# SERVICE QUALITY OF FINANCIAL SERVICES IN BANGLADESH A STUDY ON A PRIVATE COMMERCIAL BANK

## Mohammed Masum Iqbal[1]

**Abstract:** *To survive and succeed in competitive business environment, attracting new customers and retaining existing customers have no alternatives to a financial institution. And, in search of competitive advantages, companies are placing more and more focus on service quality. It has been observed from different researches that service quality contributes to the profitability and productivity of an organization significantly. Service companies like financial institutions can maintain successful relationship with customers if they can maintain quality of services expected by customers and keep the gap between expectation and perception of services minimal. The present study is undertaken to evaluate service quality of a leading private commercial bank in Bangladesh and measure the gap between expectation and perception of customers about financial services offered by it. To measure the quality, SERVQUAL model has been used as a tool with five different dimensions and twenty two statements. A survey has been conducted to evaluate quality and measure the gap of service quality. The management of the bank can get the insights of their service quality based on the scores of different dimensions and may take necessary measures to overcome the weak areas. The study reveals that there are gaps in every dimension of quality of services provided by the bank and the notable gaps lie with assurance, reliability and responsiveness of service quality. So, the bank should take necessary measures immediately in these specific dimensions to enhance quality of services for its sustainability.*

**Key Words:** *UBL, Financial Services, Service Quality, SERVQUAL, Gap Analysis, Bank, Bangladesh.*

## Introduction

The banking industry in Bangladesh has been experiencing phenomenal growth and this industry has undergone revolutionary changes triggered by regulatory and competitive forces since independence of the country. At present, financial institutions like banks are facing intense competition and challenges for increased customers' expectations over time. This extreme competition and increasing customer demands have forced banking industry in Bangladesh to identify factors of customer satisfaction and loyalty. We know customers' satisfaction leads to customers' retention. And, this is also evident that the cost of acquiring new customers is much higher than that of retaining existing customers. So, banks are giving the highest priority to providing better quality of service to satisfy and retain customers.

Poor quality puts a firm at a competitive disadvantage. If its customers perceive quality as unsatisfactory; they may switch to other companies. The most recent trend in many service organizations is to consider quality service as a critical factor in enabling them to

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1. [1]Assistant Professor, Faculty of Business and Economics, Daffodil International University

achieve a differential advantage over their competitors. Increasingly, quality is becoming a key variable in strategic planning. Organizations which are becoming leaders in quality service are characterized by the commitment of top management and a corporate culture that encourages a consumer and quality focus through out the company (Marshall, 1985). Thus, service quality is playing a paramount role in financial services industry especially in banking sectors, because excellent service quality is not an optional competitive strategy which may or may not be adopted to differentiate one bank from another, but it has become essential for survival and profitability of these institutions.

Service is different from goods because of its unique characteristics, In this regard, the manufacturers of goods are privileged over service providers because it is to some extent easier for producers to accommodate most satisfying attributes with the product. Thus, in recent periods, customer satisfaction from service providers' perspective received significant research interests. And, the results of a good number of studies show different ways to serve the customers' satisfaction. Parasuraman et al. (1985, 1988) advocated such a tool in which service quality gap is calculated to find out the areas where there is a gap in satisfaction and named it as SERVQUAL. Initially, they have identified five different dimensions with sub-categorization that are all related to the level of satisfaction. Although there are some criticisms on the long-term stability of the results of the SERVQUAL scale (Lam and Woo, 1997) and on the general applicability of the five dimensions (Crosby and LeMay, 1998), it is widely used by academics and practitioners to measure service quality.

After the independence of Bangladesh, banking industry started its journey with 9 banks including nationalized commercial banks, state-owned specialized banks and foreign banks. Moreover, this industry achieved major expansion in 1980's with the entrance of private banks. Until March, 2013, there are 51 banks operating in Bangladesh including 47 scheduled and 4 non-scheduled banks. Now-a-days, financial institutions are facing intensive competition in the global financial turmoil. So, banks are to make substantial efforts to survive in this competitive and uncertain market place. At present, the delivery of quality services to customers has become an imperative factor for their success.

The benefits of service quality include increased customer satisfaction, improved customer retention, positive word of mouth, reduced staff turnover, decreased operating costs, enlarged market share, increased profitability, and improved financial performance (Rust and Zahorik 1993; Cronin et al. 2000; Kandampully and Suhartanto 2000; Duncan and Elliott 2002; Janda et al. 2002; Sureshchandar et al. 2002; Gounaris et al. 2003; Kang and James 2004; Yoon and Suh 2004). The construct of service quality has, therefore, been a subject of great interest to service marketing researchers.

We have not seen many studies on service quality and the use of SERVQUAL model in banking industry of Bangladesh. Thus, the use of SERVQUAL model in financial services is useful to find out the gap between customers' expectation and customers' perception. The management at policy level will find the findings of the study useful and the methodology as applied here will work as guidelines for them to make it functional. This study is undertaken to measure the gap using SERVQUAL model which will

ultimately discover the reasons for dissatisfaction of customers with the bank. This study may also convey an important message for the bankers of what measures they should undertake to enhance the quality as well as customers' satisfaction.

**Objective of the Study**
In light of the growing importance of service quality in financial institutions, the present study attempts to evaluate the quality of services rendered by a leading private commercial bank in Bangladesh and to make some recommendations, on the basis of the results of the study, for making its financial services more satisfying to customers.

**Literature Review**
Services are defined as activities, deeds, processes, and performances provided by one party or person for another party or person. The distinction between goods and services are illustrated below.

**Table:1  Differences between Goods and Services**

| Goods | Services | Resulting Implications |
|---|---|---|
| Tangible | Intangible | Services cannot be inventoried. Services cannot be easily patented. Services cannot be readily displayed or communicated. Pricing is difficult. |
| Standardized | Heterogeneous | Service delivery and customer satisfaction depend on employee and customer actions. Service quality depends on many uncontrollable factors. There is no sure knowledge that the service delivered matches what was planned and promoted. |
| Production separate from consumption | Simultaneous production and consumption | Customers participate in and affect the transaction. Customers affect each other. Employees affect the service outcome. Decentralization may be essential. Mass production is difficult. |
| Nonperishable | Perishable | It is difficult to synchronize supply and demand with services. Services cannot be returned or resold. |

Source: A. Parasuraman, V.A. Zeithaml, and L.L. Berry," A Conceptual Model of Service Quality and It's Implication for Future Research." Journal of Marketing 49 (Fall 1985) pp.41-50.

We know that quality is the capacity of a product to perform its functions stated by the marketing manager. In Japanese philosophy quality means zero defect (or defect free) product and services. It emphasizes doing the things right for the first time. Crosby (1979) points that quality means conformance to standards. Garvin (1983) defines quality by counting the incidence of internal (before products leave the factory) and external failure (after the product is installed). Research has proved many times that

quality helps the firm in contributing to gain market share, return on equity, lowering production cost, and improving productivity. In case of tangible goods, measurement of quality is an easy task because uniform quality standards can be met consistently. But characteristics of services make measurement of quality complicated. Service quality is an elusive and abstract construct that is difficult to measure (Cronin et al 1992).

According to Gefan (2002) 'Service quality is the subjective comparison that customers make between the quality of service that they want to receive and what they actually get.' Parasuraman et al. (1985, 1988) says, 'Service quality is determined by the differences between customer's expectations of services provider's performance and their evaluation of the services they received. 'Service quality is 'the delivery of excellent or superior service relative to customer expectations' (Zeithaml and Bitner 1996). Service quality is recognized as a multidimensional construct. While the number of dimensions often varies from researcher to researcher, there is some consensus that service quality consists of three primary aspects: outcome quality, interaction quality, and physical service environment quality (Rust and Oliver 1994; Brady and Cronin 2001). Outcome quality refers to the customer's assessment of the core service which is the prime motivating factor for obtaining the services.

Due to their intangibility, heterogeneity, perishability and inseparability of production and consumption, service quality becomes difficult to conceptualize and measure. Quality is thus relative and subjective and depends on the perception and expectations of the customer with respect to service offering. Service quality, as perceived by customers, involves a comparison of what they feel the service should be (expectation, E) with their judgement of the services they received (perceptions, P) (Parasuraman et al., 1985). Service quality has been described as a form of attitude, but not equivalent to satisfaction that results from the comparison of expectations with performance (Parasuraman et al., 1985 and Bolton and Drew, 1991). The well accepted orientation defines service quality as the extent to which a service meets customers' needs or expectations. It is defined as the difference between customer expectations of service and perception of service. If expectations are greater than performance, then perceived quality is less than satisfactory and hence customer dissatisfaction occurs (Parasuraman et al., 1985 and Lewis and Mitchell, 1990). Parasuraman et al., (1988) developed a measurement scale SERVQUAL, which has 22- items to assess service quality of five dimensions: reliability, responsiveness, assurance, empathy and tangibility. Reliability, responsiveness, assurance, empathy dimensions are related to people aspect of service quality and tangibles aspects is related to physical evidence. SERVQUAL instrument has been subjected to criticism (Brown at al., 1993).

Most researchers, in general, agree that customers have expectations and these expectations serve as reference points against which the delivered services are evaluated. When it comes to the measurement of service quality, however, there is an unresolved controversy of using expectations as determinants of service quality. While Parasuraman et al. (1985; 1988) include expectations as a standard for evaluation of service quality, others (Cronin and Taylor, 1992; Teas, 1994) have advocated excluding expectations and measuring solely performances.

In a revolutionary article, Parasuraman et al. (1985) developed a gap model by synthesizing (1) the expectation-disconfirmation theory concerning consumer satisfaction (Churchill and Surprenant, 1982; Gronroos, 1982; Lewis and Booms, 1983; Oliver, 1980), and (2) previous explorations of the dimensions of service quality (Gronroos, 1982; Lehtinen and Lehtinen, 1982; Sasser, Olsen, and Wyckoff, 1978). They subsequently developed a multiple-item scale named SERVQUAL which conceptualizes and measures elements of service that are evaluated by service customers in assessing service quality. According to the SERVQUAL conceptualization, service quality can be assessed by five dimensions: reliability, responsiveness, assurance, empathy and tangibles (Parasuraman et al., 1988). But the use of SERVQUAL scale has been highly criticized in terms of both theoretical and operational issues. The SERVQUAL scale has also been criticized in methodology aspect, mainly due to its calculation mechanism using a difference score between expected performance and the actual performance of a service provider. Specific criticisms on SERVQUAL methodology include multicollinearity resulting from the auto-correlation between the measures (Spreng, Mackenzie, and Olshavsky, 1993), low reliability (Spreng and Singh, 1993), and problems with discriminant validity (Brown, Churchill, and Peter, 1993).

The SERVQUAL approach to the measurement of service quality has attracted considerable attention since first introduced by Parasuraman et al. in 1985. In the early 1980's Parasuraman, Zeithaml & Berry conducted an extensive program of qualitative research with business people and consumers to explore the concept of service quality. They concluded that service quality as perceived by customers depends on the gap between their expectations and the level of service that was actually provided. They also identified ten components of service quality, including constructs such as competence, courtesy, credibility, and security initially. This list was later reduced to five constructs - tangibles, responsiveness, empathy, assurance and reliability when they have extended their research in 1988 forming the basis of a scale called SERVQUAL ((Parasuraman, Zeithaml, & Berry, 1988)) with the respective meanings as given below:

1.  **Reliability:** The ability to perform the service dependably accurately.
2.  **Responsiveness:** The willingness to help customers and provide prompt service.
3.  **Assurance:** Employees' knowledge and courtesy and their ability to inspire trust and confidence.
4.  **Empathy :** Caring individualized attention given to customers
5.  **Tangibles:** The appearance of physical facilities, equipment, personnel, and written materials.

The SERVQUAL approach starts from the assumption that the level of service quality experienced by customers is critically determined by the gap between their expectations of the service and their perceptions of what they actually receive from a specific service provider. Later on, the original model is extended and seven major gaps have been identified in the service quality concept as shown in Figure 1. According to Brown and Bond (1995), "the gap model is one of the best received and most heuristically valuable contributions to the services literature". The model identifies seven key discrepancies or gaps relating to managerial perceptions of service quality, and tasks associated with

service delivery to customers. The first six gaps (Gap 1, Gap 2, Gap 3, Gap 4, Gap 6 and Gap 7) are identified as functions of the way in which service is delivered, whereas Gap 5 pertains to the customer and as such is considered to be the true measure of service quality. The Gap on which the SERVQUAL methodology has influence is Gap 5. The Gap model is shown below.
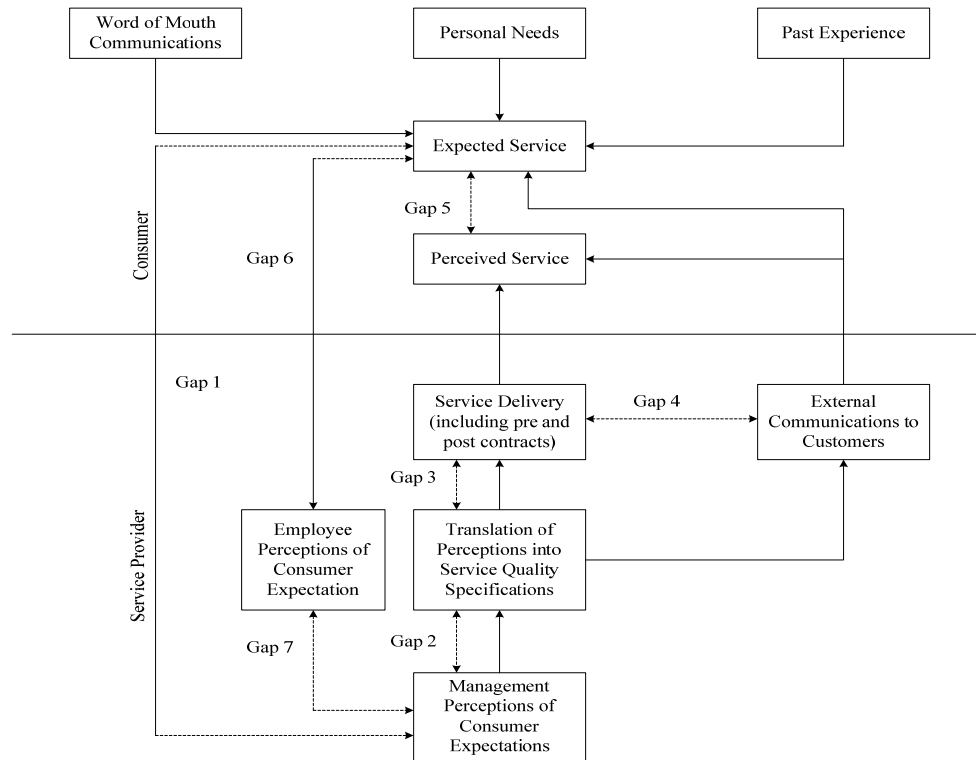


Figure 1:   Gaps Model of Service Quality Adapted from Parasuraman et al., 1985; Curry, 1999; Luk and Layton, 2002.

**Methodology of the Study**
The objective of this study is to evaluate the quality of financial services rendered by banks in Bangladesh.  The study is also conducted to identify and analyze the gaps between customers' expectations and perceptions towards financial services provided by banks in Bangladesh. To measure quality of services, SERVQUAL is a tested, widely recognized and used tool, and it is regarded as applicable to a number of industries, including the banking industry (Yavas, Bilgin, Shemuell, 1997). Thus, SERVQUAL has been used as a tool to evaluate the quality of services and find out the gap between customers' expectation and perception of financial services rendered by banks in Bangladesh.

**Population and Sample**

A particular bank namely Uttara Bank Limited (UBL), a pioneering private commercial bank in Bangladesh, has been considered in this study to measure the quality of financial services. To extend the coverage of the study, a total of 400 respondents from 8 different branches have been selected as sample through convenience sampling and these respondents were the receivers of various financial services like deposits or credits of the said bank. A total of 50 respondents have been selected from each branch and all these branches are located in Dhaka City. A structured questionnaire survey has been administered through a group of trained surveyors. Out of 400 respondents, a total of 381 questionnaires were filled up, collected and analyzed. In data processing, 19 questionnaires were rejected due to incomplete filling.

**Administration of Questionnaire**

The questionnaire developed by Parasuraman et al. (1988) were used in this study where the questionnaire consists of 22 statements in 5 different dimensions. The responses from respondents have been taken in a 7-point Likert Scale and gap has been measured by deducting perceptions from expectations [Expectation (E) - Perception (P)]. Proper care has been taken to the demographic profile of the users while collecting data with a view to getting unbiased result.

**Data Collection, Analysis and Findings**

To conduct the study, SERVQUAL model has been used and analyzed in detail with consequences. The questionnaire includes all of the 22 original statements of SERVQUAL model in 5 different dimensions with a 7-point scale to discover customers' expectations and perceptions. The difference between customers' expectations (E) and customers' perceptions (P) is the gap score which is then averaged (both weighted and un-weighted). To analyze data, simple descriptive statistics have been applied. The methodology of the study is illustrated below stage wise.

**Stage 1: Construction of SERVQUAL Instrument**

To collect data from respondents, development of SERVQUAL instrument is very much important. In this study, the researcher has used the original instrument designed by Parasuraman et al. (1988) which includes 22 statements in 5 dimensions.

To quantify customers' expectations and performance about services rendered by Uttara Bank Limited, respondents are advised to put a value between 1 and 7 against each statement twice; one for expectations and another for perceptions.

The difference between customer's perceptions and expectations is taken as the gap in delivering service for the various service dimensions viz: reliability, responsiveness, assurance, empathy and tangibles. Average service quality gap scores, i.e. the differences between the average expectation scores and perception scores are calculated for the five dimensions of quality which are shown in the following tables.

| Strongly Disagree | | | | | | Strongly Agree |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

**Table: 2    Reliability of Service Quality**

| | | RELIABILITY | | |
|---|---|---|---|---|
| NO | STATEMENTS | EXPECTATION | PERCEPTION | GAP (E - P) |
| 1 | When UBL promises to do something by a certain time, it does so. | 6.2 | 5.1 | 1.1 |
| 2 | When you have a problem, UBL shows a sincere interest in solving it. | 5.6 | 3.1 | 2.5 |
| 3. | UBL performs the service right the first time. | 6.1 | 3.2 | 2.9 |
| 4. | UBL provides its service at the time it promises to do so. | 6.5 | 4.4 | 2.1 |
| 5. | UBL insists on error free records | 6.9 | 4.2 | 2.7 |
| | | **31.3** | **20** | **11.3** |
| | Average Gap Score (Total of E-P/5) | | | 2.26 |

**Table: 3    Responsiveness of Service Quality**

| | | RESPONSIVENESS | | |
|---|---|---|---|---|
| NO | STATEMENTS | EXPECTATION | PERCEPTION | GAP (E - P) |
| 1 | UBL keeps customers informed about when services will be performed. | 6.4 | 3.9 | 2.5 |
| 2 | Employees in UBL give you prompt service | 5.5 | 3.4 | 2.1 |
| 3. | Employees in UBL bank are always willing to help you. | 6.6 | 4.2 | 2.4 |
| 4. | Employees in UBL are never too busy to respond to your request. | 6.1 | 3.1 | 3.0 |
| | | **24.6** | **14.6** | **10.0** |
| | Average Gap Score (Total of E-P/4) | | | 2.50 |

**Table: 4    Assurance of Service Quality**

| | | ASSURANCE | | |
|---|---|---|---|---|
| NO | STATEMENTS | EXPECTATION | PERCEPTION | GAP (E - P) |
| 1 | The behavior of employees in UBL bank instills confidence in you | 6.2 | 3.8 | 2.4 |
| 2 | You feel safe in your transactions with UBL. | 6.8 | 5.2 | 1.6 |
| 3. | Employees in UBL are consistently courteous with you. | 5.5 | 3.1 | 2.4 |
| 4. | Employees in UBL have the knowledge to answer your questions. | 6.7 | 4.2 | 2.5 |
| | | **25.2** | **16.3** | **8.9** |
| | Average Gap Score (Total of E-P/4) | | | 2.23 |

**Table: 5    Empathy of Service Quality**

| EMPATHY | | | | |
|---|---|---|---|---|
| NO | STATEMENTS | EXPECTATION | PERCEPTION | GAP (E - P) |
| 1 | UBL gives you individual attention. | 6.8 | 4.8 | 2 |
| 2 | UBL has employees who give you personal attention. | 6.3 | 3.6 | 2.7 |
| 3. | UBL has your best interests at heart. | 5.6 | 3.5 | 2.1 |
| 4 | The employees of UBL understand your specific needs. | 6.2 | 2.9 | 3.3 |
| 5. | UBL has operating hours that are convenient to all its customers. | 6.5 | 3.9 | 2.6 |
| | | **31.4** | **18.7** | **12.7** |
| | Average Gap Score (Total of E-P/5) | | | 2.54 |

**Table: 6    Tangibles of Service Quality**

| TANGIBLES | | | | |
|---|---|---|---|---|
| NO | STATEMENTS | EXPECTATION | PERCEPTION | GAP (E - P) |
| 1 | UBL  has modern-looking equipment | 6.1 | 5.1 | 1.0 |
| 2 | UBL's physical facilities are visually appealing | 6.7 | 4.2 | 2.5 |
| 3. | UBL's employees appear neat | 5.9 | 4.1 | 1.8 |
| 4 | Materials associated with the service are visually appealing at UBL. | 6.1 | 5.0 | 1.1 |
| | | **24.8** | **18.4** | **6.4** |
| | Average Gap Score (Total of E-P/4) | | | 1.6 |

**Stage 2: Calculation of Un-weighted Score**
Gap scores in five different dimensions of service quality have been calculated and averaged in stage 1 to show un-weighted average score which is summarized below:
Table: 7    Gap Scores in Different Dimensions of Service Quality

| DIMENSIONS | Gap Scores |
|---|---|
| 1. Reliability | 2.26 |
| 2. Responsiveness | 2.5 |
| 3. Assurance | 2.23 |
| 4. Empathy | 2.54 |
| 5. Tangibles | 1.6 |
| Total | 11.13 |
| Average (Total/5) Un-weighted Score | 2.226 |

Source: Author's Computations

**Stage 3: Weights Assigned**
This stage is an extension of SERVQUAL model and is required if weighted score is measured. Assigning weights on each of the five dimensions of SERVQUAL model is critical and tactful because the amount of weight indicates the relative significance of the dimensions to a customer. A separate page was enclosed with the questionnaire asking respondents to put relative weight on each dimension. The scores on each of the dimensions are totaled and averaged to normalize it. Total 100 points have been allocated among these five dimensions of the model which have been summarized below on the basis of respondents' point of view.

**Table: 8    Weights Assigned by Respondents on Different Dimensions of Service Quality**

| Dimensions | Points |
|---|---|
| 1. **Reliability:** The ability of UBL to perform the promised service dependably and accurately. | 25 |
| 2. **Responsiveness:** The willingness of UBL to help customers and provide prompt service | 22 |
| 3. **Assurance:** The knowledge and courtesy of the UBL's employees and their ability to convey trust and confidence. | 30 |
| 4. **Empathy:** The caring, individual attention given by UBL to its customers. | 11 |
| 5. **Tangibles:** The appearance of UBL's physical facilities, equipment, personnel, and communication materials. | 12 |
| **Total** | **100** |

**Stage 4: Calculation of Weighted Score**
Stage 2 and stage 3 illustrate weighted score on gap in service quality that comes through the following calculation:

**Table: 9    Gaps in Service Quality with Weights Assigned**

| Dimensions of Quality | Un-weighted Score (Stage 2) | × | Weights (Stage 3) | = | Weighted Score |
|---|---|---|---|---|---|
| Reliability | 2.26 | × | .25 | = | .565 |
| Responsiveness | 2.5 | × | .22 | = | .55 |
| Assurance | 2.23 | × | .30 | = | .669 |
| Empathy | 2.54 | × | .11 | = | .279 |
| Tangible | 1.6 | × | .12 | = | .192 |
| Total Weighted Score | | | | | 2.255 |

Source: Author's Computations

**Stage 5: Analysis and Discussions**

If we look at and analyze the scores in the different tables, we can easily identify the weak areas of the bank where it should give more attention. The gap scores in different dimensions indicate the extent of gap in service quality respectively. And, we can say that the larger the gap score, the more is the dissatisfaction among the customers about services rendered by the bank. All scores in different dimensions have been shown in the following table to get an overall picture of service quality.

**Table: 10    Gaps in Service Quality with Weighted and Un-weighted scores**

| Dimensions | Expectations (E) | Perceptions (P) | Total Gap Scores (E - P) | Average Gap Score | Weightings (W) | Weighted Score |
|---|---|---|---|---|---|---|
| Reliability | 31.3 | 20 | 11.3 | 2.26 | .25 | .565 |
| Responsiveness | 24.6 | 14.6 | 10 | 2.5 | .22 | .55 |
| Assurance | 25.2 | 16.3 | 8.9 | 2.23 | .30 | .669 |
| Empathy | 31.4 | 18.7 | 12.7 | 2.54 | .11 | .279 |
| Tangible | 24.8 | 18.4 | 6.4 | 1.6 | .12 | .192 |
| Total | | | | | | 2.255 |

Source: Author's Computations

In the table, it is observed that the dimension empathy has the highest average gap score (un-weighted) but after the adjustment with weights, the score becomes 0.279 which is no more the highest. So, the weight assigned by the respondents has significant implication to the bank. Individually, the customers are not very much happy with the bank in this category but they believe that it should have less weight at the time of calculating aggregated score i.e. overall perception toward services of the bank. From the above table it is also evident that, in weighted score, the dimension assurance gets the highest score i.e. highest priority. It indicates that this is the most important element of service quality from consumers' end and the performance of the bank in this category is not up to the mark. Thus, the bank should give more attention or take necessary measures to enhance quality of services in assurance, reliability, responsiveness, empathy and tangibles respectively.

This type of analysis and interpretation may be performed across the banks in the banking industry to have an idea regarding competitive position in terms of service quality of a specific bank in the industry or this analysis may also be performed within a bank over the periods to spot and analyze the weak areas for improvements. And, if the gap in service quality is reduced gradually, the service quality improves leading to more customer satisfaction.

**Conclusion**

In today's world of cut throat competition, service quality plays key role for the survival of a bank. And, superior service quality is widely acknowledged as a driver of perceived value, which, in turn, will enhance customer loyalty (Parasuraman and Grewal, 2000) and improve the provider's image, sales and profitability (Buzzell and Gale, 1987; Gummesson, 1993). Thus, the service provider should ensure superior service quality to

capture customer loyalty. The use of SERVQUAL model in banks is not rare. Here, it has been used in analyzing service quality of a private commercial bank in terms of various financial services provided by the bank to its clients to reflect services quality of financial services of private commercial banks in Bangladesh. This evaluation will be useful for management level personnel to identify the weak areas where immediate measures are needed from the bank. The present study reveals that the bank can not meet the expectations of customers in assurance, reliability, and responsiveness of service quality leading to dissatisfaction of the customers. So, the bank should take immediate measures to enhance the quality of services in these dimensions for its survival and growth.

## Limitations and Scope for Future Research
The study has been conducted only on a leading private commercial bank namely Uttara Bank Limited (UBL) with 08 branches only. And, the study was also confined to a particular location i.e. Dhaka City with a small sample of respondents chosen through convenience sampling. Thus, the findings should not be treated as representative of the whole industry or even of a single bank. The study also ought not to be generalized for both public and private commercial banks in Bangladesh. Considering the limitation mentioned here, a further study can be conducted on a larger number of branches with a larger sample size in multiple locations of Bangladesh to get an accurate picture of the quality of services.

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# Appendix

# Questionnaire on Services Quality

I hereby undertake that the information collected through this questionnaire will be kept confidential and will be used for research purpose only.

Mohammed Masum Iqbal
Researcher

**General Information**
Client Name: _____

**A. Please tick (√) the appropriate answer.**
i. Type of Account:    (a) Saving         (b) Salary              (c) Credit
ii. Gender:   (a) Male      (b) Female
iii. Marital Status:     (a) Single      (b) Married
iv. Age:  (a) Under 25 years    (b) 26 -35 years   (c) 36-45 years    (d) 45 years and above
v. Qualification:  (a) Undergraduate    (b) Graduate      (c) Post graduate
vi. Profession:  (a) Student   (b) Employee   (c) Business person   (d) Home maker

**B. Please tick (√) 7, 6, 5, 4, 3, 2, 1 against the appropriate box to show your agreement to the statements.**

| Strongly Disagree | | | | | Strongly Agree | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

| | RELIABILITY | Degree of Agreement for EXPECTATION | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | STATEMENTS | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | When UBL promises to do something by a certain time, it does so. | | | | | | | |
| 2 | When you have a problem, UBL shows a sincere interest in solving it. | | | | | | | |
| 3 | UBL performs the service right the first time. | | | | | | | |
| 4 | UBL provides its service at the time it promises to do so. | | | | | | | |
| 5 | UBL insists on error free records | | | | | | | |

| | RELIABILITY | Degree of Agreement for PERCEPTION | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | STATEMENTS | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | When UBL promises to do something by a certain time, it does so. | | | | | | | |
| 2 | When you have a problem, UBL shows a sincere interest in solving it. | | | | | | | |
| 3 | UBL performs the service right the first time. | | | | | | | |
| 4 | UBL provides its service at the time it promises to do so. | | | | | | | |
| 5 | UBL insists on error free records | | | | | | | |

| | RESPONSIVENESS | Degree of Agreement for EXPECTATION | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | STATEMENTS | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | UBL keeps customers informed about when services will be performed. | | | | | | | |
| 2 | Employees in UBL give you prompt service | | | | | | | |
| 3 | Employees in UBL bank are always willing to help you. | | | | | | | |
| 4 | Employees in UBL are never too busy to respond to your request. | | | | | | | |

| | RESPONSIVENESS | Degree of Agreement for PERCEPTION | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | STATEMENTS | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | UBL keeps customers informed about when services will be performed. | | | | | | | |
| 2 | Employees in UBL give you prompt service | | | | | | | |
| 3 | Employees in UBL bank are always willing to help you. | | | | | | | |
| 4 | Employees in UBL are never too busy to respond to your request. | | | | | | | |

| | ASSURANCE | Degree of Agreement for EXPECTATION | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | STATEMENTS | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | The behavior of employees in UBL bank instills confidence in you | | | | | | | |
| 2 | You feel safe in your transactions with UBL. | | | | | | | |
| 3 | Employees in UBL are consistently courteous with you. | | | | | | | |
| 4 | Employees in UBL have the knowledge to answer your questions. | | | | | | | |

| | ASSURANCE | Degree of Agreement for PERCEPTION | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | STATEMENTS | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | The behavior of employees in UBL bank instills confidence in you | | | | | | | |
| 2 | You feel safe in your transactions with UBL. | | | | | | | |
| 3 | Employees in UBL are consistently courteous with you. | | | | | | | |
| 4 | Employees in UBL have the knowledge to answer your questions. | | | | | | | |

| | EMPATHY | Degree of Agreement for EXPECTATION | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | STATEMENTS | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | UBL gives you individual attention. | | | | | | | |
| 2 | UBL has employees who give you personal attention. | | | | | | | |
| 3 | UBL has your best interests at heart. | | | | | | | |
| 4 | The employees of UBL understand your specific needs. | | | | | | | |
| 5 | UBL has operating hours that are convenient to all its customers. | | | | | | | |

| | EMPATHY | Degree of Agreement for PERCEPTION | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | STATEMENTS | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | UBL gives you individual attention. | | | | | | | |
| 2 | UBL has employees who give you personal attention. | | | | | | | |
| 3 | UBL has your best interests at heart. | | | | | | | |
| 4 | The employees of UBL understand your specific needs. | | | | | | | |
| 5 | UBL has operating hours that are convenient to all its customers. | | | | | | | |

| | TANGIBLES | Degree of Agreement for EXPECTATION | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | STATEMENTS | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | UBL  has modern-looking equipment | | | | | | | |
| 2 | UBL's physical facilities are visually appealing | | | | | | | |
| 3 | UBL's employees appear neat | | | | | | | |
| 4 | Materials associated with the service are visually appealing at UBL. | | | | | | | |

| | TANGIBLES | Degree of Agreement for PERCEPTION | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | STATEMENTS | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | UBL  has modern-looking equipment | | | | | | | |
| 2 | UBL's physical facilities are visually appealing | | | | | | | |
| 3 | UBL's employees appear neat | | | | | | | |
| 4 | Materials associated with the service are visually appealing at UBL. | | | | | | | |