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SERVICE QUALITY ON CUSTOMER RETENTION IN SAUDI BANKING INDUSTRY

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ABSTRACT

As the Saudi Arabian banking industry pursues and realizes Vision 2030, the existing protections provided to local banks will be removed, resulting in increasing competitiveness. The study looked into the factors that influence customer retention in the Saudi Arabia banking business in the hopes of helping local bank executives improve their institutions' competitiveness. The researcher obtained quantitative and qualitative data from a geographically diversified sample set of 200 customers from Saudi Arabian private and public banks using a standardized survey questionnaire. Customer retention in the banking business is driven by the quality of service and individual connection, according to the research. The findings corroborated previous research that emphasized the relevance of high-quality services and individualized interactions in customer retention. Managers from banks can use the data to improve Saudi Arabian Bank's performance in an ever-changing operational environment.

INTRODUCTION

The banking industry is becoming increasingly competitive, and industry participants are constantly evaluating their customer service techniques. Changes in the target customer's well-being affect changes, resulting in unpredictable tastes and preferences for financial services. In order to optimize satisfaction, the market must deliver goods and services that fulfill the purchasers' current needs (Shukla 2013, p.19). Providing unrivaled service is crucial to a bank's success in several areas, including acquiring larger market shares and optimizing earnings.

Furthermore, when Vision 2030 is implemented and realized more fully, banks will need to modify and harmonize their operations. Saudi Arabia aspires to make its cities some of the most competitive in the world. The banking industry is critical to achieving this objective. As a result, Vision 2030 mandates that additional international banks be granted operating licenses in order to strengthen the country's banking industry's competitiveness. As a result, local banks must take steps to ensure that they do not lose their customers to overseas banks. As a result, practitioners and researchers alike are interested in discussing client retention methods and their fundamental drivers. Banking executives can only benefit from Vision 2030 fulfillment if they link their operations and client interactions with its ambitions.The current research findings are particularly important in the banking sector, and they add to the existing body of knowledge. The report recommends bank executives in both the commercial and

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public sectors that offering exceptional customer service is the most competitive approach in the twenty-first century. Furthermore, the report warns business leaders that customer happiness alone may not be enough to keep customers. As a result, the study recommends banking stakeholders and strategic groupings to pay close attention to the elements of satisfaction, which are critical for company competitiveness and profitability.

Problem Statement & Research Gap

Businesses have had to rethink their marketing methods for long-term viability as consumer needs have evolved during the twentieth century. Customers are more particular about their needs and preferences, and the banking industry offers a variety of solutions to fulfill their expectations (Janai& Al Mubarak, 2017). The main problem that commercial banks face in building customer loyalty, which translates to higher retention, is to this extent. The fundamental issue with client retention is their impression of quality financial services and how banks respond to these needs (Subashini, 2016). According to existing data, integrating customer satisfaction programs is effective in lowering defection rates, albeit this may not always equate to client retention. Banks must establish a link or relationship with their customers in order to understand their needs and respond to any emerging problems through an effective monitoring system (Tadic et al., 2018).This research attempts to examine the drivers of consumer retention in the Saudi Arabian banking industry. In this case, the paper will identify the correlation between customer retention and quality of services.Given the rapidly changing operating environment, the study intends to make a substantial contribution to the improvement of Saudi Arabian banks. The fulfillment of Vision 2030 is progressively witnessing the licensing of foreign banks in the country in order to develop its cities as some of the most competitive in the world. As a result, incumbent businesses must pool their resources to compete with newcomers to the industry. The purpose of this study was to deliver basic knowledge on the numerous elements that determine client retention in the banking business to managers at various private and public banks in Saudi Arabia.

Conceptual and Theoretical Framework

The SERVQUAL model is a popular framework for explaining the relationship between customer retention and service quality. Authenticity, reliability, empathy, and assurance are all parts of the idea, according to Krishna et al. (2010, p.233). The physical features of services, such as facilities, technology, and atmosphere, are the emphasis of the tangibility dimension. The capacity of banks to maintain trustworthiness and consistent services is referred to as reliability. Consumers can be assured that a bank meets high standards of competence if they receive assurance. Financial institutions should, in theory, focus on serving a wide range of customers.A conceptual framework outlines the best method for investigating an idea or a thinking. As a result, conceptual frameworks serve as a road map for a certain empirical investigation. A service method provides a valid map for assessing empirical data when examining client retention in a highly competitive business like banking. The service marketing method, in particular, states that a bank can effectively retain clients by significantly improving customer service and satisfaction. The impact of service quality on customer retention is mediated by both functional and technological dimensions of service quality.

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Review of Literature

Several studies have demonstrated the value of customer service in retaining customers. Sasikala and Umarani (2016) did a descriptive study at a number of private banks in Chennai, India, to see how service quality affects customer retention. Using a self-constructed questionnaire, the researchers collected data from 600 respondents from three private banks. Customer service efficiency was found to be a significant factor in determining the extent to which a bank could effectively retain its personnel over time, according to the study. As a result, customer retention in Indian banks is largely determined by the quality of services provided. In a similar line, a research evaluating the impact of customer service quality on customer retention in Indonesian rural banks found a comparable impact on customer retention. Parawansa (2018) investigated the mediating effects of customer commitment and satisfaction on the link between service quality and retention in a quantitative study. The researcher gathered information from 300 people and utilized inferential statistical analysis to see how client retention affects retention. According to Parawansi (2018)'s research, service quality has a substantial impact on a bank's ability to retain customers. While the data came from rural banks in an Indonesian province, they show that a business may effectively retain customers by improving the quality of its customer service, with dedication and the level of customer happiness that results as intervening variables.

In commercial banking, service quality has evolved as a key differentiator that plays an essential role in marketing efforts. According to Prasad (2015), an organization's success in service is determined by the quality of its service. The researcher used quantitative analysis to perform descriptive research to see how much service quality effects a banking customer's decision to keep a particular bank as their primary service provider. Prasad (2015) used a survey to gather information from 500 clients of Bangalore-based banks. Notably, the outcomes of the study revealed that banks must invest in improving their overall service quality in order to effectively keep their customers. To this aim, empathy and service reliability have emerged as crucial aspects of customer quality that affect an organization's capacity to effectively retain consumers. As a result, if commercial banks want to stay competitive, they must examine the quality of their services.Commercial banks seeking to establish themselves in the market must embrace technological innovation. Technology has evolved into a significant approach for client retention, in addition to cost reduction. Customer relationship management (CRM) is a critical tool that has enabled researchers to look into the impact of technology on bank customer retention. Qasem, Abukhadijeh, and Aladham (2016) used a survey to look into how CRM efforts in Jordanian banks influenced customer retention. The researchers gathered information from 405 consumers of Jordanian banks. Data analysis revealed that CRM operations had a beneficial impact on customers' attitudes toward the bank. Banks were able to use CRM to handle consumer problems, improve service quality, and create activities aimed at retaining customers. The numerous CRM initiatives, in particular, had a major impact on overall client retention. In this method, technological advancements are made possible.

The adoption of self-service technology in retail banking is another technical innovation that has considerably enhanced service delivery. With the introduction of

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Automated Teller Machines, it is now possible to investigate the impact of technology on an organization's performance. Iberahim et al. (2016) investigate how the use of technology affects customer satisfaction levels in a study. To do so, the researcher gathered survey data from 271 people and observation data from an ATM service station. The findings revealed that consumer satisfaction with the bank is influenced by the consistency, timeliness, and dependability of ATMs. ATMs emphasize the relevance of technology to customer happiness as a kind of technical innovation. Technological advancement is unavoidable.Customer loyalty is critical for any bank that wishes to succeed in an increasingly competitive operating environment. Customer loyalty is the result of a service organization's efforts to recognize, manage, and meet the demands of its consumers (Rasheed et al., 2015). Researchers are interested in the relationship between service quality, client loyalty, and consumer satisfaction. Researchers wanted to look into the relationship between client loyalty and banking in a study (Famiyeh, Asante-Darko, and kwarteng, 2018). Data was collected at Ghanaian banks via a survey. Customer service quality, especially reliability, ambiance, and social elements, were found to be important determinants of customer happiness. Organizational culture significantly increased the relationship between customer service and customer happiness in banks. Customer pleasure is positively connected with customer loyalty, according to subsequent research. As a result, customer service promotes client happiness, which is a good thing.Customer satisfaction is a vital indicator of a bank's ability to meet the needs of its customers. Customer satisfaction is an important measure of clients' long-term behavior in any service firm. Notably, a satisfied client is pleased with the bank's goods and services, which enhances their likelihood of returning for future service, being unaffected by pricing adjustments, and promoting the company to their friends (Darzi and Bhat, 2017). In order to develop a framework for client retention, researchers recruited and surveyed customers from a bank with more than 70 locations (Darzi and Bhat, 2017). Customer satisfaction was found to have a favorable impact on customer retention in the study. Quick complaint processing, personalization of client services, and complaint analysis on a regular basis are all important predictors of customer happiness. Banking services is increasing becoming customer-centric, with the focus shifting to providing customized and quality services that meets the needs of clients. Mahapatra (2017) was interested in examining the various key drivers of customer retention in the Indian banking

According to a review of the research, bank retention is influenced by efficiency, quality of service, personal interaction, and technology. Client happiness and loyalty, in turn, lead to customer retention, according to the literature assessment. Notably, the majority of the studies examined did not address the banking setting in Saudi Arabia. As a result, the current study was carried out to close the information gap. The researcher expects that the current findings will assist banking executives in improving their institutions' financial performance by enhancing customer retention.

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Research Hypothesis and Model

Hypothesis1

Null Hypothesis (H0) = There is no significant relationship existing between efficiency and customer retention in banking services

The alternative hypothesis (H1) = There is a significant relationship existing between efficiency and customer retention in banking services

Hypothesis 2

Null Hypothesis (H0) = There is no significant relationship existing between personalized interaction and customer retention in banking services

The alternative hypothesis (H1) = There is a significant relationship existing between personalized interaction and customer retention in banking services

Hypothesis 3

Null Hypothesis (H0) = There is no significant relationship existing between quality of service and customer retention in banking services

The alternative hypothesis (H1) = There is a significant relationship existing between quality of service and customer retention in banking services

Hypothesis 4

Null Hypothesis (H0) = There is no significant relationship existing between technology, efficiency and customer retention in banking services

The alternative hypothesis (H1) = There is a significant relationship existing between technology, efficiency and customer retention in banking services

Hypothesis 5

Null Hypothesis (H0) = There is no significant relationship existing between service quality, customer loyalty and customer retention in banking services

The alternative hypothesis (H1) = There is a significant relationship existing between service quality, customer loyalty, and customer retention in banking services

Hypothesis 6

Null Hypothesis (H0) = There is no significant relationship existing between service quality, customer satisfaction and customer retention in banking services

The alternative hypothesis (H1) = There is a significant relationship existing between service quality, customer satisfaction, and customer retention in banking services

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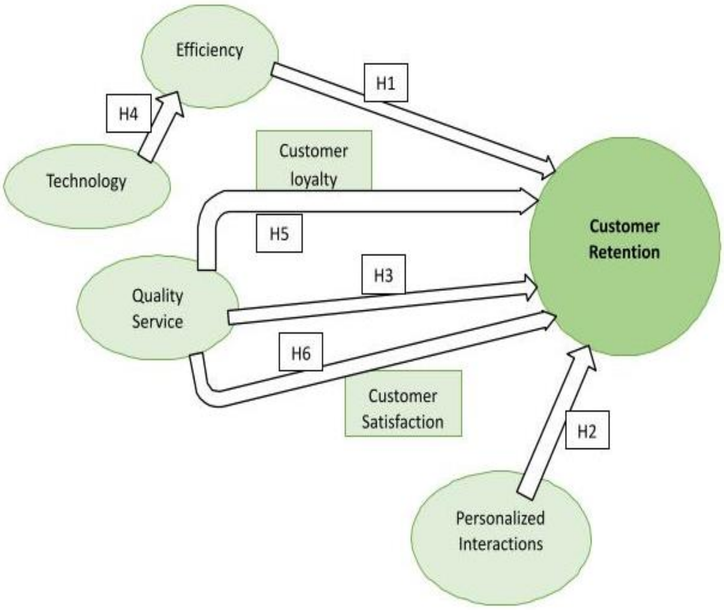

Research methodology

The current research will be descriptive in character. The research will attempt to identify and describe the numerous factors that influence customer retention among Saudi Arabian banking customers. The driver of client retention, as discovered by the literature analysis, is a relatively new topic in Saudi Arabia. As a result, a descriptive study is the most suited method for conducting an initial investigation into the phenomena of interest. A cross-sectional research investigation was undertaken in particular. A cross-sectional research study allows the researcher to poll a subset of the target population in order to gain a better knowledge of a certain phenomenon. A cross-sectional study seemed extremely appropriate given the practical hurdles of polling all banking customers.The research will employ a mixed method approach with well-structured survey questionnaires. Survey questions are critical because they allow researchers to acquire the necessary first-hand data (Fox, Hunn& Mathers 2009, p.6). The SERVQUAL model, which was constructed using parts of proven models to ensure content validity, was the preferred instrument for data collection in this study. Parasuraman, Zeithaml, and Berry first proposed this model in their study on service quality, and it consists of five dimensions: tangibles, empathy, assurance, reliability, and responsiveness (Raza et al., 2020). A survey will be used to test the relationship between customer retention and service quality on these dimensions, with the results being finished on a Likert scale. The responders will be asked to rate their level of agreement on a five-point scale, with 1 indicating strong agreement and 5 indicating strong disagreement.Online platforms, namely social media, will be simple, cost-effective, and provide vast geographic coverage for this study. Another benefit of adopting online surveys is that they enable the automation of data gathering operations, such as data management and input. As a result, the likelihood of data inaccuracies is reduced. To vary data and provide thorough insight into the notion of customer retention, the researcher will include both open-ended and closed-ended questions in the survey. Open-ended questions have the advantage of allowing the researcher to collect a wide range of responses and viewpoints, allowing them to better comprehend the respondent's thoughts.In addition, the researcher will analyze relevant papers and literature on customer happiness in order to get a thorough grasp of the banking business, customer retention methods, and customer satisfaction measurements.

The sample population will consist of 114 people who are evenly dispersed by occupation, age, gender, and geographic location. The study will be undertaken in three locations of Saudi Arabia: the Eastern region, the Central region, and the Western region. Participants who bank with National Commercial Bank (NCB), Samba, Riyad bank, Al Rajhi bank, and SABB bank will be eligible for this study.The participants for this study will be chosen via stratified random sampling. Because the population is divided into smaller sub-groups and volunteers are chosen from these sub-groups, this strategy was thought to be the most useful. The researcher would be able to obtain a sample that accurately reflects bank clients. Another benefit of stratified random sampling is that it can assist capture the wide range of characteristics that this community has to offer.

Data analysis and Interpretation

A team of analysts will assemble the responses and analyze them quantitatively so that they can be compared, interpreted, and valid conclusions may be drawn. The Statistical Package for Social Sciences (SPSS) will be used to evaluate the data since it allows for the effective description of demographic information. It would be helpful in describing the features of this research's statistics and data. To begin, the respondents' profile will be presented using frequency tables and pie charts. The usage of frequency tables as a way of studying the properties of a dataset helps the researcher to determine the patterns of a specific datum in a dataset. At the same time, a researcher can compare data of the same type using a frequency table. Similarly, pie charts assist researchers to spot data trends and compare different data sets.Second, the researcher will evaluate the dataset using correlational analysis. The use of correlation as a data analysis tool allows researchers to identify the intensity of the association between two variables in a dataset as well as the direction of the interaction. The Pearson r correlation will be utilized in this study to determine the degree to which the linearly connected variables of interest are related to one another. In this study, correlation is a good strategy because the results will show how closely the variables of interest are related. Finally, to better quantify the link between the variables of interest, a linear regression analysis will be performed. In the sense that it allows a researcher to anticipate the value of a dependent variable based on the value of an independent variable, it is considered the next step after correlation.

Respondent’s demographic profile

The purpose of this study was to see how customers perceive quality banking service and how different retention methods affect customer satisfaction. As a result, each of the 114 participants was a bank customer. Al Rajhi Bank accounted for 24.6 percent, Samba Bank for 15.8 percent, National Commercial Bank for 14.9 percent, Riyad Bank for 12.3 percent, and SABB Bank for 6.1 percent. Other banks held 26.3 percent of them. The Eastern Region had the most responses (62.3 percent), followed by the Central Region (27.2 percent), and the Western Region (10.5 percent). They have

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been using financial services for more than six years, according to 77.2 percent of them.It's worth noting that 75.2 percent of them were men and 19 percent were women. Only two of the 114 participants were under the age of 25. Only 8.8% of them did not have a bachelor's degree or higher. 81.8 percent of people earn more than 5000

Testing Hypothesis

H1. Efficiency in a bank is perceived to have a positive influence on customer retention.

The researcher hypothesizes that bank efficiency positively influences customer retention. The study found that the bank's efficiency is positively correlated with a bank's ability to meet customers' needs (r=0.365, p>0.001).

Correlations

		Service delivery efficiency	I am highly likely to continue seeking services from the bank
Service delivery efficiency	Pearson Correlation	1	.365**
	Sig. (2-tailed)		.000
	N	113	113
I am highly likely to continue seeking services from the bank	Pearson Correlation	.365**	1
	Sig. (2-tailed)	.000	
	N	113	114

**. Correlation is significant at the 0.01 level (2-tailed).

In addition, a linear regression model was created to see how much bank efficiency affects client retention. At statistically significant levels (F=17.067, p>0.001), service delivery efficiency accounted for 13.3% of the variance in customer retention.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.365[a]	.133	.125	1.139

a. Predictors: (Constant), Service delivery efficiency

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Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	22.127	1	22.127	17.067	.000[b]
	Residual	143.909	111	1.296		
	Total	166.035	112			
a. Dependent Variable: I am highly likely to continue seeking services from the bank						
b. Predictors: (Constant), Service delivery efficiency						

H2. Personalized interactions lead to customer retention.

The researcher hypothesizes that personalized services influence customer retention. Assuming communication is a measure of personalized interaction, the study found that efficiency of the bank is positively correlated with a bank's ability to meet customers' needs (r=0.453, p>0.001). In the same vein, if presence of physical branches was assumed to be a measure of personalized interaction, there was statistically significant relationship between personalized interaction and customer retention (r=0.526, p>0.001).

In order to examine the extent to which personalized interaction contribute to customer retention, the research carried a linear regression analysis. The model indicates that personalized interaction as measured through excellent communication and the presence of physical branches contribute to 31.3 percent variance in the customer retention scores.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.560[a]	.313	.301	1.014

a. Predictors: (Constant), Excellent Communication with customer and clear, Physical_branches

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ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	52.067	2	26.033	25.340	.000[b]
	Residual	114.038	111	1.027		
	Total	166.105	113			

a. Dependent Variable: I am highly likely to continue seeking services from the bank

b. Predictors: (Constant), Excellent Communication with customer and clear, Physical_branches

Notably, the presence of physical branches contributed more to the variance in customer retention than excellent communication.

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	.768	.430		1.786	.077
	Physical_branches	.477	.114	.397	4.176	.000
	Excellent Communication with customer and clear	.281	.116	.231	2.428	.017

a. Dependent Variable: I am highly likely to continue seeking services from the bank

H3. The quality of services has a significant relationship with customer retention in the banking sector.

The researcher hypothesizes that bank efficiency positively influences customer retention. The study found that the bank's efficiency is positively correlated with a bank’s ability to meet customers’ needs (r=0.449, p>0.001).

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Correlations

		I am highly likely to continue seeking services from the bank	Quality in product and services
I am highly likely to continue seeking services from the bank	Pearson Correlation	1	.449**
	Sig. (2-tailed)		.000
	N	114	114
Quality in product and services	Pearson Correlation	.449**	1
	Sig. (2-tailed)	.000	
	N	114	114

**. Correlation is significant at the 0.01 level (2-tailed).

Further, a linear regression model was conducted to determine the extent to which quality in service contribute to variability in customer retention. Notably, quality in product contribute to 20.2 percent variation in the levels of customer retention.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.449[a]	.202	.195	1.088

a. Predictors: (Constant), Quality in product and services

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	33.526	1	33.526	28.322	.000[b]
	Residual	132.579	112	1.184		
	Total	166.105	113			

a. Dependent Variable: I am highly likely to continue seeking services from the bank

b. Predictors: (Constant), Quality in product and services

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H4. Most customers favor technology.

The researcher hypothesizes that the application of technology is desirable to most bank clients. The qualitative study showed that technology was one of the most common themes when customers responded to the survey on the benefits and challenges faced in their banks. Notably, streamlining of existing technology and the adoption of new technology were considered important elements that should be improved to enhance future performance.

H5. Service quality influences the level of loyalty among bank customers.

The researcher hypothesizes that the quality of bank services positively influences customer loyalty. Assuming that customer loyalty depends on the extent to which a customer feels that a bank meets his or her needs, the study found that the quality of bank services is positively correlated with a bank's ability to meet customers' needs ($r=0.675$, $p>0.001$)

Correlations

		Quality in product and services	Understanding the needs of the customer
Quality in product and services	Pearson Correlation	1	.675**
	Sig. (2-tailed)		.000
	N	114	114
Understanding the needs of the customer	Pearson Correlation	.675**	1
	Sig. (2-tailed)	.000	
	N	114	114

**. Correlation is significant at the 0.01 level (2-tailed).

Further, a linear regression was completed to determine the extent to which service quality influence the variability in customer loyalty. The analysis showed that quality in services and products explain 45.5 percent variability in customer loyalty.

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Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.675[a]	.455	.450	.751

a. Predictors: (Constant), Quality in product and services

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	52.692	1	52.692	93.529	.000[b]
	Residual	63.098	112	.563		
	Total	115.789	113			

a. Dependent Variable: Understanding the needs of the customer

b. Predictors: (Constant), Quality in product and services

H6. The greater the service quality of a bank, the higher the number of satisfied clients.

The researcher hypothesizes that the quality of bank services positively influences customer satisfaction. It was found that the quality of bank services is positively correlated with customer satisfaction ($r=0.250$, $p>0.007$).

It was essential to determine the extent to which quality in products and service influence customer satisfaction. Notably, the researcher found that the quality of services and products offered by a bank only contribute to 6.2 percent variability in the levels of customer satisfaction.

Discussion

The participants were asked about the perceived benefits of their present banks during the study. The respondents recognized technology as a significant benefit. As a result, the speed with which banking services were delivered as a result of the effective application of technology goods was seen as an advantage. Respondents also cited reasonable rates for numerous products and services as a big benefit. Some of the benefits mentioned by respondents were the rates offered on currency exchange and low-interest rates on credit items. Other advantages and bonuses that respondents thought were important in their banks were also mentioned. One client mentioned that receiving hospitality when visiting their local offices was a big benefit of their bank. A

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key benefit experienced by the responders was the acquisition of mileage points that might be redeemed in the future.Clients' service benefits were also recognised as perks in their banks. One client mentioned that they were able to make free money transfers both within the bank and to other banks. Many respondents mentioned that the kind of services they were offered at their banks provided them with benefits. Gold service, premium bank accounts, and platinum memberships were among the offerings that clients thought were beneficial.Respondents evaluated ease of service access, provided by the closeness of bank branches, to be an important benefit. One of the clients mentioned that having a large number of branches with a large number of customers was beneficial.

The most identified challenge faced at the banks as identified by the respondents was the slow pace of services offered in physical branches. The customers noted that it was hard to access personal services due to the limited number of branches. The slow services in the available physical locations were considered as a significant challenge. In the same vein, the customers expressed a challenge with some of the products offered by their banks. The complicated nature of various important transactions that clients would like to receive at the bank was identified as a challenge. Concerning products offered, respondents noted that their current bank did not provide sufficient information on the existing financial products. As such, respondents considered accessing funds was a significant challenge. The high rate of loan interest in comparison with the government rates was also identified as a major challenge that clients faced at the bank.Given the increased uptake of technology use in various banks, technical issues emerged as a significant challenge that respondents faced at the bank. Technical issues with the various banking application and platforms were significant challenges that interfered with respondents' ability to access banking services. Some of the respondents noted that technological services offered in their bank were significantly different from each other.

From the survey, improvements in customer service quality and products emerged as a significant suggestion on how banks can improve their services. Some customers noted that the bank should improve the speed with which it addressed customer queries as well as the overall efficiency of services. In regards to products, respondents noted that the bank should improve the marketed investment products and the various financial offers at the bank. The respondents also hold that banks should consider improving the interest rates on various financial products as well as credit cards. Equally, most customers noted that banks need to improve their customer service. In this regard, customers indicate the need for banks to quickly respond to customer queries and improve the interaction between customers and clients. Some of the clients indicated that banks should train their staff on how to handle customer queries, indicating that there are other banks that offer better services than their branch.Also, the customer noted that the banks could improve their services through technological upgrades. As expected, most respondents indicated that banks should invest their efforts toward reducing the instances of IT problems experienced when using applications developed by the company. Potential technological upgrades that emerged from the discussion included the possibility of a self-service machine allowing customers to print and receive cards. Further, one of the clients suggested that banks should consider implementing a technology that allows bank staff to serve customers remotely.

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In terms of the paper's first objective, the findings reveal that clients perceive the quality of banking services to be a critical factor in choosing a bank. Notably, as expected by Hypothesis 3, the quality and efficiency of a bank's services were positively connected with the amount to which consumers thought the bank matched their demands. Similarly, as anticipated by Hypothesis 6, the quality of bank services is strongly connected with client satisfaction. Given the fact that bank clients are unlikely to switch banks if their demands are addressed, banks must invest in increasing the quality and efficiency of their services. The findings support the idea that by providing high-quality services, a bank can keep customers from migrating to another supplier (Pasha &Razashah 2018). According to second objective, banks are pursuing numerous tactics to boost client retention. According to the report, banks provide benefits that clients regard as critical to their perception of the bank. While banks are essentially financial entities, they are employing strategies to build customer loyalty, such as offering gold, premium, and platinum services. Personalized services, which incorporate a personalised approach to customer care, include such services. Each customer should be treated as an individual in a personalized corporate environment, with data used effectively to improve service quality (Alnasser, 2018). Banks employ a decentralized approach to collect data from numerous sources to support customised services, according to Shome et al. (2018, p. 4). This may explain, for example, why certain banks provide incentives like travel permits to ensure customer happiness and retention.

From third objective it became clear that the level of customer satisfaction in banks is highly influenced by service quality. According to the qualitative survey, the majority of consumers said that poor customer service and low product quality were the most significant difficulties at their banks. Linear regression models, in particular, emphasized the relevance of service quality in affecting customer retention. The data support Hypothesis 5 by indicating that customer service contributes to a 45.5 percent difference in customer retention scores. When compared to the percentage contribution of other customer retention drivers, it becomes clear that managers and practitioners must devote significant resources to enhancing service quality in order to attract new customers. Banking clients appear to evaluate the quality of the products and services they receive from the bank and use this information to determine whether or not to repurchase the products and services. Forth objective reveals and respondents said that introducing technology to improve overall service quality may help their banks greatly. Removing hurdles that can lead a consumer to switch to another institution is one of the most essential techniques for customer satisfaction and retention (Lone et al., 2017). In keeping with this, most consumers stated that if their banks increased the level of services and products offered, they were unlikely to switch. The efficiency of banking operations as a result of technology adoption has emerged as a key concern for banking executives who want to keep their customers for the long haul. The data backed up Hypothesis 1, demonstrating that a bank's efficiency is linked to customer retention. As a result, banks that want to stay competitive in a changing operating environment must invest in technology that improves their overall efficiency.As expected with the fifth objective, quality services emerged as an important determiner of customer loyalty and satisfaction. Personalized interaction was a leading driver of customer retention. When investigating Hypothesis 2, the researcher found that the combination of physical

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branches and excellent communication with clients explain 31.5 percent variation in customer retention scores. It would seem that banking customers' decision to repurchase services and products depends on the extent to which they feel that they receive personalized banking services. The findings align with Solangi et al. (2019 view that relationship marketing as the basis for customer retention in the banking industry. Bank managers who invest in improving and offering personalized will increase customer satisfaction and retention.

Conclusion

The outcomes of the study stress the relevance of service quality in the banking business for client retention. If a bank wants to keep its customers, it must meet their needs. Managers and decision-makers in banks must implement quality-of-service initiatives and assess them on a regular basis to ensure their efficacy. In light of the Saudi Arabian industry's increasing competitiveness, a bank can only thrive if it can design and supply high-quality products and services to its customers.Banks in Saudi Arabia, in particular, have been working hard to improve their client service offerings. Premium service, awards, bonus points, and other customer retention methods are becoming increasingly popular in the sector. However, the significance of service quality in terms of customer happiness and retention cannot be overstated. Quality of service emerged as the most important driver among all the factors evaluated in this study.Overall, the study confirms that consumer service qualities such as reliability, responsiveness, empathy, certainty, and tangibles have a substantial impact on the intention to repurchase bank services. As a result, by increasing the quality of services, banks can encourage buyer loyalty, which is also a secondary behavior. To put it another way, there's a link between customer pleasure, loyalty, and the type of service supplied by financial institutions. Physical characteristics like as process management, organizational leadership, and effective staff control can all have an impact on employee retention. The study shows that adapting services to market demands is an effective way to sustain high levels of satisfaction among target clients.

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