CHAPTER – 3

RESEARCH METHODOLOGY

3.1 INTRODUCTION

After reviewing the available literature, it was decided to evaluate the satisfaction level of people towards service quality of Syndicate bank and to stress on the quality aspects of customer services by assessing customer experiences. The main aim was to analyze what is relevant to a successful banking relationship so that Syndicate bank can achieve and maintain customer satisfaction in the new climate. The research tried to identify the key action factors that bank must take to hold and increase their clientele base in this challenging and sophisticated market. The research was basically carried out to understand the gaps between service quality and customer’s satisfaction.

For a quality empirical study, it is essential that necessary care should be taken regarding quality of respondents and response rate. Selections of appropriate sample of respondents and designing of questionnaire for data collection have been the two main activities to ensure this. Finally, selection of right tools for statistical treatment of data which can fulfil the objectives of the research study has been another important task. The present chapter discusses these issues and gives a short description of the methodology used for current research work.

3.2 SOURCES OF DATA COLLECTION

The information used for the current work is first hand in nature. A questionnaire was suitably designed for collecting first hand information. Data has been gathered using this self-administered questionnaire. The set of questions in the questionnaire are based on SERVQUAL model. Few modifications have been done in the instrument to support the aim of interpretation. To collect the first hand information the study was restricted to Greater Noida. The Greater
Noida city is fast growing district of Uttar Pradesh in terms of economic prosperity. The research was carried out mainly in Gautam Budhh Nagar district. Primary data was being collected by discovering the client’s personal information in this area. For data collection a sample of four hundred fifty customers was taken, out of which four hundred ten responded accurately. Samples of 410 respondents who have bank accounts in Syndicate bank were selected for this purpose. Data was collected from the two branches of Syndicate bank which are located at Greater Noida, As the client base of both the branches being city branches was similar the variables was not compared across the branches.

3.3 SAMPLE SELECTION

The scope of this study was confined to the Syndicate Bank in term of customer satisfaction towards five service quality dimensions. A sample size of 410 candidates who were the customers of Syndicate bank was chosen on the basis of non-probabilistic convenience sampling technique at Greater Noida, Uttar Pradesh. A sample of 410 candidates was selected where respondents visting to bank were approached personally.

3.4 SAMPLE CRITERIA

To carry out this study the respondents have been selected from Greater Noida, Uttar Pradesh. The main concept of choosing a sample is basically through choosing few of the items in the whole population on which an investigator can draw a conclusion about the whole population. The respondents were basically syndicate bank account holders, who have been chosen by using a non-probabilistic sampling technique, convenience sampling technique. The questions inquired the bank services on five basic criteria of service quality, and the users were given few statements based on SERVQUAL model. Futher, the candidates were asked to give a rank to the service characteristics as per their experience, on the `five-point Likert scale. Utmost care and attention was paid to check that sample is represented by candidates to various age categories, genders, education level, and occupation of the respondents.
3.5 MEASUREMENT SCALE AND SAMPLING TECHNIQUE

The questionnaire is the compilation of different demographic profiling of candidates. They include different age categories of respondents, their sex, education level, occupation, and types of account. The respondents have been questioned and assessed on the fivefold parameters of service quality by using the likert scaling, range from 1 – 5. Here 1 was given to ‘Highly Dissatisfied, 2 was given to ‘Dissatisfied, 3 was given to ‘Moderately Satisfied’, 4 were given to ‘Satisfied and 5 to ‘Highly Satisfied’.

3.6 DESIGN AND CONSTRUCTION OF QUESTIONNAIRE

3.6.1 Objective

The questionnaire was designed with an objective of collecting relevant information about the customer’s satisfaction level on five folds dimensions of SERVQUAL model from the target organization.

3.6.2 Process of Designing Questionnaire

The requirements of the current study and the questionnaires used by earlier researchers in study of various components of service quality in Indian banking service industry formed the basis of constructing the questionnaire. In order to create questionnaire, the platform was built by deciding on the main variables that needed to be investigated. These were:-

1) Demographics
2) Personal Information
3) Perception regarding service quality of banking services

The questionnaire had two partitions. The very first portion deals with eight questions regarding the demographic profile of the respondent such as the sex, age, educational qualifications, income, type of account, preferred mode dealing with bank and frequency of using bank.
The second portion having 23 questions revealing the candidate’s attitude and perception about the service quality of Syndicate bank. The other portion of the questionnaire was stressed on the main service delivery performance in regards to the different components of quality as tangibility, reliability, responsiveness, assurance and empathy. The survey was made at various branches of Syndicate bank.. Two bank’s experts have checked the validity of contents. A pilot testing was then done with a small chunk of bank customers, minor changes to the scales were made accordingly to ensure that the questions were not repetitive.

Pre testing of questionnaire was conducted to evaluate the content validity of the assessment parameters. After the review by five academicians and four local professionals, who were experts in service marketing especially in banking, few more variables and heads were added and removed on the basis of the remarks given by professionals.

The measuring SERVQUAL technique designed by Parsuraman et al. (1988) was taken for the current work. The criteria of service quality were identified after evaluating the earlier research work. The criteria that have been identified are as follows.

The criteria were as follow:-

1. Physical amenities
2. Reliability
3. Responsiveness
4. Assurance
5. Empathy

### 3.6.3 Pilot Study

A pilot testing was conducted to fix the relevance of the theme in Indian banking structure. After ensuring the suitability component, the questionnaire was administered to the respondents of sample size of 410 customers. After ensuring the validity of contents the information was analysed and interpreted to draw the conclusions regarding client’s perception about service quality and different level of client’s satisfaction.
A pilot study has been undertaken for a field trial of the questionnaire. For validity and reliability sake, a pilot test of 30 candidates was done to make the suitability of the study. Besides it, the standard execution of the questionnaire, the respondents were asked to explain why and why not they gave the specific answers. Neither pilot phase resulted in any change to or of questions contained in the questionnaire.

Finally, the responses obtained from pre testing have been coded and analysis has been carried out. This involved preparation of tables, graphs and statistical treatment of the data. Analysis of the data from the pilot study ensured that the questionnaire would help to obtain all the necessary results desired by the study.

### 3.6.4 Details of Questionnaire

The questionnaire had two portions

<table>
<thead>
<tr>
<th>a) Part 1: Profile of Respondent</th>
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</thead>
<tbody>
<tr>
<td>In this section personal information like the respondent’s gender, age, educational qualifications, income, type of account, preferred mode dealing with bank and frequency of using bank was sought.</td>
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<table>
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<tr>
<th>b) Section 2: Respondent’s perception towards service quality of banking services</th>
</tr>
</thead>
<tbody>
<tr>
<td>In this section respondents have been asked to show the degree to that respondent were satisfied or not happy through assessing their accurate response to every item in questionnaire. All heads of the questionnaire were divided to Highly Satisfied, Satisfied, Moderately Satisfied, Dissatisfied and Highly Dissatisfied. This has been the detailed section of the questionnaire and had 23 variables related to bank services to measure customer satisfaction from service quality. The respondents have been asked to provide information about</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>a) Timely delivery of services</th>
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</thead>
</table>
b) Modern equipments and tools
c) Presentable staff
d) Clear and complete information printed on bank documents
e) clear and complete information on its website
f) Sufficient number of counters to meet service requirements
g) Proper handling of customer objections and queries
h) Security during net banking transactions with the bank
i) Individual attention to customers
j) Error free statements
k) staff is promptness in service
l) Interest in solving customers problems/queries
m) Courteous Staff

n) Helpful Staff
o) Staff behaviour instils confidence in customers
p) Knowledgeable Staff
q) Competent Staff
r) Working hours are comfortable to clients
s) The distance between bank branch and customer’s accessibility
t) Location of ATM is convenient
u) sufficient number of ATM machines at convenient location
v) Bank staff is ready to apologies for a mistake
w) Bank staffs customer informed about matter of concerns

Questions in this Section have been designed to collect information for the pre-decided research objectives of the study as discussed in Chapter 1. Following table shows that for each research objective which questions were designed:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Research Objective</th>
<th>Question No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>To explore the degree to which customers feel</td>
<td>1, 2, 3, 4, 5, 6</td>
</tr>
<tr>
<td></td>
<td>satisfied with tangible dimension of bank service quality</td>
<td></td>
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</tr>
<tr>
<td>2</td>
<td>To explore the degree to which customers feel satisfied with reliability dimension of bank service quality</td>
<td>7, 8, 9, 10</td>
</tr>
<tr>
<td>3</td>
<td>To explore the degree to which customers feel satisfied with responsiveness dimension of bank service quality</td>
<td>11, 12, 14, 15</td>
</tr>
<tr>
<td>4</td>
<td>To explore the degree to which customers feel satisfied with assurance dimension of bank service quality</td>
<td>16, 17</td>
</tr>
<tr>
<td>5</td>
<td>To explore the degree to which customers feel satisfied with empathy dimension of bank service quality</td>
<td>18, 19, 20, 21, 22, 23</td>
</tr>
</tbody>
</table>

**3.6.5 Reliability and Validity of the Questionnaire**

For testing the questionnaire for validity, five questionnaires were given to a panel of judges, who were expert in service marketing especially in financial sector. Judges were academic experts associated with banking industry renowned in the field for their works. They were asked to rate the different aspects of the questionnaire. The Karl Pearson’s product moment correlation coefficient was computed between the ratings of the experts. The coefficient of correlation between the ratings of the experts was found to be high and statistically significant. Thus, the ratings of the judges ensured a high degree of content validity i.e., the questionnaire was measuring what it proposed to measure.
The Test-retest reliability technique was adopted to check the reliability of the different components of questionnaire and the responses of the questionnaire for consistency. Under this method, the same questionnaire was administered to the same group of the respondents after a period of 45 days. Based on the type of question i.e., whether they were nominal, ordinal or scale, Cramér’s V or coefficient of correlation was calculated. For the questionnaire the test-retest reliability was found to be high.

Naceur Jabnoun and Hussain A. Hassan Al-Tamimi (2003), did a study to examine the criteria of the banking services and to check the reliability and validity of the testing instrument. The study was done through a structured instrument. Their study was based on SERVQUAL model consisting of thirty two points based upon the different five factors of the instrument. Three statistical techniques were used to get results.

The data was analyzed through ANNOVA, T- test and correlation analysis. It was found customers prefer human touch in banking services. The other factors that were considered are courtesy of bank staff, empathetically treatment of staff, and tangibility.

### 3.7 Administration of Questionnaire

The study was conducted through well-structured and pre tested questionnaire and Interviews. The questionnaire had two portions. The first portion had questions related to the general information about customer’s demographic profile such as the gender, age, educational qualifications, income, type of account, preferred mode dealing with bank and frequency of using bank. The customers were surveyed on the basis of various socio-economic elements like (age, Income, occupation, education level, type of account and gender) were surveyed.

The second part of the study was related with perceptions of bank customers regarding banking services of bank. Candidates were told to rank the various sentences associated with quality of
banking services according to their experience. The model was designed in keeping the previous literature, the feedback from the pre test survey and expert opinion.

Questionnaires were personally administered by hand at bank. Respondents were required to recall their experiences associated with the services of bank. All efforts in the form of reminders through telephone and revisits to bank were made to ensure that maximum possible responses were received so as to make the total sample adequate and representative. In some cases the respondents were personally approached at their work places to get the questionnaire filled.

### 3.8 Method of Scoring and Analysis

#### 3.8.1 Coding of responses

The responses obtained from the questionnaire were coded. For the questions which contained multiple choice answers each answer was given a code number 1,2,3,4,5 etc. each representing a particular category or a probable option for the convenience of analysis. For example, under the Section (profile of respondent) if the respondent was asked about his/her qualification and if it was “post graduate and above”, the code number for this was given as 4 as is shown below:

<table>
<thead>
<tr>
<th>Nature of ownership</th>
<th>Codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Post Graduate and above</td>
<td>4</td>
</tr>
<tr>
<td>Graduate</td>
<td>3</td>
</tr>
<tr>
<td>Up to 12th</td>
<td>2</td>
</tr>
<tr>
<td>Illiterate</td>
<td>1</td>
</tr>
</tbody>
</table>

In some questions where rating scale was used weighted scores were assigned to the responses. For example, the candidates were told to rank the different heads of questionnaire; bank staffs are neatly dressed and presentable. A weighted score of 1 was given to ‘Highly Dissatisfied, 2
was given to ‘Dissatisfied’, 3 was given to ‘Moderately Satisfied’, 4 was given to ‘Satisfied’ and 5 to ‘Highly Satisfied’.

Apart from this, the responses of open ended questions were compiled and the summary was prepared of the responses.

All codes, weighted scores and subjective responses pertaining to each of the questions were fed into the computer and stored. The data was analysed using SPSS for Windows (19.0 versions) and Microsoft Excel 2007 software.

### 3.8.2 Statistical Treatment

The following type of statistical analysis was done on the data collected.

1. Tabulation of data as frequency and percentage distribution
2. Cross tabulation of data was done where there was a need to know the joint distribution of two or more variables
3. Data was represented using tools like pie and bar charts
4. Wherever relevant, descriptive measures such as mean, maximum-minimum value, weighted mean and standard deviation have been calculated
5. T-test and Chi-square test were done to see if respondent’s opinions are significantly related.
6. ANOVA was applied to analyze the construct the association among the large number of components.

### 3.9 CONCLUSION

This chapter has dealt with the methodology which has been adopted keeping in mind the purposes of the research and the constraints of sample size and area of operation. Selection of
sample for data collection, designing of questionnaire, validation of questionnaire and administration of questionnaire has been discussed. Lastly, different statistical tools were adopted for data interpretation and for drawing the results.