

Bank customer loyalty: the impacts of emerging market factors in electronic banking services

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Keywords

Emerging market, loyalty, infrastructure, culture, technology capabilities

Abstract

The competitiveness in the retail banking industry has resulted in the adoption of new technologies for the delivery of banking services. However, other than service fulfilment, this paper assesses the impacts of known emerging economy shortcomings - infrastructure, culture, and technology capabilities - on bank consumer loyalty. Statistical techniques were used to derive emergent themes of consumer perceptions of electronic banking quality (EBQ). The dimensions influenced by infrastructure, culture, and technology capabilities were further tested to determine their impact on the loyalty dimension.

The results show that in emerging economies, improvements in technology capabilities will positively impact bank customer loyalty whilst infrastructural improvements will have a negative effect. Cultural enhancements, on the other hand, exhibit both positive and negative effects. This paper puts in evidence impacts of infrastructural, cultural, and technology capability differences on the development of bank customer loyalty in the deployment of electronic banking services. The outcomes of the study highlights areas financial institutions interested in fostering bank customer loyalty ought to address in their deployment of electronic banking services.
