

Ensuring Customer Satisfaction in Banking Sector through Service Quality – A Study with Reference to Select Branches of State Bank of India

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Abstract: The banking industries are facing a rapidly changing market, new technologies, economic uncertainties, increasing competition, and especially more demanding customers. The income and business growth of the banks depends on loyal and satisfied customers. As a result, in today's competitive environment, banks are continuously trying to retain their existing customer and attract new customers by providing better quality services. The objectives of the study are (i) to understand the concept of service quality and customer satisfaction, and to examine the relationship between them and (ii) to appraise the level of service quality and customer satisfaction in select branches of State Bank of India. Primary data have been collected through a structured questionnaire by direct interacting with 110 banking customers of SBI from different areas of Burdwan district. Bar chart, cross tabulation, Chi-square test, etc. have been used for interpreting the data. The study found that the service quality of SBI bank is not so satisfactory in Burdwan district. The study suggests that the banks should increase their number of ATMs, cash counting machines, and number of front desk employees to improve their quality of services.

Key-words: Service Quality, State Bank of India, SERVQUAL Model, Tangibility, Reliability.

1. Introduction

Banking, an important segment of the service sector, plays a very crucial role in the economic development of every country. In these days of intense competition, the banks are very particular in identifying the needs of their customer and how effectively that can be met. They continuously struggle and develop new strategies to differentiate themselves from their competitors by providing their customers with high quality banking services and high technology innovative products.

Although, banking sector of India has been improved gradually for the last two decades. But it is also facing lot of challenges and difficulties such as, increasing customer's demand and awareness, increasing competition, growing population, etc. Beside these, another important challenge that the sector is facing is technological changes. As the sector is growing fast, a number of new private banks have emerged. Therefore customers are getting many options for selecting their suitable financial service provider. Due to increasing customer awareness, they would select those particular banks that can provide standard services and fulfill their expectation. In the Indian scenario, where all banks offer almost similar products and services, need based efficient customer service and the service quality can differentiate a bank.

So, to ensure customer satisfaction the banks have to improve their service quality, as service quality and customer satisfaction are interrelated to each other. It means if banks provide service as per customer's expectation then only the customers will be satisfied. As a result, to cope up this changing market condition banks have to retain old customers and have to attract new customers by providing better quality of services.

2. Review of Literature

Several studies have been conducted by the academicians and researchers on different aspects of service quality and customer satisfaction of banking sector. Few of them are summarized below:

Oppewal and Vriens (2000) used SERVQUAL model to find out the dimension which yield maximum improvement in bank's utility among different dimension such as different service attributes, strategically important service dimensions, and overall preference for banks or banking products. Chinwuba (2013) measured the customer perceived service quality and their

satisfaction level by using SERVQUAL model through the help of 117 respondents. They found that assurance, empathy and responsiveness dimensions have positive relationship between them and no significant effect on customer satisfaction and there was a negative relationship and no significant impact between reliability and customer satisfaction. But the dimension tangibility has significant positive relationship with customer satisfaction.

Sheetal et.al (2004) attempted to examine the role of nature of service in knowing the order of importance of service quality dimension and found out that tangibility is least important and empathy is second least important in banking service marketing. Agarwal (2009) observed that the customers are influenced in their usage of e-banking services by the kind of account they hold, age, profession, etc. The study clearly emphasizes the need for banks to understand that the financial products and services supplied over the Internet must not only be tailored to fulfill wants, preferences, security and quality expectations of customers at the present time, but also be required to induce customers to demand and use e-banking on a wider scale in the future. Siddiq (2011) attempted to identify the interrelationships and critical factors between service quality, customer satisfaction and customer loyalty in retail banking sector in Bangladesh. He found that all the service quality attributes are positively related to customer satisfaction and customer loyalty in the retail banking sector. Empathy demonstrates the highest positive correlation with customer satisfaction and tangibility shows the least positive correlation with customer satisfaction. Jani (2012) identified relative important factors affecting the areas of strength and weaknesses of public and private sector banks in terms of different technologies offered to customers and future growth of e-channels in retail banking. The result revealed that use of technology inferred a positive perception of customers of public sector and private sector banks. Vasantha and Rani (2011) have analyzed the practicality of determining the retail service quality opinions and its effect on demographic aspects in Bangalore city. Findings of this study delivered guidelines regarding enhancement of service offerings by various organizations and effort to provide a primary understanding on the direction of the customer's opinion about the service quality in retail banking.

Haidar and Islam (2011) determined the importance of perceived service quality factors of private commercial banks (PCB) in Bangladesh. Sample size of this study was 300. The results revealed that tangibility is the most important factor in determining the service quality followed

by reliability, empathy, accessibility and assurance. Rahaman et al. (2011) conducted the study on Bangladesh to measure service quality of PCBs on expectation and perception of customers regarding the services on diverse five dimensions. Authors concluded that three factors were responsible in determining service quality gaps viz. reliability, responsiveness, and assurance. The results revealed that the gap existed between perceived services and customers' expectation in PCBs which implies that customers were not satisfied with the services provided by private sector banks.

Shanka (2012) made an on working mechanism of private banks on Ethiopia. By using SERVQUAL model, author found out that empathy and responsiveness play a important role in customer satisfaction level and the author also concluded that providing excellent service increases the customer satisfaction and customer loyalty. Muyeed (2012) conducted a study in Bangladesh to examine the service quality in retail banking by taken the sample size 250 respondents of public and private sector banks. The author found that customers are highly satisfied in prompt and accuracy in transaction but less satisfied in the service of modern equipment of the bank. Mary (2014) conducted a study in Chennai city and the study found out that the customers in private sector banks are more satisfied than customers of public sector banks. There exists a strong relationship between expectation level of the customer and level of satisfaction and customer loyalty in banking sector.

3. Objectives of the study

The main objectives of the study are as follows:

- To understand the concept of customer satisfaction and service quality, and to examine the relationship between them.
- To appraise the level of service quality in select branches of State Bank of India.

4. Database and methodology

Database

The study is both *exploratory* and *empirical* in nature. The explorative part of the study is based on the existing literature on the subject including books, journal, articles, etc. The empirical analysis in the study has been done on the basis of primary data which have been collected through field survey as mentioned below.

Methodology

For appraisal of service qualities and customers satisfaction in the banks, SBI bank has been selected as it is the largest public sector bank in India. Three semi-urban branches of SBI bank from different area of Burdwan district have been considered for collection of primary data on the basis of convenient sampling method. The selected branches of SBI are; CAC Burnpur Branch, Rupnarayanpur Branch and Niyamatpur Branch.

The information related to quality of services has been collected through a structured questionnaire by direct interaction with 110 customers of SBI bank from the three selected semi-urban branches. The questionnaire is based on SERVQUAL Model which was developed by Zeithmal, Parsuraman and Berry in the year of 1988. For appraising the service quality of the selected banks, five parameters of service quality have been used from this model. The parameters are; tangibility, reliability, responsiveness, assurance and empathy. Simple percentage, cross tabulation, bar charts, pie charts and Chi Square tests have been used to present and interpret the data.

5. Customer Satisfaction

The dictionary meaning of ‘customer’ is a person who buys goods and services. So, customer services involve three entities i.e., seller, buyer and goods/services. Customer service is, therefore, encapsulation of all these entities for the mutual benefits so as to increase the value of all the participants in the process of buying and selling.

As per Reserve Bank of India’s (RBI) definition, the customer of a bank may include:

- A person or entity that maintains an account and/or has a business relationship with a bank;
- One on whose behalf the account is maintained (i.e. the beneficial owner);
- Beneficiaries of transactions conducted by professional intermediaries, such as, stock brokers, Chartered Accountants, solicitors, etc., and
- Any person or entity concerned with a financial transaction, which can pose significant reputational or other risk to the bank, e.g., issue of a high value demand draft as a single transaction.

The Talwar Committee (1977) deserved that the main purpose of banking is “to create and deliver customer – needed services in a customer satisfying manner”. This implies that there are two elements that are required for the banking services, viz., creating and delivering services.

While creation indicates the creation/introduction of new technology in services, carrying out these services effectively constitutes the delivering of services. These two elements greatly determine the level of satisfaction of the customers.

According to *Kotler and Keller (2009)*, “customer satisfaction is a person’s feeling of pleasure or disappointment resulting from comparing a products perceived performance in relation to his or her expectation.” Rao (2008) draws the basic formula of customer satisfaction,

Customer satisfaction = Customer perception of the service received - Customer expectation of service.

In this way it is easy to generalize that if the perception of the service received exceeds the expectation of the service, customer’s satisfaction will be positive. On the other hand if the perception of the service received is less than the level of expectation of the service, it would lead to customer dissatisfaction. But customer satisfaction is highly effected by the other factors like experience, purchase decision, service provider, price, etc. There is a substantial body of empirical literature that establishes the benefits of customer satisfaction for firms. It is well established that satisfied customers are key to long-term business success. Companies that have a more satisfied customer base also experience higher economic returns. Consequently, higher customer satisfaction leads to greater customer loyalty; which in turn leads to higher future revenue.

Indian banking industries is facing various kind of ups and downs in the current scenario. There are some specific reasons like lowering of entry barriers, increasing product line of banks and non-banks, etc. Since the financial reforms, bank are also facing huge competitive pressure therefore it is inevitable for the banks to maintain loyal customers based, besides banks are trying to make strategies towards customers satisfaction and loyalty through improved service quality to achieve and improve their marker and profit position.

6. Service Quality and its Different Models

A service is an act or performance offered by one party to another. They are economic activities that create value and provide benefits for customers at specific times and places as a result bringing desired change. It can be said that service is a transaction where no physical goods are transferred. Service quality means a form of an attitude, related but not equivalent to satisfaction that results from the comparison of expectation with performance. The customers generally use

certain criteria to evaluate service quality by examining reliability, responsiveness, assurance, empathy and physical aspects. The aim of providing quality services is to satisfy customers. Measuring service quality is a better way to dictate whether the services are good or bad and whether the customers will or are satisfied with it.

According to business dictionary “Service quality means an assessment of how well a delivered service conforms to their client’s expectation”. Reeves and Bednar (1994) defined service quality as excellence, value, conformance to specifications and meeting or exceeding customers’ expectations. Service quality is defined as the degree of discrepancy between customers’ normative expectations for service and their perceptions of service performance (Parasuraman et al., 1985). Customer always wants good services from their service provider. But from above definition we can say that delivered service will become as the quality service if it meets the customer expectation. But customer expectation depends on his perception which varies from person to person. So service quality is a comparison between perceived expectation of a service and perceived performance of a service. As per Parasuraman, Zeithmal and Berry (1985) the service quality may be expressed as:

$$\textit{Service quality} = \textit{Perception} - \textit{Expectation}$$

Therefore if the customer gets same services as they expect then difference will be zero, we can say service quality is very good. If the customer does not get the expected services then service quality is bad. Customer perception depends on various factors like age, gender, occupation, technological changes, etc. which again influence the service quality.

Service Quality Models

Numbers of service quality model have been developed by different researchers around the world like Gronroos model, GAP Model, Attribute Service Quality Model (Haywood-Farmer, 1988), Alignment Model (Berkley and Gupta 1994), SERVPERF Model, and SERVQUAL Model. Among these SERVQUAL model is one of the popular model that has been used globally for measuring service quality of different institutions including banking sector. In this study we have applied SERVQUAL model for measuring the service quality and customer satisfaction among the selected customers of State Bank of India.

SERVQUAL is a well-known multidimensional research instrument for measuring and evaluating service quality in any service sector. This model perfectly covers the dimensions that

are considered by a customer in evaluating quality of service in a service sector. The objective of this survey instrument is to determine the value that the service sector is currently delivering to the customers and the value that the customer expects. The SERVQUAL model of measuring the scale of quality in service was developed by Valerie Zeithaml, Parasuraman and Len Berry in 1985. In this method data are collected via surveys of a sample of customer. In these surveys the customer responds to series of questions based around a number of key service dimensions. The methodology was originally based around 5 key dimensions. The questionnaire consists of matched pairs of items; 22 expectation items and 22 perceptions items, organized into five dimensions which are believed to align with the consumer's mental map of service quality dimension. The 5 dimensions that are used in this model are:

- **Reliability:** The ability to perform the promised service dependably and accurately.
- **Assurance:** The knowledge and courtesy of employees and their ability to convey trust and confidence.
- **Tangibles:** The appearance of physical facilities, equipment, personnel and communication materials.
- **Empathy:** The provision of caring, individualized attention to customers.
- **Responsiveness:** The willingness to help customers and to provide prompt service.

7. Relation between Customer Satisfaction and Service Quality

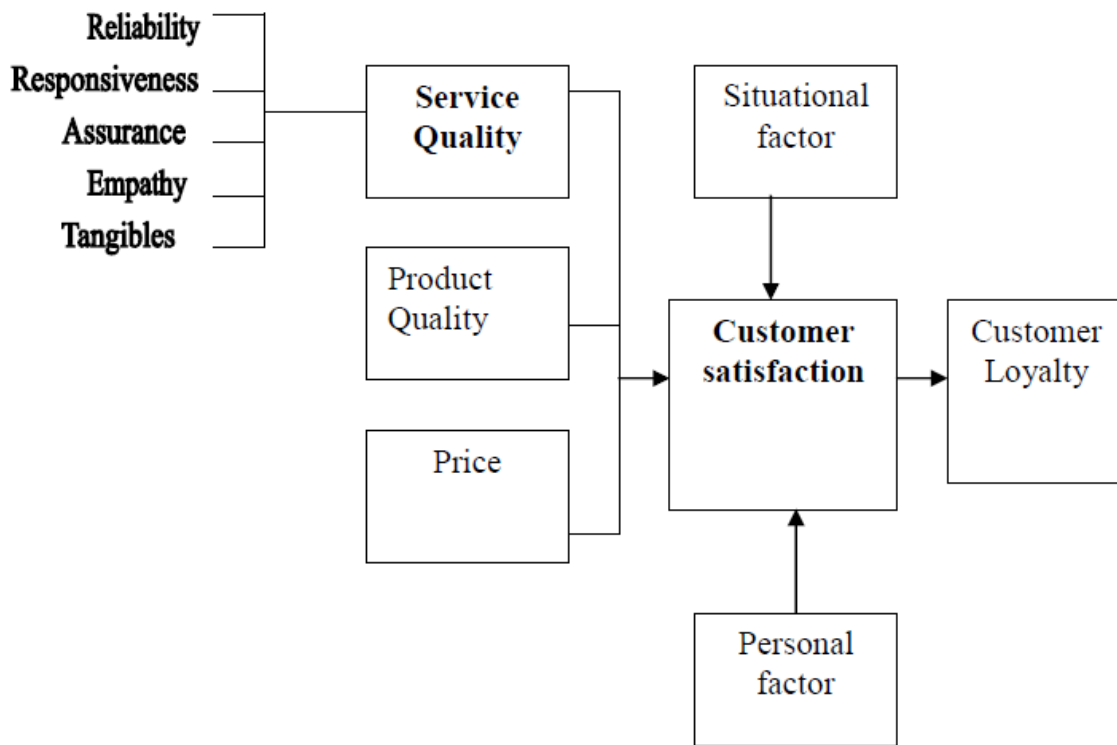
Customer satisfaction and service quality are inter-related. The higher the service quality, the higher is the customer satisfaction. Many agree that in the banking sector, there are no recognized standard scales to measure the perceived quality of a bank service. Thus, competitive advantage through high quality service is an increasingly important weapon to survive. As a process in time, service quality takes place before, and leads to overall customer satisfaction. Service quality has been found to be an important input to customer satisfaction.

Service quality is one of the important areas of business especially for service industries like bank to retain their customer and to attract new one. Poor customer service could cause a banking business loss of millions of dollars and also 'its credibility'. Good customer service and service quality is what attracts people to a business. When customers are pleased they become long-term assets of the bank. Building strong customer relations can tie a customer and a business together. When customers are satisfied they feel well treated and are willing to treat the

business well. Perfect and smiley customer service definitely improves customer satisfaction. From the customer's perspective service quality significantly influence customer satisfaction and customer satisfaction has direct influences on purchase intentions.

Some researchers have found empirical supports for the view of the point mentioned above; where customer satisfaction came as a result of service quality. As said by Wilson et al. (2008), service quality is a focused evaluation that reflects the customer's perception of reliability, assurance, responsiveness, empathy and tangibility while satisfaction is more inclusive and it is influenced by perceptions of service quality, product price and quality, also situational factors and personal factors. The relationship between service quality and customer satisfaction is becoming crucial with the increased level of awareness among bank customers.

Exhibit 1: Customer perception of quality and customer satisfaction



(Source: Wilson et al., 2008)

8. Appraisal of Service Quality and Customer Satisfaction in SBI Bank

In this section for appraising the service quality, three branches of SBI bank have been considered from semi-urban areas of Burdwan district. The information related to quality of services has been collected through direct interview with the 110 customers of SBI by filling up the questionnaire.

8.1. Demographic Profile of the Respondent

The demographic profile of the respondents are summarized below:

a. Branch wise distribution of the Customers

The Table 1 in below shows that 45.50% respondents are from Rupnarayanpur branch, 32.70% are from CAC Burpur branch and remaining from Niyamatpur branch.

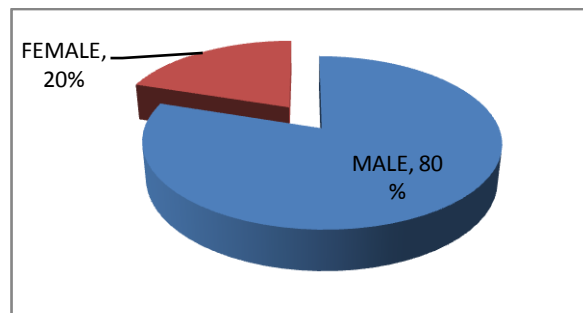
Table 1

SBI BANK- NAME OF THE BRANCH	NO. OF CUSTOMER	PERCENTAGE
CAC Burnpur branch	36	32.70%
Rupnarayanpur branch	50	45.50%
Niyamatpur branch	24	21.80%
Total	110	100%

(Source: Field survey by the Researcher)

b. Gender of the Respondents

Exhibit 2: Gender wise distribution of the customers

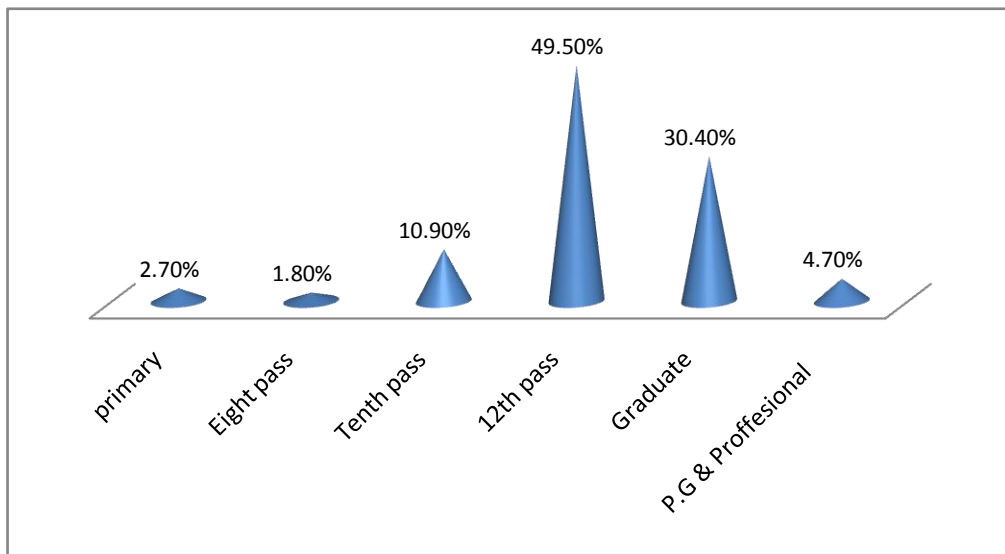


(Source: Field survey by the Researcher)

Exhibit (2) indicates that for SBI bank (80%) most of the respondents are male.

c. Educational qualification of the Respondents

Exhibit 3: Educational qualification of the Respondents

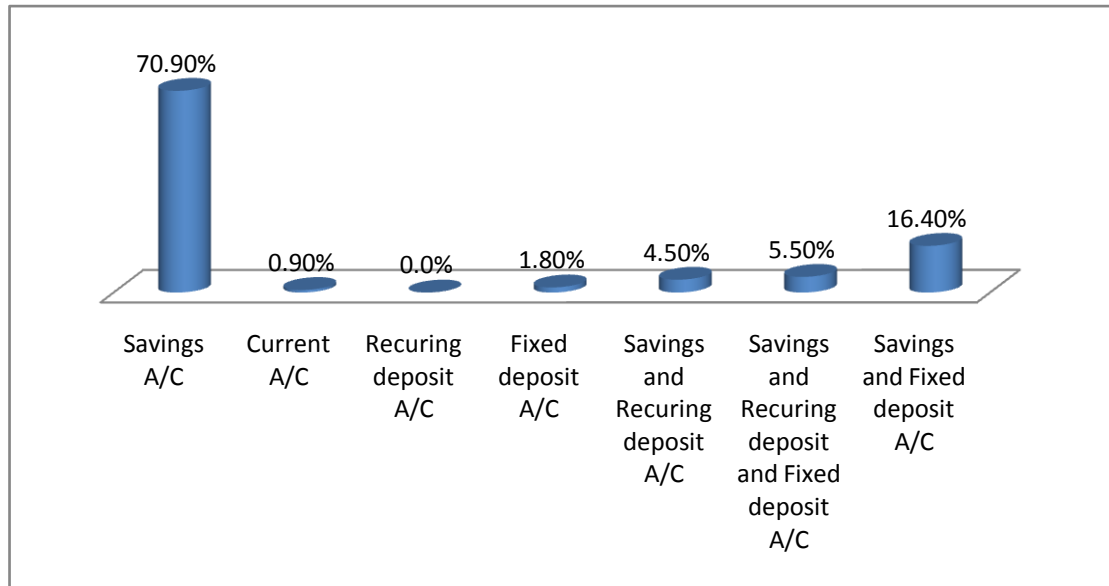


(Source: Field survey by the Researcher)

Exhibit (3) shows that most of the customers are '12 th' pass (49.50%) and 'graduate' (30.40%), and few are 'primary level educated' and 'eight pass' and Post Graduate (PG) and Professional.

e. Type of account selected by the Respondents

Exhibit 4: Type of account selected by the customers



(Source: Field survey by the Researcher)

From the above Exhibit (4) it can be said that most of the respondents (70.90%) have only Savings Account with SBI and very few of them have Current Account (0.90%) and Fixed Deposit Account (1.80%). 16.40% of the respondents have both Saving and Fixed deposit Account.

8.2. Analysis of the Service Quality and Customer Satisfaction by using SERVQUAL Model

In this section, we have analysed the primary data collected from 110 customers of three branches of SBI bank through questionnaire designed on the basis of the five parameters of SERVQUAL model. We have collected the customer's feedback in five point likert scale regarding their satisfaction level out of the services provided by SBI to examine the customer's satisfaction in regards to the quality of services. Chi-Square tests have been done to compare between the desired level and perceived level of satisfaction of the respondents regarding the five parameters. The findings of the analysis have been summarized below:

a) Tangibility

For collecting the information regarding the ‘Tangibility’ or physical infrastructure of the bank eleven (11) sub-parameters or questions were set up. The findings are as follows:

(i) Sub-parameter - 1: Availability of sufficient number of counter in the Banks

Availability of sufficient numbers of counters in the banks is an important factor of service quality. A Chi-Square test has been done to examine whether there is any significant difference between the desired level and perceived level of the customers regarding the availability of sufficient number of counters in the banks.

Chi Square test

Hypothesis -1

Ho – There is no significant difference between desired level and perceived level regarding sufficient number of counter available in the branches.

H1 – There is a significant difference between desired level and perceived level regarding sufficient number of counter available in the branches.

Table 3 and 4 describe the table of cross tabulation test and Chi-Square test result.

Table 3 : Cross tabulation table of desired level and perceived level of Sufficient number of counter available in the branches

					Desired tangibility		Total
					Sufficient number counter available		
Name of the Bank					Highly satisfied	Satisfied	
SBI	Perceived tangibility	Highly	Count	27	2	29	
		Satisfied	% of Total	24.5%	1.8%	26.4%	
	Sufficient number counter available	Satisfied	Count	34	12	46	
			% of Total	30.9%	10.9%	41.8%	
		Not Decided	Count	16	7	23	

	% of Total	14.5%	6.4%	20.9%
Dissatisfied	Count	10	2	12
	% of Total	9.1%	1.8%	10.9%
Total	Count	87	23	110
	% of Total	79.1%	20.9%	100.0%

Table 4 : Chi-Square Tests

Name of the Bank		Value	df	Asymp. Sig. (2-sided)
SBI	Pearson Chi-Square	5.582 ^a	3	.134
	Likelihood Ratio	6.364	3	.095
	Linear-by-Linear Association	1.693	1	.193
	N of Valid Cases	110		

In the above table 4, for SBI, Pearson Chi-Square value is 0.134, which is greater than 0.05 at 5% level of significance. So, we accept the Null Hypothesis (Ho). Now we can say that for SBI there is no significant difference between the desired level and perceived level regarding sufficient number of counter available in the branches. Hence, we may conclude that SBI bank has sufficient number of counter available for providing smooth services to the customer and the bank has met the customer's expectation level.

In the same way, we have done Chi-Square tests for the other ten (10) sub-parameters of 'Tangibility'. The findings of the Ch-Square test of all the eleven (11) sub-parameters are summarized in the following table

Table 5: Summary Table of the Chi Square tests of the parameter 'Tangibility'

<i>Sl no.</i>	<i>Hypothesis</i>	<i>P value</i>	<i>Remarks</i>
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1	Ho= There is no significant difference between desired level and perceived level relating to sufficient number of counter available in the bank.	0.134	Ho accepted
2	Ho= There is no significant difference between desired level and perceived level regarding availability of cash depository machine in the branch.	0.496	Ho accepted
3	Ho = There is no significant difference between desired level and perceived level relating to sufficient number cash counting machine.	0.014	Ho rejected
4	Ho = There is no significant difference between desired level and perceived level relating to sufficient number of ATM machine in the bank.	0.121	Ho accepted
5	Ho = There is no significant difference between desired level and perceived level relating to sufficient space to serve customer with reasonable comfort in the branch of this bank.	0.015	Ho rejected
6	Ho = There is no significant difference between desired level and perceived level relating to availability of bank slip, Challan and pamphlets.	0.000	Ho rejected
7	Ho= There is no significant difference between desired level and perceived level relating to adequate staff at the bank to meet customer requirements in the bank	0.024	Ho rejected
8	Ho = There is no significant difference between desired level and perceived level relating to bank has sufficient passbook up to date machine.	0.117	Ho accepted

9	Ho= There is no significant difference between desired level and perceived level parking facilities in the bank premises.	0.13	Ho accepted
10	Ho = There is no significant difference between desired level and perceived level relating to seating facilities, drinking water and toilet facilities are convenient.	0.357	Ho accepted
11	H0= There is no significance difference between desired level and perceived level relating to E-corner facilities in the bank.	0.137	Ho accepted

(Source: Compiled by Researcher)

Table 6: Consolidated result of the Chi-Square tests for Tangibility

SBI Bank	
Accept	7
Reject	4
Total	11

(Source: Compiled by Researcher)

The above table (6) shows that regarding tangibility, seven (7) hypotheses have been accepted and four (4) hypotheses have been rejected. The acceptance of the hypothesis means that there is no significant difference between the desired level and perceived level among the customers regarding any particular service. That means, the customers are satisfied with the services if the hypothesis are accepted and vice-versa. Again, rejection of hypothesis means that there is a significant difference between the desired level and perceived level among the customer i.e. the customers are not getting the expected services regarding this parameter of '*Tangibility*'.

a) Reliability

As the same way, we have also done Chi-Square tests for the seven (7) sub-parameters of 'Reliability' also and got the findings which are summarized in the following table:

Table 7: Summary Table of the Chi Square tests of the parameter ‘Reliability’

<i>Sl.no</i>	<i>Hypothesis</i>	<i>P value</i>	<i>Remarks</i>
1	Ho= There is no significance difference between desired level and perceived level relating to bank renders service as promised.	0.215	Ho accepted
2	Ho = There is no significance difference between desired level and perceived level relating to standard time taken to process transaction .	0.004	Ho rejected
3	Ho = There is no significance difference between desired level and perceived level relating to staffs are sincere in solving customer problems.	0.483	Ho accepted
4	Ho= There is no significance difference between desired level and perceived level relating to level of services are same at all times of day .	0.035	Ho rejected
5	Ho= There is no significance difference between desired level and perceived level relating to accurate information are provide on website.	0.000	Ho rejected
6	Ho = There is no significance difference between desired level and perceived level relating to banks insist error free records.	0.082	Ho rejected

7	Ho = There is no significance difference between desired level and perceived level relating to customers can feel a sense of security during the transaction process.	0.000	Ho rejected
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(Source : Compiled by the Researcher)

Table 8: Consolidated result of the Chi-Square tests for Reliability

SBI Bank	
Accept	2
Reject	5
Total	7

(Source : Compiled by the Researcher)

The above table (8) shows that for SBI, two (2) hypotheses have been accepted and five (5) hypotheses have been rejected and for all rejected hypothesis, desire level of the customer is greater than the perceived level regarding the parameter ‘Reliability’.

c. Responsiveness

In this case, we have also selected six (6) Sub parameter and also have done Chi-Square tests for that of ‘Responsiveness’ and got the findings which are summarized in the following table.

Table 9: Summary Table of the Chi Square test of the parameter ‘Responsiveness’

<i>sl.no</i>	<i>Hypothesis</i>	<i>P value</i>	<i>Remarks</i>
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1	Ho = There is no significance difference between desired level and perceived level relating to your request are handle promptly.	0.003	Ho rejected
2	Ho= There is no significance difference between desired level and perceived level relating to bank alerts the customer after their every transaction through SMS promptly.	0.001	Ho rejected
3	Ho= There is no significance difference between desired level and perceived level relating to response in case of emergency and seriousness.	0.434	Ho accepted
4	Ho = There is no significance difference between desired level and perceived level relating to bank delivers the information and product at proper time.	0.0183	Ho rejected
5	Ho= There is no significance difference between desired level and perceived level relating to banks performs the services right the first time.	0.011	Ho rejected
6	Ho = There is no significance difference between desired level and perceived level relating to sincerity of bank staff to answer when you have doubts and queries.	0.025	Ho rejected

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(Source : Compiled by the Researcher)

Table 10: Consolidated result of Responsiveness

SBI Bank	
Accept	1
Reject	5
Total	6

The above table (10) shows that for the bank SBI one (1) hypothesis have been accepted and five (5) hypothesis have been rejected and as same way all five hypothesis are rejected. It means SBI have not been able to satisfy the customers regarding the parameter Responsiveness.

d. Assurance

For the parameter Assurance four (4) sub parameter or questions were setup and we have done Chi-Square tests on that. The findings of the Ch-Square test are summarized in the following table.

Table 11: Summary Table of the Chi Square test of the parameter ‘Assurance’

<i>sl.no</i>	<i>Hypothesis</i>	<i>P value</i>	<i>Remarks</i>
1	Ho= There is no significant difference between desired level and perceived level employee of the bank have knowledge to answer customer’s questions.	0.034	Ho rejected
2	Ho = There is no significant difference between desired level and perceived level relating to staff behavior with customers are polite and friendly.	0.026	Ho rejected

3	Ho = There is no significant difference between desired level and perceived level relating to employees are always willing to help you.	0.013	Ho rejected
4	Ho= There is no significant difference between desired level and perceived level relating to bank can honor their commitment.	0.006	Ho rejected

Table 12: Consolidated result of the parameter ‘Assurance’

SBI Bank	
Accept	0
Reject	4
Total	4

The above table (12) describe that for SBI bank all of the hypothesis have been rejected, it means that SBI have not been able to satisfy the customers of the parameter of ‘Assurance’. So we can say that for the selected branches of SBI, the customers are not getting better quality of service regarding the parameter of ‘Assurance’.

d. Empathy

In the same way, we have also set up and done Chi-Square tests for the five (5) sub-parameters of ‘Empathy’. The findings of the Ch-Square test of all the five (5) sub-parameters are summarized in the following table

Table 13: Summary table of chi square test of the parameter ‘Empathy’

<i>sl.no</i>	<i>Hypothesis</i>	<i>P value</i>	<i>Remarks</i>
1	Ho= There is no significant difference between desired level and perceived level relating to provisions of financial advice.	0.402	Ho accepted

2	Ho= There is no significant difference between desired level and perceived level relating to staffs try to determine what are the clients specific objectives.	0.519	Ho accepted
3	Ho = There is no significant difference between desired level and perceived level relating to helpdesk , call center of bank operate 24 hours.	0.118	Ho accepted
4	Ho = There is no significant difference between desired level and perceived level relating to bank's operating hour are convenient to their customer.	0.107	Ho accepted
5	Ho = There is no significant difference between desired level and perceived level relating to employees give personal attention to their customer .	0.426	Ho accepted

(Source: Compiled by the Researcher)

Table 14: Consolidated result of the parameter 'Empathy'

SBI Bank	
Accept	5
Reject	0
Total	5

The above table (14) indicates that for SBI, all and five (5) hypotheses have been accepted and none (0) of the hypothesis have been rejected. It means that SBI has been able to satisfy the customers for 100% of the sub-parameters (5 out of 5) of 'Empathy'. So we can say that the customers of SBI are highly satisfied with the service quality regarding the parameter 'Empathy'.

9. Conclusion

The study found that in today's competitive environment, service quality plays an important role for the long term sustainability of the banks. As a result, to cope up this changing market condition banks have to retain old customers and have to attract new customers by providing better quality of services. It has been evident from the study that there is a strong relationship between the customer satisfaction and service quality. To ensure customer satisfaction the banks have to improve their service quality as per the customer's expectation. The specific conclusions regarding the five parameters of service quality are as follows:

- (i) The appearance of physical facilities, equipment, personnel and communication materials in relation to '*Tangibility*' are not so strong in SBI Bank to satisfy their customer.
- (ii) Service quality of SBI bank is not so *reliable, accurate, secured and faithful* to satisfying their customers.
- (iii) In case of '*Responsiveness*' service quality of this bank could not meet their customer's expectation level.
- (iv) Regarding '*Assurance*' the feedback of customers of the banks is not good. Lack of assurance has been found for the bank.
- (v) Regarding '*Empathy*', SBI provide excellent services which have increased the customer's satisfaction.

10. Recommendations

Some recommendations are given below for betterment of the services in State Bank of India.

- (i) Now a day's technology is modernizing day by day therefore SBI Bank have to up to date there technology as per modern era, and banks have to install sufficient number of cash counting machine in every branches. The bank should ensure availability of bank slip, challan and pamphlets to serve customers in a better way.
- (ii) The bank should increase its staff to give personal attention to the customers and serve quickly.
- (iii) The bank should ensure that the employees are behaving politely and friendly with the customers.

(iv) There are a huge number of customers in SBI bank. So the bank should increase its number of staff to serve the customers quickly, should improve seating facility to customers and increase the space inside the bank for providing smooth services to the customers.

(v) Better and faster technology, swanky branches and best product/service offering are necessary but not sufficient for customer satisfaction. Hence, there is a need to transform the mindset of the staff through greater knowledge and enhanced communication skills.

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