

## SERVICE QUALITY AND CUSTOMER SATISFATCTION IN CEC BANK

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**Abstract:** *Adopting the concept of marketing, as a basis for all the strategic and tactical decisions that are adopted in the management process and in the existence of the banking institution, would involve taking into account four elements: 1). Satisfaction of customer wishes. This is a vital aspect of the marketing concept without which the bank's financial objectives could not be met. 2). Return. Customer satisfaction cannot be achieved at any cost, and there must be a balance between customer satisfaction and earnings gains. 3). Employee involvement. All employees need to understand the importance of marketing and work in the spirit of the marketing concept. This can be done by meeting the needs of employees, and they need to become aware of the importance of cost control and maximization of revenue. 4). Social responsibility. The bank must be aware and sensitive to the community and the environment in which it operates. The banking institution has an extremely important role in society and, consequently, must have a responsible behaviour.*

**Keywords:** *Performance; satisfaction; quality; SERVQUAL; GAP.*

**JEL Classification:** *G21; M31.*

### 1. Introduction

The Bank has a flexible organizational and functional structure that allows it to be continually adapted to the ongoing financial needs of customers. It successfully meets the client's financial needs, namely:

- identifies new customer needs;
- remodeling products / services;
- creates new products / services;
- launches on the market the products and services required.

The importance of banking marketing activity lies precisely in the relationships that banks establish with their clients and their loyalty.

### 2. The importance of marketing for banking services

In order to establish and develop long-term marketing relationships with consumers, financial institutions develop services and delivery arrangements in such a way as to provide efficient and affordable services to consumers, while maintaining quality standards.

Marketing is important in ensuring the growth, development, dissemination, diversification or even survival of banking products and services and, implicitly,

banks and service providers. This process involves combining the efforts of marketing specialists, human resources, and organization management. The need to establish such relationships is due to the wishes of consumers, staff and the social and economic environment in a continuous change. Consumers, natural or legal, are in constant search for products and services, as good as possible with financial institutions, and at the same time of the best possible service quality. Companies realize that investing in long-term marketing relationships with customers is not an expense, but a long-term profit.

### **3. The analysis of satisfaction on banking services offered by CEC BANK**

The SERVQUAL method was developed by Parasuraman, Zeithaml and Barry in 1994-1995 based on the GAPS model of service quality.

SERVQUAL is a tool used to measure service quality, used to diagnose weaknesses and strengths for companies operating in the service industry. This tool is based on five dimensions of service quality: tangibility, trust, solicitude, safety and empathy. As a result of the experiments carried out, the three specialists concluded that the quality of a service influences many determinants.

In the original version, the authors identified 10 dimensions of service quality subsequently grouped on the basis of results from other experiments in five categories:

- Tangible elements (tangibles)
- Reliability
- Responsiveness
- Assurance
- Empathy (empathy)

For each dimension, the SERVQUAL authors have asked questions for the client by specifying his expectations from the requested service and the perceptions he has as a result of obtaining the service. In total, SERVQUAL comprises 22 questions that are tailored to the nature of the service being evaluated. Depending on the type of service evaluated and the experience of evaluators in the field covered by the service, the weights may have different values.

The SERVQUAL model was the first method developed and applied to the quality assessment services and has been the subject of a very large number of experiments reported in specialized publications.

It should be emphasized that all other methods have been developed starting from the conceptual SERVQUAL architecture.

Analyzing the average score of 5.8055 and expectations of 5.18 it can be seen that all five indicators obtained a score between 5.46 and 6.18 at perceptions and 4.82 and 5.90 to expectations, from which it can be deduced that the company has a higher level of quality of its services, as perceived by the executives questioned before and after they became customers of the CEC Bank.

It can be deduced that the company corresponds to the perceptions of its customers.

**Table 1.** Average score for SERVQUAL Dimensions

<b>Tangibles</b>			<b>0,4</b>
1. The bank owns modern design equipment	6,12	5,56	0,56
2. The bank is arranged in a welcoming way	6,00	5,68	0,32
3. Employees of the bank have a neat look	6,18	5,90	0,28
4. Promotional materials associated with the bank are attractive	5,46	5,02	0,44
<b>Reliability</b>			<b>0,612</b>
5. When the bank promises to do something in a certain time, it will do to solve it.	5,62	5,06	0,56
6. If a client has a problem, the bank has a sincere concern	5,86	4,94	0,92
7. The bank performs the requested service promptly	5,46	5,14	0,32
8. The bank provides the service at the promised time	5,74	5,04	0,7
9. The Bank works with maximum accuracy	5,6	5,04	0,56
<b>Responsivness</b>			<b>0,705</b>
10. Employees of the bank accurately inform customers of when the services will be performed.	5,96	4,94	1,02
11. Bank employees offer prompt customer service.	5,78	5,16	0,62
12. Employees of the bank are always willing to help customers.	6,14	5,56	0,58
13. Employees of the bank are never too busy to respond to customer requests.	5,88	5,28	0,6
<b>Assurance</b>			<b>0,68</b>
14. The behavior of bank employees inspires confidence in customers	5,76	5,30	0,46
15. Bank customers will feel secure in transactions	5,68	4,96	0,72
16. Employees of the bank are courteous to customers in any situation	5,88	5,44	0,44
17. Employees of the bank have the necessary knowledge to answer customer questions	5,92	4,82	1,1
<b>Empathy</b>			<b>0,712</b>
18. The Bank has the ability to offer individual customer support.	5,78	4,98	0,8
19. The Bank has a convenient program for all categories of clients.	5,94	5,14	0,8
20. The Bank through its employees gives special attention to each client.	5,58	5,04	0,54
21. The customer's interests are at the heart of the bank's attention.	5,76	5,00	0,76
22. Employees of the bank understand the specific needs of their clients.	5,62	4,96	0,66

Source: Processed by authors

By analysing the column of perceptions, the highest score was obtained in the well-groomed view of the employees, namely 1. The bank's employees have a neat look (6,18), followed by 12. Bank employees are always willing to help customers (6.14) within their receptivity, 1. The bank owns modern design equipment (6.12) within the same indicator. At the end of the list we find the lowest 3 points, namely 9. The Bank

works with the highest accuracy (5.6), also in the context of confidence, the Bank performs the requested service (5.46), within the trust, also within the trust, and 22. Employees of the bank understand the specific needs of their clients (5.2 - Empathy). As an average of perceptions on the indicators, the highest value is found on the visual image and the receptivity - 5.94, while the lowest average is found in the confidence - 5.65.

By studying the expectation column, the highest value is found in the visual image, namely 3. Bank employees have a neat look (5.90) followed by 1. The bank owns modern design equipment (5.56), also in the visual image frame, and 2. The bank is arranged in a welcoming way (5.62) within the visual image. The smallest values of the perceptions scores are found in 17. The bank's employees have the necessary knowledge to answer the questions of the clients (4.82), within the security, followed by 10. The bank's employees precisely inform the clients about the moment when the services offered will be performed (4.94 - responsiveness) and 6. If a client has a problem, the bank shows a sincere concern to resolve it (trust) with the same score of 4.94. As the average of CEC Bank's clients' expectations, the highest value is within the safety - 5.54, and the lowest in the empathy - 5.024.

GAP analysis succeeds in highlighting different aspects of society's services, a positive GAP is a favorable aspect of the analyzed society, as it can be inferred that there are more perceptions regarding the services offered by society than what is wait for it. Examining the data obtained from the applied questionnaires, it can be noticed that CECs are also presenting positive GAPs within: most of the values obtained have positive values, favorable for the firm, good sign for the firm

As an average of GAPs, it is noticed that the lowest value is found on the visual image indicator with a value of 0.4, followed by the rest of the indicators, which show positive and growing values.

As a result of the analysis of the sample, it is noticed that the main dimension is the security offered by the customer bank in 60%, followed by 24% confidence, the receptivity and empathy and the visual impression representing only a total of 16% of the total number of people questioned.

**Table 2.** The importance given to each dimension

Features	Percentage
1. Tangibles	12%
2. Reliability	44%
3. Responsiveness	16%
4. Assurance	20%
5. Empathy	8%

Source: Processed by authors

We can notice that the tangibles of the bank has a particular importance as a result of weighting GAPs, as it depends very much on the aspect of each employee and the environment in which the client meets the staff of the bank.

#### 4. Conclusion

Most of the respondents are between the ages of 18 and 25, accounting for 34% of the sample, most of whom work in the private sector and have monthly incomes between 800-1800 lei.

Most people 50% are advised with the family before calling the bank, and only 18% resort to the advice of a specialist, 2% are searching for the market.

CEC Bank is considered by its clients as a bank that understands the needs of the clients, but the highest score is found on the modern design of the bank and the promotional materials.

After analysing the questionnaires, we can deduce that the most used bank products are individual accounts, student, salary or pensions with 52%, followed by credit cards, with a percentage of 30%.

CEC Bank has problems regarding customer confidence, namely that the bank would perform the requested service promptly, even if there is not a significant difference between the expectations and perceptions of the clients, but the bank should take steps to strengthen the trust of the clients.

Security in the bank's transactions is an efficient one, and it is obvious that here too improvements could be made through better data protection for its customers.

If we take into account the environments on each dimension, it is still noticed that empathy is the strength of the bank.

At the same time, the questioned clients voiced their dissatisfaction with the Bank's work program.

The analysis of the GAP can highlight a multitude of aspects of the services offered by CEC Bank. A negative GAP highlights the unfavorable aspects of the bank's services and alerts the company. A positive GAP is a favorable aspect for the bank.

Thus, as a result of the analysis of the questionnaires, all the GAPs of the bank are positive, which is a favorable aspect for the bank. However, a higher GAP value shows the size that best suits and even exceeds customer expectations, namely empathy first, followed by receptivity. The smallest GAP is found in the visual image. We propose to the bank to take action with regard to GAPs, by improving and improving employees, and if necessary to hire new people so that they can accurately inform customers about when the service offered by the bank, to provide the services immediately and to pay more attention to each client.

CEC Bank should focus on promoting in rural areas, as this could increase the bank's level both in lending and in the provision of deposits. Also, a very effective promotion is the one from the online environment, as many of the respondents are studying the market themselves before reaching the bank, which is why it should put more emphasis on this segment of customers and develop online marketing policy.

Another recommendation for the bank would be the extension of the work program, even if all these would generate costs for the bank.

The study can be improved because it was done on a rather limited sample (390 respondents), a limited period of time, a lack of comparison with the results that could have been obtained for other banks, which could actually it surprises in a much wider way the level of the quality of the services offered on the banking market.

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