

Service Quality, Corporate Image, and Customer Value in Shaping Digital Banking Loyalty Among International Students in India

Mahesh Luthia; Chetana's Institute of Management & Research, India^{1*}

Client William M. Malinao; Business and Management, Ifugao State University, Philippines²

*Correspondence: Mahesh.luthia@cimr.in

ABSTRACT

Keywords:

*Service Quality;
Corporate Image;
Customer Value;
Customer Satisfaction;
Customer Loyalty;
Digital Banking;
International Students*

Article Info:

Received: 19/08/2026

Revised: 21/08/2026

Accepted: 12/10/2026

Published: 20/10/2026

This study aims to examine the effects of service quality, corporate image, and customer value on customer satisfaction and loyalty among international students using digital banking services in India, with customer satisfaction serving as a mediating variable. The study is motivated by the growing importance of digital banking in addressing the financial transaction needs of international students from diverse social, cultural, and financial backgrounds. A quantitative approach employing a cross-sectional survey design is proposed. Data collection is planned to involve 250 international students using digital banking services in India, selected through purposive sampling. The data will be analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS to assess the direct and indirect relationships among the research constructs. Specifically, the study seeks to determine the extent to which service quality, corporate image, and customer value explain customer satisfaction and loyalty, as well as the mediating role of satisfaction in these relationships. The study is expected to contribute to the literature on service marketing and consumer behavior by extending the understanding of digital banking loyalty within a culturally diverse student population. Furthermore, the findings are anticipated to offer practical implications for financial institutions seeking to develop more inclusive, responsive, and value-oriented digital banking services for international students in India.



This work is licensed under a [Creative Commons Attribution-ShareAlike 4.0 International \(CC BY-SA 4.0\)](https://creativecommons.org/licenses/by-sa/4.0/)

How to cite:

Luthia, M., & Malinao, C. W. M. (2026). Transformasi Perbankan: Dampak Kompetisi Bank Digital Internasional Dan Bank Tradisional Pada Nasabah Global. SINOMIKA JOURNAL: Publikasi Ilmiah Bidang Ekonomi Dan Akuntansi, 5(3), 481–496. <https://doi.org/10.47353/sinomika.v5i3.2462>

Introduction

Digital transformation in the banking industry has reshaped the patterns of interaction between financial institutions and their customers, while simultaneously heightening demands for service quality, accessibility, and value creation in the pursuit of building sustainable customer relationships. The evolution of financial technology has enabled users to access a wide range of banking services via digital platforms, eliminating the need for direct, in-person interactions at bank branches. Consequently, customer satisfaction and loyalty have emerged as critical indicators for evaluating the success of digital banking services (Bapat, 2017; Sreejesh, 2024). Previous research suggests that the relationships between service quality, satisfaction, and loyalty can vary depending on user characteristics, the type of service, and the state of banking technology (Hinchcliff et al., 2023; Kim & Yang, 2025). In the Indian context, this transformation is exemplified by the development of the Unified Payments Interface (UPI),

which has become a cornerstone infrastructure within the digital payment ecosystem. Data from the National Payments Corporation of India (NPCI) indicates that the volume of UPI transactions surpassed 24 billion in August 2026 (NPCI, 2026). While this growth highlights the expanding adoption of digital financial systems in India, it does not explicitly explain how specific user groups such as international students evaluate their service experiences and develop loyalty toward banking institutions. Therefore, an analysis of service quality, corporate image, and customer value is essential for understanding the satisfaction and loyalty of international students who utilize digital banking services in India.

International students represent a distinct segment of financial service users, as they must navigate the process of adapting to the banking systems, social environments, and financial transaction practices of their host country. When utilizing digital banking services in India, international students may encounter specific needs related to opening and managing accounts, accessing digital payment services, understanding transaction procedures, navigating language barriers, and resolving service-related issues. Differences in banking experiences from one's home country can influence expectations and assessments of available services. In such a context, satisfaction and loyalty depend not only on technological efficiency but also on a banking institution's ability to provide a service experience that is intuitive, reliable, secure, and aligned with the needs of international users. These characteristics make international students a relevant group for evaluating the relationships among service quality, corporate image, customer value, satisfaction, and loyalty within a digital banking environment characterized by a diverse range of cultural backgrounds.

Service quality is a key determinant in the formation of customer satisfaction and loyalty. Conceptually, service quality encompasses dimensions such as tangibles, reliability, responsiveness, assurance, and empathy—all of which reflect a customer's evaluation of their service experience (Parasuraman et al., 1988). In the evolution of digital banking, service quality must also be understood through the lens of technology-based interactions, including ease of use, system reliability, transaction security, information accessibility, and the responsiveness of customer support. Previous research indicates that service quality is linked to satisfaction and loyalty, though the strength and consistency of these relationships may vary depending on the specific characteristics of the service and the users (Bloemer et al., 1998; Kaura et al., 2015; Boonlertvanich, 2019). A study by Arora and Banerji (2024) on the public sector digital banking landscape in India also integrates service quality, customer experience, satisfaction, and loyalty into a single analytical framework. However, findings based on the general banking customer population may not fully represent international students, who possess distinct service experiences and needs. Therefore, this study evaluates the relationship between service quality, satisfaction, and loyalty among international students using digital banking services in India—including the possibility that the link between service quality and loyalty is mediated by customer satisfaction. Beyond service quality, corporate image is an institutional factor that can shape customer evaluations and preferences toward banking institutions. Corporate image reflects the overall impressions, beliefs, and associations that customers hold regarding an organization, formed through both direct experience and information received (Nguyen & LeBlanc, 1998). In the banking sector, corporate image may relate to an institution's reputation, professionalism, credibility, and responsibility.

Previous research indicates that corporate image is linked to customer satisfaction, trust, and loyalty, although its direct contribution to loyalty has not been entirely consistent (Beerli et al., 2004; Bontis et al., 2007; Hossain et al., 2021). For international students, corporate image may play a unique role, as these users might lack extensive prior experience with banking institutions in their host country. In such cases, an institution's reputation and credibility can serve as a basis for the initial evaluation of service options. However, a positive image does not necessarily guarantee loyalty if the user's actual experience fails to meet their expectations. Therefore, this study treats corporate image as a construct distinct from service quality, evaluating both its direct relationship with satisfaction and loyalty, and its indirect relationship with loyalty mediated by the satisfaction of international students.

Customer value is another significant determinant; users of digital banking services do not merely evaluate the quality of the technology or the institution's reputation—they also weigh the benefits gained against the sacrifices made. The customer value perspective emphasizes a comprehensive assessment of a service's relative benefits compared to the costs, time, effort, and consequences associated with its use (Zeithaml, 1988). Perceived value can encompass functional, economic, emotional, and social dimensions (Sweeney & Soutar, 2001). Research in service marketing suggests that customer value is linked to satisfaction and customer behavioral tendencies, including loyalty (Cronin et al., 2000). In the context of international students in India, customer value may be reflected in perceptions regarding transaction costs, the ease of making payments for academic and daily living expenses, time efficiency, convenience, and the extent to which the service's benefits align with the students' financial needs throughout their period of study. Previous research indicates that the relationship between customer value and loyalty can be direct or mediated by satisfaction, with the strength of these associations varying based on provider characteristics and the service context (Zameer et al., 2015; Özkan et al., 2020; Mainardes & de Freitas, 2023). Nevertheless, the relative relevance of customer value in explaining the loyalty of international students using digital banking services in India warrants more specific empirical investigation. Therefore, this study examines customer value as a distinct construct to understand its contribution to user satisfaction and loyalty.

Customer satisfaction holds a significant position, as it explains the mechanisms linking evaluations of service quality, corporate image, and customer value to the formation of loyalty. Satisfaction represents a customer's assessment of the alignment between their expectations and their actual experience in using a service. In service marketing research, satisfaction has been identified as a mediating mechanism that connects service quality to loyalty; thus, a positive evaluation of a service does not necessarily lead to loyalty through a direct relationship alone (Caruana, 2002). Prior studies also suggest that the relationship between satisfaction and loyalty can vary depending on customer characteristics, competitive conditions, and the context of financial services (Omoriegbe et al., 2019; Boonlertvanich, 2019; Dawes, 2024). In the digital banking environment, users may continue to utilize a service due to a satisfying experience; however, loyalty can also be influenced by the availability of alternatives, switching costs, and specific transactional needs. These factors are particularly relevant for international students, whose use of banking services may be shaped by the duration of their studies, international mobility, and evolving financial requirements. Therefore, in this study, satisfaction is

positioned not only as a consequence of service quality, corporate image, and customer value, but also as a mediator that explains the relationship between these three determinants and the loyalty of digital banking users.

Based on a synthesis of prior research, the research gap in this study lies primarily in its contextual and empirical aspects, rather than in the development of entirely new constructs or structural models. Previous studies have examined the relationships among service quality, corporate image, customer value, satisfaction, and loyalty within various banking contexts (Caruana, 2002; Boonlertvanich, 2019; Özkan et al., 2020; Mainardes & de Freitas, 2023). Research on digital banking in India has also explored the connections between service quality, customer experience, satisfaction, and loyalty (Arora & Banerji, 2024). However, these existing findings do not automatically account for the same patterns of relationships in International students face the challenge of adapting to the financial service environment outside their home countries. Differences in prior banking experiences, service expectations, and transactional needs can influence how this user group evaluates service quality, corporate image, and the value they receive. Consequently, this study aims to evaluate the consistency and relative contribution of these three determinants within a single structural model, focusing on international students in India. It also examines whether satisfaction acts as a mediating mechanism in the formation of loyalty toward digital banking services.

Addressing this research gap, this study analyzes the relationships between service quality, corporate image, and customer value—and their impact on the satisfaction and loyalty of international students using digital banking services in India—by testing seven direct and three indirect relationships. The seven direct relationships encompass the links between each independent variable and both satisfaction and loyalty, as well as the relationship between satisfaction and loyalty itself. Meanwhile, the three indirect relationships assess the mediating role of satisfaction in the connections between service quality, corporate image, and customer value, on the one hand, and loyalty, on the other. This approach builds upon previous research suggesting that satisfaction can serve as a connecting mechanism between service evaluations and loyalty, although the strength and significance of these relationships may vary depending on the research context (Caruana, 2002; Özkan et al., 2020; Mainardes & de Freitas, 2023). This study is expected to expand the empirical evidence regarding the determinants of satisfaction and loyalty in digital banking among users with international backgrounds. Furthermore, it offers managerial implications for banking institutions in India, providing guidance on enhancing service quality, strengthening institutional image, and creating customer value that is more relevant to the specific needs of international students.

Method

This study is designed using a quantitative approach with a cross-sectional explanatory survey design to analyze the relationship between service quality, corporate image, and customer value with the satisfaction and loyalty of international students using digital banking services in India. The research model includes three exogenous variables, namely service quality, corporate image, and customer value; one mediating variable is customer satisfaction; and digital banking loyalty as the main endogenous variable. The test was directed at seven direct relationships and three indirect relationships through customer satisfaction. The analysis

was planned using Partial Least Squares Structural Equation Modeling (PLS-SEM) because this method allows the evaluation of measurement models, structural relationship estimation, as well as testing of mediation mechanisms and the ability to explain endogenous constructs (Hair et al., 2019; Hair et al., 2022).

The study population is international students who are studying at universities in India and use digital banking services provided by banking institutions in the country. The study targeted 250 respondents as an analysis unit using purposive sampling techniques. The inclusion criteria for respondents included non-Indian students who are actively enrolled in universities in India, are at least 18 years old, have an account with a bank operating in India, and have used digital banking services from the bank for at least six months. Respondents are also required to have experience using the service in the last six months. The purpose of determining this criterion is to ensure that respondents have sufficient experience to evaluate the quality of services, company image, customer value, satisfaction, and loyalty to the banking institutions used. The target sample size was set by considering the complexity of the structural model and the need for mediation analysis. The adequacy of the sample then needs to be evaluated through statistical power analysis by considering the magnitude of the effect to be detected, especially for indirect relationships that have the potential to have a small effect size (Kock & Hadaya, 2018; Fritz & MacKinnon, 2007).

Primary data is planned to be collected using a structured questionnaire that is distributed online to international students through academic networks and international student communities at universities in India. The questionnaire uses a five-level Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree). The research instruments include five service quality indicators, three corporate image indicators, three customer value indicators, three customer satisfaction indicators, and three digital banking loyalty indicators. Service quality indicators are adjusted to the characteristics of digital services, including system reliability, ease of use, transaction security, customer support responsiveness, and service accessibility. Company image is measured based on perceptions of the reputation, credibility, and professionalism of banking institutions. Customer value is evaluated through the suitability of service benefits to the cost, time, and effort expended by users. Customer satisfaction reflects an overall evaluation of the service user experience, while digital banking loyalty includes continuous usage intentions, preference for the banks used, and willingness to recommend services to others. The development of instruments refers to the conceptual foundations of service quality, corporate image, customer value, satisfaction, and loyalty in the service marketing literature (Parasuraman et al., 1988; Cronin & Taylor, 1992; Nguyen & LeBlanc, 1998; Zeithaml, 1988; Caruana, 2002). The entire construct is planned to be modeled reflectively, with the final specification adjusted based on a conceptual evaluation of the relationship between the construct and its indicators.

Prior to the main data collection, the instrument needs to be evaluated through content suitability assessments and limited trials to ensure language clarity and relevance of the statement for international students from diverse cultural backgrounds. The questionnaire is planned to use English as the language of instruction, with attention to the potential for differences in understanding of digital banking terms. Respondents were asked to provide an assessment based on one major bank whose digital services were most frequently used during

the study in India. This approach is intended to maintain the consistency of the evaluation object, particularly in the measurement of corporate image, satisfaction, and loyalty inherent in a particular banking institution.

The evaluation of the measurement model was carried out through the examination of outer loading, Cronbach's alpha, rho_A, composite reliability, average variance extracted (AVE), and heterotrait–monotrait ratio (HTMT). An assessment of the reliability and validity of the construct was carried out to ensure that the indicators had internal consistency, convergent validity, and adequate discriminant validity. Structural model evaluation includes checking the predictor collinearity through the inner variance inflation factor (VIF), determination coefficient (R^2), effect size (f^2), and evaluation of the predictive ability of the model when supported by the analysis procedures used. Standardized root mean square residual (SRMR) can be reported as an additional diagnostic measure, but is not used as the sole basis for assessing the feasibility of the PLS-SEM model. Direct and indirect relationship testing is planned using a bootstrapping procedure of 5,000 subsamples through SmartPLS software. Support for the hypothesis was determined based on the direction of the coefficients that corresponded to the hypothesis and a 95% bias-corrected and accelerated (BCa) confidence interval that did not include zero. The t-statistic and p-value were also reported as additional inferential information (Henseler et al., 2015; Hair et al., 2019).

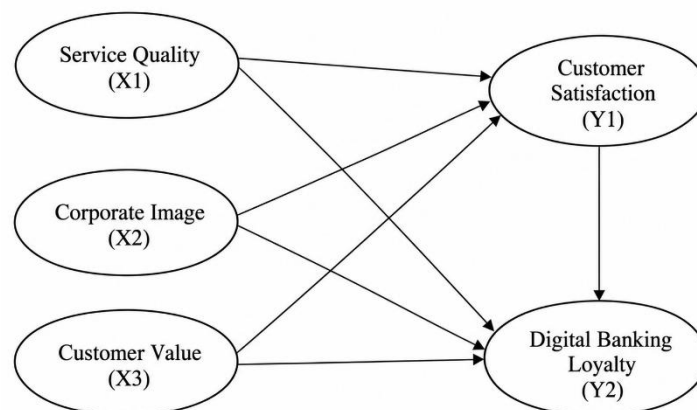


Figure 1. Conceptual Framework

The use of perceptual data collected through questionnaires over a period of time has the potential to give rise to common method bias as well as limitations in evaluating changes in satisfaction and loyalty over time. Therefore, the study was designed to implement preventive measures through the assurance of confidentiality of responses, the preparation of clear and neutral statements, and the conceptual separation between variables in the instrument. Additional statistical checks can also be performed to identify possible problems related to the same measurement method, taking into account the limitations of each diagnostic procedure (Podsakoff et al., 2003). Respondents' participation is voluntary based on consent after receiving the research information, as well as without collecting unnecessary account information or sensitive financial data. The results of the study will be interpreted as statistical relationships consistent with the theoretical model, rather than as definitive proof of cause-and-effect relationships. In addition, purposive sampling techniques and limited coverage of

educational institutions may limit the generalization of findings to the entire international student population in India.

Results and Discussion

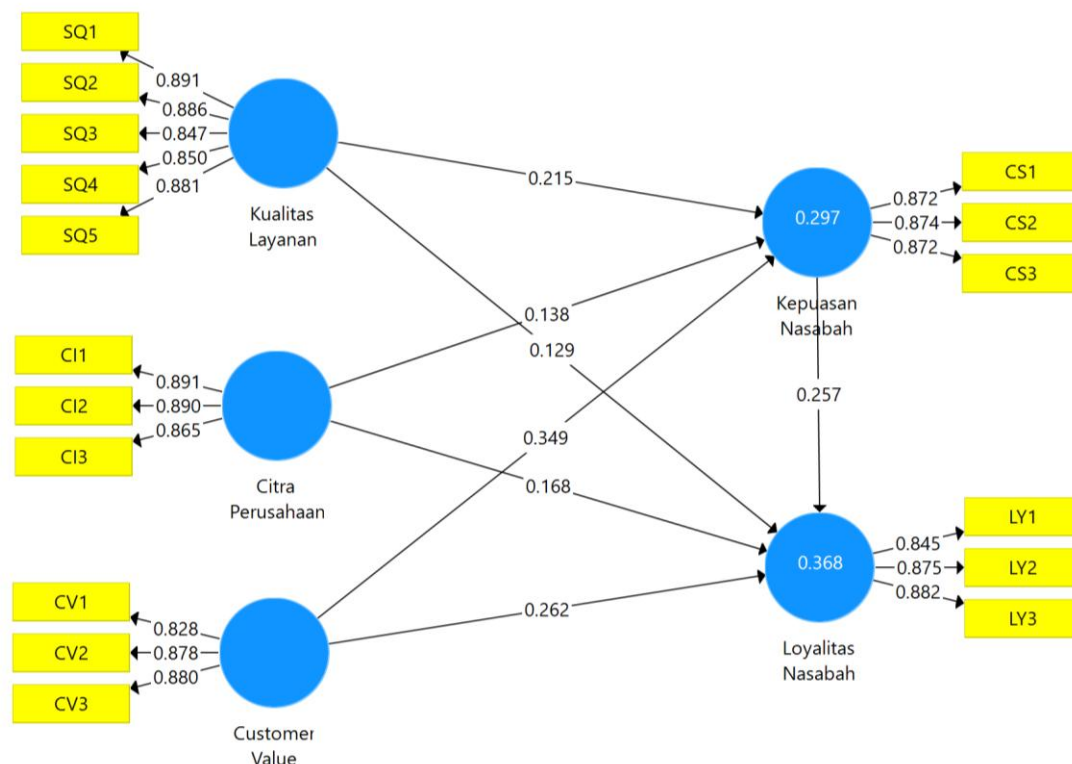
Table 1. Descriptive Statistics of Research Variables

Construct	Mean	Median	Minimum	Maximum
Quality of Service	3,878	4,000	1,800	5,000
Image	4,184	4,333	1,667	5,000
Customer Value	4,093	4,000	2,333	5,000
Customer Satisfaction	3,960	4,000	2,000	5,000
Customer Loyalty	4,044	4,000	2,000	5,000

Source: *Processed Data, 2026*

Table 1 shows that Citra has the highest average construct, while Quality of Service has the lowest average. At the indicator level, SQ4 is the item with the highest average in Service Quality, while SQ2 is the lowest. In Citra, CI3 has the highest average and CI1 is the lowest. In Customer Value, CV2 is the highest item and CV1 is the lowest. Furthermore, CS3 has the highest average in Customer Satisfaction and the lowest CS2, while Customer Loyalty LY1 is the highest item and LY3 is the lowest. Thus, although respondents' perception of the research construct in general tends to be positive, there are still variations in assessments between indicators that show relatively stronger and weaker aspects of customer experience.

Figure 1. PLS Algorithm Results



Source: *Processed Data, 2026*

Figure 1 shows the *outer loading values*, path coefficients, and R^2 in the endogenous construct. The model shows that all indicators have relatively high loading, while the variation

in structural relationships can be seen from the difference in the magnitude of the coefficients between lines.

Table 2. Evaluation of Convergent Validity and Construct Reliability

Construct	Outer Loading Range	Cronbach's Alpha	ρ_A	Composite Reliability	AVE
Quality of Service	0,847–0,891	0,921	0,925	0,940	0,759
Image	0,865–0,891	0,858	0,863	0,913	0,778
Customer Value	0,828–0,880	0,829	0,843	0,897	0,744
Customer Satisfaction	0,872–0,874	0,844	0,844	0,906	0,762
Customer Loyalty	0,845–0,882	0,836	0,836	0,901	0,753

Source: Processed Data, 2026

All outer loading, reliability, and AVE values met the criteria used. The discriminant validity was further evaluated using the heterotrait–monotrait ratio (HTMT), as presented in Table 3.

Table 3. Discriminant Validity Based on HTMT

Construct	Image	Customer Value	Satisfaction	Quality of Service	Loyalty
Image	—				
Customer Value	0,321	—			
Customer Satisfaction	0,387	0,554	—		
Quality of Service	0,525	0,426	0,464	—	
Customer Loyalty	0,453	0,562	0,581	0,465	—

Source: Processed Data, 2026

All HTMT values were below the conservative limit of 0.85 and the limit of 0.90. These results show that the five constructs have adequate empirical differentiation so that there is no indication of the problem of discriminant validity.

In addition to validity and reliability, the collinearity of the indicators is checked through the outer VIF. For efficiency, the value of each indicator is presented in a single line based on the construct.

Table 4. Collinearity Statistics

Types of evaluations	Construct or path	LIVE	Verdict
Outer VIF	Quality of Service	2,421–3,002	Meet
Outer VIF	Image	2,017–2,379	Meet
Outer VIF	Customer Value	1,812–1,967	Meet
Outer VIF	Customer Satisfaction	2,008–2,026	Meet
Outer VIF	Customer Loyalty	1,695–2,199	Meet
Inner VIF	Service Quality → Satisfaction	1,394	Meet
Inner VIF	Image → Satisfaction	1,292	Meet
Inner VIF	Customer Value → Kepuasan	1,181	Meet
Inner VIF	Quality of Service → Loyalty	1,459	Meet
Inner VIF	Image → Loyalty	1,319	Meet
Inner VIF	Customer Value → Loyalitas	1,354	Meet
Inner VIF	Satisfaction → Loyalty	1,422	Meet

Source: Processed Data, 2026

All *outer VIF* values were below the limit of 5, so there was no indication of problematic collinearity between indicators. The highest VIF value was found in SQ2, but it was still within an acceptable range. Thus, the study indicators did not show excessive redundancy.

The evaluation of the structural model was carried out through the determination coefficient (R^2), *adjusted* R^2 , *effect size* (f^2), and SRMR. The results of the determination coefficient and *the fit model* are presented first in Table 5.

Table 5. Coefficient of Determination and *Fit Model*

Construct endogenous	R^2	<i>Adjusted</i> R^2
Customer Satisfaction	0,297	0,288
Customer Loyalty	0,368	0,357

Source: *Processed Data, 2026*

The model explains 29.7% of the variation in satisfaction and 36.8% variation in the loyalty of BRI Bone Branch customers. The ability to explain loyalty is relatively higher than satisfaction, although some variation of the two constructs is still related to other factors outside the model. An SRMR value of 0.048 indicates a relatively low residual model, but does not in itself prove the overall suitability of the model.

To determine the relative contribution of each predictor to the endogenous construct, an *effect size* (f^2) evaluation was then carried out.

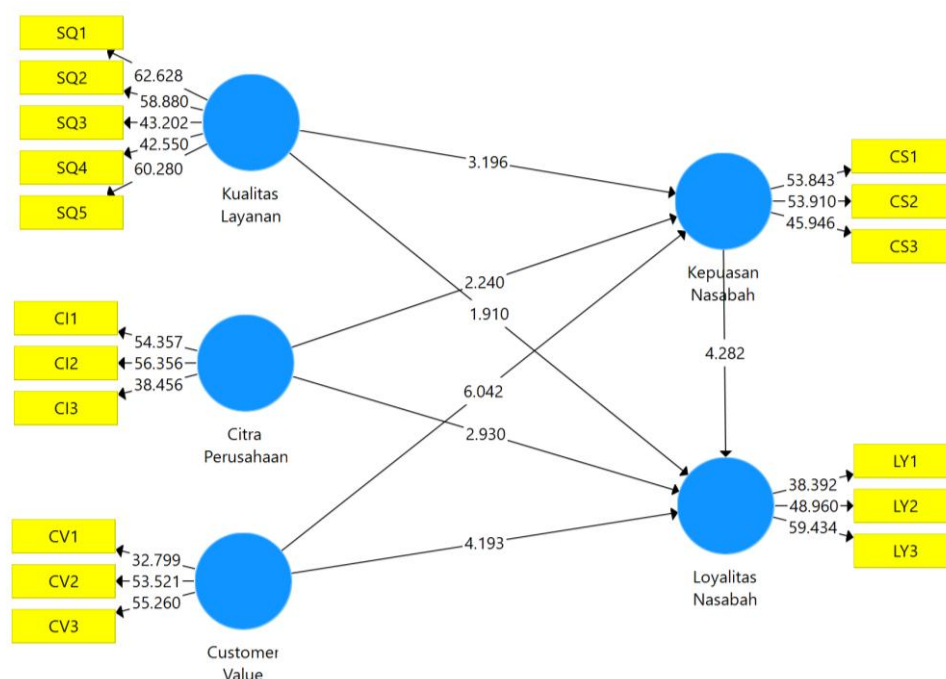
Tabel 6. *Effect Size* (f^2)

Predictor	Customer Satisfaction	Customer Loyalty
Quality of Service	0,047	0,018
Image	0,021	0,034
Customer Value	0,146	0,080
Customer Satisfaction	—	0,073

Source: *Processed Data, 2026*

Customer value had the largest effect on satisfaction and loyalty compared to other predictors, while the direct effect of service quality on loyalty showed a very small effect size.

Figure 3. Bootstrapping Results



Source: *Processed Data, 2026*

Figure 3 shows the *t*-statistic of bootstrapping results for indicators and structural paths. Subsequent hypothesis testing is based on *path coefficient*, *t*-statistic, *p*-value, and bootstrapping confidence intervals. Loyalty bootstrapping

Table 7. Direct Impact Testing

Hip.	Hubungan	b	t	p	BCa 95%	Verdict
H1	Service Quality → Satisfaction	0,215	3,196	0,001	[0,080; 0,343]	Supported
H2	Quality of Service → Loyalty	0,129	1,910	0,056	[-0,010; 0,256]	Not supported
H3	Image → Satisfaction	0,138	2,240	0,025	[0,016; 0,257]	Supported
H4	Image → Loyalty	0,168	2,930	0,003	[0,055; 0,281]	Supported
H5	Customer Value → Kepuasan	0,349	6,042	<0.001	[0,229; 0,456]	Supported
H6	Customer Value → Loyalitas	0,262	4,193	<0.001	[0,138; 0,380]	Supported
H7	Satisfaction → Loyalty	0,257	4,282	<0.001	[0,137; 0,372]	Supported

Source: Processed Data, 2026

Direct influence testing showed that six out of seven hypotheses received empirical support. Service quality was positively correlated with satisfaction, but its relationship with loyalty was insignificant. Image and *customer value* showed a positive relationship with satisfaction and loyalty, while satisfaction was also positively correlated with loyalty. *Customer value* had the largest correlation coefficient to satisfaction and was the strongest direct predictor of loyalty among all the variables tested.

Table 8. Indirect Influence Testing through Customer Satisfaction

Hipotesis	Indirect path	b	t	p	BCa 95%	Results based on BCa
H8	Quality of Service → Satisfaction → Loyalty	0,055	2,723	0,006	[0,023; 0,104]	Supported
H9	Image → Satisfaction → Loyalty	0,035	1,912	0,056	[0,007; 0,081]	Supported*
H10	Customer Value → Satisfaction → Loyalty	0,090	3,233	0,001	[0,044; 0,155]	Supported

*Note H9: the 95% BCa interval does not include zero, so H9 is supported according to the selected confidence interval criteria. However, the value of $p = 0.056$ is not significant at the 5% level. The difference between the two results must be publicly reported and verified against the original output before the decision is finalized

Source: Processed Data, 2026

The results of the indirect effect test showed that customer satisfaction played a mediator in the relationship between service quality and customer value and loyalty. The customer value mediation pathway had the largest indirect coefficient. Meanwhile, the indirect influence of image on loyalty through satisfaction showed different inferential results according to the test approach. The 95% BCa confidence interval did not include zero, thus supporting the mediation hypothesis based on the criteria used in the method. However, the *p*-value slightly exceeded the 5% significance level, so the image mediation results need to be interpreted carefully. Considering the direct relationship, the quality of service shows an indirect-only mediation pattern, while the image and customer value show a complementary mediation pattern based on the BCa trust interval approach.

Discussion

Service Quality, Customer Satisfaction, and Digital Banking Loyalty

The relationship between service quality, customer satisfaction, and digital banking loyalty represents an important dimension of digital financial service evaluation among international students in India. Previous studies have demonstrated that service quality contributes to customer satisfaction,

particularly when financial institutions provide reliable, responsive, and accessible services (Kaura et al., 2015; Dam & Dam, 2021). Within the international student context, these attributes may become particularly relevant because users must navigate unfamiliar banking procedures, digital interfaces, and institutional requirements while adapting to a different financial environment. If the empirical findings demonstrate a significant positive relationship between service quality and satisfaction but an insignificant direct relationship with loyalty, this pattern would suggest that favorable service experiences contribute to continued banking preferences primarily when they generate positive satisfaction evaluations. Such an interpretation would be consistent with research identifying satisfaction as an important mechanism connecting service quality and loyalty (Supriyanto et al., 2021), while acknowledging that other studies have reported significant direct relationships across different banking contexts (Omoregie et al., 2019).

Corporate Image, Customer Satisfaction, and Digital Banking Loyalty

Corporate image may play an important role in shaping how international students evaluate and maintain relationships with banking institutions in India. Corporate image encompasses perceptions of institutional reputation, credibility, professionalism, and reliability, which can influence customer evaluations and preferences (Nguyen & LeBlanc, 1998; Haryanto et al., 2023). For international students, institutional image may be especially relevant because their familiarity with Indian banking providers can be limited when they first enter the country. A favorable corporate image may therefore contribute to positive expectations and confidence in using digital banking services. If the results indicate significant positive relationships between corporate image, satisfaction, and loyalty, they would support previous evidence associating favorable institutional perceptions with stronger banking relationships (Ab Hamid et al., 2023; Rusydi et al., 2024). Nevertheless, the influence of corporate image should not be assumed to operate uniformly across customer groups, as previous research has identified variations in its direct relationship with loyalty (Omoregie et al., 2019). These considerations underscore the importance of examining corporate image as an institutional construct distinct from the technical performance of digital banking platforms.

Customer Value, Customer Satisfaction, and Digital Banking Loyalty

Customer value represents a central consideration in understanding digital banking evaluations among international students. From a theoretical perspective, perceived customer value reflects the overall assessment of benefits received relative to the monetary and nonmonetary sacrifices associated with service consumption (Zeithaml, 1988; Sweeney & Soutar, 2001). In the context of international students in India, perceived value may include affordable transaction costs, convenient access to financial services, efficient payment processing, and the time saved through digital transactions. The ability to manage academic and everyday financial obligations may further shape perceptions of banking value. If customer value exhibits significant positive relationships with both satisfaction and loyalty, the findings would be consistent with research linking perceived value to favorable customer evaluations and behavioral intentions (Cronin et al., 2000; Marcos & Coelho, 2022). Previous studies have also demonstrated that the contribution of customer value can differ between conventional banks and technology-based financial service providers (Mainardes & de Freitas, 2023; Wirantana & Adfi, 2022). Accordingly, evaluating customer value among international students may provide additional contextual evidence regarding the importance of perceived benefits in developing satisfaction and loyalty within digital banking environments.

Customer Satisfaction and Digital Banking Loyalty

Customer satisfaction is an important explanatory construct in understanding loyalty toward digital banking services. Satisfaction reflects customers' overall evaluations of their experiences and the extent to which banking services meet their expectations. Among international students, satisfaction may be influenced by the reliability of digital transactions, convenience of banking applications, accessibility of customer support, and the ability to fulfill financial needs within an unfamiliar banking environment. If customer satisfaction demonstrates a significant positive relationship with digital banking loyalty, this would be consistent with previous studies identifying satisfaction as an important determinant of loyalty in retail banking (Omoriegbe et al., 2019; Kamath et al., 2020). Nevertheless, satisfaction should not be treated as equivalent to loyalty, as favorable experiences do not necessarily lead to sustained preferences or continued use of the same service provider (Oliver, 1999). This distinction may be particularly relevant among international students whose banking relationships can be influenced by their academic duration, geographic mobility, and access to alternative financial services. Consequently, satisfaction should be interpreted as one of several factors associated with loyalty rather than as a sufficient condition for long-term banking relationships.

The Mediating Role of Customer Satisfaction in the Service Quality–Loyalty Relationship

Customer satisfaction may function as a mediating mechanism through which service quality is associated with digital banking loyalty among international students in India. If the indirect relationship between service quality and loyalty through satisfaction is statistically significant while the direct relationship remains insignificant, the findings would be consistent with an indirect-only mediation pattern. Such a result would suggest that the relationship between service quality and loyalty is primarily transmitted through satisfaction rather than through a statistically distinguishable direct pathway. This interpretation aligns with previous research emphasizing the mediating role of satisfaction in the relationship between service quality and customer loyalty (Caruana, 2002; Supriyanto et al., 2021). Within the international student context, reliable systems, accessible information, responsive support, and secure transactions may contribute to loyalty by improving overall satisfaction with banking experiences. Nevertheless, this explanation would need to be supported by the actual estimates and confidence intervals of the indirect and direct effects rather than inferred solely from theoretical expectations.

The Mediating Role of Customer Satisfaction in the Corporate Image–Loyalty Relationship

Customer satisfaction may also mediate the relationship between corporate image and digital banking loyalty. If both the direct relationship between corporate image and loyalty and the indirect relationship through satisfaction are positive and statistically significant, the findings would support a complementary mediation interpretation. Such a pattern would suggest that favorable institutional perceptions are associated with loyalty both directly and through positive satisfaction evaluations. Previous studies have identified interconnected relationships between corporate image, satisfaction, and loyalty in banking contexts (Özkan et al., 2020; Rusydi et al., 2024). For international students, institutional reputation may influence initial banking preferences, while subsequent service experiences may strengthen or weaken satisfaction and continued-use intentions. However, mediation conclusions must be based on verified bootstrap confidence intervals and the inference criteria established before analysis. If the confidence interval and the reported p-value lead to conflicting decisions, the results should be checked for differences in inference procedures, rounding, and confidence interval estimation rather than automatically classified as statistically significant. This caution is particularly relevant given the variation reported in previous studies regarding the mediating role of satisfaction in the corporate image loyalty relationship (Omoriegbe et al., 2019; Hidayati et al., 2025).

The Mediating Role of Customer Satisfaction in the Customer Value–Loyalty Relationship

Customer satisfaction may serve as an additional explanatory mechanism connecting customer value with digital banking loyalty. If customer value demonstrates a statistically significant direct relationship with loyalty alongside a significant positive indirect relationship through satisfaction, the results would be consistent with complementary mediation. This would indicate that perceived banking benefits are associated with loyalty both independently and through favorable satisfaction evaluations. Such an interpretation is consistent with research identifying customer value and satisfaction as interconnected determinants of customer loyalty (Yang & Peterson, 2004; Lai et al., 2009). In the context of international students in India, benefits such as lower transaction costs, efficient digital payments, service accessibility, and reduced transaction effort may contribute to satisfaction and preferences for continued banking relationships. Previous research also indicates that the relationships between perceived value, satisfaction, and loyalty can vary across service environments and provider characteristics (Marcos & Coelho, 2022; Mainardes & de Freitas, 2023). Accordingly, the relative importance of customer value should be established through empirical coefficient estimates and effect-size comparisons rather than presumed from findings in other populations.

Conclusion

This study proposes an integrated framework for examining the relationships between service quality, corporate image, customer value, customer satisfaction, and digital banking loyalty among international students in India. The framework positions customer satisfaction as a mediating mechanism through which service quality, corporate image, and customer value may be associated with digital banking loyalty. Drawing on established service marketing and customer loyalty literature, the study anticipates that service quality will be positively associated with satisfaction, while corporate image and customer value may contribute to both satisfaction and loyalty. However, the significance, magnitude, and relative importance of these relationships must be established through empirical testing rather than inferred from findings obtained in a different banking population. In particular, the potential mediating effects of satisfaction require examination through bootstrapped indirect-effect estimates and confidence intervals.

From a practical perspective, the proposed framework highlights several considerations for banking institutions serving international students in India. Financial institutions may benefit from developing accessible, reliable, and secure digital banking services while strengthening institutional credibility and delivering customer value through affordable transactions, convenience, and efficient financial management. Particular attention should be given to language accessibility, customer support, and the financial service requirements associated with international mobility. Future research should examine these relationships using empirical data from international students across multiple higher education institutions in India. Longitudinal designs and comparisons across student nationalities, banking providers, or service usage characteristics may provide further insights into the development of satisfaction and loyalty over time. Such extensions would strengthen understanding of digital banking relationships within internationally diverse customer populations.

REFERENCES

- Afrilia, R., Lestari, A. I., & Wahyuni, A. (2023). Pengaruh citra perusahaan (*corporate image*) terhadap loyalitas nasabah dengan kepuasan nasabah sebagai variabel intervening pada Bank Syariah Indonesia (BSI) Kantor Cabang Pembantu Binjai Sudirman. *ManBiz: Journal of Management and Business*, 3(1), 166–179. <https://doi.org/10.47467/manbiz.v3i1.5050>
- Aini, A. P. N., & Hasan, I. (2024). Pengaruh kualitas layanan, citra perusahaan dan religiusitas terhadap loyalitas nasabah melalui kepuasan pengguna digital banking sebagai variabel intervening. *Jurnal Dimensi*, 13(2). <https://doi.org/10.33373/dms.v13i2.6130>
- Anggraini, S., Wolok, T., Juanna, A., Kusuma, C. A., & Asnawi, M. A. (2024). Pengaruh customer value dan kedekatan emosional terhadap kepuasan nasabah (Studi kasus Bank BRI Cabang Limboto). *JAMBURA: Jurnal Ilmiah Manajemen dan Bisnis*, 7(1). <https://doi.org/10.37479/jimb.v7i1.25055>
- Arthasari, M. S. R., Telagawathi, N. L. W. S., & Trianasari. (2024). Pengaruh kualitas pelayanan, citra perusahaan, dan kepercayaan terhadap loyalitas nasabah BRI Unit Denbantas. *Journal of Economic, Business and Accounting (COSTING)*, 7(6). <https://doi.org/10.31539/costing.v7i6.13259>
- Asia. *Jurnal Siasat Bisnis*, 27(2), 156–170. <https://doi.org/10.20885/jsb.vol27.iss2.art3>
- Ayinaddis, S. G., Taye, B. A., & Yirsaw, B. G. (2023). Examining the effect of electronic banking service quality on customer satisfaction and loyalty: An implication for technological innovation. *Journal of Innovation and Entrepreneurship*, 12, 22. <https://doi.org/10.1186/s13731-023-00287-y>.
- Badan Pusat Statistik Kabupaten Bone. (2024, March 1). *Pertumbuhan ekonomi Kabupaten Bone tahun 2023 mencapai 3,77 persen*. <https://bonekab.bps.go.id/id/pressrelease/2024/03/01/133/pertumbuhan-ekonomi-kabupaten-bone-tahun-2023-mencapai-3-77-persen-.html>
- Badan Pusat Statistik Kabupaten Bone. (2025, March 11). *Pertumbuhan ekonomi Kabupaten Bone tahun 2024 mencapai 5,55 persen*. <https://bonekab.bps.go.id/id/pressrelease/2025/03/11/175/pertumbuhan-ekonomi-kabupaten-bone-tahun-2024-mencapai-5-55-persen-.html>
- Bank Indonesia. (2023). *Laporan kebijakan moneter Triwulan IV 2022*. <https://www.bi.go.id/id/publikasi/laporan/Pages/Laporan-Kebijakan-Moneter-Triwulan-IV-2022.aspx>
- Bank Indonesia. (2024). *Laporan kebijakan moneter Triwulan IV 2023*. <https://www.bi.go.id/id/publikasi/laporan/Pages/Laporan-Kebijakan-Moneter-Triwulan-IV-2023.aspx>
- Beanning, L., & Zulkarnain. (2024). The effect of e-service quality on customer satisfaction and customer loyalty: A study on mobile banking application in Indonesia. *Communications in Humanities and Social Sciences*, 4(1). <https://doi.org/10.21924/chss.4.1.2024.73>
- Bui, N., Moore, Z., Wimmer, H., & Pham, L. (2022). Predicting customer loyalty in the mobile banking setting: An integrated approach. *International Journal of E-Services and Mobile Applications*, 14(1), 1–22. <https://doi.org/10.4018/IJESMA.296576>
- Christanto, Y. M., & Santoso, S. (2022). The influence of service quality, corporate image, and customer satisfaction on customer loyalty in banking sector in Yogyakarta. *International Journal of Research in Business and Social Science*, 11(7), 9–16. <https://doi.org/10.20525/ijrbs.v11i7.2025>
- Damberg, S., Liu, Y., & Ringle, C. M. (2024). Does culture matter? Corporate reputation and sustainable satisfaction in the Chinese and German banking sector. *Journal of Marketing Analytics*, 12, 6–24. <https://doi.org/10.1057/s41270-023-00259-x>
- Ghimire, S. R., Upadhyaya, Y. M., & Agarwal, N. (2025). Service quality and customer satisfaction: Empirical evidence from the Nepalese banking industry. *Banks and Bank Systems*, 20(1), 205–220. [https://doi.org/10.21511/bbs.20\(1\).2025.17](https://doi.org/10.21511/bbs.20(1).2025.17).

- Hair, J. F., Jr., Hult, G. T. M., Ringle, C. M., Sarstedt, M., Danks, N. P., & Ray, S. (2021). *Partial least squares structural equation modeling (PLS-SEM) using R: A workbook*. Springer. <https://doi.org/10.1007/978-3-030-80519-7>
- Harlim, N. S., & Rakhman, A. (2025). Pengaruh kualitas layanan dan kualitas produk terhadap kepuasan nasabah Bank Mandiri di Jakarta Kota. *Jurnal Manajemen*, 14(1), 75–81. <https://doi.org/10.46806/jm.v14i1.1370>.
- Hidayati, R. P., Widowati, M., & Windawati, A. (2025). From satisfaction to loyalty: Analyzing the impact of service quality and corporate image in Islamic banking. *Studia Economica: Jurnal Ekonomi Islam*, 11(1).
- Hossain, M. A., Yesmin, M. N., Jahan, N., & Kim, M. (2021). Effects of service justice, quality, social influence and corporate image on service satisfaction and customer loyalty: Moderating effect of bank ownership. *Sustainability*, 13(13), 7404. <https://doi.org/10.3390/su13137404>
- Hossain, M. A., Yesmin, M. N., Jahan, N., & Kim, M. (2021). Effects of service justice, quality, social influence and corporate image on service satisfaction and customer loyalty: Moderating effect of bank ownership. *Sustainability*, 13(13), 7404. <https://doi.org/10.3390/su13137404>
- Kadir, A., Paly, M. B., & Abdullah, M. W. (2023). Customer loyalty Islamic banks in Indonesia: Service quality which mediated by satisfaction and customer trust. *International Journal of Professional Business Review*, 8(4), e01286. <https://doi.org/10.26668/businessreview/2023.v8i4.1286>
- Kim, L., Jindabot, T., & Yeo, S. F. (2024). Understanding customer loyalty in banking industry: A systematic review and meta analysis. *Heliyon*, 10(17), e36619. <https://doi.org/10.1016/j.heliyon.2024.e36619>
- Kotler, P., Keller, K. L., & Chernev, A. (2022). *Marketing management* (16th ed.). Pearson.
- Mahfuzh, M. A., Setyono, J., & Riza, A. F. (2025). Examining the model for enhancing e-loyalty in digital banks. *Signifikan: Jurnal Ilmu Ekonomi*, 14(1), 247–264. <https://doi.org/10.15408/sjie.v14i1.44901>
- Mansyriah, H. Z., Saryadi, & Dewi, R. S. (2023). Pengaruh e-service quality terhadap e-loyalty dengan e-satisfaction sebagai variabel intervening pada nasabah Bank Mandiri pengguna New Livin By Mandiri di Kota Semarang. *Jurnal Ilmu Administrasi Bisnis*, 12(1), 195–202. <https://doi.org/10.14710/jiab.2023.37278>
- Nisa, Z., & Hasan, I. (2024). Pengaruh SERVQUAL, corporate image terhadap customer loyalty dengan customer satisfaction sebagai variabel mediasi: Studi pada nasabah PT Bank Syariah Indonesia, Tbk. KCP Genteng Banyuwangi. *Journal of Economic, Business and Accounting (COSTING)*, 7(5). <https://doi.org/10.31539/costing.v7i5.10608>
- Novitasari, M., Amah, N., Ayera, A., Aziz, A. N., & Gunardi, A. (2024). Service quality and customer loyalty: The role of satisfaction and trust in Indonesian Sharia bank. *Jurnal Riset Bisnis dan Manajemen*, 17(1). <https://doi.org/10.23969/jrbm.v17i1.12659>
- Nur, Y., Basalamah, S., Semmail, B., & Hasan, S. (2023). The influence of bank image, accessibility, and customer relationship management on customer satisfaction and loyalty at Islamic banks in Makassar City. *International Journal of Professional Business Review*, 8(9), e03640. <https://doi.org/10.26668/businessreview/2023.v8i9.3640>
- Pangesti, H. L. (2024). Service quality dan digital banking meningkatkan loyalitas nasabah Bank Syariah Indonesia? Kepuasan sebagai variabel intervening. *Velocity: Journal of Sharia Finance and Banking*, 4(1), 60–76. <https://doi.org/10.28918/velocity.v4i1.7571>
- PT Bank Rakyat Indonesia (Persero) Tbk. (2023). *Annual report 2022*. <https://www.ir-bri.com/misc/AR/AR2022-EN.pdf>
- PT Bank Rakyat Indonesia (Persero) Tbk. (2024). *Annual report 2023*. <https://www.ir-bri.com/misc/AR/flipbook/AR2023-EN/>
- PT Bank Rakyat Indonesia (Persero) Tbk. (2025). *Annual report 2024*. <https://www.ir-bri.com/misc/AR/AR2024-EN.pdf>
- Purwani, N. K. I. M., Anggraini, N. P. N., & Gama, A. W. S. (2025). The influence of customer value and service quality on customer loyalty mediated by customer satisfaction at BRI Bank, Tabanan Branch Office. *International Journal of Economics and Management Sciences*, 2(3), 247–252. <https://doi.org/10.61132/ijems.v2i3.927>

- Purwani, N. K. I. M., Anggraini, N. P. N., & Gama, A. W. S. (2025). The influence of customer value and service quality on customer loyalty mediated by customer satisfaction at BRI Bank, Tabanan Branch Office. *International Journal of Economics and Management Sciences*, 2(3), 247–252. <https://doi.org/10.61132/ijems.v2i3.927>
- Rafiqoh, Asniwati, B., & Rahmatullah, N. (2022). Service quality, customer trust, and company image on customer satisfaction of Indonesian government banks. *Economics and Business Quarterly Reviews*, 5(4), 296–304. <https://doi.org/10.31014/aior.1992.05.04.479>
- Rusydi, A. F., Ridwan, M., Ekowati, V. M., Supriyanto, A. S., & Johari, F. B. (2024). Customer loyalty based on service quality, banking image, and fairness mediating role of customer satisfaction. *Jurnal Aplikasi Bisnis dan Manajemen*, 10(3), 717. <https://doi.org/10.17358/jabm.10.3.717>
- Santoso, G., & Ruslim, T. S. (2024). Influencing factors on BCA Mobile customer loyalty: Mediating role of customer satisfaction. *Jurnal Ekonomi*, 29(1). <https://doi.org/10.24912/je.v29i1.1902>
- Sarstedt, M., Hair, J. F., Jr., Pick, M., Liengard, B. D., Radomir, L., & Ringle, C. M. (2022). Progress in partial least squares structural equation modeling use in marketing research in the last decade. *Psychology & Marketing*, 39(5), 1035–1064. <https://doi.org/10.1002/mar.21640>
- Setiawan, Z., Dharmawan, D., Judijanto, L., Nurcholifah, I., & Suryani. (2023). Analysis of the influence of customer satisfaction, customer value and service quality on customer loyalty of state-owned bank in Indonesia. *JEMSI (Jurnal Ekonomi, Manajemen, dan Akuntansi)*, 9(6). <https://doi.org/10.35870/jemsi.v9i6.1683>
- Setyadi, B., Helmi, S., & Syed Mohammad, S. I. (2023). Customer loyalty in Indonesian Sharia commercial banks: Study of customer satisfaction and service quality as moderating variables. *International Journal of Islamic Business and Economics*, 7(1), 25–36. <https://doi.org/10.28918/ijibec.v7i1.6924>
- Sriwidadi, T., & Prabowo, H. (2023). The effect of service quality on customer loyalty through perceived value and customer satisfaction of Jakarta mobile banking application. *MIX: Jurnal Ilmiah Manajemen*, 13(3), 559–575. https://doi.org/10.22441/jurnal_mix.2023.v13i3.004
- Sudirjo, O., Sari, R. J., & Sindoro, D. (2026). Examining the impact of customer value and customer experience on customer loyalty with satisfaction as a mediating variable: Evidence from state-owned Syariah banking. *Journal of Managerial Sciences and Studies*, 4(1). <https://doi.org/10.61160/jomss.v4i1.119>
- Sugiyono. (2022). *Metode penelitian kuantitatif, kualitatif, dan R&D* (2nd ed.). Alfabeta.
- Supriyanto, A., Wiyono, B. B., & Burhanuddin. (2021). Effects of service quality and customer satisfaction on loyalty of bank customers. *Cogent Business & Management*, 8(1), 1937847. <https://doi.org/10.1080/23311975.2021.1937847>
- Sutrisno, I. R., & Lazuardy, D. (2024). The effect of perceived value and service quality on customer satisfaction: A sustainable growth strategy for digital banks in Indonesia. *Research Horizon*, 4(4), 131–146. <https://doi.org/10.54518/rh.4.4.2024.317>
- Sweeney, J. C., & Soutar, G. N. (2001). Consumer perceived value: The development of a multiple item scale. *Journal of Retailing*, 77(2), 203–220. [https://doi.org/10.1016/S0022-4359\(01\)00041-0](https://doi.org/10.1016/S0022-4359(01)00041-0)
- Tedjokusumo, C., & Murhadi, W. R. (2023). Customer satisfaction as a mediator between service quality and customer loyalty: A case study of Bank Central Asia. *Jurnal Siasat Bisnis*, 27(2), 156–170. <https://doi.org/10.20885/jsb.vol27.iss2.art3>
- Wibisono, H. H., & Tjahjaningsih, E. (2023). Peran customer satisfaction sebagai mediasi antara service quality dan corporate image terhadap customer loyalty: Studi pada nasabah tabungan Bima Bank Jateng Capem Sampangan. *SEIKO: Journal of Management & Business*, 6(1).
- Wirantana, I. M. Y., & Adfi, N. R. (2022). Kualitas layanan, customer value, digitalisasi bank, kepuasan nasabah dan loyalitas nasabah BPR. *E-Jurnal Ekonomi dan Bisnis Universitas Udayana*, 11(10), 1220–1231. <https://doi.org/10.24843/EEB.2022.v11.i10.p06>
- Yum, K. (2024). The effects of perceived value on customer satisfaction and continuous usage intention in mobile banking. *Journal of the Korea Management Engineers Society*, 29(3), 1–12. <https://doi.org/10.35373/KMES.29.3.1>
- Zeithaml, V. A., Bitner, M. J., Gremler, D. D., & Mende, M. (2024). *Services marketing: Integrating customer focus across the firm* (8th ed.). McGraw Hill.