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Factors Influencing the Customer Switching Behaviour in Investment Banking

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ABSTRACT

This study examines the factors that influence the customer switching behaviour especially in banks. The data was collected through questionnaires distributions to the respondents who were drawn from the customers who have investment account between Tabung Haji and Amanah Saham Nasional Berhad (ASNB) account banks in Malaysia. In order to test the hypotheses, the multiple regression analysis was applied in this study, as predicted from the prospect theory. It was discovered that the reputation, service quality, distance, switching cost, price, involuntary switching, advertising as well as religious belief were not significant driver to the switching behaviour among the bank customers in Malaysia. Based on the findings of this study, it was recommended that bank manager should focus on service quality and also give undivided attention to the price. Therefore, the interest rate charged or fees ought to be followed up while adequate, timely information need to be given to the customers on reasons for change.

Keywords: Switching behaviour, investment account, service quality, switching cost

INTRODUCTION

Currently, numerous firms were attracted to the individual investors thus they invest in many shareowner promoting events in a place to turn to them (Vogelheim et al., 2001). The event probably best in attracting existing consumers as the shareowners are motivating them to fit as consumers. As stated by Aspara (2009), more investors would want to buy the products and services in which the company they invested into as an encouragement. Besides that, a firm which provide a good product will probably provide the highest quality of good or services and believe the corporations might have a productive venture capital too. Since many of shareholders are saying fine stocks are from the fine firms (Shefrin, 2001).

Shefrin (2001) finds that normally investor behaviour can be scrutinized with regard to initial share purchases. Whilst in terms of switching behaviour of portfolio optimization context, Spurgin and Tamarkin (2005) believe in context of 'fixed to stocks'. In point of view from individual publicly traded company, it may be advantage while individual investors maintain their shares on a long-term basis. As said by Steward (1988), many mechanisms that may affect a customers' choice to swap in context of banking might various and complicated.

Studies regarding of consumer banking have established that indebted to the global financial crisis. Consequently, consumers' trust with banks have decreasing considerably as stated by Jarvinen (2014). Thus, it has become crucial for financial institutions to keep and enhance strategic relationships to make sure profitable holding and to forecast the important drivers of switching behaviour in a prime competitive market. Jarvinen (2014) explores the vital factors involving to switching decisions for home loaners. The findings are expected to

benefit Australian financial institutions in the general financial industry because of the effective CRM (Customer Relationship Management) policy they formulated.

As for this research, researchers would like to know how far the investors know about the customer switching behaviour. Financial services industry is experiencing an essential transform. The banks do not just react to the pressures of the market today but try to adapt to the customers with thinking ahead of the future that will be those that succeed in the distant future. This study attempts to know what are the determinants that influence customers switching behaviour towards the investment firms in Malaysia.

The customers will decide how they would choose the company they want to invest for based on the dividend yield, religious belief, profit and interest, cost, notoriety, quality of services, promoting, involuntary switching, distance and switching cost (Hasan Purhaghshenas & Esmatnia, 2012). Customers switching behaviours is the main aspect of decision of customers to pick the investment firms to. The dependent variable of this research is customers switching behaviour and it is positively and negatively related to the independent variable.

To conduct this study, two investment companies, namely Tabung Haji and ASNB are chosen. The reason to choose these two major industries during the period of the data collection was the venture capital banking is an industry that is in disturbance, especially in Malaysia. It confronts a proficiency and profitability emergency, with much reduced ROE (Revenue of Equity), increasing prices and immobile incomes. It confronts a developmental climax with the private banks have gotten all the vital pace to address control problems and transform workers behaviour to avoid a turning point of faith with stated that banks have put their profit before the demand of clients. This industry has become one of Malaysia's major export earnings. So, a research was conducted to know the factor that affects the clients switching behaviour in investment banking among these two investment companies in Malaysia.

Therefore, the main objective of this research was to research the correlation between customers switching behaviour and the factors that affect the customers switching behaviour in the banking industry.

Significance of the study

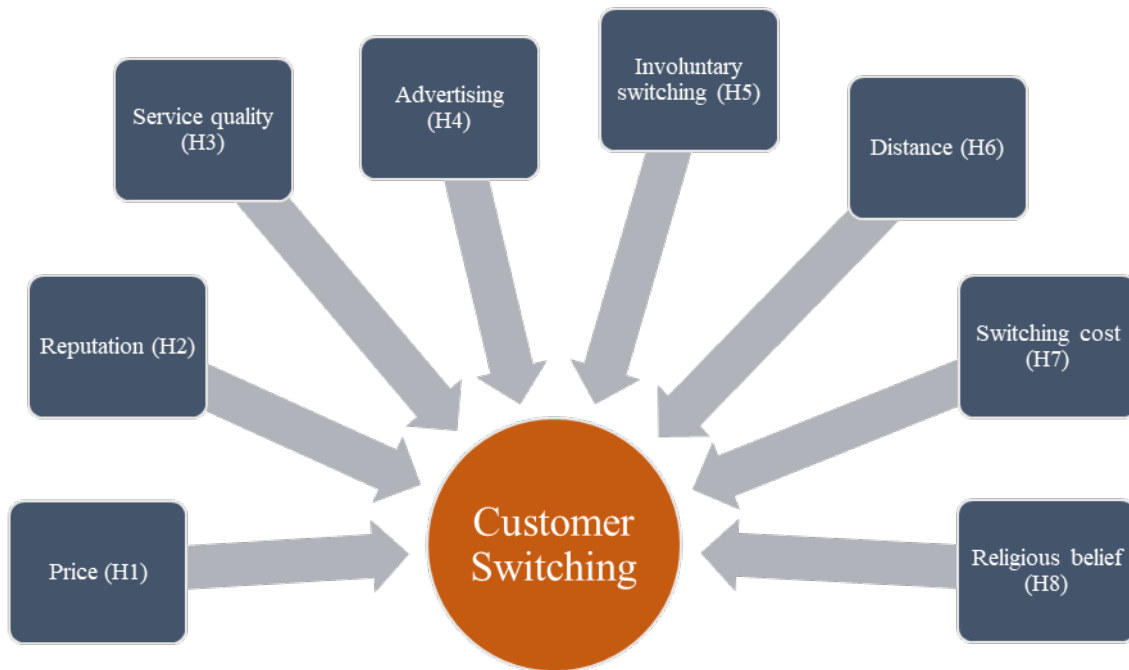
Consumer switching behaviour (CSB) has gained ample consideration by scholars and practitioners in terms of marketing literature since the past years. This is probably due to the impact on the profitability, survival and development of the business enterprise.

In this research, it can be explained in more detail of what influence the customers for the process for decision making of choosing the investment banking that are most worth it to invest into. As mentioned in the objectives of this study is segment of customers according to their beliefs and behavioural characteristics. The significance of this study is to enrich the awareness of the behaviour of the investors depending on the market and assists customers in choosing the right investment firms services by identifying the relevant factors that influence most of their decision. By reading this study, we may be able to get the knowledge and become more understanding of the typology's customers switching behaviour.

THEORETICAL FRAMEWORK

The figure 1 below shows the theoretical framework for this research. In this framework, it involves ten types of variables which are religious belief, reputation, price, service quality, advertising, involuntary switching, switching cost and distance while for

dependent variables involves only one which is customer switching behaviour in investment banking sector.



Source: Adopted from (Nimako, 2015)

Figure 1: Conceptual framework of customer switching behaviour of investment banking

According to (Nimako, 2015), based on the research of relative important switching incidents, he found that service failure, pricing and service encounter failure are the frequently problems based on forty-five percent respondents response. Eighty-five percent of the respondent found new service providers through active search while some of them through advertising, social media, marketing as well as promotion.

The figure above is the theoretical framework which is prospect theory of switching behaviour that used in this research. This theory specifically appropriate for customers in a loss situation or probably to make a risky decision of their financial than when they are in gain frame. Numerous researcher discover that major of Asian tend to have a more positive attitude to the risk in financial decisions than Westerners (Marshall, Huan, Xu, & Nam, 2011). To be able to understand the drive of customers switching in investment banking, the prospect theory is applied. Originally, the theory was utilized to describe financial risk aversion under either loss or win situational frames. It also suggest that people interpret outcomes not as last state but as gains and loss related to either positive nor negative gain or loss (Aggarwal & Zhang, 2006).

Hypothesis

H₁: There is a significant positive relationship between the price and customer switching behaviour in investment banking sector.

Price is a crucial aspect in decisions circumstances as a buyer's choice regularly depend intensely on cost of options (Engel et al.,1995). Keaveney's (1995) in his original research said that the 'pricing' is also a crucial factor that include all basic exchanging practises that consists of cost, rates, charges, benefit charges, service charges, drawbacks, and broadcasting. For

example in the monetary service industry, cost include expense usage, bank charges and loan fees charged and paid (Gerrard & Barton Cunningham, 2004). (Colgate & Hedge, 2001) considered bank clients' exchanging manner in Australia and New Zealand and distinguished cost as the most vital exchanging factor, trailed by service failures and disavowal of services. Same as result by (Javalgi, Armacost, & Hosseini, 1989) that investigated the aspects affecting clients' bank determination choices in the USA. Generally, negative value perceptions can influence clients to switch banks (Zheng, 2007).

H₂: There is a significant positive relationship between the reputation and customer switching behaviour in investment banking sector.

A social character and crucial and immaterial reference that can extraordinarily add to a company's execution and survival, can be defined as reputation (Yoon, Guffey, & Kijewski, 1993). A good notoriety can encourage consumer to be loyal particularly in the retail banking industry, where quality cannot be evaluate precisely before buy (Hart & Rosenberger, 2004). (Elt, 1988) discover that a positive notoriety is a vital instrument that used by banks to procure additional profits. (Wang, Lo, & Hui, 2003) recommended that a banks' notoriety play an important role in clarifying the buying and buy back behaviour of consumers. (Javalgi et al., 1989) show that bank consumers' determination choices can be influence by a bank's notoriety. A decent notoriety can intensify the belief of customers towards bank while an unpleasant notoriety can level up the likelihood of the choice to switch banks (Zheng, 2007).

H₃: There is a significant positive relationship between the service quality and customer switching behaviour in investment banking sector.

There have been numerous of studies that focusing on irreplaceable role of service quality in retail banking and also its estimation. A soliciting of these compositions demonstrates that almost majority measure service quality by duplicating or adjusting Parasuraman et al.'s (1988) five measurement SERVQUAL display (Valarie & Leonard, 1988). For instance, in (Yavas, Benkenstein, & Stuhldreier, 2004); (Balenovi, 2002); (Athanasopoulos, 1997); (Bennett & Barkensjo, 2005). Yet, a small part of writings, exhibits new models or methods to the determination of service quality in banking such as, (Mersha and Adlaka, 1992) practice the Delhi methods to a sample of MBA understudies. This is because in order to create attributes of poor and good service quality. Service provider can be the elements of collaboration quality, physical condition quality, physical environment quality as well as results quality in a progressive setting (Clemes, Gan, & Zhang, 2010). (Mavri & Ioannou, 2008) examined clients' exchanging conduct in Greek and found that the quality of banking products and services on supplied had a positively affected tumbling down of exchanging conduct.

H₄: There is a significant positive relationship between the advertising and customer switching behaviour in investment banking sector.

An essential role in influencing clients to a business and furthermore in keeping customer's numbers within moderate periods, can be used to defined advertising. (Davies, 1996) says that productive publicizing tightens the correspondence among the organisation and clients and lessen customers' apparent dangers. A researcher researches bank consumers' attitude in Turkey an efficient publicizing was found. It may upgrade bank's consumer dedication and help hold consumers. Generally, a good publicizing adds value, captures the attention of potential customers and also encourage customer loyalty (Mallikarjuna Balichakra, Prasad Krishna, Vamsi Krishna Balla, Mitun Das, 2016). Moreover, proficient service broadcasting is relatedly connected with clients' expectation of advantages and lead their buying conduct.

H₅: There is a significant positive relationship between the involuntary switching and customer switching behaviour in investment banking sector.

Involuntary switching factors can be describe by (Keaveney, 1995) as the elements that are out of control of either consumers or service suppliers. Evolving work, moving house or retail branches to being shut in their area of residence are caused that consumer may switch unintentionally. Thus, relocation is out the ability to control of consumers or service suppliers can damage even the most fulfilled service relationship (Taylor et al.2009). (Ganesh, Arnold, & Reynolds, 2000) discover that automatic or unavoidable exchanging represent most regular switching manner. A bank may offer an ideal service that meet the clients' requirement. But they may still lose in view of reasons outside the ability to control of either party.

H₆: There is a significant positive relationship between the distance and customer switching behaviour in investment banking sector.

A good location is a critical factor that may affect the consumers' assessment of a firm's performance (Levesque & McDougall, 1996). Kiser (2003) recognized that location is a serious matter for households in picking safe depository institutions to the restricted geographical accessibility of elective banks. Generally, a good area can ease the consumers to remain at their present bank and delay switching (Lee & Cunningham, 2001).

H₇: There is a significant positive relationship between the switching cost and customer switching behaviour in investment banking sector.

The relationship among switching cost and customers' switching behaviour have been investigated by many researchers. For example, Fornell (2016) explains that high switching expenses can prevent switching by making it expensive for customers to banks. Grmhaug & Gilly, (1991) noted that a client who is displeased may stay with their present supplier if exchanging costs are excessively high. The relationship among exchanging costs and consequences for example client maintenance by interrelation analysis demonstrate that exchanging costs are both emphatically identified with repurchase purpose (Jones, Mothersbaugh, & Beatty, 2002). Additionally, in the New Zealand financial industry, it was discovered that exchanging cost act a crucial purpose in constraining consumers not to switch even they are determined in exchanging suppliers (Colgate & Lang, 2001) . Also, Colgate, Hedge, & Hedge (2010) reveals that price, services failures are crucial aspects that affect consumers to switch banks in New Zealand. Another study by Colgate et al., (2010) acknowledge that customer commitment, notoriety and quality of service as crucial switching influencers in the New Zealand banking industry.

H₈: There is a significant positive relationship between the religious belief and customer switching behaviour in investment banking sector.

According to Department of Statistic in Malaysia, about 61.3% belongs to Muslim community and the rest is belong to Buddha, Christian, Hindu ("Department of Statistics Malaysia Official Portal," n.d.). Because of this Islamic populace, they have solid religious convictions and used them in making decision. The key distinctive component among commercial and Islamic banks is premium or called (riba). Islamic bank is not allowed to offer a foreordained interest rate customers' deposits whilst commercial bank charged a settled level of premium. Numerous studies were discovered that Islamic banks likewise not allowed to summon enthusiasm on advances in which by settled or foreordained rate of return that is certain apart from the performance of the investment. It is also asserted by the researchers that dealings are conceded out of the foundation of profit and loss sharing among the Islamic banks and their customers either lenders or depositors (Lewis, n.d.) . In Malaysia, minorities that having diverse religions

based on religion and based on nationalities. That's why it is important for banks to evaluate the selection of clients or to have the capacity to consider their client as it might vary as indicated by their abstract, ethics and thoughts. Naser, Jamal, & Al-Khatib (1999) conducted vary banking studies which recommend that plus with other proxies' religious inclinations are most crucial variables of bank determination choices.

METHODOLOGY

This study has collected the data from 130 respondents by using self-administered questionnaire survey technique. Prior to the sample selection of the respondents, researcher inquiry the potential respondents on either they have the related investment account or not. If they are the customers of the related investment account, then they can proceed with our questionnaire, otherwise we move to another individual.

In this study, Tabung Haji and ASNB retail banking customers are the example and the subgroups are clients who had past switching knowledge and the individuals who stayed with their current bank for more than six months. For those who stayed, the interviewer approached and asked the reasons behind staying and their expectation to switch in future and the conceivable reasons contributing to the choice. Meanwhile for switchers, they were approached about the purposes for exchanging and acceptable reasons if they were to somehow managed to remain with their present bank.

Questionnaire development

Recall that the population for our sample was those people who have either Tabung Haji or ASNB investment accounts. Therefore, the structure of the questionnaire is divided into two sub-sections of Part A and B. Part A of the questionnaires included the statistic profile and part B included the develop measurement. Statistic profile included gender, race, old age, race, marital status, highest level of education, sorts of bank service latest using and salary. Whereas part B is consisting of the independent variables such as dividend, religious belief, profit and interest, price, quality of service, reputation, broadcasting, involuntary switching, distance and switching costs. Through the Likert scale, respondent was asked to rate each of variables from 1 which represent strongly disagree to 5 as strongly agree.

The questionnaires were randomly distributed to respondents through the social media approach such as WhatsApp and Facebook. The period for the distribution of questionnaires is over a period of approximately three months.

FINDINGS AND DISCUSSIONS

Profile of Respondents

A total of 130 questionnaires were obtained with the following demography backgrounds:

Characteristics	Respondents (N = 130)	
	Frequency	Percentage (%)
Gender		
Female	95	73.1
Male	35	26.9
Age		
18-24	90	69.2
25-34	27	20.8

35-44	4	3.1
45-54	6	4.6
55-67	2	1.5
68+	1	.8
Ethnicity		
Malay	112	86.2
Chinese	9	6.9
India	2	1.5
Others	7	5.4
Income		
Less than RM1,500	100	76.9
RM1,500-RM3,000	10	7.7
RM3,001-RM5,000	10	7.7
Above RM5,000	10	7.7
Education		
Post Graduate Qualification	12	9.2
Professional Degree	8	6.2
Bachelor Degree	82	63.1
Trade Qualification/Diploma	17	13.1
High School	9	6.9
Others	2	1.5
Occupation		
Government	9	6.9
Home duties	1	.8
Office worker	6	4.6
Professional	13	10.0
Retired	1	.8
Self-employed	3	2.3
Student (full time)	92	70.8
Tradesman/ Technician	1	.8
Other	4	3.1
Account		
Tabung Haji	75	57.7
Asb	28	21.5
Both	17	13.1
Others	10	7.7
Option		
Yes	12	9.2
No	118	90.8

Table 1: Demographic Profile of Respondents

Reliability Analysis

Reliability test is conducted in order to determine the questionnaire was clear from random error and power to assess the persistent of result. (Chong, Eng, Gwee, Ooi & Wang, 2013). The preferable reliability test is Cronbach's coefficient alpha. The coefficient alpha is the sign which imply the guidance and the power of the linear correlation among the dependent and independent variables. The range of 0 to 1 indicate that there is inner incompatible between response collected from the respondents. If the Cronbach alpha value is lower than 0.60, it indicates poor reliability Zikmund et al. (2013). From the reliability statistics in Table 2, the Cronbach alpha coefficient as computed from independent variables and dependent variables of 9 item. Overall variables Cronbach alpha is 0.873, which indicates that the items have relatively high internal consistency.

Cronbach's Alpha	N of Items
.873	9

Table 2: Reliability Statistics

Multiple Regression of Customer Switching Behaviour

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.243 ^a	.059	-.003	.291

Table 3: Model Summary Customer Switching Behaviour

In order to discuss the variance in a dependent variable multiple regression analysis technique apply to determine the single or more than independent variables. The table display the model summary, which shown R. The association among the independent variables and dependent variable is 0.243. It assesses the percentage of explanatory strength of the independent used. Therefore, it is proved that the variables explain 5.9% of the variance in the customer option switching. The R square value is essential due to it indicate the percentage for the personal characteristics.

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.643	8	.080	.949	.479
	Residual	10.249	121	.085		
	Total	10.892	129			

Table 4: ANOVA of Customer Switching Behaviour

Table 4 indicates ANOVA of customer switching behaviour. The p-value is 0.479 which higher than the alpha value 0.01. ANOVA display the F- statistics figure is 0.949 and it is significant at the level in which the form of the model. Therefore, it is an excellent factors of relationship between the customer switching behaviour.

Model	Unstandardized Coefficients		Standardized Coefficients		Sig.
	B	Std. Error	Beta	t	
(Constant)	1.949	.156		12.499	.000
Average Price	-.074	.041	-.196	-1.825	.071
Average Reputation	.070	.048	.209	1.459	.147
Average Service Quality	.022	.043	.067	.511	.610
Average Advertising	-.018	.043	-.048	-.407	.685
Average Involuntary	-.030	.038	-.085	-.788	.432
Average Distance	-.018	.045	-.056	-.402	.688
Average Switch Cost	.038	.037	.105	1.033	.304
Average Religious Belief	-.012	.038	-.039	-.314	.754

Table 5: The Coefficients of Customer Switching Behaviour

Table 5 shows the coefficient data that the top contribution to the variation of the dependent proxy's customer switching is reputation with 0.209 beta value. It is also the greatest value from the result. The data keyed in for this variable is 1 for yes, have switch account while 2 is for no, have not switch account. Based on the result, it indicates that reputation is the most influenced that contribution to the customers switching between Tabung Haji and ASNB.

Second leading determinant that contribution most to the customer switching is switching cost with 0.105 beta value. Third highest beta value is service quality which is 0.067

that add value to the customer switching behaviour between both accounts. Next value of beta is -0.039 belong to the variable of religious belief that influence the customer switching behaviour. Next high value of beta is -0.048 which is the advertising variable that give effect to the customer switching behaviour between the investment bank. Factor of distance and involuntary switching with value beta of -0.056 and -0.085 respectively that contribute to the customer switching behaviour.

The weakest determinant of all independent variables is pricing with -0.196 beta value. It shows the lowest value from the result. It indicates that the pricing is the least factor that affect the customers to switch account between Tabung Haji and ASNB.

Discussions

Based on hypothesis 1, there is a significant positive relationship between the price and customer switching behaviour in investment banking sector. It was found significant with p -value < 0.1 but the negative relationship was found with -0.196 . Therefore, the hypothesis is rejected. The result of price variable is not consistent of previous studies such as Gerrard & Barton Cunningham (2004) and Colgate & Hedge (2001) that had proved price has positive relationship with customers switching behaviour toward banking .

Gerrard and Cunningham (2004) remain that pricing effect switching behaviour amongst customers as price has a broader impact for bank customers than customers of other services. However, for this study, the sample was only focus on customer from the bank only. Therefore, the comparison with the other services are not relevant to this study. Meanwhile, Colgate and Hedge (2001) of studies about the customer switching behaviour in Australia and New Zealand and found that price is the most essential switching factor. Therefore, the insignificant findings were found in this study due to different sampling area since this study focus on customer from Malaysia, which is developing country.

The result was the same with the studies of Javalgi et.al's (1989) that research about the factors that determine the customers' bank decision in USA. Furthermore, the studies of Almosawi (2001) empirically describe that price as the critical determinants in choosing bank for college students. Moreover, Keaveney (1995) claimed that heavy cost involved of opening an account and many more cost that are linked with the acquisition of new customers. All of the costs can be as superior as the costs of customer maintenance efforts. As for this study, the cost in the questionnaire focus on interest and fees charged to the customer.

Hypothesis 2 stated that there is a significant positive relationship between the reputation and customer switching behaviour in investment banking sector and based on the p -value of $.147$, it is not accepted. This is similar with the findings of Colgate & Hedge (2001), Lee and Murphy (2005) who discovered that there are three switching factors that necessary in the banking context. They are in terms of pricing problems, breakdown of service and rejected services. This is in line with this study as the study of scope is specific for banking customers.

Similar finding was found by Gerrard & Cunningham (2004) where pricing, inconvenience and breakdown of services were because of 90% of the customer switching. They also described the bank reputation as one of the determinants that foster to the customer switching behaviour among Asian financial market. The findings of this study also found that reputation is the most leading factor for customer to switch bank. (Refer to the Coefficient of Customer Switching Behaviour).

Studies of Weigelt and Camerer (1988) focus that a reputation that has a strategic instrument that banks use to gain additional income is the positive reputation. Basically, for

this study which emphasized on investment banking, a good reputation of a bank is a must for customer to secure their investment and saving money into the bank. This is same with the opinion form Wang et al. (2003) that proposed that in order to identify the purchasing and repurchasing behaviour of customer, a bank's reputation is indeed the most critical feature to find it. The significant result of the study which is carried out in China, an advanced country is benefit for them while the insignificant result of this study which is carried out in Malaysia.

Likewise, Yue and Tom (1995) as well as Javalgi et al. (1989) illustrate that bank customer's election decision can be influence by a bank's reputation. A good one can enhance the customer's trust and confidence on a bank become stronger while a bad reputation can rise the probability of the customer to switch banks. (Clemes et al., 2007a). For this study, specifically Tabung Haji and ASNB is picked for the investment company in order to find out which of reputation of those companies that are more dominance in Malaysia. Based on the findings, most people of have account Tabung Haji more than Amanah Saham Nasional Berhad (ASNB). (Please refer to Appendix of Descriptive Analysis of Demographic Profile)

As for hypothesis 3, there is a significant positive relationship between the services quality and customer switching behaviour in investment banking sector, the findings also rejected this hypothesis since $p\text{-value} > 0.10$. Based on prior studies of (Mavri & Ioannou, 2008) 's research found that services quality has positive effect of consumer to change conduct of Greek banking. This finding of the study is insignificant which contrary with the earlier research because of the data sampling.

On the other hand, a study from Kura et al. (2012) discovered there is no significantly impact of service quality which is measured with empathy and assurance on customer switching behaviour in banking. Similarly, with the findings of this study which no relationship between service quality and customer intent to switch. However, this is totally different with the findings of (Clemes et al., 2007b; Dagger et al., 2007) which claimed that service products can be instrument of interaction, physical environment as well as outcome quality in a hierarchical natural of service quality. This study which is focused on services quality of banking rather than services products is probably the reason for the insignificant result in the findings.

On the other hand, Mavri and Ioannou (2008) examined customer switching behaviour in Greek and figure out the quality of the banking goods and services will influence the switching behaviour to decrease. This means that if the quality of the services is excellent, the probability the customers to switch is lower. Contrary with the finding if this study which as the higher the service quality, the higher the intent to switch. This may be due to smaller amount of data that collected from this study.

Similar with Bahia and Nantel's (2000) research on retail banking which they found access and service portfolio are essential component to service quality. It is same with this study's finding which service quality came top three of the factor of the customer switch behaviour between Tabung Haji and ASNB. (Please refer to Table: Coefficient of Customer Switching Behaviour)

In hypothesis 4, there is a significant positive relationship between the advertising and customer switching behaviour in investment banking sector and it is not accepted. The findings indicate $p\text{-value}$ of .685 with a negative relationship. This means that the advertising does not significantly affect the switching behaviour. This is in line with the studies of Clemes et al (2010) which discovered negative relationship among advertising and customer switching in their research. This indicate that as the higher the advertising, the lower the customer intent to switch which is as same as the previous studies of Cengiz et al. (2007) about customer

behaviour and that effective advertising may encourage a bank's customer loyalty and assist retain customers. This means the higher the advertising, the more the customer to become loyal to one bank.

Through hypothesis 5, there is a significant positive relationship between the involuntary switching and customer switching behaviour in investment banking sector however it has to be rejected since the involuntary switching does not affect customer switching behaviour between investment bank Tabung Haji and ASNB. This finding backed by Anjum et al (2011)'s findings who discovered distance being the leading vital factor and involuntary switching the least influence factor for switching between Indian private financial institutions customers.

Nevertheless, many scholars and experts have verified that involuntary switching is one of the factors boosting customers to switch in service industry (Friedman & Smith, 1993; Ganesh et al., 2000; Khan et al., 2010). This is different with the scope of study which is the banking industry while the study by Friedman & Smith (1993) is more focused on child care and other service markets.

Hypothesis 6, there is a significant positive relationship between the distance and customer switching behaviour in investment banking sector. The finding of this study regarding the distance is negative relationship with a p-value of .688, which indicates insignificant findings. This finding is supported by (Clemes, Gan, & Zhang, 2010)'s findings which discovered that there is negative relationship exist between customer switching behaviour and the impact factors. Contrary with the research from Keaveney's (1995) that stress out the location is the most essential factor which influencing switching behaviour. The reason was most likely due to the study done by Keaveney's (1995) done during the year.

Hypothesis 7, there is a significant positive relationship between the switching cost and customer switching behaviour in investment banking sector. Findings indicate insignificant relationship of p-value >0.1 and $t= 1.033$. Therefore, the hypothesis is rejected. Different from this finding of study, finding of Jones et al. (2002) discovered that switching cost is positively and significantly having correlation with the repurchasing intentions. The data was collected with two studies which a total of 113 students from university was participated and the other study was collected from non- student of 434 adults.

Besides that, Colgate and Lang (2001) reveal that switching cost had a vital role on encouraging customer to lack of switching in the New Zealand financial industry. Scholars and experts such as Fornell (1992) clarify that high switching costs can avoid switching by making it high priced for customers to exchange service providers. The incremental cost may discourage customers from change to other banks than their current bank due to they perceived switching cost to be higher than the assumed benefits of changing service provider. (Lees et al.,2007). Based on this study questionnaires, the high cost of switching is more likely to reasons they don't want to switch. (Please refer to Appendix Questionnaires Section Switching Cost). However, the data findings were not significant due to the small sample of data collected for this study.

Gronhaug and Gilly (1991) mention that a customer who is displeased may stay with their current provider in case the switching price is too expensive. This is opposite of the study findings which is as the switching cost higher, the higher the intent of customer to switch bank.

Contrary to the hypothesis 8 which is there is a significant positive relationship between the religious belief and customer switching behaviour in investment banking sector, the findings of this study show the religious belief does not significantly affect the customer

switching behaviour. This bring forward that customers with high levels of religiosity are more likely to display lower of switching behaviour that those lower levels of religiosity (Choi, Paulraj, & Shin, n.d.). However, this findings is not in line with previous research of (Saeed, Binti, & Ghani, 2014) which has a positive significantly relationship between religion and brand switching behaviour. The data sample of that study is carried out in Pakistan which is 98% of the people are practicing Islam while Malaysia is multi-cultural country where only range of 60% is Muslim while other consists of Indian, Chinese and other races such as Kadazan, Iban and Melanau.

Most of the research highlight on the relationship among the religion and behaviour and found that religion strongly influence a person's emotional experience, thoughts, attitude and psychological well-being (Chamberlain & Zika,1992; McDaniel & Burnett,1990; Pollner,1989; Witter et al.,1985). This is one of the reasons the finding of this study is more likely to become negative relationship. Most of the respondents are from Malay which is practicing Islam. Therefore, most of them are prefer not to switch.

CONCLUSION

Identifying and understanding these factors grant manager of the banks and marketer to path their effort and source of information into the most productive and efficient techniques to avoid customer from switching banks and then reducing bank profits. This explanatory study undertaken in Malaysia identifies eight key factors that impact the investment banking of Malaysia specifically Tabung Haji and Amanah Saham Nasional Berhad (ASNB). The results of the multiple regression show that the factors vary in their order of their probability on bank switching. However, it was found that all the factors (reputation, switching cost, services quality, religious belief, switching cost, involuntary switching, distance and price) predicted in this study does not significantly affect the customers switching behaviours.

Nevertheless, it is worth to indicate that, reputation, switching cost and services quality is the most dominant types of factor that influence the customer to switch banks between Tabung Haji and ASNB. These variables were found to be the have the highest coefficient of beta which is indicate that the reasons most customer to switch bank. Meanwhile, religious belief, switching cost, involuntary switching, distance and price variables are factors that are less influential.

Limitation of Study

Major of the races which if from Chinese, Indian as well as other races such as Kadazan, Dusun, Melanau and Iban was taken from various religion. Therefore, the limitations in their chosen investment banking like Tabung Haji cannot be predicted accordingly since non-muslims may not choose that investment option. Accordingly, we believe that future research with different choices of investment accounts from all major religion equally could substantially further the generalization of the findings in this study.

The sample size of the study consists of 130 respondents. The sample size is still less compared to other research studies done and the factor may change the accuracy of the findings. However, according to Roscoe (1975) that proposed the rules of thumb which the sample larger than 30 and less than 500 are appropriate for most research. Thus, this study sample is appropriate for this study and future reference.

Besides that, sampling issues is also the limitation of this study. The distribution of the data is through the online survey invitations which were distributed in the social media approach such as Facebook and WhatsApp application. The tendency of some individuals to respond to an invitation to participate in an online survey, while others just ignore it. Then, the response rates of this collection data are quite low. This also hinder the ability to generalize the finding in this study.

Recommendations

Based on the findings of the study, the following recommendations were made

- 1) The reputation and image of the companies should be monitored to make sure that there is no negative declaration that may stimulate customer switching bank
- 2) The service quality of the financial institutions may drive the customer to switch or attracted to particular banks. Therefore, it will help to enhance customer satisfaction and the earning and profitability of the banks can rising the GDP of state and Malaysia at large.
- 3) Although the price is not significantly important for this study, the interest and fees charged should be monitored and adequately timely information given to customers on reasons for changes.
- 4) For the customer whose switching intentions are involuntary, adequate branching and corporate lobbying to uphold the account wherever they go internet banking can also help people nowadays to access without limit to their account.

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