LITERATURE REVIEW

A study on public and private sector banks and their study shows that quality gap between expectations of consumers and perceptions of service delivered is highest in public sector banks and lowest in private sector banks (using gap 5). Another study found out that public sector banks are better than private sector banks. Other studies and their findings are given below

Joseph M. et al (1999)- The study investigates role of technology on Australian banking sector and 300 customers were surveyed. The findings suggested that except from convenience/accuracy and efficiency e banking services did not match with importance rating specified by customers.

Lassar, et al (2000)- The study compared two models, that is, SERVQUAL and technical/functional quality model of technology using 65 bank customers using SERPERF SCALE. The findings revealed that technical/functional quality model was better than SERVQUAL because latter was lacking technical dimensions. 2 models were having distinct and unique strength for measuring service quality aspects.

Bahia, K and J Nantel (2000)- The paper suggested an alternative scale for measuring service quality in retail banking. The study developed a scale called as Banking Service Quality Scale which contained factors like effectiveness and assurance, access, price, tangibles, service portfolio and reliability. This model was found to be more reliable than SERVQUAL.

Jamal, A., Naser, K., 2002- The study examined key drivers of customer satisfaction using 167 customers and it was found that core and relational performances had impact on customer satisfaction and there was negative relationship between customer expertise and customer satisfaction.

Sureshchandar et al(2002)- The study examined relationship between service quality and customer satisfaction in Indian banking sector. These were found to be independent but closely related. Both
constructs vary significantly in core services, human element, systematization of service delivery, tangibles and social responsibility.

**Gani A, Mushtaq Bhatt (2003)** - The study is conducted to do a comparative study of service quality of commercial banks and its dimensions in commercial banks. SERVQUAL is used and sample size was 800 customers. The study found out that CITI bank and Standard chartered bank are good in tangibility and in reliability also they are good. In responsiveness parameter Indian banks are inferior to foreign banks. In Assurance and empathy Indian banks are inferior.

**Navdeep Aggarwal and Mohit Gupta (2003)** - This study basically finds out the primary dimensions and sub dimensions of service quality. Informal structured interviews are conducted with branch managers and academicians to formulate a banking service quality model. The study found out that service time and personal interactions are very important along with ambience for service quality.

**Zhou, L (2004)** - The study analysed impact of service quality in banks on customer satisfaction in China’s retail banking and it was found out that reliability and assurance were the primary drivers of customer satisfaction. It was also found out that there were significant variations in expectations and perceptions in customers.

**Arora S (2005)** - This study analysed factors influencing customer satisfaction in public sector, private sector and foreign banks in northern India. 300 customers were given questionnaires which revealed that significant differences exist in customer satisfaction level of customers in each group of banks regarding routine operation and situational and interactive factors. Foreign banks were found to be the leaders in mechanization and automation.

**Debashis and Mishra (2005)** - The study analysed and measured customer satisfaction in branch services provided by nationalized banks in northern India. 1200 customers were given questionnaires and it was found out that computerization, accuracy in transactions, attitude of staff and availability of staff
influenced customer satisfaction. Least important factor was promotion of the products and various schemes.

**Mushtaq M Bhat (2005)**- This study finds out service quality parameters in bank through SERVQUAL and influence of demographic variables. The study was limited to SBI, PNB, Jammu and Kashmir bank, Citi bank, and Standard Chartered Grindlay’s bank. Sample size was 800 and study found out that foreign banks are better than Indian banks. SBI was found to be relatively poor on reliability and responsiveness. Banks in Delhi were comparatively better in service quality.

**Alka Sharma, Varsha Mehta (2005)**- The study focuses on service quality of four leading banks and their comparison.

**Joshua A J, V Moli, P. Koshi (2005)**- The study evaluated and compared service quality in old and new banks using sample size of 480. The study found out that customers were satisfied in reliability, empathy, and price and for other parameters the difference between expectations and perceptions were smaller than public sector banks.

**Mohammad et al. (2005)**- The study tries to develop a comprehensive model of banking automated service quality taking into consideration unique attributes of each delivery channel and other dimensions which influence service quality.

**Raul and Ahmed (2005)**- The study investigated customer service in public sector banks in 3 districts in Assam and it was found that customers were dissatisfied with the management, technology, and interactive factors along with high service charges. Communication gap was the root cause of poor service and service was different in rural and urban sectors.

**Sharma and Sharma (2006)**- The study analysed customer delight in urban consumer banking. The study found out that customers were satisfied with loan facilities, bank environment, routine work procedures, location, interest rates etc and were dissatisfied with loan formalities and promotion through media.
Dash et al (2007)- The study measured customer satisfaction through 5 service quality dimensions in Noida and Ghaziabad and findings revealed that assurance was the most important dimension of service quality followed by reliability and responsiveness. Tangibles was found to be least important

Sharma S, et al (2007)- The study did a comparison of public and private banks with respect to perceptions of customers regarding service quality. It was found out that service quality is associated with satisfaction and there was significant difference between quality of services provided by banks. Banks in smaller cities are far behind big cities in this regard

Tracey Dagger, Jillian Sweeney (2007)- The study consists of qualitative research to investigate the effect of consumption stage on service quality perceptions and then development of hypothesis. The findings indicate the evidence that customers rely more heavily on attributes that are search based in the initial stages of service experience and in later stages consumption becomes important

Dr. Vannirajan & B. Anbazagan (2007)- The study tries to make an assessment of SERVPERF scale in the Indian Retail banking sector by doing a survey in banks at Madhurai. The study found that in public sector banks tangibles and assurance are most important and in private sector banks reliability, responsiveness and tangibles are most important.

P K Gupta (2008)- Objective of this study was to find out the behavior of customers with respect to internet banking vis-à-vis conventional banking. The study found out that internet banking was found to be easier and speedier than conventional banking and trust, accuracy and confidentiality were the most important factors here.

Ellaine Wallce & Leslie De Cheratatony (2009)- Study finds out the importance of assurance and reliability, customer orientation teamwork etc in performance of. Also the study highlights criticality of branch & employee teamwork for performance. Continuous commitment and service recovery were also found important
Mohammed Siddique Khan, Siba Sankar Mahapatra (2009)- The study was to identify important parameters affecting service quality in internet banking. Factor analysis of the data collected finds 7 factors which included factors like reliability, access, user friendliness, privacy etc. Correlation analysis shows that a significant positive correlation exists between factors. Also it was found out that business class differs from other classes in perception.

Padhy P K and B N Swar (2009)- The paper investigated role of technology in banking and its impact on perceived service quality in public, private and foreign banks in Orissa using a sample size of 300 customers. Foreign bank was found to be very close to expectations of customers followed by ICICI and AXIS. Service quality in public sector banks was found to be very low.

Rod et al (2009)- The study focused on relationship between service quality, overall internet banking service quality and customer satisfaction in New Zealand. The study found out that online customer service quality and online information systems were significantly and positively related to overall customer internet banking service quality. Overall internet banking service quality and customer satisfaction were positively correlated.

Sandip Khosh Hazra, Dr. Kailash Srivatava (2010)- The study was done to find out the association between service quality, customer satisfaction, loyalty and commitment. SERVQUAL is used and the study finds out that in private banks dimensions of service quality, assurance and reliability are significant for satisfaction of customers, loyalty and commitment. The banks taken differed in these parameters.

Akiko Ueno (2010)- The paper talks about the importance of quality. The study finds out the features that are fundamental in supporting service quality. The secondary research finds out the human resource functions like recruitment, teamwork etc in maintain service quality.
Monica Bedi (2010) - The study investigates the relationship between service quality, customer satisfaction, and behavioral intentions. The findings also indicated the importance of service quality. The study also found out that banks differed in the service quality parameters.

Fulbag Singh, Davinder Kaur (2010-11) - The study combines all literature review done in service quality and related areas in banking till 2010. It contains the works of Cronin & Taylor, Bahia and Nantel and others on this area.

Dr. Ravichandran et al. (2010) - The paper analyses existing studies and tries to understand socio demographic and rational profile of public retail banking consumers. It also finds out the importance of service quality dimensions to predict the multidimensional model of behavioral intentions among public sector consumers in India. Loyalty was found to be influenced by operating hours, modern equipments, error free records etc. Service quality parameters like tangibility, responsiveness, and empathy dimensions were also found to be very important.

Davood Feiz et al. (2010) - The study uses hypothesis to find out service quality in Iran railways. It was found out that perceived service was found to be within zone of tolerance and service was satisfactory. The difference between ideal level and current level was significant. There was significant relationship between service adequacy variables and perceived value. The study in nutshell gives an image of service quality.

Sachin Mittal & Rajnish Jain (2010) - This paper is basically a literature review of the banking industry and effect of IT based services on customer satisfaction. The study highlights customer satisfaction levels among young customers in banking industry. A survey indicates the gaps between customer’s expectations and perception with respect to IT based banking services. Findings indicated need to improve the IT based services for enhancing customer satisfaction.
H. Emari et al (2011) - The main objective of this research was to determine the dimensions of service quality in the banking industry of Iran. For this, the study empirically examined the European perspective (i.e., Gronroos’s model) suggesting that service quality consists of three dimensions, technical, functional and image. The results from a banking service sample revealed that the overall service quality is identified more by a consumer’s perception of technical quality than functional quality.

Kumbhar, Vijay (2011) - It examined the relationship between the demographics and customers’ satisfaction in internet banking. It also found out the relationship between service quality and customers’ satisfaction as well as satisfaction in internet banking service provided by the public sector bank and private sector banks. The study found out that overall satisfaction of employees, businessmen and professionals are higher in internet banking service. Also, it was found that there is a significant difference in the customers’ perception in internet banking services provided by the public and private sector banks.

Kailash M (2012) - The paper compares public and private sector banks in Vijayawada city using SERVQUAL model. The findings revealed that private sector banks have good services to customers and they retained customers by providing better facilities. The study finds out importance of new products and services for banks for retaining customers.

The studies mentioned above clearly point out to the importance of having a structured study on this where banks in different categories are compared with respect to the service quality aspect which will help them to find out their core competencies and to capitalize on them and at the same time find out the areas where they can improve. This is the major aim of my thesis.