



PERCEIVED SERVICE QUALITY, TRUST, CUSTOMER SATISFACTION, AND CUSTOMER LOYALTY IN THE BANKING SECTOR OF BUKAVU (EAST OF DR CONGO)

ABSTRACT

The purpose of this study was to examine the relationship between perceived service quality, trust, customer satisfaction and customer loyalty in the banking sector of Bukavu (east of DRC). The study adopted a quantitative cross sectional research design and collected data using self-administered questionnaires. The researcher used convenient sampling design and data were from a representative sample of 225 respondents. Both correlation and hierarchical regression were used to test the research hypotheses.

Results revealed that bank customers in Bukavu perceive a relatively high quality (64.25%) of services they enjoy, their level of trust towards the financial service providers is relatively high (65.85%), and they are slightly satisfied (66.05%). Consequently, they exhibit low loyalty (56.33%) to their respective banks. Findings also revealed positive and significant relationships between perceived service quality and customer satisfaction, perceived service quality and customer loyalty, trust and customer satisfaction, trust and customer loyalty, and customer satisfaction and customer loyalty. The coefficient of determination reported about 49.1% of variance explained in customer loyalty. Customer satisfaction positively mediates perceived service quality and customer loyalty relationship and trust and customer loyalty. These results provided some support to the hypothesized relationships.

The study provided some recommendations which included regular interactions and discussions between banks and their customers as to well understand their needs and design services accordingly; periodic customer satisfaction surveys in order to identify customer

satisfaction levels and address any issues; integration of ethical values and regular communications with customers in order to instill trust; and period customer loyalty surveys.