

**The Impact of Mobile Banking on Customer Loyalty: Evidence from Commercial Banks in Sri Lanka**

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**Abstract**

Every organization needs to adhere with innovative strategies to be successful in the competitive environment. Marketing decisions get a prominent place and provide sustainable competitive advantage to the organizations. Hence the dramatical increment of mobile usage caused to implement the mobile marketing strategies even in the banking sector. This study covers the mobile banking concept which comes under mobile marketing. It is necessary to identify the impact of mobile marketing on customer loyalty because organizations design strategies to retain their customers for a long time. Hence the researcher has developed this study to find the impact of mobile marketing on customer loyalty with evidence of commercial banks in Sri Lanka. Customer attitude, customer trust and perceived usefulness were taken as independent variables and customer loyalty has been considered as a dependent variable of the study. Validated and reliable self-administrative, five-point likert scale rating structured questionnaire developed by the researcher with two sections. The questionnaire comprised two subjects as section one and section two. Section one concerned about the demographic characteristics of the respondents while section two gathered data about mobile marketing and customer loyalty. The structured questionnaire has been distributed among 150 respondents to gather primary data. Deductive research approach used for the study using survey strategy with convenient sampling method. The researcher has used descriptive statistics and inferential statistics such as multiple regression analysis and Pearson correlation analysis. The researcher has used Cronbach Alpha to find the reliability and KMO and Bartlett's Test to find out the validity. The Pearson correlation matrix used to identify the relationship between mobile marketing and customer loyalty and it revealed a positive relationship. Regression analysis employed to discover the impact of mobile marketing on customer loyalty, and results show that the significance impact. Customer trust, customer attitude and perceived usefulness have a significant positive impact on customer loyalty of commercial banks in Sri Lanka. Findings of the study can be used to enhance the customer experience with mobile marketing in order to increase customer loyalty for the banking industry in Sri Lanka. Findings of the study will fulfil the existing literature gap in the developing context like Sri Lanka concerning mobile banking and customer loyalty.

**Keywords:** *Customer Loyalty, Marketing Strategy, Mobile Banking, Mobile Marketing*

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