

Customers Satisfaction on the Retail Banking Sector in Bangladesh: A Case Study in City Bank Limited

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ABSTRACT

Nowadays competition among company to the company very serves, but most of the companies present nearly the same product or service with their competitors. To comprehend from competitors a firm need or offer superior services. Customer satisfaction is now one of the important key factors in the business sector. When it comes to banking sector customer satisfaction level is differentiated to one bank to another, thus measuring customer satisfaction is awfully important. without satisfied customers, the bank cannot exist. This work focus on the customer satisfaction in the retail bank on city bank limited. This research is conducted to affirm customer expectation on retail banking, which is decisive for the growth of the company.

Keywords-- Retail Banking, Service Quality, Customer Satisfaction

eight is state owned bank. The purpose of that study is to the measurement of the customer satisfaction level and identifying the problem to increase the service quality and satisfy the customer.

II. LITERATURE REVIEW

In the modern banking, customer have more option in choosing the banks than before. So now every bank tries to keep their valuable customer at any cost. Bank tries to make banking activities easily so that they make their customer satisfied. According to Ameme, B., & wireko, J. (2006) claimed that Technology plays an important role especially in the banking industry in this competitive world. There is a positive relationship between technology and customer satisfaction. Satisfaction of customer is not merely introduced innovative product or services rather it is more than that. Service quality is the evaluation of customer expectation that how goods and service delivered. To deliver quality service means complying with customer satisfaction on the comprehensible basis. (Lewis and Booms 1983). Service quality has been bickered by very few writing (Gronroos 1982; Lehtinen and Lehtinen 1982; Lewis and Booms 1983).Machage, A.M.&okiko, L. (2015) research highlight that e-banking complexities on customer satisfaction. Results show that there are factors which leads to customer satisfaction, particularly in e-banking. factors are accessibility, convenience, security, privacy, content, design, speed, fees, and charges must influence on customer satisfaction where other factors notified have no significant influence.Parek, V. (2014) Research point the several factors few casual fundamental factors like product attributes, employee characteristics, customer convenience,

I. INTRODUCTION

Psychology describes that satisfaction means that a state of mind that normally is derived out of a comparison between expectation and the perceived. Satisfaction is a mindset which comes from experience and knowledge. Now customer satisfaction is an area that all the organization focusing on. Until the beginning of the eighties, Bangladesh banking sector was restricted to the nationalized, in addition, there is two or three foreign banks. But in 1983, the government change the policy on the banking sector, and they allow the new bank with the private sector. In fact, in 1983 the emergence of heavy of the local bank with private entrepreneurship of which the city bank limited stands prominently. It came on stream on the 27th March 1983. At present Bangladesh has 57 banks, where 40 is the local private bank, nine is foreign bank and

bank tangibles, cost of transactions and customer contributes to the bank.

III. SIGNIFICANT OF THE STUDY

The City Bank Limited is a large Banking organization. It has several departments. The writer focusses on the Retail banking of CBL and measurement the customer satisfaction level. So, it's very essential for banks to collect customer's feedback about their satisfaction level. Indeed, in future bank can easily self-evaluation of their performance.

3.1. Aim of the study

This program will help to understand the organizational norms, corporate culture and investment decision and customer satisfaction of an organization. Banking in the new century is even more prosperous than the past owing to revolutionary advancement in technology, as well as, development of new ideas and systems. Aim of the study are:

- The entire concept of Retail Banking.
- Characteristic of Retail Finance as a sophisticated area of finance.
- Recent performance level of the City Bank Retail Finance in the country.
- Problem with Retail Banking Practice and their prospect.
- Observations and the experiences in the RFC.

IV. DETERMINANTS RETAIL BANKING

It is one of the success stories of the global banking industry for the last 50 year. This is the conceptualization and innovation execution banking with individual customer their friend and family. Now it

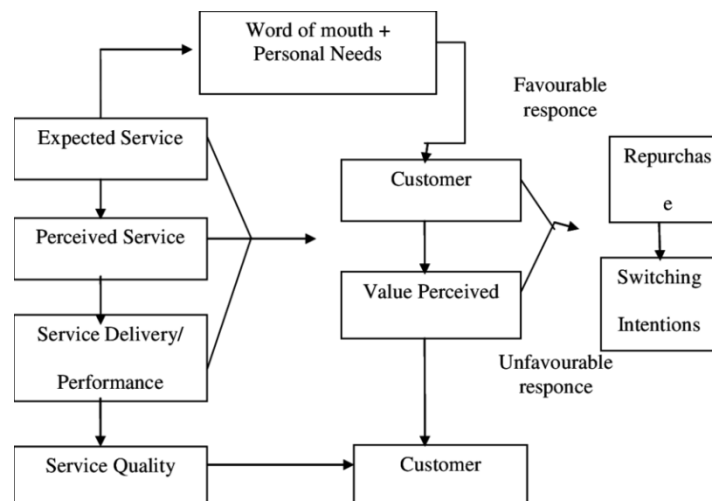
becomes the major revenue line for most of the top bank in the world. The retail banking in city bank it's called city "Retail-add a little city to their life". The bank wants to provide their customers the best services, innovative products, and financial solutions from smart outlets-all with a big smile that conveys and generates happiness of all way. Services offered include savings and checking accounts, internet banking, SMS banking, mobile banking, mortgages, personal loans, debit/credit cards and certificates of deposit (CDs).

4.1. Service quality

Service quality means that to provide customer to improve their service, to quality identify problems and to better assess client satisfaction. The service quality's dimension - assurance and tangible have a greater impact on customer satisfaction. Empathy and tangible dimensions demonstrate the highest positive correlation and least positive collaboration respectively toward customer satisfaction. Customer in the retail banking sector in Bangladesh are satisfied with reliability, dimensions, followed by empathy, tangible, assurance and responsiveness.

4.2. Customer satisfaction

In Bangladesh we opined out of nine factors of customer satisfaction fees and loan, prompt service and appearance are the major factors which have a more significant impact on customer satisfaction followed by interest rate and accessibility of bank and availability of service which have less impact on the satisfaction on the banking customer. According to Gummesson (1993); (1994); Rust, et al.(1995); Schneider and Bowen (1995); Storbacka et al. (1994); and Zeithamlet al.(1990); Rust and Zahorik (1991), the study shows the relationship of customer satisfaction to customer retention in banking. All these people mention profitability, loyalty, and satisfaction.



Source: Parasuraman et al.(1985); Spreng and Mackoy (1996); McDougall & Levesque (2000)

This model is composed after going through different models presented by Parasuraman et al. (1985); Spreng and Mackoy (1996) and McDougall and Levesque (2000) related to service quality and customer satisfaction. According to Zeithmal and Bitner (2000) somehow personal and situational factors also affect the process of customer satisfaction.

V. RESEARCH METHODOLOGY

The study will use both primary and secondary data. The report is quantitative and qualitative. It is descriptive because the data were collected from various sources and it was explained in detail with related tables and pictures and necessary written information is also available here. It is quantitative because I consider some similar characteristics which can be measured.

5.1 Primary Sources

Primary data are measurements observed and recorded as part of an original study. For the completion of this paper, the primary sources of data are-

- A sample questionnaire survey will be conducted on consumers who are already City Bank customers and employees. The survey mostly taken by phone and some are taken by face to face interview.
- Face-to-face discussion with the relevant officials.
- Practical/ hands-on experience of working at the Retail Finance Center.
- Study of background material and relevant files provided by the officers concerned.
- Interviewing valuable Customer
- Expert's opinion and comments.

5.2 Secondary Sources

The data which has already been collected by others, such data are called Secondary data. For this

internship report, the secondary data are collected from the below sources-

- Annual report of The City Bank Limited. (Year 2014-2017).
- Unpublished data (daily, monthly and yearly statements, ledgers) received from different sections.
- Different text books.
- Revise of relevant files.
- Official web site of The City Bank Limited.

5.3 Sample Size

The study was conducted based on the head office (ABM Tower) with the total sample size of 50. For collecting data convenient sampling was undertaken. To obtain the necessary information a typical questionnaire format has been prepared by us because of liker scale. The scale of measurement has been used the nominal and the interval scale. There are twenty questions in the questionnaire form.

5.4 Data Processing and Analysis

Computer-generated Word-Processing programs, such as; MS Word was used to generate the report. The data which I gathered from the primary sources and secondary sources is represented and analyzed by 'Pie chart'. To analyze the data, I have used simple statistical method such as calculating the mean value, standard deviation, correlation of the data. To represent and analyze those data I have used some tools like- Statistical Package for the Social Science (SPSS), MS Word and MS Excel. After analyzing those data, I have been able to reach our findings. So, the main analysis of data was done with the following computer programs:

1. The powerful Spreadsheet Analyzer MS office Excel
2. Statistical program for social service (SPSS).

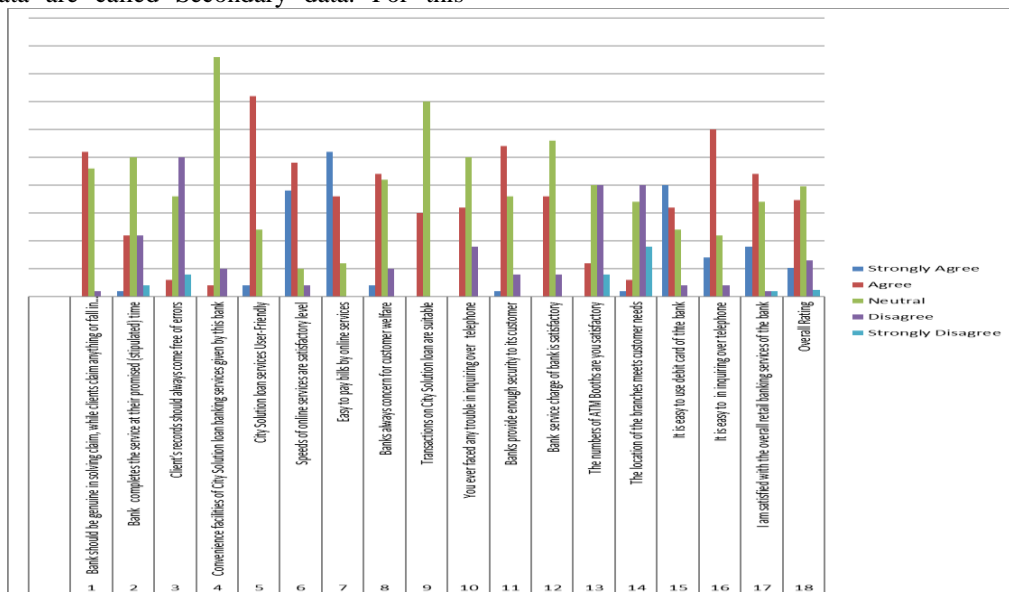


Figure: 01. Overall customer satisfaction of city bank limited.

5.5. Limitation of the study

Due to the very short time, the study was conducted using only one branch in (CBL) out of 101 branches. Also, the sample size and the number of actual respondents is limited. The researcher or other researchers may use a bigger sample size to find out more about customer satisfaction.

VI. RESULT

After analysis of all gathered information and other relevant documents, CBL should carefully consider following matters:

- At present CBL perform business activities through 102 of its branches but they should open more branches in order to reach to more customers.
- Account opening procedure is too much critical, but it should be easier otherwise people will reluctant to open an account with CBL.
- Finally, heavy marketing and promotional campaign should be conducted to popularize the retail banking activities.
- Bank should be fast in cash payment, and to clear a cheque.
- Still several customers are dissatisfied with charges and fees that is why bank should consider it seriously.
- Customer service should be smarter and faster.
- Card division should be more committed to deliver product on time.
- Should have 24-hour customer service facility
- ATM service of the bank is completely dissatisfactory that is why they should improve ATM service.
- City Bank customers have access to the vast ATM network of DBBL and Q-cash booths, but transaction charge is too high that may be the vital cause to boost displeasure among customers.
- City Bank Ltd. need to increase own ATM booth all over the country.

VII. CONCLUSION

Understanding customer's savings trend and market demand the city bank limited will keen to achieve leadership in customer satisfaction by continually improving its processes products & services to ensure they consistently exceed customers' requirements. The City Bank Limited brand will need so nursing & little internal research to build up the proper utilization the bank marketing in the present modern banking period.

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APPENDIX

Questionnaire

Date: .../...../2018

Serial Number: **Section A: Socio-demographic information [Q 1- Q 9]**

1. Age.....years
2. Gender: [1] Male [2] Female
3. Profession: [1] Salaried [2] Business [3] professional [4] Others.....
4. Which type of account you have in that bank?
[1] Savings A/C [2] Current A/C [3] Fixed A/C [4] Others

We want to know the customer satisfaction about any Retail banking regarding service quality .For each of items below, please show your remark marking (✓) on an option.

For each of items below, please show your remark marking (✓) on an option.

No	Questions	Strongly Disagree	Disagree	Undecided/Neutral	Agree	Strongly Agree
1.	Bank should be genuine in solving claim, while clients claim anything or fall in problem		26	23	1	
2.	Bank completes the service at their promised (stipulated) time.	1	11	25	11	2
3.	Client's records should always come free of errors.		3	18	25	4
4.	Convenience facilities of City Solution loan banking services given by this bank.		2	43	5	
5.	City Solution loan services User-Friendly.	2	36	12	2	
6.	Speeds of online services are satisfactory level.	19	24	5		
7.	Easy to pay to pay bills by online services.	26	18	6	5	
8.	Banks always concern for customer welfare	2	22	21		
9.	Transactions on City Solution loan are suitable.		15	35	9	
10.	You ever faced any trouble in inquiring over telephone.		16	25	4	
11.	Banks provide enough security to its customer.	1	27	18	4	
12.	Bank service charge of bank is satisfactory.		18	28	4	
13.	The numbers of ATM Booths are you satisfactory.		6	20	20	4
14.	The location of the branches meets customer needs.	1	3	17	20	9
15.	It is easy to use debit card of thte bank.	20	16	12	2	
16.	It is easy to in inquiring over telephone.	7	30	11	2	
17.	I am satisfied with the overall retail banking services of the bank.	9	22	17	1	1