CHAPTER - VI

FINDINGS, SUGGESTIONS AND CONCLUSION
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6.1 DESCRIPTIVE ANALYSIS

6.1.1 Tangibles

Analyzing the four individual statements of tangible dimension in comparison with overall service quality in Banks has shown that bank has modern-looking equipment has the highest mean value (3.800), followed by bank’s physical facilities are visually appealing has the second highest mean value (3.740). Consecutively followed by bank’s employees are neat-appearing takes the third in the order with a mean value (3.628) and materials associated with the service are visually appealing at Bank has the lowest mean value (3.515).

6.1.2 Reliability

Analyzing the four individual statements of Reliability dimension in comparison with overall service quality in Banks has shown that Right Service at first time has the highest mean value (3.940), followed by Sincere interest in solving Problems takes the second place in the hierarchy with a mean value (3.885). Bank promises takes the third in the order with a mean value (3.818) and Error-free records has the lowest mean value (3.737).

6.1.3 Responsiveness

Analyzing the four individual statements of Responsiveness dimension in comparison with overall service quality in Banks has shown that Exact Time of Service has the highest mean value (3.963), followed by Prompt service holds the second place in the hierarchy with a mean value (3.947). Consecutively followed by Respond to Request takes the third highest mean value (3.818) and willing to help last in the hierarchy of mean value (3.785).
6.1.4 Assurance

Analyzing the four individual statements of Assurance dimension in comparison with overall service quality in Banks has shown that Instills confidence has the highest mean value (3.785), followed by Feel safe in transactions having the second highest mean value (3.685). Consistently courteous takes the third in the order with a mean value (3.633). Knowledge to answer Queries takes the last place in the order with a mean value (3.632).

6.1.5 Empathy

Analyzing the four individual statements of Empathy dimension in comparison with overall service quality in Banks has shown that Individual attention has the highest mean value (3.808), followed by Operating hours are convenient has the second highest mean value (3.712). Consecutively followed by Best interests at heart takes the third in the order with a mean value (3.702) and Understand specific needs has the lowest mean value (3.668).

6.1.6 Technology Usage Easiness and Reliability

Analyzing the four individual statements of Technology Usage Easiness and Reliability dimension in comparison with overall bank service quality shown that Easy to use has the highest mean value (3.955), followed by User-friendly takes the second highest mean value (3.628). Technology is reliable takes the third in the order with a mean value (3.602). Accurately and error-Free has the lowest mean value (3.557).

6.1.7 Technology Security and Information Quality

Analyzing the four individual statements of Technology Usage Easiness and Reliability dimension in comparison with overall bank service quality shows that Safe using bank’s technology has the highest mean value (3.842), followed by Technology recognizes by name and provides necessary report has the second highest mean value (3.815). Repeatedly followed by Technology is personalized takes the third in the order with a mean
value (3.738). Technology provides sufficient information last in the hierarchy of mean value (3.670).

6.1.8 Technology Convenience

Analyzing the four individual statements of Technology Convenience dimension in comparison with overall bank service quality shown that Technology gives more freedom of mobility has the highest mean value (3.897), followed by Technology is accessible beyond regular business hours having the second highest mean value (3.788). Complete transactions quickly take the third in the order with a mean value (3.787). Convenient to use technology has the lowest mean value (3.745).

6.1.9 Customer Service

Analyzing the four individual statements of Customer Service dimension in comparison with overall service quality in Banks has shown that calls are always answered promptly has the highest mean value (3.933), followed by Requests are always anticipated properly has the second highest mean value (3.883). Consecutively followed by Representative’s offer personalized information takes the third in the order with a mean value (3.792) and Representative’s offer personalized information has the lowest mean value (3.737).

6.1.10 Perceived Customer Value

Analyzing the four individual statements of Perceived Customer Value dimension in comparison with overall service quality in Banks has shown that Excellent value for money has the highest mean value (3.813), followed by Value for money having the second highest mean value (3.787). Worth every Rupee takes the third in the order with a mean value (3.747). Excellent value last in the hierarchy of mean value (3.710).
6.1.11 Trust

Analyzing the four individual statements of trust dimension in comparison with overall bank service quality shows that Claim or promise has the highest mean value (3.872), followed by No limits to solve a service problem have the second highest mean value (3.855). A product is true takes the third in the order with a mean value (3.785). Very reliable has the lowest mean value (3.718).

6.1.12 Customer Satisfaction

Analyzing the four individual statements of Customer Satisfaction dimension in comparison with overall service quality in Banks has shown that Services meet expectations has the highest mean value (3.842), followed by overall satisfied with bank holds the second place in the hierarchy with a mean value (3.808). Consecutively followed by Right Bank to choose has the third highest mean value (3.745) and Delighted with bank last in the hierarchy of mean value (3.693).

6.1.13 Customer Loyalty

Analyzing the three individual statements of Customer Loyalty dimension in comparison with overall service quality in Banks has shown that Business with bank in the future has the highest mean value (3.835), followed by Recommend bank to others has the second highest mean value (3.787). First choice at Bank has the lowest mean value (3.685).

6.1.14 Reducing Switching Intention

Analyzing the three individual statements of switching dimension in comparison with overall bank service quality shows that if the Banks takes remedial measures, will not switch to other banks has the first highest mean value (3.848), followed by will not opt for other banks for investment service in future takes the second in the order with a mean value (3.792). If the Bank makes recovery measures at the earliest will not switch to other Banks have the lowest mean value (3.742).
6.1.15 Positive Word of Mouth

Analyzing the three individual statements of Positive Word of Mouth dimension in comparison with overall bank service quality shows that Consider Bank as Primary Bank has the highest mean value (3.848) followed by Say Positive things takes the second in the order with a mean value (3.822). Encourage friends and relatives and it stands last in the hierarchy of mean value (3.782).

6.1.16 Personal Profiles

The gender classification shows that 67% of the respondents were male and the remaining 33% of the respondents are female. The age wise classification of the respondents shows that majority of the respondents (36 %) falls under the age group between (31 – 40) followed by (33%) of respondents age group below 30 years. Majority (36%) of the respondents are Post graduate, followed by (24%) as professionals. The monthly income of the respondents shows that (39%) of the respondents income falls (Rs.30,001 to Rs.40,000). The occupation of the respondents shows that majority (49%) of them are private employees.

6.2 STATISTICAL FINDINGS

6.2.1 Re-Examining and Prioritizing the Traditional Service Quality Dimensions in the Technology Era

The result of Re-Examining and Prioritizing traditional service quality dimensions shows that the Tech Savvy customers of this study, given highest importance for responsiveness, reliability, and followed by assurance. They remaining dimensions are Tangibles and Empathy respectively.

6.2.2 The association between selected personals of the respondents with traditional and technology enabled service Quality in Select Bank.

The results of Chi-Square test show that there is no association between gender and educational qualification with Traditional and Technology based service quality dimension.
Occupation of the respondents shows the association with traditional and technology based service quality dimension.

6.2.3 The significant relationship between age of the respondents and dimensions related to service quality in select Banks.

Age of the respondents founds to be significant with assurance dimension in traditional service quality dimensions. The remaining dimensions like reliability, responsiveness, empathy and tangible do not have any significant relationship with the analyzing dimension age.

In the technology enabled service quality dimension, age is found to be significant with technology convenience. The remaining dimension like Technology Usage Easiness and Reliability, Technology Security and Information Quality, and Customer Service do not have any significant relationship with the analyzing variable age.

The resultant and out dimensions like customer trust, Customer satisfaction, Reducing switching intention and Customer positive word of mouth is significant with the analyzing dimension age, the remaining dimension customer value and customer loyalty do not have any significant relationship with the analyzing variable age.

6.2.4 The strength, Direction and Magnitude between Service Quality dimensions.

The service quality dimensions shows that tangibles and empathy is highly corrected with overall traditional service quality dimensions, followed by assurance, empathy and reliability.

The technology enables service quality dimensions like Technology Security & Information Quality and Technology Convenience found to be highly correlated with overall technology based service quality dimension, followed by Technology Usage Easiness & Reliability and customer service.
The dimension perceived value is highly correlated with overall service quality in Banks, followed by Customer Trust and Customer Satisfaction.

6.2.5 The cause and effect between the service quality dimensions of select Bank

The dimension Assurance found to be strongest predictor of overall service quality, followed by responsiveness, Reliability, Tangibles and finally empathy.

In the technology enabled service quality, Technology Convenience and Technology Security and Information Quality dimensions are the strongest predictors of overall service quality dimensions followed by customer service and Technology Usage Easiness and Reliability.

The dimension customer value found to be the strongest predictor of overall service quality dimension, followed by Customer trust and customer satisfaction.

6.2.6 Modeling Bank Service Quality Based on Customer Trust, Customer Value, Customer Satisfaction and Post Purchase Behaviour Intention

The research model is analyzed with the help of structural equation modeling.

The path model consists of 18 paths. All the 18 paths were formative. Out of 18 paths, 9 paths are the core paths, and the remaining 9 paths were sub-dimensions paths. All the 18 paths were positive, but only 16 paths were significant. Out of 18 hypotheses formulated in the research model of the study, 16 hypotheses were accepted and the remaining two hypotheses were rejected.

6.3 SUGGESTIONS AND MANAGERIAL IMPLICATIONS

This research has shown that the shift in rankings is minimal and is expected, given the continued importance of traditional service quality in bank-customer relationships in the new e-banking era. Despite the increasing popularity and acceptance of new banking technologies and the increasing move to an e-banking landscape, these findings continue to support the views of many past scholars (such as Yang and Fang, 2004; O’Donnell, 2002;
Tyler and Stanley, 2009; Roth and Van der Velde, 2006) that have found that customers, in particular businesses, still have a high preference for human interactions when dealing with their bank. This is an exceedingly valuable proposition in this e-banking era where banks are continuing to erroneously cut costs through the reduction of service staff levels and the streamlining of branch operations.

As banks do not provide tangible products, their service quality is usually assessed through service provider’s relationship with customers. Thus, bank management should pay attention towards their staff skill possession, knowledge, assessing customers’ needs, offering fast and efficient services, etc. This can be achieved by attaching more importance to the skillful and efficient prospective in the recruitment and development of bank employees (both front and back office). Further, backstage employees should also be covered under the training programs because frontline employees cannot be efficient in providing services if they do not get full cooperation and support from backstage employees. Moreover, there is a dire need to train bank employees on relationship marketing skills. Such trainings would build a customer-oriented climate in which contact staff can deliver services more efficiently and effectively. This will result in the development of commitment in personal relationships, which ultimately builds commitment for the service provider. Thus, banks should encourage employees to develop friendship with customers, which can provide another opportunity for service organizations to enhance commitment. Moreover, customer relationship process is necessary as it enables managers to track and evaluate the information routines that are relevant for practicing CRM and also identifying the prospective switchers.

The tangible Service Quality Dimension refers to the appearance of the physical surroundings and facilities, equipment, personnel and the way of communication. In other words, the tangible dimension is about creating first hand impressions. A Bank should want
all their customers to get a unique positive and never forgetting first hand impression, this would make them more likely to return in the future.

The reliability service quality dimension refers to how the banks are performing and completing their promised service, quality and accuracy within the given set requirements between the Bank and the customer. Reliability is just as important as a first hand impression, because every customer wants to know if their Bank is reliable and fulfill the set requirements with satisfaction.

The responsiveness service quality dimension refers to the willingness of the bank to help its customers in providing them with a good, quality and fast service. This is also a very important dimension, because every customer feels more valued if they get the best possible quality in the service.

The assurance service quality dimension refers to the Bank's employees. Are the employees are highly skilled which are able to gain the trust and confidence of the customers? If the customers are not comfortable with the employees, there are a greater chance that the customers will not return to do further business with the Bank.

The empathy service quality dimension refers to how the bank cares and gives individualized attention to their customers, to make the customers feeling extra valued and special. The fifth dimension are actually combining the second, third and fourth dimension to a higher level, even though the really cannot be compared as individuals. If the customers feel they get individualized and quality attention there is a very big chance that they will return to the Bank and do business there again.

The service sector now accounts for almost two thirds of the GDP in industrial countries and even in several developing countries like India. The banking sector has become intensively competitive due to globalization. Therefore, bank service managers need
to understand how people rate Bank service quality and what critical dimensions contribute to improving Bank service quality.

The current research makes important contributions to the field of banking services. The contribution lies in the identification of the service quality dimensions related to technology banking in generic terms (i.e. irrespective of the technology being used by the banks for service delivery). This study provides insights into the consumption process of the retail banking customers in today’s changed scenario of banking services which is leveraging upon technology for service delivery and using it as a weapon for competitive differentiation.

The technology based service quality dimensions identified in this study are “technology security and information quality”, “technology convenience”, “technology usage easiness and reliability” and “customer service”. These dimensions will act as guidelines for the managers of banking services as it will help them to understand the particular dimensions that customers consider while evaluating the service delivery process of banks using technology.

This is particularly important because dipping customer confidence due to inadequate knowledge of handling technology properly makes it necessary for managers to have proper knowledge of customer’s perceptions of service quality dimensions in technology based banking. The dimensions identified in this study can be utilized by the service providers to project the convenience of using technology in banking and highlight their security and reliability as well in order to boost the customer confidence. This will aid in reducing customers’ perceived risk in using the technology-based banking services which in turn will instill their confidence in such services. However, the degree of emphasis placed on these dimensions depends on the objectives of the banks.
As the consumer behavior patterns are changing with the adoption of technology by banks in their service delivery boosting of customer confidence is necessary so that customers accept these new channels of service delivery. In this regard customer satisfaction and loyalty are key indicators of customers’ confidence in technology-based banking. Hence, the next contribution is examining the differential impact of these generic service quality dimensions of the satisfaction judgments of customers. This is in line with the service quality literature linking perceived service quality and customer satisfaction. This research contributes to the literature by examining the differential impact of these service quality dimensions on Customer satisfaction and Post purchase behavior intention in the banking services. This is consistent with the loyalty literature (Carrillat, 2009).

The above discussion on different dimensions obtained in this study highlights that service quality for technology based banking (for all types of technologies), has some universal aspects such as convenience of technology use, security in transactions, the quality of information delivered through technology channels, the ease of use and the overall reliability of technology based banking. Moreover the customer service delivered using the technology channels is also an important factor in determining the customer satisfaction and customer loyalty. All these dimensions are applicable to different technology channels used by banks for example, ATMs, Internet banking, and phone banking. Hence we have termed these dimensions as generic in nature. Since these dimensions are generic in nature they will be applicable even for any future technologies introduced in banking sector.

The study has also found the positive impact of these technology based service quality dimensions on customer trust, value and customer satisfaction. Owing to high usage of technology by bank customers in today’s world the role of customer service has become more important as customers are interacting through some technology and not any human being. In fact provision of proper customer service shapes the consumer behavior patterns
significantly. Our result also conforms to this fact as “customer service” dimension has relatively higher impact on overall service quality than “technology usage easiness and reliability”. However, the importance of the ease of use of technology as well as its reliability is no less. Because only if customers perceive the technology channel to be easy to use and reliable their consumption experience will be positive and they will be satisfied with the use of technology based-banking, thus giving a boost to their confidence.

In this research it is found that customer satisfaction has a positive and significant impact on all post purchase behavior intentions like Customer Loyalty, Reducing Switching Intention and Positive Word of Mouth. This is hardly a new finding but it is all the more important for technology based banking because only if a customer is satisfied with a previous encounter with the technology channel he will reuse the same for future transactions.

In this study customer satisfaction creates very high positive impact on reducing switching intention and increasing positive word of mouth. This finding ensures that Technology Convenience and Technology security are creating positive changes in the mind set of the customers. It is an indication to the policy makers in Bank and Practitioners the changing behavior of customers, so the top level peoples should always ensure technology convenience and security.

The current study provides some useful insights for managers of banking services. The service quality dimensions identified in this study are related to Traditional and technology based banking. This is useful for the service manager of a bank because he can measure the perceptions of service quality on these dimensions to get a broad indication of the bank’s technology related service quality performance. As the dimensions identified in this study are generic in nature these can be adopted by the service managers to measure the perceptions of customers whenever a new form of technology is introduced in the banking
services sector. These dimensions can be used to track the relative performance of a bank with respect to their competitors over a period of time.

These dimensions can also be used to segment and profile the customers based on their perceptions about service quality and hence targeted communication can be designed to educate them on technology usage. The positive impact of service quality dimensions on customer satisfaction and post purchase behavior intention has been highlighted in the literature (Dagger, 2007).

Hence, a fair understanding of the impact of these dimensions on customer satisfaction and post purchase behavior intention can help the service managers of banks to formulate proper strategies to instill customer confidence. This study found the differential impacts of the technology based service quality dimensions on the satisfaction judgments of customers and their post purchase behavior intention towards the banks. This will help the managers of banking services to properly design the technology channel of service delivery with greater emphasis given to those dimensions which impacts customer satisfaction and post purchase behavior intention significantly.

Service managers need to focus on making their delivery channels reliable and easy to use so that customers feel confident in using them repeatedly and hold positive usage experience. The results also highlight the importance of customer service in creating satisfied and loyal customers. This implies that banks need to resolve any problems faced by customers adequately, especially in the scenario of technology frustrating the customers at interaction interfaces.

Perceived value is a customer’s opinion of a Bank’s value to him or her. It may have little or nothing to do with the Banks benefits, and depends on the Bank’s ability to satisfy his or her needs or requirements. The consumer’s perceived value of a good or service affects the price that he or she is willing to pay for it. For the most part, consumers are
unaware of the true cost of service for the service they received. Instead, they simply have an internal feeling for how much certain service is worth to them. Thus, in order to obtain a higher price for their service, Banks may pursue marketing strategies to create a higher perceived value for their services.

To gain customer loyalty and reducing customer switching intention, bank management ought to satisfy its customers, which can be implemented only when customers’ needs are known, which can be achieved through a meaningful customer feedback on a continuous basis. Hence, every bank should have a separate R&D department that can pursue market surveys on continual basis and further, banks should pay special attention to the proper functioning of R&D department.

Besides the traditional approaches to relationship marketing (contacting customers by telephone, mail, or in person; after sale service; complaint handling; account management; customer care and satisfaction), newer approaches such as web-enabled interactive e-marketing mechanisms (Apps) in the form of customer information system; customer databases; point-of-sale work forces; automation of customer support processes; call centers; systems integration; and lifetime value of a customer should also be adopted in the context of ongoing culture of relationship businesses both locally and globally.

Therefore, banks should utilize modern technology to maintain and update customer databases to facilitate personalized attention through two-way interaction, so as to earn loyalty, positive word of mouth and thereby, reduce switching intention.

As per the latest Mantra in Marketing “Think Global and Act Local”, the Bank peoples, marketing consultant and practitioners should give importance to the changing perception of Indian Customers. Any new technology changes introduced by the Bank to enhance the quality of service, optimum amount of time should be given to customer to use and accept it. Bank peoples should not force them to use to technologies.
Strategies for public sector banks

(1) Technology-based interactive system is not user friendly for customers. For toll free numbers, it is advisable to avoid cumbersome automatic voice interaction system. Customers feel frustrated when they have a long circle of choices and they have to select one choice. Moreover, they are forced to listen to music. Public sector banks should open more ATMs and they should not be out of order. It will help in providing access convenience to customers.

(2) More advanced training should be provided to employees to provide uniform services to overcome the problem of heterogeneity. When new software is introduced, employees should be given training prior to its implementation.

(3) Trust among customers for public sector bank is a major advantage and should be utilized during promotional activities.

(4) Public sector banks have a bureaucratic environment which leads to delay in decision making. Employees should be given autonomy in making decisions. It will help in taking decisions quickly and expedite the banking process.

Strategies for private sector banks

(1) The inclination of private sector banks toward social responsibility, financial inclusion programs and penetration in rural areas will go a long way in gaining respect in the eyes of customers.

(2) Private sector banks have the policy of recruiting relationship officers whose chief responsibility is to provide services at the doorstep of customers. If public sector banks refuse loan to a customer due to incomplete documents, private sector banks are eager to provide loan to these customers.
6.4 CONCLUSION

This study has developed a comprehensive understanding of the antecedents of Bank Traditional and Technology based service quality and customer satisfaction in the selected banks. The study re-examined the traditional service quality and prioritized as per the growing technology changes in Banks. It contributes to the literature in many ways. The impact of Traditional service quality and Technology based service quality towards customer satisfaction along with the mediating dimensions customer trust and customer value and post purchase behavior intention is studied. However, these drivers are found to be influencing satisfaction and post purchase behavior intention in different ways for selected Banks in the study.

More importantly, this study predicted customer satisfaction by measuring separately Traditional and Technology based service quality along with customer trust and customer value. This study highlighted the importance of customer trust and customer value as the important dimensions between service quality and customer satisfaction. Further this study significantly re-examine the priority of Traditional Service quality dimensions with previous study as per the Indian customer perception.

When comparing traditional and technology based service quality dimensions with customer trust and value, technology based service quality dimensions contribute more towards customer trust and customer value. This shows that customers are slowing moving towards technology adoption. Banks might take right strategy that how traditional service quality will influence technology based service quality in achieving higher customer trust and customer value. For Bank professionals this study explains the importance of Traditional and Technology based service quality in measuring the post purchase behaviour intentions, Customer loyalty, reducing the switching intention and increasing positive word of mouth about the banking service qualities.
6.5 SCOPE FOR FUTURE RESEARCH

Limited research endeavors to study Technology enabled service quality signify enough potential for future research. Particularly, in the banking sector, future research can examine the technology enabled service quality negative impact on customer satisfaction and switching from one bank to other Bank. Studies also can be one on comparing between the nationalized and private bank with respect to technology enabled service quality. Moreover a more representative sampling strategy needs to be used by future researchers to generalize the findings of this study. In this research the researcher used only tech savvy customers as sample in selected Banks as a starting point to understand the initial structure of proposed model. Last, similar study can be replicated to provide valuable research findings for other related services like hospitals, insurance, airlines, etc.