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***THE ROLE OF MANAGEMENT INFORMATION SYSTEMS IN
ENHANCING CUSTOMER SATISFACTION IN PAKISTANI
BANKS***



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Abstract

This study examines the role of Management Information Systems (MIS) in enhancing customer satisfaction and customer loyalty in Pakistani banks. The research responds to the growing dependence of banks on digital, transaction-processing and information systems, particularly mobile banking, online banking, ATM networks, customer relationship management platforms and internal reporting systems. To avoid conceptual ambiguity, MIS is treated in this study as the integrated organisational information layer that uses data generated through transaction-processing systems (TPS) and customer-facing digital channels to support service delivery, control, security, responsiveness and customer-related decision-making.

A quantitative explanatory research design was adopted. Primary data were collected through a structured questionnaire from 1,000 customers of Pakistani banks who had experience of technology-enabled banking services. The study measured service quality, security and trust, personalisation, customer satisfaction and customer loyalty. The data were analysed through descriptive statistics, reliability and validity testing, multiple regression and Structural Equation Modelling (SEM) using SPSS and AMOS.

The findings show that the measurement instrument was reliable, with Cronbach's alpha values ranging from 0.79 to 0.91. Descriptive results indicate generally positive customer perceptions of service quality, digital platform usability, data protection and overall satisfaction. Regression analysis confirms that service quality ($\beta = 0.42$, $p < 0.001$), security and trust ($\beta = 0.38$, $p < 0.001$) and personalisation ($\beta = 0.25$, $p < 0.001$) significantly influence customer satisfaction. SEM results further support the model, with strong model fit indicators ($\chi^2/df = 2.45$, RMSEA = 0.054, CFI = 0.96, TLI = 0.95 and GFI = 0.92). Customer satisfaction also has a strong effect on customer loyalty ($\beta = 0.72$, $p < 0.001$), showing that MIS-enabled service improvements translate into stronger retention intentions.

The study infers that quality, reliability, security and personalisation of banking services offered through MIS in banks of Pakistan needs to be enhanced to ensure that customer satisfaction and loyalty is enhanced. It is of particular significance to the bank managers, MIS departments, digital banking team, customer experience managers and policy makers who want to enhance the relationship with their customers in the rapidly digital banking landscape in Pakistan.

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List of Abbreviations

AMOS - Analysis of Moment Structures

AVE - Average Variance Extracted

CFI - Comparative Fit Index

CRM - Customer Relationship Management

GFI - Goodness of Fit Index

MIS - Management Information System

RMSEA - Root Mean Square Error of Approximation

SEM - Structural Equation Modelling

SPSS - Statistical Package for the Social Sciences

TLI - Tucker-Lewis Index

TPS - Transaction Processing System