

# AWARNESS ABOUT SERVICE QUALITY AMONG CUSTOMERS IN BANKING SECTOR

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**Abstract:** Perception of service quality among the bank customers serve as the study setting. This study is about the conceptualization of the service quality with its dimensions in the banking sector. . Research has shown that high service quality contributes significantly to profitability and productivity. This paper provides the information about the developing strategies to be used by the managers to improve the service quality in the banks. The objectives of this study were to investigate the service quality expectations of banking customers, examine whether the quality dimensions included in the SERVQUAL model apply in an international environment, search for any additional dimensions that should be included in the service quality construct, and measure the level of importance of each specific dimension for the customers of the bank. The cue to deliver the best quality of service is to encourage loyalty is perhaps of particular importance in the service sector where it is often argued that customer attraction costs are significantly higher than retention costs. . The study highlights implications for marketers in banking industry for improvement in delivery of service quality.

**Keywords:** Banking Sector, bank customers, service quality, banking industry.

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## 1. INTRODUCTION

Banking is one of the most important facet of human life ,while bank plays an vital role to the economic development. There is no doubt that service quality is very important in any business activity, which helps to satisfy customer expectations, competitor activity, service nature, organizational internal factors. (Iacobucci et al.,1994).Customers expectations and beliefs about the services, that is served up to standards based on that, the service quality is judged.(Zrithaml et al., 1993).when customers starts to assess the quality of services that is provided by banking sectors, they use many criteria based on the importance, some being more important than others. Mostly many criteria are considered as important, only few are considered most important. These determining attributes will define service quality from the customer's point of view (Loudon and Della Bitta, 1988).the model to measure service quality was developed by Parasuraman et al. (1985;1988).in his paper he explained that customers perception about service quality is based on the expectations gaps that encumber the delivery of service quality. After research done by Zeithaml, Parasuraman and Berry they found five dimensions customers use while evaluating service quality. they named their survey instrument as SERVQUAL (service quality gap model) is a gap method in service quality measurement; it is a tool that can be used by product managers in almost every industries. The aim of this gap model is to find the gaps between customer expectation and the real services provided at different stages of service delivery. If industries do this dimension in right way, customers will be more loyal to the company. The industries and provider will receive goodwill and service excellence. The five dimensions are Tangibles, Reliability, Responsiveness, Assurance and Empathy. Due to several changing culture and environment consumers of service perceive different opinion on service quality, most of the studies found cultural consequences played an important role in service quality in banking industry(I.e. furrer et al.,2000;witkowski and wolfinbarger,2000).in banking sector customer relationship also is considered to be an important one, because of increasing competition (Avkiran, 1999) financial services is not only to take care of happening purchases, but they are

needed on a continual basis, providing the need for financial service suppliers to improve the relation with prospects and at the same time they have to develop the good relationship with the existing customers, they have to retain them. Customers demand information, a wide advice related to financial doubts, honesty, loyalty, integrity, responsiveness, involvement and value for money (Shelton, 1995; Leach, 1995). the customers are mostly interested on financial services delivered (McKechnie, 1992) and mostly in the banks working hours, information and the capacity to concentrate on customers needs (Holmlund and Koch, 1996). Kaynak et al. (1991) studied bank selection in a turkish context and found that the customers usually prefer the friendly services of staffs and the bank near to their place, which is comfortable to them to clear their queries, the customers mostly prefer the places where the services is done fast and efficiently. it is differed from age to age, while the older age people preferred the bank which is near to them, the young age people preferred the bank based on their expectation in different services. Still the researches are done based on the service quality in bank it remains under question, no researches have to be done in awareness about the service quality of bank among customers. this article is aims to address the awareness about service quality among customers in banking sector.

#### **OBJECTIVE:**

This conceptual study is conducted to understand the customer awareness and perception in banking sector in terms of service quality. The objective of this study is to examine whether the service quality provided by banking sectors to their customer meet the requisite level.

- To study the awareness about service quality among customers using banking.
- To study the customer expectations and perception about service quality in banking sector

#### **NEED:**

Banking is one in every of the many services within which client satisfaction has had associate degree ever-increasing importance within the corresponding analysis areas. this can be primarily as a result of the banking sector is changing into a lot of and a lot of competitive. The advancement in technology space made the customers interact with the system more, which increases their ability to understand the banking process and increase the satisfaction level. We did conceptual study to know how the customers has an awareness about the service quality in banking sectors. how the banking sectors creates an awareness to their customers by creating them quality services.

#### **SCOPE:**

The study is limited to the banking sector. this study is done in a conceptual way to find the awareness about the service quality among customers who use bank. we referred different types of articles related to this study and created it.

## **2. REVIEW OF LITERATURE**

Customer satisfaction is the feeling or attitude towards the product or services after it is used (Solomon, 1996; Wells & Prensky, 1996).

Measuring the service quality is difficult because of the intangible nature of service, many researches carried out their analysis with the help of accepted service quality model SERQUAL developed by Parasuraman et al. (1985).

Most of the financial institution is focusing on to increase their service quality to satisfy customers and also to retain their customers so that the desirable development can be secured (Jones, 2004).

Most of the customers understand the service quality in a immanent way. Lewis (1993) opined that not like products; the standard of services is evaluated by customers not solely by the service outcome (core service), but also by the assembly and delivery method additionally as by the 'peripherals' associated with the service, Zeithaml et al. (1990), and Zeithaml and Parasuraman (2004)

put it, service quality could be a live of however well the service level delivered matches client expectations. Delivering quality service suggests that conforming to client expectations on the same basis. Lewis and Booms (1983) banks have realized the importance of service quality for booming survival in today's world and extremely competitive surroundings. Wang et al. (2003) According to Bloemer & Kasper (1995), loyalty is understood as true loyalty instead of repeat buying behavior, that is that the actual re-buying of a whole, no matter commitment.

Zeithaml et al. (1996) states loyalty could be a multi-dimensional construct and includes each positive and negative responses. However, a loyal customer might not essentially be a glad customer

### 3. CONCLUSION

This article is based on the customer awareness about the service quality which is provided by bank. In this busy life style the banking sector providing various quality services with the help of technology like online banking facilities, ATM's services, debit card, credit card etc.; to access all these services the customers have to be aware of the banking services, it is the banks responsibility to make their customers to aware of the services which they are providing. with the help of various article study we found that the service quality means a lot in banking industry and the awareness is much more important for the customers to survive in this society. Good service quality by the banking sector and customer awareness leads to positive impact, it creates customer loyalty, it gives satisfaction to customers so it makes them retain in bank to enjoy services. however some article mentioned the negative side of banking sector like average service quality and poor service awareness among illiterate customers, banks still following the traditional banking facility to them. based on the analyse with the help of other article study we conclude that most of the customers are satisfied with banking facilities and the awareness about service quality among customers in banking sector is positive.

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