



**FACTORS INFLUENCING IN CUSTOMER LOYALTY IN
THE BANKING SECTOR IN SRI-LANKA**

(With special reference to Jaffna district)

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ABSTRACT

Banks play an important role in Sri Lanka through generation of employments, contributing to the growth of the GDP, enlarging finance sources and cash on hand to society, embarking on innovations and stimulating of other economic activities. Researcher show that customer loyalty is very important for banks. Therefore, the objective of this research is to analyze the factors influencing in customer loyalty in the banking sector in Sri-Lanka. Besides, to investigate how the bank to strengthen the relationship between bank and customer is also the purpose of this research, To study whether there is a significant relationship between perceived service quality of bank and customer loyalty, To study whether there is a significant relationship between customer satisfaction and customer loyalty, To study whether there is a significant relationship between switching cost and customer loyalty, To study whether there is a significant relationship between commitment and customer loyalty. The sample size was 100 banking customers in Jaffna district. Sample selection will be applying convenience sampling technique and will expect to select 100 customers randomly in Jaffna district. It will help to clear understanding about overall factors influencing in customer loyalty in the banking sector in Sri-Lanka. Descriptive statistical techniques, correlation coefficient analysis and multiple regression analysis techniques used to analyze the primary data of the study. It will include classifying, coding, transforming and tabulating information needed in order to provide useful information and information will to important for supporting decision making.

Key words – *Customer Loyalty, Commitment, Switching cost, Customer Satisfaction, Service quality*