



RETAIL BANK ATM'S SERVICE QUALITY AFFECTING CUSTOMER SATISFACTION: AN ATTEMPT TO DRAW THE ATTENTION



Dr. P. Balthandayutham *¹, Dr. R. Sritharan ²

*¹ Assistant Professor, Department of Business Administration, Government Arts and Science College Valparai, Tamil Nadu

² Associate Professor, Business Administration, Annamalai University, Tamil Nadu



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ABSTRACT

The study presented here is an attempt to draw the attention of bankers towards the factors that has an influence over the satisfaction of customers regarding the ATM services provided to them. The study made use of primary data which was collected through a questionnaire. The sample size of the study was 100 and the respondents were selected randomly from Chennai. Findings of the analysis show that most of the service quality have positive gap only eight service quality attributes have high expectation in retail bank service but the perception of service quality is very less. Hence it is concluded from the study that only eight attributes exhibit negative gap.

1. INTRODUCTION

The individuals get the facility of finance from retail banks. The main functions of retail banks are money management, credit and deposit. Retail banking is one of the major innovations of commercial banks. It is the concept through which the banks have direct dealings with the customers than through the corporate or any other banks. The main and core function of retail banking is offering credit to customers (Vidhya, K., Rajakumar, C, S., 2014, 2015, 2016). These banks offer credit to all types of concerns starting from small unite to large business and the amount also varies from small value to big. This banking also comprises of attracting deposits and products which are asset linked (Vethirajan. C 2016, 2017, 2018a, 2018b, 2018c, 2018d; Ramu, C., Vethirajan, C, 2019; Madavan, K., & Vethirajan, 2019 Madavan, K., & Vethirajan 2020).

The banking industry can grow in a fast pace with the help of technology. The technology of information and communication is the major innovation in technological field which has empowered the access, storage, process and dissemination of data electronically. One such facility offered to the customers by the banks id the provision of ATM service. The customers can avail of 24 hours cash delivery and account balance checking through ATMs.

Service quality (SQ) is a comparison between perceived expectations (E) and perceived performance (P) of a service, the equation for finding the service quality gap is $SQ=P-E$ (P Balathandayutham, R Sritharan, 2013, 2014; Rajakumar, C, S., Anandanatarajan, K.,2008,2019)

1.1. STATEMENT OF THE PROBLEM

As far as the ATM usage is concerned, several issues are faced by the customers while using it. Those issues include; lack of sufficient money in machines, charging money even when money is not apportioned, and card gets struck in the machines and so on.

1.2. NEED FOR THE STUDY

It has become necessary to examine the satisfaction level of customers regarding the various services offered by the ATMs to improve the service quality.

1.3. OBJECTIVE OF THE STUDY

The purpose of this paper was to investigate the ATM service quality gap.

2. REVIEW OF LITERATURE

Ranasinghe Arachchige et al., (2017) had investigated the effect of service quality of ATMs on the satisfaction of customers in Sri Lanka. Questionnaire was used to collect the primary data for the study. Data was collected from 30 banks. For checking the validity and reliability of the assessment items, factor analysis was employed in the study. The sample size of the study was 385. For exploring the factors affecting satisfaction, regression, t-test and ANOVA were performed. The satisfaction of customers was explored by frequency analysis. It was found from the study that there was a positive relation between customer satisfaction and the ATM service. Also the age and education of customer was found to moderate this relationship.

Adewusi, Aderogba (2012) the purpose of this study was to investigate the service level of Nigerian banks through their ATMs and also how they are perceived by their customers. Even though the banks of Nigeria had initially provided best services at ATMs, it had gradually started to decline over years to satisfy the customers at the ATM centres. a lot of complaints had been observed like lack of solving grievances at the machines, improper management of cards, ATMs with fault, network failure and so on. The authors had tried to focus on the duties of the banks to resolve the customer's problems to gain their continued patronage.

Yavas, Ugur & Bilgin Wührer, Zeynep & Shemwell, Donald. (1997). have conducted a study on Service quality in the banking service. Primary data was collected and analysis was carried out. The results reveals that relationships between service quality and customer satisfaction have positive relationship, complaint behaviour and commitment have significant relationship exist. Concludes that the effective service quality of bank has reflects that retention of satisfied customers. This study shows that less expectation and high perception gives positive gap.

3. RESEARCH METHODOLOGY

Primary data was used in the study which was collected through a questionnaire. The sample population consisted of 100 respondents from the private banks of Chennai. The respondents were selected randomly. The collected data was analyzed with the help of paired sample t-test. Service quality instrument was adopted from Parasuraman et al (1981)

4. ANALYSIS AND INTERPRETATION

Paired sample t-test.

Sl	Service Quality Attributes	Perc	Exp	Gap	t-test value	p-val
1	Update equipment	3.97	3.37	0.60	-5.016	0.000
2	Visually appealing	3.62	3.52	0.10	-0.866	0.388
3	Neat dressed	3.50	3.22	0.29	-2.762	0.007
4	Good appearance	3.84	3.62	0.23	-2.235	0.027
5	Service as promised	4.06	3.77	0.29	-2.178	0.031
6	Bank employee is kind and supportive	3.71	3.64	0.07	-0.675	0.501
7	Bank employee is dependable	3.74	3.57	0.17	-1.588	0.115
8	Promised time	3.99	2.21	1.78	-11.454	0.000
9	Records accurately	4.10	3.87	0.23	-1.858	0.066
10	Bank employee inform customers	3.28	2.17	1.11	-8.562	0.000
11	Do not provide prompt service	3.10	2.32	0.78	-5.695	0.000
12	Always to help customers	3.01	2.45	0.56	-4.718	0.000
13	Too ready to respond to customers	2.98	2.64	0.34	-3.308	0.001
14	Trust employees of the bank	3.67	3.57	0.10	-0.791	0.431
15	Feel safe in their transactions	3.58	3.75	-0.17	1.673	0.097
16	Employees are always polite	3.50	3.66	-0.16	1.429	0.156
17	Adequate help from their employer	3.68	3.74	-0.06	0.601	0.549
18	Give individual attention	2.98	2.29	0.70	-5.518	0.000
19	Give personal attention to their customers	3.00	2.33	0.67	-5.061	0.000
20	Aware of the needs of the customers	3.52	2.56	0.97	-5.154	0.000
21	Employees do extend true hearted customers	3.43	2.31	1.12	-6.372	0.000
22	Office hours convenient for the customers	3.28	2.48	0.80	-5.250	0.000

The response options were anchored on a five-point scale for each item of retail bank service. The mean score of each service quality factor was calculated in order to point out a measure of importance of each item as shown in Table. It was experiential that the mean perception rating was higher than the mean expected rating which yields a positive gap for all corresponding service quality attributes. These outcomes were expected because of high satisfaction in many service quality of retail bank. Such findings indicated that there were many factors that influence the satisfaction. The biggest gap of a value 1.78 was for service quality attribute 8. While the smallest gap of a value 0.07 was for service quality attribute 6.

Eight service quality attributes have high expectation in retail bank service but the perception of service quality is very less. Hence it is concluded from the study that only eight attributes exhibit negative gab.

5. CONCLUSION

The purpose of the study is to explore the dimensions of service quality of ATMs which contribute towards the satisfaction of customers. Suggestions are also given like sufficient cash balance in machines and quick redress of grievances by banks so as to assure the satisfaction of customers. The study assesses the aspects of ATM service by making an understanding of the perceptions of customers towards the service quality. Eight service quality attributes have high expectation in retail bank service but the perception of service quality is very less. Hence it is concluded from the study that only eight attributes exhibit negative gab.

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CONFLICT OF INTEREST

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