

Impact of Service Quality Factors on Customer Satisfaction: With Special Reference to Public Banking Sector in Kandy City

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The delivering of quality service plays a significant role in service industries such as banking as it is critical for the bottom line and to survival in the industry. As per the research studies the profitability of banks totally depends on the level of customer satisfaction. The level of customer satisfaction depends on the level of service quality. At present the banking industry is facing challenges due to the competition, changing nature of markets, risk and uncertainty. Service quality and customer satisfaction are very vital elements in achieving organizational objectives in services industry such as banking. Banks continuously try to satisfy the customers with the service provided by it. The proposed research is carried out to find out whether there is an impact of service quality factors on customer satisfaction in public banks in Kandy City. Questionnaires totaling to 120 distributed to the customers of public banks randomly and out of that 114 customers responded. The collected data was subject to descriptive and inferential analysis by using Statistical Package for the Social Sciences (SPSS) version 21. A regression analysis was done, to find the impact of service quality parameters namely Reliability, Responsiveness, Assurance tangibility, and Empathy towards customer satisfaction. Upon analysis of the data it was revealed that service quality parameters Reliability, Responsiveness, Assurance and Empathy have a moderate positive correlation with the customer satisfaction while Tangibility was having a weak positive correlation with customer satisfaction. As per the findings the research came up with following recommendations: Staff training programs to improve service quality standards, pay more attention on maintaining error free records, pay more attention towards handling of customer inquiries, more experience staff should be assigned to handle frontline work, improve the physical appearance of public banks.

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