

# The effect of communication quality and brand image on customer loyalty with the mediating role of customer satisfaction: in Islamic Bank of Afghanistan

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**Abstract**

The purpose of this research is to investigate the effect of communication quality and brand image on customer loyalty with the mediating role of customer satisfaction. The current research is applicable in terms of purpose, descriptive-survey in terms of nature, and causal type. The statistical population of this research is the customers of Islamic Bank of Afghanistan. The sample size was determined using Cochran's formula of 384 people and the samples were selected by simple random sampling. In order to collect data, questionnaires of quality of communication by Chin et al., (2014), brand image by Moutinho (2011), customer loyalty by Amin et al., (2011), and customer satisfaction by Jamal Nasser (2002) were used. Their validity was confirmed by academic experts, and their reliability through Cronbach's alpha coefficient. In order to analyze the data, the structural equation technique was used through Smart PLS statistical software and SPSS software, and also a statistic called VAF was used to determine the intensity of the indirect effect through the mediator variable. The findings of the research showed that the quality of communication had a positive and significant effect on the loyalty of Islamic Bank of Afghanistan customers and that the brand image had an impact on customer loyalty. Also, the quality of communication was confirmed on customer satisfaction. Brand image had a greater effect than other components on customer satisfaction of Islamic Bank of Afghanistan, and also customer satisfaction had a positive and significant effect on customer loyalty. The results of the research showed that the quality of communication and brand image with the mediating role of customer satisfaction has a significant effect on the loyalty of Islamic Bank of Afghanistan customers.

**Keywords:**

Customer loyalty,  
Brand image,  
Communication  
quality,  
Customer satisfaction

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## Extended Abstract

### Introduction

In recent years, with the major changes occurred in the business environment, only those organizations can continue to exist that have made the main focus of their activities on improving the quality of communication, increasing satisfaction, and sustaining customer satisfaction. It should be mentioned that mere customer satisfaction is not enough; and efforts should be made to create loyalty among them. Creating customer loyalty is not only a goal in marketing, but also considered an important basis for achieving a competitive advantage (Machado et al; 2022). On the other hand, the quality of communication can be mentioned among the factors affecting customer loyalty. Communication quality is known as a set of intangible values that lead to expected long-term relationships between parties. The quality of communication helps companies in establishing basic communication with customers and maintaining them (Dahlani et al; 2021). Another factor affecting customer loyalty is brand image. The brand is considered one of the most valuable assets of any organization and the activities of the organization affect the brand and the perception of consumers and the image they have in their minds of that organization (Deylami Moezzi, 2022). In fact, it is the brand image that is in the mind of the consumer, not the factories where the products are made (Hong, 2012). According to the mentioned cases, customer satisfaction occurs when the perceived performance of the product or customer service meets their expectations. Indeed, it is widely agreed that customer satisfaction can lead to customer loyalty (Leclercq et al; 2022). One of the tools that today's business owners equip themselves with is to improve the quality of customer relationship management; the more the quality size of communication maintained, the more leads to the customer's loyalty. The quality of communication and customer satisfaction is one of the factors affecting customer loyalty. Brand images carry different meanings with themselves that affect customer loyalty. Islamic Bank of Afghanistan, as one of the largest commercial banks in Afghanistan, has an effective presence in the domestic, regional and global markets of Afghanistan by designing and creating new services with the aim of creating value for customers, especially valuable customers. This research seeks to answer the question that to what extent the quality of communication and brand image with the mediating role of customer satisfaction can affect customer loyalty.

### Theoretical Framework

The quality of communication with the customer can reduce the insecurity experienced by the customer, which increases the customer's trust and confidence, and will affect the interactive relationship between customers in the future (Vize et al; 2016). According to Porter (1985), brand image is a mental image, reflecting the way a brand is perceived, which includes all elements of identification, product or company personality, and emotions and associations evoked in the consumer's mind (Onyancha, 2013). Loyalty is defined as a deep determination to return and support a preferred preference. It is providing value to customers through their services and products and showing curiosity to fulfill their demands or even create a relationship with customers (AL-JANABI, 2022). Researchers consider customer satisfaction psychologically as a feeling that is obtained as a result of comparing the received product specifications with the needs and desires of customers and social expectations regarding the product (Azandariani & Arya, 2022).

Lubis et al., (2022) in a research entitled the effect of the quality of corporate communication and services on customer loyalty and satisfaction in Islamic banking. Their data were analyzed using the partial least squares structural equation model analysis technique. The results have shown that the quality of communication has a positive and significant effect on customer loyalty.

Putra et al., (2020) in an article entitled the effect of service quality and brand image on customer loyalty with customer satisfaction as a mediating variable: the case study of Berri Bank, Jakarta Kamayuran branch. The results of the findings of this study have shown that the effect of service quality and brand image plays a role on customer satisfaction; and the effect of service quality and brand image on customer loyalty.

### Research method

The current research is applicable in terms of purpose, survey-analytical in terms of implementation method, and causal type. The statistical population of this research is the customers of Islamic Bank of Afghanistan. According to the statistical population of the research, the size of the population is assumed to be unlimited; and according to Cochran's formula, 384 people were randomly selected as a statistical sample. To test the hypotheses and analyze the data, structural equation modeling method with partial least squares approach and PLS Smart version 3 software were used. In order to collect data, authentic questionnaires of communication quality (Chin et al., 2014), brand image (Bain Moutinho 2011), customer satisfaction (Jamal Nasser 2002), and customer loyalty (Amin et al., 2011) were used.

### Findings

SPSS and PLS software were used to check research hypotheses and data analysis. The results showed that the quality of communication has a positive and significant effect on the loyalty of Islamic Bank of Afghanistan customers. This means that the value of the path coefficient between the two variables is 0.243, which indicates that the communication quality variable explains 24.3% of the changes in the loyalty of the customers of Islamic Bank of Afghanistan. The results of the second hypothesis showed that the path coefficient between the two variables is 0.233, and it confirms that customer loyalty explains 23.3 percent of the changes in the brand image of Islamic Bank of Afghanistan. According to the results of the third hypothesis, the path coefficient between the two variables is 0.316, and this is confirmed by the fact that customer satisfaction explains 31.6% of the changes in the communication quality variable of Islamic Bank of Afghanistan. The results of the structural model test regarding the fourth hypothesis indicate that the brand image has a positive effect on the customer satisfaction of Islamic Bank of Afghanistan. The path coefficient between the two variables is 0.497, which indicates that customer satisfaction explains 49.7% of the changes in the body image variable of Islamic Bank of Afghanistan and has been assigned the first rank; the obtained result shows that the brand image plays an important role plays a role in the formation of customer satisfaction. Regarding the fifth hypothesis, the results showed that the path coefficient between the two variables is 0.451, and this is confirmed by the fact that customer satisfaction explains 45.1% of the changes in the communication quality variable of Islamic Bank of Afghanistan. In relation to the intensity of the effect of the mediating variable of "customer satisfaction", the mediating role in the effect of communication quality on loyalty was ranked last in terms of mediating; that is, customer satisfaction plays a mediating role in the effect of communication quality on customer loyalty of Islamic Bank of Afghanistan. Determining the intensity of the indirect effect through the intermediary variable of the statistic is equal to 0.368; which means that 36.8 percent of the effect of communication quality on customer loyalty of Islamic Bank of Afghanistan is explained through the indirect effect of the mediating variable of customer satisfaction. And also in relation to the effect of the intensity of the mediating variable "customer satisfaction" on the effect of brand image on customer loyalty of Islamic Bank of Afghanistan, it has been ranked first; therefore, the mediating role of customer satisfaction variable in the effect of brand image on customer loyalty of Islamic Bank of Afghanistan is confirmed. The intensity of the

indirect effect through the mediator variable was equal to 0.799; therefore, 79.9 percent of the effect of trust in the brand on the loyalty of Islamic Bank of Afghanistan customers is explained through the indirect effect by the mediating variable of customer satisfaction.

### **Conclusion**

This research was conducted with the aim of investigating the effect of communication quality and brand image on customer loyalty with the mediating role of customer satisfaction in Islamic Bank of Afghanistan. According to the obtained results, the present research is consistent with the results of Putra et al., (2020), Lotfi et al., (2022), Khan et al., (2022), Lubis et al., (2022), Najmudin et al., (2022), Al-Bashayreh et al., (2022), Syahfudi & Ruswanti (2015), and Putra et al., (2020). The results showed that quality communication increases customer loyalty and connects them to the bank and its services, and the quality of communication leads to consequences such as: increasing the share of purchases, maintaining the relationship, developing future interactions, word-of-mouth advertising, and loyalty. On the other hand, if the brand image is reliable, customer loyalty will increase as well, and also the brand image plays an important role in the formation of customer satisfaction. As much as the banks provide services according to the demands of their customers, the customers' satisfaction increases as well, and customer' satisfaction affects the brand image, and brands are associated in the minds of customers, and finally, the brand image increases customer loyalty.

According to the research results, the following suggestions are provided:

To improve the quality of communication with customers, it is suggested that banks establish mutual communication with their customers, which occurs when the receiver and the sender of the message continuously exchange roles.

It is suggested that banks improve their banking services and identify the path of customer satisfaction in order to develop their service strategy in this direction, and also deal with customer problems and have a good and friendly relationship with their customers.

It is suggested that banks introduce their brand accurately and honestly in social networks and media, and share informative and effective content to create this mindset in customers.