Assessing the Drivers of Customer Delight and Loyalty in Tanzanian Online Banking: An Integrative Framework

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Abstract
This study aimed to empirically validate the theory of customer delight in the specific context of online banking in Tanzania, enhancing both theoretical comprehension and practical applications. This study examines how problem-solving, sociality, enjoyment, and transaction speed drive customer delight and loyalty among online banking customers in Tanzania. A deductive research approach was applied, collecting survey data from 391 qualified online banking customers in Tanzania through self-administered questionnaires in a convenience sample. Data were analyzed using Smart-PLS version 4.0 for measurement and structural model assessment. The findings reveal a significant positive influence of efficient problem-solving, sociality, enjoyment, and transaction speed on customer delight, as well as a significant positive impact of customer delight on customer loyalty in the banking sector. The study provides guidance for the online banking industry on creating a delightful banking experience, considering both affective and cognitive routes. Furthermore, it informs online banks that fostering delight among banking customers can strengthen their future loyalty. This study advances the discourse on customer delight by integrating cognitive and affective antecedents within the context of online banking.

Keywords: Sociality, Customer delight, Tanzania, Utilitarian, Loyalty.

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Introduction

Marketing scholars are increasingly concerned with deepening the understanding of customer delight and its antecedents, especially within the dynamic environment of banking services (Kumar, 2020; Petzer and Roberts-Lombard, 2021; Roberts-Lombard et al., 2024; Svotwa et al., 2023). In an era characterized by escalating competition and rapid technological advancements, the significance of customer delight cannot be overstated. Customer delight, defined as the emotion characterised by joy, exuberance, exhilaration, or thrill (Attiq et al., 2022), emerges as a crucial factor in securing future customer loyalty within the banking sector (Svotwa et al., 2023). In the context of online banking, distinguished by its convenience, accessibility, and constantly changing technological landscape, the pursuit of customer delight takes on greater significance. As customers increasingly gravitate towards online platforms for their banking needs, driven by the appeal of convenience and efficiency, the competition among banking institutions intensifies (Kumar, 2020). Therefore, understanding the drivers of customer delight and their implications in fostering long-term loyalty among online banking customers requires thorough investigation.

Despite valuable insights provided by researchers regarding the nature and impacts of customer delight, gaps persist in understanding its antecedents. Existing literature predominantly relies on the expectancy-disconfirmation framework to study customer delight (Barnes et al., 2021; Ludwig et al., 2017), focusing on the impact of surprising performance on customer delight. However, findings on the effect of surprise remain inconclusive, with some studies affirming a significant positive impact (Barnes et al., 2016; Finn, 2005; Svotwa et al., 2023) while others report insignificant effects (Chitturi et al., 2008; Ludwig et al., 2017), and some argue that surprise is not a necessary condition for customer delight (Kumar et al., 2001; Ludwig et al., 2017). Moreover, surprise has drawbacks such as elevating expectations excessively, making it challenging for firms to consistently generate delight (Bowden and Dagger, 2011; Kim and Mattila, 2013). Kim and Mattila (2013) noted that customer expectations evolve with each extraordinary performance leading to higher bars of expectations. Ahrholdt et al. (2019) suggest that the delight effects of service experience diminish with increased prior consumption experiences. Therefore, addressing these mixed effects and sustaining delight may require adopting the theory of customer delight.

As proposed by Parasuraman et al. (2020), the theory of customer delight presents a fundamental distinction between customer delight and satisfaction. While satisfaction is primarily a cognitive judgment (Wang and Jiang, 2020), delight represents a deeply positive emotional state (Petzer and Roberts-Lombard, 2021). This emotional arousal is central to customer delight, contrasting with the mere meeting of expectations in satisfaction (Oliver et al., 1997; Plutchik, 1980). These differences underpin the divergence between the theory of customer delight and the expectancy-disconfirmation framework, where surprising performance is seen as the primary driver of customer delight (Dey et al., 2017; Svotwa et al., 2023). In contrast, the theory of customer delight posits six antecedents of delight, encompassing both cognitive and affective elements (Parasuraman et al., 2020; Pereira Filho and Añez, 2021). To effectively cultivate customer delight, businesses must address both affective and cognitive dimensions, tailoring strategies to resonate with customers' sentiments while meeting their practical needs (Pallas et al., 2014; Parasuraman et al., 2020).

Moreover, this study distinguishes itself in three key areas within the discourse of customer delight. Firstly, it acknowledges the diverse dimensions of customer delight and the necessity

to consider both cognitive and affective routes to delight, especially in the context of online banking which offers a mix of utilitarian and hedonic consumption values (Arcand et al., 2017; Barnes et al., 2021). Secondly, it responds to the call by Parasuraman et al. (2020) for further research to apply and validate the theory of customer delight across different contexts and industries, particularly within the banking sector where empirical validation is lacking. Despite the growing interest in customer delight within service industries, limited research addresses how online banking factors in developing regions, such as Tanzania, impact customer delight and loyalty. By drawing from the theory of customer delight, this study aims to identify and analyze four key constructs influencing customer delight in online banking of Tanzania: problem-solving and transaction speed (cognitive dimensions) as well as enjoyment and sociality (affective dimensions), thereby contributing to a more complex understanding of customer delight and its implications for loyalty in the banking context.

Finally, a question remains unanswered whether achieving customer delight can lead to the development of customer loyalty. The literature exploring the relationship between customer delight and loyalty among banking customers presents conflicting findings. While some scholars have argued for a significant positive relationship between customer delight and loyalty (Petzer and Roberts-Lombard, 2021; Roberts-Lombard et al., 2024; Svotwa et al., 2023), a substantial number of studies have been unable to establish a significant connection between these two constructs (Bowden and Dagger, 2011; Ji and Prentice, 2021). This disparity underscores a significant gap in the existing research and emphasizes the need for an understanding of the underlying mechanisms driving customer loyalty within the banking sector. One possible explanation for these inconsistencies is the varied conceptualizations and operationalizations of customer delight across studies. While some scholars define customer delight as an emotional response to exceptional service experiences (e.g., Attiq et al., 2022; Coetzee et al., 2019), others may interpret it more narrowly as surpassing customer expectations (Barnes et al., 2016; Rust and Oliver, 2000; Svotwa et al., 2023). The absence of standardized definitions and measurement approaches may contribute to the conflicting findings observed in the literature. Therefore, this study aims to fill this gap by employing a comprehensive framework that considers the multifaceted nature of customer delight and loyalty within the context of the Tanzanian banking industry.

Literature

Theory of Customer Delight

Research on customer delight reveals its complexity, with ongoing debates on whether it is a blend of joy and surprise or an extreme form of satisfaction. This discussion underscores that customer delight involves multiple factors, allowing managers to create delightful experiences through various combinations of these characteristics. The theory of customer delight, as advanced by Parasuraman et al. (2020), refines the traditional view by emphasizing the importance of exceeding consumer expectations to elicit positive emotions and memorable experiences. Unlike the expectancy-disconfirmation model, which primarily focuses on surprising performance, the theory of customer delight incorporates both cognitive and affective antecedents, making it particularly relevant for the multi-faceted experience of online banking in emerging markets. It defines customer delight as a distinct emotional state beyond mere satisfaction, incorporating elements that evoke positive emotions in consumers. This

theoretical framework suggests that customer delight is not just heightened satisfaction but involves features that trigger positive emotional responses.

Parasuraman et al. (2020) identify six properties of customer delight: positive emotions, social interactions, successful problem-solving, sensory engagement, event timing, and a sense of control. Positive emotions, such as enjoyment, excitement, or happiness, play a crucial role in customer delight, aligning with Plutchick's (1980) psychoevolutionary theory of emotions. Favorable social interactions with service providers or other customers also contribute to delightful experiences. Successful problem-solving during service encounters, engaging customers' senses through ambient elements, well-timed service events, and empowering customers with control over their interactions further enhance delight. The theory reports that more than 70% of the time, customer delight is associated with the combination of at least three properties. Indeed, their investigation reveals that at least 58% of all delight experiences emanated from combining three properties, namely positive emotions, interpersonal interactions, and problem-solving. In addition to these three properties, and in consideration of the nature of online banking under this study, the construct of time (transaction speed) is also considered. These properties highlight the multifaceted nature of customer delight, encompassing both hedonic and utilitarian values in service experiences.

The theory of customer delight underscores the importance of creating service experiences that inspire positive emotions, exceed expectations, and generate memorable interactions to foster strong customer connections and corporate success. In the context of online banking, this study examines how customer delight manifests through the properties of transaction speed, problem-solving, enjoyment, and sociality. This approach responds to the call from theory architects to test these combinations in different contexts, enhancing the theory's robustness. The study aims to understand how these properties combine to create customer delight in online banking services in Tanzania, providing insights into how delightful experiences can be crafted to improve customer loyalty and satisfaction.

Hypothesis Development

Sociality and Customer Delight

The evolution of technology and internet networking has transformed the dynamics of interaction between banks and consumers, offering flexibility through virtual platforms and online services (Petzer and Roberts-Lombard, 2021). While traditional banking emphasises human interaction, the rapid acceptance of online banking has shifted towards autonomous delivery channels, reducing interpersonal contact (Barnes et al., 2016). This shift poses challenges to long-term relationship stability. To address these challenges, banks have embraced online services aimed at facilitating delightful customer experiences while maintaining social connectivity (Petzer and Roberts-Lombard, 2021). Sociality in banking includes customer interactions with banks and representatives via websites and social media (Arcand et al., 2017; Hsieh and Wei, 2017). Such platforms enable convenient engagement with customer service representatives, fostering a sense of connectedness and belonging (Barnes et al., 2021). Memorable and socially convenient banking experiences positively influence customer attitudes towards banking services, underscoring the significance of social interactions in enhancing customer delight (Petzer and Roberts-Lombard, 2021). Therefore, the following hypothesis is proposed:

H1: Sociality has a significant positive influence on customer delight.

Enjoyment and Customer Delight

Enjoyment emerges as a significant predictor of customer experience and loyalty within the contemporary literature on the banking sector (Giovannini et al., 2015; Salimon et al., 2017). Scholars emphasise enjoyment as the intrinsic pleasure experienced during electronic device usage and associate it with positively valenced emotion dimensions linked to delight (Parasuraman et al., 2020; Plutchick, 1980), often referred to as "hedonic motivation," which intertwines closely with the hedonic and affective features of the services industry (Jani and Mwakyusa, 2022; Petzer and Roberts-Lombard, 2021). The affective and experiential value derived from perceived enjoyment significantly influences long-term relationships with electronic banking, driving increased adoption and usage rates among online banking users (Shaikh and Karjaluoto, 2015). Understanding the role of enjoyment is paramount for banks aiming to enhance customer loyalty and foster lasting relationships in the digital banking landscape. Thus, this study proposes the following hypothesis regarding enjoyment:

H2: Enjoyment has a significant positive influence on customer delight.

Problem-Solving and Customer Delight

The significance of problem-solving in the banking sector, particularly in customer service, emerges as a critical determinant of customer delight (Calvo-Porral and Otero-Prada, 2021; Ludwig et al., 2017). Effective problem-solving builds trust, enhances competence perceptions, fosters customer loyalty, and reduces switching to competitors (Farah et al., 2018). Conversely, inadequate problem-solving procedures can instill doubts among customers about the competence of their bank, jeopardizing the bank-customer relationship and increasing the propensity to switch to alternative service providers. (Chumpitaz and Paparoidamis, 2020; Pereira Filho and Añez, 2021). Customers tend to value services that effectively address their needs and concerns, underscoring the crucial role of problem-solving in creating delight (Kim and Park, 2019). Conversely, unresolved problems diminish perceived service value and impede the potential for customer delight (Svotwa et al., 2023). Therefore, the following hypothesis is proposed:

H₃: Problem-solving has a significant positive influence on customer delight.

Transaction speed and Customer Delight

The speed of transactions is a crucial evaluative criterion in the banking sector (Shih and Fang, 2006). Time plays a significant role in shaping customer experiences, with studies indicating that temporal perception influences the entire customer journey (Lemon and Verhoef, 2016; Shih and Fang, 2006). Online banking customers in Tanzania generally favor high-speed transactions, (Garg et al., 2021; Shih and Fang, 2006) which aligns with global preferences for efficient service. It is contended that online banking is relatively faster than branch banking (Shankar et al., 2020), and therefore, given that "today's banking users are more time-starved" (Jebarajakirthy & Shankar, 2021, p. 1), they choose to use the online service platform to reduce the time required to accomplish banking tasks. The emergence of online banking has provided banking consumers with direct and rapid access to banking services, eliminating the need to queue at physical branches. Shih and Fang (2006) demonstrated that internet-based banking enhances the ability to respond to customer complaints promptly. Extending these observations to online banking, the following hypothesis is proposed:

*H4: Transaction speed has a positive influence on customer delight.*

Customer Delight and Customer Loyalty

Delight experiences improve customers' perceptions of the service and the service provider (Petzer and Roberts-Lombard, 2021). Furthermore, delight brings about a positive appreciation of the service provider (Svotwa et al., 2023), thereby enhancing customer loyalty and connection with the brand (Kinogo et al., 2024). It is argued that customer delight can be used strategically in the management process to enhance the competitive position of the firm and guarantee a long-term relationship with the customer (Svotwa et al., 2023). While many studies have demonstrated a significant positive influence of customer delight on customer loyalty in the online banking sector (Ludwig et al., 2017; Petzer and Roberts-Lombard, 2021; Roberts-Lombard et al., 2024), a few have revealed instances where the relationship may not be statistically significant (e.g., Bowden and Dagger, 2011; Ji and Prentice, 2021), possibly due to differences in the operationalization of customer delight. By considering these inconsistencies and adopting a complex and broad approach to customer delight, banking institutions can better understand the dynamics of customer relationships and drive sustainable growth and competitiveness in the digital landscape. Given these instances, this study proposes the following hypothesis:

H5: Customer delight exerts a positive significant influence on customer loyalty.

The conceptual framework depicted in Figure 1 outlines the study's guiding principles in a simplified presentation.

Figure 1: A Proposed Conceptual Model of Customer Delight
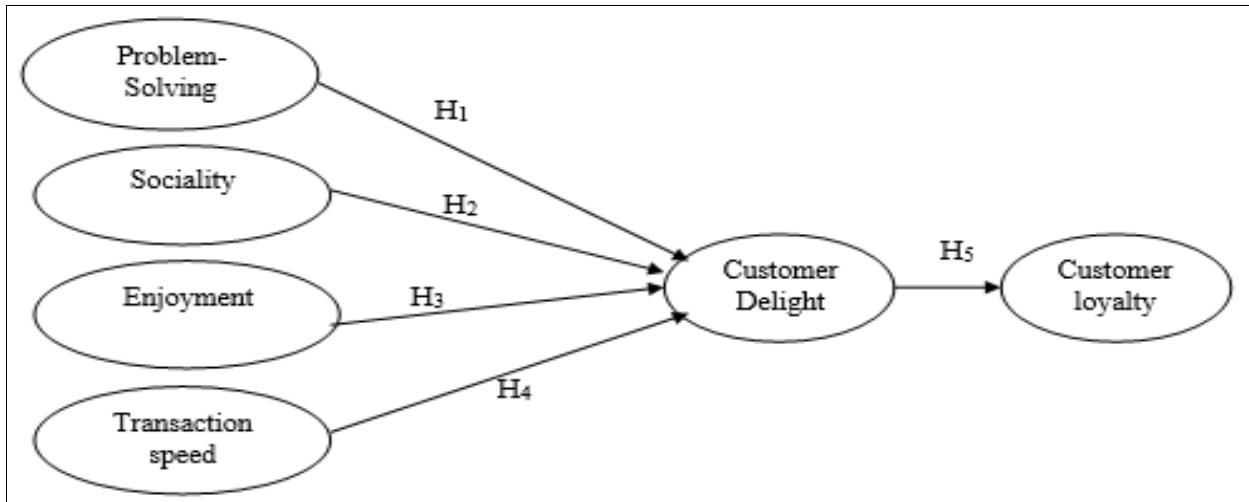
Methodology

This research aimed to investigate the antecedents of customer delight from the perspectives of the theory of customer delight. To achieve this objective, a survey was conducted with respondents being customers of banks aged 18 and above who maintain accounts with commercial banks in the country and reside in Dar es Salaam and Dodoma, the capital city. The selection of these two cities is based on their diverse populations, thereby providing a

representative sample reflecting various demographics and socioeconomic backgrounds, enhancing the study's generalizability. Convenience sampling was employed for its practicality and cost-effectiveness; however, this approach may limit the generalizability of findings. To mitigate bias, we ensured demographic diversity in respondents from key Tanzanian cities, Dar es Salaam and Dodoma. Measurement indicators were adopted from the extant literature, such as problem-solving from Mostafa et al. (2015) and Pereira Filho and Añez (2021); enjoyment from Arcand et al. (2017) and Barnes et al. (2021); sociality from Hsieh and Wei (2017); transaction speed from Shih and Fang (2006); customer delight from Svotwa et al. (2023); and loyalty from Coetzee et al. (2019), to ensure construct validity within the online banking context. Data collection was done in the period between October 2023 and January 2024 where 450 five-point Likert scale questionnaires were distributed. 421 questionnaires were returned, indicating a 93% return rate, whereas 391 questionnaires were fit for analysis. Data analysis was done using smart-PLS version 4.0.

Demographic characteristics of the respondents were analysed where gender distribution showed that 55% were males and 45% were females. The majority of respondents (52%) fell within the 21-30 age group, with smaller percentages in younger and older age brackets. In terms of marital status, 57.8% were single, 41.7% married, and a negligible 0.5% were divorced. Educationally, 54% held bachelor's degrees, with smaller percentages for diploma, master's, and other educational levels. Occupation-wise, 51% worked in the public sector, 21% in the private sector, and 17% were students, with smaller proportions engaged in either business or farming. Notably, over 57% of respondents held accounts in multiple banks, indicating a trend of multiple banking relationships among Tanzanians. Additionally, 45% had maintained their main bank accounts for less than five years, while 55% had been customers for more than five years. These demographic insights provide a comprehensive understanding of the online banking customer profile in Tanzania, shedding light on patterns of usage, tenure, and engagement across various demographic segments. Table 1 provides a detailed analysis of the sampled demographic characteristics.

Results

This study employed a two-step data analysis approach of structural equation modelling (SEM) as recommended by Hair et al. (2019). Initially, the measurement model analysis was carried out using the Partial least squares algorithm, focusing on construct reliability, convergent validity, and discriminant validity. This was followed by structural model analysis for hypothesis testing using bootstrapping analysis of Partial least squares structural equation modelling (PLS-SEM). PLS-SEM was due to its robustness compared to covariance-based SEM (Hair et al., 2011).

Measurement Model

Validity and Reliability

Composite reliability and Cronbach's alpha were measured to assess convergence reliability and consistency of responses (Bagozzi and Yi, 1988). Findings present values ranging between 0.735 to 0.918 for Cronbach's alpha and 0.834 to 0.939 for composite reliability, surpassing the minimum acceptable threshold value of 0.7 (Hair et al., 2020). Outer loadings of factors and average variance extracted (AVE) were examined to assess the convergent validity of reflective measurements (Hair et al., 2020). Three items (SC6, PS4, and SB3) with poor outer loadings, below 0.40, were excluded from the analysis (Hair et al., 2020), while the

remaining were deemed acceptable. Moreover, for constructs to have convergent validity, their Average Variance Extracted (AVE) should be >0.5 (Hair et al., 2020). AVE with a test above 0.5 indicates that the construct explains more than half the variation of its reflective indicators. The results of the analysis suggest that convergent validity is attained with AVE values ranging from 0.610 to 0.755.

Table 1: Sample demographic characteristics

Demographic	Subset	Frequency	Percent
Sex	Male	215	55.00
	Female	176	45.00
Age	<20 years	17	4.30
	21-30 years	203	51.90
	31-40 years	129	33.00
	>40 years	42	10.70
Marital status	Single	226	57.80
	Married	163	41.70
	Divorced	2	0.50
Highest level of education	Primary school	2	0.50
	O-level	7	1.80
	A-level	24	6.10
	Certificates	16	4.10
	Diploma	59	15.10
	Bachelor's degree	210	53.70
	Master's degree	59	15.10
	PhD	14	3.60
Occupations	Student	65	16.60
	Businessman	41	10.50
	Farmer/peasant	6	1.50
	Work with private sector	81	20.70
	Work with public sector	198	50.60
A number of banks have accounts with	Only one	167	42.70
	Two banks	179	45.80
	>2 banks	45	11.50
Experience with the main bank	<5 years	177	45.30
	5-10 years	107	27.40
	>10 years	107	27.40

Discriminant validity was tested using the Fornell and Lacker criteria and Heterotrait-monotrait (HTMT) technique. The Fornell–Larcker criterion was confirmed following the suggestion of Fornell and Larcke (1981) where the square root of the AVE along the diagonal were all greater than their constructs cross-correlation. The HTMT represents the mean value

of items' correlations across constructs as compared to the geometric mean of the average associations of the items measuring the same construct. HTMT criteria were met with all values weighing less than 0.85 (Hair et al., 2020) demonstrating the absence of discriminant validity issues. For a detailed presentation of discriminant validity refer to Table 2.

Table 2: HTMT Criteria and Fornell-Larcker Ratio Results

Constructs	PS	SC	EN	TS	CD	LT
PS	**0.819**	*0.326*	*0.264*	*0.279*	*0.513*	*0.554*
SC	**0.284**	**0.805**	*0.393*	*0.499*	*0.543*	*0.271*
EN	**0.218**	**0.353**	**0.869**	*0.476*	*0.456*	*0.343*
TS	**0.205**	**0.437**	**0.391**	**0.793**	*0.506*	*0.389*
CD	**0.454**	**0.473**	**0.404**	**0.466**	**0.781**	*0.799*
LT	**0.496**	**0.249**	**0.314**	**0.352**	**0.702**	**0.837**

Note: Fornell-Larcker criteria (bolded); and HTMT criteria (italicised)

Predictive Model Assessment

The coefficient of determination (R^2) was utilised to evaluate the in-sample predictive power of the model (Hair et al., 2019). According to Hair et al. (2011, 2019), R^2 values of 0.75, 0.50, and 0.25 are considered substantial, moderate, and weak, respectively. Findings suggested that 65.4 percent (R^2=0.654) of customer delight variation was collectively explained by the four exogenous variables (problem-solving, enjoyment, transaction speed, and sociality). Furthermore, customer delight explained 40.6 percent (R^2=0.406) of the variation in customer loyalty.

This study also assessed Stone-Geisser's Q^2 value by employing a blind-folding procedure for the exogenous constructs. Q^2 integrates aspects of both in-sample and out-of-sample predictive analyses of the model (Shmueli et al., 2016), with values greater than 0, 0.25, and 0.50 denoting small, medium, and large predictive relevance of the PLS-path model (Hair et al., 2019). The results presented Q^2 values of 0.645 and 0.433 for customer delight and customer loyalty respectively, suggesting a large and medium predictive relevance of the structural model.

Table 5: Model Predictive Relevance

Variable	Q²predict	RMSE		PLS minus LM	R2	Q2
		PLS-SEM	**LM**			
CD1	0.432	0.711	0.723	-0.012		
CD2	0.509	0.636	0.652	-0.016		
CD3	0.406	0.702	0.700	0.002		
CD4	0.48	0.626	0.652	-0.026		
CD5	0.398	0.756	0.772	-0.016	0.654	0.645
LT1	0.317	0.639	0.644	-0.005		
LT2	0.348	0.642	0.647	-0.005		
LT3	0.291	0.706	0.722	-0.016		
LT4	0.37	0.662	0.659	0.003		
LT5	0.312	0.653	0.649	0.004	0.406	0.433

Note: The negative value of PLS minus LM means lower prediction errors in terms of RMSE

To further out-of-sample predictive ability, this study employed PLSpredict assessment with ten folds. PLSpredict is recommended for evaluating the predictive power of the structural model. In this method, the PLS-SEM Root Mean Squared Error (RMSE) is compared with the RSMR from the linear regression model (LM) when the distribution of prediction errors is symmetric. The results demonstrate high out-of-sample predictive relevance, with the majority of indicators exhibiting PLS-SEM RMSR values lower than those of LM, and $Q^2_{predict}$ values above zero (Shmueli et al., 2019). These findings underscore the moderate accuracy of the model in predicting the outcome value of new cases. The detailed analysis of R^2 and Q^2 can be found in Table 3.

Hypotheses Test Results

After confirming the quality of the measurement model, the multicollinearity test was subsequently analysed before hypotheses testing (Hair et al., 2019), where the VIF value of 3 or more is a sign of multicollinearity (Hair et al., 2020). This study found no sign of multicollinearity among the independent variables since the highest VIF value reported is 2.299.

Table 3: Hypothesis Test and VIF Results

	Path	VIF	β-coefficient	S.E.	t-values	p-values	Decision
H₁:	SC -> CD	2.151	0.298	0.047	6.349	***	Supported
H₂:	EN -> CD	2.299	0.227	0.052	4.388	***	Supported
H₃:	PS -> CD	2.169	0.170	0.045	3.804	***	Supported
H₄:	TS -> CD	2.069	0.255	0.051	5.023	***	Supported
H₅	CD->LT	1.000	0.637	0.046	13.757	***	Supported

*Notes: *** p-value < .001, SE (Standard Error)*

Subsequently, a structural model analysis was conducted for hypotheses testing using a bootstrapping procedure with 5,000 sub-samples. H1 to H4 hypothesised a positive relationship between sociality, enjoyment, problem-solving, and transaction speed on customer delight respectively and H5 customer delight on customer loyalty. The results shown in Table 3 reveal a significant positive influence of sociality (H₁: β = 0.298, S.E = 0.047, t = 6.349, p < 0.005), enjoyment (H₂: β = 0.227, S.E = 0.052, t = 4.388, p < 0.005), problem-solving (H₃: β = 0.170, S.E = 0.045, t = 3.809, p < 0.005), and transaction speed (H₄: β = 0.255, S.E = 0.051, t = 5.023, p < 0.005) on customer delight. Furthermore, customer delight exhibited a significant positive influence on customer loyalty (H₅: β = 0.637, S.E = 0.046, t = 14.757). Therefore, all hypotheses (H1-5) were supported, underscoring the significant positive impacts of sociality, enjoyment, problem-solving, and transaction speed on customer delight, which in turn positively influenced customer loyalty..

Discussion of the Results

The findings of this study underline the significance of various dimensions of customer delight in online banking and their influence on customer loyalty. All proposed relationships (H1-5) were deemed significant and integral to the study, indicating that problem-solving, transaction speed, enjoyment, and sociality among retail banking customers positively impact customer delight, which in turn has a significant positive effect on customer loyalty. These results align with prior research across different service industries (Arcand et al., 2017; Pereira Filho and Añez, 2021; Rejman Petrović et al., 2022; Svotwa et al., 2023). Notably, the four

dimensions of customer delight exhibited strong predictive strength (e.g., R2=0.654 and Q2=0.645) for both in-sample and out-of-sample prediction, suggesting that achieving customer delight in the online banking landscape necessitates the simultaneous application of these variables.

Sociality, characterised by features fostering social interactions and community engagement within online banking platforms, emerges as a pivotal factor in enhancing customer delight. This dimension showed higher strength in terms of its beta coefficient in explaining customer delight compared to other variables, indicating its paramount importance for banks aiming to delight customers and improve relations. Studies reveal that social connections and peer networks significantly shape consumer behaviour (Arcand et al., 2017; Petrović et al., 2022), particularly in regions where communal ties hold cultural significance. The strong effect of sociality aligns with Tanzania's communal culture, where social interactions are highly valued. This suggests that online banking platforms fostering community engagement may see heightened customer delight in similar collectivist societies. Integrating sociality features such as online forums and live chat platforms can elevate user engagement and foster a sense of belonging. However, the efficacy of these features hinges on cultural norms, privacy concerns, and levels of trust in online interactions, necessitating thoughtful integration by banks to align with local socio-cultural dynamics and user preferences.

While problem-solving is essential for customer satisfaction (Chumpitaz and Paparoidamis, 2020), it showed the least significant influence on consumer delight in this study. This may be due to its association with fulfilling basic obligations, which might diminish its perceived impact on delight. Nonetheless, effective problem-solving is essential since lack of it can negatively affect consumer confidence in the banking relationship. Although problem-solving may not contribute to delight to the same extent as sociality, enjoyment, or transaction speed, its role as a foundation for customer trust and loyalty cannot be overlooked. Thus, banks must continuously refine their problem-solving skills, especially in markets where specialized challenges like technological barriers or regulatory complexities are common.

Optimising transaction speed and reliability is crucial in online banking, particularly in regions with underdeveloped digital infrastructure, to meet user expectations and build trust. Rapid and dependable transactions not only fulfil customer demands but also exceed expectations, especially in areas with limited digital access. Transaction speed significantly enhances customer delight by streamlining financial interactions and reducing the time and effort required for banking activities. In regions with less developed digital infrastructure, efficient transaction speed serves as a testament to the bank's commitment to accessibility and reliability, reinforcing customer delight and loyalty. Therefore, investments in robust digital infrastructure and technological innovations are essential to enhance transactional efficiency, thereby strengthening customer delight, loyalty, and competitive advantage in the online banking sector.

Conclusion

This study represents a pioneering endeavour in the realm of online banking within the Tanzanian context. The findings offer significant theoretical and practical insights into the interplay between transaction speed, problem-solving, enjoyment, and sociality as drivers of customer delight, as well as their influence on customer loyalty. By focusing on a market characterized by rapid digital transformation yet limited empirical research, this study fills a

critical gap in the understanding of customer experiences in online banking within a developing economy. The study's results highlight that customer delight is a multidimensional construct significantly influenced by the cognitive dimensions of transaction speed and problem-solving, and the affective dimensions of enjoyment and sociality. Among these, sociality emerged as the most influential factor, underscoring the importance of fostering meaningful customer engagement and interactions in digital banking environments. Furthermore, the findings confirm that customer delight exerts a significant positive influence of customer loyalty. The research extends the application of the Theory of Customer Delight by situating it within the context of online banking in Tanzania. This theoretical integration advances the discourse on customer retention strategies by emphasizing the strategic importance of cultivating delight as a pathway to create loyalty, thereby reduce customer attrition. Unlike traditional customer satisfaction models, which primarily focus on meeting expectations, this study underscores the transformative potential of exceeding expectations through a comprehensive approach to service delivery.

Generally, this study contributes to existing literature by validating the theory of customer delight in a developing economy's online banking sector, exploring both cognitive and affective dimensions within the context of Tanzania. By expanding on he theory of customer delight, this study has demonstrating that cognitive factors such as transaction speed, are equally important as affective factors, such as enjoyment, within online banking. Moreover, by investigating their influence on customer delight, this research has ventured into uncharted territory, offering novel insights into the dynamics of customer delight in the digital banking landscape. Continuous adaptation and innovation in the dimensions of customer delight are necessary to meet evolving customer demands. By integrating cognitive and affective antecedents, including social interactions, enjoyment, efficient problem-solving, and transaction speed, this research advances our understanding of customer delight dynamics in Tanzania's online banking industry.

On practical implications, this research underscores the pivotal role of customer delight in fostering customer loyalty, emphasizing the strategic importance of prioritizing customer delight initiatives within banking institutions. One of the key findings highlights the significant influence of enjoyment in driving customer delight, suggesting that banks should focus on enhancing the enjoyable aspects of their online banking services. To achieve this, it is essential for banks to invest in continuous innovation, adopt user-centered design principles, and actively incorporate customer feedback into platform development. By understanding and tailoring features that contribute to enjoyment, banks can create delightful experiences that encourage increased usage, satisfaction, and long-term retention.

Moreover, the study emphasizes the importance of customer engagement and social interactions in delivering delightful user experiences. Banks are encouraged to invest in robust online community platforms that foster interaction and engagement among customers. Incorporating social features such as live chats, discussion forums, and social media integration can create a sense of community and belonging, significantly contributing to customer delight. Furthermore, offering multiple channels for interaction, including secure messaging, personalized notifications, and tailored customer support, can deepen customer relationships, enhance engagement, and strengthen loyalty. Prioritizing the integration of social networking tools as part of a broader customer experience strategy will enable banks to maintain a competitive edge in the digital banking landscape.

Effective problem-solving is another critical driver of customer delight. Banks must ensure the efficiency and availability of their customer service departments by equipping support teams with the tools and training necessary to promptly address customer issues. A proactive approach to problem-solving is recommended, where potential issues are identified and resolved before they escalate. Conducting regular research and analysis to anticipate common customer problems and offering preemptive solutions will further enhance customer delight. Continuous training programs for employees will ensure that they are equipped with the skills required to handle inquiries efficiently and effectively.

Finally, transaction speed emerges as a crucial determinant of customer delight. Banks should invest in robust digital infrastructure, advanced internet networking, and innovative technologies to optimize transaction processes. Regular monitoring and optimization of transaction systems will help minimize delays and enhance efficiency, creating a seamless banking experience for customers. By maintaining fast and reliable transactions, banks can leave a lasting positive impression on customers and foster delight. Continuous tracking of performance indicators and the implementation of necessary improvements will ensure that banks meet and exceed evolving customer expectations in an increasingly digital environment.

Despite the significant contributions and novel approach of this study, several limitations warrant acknowledgment. One notable limitation is the use of convenience sampling. While this sampling method was appropriate for generating initial insights, it may not fully capture the diversity of perspectives within Tanzania. Future research should consider employing probability sampling techniques to enhance the representativeness of findings across diverse regions and populations. Additionally, the generalizability of the findings may be constrained due to the study's focus on a specific geographic location and the banking sector. Tanzania's unique sociocultural, economic, and regulatory contexts may influence consumer behavior and perceptions in ways that differ from other regions or industries. Consequently, caution should be exercised when extrapolating the findings to broader settings or different sectors.

This study also opens avenues for future investigations that could deepen our understanding and expand the scope of research in this domain. Although this research represents a significant advancement by integrating both cognitive and affective dimensions of customer delight, there remain unexplored areas that warrant further inquiry. For instance, future studies could explore the role of moderating variables such as technological advancements, demographic characteristics, or cultural factors in influencing the relationship between the independent variables and customer delight.

As the first study of its kind in Tanzania, this research not only advances the theoretical understanding of customer delight but also provides actionable insights for banking institutions seeking to optimize their online banking platforms. By developing user-friendly platforms that enhance enjoyment, facilitate quick problem-solving and transaction efficiency, and promote social interaction, banks can foster stronger relationships with their customers, ensuring loyalty and retention in an increasingly competitive market

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