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Service Quality of Banking Sectors with Special Reference to Dapoli City

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Abstract:

Today's trade environment is supplementary challenging and competitive than ever. Patron service is measured a fundamental piece of every business and determines the potential of every institute. Owing to the insubstantial environment of service, it is complicated for companies to investigate how clients evaluate and perceive the preferred outcome of service. The purpose of this study is to inspect how tune-up quality affects customer fulfillment. Customer satisfaction is result increased service company revenue and improved service quality. Qualitative research methods are used to conduct this research. Primary research is selected by conducting interviews and questionnaires with bank customers. This study examines the force of superiority on satisfaction, focus on the affiliation between customer satisfaction and service quality and how quality can improved in overhaul organizations. The SERVQUAL Service quality model is used to analyze client perceptions of service value determinants. A total of 135 customers of major banks in the city of Dapoli were investigated. Empirical analysis is performed by SPSS.

Keywords: Service Quality, Customer Satisfaction, SERVIQUAL Model

Introduction:

In today's world, competition between companies is fierce, but most companies offer nearly identical products or services to their competitors. In order to stand out from the competition, businesses must provide excellent service. It is known that higher quality of service lead to elevated customer happiness and advanced purchaser fulfillment lead to higher loyalty. The elusive character of services makes it complex for company to scrutinize how patrons recognize and assess preferred service superiority outcomes. Buyer service is well thought-out a vital part of every aspect of the

business and defines the outlook of any association. According to Oliver (2009), Customers satisfaction and service quality are separate however related concept. This is particularly right intended for service companies somewhere improving customer satisfaction interpret interested in maximizing profits. Experts therefore articulate with the aim of patron happiness are a key indicator of business performance and should therefore be the guideline for any service company. According to Avelal et al. (2005), purchaser reliability and liking are major determinants of business lasting continued existence as well as financial performance and customers being seen because the ultimate judges of quality. The stage of services and products are provided.

Literature Review:

Churchill and Surprenant (1982) "client fulfillment is the result of buy and utilize as purchaser compares the plunder as well as expenditure of obtain with predictable outcomes". It is also clear as the affecting state that more often than not arises in response to the evaluation of a meticulous service (Westbrook, 1981). "Excellence knows how to be largely clear as greater or excellent" The Gronroos representation divide the clients observation of the value of a particular service interested in two proportions i.e methodological and practical quality (Gronroos, 1994) it is also identified as scientific/practical quality structure. Parasuraman introduce a gap model for service quality, according to which service value is operated as the gap between recital and perception of customer expectations (SERVQUAL). Parasuraman et al., 1985, SERVQUAL has five quality attributes (Gupta & Chen 1995; Lin, Tan & Chong 2011). These are empathy, responsiveness, tangibility, confidence and reliability.

Objectives of the Study:

1. To learn the Service Quality of Banking Sector
2. To Study the Factors affecting on customer satisfaction.
3. To analysis the relationship between customer satisfaction and service quality.

Conceptual Background:

Effect of service quality on customer satisfaction to obtain products and services, consumers spend both money and resources in the form of time, energy and effort (Zeithaml et al., 1988). Service or product quality and customer satisfaction have long been considered essential for success and survival in today's competitive marketplace. But it's important to understand what contributes to customer satisfaction and can be the key to gaining a competitive advantage. Consumers today demand higher quality products than ever before (Leonard and Sasser, 1982). The search for quality was undoubtedly the most important consumer trend of the 1980s (Rabin, 1983). A key characteristic of service companies is their focus on quality, how it is produced and delivered to the end customer. For marketers or service providers, customer satisfaction is very important as it is believed to be a

powerful driver of customer loyalty, repeat business (with customers). Goods) and positive word of mouth (Bearden et al. Teel, 1983). However, quality is not the only factor affecting customer satisfaction, besides quality there are other factors such as performance, expectations, wants (Mohr, 1982) and price factors. Influence customer perception and overall satisfaction. As service quality is a consequence of customer satisfaction as described by Cronin and Taylor (1992), service quality is not the only factor that has a direct impact on customer satisfaction.

Methodology of the Study:

Sample design:

Researchers select 135 Respondent from different Banks in Dapoli City as per the convenient sampling methods.

Primary Data:

Researcher use structured Questionnaire for collection of the data.

Secondary Data:

Researcher collects various information with the help of secondary source such as internet, books, journals, PhD Thesis, M.Phil Dissertations etc.

Data Analysis and Interpretations:

Data classified in to two categories first part consist of Demographic information of the customers and second part consist of SERVIQAL model Questions.

Table No.1: Gender Classification

Male	77
Female	58
Total	135

Source: Survey Data

Table no.2: Data Classified as per Income Level

Income Level	Male	Female	Total
Up to 2 Lakhs	20	17	37
2 to 5 Lakhs	14	21	35
6 to 8 Lakhs	22	15	37
8 to above	21	05	26
Total	77	58	135

Source: Survey Data

Table No.3 Data Classified as per the Occupation

Occupation	Male	Female	Total
Salaried Employee	25	22	47
Business	17	13	30
Self Employed/ Freelancer	12	10	22
Professional	10	08	18
Unemployed/ Pensioner/ Homemaker	13	05	18
Total	77	58	135

Source: Survey Data

Table No.4: Classification of data as per the SERVIQAL model

Service Quality Dimensions	Variable	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
Tangibility	Modern equipments	50	45	25	10	05	135
	Visually appealing facilities	30	35	55	07	08	135
	Employees professional appearance	35	42	55	02	01	135
	Visually appealing materials associated with services	52	55	17	05	06	135
Reliability	Providing services as promised	32	42	53	01	07	135
	Dependability in handling customers services problem	58	42	09	14	12	135
	Performing services right the first time	34	26	57	15	03	135
	Providing services as the promised time	25	30	65	10	05	135
	Maintaining errors free transactions	11	25	20	34	45	135

Responsiveness	Keeping customers informed about services	17	32	69	15	02	135
	Prompt services to customers	27	31	27	44	06	135
	Willingness to the customers	29	34	27	43	02	135
	Readiness to respond to customers enquiries	28	41	21	40	05	135
Assurance	Employees who instill confidence in customers	30	32	14	30	29	135
	Making customers feel safe in their transactions	20	25	50	30	30	135
	Employees who have the knowledge to answer customer questions	32	25	38	35	05	135
	Employees who are consistency courteous	25	20	54	35	01	135
Empathy	Giving customers individual attention	22	27	35	45	06	135
	Employees who deals with customers in caring fashion	20	25	15	40	35	135
	Having the customers best interest at heart	25	20	40	16	34	135
	Employees who understand the needs of their customers	25	30	45	20	15	135
	Convenient business hours.	55	45	10	15	12	135

(Source: Survey Data)

The above table indicates that Customer opinion about service quality of the banking in Dapoli city Researcher use SERVIQUAL Model and five points of Likert scale to find out service quality of banking sector. SERVIQUAL Model includes five Dimensions of service such as Tangibility, Reliability, Responsiveness, Assurance and Empathy.

- **Tangibility Dimension:**

Tangibility Dimension includes four sub variables such as modern equipment, visually appealing facilities, Employees professional appearance and visually appealing materials associated with services etc. We can observe that more customers are satisfied about tangibility dimension of the banking services in Dapoli city. However, some area on tangibility aspect needs to be improved for excellent performance or more customer satisfactions.

- **Reliability Dimension:**

Reliability dimension includes promising services, dependability, providing services at right time and maintaining errors free transactions. We can observe that the Average performance of reliability services of the bank is satisfactory but bank more concentration on error free transaction because customer are not agree about the error free transaction.

- **Responsiveness Dimension:**

Responsiveness Dimension of the service quality includes keeping customers informed about services; Prompt services to customers, Willingness to the customers and Readiness to respond to customer's enquiries etc. above table indicate that more customers are neutral or disagree about responsiveness services of the banks. Therefore, we can interpret that; it needs to improve services of responsiveness i.e. prompt services or willingness of the services of banking sector.

- **Assurance Dimension:**

The performance of this Dimension is also good but not an excellent because customers are not fully satisfied about Assurance services. This includes making customers feel safe in their transaction, Employees who have the knowledge to answer customer questions, and employees who are consistency courteous and so on. Above data reveals that most of the customers are neutral about assurance quality of the banking services. Therefore bank needs to improve services of assurance specially safety of the transactions.

- **Empathy Dimension:**

Empathy Dimension indicated very poor performance of the bank because the more customers are neutral or disagree about services of the empathy dimensions Therefore, it needs to improve banking service regarding empathy Dimension and concentrate on provide proper services to the customers as well as buildup good relationship with customers.

Conclusion:

In the present days, globalization is the main aspect affecting all sectors of financial organization including Indian Banking Sector. All Banking Sector in India are adopting the impact of globalization and adopting universal banking which increases competitiveness within them. Financial services offered by Banks are now become anywhere and anytime banking is the reality of

new era. Customer satisfaction is very significant part of all the service sectors. A customer satisfaction is depends on service quality dimensions such as Tangibility, Reliability, Assurance, Responsiveness and Empathy. As per the observations Consumers are satisfied about Tangibility and reliability service of the banking sector in Dapoli city. Nevertheless Responsiveness, empathy and assurance need to be improving of banking services in Dapoli city.

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