CHAPTER VI

RESEARCH METHODOLOGY

➤ OVERVIEW

➤ 6.1 INTRODUCTION
➤ 6.2 TOOLS FOR DATA COLLECTION
➤ 6.3 RESEARCH DESIGN
➤ 6.4 NATURE OF RESEARCH
➤ 6.5 QUANTITATIVE APPROACH
➤ 6.6 HYPOTHESIS
➤ 6.7 SAMPLING PLAN
➤ 6.8 DATA COLLECTION
➤ 6.9 THE DATA COLLECTION TOOLS
➤ 6.10 RELIABILITY OF DATA
➤ 6.11 NORMALITY OF DATA
➤ 6.12 VALIDITY OF DATA
➤ 6.13 INTERPRETATION AND VALIDATION OF DATA
CHAPTER VI
RESEARCH METHODOLOGY

6.1 INTRODUCTION

The purpose of this chapter is to describe the necessary methods for research study, Research Methodology refers to the potential framework within which research is conducted (Remenyl, Money,& Swartz,1998). Research in service marketing is not only a fact-finding process but also has tremendous utility for important decisions. Services with their inherent limitations of being intangible, perishable and heterogeneous face the challenges and therefore research in this area is much sought after proposition.

This chapter presents how the current study was designed, orchestrated and provides a clear and complete description of the specific steps that were taken to address the research objective, research questions and test the hypotheses.

6.2 TOOLS FOR DATA COLLECTION

Qualitative and quantitative data are collected from primary and secondary sources.

6.3 RESEARCH DESIGN

The research objectives and questions of the present study indicate that research design is descriptive. In this study a deductive approach was chosen, since research started with a literature overview.

The random Sample survey method was employed for data collection. On this basis, in Public Sector, State Bank of India and in Private Sector HDFC Bank were selected
6.4 NATURE OF RESEARCH

The researcher has adopted quantitative method of investigation. For inferring the magnitude of quantitative measure, questionnaire has been used.

6.5 QUANTITATIVE APPROACH

The conceptual frame work and theoretical linking of the subjects were done for quantitative analysis. (Figure 6.1 & 6.2)
A Comparative Study of the Customer Satisfaction in Public Banks and Private Banks with Special Reference to State Bank of India and HDFC Bank

Banking Sector

Private Sector

HDFC Bank

Expectation of Customers

Comparison on the basis of SERVQUAL Dimensions

Perception of Customers

(Figure 6.2)- Conceptual Framework-Private Sector Banks
6.6 HYPOTHESES

On the basis of the literature review, keeping the objectives in mind, different dimensions of service quality and satisfaction, this study intends to test the following Hypotheses:

**H₀₁** - There is no significant difference between Expectation and Perception of Customer of State Bank of India in terms of Tangibility dimension.

**H₀₂** - There is no significant difference between Expectation and Perception of Customer of State Bank of India in terms of Reliability dimension.

**H₀₃** - There is no significant difference between Expectation and Perception of Customer of State Bank of India in terms of Responsiveness dimension.

**H₀₆** - There is no significant difference between Expectation and Perception of Customer of State Bank of India in terms of Assurance dimension.

**H₀₅** - There is no significant difference between Expectation and Perception of Customer of State Bank of India in terms of Empathy dimension.

**H₀₆** - There is no significant difference between Expectation and Perception of Customer of HDFC Bank in terms of Tangibility dimension.
H₀₇- There is no significant difference between Expectation and Perception of Customer of HDFC Bank in terms of Reliability dimension

H₀₈- There is no significant difference between Expectation and Perception of Customer of HDFC Bank in terms of Responsiveness dimension

H₀₉- There is no significant difference between Expectation and Perception of Customer of HDFC Bank in terms of Assurance dimension

H₁₀- There is no significant difference between Expectation and Perception of Customer of HDFC Bank in terms of Empathy dimension

6.7 SAMPLING PLAN:

6.7.1 Population- It includes all types of account holders belonging to Indore region and whose accounts have been opened before six months.

6.7.2 Sampling Element- The sampling element of defined population is account holders of Indore region.

6.7.3 Sampling Unit: The data were collected by visiting various branches of State Bank of India and HDFC Bank situated in Indore region, place of various ATMs of both the Banks situated in Indore region, homes or offices of account holders of both the banks.

6.7.4 Sampling Method: The Non-Probability Convenience Sampling method was used.

6.7.5 Sample Size: Both the banks have a large customer base in Indore. The universe was the total customer base of Indore region of State Bank of
India and HDFC Bank. A sample of 300 respondents was selected with the help of random sampling method. Out of it 150 samples were collected from the Customers of State Bank of India and 150 from the Customers of HDFC Bank. The respondents belonged to different age groups ranging from 18-60 years. They belonged to different Socio economic classes and their income ranged up to 2,50,000 to more than 7,50,000 rupees per annum. The respondents hailed from different walks of life like business, profession, service, housewives, students, pensioners etc. The respondents belonged to all branches of State Bank of India and HDFC Bank of Indore region.

6.8 DATA COLLECTION:

The data for the present study were personally collected by the researcher. The researcher has used structured instrument for primary data collection. The questionnaire was used because they have items designed to elicit the information on the research interest and they have protocol for recording the responses.

The questionnaire was simple, easily comprehensible and consisted of both open and closed ended questions.

6.9 THE DATA COLLECTION TOOLS:

The questionnaire and the scale were introduced to the Customer assuring them that the data collected/information provided by them would be kept strictly confidential and will be used for the research purposes only. A brief introduction of the research is provided in the beginning, the tools were made up of three parts. Section I and II were the SERVQUAL (scale). Section III was demographic information. The demographics are intentionally placed at last to maintain the interest of the respondents. The scales used were SERVQUAL-7 point Likert scale type 2. Questionnaire was separately typed both in English
and Hindi fonts presented to respondents in an arranged manner. Pre-tested SERVQUAL scale of Parasuraman, Zithmal and Berry was used.

6.9.1 DESCRIPTION OF DATA COLLECTION TOOL:

SERVQUAL (Parasuraman, Zithmal and Berry)-

The construct of quality as measured by this scale involves perceived quality (as opposed to objective quality). Perceived quality is the consumer’s judgment of an entity’s overall excellence or superiority, similar to an overall attitude. Perceived Service quality is defined as the degree and direction of discrepancy between consumers’ Perception and Expectation (Parasuraman, Zeithmal, and Berry 1986)

The scale is comprised of two matched sets of 22 items, each describing Expectation for a particular service category and then perception of a particular service provider. Both sets of items are operationalised using seven-place bipolar scales labelled “Strongly Agree” (7) to “Strongly Disagree” (1). Furthermore, five factors comprise two sub classes: Tangibility, Reliability, Responsiveness, Assurance and Empathy dimension.

The ensuring scale was developed to contain items appropriate for the multiple service categories used in the construction of the present scale. “Therefore, while SERVQUAL can be used in its present form to assess and compare quality across a wide variety of firms, appropriate adaptation of the instrument may be desirable when only a single service is investigated” (Parasuraman et al.1988,pp27-29)

To represent service quality Ninety seven items were originally developed to represent 10 dimension of service quality. Each was cast as an expectation and a perception statement. These test resulted in a reduced set of 56 items after
deleting those statements with low corrected item. Further reduction in the number of items and a revision in the dimensionality of the anticipated scale i.e. 36 items reflecting 7 dimensions

A series of mean score are provided in the publication by parasuraman et.al.(1988) for the combined and across three categories of banking firms (i.e. excellent, good, and poor), the corresponding mean scores were -0.22,-0.92, and -1.61 respectively.

6.9.2 Pilot study

A pilot test is conducted on a very small sample in order to determine whether the questionnaire and the scales are easily understood and responded by the customer of State Bank of India and HDFC Bank. The questionnaire and the scale were introduced to the Customer assuring them

6.9.3 Tools used for Data Analysis:

After collecting the data process of analysis begins The SERVQUAL scale was classified, tabulated, analyzed and interpreted.

6.10 RELIABILITY OF DATA

To check the Reliability of the data, Chronbach’s alpha test was performed by using SPSS, 16 Software.

6.11 NORMALITY OF DATA

Normality of data has been checked by applied Normal P-P Plot method performed by using SPSS-16 Software.
6.12 VALIDITY OF DATA

To check overall structure of the questionnaires’ and qualitative assessment, factor analysis was conducted by applying Kaiser-Meyer-Olkin of sampling Adequacy (KMO) and Bartlett’s test of Sphericity by using SPSS-16 Software. The Eigen value has been computed through sum of squares of individual component score.

6.13 INTERPRETATION AND VALIDATION OF DATA

In order to analyse the hypothesis Paired Sample t-test, which computes the difference between customer Expectation and Perception was applied. It was also carried out by using the SPSS-16, Software (Statistical Package for Social Sciences).

6.13.1 Gap score Analysis and Interpretation:

To check the results of Paired Sample-t test, Gap score with regards to each dimension was also computed. Gap score has been analyzed for Expectation and Perception sections of questionnaires’ of Customer of state Bank of India and HDFC Bank to find out the weak areas where more attention is required. If difference between Mean Expectation to perception is more than 0.35 (5%) in positive side, it represent high dissatisfaction and in negative side it represent high satisfaction of Customer. There may be a small difference between the Gap Score Mean and Paired Sample t-test mean of the data. This difference is negligible.