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Effects of Service Justice, Quality, Social Influence and Corporate Image on Service Satisfaction and Customer Loyalty: Moderating Effect of Bank Ownership

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Abstract: Today, the banking sector plays a significant role due to the substantial increase in the number of banks and has become an intensely competitive field. The purpose of this paper is to strengthen knowledge of retail banking services by finding the interrelationships between service justice, service quality, social influence, and corporate image concerning service satisfaction and loyalty. In addition, we sought to determine the moderating effect of bank ownership (i.e., state-owned and private sector banks) on the above relationships. Data were collected at random through online surveys that were analyzed using structural equation modeling. Empirical findings revealed that service justice and quality have a significant effect on service satisfaction and customer loyalty. Social influence has a significant effect on customer loyalty, but not on service satisfaction; however, corporate image is positively related to service satisfaction, but not to customer loyalty. Understandably, service satisfaction was assumed to have a fundamental relationship to consumer loyalty. However, moderation results indicated that state or private sector ownership of banks was an equally important moderating factor for almost all dimensions relevant to customer loyalty, other than service justice, social influence, and service satisfaction. The study presents theoretical contributions and considers the managerial implications for banking services that are potentially applicable to other financial institutions.

Keywords: service justice; service quality; social influence; corporate image; service satisfaction; customer loyalty

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1. Introduction

The banking activities of the country have taken a greater role in the service sector under the rapidly changing circumstances of the monetary market; therefore, the country's banking system acts as a competitive and modern era of the financial system. Banks have become an integral part of the economy and have faced substantial challenges due to disruptive innovations and technologies. Technological innovation has made people more aware of what is going on in the world, especially in a service context [1]. However, COVID-19 is pushing banks to find more efficient service atmospheres due to the irregular buying patterns of customers [2]. The COVID-19 pandemic has created rumors and anxieties among customers that drastically affect their financial decisions and can impact their pre- and postadoption behavior, including satisfaction, patronage behavior, and word-of-mouth approach [3]. These technological innovations, rumors, and anxieties have challenged the retail markets, which ultimately affects the financial conditions of customers and service providers. Banking practitioners have found that competitive and sustainable advantages in business can be achieved through customer retention, a strategy that may not be easily copied by rivals [4]. While banking professionals focus on service quality and convenience for customers, there is also a need to focus on providing fair and equitable services to customers [5]. Customers tend to rate their experiences with respect to price fairness, which is likely to impact service perceptions and overall satisfaction. Thereby, an efficient service with reasonable prices becomes inevitable in achieving customer satisfaction and long-term buyer–customer relationships [2]. A substantial body of prior research has documented that instrumental and distributive justice have a significant positive influence on bank client satisfaction and behavioral intentions [6], while service quality is treated as a strategic weapon in the battle to achieve perfection in overall service accomplishment [7].

A robust banking sector is essential to stimulating economic growth and maintaining the financial stability of a country [8]. In retail banking channels, customer satisfaction is an indicator of how well products or services meet the expectations of the purchasers while also having a significant impact on bank profitability, and several studies have confirmed customer satisfaction is a major determinant of service quality [9,10]. In addition, quality service transport can positively impact consumer preferences, where quality is defined as the characteristics of a product or service that consistently meet expressed or implicit needs [11]. Evaluating high-quality service offers a more effective means of determining service preferences and consumer satisfaction levels [12]. Pomering and Dolnicar [13] consider that perceptions of social responsibility enhance consumer attitudes towards businesses, particularly when the client in question is a proponent of corporate social responsibility. With increasing corporate ethical standards, customers tend to believe that a company is committed to social responsibility, and once this belief is established, consumers become satisfied and confident, and stay loyal [14]. In recent decades, corporate image has emerged as an increasingly important issue, playing a significant role among both academics and practitioners as a key factor in acquisition time [15]. Through the provision of distinct categories of retail banking, merchandise and services seek to maximize customer satisfaction [16]. These services fulfill the wishes of the customer by creating an inherently viable process where service loyalty emanates through a business enterprise [17]. Therefore, banking practitioners and researchers should explore the nexus between consumer perceptions of service justice, service quality, corporate image, and social influence, and their influence on customer satisfaction and loyalty. Research to date has not addressed the integration of moderator variables into these psychometric variables in this economic context; thus, this study bridges this gap to enrich customer behavioral research.

Accordingly, this study focuses in particular on the implications of service justice, quality, corporate image, and social influence for service satisfaction and loyalty. Carr [18] observed that bank managers focus on enhancing high-quality customer services, which is vital to the equitability of bank services as service encounters contain the fair exchange of value between the service provider and customers. In addition, our research investigates the multigroup moderation effect of state-owned and private sector banks on the above relationships. We assume that higher service justice, service quality, corporate image, and social influence lead consumers to perceive higher satisfaction with the service provided; consequently, customers are likely to remain loyal to the existing service provider. Considering the current advancement of banking services, this study attempts to answer the following research questions (RQs): (RQ1) How are service satisfaction and customer loyalty driven by service justice, service quality, corporate image, and social influence? (RQ2) Whether and how bank ownership has moderating effects on service satisfaction and customer loyalty. The research presented here makes a complementary contribution to the existing literature by testing the validity and reliability of hypothesized relationships. The implications of this study could enable Bangladeshi retail banks to better understand the important psychometric variables and their influence on the behavioral intentions of customers; consequently, this knowledge will help managers to adopt effective strategies to dominate their rivals. Our study will additionally provide precious insights on the moderating impact of state-owned and private sector banks on the connection between service justice, service quality, social influence, and corporate image in achieving service satisfaction and loyalty, which will strengthen benchmarking options and thereby obtain competitive advantages in the retail market.

After this introduction, the study explores the theoretical background, proposing a conceptual model and formulating a set of hypotheses. The subsequent section outlines the research methodology used to determine the factors for service satisfaction and retail banking quality. For this purpose, the study presents empirical results and discussions that represent the multigroup moderation impact of state-owned and private sector banks. Finally, based on the key findings of the study, we make recommendations for bankers on how to improve information on retail banking services by recognizing the connections between service justice, quality, social influence, and corporate image and service satisfaction and loyalty. In addition, we determine the moderating effect of state-owned and private banks with precious empirical analysis and implications for future research.

2. Hypothesis Development

2.1. The Relationship between Service Justice, Satisfaction, and Customer Loyalty

Empirical research has determined that service justice has a direct positive influence on customer loyalty [19]. This study contributes to this literature on the synergistic connection between service justice, satisfaction, and consumer loyalty. Service justice is the most appropriate concept for both the determinants and the properties of service satisfaction [20]; therefore, a loyal customer has become an essential asset for any organization [21] which includes customers in its service restoration endeavors. Customer appreciation of recuperation satisfaction can improve behavioral consequences of loyalty [22,23]. Contrariwise, positive service is produced by consumer expectation, customer satisfaction, and loyalty through reliance, which may reduce incertitude and risks [24]. Drawing on the literature referenced above, this study proposes the following hypotheses:

Hypothesis 1 (H1). *Service justice has a positive impact on service satisfaction (H1a) and customer loyalty (H1b).*

2.2. Nexus between Service Quality, Satisfaction, and Customer Loyalty

Previous research has established a robust connection between service quality and customer loyalty, and that all services presented should be aimed at increasing customer satisfaction [25]. The response when customer expectations are met can be characterized as satisfaction [26]. In today's competitive market environment, customer and service satisfaction has become one of the most valuable assets for the banking industry [27]. Yee et al. [28] observed that bank service quality, satisfaction, and customer loyalty have an advantageous impact on purchaser loyalty. In addition, Omoregie et al. [29] and Ofori et al. [30] advocated that service quality is leading the way to customer satisfaction, which then becomes the source of customer loyalty. This paper aims to examine the connection between service satisfaction and customer loyalty with service quality. It thus suggests the following hypothesis:

Hypothesis 2 (H2). *Service quality has a positive impact on both service satisfaction (H2a) and customer loyalty (H2b).*

2.3. Relationship between Social Influence, Service Satisfaction, and Customer Loyalty

Social interaction between customers and individual employees can be fundamental to business success [31]. Several studies have suggested that social influence has a direct relationship with the intention to engage in banking activity [32]. Moreover, Park et al. [14] and Pérez and del Bosque [33] have observed that social influence is positively associated with customer repurchase intentions, in addition to showing its significant impact on customer loyalty. The reproduction of social influence in customers and employees can be effective in enhancing customer experience. Most importantly, when information originates from a public social community (such as Facebook, Instagram, or LinkedIn), in which customers already have strong trust, conventionally customers tend to follow the opinions of others, which can also construct a positive link between service satisfaction and customer loyalty [34]. In the context of banking activities, social influence engages the key customer consequence variables of customer trust and loyalty [23,35]. This research builds on the service satisfaction and consumer loyalty that derives from it to understand the connection between social impact and profitability. High social influence may also be interpreted as a sign of reputation [36], which may further lead to a more compatible association between service satisfaction and customer loyalty. On this basis, we present hypothesis H3:

Hypothesis 3 (H3). *Social influence has a positive influence on service satisfaction (H3a) and customer loyalty (H3b).*

2.4. Nexus between Corporate Image, Service Satisfaction, and Customer Loyalty

In Bangladesh, bank image is recognized as one of the fundamental variables that motivates a customer's intention to use the bank's services [37]. As several studies have observed (for example, [29,38,39]), corporate image is a customer's outcome of standard and judgement between the different aspects of corporate organizations. Arshad et al. [40] stated that customer satisfaction influenced corporate image, and also noted that reputation affects customer switching intentions for bank customers. In particular, several studies found the corporate image to be an important driver of customer loyalty [41], and also has an essential impact on customer satisfaction [42]. However, Kevork and Vrechopoulos [43] depicted that consumer loyalty is as elevated an identification result as consumers' psychological confirmation because affirmation of each is accelerated by using a summarized corporate image [44,45]. Providing better quality of service leads to customer satisfaction, which in turn creates customer loyalty, cuts complaints, and improves bank–client relationships. It is also obvious that service quality has an affirmative impact on customer satisfaction, corporate image, and customer loyalty [46]. Thus, the following hypotheses were proposed:

Hypothesis 4 (H4). *Corporate image of banks has a positive impact both on service satisfaction (H4a) and customer loyalty (H4b).*

2.5. Nexus between Service Satisfaction and Customer Loyalty

Service satisfaction involves the discrepancy between people's expectations and needs associated with a given service. On the contrary, service stress is another essential determinant of organizational approach and also a strong influence on service satisfaction [47]. For instance, in the retail banking service sector, satisfaction and loyalty have emerged as the main discretions for profitable commercial enterprise performance. Customers usually expect a bank to provide satisfactory services if it has excellent credentials in terms of popularity and reputation [48], and the service quality enhancement leads to positive outcomes in terms of customer loyalty [23,49–51]. Previous studies have been skewed in their interpretation of the connection between service satisfaction and customer loyalty [10,52]. Accordingly, the following hypothesis has been formulated:

Hypothesis 5 (H5). *Service satisfaction has a significant influence on customer loyalty.*

2.6. State-Owned and Private Sector Retail Banks as Moderators

The banking sector is a key component of a country's financial system. However, little research to date has focused on the impact of company image as a dimension of service quality and as a source of client satisfaction in the context of banking. Few studies have investigated the relationship between service quality and company image within different sectors of banking, especially in the case of state-owned sector banks [53]. However, retail banks are regularly faced with the challenge of preserving customer loyalty [54] and this loyalty has become essential for retail banks to take account of company equity, customer experience, and satisfaction. Previous research has determined that customer particularities, consumer satisfaction, business enterprise experience, trust, and a variety of impressions are indicators of the relationship with customer loyalty [55]. Briefly, this research explores the moderating role between state-owned and private sector retail banks. Accordingly, it is hypothesized that:

Hypothesis 6 (H6). *The proposed relationship will be moderated by bank ownership (state-owned and private sector banks).*

3. Research Methodology

3.1. Method and Sample

Our study is based primarily on conclusive research in which various hypotheses are used to prove the relationship between variables. It was conducted in Bangladesh, where banking is one of the fastest-growing service sectors. At present, the Bangladeshi banking system, which comprises a total of 61 scheduled banks, consists of six state-owned, 43 private, nine foreign, three specialized banks, and five nonscheduled banks [56]. The data were collected from customers who had a bank account and who carried out transactions using their account. The obtained data were processed and analyzed via SPSS and SEM using Amos 24 software. We performed SEM to test the direct effects in the model and multigroup moderation to test moderating effects in the model. We used SEM because it allows real time valuation of the measurement model and provides path significances in the structural model. In particular, this method importantly assists in confirming the validity and reliability of the measurement model, as well as in interpreting the theoretical connections between constructs in the structural model [57]. This also harvests several model fit indices, which ensures its efficiency.

Data were collected randomly through an online survey using a structured and self-administered questionnaire from Bangladeshi bank customers. A total of 234 questionnaires were collected (following editing and the elimination of inaccurate replies). The sample size meets the requirement of the statistical method used in this study; SEM analysis [58]. According to the sample characteristics, 22.6% of respondents were male and 77.4% were female, with approximately 56.4% and 43.6% of the respondents, respectively, using state-owned and private sector bank services. Among these, 88.0% of respondents utilized the traditional banking system, while 12.0% utilized the Islamic banking system. The sample dimension appeared to be appropriate for performing SEM analysis. Table 1 presents the demographic scheme for the respondents.

Table 1. Demographic statistics (n = 234).

Variable	Items	Freq.	%
Gender			
	Female	181	77.4
	Male	53	22.6
Bank ownership type			
	State-owned	132	56.4
	Private sector	102	43.6
Banking system			
	Traditional	206	88.0
	Islamic	28	12.0

3.2. Instrument and Variables

To examine the hypothetical relationships, we used an online questionnaire instrument with a five-point Likert scale ranging from “strongly disagree” to “strongly agree”. The questionnaire instrument had two separate sections; the first was designed to collect information about the participant's demographic profile, and the second was designed to ask the participant for their opinion on a scale where 1 is "strongly disagree" and 5 is "strongly agree". We took several steps to design the questionnaire, such as focus group discussion, layout design, pretest analysis, and then the final survey instrument. The independent variables were service justice, service quality, social influence, and corporate image. The dependent variables were service satisfaction and customer loyalty. Bank ownership was seen as a moderator in this study. This study derived its measurement instruments of all constructs from existing research, with certain adjustments to fit the constructs in the study context. The measurement instrument of service justice was adopted from [6], such as "The service I received was fair enough". Service quality items were taken from [29], such as "The bank has an effective complaint handling process". The items for social influence were adapted from [59], such as "People who are important to me think that I should use bank services". Corporate image items were taken from [29], such as "My bank can be trusted in what it says and does". The items of service satisfaction were taken from [29,60], such as "I feel very satisfied with the overall experience of using my bank". The items of customer loyalty were adopted from [29,59], such as "I intend to purchase services for this bank again in the future". Necessary modifications and adjustments were made to ensure that the questionnaire was appropriate for data collection and met the objectives of the study. Initially, this study kept 24 questions in total, 4 for each construct. However, one item has been taken away from service justice, service quality, corporate image, and service satisfaction to attain better factor loads. Table 2 shows an in-depth view of the measurement objects used in this study.

Table 2. Measurement instrument and factor loadings.

Constructs and Items	Std. Estimates	*t*-Value	*p*-Value
Service justice [6]			
SJ1: My bank tried to be fair.	0.812	Fixed	
SJ2: The service I received was fair enough.	0.752	13.068	***
SJ3: The bank showed me the respect I deserve.	0.684	11.537	***
Service quality [29]			
SQ1: This bank has employees who give me personal attention.	0.853	Fixed	
SQ2: The bank is accessible through various ways (ATM, online, in-person)	0.780	13.994	***
SQ3: The bank has an effective complaint handling process.	0.708	12.170	***
Social influence [60]			
SI1: People in my surroundings who use bank services have more prestige than those who do not.	0.741	Fixed	
SI2: People who influence my behavior think that I should use bank services.	0.808	12.225	***
SI3: People who are important to me think that I should use bank services.	0.753	11.349	***
SI4: Using banking services is a status symbol in my surroundings.	0.848	12.850	***
Corporate image [29]			
CI1: My bank can be trusted in what it says and does.	0.655	Fixed	
CI2: My bank provider has a positive image with its customers.	0.866	11.058	***
CI3: My bank provides stable and consistent services.	0.861	11.012	***
Service satisfaction [29,59]			
ST1: I enjoy dealing with my banker.	0.793	Fixed	
ST2: I feel very satisfied with the overall experience of using my bank.	0.872	15.358	***
ST3: Overall, I am satisfied with the services rendered by my bank.	0.906	16.174	***
Customer loyalty [29,59]			
CL1: I consider my bank as my bank.	0.814	Fixed	
CL2: I say positive things about my bank to others.	0.778	13.720	***
CL3: I may use this bank in the future.	0.798	14.229	***
CL4: I intend to purchase services for this bank again in the future.	0.816	14.695	***

Notes: SJ = service justice, SQ = service quality, SI = social influence, CI = corporate image, ST = service satisfaction, CL = customer loyalty; *** $p < 0.001$.

4. Empirical Results Discussion

4.1. Measurement Model

The results of the measurement instrument and factor loadings are depicted in Table 2, which presents the standardized estimated factor loads and related t-value of the items. A test of the significance of all paths was fulfilled using the bootstrap resampling process.

The measurement model was used to test the convergent and discriminant validity. Convergent validity is often evaluated by investigating composite reliability (CR) as well as the average variance extracted (AVE) [61]. Specifically, CR refers to the internal consistency of the indications measuring a conferred factor; AVE thereby suggests the number of variances received by a construct, compared to variance due to measurement errors. CR of 0.70 or above and AVE of around 0.50 are considered acceptable [62]. As shown in Table 3, Cronbach's alpha values ranging from 0.821 to 0.891 exceed the critical value of 0.70. All measurements exceed the suggested thresholds, with CR ranges from 0.794 to 0.893, and AVE ranges from 0.564 to 0.737. Discriminant validity was calculated by checking whether the square root of the AVE for each construct was higher than the correlations between that construct and all other constructs [62]. Table 3 presents a correlation matrix of the constructs, together with the square root of the AVE for each construct. These results confirmed the reliability of the measurement model [58].

Table 3. Reliability and validity statistics.

	Cronbach's Alpha	CR	AVE	MSV	SJ	SQ	SI	CI	ST	CL
SJ	0.823	0.794	0.564	0.982	**0.751**					
SQ	0.821	0.825	0.612	0.826	0.456	**0.783**				
SI	0.868	0.868	0.622	0.787	0.612	0.318	**0.789**			
CI	0.831	0.840	0.640	0.826	0.501	0.190	0.452	**0.800**		
ST	0.891	0.893	0.737	0.943	0.255	0.128	0.299	0.368	**0.858**	
CL	0.876	0.878	0.643	0.982	0.945	0.887	0.873	0.815	0.991	**0.802**

Note: CR = composite reliability, AVE = average variance extracted, MSV = maximum shared variance; bold diagonal shows square roots of AVEs.

The comprehensive standardized solutions produced by Amos 24 demonstrated that all 20 items were loaded entirely on corresponding constructs. To estimate the general fit of the measurement model (shown in Table 4), the following indicators were examined: the ratio of chi-square to degrees of freedom (CMIN/df = 1.598), the CFI = 0.976; the goodness of fit index (GFI = 0.918); the adjusted GFI (AGFI = 0.881), the Tucker–Lewis index (TLI = 0.970), the incremental fit index (IFI = 0.977), and the root mean square error of approximation (RMSEA = 0.051). All these evaluations sought their respective value standards, confirming an appropriate fit for the overall model [58,63,64].

Table 4. Model fit statistics.

Model Fit Indices	Recommended Value	Obtained Value
CMIN/DF	<3	1.598
GFI	≥ 0.90	0.918
AGFI	≥ 0.85	0.881
CFI	≥ 0.90	0.976
IFI	≥ 0.90	0.977
TLI	≥ 0.90	0.970
RMSEA	≤ 0.08	0.051

4.2. Structural Model Assessment

The quality of affiliation between constructs was evaluated by scrutinizing their respective standardized path coefficients (β values) and their significances (p values). Table 5 shows that the paths supported seven of nine hypotheses. Service justice has a positive and significant impact on both service satisfaction (β = 0.78, t = 9.06, $p < 0.001$) and customer loyalty (β = 0.62, t = 2.92, $p < 0.001$), confirming hypotheses H1a and H1b. Service quality significantly impacts both service satisfaction (β = 0.29, t = 5.04, $p < 0.01$) and customer loyalty (β = 0.27, t = 3.06, $p < 0.01$), confirming hypotheses H2a and H2b. Our study also discovered a significant positive impact of social influence on customer loyalty (β = 0.43, t = 5.28, $p < 0.001$), of corporate image on service satisfaction (β = 0.23, t = 4.13, $p < 0.001$), and of service satisfaction on customer loyalty (β = 0.22, t = 5.28, $p < 0.001$), supporting H3b, H4a, and H5. By contrast, neither social influence nor corporate image had a significant impact on service satisfaction or customer loyalty, thus contradicting hypotheses H3a and H4b.

Table 5. Hypothesized results.

Hypotheses		Paths		Std. Coefficient (*t*-Value)	Result
H1a	Service justice	→	Service satisfaction	0.786 (9.06) ***	Supported
H1b	Service justice	→	Customer loyalty	0.625 (2.92) ***	Supported
H2a	Service quality	→	Service satisfaction	0.293 (5.04) **	Supported
H2b	Service quality	→	Customer loyalty	0.274 (3.06) **	Supported
H3a	Social influence	→	Service satisfaction	0.165 (0.723) n.s.	Not supported
H3b	Social influence	→	Customer loyalty	0.437 (5.285) ***	Supported
H4a	Corporate image	→	Service satisfaction	0.236 (4.139) ***	Supported
H4b	Corporate image	→	Customer loyalty	0.123 (1.619) n.s.	Not supported
H5	Service satisfaction	→	Customer loyalty	0.228 (5.289) ***	Supported
	Variance explained: R- squared Service satisfaction 0.68 Customer loyalty 0.56				

Note: *** $p < 0.001$, ** $p < 0.01$, n.s. not significant.

4.3. Moderation Model Assessment

Results of the multigroup moderation analysis of state-owned and private sector banks are presented in Table 6. It is clear from this table that customer loyalty is not consistent between state-owned and private sector banks. The relationships between service justice and customer loyalty, social influence and customer loyalty, and service satisfaction and customer loyalty vary between the respective groups. However, for the remaining relationships, no significant differences were found between state-owned and private sector banking services. Hypothesis H6 was thus partially confirmed.

Table 6. Moderation results.

State-Owned		Private Sector		X^2 Difference Test
Estimate	***p*-Value**	**Estimate**	***p*-Value**	**Result**
0.544	***	0.574	***	Not different
0.431	***	0.171	0.568	Different
0.178	***	0.165	0.001	Not different
0.17	0.001	0.1	0.301	Not different
0.162	0.003	0.172	0.002	Not different
0.287	***	0.190	0.03	Different
0.211	0.004	0.183	***	Not different
0.007	0.91	0.086	0.401	Not different
0.144	0.41	0.617	0.198	Different

Note: *** $p < 0.001$.

4.4. Brief Discussions

The present study focused on enhancements in perceived service quality and investigated the impact of service justice, service quality, social influence, and corporate image on service satisfaction and loyalty, with a particular focus on the moderation effect between state-owned and private sector retail banks. The evaluation results revealed that service justice, quality, and corporate image have a consistent and significant impact on service satisfaction. Service justice, service quality, and social influence were also found to have a significant influence on customer loyalty. Our moderation results also indicated that the influence of service justice and social influence on customer loyalty is not consistent in the case of either state-owned or private sector banks. However, the fact that the results did not confirm two hypotheses of our study, H3a and H4b, suggests a direction for future research. Our results indicate that the impact of social influence does not extend across all dimensions of service satisfaction. Conversely, corporate image does not have a major influence on customer loyalty in common with other such factors. In the state-owned and private sector banks, difference tests confirmed that hypotheses H3a and H4b are comparable for both sectors.

Our findings on the significance of service quality as a prerequisite of customer loyalty in retail banking relationships are consistent with other studies [65–67]. Within the banking system, Kaura et al. [68], Khazaei et al. [69], and Rorio [70] also confirmed that service quality is regarded as an essential and indispensable aspect for impacting customer loyalty. The findings accord with the suggestions of earlier studies concerning customer loyalty, while also demonstrating that service satisfaction and customer loyalty have several well-established prerequisites and that they play an important role as moderating factors. While the present research has investigated the interplay between service justice, service quality, social influence, and corporate image, and their influence on service satisfaction and customer loyalty, it has also found that whether banks are state-owned or belong to the private sector has a significant moderating effect for these dimensions.

5. Conclusions and Implications

This study has examined the impact dimensions of service justice, service quality, social influence, and corporate image through structural equation modeling in the context of Bangladeshi retail banking. In addition, its purpose was to observe the moderating effect of state-owned and private sector banks on the interrelationships between service justice, service quality, social influence, and corporate image with regard to customer satisfaction and loyalty. Thereby, this study addressed the perceived research questions, RQ1; how are service satisfaction and customer loyalty driven by service justice, service quality, corporate image, and social influence? and RQ2; whether and how bank ownership has moderating effects on service satisfaction and customer loyalty. In Bangladesh, retail banking is the predominant motivation for banking itself. It provides banking services to customers from all income segments, maximizing profit while mitigating liquidity problems, as well as playing a major role in economic improvement. This paper has effectively presented empirical findings to better understand how retail banks can ensure customer satisfaction and loyalty. Moreover, this study has highlighted the market-driven psychometric factors that are vital for financial decision making by customers or any stakeholder. These factors can serve as engines for relationship building and as a basis for examining the barriers that aggravate resistance and inertia to financial decision making.

The study has some significant theoretic implications. As an extensive study, it implements and explores associations between constructs in a way that has not been previously undertaken in the context of retail banking; thus, this study offers specialized theoretical underpinnings. In terms of theoretical implication, the analysis of the current study amplified the discussion on the principal directors of service satisfaction and customer loyalty in a multigroup moderation effect between state-owned and private sector retail banks. These reveal that service justice, social influence, and service satisfaction have different impacts depending on the nature of the banking. Therefore, we reiterate that bank ownership is an important issue in the choice of financial transactions by customers. Government-owned banks provide more equitable services and societal influence is also stronger than it is for private banks. However, customer satisfaction with the service is higher in private banks than in government banks. Thus, our study provides the very interesting theoretical basis that even when equitable service or social pressure is higher, it may not create customer satisfaction, which pushes scholars to find additional dimensions of customer satisfaction, such as corporate image, service quality, buyer–seller interactions, etc. Contrastingly, previous research has targeted the use of identical changeableness in the perception of customer satisfaction and overall performance of banks. The result of the study has provided empirical support for a measurement model, despite two of its hypotheses being excluded during the validation process. In doing so, this paper has sought to address the theoretical gap that has appeared in existing analyses of the relationships between variables in the context of the retail banking industry of Bangladesh. These reveal that hesitations and fear of customers can be overcome by providing value-added services with relatively competitive prices. Our proposed research model evidenced that it can bring together customer satisfaction and loyalty. Researchers can therefore adopt this model to eliminate customer resistance before adoption in order to improve the positive behavioral attitude toward service providers.

The research also offers some key managerial implications for enhancing service satisfaction and customer loyalty. These managerial implications drive practitioners to strengthen strategies to strike a balance between factors aimed at improving patronage behavior and factors aimed at eliminating fear and inertia in transaction decisions. Our study demonstrates that managers or practitioners should implement effective strategies for standardizing service pricing that should be competitive relative to their rivals. Ordinary/regular pricing cannot always be a strategic choice to attain positive customer reactions; equitable and rational pricing would instead capture customers' attention, resulting in social gossip or recommendations that may broaden the market size. In general, customers want higher level service feedback while incurring lower costs; thus, the product differentiation strategy would become more appropriate when customers' opinions were given maximum weight in strategy formulation. Understanding the nexus between service quality and customer loyalty may allow managers to restore customer trust, service justice, and quality, and to improve corporate image within Bangladeshi banks. The banking professional should deliver services to the customer in the most friendly and homely atmosphere, in which the customer should feel treated with care and dynamic support. Bankers should pay close attention to the real drivers of financial decisions, namely financial knowledge, information, sophistication, economic trend, and progress reports, thus educating customers to originate optimal financial decisions and to keep them for longer. Thereby, this study's findings also provide a source of knowledge and innovative ideas that may assist managers in improving relationships with clients. In addition, bank service managers should recognize the importance of the moderating effect of bank ownership on service satisfaction and customer loyalty. The policymakers of state-owned banks should seek to build an institutional reputation, quality services, and affirmative action to compete with their private sector rivals. Managers of government banks should focus on factors other than service justice and social influence in order to improve customer satisfaction. In this regard, they could take customers' feedback into account in developing their strategy and ought to provide a cohesive environment to deflect customer perceptions and address customer concerns in the most effective manner. Similarly, private banking professionals could take the initiative to readjust their pricing strategies and take affirmative social responsibility actions in order to build trustworthiness and customer loyalty.

The generalizability of the study's effects is a fundamental limitation. Since its methodology was developed from specific research literature, any generalizations should be undertaken with caution. By adopting the structural equation model, the study identified two unconfirmed hypotheses that involve the relationship between service satisfaction and social influence and their impact on customer loyalty. However, several other hypotheses were confirmed that suggested whether banks are state-owned or private sector has a significant moderating effect. Future research should comprise these models when testing multigroup moderating effects, and, additionally, categorize the sample with appreciation to demographic data and conduct the analysis so that the satisfaction factors fluctuate for distinctive categories. The present study should not be treated as all-encompassing, as other variables, measures, or constructs, such as switching intention, social media influence, etc., including variables specific to situation or individual, can be identified that may also account for the satisfaction and loyalty of clients. Further investigation is thus indispensable to identify other factors that may potentially impact service satisfaction and loyalty within the Bangladeshi banking context. Overall, the limited scope of the present study signals the necessity of extending its findings to other service sectors, as well as to the retail banking sector in other countries. Despite these limitations, our study makes a timely attempt to frame a comprehensive model of attitudinal decisions by banking customers in terms of service justice, service quality, social influence, and corporate image, thereby offering a framework to advance future studies and practices related to consumer behavior.

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