

IMPACT OF SERVICE QUALITY ON CUSTOMER SATISFACTION IN PUBLIC AND PRIVATE SECTOR BANKS

L. Shebin,

(Part Time - Research Scholar - P4310), Centre for Tourism and Hotel Management, Madurai Kamaraj University, Madurai - 21

Dr. R. Kannan,

Professor, Centre for Tourism and Hotel Management, Madurai Kamaraj University, Madurai - 21

Abstract

Service Quality in banking sector is the most important criteria and asset for evaluating and satisfying customers and thereby increases the customer loyalty and increase retention rate of customers. Among the service quality determinants, reliability, assurance and empathy have always played a pivotal role. Prior research analysis that customer perceptions and expectations are more likely to be different across service sectors. Hence, this paper examines the effect of service quality determinants on the degree of customer satisfaction in public and private banks in India. By realizing the gap between the perceived and actual service quality, customer satisfaction can be extremely improved.

INTRODUCTION:

The services sector is the key driver of India's economic growth. The sector is estimated to contribute around 54.0 per cent of India's Gross Value

Added in 2017-18 and employed 28.6 per cent of the total population. India's net services exports during reached US\$ 57.60 billion April-December 2017.

Nikkei India Services Purchasing Managers Index grew from 47.80 in February 2018 to 50.30 in March 2018, supported by growth in the growth in Information & Communications and Finance & Insurance.

As per Ministry of Statistics and Programme Implementation's second advance estimates of National Income 2017-18, services sector GVA is expected to grow to US\$ 1,266.10 million in FY18.