Quality and Customer Service Loyalty:

1H_{1b}: Service quality and its dimension are significantly related to customer service loyalty with its dimensions:

Customer service loyalty was investigated/ evaluated its sub-dimensions (behavioral, attitudinal, and cognitive) one by one in present research.

As shown in the Table 19, service quality variable has four dimensions (tangibles, reliability & assurance, responsiveness, and empathy) and the behavioral loyalty within the variable of service loyalty.

Table 19: The Correlation Between Service Quality and Behavioral Loyalty

	Service Quality				
	Tangibles	Reliability & Assurance	Responsiveness	Empathy	Total service quality variable
	r	r	r	r	r
.836**					
Customer Service Loyalty (Behavioral Loyalty)	,625**	,812**	,753**	,439**	,780**

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

After comparing the values of correlation, the correlation between the total of service quality variable and the total of service loyalty was 0.836 and this correlation is significant at 0.01 level, and the highest correlation 0.812 between reliability & assurance, behavioral loyalty and this correlation is significant at 0.01 level, and the lowest correlation 0.439 between empathy and behavioral loyalty and this correlation is significant at 0.01 level. The correlation between total service quality variable and behavioral loyalty is 0.780 and this correlation is significant at 0.01 level.

B-As shown in the Table 20, service quality variable has four dimensions (tangibles, reliability & assurance, responsiveness, and empathy) and the attitudinal dimension within the variable of service loyalty has the following two dimensions:

1. Strength of preference & willingness to recommend.
2. Altruism.

Table 20: The Correlation Between Service Quality and Attitudinal Loyalty

		Service Quality						Significance Relations	
		Tangibles	Reliability & Assurance	Responsiveness	Empathy	Total service quality variable	No.	Sig. %	
		r	r	r	r	r			
Customer Service Loyalty (Attitudinal loyalty)	Strength of preference & Willingness to recommend	,617**	,744**	,749**	,442**	,758**	4	100	
	Altruism	,657**	,665**	,682**	,616**	,785**	4	100	
	Total Attitudinal Loyalty Dimension	,694**	,765**	,777**	,580**	,840**			
	Total customer service loyalty variable	,646**	,797**	,782**	,572**				
	Significance Relations	No.	2	2	2	2	,836**		
	Sig. %	100	100	100	100				

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

After comparing the values of correlation, the following results appeared: The correlation between the total of service quality variable and the total of service loyalty was 0.836 and this correlation is significant at 0.01 level, and the highest correlation appeared between the total service quality variable and the minor dimension of altruism within the main dimension of attitudinal loyalty which was

0.785 and this is significant at the 0.01 level, whereas the lowest correlation is between total service quality variable and strength of preference & willingness to recommend 0.758 which seems also significant at the 0.01 level. The total service quality variable has significant correlation at level of 0.01 with all the minor dimensions of attitudinal loyalty within service loyalty variable and the number of relations is 8 which form 100%, and this shows that there is strong and significant correlation.

The following minor results are branched from the H_{1b} :

1. Analyzing the correlation between tangibles and attitudinal loyalty with its minor dimensions within service loyalty: The value of correlation is 0.646 at significant level of 0.01 with significant percentage of %100 and the highest correlation is 0.657 with the dimension altruism, and the lowest correlation is 0.617 with the dimension of strength of preference & willingness to recommend and both correlations are significant at level of 0.01. This indicates that there are significant relations between tangibles and attitudinal loyalty with its sub-dimensions within service loyalty.
2. Analyzing the correlation between reliability & assurance, and attitudinal loyalty with its sub-dimensions within customer service loyalty: The value of correlation is 0.797 at significant level of 0.01 with significant percentage of 100% and the highest correlation is 0.744 with strength of preference & willingness to recommend, and the lowest correlation is 0.665 with the dimension of altruism and both correlations are significant at level of 0.01. This indicates that there are significant relations between reliability and assurance, and attitudinal loyalty with its sub-dimensions within customer service.
3. Analyzing the correlation between responsiveness and attitudinal loyalty with its sub-dimensions within customer service loyalty: The value of correlation is 0.782 at a significant level of 0.01 with a significant percentage of %100 and the highest correlation is 0.749 with strength of preference & willingness to recommend dimension, and the lowest correlation is 0.682 with the dimension of altruism and both correlations are significant at level of 0.01. This indicates that there are significant relations between

responsiveness and attitudinal loyalty with its sub-dimensions within customer service loyalty.

4. Analyzing the correlation between empathy and attitudinal loyalty with its sub-dimensions within service loyalty: The value of correlation is 0.572 at a significant level of 0.01 with a significant percentage of 100% and the highest correlation is 0.616 with altruism, and the lowest correlation is 0.442 with the dimension of strength of preference & willingness to recommend, and both correlations are significant at level of 0.01. This indicates that there are significant relations between empathy and attitudinal loyalty with its sub-dimensions within service loyalty.

C- As shown in the Table 21, service quality variable has four dimensions (tangibles, reliability & assurance, responsiveness, and empathy) and the cognitive loyalty within the variable of service loyalty has the following dimensions:

1. Willingness to pay more.
2. Exclusive consideration.
3. Perceived service quality.

Table 21: The Correlation Between Service Quality and Cognitive Loyalty

		Service Quality						Significance Relations	
		Tangibles	Reliability & Assurance	Responsiveness	Empathy	Total service quality variable	No.	Sig. %	
		r	r	r	r	r			
Customer Service Loyalty (Cognitive Loyalty)	Willingness to pay more	-.052	.095	,177**	,501**	,242**	2	50	
	Exclusive consideration	,373**	,537**	,465**	,217**	,470**	4	100	
	Perceived service quality	-.003	-.085	-.065	-.045	-.061	0	0	

	Total Cognitive Loyalty Dimension		,168**	,278**	,294**	,338**	,331**	
	Total		,646**	,797**	,782**	,572**		,836**
	customer service loyalty variable							
	Significance Relations	No.	1	1	2	2		
	Sig. %	33	33	67	67			

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

After comparing the values of correlation, the following results appeared: The correlation between the total of service quality variable and the total of service loyalty was 0.836 and this correlation is significant at 0.01 level, and the highest correlation appeared between the total service quality variable and the sub-dimension of exclusive consideration within the main dimension of cognitive loyalty which was 0.470 and this is significant at the 0.01 level, whereas the lowest correlation is between total service quality variable and perceived service quality -0.061 which does not seem significant at the 0.01 or 0.05 levels. The total service quality variable has significant correlation with some sub-dimensions of cognitive loyalty within service loyalty variable and the number of relations is 6 out of 12 which form 50% of significance relations, and this shows that there is relatively weak correlation which is related to the main dimensions of cognitive loyalty since the correlation between total service quality variable and the cognitive loyalty dimension is 0.331 at significance level of 0.01.

The following minor results are branched from the H_{1b} :

1. Analyzing the correlation between tangibles and cognitive loyalty with its sub-dimensions within customer service loyalty: The value of correlation is 0.168 at significant level of 0.01 with significant percentage of 33% and the highest correlation is 0.373 with the dimension of exclusive consideration, with a significant level of 0.01 and the lowest correlation is -0.03 with no any significant level, with the sub-dimension of perceived service quality. The total of significant relations is 1 out of 3 but the correlation between tangibles and the total cognitive loyalty dimension is 0.168 at a significant level of 0.01. This indicates that there are significant relations between tangibles and cognitive loyalty with its sub-dimensions within customer service loyalty.

2. Analyzing the correlation between reliability & assurance, and cognitive loyalty with its sub-dimensions within customer service loyalty: The value of correlation is 0.278 at significant level of 0.01 with significant percentage of 33% and there is only one correlation 0.537 with the sub-dimension of exclusive consideration at significant level of 0.01 but the correlation between reliability & assurance and the total cognitive loyalty dimension is 0.278 at significant level of 0.01. This indicates that there are significant relations between reliability & assurance, and cognitive loyalty.
3. Analyzing the correlation between responsiveness and cognitive loyalty with its sub-dimensions within customer service loyalty: The value of correlation is 0.294 at a significant level of 0.01 with a significant percentage of 67% and the highest correlation with the sub-dimension exclusive consideration 0.465 at a significant level of 0.01, and the lowest correlation with perceived service quality -0.065 with no significant level. This indicates that there are significant relations between responsiveness and cognitive loyalty with two sub-dimension within customer service loyalty.
4. Analyzing the correlation between empathy and cognitive loyalty with its sub-dimensions within service loyalty: The value of correlation is 0.338 at a significant level of 0.01 with a significant percentage of 67% and the highest correlation is 0.501 with willingness to pay more with a significant level 0.01, and the lowest correlation is -0.045 with the sub-dimension of perceived service quality at no any significance level. This indicates that there are significant relations between empathy and cognitive loyalty with two of its sub-dimensions within customer service loyalty.

5.2.2.3.The Correlation Among Perceived Value and Customer Service Loyalty:

1H_{1c}: Perceived value and its dimension are significantly related to service loyalty with its dimensions:

Perceived value variable has the following five dimensions:

1. Functional value of establishment & personel.
2. Functional value of service purchased.
3. Functional value of price.
4. Emotional value.
5. Social value.

Customer service loyalty evaluated its sub-dimensions (behavioral loyalty, attitudinal loyalty, and cognitive loyalty) one by one in this research:

A. Table 22 shows the correlation between perceived value variable and the behavioral loyalty within the variable of service loyalty.

Table 22: The Correlation Between Perceived Value and Behavioral Loyalty

	Perceived Value					
	Func. Value of establishment & personnel	Func. Value service purchased	Func. Value of price	Emotional value	Social value	Total perceived value variable
	r	r	r	r	r	r
,851**						
Customer Service Loyalty (Behavioral Loyalty)	,756**	,820**	,522**	,853**	,749**	,870**

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

After comparing the values of correlation, the correlation between the total of perceived value variable and the total of service loyalty was 0.851 and this correlation is significant at 0.01 level, and the highest correlation 0.853 between emotional value and behavioral loyalty and this correlation is significant at 0.01 level and the lowest correlation 0.522 between the functional value of price and behavioral loyalty and this correlation is significant at 0.01 level. The correlation between total perceived value variable and behavioral loyalty is 0.870 and this correlation is significant at 0.01 level.

B. As shown in the Table 23, perceived value variable has five dimensions and the attitudinal dimension within the variable of service loyalty has the following two dimensions:

- 1- Strength of preference & willingness to recommend.
- 2- Altruism

Table 23: The Correlation Between Perceived Value and Attitudinal Loyalty

		Perceived Value							Significance Relations	
		Func. Value of (establishment & personnel)	Func. Value service purchased	Func. Value of price	Emotional value	Social value	Total perceived value variable	N o .	Sig. %	
		r	r	r	r	r	r			
customer Service Loyalty (Attitudinal Loyalty)	Strength of preference & willingness to recommend	,776**	,679**	,623**	,804**	,774**	,859**	5	100	
	Altruism	,665**	,556**	,473**	,651**	,556**	,672**	5	100	
	Total attitudinal loyalty Dimension	,781**	,668**	,593**	,788**	,718**	,828**			
	Total customer service loyalty variable	,770**	,778**	,601**	,806**	,730**	,851**			
	Significance Relations	NO.	2	2	2	2		2		
	SIG. %	100	100	100	100	100				

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

After comparing the values of correlation, the following results appeared: the correlation between the total of perceived value variable and the total of customer service loyalty was 0.851 and this correlation is significant at 0.01 level, and the highest correlation appeared between the total perceived value variable and the sub-dimension of Strength of preference and willingness to recommend within the main dimension of attitudinal loyalty which was 0.859 and this is significant at the 0.01 level, whereas the lowest correlation is between total perceived value variable and altruism 0.672 which seems also significant at the 0.01 level. The total perceived value variable has significant correlation at level of 0.01 with all the sub-dimensions of attitudinal loyalty within customer service loyalty variable and the number of

relations is 10 which form 100%, and this shows that there is strong and significant correlation which is related to the main dimensions of attitudinal loyalty.

The following minor results are branched from the H_{1c} :

1. Analyzing the correlation between functional value of establishment & personnel and attitudinal loyalty with its sub-dimensions within customer service loyalty: The value of correlation is 0.781 at significant level of 0.01 with significant percentage of %100 and the highest correlation is 0.776 with the dimension strength of preference and willingness to recommend, and the lowest correlation is 0.665 with the dimension of altruism and both correlations are significant at level of 0.01. This indicates that there are significant relations between functional value of establishment & personnel and attitudinal loyalty with its sub-dimensions within customer service loyalty.
2. Analyzing the correlation between functional value of service purchased and attitudinal loyalty with its sub-dimensions within customer service loyalty: The value of correlation is 0.668 at a significant level of 0.01 with a significant percentage of 100% and the highest correlation is 0.679 with Strength of preference and willingness to recommend dimension, and the lowest correlation is 0.556 with the dimension altruism and both correlations are significant at level of 0.01. This indicates that there are significant relations between the functional value of service purchased and attitudinal loyalty with its sub-dimensions within service loyalty.
3. Analyzing the correlation between functional value of price and attitudinal loyalty with its sub-dimensions within customer service loyalty: The value of correlation is 0.593 at a significant level of 0.01 with a significant percentage of 100% and the highest correlation is 0.623 with Strength of preference and willingness to recommend, and the lowest correlation is 0.473 with the dimension of altruism and both correlations are significant at level 0.01. This indicates that there are significant relations between the functional value of price and attitudinal loyalty with its sub-dimensions within customer service loyalty.
4. Analyzing the correlation between emotional value and attitudinal loyalty with its sub-dimensions within customer service loyalty: The value of

correlation is 0.788 at a significant level of 0.01 with a significant percentage of 100% and the highest correlation is 0.804 with strength of preference & willingness to recommend dimension, and the lowest correlation is 0.651 with the dimension of altruism and both correlations are significant at level of 0.01. This indicates that there are significant relations between emotional value and attitudinal loyalty with its sub-dimensions within customer service loyalty.

5. Analyzing the correlation between social value and attitudinal loyalty with its sub-dimensions within customer service loyalty: The value of correlation is 0.718 at a significant level of 0.01 with a significant percentage of 100% and the highest correlation is 0.774 with a strength of preference & willingness to recommend dimension, and the lowest correlation is 0.556 with the dimension of altruism and both correlations are significant at level of 0.01. This indicates that there are significant relations between social value and attitudinal loyalty with its sub-dimensions within customer service loyalty.

C. As shown in the Table 24, perceived value variable has five dimensions and the cognitive loyalty within the variable of customer service loyalty has the following dimensions:

1. Willingness to pay more.
2. Exclusive consideration.
3. Perceived service quality.

Table 24: The Correlation Between Perceived Value and Cognitive Loyalty

		Perceived Value							Significance Relations	
		Func. Value of establishment & personnel	Func. Value service purchased	Func. Value Of price	Emotional value	Social value	Total perceived value variable			
		r	r	r	r	r	r	No.	Sig. %	
Customer Service Loyalty (Cognitive Loyalty)	Willingness to pay more	,171**	.119	.110	.103	,170**	,152*	2	40	
	Exclusive consideration	,469**	,575**	,241**	,532**	,452**	,533**	5	100	
	Perceived service quality	-,137*	-.037	,198**	-,177**	-,163**	-,127*	4	80	
	Total Cognitive Loyalty Dimension	,249**	,340**	,303**	,224**	,223**	,279**			
	Total customer service loyalty variable	,770**	,778**	,601**	,806**	,730**	,851**			
	Significance Relations	No.	3	1	2	2		3		
	Sig. %	100	33	67	67	100				

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

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

After comparing the values of correlation, the following results appeared. The correlation between the total of perceived value variable and the total of customer service loyalty is 0.851 and this correlation is significant at 0.01 level, and the highest correlation appeared between the total perceived value variable and the sub-dimension of exclusive consideration within the main dimension of cognitive loyalty which is 0.533 and this is significant at the 0.01 level, whereas the lowest correlation is between total perceived value variable and perceived service quality -0.127 which seems also significant but negatively at the 0.05 level. The total perceived value variable has significant correlation with some sub-dimensions of cognitive loyalty

within customer service loyalty variable and the number of relations is 11 out of 15 which form 73.33% of significance relations, which is related to the main dimensions of cognitive loyalty. The correlation between total perceived value variable and the cognitive loyalty dimension is 0.279 at a significance level of 0.01.

The following minor results are branched from the H_{1c} :

1. Analyzing the correlation between functional value of establishment & personnel and cognitive loyalty with its sub-dimensions within customer service loyalty: The value of correlation is 0.249 at significance level of 0.01 with significant percentage of %100 and the highest correlation is 0.469 with the dimension of Exclusive consideration, with a significant level of 0.01 and the lowest correlation is -0.137 with the perceived service quality sub-dimension with a negative significant level of 0.05. The total of significant relations is 3 out of 3. This indicates that there are significant relations between functional value of establishment & personnel and cognitive loyalty with its sub-dimensions within customer service loyalty since the correlation between these two dimensions is 0.249 at a significance level of 0.01.
2. Analysing the correlation between functional value of service purchased and cognitive loyalty with its sub-dimensions within customer service loyalty: The value of correlation is 0.340 at a significant level of 0.01 with a significant percentage of 33% and there is only one correlation 0.575 with the sub-dimension of exclusive consideration at a significant level of 0.01. This indicates that there are significant relations between functional value of service purchased and cognitive loyalty with one sub-dimension within customer service loyalty.
3. Analyzing the correlation between functional value of price and cognitive loyalty with its sub-dimensions within customer service loyalty: The value of correlation is 0.303 at a significant level of 0.01 with a significant percentage of 67% and the highest correlation is 0.241 with exclusive consideration sub-dimension, and the lowest correlation is 0.198 with the dimension of perceived service quality and both correlations are significant at level 0.01. This indicates that there are significant relations between functional value of price and cognitive loyalty with only two sub-dimensions.

4. Analyzing the correlation between emotional value and cognitive loyalty with its minor dimensions within service loyalty: The value of correlation is 0.224 at a significant level of 0.01 with a significant percentage of 67% and the highest correlation is 0.532 with exclusive consideration with a significant level 0.01, and the lowest correlation is -0.117 with the dimension of perceived service quality at a negative significance level of 0.01. This indicates that there are significant relations between emotional value and cognitive loyalty with two of its sub-dimensions within customer service loyalty.
5. Analyzing the correlation between social value and cognitive loyalty with its sub-dimensions within customer service loyalty: The value of correlation is 0.223 at significant level of 0.01 with significant percentage of 100% and the highest correlation is 0.452 with Exclusive consideration with a significant level 0.01, and the lowest correlation is -0.163 with the dimension of perceived service quality negatively at significance level of 0.01. This indicates that there are significant relations between social value and cognitive loyalty with all the sub-dimensions within customer service loyalty.

The important finding of the correlation among the variables of the research is well represented in the Table 25. This table shows that the correlation between total service quality variable and total customer service loyalty variable is 0.836 at significance level of 0.01, and the correlation between total perceived value variable and total customer service loyalty is 0.851 at significance level of 0.01, while the correlation between total service quality variable and total perceived value variable is 0.855 at significance level of 0.01. That presents a logical justification for the acceptance of the main three hypotheses 1H_{1a}, 1H_{1b}, and 1H_{1c}.

Table 25: The Correlation Among Main Variables

	Total service quality variable	Total perceived value variable
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	r	r
Total customer service loyalty variable	,836**	,851**
Total perceived value variable	,855**	

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

5.2.3. Assessing the effect relations among research variables

This section aims to examine the effect of the independent variable (service quality) and the mediator variable (perceived value) on the dependent variable (customer service loyalty). The measurement will be done according to the statistical tools (simple linear regression). F test is used to know the amount of significance of regression equation and using R^2 as coefficient determination tool to determine the explanation of dependent variable (customer service loyalty), and this will be done through the followings:

5.2.3.1. Assessing The Effect of Service Quality on Perceived Value Variable

Table 26 represents the following results:

Table 26: The Effect of Service Quality on Perceived Value

		Service Quality				
		Tangibles	Reliability & Assurance	Responsiveness	Empathy	Total service quality variable
Functional value of establishment & personnel	Sig.	.000 ^b	.000 ^b	.000 ^b	.000 ^b	.000 ^b
	F	130.289	451.047	384.104	126.599	518.593
	R²	.344	.645	.608	.338	.676
Functional value of the service purchased	Sig.	.000 ^b	.000 ^b	.000 ^b	.000 ^b	.000 ^b
	F	129.256	534.343	231.978	85.157	378.282
	R²	.343	.683	.483	.256	.604

Functional value of price	Sig.	.000 ^b	.000 ^b	.000 ^b	.000 ^b	.000 ^b
	F	197.992	245.621	77.783	70.473	227.245
	R²	.444	.498	.239	.221	.478
Emotional value	Sig.	.000 ^b	.000 ^b	.000 ^b	.000 ^b	.000 ^b
	F	119.742	469.205	341.482	70.946	375.810
	R²	.326	.654	.579	.222	.602
Social value	Sig.	.000 ^b	.000 ^b	.000 ^b	.000 ^b	.000 ^b
	F	107.730	199.489	440.374	64.658	294.146
	R²	.303	.446	.640	.207	.543
Total perceived value	Sig.	.000 ^b	.000 ^b	.000 ^b	.000 ^b	.000 ^b
	F	214.381	863.454	507.345	121.678	849.879
	R²	.464	.777	.672	.329	.731
significant at 0.01						

1. Tangibles has a significant effect on perceived value as in the table. This table shows that F value is 214.381 at 0.01 significance level. The coefficient determination of R^2 is 0.464 which represents that tangibles has explained 46.4% variances of perceived value. Tangibles has separately a significant effect on all the dimensions of perceived value variable, and the highest effect is on the functional value of price since F value 197.992 which is significant at level 0.01, R^2 is 0.444 which means tangibles explains 44.4% variances of functional value of price. The lowest effect is on the social value since the F value is 107.730 which is significant at level 0,01 and R^2 is 0.303 which represents that tangibles explain 30.3% variances of social value.
2. Reliability & assurance dimension has a significant effect on perceived value. The same table shows that F value is 863.454 at 0.01 significance level. The coefficient determination of R^2 is 0.777 which represents that reliability & assurance explains 77.7% variances on perceived value. Reliability & assurance has separately a significant effect on all dimensions of perceived value variable, and the highest effect is on functional value of service purchased since the F value is 534.343 which is significant at level of 0.01 and R^2 is 0.683 which represents reliability & assurance explains 68.3% variance of functional value of service purchased. The lowest effect is on the

social value because the F value is 199.489 which is significant at level of 0.01 and R^2 is 0.446 which represents reliability & assurance explains 44.6% of variances of social value.

3. Responsiveness has a significant effect on perceived value and the same table shows that F value is 507.345 at 0.01 significance level. The coefficient determination of R^2 is 0.672 which represents that responsiveness explains 67.2% variances of perceived value. Responsiveness has separately a significant effect on all the dimensions of perceived value variable, and the highest effect is on the social value since F value is 440.374 which is significant at level of 0.01, R^2 is 0.640 which represents that responsiveness explain %64 variances of social value. The lowest effect is on the functional value of price since the F value is 77.783 which is significant at level of 0,01 and R^2 is 0.239 which represents that responsiveness explain 23.9% variances of functional value of price.
4. Empathy has a significant effect on perceived value: The same table shows that F value is 121.678 at 0.01 significance level. The coefficient determination of R^2 is 0.329 which represents that empathy explains 32.9% variances of perceived value. Empathy has separately a significant effect on all dimensions of perceived value variable, and the highest effect is on the functional value of establishment & personnel since the F value is 126.599 which is significant at level 0.01 and R^2 is 0.338 which represents that empathy explains 33.8% variances of functional value of establishment & personnel. The lowest effect is on the social value because the F value is 64.658 which is significant at level 0.01 and R^2 is 0.207 which represents that empathy explain 20.7% variances of social value.

5.2.3.2. Assessing the Effect of Service Quality on the Customer Service Loyalty

Table 27 represents the following results:

1. Tangibles has a significant effect on customer service loyalty and this table shows that F value is 188.395 at 0.01 significance level. The coefficient determination of R^2 is 0.432 which represents that tangibles explain 43.2% variances of customer service loyalty. Tangible has separately a significant effect on all the dimensions of customer service loyalty variable, and the highest effect is on the attitudinal loyalty since F value 250.787 which is

significant at level of 0.01, R^2 is 0.503 which represents that tangibles explains 50.3% variances of attitudinal loyalty. The lowest effect is on the cognitive loyalty since the F value is 9.133 which is significant at level of 0.01 and R^2 is 0.036 which represents that tangibles explains 03.6% variances of cognitive loyalty.

Table 27: The Effect of Service Quality on Customer Service Loyalty

		Service quality				
		Tangibles	Reliability & Assurance	Responsiveness	Empathy	Total service quality variable
Behavioral loyalty	Sig.	.000 ^b	.000 ^b	.000 ^b	.000 ^b	.000 ^b
	F	154.327	455.411	324.984	59.315	372.742
	R²	.384	.647	.567	.193	.600
Attitudinal loyalty	Sig.	.000 ^b	.000 ^b	.000 ^b	.000 ^b	.000 ^b
	F	250.787	346.818	378.124	125.780	613.888
	R²	.503	.583	.604	.337	.712
Cognitive loyalty	Sig.	.003 ^b	.000 ^b	.000 ^b	.000 ^b	.000 ^b
	F	9.133	18.556	23.418	32.063	30.546
	R²	.036	.070	.086	.114	.110
Customer service loyalty	Sig.	.000 ^b	.000 ^b	.000 ^b	.000 ^b	.000 ^b
	F	188.395	407.304	391.546	120.415	572.216
	R²	.432	.622	.612	.327	.698

significant at 0.01

2. Reliability & assurance has a significant effect on customer service loyalty. The same table shows that F value is 407.304 at 0.01 significance level. The coefficient determination of R^2 is 0.622 which represents that reliability & assurance explains 62.2% variances of customer service loyalty. Reliability & assurance has separately a significant effect on all dimensions of customer service loyalty variable, and the highest effect is on behavioral loyalty since the F value is 455.411 which is significant at level of 0.01 and R^2 is 0.647 which represents that reliability & assurance explains 64.7% variances of behavioral loyalty. The lowest effect is on cognitive loyalty because the F value is 18.556 which is significant at level of 0.01 and R^2 is 0.070 which represents that reliability & assurance explains 7% variances of cognitive loyalty.
3. Responsiveness has a significant effect on customer service loyalty and the same table shows that F value is 391.546 at 0.01 significance level. the coefficient determination of R^2 is 0.612 which represents that responsiveness explains 61.2% variances of perceived value. Responsiveness has separately a significant effect on all the dimensions of customer service loyalty variable, and the highest effect is on the attitudinal loyalty since F value 378.124 which is significant at level of 0.01, R^2 is 0.604 which represents that responsiveness explains 60.4% variances of attitudinal loyalty. The lowest effect is on the cognitive loyalty since the (F) value is 23.418 which is significant at level 0,01 and R^2 is 0.086 which represents that responsiveness explains 08.6% variances of cognitive loyalty.
4. Empathy has a significant effect on customer service loyalty: The same table shows that F value is 120.415 at 0.01 significance level. The coefficient determination of R^2 is 0.327 which represents that empathy explains 32.7% variances of customer service loyalty. Empathy has separately a significant effect on all dimensions of customer service loyalty variable, and the highest effect is on attitudinal loyalty since the F value is 125.780 which is significant at level of 0.01 and R^2 is 0.337 which represents that empathy explains 33.7% variances of attitudinal loyalty. The lowest effect is on the cognitive loyalty because the F value is 32.063 which is significant at level 0.01 and R^2 is 0.114 which represents that empathy explains 11.4% variances of cognitive loyalty.

5.2.3.3. Assessing the Effect of Perceived Value on the Customer Service Loyalty

Table 28 shows the following results:

1. Functional value of establishment & personnel has a significant effect on customer service loyalty and this table shows that F value is 361.343 at 0.01 significance level. The coefficient determination of R^2 is 0.593 which represents that functional value of establishment & personnel explains 59.3% variances of customer service loyalty. The functional value of establishment & personnel has separately a significant effect on all the dimensions of customer service loyalty variable. The highest effect is on the attitudinal loyalty because F value 388.080 which is significant at level of 0.01, R^2 is 0.610 which represents that functional value of establishment & personnel explains 61% variances of attitudinal loyalty. The lowest effect is on the cognitive loyalty since the F value is 16.367 which is significant at level of 0,01 and R^2 is 0.062 which represents that establishment & personnel explains 6.2% variances of cognitive loyalty.
2. Functional value of the service purchased has a significant effect on customer service loyalty and the same table shows that F value is 397.154 at 0.01 significance level. The coefficient determination of R^2 is 0.616 which represents that functional value explains 61.6% variances of perceived value. The functional value of the service purchased has separately a significant effect on all the dimensions of customer service loyalty variable, and the highest effect is on the behavioral loyalty since F value 484.800 which is significant at level of 0.01, R^2 is 0.662 which represents that functional value of the service purchased explains 66.2% variances of behavioral loyalty. The lowest effect is on the cognitive loyalty since the F value is 30.216 which is significant at level of 0,01 and R^2 is 0.106 which represents that functional value of the service purchased explains 10.6% variances on cognitive loyalty.
3. Functional value of price has a significant effect on customer service loyalty: The same table shows that F value is 196.741 at 0.01 significance level. The coefficient determination of R^2 is 0.442 which represents that functional value of price explains 44.2% variances of customer service loyalty. Functional value of price has separately a significant effect on all dimensions of customer service loyalty variable, and the highest effect is on behavioral

loyalty since F value is 161.860 which is significant at level of 0.01 and R^2 is 0.395 which represents that functional value of price explains 39.5% variances of behavioral loyalty. The lowest effect is on cognitive loyalty because the F value is 31.440 which is significant at level of 0.01 and R^2 is 0.113 which represents that functional value of price explains 11.3% variances of cognitive loyalty.

4. Emotional value has a significant effect on customer service loyalty: The same table shows that F value is 461.192 at 0.01 significance level. The coefficient determination of R^2 is 0.650 which represents that emotional value explains 65% variances of customer service loyalty. Emotional value has separately a significant effect on all dimensions of customer service loyalty variable, and the highest effect is on behavioral loyalty since the F value is 659.817 which is significant at level of 0.01 and R^2 is 0.727 which represents that emotional value explains 72.7% variances of behavioral loyalty. The lowest effect is on the cognitive loyalty because the F value is 13.065 which is significant at level of 0.01 and R^2 is only 0.050 which represents that emotional value explains 5% variances of cognitive loyalty.
5. Social value has a significant effect on customer service loyalty: The same table shows that F value is 282.193 at 0.01 significance level. The coefficient determination of R^2 is 0.532 which represents that social value explains %53.2 variances of customer service loyalty. Social value has separately a significant effect on all dimensions of customer service loyalty variable, and the highest effect is on behavioral loyalty because the F value is 316.746 which is significant at level of 0.01 and R^2 is 0.561 which represents that social value explains 56.1% variances of behavioral loyalty. The lowest effect is on the cognitive loyalty because the F value is 13.024 which is significant at level 0.01 and R^2 is 0.050 which represents that social value explains 5% variances of cognitive loyalty.

Table 28: The effect of Perceived Value on customer service loyalty

		Perceived Value					
		Functional value of establishment & personnel	Functional value of the service purchased	Functional value of price	Emotional value	Social value	Total Perceived Value variable
Behavioral loyalty	Sig.	.000 ^b	.000 ^b	.000 ^b	.000 ^b	.000 ^b	.000 ^b
	F	330.843	484.800	161.860	659.817	316.746	857.657
	R²	.572	.662	.395	.727	.561	.776
Attitudinal loyalty	Sig.	.000 ^b	.000 ^b	.000 ^b	.000 ^b	.000 ^b	.000 ^b
	F	388.080	234.588	144.622	405.785	264.204	565.346
	R²	.610	.486	.368	.621	.516	.695
Cognitive loyalty	Sig.	.000 ^b	.000 ^b	.000 ^b	.000 ^b	.000 ^b	.000 ^b
	F	16.376	30.216	31.440	13.065	13.024	26.418
	R²	.062	.109	.113	.050	.050	.096
Customer service loyalty	Sig.	.000 ^b	.000 ^b	.000 ^b	.000 ^b	.000 ^b	.000 ^b
	F	361.343	397.154	196.741	461.192	282.193	767.776
	R²	.593	.616	.442	.650	.532	.756

significant at 0.01

The important finding of the effects among the variables of the research is well represented in the Table 29. This table shows that the effect of total service quality variable on total service loyalty variable is represented by F value which is 572.216 at significance level of 0.01, and the coefficient determination of R² is 0.698 which represents that overall service quality explains 69.8% variances of overall customer service loyalty, and the effect of total perceived value variable on total customer service loyalty is represented by F value which is 767.776 at significance level of 0.01, and the coefficient determination of R² is 0.756 which represents that overall perceived value explains 75.6% variances of overall customer service loyalty. The effect of total service quality on total perceived value variable is also represented by

F value which is 849.876 at a significance level of 0.01 and the value of R^2 is 0.731 which represents that overall service quality explains 77.4% variances of overall perceived value.

Table 29: The Regression Among the Variables

		Service Quality	Perceived Value
Customer Service Loyalty	Sig.	.000 ^b	.000 ^b
	F	572.216	767.776
	R²	.698	.756
Perceived Value	Sig.	.000 ^b	
	F	849.879	
	R²	.731	

significant at 0.01

After correlation and regression analyses of the variables of service quality, perceived value, and customer service loyalty, researcher determines the mediation effect of perceived value on the relationship between service quality and customer service loyalty.

5.2.4.The Mediating Role of Perceived Value Variable:

The research has examined the mediating role of perceived value on the relation with service quality and customer service loyalty, and the correlation among the variables of the research and it attempts to investigate whether the hypothesis of the research is confirmed and related to the association of the research variables. This hypothesis was formulated according to the problem of the research and main hypothesis stated that perceived value mediated the relationship between service quality and customer service loyalty.

The main hypothesis states that perceived value mediates the relationship between service quality and customer service loyalty. The mediation analyses of perceived

value on the relationship between service quality and customer service loyalty show that Table 30 below indicates the mediation analysis results related to the mediating role of the perceived value on the relationship between service quality and customer service loyalty. The first step regression analysis illustrated that service quality was significantly related to customer service loyalty. The second step shows that there was a significant relationship between service quality and perceived value. The third step analysis indicated perceived value is related to customer service loyalty when controlling for service quality.

Finally, evaluating the results in the first and third step regression analysis, it could be seen reducing the beta coefficient of service quality ($0,402 < 0,836$) and values were still significant ($p < 0,01$). So H_1 was accepted and perceived value partially mediated the relationship between service quality and customer service loyalty.

Table 30: Mediation Role Analyses of Perceived Value on the Relationship between Perceived Service Quality and Service Loyalty

Main Hypothesis (H₁)			
Hypotheses 1- First Step Regression Analysis H_{1a}			
Dependent Variable: Customer Service Loyalty			
Independent Variable: Service Quality		Beta	t
		0.836	23.983
R=0.836	Adjusted R ² =0.698	F = 575.200	p =0.000
Hypotheses 1- Second Step Regression Analysis H_{1b}			
Dependent Variable: Perceived Value			
Independent Variable: Service Quality		Beta	t
		0.855	25.938
R=0.855;	Adjusted R ² = 0.731	F = 672.792;	p =0.000
Hypotheses 1- Third Step Regression Analysis H_{1c}			
Dependent Variable: Customer Service Loyalty			
Independent Variables:		Beta	t
Service Quality		0.402	6.810
Perceived Value		0.508	8.597
R=0.876;	Adjusted R ² =0.766;	F = 409.104;	p =0.000

5.2.5. Disparity in the Demographic Characteristics

For the purpose of examining whether there are any differences in terms of demographic characteristics of the research in the service quality, perceived value, and customer service loyalty variables, the researcher used independent sample t-test and variance analysis (F test). In addition, distribution of demographic

characteristics are illustrated in Appendix 4. For this purpose, the researcher set five hypotheses to accept or reject the results of the test as following:

5.2.5.1. Gender Differences:

As shown in Table 31 below, there are no significant differences in the gender of the sample of the research since all the values of significance level for all main variables (service quality, perceived value, and customer service loyalty) are above (0.05), so there is a strong justification to reject $2H_1$.

Table 31: Independent Sample Test Results for Gender

	Gender	n	Mean	Std. Deviation	F	Sig.
Service Quality	Male	170	4.3699	.51181	.017	.896
	Female	80	4.3799	.65312		
Perceived Value	Male	170	4.3970	.59407	.154	.695
	Female	80	4.4295	.64673		
Customer Service Loyalty	Male	170	4.0440	.43970	.004	.952
	Female	80	4.0402	.49583		

Significant at the 0.01 level (2-tailed).

Significant at the 0.05 level (2-tailed).

N=250

5.2.5.2. Age Differences

As shown in the Table 32 below:

1. In the service quality, the highest mean, which is 4.5253, belongs to the frequency of the age from 31 to 40 years and the standard deviation is 0.38261. F value for this variable is 5.643 and the value of significance level is 0.01. Tukey test results indicate that service quality perception of customers whose ages are less than 20 represent statistically significant differences for those whose ages more than 20 (the groups of 20-30, 31-40, 41-50, and more than 50). Mean score for service quality perception of customers whose ages more than 20 are higher than those who are less than 20 (4.3452, 4.5253, 4.3607, 4.3497 > 3.9313).
2. In the perceived value, the highest mean, which is 4.5802, belongs to the frequency of the age between 31 & 40 years too, and the standard deviation is 0.38261. F value for this variable is 5.662 and the value of significance level is 0.01. Tukey test results show value perception of customers whose ages are

less than 20 exhibit statistically significant differences from those whose ages from 31 to 40. Mean score for value perception of customers whose ages between 31 to 40 are higher than those are less than 20 ($4.5802 > 3.9432$).

3. In the customer service loyalty, the highest mean, which is 4.1520, belongs to the frequency of the age from 31 to 40 years too, and the standard deviation is 0.41268. F value for this variable is 3.886 and the value of significance level is 0.01. Results of Tukey test indicate service loyalty of customers whose ages are less than 20 exhibit statistically significant differences from the age groups of 20-30, 31-40, and 41-50 are higher than those who are less than 20 ($3.9968, 4.1520, 4.1038 > 3.8076$). Therefore, $3H_1$ hypothesis is partially supported.

Table 32: F-Test Results for Age

	Age	n	Mean	Std. Deviation	F	Sig.
Service Quality	Less Than 20	23	3.9313	.78146	5.643	.000
	20 - 30	65	4.3452	.62055		
	31 - 40	87	4.5253	.38261		
	41 - 50	45	4.3607	.49684		
	More Than 50	30	4.3497	.58323		
Perceived Value	Less Than 20	23	3.9432	.89597	5.662	.000
	20 - 30	65	4.3645	.57397		
	31 - 40	87	4.5802	.45228		
	41 - 50	45	4.4221	.55587		
	More Than 50	30	4.3331	.71831		
Customer Service Loyalty	Less Than 20	23	3.8076	.61540	3.886	.004
	20 - 30	65	3.9968	.39126		
	31 - 40	87	4.1520	.41268		
	41 - 50	45	4.1038	.40440		
	More Than 50	30	3.9146	.55763		
Significant at the 0.01 level (2-tailed).						
Significant at the 0.05 level (2-tailed).						

5.2.5.3. Education Differences.

As shown in the Table 33 below:

1. In the service quality, the highest mean, which is 4.6061, belongs to the frequency of high school and the standard deviation is 0.29541. F value for this variable is 14.026 and the value of significance level is 0.01. Analyses of Tukey test indicate that service quality perception of customers graduated from doctorate level represent statistically significant differences from those graduated secondary as well as high school, bachelor, and master degrees. In addition, service quality perception of customers graduated from primary school significantly differentiates from those graduated from secondary as well as high school, bachelor, masters, and doctorate degree. However, customers graduated from primary school as well as doctorate degree are only 7 and 10 individuals, respectively in present research. Therefore, those differentiations can not be evaluated with parametric tests.
2. In the perceived value, the highest mean, which is 4.6835, belongs to the frequency high school too, and the standard deviation is 0.31476. F value for this variable is 11.191 and the value of significance level is 0.01. These significant differences come from the groups of primary school and doctorate degree, so we could not mention about the education differences in perceived value because of sample sizes of these two groups.
3. In the customer service loyalty, the highest mean, which is 4.3516, belongs to the frequency of high school too, and the standard deviation is 0.25155. F value for this variable is 12.585 and the value of significance level is 0.01. Tukey test results represent that service loyalty of customers graduated from high school significantly differentiates from customers graduated from secondary school. Mean score for service loyalty of customers graduated from high school has been higher than those graduated from secondary school ($4.3516 > 3.9168$). On the other hand, we could not mention about the education differences in the groups of primary school as well as doctorate degree due to the groups' size.

Therefore, $4H_1$ hypothesis is partially supported.

Table 33: F-Test Results for Education Levels

	Education Level	n	Mean	Std. Deviation	F	Sig.
Service Quality	Primary	7	3.0000	.00000	14.026	.000
	Secondary	36	4.3989	.63851		
	High School	33	4.6061	.29541		
	Bachelors Degree	131	4.3893	.53398		
	Masters Degree	33	4.4752	.42576		
	Doctorate Degree	10	3.9240	.26563		
Perceived Value	Primary	7	3.2083	.00000	11.191	.000
	Secondary	36	4.3103	.76981		
	High School	33	4.6835	.31476		
	Bachelors Degree	131	4.4646	.54982		
	Masters Degree	33	4.4535	.58114		
	Doctorate Degree	10	3.7842	.39792		
Customer Service Loyalty	Primary	7	3.2824	.00000	12.585	.000
	Secondary	36	3.9168	.42076		
	High School	33	4.3516	.25155		
	Bachelors Degree	131	4.0796	.44772		
	Masters Degree	33	4.0453	.44528		
	Doctorate Degree	10	3.5197	.29646		

Significant at the 0.01 level (2-tailed).

Significant at the 0.05 level (2-tailed). N=250

5.2.5.4.Period of Dealing with the Bank.

As shown in Table 34 below, in the service quality, the highest mean, which is 4.5517, belongs to the frequency of 6-10 years of dealing with the bank, and the standard deviation is 0.36365. F value for this variable is 4.422 and the value of significance level is 0.01. Tukey test results show service quality perception of customers who have dealt with the bank for 6-10 years significantly differentiate from those who have dealt with the bank for less than a year ($4.5517 > 4.1640$).

1. Mean score for service quality perception of customers dealt with the bank for 6-10 years are higher than the customers dealt with the bank for less than a year.
2. In the perceived value, the highest mean, which is 4.5795, belongs to the frequency of 6-10 years of dealing with the bank too, and the standard deviation is 0.43365. F value for this variable is 11.191 and there is no significant difference since the significance value is above 0.05.
3. In the customer service loyalty, the highest mean, which is 4.0880, belongs to the frequency of 6-10 years of dealing with the bank too, and the standard deviation is 0.39173. F value for this variable is 2.087 and there is no significant difference since the significance value is above 0.05.

Therefore, 5H₁ hypothesis is partially supported.

Table 34: F-Test Results for Dealing with the Bank

Service Quality	Less Than a year	50	4.1640	.72789	4.422	.002
	1 - 5	50	4.3518	.55861		
	6 - 10	72	4.5517	.36365		
	More Than 10 years	78	4.3336	.55001		
Perceived Value	Less Than a year	50	4.2831	.72080	2.388	.052
	1 - 5	50	4.4143	.54033		
	6 - 10	72	4.5795	.43365		
	More Than 10 years	78	4.3195	.70370		
Customer Service Loyalty	Less Than a year	50	3.9286	.54659	2.087	.083
	1 - 5	50	4.1212	.41143		
	6 - 10	72	4.0880	.39173		
	More Than 10 years	78	4.0039	.47617		

Significant at the 0.01 level (2-tailed).

Significant at the 0.05 level (2-tailed).

N=250

5.2.5.5. Monthly Income Differences

As shown in the Table 35 below:

1. In the service quality, the highest mean, which is 4.5933, belongs to the frequency of “more than 8 million” Iraqi Dinars, and the standard deviation is 0.07506. F value for this variable is 2.311 and there is no significant difference since the significance value is above 0.05.
2. In the perceived value, the highest mean, which is 4.8861, belongs to the frequency of “more than 8 million” Iraqi Dinars too, and the standard deviation is 0.10104. F value for this variable is 1.819 and there is no an important difference since the significance value is above 0.05.
3. In the customer service loyalty, the highest mean, which is 4.3548, belongs to the frequency of “more than 8 million” Iraqi Dinars too, and the standard deviation is 0.00535. F value for this variable is 3.720 and the value of significance level is 0.01. Analyses of Tukey tests indicate that customers whose income are more than 8 million Iraqi Dinars significantly differentiate from those whose monthly income are from 1 to 4 million. However, customers who earn more than 8 million are only 7 individuals in the present study, so this differentiation should be examined with non-parametric tests.

Therefore, there is a justification to reject the $6H_1$ hypothesis.

Table 35: F-Test Results for Monthly Income

	Monthly Income	n	Mean	Std. Deviation	F	Sig.
Service Quality	Less Than a Million	88	4.4368	.42123	2.311	.058
	1 - 4	92	4.2566	.66704		
	5 - 8	63	4.4122	.55650		
	More Than 8 Million	7	4.5933	.07506		
Perceived Value	Less Than a Million	88	4.4300	.58075	1.819	.126
	1 - 4	92	4.3204	.63462		
	5 - 8	63	4.4472	.62290		
	More Than 8 Million	7	4.8861	.10104		
Customer Service Loyalty	Less Than a Million	88	4.0800	.35536	3.720	.006
	1 - 4	92	3.9183	.48221		

	5 - 8	63	4.1332	.52314		
	More Than 8 Million	7	4.3548	.00535		

Significant at the 0.01 level (2-tailed).

Significant at the 0.05 level (2-tailed).

N=250

Note: Each 1000 Iraqi Dinars = 2,78 Turkish Lira

6-CONCLUSIONS AND RECOMMENDATIONS

6.1.Conclusions

The following is a sum of conclusions that are reached by the researcher which represent the interpretations of the results determined in the practical part of the research.

1. The research clarified that the dimension of reliability & assurance is important for both banks since the banks correctly perform the service right the very first time while the services are performed within the promised time is the least important one.
2. The research showed that the dimensions tangibles and responsiveness are dissimilarly significant for customers of the banks.
3. The research proved that there is a great concern in the dimension of empathy but they are less concern with the matter of presenting an individual attention to the customers.
4. The research showed that the functional value of the installations & professionalism is acceptable in both banks, whereas the customers don't feel at ease when they deal with both bank within the dimension of functional value of the service purchased.
5. The research proved that functional value of price, emotional value, and social value represented great emphasis for customers.
6. The research assured that the dimension of behavioral loyalty within customer service loyalty represented a great importance.
7. It is clear that the sub-dimensions of the attitudinal loyalty in both banks represented great importance too for customers. Their desire to recommend the bank to someone who asks their advice represented the magnitude item within the sub-dimension of willingness to recommend.

8. The research clarified that the cognitive loyalty was less important in most of its sub-dimensions even they all of them were above the assumed average, and the customers may consider using services of other banks rather than these bank within the dimension of cognitive loyalty.
9. The research concluded that there is a significant relationship between service quality with its dimensions and the perceived value variable with all of its dimensions. That confirms the results that reached by (Lee and Moghavvemi, 2015). This interprets the strength of the concern of managements of the banks in the object of presenting their services with high quality to attain perceived value for their customers.
10. The research showed that service quality with all of its dimensions has a relationship with all the dimensions of customer service loyalty except two sub-dimensions of the cognitive loyalty since the research showed fragility in the relationship with the dimensions of the willingness to pay more and perceived service quality. This finding is consistent with the results of previous researches of (Brady & Robertson, 2001; Caceres & Pappadimitriou, 2007) . In general, there is a relationship between service quality and this major dimension as a whole.
11. The research concluded that the perceived value with all of its dimensions has a relationship the customer service loyalty with all of its dimensions and this result is similar to previous studies carried out in banking sector (Roig et al., 2006,) except two sub-dimensions of the cognitive loyalty. Since the research showed weak relationship between the dimensions of the willingness to pay more and perceived service quality. But in general, there is a relationship between perceived value and this major dimension as a whole.
12. The research confirmed the strong correlations among the three variables of the research in both banks, which are represented by service quality, perceived value, and customer service loyalty.
13. The research absolutely proved the impact of service quality variable with all its dimensions on the variable of perceived value with all of its dimensions which is consistent with the findings of Gumussoy and Koseoglu (2016: 526) viz, a high percentage of perceived value is predicted by service quality and the researchers applied the SERVPERF scale too.

14. The research showed clearly that service quality with all of its dimensions affects all the dimensions of the variable of customer service loyalty while the study of Kheng et al. (2010: 61), which applied the SERVQUAL instrument, showed that some dimensions of service quality have no significant effect on customer loyalty.
15. The research assured without any doubt that all the dimensions of perceived value have the powerful impact on all the dimensions of customer service loyalty and this is similar to the findings of Hasan et al. (2014: 147) and perceived value was measured using seven items measurement adapted from Roig et al. (2006).
16. In general, the research proved that there is an obvious impact for the service quality variable on the perceived value and customer service loyalty.
17. The concept of perceived value in the Iraqi sample of this research is obviously distinguished since it proved for the first time that only quality of service is relatively lack of enhancing customer service loyalty. So, improving value perception of customers with quality service is crucial for customer loyalty
18. The research showed clearly that there are no significant differences in the gender of the sample of the research for all main variables (service quality, perceived value, and customer service loyalty).
19. The research proved that there are significant differences among means of the age groups of the sample in service quality, perceived value, and customer service loyalty.
20. The research showed clearly that there are no significant differences in the monthly income of the sample of the research for all main variables (service quality, perceived value, and customer service loyalty).
21. The results of the research indicate significant education differences in customer service loyalty.
22. Service quality perception of customers who dealt with the bank for 6-10 years differentiate from those who have dealt with the bank for less than a year.
23. Conducting such research may encourage the other researchers to conduct further researches in the Iraqi banking service sector despite of the unstable security context in Iraq.

6.2.Recommendations

Below is a set of applicable recommendations and suggestions which are put in the light of the results of the practical part of the research:

- 1- The results of this research refer to the mediating role of perceived value on the relationship between service quality and customer service quality. Thus, managements of private banks in Iraq should utilize these results in order to emphasize excellent service quality for their customers that leads to perceived value and then be loyal to their services.
- 2- The managements of private banks should be ascertained that service was accomplished right the very first time and make sure that all the promises which are made to the clients are kept in terms of delivering the service. Management should also make sure that their employees become experts in their specialization in order to know the precise needs of their customers since they logically seek for banks that keep their promises, provide prompt service, and have employees that are competent and willing to help them.
- 3- Private banks should set the training programs for their employees to be more concern with the matter of presenting an individual attention to their customers.
- 4- Private banks in Iraq have to be more concern with the matter of presenting an individual attention to the customers and put the relevant programs for training their personnel to deal directly with their customers.They must pay more personal attention for them since this is closely related to their belief that the functional value of establishments and professionalism is highly important for them, therefore the banks should enhance the programs of making the personnel know their job well, and the make their customers feel at ease when they deal with banks.
- 5- The banks under research should choose the locations that are suitable for their clients to find and access to the banks because their customer practising some difficulties with regard to this object.
- 6- Since customers sometimes give their business to another financial service providers that provide the same type of service, rather than relevant banks, the private banks in Iraq should deepen their researches and studies to

encourage their customers to stick to them and then be highly loyal to their services rather rendering their need of the services to another service provider.

- 7- Managements of private banks should investigate and diagnose the hidden causes behind the failures of low levels of sub-dimensions of cognitive loyalty and set the strategies that raise levels of these dimensions to make sure that customers become more loyal to their financial services.
- 8- Since the research proved that there is a significant direct relationship between the delivery of service quality and customer loyalty, this can help managers of private banks to determine the dimensions of service quality which need to be improved.
- 9- As a critical success component, service quality can be used by the managers to influence the competitive position of the banks among the others. These private banks should differentiate themselves from the other competitors which can help them providing superior quality of services. These banks should develop strategies which enhance their competitive position.
- 10- Managers of Private banks should invest in training employees in programs that provide them with an understanding of service superiority and service culture. Such programs prefer to pay certain to the interpersonal communication factor in addition to the factor of customer care for the purpose of being able to meet their needs for individualized service. Interactions with customers through utilizing a professional approach by personnel will surely allow the service to be provided emphatically and that may remedy the failures of services and guaranty the delivery of service would be consistent with the service as promised. This will ensure creating and capturing value and result in making customer be loyal to the financial services of the private banking sector in Iraq.
- 11- Managers of private banks should understand the service quality dimensions that are relevant in the private banking sector which reinforce positive perceived value. Bank managers should also develop systematic measurement programs to assess service quality and perceived value periodically, and the staff of their bank should be informed about the results and encouraged to play a role in formulating the loyalty strategy that would be effective.

- 12- The banks that are compelled to this research should clarify their bank statements so the customers will be able to see exactly without any doubt what the banks charge them for the services they get. This contributes to creating perceived value.
- 13- Private banks should ease their billing system so that their customers can find it simpler to learn how they are charged for their financial services. Thus, if clients perceive that they are getting value for the money they pay, they will have no reason to switch from those banks to another.
- 14- The board of directors of private banks would rather implement a program that improves customer loyalty to create and perpetuate long-lasting relationships with their customer in order to enhance the competitive advantage and improve their profitability. They should perform a marketing strategy that enforces the customer loyalty which requires long-term commitment and perception of service quality, and customer value from the customer's viewpoint on the whole experience of the banks.
- 15- Management of private banks should attempt to maintain a long-lasting relationship with the customers since loyal customers take less of the bank's time and efforts during transactions and are less sensitive to price changes. High customer loyalty, in fact, increases revenues twice as much as the rate of the competitors of the banks or even more.
- 16- In the light of the research results, and because of the non-significant differences in the gender of the sample of the research for all main variables (service quality, perceived value, and customer service loyalty), private banks should formulate the strategies that encourage the business women to use the services of the banks rather than using the traditional methods of getting financial services from other establishments.
- 17- Because of the significant differences among means of the age and the education levels of the sample in the main variables, the private banks should put the necessary programs that encourage the well-educated youth individuals to play an important role in the process of developing the economy of the country and giving them distinguished privileges for investing their savings in a fast growing and profitable projects.
- 18- Since there are no significant differences in monthly income of the sample of the research for all main variables (service quality, perceived value, and

customer service loyalty), private banks in Iraq should pay special attention to all levels of customers.

- 19- More qualitative researches are needed in order to further elaborate the elements of service quality, customer perceived value, and customer service loyalty in an unstable security contexts such as that in Lybia and Syria as well as other stable security contexts as in Turkey and Spain.
- 20- There are monetary and non-monetary costs such as search costs, time costs, and physical costs. These costs were not included in this study and they could be important variables in consumers' judgments of perceived value. So the other researchers are invited in the future to search deeply into such quantitative subjects.

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APPENDICES

APPENDIX 1: Questionnaire in English

Dear Respondents,

You are invited to participate in this survey on the research about assessing the impact of service quality and perceived value on the customer service loyalty in the Iraqi banking sector. This research is part of the fulfillment of completing my Masters degree in Business Administration from Yildiz Teknik University of Turkey. I would appreciate if you could spare some time and thought in completing the survey questionnaires. This questionnaire consists of four parts. The first part consists of questions about your demographic profile; the second part is about the service quality, the third part is perceived value, and the fourth part is customer service loyalty. All provided information in this survey will by no means reflect the identity of the participants. It will be kept strictly confidential and will be used merely for academic purposes. Thank you for your cooperation.

Your's Sincerely

Hussein Sabah Al-Chalabi

Assist. Professor Dr. Aygül TURAN

e.mail: cabuhasan@yahoo.com

The Advisor

Viber: 009647832881877

Part A: Respondent Profiles: This section intends to get information related to the respondents' demographic background.

- 1. Gender:** Male Female
- 2. Age (Years):** Less than 20 20-30 31-40 41-50 More than 50
- 3. Education level:** Primary Secondary High school
Bachelors Degree Masters Degree Doctorate Degree
- 4. How long have you been customer of this bank?**
Less than a year 1-5 years 6-10 years More than 10 years
- 5. Monthly Income (Iraqi Dinar):** Less than million ID 1-4 million ID.
5-8 million ID. More than 8 million ID.

Note: For all the following three parts(B,C, and D) Please indicate your opinion by marking the appropriate number using the scale below:

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

Part B; Assessment the degree of the variable of service quality:

Dimension	Item	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
		1	2	3	4	5
Tangibles	1) The bank has modern-looking equipment.					
	2) The bank's physical facilities are visually appealing.					
	3) The bank's employees are neat appearing.					
	4) Materials associated with the service (such as forms, brochures, statements etc.) visually appealing at the bank.					
Reliability	5) The services are performed within the promised time.					
	6) When I have a problem, The bank's employees show sincere interest in solving the problem.					
	7) The bank correctly performs the service right the very first time.					
	8) The bank provides its service right the first time.					
	9) The bank insists on error free records.					
Responsive-ness	10) In this bank I do not spent much time waiting in line.					
	11) The bank's employees are always willing to help.					
	12) The bank's employees are quick in eliminating potential errors.					
	13) The bank's employees quickly respond to my requests.					
Assurance	14) The bank's employees are trustworthy.					
	15) I feel safe in my transactions with this bank.					
	16) The bank's employees consistently courteous towards me.					
	17) The bank's employees have the knowledgeable to answer my questions.					
Empathy	18) The bank provides me an individual attention.					
	19) this bank has convenience operating hours to my needs.					
	20) The bank has employees who give me personal attention.					
	21)The bank considers my wishes and needs.					
	22) The bank's employees show understanding of my specific needs.					

Part C: Assessing the degree of the variable perceived value:

Dimension	Item	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
		1	2	3	4	5
Functional value of the establishment (installations)	23) The installations in the bank favour the confidentiality and the privacy of dealings.					
	24) It seems this bank is tidy and well organised.					
	25) The installations of the bank are spacious, modern and clean.					
	26) This bank is easy to find and accessible.					
Functional value contact personnel (professionalism)	27)The personnel at the bank know their job well.					
	28) The personnel's knowledge of the bank is up to date.					
	29) The information provided by the personnel of the bank has always been very valuable to me.					
	30) The personnel of the bank have knowledge of all the services offered by the entity.					
Functional value of the service purchased (quality)	31) The service of this bank as a whole is correct.					
	32) The quality at the bank has been maintained all of the time.					
	33) The level of quality at the bank is acceptable in comparison with other banks.					
	34) The results of the service received from the bank were as expected.					
Functional value (price)	35) The payment of interest or commission in the bank is fully justified.					
	36) The service at the bank is good for the expense it causes me.					
	37) The total cost at the bank that it causes me is reasonable.					
Emotional value	38) I am happy with the financial services contracted at the bank .					
	39) I feel relaxed dealing with the bank.					
	40) The personnel at the bank give me positive feelings.					
	41) The personnel at the bank don't hassle me.					
	42) In general I feel at ease when I deal with this bank .					
Social value	43) The bank is very well considered					

	at a social level.					
	44) The fact that I come here at this bank, looks good to the people I know.					
	45) Many people I know deal with the bank.					

Part D: Assessing the degree of the variable service loyalty:

Dimension	Item	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
		1	2	3	4	5
Behavioral						
1-Repurchase intentions	46) I will probably use the services of the bank again.					
	47) I intend to repurchase services from this bank again in the future.					
	48) It is possible that I will use the bank's services in the future.					
2-Switching intentions	49) There is no any likelihood that I would switch to another bank, other than this bank .					
	50) Regardless of the circumstances, I will probably continue making business with the bank .					
	51) I will certainly stay dealing with the bank in the future.					
3-Exclusive purchasing intentions	52) I do all of my business with the bank when I need this type of service.					
	53) I sometimes give my business to another service provider, rather than this bank that provides the same type of service (Negative)					
	54) This bank gets the majority of my business when I need this type of service.					
	55) I deal exclusively with this bank.					
Attitudinal						
1-Strength of preference	56) I prefer this bank in comparison to the other service providers in this category.					
	57) I would rank the bank as #1 amongst the other service providers I listed.					
	58) The bank provides the best service among the alternatives I listed earlier.					
	59) Compared to this bank, there are few alternatives with whom I would be satisfied.					
2-Willingness to recommend	60) I say positive things about the bank to other people.					

	61) I recommend the bank to someone who asks my advice.					
	62) I encourage friends and relatives to do business with the bank .					
3-Altruism	63) I am likely to do whatever I can to help the bank do better.					
	64) I purchase services from this bank because I like to give it my business.					
	65) I will go out of my way to assist the bank .					
Dimension	Item	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
		1	2	3	4	5
Cognitive						
1-Willingness to pay more	66) I am likely to pay a little bit more for using the bank.					
	67) Price is not an important factor in my decision to remain with the bank.					
	68) If this bank were to raise the price of its services by 10%, I would likely remain.					
	69) I am willing to pay more for the bank's services.					
2-Exclusive consideration	70) I know many banks that provide the same services.					
	71) I may consider using services of other banks rather than this bank. (negative)					
3- Identification with the bank	72) This bank says a lot about who I am					
	73) I think of this bank as "my" service bank.					
4-Perceived service quality	74) Overall, I consider the bank's service to be excellent					
	75) I believe that the general quality of this bank's service is low. (negative)					
	76) The quality of the bank's service is of a very high standard.					
	77) The bank provides superior service in every way.					

1-2-5-The Procedural Definitions:

Service Quality: the extent to which a service meets customers' needs or expectations.

Reliability: The ability to perform the promised service dependably and accurately.

Assurance: The knowledge and courtesy of employees and their ability to convey trust and confidence.

Tangibles: The appearance of physical facilities, equipment, personnel and communication materials.

Empathy: The provision of caring, individualized attention to customers.

Responsiveness: The willingness to help customers and to provide prompt service.

Perceived Value: Is the consumer's overall assessment of the utility of a product based on perceptions of what is received and what is given.

functional value: Is viewed as tangibles related to price, service quality, contact personnel, and value of the installations of the bank entity.

Social value: Is viewed as personal beliefs, social integration, as well as opinion and references of relatives and/or friends.

Emotional value: Is viewed as the proposition of the non-physical features and may include good psychological climate; relaxation and certainty for financial operations security; comfort; reliability and satisfaction; positive emotions and experiences.

Customer Service Loyalty: Is the degree to which a customer exhibits repeat purchasing behavior from a service provider, possesses a positive attitudinal disposition toward the provider, and considers using only this provider when a need for this service arises.

Behavioral Loyalty: the purchase intentions, switching intentions, and exclusive intentions.

Attitudinal Loyalty: The relative attitude, willingness to recommend, and the altruism.

Cognitive Loyalty: The customer believes the product to be superior to others and thus, chooses it over others.

APPENDIX 2: The Questionnaire in Arabic:

الاستبانة

عزيزي الزبون – تحية طيبة

نود ان نوجه الدعوة في الأسهم بالمسح الخاص بالبحث حول قياس تاثير جودة الخدمة والقيمة المدركة في ولاء الزبون للخدمة في القطاع المصرفي العراقي . وأن هذا البحث هو جزء من متطلبات اكمال حصولي على شهادة الماجستير في ادارة الاعمال من جامعة يلدرز التقنية التركية . سوف اكون ممتنا لتفضلكم بتخصيص جزء من وقتكم الثمين في استكمال استبانة البحث . ان هذه الاستبانة تتكون من اربعة محاور. المحور الاول: يضم على مجموعة من التساؤلات ذات العلاقة بالجوانب الديموغرافية ,والمحور الثاني عن جودة الخدمة , المحور الثالث عن القيمة المدركة, اما المحور الرابع والاخير فيدور عن ولاء الزبون للخدمة . كما ان كل المعلومات التي ستقدم في هذا المسح لن يفصح فيها عن هوية مقدم البيانات وستكون سرية وتستخدم فقط للأغراض الأكاديمية.

نشكركم على حسن تعاونكم

المخلص

الطالب

المشرف العلمي

الأستاذ المساعد الدكتورة أيكول توران

حسين صباح الجلبى

e.mail: cabuhasan@yahoo.com

Viber: 009647832881877

المحور الاول:

المعلومات الشخصية : يتعلق هذا الجزء بالمعلومات ذات العلاقة بالخلفية الديموغرافية للزبون

1-الجنس : ذكر انثى

2- العمر (السنين) : اقل من 20 من 20-30

31-40 41-50 اكثر من 50

3- التحصيل الدراسي : ابتدائية متوسطة اعدادية

كلوريوس ماجستير دكتورة

4- منذ متى وانت زبون لهذا المصرف (بالسنوات) : اقل من سنة 1-5

6- 10 اكثر من عشر سنوات

5- الدخل الشهري بالدينار العراقي: اقل من مليون 1-4 مليون 5-8 مليون اكثر من 8 مليون

ملاحظة: الرجاء وضع إشارة (√) تحت الرقم المناسب لكل عبارة من خلال استخدام المقياس الخماسي الاتي:

5	4	3	2	1
اتفق تماما	أتفق	محايد	لا أتفق	لا أتفق تماما

المحور الثاني: قياس درجة المتغير المستقل جودة الخدمة

البعد	العبرة	لا أتفق تماما	لا أتفق	محايد	أتفق	أتفق تماما
		1	2	3	4	5
الملموسية	(1) تتوفر لدى المصرف تجهيزات ومعدات مصرفية ذات تقنية متطورة عالية.					
	(2) تعد المرافق والصالات جذابة للعيان.					
	(3) يتمتع موظفو المصرف بمظهر جذاب.					
	(4) أن اللوازم المرتبطة بالخدمة مثل الأستمارات والكتيبات والكشوفات المستخدمة في المصرف تبدو جذابة للعيان					
المعولية	(5) يلتزم العاملون في المصرف بتنفيذ الخدمات للزبائن في الاوقات المحددة.					
	(6) يهتم المصرف بمشاكل للزبائن والاجابة السريعة عن استفساراتهم.					
	(7) يقوم المصرف بأنجاز الخدمات بصورة صحيحة من المرة الأولى.					
	(8) يقدم المصرف خدماته من الوهلة الأولى بصورة صحيحة.					
	(9) أن المصرف يصر على ان تكون سجلاته خالية من الاخطاء.					
الاستجابة	(10) في هذا المصرف لا أنتظر طويلا في خطوط الأنتظار.					
	(11) دائما مايبدي العاملين في المصرف رغبتهم في المساعدة.					
	(12) ان العاملين في المصرف سريعون في أستبعاد الأخطاء المحتملة.					
	(13) يستجيب العاملون في المصرف بسرعة الى طلباتي.					
الضمان	(14) ان العاملين في المصرف جديرون بالثقة.					
	(15) اشعر بالأمان في معاملاتي المصرفية مع هذا المصرف					
	(16) ان العاملين في المصرف مهذبو الأخلاق معي دائما.					
	(17) أن العاملين في المصرف يمتلكون المعرفة الكافية للأجابة عن تسأولاتي.					
التعاطف	(18) يقوم المصرف بتقديم اهتماما فرديا لي.					
	(19) في هذا المصرف توجد ساعات عمل ملائمة لأحتياجاتي.					
	(20) ان العاملين في هذا المصرف يقدمون لي انتباها شخصيا.					
	(21) يأخذ المصرف بالحسبان رغباتي وحاجاتي.					

					(22) يبدي العاملون في المصرف فهما لأحتياجاتي المحددة.
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المحور الثالث: قياس درجة المتغير الوسيط القيمة المدركة

البعد	العبارة	لا أتفق تماما	لا أتفق	محايد	أتفق	أتفق تماما
		1	2	3	4	5
1- القيمة الوظيفية للمؤسسة (المنشآت)	(23) ان المنشآت في المصرف تتماشى مع سرية التعاملات وخصوصيتها.					
	(24) يبدو هذا المصرف مرتبا ومنظما تنظيميا جيدا.					
	(25) أن المنشآت في هذا المصرف واسعة وحديثة ونظيفة.					
	(26) من السهل أيجاد المصرف والوصول اليه من قبل العملاء.					
2- القيمة الوظيفية للأتصال بالأفراد (الاحترافية)	(27) يعرف الأفراد في المصرف عملهم بصورة جيدة.					
	(28) ان معرفة الافراد في المصرف متماشية مع الحداثة في القطاع المصرفي.					
	(29) أن المعلومات المقدمة من قبل الافراد في المصرف دائما ماتكون ذات قيمة عالية.					
	(30) يمتلك الافراد في المصرف معرفة بكل الخدمات المقدمة من قبل المصرف.					
3- القيمة الوظيفية للخدمة المشتراة (الجودة)	(31) ان الخدمات المقدمة من قبل المصرف صحيحة.					
	(32) هناك اهتمام مستمر بالجودة من قبل امصرف.					
	(33) ان مستوى جودة الخدمة في المصرف مقبول مقارنة بالمصارف الأخرى.					
	(34) أن مستوى الخدمة المقدمة من المصرف تلبى الطموح.					
4- القيمة الوظيفية للسعر	(35) ان دفع مبلغ الفائدة أو العمولة للمصرف مقبول من قبلي بوصفي زبونا.					
	(36) تعد الخدمات المقدمة من قبل المصرف جيدة مقارنة بكلفتها.					
	(37) تعد الكلفة الكلية المفروضة على الخدمات المقدمة من قبل المصرف مقبولة.					
5- القيمة الشعورية	(38) انا سعيد بالخدمات المالية المبرمة مع المصرف.					
	(39) انا أشعر بالراحة عند التعامل مع هذا المصرف.					
6- القيمة	(40) يقدم الافراد العاملون في المصرف شعورا ايجابيا عند التعامل معهم.					
	(41) ان العاملين في المصرف ليسوا عدائيين في التعامل.					
	(42) أشعر بالأرتياح عندما أتعامل مع هذا المصرف.					
	(43) يعد المصرف مرموقا جدا على المستوى الأجماعي.					

					44) ينظر الآخرون لي بمكانة اجتماعية جيدة عند تعاملي مع هذا المصرف.	الاجتماعية
					45) أعرف الكثير من الناس الذين يتعاملون مع هذا المصرف.	

المحور الرابع: قياس درجة المتغير التابع ولاء الزبون للخدمة

					العبارة	البعد
اتفق تماما	اتفق	محايد	لا اتفق	لا اتفق تماما		
5	4	3	2	1		
الولاء السلوكي						
					46) من المحتمل ان استخدم خدمات المصرف مرة ثانية.	1- نوايا اعادة الشراء
					47) في نيّتي إعادة شراء خدمات من هذا المصرف مستقبلا.	
					48) من الممكن ان أستخدم خدمات هذا المصرف مستقبلا.	
					49) ليس هناك احتمالية أن أتعامل مع مصرف آخر غير هذا.	2- نوايا التحول
					50) من المحتمل أن أستمر بالتعامل مع هذا المصرف بغض النظر عن الظروف.	
					51) من المؤكد أن أبقى على التعامل مع هذا المصرف في المستقبل.	
					52) أقوم بكل معاملاتي التجارية المصرفية مع هذا المصرف عندما أحتاج الى هذا النوع من الخدمة.	3- نوايا الشراء الاستثنائية
					53) احيانا، أقدم اعمالي التجارية المصرفية الى مصرف اخر يقدم النوع نفسه من الخدمة بدلا عن هذا المصرف.	
					54) أن هذا المصرف يستحوذ على غالبية معاملاتي التجارية المصرفية عندما أحتاج الى هذا النوع من الخدمات.	
					55) أنا أتعامل بشكل حصري مع هذا المصرف.	
الولاء الموقفي						
					56) أفضل هذا المصرف مقارنة بمجهزي الخدمة نفسها من المصارف الأخرى.	1- شدة التفضيل
					57) أصنف هذا المصرف بوصفه رقم واحد، مقارنة بمجهزي الخدمة نفسها من المصارف الأخرى.	
					58) أن هذا المصرف يقدم أفضل الخدمات ما بين البدائل المصرفية الأخرى.	
					59) مقارنة بهذا المصرف هناك القليل من البدائل التي من الممكن ان تكون مقنعة للتعامل معها.	
					60) أحث الأصدقاء والأقارب على أن يتعاملوا مع هذا المصرف.	2- الرغبة في

APPENDIX 3: Correlations among Variables and Dimension

Correlations among Variables and Dimensions

	QRel Ass	QEm pat	QRe spon	QTa ngib	FVEst Pers	FVSer Qua	FVPr ice	Emo V	Soci aV	FuncV alue	Beh Loy	ALStrP Will	ALAl tru	AttiL oyal	CL Will	CLPer Serv	CLExc lus	CogLo yal	ServQ ual	PercV alue	ServL oyal	
QRelAss	1																					
QEmpat	,618**	1																				
QRespon	,699**	,459**	1																			
QTangib	,702**	,481**	,616**	1																		
FVEstPers	,807**	,581**	,780**	,611**	1																	
FVSerQua	,844**	,486**	,675**	,593**	,661**	1																
FVPrice	,608**	,466**	,425**	,657**	,535**	,531**	1															
EmoV	,838**	,472**	,761**	,542**	,791**	,769**	,468**	1														
SociaV	,685**	,455**	,800**	,518**	,776**	,662**	,518**	,812**	1													
FuncValue	,883**	,606**	,736**	,735**	,869**	,845**	,826**	,792**	,769**	1												
BehLoy	,812**	,439**	,753**	,625**	,756**	,820**	,522**	,853**	,749**	,817**	1											
ALStrPWill	,744**	,442**	,749**	,617**	,776**	,679**	,623**	,804**	,774**	,819**	,814**	1										
ALAltru	,665**	,616**	,682**	,657**	,665**	,556**	,473**	,651**	,556**	,667**	,683**	,689**	1									
AttiLoyal	,765**	,580**	,777**	,694**	,781**	,668**	,593**	,788**	,718**	,805**	,811**	,911**	,927**	1								
CLWill	,095	,501**	,177**	-.052	,171**	,119	,110	,103	,170**	,159*	,049	,134*	,164**	,163**	1							
CLPerServ	,537**	,217**	,465**	,373**	,469**	,575**	,241**	,532**	,452**	,496**	,567**	,469**	,452**	,501**	,007	1						
CLExclus	-.085	-.045	-.065	-.003	-.137*	-.037	,198**	,177**	,163**	,014	-.128*	-.151*	-.026	-.093	,118	,035	1					
CogLoyal	,278**	,338**	,294**	,168**	,249**	,340**	,303**	,224**	,223**	,349**	,245**	,222**	,304**	,288**	,578**	,550**	,688**	1				
ServQual	,902**	,791**	,825**	,817**	,832**	,775**	,639**	,780**	,735**	,882**	,780**	,758**	,785**	,840**	,242**	,470**	-.061	,331**	1			
PercValue	,861**	,543**	,826**	,634**	,870**	,812**	,632**	,945**	,929**	,908**	,870**	,859**	,672**	,828**	,152*	,533**	-.127*	,279**	,855**	1		
ServLoyal	,797**	,572**	,782**	,646**	,770**	,778**	,601**	,806**	,730**	,842**	,889**	,845**	,824**	,907**	,295**	,664**	,139*	,582**	,836**	,851**	1	

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

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

APPENDIX 4 Distribution of the Demographic Characteristics

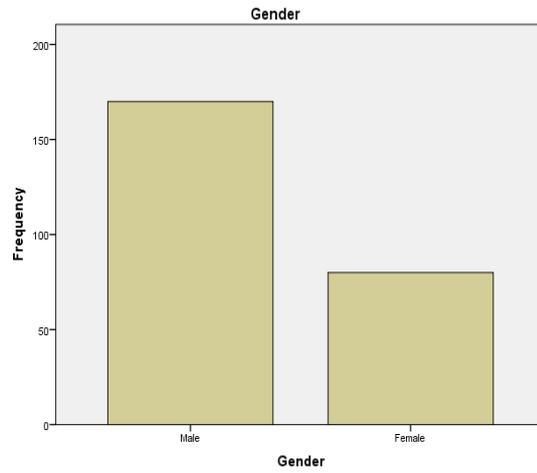


Figure 6: The Distribution of The Sample According to The Gender

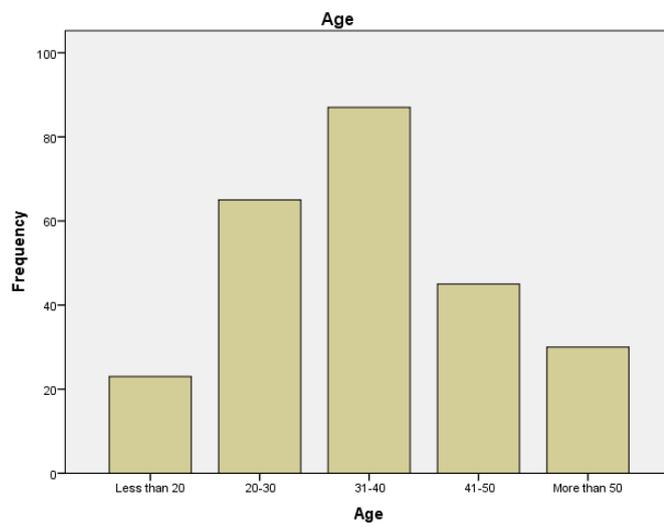


Figure 7: The Distribution of The Sample According to Age

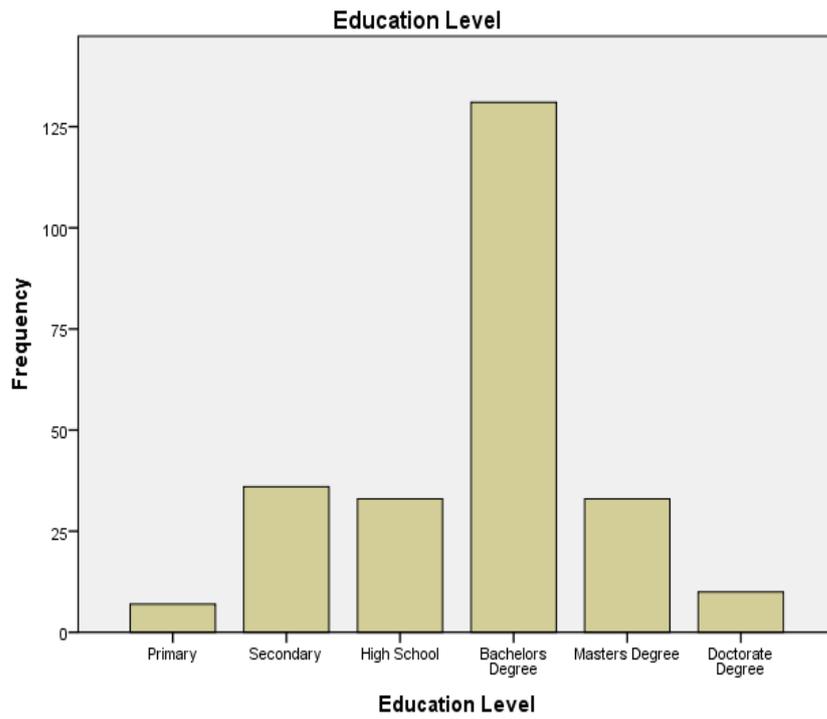


Figure 8: The Distribution of The Sample According to Education Levels

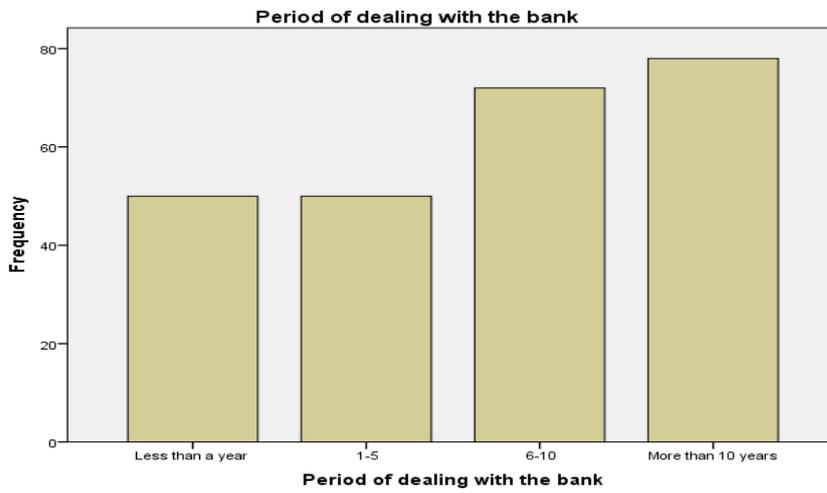


Figure 9: The Distribution of The Sample According to The Period Of Dealing With The Bank

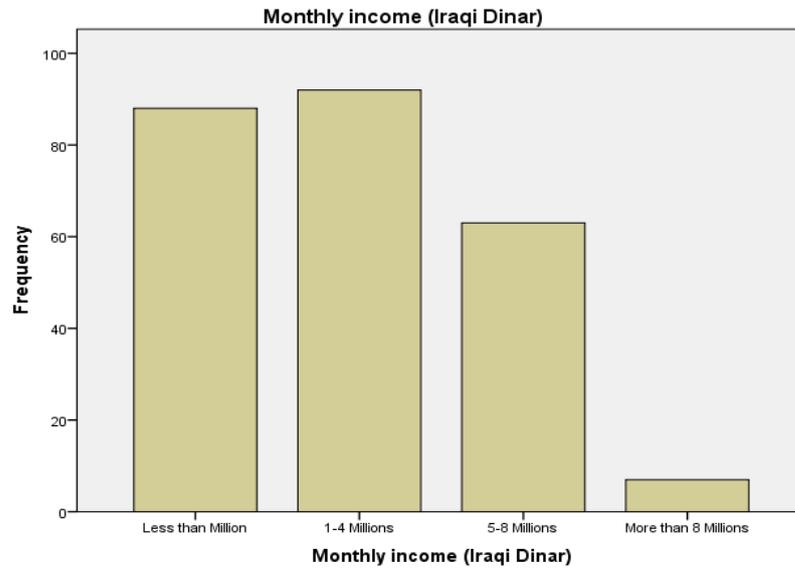


Figure 10: The distribution of the sample according to the monthly income

VITA

Hussein Sabah Al-Chalabi was born in Basrah/ Iraq in 1991. He received his Bachelor's degree in Science (Business Administration) from University of Baghdad/ Iraq in 2013. He studied Business Administration at Yildiz Technical University/ Istanbul-Turkey and received Master of Social Sciences in 2017. He intends to continue his post graduate studies to gain Ph.D. degree in Business Administration in the near future.