**Measuring Service Quality**

**In Dutch Bangla Bank Limited**

****

**Submitted To**

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**Acknowledgment**

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I practically worked with my favorite faculty Md. Shariful Alam and in this report tried to share his understandings and feelings on the basis of my pursuit, from my own viewpoint. Then I shall be grateful to those persons who read this report and who shall get benefit from this report at present and future.

Finally, I would like to thank all the personnel who helped me to collect various required supportive from various sources to complete this report.

**Letter of Transmittal**

July 11, 2019

Md. Shariful Alam

Associate Professor

School of Business & Economics

United International University

Subject: **Submission of Thesis report on measuring service quality in DBBL.**

Dear Sir,

It is my honor to submit you the report titled “Measuring Service Quality in Dutch Bangla Bank Limited” which has been prepared as an integrated part of my BBA program’s course requirement. As an undergraduate it is very common that there may some error arise and some unprofessional things may be done by me in this report so each and every mistake needs your high consideration with sympathy and appreciation. Throughout the report I have described the service quality in DBBL and study the related matter elaborately.

I sincerely expect that you would be kind enough to accept my report for evaluation and oblige thereby.

Sincerely,

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**Executive Summary**

The study is about to measure service quality in one of the leading private banks in Bangladesh Dutch Bangla Bank Limited (DBBL). The study only concerns with the customers who have opened accounts in Dhaka city and receive services. The bank has been operating its services in this country for 22 years. The bank provides a lot of services through its large number of branches and other service-providing sectors. The study is conducting for the requirement of my BBA program as well as the practical experience of how to accomplish research with the real-life data. Even by this research customer satisfaction level can be identified, what is the actual service quality that DBBL provides to its customer can also be measured. To do the research SERVQUAL method is used. One hundred valid customers of DBBL in Dhaka city are treated as the sample of this study. Respondents are asked 22 questions separately with the expectations and perceptions basis. 7- Points Likert scale is used to mark each of the statement where 1 is strongly disagree and 7 is strongly agree. The questionnaire is send to each customer through gmail and social media. One by one hundred responses are collected then, analysis is done by using Excel and SERVQUAL technique. A customer satisfaction threshold benchmark is set to measure the perception level. All the five dimensions average perception scores exceeds the customer expectation level except three statements included in the questionnaire. Overall results are positive with the service quality of DBBL. Most of the statement exceeds the customer expectation level. There is a very little gap with the expectations one statement of tangibility and two statements of empathy scores a negative gap. The only recommendation is to reduce those three statements which fail to match the expectation level through their internal strategies and techniques.**Keywords**

DBBL, SERVQUAL, Expectations, Perceptions, Service Quality, Customer Satisfaction, Likert Scale, Tangibility, Reliability, Responsiveness, Assurance, Empathy

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# Chapter 01: Introduction

## Topic Introduction

Banking sector is one of the major parts of the economy of a country. For well performance of economy banking industries play vital role, that’s why continuous evaluation of the bank is very important. At the same time by knowing about customers’ expectations to the bank and presently experiences from the bank shows the satisfaction level by which a bank can move forward in future easily and it helps to make further strategies to provide better benefits to the valued customers. From lots of banking organizations Dutch Bangla Bank Limited is one of the leading private banks in Bangladesh. Even it is one of the popular and widely used banks in Bangladesh. All we know the evaluation process of banking services are little bit different from the manufacturing areas. The core product of a bank is providing the services. So, measuring service quality is really important for any kind of banks but the question is how to measure the service quality more accurately or reliably. By the evaluation banks even customers are able to know the overall situation of service quality. For that reason, my ultimate focus is going to the measurement of service quality in DBBL. And my topic is titled as **“Measuring Service Quality in Dutch Bangla Bank Limited.”**

## Concerned field of the Study

Banking industry in Bangladesh exhibit a medium level of elasticity attributable to improvement in key financial indicators in banking sector through maintaining solvency, soundness, efficiency and stability in the financial system. In this study the main thing is to obtain customer perceptions from the overall expectations to measure the service quality in Dutch Bangla Bank. The following paragraphs are shown to brief introduction of the organization with whom my research is being conducted.

### Company Background

As a first joint venture bank by M Sahabuddin Ahmed and a Dutch company FMO, DBBL starts its journey in Bangladesh in 1995. As because of socially conscious and unique approach DBBL won lots of international awards too. It was the first bank in Bangladesh to be fully automated. To undertake rapid automation and bring modern banking services into this field the E-Banking division was established in 2002. Nation’s largest ATM fleet is operated by DBBL and in the process drastically cut consumer costs by 80%. Choosing the low profitability rout in this sector DBBL surprised many critics. It pursued the mass automation in banking as a CSR activity. For that reason, most of the local banks have joined DBBL banking infrastructure instead of pursuing their own.

### Mission

DBBL engineers’ enterprise and creativity in business and industry with a commitment to social responsibility. “Profit-Alone” does not hold a central focus in the bank’s operation; because “mean does not live by brain and butter alone.”

### Vision

“To become a leading banking institution and play a vital role in the development of the country.” DBBL has a good dream of Bangladesh and makes all our lives alive on the basis of letters, sports and athletes, music and entertainment, science and education, health and hygiene, clean and pollution free environment, and morality and morality based society. The wonderful magic of cosmic and glorious living of creativity, which rests with the essence of the DVBL and the vivid life of living and the literature that contributes to human development.

### Objectives

Dutch Bangla Bank believes its outstanding commitment to fulfilling its customer's requirements and satisfaction and to be their first choice in banking. Due to his pool accepting couples from the respected clients, DBBL supports its user friend "your trusted partner" and prepares a new era of optimization banking.

* To establish relationship banking and improve service quality.
* To remain one of the best banks in Bangladesh in terms of probability and assets quality.
* To introduce fully automated systems through integration of information technology.
* To ensure an adequate rate of return on investment.
* To keep risk position at an acceptable range.

### Key Information

|  |  |  |
| --- | --- | --- |
| Year of establishment | : | 1996 |
| Authorized capital (MN) | : | 15000 |
| Paid up capital (MN) | : | 5000 |
| Customers | : | 2.675M |
| Number of employees | : | 1800 |
| Total number of branches | : | 184 |
| Total number of fast tracks | : | 947 |
| Total number of ATM booths | : | 4763 |
| Rocket merchants | : | 10146 |
| POS merchants | : | 7180 |

### Products and services offered by DBBL

|  |  |  |  |
| --- | --- | --- | --- |
| **Products and Services** | **Various Deposits** | **Loan and Advances** | **Banking through ATM** |
| 1. Retail Banking | 1. Savings Deposit Account | 1. Lease Finance | 1. DBBL NEXUS Debit card |
| 1. Remittance and Collection | 1. Current Deposit Account | 1. Other term Loan | 1. DBBL Maestro/Cirrus Debit card |
| 1. Import and Export handling and Financing | 1. Short-term Deposit Account | 1. FMO Local Currency Loan for SME | 1. DBBL Credit card |
| 1. Corporate Banking | 1. Resident Foreign Currency Deposit | 1. FMO Foreign Currency Loan |  |
| 1. Project Financing | 1. Foreign Currency Deposit | 1. Cash Credit (Hypothecation) |
| 1. Investment Banking | 1. Convertible Taka Account | 1. Small shop Financing Scheme |
| 1. Agriculture Loan |  |  |
| 1. Real time any branch Banking |
| 1. Internet Banking |
| 1. SMS Banking |
| 1. Online Banking |

### 

### Management Structure

## Rational of the study

The report is a descriptive study. More than 25 branches of Dhaka city have been able to handle the potential of the customers in the services of Dutch Bangla Bank. The research will help to describe the service quality of DBBL in Dhaka city. Customers of DBBL who have any type of account in this bank measuring the perceptions against the expectation of overall the banking services any bank should have. Some customers might have the loyal intensions and some have neglecting issues but the research is for all type of customers who are being served from the DBBL. The actual performance of this bank come out through this study and an individual can understand or see that the other customers thinking the same way for this bank or not.

## Background of the study

As a partial requirement of BBA program, I need to go for project report to gather knowledge of conducting a research and need to submit the report regarding the practical knowledge. This report is originated to complete BBA from United International University. This report will give an overall idea about the performance of service quality in Dutch Bangla Bank Limited in Dhaka city.

This research is expected by the customers and services related to perceived services. The research is mainly realized by the Dutch Bangla Bank customer. Most of the information questions have been collected through surveys and I have tried to try out the experience with excellent banking services. In this study, DBBL's various customer services were summarized.

## Limitations of the study

The major limitation of the study is the questionnaire size. As using SERVQUAL the questionnaire divided into two parts and each part has 22 questions and total 44 questions need to read and giving points is very forbearing task.

Then as my data collection process is from the online by sending mail and link through social media so participants might in risk for hacker intention that’s why they didn’t click on the link and didn’t response to the mail at the first time.

Rush hours and business was another reason that acts as an obstacle while gathering data.

The findings of the survey are based on customers’ response in Dhaka city only. So, the results may not reflect the same for other branches of DBBL outside Dhaka.

# Chapter 02: Objectives of the Study

## Broad objectives

Mensuration of the service quality in Dutch Bangla Bank Limited as well as the compulsory degree requirement of my BBA program from Bangladesh top ranked private university- “United International University” are the core objectives of this report.

## Specific objectives

* The level of client’s satisfaction from DBBL services that they provided. To know is it excellent or poor.
* The perception scores that is given by the client after receiving services from DBBL. It will help us to judge the quality of services.
* To know which type of services customer actually expect from an excellent bank and compare that expectation with the exact perceptions of customers.
* From the five dimension of SERVQUAL which dimension is most preferable for the customer and which dimension should improve in future the report is going to find that.
* Lacking in service quality from DBBL are coming out through this report.

# Chapter 03: Methodology of the Study

## Overview

|  |  |  |
| --- | --- | --- |
| Research Method | : | Online Survey |
| Research Instrument | : | Questionnaire through Google forms |
| Sample Size | : | 100 |
| Sample Unit | : | Individual |
| Sampling Technique | : | Convenience |
| Analytical tool | : | MS Excel |

## Data design

Data collection process is done from online survey. Creating a google forms through the SERVQUAL method questionnaire and sends the questionnaire to selective customers in DBBL who are in the Dhaka city only. More than 25 branch’s customers participate to fill up the questionnaire which is sending them through Gmail and social media. The questionnaire contains two different sections one is expectation part another one is perception part. Each of the part incudes twenty two questions and participants need to give point each of the statement with the 7 Point Likert Scale 1 to 7 where, 1 is strongly disagree and 7 is strongly agree. In the expectations section participants are asked to give point about their expectation of an excellent bank. At the same time in the second section they are asked to give a point about their perceptions after they receive services from Dutch Bangla Bank. Quantitative data are collected from the questionnaire and describe the results in qualitative format.

## Sample size

100 sample is fixing to conduct the research. Individual sample unit and the convenience sampling techniques are used for the study. 112 customers responds to the questionnaire but to find an acceptable result of this report 100 sample size is considered. All the responses are valid. Grab sampling is used because there are no other criteria to the sampling method except that people be available and willing to participate. This method is easy and cost effective.

## Analytical Tools

Only the MS Excel is used to conduct the research. No other statistical techniques not required for this study. As a SERVQUAL method all the calculation is done by the Excel. At first collecting the data from online then convert the google forms sheet into excel sheet format and find the average perceptions and expectations score. Each of the perceptions and expectations score’s gap score is calculated. After that the unweighted gap score is calculated for each dimension then the weighted gap score is calculated from the dimension weight.

# Chapter 04: Literature Review

## SERVQUAL

Customers do not perceive quality in an un-dimensional way but rather judge quality based on multiple factors relevant to the context. “The extent to discrepancy between customers’ expectation or desires and their perception” (Zeithaml, Parasuraman and Berry, 1990).

SERVQUAL is a multi-dimensional experiment tool blueprinted to take customer's anticipations and thoughts of service with five levels that are considered to represent service quality. The SERVQUAL Question was first published in 1985 by a team of academic researchers. After development of so many times nowadays 22 items and 5 dimensions were confirmed to use in SERVQUAL. These five dimensions are:

* Tangibility: Facilities of physical equipment, appearance of staff, etc.
* Reliability: Accurately and independently service performance ability.
* Responsiveness: Respond to customers’ need.
* Assurance: Inspire to confidence and trust in customers.
* Empathy: Caring to individual service is given.

## Customer Satisfaction

“Everyone knows what satisfaction is until asked to give a definition. Then it seems, nobody knows.” This quote from the late Richard Oliver offered his own point of view- “Satisfaction is the consumer’s fulfillment response; it is a judgment that a product or service feature, or the product or service itself provides a pleasurable level of consumption related fulfillment” (Roland T.Rust and Richard L. Oliver 1993).

Satisfaction Assessment of the customer's product or service on whether the product or service meets the customer's needs and expectations. Mismatch the needs and expectations is felt as a result of product or service dissatisfaction. Even to a feeling of the compliment of knowledge, the person's needs have been met, satisfaction may be co-related to other types which may be related to the context of service. Particularly when service experience takes place over time, satisfaction may be highly variable depending on which point in the experience cycle one is focusing on.

## Service quality

Efforts in defining service quality come from the goods sector. According to the prevailing Japanese philosophy, quality is zero defects doing it right the first time. Crossby (1979) defines service quality as conformance to requirements. Garvin (1983) measures quality by counting the incidents of internal failures and external failures. Knowledge about goods quality, however, is insufficient to understand service quality. Service quality can be related to possible service process, and service results. Service quality mainly denoted from the performance shown by any service organization. Service organizations main focus should go with the quality of the service they provided to their valued customers. Without focusing on the quality services profitability, customer loyalty and the related factors do not achieve the expected goal.

## Satisfaction versus Service quality

Service quality and customer satisfaction relation has received significant attention in scholastic composition. The results of most research studies indicate that service quality and customer satisfaction are indeed independent, but it is closely related (Bitner 1990). If the service quality is favorable to the customer then the satisfaction level become high and at the same time loyalty and profitability become increases. The overall growth of a service organization depends on the quality of services and the positive feedback from the customers. Customer satisfaction level can judge an organizations future potentials and customer satisfaction can be increase or decrease by the ups and down of service quality. Concentrating on the service quality can bring the positive outcome of an organization among the customers.

# Chapter 05: Findings and Analysis of the Study

## Customer Response Data

For each of the 22 statements 100 participants gave the points from the scale given 1 to 7. All of the responses collected through the Google forms and converted the Google sheet to Excel sheet and calculate the average score for each statement. Two different tables are listed below for the scores obtained from the respondents who were participated for the survey of service quality measurement in DBBL. First table is for SERVQUAL expectations score and second table is for SERVQUAL perceptions score:

Table 5.11 (SERVQUAL Expectations score)

|  |  |
| --- | --- |
| Statement | Score |
| 1. Excellent banking companies will have modern looking equipment. | 6.5 |
| 1. The physical facilities at excellent banks will be visually appealing. | 7 |
| 1. Employees at excellent banks will be neat in their appearance. | 6.5 |
| 1. Materials associated with the service (pamphlets or statements) will be visually appealing at an excellent bank. | 6.5 |
| 1. When excellent banks promise to do something by a certain time, they do. | 6.5 |
| 1. When a customer has a problem, excellent banks will show a sincere interest in solving it. | 6.5 |
| 1. Excellent banks will perform the service right the first time. | 6 |
| 1. Excellent banks will provide the service at the time they promise to do so. | 6.5 |
| 1. Excellent banks will insist on error free records. | 6.5 |
| 1. Employees of excellent banks will tell customers exactly when services will be performed. | 7 |
| 1. Employees of excellent banks will give prompt service to customers. | 6.5 |
| 1. Employees of excellent banks will always be willing to help customers. | 6.5 |
| 1. Employees of excellent banks will never be too busy to respond to customers' requests. | 5.5 |
| 1. The behaviour of employees in excellent banks will instil confidence in customers | 6.5 |
| 1. Customers of excellent banks will feel safe in transactions. | 6.5 |
| 1. Employees of excellent banks will be consistently courteous with customers. | 6 |
| 1. Employees of excellent banks will have the knowledge to answer customers' questions. | 6 |
| 1. Excellent banks will give customers individual attention. | 6 |
| 1. Excellent banks will have operating hours convenient to all their customers. | 6.5 |
| 1. Excellent banks will have employees who give customers personal service. | 4.5 |
| 1. Excellent banks will have their customers' best interest at heart. | 7 |
| 1. The employees of excellent banks will understand the specific needs of their customers. | 6 |

Table 5.12 (SERVQUAL Perceptions score)

|  |  |
| --- | --- |
| Statement | Score |
| 1. The bank has modern looking equipment. | 6.5 |
| 1. The bank's physical features are visually appealing. | 6.5 |
| 1. The bank's reception desk employees are neat appearing. | 6.5 |
| 1. Materials associated with the service (such as pamphlets or statements) are visually appealing at the bank. | 6.5 |
| 1. When the bank promises to do something by a certain time, it does so. | 6.5 |
| 1. When you have a problem, the bank shows a sincere interest in solving it. | 7 |
| 1. The bank performs the service right the first time. | 6.5 |
| 1. The bank provides its service at the time it promises to do so. | 7 |
| 1. The bank insists on error free records. | 7 |
| 1. Employees in the bank tell you exactly when the services will be performed. | 7 |
| 1. Employees in the bank give you prompt service. | 6.5 |
| 1. Employees in the bank are always willing to help you. | 7 |
| 1. Employees in the bank are never too busy to respond to your request. | 6 |
| 1. The behaviour of employees in the bank instils confidence in you. | 6.5 |
| 1. You feel safe in your transactions with the bank. | 6.5 |
| 1. Employees in the bank are consistently courteous with you. | 6.5 |
| 1. Employees in the bank have the knowledge to answer your questions. | 6 |
| 1. The bank gives you individual attention. | 6.5 |
| 1. The bank has operating hours convenient to all its customers. | 6 |
| 1. The bank has employees who give you personal attention. | 6 |
| 1. The bank has your best interests at heart. | 6.5 |
| 1. The employees of the bank understand your specific needs. | 7 |

## Data Analysis

### Unweighted average SERVQUAL scores

During assigning service quality in DBBL using the SERVQUAL instruments and at first obtained the score for each of the 22 expectation questions as well as obtained the core for each of the perception questions. After that calculating the gap score each of the statements, like (perception-expectation=gap score). Then obtain an average gap score for each dimension by assigned the gap scores for each of the statements, that constitute the dimension and dividing the sum by the number of statements of that dimension. Sum up the scores and divided by five to obtain the unweighted average score.

Table 5.21 (Calculation of SERVQUAL SCORES)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Dimension** | **Statement** | **Expectation Score** | **Perception Score** | **Gap Score**  **(P-E)** | **Average for Dimension** |
| **Tangibles** | 1 | 6.5 | 6.5 | 0 | -0.125 |
| 2 | 7 | 6.5 | -0.5 |
| 3 | 6.5 | 6.5 | 0 |
| 4 | 6.5 | 6.5 | 0 |
| **Reliability** | 5 | 6.5 | 6.5 | 0 | 0.4 |
| 6 | 6.5 | 7 | 0.5 |
| 7 | 6 | 6.5 | 0.5 |
| 8 | 6.5 | 7 | 0.5 |
| 9 | 6.5 | 7 | 0.5 |
| **Responsiveness** | 10 | 7 | 7 | 0 | 0.25 |
| 11 | 6.5 | 6.5 | 0 |
| 12 | 6.5 | 7 | 0.5 |
| 13 | 5.5 | 6 | 0.5 |
| **Assurance** | 14 | 6.5 | 6.5 | 0 | 0.125 |
| 15 | 6.5 | 6.5 | 0 |
| 16 | 6 | 6.5 | 0.5 |
| 17 | 6 | 6 | 0 |
| **Empathy** | 18 | 6 | 6.5 | 0.5 | 0.4 |
| 19 | 6.5 | 6 | -0.5 |
| 20 | 4.5 | 6 | 1.5 |
| 21 | 7 | 6.5 | -0.5 |
| 22 | 6 | 7 | 1 |
| **Unweighted Average SERVQUAL score:** | | | | | **0.21** |

From the table we found that the average gap score for tangible dimension is -0.125 from 4 statements. For reliability dimension the average gap score is 0.4 from the 5 statements. The responsiveness dimension’s average gap score is 0.25 from 4 statements. Fourth dimension which is assurance is scored 0.125 from 4 statements. The last dimension empathy’s average gap score found 0.4 from 5 statements. Finally, the unweighted average SERVQUAL score is 0.21 by the overall five dimensions.

### Dimension weight/ importance score

During the data collection process respondents were asked to give points each of the dimension from highest to low in which the dimension is most important to them and which one is less important to them. Only one requirement is there that the total point must match the number 100 that means the sum of all five dimension must equal with 100. The table listed below shows the points of importance weights:

Table 5.22 (SERVQUAL IMPORTANCE WEIGHTS)

|  |  |
| --- | --- |
| Features | Points |
| 1. The appearance of the bank’s physical facilities, equipment, personnel and communication materials. | 25 |
| 1. The bank's ability to perform the promised service dependably and accurately | 30 |
| 1. The banks willingness to help customers and provide prompt service. | 10 |
| 1. The knowledge and courtesy of the bank's employees and their ability to convey trust and confidence. | 20 |
| 1. The caring individual attention the bank provides its customers. | 15 |
| Total: | 100 |

The above table shows that the customers attach maximum importance to the bank's ability to perform the promised service dependably and accurately which means the reliability dimension of the customer service by the bank, followed by the tangibility dimension which means the appearance of the bank’s physical facilities, equipment, personnel and communication materials. Then come the assurance and empathy the knowledge and courtesy of the bank's employees and their ability to convey trust and confidence and the caring individual attention the bank provides its customers. Finally, the responsiveness dimension which means the banks willingness to help customers and provide prompt service is rated the last.

### Weighted gap scores

SERVQUAL weighted gap score is calculated from the unweighted average scores and importance weight scores. The table below shows the average weighted score of five SERVQUAL dimensions:

Table 5.23 (Calculation of WEIGHTED SERVQUAL SCORES)

|  |  |  |  |
| --- | --- | --- | --- |
| **SERVQUAL Dimension** | **Score from Table 5.21** | **Weighting from Table 5.22** | **Weighted Score** |
| **Tangibility** | -0.125 | 25 | -3.125 |
| **Reliability** | 0.4 | 30 | 12 |
| **Responsiveness** | 0.25 | 10 | 2.5 |
| **Assurance** | 0.125 | 20 | 2.5 |
| **Empathy** | 0.4 | 15 | 6 |
| **Average Weighted score:** | | | **3.975** |

Above table shows that multiplying (-0.125\*25) the tangibility dimension’s average weighted score found (-3.12). Then multiplying (0.4\*30) the average weighted reliability dimension score is found (12). Multiply (0.25\*10) the average weighted responsiveness score found (2.5). By the same process assurance and empathy dimension’s average weighted scores are found (2.5) and (6).

## Findings

### The Perception Threshold of Customer Service Satisfaction

In customer service assessment of Shahjalal Islami Bank Limited 80% perception threshold as the benchmark of customer satisfaction has justified by Azim (2008) when he was conducted a study on it on the argument put forth by Heskett, Sasser and Schlesinger (1997). Reference of that point present study assumes 80% perception threshold as the customer satisfaction benchmark.

In 7-point Likert-scale 80% perception threshold means a score of minimum 5.6 out of 7 for any dimension or sub category of the dimension. If the score comes less than 5.6, then it is treated as a not acceptable level of satisfaction. So, more than 5.6 score will be the acceptable score of customer satisfaction.

### SERVQUAL Results: (Tangibility Dimension)

From the 22 SERVQUAL statements first four statements belongs to tangibility dimension. Where the question- “bank has modern looking equipment” the average perception score is 6.5 and the gap is 0, “physical facilities visually appealing” score is 6.5 and here the gap is negative -0.5, “employees are neat in appearance” perception score is again 6.5 and the gap is 0, the last question asked to the respondents in tangibility dimension is “materials associated with services” in which the average perception score is again 6.5 and the gap is 0.

Table 5.31 (Tangibility dimension-SERVQUAL results)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| SL | Tangibility Dimension | Expectations | Perceptions | Gap Score | Remarks | Average Perceptions score |
| 1 | modern looking equipment | 6.5 | 6.5 | 0 | neither fails nor exceeds customer’s expectation | **6.5** |
| 2 | physical facilities visualize | 7 | 6.5 | -0.5 | fails to match customer’s expectation |
| 3 | employees are neat in appearance | 6.5 | 6.5 | 0 | neither fails nor exceeds customer’s expectation |
| 4 | materials associated with services | 6.5 | 6.5 | 0 | neither fails nor exceeds customer expectation |
| Average Unweighted Tangibility Gap Score (-0.125) | | | | | |
| Dimension Weight (25) | | | | | |
| Weighted Gap Score (-3.125) | | | | | |

That means the perception of customer neither exceeds nor fails in three sub categories only no. 2 sub category exceeds the expectation of customers. Here, the average SERVQUAL perception score for tangibility dimension is 6.5 which crossed the 80% benchmark which was 5.6. So, the customer perception score exceeds customer expectation.

**Figure: Unweighted and Weighted Gap Score (Tangibility dimension)**

The above chart shows that the average unweighted gap score for tangibility dimension is -0.125. When the dimension weight 25 factored in, the weighted gap score jumps in -0.125.

In first case the perception score is above 5.6 that means customer perception exceeds customer expectation, but in second case the survey results reveal that the customer perception fall below their expectations of the banks tangibility dimension.

### SERVQUAL Results: (Reliability Dimension)

Reliability dimension comprises of the question 5 to 9. Where the no. 5 question scores an average of 6.5 perception level and the gap between expectation and perception is 0. Question no. 6 scores 7 out of 7 and it exceeds from the expectation thus the gap is positive 0.5. Question no. 7 scores 6.5 and the gap is 0.5 again it exceeds customer expectations. Next question also scores more than expectations and the gap is 0.5 and perception score is 7. And the last question of reliability dimension the perception score is 7 out of 7 it also exceed customer expectation where the gap is 0.5.

Table 5.32 (Reliability dimension-SERVQUAL results)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| SL | Reliability Dimension | Expectations | Perceptions | Gap Score | Remarks | Average Perceptions score |
| 5 | when promises to do something and does so | 6.5 | 6.5 | 0 | neither fails nor exceeds customer’s expectation | **6.8** |
| 6 | sincere interest to solving problem | 6.5 | 7 | 0.5 | exceeds customer’s expectation |
| 7 | performs service right first time | 6 | 6.5 | 0.5 | exceeds customer’s expectation |
| 8 | provides service at the time promises to do so | 6.5 | 7 | 0.5 | exceeds customer’s expectation |
| 9 | error free records | 6.5 | 7 | 0.5 | exceeds customer’s expectation |
| Average Unweighted Reliability Gap Score (0.4) | | | | | |
| Dimension Weight (30) | | | | | |
| Weighted Gap Score (12) | | | | | |

That means the perception scores are exceeds in all the sub category of reliability dimension except the no. 5 sub category. Here the average SERVQUAL perception score is 6.8 which is much more than the 80% benchmark. So, the overall perception score for reliability dimension exceeds customer expectations.

**Figure: Unweighted and Weighted Gap Score (Reliability dimension)**

Above chart shows that the unweighted gap score is 0.4 which is positive and after the dimension weight 30 which the highest weight is observed in any dimension in this study trigger the weighted gap score into 12. So, in both cases perception score exceeds customer expectations.

### SERVQUAL Results: (Responsiveness Dimension)

Responsiveness dimension constructed from the question no. 10 to 13 which assess, firstly about to tell customers exactly when the service will be performed, here the perception score is 7 and expectation score is also 7 so there is no gap arise. Then the second question is about to give prompt service to the customer here, again the perception and expectation scores are level in 6.5 and there is no gap. After that the third question is about the employees are always willing to help customers, here the score exceeds customer expectations, the perception score is 7 and the gap is 0.5. The last question of responsiveness dimension is about employees never too busy to respond, here the expectation score is little bit lower 5.5 but perception score exceeds the expectation score which is 6 and the gap score is 0.5.

Table 5.33 (Responsiveness dimension-SERVQUAL results)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| SL | Responsiveness Dimension | Expectations | Perceptions | Gap Score | Remarks | Average Perceptions score |
| 10 | tell exactly when the service will perform | 7 | 7 | 0 | neither fails nor exceeds customer’s expectation | **6.625** |
| 11 | give prompt service | 6.5 | 6.5 | 0 | neither fails nor exceeds customer’s expectation |
| 12 | always willing to help | 6.5 | 7 | 0.5 | exceeds customer’s expectation |
| 13 | never too busy to respond | 5.5 | 6 | 0.5 | exceeds customer’s expectation |
| Average Unweighted Responsiveness Gap Score (0.25) | | | | | |
| Dimension Weight (10) | | | | | |
| Weighted Gap Score (2.5) | | | | | |

Question no 10 and 11 neither fails nor exceeds customer expectations but question no. 12 and 13 exceeds customer expectations. The average SERVQUAL perception score for responsiveness dimension is 6.625 which is more than 5.6 that is the benchmark for perception threshold.

**Figure: Unweighted and Weighted Gap Score (Responsiveness dimension)**

The chart shows that the average unweighted gap score is 0.25, when the dimension weight 10 factored in, then the weighted gap score become 2.5. After observing two cases it can be said that in both cases perception scores exceeds expectation scores.

### SERVQUAL Results: (Assurance Dimension)

Assurance dimension comprises of the question 14 to 17 in which the sub categories are about the behavior instils confidence of the customers, customers feel safe to transaction with the bank, employees are consistently courteous, and employees have enough knowledge to answer any type of question. From all these statements SERVQUAL results shows that the three questions have no gap between expectation and perception scores even the highest perception and expectation score is 6.5. Only the question no. 16 exceeds customer expectations and other three questions neither exceeds nor fails customer expectations.

Table 5.34 (Assurance dimension-SERVQUAL results)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| SL | Assurance Dimension | Expectations | Perceptions | Gap Score | Remarks | Average Perceptions score |
| 14 | behavior instils confidence | 6.5 | 6.5 | 0 | neither fails nor exceeds customer’s expectation | **6.375** |
| 15 | feel safe to transaction | 6.5 | 6.5 | 0 | neither fails nor exceeds customer’s expectation |
| 16 | employees are consistently courteous | 6 | 6.5 | 0.5 | exceeds customer’s expectation |
| 17 | have knowledge to answer question | 6 | 6 | 0 | neither fails nor exceeds customer’s expectation |
| Average Unweighted Assurance Gap Score (0.125) | | | | | |
| Dimension Weight (20) | | | | | |
| Weighted Gap Score (2.5) | | | | | |

The average SERVQUAL perception score for assurance dimension is 6.375 and it is above than the perception threshold benchmark. So, for first scenario customer satisfaction level is high.

**Figure: Unweighted and Weighted Gap Score (Assurance dimension)**

In the second scenario average unweighted gap score is 0.125 the dimension weight is 20 and the weighted gap score is 2.5. So, in both scenario perception score exceeds customer expectation scores.

### SERVQUAL Results: (Empathy Dimension)

Total 5 statements or questions comprises the empathy dimension from 18 to 22. Gives individual attention scores perception 6.5 and expectation 6 that means 0.5 is the gap. Operating hours are convenient to all in this question, perception score is 6 and expectation score is 6.5 here the negative gap can be seen -0.5. Gives personal attention to the customer here, the perception score is 6 and the expectation score is very low 4.5 and the gap is 1.5 it is the highest gap ever seen in overall five dimension in this study. Question- best interest at heart, perception score is 6.5 and expectation score is 7 here, the negative gap score is seen -0.5. Finally employees are understanding specific needs of customers, in this question the perception score is 7 which is more than expectation score that is 6 and the gap score is 1.

Table 5.35 (Empathy dimension-SERVQUAL results)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| SL | Empathy Dimension | Expectations | Perceptions | Gap Score | Remarks | Average Perceptions score |
| 18 | gives individual attention | 6 | 6.5 | 0.5 | exceeds customer’s expectation | **6.4** |
| 19 | operating hours convenient to all | 6.5 | 6 | -0.5 | fails to match customer’s expectation |
| 20 | gives personal attention | 4.5 | 6 | 1.5 | exceeds customer’s expectation |
| 21 | best interests at heart | 7 | 6.5 | -0.5 | fails to match customer’s expectation |
| 22 | understand specific needs | 6 | 7 | 1 | exceeds customer’s expectation |
| Average Unweighted Empathy Gap Score (0.4) | | | | | |
| Dimension Weight (15) | | | | | |
| Weighted Gap Score (6) | | | | | |

There is no level score between expectations and perceptions in this dimension. Three questions exceeds customer expectation and two question fails to match customer expectation. So, the overall remarks goes to perception scores are exceeds the expectation score.

**Figure: Unweighted and Weighted Gap Score (Empathy dimension)**

Empathy chart shows that the average unweighted gap score is 0.4 the dimension weight 15 factored in, and the weighted gap score comes 6. So in both cases customer satisfaction level is high as because the perception score exceeds customer expectation and the dimension weight trigger the weighted gap score.

## Discussion

Table 5.41 Average perception scores for five dimension

|  |  |  |
| --- | --- | --- |
| **Dimension** | **Maximum Possible Score** | **Average SERVQUAL Perceptions Score** |
| Tangibility | 7 | 6.5 |
| Reliability | 7 | 6.8 |
| Responsiveness | 7 | 6.625 |
| Assurance | 7 | 6.375 |
| Empathy | 7 | 6.4 |
| **80% Benchmark Score 5.6** | | |

The above table summarizes that all the dimension exceed the benchmark score and all of these are acceptable for customer satisfaction. The maximum possible score denoted that the 7 point Likert scale 1 to 7 where 7 means strongly agree with the statement. The highest score achieved by the reliability dimension and lowest average score achieved by the assurance dimension. But both the dimension crossed the benchmark line 5.6. So, the customer satisfaction level is good enough.

Table 5.42 Attention Area

|  |  |  |
| --- | --- | --- |
| SL | Action Area | Gap |
| 02 | **Tangibility**- physical facilities visually appealing | -0.5 |
| 19 | **Empathy**- operating hours convenient to all | -0.5 |
| 21 | **Empathy**- customers’ best interest at heart | -0.5 |

It is a good sign that any of the statement do not score negative under -0.5. There are two statements of empathy dimension which score negative gap score -0.5 and one tangibility dimension statement score -0.5. Except these three statements all other 19 statements don’t have any negative gap score. So only for these three statements need attention.

# Chapter 06: Conclusion and Recommendation

## Conclusion

The overall study explains that using the SERVQUAL tools for quality measurement in DBBL the five dimensions scores an acceptable score for customer satisfaction. That means customers usually satisfied by the service provided by DBBL to them. The service actually customers receive from this bank are exceeds the expectation and fulfilled the perceived value. Most of the banks cannot exceed the expectation level because customers’ expectation level always remain so high. To match that level a bank needs to provide their best service to the customer. For being one of the renounced banking organization in Bangladesh Dutch Bangla Bank are fulfilling customer satisfaction level with care and knowledge. This study mainly focuses on the service quality of the bank. By applying SERVQUAL one hundred participants participated on measuring the service quality and finally, the research result becomes positive to the DBBL. Customers are satisfied with the services which the bank actually produced for the clients. Five dimension includes twenty two statements except few statements all the statements positively react. Finally, the study reveals that the overall service quality of Dutch Bangla Bank is more than the benchmark threshold.

## Recommendation

There is no say after seeing the result of this study. All the findings positively go with the service quality of DBBL. Though the study is not conducted all over the country, a major portion is done by this study. In empathy dimension two statements have negative gap score but the gap is very low. Even one statement of tangibility dimension have also negative gap score but again the gap is very low. To overcome this negative gap the bank needs to pay attention to the physical facilities which are visually appealing when a customer enters into a branch or service center from where the bank provides their services. Then the operating hours should be convenient for all the customers and the bank should pay attention to their customer as each and every customer will have their best interest at heart. Moreover, the bank should concentrate on their internal strategies to keep this position for a long time among the continuous changes in economic condition and competitive market.

# Chapter 07: Appendix

## Questionnaire Sample

**Survey for Quality Measurement in Dutch Bangla Bank Limited (DBBL)**

This survey is required for my internship program from United International University.

The questionnaire below is in two sections. The first section asks you to rank all banks according to your expectations (i.e. what you expect all banks to provide).

The second section asks you to rank the Dutch Bangla Bank for the survey according to your experiences and perceptions.

You should rank each statement as follows:

Strongly Strongly

Disagree Agree

1 2 3 4 5 6 7

It will take time so be patient and carefully submit your responses.

* Required
* **Your Name \***
* **Deposit Branch \***

**Section: 01 (Expectations)**

This section of the survey deals with your opinions of banks. Please show the extent to which you think banks should possess the following features. What I'm interested in here is a number that best shows you expectations about institutions offering banking services.

1. Excellent banking companies will have modern looking equipment.

*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

2. The physical facilities at excellent banks will be visually appealing.

*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

3. Employees at excellent banks will be neat in their appearance. *Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

4. Materials associated with the service (pamphlets or statements) will be visually appealing at an excellent bank. *Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

5. When excellent banks promise to do something by a certain time, they do.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

6. When a customer has a problem, excellent banks will show a sincere interest in solving it.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

7. Excellent banks will perform the service right the first time.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

8. Excellent banks will provide the service at the time they promise to do so. *Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

9. Excellent banks will insist on error free records.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

10. Employees of excellent banks will tell customers exactly when services will be performed.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

11. Employees of excellent banks will give prompt service to customers.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

12. Employees of excellent banks will always be willing to help customers. *Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

13. Employees of excellent banks will never be too busy to respond to customers' requests.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

14. The behavior of employees in excellent banks will instill confidence in customers.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

15. Customers of excellent banks will feel safe in transactions. *Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

16. Employees of excellent banks will be consistently courteous with customers.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

17. Employees of excellent banks will have the knowledge to answer customers’ questions.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

18. Excellent banks will give customers individual attention.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

19. Excellent banks will have operating hours convenient to all their customers. *Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

20. Excellent banks will have employees who give customers personal service.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

21. Excellent banks will have their customers' best interest at heart.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

22. The employees of excellent banks will understand the specific needs of their customers.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

**Section: 02 (Perceptions)**

The following statements relate to your feelings about Dutch Bangla Bank Ltd. (DBBL). Please show the extent to which you believe this bank has the feature described in the statement. Here, I'm interested in a number from 1 to 7 that shows your perceptions about the bank.

1. The bank has modern looking equipment. *Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

2. The bank's physical features are visually appealing.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

3. The bank's reception desk employees are neat appearing. *Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

4. Materials associated with the service (such as pamphlets or statements) are visually appealing at the bank. *Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

5. When the bank promises to do something by a certain time, it does so. *Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

6. When you have a problem, the bank shows a sincere interest in solving it.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

7. The bank performs the service right the first time.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

8. The bank provides its service at the time it promises to do so. *Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

9. The bank insists on error free records.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

10. Employees in the bank tell you exactly when the services will be performed.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

11. Employees in the bank give you prompt service.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

12. Employees in the bank are always willing to help you.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

13. Employees in the bank are never too busy to respond to your request.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

14. The behavior of employees in the bank instill confidence in you.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

15. You feel safe in your transactions with the bank. *Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

16. Employees in the bank are consistently courteous with you. *Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

17. Employees in the bank have the knowledge to answer your questions.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

18. The bank gives you individual attention.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

19. The bank has operating hours convenient to all its customers. *Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

20. The bank has employees who give you personal attention.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

21. The bank has your best interests at heart.*Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

22. The employees of the bank understand your specific needs. *Mark only one oval.*

1 2 3 4 5 6 7

Strongly Disagree Strongly Agree

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