

## COMPARISON OF SERVICE QUALITY BETWEEN PUBLIC AND PRIVATE SECTOR BANKS - AN EMPIRICAL STUDY

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### Abstract

*Quality of service is one of the integral parts of any of banking institution as the income and business growth of the banks depends on loyal and satisfied customers. The main objectives of the study is to make a comparison between public sector banks (SBI) and private sector banks (ICICI) regarding quality of services by using the list of service attributes based on SERVQUAL model. For this purpose primary data have been collected through a structured questionnaire by personally interacting with 220 banking customers from various branches of Burdwan district. The study found that the service quality of public sector bank is better than private sector bank in Burdwan district. The study suggests that the banks should increase their number of ATMs, cash counting machines, and number of front desk employees to improve their quality of services.*

**Key Words:** Service Quality, Private Bank, Public Bank, SERVQUAL Model

### Introduction

India is one of the fastest growing economies in the world and the service sector contributes 57.9% of the Gross Domestic Product (GDP) of the country. Banking is an important segment of the service sector. It is believed that the country with strong banking system leads towards the stable economy. Indian banking sector has improved gradually for the last two decades. But the sector is also facing a lot of challenges and difficulties due to increasing customer's demand and awareness, increasing competition, growing population, etc. Beside these, another important challenge that the sector is facing is technological changes.

As the sector is growing fast, a number of new private sector banks have emerged. Therefore customers are getting many options for selecting their suitable financial service provider. Due to increasing customer awareness, they would select those particular banks that can provide standard services and can fulfill their expectation.

In this overreaching setting, customers are highly demanding; and information asymmetry no longer exists. Today's market quickly disseminates necessary inputs about the price and services

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provided by the various banks. Consequently customers are becoming increasingly better informed and more demanding. As a result, the customers can quickly differentiate between the banks, and move to those who provide prompt and efficient service. That is why customer's service has now become the industry buzzword globally. The success of any business model in banking sector depends not just on margins, but importantly on ensuring value based services to customers. Therefore, it is necessary for them to provide better quality services to their customers because quality services are the main factor in achieving customer's satisfaction and establishing customer loyalty. This also helps the banks to retain existing customer and also to attract new customers.

### **Literature Review**

A number of studies have been conducted by the academicians and researchers on different aspects of service quality in banking sector. Few of them are summarized below:

Sheetal et.al (2004) attempted to examine the role and nature of service quality dimension in banking sector. He found that tangibility is the least important and empathy is second least important service quality attributes in banking sector. Agarwal (2009) observed that the customers are influenced in their usage of e-banking services by the kind of account they hold, their age and profession, etc. The study clearly emphasizes the need for banks to understand that the financial products and services supplied over the Internet must not only be tailored to fulfill wants, preferences, security and quality expectations of customers at the present time, but also be required to induce customers to demand and use e-banking on a wider scale in the future. Siddiq (2011) attempted to identify the interrelationships and critical factors between service quality, customer satisfaction and customer loyalty in retail banking sector in Bangladesh. He found that all the service quality attributes are positively related to customer satisfaction and customer loyalty in the retail banking sector. Empathy demonstrates the highest positive correlation with customer satisfaction and tangibility shows the least positive correlation with customer satisfaction. Jani (2012) identified relative important factors affecting the areas of strength and weaknesses of public and private sector banks in terms of different technologies offered to customers and future growth of e-channels in retail banking. The result revealed that use of technology inferred a positive perception of customers of public sector and private sector banks. Vasantha and Rani (2011) have analyzed the practicality of determining the retail service quality opinions and its effect on demographic aspects in Bangalore city. Findings of this study delivered guidelines regarding enhancement of service offerings by various organizations and effort to provide a primary understanding on the direction of the customer's opinion about the service quality in retail banking.

Oppewal and Vriens (2000) used SERVQUAL model to find out the dimension which yield maximum improvement in bank's utility among different dimension such as different service attributes, strategically important service dimensions, and overall preference for banks or

banking products. Chinwuba (2013) measured the customer perceived service quality and their satisfaction level by using SERVQUAL model through the help of 117 respondents. They found that assurance, empathy and responsiveness dimensions have positive relationship between them and no significant effect on customer satisfaction and there was a negative relationship and no significant impact between reliability and customer satisfaction. But the dimension tangibility has significant positive relationship with customer satisfaction. Mary (2014) conducted a study in Chennai city and the study found out that the customers in private sector banks are more satisfied than customers of public sector banks. There exists a strong relationship between expectation level of the customer and level of satisfaction and customer loyalty in banking sector.

Haidar and Islam (2011) determined the importance of perceived service quality factors of private commercial banks (PCB) in Bangladesh. Sample size of this study was 300. The results revealed that tangibility is the most important factor in determining the service quality followed by reliability, empathy, accessibility and assurance. Rahaman et al. (2011) conducted the study on Bangladesh to measure service quality of PCBs on expectation and perception of customers regarding the services on diverse five dimensions. Authors concluded that three factors were responsible in determining service quality gaps viz. reliability, responsiveness, and assurance. The results revealed that the gap existed between perceived services and customers' expectation in PCBs which implies that customers were not satisfied with the services provided by private sector banks. Shanka (2012) made an on working mechanism of private banks on Ethiopia. By using SERVQUAL model, author found out that empathy and responsiveness play an important role in customer satisfaction level and the author also concluded that providing excellent service increases the customer satisfaction and customer loyalty. Muyeed (2012) conducted a study in Bangladesh to examine the service quality in retail banking by taking the sample size 250 respondents of public and private sector banks. The author found that customers are highly satisfied in prompt and accuracy in transaction but less satisfied in the service of modern equipment of the bank.

### **Research Gap:**

From the above reviews of literature it has been found that a number of studies have been taken over by different researchers both nationally and internationally for evaluating the customer satisfaction in banking sector. But there is no seminal work on comparing the satisfaction of the customer of the public and private sector banks specifically in the district of Burdwan. So, this particular study has tried to fill up that gap.

### **Objective of the study**

The main objectives of the study are as follows:

- To give an overview of the different service quality models developed globally.

- To make a comparative study among public sector bank and private sector bank in terms of quality of service.

### **Methodology:**

#### **Sample Design**

The study is both *exploratory* and *empirical* in nature. For this study two banks have been considered, namely State Bank of India from public sector bank and ICICI Bank from private sector bank. The study has been conducted exclusively on the service provided by these two banks to its customers in Burdwan district. Three branches each from these two banks of Burdwan district have been considered. The branches that have been considered for SBI are from all three different areas i.e. urban, semi-urban and rural areas. But as the ICICI bank does not operate in rural areas of Burdwan district so two branches from urban areas and one branch from semi-urban area have been taken for this bank. The list of the selected branches is as follows.

For SBI Bank (Public Sector Bank):

- Chittaranjan branch (from urban area).
- Rupnarayanpur branch (from semi-urban area).
- New market branch (from rural area)

For ICICI bank (Private Sector Bank):

- Asansol branch (from urban area).
- Durgapur City Center branch (from urban area).
- Rupnarayanpur branch (from semi-urban area).

#### **Methods of Data Collection and Analysis**

The study is based on primary data which have been collected through field survey with the help of a structured questionnaire. The information related to quality of services has been collected by interviewing 220 customers (110 customers from each bank) by following convenient sampling method from the six selected branches of SBI and ICICI Bank. The questionnaire is based on SERVQUAL Model which was developed by Zeithmal, Parsuraman and Berry in the year of 1988. For appraising the service quality in the banking sector, five parameters have been used as per this model. These parameters are - tangibility, reliability, responsiveness, assurance and empathy. Simple percentage, Cross tabulation, Bar chart, Pie chart and Chi Square Tests have been used to present and interpret data.

#### **Service Quality and its Importance in Banking Sector**

Service quality is defined as the degree of discrepancy between customers' normative

expectations for service and their perceptions of service performance (Parasuraman et al., 1985). So service quality is a comparison between perceived expectation of a service and perceived performance of a service.

Parasuraman, Zeithmal & Berry defined service quality as

$$\text{Service quality} = \text{Perception} - \text{Expectation}$$

Therefore if the customer gets same services as they expect then difference will be zero, we can say service quality is very good. If the customer does not get the expected services then service quality is bad. According to business dictionary “Service quality means an assessment of how well a delivered service conforms to their client’s expectation”.

In the today’s competitive world the key factor for success for any bank is undoubtedly customer satisfaction, because banking business depends on customer’s money and bank makes stable income from loyal and satisfied customers. Therefore, banks are giving more efforts to retain existing customers and to attract new customers. Service quality of bank has been justified as a critical success factor to build their competitive advantages and to increase their competitiveness. The satisfied customers determine secure business and profitability for a bank. If a bank is unable to provide proper customer service then the bank would lose its customers.

### **Different Service Quality Model**

Different service quality models have been developed by various researchers around the world. Three important service quality models are summarized below:

#### **a. Gronroos Model**

Gronroos develop the first service quality model. He believed that, if firms want long term achievements, it must have an understanding of consumer perception of the quality and the way of service quality provided. He has used three dimensions in this model.

- Technical quality
- Functional quality
- Corporate image

#### **b. GAP Model**

This model was developed by Parasuraman et al (1985) for measuring service quality by measuring gap between perceived service and expected service. For developing this model they used gap analysis in service quality. In this model the five gaps are visualize.

- **GAP 1- (Knowledge gap):** Difference between consumer’s expectation and management’s perception of those expectations.

- **GAP 2-(Policy gap):** Difference between management's perception of customer's expectations and service quality specification.
- **GAP 3-(Delivery gap):** Difference between service quality specifications and service actually delivered.
- **GAP 4-(Communication gap):** Difference between service delivery and the communication to customers about service delivery.
- **GAP 5- (Service quality gap):** Difference between consumer's expectation and perceived service. This gap depends on gaps associated with service quality delivered on marketer side.

$$\text{Gap 5} = f(\text{Gap1}, \text{Gap2}, \text{Gap3}, \text{Gap4})$$

### c. SERVQUAL Model

SERVQUAL is a well-known multidimensional research instrument for measuring and evaluating service quality in any service sector. The SERVQUAL model of measuring the scale of quality in service was developed by Valerie Zeithaml, Parasuraman and Len Berry in the year 1985. The objective of this survey instrument is to determine the value that the service sector is currently delivering to the customers and the value that the customer anticipates. The data are collected via surveys of a sample of customer. In this survey the customers of the sample responds to series of questions based around a number of key service dimensions. The methodology was originally based around 5 key dimensions. The questionnaire consists of matched pairs of items; 22 expectation items and 22 perceptions items, organized into five dimensions which are believed to align with the consumer's mental map of service quality dimension.

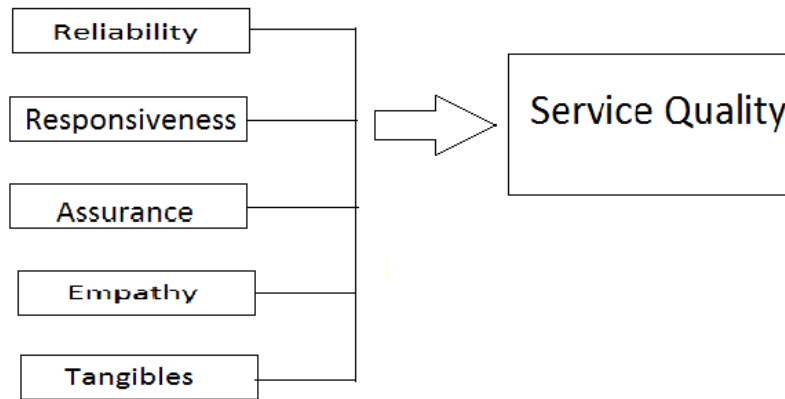
- **Reliability:** The ability to perform the promised service dependably and accurate.
- **Assurance:** The knowledge and courtesy of employees and their ability to convey trust and confidence.
- **Tangibles :** The appearance of physical facilities, equipment, personnel and communication materials
- **Empathy:** The provision of caring, individualized attention to customers.

**Responsiveness:** The willingness to help customers and to provide prompt service.

### Comparative Analysis of Service Quality in SBI and ICICI Bank

For the study three branches each from SBI bank and ICICI bank have been considered from urban, semi-urban, and rural areas of Burdwan district. The information related to quality of services have been collected through direct interview with the 110 customers of SBI and 110 customers of ICICI bank by filling up the questionnaire.

**Exhibit 4: SERVQUAL Model of Service Quality**



Source: Parasuraman, Zeithaml & Berry 1985, 1988

**Demographic Profile of the Respondent**

A brief demographic profile of the respondents is presented below:

**a. Branch - wise distribution of the Customers**

For SBI 45.50% respondents are from Rupnarayanpur branch, 32.70% are from Chittaranjan branch and remaining 21.80% from New Market branch. For ICICI bank 40 respondents have been considered from each of Rupnarayanpur and Asansol branch and 30 respondents from Durgapur City Centre branch.

**b. Location - wise Distribution of the customers**

For SBI bank 48.20% customers are coming from semi urban area, 40 % are from rural area and remaining is from urban area. But for ICICI bank, 36.36% of the customers are from semi-urban area and 64.64% are from urban area.

**c. Gender of the Respondents**

For both SBI (80%) and ICICI bank (79.90%) of the respondents are male.

**d. Educational qualification of the Respondents**

Most of the respondents of SBI are '12 th' pass (49.50%) and 'graduate' (30.40%), and few are 'primary level educated' and 'eight pass' and Post Graduate (PG) & Professional. For ICICI bank most of the customers are 'Graduate' (62.70%), followed by Post Graduate (PG) & Professional (12.70%), 'Tenth pass' and 'Eight pass'.

**Analysis of the Service Quality by using SERVQUAL Model**

Primary data have been collected from the customers of both of the banks on the basis of the five parameters of service quality as per SERVQUAL model. The respondents have given

their feedback on the basis of their desired level and perceived level or actual experience with the banks regarding all these parameters. Chi-Square tests have been used to compare between the desired level and perceived level of satisfaction from the service quality parameters. The findings of the analysis have been summarized below:

**a) Tangibility**

For collecting the information regarding the ‘Tangibility’ or physical infrastructure of the banks eleven (11) sub-parameters were set up. The findings are as follows:

**(i) Sub-parameter - 1: Availability of sufficient number of counter in the Banks**

Availability of sufficient numbers of counters in the banks is an important issue of service quality. A Chi-Square test has been done to examine whether there is any significant difference between the desired level and perceived level of the customers regarding the availability of sufficient number of counters in the banks.

**Chi Square test**

**Hypothesis -1**

Ho: There is no significant difference between desired level and perceived level regarding sufficient number of counter available in the branches.

H<sub>1</sub>: There is a significant difference between desired level and perceived level regarding sufficient number of counter available in the branches.

Tables 1 and 2 present the results of cross tabulation test and Chi-Square test.

In the above Table 2, for SBI, Pearson Chi-Square value is 0.134, which is greater than 0.05 at 5% level of significance. So, we accept the Null Hypothesis (Ho). Now we can say that for SBI there is no significant difference between the desired level and perceived level regarding sufficient number of counter available in the branches. Hence, we may conclude that SBI bank has sufficient number of counters available for providing smooth services to the customer and the bank has met the customers’ expectation level.

For ICICI bank, Pearson Chi-Square value is 0.000 which is less than 0.05 at 5% significance level, so we reject the Null Hypothesis (Ho). It means there is a significant difference between respondents’ desired level and perceived level of satisfaction regarding sufficient number of counters available in the branches.

In the same way, we have done Chi-Square tests for the other ten (10) sub-parameters of ‘Tangibility’ also and got the findings. The findings of the Chi-Square test of all the eleven (11) sub-parameters are summarized in the following table.



**Table 1:** Cross tabulation table of desired level and perceived level of Sufficient number of counter available in the branches

Name of the Bank				Desired tangibility Sufficient number counter available		Total	
				Highly satisfied	Satisfied		
<b>SBI</b>	Perceived tangibility Sufficient number counter available	Highly satisfied	Count	27	2	29	
			% of Total	24.5%	1.8%	26.4%	
	Satisfied	Count	34	12	46		
		% of Total	30.9%	10.9%	41.8%		
	Not Decided	Count	16	7	23		
		% of Total	14.5%	6.4%	20.9%		
	Dissatisfied	Count	10	2	12		
		% of Total	9.1%	1.8%	10.9%		
	<b>Total</b>			Count	87	23	110
				% of Total	79.1%	20.9%	100.0%
<b>ICI CI</b>	Perceived tangibility Sufficient number of counter available	Highly satisfied	Count	3	0	3	
			% of Total	2.7%	.0%	2.7%	
	Satisfied	Count	42	6	48		
		% of Total	38.2%	5.5%	43.6%		
	Not Decided	Count	19	31	50		
		% of Total	17.3%	28.2%	45.5%		
	Dissatisfied	Count	6	3	9		
		% of Total	5.5%	2.7%	8.2%		
	<b>Total</b>			Count	70	40	110
				% of Total	63.6%	36.4%	100.0%

Source: Compiled by the Researcher

**Table 2:** Chi-Square Tests

Name of the Bank		Value	Df	Asymp. Sig. (2-sided)
<b>SBI</b>	Pearson Chi-Square	5.582 <sup>a</sup>	3	.134
	Likelihood Ratio	6.364	3	.095
	Linear-by-Linear Association	1.693	1	.193
	N of Valid Cases	110		
<b>ICICI</b>	Pearson Chi-Square	27.763 <sup>b</sup>	3	.000
	Likelihood Ratio	30.172	3	.000
	Linear-by-Linear Association	15.116	1	.000
	N of Valid Cases	110		

Source: Compiled by the Researcher

**Table 3:** Summary Table of the Chi Square tests of the parameter ‘Tangibility’

<i>Sl no.</i>	<i>Hypothesis</i>	<b>SBI</b>		<b>ICICI</b>	
		<i>P value</i>	<i>Remarks</i>	<i>P value</i>	<i>Remarks</i>
1	Ho: There is no significant difference between desired level and perceived level relating to sufficient number of counter available in the bank.	0.134	Ho accepted (in two tail test)	0.000	Ho rejected (in two tail test)
2	Ho: There is no significant difference between desired level and perceived level regarding availability of cash depository machine in the branch.	0.496	Ho accepted (in two tailed test)	0.000	Ho rejected (in two tailed test)
3	Ho: There is no significant difference between desired level and perceived level relating to sufficient number cash counting machine.	0.014	Ho rejected (in two tailed test)	0.012	Ho rejected (in two tailed test)
4	HO: There is no significant difference between desired level and perceived level relating to sufficient number of ATM machine in the bank.	0.008	Ho rejected (in two tailed test)	0.006	Ho rejected (in two tailed test)
5	Ho: There is no significant difference between desired level and perceived level relating to sufficient space to serve customer with reasonable comfort in the branch of this bank.	0.015	Ho rejected (in two tailed test)	0.104	Ho accepted (in two tailed test)
6	Ho: There is no significant difference between desired level and perceived level relating to availability of bank slip, Challan and pamphlets.	0.000	Ho rejected (in two tailed test)	0.000	Ho rejected (in two tailed test)
7	Ho: There is no significant difference between desired level and perceived level relating to adequate staff at the bank to meet customer requirements in the bank.	0.024	Ho rejected (in two tailed test)	0.019	Ho rejected (in two tailed test)

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<i>Sl no.</i>	<i>Hypothesis</i>	<b>SBI</b>		<b>ICICI</b>	
		<i>P value</i>	<i>Remarks</i>	<i>P value</i>	<i>Remarks</i>
<b>8</b>	Ho: There is no significant difference between desired level and perceived level relating to bank has sufficient passbook up to date machine.	0.117	Ho accepted (in two tailed test)	0.036	Ho rejected (in two tailed test)
<b>9</b>	Ho: There is no significant difference between desired level and perceived level parking facilities in the bank premises.	0.13	Ho accepted (in two tailed test)	0.000	Ho rejected (in two tailed test)
<b>10</b>	Ho: There is no significant difference between desired level and perceived level relating to seating facilities, drinking water and toilet facilities are convenient.	0.357	Ho accepted (in two tailed test)	0.000	Ho rejected (in two tailed test)
<b>11</b>	H0: There is no significance difference between desired level and perceived level relating to E-corner facilities in the bank.	0.137	Ho accepted (in two tailed test)	0.495	Ho accepted (in two tailed test)

Source: Compiled by the Researcher

**Table 4:** Consolidated result of the Chi-Square tests for Tangibility

<b>Tangibility</b>		
	<b>SBI</b>	<b>ICICI</b>
<b>Accepted</b>	<b>6</b>	<b>2</b>
<b>Rejected</b>	<b>5</b>	<b>9</b>
<b>Total</b>	<b>11</b>	<b>11</b>

Table 4 shows that for SBI, six (6) hypotheses have been accepted and five (5) hypotheses have been rejected. The acceptance of the hypothesis means there is no significant difference between the desired level and perceived level among the respondents regarding any particular service. That means, the customers are satisfied with the services if the hypothesis are accepted and vice-versa. The table shows that SBI has been able to satisfy the customers for 54% of the sub-parameters (6 out of 11) of 'Tangibility'. But for ICICI Bank, only two (2) of the hypotheses have been accepted and nine (9) hypothesis have been rejected. That means

that the ICICI Bank has been able to satisfy the customers only for 18% of the sub-parameters (2 out of 11). Hence, we can conclude that SBI provides better quality of service than ICICI bank regarding the parameter of 'Tangibility'.

### b) Reliability

In the same way, we have done Chi-Square tests for the seven (7) sub-parameters of 'Reliability'. The findings of the Chi-Square test of all the seven (7) sub-parameters are summarized in the following table.

**Table 5:** Summary Table of the Chi-Square tests of the parameter 'Reliability'

<i>sl.no</i>	<i>Hypothesis</i>	<b>SBI</b>		<b>ICICI</b>	
		<i>P value</i>	<i>Remarks</i>	<i>P value</i>	<i>Remarks</i>
<b>1</b>	Ho: There is no significance difference between desired level and perceived level relating to bank renders service as promised	0.215	Ho accepted (in two tailed test)	0.004	Ho rejected (in two tailed test)
<b>2</b>	Ho: There is no significance difference between desired level and perceived level relating to standard time taken to process transaction	0.004	Ho rejected (in two tailed test)	0.001	Ho rejected (in two tailed test)
<b>3</b>	Ho: There is no significance difference between desired level and perceived level relating to staffs are sincere in solving customer problems.	0.483	Ho accepted (in two tailed test)	0.01	Ho rejected (in two tailed test)
<b>4</b>	Ho: There is no significance difference between desired level and perceived level relating to level of services offered to the customers any time in a working day .	0.035	Ho rejected (in two tailed test)	0.037	Ho rejected (in two tailed test)
<b>5</b>	Ho: There is no significance difference between desired level and perceived level relating to accurate information provided on website.	0.000	Ho rejected (in two tailed test)	0.001	Ho rejected (in two tailed test)

<i>sl.no</i>	<i>Hypothesis</i>	<b>SBI</b>		<b>ICICI</b>	
		<i>P value</i>	<i>Remarks</i>	<i>P value</i>	<i>Remarks</i>
6	Ho: There is no significance difference between desired level and perceived level relating to banks insist error free records.	0.082	Ho rejected (in two tailed test)	0.000	Ho rejected (in two tailed test)
7	Ho: There is no significance difference between desired level and perceived level relating to customers can feel a sense of security during the transaction process.	0.000	Ho rejected (in two tailed test)	0.000	Ho rejected (in two tailed test)

Source: Compiled by the Researcher

**Table 6:** Consolidated result of the Chi-Square tests for Reliability

<b>Reliability</b>		
	<b>SBI</b>	<b>ICICI</b>
<b>Accepted</b>	<b>2</b>	<b>0</b>
<b>Rejected</b>	<b>5</b>	<b>7</b>
<b>Total</b>	<b>7</b>	<b>7</b>

Source: Compiled by the Researcher

Table 6 shows that for SBI, two (2) hypotheses have been accepted and five (5) hypotheses have been rejected. SBI has been able to satisfy the customers for 28.5% of the sub-parameters (2 out of 7) of ‘Reliability’. But for ICICI Bank, none (0) of the hypothesis have been accepted, i.e., all of the (7) hypothesis have been rejected. Now, we can conclude that SBI provides better quality of service than ICICI bank regarding the parameter of ‘Reliability’.

### c. Responsiveness

For gathering the information on ‘Responsiveness’ or the willingness of bank’s staffs to help customers and to provide them with prompt services, six (6) sub parameters or questions were set up. Again, we have done Chi-Square tests for the six (6) sub-parameters of ‘Responsiveness’. The findings are summarized in the following table.

Table 8 shows that for the both banks, i.e, SBI and ICICI only one (1) hypothesis has been accepted and five (5) hypotheses have been rejected. That means, both SBI and ICICI bank have been able to satisfy their customers for 16.6% of the sub-parameters (1 out of 6) of

**Table 7:** Summary Table of the Chi Square test of the parameter 'Responsiveness'.

<i>sl.no</i>	<i>Hypothesis</i>	<b>SBI</b>		<b>ICICI</b>	
		<i>P value</i>	<i>Remarks</i>	<i>P value</i>	<i>Remarks</i>
<b>1</b>	Ho: There is no significance difference between desired level and perceived level relating to your request are handle promptly.	0.003	Ho rejected (in two tailed test)	0.001	Ho rejected (in two tailed test)
<b>2</b>	Ho: There is no significance difference between desired level and perceived level relating to bank alerts the customer after their every transaction through SMS promptly.	0.001	Ho rejected (in two tailed test)	0.015	Ho rejected (in two tailed test)
<b>3</b>	Ho: There is no significance difference between desired level and perceived level relating to response in case of emergency and seriousness.	0.434	Ho accepted (in two tailed test)	0.000	Ho rejected (in two tailed test)
<b>4</b>	Ho: There is no significance difference between desired level and perceived level relating to bank delivers the information and product at proper time.	0.0183	Ho rejected (in two tailed test)	0.000	Ho rejected (in two tailed test)
<b>5</b>	Ho: There is no significance difference between desired level and perceived level relating to banks performs the services right the first time.	0.011	Ho rejected (in two tailed test)	0.117	Ho accepted (in two tailed test)
<b>6</b>	Ho: There is no significance difference between desired level and perceived level relating to sincerity of bank staff to answer when you have doubts and queries.	0.025	Ho rejected (in two tailed test)	0.014	Ho rejected (in two tailed test)

*Source:* Compiled by the Researcher

**Table 8:** Consolidated result of Responsiveness

Responsiveness		
	SBI	ICICI
Accepted	1	1
Rejected	5	5
<b>Total</b>	<b>6</b>	<b>6</b>

Source: Compiled by the Researcher

‘Responsiveness’. So we can say that both SBI and ICICI banks provide equal quality of service regarding the parameter of ‘*Responsiveness*’

**d. Assurance**

For collecting the information regarding the ‘Assurance’ or the knowledge and courtesy of employees and their ability to convey trust and confidence, four (4) sub-parameter or question were set up. The findings of the Ch-Square test of all the four (4) sub-parameters are summarized in the following table.

**Table 9:** Summary Table of the Chi Square test of the parameter ‘Assurance’

sl.no	Hypothesis	SBI		ICICI	
		P value	Remarks	P value	Remarks
1	Ho: There is no significant difference between desired level and perceived level employee of the bank have knowledge to answer customer’s questions.	0.034	Ho rejected (in two tailed test)	0.000	Ho rejected (in two tailed test)
2	Ho : There is no significant difference between desired level and perceived level relating to staff behavior with customers are polite and friendly.	0.026	Ho rejected (in two tailed test)	0.032	Ho rejected (in two tailed test)
3	Ho: There is no significant difference between desired level and perceived level relating to employees are always willing to help you.	0.013	Ho rejected (in two tailed test)	0.028	Ho rejected (in two tailed test)
4	Ho: There is no significant difference between desired level and perceived level relating to bank can honor their commitment.	0.006	Ho rejected (in two tailed test)	0.000	Ho rejected (in two tailed test)

Source: Compiled by the Researcher

**Table 10:** Consolidated result of the parameter ‘Assurance’

<b>Assurance</b>		
	<b>SBI</b>	<b>ICICI</b>
<b>Accepted</b>	<b>0</b>	<b>0</b>
<b>Rejected</b>	<b>4</b>	<b>4</b>
<b>Total</b>	<b>4</b>	<b>4</b>

Source: Compiled by the Researcher

The above Table 9 and 10 describes that for both SBI and ICICI none of the hypothesis have been accepted. That means, both SBI and ICICI banks have not been able to satisfy their customers as all of the sub-parameters (0 out 4) of ‘Assurance’ have been rejected. So we can conclude that both SBI and ICICI bank do not provide better quality of service regarding the parameter of ‘Assurance’.

#### **e. Empathy:**

For evaluating the information regarding the parameter ‘Empathy’ or provision of caring, and individual attention to customers five (5) sub parameter or question were set up. We have carried out Chi-Square tests for the five (5) sub-parameters of ‘Empathy’ and the findings are summarized in the following table.

**Table 11:** Summary table of chi square test of the parameter ‘Empathy’

#### **EMPATHY**

<i>sl.no</i>	<i>Hypothesis</i>	<b>SBI</b>		<b>ICICI</b>	
		<i>P value</i>	<i>Remarks</i>	<i>P value</i>	<i>Remarks</i>
<b>1</b>	Ho: There is no significant difference between desired level and perceived level relating to provisions of financial advice.	0.402	Ho accepted (in two tailed test)	0.031	Ho rejected (in two tailed test)
<b>2</b>	Ho: There is no significant difference between desired level and perceived level relating to staffs try to determine what the client specific objectives are.	0.519	Ho accepted (in two tailed test)	0.000	Ho rejected (in two tailed test)
<b>3</b>	Ho: There is no significant difference between desired level and perceived level relating to helpdesk , call center of bank operate 24 hours.	0.118	Ho accepted (in two tailed test)	0.001	Ho rejected (in two tailed test)



**EMPATHY**

sl.no	Hypothesis	SBI		ICICI	
		P value	Remarks	P value	Remarks
4	Ho : There is no significant difference between desired level and perceived level relating to bank's operating hour are convenient to their customer.	0.107	Ho accepted (in two tailed test)	0.000	Ho rejected (in two tailed test)
5	Ho : There is no significant difference between desired level and perceived level relating to employees give personal attention to their customer .	0.426	Ho accepted (in two tailed test)	0.001	Ho rejected (in two tailed test)

Source: Compiled by the Researcher

**Table 12:** Consolidated result of the parameter ‘Empathy’

Empathy		
	SBI	ICICI
<b>Accepted</b>	<b>5</b>	<b>0</b>
<b>Rejected</b>	<b>0</b>	<b>5</b>
<b>Total</b>	<b>5</b>	<b>5</b>

Source: Compiled by the Researcher

Table (12) indicates that for SBI, all and five (5) hypotheses have been accepted and none (0) of the hypothesis have been rejected. This shows that SBI has been able to satisfy the customers for 100% of the sub-parameters (5 out of 5) of ‘Empathy’. But for ICICI Bank, none of the hypothesis have been accepted, i.e., all of the five (5) hypothesis have been rejected. It means ICICI Bank has not been able to satisfy the customers in terms of ‘Empathy’. We can conclude that SBI provide much better quality of service than ICICI bank regarding the parameter of ‘Empathy’.

**8. Conclusion**

It is evident from the study that in today’s competitive environment, service quality plays an important role for the long term sustainability of the banks. As a result, to cope with this changing market condition banks have to retain old customers and attract new customers by providing better quality of services. The specific conclusions regarding the five parameters of service quality are as follows.

SBI provides better quality of service than ICICI bank in relation to ‘*Tangibility*’

which in return saves time of customers.

- Service quality of SBI bank is more **reliable, accurate and secured** than ICICI bank to customers.
- In case of '**Responsiveness**' service quality is more or less same for both the banks.
- Regarding '**Assurance**' the feedbacks of customers for both of the banks are almost same. Lack of assurance is found for both of the banks.
- Regarding '**Empathy**', SBI provide better services than ICICI bank.

## 9. Recommendations

Some recommendations are given below for betterment of the services of SBI and ICICI Banks.

- ICICI bank should open new branches in rural area of the Burdwan district where there are very few branches till date.
- Both of the banks should install sufficient number of cash depository machine, pass book updating machine, ATM machine, cash counting machine in every branch to serve customer quickly.
- Both banks have to increase their number of employees to provide personal attention to the customers and serve quickly. This will also help the bank to build the relation and to develop the empathy with the customers.
- ICICI bank should improve the provision of financial services for its customers and also has to ensure that the employees are giving personal attention to its customers.
- Both the bank should ensure that the employees are behaving politely and friendly with the customers.

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