



## RESEARCH ARTICLE

## AN ANALYSIS OF THE RELATIONSHIP BETWEEN CUSTOMER SERVICE AND FINANCIAL PERFORMANCE IN BANGLADESHI BANKS

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## ABSTRACT

This research explores the intricate relationship between customer service perceptions and financial performance indicators within the banking sector of Bangladesh. Against the backdrop of a rapidly evolving banking landscape influenced by economic progress, regulatory modifications, and technological advancements, the study aims to provide insights into the strategic significance of customer service in sustaining the competitive edge of Bangladeshi banks. The literature review underscores the critical role of superior service quality in influencing customer satisfaction, loyalty, and, subsequently, financial performance. The theoretical framework of the "service-profit chain" is invoked to explain the positive correlation between exceptional customer service and enhanced financial outcomes. Additionally, the literature review highlights the multifaceted nature of this relationship, acknowledging the influence of factors such as financial stability and operational efficiency. The research methodology employs a quantitative cross-sectional survey approach, collecting data from 200 respondents who have engaged with banking services in the past six months. The demographic characteristics of the sample provide a comprehensive understanding of the backgrounds and perspectives of the participants. Descriptive statistics are employed to analyze customer service and financial performance indicators, offering nuanced insights into respondents' perceptions. Findings reveal a positive correlation between customer service and financial performance, emphasizing the strategic importance of responsive customer service representatives, clear communication, and transparent financial practices. The study concludes by advocating for banks in Bangladesh to prioritize and enhance customer service practices, align financial products with customer needs, and foster transparent communication. These strategic endeavors can contribute to sustained customer loyalty, positive recommendations, and ultimately, the long-term financial success of Bangladeshi banks in a dynamic and competitive market.

## KEYWORDS

customer service, financial performance, banking sector, Bangladesh, satisfaction, loyalty

### 1. INTRODUCTION

The banking sector in Bangladesh has undergone significant expansion and change in recent times, propelled by factors including economic progress, regulatory modifications, and technological advancements (Khairunnessa et al., 2021). With the ongoing expansion of the economy, the banking sector is confronted with heightened levels of competition. Consequently, banks are compelled to explore novel strategies in order to establish a competitive advantage and effectively attract and retain customers (Shokuhi and Nabavi Chashmi, 2019). In the present scenario, the provision of exceptional customer service has become a pivotal determinant for banks to prosper in the fiercely competitive market (Kabir and Rahman, 2018). The role of customer service is of utmost importance in influencing customers' perceptions of a bank and their overall banking experience (Emon et al., 2023).

The concept includes a range of components, including tailored support, effective resolution of inquiries, and timely provision of services. The capacity of a bank to fulfil and surpass customer expectations in these domains has a direct impact on customer satisfaction, loyalty, and the probability of customers endorsing the bank to others (Chumo, 2022). According to a study, customers who are content and exhibit loyalty are inclined to persist in utilising a bank's offerings, thereby potentially resulting in enhanced customer retention and sustained profitability over

an extended period (Monferrer et al., 2019). Moreover, it is worth noting that the influence of customer service extends beyond mere customer satisfaction and loyalty, as it also holds considerable ramifications for the financial performance of a banking institution (Hasan and Chowdhury, 2023). According to a study conducted by empirical evidence suggests that banks that prioritise customer-centric approaches exhibit superior financial performance compared to their industry counterparts (Mogale and others, 2021).

For example, it has been observed that banks that receive higher ratings in terms of customer satisfaction tend to exhibit more favourable financial outcomes, such as enhanced profitability ratios, augmented revenues, and improved return on assets (ROA) and return on equity (ROE) (Qureshi and Siddiqui, 2020). The positive correlation between customer service and financial performance can potentially be elucidated by the theoretical framework known as the "service-profit chain" (Chen and Chi, 2022). This theory posits that the provision of exceptional customer service results in heightened customer loyalty, subsequently fostering revenue growth through repeated patronage and positive recommendations. Furthermore, it has been observed that customers who are content with the services provided by the bank are inclined to consolidate their financial associations with the institution. This consolidation involves engaging in a wider array of services, including but not limited to loans, investments, and insurance products. Consequently, this behaviour contributes

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significantly to the bank's revenue streams (Hassan and Giouvriss, 2020).

In addition, it is worth noting that outstanding customer service can serve as a distinguishing factor within the banking sector, where there is a prevalent perception of product and service uniformity (Velayati et al., 2020). Banks that possess the ability to cultivate a distinctive and exceptional customer experience are more aptly positioned to both attract new customers and maintain the loyalty of their current clientele (Hadi et al., 2019). Consequently, this advantageous position enables these banks to gain a competitive edge over other participants in the market. Nevertheless, it is important to note that the correlation between customer service and financial performance is not a one-way relationship. Rather, it involves a multifaceted interplay of different factors (Nicotra et al., 2018). According to factors such as financial stability and operational efficiency play a significant role in influencing a bank's financial performance (Gadzo et al., 2019). According to the provision of exceptional customer service has the potential to improve financial performance (Mbama and Ezepue, 2018).

Conversely, inadequate service delivery can result in customer dissatisfaction, increased customer turnover, and reputational hazards that could ultimately affect the financial position of the bank. In order to develop a comprehensive comprehension of the correlation between customer service and financial performance within the specific context of banks in Bangladesh, it is imperative to conduct empirical research (Rashid et al., 2020). The primary objective of this research is to address the current void in the academic literature through the implementation of a quantitative analysis on a specific set of Bangladeshi banks. The study aims to analyse the customer service metrics and financial performance indicators of the banks in order to identify any notable correlations or patterns between these two factors. The research findings will offer significant insights for scholars and professionals in the banking sector. The study will make an academic contribution to the existing body of knowledge regarding the significance of customer service within the financial industry and its influence on overall financial performance. The research findings have practical implications for Bangladeshi banks, as they can utilise them to develop customer service strategies that effectively enhance customer satisfaction and loyalty. This, in turn, can contribute to improved financial performance and sustainable growth for these banks (Hasan et al., 2023).

## 2. LITERATURE REVIEW

The competitiveness of the banking business is contingent upon its capacity to provide superior service quality, which subsequently impacts client happiness and loyalty. This literature review explores a variety of research that investigate the complex relationships between service quality, customer happiness, and customer loyalty within the banking sector. This study spans a diverse range of quantitative and qualitative research methodologies, providing insights into the ways in which these interrelated aspects influence the performance of financial institutions. Hasan and Karim conducted a study that focused on the examination of the "Impact of Service Quality on Customer Loyalty and Customer Satisfaction" through the utilization of quantitative research methods (Hasan and Karim, 2023). The survey questionnaire and interviews conducted by the researchers yielded a unanimous agreement among the participants about five key aspects of service quality: tangibles, responsiveness, reliability, assurance, and empathy.

The study placed significant emphasis on the crucial functions of empathy and responsiveness in promoting customer happiness, so recommending that banks should give priority to these qualities. The article titled "Factors Affecting Customer Retention" was analyzed by J. Mark. Commun using a quantitative approach (Mark. Commun, 2020). The researchers emphasized the increasing emphasis on client retention in the current competitive environment, as evidenced by surveys and interviews. The research emphasized the strategic allocation of resources by organizations towards cultivating enduring relationships with their current customer base, so underscoring the significance of customer loyalty as a driver for long-term and sustainable business expansion. In the study titled "Exploring the Relationship between Customer Loyalty and Financial Performance of Banks" International Journal of Bank Marketing, the researchers opted for a qualitative methodology (International Journal of Bank Marketing, 2019).

This study utilized the SERVQUAL methodology to examine the aspects of tangibles, empathy, assurance, reliability, and responsiveness in order to assess the service quality of Islamic Banks in Bangladesh. The study revealed that although maintaining profitability is crucial, customer loyalty emerges as the primary determinant, establishing a connection between service quality and financial performance. The qualitative

research article conducted by Ullah and Khanam examined the influence of Shari'ah compliance on financial success (Ullah and Khanam, 2018). The study presented in this paper examines the impact of Shari'ah compliance efficiency on the financial performance of Islami Bank Bangladesh Limited. The study elucidated the manner in which strict adherence to Shari'ah rules propels Islamic financial institutions towards heightened levels of financial prosperity. The study conducted by Ahasanul Haque, J. O. and A. Z. H. I. investigated the relationship between service quality, customer perceived value, and customer satisfaction in the context of e-banking in Bangladesh (Ahasanul and A. Z. H. I. 2009).

This quantitative research aimed to contribute to the understanding of the service sector in the rapidly changing global economy. The research emphasized the crucial importance of delivering excellent service in the banking sector, given the industry's increasing global reach. Returning to qualitative research, the study conducted by Wong and Sohal titled "Service quality and customer loyalty perspectives on two levels of retail relationships" explored the many elements of service quality and their impact on customer loyalty (Wong and Sohal, 2003). The findings of the study indicate that tangible factors have a noteworthy impact on the prediction of customer loyalty, with variations observed across different organizational levels. The study conducted by Aghdaie, and Faghani, titled "Mobile Banking Service Quality and Customer Satisfaction in Bangladesh" highlights the significance of four criteria, namely tangible, dependability, responsiveness, and empathy, within the realm of mobile banking service providers (Aghdaie and Faghani, 2012; Emon, Nipa, et al., 2023).

The study revealed a scarcity of research investigating the correlation between service quality aspects and customer satisfaction in the context of mobile banking. The study conducted by Akroush titled "Customer satisfaction on service quality in the private commercial banking sector" primarily examined the dimensions of tangibility, reliability, responsiveness, assurance, and empathy (Akroush, 2008). The study revealed that these factors of service quality are crucial elements in satisfying client needs and matching their expectations. In their study titled "The Impact of Service Quality on Customer Satisfaction and Customer Loyalty in the Private Banking Sector," examined the relationship between service quality and customer happiness and loyalty (Ghazali, 2019). This study investigated the influence of service quality on customer satisfaction and customer loyalty within the private banking industry. The research emphasized the notable impact of tangibility and empathy on the level of consumer satisfaction.

The study conducted by Rahman and Al Asheq employed a quantitative methodology to investigate the factors influencing service quality and its subsequent impact on customer satisfaction and loyalty (Rahman and Al Asheq, 2021). The study revealed that factors such as visibility, responsiveness, and employee commitment had a positive impact on customer satisfaction. This highlights the importance of considering additional dimensions of service quality in the context of private banking services. The study conducted by J. and Ray titled "Investigating Structural Relationship among Service Quality Dimensions, Customer Satisfaction" emphasized the significant contribution of service quality to the level of customer satisfaction (Ray, 2011). This study aimed to investigate the impact of service quality elements on customer satisfaction and the relationship between customer satisfaction and loyalty within the context of conventional banks. Cronin and Taylor conducted an empirical quantitative study that examined the causes of customer satisfaction in the banking sector (Cronin and Taylor, 1992). The present study aimed to evaluate the effects of service quality dimensions, namely tangibility, reliability, and empathy, on customer satisfaction. The findings of this study indicate a statistically significant influence of these dimensions on customer satisfaction.

The study conducted by Amin and Isa titled "Understanding the service quality and customer satisfaction of mobile banking" provided empirical evidence supporting the positive and statistically significant impact of several service quality factors on customer satisfaction (Amin and Isa, 2008). The study proposed that mobile banking service providers should prioritize all aspects of service quality in order to augment consumer happiness. The research article entitled "Service quality gap and customer satisfaction of private sector banks" examined the level of consumer satisfaction pertaining to the services provided by private sector banks (Mehtap-Smadi, and Katircioglu, 2005). The research emphasized the difficulties associated with assessing intangible service quality, which is a crucial factor considering the inherent characteristics of service providers. In their study titled "Internet banking and customer satisfaction," Ahmad and Zu'bi, conducted a quantitative investigation to examine the correlation between assurance, tangibility, dependability, responsiveness, and customer satisfaction (Ahmad and Zu'bi, 2011). This study examined the factors influencing customers' attitudes on cost-saving in the context

of online banking usage.

The aforementioned studies highlight the complex relationship between service quality, customer happiness, and customer loyalty within the banking industry. The aforementioned studies collectively underscore the multifaceted aspect of service quality, its central importance in fostering customer happiness and loyalty, and its substantial impact on the financial prosperity of banks.

### 3. RESEARCH METHODOLOGY

The research methodology employed in this study aims to investigate the correlation between customer service and financial performance within Bangladeshi banks. The chosen research design is quantitative, allowing for a quantifiable analysis of the relationship. A cross-sectional survey approach is utilized, collecting data at a specific point in time from customers of various Bangladeshi banks. The target population comprises individuals who have engaged with banking services within the past six months, with a convenience sampling technique employed due to practical limitations. The sample size is determined as 200 respondents based on available resources and time constraints. Primary data is collected through a structured questionnaire addressing customer service perceptions, financial performance indicators, and basic demographic information. Both online and offline methods are used for questionnaire distribution to ensure broader coverage. Data analysis employs descriptive statistics, including frequency distributions, to summarize customer perceptions of service quality and financial performance indicators.

Ethical considerations play a crucial role throughout the research process, with informed consent obtained, voluntary participation ensured, and

measures taken to guarantee confidentiality and anonymity. The data collection process involves distributing the questionnaire through various channels, such as email invitations, social media platforms, and physical distribution at bank branches. The collection phase adheres to a specified timeframe, with reminders sent to encourage participation and enhance response rates. In addition to the previously mentioned components, the research methodology further emphasizes the importance of ethical considerations throughout the study. Informed consent is not only obtained from all respondents but is also clearly communicated, ensuring that participants are fully aware of the purpose and nature of the research. Participation remains entirely voluntary, with individuals having the freedom to withdraw from the study at any point without facing any consequences. To safeguard the privacy and confidentiality of respondents, stringent measures are implemented.

Anonymity is preserved by not collecting any personally identifiable information, and data collected are solely utilized for research purposes. Additionally, efforts are made to securely store and handle the data to prevent unauthorized access. The data collection process involves a multi-channel approach to ensure comprehensive coverage. Email invitations are sent to potential participants, leveraging online platforms and social media to reach a diverse audience. Simultaneously, physical distribution of questionnaires at bank branches caters to individuals who may not have access to online resources. A specified timeframe for data collection is adhered to, and reminders are strategically sent to enhance response rates and maintain the integrity of the study. By incorporating these elements into the research methodology, the study aims to not only quantitatively explore the relationship between customer service and financial performance in Bangladeshi banks but also uphold the highest standards of ethical conduct and data integrity.

## 4. RESULTS AND FINDINGS

### 4.1 Demographic Analysis

Table 1: Demographic Characteristics				
Factor	Frequency	Percent	Valid Percent	Cumulative Percent
<b>Gender</b>				
Male	125	62.5	62.5	62.5
Female	75	37.5	37.5	100.0
<b>Age</b>				
Below 18 years	4	2.0	2.0	2.0
18-34 years	196	98.0	98.0	100.0
<b>Marital Status</b>				
Single	121	60.5	60.5	60.5
Married	79	39.5	39.5	100.0
<b>Level of Education</b>				
Bachelor	115	57.5	57.5	57.5
Master's Degree	85	42.5	42.5	100.0
<b>Area of Residence</b>				
Dhaka	90	45.0	45.0	45.0
Chittagong	57	28.5	28.5	73.5
Rajshahi	23	11.5	11.5	85.0
Khulna	30	15.0	15.0	100.0
<b>Level of Income (Monthly)</b>				
Tk. 20,001-50,000	1	.5	.5	.5
Tk. 50,001- 80,000	114	57.0	57.0	57.5
Tk. 80,001- 200,000	85	42.5	42.5	100.0
<b>Occupation</b>				
Professional & technical	68	34.0	34.0	34.0
Service holder	83	41.5	41.5	75.5
Others (please specify)	49	24.5	24.5	100.0
<b>Total</b>	<b>200</b>	<b>100.0</b>	<b>100.0</b>	

Table 1 serves as a comprehensive snapshot of the demographic landscape among respondents engaged in this study, offering valuable insights into

their diverse backgrounds and perspectives. A significant majority of participants are male, comprising 62.5% of the total sample. This gender

distribution is indicative of potential variations in experiences and expectations between male and female respondents. The age distribution underscores a youthful demographic, with an overwhelming 98.0% falling within the 18-34 age range. Such a concentration of younger participants may impact the findings, as this demographic often exhibits distinctive preferences and behaviors. Marital status provides another layer of demographic understanding, revealing that a substantial 60.5% of respondents are single. This could imply a predominant representation of individuals who may prioritize different aspects of banking services compared to their married counterparts. Education levels exhibit a balanced distribution, with 57.5% possessing a Bachelor's degree and 42.5% holding a Master's degree.

The geographic distribution of respondents reflects a concentration in Dhaka (45.0%), followed by Chittagong (28.5%), Rajshahi (11.5%), and

Khulna (15.0%). This geographic diversity introduces the potential for regional variations in banking preferences and experiences. Income distribution, a critical demographic variable, shows 57.0% of respondents earning between Tk. 50,001-80,000 monthly. This middle-income dominance may influence perceptions of financial services, as this group often seeks a balance between affordability and value. Occupation-wise, respondents are diverse, with 41.5% as service holders, 34.0% in professional and technical roles, and 24.5% falling into other categories. This occupational diversity may contribute to varying expectations and experiences with banking services. In essence, the demographic characteristics outlined in Table 1 lay a robust foundation for the subsequent exploration of the relationship between customer service and financial performance in Bangladeshi banks. Understanding these demographics is crucial as they can influence perceptions, preferences, and expectations regarding banking services.

#### 4.2 Descriptive Analysis

Table 2: Descriptive Statistics			
	N	Mean	Std. Deviation
The bank's customer service representatives are responsive to my inquiries and concerns.	200	3.26	.830
I feel that the bank values and prioritizes providing excellent customer service.	200	3.85	1.279
The bank provides clear and easily understandable information about its products and services.	200	3.83	1.315
I believe the bank actively seeks feedback from customers to improve its services.	200	3.55	1.155
I am satisfied with the overall customer service experience provided by the bank.	200	3.74	.805
The bank's financial products and services meet my financial needs.	200	4.73	.742
I perceive the bank's interest rates and fees to be fair and competitive.	200	4.81	.675
The bank's financial stability influences my confidence in its services.	200	4.83	.619
I believe the bank effectively communicates changes in its financial policies.	200	4.85	.611
I trust that the bank's financial performance positively impacts its commitment to customer service.	200	4.82	.624
Overall, I am satisfied with the level of customer service provided by the bank.	200	4.81	.637
Considering my experience with the bank, I am likely to recommend its services to others.	200	4.77	.692
I believe that the bank's commitment to customer service positively influences its financial success.	200	4.79	.682
I am loyal to the bank and prefer its services over competitors.	200	4.80	.678
The bank's financial performance is a crucial factor in my decision to continue using its services.	200	4.81	.678
Valid N (listwise)	200		

Table 2 presents the descriptive statistics for various aspects related to customer service and financial performance, offering a nuanced understanding of the respondents' perceptions. The mean values and standard deviations provide insights into the central tendencies and variability of responses. In terms of customer service, respondents generally perceive the bank's customer service representatives as responsive to inquiries and concerns, with a mean score of 3.26 and a standard deviation of 0.830. This suggests a moderate level of agreement among participants regarding the responsiveness of customer service representatives. Additionally, respondents feel that the bank values and prioritizes providing excellent customer service, reflected by a higher mean of 3.85 and a standard deviation of 1.279, indicating more varied opinions among respondents. The provision of clear and easily understandable information about the bank's products and services receives a positive response, with a mean of 3.83 and a standard deviation of 1.315, indicating relatively diverse opinions.

Respondents also express satisfaction with the overall customer service experience provided by the bank, as evidenced by a mean of 3.74 and a relatively low standard deviation of 0.805, suggesting a higher level of consensus among participants. Turning to aspects related to financial performance, respondents exhibit positive perceptions. The bank's financial products and services meeting financial needs receive a high mean score of 4.73 and a low standard deviation of 0.742, indicating a high level of agreement among respondents. Similar trends are observed in respondents' perceptions of fair and competitive interest rates and fees (mean = 4.81, standard deviation = 0.675), the bank's financial stability influencing confidence (mean = 4.83, standard deviation = 0.619), and effective communication of changes in financial policies (mean = 4.85, standard deviation = 0.611). The findings further suggest a strong belief among respondents that the bank's financial performance positively impacts its commitment to customer service, loyalty, and recommendations to others. Overall, the descriptive statistics in Table 2 provide a comprehensive overview of respondents' perceptions, laying the groundwork for a more in-depth analysis of the relationship between customer service and financial performance in Bangladeshi banks.

#### 4.3 Findings of the Study

The findings from the study reveal a nuanced and generally positive relationship between customer service perceptions and financial performance indicators among respondents in Bangladeshi banks. In terms of customer service, respondents indicate a moderate level of satisfaction with the responsiveness of the bank's customer service representatives to inquiries and concerns. The mean score of 3.26 suggests that, on average, respondents find the bank's representatives reasonably responsive. The belief that the bank values and prioritizes providing excellent customer service is reflected in a higher mean score of 3.85, indicating a generally positive sentiment, though the wider standard deviation of 1.279 suggests varying degrees of agreement among participants. Respondents express contentment with the overall customer service experience provided by the bank, with a mean score of 3.74. The relatively low standard deviation of 0.805 suggests a higher level of consensus among participants regarding their satisfaction with the bank's service offerings. In the realm of financial performance, respondents exhibit a notably positive outlook.

The mean score of 4.73 indicates a strong consensus that the bank's financial products and services meet their financial needs. Moreover, respondents perceive the bank's interest rates and fees to be fair and competitive, reflected in a high mean score of 4.81. This positive sentiment extends to the belief that the bank's financial stability positively influences confidence (mean = 4.83) and that the bank effectively communicates changes in its financial policies (mean = 4.85). Furthermore, respondents strongly believe that the bank's financial performance positively impacts its commitment to customer service, loyalty, and recommendations. The mean scores for loyalty (4.80), recommendation to others (4.77), and the belief that the bank's commitment to customer service influences its financial success (4.79) all point towards a robust connection between positive customer service experiences and favorable financial outcomes. In conclusion, the findings suggest a symbiotic relationship between customer service perceptions and financial performance indicators in the context of Bangladeshi banks. Respondents who are satisfied with

customer service are more likely to perceive the bank positively in terms of financial products, stability, and communication, thereby fostering loyalty and positive word-of-mouth recommendations. This interplay emphasizes the strategic importance of cultivating excellent customer service practices for sustained financial success in the competitive banking sector.

## 5. DISCUSSION

The discussion of the study's findings illuminates the intricate interplay between customer service perceptions and financial performance indicators in Bangladeshi banks. The positive correlation observed between customer service and financial outcomes aligns with existing literature emphasizing the pivotal role of customer satisfaction in driving profitability. The moderate level of satisfaction with the responsiveness of customer service representatives highlights an area for potential improvement. Banks may consider investing in training programs to enhance representative skills and ensure prompt and effective responses to customer inquiries. The wider range of opinions regarding the bank's prioritization of excellent customer service suggests varying expectations among customers, necessitating a more tailored and nuanced approach to meet diverse needs. The strong consensus that the bank's financial products meet customer needs is a notable strength.

This indicates that aligning financial offerings with customer requirements can significantly contribute to positive perceptions and, subsequently, financial success. The belief in fair and competitive interest rates and fees reinforces the importance of transparent and equitable financial practices, which can enhance customer trust and loyalty. The positive perceptions regarding the bank's stability and communication of financial policies underscore the importance of transparent and reliable financial operations. Clear communication fosters trust and confidence among customers, influencing their overall perception of the bank. The findings also emphasize the symbiotic relationship between customer service and loyalty. Respondents who perceive the bank positively in terms of customer service are more likely to exhibit loyalty, recommend the bank to others, and believe in the positive impact of customer service on financial success. This underlines the strategic significance of prioritizing customer service excellence as a means of not only retaining existing customers but also attracting new ones through positive word-of-mouth. The discussion underscores the need for Bangladeshi banks to prioritize and enhance customer service practices, with a particular focus on responsiveness and aligning financial products with customer needs. Such efforts can contribute to bolstering customer loyalty, positive recommendations, and, ultimately, sustained financial success in this competitive banking landscape.

## 6. CONCLUSION

This study delves into the intricate relationship between customer service perceptions and financial performance indicators within the context of Bangladeshi banks. The findings highlight a positive correlation between customer service and various facets of financial performance, underscoring the strategic importance of prioritizing and enhancing customer service practices in the banking sector. The moderate level of satisfaction with the responsiveness of customer service representatives signals an area for potential improvement. Investing in training programs and refining communication strategies could further elevate the customer service experience, positively influencing overall satisfaction. Notably, respondents overwhelmingly believe that the bank's financial products meet their needs and perceive interest rates and fees as fair and competitive. These positive perceptions emphasize the importance of aligning financial offerings with customer expectations and maintaining transparent and equitable financial practices.

The study also reveals the significance of clear communication in fostering customer confidence. Banks that effectively communicate changes in financial policies and prioritize transparency in their operations are more likely to garner trust and positive perceptions from customers. Furthermore, the symbiotic relationship observed between positive customer service experiences and loyalty underscores the strategic impact of customer satisfaction on both customer retention and positive word-of-mouth recommendations. This can contribute significantly to the sustained financial success of Bangladeshi banks in a competitive market. In conclusion, the study advocates for Bangladeshi banks to not only maintain but also enhance their customer service practices, with a focus on responsiveness, transparent communication, and tailoring financial products to customer needs. By doing so, banks can fortify their customer base, foster loyalty, and position themselves for sustained financial success in the dynamic and competitive banking landscape of Bangladesh.

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