

The Impact of Service Quality on Customer Satisfaction of State Commercial Banks in Sri Lanka: with Special Reference to Kandy District

Madhusanchi, T.G.R.¹ and Piyananda, S.D.P.²
Department of Finance, University of Kelaniya, Sri Lanka ^{1,2}
madhu980306@gmail.com¹, dhanushkap@kln.ac.lk²

ABSTRACT

Purpose: To analyze the impact of service quality on customer satisfaction and investigate the relationship between service quality and customer satisfaction of state commercial banks in Kandy District.

Design/Methodology/ Approach: The research study is based on primary data. The structured questionnaire was used as the method of data collection and the sample of this study was selected as 220 customers in state commercial banks in Kandy District. The convenience sampling method was used to make the sampling and quantitative research approach used for this study. Data were analyzed using SPSS software. Mainly, the researcher used frequency distribution, descriptive statistics, correlation analysis, Multicollinearity, and multiple regression analysis was used to measure the research information. Cronbach's alpha was used to examine the reliability of the data and KMO & Bartlett's test was used to examine the validity of the data.

Findings: The study demonstrates a positive relationship between all service quality dimensions (tangibles, reliability, convenience, responsiveness, and security) and customer satisfaction. It implied that increasing the dimensions of service quality will result in increased customer satisfaction. According to the inter-correlation matrix results, independent variables are not correlated with each other variables. The finding indicates that these five dimensions of service quality (tangibles, reliability, convenience, responsiveness, and security) have a significant impact on customer satisfaction of state commercial banks in Kandy District.

Originality: This research is important as it clearly demonstrates that the service quality is influenced by customer satisfaction of state commercial banks in Kandy District.

Keywords: *Service Quality, Tangibles, Reliability, Convenience, Responsiveness, Security*