

CONVENIENCE AS A MODERATOR BETWEEN E-SATISFACTION AND E-LOYALTY AMONG CHINA'S INTERNET BANKING USERS

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Abstract. The rapid growth of internet banking in China has revolutionized financial services, offering unparalleled convenience to customers. However, this expansion also presents significant challenges in fostering long-term customer loyalty. Despite the advantages of digital banking, many platforms struggle with high churn rates due to inconsistent service quality, perceived insecurity, and a lack of personalized experiences. This study investigates the moderating role of convenience in strengthening the relationship between e-satisfaction and e-loyalty among Chinese internet banking users. Adopting a quantitative research approach, data was collected from 413 respondents across 20 provinces and four municipalities, ensuring a geographically diverse sample. The findings reveal that convenience plays a crucial moderating role, significantly enhancing the positive impact of e-satisfaction on e-loyalty. When customers perceive internet banking as highly convenient, their satisfaction translates more effectively into sustained loyalty, thereby reducing churn. Additionally, the study explores the interconnected relationships among e-trust, e-commitment, e-satisfaction, and e-loyalty. Results indicate that trust and commitment act as key mediators, reinforcing customer relationships. E-satisfaction not only directly influences e-loyalty but also fosters e-commitment, which further enhances customer retention. These insights underscore the importance of integrating convenience-driven and trust-based strategies in digital banking. Financial institutions must prioritize seamless user experiences, robust security measures, and personalized services to cultivate lasting loyalty. By addressing pain points such as service inconsistency and security concerns, banks can improve customer satisfaction and retention. Ultimately, leveraging these factors will help financial service providers maintain competitiveness in China's rapidly evolving digital banking landscape, ensuring sustainable growth in an increasingly crowded market.

Keywords: *convenience, moderating influence, internet banking, e-satisfaction, e-loyalty*

Introduction

Internet banking, also referred to as network banking or online banking, involves the use of internet technology by banks to offer traditional services digitally. This allows customers to manage accounts, inquire, reconcile, transfer funds, access credit, trade online securities, and engage in investment and financial management activities conveniently and securely over the internet (China Internet Network Information Center, 2024). By June 2024, the number of monthly active users of internet banking applications in China was projected to reach 554 million (Statista, 2024). With the rising popularity of internet banking, competition among banking companies has intensified, necessitating continuous innovation, improved customer experience, and strategic business adjustments to maintain competitiveness and customer loyalty (Lin et al., 2020). Customers are the primary source of profits for internet banks (Mutambik, 2023). The banks should prioritize the expansion of their customer base alongside the retention of existing customers. Reducing customer churn and enhancing customer satisfaction and loyalty are key strategies that can directly boost corporate profitability. However, various factors influence customer satisfaction and loyalty, requiring banks to

identify critical factors and implement effective measures to enhance service quality and foster customer loyalty, this remains a pressing issue for the banking industry.

The rapid expansion of internet banking in China has brought significant challenges in fostering and maintaining customer loyalty. Despite offering convenience, many internet banking platforms face high customer churn rates due to inconsistent service experiences, perceived insecurity, and a lack of personalized options (World Bank, 2020). Digital banking users in Asia, including China, often express dissatisfaction with poor user experience, security issues, and a lack of tailored financial products, which leads to high rates of abandonment and switching between providers (Bain and Company Web Portal, 2019). Similarly, Kaur and Arora (2022) find that concerns about cybersecurity and transaction security are significant factors influencing customer behavior and retention in digital financial services. They emphasize that perceived security risks can undermine trust in online banking platforms, contributing to customer churn. These challenges underscore the critical importance of prioritizing user-centric enhancements within internet banking platforms. Addressing issues related to service inconsistency, security, and personalization is essential for fostering greater customer loyalty. As digital banking evolves, providing seamless, secure, and tailored customer experiences has become a competitive necessity. Industry reports, such as those by Deloitte (2024), highlight that banks that leverage advanced data analytics and hyper-personalization strategies are better positioned to meet customer expectations and retain their loyalty in an increasingly digital world.

The objective of this study is to examine the moderating role of convenience in the relationship between e-Satisfaction e-Loyalty among internet banking customers in China, demonstrating that prioritizing convenient services can enhance customer satisfaction, foster greater loyalty, and reduce customer churn. Using a quantitative method, the study assesses empirical data from 413 respondents across 20 provinces and 4 municipalities in China. Prior to examining the moderating role of convenience, the study explores the relationships between e-Trust, e-Commitment, e-Satisfaction, and e-Loyalty, suggesting that strengthening these elements can help banks build deeper, trust-based connections with their customers, encourage long-term commitment, and enhance loyalty. The study also examines the affect of e-Satisfaction on e-Commitment, indicating that improving customer satisfaction may deepen customers' commitment to using internet banking services, thereby increasing retention and reducing the likelihood of switching to competitors. Overall, descriptive and inferential analyses aim to infer that internet banking providers can tailor strategies to improve customer retention, loyalty, and overall satisfaction, ultimately enhancing their competitive edge in a crowded digital marketplace.

Theoretical framework

The model framework of the study is reassembled from Ali et al. (2016) (*Figure 1*). In line with the objectives of the study, the relationships among the e-Satisfaction, e-Trust, e-Commitment, convenience, and e-Loyalty are discussed in the following subsections.

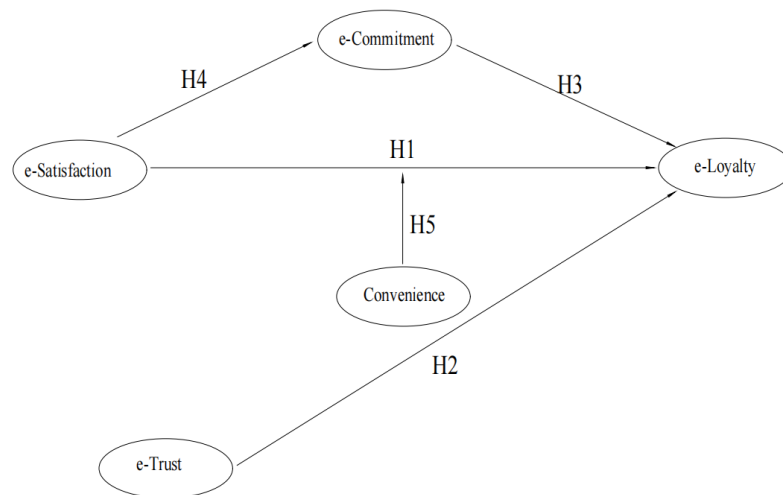


Figure 1. Conceptual framework.

Source: Ali et al. (2016)

e-Satisfaction and e-Loyalty

The association between the e-Satisfaction construct and e-Loyalty has already been empirically confirmed. Numerous studies have been conducted to validate this association. For instance, Pee et al. (2019) emphasized that customer satisfaction is a crucial initial step in fostering loyalty. Satisfaction has become the primary aim of vast businesses due to its impact on customer retention and market share (Rane et al., 2023). Moreover, Arslan (2020) concurs that achieving customer satisfaction is key for success in nowadays' competitive global business environment. Additionally, satisfaction plays a vital role in establishing strong business-customer relationships (Hammoud et al., 2018). Zouari and Abdelhedi (2021) highlight that customer satisfaction has become indispensable, particularly in highly competitive industries where customers possess the freedom to switch between firms at will. Furthermore, Rane et al. (2023) noted that several companies are adopting customer satisfaction as a strategic approach to keep existing customers and attract new ones. The growing emphasis on satisfaction can be attributed to its positive influence on business growth (Khan et al., 2022). Moreover, when customers' purchase experiences meet or exceed their expectations, they tend to feel satisfied and even delighted with their interactions with the firm. Rather et al. (2021) also acknowledge the pivotal role of satisfaction in relationship marketing. It has been demonstrated that loyalty is significantly impacted by satisfaction in offline and online settings. Some research on positive loyalty is as follows (Ipang et al., 2021; Hayati et al., 2020; Fang et al., 2011). Additionally, because it improves service quality (Juwaini et al., 2022) and corporate image (Hossain et al., 2021), organizations have focused a lot of attention on customer satisfaction. Furthermore, an e-banking study finds that loyalty is significantly impacted by satisfaction (Indrasari et al., 2022). What's more, fostering loyalty requires a high level of customer satisfaction (Kaur and Arora, 2023; Indrasari et al., 2022; Ipang et al., 2021). Many scholars have verified the impact of satisfaction on loyalty in the online context (Budi et al., 2021; Hamzah et al., 2021). Also, a small number of additional researchers have found e-Satisfaction has a favorable effect on e-Loyalty (Ashiq and Hussain, 2024; Juwaini et al., 2022; Hendrawan et al., 2021). Similarly, it is shown that e-Loyalty is impacted by e-

Satisfaction in the other context of online banking and finance (Ipang et al., 2021). So, the hypothesis is developed as following:

H1: e-Satisfaction is positively related to e-Loyalty

e-Trust and e-Loyalty

According to Gefen (2002) definition in e-Loyalty literature, trust is characterized by a desire to expose oneself to the behaviors of a trusted individual due to feelings of assurance or confidence. In accordance with relevant evidence, consumers' lack of trust in online merchants is identified as one of the major obstacles to the development of the internet (López-Miguens and Vázquez, 2017). The trust of a customer plays an important role in their decision to purchase or repurchase from the same online seller (Fang et al., 2016). Several scientific studies in the fields of marketing, advertising, e-Commerce have shown a positive and direct relationship between trust and e-Loyalty (Aslam et al., 2020; Fang et al., 2016). Numerous studies on e-Commerce have found a positive correlation between e-Trust and loyalty (Juwaini et al., 2022; Aslam et al., 2020). Azizan and Yusur (2019) observe that building and sustaining strong relationships, particularly within the service industry, requires both trust and loyalty. Their findings further emphasize the crucial advantage of trust in fostering customer loyalty and intentions for future purchases within Malaysia's computer industry. Prior studies have emphasized how important the trust component is to loyalty. Building relationships with customers requires trust (Balakrishnan and Dwivedi, 2021). Furthermore, most businesses need both relationship marketing and trust (Nyamrunda and Freeman, 2021). Likewise, loyalty and relational exchange have been shown to benefit from trust (Damberg et al., 2022; Agarwal and Narayana, 2020). In relationship marketing, trust is also the most important factor (Wongsansukcharoen, 2022; Khoa, 2020). According to a number of other researches, loyalty is impacted by the trust construct (Juwaini et al., 2022; Ipang et al., 2021). Additionally, scholars have verified the impact of online trust on online loyalty in an online setting (Ashiq and Hussain, 2024; Juwaini et al., 2022). Furthermore, trust is a key component of online banking services in order to build loyalty and keep consumers (Kaur and Arora, 2022; Al-Adwan et al., 2020). Some researchers have shown the significance and influence of e-Trust on e-Loyalty in online banking and finance (Indrasari et al., 2022; Ipang et al., 2021). As a result, the researcher makes the hypothesis in conclusion:

H2: e-Trust is positively related to e-Loyalty

e-Commitment and e-Loyalty

Multiple academics have conducted thorough analyses on the impact of e-Commitment on e-Loyalty. Regarding the effects of dedication on relationship marketing, several definitive conclusions have emerged. Saibaba (2024) underscore the notable impact of commitment on customer loyalty. Furthermore, research by Tabrani et al. (2018) indicate that affective commitment fosters advocacy intentions positively while inhibiting switching behaviors negatively. Mousaveian et al. (2016) underscore a substantial correlation between commitment and performance metrics, such as retention, satisfaction, and loyalty, among internet banking users. Faraoni et al. (2019) examination of B2C e-Commerce customers emphasizes commitment's influence on

customer loyalty and ongoing affiliation. Additionally, an Indonesian study among online shopping conducted by Hamdan et al. (2023) applies the crucial and favorable effect of commitment on customer loyalty, highlighting the necessity for a robust relationship between online shopping and their customers, given commitment's fundamental role in loyalty. In conclusion, the preponderance of evidence underscores the pivotal role of e-Commitment in fostering e-Loyalty. Relationship marketing has also been found to be impacted by commitment. Meixner (2020) asserts that businesses can strengthen their present and future relationships with customers by implementing a commitment strategy. In addition, he asserts that the ability of the commitment framework to foster a personal relationship with the business makes it special. According to the researchers' findings, loyalty is influenced by commitment (Kim et al., 2021; Faraoni et al., 2019; Wu, 2011). Furthermore, commitment does affect relationship marketing, according to previous studies (Guerola-Navarro et al., 2024; Pfajfa et al., 2022). Regarding another facet of the online environment, Goutam et al. (2021) have observed that customers' repeated purchases and improved attitudes about online providers are the results of their online commitment. In accordance with other supporting papers, committed customers are willing to improve their relationship with online suppliers (Goutam et al., 2021; Chang et al., 2012) and intend to return or make another online purchase (Al-Dweeri et al., 2017). Furthermore, e-Commitment has been proposed by Xiao et al. (2022) to foster a stronger sense of relationship and belonging with retailers on the internet. In conclusion, numerous scholars have concluded that e-commitment influences online loyalty (Agyeiwaah et al., 2022; Goutam et al., 2021; Nusair et al., 2010). Thus, the researcher postulates that:

H3: e-Commitment and e-Loyalty are positively correlated

e-Satisfaction and e-Commitment

Several studies have consistently highlighted the important influence of e-Satisfaction on e-Commitment. Mukherjee and Nath (2007) paper on online retailing, a customer's dedication to e-retailing may lead to behavioral intentions and the development of enduring, good relationships. According to their investigation conducted at a prominent British university, behavioral intention is significantly influenced by the level of commitment. Nusair (2010), in the context of online travel, specifically posits that satisfaction fosters a positive correlation with affective commitment. Similarly, in the realm of financial services, Ali et al. (2021) posit satisfaction as a direct antecedent to commitment. Furthermore, a study has been done in the banking sector by Supriyanto et al. (2021) underscores the crucial role of satisfaction as a precursor for both commitment and loyalty, with heightened levels of satisfaction leading to increased commitment towards the bank. This emphasizes the importance of satisfaction in nurturing committed and retained customers. Their findings also reinforce the notion that e-satisfaction fosters positive commitment on online travel retailers. Additionally, in the domain of e-services, Bricci et al. (2016) contend satisfaction exerts a lasting and favorable impact on both commitment and loyalty. Building commitment to a product or service requires a sense of fulfillment or pleasure. What's more, commitment can result from satisfaction, which can lead to favorable referrals. Numerous articles have backed up the claim that customer commitment and e-Commitment are impacted by both offline and online satisfaction. In offline contexts, such as retail and various service provider types, commitment is

influenced by satisfaction (Xiao et al., 2022; Huang et al., 2020). When considering the real financial and banking industry, commitment is greatly impacted by satisfaction (Hamdan et al., 2023; Elbeltagi and Agag, 2016). In addition, comparable findings have been validated in online studies conducted by online stores, online shops, and online travel service providers (Amin et al., 2021; Mofokeng, 2021; Vásquez and Vera-Martínez, 2020). Thus, the researcher proposes that:

H4: e-satisfaction and e-commitment are positively correlated

Convenience as moderator

Numerous offline and online studies have regarded convenience as a moderating factor. Jebarajakirthy and Shankar (2021) believed that convenience may result in positive purchase behavior. An offline study in Taipei confirmed the moderating effect between satisfaction and behavioral intention (Chang and Dibb, 2012). Besides, Shankar and Rishi (2020) found a moderating effect of convenience between satisfaction and loyalty in online banking. From the perspective of online services, customers who experience convenience and ease when dealing with transactions through internet are unlikely to look for other alternative channels or switch to other providers (Jebarajakirthy and Shankar, 2021). Furthermore, according to Chang and Dibb (2012), service convenience places more emphasis on elements that are beyond the control of the service provider, such as accessibility and location. They examine how convenience influences customers' desire to return to a hardware store, as for their research, service convenience has a statistically significant effect but a relatively minor moderating influence. Thus, encouraging customer satisfaction is the key factors in retaining current customers and attracting new ones. Besides, Rane et al. (2023) assert that providing satisfaction to the customer is crucial in the constantly challenging service industry. All in all, convenience is regarded as a moderating effect on the current study. Convenience is related to marketing and customer behavior factors such as intention, consumer satisfaction, and loyalty. As Yahaya and Ebrahim (2016) point out, convenience may affect brand repetition and preference. In addition, Moriuchi and Takahashi (2016) point out in purchase repetition study convenience is an important predictor. In accordance with the research of Singh and Srivastava (2020), offering customer-friendly internet banking services can entice customers to continue using them, as customers do not feel pressured to make decisions and are able to conduct daily banking operations easily. Beerli et al. (2004) mention that convenience may result in positive purchase behavior. A study conducted in Taipei confirmed the moderating effect among satisfaction and behavioral intention (Chang and Dibb, 2012). Besides, Shankar and Rishi (2020) found a moderating effect of convenience between satisfaction and loyalty in online banking. From the perspective of online services, customers who experience convenience and ease when conducting online transactions are less likely to look for new alternatives or switch to other providers. Furthermore, they further pointed out that service convenience has a moderating effect on online satisfaction and loyalty. Therefore, based on these comments, this study proposes the following hypothesis.

H5: Convenience moderates the relationship between e-Satisfaction and e-Loyalty

Materials and Methods

This study adopts a quantitative approach, including multiple-choice questions and scale questionnaires. The UPSI Human Research Ethics Committee, where the first and corresponding authors are based, has examined and approved this research proposal. The institution's ethics committee's recommendations are followed in all data gathering processes involving human subjects. The ethics approval number is 2024-0460-01. Applying the data collector agency, namely Chinese questionnaire sampling APP Questionnaire Star, to distribute online questionnaires to the population (i.e., internet banking customers) in China, including 20 Provinces, 4 Municipality. The questionnaires are collected from July 25, 2024 to October 25, 2024. This study uses a questionnaire that consists of 36 items to gauge the respondents' e-satisfaction (via 5 items), e-loyalty (via 13 items), convenience (via 7 items), e-commitment (via 4 items) and e-trust (via 7 items).

The study involved Internet banking customers aged between 18 and 60. The purposive sampling criteria were that respondents had to be bank customers and had to have an online banking account. A total of 543 people filled out the online questionnaire and were assured that all answers were absolutely anonymous and confidential. After cleaning the questionnaires, a valid sample of 413 questionnaires was obtained. Data from the questionnaires were fed into SPSS 26.0 for descriptive analysis. Subsequently, the data in SPSS26.0 are transferred to Smart-PLS4.0 and a PLS-SEM analysis is performed to analyze the measurement and structural model of factor loadings, reliability and validity, and path coefficients. Hypothesis testing is performed by looking at the t-values after bootstrapping. PLS is used in this study because it is an analysis technique suitable for smaller sample sizes, which has multicollinearity controversy (Cassel et al., 2000; Hair et al., 2014). Besides, PLS has also been applied in various social science studies, especially in the field of marketing (Anderson and Srinivasan, 2003; Cassel et al., 2000; Rouibah et al., 2016).

Results and Discussion

The frequencies of the demographic profiles are obtained and summarized as indicated in the *Table 1* following the respondent's data entry into SPSS 26.

Table 1. Respondents' demographic profile.

Category	Frequency	Percentage
Gender		
Male	105	25.4
Female	308	74.6
Age		
18-29	198	47.9
30-39	96	23.2
40-49	66	16.1
50-60	53	12.8
Marital Status		
Single	164	39.7
Married	237	57.4
Divorced	12	2.9
Academic Qualification		
PMR / LCE or below	20	4.8

Certificate / Diploma	68	16.5
Degree/Professional Certificate	133	32.2
Postgraduate Qualification	192	46.5

Reliability and validity

In Smart-PLS software, the outer model is assessed to verify the validity and reliability of the gathered data. According to Hair et al. (2021), composite reliability (CR) offers a more accurate measure of reliability compared to Cronbach's alpha. They suggest that CR values exceeding 0.70 are acceptable, and in this study, all CR values met this criterion, indicating satisfactory reliability. Additionally, both convergent and discriminant validities were analyzed. Convergent validity was assessed by examining factor loadings and the average variance extracted (AVE). Generally, factor loadings above 0.70 and AVE values above 0.50 are considered acceptable. In this research, all factor loadings and AVE values surpassed these thresholds, confirming their suitability. As all requirements were met, no items or indicators were eliminated. Detailed results for factor loadings, CR, and AVE are presented in *Table 2*. Discriminant validity refers to the extent to which constructs are empirically distinct from one another, measuring how one construct differs from others that may overlap (Hair et al., 2021). This validity can be evaluated using methods such as the Heterotrait-Monotrait (HTMT) ratio, the Fornell-Larcker criterion, and cross-loading analysis. When examining cross-loadings, indicators should load more strongly on their assigned construct than on others, with factor loadings exceeding 0.70 (Hair et al., 2011). The Fornell-Larcker criterion (Fornell and Cha, 1993) is another approach, where the square root of the average variance extracted (AVE) for each construct is compared to its correlations with other constructs. A construct should account for more variance in its own indicators than in those of other constructs. Thus, the square root of AVE for each construct should exceed its correlations with other latent variables (Hair et al., 2021).

Table 2. Result of measurement model.

Construct	Item	Loading	CR	AVE
e-Satisfaction	Sat1	0.860	0.945	0.774
	Sat2	0.901		
	Sat3	0.899		
	Sat4	0.898		
	Sat5	0.839		
e-Loyalty	Loy1	0.783	0.961	0.652
	Loy2	0.782		
	Loy3	0.793		
	Loy4	0.825		
	Loy5	0.847		
	Loy6	0.834		
	Loy7	0.845		
	Loy8	0.757		
	Loy9	0.823		
	Loy10	0.801		
	Loy11	0.780		
	Loy12	0.783		
	Loy13	0.838		
e-Commitment	Com1	0.841	0.912	0.721
	Com2	0.867		
	Com3	0.872		
	Com4	0.816		
e-Trust	Tru1	0.870	0.952	0.738
	Tru2	0.846		
	Tru3	0.849		
	Tru4	0.826		
	Tru5	0.880		

	Tru6	0.880		
	Tru7	0.863		
Convenience	Con1	0.839	0.957	0.759
	Con2	0.872		
	Con3	0.877		
	Con4	0.878		
	Con5	0.862		
	Con6	0.885		
	Con7	0.887		

The heterotrait-monotrait ratio (HTMT) serves as one of the crucial measures for assessing discriminant validity. Henseler et al. (2015) validated the superior performance of the HTMT approach through a Monte Carlo simulation study. The outcomes indicated that it achieved 97% to 99% in terms of specificity and sensitivity, significantly surpassing the Fornell-Lacker criterion (20.82%) and the cross-load criterion (0.00%). When the HTMT value approximates 1, it implies insufficient discriminant validity. To determine whether discriminant validity holds, the HTMT value needs to be compared with a preset threshold. If the HTMT value exceeds this threshold, it is regarded as the non-existence of discriminant validity. In the existing literature, some scholars suggest adopting 0.85 as the threshold (Kline, 2023), while Gold et al. (2001) propose that 0.9 is more appropriate. The HTMT values calculated in this study range from 0.116 to 0.888 (Table 3), all of which are lower than 0.9, thereby supporting the discriminant validity of the model.

Table 3. Heterotrait-monotrait ratio.

Category	Com	Con	Loy	Sat	Tru	Con*eSat
Com						
Con	0.738					
Loy	0.791	0.855				
Sat	0.693	0.806	0.779			
Tru	0.773	0.829	0.779	0.888		
Con*eSat	0.116	0.275	0.157	0.265	0.222	

Note: Com=e-Satisfaction; Con=e-Loyalty; Loy=e-Trust; Sat=e-Commitment; Tru=convenience; Con*eSat=interaction term of convenience and e-Satisfaction.

Hypotheses testing

The structural model (inner model) is examined after validity and reliability tests are completed during the examination of the measurement model (outer model). As stated in this paper's literature review section, the path coefficients are calculated in this phase (Hair et al., 2014) to examine the five study hypotheses in more detail. The path coefficient values, which range from -1 to +1, show that a value going in the direction of +1 shows a greater positive link, while a number closer to -1 shows the opposite. It is discovered that there is a positive correlation between e-Satisfaction and e-Loyalty, with a path coefficient of 0.202, e-Trust is weak correlation to e-Loyalty, with a path coefficient of 0.015, e-Satisfaction is positively related to e-Commitment with a path coefficient of 0.627, e-Commitment is positively related to e-Loyalty, with a path coefficient of 0.261. In a similar vein, the path coefficient of 0.045 showed a correlation with the direct effect of convenience towards e-Loyalty. Moreover, the R Squared (R^2) value showed that convenience and e-Satisfaction accounted for 74.3% of the variation. The route coefficient values for convenience and e-Satisfaction on e-Loyalty are displayed in Figure 2. In some circumstances, the moderator effect might not be substantial, indicates there is no moderating influence and that the independent variable (e-Satisfaction) continuously affects the dependent variable (e-Loyalty) (Dawson, 2014;

Hair et al., 2014). $p < 0.05$ is the level of significance for these two associations. The findings of the hypothesis testing are displayed in *Table 4* and shown in *Figure 3*.

Table 4. Summary of hypotheses testing.

Hypothesis	t-value	p-values	Path coefficient	Standard deviation	Decision
H1: e-satisfaction is positively related to e-loyalty.	2.825 [⊗]	0.002	0.202	0.072	Supported
H2: e-trust is not related to e-loyalty.	0.208	0.418	0.015	0.018	Rejected
H3: e-commitment is positively related to e-loyalty.	6.026 [⊗]	0.000	0.261	0.043	Supported
H4: e-satisfaction is positively related to e-commitment.	17.104 [⊗]	0.000	0.627	0.037	Supported
H5: Convenience moderates the relationship between e-satisfaction and e-loyalty.	1.968 [⊗]	0.025	0.045	0.023	Supported

Note: [⊗] denotes t-value is greater than 1.645 at $p < 0.05$.

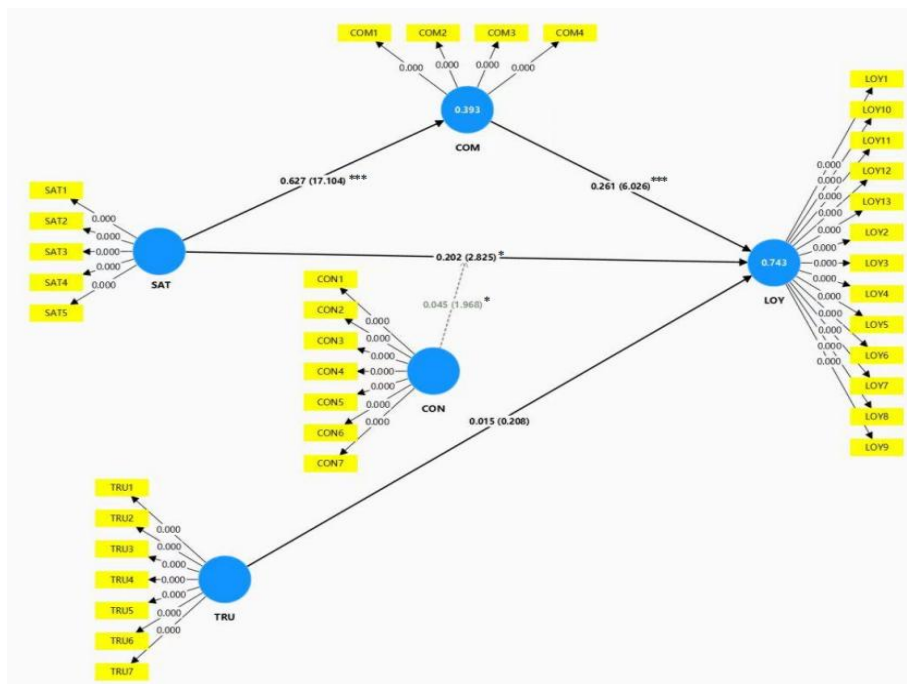


Figure 2. Path analysis and bootstrapping.

Note: *denotes 5% significance level (i.e., computed t-value is greater than 1.645); () is the computed t-value.

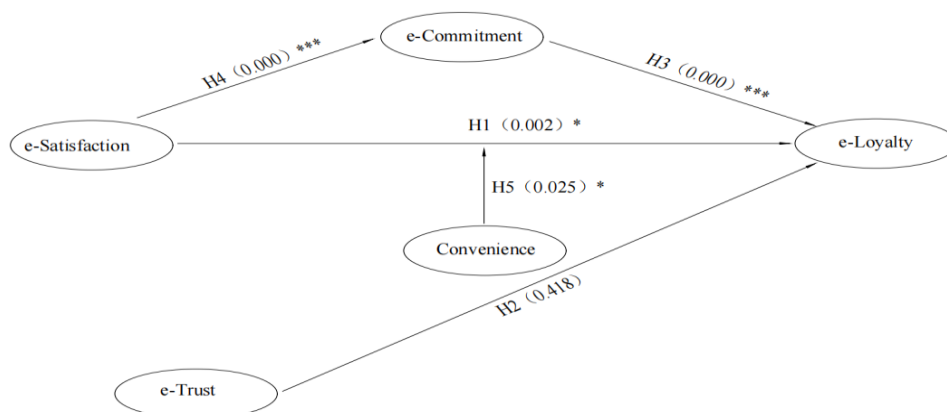


Figure 3. Summary of analysis.

Note: ***denotes a significance $p < 0.001$; **denotes a significance $p < 0.01$; *denotes a significance $p < 0.05$.

Furthermore, the bootstrapping technique is employed to validate the hypothesis by examining the t-value (Hair et al., 2014). A t-value greater than 1.64 suggests a positive relationship between the variables, as illustrated in *Figure 2*. The results show that H1, H3, H4, and H5 are supported, while H2 is not supported. Therefore, it is determined that e-satisfaction has a positive impact on e-loyalty among Chinese internet banking customers. The study reveals that e-Commitment positively influences e-Loyalty, and convenience acts as a moderating factor between e-satisfaction and e-loyalty, diverging slightly from earlier findings (Ali, 2016). However, contrary to prior literature reviews (Grabner-Kräuter and Faullant, 2008), trust does not exhibit a significant positive effect on e-loyalty, which is an unexpected outcome.

Conclusion

This research investigates how convenience moderates the link between e-satisfaction and e-loyalty for internet banking users in China. Prior to this, the relationships between e-trust, e-commitment, e-satisfaction, and e-loyalty were also analyzed, alongside the effect of e-satisfaction on e-commitment. Employing a quantitative methodology, the study analyzed data from 413 respondents across 20 Provinces and 4 Municipalities in China. The findings robustly support the hypothesis that convenience moderates the relationship between e-Satisfaction and e-Loyalty, underscoring the importance of convenient services in enhancing customer satisfaction, fostering loyalty, and reducing customer churn. Furthermore, the analysis demonstrates that strengthening e-Trust and e-Commitment enhances customer relationships, encourages long-term loyalty, and reduces attrition. The results also reveal that e-Satisfaction significantly influences e-Commitment, which in turn increases customer retention and mitigates switching behavior. These findings emphasize that internet banking providers can leverage convenience and trust-based strategies to enhance customer satisfaction, loyalty, and retention, ultimately securing a stronger competitive position in the digital banking landscape.

The study presents several limitations that warrant careful consideration. First, it fails to conclusively demonstrate the positive influence of trust on e-Loyalty, suggesting that the level of trust among Chinese internet banking customers remains suboptimal and requires further improvement. This is particularly significant given the critical role of customer loyalty in the success of internet banking, as highlighted by recent research. Future studies are advised to adopt larger sample sizes to more thoroughly explore this relationship and provide deeper insights into the role of trust in fostering online loyalty. Second, future research should broaden its scope by examining a wider range of antecedents and moderators that may influence online loyalty. This expanded approach could uncover novel and meaningful insights to enhance our understanding of customer behavior in the online banking sector. By addressing these gaps, researchers can better capture the complex dynamics shaping customer loyalty in the digital banking landscape.

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Conflict of interest

The authors confirm that there is no conflict of interest involved with any parties in this research study.

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