# Developing a Customer Experience Rating for the Banking Sector

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Abstract—As global markets evolve dramatically and players intensifies. husiness competition among organizations are looking to innovative products, new markets, and inorganic growth opportunities to drive their revenue. Nonetheless, for financial services, the greatest opportunity for sustainable revenue growth come from their ability to deliver high quality and differentiating customer experience. Therefore, the main purpose of this study is to Customer Experience Rating (CXR), develop а measurement of customer experience for the Malaysian banking sector. The statistical analysis results indicated that the CXR was highly reliable and demonstrated construct validity by achieving both convergent and discriminant validity. The customer experience rating of 7.37 implies that Malaysian customers have good experience with their banks. The outcomes of this research can be used by practitioners, managers, and regulators to gain an in-depth understanding of customer experiences, and develop effective marketing strategies that will improve the operational environment and thus contribute to improving customers' loyalty and satisfaction and also generates positive word-of-mouth.

Index Terms—customer experience, rating, banking sector, Malaysia

## I. INTRODUCTION

The recent decade has seen the industrial revolution move from service-based industry into the experiencebased industry. Havir [1] asserted that globalization, swift technological innovations, the rising commoditization of goods and services, and the insufficient focus on customer's point of view, it was necessary to move from the focus on the product, service, and data collection about customers to the new focus area for the possible differentiation namely customer experience. Customer experience is a relatively new construct but has emerged as an important marketing construct that focuses on creating a unique, pleasurable, and memorable experience. Bhatt and Patel [2] asserted that the knowledge and practices of customer experience will help the organization in developing strategies to transform a satisfied customer into loyal and loyal customers into advocates. Creating a sturdy customer experience is a strategic priority for any organization ([3]). The earlier focus on customer experience was on service quality, product quality, but customer experience is not just about

interface, assortment, and price but it is also about the elements which are out of control like the influence of customers on each other, the influence of devices like smartphones, kiosks and virtual managers on the customers ([4]). Over the last three decades, customer experience has developed from a nascent construct to a widely-recognized phenomenon in terms of both research and practice and account for the complexity of consumption decisions, the customer experience literature encompasses both the rational information processing approach to consumer decision-making and the experiential approach, which includes emotions, feelings and sub-consciousness ([5]). The literature review conducted for this study found that research in the area of customer experience measurement in the banking sector is still lacking, particularly in Malaysia context. Several efforts have been made to define and conceptualize customer experience and to understand its relationships with a wide range of variables, but there is no consensus about the construct and definitions and theoretical frameworks are yet to be developed and validated as most of the researches have emerged from industry, and scholarly researches are few ([6]). Bueno, Weber, Bomfim and Kato [7] conducted a systematic review of the literature using the ISI Web of Science (Thomson Reuters) and Scopus (Elsevier) databases to search relevant marketing publications for articles dealing with the measurement of customer experience in service found that vast majority of the studies on customer experience in service have been conducted in countries such as the US and the United Kingdom (UK). Despite the essential of customer experience in the banking sector and its imperative role in improving banks bottom-line, organizations still struggling with providing the real experience that the customers demand. In recent decades, numerous practitioners and academician alike have highlighted this enduring problem. The problem is more substantial to service organizations such as financial service. Lemon and Verhoef [8] noted that perhaps due to the lack of sound measurement development for customer experience, there is also a dearth of research on how customer experience can be influenced and on the consequences of customer experience. Bueno et al [7] asserted that concerning the measurement and understanding of customer experience in service, no consensus exists among authors, areas, and countries.

the elements the organization can control such as

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Jain et al [6] conducted an extensive reviewed numerous literature on customer experience to develop a better understanding of customer experience suggested that future researches need to bring a sound conceptualization of customer experience based on theoretical foundations and empirical validation. Based on the review of literature, this study believes that it is crucial to develop a systematic and psychometric scale to measure the experience of customers with their banks. Therefore, this study contends that there is a need to understand the customer experience and further to develop and validate a measurement instrument for the customer experience that eventually forms the basis for capturing the authentic attributes of customer experience in the banking sector, especially in Malaysia.

# II. LITERATURE REVIEW

Since the introduction of term experience into consumer behavior study almost four decades ago, customer experience has been discussed and studied by numerous researchers. The pioneer scholars have introduced the term experience in a general framework and they described the experience as playful leisure activities, sensory pleasures, aesthetic enjoyment and emotional response (e.g. [9]; [10]). In their work on experiential consumption, they described customer experience as involving various playful leisure activities, sensory pleasures, daydreams, esthetic enjoyment and emotional responses. However, customer experience as one of the significant streams of research got attention from the marketing scholars from the late 1990s. The work was primarily initiated by [11] and [12]. Pine II and Gilmore ([11]; [13]) in their seminal work on experience economy assert that experience is the fourth stage of economic offering after commodities, goods and services. Experiences are not an amorphous construct: it is as real as service, good or commodity ([13]). At the same time, experiences are distinct from services as services are from goods ([11]). Schmitt [12] asserted that experiences are triggered by specific stimuli, it does not selfgenerated but induced, and it has cause and purpose. Based on the review of the various definition of customer experience by numerous scholars, this study identified two common themes. Firstly, the experience is a subjective and personal i.e. be contingent on the rational and/or emotional perception of the receiving party or the customers. Secondly, the experience is the results or outcomes of direct or indirect interaction between customers and service providers. Therefore, this study defines customer experience as the subjective outcomes of personal direct or indirect interaction between customers and service providers.

Similar to its definition, scholars have not fully agreed on the dimensions of customer experience ([14], [7]). Ever since [9] coined the construct that consumption has an experiential dimension, numerous researchers have put forward several dimensions to explain the customer experience construct until today. From the literature, this study found that customer experience is indeed a multidimensional construct. Each of the contexts has its unique dimensions that only germane to the context involved which can be term as distinctive dimensions. These distinctive dimensions are only applicable to its context such as online banking elements in the banking context. On the other hand, some common dimensions are pertinent to numerous contexts that can be term as generic dimensions. These generic dimensions apply to all context such as ambience or employee engagement. Based on the finding of the literature review, this study identified five core dimensions that are exclusive and relevant in the context of the banking sector. The five dimensions are servicescape, core service, convenience, employee competency and online banking element. These five dimensions were identified in several previous studies conducted in banking sector (e.g. [15]; [16]; [17]; [18]; [19]; [20]). Researchers in the previous study had used the term servicescape, core service and convenience to classified their dimensions. While employee-related dimensions had been termed as employee service, staff engagement and employee-customer engagement in previous researches. This study will be termed this dimension as employee competency. As for online element, some researchers clustered it into several dimensions such as esthetic, hedonic and functional.

Measurement of customer experience has been challenging owing to complexities in the description, lack of clear definition of the construct and its dimensionalities ([6]). Recently, scholars and practitioners have started to measure overall customer experience. This field is in its early stages of development, with many such scales still being evaluated and reviewed for their internal and external validity. These overall customer experience measures have yet to gain traction in marketing practice. Some measurements are available in the related area such as experiential value scale by [21], Customer Experience Index by [22], service experience quality scale developed by ([23]), retail customer experience scale by [24] and retail banking customer experience scale by [17]. Lywood, Stone and Ekinci [25] measure customer experience in the UK call center using empathy rating index (ERIC). The need for developing a measure for customer experience is felt in light of the growing importance of customer experience. Reichheld [26] introduced the Net Promoter Score (NPS), the latest measures to propose a simplification of a Likert or semantic differential scale through a re-coding of the item scores into fewer categories. Meyer and Schwager [27] support the use of NPS which captures the net result of good experience minus bad experience of what customers know about a firm. Springer, Azzarello and Melton [28] who is also a proponent of NPS asserted that an outstanding customer experience creates promoters, and promoters are more valuable to a company than other customers. On the other hand, [29] propose the Customer Effort Score (CES) as a new feedback metric. They evaluated the predictive power of three metrics namely customer satisfaction (CSAT), the Net Promoter Score (NPS), and a new metric that they developed i.e. CES on customer loyalty. De Haan, Verhoef and Wiesel [30] provide a classification of different metrics. They consider two dimensions: focus/scope of the metric and transformation of the metric. They also consider the top-two-box score of customer satisfaction as well as the absolute value of NPS without a transformation.

## III. RESEARCH METHODOLOGY

The research design will be two phases i.e. qualitative i.e. using literature review, experience survey and expert review and quantitative i.e. survey questionnaire. This study employed a multistage sampling technique, which selects a sample by using combinations of different sampling technique. The stratification of the geographical area is based on the population of each state and federal territories. In the second stage, the convenience sampling technique is employed to collect the required data as it was almost not possible to obtain the socio-demographic data of their customers from all Malaysian bank. In the third stage, this study employed a snowball sampling design by requesting the respondents to forward the survey to other respondents. The snowball approach can increase the sample size of the study as the access to the respondent is restricted. The survey instrument was distributed to the samples within a period of three months from October 2019 to December 2019 through an online survey. In the last three decades, online surveys have become the predominant method of eliciting participation in academic research for its ease, quick response, and low cost ([31]). Uhlig, Seitz, Eter, Promesberger and Busse [32] also support the notion as they found that web-based surveys are time and cost-efficient for populations larger than 300. The development of the instrument is guided by a well-known work of [33] on a paradigm for developing measurement for marketing constructs and several other relevant scale development literatures (e.g. [34]; [35]).

## IV. FINDINGS AND ANALYSIS

## A. Analysis of Demographic Profile

A total of 272 questionnaires were deemed completed and valid which accounted for 70.6 percent of the targeted total sample size. This usable sample size is acceptable according to [36], who proposed a minimum sample size of 100. While [37] suggested that a practical minimum of 200 samples is acceptable for a moderately complicated structural equation model with MLE results. Therefore, the sample of 272 collected for this study is above the acceptable number suggested in the previous literature. Based on the analysis, the gender distribution between male and female are fairly distributed. In term of age group, majority of the respondents were age between 30 to 59 years old i.e. within the working age. In term of their education profile, majority of the respondents obtained tertiary and post-graduate education. For income group, based on the analysis, the income group among the respondents were fairly distributed.

## B. Item Purification

The descriptive statistics of the items were conducted to eliminate those items that have inadequate

psychometric properties. The mean, standard deviation, skewness and kurtosis of each item are analyzed to determined its psychometric properties. Based on the analysis, one item (ONL08) skewness score is greater than -1 (-1.191) which indicate substantially skewed distribution. Therefore, the item was deleted. With the deletion of the item. 37 items remain that went through further analysis. To assess the quality of the instrument items, the item-to-total correlations were examined. Each r value refers to the correlation of respondents' scores on an item with the sum of their scores on all items. Items that were poorly correlated (r < .4) with the total score were eliminated to purify the instrument. Based on the analysis results, 37 items were retained in the procedure as all items meet the correlation requirement. For internal consistency reliability in this study, Cronbach's  $\alpha$  was used to test the 37 items. According to [38] the closer the Cronbach's  $\alpha$  to a value of 1, the higher the internal consistency and the more reliable the measurement scale. Reliability analysis conducted on the 37 items is 0.985. Based on the widely-recognized rule of thumb to use a reliability level of 0.7, the study assumed that the 37 items of the customer experience rating are highly reliable.

## C. Items Refinement

To further confirm the factor structure of customer experience, the data went through CFA. First, the measurement model was tested in term of validity and reliability of measures, followed by assessing the structural model to ensure the nomological and predictive validity. This study applied PLS because the study's research model is complex, containing ten constructs (i.e. 5 lower-order, 1 second-order, and 4 outcome constructs) and more than 60 items (36 items at first-order, 5 items at second-order and 24 outcome items). Most importantly, the main concern of this study is to develop a theoretical model to measure customer experience as a multidimensional construct, hence the use of PLS is justifiable. The analysis went through several stages i.e. assessment of lower-order measurement model, assessment of higher-order measurement model and assessment of nomological validity. First, standardized factor loading was used to examine the items. The results have shown that the loadings of all items of the lowerorder model exceeded the threshold value of 0.70 as suggested by [39]. Cronbach's  $\alpha$  and composite reliability were calculated to verify the internal consistency of each item. Convergent validity was assessed by calculating the value of the average variance extracted (AVE). Cronbach's  $\alpha$  for all factors are well above 0.80 which indicated desirable internal consistency ([40]). Moreover, the composite reliability for all factors is greater than 0.70 which indicate adequate convergence or internal consistency ([41]). AVE for all factors is also well above 0.50 which suggest adequate convergent validity ([42]). Based on the analysis result, all the constructs have met the composite reliability and convergent validity requirement.

Discriminant validity for this study was analyzed using the cross-loading criterion, Fornell & Larcker Criterion and Heterotrait-Monotrait Ratio of Correlations (HTMT). First look on the result of HTMT criterion this study found that the HTMT value for convenience, core service, employee competency and servicescape does not meet the criterion. As such, this study analyzed the cross-loading between the variables. For cross-loading analysis, each indicator loading should be higher on its constructs but low on other constructs ([43]). Chin [44] asserted that the difference between loadings across latent variables must not be less than 0.1. The cross-loading results shown that one item of convenience and employee competency cross-loading value is less than 0.1 (CON04 = 0.031), one item of core service and employee competency crossloading is less than 0.1 (COR06 = 0.037), three employees competency items have a cross-loading value less than 0.1 against servicescape items (EMP01 = 0.033; EMP02 = 0.061; and EMP07 = 0.073) and five items of servicescape cross-loading value against employee competency is less than 0.1 (SER01 = 0.096; SER02 = 0.100; SER03 = 0.069; SER07 = 0.093; and SER08 = 0.083). Based on the analysis, all the ten items were deleted because it does not meet the cross-loading criteria. Deletion of the ten items has improved the discriminant validity value. All indicators load higher on its constructs but low on other constructs. The results have shown that discriminant validity using cross-loading analysis is achieved. The deletion of ten items has improved the results for Fornell-Larcker criterion and HTMT ration of correlation. The result of Fornell-Larcker criterion shown that the AVE of the corresponding factor is higher than the square correlations between the factor and all other factors. As for the assessment of discriminant validity using [45] HTMT method, initial analysis results have shown that employee competency, servicescape and core service correlation ratio does not meet the discriminant criterion. HTMT value less than 0.85 for constructs that are conceptually different, and 0.90 for conceptually similar constructs indicate the establishment of discriminant validity ([45]). The analysis results shown that all HTMT values were less than 0.85 which ascertain the discriminant validity at the lower-order construct level. Based on all the analysis results of discriminant validity this study infers that all the constructs are unique and captures phenomena not represented by any other constructs in the model.

Assessment of higher-order measurement model for formative measurement models this study assessed the convergent validity. multicollinearity. and the significance and relevance of the indicator weights. Convergent validity is the extent to which a measure correlates positively with other measures of the same construct. The formative construct of customer experience yield a path coefficient of more than 0.80 for all construct namely Loyalty (0.897), Satisfaction (0.861) and Word of mouth (0.835), thus exhibits a high satisfactory level of convergent validity ([44]). Next, multicollinearity between indicators is being assessed. Collinearity evaluation is important to ensure that the

constructs do not measure the same factors. All indicators for formative construct satisfy the variance inflation factor (VIF) values and they are consistently below the threshold value of 5 ([46]). As such, it can be concluded that collinearity does not reach critical levels in any of the formative constructs and it is not an issue for the estimation of the path model. Then, the significance and relevance of the outer weights of the formative constructs are examined. The results have shown that all formative indicators are significant except for online banking elements and servicescape. However, when this study analyzed the outer loading results it found out that the loadings for both indicators are above 0.5 and the t-value result of more than 1.96 and according to [46] the constructs can be retained and the method is known as an absolute contribution.

The next assessment is the coefficient of determination (R2) to evaluate the model's predictive accuracy. This coefficient is a measure of the model's predictive power and is calculated as the squared correlation between a specific endogenous construct's actual and predicted values. The adjusted R2 value for loyalty (0.804) is well above 0.75 which indicated that substantial level of predictive accuracy while R2 for satisfaction (0.741) and word-of-mouth (0.697) is well above 0.50 which indicate a moderate level of predictive accuracy ([46]). Based on the analysis results, it can be postulated that the relationship between customer experience and customer loyalty is at substantial. On the other hand, the relationship between customer experience and customer satisfaction and word-of-mouth is at moderate. This study also utilized Stone-Geisser's Q2 to test predictive validity. It is important in analysis using PLS-SEM because it examines whether the exogenous constructs have predictive power over the endogenous construct, thus providing more assurance to the model quality ([46]). Using the blindfolding procedures, this study obtained a Q2 value greater than zero, which demonstrated the predictive validity of the higher-order customer experience rating ([47]). Based on the analysis results, the Q2 value for loyalty (0.615), satisfaction (0.697) and word-of-mouth (0.609) are well greater than zero which indicates that customer experience is capable in predicting loyalty, satisfaction and word-of-mouth.

This study also evaluated the nomological validity of the customer experience rating by examining its relationship with three marketing outcomes namely customer loyalty, customer satisfaction and word-ofmouth. The results of the structural model conducted earlier indicate an acceptable explanatory power. The R2 values (coefficient of determination in Table VII) range from 0.697 to 0.804. The results of the analysis for factor loadings, AVE and CRs of this construct exceeded their cut-off values of 0.70, 0.50 and 0.70, respectively. This provides sufficient information for the reliability and validity of the customer experience construct. To establish the significance of the parameter estimates, the t-values were computed using 5,000 bootstrap samples. The bootstrap sample is derived repeatedly estimating the coefficients with a minimum of 5,000 bootstrap samples, each of which comprises N cases randomly sampled with replacement from the original sample (N=272). As directional hypothesis has been established in the extant literature, one-tailed significance tests were conducted for this analysis. The bootstrapping analysis result shown that all the direct effect,  $\beta = 0.897$ ,  $\beta = 0.861$  and  $\beta =$ 0.835 are significant with t-values of 65.950, 56.026 and 42.512 respectively. The results of the sample mean shown that customer experience exerts a positive and significant effect on loyalty, satisfaction and word-ofmouth and explain 90 percent, 87 percent and 84 percent of its variance respectively. This result confirmed the impact of customer experience on the marketing outcomes, thereby confirming the nomological validity of customer experience.

#### D. Customer Experience Rating (CXR)

TABLE I. CXR MEAN SCORE

| Items                | М     |
|----------------------|-------|
| 1. COR01             | 7.588 |
| 2. COR02             | 7.563 |
| 3. COR03             | 7.585 |
| 4. COR04             | 7.504 |
| 5. COR05             | 7.232 |
| 6. COR07             | 7.706 |
| 7. COR08             | 7.673 |
| 8. SER04             | 7.713 |
| 9. SER05             | 7.401 |
| 10. SER06            | 7.276 |
| 11. EMP03            | 7.077 |
| 12. EMP04            | 7.393 |
| 13. EMP05            | 7.147 |
| 14. EMP06            | 7.217 |
| 15. EMP08            | 7.151 |
| 16. EMP09            | 7.254 |
| 17. CON01            | 7.349 |
| 18. CON02            | 7.309 |
| 19. CON03            | 7.412 |
| 20. CON05            | 7.210 |
| 21. ONL01            | 7.507 |
| 22. ONL02            | 7.180 |
| 23. ONL03            | 7.290 |
| 24. ONL04            | 7.221 |
| 25. ONL05            | 7.195 |
| 26. ONL06            | 7.592 |
| 27. ONL07            | 7.419 |
| Composite mean score | 7.376 |

The customer experience rating is measured within the range of 1 to 10 as per the scale used in the instrument whereas 1 to 2 = poor, 3 to 4 = fair, 5 to 6 = average, 7 to 8 = good and 9 to 10 = excellent. The computation of the customer experience rating is based on the composite mean score of the 27 items of the customer experience rating. Table I illustrated the mean score of the 27 items and the composite mean score that determined the customer experience rating for this study. The composite mean score for this study is 7.37 which implies that Malaysian customers' have good experience their banks.

## V. DISCUSSION

#### A. Customer Experience Dimensions

Based on the finding of the literature review, this study identified five important dimensions that are specific and relevant in the context of the banking sector. The five dimensions are employee competency, core service, online banking element, convenience, and servicescape. These five dimensions were recognized in the previous studies conducted in banking sector (see [15]; [16]; [17]; [18]; [19]; [20]). From the literature review and statistical validation results, this study found that the identified five dimensions are deemed valid and reliable to measure customer experience and the findings are aligned with the extant literature in the subject. In the banking sector, the behavior, capability and promptness of the front-line employees significantly shape and enhance customer experience ([16]). This study postulate employee competency relates to employee intrinsic value such as polite social, friendly, willing to help and solve customer's problem. Grace and O'Cass [15] indicate that the core service dimension has a significant influence on customer experience. Walter, Edvardsson and Ostrom [48] identified that core service is one of the frequent drivers of customer service experience. Core service is the fundamental products or services provided by the bank in the market that they operate. A significant item of core service is that all product and services are properly and confidentially conducted. The products and services offered by the bank should be suitable, good quality and reliable. While online banking has become another critical element for banks to differentiate themselves among their competitors. The customer interacts with the internet across numerous range of activities which lead to diverse Behaviours and ultimately experiences ([49]). Garg et al [16] found that online functional elements are very significant to the customer using online banking. The language used in the website or mobile application must be easily understandable and the menus or options are easily accessible. The website and application must also be responsive, properly functioning, up-to-date and error-free. In [16] study, convenience is rank first in the critical success factors of customer experience. Convenience is related to location, opening hours and accessibility and it is the main criteria that affect customer experience. Customers require convenience at all contact point with the service providers in term of location, availability of parking facilities, speed, clean environment etc. ([50]). Servicescape is an important dimension of customer experience due to its impact on customers during consumption ([15]). The physical atmosphere has emerged as the major determinant of customer experience ([50]). The servicescape could have either a positive or negative influence on the experience outcome ([14]). Customer experience is strongly affected by physical evidence especially servicescape ([51]). This study has successfully established that the identified customer experience dimensions are theoretically and statistically valid and reliable to explain the customer experience construct.

# B. Customer Experience Rating (CXR)

The CXR consists of 27 items which are clustered into five dimensions namely employee competency, core service, online banking elements, convenience and servicescape is a valid and reliable measuring instrument of customer experience in the banking sector. The customer experience rating of 7.37 indicates that generally, customers in Malaysia have good experience with their banks. This rating shall provide a comparative baseline to determine whether Malaysian banks' customers are more or less pleased with their experience with their banks. Nonetheless, the rating of 7.37 over the maximum of rating 10 also implies that there are still numerous opportunities for Malaysian banks to improve the rating of their customer experience. The banks need to look into the five dimensions and each of the 27 items to further understand what are the needs and wants of their customers. By identifying these needs and wants they would be able to address the issues and subsequently work on it to improve their customer experience rating. This study also found that customer experience exerts a positive and significant effect on loyalty, satisfaction and word-of-mouth. The result of this study shown that customer experience can explain 90 percent of customer loyalty toward the bank, 87 percent on customer satisfaction and 84 percent on word-of-mouth. The findings were supported by numerous academic literature on customer experience which found satisfaction, loyalty and word-of-mouth are the most important marketing outcomes dimensions to measure customer experience predictability (e.g. [19]; [52]; [53]; [17]; [54]; [23]; [55]; [56]). Therefore, from the statistical analysis conducted, this study found that customer experience rating is a reliable and valid measurement tool to measure customer experience in the banking sector in Malaysia.

# VI. CONCLUSIONS AND RECOMMENDATIONS

# A. Conclusions

Research in the area of customer experience measurement in the banking sector is still scarce, particularly in Malaysia context. Numerous practitioners and academician have highlighted this longstanding problem. Researchers also emphasized that concerning the measurement and understanding of customer experience in service, no consensus exists among authors, areas, and countries. Several measurement instruments have been recommended and developed by academician and practitioners, yet there is still a gap that necessitates further investigation. The findings of this study have provided some answers to this problem. This study findings support the theory that multidimensional customer experience has a positive impact on customer loyalty, customer satisfaction and word-of-mouth. There is limited study in the literature that reported the synergistic effects of customer experience and marketing outcomes constructs that is a specific focus on the banking sector. Thus, this study might act as the basis for further studies regarding customer experience and marketing outcomes in the banking sector. The finding of this study put forward five critical dimensions of customer experience namely employee competency, core service, online banking elements, convenience and servicescape. The overall results of this study reveal that customer experience is indeed a multidimensional construct. Therefore, this study contributes further to the fast-growing literature on customer experience by producing a customer experience rating that is tailormade to the banking sector. The identified dimensions affecting customer experience shall expand extant literature on this subject matter and provide a better understanding of the elusive construct of customer experience.

# B. Recommendations

This study has several implications for practitioners' knowledge and improvement of customer experience in particular financial service organizations. First, it provides managers with а comprehensive conceptualization of customer experience from the bank customers' perspective. From a practical point of view, the outcomes of this research can be used by managers to gain an in-depth understanding of customer experiences, and develop effective marketing strategies that will improve the operational environment and thus contribute to improving customers' loyalty, satisfaction and generate word-of-mouth. Understanding positive customer experience and the related value is an important portion of the more extensive customer-centered thinking that companies can and should use in their business operations to create competitive advantage among their competitors. This study also contributes to managers by providing them with a new look at experiential marketing and offering empirical supports to implement customer experience strategies. In the wake of the current changeable global market condition, it is apparent that all businesses need to gain and maintain a competitive advantage if they want to survive in this highly competitive global market. Therefore, management must recognize that customer experience is a crucial leveraging tool. Numerous practitioners suggested that customer responses should be measured on regular intervals due to rapid changes in customer needs and wants. Managers should frequently assess their customers' level of experiences and develop appropriate policies to meet their customers' expectations. Thus, managers can use this CXR for regular measurement of customer experiences. The assumptions which managers believed in, i.e. that their customers are rational and make decisions based on functional product features are not entirely valid today. Managers should take account of the unique experiences of their customers and implement appropriate customer experience strategies.

The findings of this study have shed some light on the elusive construct of customer experience and at the same time, it raises more questions which demand additional studies. However, further research could be conducted in different sectors, such as telecommunication, health services, hospitality and tourism or in the same sector but different countries or in different sub-sectors in financial services. The results should be compared to gain a

general outcome of the model proposed in this study. Also, future research can focus on how customer experience can influence other marketing outcomes such as customer effort, trust, retention, commitment, brand equity or business performance constructs such as corporate reputation and financial performance. Future research should also consider other mediation or moderation construct such as the zone of tolerance. memorability, perceived usefulness and expectation confirmation and how it affects the relationship between customer experience and the marketing outcomes construct. It would be interesting to see whether data from a different population will show the same dimensions of customer experience in the banking sector as in this study. Furthermore, to enhance our understanding of customer experience, future research should be conducted to include other experiential dimensions that not being discussed in this study. Further research should also be conducted to look into differences between conventional and Islamic banking customers and differences between Business to Business (B2B) and Business to Customer (B2C).

#### CONFLICT OF INTEREST

The authors declare no conflict of interest.

#### AUTHOR CONTRIBUTIONS

In this research Safian Bujang conducted the research; Firdaus Abdullah and Jamil Hamali supervised the research. All authors had approved the final version.

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