



A COMPARATIVE STUDY ON SERVICE QUALITY – A STUDY OF SELECTED BANKS

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ABSTRACT:

The present study is conducted to measure the service quality in selected banking sector. Service quality is well known for element for attracting the new customers and also to retain the existing one. Measuring service quality often involves conducting customer surveys, gathering feedback, and using various metrics to assess how well a service meets these dimensions. Service quality refers to the overall assessment of how well a service meets or exceeds customer expectations. It's a precarious concept in the fields of business, customer service, and marketing, as it directly influences customer satisfaction, loyalty, and the success of a service-based business. Service quality can be evaluated based on several dimensions, including: Tangibles, Reliability, Responsiveness, Assurance, Empathy and Perceived values. The present study is taken up to compare the services quality between the Bank of Maharashtra and Punjab and Sind Bank. The responses are collected 50 from each bank. To collect the responses validated questionnaire is used. And to compare the services SERVQUAL gap model is deployed. From the study is concluded that the Bank of Maharashtra observed a service gap in printed materials associated with banking that is lagging in serving the customers' requirements, while for Punjab and Sind Bank, building confidence among the customers is the highest gap observed factor to be focused on. At the outset the customers of Bank of Maharashtra perceived more personal attention by the bank employees than their expectations. While the customers of Punjab and Sind opines that, a bank has the convenient operating hours.

Keywords: SERVQUAL, SERVICE QUALITY, CUSTOMER SATISFACTION.\

1. INTRODUCTION:

Service quality is defined as an evaluation of how well the provided service meets consumer expectations. It is done to evaluate the deviations that are happening while delivering the services to prospective customers. Businesses that succeed expectations are reflected to have high service quality. Service Quality defines the retention supremacy of the company concerning its customers. Customer Retention is the best measure of Service Quality.

Service quality can be evaluated based on several dimensions, including:

1. **Tangibles:** These are the physical and visible aspects of a service, such as the appearance of service facilities, equipment, personnel, and any other physical elements that customers can see and touch. For example, the cleanliness and organization of a restaurant, the appearance of employees, or the condition of a hotel room are all tangible aspects that can influence service quality.
2. **Reliability:** Reliability refers to the ability of a service provider to consistently deliver accurate, dependable, and promised services. Customers expect that the service will be delivered as agreed upon, without any unexpected disruptions or errors. For instance, a reliable courier service should consistently deliver packages on time and in good condition.
3. **Responsiveness:** Responsiveness is the willingness and ability of a service provider to help customers promptly and address their needs or concerns. It involves aspects such as the speed of service, the availability of customer support, and the willingness of staff to assist customers in a timely manner.
4. **Assurance:** Assurance relates to the competence, credibility, and professionalism of service providers. Customers want to feel confident that they are dealing with knowledgeable, skilled, and trustworthy individuals or organizations. For example, in the healthcare industry, assurance includes the qualifications and bedside manner of doctors and nurses.
5. **Empathy:** Empathy involves the ability of service providers to understand and empathize with the needs, emotions, and concerns of their customers. It's about demonstrating care and showing that the service provider genuinely values the customer. This dimension is particularly important in industries like hospitality and customer support.

SERVQUAL

Servqual is a survey research instrument developed by Zeithmal to measure customer satisfaction with various characteristics of customer service quality. This Scale contains items of 22 that are comprised in five dimensions of Service Quality.

2. OBJECTIVES OF THE STUDY:

- To analyse the customer expectations and perception on the service quality offered by the Bank of Maharashtra.
- To discern the customer expectations and perception on the service quality offered by the Punjab and Sind Bank.
- To measure the service quality gap between the Bank of Maharashtra and Punjab and Sind Bank.

3. METHODOLOGY: An inductive qualitative research method is deployed. The qualitative data is collected to compare the difference between the customer expectations and perception on is collected. In choosing research sample, used a convenient sampling technique for obtaining data from the research area. Sample size determined from the selected bank is 50 from each Bank, a total of 100 sample size is collected for the analysis.

Measurement Techniques Service quality is predominantly measured using survey-based instruments like SERVQUAL and SERVPERF. These instruments have been validated across numerous studies, but some researchers argue for the development of context-specific measures tailored to particular industries or service environments. For the present study to measure the gap analysis SERVQUAL is deployed.

Qualitative Insights In addition to quantitative methods, qualitative approaches such as Questionnaire, interviews and focus groups provide deeper insights into customer perceptions of service quality. These methods are particularly useful in exploring the underlying reasons behind customer satisfaction or dissatisfaction.

4. BACKGROUND OF THE STUDY: Research has demonstrated that the importance of service quality dimensions varies across industries. For instance, tangibles are more critical in the hospitality industry, while reliability is paramount in banking services (Ladhari, 2009).

Studies have explored service quality in different cultural contexts, revealing that cultural values influence customer expectations and perceptions. Mattila (1999) found that Asian customers prioritize relational aspects of service more than their Western counterparts, who focus on efficiency and reliability-A Cross cultural comparative study.

The relationship between service quality and customer satisfaction is well-documented. Numerous studies confirm that high service quality leads to increased customer satisfaction, loyalty, and positive word-of-mouth (Zeithaml et al., 1996). However, the strength of this relationship can vary based on industry and cultural factors – Service Quality and Customer Satisfaction.

The study conducted a comparative SERVQUAL gap analysis between public and private sector banks in Chennai, revealing differences in service quality perceptions among customers. Identified service quality gap between public and private sector banks. Private Banks excel in tangibility, responsiveness, and empathy services (Dr. V. Sampath Kumari 2021)

5. RESULTS AND DICSUSSION

SERVICE QUALITY ANALYSIS OF BANK OF MAHARASHTRA

To measure the service quality of bank of Maharashtra, the data is collected using questionnaire which comprised of customer expectations and perception towards the banking services. Further, these factors are categorised into five dimensions of known as service quality dimensions. The analytical data of service quality of bank of Maharashtra is present below.

Table 1: Service Quality Gap Analysis of Bank of Maharashtra

S.NO	DIMENSOINS	ITEMS	EXPECTATION (Mean)	RANKING	PERCEPTION (MEAN)	RANKING	GAP	RANKING
1	TANGIBLE	1	3.68	13	3.82	3	-0.14	17
2		2	3.4	20	3.66	9	-0.26	19
3		3	3.82	8	3.8	4	0.02	14
4		4	4.4	1	3.1	22	1.3	1
5	RELIABILITY	1	3.86	7	3.64	11	0.22	10
6		2	3.46	19	3.42	18	0.04	12
7		3	3.54	18	3.8	4	-0.26	18
8		4	4.06	5	3.48	17	0.58	3
9		5	3.78	9	3.5	16	0.28	8
10	RESPONSIVENESS	1	3.18	22	3.68	8	-0.5	21
11		2	3.6	17	3.56	14	0.04	12
12		3	3.72	12	3.4	20	0.32	7
13		4	3.92	6	3.58	12	0.34	6
14	ASSURANCE	1	4.22	3	3.78	6	0.44	5
15		2	3.74	11	4.06	2	-0.32	20
16		3	3.68	13	3.74	7	-0.06	15
17		4	4.08	4	3.52	15	0.56	4
18	EMPATHY	1	4.24	2	3.58	12	0.66	2
19		2	3.78	9	3.66	9	0.12	11
20		3	3.62	16	4.16	1	-0.54	22
21		4	3.2	21	3.32	21	-0.12	16
22		5	3.64	15	3.42	18	0.22	9

RESULTS AND ANALYSIS presents the gap in customer expectations and perception. From the analysis it is evident that there is a gap in customer expectation and the perceived service in printed materials associated with the banking services, this comes under the dimension of tangible services. The ranking is given based on the highest gap between the customer expectations mean score (4.4) and the perceived value mean score (3.1). At the same time there is a positive sign with respect to the empathy dimension. The customers perceived more personal attention by the bank employees than their expectations. Customer personal attention point of view, the customer expectations mean value observed to be 3.62 which is lesser than the perceived banking services mean value i.e. 4.16.

The Results and Analysis section presents the gap between customer expectations and perceptions regarding banking services. Key findings include:

1. Tangible Services:

- There is a significant gap in customer expectations and perceived service quality related to printed materials.
- This dimension shows the highest gap, with customer expectations at a mean score of 4.4 and perceived value at a mean score of 3.1.

2. Empathy Dimension:

- There is a positive outcome in this dimension, as customers perceive more personal attention from bank employees than they expected.
- The mean value for customer expectations is 3.62, while the perceived service mean value is higher at 4.16.

Overall, while tangible services related to printed materials need improvement to bridge the gap between expectations and perceptions, the empathy dimension indicates that customers are pleasantly surprised by the level of personal attention they receive from bank employees.

SERVICE QUALITY ANALYSIS OF PUNJAB AND SIND BANK

To measure the service quality of Punjab and Sind Bank, the data is collected using questionnaire which comprised of customer expectations and perception towards the Punjab and Sind Bank (PSB) banking services. Further, these factors are categorised into five dimensions that are known as service quality dimensions. The analytical data of service quality of Punjab and National Bank is presented;

Table 2: Service Quality Gap Analysis of Punjab and Sind Bank

S.NO	DIMENSOINS	ITEMS	EXPECTATION (Mean)	RANKING	PERCEPTION (MEAN)	RANKING	GAP	RANKING
1	TANGIBLE	1	4.14	7	3.8	5	0.34	11
2		2	3.7	9	3.52	13	0.18	12
3		3	1.84	22	3.04	16	-1.2	20
4		4	3.12	14	3.64	8	-0.52	15
5	RELIABILITY	1	2.74	20	2.96	17	-0.22	14
6		2	4.38	5	3.74	6	0.64	8
7		3	4.38	5	2.92	19	1.46	3
8		4	4.46	2	3.48	14	0.98	4
9		5	4.46	2	3.84	4	0.62	9
10	RESPONSIVENESS	1	2.74	20	3.86	3	-1.12	19
11		2	4.52	1	2.96	17	1.56	2
12		3	2.8	19	3.62	9	-0.82	18
13		4	3.72	8	2.82	20	0.9	6
14	ASSURANCE	1	3.62	13	1.96	22	1.66	1
15		2	3.66	10	3.56	12	0.1	13
16		3	2.88	15	3.66	7	-0.78	16
17		4	4.46	2	3.6	10	0.86	7
18	EMPATHY	1	2.82	17	4.34	2	-1.52	21
19		2	2.86	16	4.46	1	-1.6	22
20		3	2.82	17	3.6	10	-0.78	16
21		4	3.66	10	2.74	21	0.92	5
22		5	3.66	10	3.1	15	0.56	10

Results and Analysis of Punjab and Sind Bank presents the customer expectation and perception towards the banking services and also it presents the gap between the customer expectations and perception. From the examination it is observed that, the customers are expecting prompt services. This is supported by the highest mean value 4.52. And customer perception point of view it is found that, bank has the convenient operating hours, this is supported by the highest mean value 4.46. Coming to the gap analysis, there is a high amount of gap observed under the Bank Assurance dimension i.e. Employees in the bank are not in a position to build the confidence among the customers. It is evident through the customer expectation which is 3.62 this mean value is higher than the customer perception mean value i.e. 1.96.

The Results and Analysis section for Punjab and Sind Bank highlights customer expectations and perceptions towards the bank's services, as well as the gaps between them. Key observations include:

1. Customer Expectations:

- Customers have high expectations for prompt services, as indicated by the highest mean value of 4.52.

2. Customer Perceptions:

- Customers perceive the bank's operating hours as convenient, supported by the highest mean value of 4.46.

3. Gap Analysis:

- A significant gap is observed in the Bank Assurance dimension. This indicates that employees are not effectively building customer confidence.
- The mean value for customer expectations in this dimension is 3.62, whereas the mean value for customer perceptions is much lower at 1.96.

Overall, while customers appreciate the convenient operating hours, there is a need for improvement in the Bank Assurance dimension to enhance customer confidence in the bank's services.

6. CONCLUSION

Customers have high expectations for items related with financial services from the Bank of Maharashtra, but the bank does not provide them. As a result, it is recommended that additional banking-related information is to be made available in order to facilitate and improve banking operations. Perhaps staff at the Bank of Maharashtra provide better personal attention to their customers.

With reference to the Bank of Maharashtra, printed materials associated with the banking services are highly expected by the customers but are not served by the bank of Maharashtra. Hence, it is suggested to provide more banking-related printed materials for smoother and better banking functions. A study of Customer service by banks found that, “Banks charge for a number of things. For example, there are charges for issuing a duplicate bank statement, account-balance updates, etc. (that one gets via SMS on the mobile phone).” – Consumer Voice

⁴ Perhaps the employees of the Bank of Maharashtra give better personal attention to the customers.

For Punjab and Sind Bank, the customers are more interested in prompt services, but the bank is lagging behind in meeting the customers' expectations. In the current competitive age, in order to secure the market position and even to run into the competitive position, they need to adhere to customer expectations and should meet them. The bank employees are also not in a position to build confidence among the customers, as witnessed through the gap analysis. To encourage customers to deposit money into savings schemes, it is very important to build trust among existing and new customers. To make this happen, the employees have to play a significant role. The bank should also nurture the employees accordingly. Perhaps there is a positive sign for Punjab and Sind Bank; their banking timings are accepted by customers as a convenient time for banking. Finally, this comparative analysis concludes that the Bank of Maharashtra observed a service gap in printed materials associated with banking that is lagging in serving the customers' requirements, while for Punjab and Sind Bank, building confidence among the customers is the highest gap observed factor to be focused on.

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