A Comparative Study on Service Quality Between Public and Private Sector Banks with Reference to Coimbatore City

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Abstract:

Service quality is the delivery of excellent or superior service relative to customer expectation. It is a focused evaluation that reflects the customer's perception of the specific dimensions of service. Sometimes, as in the case of a pure service, Service quality may be the most critical determinant of customer satisfaction. Providing quality service would mean the art of identifying customer's needs and excel in them.

Introduction

Growing integration of economies and the markets around the world have made global banking a reality. The surge in globalization of finance has also gained momentum with the technology advancements, which have efficiently overcome the national borders in the financial services business. Widespread use of internet banking has widened frontiers of global banking, and it is now possible to market financial products and services on a global basis.

Service Quality

Service quality is the delivery of excellent or superior service relative to customer expectation. It is a focused evaluation that reflects the customer's perception of the specific dimensions of service. Sometimes, as in the case of a pure service, Service quality may be the most critical determinant of customer satisfaction. Providing quality service would mean the art of identifying customer's needs and excel in them. The service organizations measure quality in terms of customer expectations of the service with the performance of specific service provider for each of the five quality dimensions.

- **Reliability:** The ability to perform the promised service dependably and accurately.
- **Responsiveness:** The willingness to help customers and to provide prompt service.
- **Assurance:** The knowledge, and courtesy of employees as well as their ability to inspire trust and confidence.
- **Empathy:** The provision of caring, individualized attention to customer.
- **Tangibles:** The appearance of physical facilities, equipment, personnel and communication materials.

Objectives of the Study

1. To determine the dimensions of service quality provided by public and private sector banks
2. To evaluate customers' perception and customers' expectations regarding the dimensions of service quality offered by public and private sector banks.

Hypothesis of the study

Ho: Customers' expectations on their bank have a significant difference towards their perceptions.

Ho: Socio-graphic variables of the respondents have significant difference towards their Expectations and Perceptions regarding the bank.

SAMPLE FRAMEWORK

The sample has been collected from top most five public and private sector banks at Coimbatore district based on their Market Capitalization. Accordingly, the following five branches from each sector has been Chosen to collect data from the sample respondents. The customers who are experiencing services through the selected banks are treated as necessary population of the study. The Coimbatore district is the wide geographical area of the study. As the population is infinite one, the method of selecting sample was in a Multi Stage random sampling process with the concept of who are holding account in the Bank. When the study commenced the merger of SBI and associate banks had not taken place, but at the time of analysis only the associate banks are merged with the parent bank SBI since April 1, 2017.

Sample Bank Sector - Public Sector Banks

1. State Bank of India
2. Punjab National Bank
3. Canara Bank
4. Bank of India
5. Union Bank of India

Private Sector Banks

1. ICICI Bank
2. HDFC Bank
3. AXIS Bank
4. Karur Vysya Bank (Old Sector Private Bank)
5. City Union Bank   (Old Sector Private Bank)

SAMPLING DESIGN AND THE POPULATION OF THE STUDY

The total number commercial banks in Coimbatore district is 819 in number. For conduct of the Study, the top most 5 Public and Private Sector banks have been chosen around the Coimbatore district. In this research Multistage Cluster sampling has been applied and out of that 315 bank branches are available. Out of these 63 bank branches has been selected and ten respondents from each bank were selected as respondents. The 20% of the selected public and private sector bank were taken for collecting data from the customers.

REVIEW OF LITERATURE

Dr Basavaraj C.S , Spoorthi H 2022 their research concludes that though public sector banks are providing e-banking services few customers' of public sector banks are using e-banking services so, the

public sector banks have to provide quality service by filling the service quality gap. Thus, it is clear that private sector banks are providing better e-services than public sector banks. Although the overall service quality obtained shows that customers' are satisfied with the e-banking service quality still there is a requirement to improve the quality to retain existing customers' and to attract new customers'

B.Poorana Jeya 2022 identified that public sector banks provide better to sanctioning loans and advances to their customers than the private sector banks. Without the customers there is no business. Hence, apart from focusing on developing various product strategies alone, banks need to accord equal or higher priority to loans and advances related service particularly by way of installing an effective lending patterns. It is definitely to increase customers' satisfaction and banks profitability.

DEMOGRAPHIC VARIABLES OF THE RESPONDENTS

Demographic variables	Particulars	Frequency	Percent
Gender	Male	225	51.1
	Female	215	48.9
	Total	440	100
Age	18 to 25years	49	11.1
	26 to 35 years	178	40.5
	36 to 45 years	113	25.7
	46 to 55years	62	14.1
	Above 55 years	38	8.6
	Total	440	100
Marital Status	Married	245	55.7
	Unmarried	195	44.3
	Total	440	100
Educational qualification	Below SSLC	78	17.7
	HSC	126	28.6
	Diploma	106	24.1
	Undergraduate	71	16.1
	Postgraduate	59	13.4
	Total	440	100
Profession	Government Employee	57	13
	Private Employee	86	19.5
	Own Business	98	22.3
	Professional	34	7.7
	Retired Person	55	12.5
	Home Maker	66	15
	Farmer	44	10
	Total	440	100
Monthly Earnings	Less than 10,000	97	22
	Rs.10,001 to 25,000	137	31.1
	Rs.25,001 to 50,000	89	20.2
	Rs.50,001 to 1,00,000	60	13.6

	Above 1, 00,000	57	13
	Total	440	100
Family Type	Nuclear	206	46.8
	Joint	234	53.2
	Total	440	100
Number of members in the family	2 Members	89	20.2
	3 Members	112	25.5
	4 Members	97	22
	5 Members	66	15
	Above 5 Members	76	17.3
	Total	440	100

Source : Primary Data

The above table shows the results for the demographic variables of the respondents. Of 440 respondents, 51.1% are male, 48.9% are female, 11.1% have an age group between 18-25 years, 40.5% have an age group between 26-35 years, 25.7% have an age group between 36-45 years, 14.1% have an age group between 46-55 years, 8.6% have above 50 years of age, 55.7% are married, 44.3% are single, 17.7% completed below SSLC level education, 28.6% completed their higher secondary education, 24.1% completed a diploma, 16.1% finished their UG and 13.4% finished their postgraduate degree.

Of 440 respondents, 13% are government employees, 19.5% are employed in private organizations, 22.3% are involved in business, 7.7% have professional job, 12.5% are retired person, 15% are home-maker, 10% are farmers, 22% earn a monthly income below Rs.10,000, 31.1% earn a monthly income between Rs.10,001-25,000, 20.2% earn a monthly income between Rs.25,001-50,000, 13.6% earn a monthly income between Rs.50,000-Rs.1,00,000, 13% earn a monthly income above Rs.1,00,000, 46.8% have nuclear families, 53.2% living in joint families, 20.2% have two members in their family, 25.5% have three members in their family, 22% have four members in their family, 15% have five members in their family and 17.3% have more than five members in their family.

SOCIO-GRAPHIC VARIABLES OF THE RESPONDENTS

Socio graphic variables	Particulars	Frequency	Percent
Nature of the bank	Public Sector	203	46.1
	Private Sector	237	53.9
	Total	440	100
Type of Account	Savings Account	131	29.8
	Current Account	102	23.2
	Recurring Deposit Account	113	25.7
	Loan Account	39	8.9
	Fixed Deposit Account	55	12.5
	Total	440	100
Number of Banking Transactions done in a Month	Less than 5	28	6.4
	6 to 10 times	211	48
	11 to 15 times	132	30
	More than 15 times	69	15.7

	Total	440	100
Duration of maintaining account with the bank	About 1year	53	12
	1 to 2years	126	28.6
	2 to 5 years	175	39.8
	More than five years	86	19.5
	Total	440	100
Motivation to open the account	Own Initiative	40	9.1
	Spouse	106	24.1
	Parents	134	30.5
	Siblings	80	18.2
	Friends and Relatives	40	9.1
	Corporate Companies	40	9.1
	Total	440	100
Knowledge about service offered by the bank	Bank Manager / Staff	121	27.5
	Advertisement /Pamphlets	109	24.8
	Notice Board	133	30.2
	E-mail /SMS	37	8.4
	Bank Website	40	9.1
	Total	440	100

Source : Primary Data

The above table depicts the results for the socio-graphic variables of the respondents. Of 440 respondents, 46.1% have account in public sector banks, 53.9% have account in private sector banks, 29.8% have savings account in banks, 23.2% have current account in banks, 25.7% have recurring deposit account in banks, 8.9% have loan account in banks, 12.5% have fixed deposit account in banks, 6.4% have done less than five transactions in a month, 48% have done between 6-10 transactions in a month, 30% have done between 11-15 transactions in a month and 15.7% have done more than fifteen transactions in a month.

Of 440 respondents, 12% operate the bank account for about a year, 28.6% operate the bank account between 1-2 years, 39.8% operate the bank account between 2-5 years, 19.5% operate the bank account for more than five years, 9.1% opened a bank account based on own initiative, 24.1% opened a bank account because of their spouse, 30.5% opened a bank account because of their parents, 18.2% opened a bank account because of their siblings, 9.1% open a bank account because of their friends and relatives, 9.1% open a bank account because of corporate companies, 27.5% know about the services offered by the bank through bank manager/staff, 24.8% know about the services offered by the bank through advertisements/pamphlets, 30.2% know about the services offered by the bank through notice board, 8.4% know about the services offered by the bank through E-mail/SMS and 9.1% know about the services offered by the bank through bank website.

Name of the public sector bank of the respondents

Particulars	Frequency	Percent
SBI	45	22.2
Punjab National Bank	19	9.4

Canara Bank	72	35.5
BOI	19	9.4
Union Bank of India	48	23.6
Total	203	100.0

Source : Primary Data

The table above illustrates the results for the public sector bank chosen by the respondents. Of 203 respondents, 22.2% chose SBI bank, 9.4% chose Punjab national bank, 35.5% chose Canara bank, 9.4% chose BOI, 23.6% chose union bank of India. It indicates that most of the respondents chose Canara bank.

Name of the private sector bank of the respondents

Particulars	Frequency	Percent
HDFC	55	23.1
ICICI	80	33.6
Axis Bank	31	13.0
KVB	34	14.3
City Union Bank	38	16.0
Total	237	100.0

Source : Primary Data

The table above illustrates the results for the private sector bank chosen by the respondents. Of 237 respondents, 23.1% chose HDFC bank, 33.6% chose ICICI bank, 13% chose axis bank, 14.3% chose KVB, 16% chose city union bank. It indicates that most of the respondents chose ICICI bank.

Comparison between the Socio-graphic Variables (Name of public sector bank, Name of private sector bank, Type of Account, Number of Banking Transaction done in a Month, Duration of maintaining account with the bank, Motivation to open the account, Knowledge about service offered by the bank) of the Respondents and the Important Factors that Influence their Selection of the Bank

Ho: There is a significant difference between the socio-graphic variables (Name of public sector bank, Name of private sector bank, type of account, number of banking transaction done in a month, Duration of maintaining account with the bank, Motivation to open the account, Knowledge about service offered by the bank) of the respondents and the important factors that influence their selection of the bank.

Socio graphic variables	Particulars	N	Mean	SD	F	Sig
Name of public sector bank	SBI	45	3.91	0.443	8.542	.000
	Punjab National Bank	19	3.80	0.421		
	Canara Bank	72	3.75	0.534		
	BOI	19	3.60	0.751		
	Union Bank of India	48	3.31	0.531		

	Total	203	3.67	0.567		
Name of private sector bank	HDFC	55	3.45	0.571	5.196	.001
	ICICI	80	3.73	0.614		
	Axis Bank	31	3.69	0.644		
	KVB	34	3.69	0.326		
	City Union Bank	38	3.99	0.509		
	Total	238	3.69	0.579		
Type of Account	Savings Account	131	3.91	0.476	22.522	.000
	Current Account	102	3.58	0.532		
	Recurring Deposit Account	113	3.36	0.540		
	Loan Account	39	3.79	0.649		
	Fixed Deposit Account	55	3.96	0.479		
	Total	440	3.69	0.572		
Number of Banking Transaction done in a Month	Less than 5	28	3.77	0.622	2.611	.051
	6 to 10 times	211	3.75	0.516		
	11 to 15 times	132	3.65	0.628		
	More than 15 times	69	3.54	0.584		
	Total	440	3.69	0.572		
Duration of maintaining account with the bank	About 1year	53	3.71	0.555	.844	.470
	1 to 2years	126	3.62	0.580		
	2 years to 5 years	175	3.72	0.594		
	More than 5 years	86	3.70	0.525		
	Total	440	3.69	0.572		
Motivation to open the account	Own Initiative	40	3.67	0.606	23.368	.000
	Spouse	106	3.39	0.583		
	Parents	134	3.54	0.513		
	Siblings	80	4.05	0.458		
	Friends and Relatives	40	4.13	0.410		
	Corporate Companies	40	3.77	0.366		
	Total	440	3.69	0.572		
Knowledge about service offered by the bank	Bank Manager / Staff	121	3.56	0.523	3.737	.005
	Advertisement /Pamphlets	109	3.66	0.596		
	Notice Board	133	3.71	0.594		

E-mail /SMS	37	3.82	0.596		
Bank Website	40	3.92	0.467		
Total	440	3.69	0.572		

Source : Primary Data

There is no significant difference between Name of public sector bank (0.000), Name of private sector bank (0.001), type of account (0.000), Motivation to open the account (0.000) of the respondents and the important factors that influence their selection of the bank.

There is a significant difference between the number of banking transaction done in a month (0.051), Duration of maintaining account with the bank (0.470), Knowledge about service offered by the bank (0.005) of the respondents and the important factors that influence their selection of the bank.

Name of public sector bank

Respondents with account in SBI bank (3.91), Punjab national bank (3.80), Canara bank (3.75), BOI (3.60) and union bank of India (3.31) consider most important about the factors that influence the selection of the bank.

Name of private sector bank

Respondents with account in HDFC bank (3.45), ICICI bank (3.73), Axis bank (3.69), KVB (3.69) and city union bank (3.99) consider most important about the factors that influence the selection of the bank.

Type of account

Respondents who have savings account in banks (3.91), current account in banks (3.58), recurring deposit account (3.36), loan account (3.79) and fixed deposit account in banks (3.96) consider most important about the factors that influence the selection of the bank.

Motivation to open the account

Respondents who open their bank account based on their own initiative (3.67), because of their spouse (3.39), parents (3.54) and corporate companies (3.77) consider most important about the factors that influence the selection of the bank. Respondents who open their bank account because of their siblings (4.05) and friends and relatives (4.13) not consider important about the factors that influence the selection of the bank.

CUSTOMERS' EXPECTATIONS AND PERCETIONS REGARDING THEIR BANK PAIRED SAMPLE STATISTICS TANGIBLES

	Mean	N	SD	T	Sig
Excellent banking companies will have modern-looking equipment	2.99	440	1.539	.876	.001
Your most preferred bank has modern-looking equipment	2.90	440	1.457		
The physical facilities at excellent banks will be visually appealing	3.21	440	1.311	-1.386	.166
Your most preferred Bank's physical facilities are visually appealing	3.33	440	1.315		
Employees at excellent banks are well-dressed and presentable	2.81	440	1.344	-1.519	.029

Bank's reception desk employees are neat and presentable.	2.95	440	1.338		
Materials associated with the service (such as pamphlets or statements) will be visually appealing at an excellent bank	2.86	440	1.285	.301	.763
Materials associated with the service (such as pamphlets or statements) are visually appealing at the preferred bank.	2.83	440	1.327		

Source : Primary Data

The above table depicts that the respondents expectations and perceptions are same in factors like excellent banking companies will have modern-looking equipment (0.001) and employees at excellent banks are well-dressed and presentable (0.029). The respondents expectations and perceptions are not the same in factors like the physical facilities at excellent banks will be visually appealing (0.166) and materials associated with the service (such as pamphlets or statements) will be visually appealing at an excellent bank (0.763).

CUSTOMERS' EXPECTATIONS AND PERCETIONS REGARDING THEIR BANK TANGIBLES

The study explores the customers' expectations and perceptions regarding their banks. In terms of tangibles, respondents' expectations and perceptions are the same for factors such as modern-looking equipment and well-dressed employees at excellent banks. However, they differ in factors like visually appealing physical facilities and materials associated with the service.

In terms of customer expectations, respondents with joint families have a higher level of acceptance with the services provided by the bank. Age-wise, respondents between 26-55 years have higher expectations, while those below 25 and above 50 years have lower expectations. Education-wise, respondents with below SSLC level, HSC, and UG have higher expectations, while those with PG have lower expectations. Occupation-wise, government employees, private sector employees, businessmen, and farmers have higher expectations, while retired individuals and homemakers have lower expectations. Family size-wise, respondents with two, five, and more than five members in the family have higher expectations, while those with three and four members have lower expectations.

Regarding the respondents' perception, education-wise, respondents with below SSLC level, diploma, and UG have a higher perception of the bank's service, while those with HSC and PG have a lower perception. Income-wise, respondents with a monthly income of below Rs.10,000, Rs.25,001-Rs.50,000, and between Rs.50,001-Rs.1,00,000 have a higher perception of the bank's service, while those with a monthly income between Rs.10,001-Rs.25,000 and above Rs.1,00,000 have a lower perception.

Account-wise, respondents with accounts in Canara Bank, BOI, and Union Bank of India have higher expectations and perceptions of the bank's service, while those with accounts in SBI, Punjab National Bank, ICICI Bank, Axis Bank, and City Union Bank have lower expectations and perceptions. Respondents with recurring deposit accounts and loan accounts have a higher perception of the bank's service, while those with savings and current accounts and fixed deposit accounts have a lower perception.

Finally, respondents who know about the bank's services through advertisements/ pamphlets, notice board, and bank website have a higher perception of the bank's service, while those who know through the bank manager/staff and e-mail/SMS have a lower perception.

Overall, the study indicates that customer expectations and perceptions of their banks vary depending on factors such as age, education, occupation, family size, account type, and source of information about the bank's services. Understanding these factors can help banks improve their services and meet their customers' expectations better.

RELIABILITY

The study found that customers' expectations and perceptions regarding their bank's reliability varied depending on several factors.

In terms of expectations, respondents with joint families generally had a higher level of acceptance with the reliability of their bank. Age was also a factor, with those aged between 26-55 years having higher expectations compared to those aged 18-25 years and above 50 years. Education level also played a role, with respondents who completed HSC and diploma having higher expectations compared to those with below SSLC level education, UG and PG. Occupation also impacted expectations, with respondents working in private organizations, doing business, and professional jobs having higher expectations than those in government organizations, retired individuals, homemakers, and farmers. Family size also affected expectations, with respondents with two or more than five members having higher expectations compared to those with three to five members. Finally, the bank the respondents had their account with also influenced their expectations, with Canara Bank, BOI, and Union Bank of India customers having higher expectations compared to SBI and Punjab National Bank customers.

Regarding perceptions, respondents working in private organizations, doing business, and retired individuals had a higher perception of their bank's reliability compared to those in government organizations, doing professional jobs, homemakers, and farmers. Monthly income also impacted perceptions, with those earning between Rs.10,001-Rs.1,00,000 having a higher perception compared to those with a monthly income below Rs.10,000 and above Rs.1,00,000. Family size also played a role, with those with two, four, five, and more than five members having a higher perception compared to those with three members. The bank the respondents had their account with also influenced their perceptions, with HDFC Bank, ICICI Bank, Axis Bank, and City Union Bank customers having a higher perception compared to KVB customers. Finally, how the respondents became aware of the bank's services also impacted their perception, with those who learned about services through bank staff, advertisements/pamphlets, notice boards, and e-mail/SMS having a higher perception compared to those who learned about services through the bank's website.

Overall, the study suggests that various demographic and banking factors can impact customers' expectations and perceptions of their bank's reliability. Banks can use these findings to tailor their services and communication strategies to better meet the needs and expectations of their customers.

RESPONSIVENESS

The study examines customers' expectations and perceptions regarding their bank's responsiveness, and several demographic and account-related factors influence their expectations and perceptions.

Customers expect employees of excellent banks to instill confidence in customers and to make them feel safe while making transactions. However, there are discrepancies between customers' expectations and

perceptions in several other factors. Customers expect employees of their preferred bank to give them an exact timeline for service delivery, provide prompt service, always be willing to help, never be too busy to respond to requests, be consistently courteous, and have the knowledge to answer their questions.

Several demographic factors influence customers' expectations. Married male respondents have a higher level of acceptance regarding their bank's responsiveness. Respondents aged 18-25 years, 46-55 years, and above 50 years have lower expectations compared to those aged 26-45 years. Respondents with below SSLC level education have moderate expectations, while those who completed HSC, diploma, and UG have higher expectations. Respondents working in private organizations and doing business have higher expectations than those working in government organizations, doing professional jobs, retired persons, home-makers, and farmers.

Monthly income also influences customers' expectations. Respondents with monthly income between Rs.10,001-Rs.25,000 and Rs.25,001-Rs.50,000 have higher expectations, while those with a monthly income of below Rs.10,000, between Rs.50,001-Rs.1,00,000, and above Rs.1,00,000 have lower expectations. Respondents with two, five, and more than five members in the family have higher expectations, while those with three and four members in the family have lower expectations.

The study also found that the type of account and the reason for opening the account influence customers' expectations. Respondents with a current account and recurring deposit account have higher expectations, while those with a savings account, loan account, and fixed deposit account have lower expectations. Respondents who open their account based on their spouse or parents' recommendation have higher expectations, while those who open it based on their siblings, friends, relatives, and corporate companies' recommendation have lower expectations.

Customers' perceptions regarding their bank's responsiveness also vary based on several factors. Female respondents have a higher level of acceptance regarding their bank's responsiveness. Respondents with accounts in SBI, Canara bank, and union bank of India have higher perceptions, while those with an account in Punjab national bank have lower perceptions. Respondents who make more than 15 transactions in a month have a higher perception of their bank's responsiveness.

Finally, the study found that customers' awareness of their bank's services influences their perception of their bank's responsiveness. Respondents who learn about the bank's services through the bank manager/staff and advertisements/pamphlets have a higher perception of their bank's responsiveness, while those who learn about it through the notice board, e-mail/SMS, and bank website have a lower perception.

EMPATHY

The study investigated the expectations and perceptions of customers regarding the empathy of banks. The respondents' expectations and perceptions were similar in factors such as individual attention given to customers and having their customers' best interests at heart. However, there were differences in their expectations and perceptions regarding factors such as convenient operating hours and understanding specific customer needs.

The study found that respondents in the age groups of 18-25, 26-35, and 36-45 had higher expectations regarding the empathy of banks, while those in the age groups of 46-55 and above 50 had lower expectations. Respondents working in government organizations, private organizations, doing business, doing professional jobs, and farmers had higher expectations, while retired and home-maker respondents had lower expectations.

Respondents with a monthly income between Rs.10,001-Rs.25,000, Rs.25,001-Rs.50,000, and Rs.50,001-Rs.1,00,000 had higher expectations, while those with a monthly income of below Rs.10,000 and above Rs.1,00,000 had lower expectations. Respondents with two, four, five, and more than five members in the family had higher expectations, while those with three members had lower expectations. Respondents with accounts in HDFC bank, ICICI bank, Axis bank, and KVB had higher expectations, while those with accounts in City Union Bank had lower expectations. Respondents who opened their bank accounts based on their own initiative, because of their spouse, parents, and corporate companies had higher expectations, while those who opened accounts because of their siblings, friends, and relatives had lower expectations.

In terms of customer perceptions, respondents who suggested public sector banks to the public had a higher level of acceptance with the empathy of banks. Respondents with accounts in Bank of India (BOI) had lower expectations, while those with accounts in SBI bank, Canara bank, Punjab National Bank, and Union Bank of India had higher expectations.

ASSURANCE

The study investigated the customer expectations and perceptions regarding the assurance provided by banks. The respondents' expectations and perceptions were found to be the same for factors like employees' behavior toward the customer should instill trust and immediate transaction processing. However, they were different for factors like communication with customers, high knowledge level, and making regular customers feel important.

The study also found that respondents with nuclear families and those aged 46-55 years and above 50 years had higher expectations regarding the assurance provided by banks. Retired respondents and farmers also had higher expectations. On the other hand, respondents with monthly incomes between Rs.10,001-Rs.25,000 and Rs.25,001-Rs.50,000 and Rs.50,001-Rs.1,00,000 and those working in government organizations, private organizations, doing business, doing professional jobs, and home makers had lower expectations.

Respondents with savings accounts, current accounts, and recurring deposit accounts had lower perceptions of the assurance provided by banks. Those with loan accounts had higher perceptions, while those with fixed deposit accounts had a moderate perception. Respondents who opened their bank accounts based on their own initiative or through their siblings, friends, and relatives had higher expectations and perceptions of the bank's assurance, while those who opened accounts because of their spouses, parents, and corporate companies had lower expectations and perceptions.

Moreover, respondents who knew about the services offered by the bank through e-mail/SMS had higher perceptions of the assurance provided by banks, while those who knew about the services through bank managers/staff, advertisements/pamphlets, notice boards, and bank websites had lower perceptions.

In summary, the study found that customers' expectations and perceptions of bank assurance were influenced by factors such as age, income, family type, account type, and source of information. Therefore, banks need to consider these factors when providing assurance to their customers to meet their expectations and improve their perceptions of their services.

Conclusion

Customer satisfaction is a pre-requisite to compete successfully in market. It acts as a leading indicator of the customer purchase intention and loyalty. Satisfied customer tends to repeatedly avail same bank's

services and also buy their products. They also create new customers by communicating positive message about it to others.

As there is a stiff competition between banks, they are forced to be customer- centric in order to retain the existing customers and to acquire new ones. It is necessary for all banking institutions to deliver high quality services and attempt to assess and monitor their service quality periodically. Such practice will enable them to identify improvement areas and incorporate customer's views while taking control measures. The respondents of both the banks mostly focus on people (staffs of the banks) factor for improving customer satisfaction; while the banks are focusing on tangible factors such as computerisation, ATMs, etc. to attract customers. Overall, from this study it can be concluded that customers' expectations are more with the private banks.