Service Quality Gaps and Customer Satisfaction across Banks

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Abstract

Service quality and customer satisfaction are considered as significant issues in the service industries and specifically in banking sector. Customer loyalty is significantly dependent on high service quality. The purpose of this research paper is to analyze service quality gaps of both public sector banks and private sector banks and to propose a gap model based on customers expectations and perceptions. Information is gathered from 486 customers of four public sector banks and four private sector banks in NCR and Haryana. The results indicated that the quality of services provided by public sector banks under tangibility dimension are below customers' perception when compared with private sector banks' customers, whereas, quality of services provided by private sector banks under the reliability dimension are below customers' perception when compared with public sector bank respondents.

Keywords: Service Quality, Customer Satisfaction, Public Sector Banks, Private Sector Banks.

Introduction

Indian banking system is an engine of economic growth and development of the country. Banking sector has been a lifeline and saw tremendous changes over the years. Also, in the age of digitization and information technology have distorted the way banks used to carry out their businesses. Banks today are accountable for being a game changer in the usage and delivery of technology. It's in the year 1990 that the doors of banking were opened up for private sector due to which public sector lost its monopoly powers. In the year 1991 new economic policy was framed which focused on liberalisation, privatization and globalization which brought competition, technology advancement in the field of banking industry (*Gupta, Mishra & Rahman, 2013).* Subsequent to the nationalization, banks were categorized into public sector banks and private sector banks that encouraged competition between them to draw and retain more and more customers. Due to competition rules of the game changed from price war to quality war. These changes have strong effect on both the structure of the industry and the type of competition between the banks *(Urban 2009).* The purpose of a bank would be to create more customers on an ongoing basis and more importantly to retain their customers. To attract and retain the customer's service quality and customer satisfaction became the key to success in service sector. *(Zeng et al., 2010).* Various research studies highlighted that high and unique service quality can win the hearts of customers and helps in their long term association with the respective organizations. With the advent of technology in banking sector, the concept of service quality came into vogue to satisfy the customers in a complete and effective way. It is observed that high quality service augments customer satisfaction which sequentially leads to soaring level of customer commitment and loyalty (*Shanka, 2012).* Concept of service quality is still evolving and with the pace of development, the definition of service quality has altered significantly. Quality of service is considered as best when there is congruence between the expectations and perception of customers regarding service in question or when there is uniformity between the demands and actual delivery of service. Another important burgeoning issue in this regard is lack of awareness of services by customers. Many times it is seen that customers are not aware of the services provided by their service provider so, required information has to be supplied to them in timely manner. Thus, from the discussion it is clear that the awareness level of customers and service quality are two parameters for success in banking industry. Hence, it is worth to measure service quality and

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customer satisfaction to obtain better understanding of the service quality delivered by banking industry.

Earlier, customer satisfaction was measured through what a customer felt after a specific purchase decision *(Churchill and Sauprenant 1992)*. Majority of researchers strongly believe that satisfaction is the outcome of an attitude which is formed when the customer compares their pre-purchase expectations with the actual performance.

Concept of Service Quality

Numerous studies have been carried out to better understand the concept of service quality. Before discussing the concept of service quality, it becomes imperative to know the meaning of service. In general, 'service may be defined as an activity which can be experienced but cannot be touched or seen, as service offered by service providers is intangible in nature.' In view of *Gronroos (2000)* "A service is a process consisting of a series of more or less intangible activities that normally, but not necessarily always, takes place in interactions between the customer and service employees and/or physical resources or goods and/or systems of service provider, which are provided as solutions to customer problems". In view of *Kotler, Armstrong, Saunders & Wong (2008)* "A service is as any activity or help that one party can offer to another which is essentially intangible and does not result in the ownership of anything." According to *Lovelock, Wirtz & Chatterjee (2011)* "Services may be defined as those economic activities that produce value and provide benefits for customers at specific times and places as a result of bringing about a desired change in or on behalf of the recipient of the service."

Prior to 1980s, goods and services were exchanged in the market without paying any attention to the concept of service quality. In the year 1982, *Gronroos* developed the first model to measure service quality. He identified three components of service quality viz., technical quality, functional quality and the image quality. Technical quality was concerned with the outcome i.e. what is delivered; functional quality dealt with the process of service delivery i.e. how it is delivered; and image quality focused on the corporate image of the company which is the result of technical and functional qualities of service. Further, *Parsuraman, Berry & Zeithamal (1985)* developed a model of service quality popularly called SERVQUAL where service quality is calculated by making a comparison between expectation and perception of customers. His model was tested on four services viz. retail banking, credit card services, repair and maintenance of electrical appliances and long-distance telephone services. Service quality is considered good when the quality meets or exceeds customer's expectation of the service. Earlier SERVQUAL model had ten dimensions of service quality viz., tangibles, reliability, responsiveness, communication, credibility, security, competence, courtesy, understanding the customer and access. Afterwards these dimensions were reduced to five as it was felt that some dimensions were overlapping (communication, credibility, security, competence,

courtesy, understanding customers and access). According to them key dimensions of service quality are tangibility, reliability responsiveness, assurance and empathy which are explained as follows:

Tangibles

Appearance of physical facilities, equipments, personnel and communication materials.

Reliability

Ability to perform the promised service dependably and accurately.

Responsiveness

Willingness to help customers and provide them prompt services.

Assurance

Knowledge and courtesy of employees and their ability to inspire, trust and confidence.

Empathy

Caring of customers and providing individualized attention to them. Further, *Cronin & Taylor (1992)* expand SERVPREF model to measure service quality in banks.

Objectives

The twin objectives of this study are to ascertain the perceptions of customers regarding overall service quality dimensions of both public sector banks and private sector banks: and to analyze and compare dimension wise the service quality gap score of the customers of both public sector banks and private sector banks.

Relevance of the Study

The importance of this research is to examine the key drivers for enhancing the service quality of various public sector and private sector banks. This study will help the banking industry to devise policies and strategies to enhance their soundness in service quality upto the mark of customers' satisfaction.

Review of Literature

A definite need to do an extensive review on literature is required to pursue with further research and for this an attempt has been made to analyze of service quality gap and customers' satisfaction in public sector and private sector banks. The basic guiding reviews are discussed below:-

Berry et al., (1985) contended that service quality is means how well the service meets or exceeds the customer expectations on a steady basis. *Parasuraman et al., (1988)* measured service quality as the difference between customer expectations of service performance and post evaluation of the services received. *Asubonteng et al., (1996)* found that service quality is the difference between customer's expectations for service performance prior to the service encounter and their perceptions of the service rendered. *Angur et al., (1999)* examined the applicability of alternative service quality measure in the retail banking industry in India by using SERVQUAL model to measure the overall service quality. Results indicated that responsiveness and reliability were the most significant dimensions followed by empathy and tangible dimensions; whereas, assurance appeared to be the least important dimension in banking sector. *Prabhakaran,*

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S. and Satya, S. (2003) talked about loyalty of customers and concluded that high level of customer satisfaction is the key to retain customers. According to *Joshua A J and Moli. P. Koshi (2005)* observed that the performance of the new generation banks across all the service quality dimensions were superior to old generation banks. *Poolad Daneshvar and Ramesh H. N. (2010)* calculated gap between satisfaction level of customers in their interpretation of services and actual services in internet banking and found significant differences between overall expectations and satisfaction levels of customers. *Abraheem and Yaseen (2011)* examined the service quality as perceived by customers of commercial banks working in Jordan and its effect on customer satisfaction and found that dimensions of service quality have significant impact on customer satisfaction. *Selvakumar (2015)* concluded that among the service quality determinants, reliability, assurance and empathy played a central role in enhancing customer satisfaction in banking sector. *Revathi and Saranya (2016)* found positive relation between dimensions of customer satisfaction and service quality. Narteh (2018) measured retail bank service quality and found that service quality positively and significantly affects customer satisfaction.

Hypothesis Formulation

1. No significant difference exists between dimension wise analysis in the perceptions of the customers of both public sector banks and private sector banks.
2. No significant difference exists between overall service quality gap score in public sector banks and private sector banks

Research Methodology

Research methodology is divided into following sections:

Research Design

To serve the purpose of research paper, descriptive research design is used. Primary data is collected with the help of close ended questionnaire.

Sample Design

Following points are considered in mind while designing the sample:-

Sample Size

The questionnaire was administered on a sample size of 500 respondents (250 respondents from public sector banks and 250 respondents from private sector banks). For the purpose, major banks from each sector in the area of banking were chosen. SBI, PNB, OBC and Union bank of India have been taken for analysis of public sector banks where as ICICI, HDFC and AXIS bank have been taken for analysis of private sector banks.

Sample Area

NCR and Haryana are taken as sample area.

Sample Unit

It consists of consumers of both public and private sector banks who are availing the services of selected banks.

Sampling Technique

Stratified sampling method is adopted.

Instrument for Data Collection

Data is collected from two sources:

Primary Data

The questionnaire was administered on a sample size of 500 respondents (250 respondents from public sector banks and 250 respondents from private sector banks). Out of 250 respondents of public sector banks, 4 respondents have not filled questionnaire in proper manner so the data have been analyzed on in total 246 respondents of public sector banks. Out of 250 respondents of private sector banks, 10 respondents have not returned their questionnaire so the data have been analyzed on in total 240 respondents of private sector banks

Secondary Data

Journals, Books, Magazines, Electronic Data have been used for secondary purpose.

Tool for Analysis

Various tools have been applied for research purpose such as descriptive statistics and mean score, paired sample t-test using SPSS software.

Reliability of Data

To validate the results empirically, appropriate reliability and validity tests (Cronbach's alpha) of the measurement were taken.

Results and Discussions

Service Quality Gap Analysis across Banks

This segment exemplifies the service quality gap (customer gap) that is the difference between the customers' expectations and customers' perception regarding service quality provided by both public sector and private sector banks. To ascertain the customers gap across the group of customers in both public sector banks and private sector banks undertaken for the study, paired sample t-test have been used. The results are shown in Table-1. From study of table, it can be summarized that among all service quality dimensions mean score gap i.e. gap between customers' expectations and customers' perceptions is highest in public banks in comparison with private banks. The analysis highlights that in public sector banks, for responsiveness dimension gap score is 3.68, tangibility dimension gap score is 6.22, for empathy dimension gap score is 1.45, regarding grievance handling system dimension gap score is 1.89, subsequently for reliability dimension gap score is 0.41, for assurance dimension gap score is 1.82, for e-banking dimension gap score is 1.22, for customer friendly dimension gap score is 1.78, for customer relationship management dimension gap score is 1.42 and at last for competitiveness dimension gap score is 1.89. On opposite, in private sector banks negative sign in dimensions i.e. tangibility, grievance handling system, assurance and customer relationship management reveals that customers' perceptions are more than customers' expectations. To summarized, it can be evident that organization-wise gap between customers' expectations and customers' perceptions do exist. Hence, the hypothesis Ho (1) is rejected. As, the significant difference exist between dimension wise analysis of the perceptions of the customers of both public sector banks and private sector banks. The

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research in their study highlights that customer's expectations and customer's perceptions of most of the dimensions of service quality to be marginally higher in the private as compare to public sector banks. Hence, the first objective of the research study has been achieved i.e. to ascertain the perceptions and expectations of customers regarding overall service quality dimensions of both public sector banks and private sector banks.

Table-1 Service Quality Gap across Banks

Pairs	Service Quality Variables	Public Sector Banks				Private Sector Banks			
		Perception Mean (C.P)	Expectation Mean (C.E)	Gap Score (C.E.-C.P)	t-Value	Perception Mean (C.P)	Expectation Mean (C.E)	Gap Score (C.E.-C.P)	t-Value
S17	Bank should maintain, monitor and updates customer information at every point of contact.(E17) - Bank always maintains, monitor and updates customer information at every point of contact.(P17)	4.00	4.65	0.65	7.96**	4.09	4.67	0.58	8.32*
S21	When customer has a problem, the banker must shows a sincere interest in solving it.(E21) - When customer has a problem, the banker shows a sincere interest in solving it.(P21)	4.06	4.54	0.48	5.27**	4.37	4.56	0.19	3.11*
S22	Bank employees should be willing to help customers in a responsive manner.(E22) - Bank employees are willing to help customers in a responsive manner.(P22)	4.03	4.25	0.22	12.42*	4.37	4.57	0.2	3.27*
S25	Bank employees must handle customer's complaint effectively.(E25) - Bank employees handle customer's complaint effectively.(P25)	3.92	4.35	0.43	13.53*	4.09	4.31	0.22	3.13*
S27	Bank should tell customers exactly when the services will be performed.(E27) - Bank tells customers exactly when the services will be performed.(P27)	3.77	4.33	0.56	10.51**	4.09	4.31	0.22	-1.38*
S29	Bank must organizes various seminars/conferences and workshops to give information & educate customers regarding proper use of their products and services.(E29) - Bank organizes various seminars/conferences and workshops to give information & educate customers regarding proper use of their products and services.(P29)	3.59	4.35	0.76	15.80*	4.37	4.28	-0.09	-1.30
S31	Bank should provides regular and timely statement of accounts through its channels.(E31) - Bank provides regular and timely statement of accounts through its channels.(P31)	4.45	4.35	-0.10	0.22**	4.37	4.31	-0.06	-0.86
S35	Bank should have helpful front office staff.(E35) - Bank has helpful front office staff.(P35)	3.75	4.37	0.62	6.56*	4.09	4.30	0.21	2.93*
Responsiveness		**31.51**	**35.19**	**3.68**		**33.84**	**35.31**	**1.47**	
S9	Bank should has modern and visual appealing physical facilities.(E9) - Bank has modern and visual appealing physical facilities.(P9)	3.95	4.55	0.60	11.64**	4.87	4.27	-0.6	14.74*

S10	Bank should have a neat and clean place to sit and wait.(E10) - Bank has a neat and clean place to sit and wait.(P10)	3.53	4.55	1.02	14.69*	4.58	4.39	-0.19	-4.43**
S11	Bank should have a prime location easily accessible to one and all.(E11) - Bank has a prime location easily accessible to one and all.(P11)	3.15	4.54	1.39	12.63**	4.65	4.59	-0.06	-1.08
S12	Bank employee should be in neat and professional appearance.(E12) - Bank employees are in neat and professional appearance.(P12)	3.25	4.55	1.30	12.86*	4.47	4.30	-0.17	-3.46**
S13	Bank processes should be simple and well-defined.(E13) - Bank processes is simple and well-defined.(P13)	3.67	4.57	0.90	8.63*	4.55	4.28	-0.27	-6.06**
S14	Bank should provide easy availability of loose pay-in slips, DD forms, challans, withdrawal slips etc. with the bank.(E14) - There is easy availability of loose pay-in slips, DD forms, challans, withdrawal slips etc. with the bank.(P14)	3.56	4.57	1.01	9.45*	4.51	4.59	0.08	1.79
Tangibility		**21.11**	**27.33**	**6.22**		**27.63**	**26.42**	**-1.21**	
S5	Bank must deliver its services promptly at the time it promises to do so.(E5) - Bank always deliver its services promptly at the time it promises to do so.(P5)	3.87	4.27	0.40	6.38**	3.98	4.69	0.71	7.42**
S15	Bank should keep accurate records of customers in a reliable manner.(E15) - Bank keeps accurate records of customers in a reliable manner.(P15)	4.40	4.49	0.09	0.12	3.79	4.19	0.4	4.23**
S19	Bank should performs its services right at the first time.(E19) - Bank performs its services right at the first time.(P19)	4.40	4.43	0.03	14.76*	3.91	4.55	0.64	7.03*
S23	Bank should not promise anything to customers that it cannot deliver.(E23) - Bank does not promise anything to customers that it cannot deliver.(P23)	4.29	4.18	-0.11	11.53	3.79	4.50	0.71	7.35*
Reliability		**16.96**	**17.37**	**0.41**		**15.47**	**17.93**	**2.46**	
S1	Bank should have trustworthy employees who can provide personal attention to customers.(E1) - Bank has trustworthy employees who can provide personal attention to customers.(P1)	3.89	4.35	0.46	5.25**	4.65	4.31	-0.34	-5.70*
S2	Bank must makes coordinated efforts to satisfy their customers(E2) - Bank makes coordinated efforts to satisfy their customers(P2)	3.80	4.35	0.55	6.30**	4.61	4.22	-0.39	-6.71*
S8	Bank must makes the customers feel safe while transacting with the bank.(E8) - Bank makes the customers feel safe while transacting with the bank.(P8)	3.91	4.72	0.81	9.51**	4.65	4.40	-0.25	-4.55

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Assurance		11.60	13.42	1.82		13.91	12.93	-0.98	
S24	Bank employees should serve customer's best interests at heart.(E24) - Bank employees serve customer's best interests at heart.(P24)	4.41	4.37	-0.04	2.49	4.35	4.55	0.2	4.29
S28	Bank employees must understand the specific needs of the customers.(E28) - Bank employees understand the specific needs of the customers.(P28)	3.79	4.35	0.56	9.64**	4.29	4.26	-0.03	-0.51
S33	Bank must have convenient operating hours for all the customers.(E33) - Bank has convenient operating hours for all the customers.(P33)	3.69	4.35	0.66	6.73**	4.39	4.30	-0.09	-1.59
	Empathy	11.62	13.07	1.45		13.03	13.11	0.08	
S3	Bank should provides special privileges to its key customers.(E3) - Bank provides special privileges to its key customers.(P3)	3.94	4.58	0.64	7.57**	4.42	4.46	0.04	0.81
S6	Bank should wishes its customers on special occasions.(E6) - Bank wishes its customers on special occasions.(P6)	3.76	4.54	0.78	8.75**	4.48	4.37	-0.11	-2.09*
	Customer Relationship Management	7.70	9.12	1.42		8.90	8.83	-0.07	
S30	Bank should have formal complaint system to welcome complaints from the customers.(E30) - Bank has formal complaint system to welcome complaints from the customers.(P30)	3.75	4.35	0.60	13.53**	4.43	4.27	-0.16	-2.75**
S32	Bank should keep the material confidential related to grievances..(E32) - Bank keep the material confidential related to grievances.(P32)	3.57	4.37	0.80	7.92**	4.14	4.27	0.13	3.14**
S34	Bank should maintain proper records for grievances.(E34) - Bank maintain proper records for grievances. (P34)	3.91	4.40	0.49	6.46**	4.30	4.28	-0.02	0.11
	Grievance Handling System	11.23	13.12	1.89		12.87	12.82	-0.05	
S4	Bank should offers competitive rate of interest on loans.(E4) - Bank offers competitive rate of interest on loans.(P4)	3.48	4.61	1.13	21.89**	3.52	4.59	1.07	19.77
S7	Bank should offers no prepayment charges for the earliest payment .(E7) - Bank offers competitive rate of interest on loans.(P4)	3.87	4.63	0.76	9.96**	3.51	4.35	0.84	-3.87
	Competitiveness	7.35	9.24	1.89		7.03	8.99	1.96	
S18	Bank always respond to customer's enquiries and requests in a real time.(E18) - Bank always respond to customer's enquiries and requests in a real time.(P18)	3.79	4.53	0.74	15.74**	3.87	4.74	0.87	11.10*
S20	Bank should give individual attention to its customers.(E20) - Bank gives individual attention to its customers.(P20)	3.36	4.40	1.04	7.44**	4.03	4.55	0.52	7.92**
	Customer Friendly	7.15	8.93	1.78		7.90	9.29	1.39	
S16	Bank must satisfy every customer in complete way.(E16) - Bank satisfy every customer in complete way. P(16)	3.78	4.52	0.74	14.38**	4.51	4.40	-0.11	2.01**
S26	Banks must abide by its promises to service quality and delivery.(E26) - Bank always abide by its promises to service quality and delivery.(P26)	3.72	4.20	0.48	15.09**	4.39	4.31	-0.08	-1.38
E-banking		7.50	8.72	1.22		8.90	8.71	-0.19	

Note: **Correlation is significant at 0.01 level (2-tailed)

  * Correlation is significant at 0.05 level (2-tailed)

  C.E.-C.P. = Customers' Expectation- Customers' Perception

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Customers' Gap Score in Service Quality Dimensions across Banks

Table-2 visualizes the service quality gap score in dimensions of public and private sector banks. From analysis of the data, it is summarized that maximum gap is found in tangibility dimension (6.22) in public sector banks and minimum gap is found in reliability dimension (0.41) in public banks. On contrary, highest gap is found in reliability dimension (2.46) in private sector banks and lowest gap is found in grievance system dimension (-0.05) in private sector banks. Hence, the second hypothesis i.e. no significant difference exists between overall service quality gap in public sector banks and private sector banks is rejected. As the table-2 shows significant difference between gap score (customers' expectation minus customers' perception) of public sector banks and private sector banks. This interpretation of the data fulfils the accomplishment of our second objective i.e. to analyze and compare dimension wise the service quality gap score of the customers of both public sector banks and private sector banks.

Table-2 Service Quality Gap Score Across Banks

Service Quality Dimensions	Public Sector Banks			Private Sector Banks		
	C.E	C.P	GAP (C.E.-C.P)	C.E	C.P	GAP (C.E.-C.P)
Responsiveness	35.19	31.51	3.68	35.31	33.84	1.47
Tangibility	27.33	21.11	**6.22**	26.42	27.63	-1.21
Reliability	17.37	16.96	**0.41**	17.93	15.47	**2.46**
Assurance	13.42	11.60	1.82	12.93	13.91	-0.98
Empathy	13.07	11.62	1.45	13.11	1303	0.08
Customer Relationship Management	9.12	7.70	1.42	8.83	8.90	-0.07
Grievance handling system	13.12	11.23	1.89	12.82	12.87	**-0.05**
Competitive	9.24	7.35	1.89	8.99	7.03	1.96
Customer friendly	8.93	7.15	1.78	9.29	7.90	1.39
E-banking	8.72	7.50	1.22	8.71	8.90	-0.19
Total gap	155.51	133.73	**21.78**	154.34	149.48	**4.86**

Source: *Survey*

Note: *C.E.-C.P. = Customers' Expectation- Customers' Perception*

Overall Satisfaction Level of Customers

Table-3 depicts the overall satisfaction level of customers in banks. A major part of customers with 25 percent are highly satisfied from the services provided by private sector banks. A majority of 50 percent customers are satisfied in private sector banks and 25 percent of customers are neutral regarding satisfaction level in private sector banks. On contrary, maximum customers with 36.2 percent are neutral from services provided by public sector banks and 32.9 percent customers are satisfied in public sector banks and only 7.3 percent of customers are highly satisfied regarding satisfaction level from public sector banks whereas, 19.9 customers are unsatisfied and 3.7 customers are highly unsatisfied with services provided by public sector banks. From this, it can be concluded that customers of private banks are more satisfied from service quality provided by their banks as compare to public sector bank customers.

Table-3 Overall Satisfaction Levels of Customers in Banks

Satisfaction Level	Public Sector Banks		Private Sector Banks	
	Frequency	Percent	Frequency	Percent
Highly Satisfied	18	7.3	60	25.0
Satisfied	81	32.9	120	50.0
Neutral	89	36.2	60	25.0
Unsatisfied	49	19.9	00	0.0
Highly Unsatisfied	09	3.7	00	0.0
Total	**246**	**100.0**	**240**	**100.0**

Source: *Survey*

Conclusion and Suggestions

The findings of the study depicts that Indian banking sector are undergoing major changes due to competition and the digitalization of technology in banks. The customer is looking for better quality services which enhance their satisfaction. Public sector banks show good faith by the customers on reliability dimension of service quality as compared to private sector banks. Private sector banks are wining the confidence of customers as we see from results that the perceptions of their customers on tangibility dimension, assurance dimension, grievance handling system dimension and e-banking dimension of service quality are at highest score as compared to public sector banks customers' perception. Significant difference exists between dimension wise analysis of the perceptions of the customers of both public sector banks and private sector banks. The research in this study shows that customer's expectations and customer's perceptions in most of the dimensions of service quality to be marginally higher in the private sector as compared to public sector banks. Hence, the first objective of the study has been achieved i.e. to ascertain the perceptions and expectations of

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customers regarding overall service quality dimensions of both public sector banks and private sector banks and the second hypothesis i.e. no significant difference exists between overall service quality gap in public sector banks and private sector banks is rejected. It can be concluded that customers of private banks are more satisfied from service quality provided by their banks as compared to public sector bank customers. To improve the services of customers regarding tangibility factor, infrastructure of offices/branches should be improved and necessary facilities like drinking water, seating facilities, parking facilities, cooling, ventilation, lights and hygienic toilet facilities should be improved in public sector banks. Secondly, it is found from the analysis that lack of reliability is the major problem that resists the customers to avail services of private sector banks as compared to public sector banks. So, banks must frame policies to enhance their reliability in the market. Thirdly, Customers' expectations and customers' perceptions regarding service quality provided by banks across demographic factors play vital role in determining the satisfaction level of bank customers. In order to satisfy each category of customers, banks must separate their customers based on demographic priority (i.e. age, gender, occupation, region and income) and customize the banking services as per their requirements. At last, it is analyzed from the study that responsiveness, tangibility, reliability and e-banking dimensions of service quality have positive impact on customer satisfaction in the banking sector. So, innovative policies must be framed by bank managers to make use of these new dimensions of the service quality. The study also recommended that both sector banks should envisage a strategy to serve customers with different occupations & educational backgrounds. Both sector banks must also advance their customer-centric strategies by providing satisfaction through services leading to better relationship building and earning profits for the banks.

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