

**A COMPARATIVE STUDY BETWEEN STATE
BANKS AND PRIVATE BANKS ON CUSTOMER
SATISFACTION IN THE AMPARA DISTRICT**



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ABSTRACT

Satisfaction is the state felt by a person who has experienced a performance that has fulfilled his or her expectations. Thus the satisfaction is a function of relative levels of expectation and perceived performance.

Concerning the Banking industry, it is one of the most heavily regulated sectors all over the world. Banking sector, it has produced more clients and significantly contributed the economic development of these clients. Simultaneously clients also contribute their resources as investments and savings to these banking industries for its development. Therefore the banks have to consider the expectations of the clients that should satisfy the customers by their services.

There are many state banks in Ampara district, its activities have been interrupted by the newly opened private banks located in Ampara district but it is also true that the most of the customers of the states banks wish to close their accounts and opened accounts in private banks. The question is there any differences on the customer satisfaction between state and private banks in the Ampara district?

In order to measure the satisfaction level of the customers this study focused on the conceptual framework which includes the variables of Technology, Customer Relationship Management, Service environment, Price and Bank service delivery.

A sample of 100 customers was taken in to consideration from each of the bank and they were selected on the basis of random sampling process. Questionnaires were issued to each state and private banks customers selected from Ampara district for the purpose of evaluating how differentiation variables influence over customer satisfaction in banks.

Customer satisfaction in private banks indicated as high level and in state banks it results in moderate level. Poor advancements in the technological adaptations were one of the main reasons for this difference. There fore this research study recommends some remedial actions to the bank to upgrade the level of its customers' satisfaction.

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