

The Impact of Brand Personality on Customer Loyalty in Banking Industry of Sri Lanka: A Comparative Study on Public and Private Banks in Matale District

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Abstract

The banking industry is a key component of the financial system, where customer loyalty has been identified as one key strategy to survive and grow in a highly competitive industry. Brand personality is one of the main factors which affects customer loyalty, differentiates one brand from another while playing a positive role in establishing a relationship between the customer and a specific brand. Among many studies that shed light on the relationship between customer loyalty and brand personality. The present study investigates there is any difference between the impact of brand personality on customer loyalty regarding public and private banks in Matale district. This study is an explanatory type study. For the purpose, primary data were gathered using a self-administrated questionnaire from 120 customers of public and private banks in Matale district as the sample, sample selected upon convenience sampling technique though the population of public and private banks in Matale. Aaker's brand personality scale was used as the tool for measuring the brand personality, while customer loyalty was assessed by the customers' responses on switching behaviour, intention of repurchase, and intention of recommendation. Analysis was done using descriptive statistics, correlation, and regression analysis. According to the quantitative method, the results indicate that the private banks have a stronger brand personality and higher customer loyalty with compared to the public banks. Further, the relationship between brand personality and customer loyalty of private and public banks was noticed to be significantly different where brand personality's impact on customer loyalty was higher in the public banks than that of the private banks. Thus, the study recommends formulating and implementing strategies to promote brand personality for both public and private banks to gain the benefits of customer loyalty.

Keywords: Banking industry, brand personality, customer loyalty