CHAPTER - V

SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION
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5.1. Introduction

Acquiring customers and retaining them forever is the key to any successful business, as every business organization depends on its customers to earn revenue. Banks which are not innovative are unable to match customer expectations will be left behind in the fiercely competitive marketplace. With the entry of new innovative foreign and new generation private banks in the market, it has become very difficult for traditional public sector banks to cater to customer needs with just plain vanilla products and services.

At the same time, customer expectations from banks especially in the areas of after sales service has increased, as customers are newly accustomed to such facilities being offered by the services sector industries. A customer makes a choice while starting a relationship and continues to patronize only as long as the banks meets or exceeds his changing expectations. However, once the customer attains a comfortable relationship with a banker, they like to continue the relationship and terminate only if encounters major dissatisfaction. Major drivers of customer satisfaction are people driven contact points. When customers are delighted with the human aspect and quality service they tend to give a high rating to the banks in overall satisfaction. So the concept of service quality and customer satisfaction and customer delight are interrelated in any kind of service, banking service is not an exception to these principle.

This chapter presents the summary of research findings from the analysis of collected data for the study and based on the findings the researcher suggest the necessary suggestions and sum up the conclusions and
further directions for future research are stated for the purpose of budding researchers.

5.2. Objectives of the Study

The study has been carried out to meet the following objectives:

1. To study the service quality and customer satisfaction against five service quality dimensions in the private and the public sector banks.

2. To find the core services and variety of add-on services offered by the public and the private sector banks.

3. To evaluate the quality of service encounters in the public and the private sector banks.

4. To examine and assess the differences between expected quality and actual quality of facilities and amenities provided by the public and the private sector banks.

5.3. Summary of Findings

The summary of findings from the descriptive and univariate analysis is presented here under.

Demographic Profile of the respondents

The analysis relating to profile of the respondents reveals the following findings, the study finds that in public (53%) and private sector banks (52%) attract more number of customers from south Chennai. The gender wise distribution of respondents also clearly implies that majority of them are Male from public (58%) and private sector banks (66%). The study further reveals that most of the potential customers in public (56%) and private sector banks (55%) are in the age group of 31 to 50 years of age. The analysis relating to marital status of the respondents also implies married customers in Public (72%) and in Private sector Banks (76%) are mostly using the banking services. It is also noted that the customer's qualified upto Higher Secondary
(36%) in Public and Under Graduate (46%) in Private Sector Banks are of high percentage. The study further identified that majority of the customers (28%) in Public and (51%) in Private Sector Banks are belongs to salaried class. Monthly income categories of Rupees ten thousand to Fifteen thousand are of (31%) in Public Sector Banks and Fifteen thousand to Twenty thousand are (39%) in Private Sector Banks are mostly using the banks for their transactions and 33% of the customers of both Public and Private Sector Banks are using the bank for the past three years.

Majority of the customers are transacting with the public and private sector banks from five to seven times in a month that too mostly for the purpose of operating saving banks account rather than the other purposes. The customers have chosen the bank for Variety of reasons, but the major reason for choosing the public sector bank was because of the recommendation of others and private sector bank was chosen because of the convenient business hours.

**Dimensions of Banking Service Quality**

The study has ranked most preferred attribute of banking service quality within the five dimensions of SERVPERF scale like 'the materials in a bank be visually appealing' (out of four attributes of tangibles) 'promise to do something on time' (out of five attributes of reliability) 'willingness to provide advises and suggestions to guide customers' and keeping customers informed about when the services will be performed (out of five attributes of responsiveness) ' Bank employees are consistent and courteous' (out of five attributes of assurance ) 'employees deal with customers in a caring way' (out of six attributes of empathy) in both public and private sector banks. It further makes known that all the variables in all the five dimensions of service quality are all most same ranking in public and private sector banks. These denote banking service quality among public and private sector banks are of same.
Core Services and add-on-services or products availability and non-availability in the Banks

The study reveals core services or products like credit card, insurance products, Eight to Eight banking and core banking are not available to most of the customers in public and private sector banks. Especially the modern technology banking products such as Tele banking and Mobile banking are not at all available in most of public sector banks. In private sector banks cross selling other financial products like mutual funds are not available.

Service Encounters (Relationship Between Bank employees and customers)

It has been observed that the mean values relating to different service encounter statements in Private sector banks are higher comparing to public sector Banks. This denotes the private sector banks are maintaining effective customer Relationships during the banking transactions.

Facilities and Amenities provided by the Banks

Customer convenience facilities and amenities are considered to be an important variable for assessing service quality and customer satisfaction towards services provided by the banks. So that customers transact their needs without any discomfort. The study finds public sector bank customer expectations are higher regarding the parking facilities and most of the customer’s needs name board and other information about working hours and also expect convenient location of banks, drinking water facility, waiting room and flooring. On the other hand private sector bank customers expectations are more with respect to the facilities and amenities like may I help you counter, electronic token number display and audio announcement system, complaint and suggestion boxes, availability of personal assistance or guidance.
The study finds the actual quality of facilities and amenities provided by the banks. The public sector banks provide high quality of facilities and amenities like parking facilities, electronic token number display and audio announcement system, ATM facility at the branch, waiting room, and display of products and services information. Whereas the private sector banks provide high quality of facilities and amenities like name board and other information about working hours, convenient location of bank, drinking water facility, may I help you counter, Air condition comfort, flooring, lighting, dust bins, complaint and suggestion boxes, display of identification boards at counters, availability of personal assistance guidance.

Customer Satisfaction with the Quality of customer service

Customer satisfaction with the quality of service reveals that majority of the customers are satisfied with public sector banks and they like to transact with the bank again and again and private sector bank customers feel that the quality of service met their needs and they like to transact with the bank again and again. But the mean values are higher in private sector banks which show that the private sector banks are higher in customer satisfaction with the quality of service.

Multivariate Analysis

The multivariate analysis like factor analysis, cluster analysis, correlation analysis and Anova are used. The findings of the analysis are mentioned here under.

Factor Analysis on Dimensions of service Quality

In public and private sector banks the service quality parameters Tangibility, Reliability, Responsiveness, Assurance, Empathy are decomposed into sub factors in the following manner.
Table showing Factors on Dimensions of Service Quality

<table>
<thead>
<tr>
<th>Service Quality Dimensions</th>
<th>Factors in Public Sector Banks</th>
<th>Eigen values</th>
<th>Individual variance</th>
<th>Cumulative Variance</th>
<th>Factors in Private Sector Banks</th>
<th>Eigen values</th>
<th>Individual variance</th>
<th>Cumulative variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2. Professional Technology</td>
<td>1.391</td>
<td>15.451</td>
<td></td>
<td></td>
<td>1.136</td>
<td>12.323</td>
<td></td>
</tr>
<tr>
<td>Reliability</td>
<td>1. Service Promptness</td>
<td>1.527</td>
<td>33.308</td>
<td>79.974</td>
<td></td>
<td>1.202</td>
<td>30.333</td>
<td>68.143</td>
</tr>
<tr>
<td></td>
<td>2. Service Performance</td>
<td>1.470</td>
<td>46.666</td>
<td></td>
<td></td>
<td>1.109</td>
<td>37.810</td>
<td></td>
</tr>
<tr>
<td>Responsiveness</td>
<td>1. Easy approachability</td>
<td>1.527</td>
<td>32.322</td>
<td>60.099</td>
<td></td>
<td>1.626</td>
<td>19.545</td>
<td>54.198</td>
</tr>
<tr>
<td></td>
<td>2. Quick response</td>
<td>1.470</td>
<td>27.777</td>
<td></td>
<td></td>
<td>1.202</td>
<td>17.838</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3. Customer guidance</td>
<td>1.102</td>
<td>16.815</td>
<td></td>
</tr>
<tr>
<td>Assurance</td>
<td>1. Knowledge and accuracy</td>
<td>1.925</td>
<td>32.322</td>
<td>66.869</td>
<td></td>
<td>2.470</td>
<td>34.109</td>
<td>93.231</td>
</tr>
<tr>
<td></td>
<td>2. Interpersonal Relationship</td>
<td>1.859</td>
<td>34.547</td>
<td></td>
<td></td>
<td>2.109</td>
<td>30.201</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3. Effective communication</td>
<td>1.970</td>
<td>28.921</td>
<td></td>
</tr>
<tr>
<td>Empathy</td>
<td>1. Goal reaching strategy</td>
<td>2.483</td>
<td>16.970</td>
<td>70.397</td>
<td></td>
<td>1.414</td>
<td>16.777</td>
<td>32.194</td>
</tr>
<tr>
<td></td>
<td>2. Service augmentation</td>
<td>1.648</td>
<td>33.308</td>
<td></td>
<td></td>
<td>1.319</td>
<td>15.417</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Personalised service</td>
<td>1.210</td>
<td>20.119</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
By comparing the factors of service quality dimensions of public and private sector banks. It is found that in tangibility the total variance exhibited by the public sector bank is 31.484. Where as in private sector banks same number of two factors exhibited 27.205. Therefore it is deduced that the components of public sector banks expressed more variance in their perceptions rather than private sector bank customers.

As far as the names of the factors are concerned the professional technology comes second in their preference of public sector banks. Where as in private sector banks the first rank goes to Technological augmentation. Therefore it can be concluded that the private sector bank customers consistently expressed the Technological advancement.

By analyzing the factors of service quality dimensions of reliability in public and private sector banks. It is noticed that the total variance shows by the public sector bank is 79.974. But in the case of private sector bank same number of two factors shows 68.143. Hence it is found that the components of public sector banks expressed more variance in their perceptions rather than private sector banks.

Regarding the name of the individual factors are concerned the service promptness comes second in their preference in public sector banks. Whereas in the case of private sector banks the service accomplishment ranked as first. Hence it is concluded that the customers of private sector bank consistently express the service accomplishment.

The service quality dimensions responsiveness is noticeable by two factors with cumulative variance of 60.099 in public sector banks. Whereas in private sector banks three factors are found with total variance of 54.198. Hence it is ascertained that the factors of public sector banks highlights more variance in their perceptions of quality comparing to private sector banks.
With respect to individual factors are concerned quick response comes second in public sector banks. But in the case of private sector banks attentiveness is ranked as first. Hence it is observed that the customers of private sector bank expect more attentiveness.

It is found that in public sector banks the service quality dimension assurance is divided into two factors with total variance of 66.869. In private sector banks three factors are noticed with total variance of 93.231. Therefore it is deduced that the components of private sector bank express more variable rather than public sector bank customers.

The individual factors are concerned knowledge and accuracy ranked as second in public sector banks. But in the case of private sector banks first rank goes to profound confidence. Therefore it is concluded that the customers of public sector bank expect more knowledge and accuracy of services.

The comparative study of service quality dimensions of empathy revealed three factors with cumulative variance of 70.397 in public sector banks. Whereas the same is deduced in the form of two factors with total variance of 32.194 in private sector banks. Therefore it is deducted that the public sector banks express more variance rather than private sector bank customers.

As far as the names of the factors are concerned service augmentation is ranked as first in public sector bank. Where as in private sector bank the second rank goes to customization. Therefore it is concluded that the private sector bank customers demand more customized service.
## Factors of Service Encounters

In public and private sector banks the service encounter statements are further decomposed into sub factors.

<table>
<thead>
<tr>
<th>Service Quality Dimensions</th>
<th>Factors in Public Sector Banks</th>
<th>Eigen values</th>
<th>Individual variance</th>
<th>Cumulative Variance</th>
<th>Factors in Private Sector Banks</th>
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<th>Individual variance</th>
<th>Cumulative Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2. Customer communication</td>
<td>9.754</td>
<td>22.695</td>
<td>2. Staff Proximity</td>
<td>1.714</td>
<td>10.714</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5. Customer delight</td>
<td>7.098</td>
<td>12.273</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The five predominant factors with cumulative variance of 98.972 are found responsible for service encounters in public sector banks. In the case of private sector banks four factors with total variance of 40.608 indicate the service encounters. Hence it is noted that the public sector banks express more perception of variance in comparing to private sector banks customers.

Further the analysis highlights grievance handling is ranked as first in public sector banks. Where as in private sector banks customer delight is observed as fourth rank. Therefore it is concluded that the private sector bank customers consistently express the customer delight.
Cluster Analysis on Dimensions of Service Quality in Public and Private sector Banks

<table>
<thead>
<tr>
<th>Service Quality Dimensions</th>
<th>Clusters in Public Sector Banks</th>
<th>Clusters in Private Sector Banks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1. Demanding customers (25%)</td>
<td>1. Convenient demanders (27%)</td>
</tr>
<tr>
<td>Tangibility</td>
<td>2. Unambiguous cluster (62%)</td>
<td>2. Reserved customers (28%)</td>
</tr>
<tr>
<td></td>
<td>3. Relationship oriented cluster (13%)</td>
<td>3. Magnetic customers (45%)</td>
</tr>
<tr>
<td>Reliability</td>
<td>1. Dynamic cluster (22%)</td>
<td>1. Flawless cluster (64%)</td>
</tr>
<tr>
<td></td>
<td>2. Systematic cluster (28%)</td>
<td>2. Debacle cluster (24%)</td>
</tr>
<tr>
<td></td>
<td>3. Cynical cluster (50%)</td>
<td>3. Problem solvers (12%)</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>1. Saturated cluster (41%)</td>
<td>1. Prompt exertion cluster (40%)</td>
</tr>
<tr>
<td></td>
<td>2. Prompt seekers (39%)</td>
<td>2. Transparency seekers (30%)</td>
</tr>
<tr>
<td></td>
<td>3. Knowledge seekers (20%)</td>
<td>3. Lethargic customers (30%)</td>
</tr>
<tr>
<td>Assurance</td>
<td>1. Believers (37%)</td>
<td>1. Consistent cluster (24%)</td>
</tr>
<tr>
<td></td>
<td>2. Information seekers (42%)</td>
<td>2. Infallible cluster (32%)</td>
</tr>
<tr>
<td></td>
<td>3. Meticulous cluster (21%)</td>
<td>3. Safety weakness cluster (44%)</td>
</tr>
<tr>
<td>Empathy</td>
<td>1. Conscientious cluster (45%)</td>
<td>1. Intrinsic cluster (44%)</td>
</tr>
<tr>
<td></td>
<td>2. Service expectation cluster (35%)</td>
<td>2. Enlighten cluster (24%)</td>
</tr>
<tr>
<td></td>
<td>3. Attention lack cluster (20%)</td>
<td>3. Relationship flaw cluster(32%)</td>
</tr>
</tbody>
</table>

By comparing the public and private sector banks on the basis of customer perception of banking service quality dimensions Tangibility it is found that unambiguous is prevailing more 62% in the case of public sector banks. Whereas unambiguous group does not exist in private sector bank. The private sector banks are able to attract only 45% of customer towards its service.

In the case of reliability dimensions of public sector banks cynical clusters 50% are found more satisfied and in private sector banks flawless cluster 64% are seems to be happier. This shows the significant difference
between level of satisfaction of service quality dimension reliability among the public and private sector banks.

The other dimension responsiveness seems to be saturated cluster 41% in public sector banks and satisfied in prompt exertion cluster 40% in private sector banks. This highlights there is no difference between responsiveness dimension of service quality among the public and private sector banks.

The assurance dimension of service quality found that information seekers 42% and safety weakness cluster 44% are noted to be same in the case of public and private sector banks. This denotes there is no significant difference between assurance dimensions of service quality among the public and private sector banks.

The service quality dimensions empathy are all most equal in public and private sector banks that is conscientious cluster 45% in public sector banks and intrinsic cluster 44% in private sector banks. This implies there is no difference between level of satisfaction regarding empathy dimension among the public and private sector banks.

Influence of Demographic variables on Dimensions of Service Quality

The multivariate analysis with respect to demographic and banking details is tested for the five service quality parameters for both public and private sector banks it is found that gender influences tangibility and assurance of the public sector banks. Whereas in private sector banks gender influences three factors reliability, responsiveness and assurance these implies the private sector banks customers differs significantly in their perceptions rather than public sector bank customers.

The analysis of variance regarding the influence of age on service quality dimensions reveals responsiveness and empathy are influenced by the age of customers in public sector banks. In the case of private sector banks
age is influenced by empathy these denotes public sector banks customers expectations are vary in comparing to the private sector banks.

In the case of analysis of variance of both in public and private sector banks the $41-50$ years of age group demand more empathetic service.

The marital status is influence by the service quality dimensions responsiveness and empathy in public sector banks. But in the case of private sector banks marital status is influenced by assurance. This signifies that public sector bank customers differ in their perceptions rather than private sector bank customers.

And also it is detected that in private sector banks the educational qualification is influenced by the service quality dimensions tangibility, reliability and empathy. Where as in the case of private sector banks the educational qualification is influenced by service quality dimensions like tangibility and empathy. This shows that public sector bank customers differ in their notion in comparing to private sector banks.

It is found from the analysis of variance of both public and private sector banks regarding the influence of educational qualification the customer’s qualified upto secondary education demand more tangible service.

Through the analysis it is found that the occupation is influenced by the service quality dimensions responsiveness and assurance in public sector banks. On the other hand in private sector banks occupation is influenced by the service quality dimensions reliability. This indicates that the customers of public sector bank have different perception in comparing to private sector banks.

It is ascertained that the income is influenced by the service quality dimensions responsiveness in public sector banks. But a deep influence income is noted on the service quality dimensions in responsiveness and
empathy in private sector banks. This denotes that the private sector banks significantly differ in their perception rather than the public sector banks.

From the analysis of variance it is found that in both public and private sector banks the income group less than rupees five thousand expect more responsive service.

It is observed that in public sector bank the number of year’s customer dealing with the bank is influenced by the service quality dimension tangibility and reliability. Where as in the case of private sector banks the number of year’s customer dealing with the bank is influenced by the service quality dimension reliability, responsiveness and empathy. This clearly implies that the private sector banks customers entirely differ in their perception comparing to the public sector banks.

**Empirical relationship between Customer Satisfaction and Service Quality**

The dependent service quality factors establish the relationship among themselves with various degrees of customer satisfaction. The correlation analysis revealed the interpersonal relationship between staff and customers causes maximum satisfaction to the customers of public sector banks. Where as in private sector banks customer guidance leads to maximum satisfaction of customers. And optimistic reception of public sector banks attracts high level of customer satisfaction. But in the case of private sector banks customer attraction leads to develop better relationship among customers and helps to build high level of satisfaction.

It is further noticed that the goal reaching strategy and grievance handling procedure in public sector banks and employee politeness and profound confidence in private sector banks is also well associated with customer satisfaction and service quality.
And also it is found from the correlation analysis that the easy approachability in public sector banks and attentiveness of employees in private sector banks also equally responsible for enhancing the level of customer satisfaction.

Mainly it is observed that service promptness and customer communication in public sector banks and service accuracy and service accomplishment in private sector banks play an important role in delighting the customers which in turn leads to customer satisfaction.

Multiple Regressions

The Multiple regression analysis is conducted to find the correlation between the dependent variables overall customer satisfaction and independent variables like service quality dimensions and actual quality of facilities and amenities provided by public and private sector banks. This measures the degree of relationship between these dependent variables and independent variables.

Customer Satisfaction on Dimensions of Service Quality

The multiple regression analysis regarding the overall customer satisfaction on dimension of service quality in public and private sector banks reveals that among all five dimensions reliability dimension plays an important role in increasing the customer satisfaction because the p. value is less than 0.01 in public sector banks and less than 0.05 in private sector banks. A slight increase in reliability dimensions may leads to increase in overall customer satisfaction.

Customer Satisfaction on Actual Quality of Facilities and Amenities provided by Banks

The overall customer satisfaction on actual quality of facilities and amenities provided by public sector banks denotes that a light increase in
facilities like name board and other information about working hours, convenient location of bank, drinking water facility, flooring, complaints and suggestion box may leads to increase in customer satisfaction. Whereas in private sector banks facilities like convenient location of bank and flooring may leads to greater increase in customer satisfaction. Because the p. value is less than 0.01 in both private and public sector banks.

A slight decrease in facilities like display of products and service information and lighting facilities in public sector bank and may leads to decrease in customer satisfaction. And in private sector banks a slight decrease in facilities like display of products and services information and complaint and suggestions boxes would affect the customer satisfaction to a greater extent. Because the p. value is less than 0.05 in both public and private sector banks.

**A comparison of public and private sector Banks**

The necessary hypothesis are established to find the significant difference between public and private sector banks with respect to dimensions of service quality, service encounters, customer satisfaction of service, expected and actual quality of facilities and amenities provided, comparison of both expected and actual quality of facilities and amenities provided, core services or products offered. The results of hypothesis testing are presented below.

**Dimensions of service quality**

A comparison is made between public and private sector banks regarding the five dimensions of service quality. T-test is used to test the hypothesis. In all the five dimensions of service quality the P value is greater than 0.05 the null hypothesis is accepted at 5% level of significance with respect to all the five dimensions like Tangibility, Reliability, Responsiveness, Assurance and Empathy dimension of service of service
quality. Therefore it may be concluded that there is no significant difference between public and private sector banks with respect to all five dimensions of service quality.

Service encounters

A comparison is made between public and private sector banks with respect to service encounter statements. The t-test is adopted to test the hypothesis. For service encounter statements like receptionist noticed welcomed and great me, receptionist asked customer may I help you sir, receptionist/bank employee ask me to be seated, bank staff speak pleasantly and smile, bank staff are friendly, bank staff body language is friendly and bank staff thank me for transacting with them and overall service encounters. The p value is less than 0.01, the null hypothesis is Not accepted at 1% level of significance. Hence it may be concluded that there is significant difference between public and private sector banks. But in the case of other service encounters statements. The p value is greater than 0.05. Hence it is concluded that there is no significant difference between public and private sector banks with respect to service encounters.

Customer satisfaction of service

A comparison is made between public and private sector banks with respect to customer satisfaction of service. The t-test reveals that the p value is less than 0.05 the null hypothesis is not accepted at 5% level of significance with respect to the statement satisfied with the bank and overall customer satisfaction. Hence it is concluded that there is significant difference between public and private sector banks with respect to satisfaction of service. But for other statements, there is no significant difference between public and private sector banks with respect to customer satisfaction of service. Since the p value is greater than 0.05.
Expected quality of facilities and amenities provided by the banks

A comparison is made between public and private sector banks with respect to expected quality of facilities and amenities provided. The t-test reveals that the p value is less than 0.01, the null hypothesis is not accepted at 1% level of significance with respect to the expected quality of parking and May I help you counter facilities and amenities. Therefore it may be concluded that significant difference is found relating to expected parking facilities and may I help you counter facilities between public and private sector bank customers. But in the case of other expected quality of facilities and amenities, there is no significant difference between public and private sector banks with respect to expected quality of facilities and amenities provided by the bank. Since the p value is greater than 0.05.

Actual quality of facilities and amenities provided

A comparison is made between public and private sector banks regarding actual quality of facilities and amenities provided. The t-test results reveals the fact that the p value is less than 0.01, the null hypothesis is not accepted at 1% level of significance with respect to the actual quality of May I help you counter, display of identification boards at counters, availability of personal assistance/guidance and overall actual quality of facilities and amenities provided. Hence it is concluded that there is significant difference between public and private sector banks with respect to actual quality of above mentioned facilities and amenities. But in the case of other actual quality of facilities and amenities there is no significant difference between public and private sector banks. Since the p value is greater than 0.05.

Expected quality and actual quality of facilities and amenities provided by the public sector banks

A comparison is made between Expected quality and Actual quality of facilities and amenities provided by the public sector banks. The paired t-test
reveals the findings that the p value is less than 0.01, the null hypothesis is not accepted at 1% level of significance. Hence it is concluded that there is significant difference between expected quality and actual quality of facilities and amenities provided by the public sector banks. But in the case of flooring p value is less than 0.05; the null hypothesis is rejected at 5% level of significance.

**Expected quality and actual quality of facilities and amenities provided by the private sector banks**

A comparison is made between Expected quality and Actual quality of facilities and amenities provided by the private sector banks. The paired t-test is used to find the significant difference. It is found that the p value is less than 0.01, the null hypothesis is not accepted at 1% level of significance. Hence there is significant difference between expected quality and actual quality of facilities and amenities provided by the private sector banks. But in the case of flooring p value is greater than 0.05, the null hypothesis is accepted at 5% level of significance.

**Association between service quality and various core services offered by public and private sector banks**

On the hole it is concluded that in public sector banks the customer service perception depends upon safe locker operation, eight to eight banking and ATM services intensified. Similarly in the case of private sector banks the service quality and satisfaction is decided by various perceptions of customers regarding deposits and eight to eight banking services.
5.4. Suggestions

It is essential for any bank to offer excellent quality of service to ensure customer satisfaction. Banks need to adhere to the following suggestions for better improvement of service quality and customer satisfaction.

**Involvement of all staff members in customer service**

The staff members of the banks realize that ensuring customer service is not the exclusive job of the officers in the bank; it is the duty of each and every staff member working in the bank. Only providing the right services and providing them at the right time can fulfill continuously the needs of customers. Even if a less educated or illiterate customer comes to the bank, the bank employees should deal with him courteously with a smiling face.

**An elegant and customer-friendly atmosphere**

The bank should look elegant and exhibit professionalism. The bank should be computerized and the services of the customer should be quickly attended to. Modern technology such as e-banking, mobile banking, telebanking should also be introduced to ensure better and quick service to the customer, encourage shifting for a better option as and when it is available. The employees should be efficient and technically competent so that they can operate the latest devices. They should also make customers feel very comfortable while interacting with them.

**Visibility**

The interaction with prospective and existing customers should be an ongoing process. The bank staff should enlighten the customers as to what the bank can provide or intends to provide in future. Whenever a loyal customer visits the bank, the employees should create a large customer database and they should be in constant touch with the customers even after the service
have been rendered. Apart from that the banks should design a strategy to increase the frequency of usage of a customer for various purposes services. So that the banks can gain a maximum business from them.

**Making the system simple, easy, clear and customer-friendly**

Customers dislike bureaucratic systems, which spoil the entire image of the bank. The bank should thus give proper directions to customers. Systems pertaining to customer service should be simple and customer-friendly. The bank should provide complete and consistent information to the customer at a single point. All communications with the customer should be precise, clear and unambiguous.

**Providing customized service**

The bank staff should treat each customer individually and give him exactly what he wants. The staff should treat the customer respectfully and politely.

**Making the bank service centre highly professional**

The bank should be well organized with adequate inventory and skilled staff. Staff members should never offer excuses for the delay caused in attending to a customer’s complaint. The bank should offer a premium by rendering qualitative service.

**Setting internal standards for customer service**

The bank employees should be trained to meet and, indeed exceed the standards. Laying down a well-defined process for providing quality service will bring high dividends. Customer expectations are always on the rise and the only way to meet them is to continuously raise the standard of service of the bank.
Innovativeness and segmentation of products and services

The bank should improve the customer service continuously through innovation. It should introduce on-line business transactions in all its branches. The bank should thus introduce innovative measures, which would not only keep its customers happy but also go beyond their expectations from the bank. The banks may introduce innovative products and service as per needs of different segments like age, gender, occupation, education and income.

Empowering and Motivating employees

The bank should empower its employees to facilitate effective handling of customer queries and complaints. The manager should personally take the responsibility for redressing customer grievances. Apart from that the bank should continuously motivate the employees to handle the customer problems smoothly and politely.

Welcoming complaints

The customer should be given a chance to express his opinion with regard to the business transaction. The bank should realize that a customer who is complaining is giving the bank an opportunity to continue business with him by pointing out the bank's mistakes and enabling it to rectify them.
5.5. Conclusion

Prior to the liberalization policy in India, there was no private and foreign bank available in the market. Liberalization opened the banking sector to private and foreign players. This has provided customers of banks with a wide range of choice. To maintain the customer base, banks have now to focus on the service quality so that customers remain satisfied.

Nowadays, banking has emerged as an integral part of the financial sector of the economy. The efficiency of a banking sector depends upon how best it can deliver services to its target customers. In order to survive in the competitive environment and provide continual customer satisfaction, the providers of banking services are now required to continually improve the quality of services and technology and other aspects. Before making their banking products, banks should give importance to the various factors that have been highlighted in this research so that they can retain their customers and attract the new customers to the bank.

Moreover it can be concluded that both public sector banks and private sector banks lack certain facilities and amenities and certain core services and add-on-services or products are not offered. So it is suggested that the public and private sector banks has to design some new strategies and create products to cater the needs of various segments of the society. The banks should innovate their product with customer interface which may provide the 'value of money' to customers. While launching new products the customers must made aware about the high quality personalized/customized products. Except these basic differences between public and private sector banks there is no significant difference between Public and Private sector banks with respect to dimensions of service Quality and there is no significant difference between public and Private sector banks with respect to customer satisfaction of service.
Hence all such public and private banks should aim at satisfying the customers by providing maximum features and maximum service in their banking services to meet the present competitive scenario prevailing in the banking sector.

5.6. Directions for Future Research

The present research study "Banking service quality and customer satisfaction- A comparative study of public and private sector banks in Chennai" by using SERVPERF analysis is restricted to Chennai city only and also to certain banks in public and private sector. This research provides some important insights into service quality and customer satisfaction in public and private sector banks. Still there is an opportunity to extend these findings to gain a more comprehensive understanding of service quality and customer satisfaction of public and private sector banks.

The same study can also undertake as a future research by expanding to some other cities other than Chennai and by selecting some other or more number of private and public and foreign banks.

The future research may highlight the service quality in banking in total, comparative analysis on SERVPERF scores in different sectors of banks, market segment and SERVPERF analysis in banking and comparative analysis on SERVQUAL and SERVPERF scores in banking industry. The future research may be directed to analyze the reasons for variations in SERVQUAL and SERVPERF scores among customers in the banking industry.