

**A COMPARATIVE STUDY BETWEEN PEOPLES BANK AND
HATTON NATIONAL BANK IN THE AMPARA DISTRICT ON
CUSTOMER SATISFACTION OF SAVING HOLDERS**



ALAKAIYA VIJAYAKANTHAN

950.



Project Report
Library - BUSL

DEPARTMENT OF COMMERCE

FACULTY OF COMMERCE AND MANAGEMENT

EASTERN UNIVERSITY, SRI LANKA

2007

ABSTRACT

3

Customer satisfaction surveys are usually conducted by companies that provide some type of services to a group of customer, Banks are vitally interested in the opinion of their customer because long run profitability of the depends on heavily customer loyalty and retention of the customer which is depended on satisfaction of the customers.

The objective of this study was to determine the level of customer satisfaction of the saving holders of the Hatton National Bank and Peoples Bank. For this study, the conceptualization framework consists of Five Variable as Service Quality, Bank environment, Technology, Price, and Customer relationship.

Primary and Secondary data were used this research. The primary data were collected from the Administrated Closed-ended questionnaire. 150 respondents were randomly selected from both Banks as a sample in Ampara District, and the Questionnaires were issued to them to collect the data. The collected data were analyzed using the univariate analysis and used SPSS package. The data collected were presented in the form of tables and bar charts.

The overall research finding indicate that the customer were moderate satisfied with the services Hatton National Bank and Peoples Bank. The customer satisfaction was greater regarding the Product and customer relationship management of these two companies. But most of the customers dissatisfied with the Price of Hatton National Bank at the same time most of the Peoples Bank customers were dissatisfied with technology

Hence, several ways have been suggested as recommendations at the end of the research to further development of their services.

CONTENTS

	Page
Acknowledgement	i
Abstract	ii
Contents	iii
List of tables	viii
List of figures	ix
CHAPTER 1: INTRODUCTION	1-6
1.1. Background of the study	01
1.2. Some Aspects of HNB and People's Bank	04
1.3. Problem Statement	05
1.4. Research Question	05
1.5. Objectives of Study	06
1.6. Limitations of the research	06
1.7. Assumptions of Study	06
CHAPTER 2: LITERATURE REVIEW	7-28
2.0. Introduction	
2.1. Customer	07
2.2. Consumer Buying Behavior	09
2.2.1. Definition of Buying Behavior s	08
2.2.2. Stages of Consumer Buying Process	08

2.2.3. Types of Consumer Buying Behavior	10
2.2.4. Categories that Effect the Consumer Buying Decision Process	11
2.3. Customer Satisfaction	13
2.3.1. Measurement of customer Satisfaction	15
2.3.2. Major Issues in Customer Satisfaction Measurement	16
2.3.3. Possible Reasons for Measuring Customer Satisfaction	17
2.3.4. Satisfaction Measurement Program	17
2.4. Customer Expectation	18
2.4.1 Expectation gaps	19
2.5. Strategies for Assessing Customer Satisfaction	21
2.6. Nature and Characteristics of a Service	22
2.6.1. Customer Satisfaction in Services	24
2.6.2. Service Quality	25
2.6.3. Customer Relationship	27
CHAPTER 3: CONCEPTUALIZATION AND OPERATIONALIZATION	30-38
3.1. Introduction	30
3.2. Conceptual Framework	30
3.2.1. Service Quality	30
3.2.2. Bank Environment	31
3.2.3. Technology	31
3.2.4. Price	32
3.2.5. Customer Relationship	32
3.2.6. Service Quality and indicators	34
3.2.6.7. Bank Environment	34
3.2.8. Technology and Indicators	35
3.2.9. Price	35
2.2.10. Customer Relationship and Indicators	36
3.3. Operationalization	38

CHAPTER 4: METHODOLOGY 39-42

4.1. Introduction	39
4.2 Population and Sample Selection	39
4.2. 1. Sample Size	39
4.2.2 Sampling Method	40
4.2.3 Data and data collection	40
4.2.4 Data Presentation and Data Analysis	42
4.3 Summary of Methodology	42

CHAPTER 5: DATA PRESENTATION AND ANALYSIS 43-60

5.0. Introduction	43
5.1. Personal Information	43
5.1.1. Sex	43
5.1.2. Age	44
5.1.3. Occupation	45
5.1.4. Educational Qualification	46
5.1.5. Monthly Income	47
5.1.6. Amount of saving out of income per month	48
5.2. Research Information	49
5.2.1. Service Quality	50
5.2.2. Bank Environment	51
5.2.3. Technology	53
5.2.4. Price	55
5.2.5. Customer Relationship	57
5.2.6. Overall level of customer satisfaction	59

6.0. Introduction	61
6.1. Personal Information	61
6.1.1. Sex	61
6.1.2. Age	61
6.1.3. Occupation	61
6.1.4. Educational Qualification	62
6.1.5. Monthly Income	62
6.1.6. Amount of saving out of income per month	62
6.2. Research Information	63
6.2.1 Service Quality	63
6.2.1.1. Speed and Efficiency	63
6.2.1.2. Launching new accounts and Promotional Service	65
6.2.1.3. Accurate records	65
6.2.1.4. Service time	65
6.2.1.5. Comfortable Service	66
6.2.1.6. Saving motivational activities	66
6.2.1.7. Attractive Saving Book	66
6.2.1.8. Finishing Customer Needs	66
6.2.2. Bank Environment	68
6.2.2.1. Setup Of the Organization	68
6.2.2.2. Location of the Bank	68
6.2.2.3. Entertainment Facilities	69
6.2.2.4. Seating and other Facilities	69
6.2.3. Technology	69
6.2.3.1. Usage of modern technology	70
6.2.3.2. Internet Services among the Branches	70
6.2.3.3. Usage of ATM	71
6.2.3.4. The usefulness of computer in the banking process	71
6.2.4. Price	71
6.2.4.1. Interest for saving	72
6.2.4.2. Charges for the Service	72

6.2.4.3. Loan and other facilities	72
6.2.4.4. Improvement of Saving Amount	73
6.2.4.5. Minimum Level Deposit	73
6.2.5. Customer Relationship	73
6.2.5.1. Attractiveness staff	74
6.2.5.2. Respect to the Customer	74
6.2.5.3. Relationship between the staff Customers	74
6.2.5.4. Hospitality	75
6.2.5.5. Behavior of the banks staff when make complain	75
6.3. Conclusion	76
6.4. Recommendation	79

REFERENCES 82

APPENDICES I-IV

Appendix -01

I. Questionnaire