I. LITERATURE REVIEW

Several studies have been carried out by various researchers of India and abroad, to find out the various service quality factors that lead to customer satisfaction. There is a growing body of literature regarding the effect of quality service on the functioning and success of the banks. Jain and Gupta, 2004 stated that a very little is known about service quality perceptions in India, because research focus has primarily been on developed countries. Before the year 1975, services were not considered as part of the marketing field where marketing referred only to the efforts exerted by a firm to promote packaged goods. Since then, a drastic change occurred and the field of services marketing started to develop.

Many researchersemphasized that baking sector should develop and maintain long term relations with the customer and it can avoid many problems and improve firm’s performance, and also pay attention on theirrequirementsleads to service quality may result in customer retention.

Mishra et al., 2010 mentioned that after the nationalization of the 18 banks, competition was restricted and the banking sector was transformed from world financial markets.

Reeves and Bednar (1994), defined service quality as excellence, value, conformance to specifications and meeting or exceeding customers’ expectations.
Bitner et al., (1994) in their studies mentioned that Service quality is major determinant of customer satisfaction. Improved & good service quality in any sector will result in customer satisfaction.

Shahin and Janatyan (2011), define a service as “an activity or series of activities of more or less intangible in nature”.

Winsniewski (2001), said that service quality is a concept that has developed considerable interest and debate in many research literature as difficulties in both defining a measuring it with no overseas consensus emerging on either occurs. According to Palmer (2001), Customer service quality is an important mean of differentiate competence and often considered a secretive success factor in sustaining competitive advantage in service industries.

Sureshchandar et al., 2002; Buttle (1996) in their studies mentioned that the most major factor in any industry is to gain the sustainable competitive advantage and this can be attained by providing the best possible service quality which will result in improved customer satisfaction, customer retention, and profitability.

Heskett et al., (1997), emphasized that the success to customer retention and loyalty is customer satisfaction which majorly depends on the service quality provided by service providing firms.
Sudesh (2007) revealed that poor service quality in public sector banks is mainly because of deficiency in tangibility, lack of responsiveness and empathy.

Joshua A J and Moli. P. Koshi (2005) in their study on “Expectation and perception of service quality in old and new generation banks”, observed that the performance of the new generation banks across all the service quality dimensions are better than those of old generation banks.

Angur, Nataraajan and Jahera (1999) examined the SERVQUAL in the retail banking industry and reported a poor fit of the scale to the empirical data. In the SERVQUAL instrument, statements measure the performance across on fivefold dimension, using a five or seven point likert scale measuring both customer expectations and perceptions.

Rohini & Mahadevappa, (2006), SERVQUAL was applied in some hospitals in Bangalore region and the study has shown tremendous gap between the customer expectations and perception from the hospitals services.

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Van Iwaarden et al., (2003), mentioned that the SERVQUAL tool has been majorly used since long to measure consumers' perceptions and attitude of service quality in any sector. It has five folds generic dimensions or factors.

The SERVQUAL model of Parasuraman et., al (1991), proposed a five dimensional construct of perceived service quality-tangibles; reliability, responsiveness, assurance and empathy- with items reflecting both expectation and perceived performance.

1) Tangibles, which pertain to the physical facilities, equipment, personnel and communication materials;
2) Reliability, which refers to the ability to perform the promised services dependably and accuracy;
3) Responsiveness, which refers to the willingness of service providers to help customers and provide prompt service;
4) Assurance, which relates to the knowledge and courtesy of employees and their ability to convey trust and confidence;
5) Empathy, which refers to the provision of caring and individualized attention to customers;

Brysland and Curry, (2001), in their studies mentioned that besides the discussed weaknesses, a major significance of SERVQUAL is that it is a tried and tested instrument which can be used comparatively for benchmarking purposes in any service sector.
Kang et al., (2002), found that the major purpose of SERVQUAL model is to identify the gaps and these perspectives can also be applied to the employees of a firm and try to close the found major gaps in the service quality gaps model.

Vimi Jham and Khan (2008), implied that Indian banks should take care of the needs of customers when introducing various services to them. Their study revealed that customers of bank such as ICICI, IDBI, HDFC, PNB and SBI were either in service or self employed.

Levesque and McDougall (1996), in their quest for identifying the major determinants of customer satisfaction in retail banking, concluded that a good employee-customer relationship can enhance the customers’ satisfaction level.

Jamal and Naser (2003,) from their study found that reliability, communication, convenience and competitiveness are the critical factors in customer satisfaction in the case of banks in Pakistan, for all gender, age and income groups.

Fornell et al., (1996), found a strong and direct relationship between the customer satisfaction and service quality indicates the company’s success in maintaining customer complaints and turning those dissatisfied customers into loyal ones.

As per study of Krishnan et al, (1999), level of customer satisfaction is becoming the major target of all banks to increase the market share. More specifically, the cost of retaining existing customers by enhancing and innovative products and services that are perceived as being important is significantly lower than the cost of winning new customers.
Edvardsen et al. (1994), emphasized that, in their experiences and studies, that the initial point in developing and maintaining quality in services is very critical and requires measurement at every step.

Gaster (1995), opined, that due to the complexity of service nature, it is not only a matter of meeting the desired needs, but of identifying out unexpressed needs, setting priorities, allocating resources and publicly justifying and accounting for what has been done.

Anthanassopoulos, (2000), opined that losing customers not only destroys sales and further profitable opportunities but also impose a huge pressure on the enterprises to use all company resources to acquire new customers.

Sachdev et al, (2004), opined that in India many banks have introduced new customer friendly service like 24 x 7 - day and anywhere banking, internet banking, online payment services, mobile banking, extended business hours, ATM network, etc. In today’s competition in Indian banking industry, customers have to make a choice among various service providers by making a trade-off between relationships and economies, service and efficiency or trust and products, so on the basis of this entire things customer takes decision of having credit card.
According to Gronroos, C. (1988), Customer satisfaction is a personal feeling of either pleasure or disappointment resulting from the evaluation of services provided by an organization to an individual in relation to expectations.

Arasli et al., (2005) stated that reliability dimension of SERVQUAL has the Greatest impact on customer satisfaction in Greek Cypriot banking industry.

Mark Durkin (2004) uses decision making styles in the study of internet banking customers. He has considered the factors like face to face oriented, information searching oriented, convenience seeking oriented, brand oriented, technology oriented and speed of decision oriented etc.

Lewis and Booms, (1993), stated that in the service sector, balance between the customer expectations and service provided by the company are the main measurement for service quality and in this regard customer has to face the sales person or service provider directly which is usually called for face to face communication.

Cronin and Taylor, et.al. (1994), in their studies mentioned that Service quality is major determinant of customer satisfaction. Improved & good service quality in any sector will result in customer satisfaction.
Nancy Black et al (2004), explored the factors that may influence the selection and use of distribution channels in the financial services.

Serkan et al (2004), in their research on addition of internet banking among sophisticated consumer segments in an advanced developing country have focused on demographics, attitudinal and behavioral characteristics.

Mentzer, et al. (1993), in their studies said that it is viewed by the customers that the services provided by the private banks are better compared to public banks.

Levesque and McDougall (1996), comprehensively analyzed the effects of service quality, service features and customer complaint handling on customer satisfaction in the Canadian retail banking sector. Their findings suggest that satisfaction determinants in retail banking are driven by a number of factors including service quality dimensions.

Jabnoun and Al- Tamini (2003), examined perceived service quality in commercial banks in the United Arab Emirates, emphasizing the importance of service quality to maintain market share, concluding the customers value human skills the most in service quality.

Lehtinen and Lehtinen (1982), discussed three dimensions viz., physical quality, involving physical aspects; corporate quality, involving a service firm’s image and
reputation; and interactive quality, involving interactions between service personnel and customers.

Sudesh (2007), revealed that poor service quality in public sector banks is mainly because of deficiency in tangibility, lack of responsiveness and empathy. Private sector banks, on the other hand, were found to be more reformed in this regards.