Service Redefined: From Quality to Loyalty, Weaving the Threads of Customer Experience and Satisfaction

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Abstract:

Problem: Public sector banks in India face unique challenges and opportunities in delivering exceptional digital banking services which may jeopardise consumer loyalty. Public sector banks often prioritise financial inclusion, accessibility, and reliability to serve diverse customer segments, including those in remote or underserved areas. Moreover, these banks must navigate regulatory and budget constraints while striving to provide innovative and secure digital banking solutions. This study delves into the essential service quality dimensions that are pivotal in crafting a positive customer experience when utilising digital banking services, focusing on public sector banks. **Approach:** Data is collected using purposive sampling from the customers of public sector banks who were using digital banking platforms for banking transactions. Data collection resulted in 524 valid survey responses. Psychometric characteristics were examined, and hypotheses were tested using the Hayes process approach. Statistical analysis was conducted using SPSS 25 and AMOS 22. **Findings:** The study's findings reveal that service quality dimensions play a significant role in promoting customer experiences. The study emphasizes the importance of customer experience as a predictor of customer satisfaction and loyalty. Customer satisfaction is identified as a strong predictor of customer loyalty. Customer satisfaction also acts as a mediating factor in the relationship between customer experience and loyalty. **Conclusion**: This study explores the profound connection between a positive experience in digital banking services and the cultivation of customer loyalty. By understanding how a favourable digital banking experience influences customer behaviour, banks can develop strategies that not only attract new customers but also solidify relationships with existing ones, ensuring a prosperous and sustainable future in the ever-evolving world of finance. Keywords: Digital Banking; Service Quality; Customer experience; Customer satisfaction; Customer Loyalty.

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1. Introduction

In today's digital age, banking services have undergone a significant transformation with the advent of digital technologies. Customers can now access their accounts, make transactions, and manage their finances conveniently through digital banking platforms. This transformation is especially noteworthy in the public sector banking industry, where institutions have embraced digitalisation to enhance their service offerings (Jain & Gabor, 2020). However, the success of these digital banking services hinges on a critical factor: service quality dimensions. These dimensions are the fundamental building blocks that shape the overall customer experience within the digital banking landscape (Raza et al., 2020).

In this context, public sector banks face unique challenges and opportunities in delivering exceptional digital banking services. Public sector banks often prioritise financial inclusion, accessibility, and reliability to serve diverse customer segments, including those in remote or underserved areas. Moreover, these banks must navigate regulatory and budget constraints while striving to provide innovative and secure digital banking solutions. This study delves into the essential service quality dimensions that are pivotal in crafting a positive customer experience when utilising digital banking services, focusing on public sector banks. Understanding these dimensions is crucial for public sector banks to meet their customers' evolving needs and expectations in an increasingly digital and tough competitive world (Mostafa, 2020). A positive experience in digital banking services lies at the heart of this loyalty equation (Makudza, 2020). This loyalty has numerous benefits for financial institutions, including increased customer retention, advocacy, and profitability (Griffin, 1995).

Service quality is a major factor in customer experience. It is commonly defined as the consumer's assessment of how well a service satisfies their expectations (Parasuraman et al., 1988). The RATER model (Parasuraman et al., 1988) is a well-recognised framework for evaluating digital banking service quality factors. Reliability, Assurance, Tangibles, Empathy, and Responsiveness each play a distinct and vital role in shaping how a consumer behaves (Zeithaml et al., 2009). In light of the RATER model, this study poses a research question: '*does service quality dimensions shapes the customer experience?*' The current study seeks to give significant insights for banks and financial institutions aiming to optimise their digital banking services and increase customer experiences by exploring how each factor adds to customer experience.

The paper investigates the complex relationship between customer satisfaction, customer experience, and customer loyalty in digital banking. The study investigates the methods by which customer satisfaction acts as a linchpin connecting the customer experience and loyalty (Nobar&Rostamzadeh, 2018) to a digital banking platform. Customer satisfaction is a critical driver of customer loyalty (Hasfar et al., 2020).

Objectives of the study

1. To assess the role of service quality dimensions in shaping customer experience.
2. To evaluate the relationship between customer experience and customer loyalty.
3. To examine the mediating role of customer satisfaction between customer experience and customer loyalty.

Literature Review

2.2 *Digital Banking*

Service quality is being recognised as an essential factor of the customer experience in the rapidly expanding world of digital banking (Trivedi, 2019), particularly in India, where creative digital solutions are challenging traditional banking paradigms as the world accelerates towards an increasingly connected digital era (Wewege et al., 2020). With the tremendous growth of digital usage, Indian consumers demand more reliable and effective banking services. However, in a heterogeneous setting where language, cultural norms, and digital literacy differ greatly (Daga et al., 2021), this presents a particular problem. Personalised digital interactions that respond to the individual demands and preferences of Indian customers, according to Singh (2019), have considerably increased service quality perceptions, boosting trust in digital banking platforms. In the Indian context, banks must balance technological innovation and personal touch, ensuring that digital interfaces are regarded as an extension of the warm customer-centric attitude common to Indian culture (Mehrotra, 2019). Transparent communication, data security, and simplicity of grievance redressal are all important in the Indian digital banking context, according to Singh and Verma (2021).

2.3 *Service Quality and its Dimensions*

Service quality indicates how well a service satisfies the customer's expectations (Zeithaml et al., 1988). Service quality is critical in the field of digital banking since it has a direct impact on satisfaction and loyalty (Ayinaddis et al., 2023). The banking industry's digitization has transformed how financial services are offered and experienced by customers (Alam et al., 2019). Understanding and analysing service quality characteristics is critical in this setting to ensure customer satisfaction and loyalty. The RATER model, which incorporates five main dimensions, viz. "*reliability*," "*assurance*," "*tangibles*," "*empathy*," and "*responsiveness*," is one important framework that has received substantial attention in the literature (Perule et al., 2020; Kaur et al., 2021). According to Akkucuk and Teuman (2016), these dimensions have evolved in the digital context, illustrating aspects such as the reliability of online transactions, the assurance of encrypted information, the tangibility of user interfaces, empathy demonstrated through AI-driven customer support and responsiveness of mobile app capabilities.

The digital banking landscape is characterised by intense competition, with customer loyalty dependent on the seamless integration of technical innovation and great service quality (Osei et al., 2023). The RATER model offers digital banking a complete framework for evaluating and improving service offerings. Furthermore, the model's applicability to the digital context is seen in emerging studies focused on indicators such as the performance of websites (Chauhan et al., 2022), mobile app responsiveness (Kaur et al., 2021), and real-time customer assistance (Lee & Lee, 2020).

2.4 *Customer Experience*

Customer experience in digital banking extends beyond transactional encounters, including all customers' interactions with financial services via digital channelsKlaus and Maklan (2013). With the onset of digitalization, ease, personalisation, and quick problem resolution have risen to the top of customer expectations(Gentile et al., 2007). When the RATER dimensions are linked to the customer experience, each component contributes to overall sentiment and loyalty among digital banking consumers. Reliability develops confidence, Assurance promotes trust, Tangibles shape user views, Empathy creates emotional relationships, and Responsiveness provides quick solutions (Czaplewski et al., 2002; Shanka, 2012; Hsu et al., 2022). By adopting the RATER model as the foundation of service quality, banks streamline their

digital banking operations and develop customer-centric environments that flawlessly combine technical advancement with human-centric experiences (Raza et al., 2020).Hadid et al. (2020) claim that reliability, assurance, tangibility, and responsiveness make a customer satisfied, but the digital banking aspect was not explored. The present study attempts to fill this gap by identifying the service quality antecedents of customer experience.

Consistency in providing services is directly related to reliability. Customers get a more predictable and dependable experience with consistent service quality. Consistency fosters trust and improves the consumer experience (Rane et al., 2023). Thus, the study hypothesizes that:

H1: *Reliability is significantly associated with customer experience*

A high level of assurance reduces customer anxiety and unpredictability. Customers who perceive service providers as proficient and capable are less likely to be concerned about potential issues or undesirable outcomes, resulting in a more pleasant encounter. Therefore, the hypothesis is:

H2: *Assurance is significantly associated with customer experience*

The aesthetic appeal and overall experience are enhanced by the design, layout, and simplicity of navigationReinecke, K., & Bernstein, (2011). A well-designed and user-friendly interface can increase user satisfaction and make interactions with the digital platform more enjoyable. The speed and performance of the digital banking platform lead to a favourable perception of the service. Thus, the study hypothesize that:

H3: *Tangibility is significantly associated with customer experience*

Empathy helps to create an emotional bond between the customer and the service provider or brand. This emotional bond can result in increased brand loyalty and favourable word-of-mouth referrals. Empathy also helps to foster trust and loyalty (Hsu et.el. 2011). Customers are more inclined to stay loyal and continue doing business with an organisation if they believe the service provider cares about their well-being and needs.Thus, the study hypothesize that:

H4: *Empathy is significantly associated with customer experience*

Responding quickly improves the customer experience. Customers feel valued and respected when they receive prompt and effective assistance, which leads to a positive view of the service. Furthermore, in a service breakdown, responsiveness is critical to service recovery. According to Chahal and Dutta (2015) Responding to difficulties and compensating for inconveniences can transform a poor scenario into a positive customer experience. Therefor the hypothesis:

H5: *Responsiveness is significantly associated with customer experience*

2.5 Customer Loyalty

Amin (2016) claims that a customer's assessment of service quality in a digital banking context is a forerunner to overall satisfaction and eventual loyaltyBank loyalty is described by Bloemer et al. (1998) as "a biased, non-random, behavioural response expressed over time by some decision-making unit with respect to one bank out of a set of banks." Building upon this definition, Larsson and Viitaoja (2017) refer to customer loyalty as "bank customers holding favourable attitudes towards their bank of choice, manifested through repeated purchase intentions and/or behaviours at the same bank." Digital banking

services are the response to today's technological advancements, and it is not an exaggeration to claim that these services constitute the backbone of the economy. As a result, a bank's ultimate goal is to have loyal customers (Jahroh&Saptono, 2023).

According to Kim et al. (2023), customer experience includes tangible and intangible product or service components, such as how customers feel about their interactions. Customers create a greater emotional connection with a brand by enjoying positive experiences characterised by convenience, customization, responsiveness, and value (Rather et al., 2022). This link, in turn, has a major impact on their brand loyalty, leading to recurrent purchases and advocacy (Brun et al., 2017).In essence, a positive customer experience builds a sense of trust and dependability, ultimately laying the groundwork for a loyal customer base. Regarding digital banking, authors have explored the experience-loyalty relationship (Mbama&Ezepue, 2018; Chauhan et al., 2022). However, the studies are either based in developed nations or are qualitative or in the context of internet banking only. The existing study brings into the picture digital banking holisticallyin the context of public sector banks in India which have majority share in the market and facing intense competitionfrom private sector banks, foreign banks and now from FinTech. Thus, the study hypothesizes that:

H6: *Customer experience is significantly associated with customer loyalty.*

2.6 *Customer Satisfaction*

Customer satisfaction is an essential concept in service quality assessment, comprehending the delicate relationship between service quality dimensions, customer experience, and subsequent customer loyalty (Nobar&Rostamzadeh, 2018). *Customer satisfaction* is the contentment and fulfilment that a customer obtains from their interactions with the services offered by a business (Wulandari, 2022).

Customers demand smooth transactions that save them both effort and time. As a result, a favourable and memorable experience leads to enhanced customer satisfaction (Raina et al., 2019). Based on this discussion, various studies have recommended customer experience as an antecedent of customer satisfaction (Mokha& Kumar, 2022). However, in the Indian digital banking scenario, there is still scope to explore how experience can satisfy a customer (Klaus &Maklan, 2013; Mbama&Ezepue, 2018). To understand this relationship, the study hypothesizes that:

H7: *Customer experience is significantly associated with customer satisfaction.*

Customer satisfaction is a critical antecedent to the formation of customer loyalty within consumer behaviour, highlighting the subtle interplay between customer perceptions and continued engagement (Leninkumar, 2017). The two concepts of customer satisfaction and customer loyalty are inextricably linked. According to Koay et al. (2022), satisfied customers are more likely to stick with a company because their positive experiences foster a sense of attachment and trust. This link is reinforced by the idea that satisfied customers are more likely to make repeat purchases and promote favourable word-of-mouth recommendations, acting as brand champions (Karim &Rabiul, 2022). Amin (2016) and Mbama&Ezepue (2018) have explored the relationships about digital banking. However, the functioning of Indian banks and developed nations are different. Thus, the study hypothesizes that:

H8: *Customer satisfactionis significantly associated with customer loyalty.*

Figure 1: Conceptual Framework
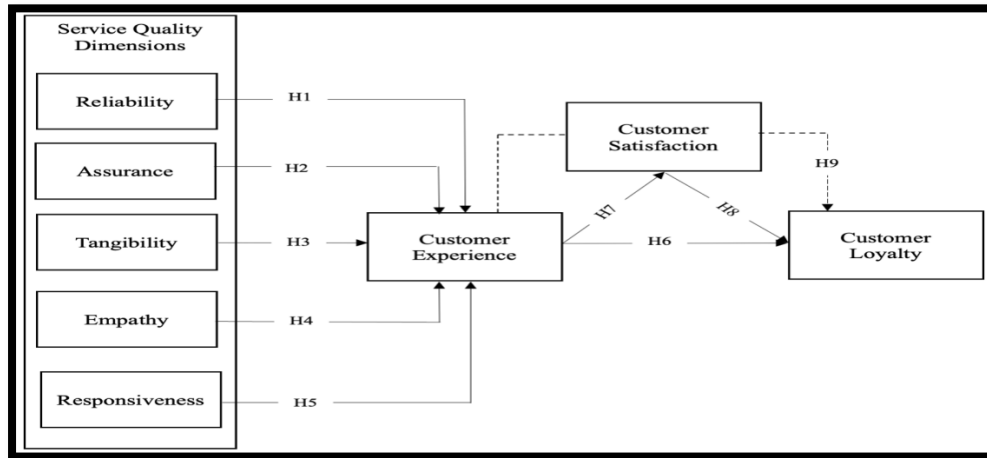
3 Methodology

3.3 *Data Collection*

Purposive sampling was used to strategically select respondents based on specific criteria relevant to the research objectives for this research paper on the digital banking service quality of Public Sector Banks (PSBs) in the Delhi National Capital Region (NCR). The major data-gathering tool was a structured questionnaire designed to assess several aspects of the quality of digital banking services. A pilot study was used to validate the questionnaire, ensuring its effectiveness. Both online and offline distribution channels were used to increase participation, with the questionnaire link disseminated via digital platforms and physical copies distributed at certain PSB locations.The survey obtained 524 valid replies from an initial sample size of 600, showing a high response rate of around 87.3%. The data-gathering phase ran from March 2023 to September 2023, coinciding with current trends in digital banking experiences and providing full insights into PSB customers' perceptions in the region.

Table 1
Demographics

Descriptors		Percentage
Gender	Female	61
	Male	39
Employment Status	Paid Employment	80
	Self-employed	13
	Retired	7
Marital Status	Married	79
	Unmarried	21

	18-26	29
Age Group	27-39	55
	40- 56	16
	Under Graduate	21
	Graduate	48
Education	Post Graduate	27
	Other	4

Source: Author's creation

3.2 Measurement tools

All constructs are evaluated using several items on a seven-point Likert scale (1 = 'Strongly disagree' to 7 = 'Strongly agree'). Service quality dimensions (RATER) are quantified using 15 questions developed by Han and Baek (2004) and Ramsaran-Fowdar (2007). Customer experience is measured using a three-item scale created by Schouten et al. (2007). The elements of customer loyalty are based on Wong's (2004) three-item scale. Jamal and Naser's (2002) study yielded a three-item customer satisfaction scale. One marketing professor and one banking professor at a prominent business school in New Delhi, India, acknowledged the instrument's content validity as appropriate for gathering data (Bebber et al., 2017). Furthermore, 70 respondents were tested using the internal consistency approach, i.e. Cronbach's alpha (Yang et al., 2017). The "Cronbach's Alpha" value for all measurement scales was more than the recommended value of 0.7 (Bajpai & Bajpai, 2014). These approaches produced satisfactory validation findings for the data collection tools.

4.   **Results**

To address the study's research issues, psychometric qualities (reliability and validity of assessment instruments), hypothesis testing, and, lastly, the Hayes process approach were used. The data is analysed using SPSS 25 and AMOS 22 software. The statistical findings are described further below.

4.1 Validity and Reliability analysis of measurement

Key model statistics show that all endogenous variables are modelled simultaneously, with CMIN ($\chi 2$) = 944.883, degree of freedom (df) = 499, and CMIN/df ($\chi 2$/df) = 1.894, all of which are less than the criterion of 4 (Hair *et al*., 2012). Goodness of fit (GFI=0.912, AGFI=0.895, IFI=0.972, NFI=0.942, CFI=0.972) and badness of fit indices (RMR=0.055, RMSEA=0.039, ECVI=1.957) are within range, indicating that the model has a good fit and psychometric properties can be interpreted. Cronbach's alpha, which measures scale reliability, suggests that all items have an internal consistency of 0.8 or higher (Table 2). The average variance extracted (AVE), construct reliability (CR), and maximum shared variance (MSV) are used to determine validity (Hair Jr. et al., 2014). For model convergent validity, CR and AVE values should be more than the permissible limits of 0.7 and 0.5, respectively (Hair Jr. et al., 2014). To demonstrate discriminant validity, the MSV value for each dimension must be less than the AVE value for that dimension (Hair Jr. et al., 2014), implying that all eight latent variables are distinct (Table 2). According to statistical values, all latent variables fully describe their observed statements (Bajpai & Bajpai, 2014).For further clarification, Table 3 represents the construct-wise measurement statements with their respective factor loadings; majority of which are well within the acceptable limit (greater than 0.5). Statements with factor loading less than 0.5 have been "Deleted".

Table 2
Convergent and Discriminant Validity

	Mean	Std. Dev.	α	CR	AVE	CL	CE	RES	REL	ASSUR	EMPAT	CS	TAN
CL	5.33	1.45	0.916	0.917	0.735	0.857							
CE	5.31	1.47	0.946	0.946	0.746	0.168	0.864						
RES	5.25	1.44	0.931	0.931	0.729	0.032	0.134	0.854					
REL	5.41	1.34	0.924	0.924	0.709	0.034	0.399	0.134	0.842				
ASSUR	5.46	1.47	0.943	0.944	0.809	0.004	0.134	0.066	0.095	0.899			
EMPAT	5.35	1.49	0.916	0.916	0.732	-0.034	0.182	0.106	0.138	-0.008	0.855		
CS	5.36	1.42	0.888	0.889	0.727	0.345	0.155	0.093	0.086	0.116	-0.015	0.853	
TAN	5.31	1.38	0.880	0.882	0.715	-0.064	0.173	0.125	0.643	0.112	0.051	0.014	0.845

Source: Author's creation

*Note: CL= Customer Loyalty, CE= Customer Experience, RES= Responsiveness, REL= Reliability, ASSUR= Assurance, EMPAT= Empathy, CS= Customer Satisfaction, TAN= Tangibles

4.2 Hypothesis verification result

To validate the hypotheses, a structural equation model has been used for analysis (Table 3). The current study aims to do an in-depth analysis to understand the effect of service quality dimensions on customer experience and eventually customer loyalty. Analysis reveals a model fit: CMIN (χ2)=944.883, df=499 , χ2/df=1.894, goodness of fit indices (GFI=0.912, AGFI=0.895, NFI=0.942, CFI=0.972), badness of fit indices (RMR=0.055, RMSEA=0.039) which are also significant based on their standard values for acceptance (Hair *et al*., 2012).

Table 3
Hypothesis Result

Hypothesis	Relationship	Estimate	S.E.	C.R.	p-Value*	Label
H1	Reliability→Customer Experience	.566	.039	14.470	***	Supported
H2	Assurance→Customer Experience	.106	.035	2.996	.003	Supported
H3	Tangibles→Customer Experience	.224	.039	5.673	***	Supported

H4	Empathy→Customer Experience	.112	.034	3.319	***	Supported
H5	Responsiveness→Customer Experience	.078	.038	2.021	.043	Supported
H6	Customer Experience→Customer Satisfaction	.154	.036	4.330	***	Supported
H7	Customer Experience→Customer Loyalty	.118	.036	3.258	.001	Supported
H8	Customer Satisfaction→Customer Loyalty	.382	.041	9.238	***	Supported

Source: Author's creation

Table 3 depicts the results of the hypothesized relationship between the constructs. H1 investigates the impact of reliability on customer experience. Reliability has a significant and favourable influence on customer experience (H1 $\beta=0.566$, $p=$***). As per the available literature, the individual statistical test of service quality dimensions and customer experience is not done. However, studies prove that overall service quality improves customer experience (Sukendia&Harianto, 2021). The statistical evidence of H2 supports the relationship between assurance and customer experience (H2 $\beta=0.106$, $p<0.003$). Customers must know whether online transactions are safe and their personal information is secure, especially for e-financial transactions (Barbu et al., 2021).

The remaining hypotheses, H3, H4, and H5, examine the relationship between the other three dimensions of service quality: tangibles, empathy and responsiveness. The results indicate a significant relationship between tangibles and customer experience (H3 $\beta=0.224$, $p=$***), empathy and customer experience (H4 $\beta=0.112$, $p=$***), and responsiveness and customer experience (H5 $\beta=0.078$, $p<0.043$). This is supported by existing literature, which identifies service quality as an antecedent of a positive customer experience (Mbama&Ezepue, 2018; Sukendia&Harianto, 2021).

The next statistically significant hypothesis depicting a relationship between customer experience and customer satisfaction (H6= 0.154, $p=$***) demonstrates that customer satisfaction is a sign of emotions resulting from experience that can be either favourable or adverse, either in the short or long term (Pei et al., 2020). Moving towards customer loyalty, the study checks the statistical relationship between customer experience and customer loyalty, which is also significant (H7= 0.118, $p<0.043$). Previous studies have found that an experience is successful when it engages a consumer and generates memories, causing them to return and repeat their purchase (Imbug et al., 2018; Mbama&Ezepue, 2018). Finally, the last direct relationship between customer satisfaction and loyalty is checked. The said relationship came out significant (H8= 0.382, $p=$***). This further demonstrates that when customers are pleased with their interactions, purchases, and experiences with an organisation, they are more likely to acquire a sense of trust and good emotion towards that brand (Khan & Fasih, 2014; Chiguvi&Guruwo, 2017).

5. Discussion

The findings of this study, shed light on the complex interplay of service quality aspects in digital banking, and their impact on customer experience, satisfaction, and loyalty. In keeping with the CMRT's emphasis

on cognitive processes, the study observed that the reliability of digital banking services had a large and beneficial impact on customer experience, emphasising the critical importance of trust and dependability. Furthermore, assurance, which is strongly tied to customers' cognitive concerns about online security, significantly impacts customer experience, resonating with the motivational part of the CMRT. Furthermore, the study demonstrated a significant influence of tangible elements, empathy, and responsiveness on customer experience, consistent with the theory's key principles that emphasise the relevance of these relational factors in forming customer perception.

The findings support the premise that reliability improves customer experience positively (H1). This is consistent with previous research highlighting the importance of consistent and dependable service delivery in building good customer perception (Sukendia&Harianto, 2021). Similarly, assurance has been demonstrated to benefit customer experience (H2), implying that customers' trust in the security and safety of digital transactions adds to a better overall experience (Barbu et al., 2021).

Customer experience is also highly influenced by tangibles, empathy, and responsiveness (H3, H4, and H5). These findings support previous research identifying tangible service quality characteristics, understanding and solving customer demands, and rapid responsiveness as significant drivers of pleasant experiences (Mbama&Ezepue, 2018; Sukendia&Harianto, 2021). The comprehensive analysis of a range of service quality dimensions (RATER) and their complex impacts on customer experience, satisfaction, and loyalty characterises this work. This methodical, multidimensional strategy goes beyond the common practice of studying one or two factors in isolation, resulting in a more thorough and detailed outlook.In addition, the study emphasises the importance of customer experience as a predictor of customer satisfaction (H6) and loyalty (H7). This suggests that providing positive and pleasant experiences could contribute to not only increased satisfaction but also increased loyalty, as customers are far more inclined to engage and make repeat purchases when they equate positive emotions and memories with the brand (Imbug et al., 2018; Mbama&Ezepue, 2018).

The data support the hypothesis (H8) that customer satisfaction predicts customer loyalty significantly. This finding is consistent with previous research, which emphasises the critical importance of customer satisfaction in generating trust, good feelings, and frequent encounters with the business, which eventually leads to enhanced customer loyalty (Khan & Fasih, 2014; Chiguvi&Guruwo, 2017). This favourable relationship is consistent with the idea that satisfied customers are more likely to build strong emotional ties with the brand and are more likely to stay loyal over time. This finding has theoretical support from existing research, as past studies have repeatedly emphasised the link between customer satisfaction and subsequent loyalty outcomes. Importantly, it is demonstrated that customer satisfaction mediates the association between customer experience and customer loyalty (H9). According to this mediation, the emotional responses elicited by customer experience are channelled through customer satisfaction, impacting customer loyalty. These findings support the notion that satisfied customers are prone to exhibit loyalty behaviours because they establish trust and favourable sentiments towards the business (Khan & Fasih, 2014; Chiguvi&Guruwo, 2017).The observation of this mediation broadens the scope of investigation by revealing the underlying mechanisms critical to the establishment of customer loyalty in the digital banking environment.

These findings highlight the CMRT's all-encompassing approach to comprehending the complexities of customer behaviour in the digital banking context, emphasising the intricate links between service quality dimensions, cognitive processes, motivation, and customer-provider relationships, eventually leading to strategies that improve customer experiences, boost satisfaction, and promote long-term customer loyalty.

6. Implications

6.1 Theoretical Implications

The study's validation of specific dimensions of service quality, such as reliability, assurance, tangibles, empathy, and responsiveness, as they impact customer experience, has the potential to supplement established service quality models. These models can consider the obstacles and opportunities inherent in online interactions by including the digital dimension. In this enlarged model, for example, researchers could investigate website functioning, security features, and navigational ease (Sukendia&Harianto, 2021).Furthermore, the findings suggest that existing customer experience frameworks could be expanded. Integrating these findings helps highlight the importance of several service quality factors in generating emotional responses and overall customer experience. A thorough investigation of this intricate dynamic reveals the cognitive and affective processes that govern digital-era customer behaviour. It fosters investigation into how the ever-changing world of digital interfaces influences these cognitive and emotional dynamics. Such thorough investigations are critical in furthering our understanding of customer experiences in the digital banking sector and will greatly contribute to the continued development of customer experience frameworks (Mbama&Ezepue, 2018).

The research of underlying psychological factors driving customer behaviour could be aided by identifying customer satisfaction as a mediator between experience and loyalty. Future studies could investigate the cognitive processes and emotional reactions that link consumer experiences to satisfaction and loyalty. These initiatives may result in developing more sophisticated models that shed light on the basic factors that drive consumer loyalty. Researchers can investigate how various elements of service quality influence consumer satisfaction, and how this satisfaction is converted into loyalty, so contributing to theoretical advancement (Khan & Fasih, 2014).

6.2 Managerial Implications

Identifying particular service quality factors influencing customer experience in the study gives a clear roadmap for growth and development. Digital financial organisations can concentrate on improving their reliability, assurance, tangibles, empathy, and responsiveness. Investing in technical infrastructure and user-friendly interfaces can improve service quality. Incorporating the study's findings into customer experience design can result in holistic experiences that foster trust and elicit positive feelings. By integrating cognitive and emotional components, digital banks may provide intuitive user interfaces, personalised services, and responsive customer support.

The method of merging cognitive and emotional components matches digital-era customer expectations and prepares the path for easy and secure transactions. Furthermore, public sector banks can proactively improve their engagement efforts by recognising the link between excellent customer experiences and loyalty. Prioritising quick issue resolution, personalised interactions, and attentive service can build favourable emotions in customers, leading to increased loyalty and long-term connections. Integrating the study's findings into their operations enables public sector banks to assure efficiency, foster consumer trust, and improvecustomer's overall banking experience. Public sector banks that embrace this approach will be more relevant and competitive in a sector marked by fast digital transformation and changing customer expectations.

7. Limitations

The study focussed on the digital banking context, which may limit the findings' generalizability to other businesses or conventional banking settings. Second, the study's emphasis on customer self-reported data may add biases and mistakes, reducing the robustness of the findings. Furthermore, the cross-sectional

form of the study limits the ability to demonstrate causal links between variables, emphasising the importance of longitudinal research to corroborate the temporal dynamics. Furthermore, while the mediation analysis sheds light on the role of customer satisfaction, different factors that could impact the association between experience and loyalty remain unexplored. Furthermore, contextual elements particular to the Indian public sector banking setting, like laws and regulations and differences in demographics, may impact the research findings.

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