

## **Customer Satisfaction about Service Quality of Public Sector Banks in Cachar District of Assam: An Investigation**

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### **ABSTRACT**

In a market driven economy, customer is the monarch and the business units are to frame their strategies and policies keeping in view the need and expectation of customers. With the market getting more and more complicated and competitive day by day, improving and innovating Service Quality has become one of the important weapons in the hands of the various industries to fascinate intending customers as well as sustaining the existing ones. Banking sector is one such industry the participants of which make huge investment to improve its service quality in order to sustain and win the cut-throat completion. In fact, service quality has become the most influencing factor for increasing satisfaction level of bank customers. Thus, the present study aims at measuring the extent of customer satisfaction with respect to selected service quality dimensions. The primary data is used for attaining the objectives of the study. For primary data, a sample of 50 bank customers has been taken who are holding accounts with public sector banks. Empathy, Responsiveness, Tangibility, Reliability and Competence are the five factors/ dimensions of service quality selected for the present study.

**KEYWORDS:** Responsiveness, Empathy, Reliability, Tangibility and Competence

### **INTRODUCTION**

In the present competitive environment, consumers are increasingly aware of alternatives in relation to services and organizations providing services. Consequently, expectations rise and consumers become more critical of the quality of services (Meena G, 2016). Customer service is one of the core parts of the banking industry. Banking industry is facing challenges due to concentrated competition, changing market, risk and uncertainty, environment and demanding customers. These changes impacted on both the structure of the industry and the nature of competition between banks. Service quality has become an increasingly important factor for surviving and success in the banking sector and there is a need to identify the characteristic of the

service quality perceived by the customers of banks (Anita, 2017). In order to survive in the highly competitive market public sector banks all over the country is expected to provide quality of service to its customers, which in turn will result in customers' satisfaction.

## **REVIEW OF LITERATURE**

Adhikari & Paul (2016) conducted a study to assess the customers perception about select service quality dimensions in United Bank of India and to examine the relationship between perceived service quality and customers satisfaction in UBI and also to assess the influence of perceived service quality on satisfaction of customers in UBI within Cachar district of Assam. The sample size was taken as 121 customers of the branches of UBI operating in Cachar District of Assam. The perception of customers about all the service quality dimensions is positively correlated with customer satisfaction and there is significant linear relationship between customer satisfaction and their perception about all the dimensions of service quality.

Ragavan & Mageh (2013) examine the influence of service quality dimensions on customers overall satisfaction through the study and develops an instruments of service quality and examine the relationship between perceived service quality dimensions and customers overall satisfaction. The 400 respondents from 4 banks were taken as the sample size and adopt random sampling technique to measure the data. In order to analyze the data and to find out the objective's descriptive statistics, correlation analysis, and multiple regression have been applied. The most important outcome of the study is that the service quality practice on customer satisfaction is responsiveness as it is perceived as a dominant service quality. The service quality dimensions tangible, responsiveness, reliability and assurance which show positive influence on customer satisfaction except empathy which shows negative influence on customer satisfaction.

Agarwal & Kamal (2017) conducted a study to analyze the customer satisfaction at different brunches of Oriental Banks of Commerce in Bareilly, U.P and to find out what are the major factors responsible for the satisfaction of customers and to identify the present level of quality of services and the area for improvement in near future. The study undertakes 100 respondents and non-probability sample technique was used to collect primary data. The study highlights the nature of banking service where tangibility does not play as major role as reliability. Incorporating the consequences of customer satisfaction in general banking, that is loyalty and word-of-mouth could provide additional important contributions to the knowledge of service quality influences.

Masukujjaman & Aktar (2010) conduct a study which tries to find out the relationship between service quality and customer satisfaction among the various private commercial banks. The Study undertakes 480 customers from all the Bangladeshi Private Commercial Banks and judgmental sampling procedure use to select the sample units from different customers to different commercial banks who were willing to respond to the questionnaire. According to this study, the overall service quality in private commercial banks in Bangladesh is considerable. The banks holding higher perceived service quality are providing best service

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in all categories of banking service and the bank holding lower perceived service quality are struggling seriously with credit and foreign exchange services. The study directly shows that there is a significant relationship between the qualities of categories of services and the customer satisfaction.

M. Rajlakshmi (2016) conducted a study to assess the service quality of public and private sector banks & foreign banks. Whereas the secondary objective is to identify importance attached to different attributes of service quality and to examine the performance of private and foreign banks on the basis of quality of services and to find out the gap between customers expectation and perception of quality of services for public and private sector and foreign banks. The sample size taken for the study is 200 customers in male and female aged 18 and above in Chennai city. The collected data is analyzed by using mean score of various dimensions of service quality. This study identifies that the customer service quality satisfaction varies with categorical variables like income occupation and customer's bank. However, customer service quality satisfaction does not vary with age gender and educational level and it is advisable that bank should focus on responsive dimension to win the customers.

### **OBJECTIVES OF THE STUDY**

1. To analyze the level of customer satisfaction about select service quality dimensions in public sector banks in Cachar district of Assam.
2. To analyze the level of overall customer Satisfaction about service quality in public sector banks in Cachar district of Assam.

### **RESEARCH METHODOLOGY**

The study is descriptive in nature and is based on primary data. For this present research, population includes young bank customers pursuing higher education in Assam University Silchar. The sampling frame was the students of Assam University Silchar who are the customers of different public sector banks located in Cachar district. The sample size for the present study is fifty (50). Convenient sampling technique was used to select the sample. The questionnaire is comprised of close ended questions and five-point Likert-type scales ranging from 1 (= highly dissatisfied) to 5 (= highly satisfied) was used to measure the satisfaction or dissatisfaction of the respondents. Customer satisfaction /dissatisfaction have been assessed on the basis of five dimensions of service quality.

### **SCOPE OF THE STUDY**

- 1) The scope of the present study is confined to young bank customers who are pursuing higher education in Assam University.
- 2) Only public sectors banks are considered for the present study.

### **LIMITATIONS OF THE STUDY**

- 1) The study is based upon the perception of the respondents & hence it is subject to all the limitations that are inherent in any perception-based study.

2) Convenient sampling method has been used & hence the possibility of sampling error cannot be completely ruled out.

## RESULT AND ANALYSIS

**Table 1: Customer Satisfaction/Dissatisfaction over the factor “Responsiveness**

Degree of satisfaction	No. of Respondents	Percentage of Respondents
Highly Satisfied	6	12.00
Satisfied	27	54.00
Neither Satisfied nor Dissatisfied	13	26.00
Dissatisfied	4	8.00
Highly Dissatisfied	0	0.00
Total	50	100

Source: Field Survey

Table 1 shows that out of 50 respondents 6 respondents are highly satisfied, 27 respondents are satisfied, 4 respondents are dissatisfied, and no respondents are highly dissatisfied. But there are 13 respondents who are neither satisfied nor dissatisfied over the ‘Responsiveness’ dimension of service quality.

**Table 2: Customer Satisfaction/Dissatisfaction over the factor “Empathy”**

Degree of satisfaction	No. of Respondents	Percentage of Respondents
Highly Satisfied	5	10.00
Satisfied	27	54.00
Neither Satisfied nor Dissatisfied	15	30.00
Dissatisfied	3	6.00
Highly Dissatisfied	0	0.00
Total	50	100

Source: Field Survey

Table 2 shows that out of 50 respondents 5 respondents are highly satisfied, 27 respondents are satisfied, 3 respondents are dissatisfied, and no respondents are highly dissatisfied. But there are 15 respondents who are neither satisfied nor dissatisfied over the ‘Empathy’ dimension of service quality.

**Table 3: Customer Satisfaction/Dissatisfaction over the factor “Reliability”**

Degree of satisfaction	No. of Respondents	Percentage of Respondents
Highly Satisfied	8	16.00
Satisfied	23	46.00
Neither Satisfied nor Dissatisfied	16	32.00

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Dissatisfied	2	4.00
Highly Dissatisfied	1	2.00
Total	50	100

Source: Field Survey

Table 3 shows that out of 50 respondents 8 respondent who are highly satisfied, 23 respondents are satisfied, 2 respondents are dissatisfied and only 1 respondent is highly dissatisfied. But there are also 16 respondents who are neither satisfied nor dissatisfied over the 'Reliability' dimension of service quality.

**Table 4: Customer Satisfaction/Dissatisfaction over the factor "Tangibility"**

Degree of satisfaction	No. of Respondents	Percentage of Respondents
Highly Satisfied	0	0.00
Satisfied	17	34.00
Neither Satisfied nor Dissatisfied	22	44.00
Dissatisfied	6	12.00
Highly Dissatisfied	5	10.00
Total	50	100

Source: Field Survey

Table 4 shows that out of 50 respondents not a single respondent are highly satisfied but 17 respondents are satisfied, 6 respondents are dissatisfied and 5 respondents are highly dissatisfied. There are also 22 respondents who are neither satisfied nor dissatisfied over the 'Tangibility' dimension of service quality.

**Table 5: Customer Satisfaction/Dissatisfaction over the factor "Competence"**

Degree of satisfaction	No. of Respondents	Percentage of Respondents
Highly Satisfied	3	6.00
Satisfied	27	54.00
Neither Satisfied nor Dissatisfied	15	30.00
Dissatisfied	5	10.00
Highly Dissatisfied	0	0.00
Total	50	100

Source: Field Survey

Table 5 shows that out of 50 respondents only 3 respondents are highly satisfied, 27 respondents are satisfied, 5 respondents are dissatisfied and no respondents are highly dissatisfied but there are 15 respondents who are neither satisfied nor dissatisfied over the 'Competence' dimension of service quality.

**Table 6: Overall Customer Satisfaction/Dissatisfaction about Service Quality**

<b>Degree of satisfaction</b>	<b>No. of Respondents</b>	<b>Percentage of Respondents</b>
Highly Satisfied	1	2.00
Satisfied	35	70.00
Neither Satisfied nor Dissatisfied	13	26.00
Dissatisfied	1	2.00
Highly Dissatisfied	0	0.00
Total	50	100

Source: Field Survey

Table 6 shows out of 50 respondents 35 respondents are satisfied with the overall service qualities of their respective public sector banks, where 13 respondents are neither satisfied nor dissatisfied with the service qualities provided by the bank. But there are only 1 respondent who is highly satisfied and also there are only 1 respondent who is dissatisfied with the overall service qualities of their respective public sector bank.

## **CONCLUSION**

In today's market, customer satisfaction with regard to service quality is a priceless asset for modern businesses. In order to expand and protect a profitable business, improving the customer experience is now a critical component of acquiring new consumers and retaining existing customers. In the present study it was found that majority of the customers are satisfied with the services provided by the banks. Customers are relatively less satisfied with the 'Tangibility' dimension. In the future, it is envisaged that banks will take particular initiatives to improve service quality and endeavour to meet consumers' ever-changing expectations.

## **SCOPE FOR FUTURE RESEARCH**

1. Future researchers may conduct similar type of studies with more number of dimensions of service quality.
2. Researchers in future may conduct similar study in other geographical location /area.

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