CHAPTER - II

REVIEW OF LITERATURE

2.1 INTRODUCTIONS

Indian Banking industry is one of the most technologically advanced industries with vast networks of branches empowered by strong banking systems, their wide range of product and effective distribution channel capabilities. However, regulatory, structural and technological factors are significantly changing the banking environment throughout the world. Financial liberalization has led to intense competitive pressures and retail banks are consequently directing their strategies towards increasing customer satisfaction and loyalty through improved service quality. With such a high potential in the Indian banking industry, all leading banks are looking ahead to establish themselves as the most preferred bank by the customers and this can only happen when they are able to differentiate themselves on the basis of service quality being offered by their competitors.

In this chapter an attempt has been made to analyse the various studies on different views of banking industry related to the present study. A number of studies have been carried out on different aspects of customer services by the researchers, economists and academicians of Indians and abroad. Some of the important studies conducted on customers services of banking sector are reviewed here. The reviews keep the researcher to identify the research gap and formulate a better analysis.

2.2 SERVICE QUALITY DIMENSIONS

Zeithmal et al., (1990)\(^1\) analysed profitability positions of banks and growth of
client base are interlinked. With intensifying competition in the market, it is very important for the banks to understand “How customers choose their banks?” Then only banks can take proper marketing efforts to increase client base. Improper identification of true determinants of consumers’ bank selection decision may result in poor results for marketing efforts. Management’s failure to identify customers’ desire is one kind of quality gap.

Gerrard and Cunningham (2001)² conducted in Singapore, investigates three important aspects of service quality. The sample customers of two specific banks, one of which is publicly quoted and one of which is fully government owned. For comparative purposes, five service quality dimensions, which the authors created, were used. The results showed that customer expectations about an excellent bank's service quality were not significantly different as between the public sector bank and the government bank. The perceptions that consumers had about the service quality of the bank they patronised, though, showed some significant differences. The public sector bank was perceived as having a significantly better 'services portfolio', specifically in regard to making customers aware of its services and offering a variety of services through its Asynchronous Transfer Mode (ATM). The government bank was perceived as having better 'staff who deliver the service', specifically in the way the staff dressed and the efficiency with which they served customers. The five service quality dimensions were found to have better predictive capabilities for the measurement of the overall satisfaction of customers who patronised the government bank.

Hays and Hill (2001)³ explained that most experts agree that a learning organization whose employees have a clear vision of the importance of service quality and are motivated to provide that quality will achieve superior service quality. He
develops a theoretical framework and conduct a cross-sectional empirical study to investigate the inter-relationships among these constructs. The results indicate that higher levels of both employees’ motivation/vision and organizational learning positively affect perceived service quality. Additionally, employees’ motivation/vision was found to mediate the relationship between organizational learning and perceived service quality. These results highlight the importance of employees’ motivation/vision in both the service and the learning process.

Li et al. (2001)\(^4\) found that as an international financial center, the banking industry in Hong Kong (HK) plays a significant role. Because of increasingly competitive pressure from domestic and overseas banks, HK banks must tightly control cost and improve quality and efficiency of operations in order to maintain profitability. For this purpose, quality management has emerged as an effective tool in recent years. In fact, it has been regarded as a vital strategic element for meeting the challenge of the new and intensified competition in the financial services industry. This paper reports the result of a survey on quality management initiatives in HK’s banking industry between 1997 and 2000. The trend of changes in these years is analyzed and the results from HK are compared with those from British financial institutions. The results show that HK banks have gradually adopted quality initiatives and gained significant success in quality management over the past 3 years. They focused more on meeting service standard and providing prompt services while banking institutions in the UK focused more on understanding and meeting customers’ needs.

Newman (2001)\(^5\) presented a case study of a pioneering nationwide implementation of SERVQUAL by a major United Kingdom (UK) high street bank between 1993 and 1997 at an annual cost of one million pounds. In addition to
highlighting serious weaknesses in the value of SERVQUAL as a measure of service quality and as a diagnostic tool, this study raises some of the practical difficulties entailed in its implementation. Moreover, in this particular instance, it becomes apparent that difficulties are introduced by the separation of service quality management from the management of marketing and human resources. In addition, there was a discernible lack of top management commitment, as well as obstacles in the form of functional and informational silos, which served to constrain an integrated company response to SERVQUAL criteria.

Hussein A Hassan Al-Tamimi and Abdullah Al-Amiri (2003) discussed that service quality in banking is a significant issue facing this industry. The objective of this study is to analyse service quality in the UAE Islamic banks and to compare service quality between the Dubai Islamic Bank and the Abu Dhabi Islamic Bank. Linear regression results indicate that there was a positive and statistically significant relationship between overall service quality and the SERVQUAL dimensions in the UAE Islamic banks. It was also found that empathy and tangibles were the most important dimensions. Analysis of covariance (ANOVA) results showed that there was no significant difference between the level of overall service quality in the Dubai Islamic Bank and the Abu Dhabi Islamic Bank. ANOVA results also indicate that there was no significant difference in the level of service quality in the UAE Islamic banks based on the customer's gender and nationality. The results indicate, however, that there was a significant difference in the level of service quality in the UAE Islamic banks based on the customer's age, education and number of years with the bank.

Yonggui Wang et al., (2003) explained that many studies were performed in the field of service management; less work is being done on an integrated framework of
service quality and product quality, especially which supported with evidence from developing countries. As a result, little is known about the distinction between service quality and product quality, their respective antecedents, and their distinctive contributions to performance in service industries in the developing world. Generalization of related findings from developed countries is not necessarily appropriate. Unlike most related studies that are based on evidence from developed countries, focuses attention on the distinction between, and respective antecedents of, service quality and product quality in the Chinese context.

Chaisomphol Chaoprasert and Elsey (2004) discussed that at the retail level, service quality is a key factor in consumer satisfaction with his or her bank. This article examines commitment to and emphasis within service quality. Despite the rapid growth in electronic banking it was found that in Thailand the emphasis has been on improving personal counter services. A model for investigating service in a retail banking environment is set out in the article.

Charalambos Spathis et al., (2004) discussed the service quality of Greek banks on the basis of their customers’ perceptions, and analyses how gender differences affect customers’ perceptions of service quality dimensions such as effectiveness and assurance, access, price, tangibles, service portfolio, and reliability. The results of an empirical study of 1,260 customers of Greek banks generally support the hypothesis that gender affects service quality perceptions and the relative importance attached to various banking service quality dimensions. This paper provides important information for bank managers to use in developing operational, human resource, and marketing strategies, and in targeting those strategies in terms of the gender differences in quality perceptions among their customers.
Ugur Yavas et al., (2004)\textsuperscript{10} examined the nature of relationships between service quality, background characteristics, and satisfaction and selected behavioural outcomes by using retail banking in Germany as its setting. Study results show that service quality is at the root of customer satisfaction and is linked to such behavioural outcomes as word of mouth, complaint, recommending and switching. However, different aspects of service quality and different customer characteristics seem to be associated with different outcomes. For instance, the results suggest that tangible elements of service quality and being a female are more closely associated with positive word of mouth and commitment. On the other hand, “timeliness” aspects of service delivery are more closely related to customer satisfaction, and complaint and switching behaviours. Implications of these results to induce greater customer satisfaction, to attain higher levels of favorable outcomes and to alleviate negative outcomes are discussed.

Mohammed Al-Hawari et al., (2005)\textsuperscript{11} explained in their paper that automated service quality has been recognised as the factor which determines the success or failure of electronic commerce. Those models currently available to measure automated service quality are limited in their focus, encompassing only one electronic channel the internet thereby ignoring attributes of the other automated service channels. In relation to the banking sector, research has identified that bank customers tend to use a combination of automated service channels. As such, this research strives to develop a comprehensive model of banking automated service quality taking into consideration the unique attributes of each delivery channel and other dimensions that have a potential influence on quality issues. The proposed model has been empirically tested for uni-dimensionality, reliability, and validity using factor analysis.
Mushtaq A Bhat (2005)\textsuperscript{12} stated that competitive advantage; business organizations are placing more focus on service quality. Research has shown that high service quality contributes significantly to profitability and productivity. In addition, knowledge of the costs and benefits of retaining consumers relative to attracting new ones draws company’s foremost attention to looking after present customers, responding to their needs and problems and developing long term relationships. Interest in the measurement of service quality is, thus, understandably high. An attempt has been made in the present study the service quality in banks and its variation across demographic variables. The study offers suggestions to make overall service quality in banks more effective and efficient. The results of the study lead us to the conclusion that service quality of foreign banks is comparatively much better than that of Indian banks and there are service quality variations across demographic variables.

Florence Yean Ling and Chong (2005)\textsuperscript{13} stated that in the construction industry, total quality comprises corporate service quality, project service quality and quality of the constructed facility. This study investigates the project service quality of Design-and-Build (D&B) contractors when undertaking projects for public sector clients in Singapore. Service quality is operationalized into five determinants: reliability, responsiveness, assurance, empathy and tangible. From these, 34 attributes that may affect project service quality in D&B projects are identified. A questionnaire is used to ascertain clients’ service quality expectations of these 34 main attributes. The clients were also asked the extent to which D&B contractors achieve project service quality. It is found that D&B contractors did not meet clients’ expectations in all the five dimensions of service quality. This means that D&B contractors are not giving clients the satisfaction that they hope for. This study offers D&B contractors feedback relating to clients’ expectations of their service delivery and the areas of service that need to be improved in order to provide quality service that will satisfy public sector clients.
Islam Nazrul (2005) identified the factors related to service quality of the banks in Dhaka City of Bangladesh. It identifies the relationship between age, educational background, profession, and length of involvement, types of services obtained by the clients and the service quality factors. An extensive survey of bank clients has been performed with a structured questionnaire to identify the factors. A segmentation of the group of respondents was made based on the nature of services provided by the banks such as, deposit, lending and other financial services. The sample clients were selected randomly at the banks while interviewing. Factor analysis was done to identify the service quality factors of the banks. Correlations between the factors and age, educational background, profession, length of involvement, and types of service obtained were identified to know the relationships. The respective results show that the most important service quality factor of banks is personal attention to the clients followed by error-free records, safety in transaction, and tangible physical facilities of the bank. Perceived service quality factors have significant relationship with the overall service quality of the banks located in Dhaka City which indicates that the factors identified have strong influence on the overall service quality.

Julie M Hays and Hil (2006) discussed that while most authors describe a service guarantee as a ‘zero-one variable’ indicating the presence or absence of an explicit written service guarantee, this paper develops a construct called ‘Service Guarantee Strength’ (SGS) that is a continuous variable. This construct measures the degree to which a firm sets clear service quality standards for itself on dimensions that customers care about, and has an formal policy for quickly giving meaningful compensation to customers when these standards are not met. The present study builds upon established micro-level behavioural theory to develop the ‘Service Guarantee
Strength Framework’. This framework posits that high Service Guarantee Strength leads to improved service quality, customer satisfaction, and loyalty through three intervening variables like marketing communications impact, employee motivation and vision, and learning through service failure. An empirical investigation was conducted to test the SGS Framework using both employee and customer data from three pairs of firms, with each pair in a different industry. None of these firms had an explicit service guarantee. Unlike many behavioural research studies, this study measured both employee and customer perceptual data and compared the two. The research finds that Service Guarantee Strength is positively related to customer perceptions of service quality, customer satisfaction, and loyalty.

Constantine Lymperopoulos et al. (2006)\(^\text{16}\) aimed to offer an in-depth understanding of bank customers’ buying behaviour in relation to the selection process, and provide bank managers with useful insight into the development of high quality relationships with customers. The research involved a review of available literature on bank choice criteria, the fieldwork, the identification of factors that affect customers’ choice, and the development of related managerial implications. A well-structured research questionnaire was administered by personal interviews to 1,092 bank customers in the greater area of Athens. Four distinct factors have been identified as the main choice criteria that influence consumers’ bank choice. Bank service quality is the most important element that customers consider in order to select their mortgage providers and establish a long-term relationship with them. The other three refer to product attributes, access, and communication. Limitations relate to the use of non-probability sample and the restricted geographical area of the field research. This study contributes to the body of academic knowledge by shedding more light into the role of
service quality in the selection process of mortgage provider. An understanding of consumer buying behaviour with respect to mortgage loans is important to bank managers for the attainment of organisational objectives that are focused on building beneficial customer relationships.

Ugur Yavas (2006) investigated that to what extent the underlying configurations of customer evaluations of service quality as perceived by frontline employees and as reported by customers match. Surveys of two groups of female bank customers (151 students and 83 adults) and 68 female bank employees in Turkey serve as the study setting. The SERVQUAL instrument is used in measuring employees’ and customers’ perceptions of service quality. The factor congruency technique is employed to determine the extent of similarities and disparities among the groups. Results show that the underlying configurations of service quality perceptions decompose into three factors in the cases of both customer groups and five factors in the case of employees’ category. Overall, customers’ and employees’ service quality perceptions do not correspond. This discrepancy underscores the need for accurate assessment of customer perceptions of service quality and training of employees to look at service quality from the perspective of customers by using customers’ definitions. Avenues for future research are offered.

Jenkins (2007) examined that the factors affecting the adoption of internet banking services by domestic commercial banks in a sparsely populated small island. Being one of the smallest island economies in the world, North Cyprus was chosen as a case study to explore the factors that affected the penetration of internet banking services in North Cyprus over a two year period. The managers of 23 banks which are functioning in North Cyprus were interviewed first in 2004 and later in 2006.
Furthermore, the web sites of these banks were also examined both in 2004 and in 2006 in order to measure the progress made in adopting internet banking services between these two periods. Evidence from survey studies and from banks’ web sites indicated that banks in North Cyprus have been consistently moving towards providing internet banking services despite a very small potential market to share. In 2004, the majority of commercial banks claimed that the potential market was too small to adopt internet banking services in North Cyprus. Yet, in 2006 the same banks were in the process of introducing internet banking as an assurance to their customers that they would be able to maintain a competitive quality of service in the future, hence avoid losing their customers to the branches of foreign banks. The implication for domestic banks is that if they wish to compete with foreign banks they must embrace internet banking.

Chinh and Anh (2008)\(^9\) aimed at examining the extent to which a local bank in Vietnam was practicing service quality based on the assessment of service quality gap perceived by the bank customers. More specifically, the research attempted to answer the questions: “Is there a gap between customer’s expectation and customer’s perception towards the service quality which the bank is offering?” and “Is there an association between age/ gender of customers and the frequency of their bank visits?” The findings, through empirical research, revealed that the majority of respondents were highly satisfied with what they perceived from the bank though the gaps between customers’ expectations and customers’ perceptions towards the service quality which the bank was offering did exist. It also found that there was an association between gender and frequency level of bank visits of respondents while there was no associate relationship between frequency levels of respondents’ bank visits across five age groups. In addition, the research produced some other findings giving the bank a deeper insight into their
customers with respect to age and gender criteria. The research results suggested that the most frequent bank customers were the second youngest group (24-35) and middle-aged people (36-49). In terms of gender, female respondents (61.2%) accounted for the majority of the bank’s customers compared to male ones (38.8%).

**Musa Pinar and Eser (2008)** examined the bank personnel’s perceptions of the quality of banking service offered by the Turkish banks. Specifically, the study is aimed to: (a) examine the perceptions of the bank personnel regarding the importance of the bank services; and (b) to compare the perceptions of the bank personnel at state, private and foreign banks. The study, which provided some insights into the personnel perceptions in identifying the strong and weak areas of banking services at Turkish banks, found a significant difference between the personnel of private and state bank, foreign bank and state bank, but not between private and foreign personnel. These differences, or “gaps”, if not taken care of, could have an adverse impact on bank customer satisfaction and bank performance. The study also presents the implications of the results for service quality and competitiveness of the banks in Turkey.

**David H Wong et al., (2008)** aimed to re-examine the role of traditional service quality in an e-banking environment by providing a review of how traditional service quality perceptions have evolved through the current and continuing stream of change in banking technology and the corresponding changes in the nature of how banks interact with their customers. Data were collected from a mail survey sent out to a commercially purchased mailing list of 2,500 business names and addresses. The overall usable response rate was nearly 30.6 per cent. Quadrant analysis was applied on the service quality dimensions from the SERVQUAL scale. While the importance ranking of the five SERVQUAL dimensions has not changed dramatically over the
years, large discrepancies were found between customer expectations and their perceived performance of traditional banking services. Quadrant analysis produced specific recommendations on how banks should prioritise the allocation of their resources to maintain high perceived service quality in their human interactions.

**Riadh Ladhari (2009)** explained that the purpose of this present study is to develop and test a conceptual model of the relationships among the constructs of “service quality”, “emotional satisfaction” and “behavioural intention” in the hospitality industry. The study utilises a review of the literature to propose a conceptual model that postulates that: service quality is positively related to consumers’ emotions; service quality is positively related to behavioural intentions; and consumers’ emotions are positively related to behavioural intentions. Moreover, the model postulates that the emotional satisfaction partially mediates the effect of service quality on behavioural intentions. The model is tested in an empirical study with data from a survey among 200 Canadian travellers. All the hypothesised relationships are supported. The results confirm that service quality exerts both direct and indirect effects (through emotional satisfaction) on behavioural intentions. Research implications on future research should focus on the role of emotional satisfaction in service experience in a variety of settings. The research provides valuable insights into the role of emotional satisfaction in the hotel service experience. Emotional satisfaction makes a significant contribution to the prediction of behavioural intentions (such as loyalty, word of mouth, and willingness to pay more).

**Mukesh Kumar et al. (2009)** analysed the critical factors to accessing the level of service quality of banks by re-examining the SERVQUAL model, originally pioneered by Parasuraman. Further, the technique of dominance analysis is used to
measure the relative importance of each critical factor in closing up overall service quality gap of banks. The sample consists of 308 bank customers from different parts of Malaysia. The data were collected by using a well-structured questionnaire, which consists of three parts. Part 1 deals with consumers’ usage of banking channels and their banking behaviour. Part 2 contains 26 statements related to various service quality dimensions based on past literatures. Finally, Part 3 contains the questions related to the socio-demographic profiles of the sample respondents. The modified SERVQUAL model consists of four critical factors (dimensions) as detected by factor analysis. The respective factors are tangibility, reliability, competence and convenience. The results reveal that there are significant differences between the respondents’ expectation and their perceptions. Among the four dimensions tested in the present study, tangibility has the smallest gap whereas convenience has the largest gap. The application of dominance analysis shows that competence and convenience together can help to reduce the SERVQUAL gap as much as 76 per cent. The banking sector needs to become more competent by being more responsive and fulfilling the assurance of the customers and providing various banking facilities more conveniently.

Rai Alok Kumar (2009) explained the impact of introduction of Liberalisation Privatisation and Globalisation (LPG) in Indian economy has affected almost all the sectors and industries of the country. Indian banking industry is no exception to that. The net result of such policy initiatives has been increased the nature of competition at the marketplace. The fight for customers has got intensified. Literatures establish a direct link between service quality and marketing performance of banks thus concluding that loyal customer base can only be created through superior service. Hence effectiveness of service quality of banks is largely being tested to forecast the marketing
performances of the banking sector. It has also been seen that degree and effectiveness of service quality has been said to be different in case of public and private sector banks. The present study made attempt to investigate the service quality gaps existing with the offerings of the leaders of public and private sector banks of India, viz., State Bank of India and Housing Development Corporation Bank. An attempt has also been made to identify the weak links of select banks and enable the banks to understand the areas of their strengths and weaknesses and work upon to infuse efficiency and effectiveness.

Gloria K Q Agyapong and Ghana (2010) sought to examine the relationship between service quality and the level of customer satisfaction in the service industry (telecom) in Ghana. The study adapted the SERVQUAL model as the main framework for analyzing service quality. Multiple regression analysis technique was used to examine the relationships between variable of service quality and customer satisfaction. The results showed that all the service quality items were good predictors of customer satisfaction. For managers, this research finding has important implications with regard to brand building strategies. Indications of a successful brand building strategy are found when companies provide quality services relative to other companies within the same industry. It is imperative for Vodafone (Ghana) and other telecom firms, therefore, to improve better customer services by giving customers what they want and at the right time. Thus, identifying and satisfying customers’ needs could improve network services because what is offered can be used to separate the company’s services from competitors.

Ashfaq Ahmad et al., (2010) explained that banking industry is fastly growing across the globe due to increasing competition among bankers to provide superior services for better performance. Pakistani banking sector also experienced an
expansion after financial liberalization during 1990s. Similarly, inception of Islamic banking opened new avenues to generate more profits. In Pakistan, the first Islamic bank was registered in the year 2002 with the name of Meezan Islamic bank. This study made attempt to investigate the relationship between service quality and performance of Islamic banks in Pakistan. The researcher collected data from 864 sample respondents of 72 branches of selected Islamic banks. The data were collected by a structured questionnaire developed in the light of existing literature. The responses were analyzed through Statistical Package for the Social Sciences (SPSS) 15.0 Version. The relationship between service quality and performance of Islamic banks was assessed by the application of Pearson’s correlation and regression analysis. The results indicate that there is a weak positive relationship between service quality and performance of Islamic banks. Bankers should improve their services by blending of traditional facilities and modern technology to meet customers’ expectation for better performance in future. Bankers should patch up the service quality towards better performance of the banks especially in case of Islamic banks to gain substantial benefits.

Monica Bedi (2010) investigated the relationship between service quality, overall customer satisfaction and behavioural intentions across both the public and private banks in India. The findings indicated that service quality is a significant determinant of customer satisfaction in Indian banking industry irrespective of public and private sector banks. However, different dimensions of service quality were found to be statistically significant across public and private banks. Customer satisfaction was found to be strongly associated with propensity to recommend. The study will help banks to redefine and improve their corporate image to one that is customer-focused and driven by service quality.
Hatice Jenkins (2010) explained his paper with aims to analyse the factors affecting the adoption of internet banking services by domestic commercial banks in a sparsely populated small island. Being one of the smallest island in the world, North Cyprus was chosen as a case study to explore the factors that affected the penetration of internet banking services in North Cyprus over a two year period. The managers of 23 banks working in North Cyprus were interviewed first in the year 2004 and later in 2006. Furthermore, the web sites of these banks were also examined both in 2004 and in 2006 in order to measure the progress made in adopting and using internet banking services between these periods. Evidence from survey studies and from banks” web sites indicated that banks in North Cyprus have been consistently moving towards providing internet banking services despite a very small potential market to share. In 2004, the majority of commercial banks claimed that the potential market was too small to adopt internet banking services in North Cyprus. Yet, in 2006 the same banks were in the process of introducing internet banking as an assurance to their customers that they would be able to maintain a competitive quality of service in the future, hence avoid losing their customers to the branches of foreign banks.

Sanjay Kaptan and Patel (2010) stated that the growth of information technology is the result of advancement in the field of computational science, with every new trend and development in computers and Information technology also is taking a long stride ahead. The financial sectors are highly influenced due to advances in computational technology, many advances in financial services and financial sector are the result of application of information technology to improve better quality of service and approach of banks towards various stakeholders. The most important stakeholder of the bank is customer; hence providing appropriate customer service in efficient manner in its true sense is one of the important aspects fulfilling the social
obligation. Every bank should adopt a customer friendly approach, so as to retain existing customers and also attract potential customers. The present paper deals with what is the Information Technology oriented initiatives taken by banks to retain existing customer and improve Customer Relationship Management practices.

Aleksandra Pisnik Korda and Snoj (2010) found that despite its popularity, the concept of service quality in the marketing literature is still ambiguously and vaguely defined. Several measurement scales have been proposed to adopt, but some of these take into account only the method of measurement and ignore the idea that the same instrument may not be able to be automatically applied in different sector or in different cultures. Therefore the prime objective of this paper is twofold: first to validate the perceived retail banking service scale in the case of a small transitional economy of Europe, and second to research service quality-customer satisfaction relationship and the role of perceived value within it. Content validity, face validity, construct validity, convergent validity, discriminant validity as well as homological validity were assessed with EFA, CFA and Structured Equation Model. The present research is the first attempt to measure the relationships among the concepts researched in the retailing banking industry in transitional economies in Europe. Therefore, its major finding, that the perceived value variable has a potential to be mediating variable between perceived quality and customer satisfaction relationship in retail banking settings, could be of interest also for other researchers in transitional economies in Europe.

Jayaraman Munusamy et al. (2010) stated their views in the article that in any business-to-customer (B2C) type of environment, satisfying a customer is the ultimate as well as prime goal and objective. More often than not, it can be quite an issue. This is perhaps due to the fact that organizations sometimes do not really understand of what actually goes on in a customers’ mind. As such, this predicament
has provided as a challenging task to most business conglomerates that places strong emphasis on customer relations. Although many researches and studies were conducted on the actual working of the customer's mind, till today it is a still a mystery. Therefore, the present study focused on the measurement of customer satisfaction through delivery of service quality in the banking sector in Malaysia. A quantitative research was used to study the relationship between service quality dimensions and customer satisfaction. Assurance has positive relationship but it has no significant effect on customer satisfaction. Reliability has negative relationship but it has no significant effect on customer satisfaction. Tangibles have positive relationship and have significant impact on customer satisfaction. Empathy has positive relationship but it has no significant impact on customer satisfaction. Responsiveness has positive relationship but no significant impact on customer satisfaction. The study highlights implications for marketers in banking industry for improvement in delivery of service quality.

Rajesh Nair et al., (2010) discussed that to find out the Service quality of Banks in Navi Mumbai. It tries to identify the gap between customer expectations and perceptions of service offered. One of the most popular models, SERVQUAL, used in service marketing is applied in the study. SERVQUAL is based on the perception gap between the received service quality and the expected service quality, and has been widely adopted for explaining consumer perception of service quality. An undisguised structured questionnaire, SERVQUAL model developed by Parasuraman, was used for the research. The sample size was 101 respondents and the study was conducted in Navi Mumbai (Maharashtra), India. It was observed that there were five important factors for service quality analysis which are Tangibles, Reliability, Responsiveness, Assurance and Empathy. The fact is evident that there is a gap between customer expectations and
service perception and it can be reduced only by employing effective training methods by banks. The limitations of the study are that the sample size is limited and it is restricted only to Navi Mumbai Area in Maharashtra.

Salime Mehtap Smadi (2010) in his study made an attempt to investigate the bank selection factors and service quality perceptions of 191 local and expatriate retail bank customers in North Cyprus. The banking industry in this politically non-recognized small island is composed of local banks and branch banks from mainland Turkey. The SERVPERF instrument used in this study proved to be of a five-dimensional nature. Local bank customers indicated that adequate number of tellers, high interest rates on savings and speed and quality of service were the most important bank selection factors, whereas expatriate bank customers indicated that speed and quality of service, low service charges and recommendations of friends were more important. There was a significant difference between local and expatriate bank customers in terms of their service quality perceptions and in particular with regards to the tangibles, assurance and empathy dimensions of the SERVPERF scale. The study also provides suitable and valid suggestions for banks to redefine their corporate image to one that is customer-focused and driven by service quality.

Ashfaq Ahmad et al. (2011) discussed in their study that the relationship between service quality and actual performance of conventional banks operating in Pakistan. The researcher collected data from 864 respondents of 72 branches of selected banks. The data were collected by a well-structured questionnaire developed in the light and basis of existing literature. The responses were analyzed through latest SPSS 15.0 Version. The relationship between service quality and performance of conventional banks was assessed by Pearson’s correlation and regression analysis. The results
indicate that there is a positive relationship between service quality and performance of conventional banks. Bankers should make necessary arrangements to improve their services by blending of traditional facilities and modern technology to meet customers’ expectation for better performance in future. Similarly, on the other hand the bank managers should take quality initiatives to improve their products by considering demographic variables of the customers to retain them as satisfied customers for better performance. It is also suggested that bankers should introduce new, diversified and marketable products to meet out the requirements of different segments.

Sulieman Ibraheem Shelash Al-Hawary et al. (2011) examined the impact of the constructs of service quality and customer satisfaction in commercial banks operating in Jordan. The study uses qualitative nature of methodology a direct as well as, a face to face survey was conducted to test the valid by hypothesis, thirteen banks were chosen randomly in Jordan with their customers acting as respondents to survey, a sample includes 453 customers of Jordanian commercial banks. The study finds that the order of importance of the dimensions of service quality tested here is: Assurance; Reliability; tangibles; Empathy; and Responsiveness. Customers’ satisfaction is mostly influenced by the service quality. Customers indicated high satisfaction with the five dimensions of service quality. This major finding reinforces the need for banks managers of the respective study area to place an emphasis on the underlying dimensions of service quality, especially on Assurance, and should start with improving service quality in order to raise customer satisfaction.

Imamul Haque (2011) discussed that the service quality in Indian Banking Sector is considered as main determinant of customer satisfaction. Before liberalization the banking sector in India was mainly dominated by nationalized banks. In the pre-liberalized era, the nationalized banks did not pay much attention on the service quality
performance and customer satisfaction. After liberalization and implementation of the Narsimham Committee Report, Indian Banks are facing tough competition from the new private and foreign sector banks observing International Banking Standard (IBS). These new generation banks were characterized by the usage of modern information technology network and modern banking services, like ATM, debit card, online banking facilities. Customers have a wide range of banking services offered and delivered by modern private sector banks and foreign banks. The need of hour for the Indian banking sector is to enhance their services quality and shore up their competitive capabilities, making the banks more market oriented and customer friendly. This present study is to focus on the service quality in Retail Banking and also highlight the dimensions of quality banking services in the private sector banks as well as in public sector banks.

Joanna Lee (2011) suggested that the financial services industry has gone through significant changes and become globally competitive over the years. In coping with competition, practitioners often sought to identify service quality that mattered to the customers in order to satisfy the customers. In measurement of bank service quality, most the studies have been utilized the generic service quality attributes of the popular SERVQUAL model. The service quality dimensions provide the benefit of reliability in identifying general service dimensions of importance. On the other hand, the generic service quality dimensions may be limited in offering practical insights that are specific to the context. The suggestion offered in the study is that an unaided measurement of top-of-mind perception can identify a set of service quality attributes that may be useful in formulating an institution’s service improvement strategy in a specific context. The present study investigated the unaided top-of-mind definition of bank service quality using content analysis of study individual’s free expressions of quality service of a
bank. The analysis identified the three most important criteria viz. bank personnel, speed of service, and convenience. The results indicate that the unaided, top of mind expression of respondents can identify the important service criteria in specific and also general terms. The specific terms may offer valuable insights for practitioners in formulating institution and context specific service improvement strategies. Managerial implications of the study findings are discussed.

Naji D Mualla (2011) explained that based on self-report perceptions of the customers. Data collected by this approach may be an accurate to that extent which reflects the respondent’s real feelings. Measuring the quality of service provided by the commercial banks in Jordan and establishing a database which can help the management improving the quality of services. The study has been conducted on a sample of nearly 1000 customers were randomly selected from the customers of all surveyed banks. The quality of service was measured by applying the gap model (the difference between the customers’ perceived, and their expected quality). Data required for this study has been collected by a questionnaire which was designed for this purpose. The findings of the study indicate that the quality of services is low in the service unsatisfactory, and in turn the banks still have a lot of efforts to do regarding the quality of their services. The results of this study should enable the management in the commercial banks in Jordan to design internal marketing programs aimed at building a strong service-minded employees and improving the quality of their services.

Rizwan Ahmad Ch and Usman Asif (2011) discussed that banks are always trying to attract and retain customers. Therefore today need is to provide better Services quality in order to make customer become loyal. There primary products or point of parity are the same, but the point of difference is only the quality of services. While the
purpose right behind for analyzing the customer service quality in Islamic Banks of Sargodha is to find the level of services quality expecting by customers and provided by Islamic banks of Sargodha and then comparing them to fulfill the service quality gap. The SERVQUAL model and descriptive statistics analysis were used in evaluating the level of customer quality. The result shows that Islamic Banks were not able to provide the desire Service Quality as per expectations of Customers.

Santhiyavalli and Sandhya (2011) stated that banking operations are driven by the market, and the customer is seen as a consumer of the bank service and not of any particular branch of the bank. Hence, it is logical that the customer will be served by all the branches of the bank and this necessitates that each branch serves the customer as if the customer belongs to that branch itself. Today, the concept of core banking has made ‘Anywhere and Anytime’ banking a reality. Along with technology, banking services have also evolved, and the delivery of various banking service products are carried out through the medium of high technology at a fraction of the cost to the customer. In this scenario, the present study was conducted to evaluate the service quality of select leading commercial banks by identifying the important factors which are responsible for customer satisfaction. To support the objective of the study, SERVQUAL technique, based on the model developed by Parasuraman et al. (1988), was adopted. The factor analysis clearly indicates that among the five dimensions ‘assurance’, ‘tangibility’ and ‘reliability’ are the major factors responsible for customer satisfaction which stood at 74 per cent with regard to the services provided by Industrial Credit and Investment Corporation of India Bank. State Bank of India (SBI) scored 94 per cent on customers’ satisfaction in respect of ‘reliability’, ‘responsiveness’, ‘empathy’ and ‘tangibility’.
Fernando A F Ferreira Sérgio et al., (2011)\textsuperscript{41} found that the intangibility nature of banking services makes the evaluation of service quality and customer convenience difficult to measure. Bankers obviously recognize the importance of intangible factors, but because of heavy pressures placed on operating margins caused by the current economic climate and chronically low margins, the evaluation of factors related to quality service becomes paramount for bank managers. Bankers, by necessity, seek to promote improvement initiatives, which will assist banks in improving their perceived costumer portfolio quality. This study aims to construct an integrated evaluation system for retail banking service quality and convenience at the branch level. By combining cognitive mapping with measuring attractiveness by a categorical based evaluation technique, it strive to introduce transparency in the decision making process and add to the performance literature in retail banking. Strengths, weaknesses and practical applications of our multiple criteria evaluation system are also discussed.

Surabhi Singh and Renu Arora (2011)\textsuperscript{42} stated that the bank system is facing challenges with stiff competition and advancement of technology. It becomes imperative for service providers to meet or exceed the target customers’ satisfaction with quality of services expected by them. Hence, the present research attempted to study customers’ perception of quality of services, both transactions based and Information Technology enabled in terms of its constituent factors in public sector, private sector and foreign banks. Also in the present study, it would gauge the extent of Information Technology adoption in public sector, private sector and foreign banks in this electronic age. The present investigation was properly planned with the objective to assess the extent of use of services especially the IT enabled services in these banks and to analyze the constituent factors affecting customer satisfaction with the quality of services. The present study was conducted in public sector, private sector and foreign
banks of Delhi. The application of multistage random sampling techniques was used for selection of sample. The study was conducted in five zones viz. East, West, North, South, and Central of Delhi. One branch of the above banks in any one zone of Delhi was selected randomly. While selecting the branch, meticulous care was taken to see that branch should provide at least five Information Technology enabled services. This step was followed to have Intra Bank comparison. The study shows that the customers of nationalized banks were not satisfied with the employee behaviour of the bank employees and infrastructure, while respondents of private and foreign banks were not satisfied with high charges, accessibility and communication.

**Ala Nimer AbuKhalifeh and Som (2012)** found that service quality has been an important subject of research involving Food and Beverage departments of hotels. Despite a substantial number of studies conducted in the field of service quality, the reasons why guests revisit a hotel and why a high-quality service from the Food and Beverage department is needed have remained unanswered. This paper aims to review existing literature on service quality management in the Food and Beverage departments of hotels, its process, and the effective service quality management framework. This paper discusses famous models, and explains Parasuraman’s dimensional framework of service quality management in the area of Food and Beverage and its application to the hotel industry. The conceptual paper suggests application of the dimensional model in the Food and Beverage department and encourages hotels to improve its management to better satisfy their guests.

**Arun kumar et al., (2012)** found that retail stores belong to service industry, which offer a hybrid of goods and service, thus retail product management not only have the common characters of goods quality but also have the special characters of services quality. This research analyzes the service quality of the organized retail store
that contributes to the customer satisfaction in Mysore city. The research was carried out at MORE supermarket and Mysore. The objective of the study was to determine the effect of service quality on customer satisfaction. Retail service quality can be measured by taking five dimensions such as physical aspect, reliability, personal interaction, trustworthiness and policy aspects. The data was collected through the structure questionnaire by using Likert’s scale and SPSS was used to analyses the data. The result revealed that all the dimensions have a significant effect on customer satisfaction.

Balaji and Suresh Babbu (2012) discussed that the service sector in India has been growing rapidly and its contribution to Gross Domestic Product (GDP) is increasing year by year. Among the service sector financial service is the life blood of economic activity. Among the financial service banking plays an increasingly important role in the economy of the nation. At present, the focus of banks is on the user. The numbers of players being large, customers have a good range of choice. The customer usually picks up a bank which provides maximum satisfaction and quality service to them. This has led banks to adopt a more customer-oriented policies and schemes aimed not only to increase the number of customers but also to retain the old customers. So an attempt has been made by the researcher to study the demographic variables that influence the service quality in banking. The study is undertaken only in public sector banks in Chennai. The sample size for the study is limited to three hundred. Both the primary and secondary data are used for the study. The primary data collected for the study are analyzed with the help of the SPSS package by using ANOVA. The findings of the study help to know which demographic variable influences the more service quality of banks. This information helps the banks to understand their customers better and to improve their service quality for better improvement of customer satisfaction.
Neelotpaul Banerjee and Sah (2012)\textsuperscript{46} suggested that banking firms like other service providing firms are trying to improve their service quality to make customers satisfied with their services in order to survive in the dynamic business climate. This research paper uses the SERVQUAL model to identify the gap between customer expectations and perceptions of the actual service received in public and private banks in India. Outcomes of the study outlined that customers’ expectations are more with the private banks and the level of satisfaction is also higher while they deal with the private banks. In order to satisfy the customers the public banks should focus on improving the service in terms of tangibility, reliability, responsiveness and empathy.

Appah Ebimobowei and Banabo Ekankumo (2012)\textsuperscript{47} analysed that the mergers and acquisition in the banking industry has come and gone leaving the total number of banks to sixteen from eighty nine as at 31\textsuperscript{st} June, 2012. The consolidation exercise will therefore alter and redefine the nature of competition in the industry. Meaning that banks will compete against each other through developing new corporate images, new logos, and promise of better customer care in addition to new products to the existing ones. Attention will now be shifted to the quality of customer services that banks will develop and provide for customers. Though these services are relatively available, this study is aimed at identifying the extent of service extras that commercial banks are providing during the post consolidated era. Among other things, this study has x-rayed customer services strategy formation of financial institutions. In doing this, a total of 213 well-structured questionnaires were distributed and analyzed from customers in First Bank, Zenith Bank, United Bank for Africa, Union Bank, Guaranty Trust Bank and Diamond Bank. The study applied econometric models as statistical tools to analyze data collected and it was discovered that customers are in support of the
consolidation exercise and that consolidation has improve the extent of services provided by banks. It was therefore recommended, among other things, that banks should adopt full implementation of the marketing concept, and banks should ensure no communication gap between customers and itself through adequate feedback and complaint resolution mechanism system.

Ganesh (2012) explained that today banks have to look much beyond just providing a multi-channel service platform for its customers. With the phase in which the banking sector is growing, banks concentrate more on product designing, technology advancement, expanding, recruitment, etc, forgetting one main factor, Customer Satisfaction/ Expectation. The banking industry is highly competitive, with banks not only competing among each other; but also with non-banks and other financial institutions. Most bank product developments are easy to duplicate and when banks provide nearly identical services, they can only distinguish themselves on the basis of price and quality. Analyzing markets based on customer perceptions, designing a service delivery system that meets customer needs, and enhancing the level of service performance are all pertinent objectives for banks seeking to gain and retain a competitive advantage. Service quality has received much attention because of its obvious relationship with costs, financial performance, customer satisfaction and also customer retention. Study was conducted to measure the service gap between the perceived and expected services provided by the retail banks in the top five cities of Tamilnadu. The study confirms that there is a significant gap between the customers’ expected service and perceived service level in retail banking across all service quality dimensions, which leads to dissatisfaction and non-committal approach towards the service provider. A customer is not just money in the cash register. He is a human being with feelings and deserves to be treated with respect. Any business without a focus on
customer satisfaction is at the mercy of the market condition. Without loyal customers eventually a competitor will satisfy those desires and your customer retention rate will decrease.

**Kamal K Gupta and Ipshita Bansal (2012)** explained that this study made attempts to develop a reliable and valid instrument of measuring internet banking service quality in India, and also analyses the impact of Internet banking service quality dimensions on the overall internet banking service quality and customer satisfaction. Given the exploratory nature of this research, extant literature survey, focus group discussion and expert interviews were used to develop a battery of Internet banking service quality items. A sample of 1350 Internet banking customers of private sector, public sector and foreign banks was surveyed in the Delhi Metropolitan Area. Results of exploratory Factor Analysis (EFA) revealed five dimensions Security/Privacy, Reliability, Efficiency, Responsiveness, and Site Aesthetics. This five dimensional model arrived through EFA was validated through a confirmatory Factor Analysis (CFA). The proposed research model shows acceptable fit indices. Impact of these dimensions on the overall Internet Banking service quality and customer satisfaction are analysed using multiple regression technique of statistical application. Findings indicate that all dimensions carry significant impact on the overall internet banking service quality perceptions and customer satisfaction. However, Security/Privacy and Efficiency dimensions carry the maximum impact on the overall internet banking service quality and satisfaction respectively.

**Dhiraj Jain and Shweta Jain (2012)** suggested that it is important that banks deliver quality services which in turn results in customer satisfaction in today’s competitive banking environment. Customer satisfaction is important to the success of every business organization. Satisfied customers are loyal to their service providers.
They are ready to pay high service charges because they think the services they are receiving is worth the price they pay for it. In the banking sector, the whole range of activity and generation of income around the customer. It is necessary to identify the key success factors in the banking industry, in terms of customer satisfaction. The main objective of this study is to evaluate bank customer expectations of service quality and to assess whether bank services provided by these institutions are satisfactory in Udaipur. In order to reach the objectives of the study questionnaire for this purpose was designed and different statistical applications were applied to analyze the same. The policy implications derived from such statistical findings concluded that bank’s management should focus on strength area to confirm them and area of weakness to overcome them.

Vibhor Jain et al. (2012) discussed that to enhance reputation and gain customer loyalty, a study of the performance of the banks is done to see if the perception of service quality has an effect on the banks. It has been observed that in the banking sector it is the Housing Development Corporation bank which is perceived to be offering better quality of services followed by the other private sector banks. With the increasing competition amongst various banks, the findings can act as a strategic tool to achieve competitive advantage and customer satisfaction. It is also an eye-opener for all the banks to see the gap between customer expectation and perception regarding the quality of services rendered which should further act as a motivation which results, increases reputation and to achieve customer loyalty. The present study is an attempt in the direction, where quality perceptions of the four leading banks have been compared to reach at logical conclusions.
Parmita Mehta (2012) explained that when compared with customers’ expectations, reliability dimension of service quality shows the highest shortfall considering all banks together and the dimension of assurance shows the smallest gap. The type of account is the demographic variable in the given context that could be used to profile the two segments. Responsiveness is the most important dimension in influencing overall quality perception, overall customer satisfaction, likelihood for recommendation and loyalty intention. The tangible is the second most important dimension in influencing the above constructs.

Santosh Sah (2012) deals that banking firms like other service providing firms are trying to improve their service quality to make customers satisfied with their services in order to survive in the dynamic business environment. This research paper analysed the SERVQUAL model to identify the gap between customer expectations and perceptions of the actual service received in public and private banks in India. Outcomes of the study outlined that customers’ expectations are more with the private banks and the level of customer satisfaction is also higher while they deal with the private banks. In order to satisfy the customers the public banks should focus on improving the service in terms of tangibility, reliability, responsiveness and empathy.

Rajiv Sindwani and Manisha Goel (2012) found that banks are increasing using e-banking mode for providing services. The quality of service has been widely used to assess the performance of various banks. Various models of e-banking service quality have been proposed from time to time by various researchers. The aim of this paper is to review some of the important studies on e-banking service quality conducted in various countries across the world. The study analyse the problems with generic e-banking service quality scales. On the basis of review, various studies on e-banking
service quality have been classified into four categories. The paper suggests the need for further research to develop a generally accepted scale and model of e-banking service quality.

Willy F Zalatar (2012) discussed in his paper deals with the service quality of Philippine commercial banks from the perspective of their customers. It discusses the degree of importance attached to the five dimensions of service quality and examines how gender differences affect customers” expectations and perceptions of bank service quality. Survey results and statistical application support the hypothesis that gender differences affect the relative importance attributed to the five dimensions as well as customers” expectations and perceptions of service quality in banks. This research is useful in developing customer-related strategies that will increase clients’ perceptions of bank service quality.

2.3 CUSTOMER SATISFACTION, BEHAVIOUR AND PERCEPTION

Figen Ye Ilada, et al. (2000) The aim of their study is threefold: to test the dimensionality of the SERVQUAL instrument in the Northern Cyprus health care industry, to assess the service quality provided in public and private hospitals in Northern Cyprus and to identify the service quality dimensions that play important role on patient satisfaction. Data were collected in two phases from the same sample, which consisted of 806 systematically selected people above the age of eighteen. Factor analysis revealed a three factor solution, namely; reliability-confidence, empathy and tangibles. This result does not support the five factor model of the original SERVQUAL. Gap analysis showed that private hospitals have smaller gaps than public hospitals in all three service quality dimensions. Finally, logistic regression findings
indicated that while all three dimensions are somewhat influential on patient satisfaction, in public hospitals tangibles dimension seems to exert no significant influence on satisfaction.

**Ilias Santouridis, et al. (2000)** investigated crucial factors that lead to customer loyalty in the mobile telephony sector in Greece, namely service quality and customer satisfaction. Furthermore, the mediation effect of customer satisfaction on the service quality and customer loyalty relationship is also examined. Field research was conducted. The questionnaire was formed by a synthesis of existing constructs in relevant literature. The main research target sample consisted of residential non-business mobile phone users in Greece. Reliability tests and statistical analyses were performed to both confirm scale validity and reliability and answer the research questions. Customer service, pricing structure and billing system are the service quality dimensions that have the more significant positive influence on customer satisfaction, which in turn has a significant positive impact on customer loyalty. The mediation role of customer satisfaction on the service quality and customer loyalty relationship has also been confirmed.

**Devinder K Banwet, et al. (2000)** investigated the quality of services offered to students in an institutional computer centre and measures tangible and intangible aspects of service quality, consumer satisfaction, and post-visit intentions. The effect of service quality on post-visit intentions has been examined in a causal-path framework. The study indicates that service performance generally lags behind user's expectations. Improvement in the quality of services increases the level of satisfaction of the user. Tangible aspects of service performance have a stronger direct effect on post-visit intentions than in tangible aspects. Satisfied users intend to revisit the computer centre and advise others to visit it.
Anber Abraheem Shlash Mohammad, et al. (2001) examine the level of service quality as perceived by customers of commercial bank working in Jordan and its effect customer satisfaction. Service quality measure is based on modified version of SERVQUAL as proposed by Parasuraman et al. (1988), which involve five dimensions of Service quality, namely Reliability, Responsiveness, Empathy, Assurance, and Tangibles. Customer satisfaction was measured by a nine item adapted from Walfried et al. (2000), 260 questionnaires were distributed randomly to customers of commercial banks branches located (thirteen commercial banks in Jordan) in IRBID (A city of Jordan). Multiple regression analysis was employed to test the impact of service quality on customer satisfaction. The results of this study indicated that service quality is an important antecedent of customer satisfaction. It is apparent from the present study that managers and decision makers in Jordanian commercial banks to seek and improve the elements of service quality that make the most significant contributions on customer satisfaction.

Antreas Athanassopoulos (2001) investigated the behavioural consequences of customer satisfaction. More specifically, the researchers examined the impact of customer satisfaction on customers’ behavioural responses. The results support the notion of direct effects of customer satisfaction on three criterion variables (decision to stay with the existing service provider, engagement in word-of-mouth communications, and intentions to switch service providers).

Hsin Hsin Chang, et al. (2001) examined the impact of e-service quality, customer perceived value, and customer satisfaction on customer loyalty in an online shopping environment. There were two studies performed in this research. Study 1 validated the self-regulating processes; Study 2 tested the moderating effects of customer perceived value between satisfaction and loyalty. Structural equation
modelling techniques and linear hierarchical regression models were used to test the causal model. The study demonstrated that e-service quality and customer perceived value influence customer satisfaction, and then influence customer loyalty. In addition this study found that customers with a high perceived value have a stronger relationship between satisfaction and customer loyalty than customers with a low perceived value.

Yonggui Wang, Hing-Po Lo, (2002) in this study, attention is paid to the measurement model of service quality in China’s mobile phone market based on the well-known SERVQUAL model, but with modification on the basis of focus group discussions and expert opinions to reflect the specific industry attributes and the special culture of China. Emphasis is then paid to the study of the dynamic relationships among service quality, customer value, customer satisfaction and their influences on future behaviours after the key drivers of customer value and customer satisfaction are identified. All of them are based on the development of structural equation models by using PLS-GRAPH Package.

Ahmad Jamal, et al., (2002) pointed out that the understanding the antecedents to and outcomes of customer satisfaction are a critical issue for both academics and bank marketers. Previous research has identified service quality, expectations, disconfirmation, performance, desires, affect and equity as important antecedents of customer satisfaction. The study looks into the impact of service quality dimensions and customer expertise on satisfaction. A sample of 167 respondents took part in this study. Findings indicate that both core and relational dimensions of service quality appear to be linked to customer satisfaction. Findings also indicate that expertise is negatively related to satisfaction.
G.S. Sureshchandar, et al. (2002)\textsuperscript{64} adopts a different approach and views customer satisfaction as a multi-dimensional construct just as service quality, but argues that customer satisfaction should be operationalized along the same factors (and the corresponding items) on which service quality is operationalized. Based on this approach, the link between service quality and customer satisfaction has been investigated. The results have indicated that the two constructs are indeed independent but are closely related, implying that an increase in one is likely to lead to an increase in another.

Keng-Boon Ooi (2003)\textsuperscript{65} examined the relationship between total quality management (TQM) practices and customer satisfaction and also to investigate the association between TQM practices and service quality within the context of Malaysia's small service organizations. The study uses data from the perceptions of sales and marketing managers in 108 small service organizations in Malaysia. Data were analyzed by employing correlation and multiple regression analysis to test the relationship between TQM practices, customer satisfaction and service quality. The results showed that TQM practices are significantly and positively linked to customer satisfaction and service quality of the small service business firms. It was further confirmed that the dimensions of customer focus and information and analysis were strongly linked to customer satisfaction and service quality.

Chatura Ranaweera, (2003)\textsuperscript{66} presented a holistic model of customer retention incorporating service quality perceptions, price perceptions, customer indifference and inertia. Data from a large-scale postal survey of telephone users in England showed that perceptions of service quality have a direct linear relationship with customer retention even in mass services with low customer contact. Price perceptions and customer
indifference too were found to have a direct linear effect on retention. Furthermore, it was also seen how both price perceptions and customer indifference moderated the relationship between service quality perceptions and customer retention. A linear relationship between inertia and customer retention was not found. Furthermore, there was evidence to indicate that inertia was a relatively unstable condition and that reliance by service providers on inertia to retain customers could indeed be a risky strategy.

**Kaur Kiran, (2004)**\(^{67}\) the purpose of his study is to describe the results of a study to examine the perception of academic staff on the quality of academic library services. It also attempts to assess the impact of library services on their work and their perceived level of satisfaction towards university library services. The study was carried out using a survey methodology. The survey instrument was a questionnaire adopted from a quality impact survey based on SERVQUAL dimensions. Results reveal that academic staff perceive the quality of library services to be just above average. Library staff are considered quite helpful and able to instill confidence in library users. Academic staff also believe that the library has a positive impact on their teaching, learning and research. The overall satisfaction with the library services received a satisfactory rating.

**Gwo-Guang Lee, et al. (2005)**\(^{68}\) develops a research model to examine the relationship among e-service quality dimensions and overall service quality, customer satisfaction and purchase intentions. Data from a survey of 297 online consumers were used to test the research model. Confirmatory factor analysis was conducted to examine the reliability and validity of the measurement model, and the structural equation modelling technique was used to test the research model. The analytical results showed that the dimensions of web site design, reliability, responsiveness, and trust affect
overall service quality and customer satisfaction. Moreover, the latter in turn are significantly related to customer purchase intentions. However, the personalization dimension is not significantly related to overall service quality and customer satisfaction.

Pratibha A. et al. (2005) examined precisely how service process and service outcome are related to service quality and customer satisfaction evaluations, and to look for consistent patterns in the relationships between these four concepts. A theoretical framework is proposed to suggest links between the four concepts. The study is conducted in the real estate industry, and the focus is on home sellers' evaluations of the real estate agent's service. In-depth interviews and a short survey are used to collect the data. A combination of content analysis and statistical tests is used to look for patterns in the data. As proposed, process factors are closely linked with service quality, and outcome factors are closely linked with customer satisfaction. Also, as proposed, service quality evaluations precede customer satisfaction for normal service evaluations, but the opposite causal order is found for extreme service evaluations.

Huseyin Arasli, et al. (2005) to measure the service quality perceptions of Greek Cypriot bank customers and to examine the relationship between service quality, customer satisfaction and positive word of mouth, in the light of changing bank market dynamics due to EU accession. A total of 260 retail bank customers responded to a Greek translated version of SERVQUAL. After descriptive and factor analysis, multivariate regression analysis was used to estimate the impact of service quality dimensions on overall customer satisfaction and the impact of satisfaction on positive word of mouth. The SERVQUAL scale proved to be of a three-dimensional structure in this study. Results revealed that the expectations of bank customers were not met where
the largest gap was obtained in the responsiveness-empathy dimension. Reliability items had the highest effect on customer satisfaction, which in turn had a statistically significant impact on the positive word of mouth.

Marcel van Birgelen, et al. (2005) proposed a combination of traditional service quality and e-service quality frameworks. The central question focuses on how to assess the added value of the web as a service innovation for a traditional service. The setting of the study is a traditional-style barbeque delivery service with a recently installed advanced web-initiated order entry facility now used by a majority of the customers. An empirical, survey-based cross-sectional study on web-initiated customer experiences of an in-home catering service, involving barbeque food items and cooking equipment. Findings indicate that adding an innovative e-channel to a traditional business process does not automatically translate to a higher customer satisfaction. Only limited significant effects were found from online ordering on overall satisfaction in contrast to the effect of traditional service dimensions.

Carmen Barroso Castro, et al. (2005) their study intends to address a significant topic for business management, such as the influence of market orientation (MO) on the internal and external environments of an organisation. More precisely, the main objective of this paper focuses on the effect of such an orientation on employees – organisational commitment and OCBs – as well as on customers – satisfaction and perceived service quality. Structural equation models are employed to analyse the data collected from the Spanish retail banking sector in order to verify the hypotheses corresponding to the causal relationships proposed in our research model. The results achieved in this research represent significant contributions both from a theoretical perspective as well as for management in the service industry. From a theoretical
perspective, these findings reinforce the research position stressing the role of the employees in the MO relationship and the operational level of the business incorporating new evidence into this emerging field of study.

Ishak Ismail, et al. (2006) explored the relationship between audit service quality, client satisfaction and loyalty to the audit firms. SERVQUAL model was used to measure the perceptions and expectations of public listed companies on the services received from audit firms. The five dimensions of SERVQUAL, i.e. reliability, assurance, tangibility, empathy and responsiveness was used to measure the service quality of audit firms. The research was conducted using primary data. Questionnaires were sent to 500 public listed companies listed in Bursa Saham Malaysia for year 2005. The public listed companies were satisfied with the tangible dimension but were dissatisfied with the other four dimensions. The most dissatisfied dimension was empathy. Customer satisfaction was found to partially mediate the relationship of reliability and customer loyalty.

Joel E. Collier, et al (2006) the goal of their article is to extend the work on e-service quality to encompass not only Web site interactivity or process quality but also outcome quality and recovery quality. A conceptual framework of e-service quality is proposed and empirically tested that combines process, outcome, and recovery dimensions. Contrary to previous service quality studies, formative instead of reflective indicators are used to conceptualize e-service quality. This study found empirical support for the use of formative indicators and the three-dimensional approach to conceptualizing e-service quality.
Festus Olorunniwo (2006) investigated the possibility that the typology of a service as well as the operationalization of the service measurement scale may determine the nature of the service quality (SQ) construct and its relationship with those of customer satisfaction (SAT) and behavioural intentions (BI). The study utilized the service classification scheme developed by Schmenner and concentrated on the mass service category as an example to illustrate the concept with data from retail banking. Confirmatory factor analysis indicated that “Responsiveness,” “Tangibility,” “Reliability,” “Knowledge,” and “Accessibility” dimensions contribute significantly to service quality. It was further observed that SAT fully mediates the impact of SQ on BI.

Panchapakesan Padma, et al., (2007) The purpose of their study is to conceptualize hospital service quality (SQ) into its component dimensions from the perspectives of patients and their attendants; and to analyze the relationship between SQ and customer satisfaction (CS) in government and private hospitals in India. The study employs questionnaire-survey approach to obtain the perceptions of patients and attendants. The instruments developed have been validated using tests for reliability, validity and uni-dimensionality. Data collected have been analyzed by using statistical techniques such as bi-variate correlation and multiple regressions. Patients and attendants treat the interpersonal aspect of care as the most important one, as they cannot fully evaluate the technical quality of healthcare services. The study also revealed that the hospital service providers have to understand the needs of both patients and attendants in order to gather a holistic view of their services.

Harry Maddern, et al (2007) evaluated the drivers of customer satisfaction (CS), specifically exploring the impact of business process management (BPM) on service quality and CS. A longitudinal case study uses quantitative and qualitative data
to test six propositions derived from current literature. Analysis confirms the role of staff satisfaction and service quality as key drivers of CS, suggested in the service profit chain, but proposes a more complex set of relationships. Technical service quality (TSQ) is found to play a critical role in determining CS and a strong causal link is found between TSQ and BPM. Findings are based on a single case, in a fast-changing sector. Findings suggest that managers should focus on TSQ as a priority. End-to-end BPM is identified as a key enabler of TSQ.

**Evangelos Tsoukatos, (2007)** examined the effect of culture on service quality and customer satisfaction. By extending GIQUAL, an instrument developed for measuring service quality in Greek Insurance, to measure the culture of individuals, hypotheses on all 25 possible relationships between the dimensions of culture and of service quality are determined and tested. The relationships between the dimensions of service quality and customer satisfaction, in the light of culture, are further examined. Of the 25 hypothesized relationships between the dimensions of culture and of service quality, 23 are confirmed and the remaining two are directionally supported. The hypothesized importance of the service quality dimensions is also confirmed. However, the expected association between the importance of quality dimensions and the strength of their relationships with customer satisfaction is only directionally supported. Although the typology of Hofstede is used in the study, a culture different from the one specified for Greece by Hofstede's scores is exposed.

**Laura Eboli, et al. (2007)** in their article a tool for measuring customer satisfaction in public transport is proposed. Specifically, a structural equation model is formulated to explore the impact of the relationship between global customer satisfaction and service quality attributes. The public transport service analyzed is the
bus service habitually used by University of Calabria students to reach the campus from the urban area of Cosenza (southern Italy). To calibrate the model, some data collected in a survey addressed to a sample of students were used. The proposed model can be useful both to transport agencies and planners to analyze the correlation between service quality attributes and identify the more convenient attributes for improving the supplied service.

Dennis J. Scotti, et al. (2007) examined how a high-involvement approach to the work environment of healthcare employees may lead to exceptional service quality, satisfied patients, and ultimately to loyal customers. Specifically, the researchers investigate the chain of events through which high-performance work systems (HPWS) and customer orientation influence employee and customer perceptions of service quality and patient satisfaction in a national sample of 113 Veterans Health Administration (VHA) ambulatory care centers. The researchers present a conceptual model for linking work environment to customer satisfaction and test this model using structural equations modeling (SEM). The results suggest that (1) HPWS is linked to employee perceptions of their ability to deliver high-quality customer service, both directly and through their perceptions of customer orientation; (2) employee perceptions of customer service are linked to customer perceptions of high-quality service; and (3) perceived service quality is linked with customer satisfaction.

Byung-Suh Kang, et al. (2007) investigated the effects of service quality on customer satisfaction in education service industry, focusing on the opinion of dissatisfied customers who have decided to switch the service provider. Additionally, in professional service industries such as law, hospital, and education, customers expect visible results which are often ignored in earlier service quality studies. Customer’s
comprehensive assessment of the professional service depends on both process quality experienced during service delivery and service result perceived after service delivery. The hypotheses on the causal relationships among service quality, customer satisfaction, intention to switch service provider, and service performance were tested by using Structural Equation Model.

**Linda C. (2007)**\(^8\) examined the applicability of key measures of service quality and customer satisfaction in a cross-cultural setting, first establishing measurement equivalence and then investigating the impact of culture on these measures. Using scenarios involving a visit to the dentist's office, respondents from Germany, Japan, and the USA participated in a 2 × 2 factorial experiment in which the researchers manipulated both expectations (low/high) and service performance (low/high). Regardless of expectations, when performance was low, the low-context respondents (USA and Germany) perceived lower quality than did the respondents from the high-context country (Japan), but gave higher quality ratings than did the Japanese respondents when the performance was high.

**Timothy L. et al. (2007)**\(^8\) examined different customer satisfaction and loyalty metrics and test their relationship to customer retention, recommendation and share of wallet using micro (customer) level data. The data for this study come from a two-year longitudinal Internet panel of over 8,000 US customers of firms in one of three industries (retail banking, mass-merchant retail, and Internet service providers (ISPs)). Correlation analysis, CHAID, and three types of regression analyses (best-subsets, ordinal logistic, and latent class ordinal logistic regression) were used to test the hypotheses. Contrary to Reinhold’s assertions, the results indicate that recommend intention alone will not suffice as a single predictor of customers’ future loyalty behaviour. Use of a multiple indicator instead of a single predictor model performs better in predicting customer recommendations and retention.
Kirti Dutta, et al. (2007) explored the reasons for service failure in restaurants. The study aims to give insights into customers' perceptions and response regarding service failure and recovery and to try to draw a parallel between consumers in a developing economy like India and the same in a developed society, such as USA. The study is empirical and involves data from 200 respondents from India and the USA. The sampling unit is individual restaurant customers and the data collection instrument is a structured, non-disguised questionnaire. The questionnaires have been administered through personal interviews. The study found conclusive results on the reasons for service failure in the restaurant business in the context of developed and developing economies. It also sheds light on the behavioural aspects of customers' perception towards these failures and their responses to the same. The study further looked into the recovery strategy employed by restaurants and the customers' perception towards the recovery strategies.

Muslim Amin, et al. (2008) examined the relationship between service quality perception and customers' satisfaction in Malaysian Islamic banking using the SEM approach. This model starts with SERVQUAL measurement scales consisting of six dimensional structures: tangibles, reliability, responsiveness, assurance, and empathy, and plus the compliance dimensions to measure Malaysian Islamic banking service quality. Respondents are the customers (Muslim and non-Muslim) who visit the bank counters. They must have an account with one of the full-fledged Islamic banking and dual-banking systems. The results showed that the proportion of Malaysian Muslims' awareness of the Islamic banking products and services were high compared to non-Muslim customers. The majority of the Islamic banking customers were satisfied with the overall service quality provided by their banks. The findings suggest that the
standard model of Islamic banking service quality dimensions should consist of the six
dimensions and good determinants of satisfaction. The relationship between service
quality and customer satisfaction was significant.

Irini D. Rigopoulou, et al. (2008) investigated the effect of after-sales
services on customers' satisfaction as well as on their behavioural intentions, namely
“repurchase intention” and “word-of-mouth” (WOM). The research conducted followed
a quantitative methodology. The selected research tool was a questionnaire, which was
administered via phone interviews using the CATI process. The study conducted was
targeted to customers of a large retail chain marketing electrical appliances in Greece
and 420 usable responses were utilised. A path analysis was performed using the “Amos
4.0” software. After-sales service quality affect satisfaction, which in turn affects
behavioural intentions. Hence, after-sales services affect the overall offering and thus,
the quality of the relationship with customers.

Anand Kumar Jaiswal, et al. (2008) examined customer satisfaction and
service quality measurement practices followed in call centres. The study uses
qualitative methodology involving in-depth interviews. The respondents were senior
managers belonging to quality or operation divisions in four large call centres in India.
It is found that service quality management in call centres disregards customers. The
study suggests that call centre managers overly depend on operational measures.
Customer orientation in assessing service performance is either low or absent in most
call centres.

Shanthi Venkatesh (2008) his study thus reveals that privatization and
subsequent opening up of the telecom sector to competition, have led to some very
encouraging changes in the user behavioural pattern, since the users are given a choice, which was hitherto unavailable. Variety coupled with plethora of value-additions offered by the players, is leading to switch-over and churn. The competitive environment is necessitating re-structuring the strategies of the players, to sustain in the market. Undoubtedly, the telecom players are marching ahead by constantly luring delightful customers into their fold. Consequently the tele-density of India is improving fast. The efficiency associated with service delivery system is almost on a par with global standards. The turnaround in the telecommunication industry drives India to the realm of excellence.

Azleen Ilias, et al., (2008) examined the relationship between service quality dimensions and overall service quality (tangibility, responsiveness, reliability, assurance and empathy) and students satisfaction. Furthermore, this study is also examined critical factors in service quality dimensions (tangibility, responsiveness, reliability, assurance and empathy) that contribute most to the satisfaction of the students. This study was conducted using a set of questionnaire to 200 Bachelor Degree students from two private higher education institutions. The results of the study revealed that the service quality has significant positive relationship with student satisfaction.

V. Kumar, et al., (2008) investigated the linkages between business process management (BPM) and customer satisfaction. Also, to challenge the dominance of the customer contact perspectives on service processes and to propose a more systemic focus on the totality of service design. The research builds on the existing work of Maddern et al. through the use of structured equation modelling (SEM) tool. The multiple SEM models described here provide a more robust statistical approach for confirming/refuting the constructs found in the earlier research. This study presents the
results of an empirical analysis, based on longitudinal data from a large UK bank on drivers of customer satisfaction. The results confirm that process management is a critical driver of technical service quality. This suggests that companies with reliability/dependability issues should not emphasise customer satisfaction programmes based on SERVQUAL intangibles until substantial improvements in process design have been achieved.

Sunil Sahadev, et al. (2008)\textsuperscript{91} the purpose of their study is to model the consequences of achieving better service quality in e-services. The conceptual model is developed though a survey of literature on e-services and allied domains and validated through a survey of users of job-portals in India. The conceptual model finds significant support based on the empirical study. It is seen that the four components of e-service quality: efficiency, fulfilment, system availability, privacy are linked to trust and satisfaction.

Mohammed Hossain, et al. (2009)\textsuperscript{92} evaluated the service quality in retail banking in the Middle East in general, and Qatar in particular, based on different levels of customers' perception regarding service quality. This is an analytical study based mainly on the primary data collected through a scientifically developed questionnaire. The questionnaire have been personally administered on a sample size of 120, chosen on a convenient basis from four Qatari banks, i.e. Qatar National Bank, Doha Bank, Qatar International Islamic Bank, and Arab Bank. The questionnaire has been designed on the basis of the study of previous scholars such as Berry et al., Parasuraman et al., Zeithaml and Bitner, and Stafford. The result indicates that customers' perception is highest in the tangibles area and lowest in the competence area.
Nicolaus Lundahl, (2009)\textsuperscript{93} investigated the influence of the technical and functional dimensions of service management on customer satisfaction in the bank-SME relationship. An ordinal logistic regression analysis is used to examine a total of 221 responses to a questionnaire distributed to small and medium-sized enterprises (SMEs) in Sweden. Both the technical and the functional dimensions of service management were shown to correlate with customer satisfaction. Thus, SMEs seem to evaluate their banking relationship not only on the basis of the effectiveness and quality of banks’ service outcomes but also on the care and manner in which the bankers deliver services.

Mohammad Muzahid Akbar (2009)\textsuperscript{94} proposed a conceptual framework to investigate the effects of customers’ perceived service quality, trust, and customer satisfaction on customer loyalty. To test the conceptual framework, structural equation modeling (SEM) has been used to analyze the data collected from 304 customers of a major private telecommunication company operating in Bangladesh. The results of the study indicate that trust and customer satisfaction are significantly and positively related to customer loyalty. Customer satisfaction has found to be an important mediator between perceived service quality and customer loyalty. A clear understanding of the postulated relationships among the studied variables might encourage the mobile service provider(s) to figure out appropriate course of action to win customers’ trust by providing better services in order to create a loyal customer base.

Setayesh Sattari, et al., (2009)\textsuperscript{95} evaluates service quality in Iran’s mobile telecom market based on the well-known SERVQUAL model, with modifications made by Wang Po-Lo (2002) to reflect the industry attributes of mobile telecom. Based on 250 respondents, results indicate that there is a support for the application of this model in Iran.
Azman Ismail, et al. (2009)\(^6\) explored the relationships among service quality features (responsiveness, assurance, and empathy), perceived value and customer satisfaction in the context of Malaysia. The empirical data are drawn from 102 members of an academic staff of a Malaysian public institution of higher learning using a survey questionnaire. The results indicate three important findings: firstly, the interaction between perceived value and responsiveness was not significantly correlated with customer satisfaction. Secondly, the interaction between perceived value and assurance also did not correlate significantly with customer satisfaction. Thirdly, the interaction between perceived value and empathy correlated significantly with customer satisfaction. Thus the results demonstrate that perceived value had increased the effect of empathy on customer satisfaction, but it had not increased the effect of responsiveness and assurance on customer satisfaction. In sum, this study confirms that perceived value act as a partial moderating variable in the service quality models of the organizational sample. In addition, implications and limitations of this study, as well as directions for future research are discussed.

Bylon Abeeku Bamfo (2009)\(^7\) explored the relationship between customer satisfaction and loyalty in the mobile telecommunication industry. In other words, the study sought to verify if customer satisfaction leads to customer loyalty in the mobile telecommunication industry in Ghana. The main method used for the collection of data was survey questionnaire to two hundred respondents who happened to be subscribers in the mobile telecom industry. It was realised, among other things, that a lot of the customers at certain points in time have been dissatisfied with their mobile telecom service providers. It was also realised that there was no direct link between customer satisfaction and loyalty. Most of the customers who said they were satisfied were ready to switch to another company should that company offer superior service.
Hong Qin, et al (2009) explored the potential dimensions of service quality, and examined the relationship among service quality, food quality, perceived value, customer satisfaction and behavioural intentions in fast-food restaurants (FFRs). The construct reliability and validity was assessed using exploratory factor analysis and confirmatory factor analysis. Structural equation modeling was employed to estimate the relationship among service quality, customer satisfaction, and behavioural intentions. Results indicated that five dimensions were significant: tangibles, reliability / responsiveness, recovery, assurance, and empathy. Service quality and food quality were two main determinants of customer satisfaction. The insignificance of perceived value is potentially due to the homogeneous nature of the construct within the FFR group rather than the importance of the perceived value construct within food service.

Azman Ismail, et al. (2009) explored the relationships among service quality features (responsiveness, assurance, and empathy), perceived value and customer satisfaction in the context of Malaysia. The empirical data are drawn from 102 members of an academic staff of a Malaysian public institution of higher learning using a survey questionnaire. The results indicate three important findings: firstly, the interaction between perceived value and responsiveness was not significantly correlated with customer satisfaction. Secondly, the interaction between perceived value and assurance also did not correlate significantly with customer satisfaction. Thirdly, the interaction between perceived value and empathy correlated significantly with customer satisfaction. Thus the results demonstrate that perceived value had increased the effect of empathy on customer satisfaction, but it had not increased the effect of responsiveness and assurance on customer satisfaction. In sum, this study confirms that perceived value act as a partial moderating variable in the service quality models of the organizational sample.
Usha Lenka, et al. (2009)\textsuperscript{100} examined whether service quality of Indian commercial banks increases customer satisfaction that fosters customer loyalty. Data were collected from 350 valued customers of scheduled commercial bank branches in Orissa (India). A questionnaire elicited information on socio–demographic variables along with human, technical, and tangible aspects of service quality, customer satisfaction, and loyalty. Results suggest that better human, technical and tangible aspects of service quality of the bank branches increase customer satisfaction. Human aspects of service quality were found to influence customer satisfaction more than the technical and tangible aspects. Customer satisfaction furthers customer loyalty. Increase in service quality of the banks can satisfy and retain customers. In the Indian banking sector, human aspects are more important than technical and tangible aspects of service quality that influence customer satisfaction and promote and enhance customer loyalty.

Kamble Sachin S (2009)\textsuperscript{101} identified online service quality dimensions that facilitate the customer satisfaction for the e-travel and e-mart online retail. Further, it evaluates how well these dimensions are being perceived by the customers so as to provide an objective measure of service performance. Two phase study was undertaken. The first phase included literature review and expert opinions to identify the service quality dimensions whereas the second phase involved collecting data from students on the identified dimensions and their overall satisfaction on the services. Ten e-service quality dimensions were identified and the extent to which current online retailers provided online service attributes were analyzed to be low or moderate on most of the dimensions for both the e-travel and e-mart service providers. The model tested for the relationship between the service quality dimensions and customer satisfaction was also found to be correlated at a low level.
Olu Ojo (2010) investigates the relationship between service quality and customer satisfaction in the telecommunication industry with a focus on Mobile Telecommunication Network (MTN) Nigeria. A total of 230 respondents participated in the study. Research questions and objectives were set, alongside the hypotheses that were formulated and tested. Descriptive statistics comprising the simple percentage and tables were used for data presentation and analysis. Regression analysis and Pearson product moment correlation coefficient were employed in testing hypotheses. The study reveals that service quality has effect on customer satisfaction and that there is a positive relationship between service quality and customer satisfaction. The researcher concluded by recommending that organisations should focus more attention on service quality, because of its effects on customer satisfaction. To ensure that customer satisfaction level is high, organisation must first of all know the expectations of the customers and how they can meet such expectations. Customer satisfaction helps in customer loyalty and retention. It has been discovered that it costs to attract new customer than to retain existing ones. It is also recommended that organisations should welcome suggestions from customers and more programmes should be designed to measure service quality and customer satisfaction.

Ishfaq Ahmed, et al., (2010) study aims to study the impact of service quality on customer repurchase intentions. Satisfaction is a variable which is an outcome of better service quality, and in return, it gives customers the zeal to stay with the service provider and creates greater repurchase intentions for the customers. So, satisfaction is considered as a mediating variable in the study. The study is conducted in the telecom sector (only cellular companies) of Pakistan. Service quality is measured using Parasuraman et al. (1988) SERVQUAL model containing 5 dimensions of service
quality (tangibles, responsiveness, empathy, assurance and reliability). Nonetheless, the relationship of service quality with customer repurchase intentions is also studied. The data were collected from 331 young mobile users, and as such, correlation and regression analysis were used to analyze the data. However, results and discussion are presented.

Jayaraman Munusamy, et al. (2010) focused on the measurement of customer satisfaction through delivery of service quality in the banking sector in Malaysia. A quantitative research was used to study the relationship between service quality dimensions and customer satisfaction. Assurance has positive relationship but it has no significant effect on customer satisfaction. Reliability has negative relationship but it has no significant effect on customer satisfaction. Tangibles have positive relationship and have significant impact on customer satisfaction. Empathy has positive relationship but it has no significant effect on customer satisfaction. Responsiveness has positive relationship but no significant impact on customer satisfaction. The study highlights implications for marketers in banking industry for improvement in delivery of service quality.

Muzammil Hanif et al. (2010) in their research study, the subscribers of telecom sector or the mobile service providers like Ufone, Mobilink, Telenor etc operating in Pakistan were targeted as the population while Price Fairness and customer services were the taken as predicting variables towards customer satisfaction as criterion variable. The results showed that both the factors significantly contributed to explain customer satisfaction but comparatively price fairness had the larger impact on customer satisfaction than customer services. Conclusion and implications of the study are also discussed based on the analysis.
C.N. Krishna Naik, et al. (2010) used SERVQUAL to analyze the gap between perceptions and expectations of the customer, concerning with the service at retail units in the South Indian state of Andhra Pradesh. Customer Satisfaction level is assessed for the services offered at select retail units in the city of Hyderabad. Five dimensions in service quality (SERVQUAL), tangibility, reliability, responsiveness, empathy, and assurance (Parasuraman, Zeithaml, & Berry, 1985) have been considered for this empirical research. General purpose of this research to know some factors that impact customer satisfaction. The purpose are (1) to describe applied of service quality (SERVQUAL) dimension in retail Business (2) to know service quality (SERVQUAL) dimensions that make customers satisfied, and (3) to know service quality (SERVQUAL) dimensions that are dominant in influencing customer satisfaction. The research methodology was carried out in a survey cross sectional applied to 369 respondents. The data obtained was analyzed by using reliability method, correlation and regression. Result of research showed that services offered by retail units have positive impact and are significant in building customer satisfaction. Findings of this empirical research reiterate the point of view that Service Quality dimensions are crucial for customer satisfaction in retailing – a burgeoning sector with high growth potential and opportunities in fast growing economies like India.

Barbara Culiberg (2010) explores service quality in a retail bank setting in Slovenia and its influence on customer satisfaction. Based on SERVPERF a 28-item scale has been developed for this study. Through factor analysis four dimensions of service quality have been obtained. The results from regression analysis suggest that all four dimensions of service quality as well as service range influence customer satisfaction. The information provided by this research can be used when designing marketing strategies to improve customer satisfaction in retail banking.
K. Ravichandran, et al. (2010) examined the influence of perceived service quality on customer satisfaction. The findings of the study revealed that all quality disconfirmation scores were positive, the subjects’ perceptions (actual) were greater than expectations and the subjects were satisfied with banks service quality in varying degrees. The findings also showed that only responsiveness was found to be significant in predicting overall satisfaction with the banking service \( (b = 0.143, p = .0003) \), although the R-square is .102. Being responsive means being attentive to the needs of customers in a timely manner. The results in this study suggest that recognizing responsiveness as another form of responsibility is essential to every member of the health care system in order to increase customers’ overall satisfaction with banking service. So the study affirms that the service quality level in the proposed study on private banks was at adequate level and the regression on overall service quality lists out the various SERVQUAL items which has a spread in all the dimensions of the SERVQUAL model.

MD. Masukujjaman (2010) evaluated the customer satisfaction of the service quality and to assess whether bank services provided by the institutions are satisfactory to Bangladeshi customers especially in term of service categories like general banking, credit banking and foreign exchange banking services. The study also examines empirically the determinants of service quality in Bangladesh. A questionnaire for such purpose was designed and different statistical methods were applied to analyse the collected data. the researcher found that the overall service quality in private commercial bank in Bangladesh is moderate, where service quality in general banking services is better than the credit banking services and foreign exchange services through its quality is not too bad . In addition, top ranked banks have high service quality in all
categories of services and the lower ranked banks are struggling seriously with credit and foreign exchange services. So, as policy recommendation, the banks especially the lower ranked banks should give more emphasis on both the credit and foreign exchange banking services

**Geetika, Shefali Nandan (2010)** identifies components of service quality of Indian Railways at railway platforms. The study is exploratory in nature and uses factor analysis to identify the most important factors of customer satisfaction with service quality. The research methodology is empirical, and a survey of passengers (customers) was conducted. The findings reveal that five factors are considered important for determining satisfaction with railway platforms, the most important of which are refreshments and behavioural factors. Managerial and theoretical implications are drawn and discussed in the paper, and a model is proposed.

**Aamna Shakeel Abbasi, et al. (2010)** highlighted that customer satisfaction is exceedingly personal estimation that is deeply influenced by the customer expectations regarding the services. The most dynamic verb in the lexis of customer satisfaction is to improve. Hence, the hotel industry like other industries is realizing the significance of customer centered philosophies with the overall goal in terms of customer satisfaction is to stay as close to their customers as possible. It started with the concept of customer satisfaction in the hotel industry and the determinants of satisfaction which eventually leads to future intentions of customers. Likert’s 5 point scale was worn to gauge the responses. The aftermaths of the study showed that improved and superior service quality and service features will augment the customer satisfaction and the future intentions of satisfied customers will be magnified.
Dr. Masood H Siddiqui (2010)\textsuperscript{112} developed a valid and reliable instrument to measure customer perceived service quality in life-insurance sector. The resulting validated instrument comprised of six dimensions: assurance, personalized financial planning, competence, corporate image, tangibles and technology. Further the results of analytical hierarchy process highlighted the priority areas of service instrument with assurance is the best predictor, followed by competence and personalized financial planning. The gap scores show that there is ample room for improvement in all the aspects related to service quality.

Satendra Thakur, et al., (2011)\textsuperscript{113} discussed about the impact of service quality, customer satisfaction, and trust on customer loyalty in major telecommunication company operating in Madhya Pradesh. Data has been collected from 248 subscriber customer of the company. The result of the study indicate that customer satisfaction is significantly and positively related with customer loyalty, customer satisfaction is to be found important mediator between service quality and customer loyalty, A clear understanding of the postulated relationships among the studied variables might encourage the mobile service provider(s) to figure out appropriate course of action to win customers satisfaction by providing better services in order to create a loyal customer base.

Gloria K.Q Agyapong (2011)\textsuperscript{114} examined the relationship between service quality and customer satisfaction in the utility industry (telecom) in Ghana. The study adapted the SERVQUAL model as the main framework for analyzing service quality. Multiple regression analysis was used to examine the relationships between service quality variables and customer satisfaction. The results showed that all the service quality items were good predictors of customer satisfaction. For managers, this finding
has important implications with regard to brand building strategies. Indications of a successful brand building strategy are found when companies provide quality services relative to other companies within the same industry. It is imperative for Vodafone (Ghana) and other telecom firms, therefore, to improve customer services by giving customers what they want and at the right time. Thus, identifying and satisfying customers’ needs could improve network services because what is offered can be used to separate the company’s services from competitors’.

**Hazlina Abdul Kadir, et al. (2011)**\(^{115}\) tries to identify the effects of services offered by Malaysian banks through online media and ATMs on customer satisfaction. 500 students from different universities in Malaysia including University of Malaya, University Kebangsan Malaysia, University Putra Malaysia, Multimedia University Malaysia and Limkokwing University chosen as a sample frame of the study. Questionnaires are distributed among them and they are asked to respond to questions which ask about their perception as well as experience for their banks. Two analyses are employed to fully reflect the effect of online and ATM services on their satisfaction level. The first one was service quality model which compares the difference between satisfaction and expectation level in order to find out which dimensions need to be improved. Second analysis was Two-Way ANOVA analysis which tried to identify the relationship between demographic factors and the study’s outcome. Finally, the study determined which factors have the most effect and which factors have the least effect on customer satisfaction level.

**Chaminda Chiran Jayasundara (2011)**\(^{116}\) reviews the existing literature related to customer satisfaction in relation to service quality to identify the research issues and implications to establish further research avenues in the field. The study revealed that there is a consensus among service marketing researchers on the causal
sequence/order of the concepts of customer satisfaction and service quality. Through conceptual improvement and empirical findings of past studies, most researchers have concurred on the fact that quality judgments cause satisfaction, leading to the finding on service quality being the antecedent of customer satisfaction. The formation of satisfaction in relation to service quality is generally based upon some significant theories identified in the literature and it recognised two dominant theoretical paradigms, disconfirmation and performance-only, which can be duly used for modelling customer satisfaction through the service quality perspective in organisations, enabling them to perform possible customer-led service quality evaluations. Secondly, the review more closely examined the potentiality of the prevalent service quality and customer satisfaction models which have been applied in the field of library and information services, such as SERVQUAL, SERVPREF and LibQUAL, understand the customer satisfaction process in the context of service quality. These models were, however, not adequately qualified to confirm their strong applicability for the modeling of the satisfaction process in libraries. Finally, the review concluded with fourteen research issues and their implications relating to library services in demonstrating the void of the prevailing body of knowledge, for new research avenues.

R. Renganathan (2011) analyzed the hotel guests’ expectations and perceptions of hotel services and the role of demographic variables in evaluating the Service quality and also to ascertain how Factor analysis can be used to identify number of factors underlying SERVQUAL components (items). Statistical methods like descriptive analysis, reliability analysis, multiple regressions and exploratory factor analysis were used to evaluate the service quality. The findings of the research showed that with regard to individual SERVQUAL dimensions, gap values are positive for tangibles, reliability, assurance and gap values are negative for responsiveness and
empathy. With regard to Factor analysis, data on hotel guests’ perceptions divided SERVQUAL items into four main factors, with Eigen values greater than 1.0 and data on expectations divided SERVQUAL items into three main factors, with Eigen values greater than 1.0. It is recommended to the managers’ of the hotels to understand the expectations of their guests’ and make their service personnel to respond as per their guests’ expectations and also to be compassionate enough to serve their guests’ appropriately. Managers can utilize the guests’ feedback to understand their perception towards the various hospitality aspects of the hotels.

Jusuf Zekiri (2011)\textsuperscript{118} in his study a structured questionnaire was developed from the SERVQUAL model and was randomly distributed to the users of the three mobile operators to determine their satisfaction with service quality delivery in the Macedonian mobile telecommunication market. From the analysis carried out, it was found out that the overall service quality perceived by the customers was not satisfactory, that expectations were higher than perceptions. Customers were not satisfied with service quality in all 5 dimensions studied. Factor analysis revealed reliability to be as the most important factor for customer satisfaction with service quality. Reliability and responsiveness were shown to be as the most important factors for customers’ satisfaction with service quality, followed by assurance as a second factor, then empathy as a third factor component, and the tangible dimension as the last fourth factor. Reliability and responsiveness both combine the first underlying factor extracted from rotation (extraction sorts components according to their contribution to the variance), that holds 40.29% of Total Variances of 59.29%, combined with other two responsiveness items.

Vani Haridasan (2011)\textsuperscript{119} analysed the extent to which CRM is being practiced by the mobile service providers, and identifies the effect of the service quality of the mobile service providers on the Customer Loyalty. As CRM focuses on being customer
centric, it becomes essential to measure the effectiveness of CRM in terms of the degree to which the customers are advocates of the mobile service provider as well as to measure the degree to which they participate in the cross selling and up selling of the various products and services of the provider. To evaluate the effectiveness, there are lots of quantitative techniques available and some work in this area has already been done. But there is a dearth of literature focusing on the relative efficiency. One advanced operations research technique which evaluates the relative efficiency is the Frontier Analysis or Data Envelopment Analysis (DEA).

**N. Udaya Bhaskar, et al. (2011)** studied the impact of service quality on apparel retail customer satisfaction and also identifies the critical factors of service quality from customer’s perspective. The sample consists of 250 respondents from the Metropolitan City Hyderabad which is one of the fastest growing metropolitan cities in India. A structured questionnaire RSQS (Retail Service Quality Scale) was administered for data collection. Secondary data was collected from research databases, reports, journal articles etc. SPSS 17.0 was used for statistical analysis. The study identifies the critical factors of Apparel Retail Service Quality and evaluates the impact of service quality on Retail Customer Satisfaction.

**Amin Asadollahi, et al (2011)** the main objective of the study, which contains a model of service quality and service value and satisfaction of services on consumer behaviour is and show that service quality and value, and how consumer behaviour affects performance and on current and future impact of purchase. Descriptive method of research is a survey of 4 Islamic Azad University of Tehran School of Management who are stratified random sampling method was systematic. The sample size was 384 in numbers due to the inaccuracy of 420 questionnaires were
distributed and returned. Research findings show that customer satisfaction impact customer behaviour much more tangible effect on the value of services perception of the quality of services directly to customers is the most effect on behavioural decisions. Maintaining good customer in the long run than continuing to attract new customers, to replace customers who have cut ties with the company, it is more beneficial.

Hayat Muhammad Awan, et al. (2011) investigated the service quality and its relationship to customer satisfaction among the customers of conventional banks and Islamic banks. A modified SERVQUAL scale is utilized to ascertain the functional dimensions of service quality specific to the industry and service context under study. In addition, the study examines the differences in service quality satisfaction and its impact on the behavioural intentions of customers. A field survey carried out with the help of a questionnaire constructed by using a modified SERVQUAL scale. Data were collected from 200 walk-in customers conveniently drawn from three major conventional banks and three Islamic banks located in urban areas of Pakistan. Data were analyzed using the analytical hierarchy process to identify service quality and customer satisfaction-related factors for Islamic and conventional banks. By using factor analysis, 52 measurement items with a factor loading greater than (0.5) were identified to form five service quality dimensions namely empathy, service architecture, convenience service encounter, employee service criteria, customer focus and five customer satisfaction dimensions: responsiveness, competency, safe transaction, competitive services, knowledge for the overall banking industry explained 56 percent of the variance. Results from regression analysis of the relationship between multidimensional service quality dimensions and unidimensional customer satisfaction factors also validated the importance of service quality aspects for behavioural intentions (satisfaction, feelings) for customers from conventional banks and Islamic banks.
Parisa Islam Khan, et al. (2011)\textsuperscript{123} their study aims at measuring the service quality and customer satisfaction level of high-end women’s parlors in Dhaka. Other purposes of this study are to assess the importance of different attributes of customer’s preference, evaluate the service quality level and the extent of customer satisfaction and reveal the final factors that create customer satisfaction. This study includes in-depth interviews of beauticians and executives and questionnaire survey of 260 customers of high-end beauty parlors of Dhaka city. The findings show that customers put utmost importance in issues such as the service provider’s behaviour, knowledge, environment, counseling system and affordability of the parlors. The customers of the high-end parlors are highly satisfied with the environment, executive’s politeness, com plaint handling system, trustworthiness and materials. The politeness of the service providers, knowledge level of the executives and safety and hygiene issues are also satisfactory. Factor analysis (Principal Component Analysis) has been carried out by taking sixteen variables and the result indicates that four service quality factors are creating customer satisfaction. These factors are Support & Facility Factor, Employee Performance Factor, Customer Relation Factor and Communication Factor.

Arora Vibha, et al. (2011)\textsuperscript{124} investigated the various dimensions of service quality and how these dimensions determine customer satisfaction in Indian banking sector. Using Service performance (SERVPERF) model, the survey was undertaken in Delhi and National capital region on the sample of 318 respondents to test dimensionality of SERVPERF by using construct validity and reliability test. SERVPERF model proved to be four dimensional in context of Indian banking sector. Further multivariate regression analysis was used to see the impact of service quality dimensions on customer satisfaction. Reliability and service interaction were found to be significant variables to customer satisfaction in India.
**Alin James, et al. (2011)**[^1] measured the gap between expected or perception on the five dimensions of service quality i.e. tangibles, reliability, responsiveness, assurance and empathy with customer satisfaction (testing SERVQUAL model) in nine Government Hospitals in Sabah, Malaysia. The assessment was carried out on perceptions, expectations and satisfactions of hospital staffs with the services rendered under Hospital Support Services. Data on perceptions and expectations of five quality dimensions were collected and statistically analyzed to ascertain customers’ satisfaction on technical and functional quality. The results show that there is a significant difference between expected and perceived service quality on each of the quality dimensions.

**S. J. Manjunath, et al. (2011)**[^2] their study, based on the Five star Hotels in Bangalore, indicates that the Hospitality & Tourism Industry requires more adequate policies and standards in the Human Resources Management in order to minimise the highest rate attrition prevailing in this sector. Since the Employee satisfaction is directly linked with customer satisfaction, it is very important that Hotel Management gives more focus on to retention of their employees and improve their work culture in order to optimise the productivity and the satisfaction. This study reveals major areas where the hotel employees expressed their dissatisfaction. It is also the fact that all the five star Hotels in Bangalore are understaffed. Catering Institutes are not able to support the industry because of many other lucrative job options are available for the Hospitality graduates. It is clear from the study that it is high time now to revamp the Human Resources policies and strategies so as to give importance to employee satisfaction thereby retaining their customers with highest satisfaction index.
Simon Gyasi Nimako (2012)\(^{127}\) examined the extent to which service quality affects customer satisfaction and behaviour intention in mobile telecommunication industry. The study involved a cross-sectional survey of 1000 respondents using structured questionnaire personally administered. A usable 937 questionnaire were retrieved and analysed using Structural Equation Modelling (SEM) method. The findings indicate that Tangibles, Customer Relations, Real Network Quality and Image quality aspects of service quality positively affect customer satisfaction, which in turn affects behaviour intention in Ghana’s mobile telecom industry. Theoretically, it found a strong relationship between service quality, satisfaction and behaviour intention and that service quality and satisfaction may be viewed as two separate constructs. Managers could influence behaviour intentions and satisfaction through the four critical aspects of SQ unique to the mobile telephony industry.

Dr. Mohammed A., et al., (2012)\(^{128}\) objective of their research study is to build a customer satisfaction strategy and measuring e-service quality by relating it to the web service quality. This requires formulating a strategy of building the framework for web based e-service quality model in internet banking services. This discussed the literature review of different models related to online banking for the customer satisfaction which can lead to build and measure an innovative e-service model that is applicable to evaluate the web based internet banking service quality.

M.Kailash, (2012)\(^{129}\) attempts a comparison of performance among two categories of banks – public and private sector banks (only domestic) in Vijayawada city- using the list of service attributes based on different service dimensions such as tangibles, reliability, responsiveness, assurance and empathy during December 2011. Simple random sampling technique is adopted and 175 respondents, 111 customers of
Public Sector Banks and 64 customers of Private Sector Banks constitute the sample for the survey. The findings show that Private sector banks performed significantly by satisfying its customers with good services and they have been successful in retaining its customers by providing better facilities than Public sector banks. The research points that new financial products and services have to be continuously introduced in order to stay competent and that Public sector banks have to build long term strategic relationships with its customers.

Seyed Mostafa Razavi (2012) investigated the relationships service quality, customer perceived value and customer satisfaction in six large software companies of Iran. To this end, after reviewing the related literature, the effective factors in the service quality, customer perceived value and customer satisfaction were identified. Then, questionnaires were distributed among the customers of the companies. Next, Factor Analysis and Structural Equation Modelling were used to find the relationships; as a result, the proposed model was extracted. According to findings, there are significant and positive relationships between service quality and customer perceived value, service quality and customer satisfaction and customer perceived value and customer satisfaction in these companies. Furthermore, service quality can predict customer satisfaction more than what customer perceived value does.

Md. Arifur Rahman, et al. (2012) identified some key drivers of customer satisfaction on restaurant services. The study covers the opinion of restaurant goers in Khulna region. This research is based on empirical study. Primarily, researchers contacted with 450 customers for their valuable opinion regarding restaurant services. But, 246 customers gave their spontaneous response in this regard. Chi-square test has been applied for testing hypothesizes by using SPSS software. This study aims to link
some factors of service quality and price fairness of restaurant with the customers’ satisfaction. The researchers find out that customers of restaurant have negative impression about product and service quality fairness, price fairness, staff’s service, environment of the restaurant, image of the restaurant and loyalty of the restaurant. The researchers suggest emphasizing on those critical issues to attract new customers and retain existing customers.

Kumar R, et al. (2012)\textsuperscript{132} examined the dimensions and their levels of service quality that have significant effect on customer satisfaction in organized retailing. The results illustrated that the dimensions of service quality such as tangible, reliability, responsiveness, competence, credibility, accessibility, and customer knowledge were positively correlated to customer satisfaction in organized retailing. However, by using Statistic software SPSS 17.0 Version only four factors, namely, reliability, customer knowledge, credibility and tangible have significant effect on customer satisfaction that indicated to improve customer satisfaction. Therefore, the management of organized retailing is supposed to focus on reliability, customer knowledge, credibility and tangible to ahead of its competitors. Ultimately customers would remain loyal to an organization and this brings continued profitability and success in business in future.

Yanni Thamnopoulos, et al. (2012)\textsuperscript{133} aimed to determine the degree to which service quality perceptions and customer satisfaction predict the intentions of repurchase and word-of-mouth communication. Nine hundred and twenty five (N=925) spectators of Greek professional football, participated in the study and completed the SPORTSERV questionnaire, to measure the perceptions of service quality, satisfaction, repurchase intention and word-of-mouth. An alpha reliability analysis of the service quality was conducted, to test the internal consistency of the five dimensions
(responsiveness, access, security, reliability and tangibles) as a result they were all in acceptable ranges. Satisfaction was measured by five items. Repurchase intention was measured by two items and word-of-mouth was measured by three items. In order to discover possible relations among service quality, satisfaction and future intentions multiple regression analysis were conducted. The results revealed that service quality and satisfaction predict together a significant proportion of spectators’ repurchase intention (the total percentage of prediction was 51%, R2=.511, p< 0.001) and word-of-mouth communication (the total percentage of prediction was 53.8% R2=.538, p< 0.001). This study supports previous research findings with a focus on the sport spectators’ realm, regarding the general impact of service quality and satisfaction on fans future intentions, however there have been some differences in terms of how the service quality dimensions affect these factors.

**Saif Ullah Malik (2012)** the main objective of his study is to first find out perceived service quality using SERVQUAL and then the role of perceived value as a mediating variable in the service sector of Pakistan. Both descriptive and inferential statistical techniques are used to analyze the effects of independent variables (i.e. perceived service quality) on customer satisfaction (dependent variable) and the role of mediating variable (i.e. perceived value). Stepwise regression analysis is used to examine the effect of the mediating variable (i.e. perceived value) on customer satisfaction. Perceived value was found strongly correlated with satisfaction. Results suggested that perceived value is an important factor in customers’ evaluation of satisfaction.

The above review presents a treasure of knowledge and information in respect of the earlier studies based on evolution, management, working, prospects and challenges
of banking in India and abroad. Majority of these studies deal with the quality of banking services as a whole covering various aspects of banking operations and practices in India. Some of them have devoted to measure the levels of satisfaction of bank customers with the quality of services offered by Indian banks and made recommendations for bringing about improvement in quality standards. A couple of publications in the form of articles are no doubt, related to retail banking segment of Indian banking industry. But they are not comprehensive in coverage. They deal with a particular aspect of retail banking service quality, for instance, service quality of ATMs, levels of customer satisfaction with ATMs, retail banking challenges, predicting consumer behaviour in retail banking and so on.

The review of literature thus reveals a gap in so far as no study comprehensively and specifically deals with the retail banking segment in India both in the public and private sector banks. Nor does any work reviewed above tried to examine the comparative performance of public sector banks and private sector banks on the Customer Perception on Service Quality and Customer Behaviour in the study area. The present study is an attempt in the direction of bridging this gap.