Service quality in commercial banks: a comparative analysis of selected banks in Bhubaneswar

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ABSTRACT

The conceptualization and measurement of service quality have been the most debated and controversial topics in the services marketing literature to date. Perceived Service quality may be defined as the evaluation by the customers towards the overall excellence or uniqueness of the service rendered. The main objectives of the paper is to study the actual level of service quality in the nine selected commercial banks in Bhubaneswar by analyzing their scores as against the various service quality dimensions and to make a comparative analysis of the degree of service quality across Public, Private and Foreign banking sector operating in Bhubaneswar. The study has revealed that the foreign banks operating in Bhubaneswar provide better service quality, as compared to private and public sector banks. Citibank, ICICI Bank and State Bank of India (SBI) were perceived to deliver better services in their respective banking sectors. The point to worry is that public sector banks which account for over three-fourth of banking business in the country have failed to adequately satisfy their customers. Their Cumulative Service Quality (SQ) Score of 49.94 was found to be much below the expected score of 54.0. On the other hand, there is a close competition between the private sector banks (SQ *of* 69.77) and foreign banks (SQ *of* 72.33) for gaining the largest market share by providing excellent service.

Introduction

Providing quality service for a commercial bank would mean the art of identification of customer's needs and excelling at them. Various committees have been appointed from time to time to study service quality in banks and to provide concrete recommendations. Previous research has identified a number of critical factors that effect service quality in financial services. High level of service quality is associated with several key organizational outcomes including high market share (Buzzell and Gale, 1987) , enhanced customer loyalty(Zeithaml, Berry and Parasuraman, 1996) and improved profitability relative to competitors (Kearns and Nadler, 1992). One of the measure of service quality is in terms of its perception by the service takers (customer), and this is utilized in this study with the use of Rust & Oliver (1994) Three Component Perceived Service Quality Model.

Service delivery and Customer delight is probably one of the most debatable issues gripping the banking industry in our country. Quality in financial services sector has gained paramount importance by the increasing marketing profile of bank branch operations over time. The thrust on efficient customer service has increased manifold with the onset of competition from private players and the initiation of banking reforms in India since early 1990's(Narsimham Committee). Service industries are playing an increasingly important role in the overall economy. (Bateson 1989; Gizberg and Vojta 1981; Koepp 1987). The Indian banking is an essential component of the service industry. The share of banking and insurance within the service industry has burgeoned from 2.78 % of GDP in 1980-81 to 6.27 % in 1997-98.[source: Economic Times , dated 13.09.2000]. Interest in the measurement of service quality is thus understandably high and the consistent delivery of superior service is the strategy that is increasing being offered as a key to

service providers (like banks) to position themselves more effectively in the market place.(Brown and Swartz 1989).

Service is an invisible offering which is dependent on and inseparable from the person who extends it. Services in Indian Banks are mostly branch- based in the public Sector banks, while the Foreign banks are making strides into full scale technology enabled banking (like Net Banking). Banking services constitute a hybrid type of offering that consists of both tangible goods (like loan schemes, interest rate paid, kinds of accounts) and the intangible services (like behavior and efficiency of the staff, speed of transactions, the ambience).

The conceptualisation and measurement of service quality have been the most debated and controversial topics in the services marketing literature to date. There is no generic definition of service quality and one can find quality defined as excellence (Garvin, 1984); value (Cronin and Taylor, 1992); Conformance to specifications (Garvin 1988) and meeting customers expectations (Parsuraman et.al. 1985; Gronoos, 1990). Service quality is an elusive and obstruct construct that is difficult to define and measure (Brown and Swartz 1989). Perceived Service quality may be defined as the evaluation by the customers towards the overall excellence or uniqueness of the service rendered. Providing quality service for a commercial bank would mean the art of identification of customers needs and excelling at them. One of the measure of service quality is in terms of its perception by the service takers (customer), and this is utilised in this study with the use of Rust & Oliver (1994) Three Component Perceived Service Quality Model(discussed later, Fig.1)

Objectives Of the Study

The main objectives of the paper are :

a. To throw light on Indian banking and some of the studies on quality of banking services in India.

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b. To present a conceptual overview of the Three-Component model of Service quality as suggested by Rust & Oliver.

c. To study the actual level of service quality in the 9 selected commercial banks in Bhubaneswar by analyzing their scores as against the various service quality dimensions.

d   To make a comparative analysis of the degree of service quality across Public, Private and Foreign banking sector studied

Indian Banking – an Overview

The Indian banking industry can be segregated into 3 distinct segments- Public sector banks (27 in number), Private banks and the Foreign Banks . Bank branches are service providers (Antreas p. 300). As on September 2001, there are 662125 branches/offices of schedule commercial banks, as against only 8187 at the time of nationalisation (December 1969). As per RBI statistics (1999),   there are 82 commercial banks operating in Bhubaneswar out of which 27 are in public sector , 31 in private sector and remaining 24 are foreign banks. As on March 2001, the total banks deposits in Bhubaneswar was Rs.1,05,382 crores as against Rs.9,50,705 crores in the all Indian scheduled commercial banks deposits. The number of accounts and the amount outstanding (as per sanction) in Bhubaneswar was 9,75,463 and Rs.54273 crores as on March 2000 [Source: RBI, Banking Statistics, Various issues].

Literature Review

Previous research has identified a number of critical factors that effect service quality in financial services . In Oslen (1992), the survey based report concludes with the three dimensions of service quality which are design quality (existence of available tangible and intangible infrastructure for proving the service); the production quality (the readiness and quality of the staff) and process quality (the ability of the staff to provide the service in a better fashion). In order to develop greater understanding of the nature of service quality and how it is achieved in an organisation, a service quality model was developed by RUST & OLIVER (1994) called The Three-Component Service Quality Model (discussed later), which is surveyed on few selected banks in Bhubaneswar. Rust and Oliver do not test their conceptualisations, but support has been found for similar models in retail banking(Mc Dougall and Levesque 1994). The study is primarily intended to measure the service quality across the three banking sectors – public, private and foreign and scope is limited to the 9 sample commercial banks in New Bhubaneswar.

Banking Services In India – Some Studies

Various committees have been appointed from time to time to study service quality in banks and to provide concrete recommendations. The Banking commission appointed Saraiya Committee in 1972 which provided 77 recommendations, followed by Talwar committee(1975) with 176 suggestions and Goipuria Committee (1980) which studied the causes of below-par customer service in banks and suggested 97 recommendations for improvement of work culture in Indian banking.

A nation wide survey on the 27 public sector bank's Customers Service conducted on 3rd January 1997 by IBA(Indian Banker's Association) provided useful findings .The western Region of our economy showed excellent results with 26 banks providing "A" rating (above 75 % quality & satisfaction) service followed by Southern and Northern region(which includes our field of study- BHUBANESWAR) with 22 and 21 banks in "A "category respectively . In terms of quality standards and customer satisfaction, the central region was lagging far behind with only 1 bank in "A" group and majority in "B" category (60-75 % satisfaction).[Source: IBA Bulletin ,

March 1997, Pg.125]   *("A" rating denotes above 75 % customer satisfaction , "B" and "C" Rating refer to   60-75% and below 60 % satisafaction , respectively)*

Similarly an All Indian Survey conducted by the National Institute of Bank Management (NIBM) covering 90,000 households and 10,000 institutions on behalf of IBA provided two eye-opening lacunas in Indian banking. Firstly, many customers respondents expressed dissatisfaction over the delays in collection of cheques and other instruments. Secondly, the banking sector has not effectively adopted any promotional strategy on the various schemes and products offered by the banks. A recent Study conducted by Sangeeta Aurora & Minakshi Malhotra(1997) concludes that *Routine operation factors* (like Cash withdrawal time, time in opening account ,etc) and *Staff factors (staff attitude , knowledge of staff* are the activities of highest satisfaction among customers of both public sector banks and Private sector banks , receptively. On the other hand, *Interactive factors* (banker-customers) and *Situational Factors* (Location of the bank) are least satisfying in public sector and private banks, respectively.

The Three-component Service Quality Model

As part of the study, we adopt Rust and Oliver's (1994) view that the overall perception of service quality is based on the customers evaluation of the three dimensions of the service encounter: (see Fig. 1).They are

a. *the customer-employee interaction*, called the *Functional Quality (FQ)* [see Gronroos 1982, 1984)This aspect refers to the service delivery of the staff to the bank customers.

b. *the service environment*, called the *Environment Quality (EQ)* [see Bitner, 1992].This refers to the tangible and intangible infra-structure that support better service delivery.

c. *the outcome (service product)* also called as *Technical Quality (TQ)* [see Gronroos 1982, 1984 and figure 2]. This measures the product quality offered and relates to the tangible benefits which directly effect the bank customers.

Figure 1. The Three Component Model
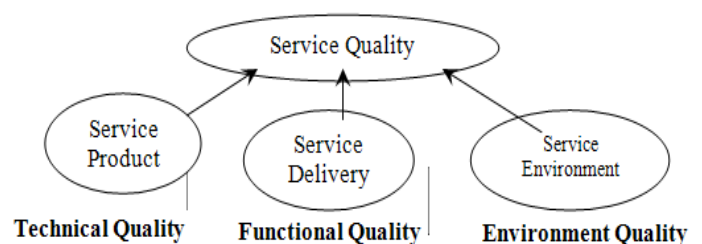
(Rust & Oliver 1994)

Figure 2. Gronross Model (1984)

Sample for the study

The sample consisted of 600 respondents who are customers of 9 different commercial banks in Bhubaneswar. 210 customers from public sector banks in Bhubaneswar, 210 from private bank and remaining 180 from foreign banks were contacted at the bank premises for survey purpose. Three banks from each category (public, private and foreign banks) were chosen that have wide geographical coverage in Bhubaneswar. The banks selected are:

State Bank of India(SBI), Punjab National Bank(PNB)
 & Canara Bank (CAN)
-(*Public Sector Banks*)

ICICI Bank , HDFC Bank & Axis Bank (Axis) - *(Private Banks*)

Citibank (CITI), HSBC & Standard Chartered (StanChart) - (*Foreign Banks)*

To make the study comprehensive and to provide generalizations, a minimum of two branches of each of the above 9 banks were visited. Table 1 gives the details of the sample selected. The study is based on non-probability, convenient sampling held during the period covering January 2014 to July 2014. The average age and banking tenure (number of years as customers of the bank) of the sample was 36 and 6 years respectively. 156 out of the 600 respondents were females.

✓ Total sample size – 600

✓ The figures in parenthesis show the number of bank customers chosen from each bank .

Measure of service Quality

For the purpose of determining the Service Quality Level, the study is based on Rust & Oliver's (1994) Three-component Model of SERVICE Quality. The Three components and the respective measurement dimensions (Statements & their No.) under each are listed below:

Technical quality　(Statement 1 to 5)

Functional Quality　(Statement 6 to 13)

Environment Quality　(Statement 14 to 18)

1. The bank offers a variety of attractive loan schemes which are easily sanctioned.
2. The service fee charged by the bank is quite nominal relative to other similar financial institutions.
3. The interest paid on saving and deposits is attractive enough to retain customer's loyalty.
4. The bank branch has adequate provision of locker facility.
5. The publication and advertisements about the bank and its products are high enough to adequately spread consumer awareness.
6. The customers does not have to wait for long while withdrawing money.
7. The time taken in opening an account (of any kind) is very less.
8.　The bank employees are always available at their respective counters.
9. The customers are always welcomed with a smile and made to feel as special.
10. The bank offers hassle-free, error-free　processing of all transactions to the utmost satisfaction of customers.
11. Whenever a customer is dissatisfied, the complaint is solved within 24 hours.
12. The bank staff is highly knowledgeable regarding bank services and are always ready to extend a helping hand.
13. The bank timings are highly convenient.
14. The bank branches are situated at prime locations, easily accessible to one and all and have wide network of ATMs.
15. The inside ambience and the layout of the bank is eye-catching, with adequate sitting facility.
16. The parking space outside the bank is large enough to avoid any discomfort
17. The extent of computerization in the bank's operations is very high.
18. The number of transaction processing terminals is large, which reduces waiting time.

Methodology

The study is based on primary data obtained through a well designed questionnaire. The questionnaire consisted of the 18 service quality statements – 5 each on Technical (TQ)and Environment(EQ) dimensions and 8 on functional quality(FQ) dimensions. The customers were required to mark their response for each statements on the Likert Scale (range 1 to 5) where "1" referred to "Mostly Disagree" and "5" meant "Mostly Agree". The total minimum score for a bank would be 18 [i.e., 18 statements x 1(minimum score)] and maximum would be 90 (18x5). The possible range of service quality therefore would be from 18 to 90.

The actual mean score for each bank against all the 18 service quality dimensions were calculated. (see Table 2). Successively, the average score for each service quality component (TQ, FQ, EQ) was arrived for each banking sector. Finally, the cumulative service quality score (SQ) for each sector (public, private and foreign) was computed and compared for further analysis. Symbolically, SQ = TQ + FQ + EQ. Table-3 gives the Service Quality (SQ) scores for each of the 3 banking sectors, and also the weighted average score for the 3 components across the 9 banks sampled.

Data Analysis and Findings

The analysis of service quality standards in the study can be done on two levels:

1. Studying the average score of each bank and their scores against each service quality parameter/ dimension . (Table-2)
2. Analyzing the weighted mean score for each of the 3 components of service quality for each banking sector. (Table 3).

Table-2 shows the actual Mean scores for each of the 9 banks as against the 18 service quality dimensions (statements). We analyze each individual bank and the respective banking sector on the Three component service quality model.

Public Sector Banks

As seen in Table-2, the State Bank of India(SBI) has moderate SQ score of 2.61, followed by CAN (2.53) and PNB (2.35). All the 3 banks have performed relatively better on product quality (Technical quality-TQ) dimension with score of 2.76, 3.05 and 2.8 for PNB, SBI and CAN respectively. The service delivery (functional quality-FQ) is far from satisfaction in public sector banks and the worst performer is PNB (1.93) with the lowest score on each dimension of functional quality. Environment Quality is not very satisfactory either.

Product Quality (Technical Quality)

As shown in Table 3, the mean score for public sector banks operating in Bhubaneswar is 14.35(TQ) that is below the expected score (15.0). While the customers are moderately satisfied with service fee charged by the public sector banks and "*Locker facility*", much needs improvement in "*Bank's advertisements and publications*". SBI is currently having its in-house journal- *SBI Monthly Review*. PNB has got least rating in 4 out of 5 technical dimensions and this will surely bother the bank in the long run. The "*interest paid on deposits*" is barely satisfying as evident from below average (<3.0) scores for each banks; but '*service fee charged*' has score above average (> 3.0) for the banks.

Service delivery (Functional Quality)

A pathetic below average score of 17.44 against the expected mean of 24.0 is quite revealing of the bad state of affairs in public sector banks. CANARA Bank (CAN) is still better with score of at least 2.0 on each dimension (except 1.8 on "*making customer feel special*"); but Punjab National Bank (PNB) has scored least (<2.0) in most of the quality standards regarding service delivery ."*Error free processing*" has managed to be rated above average (>3.0). The waiting time to open account or withdraw money is perceived to be very high, and the bank employees are sometimes not available at counters (1.8 for

PNB; 2.05 for SBI; 2.1 for CAN). The knowledge level of the staff and their helping tendency needs to be improved. (1.2 for PNB , 1.45 for SBI , 2.15 for CAN)

Service Environment (Environment Quality)

Table-3 show that public sector banks have below average score of 13.15 (<15.0) for Environment Quality. CAN is observed to be least performing on adequate parking space (2.0) , on the extent of measure computerization (3.5), location of bank branches (2.4) and number of processing terminals (2.4). SBI is perceived to have relatively wide network of branches at prime locations (2.9) and large number of transaction processing terminals (3.0). PNB has moderate ratings on each dimension with average 2.62 on Environment Quality.

Private Sector Banks

Table-3 shows that private banking is perceived to be conducting satisfactory business with above average score of 69.77 (>54.0) on the overall service quality scoring.

Technical Quality

With a cumulative score of 18.35, the private banks have performed better than public (14.35) and foreign banks (17.7) on this measure. ICICI Bank has garnered 3.99 score with above 4.0 score on three dimensions – interest paid (4.15), provision of locker facility (4.25) and bank's publication and advertisements (4.25). HDFC bank is closely inching towards ICICI with a minor lag in each dimension, averaging to 3.77. Axis Bank has failed on two dimensions (below average score) – i.e., attractive, easily available loan schemes (2.9) and locker facility (2.1)

Functional Quality

The service delivery is quite satisfactory with the actual mean score of 4.04 (table 3) with again ICICI bank (4.18) leading the other banks. Both ICICI and HDFC bank have managed to obtain above 4.0 score on each service delivery standard except for two – waiting time for withdrawing money (3.7 *for* ICICI; 3.6 *for* HDFC) and bank branch timings (3.9 *for* ICICI; 3.8 *for* HDFC). The bank staff is relatively superior on knowledge and are of helping tendency ; and the customer complaints, if any, are safely handled (above 4.0 score for each bank). The private banks have been successful in providing hassle free error free processing (above 4.5 for each bank). Axis Bank was perceived to take relatively longer time in (4.25) opening customer's account (3.7) and falling short of ICICI in terms of making customers feel specials (3.5) .

Environment Quality

On this measure, the private bank have a cumulative score of 19.1 (above the expected – 15.0).The wide networking and location of bank branches is not very satisfactory (3.9 *for* ICICI; 3.7 *for* HDFC; 3.1 *for* Axis). The banks have definitely improved their inside ambience and parking space, as compared to public sector banks. But table-3 shows that the foreign banks (Citibanks e.g.) have excelled on the above dimensions with score of above dimensions with score of above 4.0 . Owing to the metropolis demographic of Bhubaneswar, parking space may be a constraint but the interiors can definitely be improved. The computerization and number of processing terminals are perceived to be superior for ICICI and HDFC bank with score of above 4.0. Axis Bank needs to excel at bank layout and sitting facility (3.25) in near future.

Foreign Banks:

The foreign banking sector witnessed an overall cumulative SQ score of 72.33 (highest amongst the 3 banking sectors) with Citibank leading the lot by average overall mean score of 4.29, followed by HSBC (3.91) and Standard Chartered Bank (3.85)

Technical Quality

Citibank was the leading provider of superior product quality (avg. of 4.20) with the best scores (across all banks , see table 2) against each of the five technical quality standards. HSBC was perceived to offer a moderate quality (3.26) with the average score hovering above 3.0 for all dimensions except "facility of Locker" (2.50). Standard Chartered Bank had the same story with locker facility obtaining least score (2.1) across all banks sampled. Availability of easy loans schemes, service fees charges and interest paid in foreign banks were rated comparable with private sector banking.

Functional Quality

Unlike technical quality, the service delivery component in foreign banking is quite satisfactory with cumulative score of 34.48, and individual bank score of above 4.0 (average) for each foreign bank sampled (4.46 *for* ICICI ; 4.27 *for* HSBC ; 4.20 *for* Standard Chatered Bank). The highest scores was obtained by Citibank on 6 out of 8 service delivery standards. Unlike the public sector bank, the customers in foreign banks are relatively welcomed with a smile and made to feel special (4.55 *for* ICICI Bank). Standard Chartered Bank was perceived to take relatively (with ICICI, HSBC) longer time in opening account (3.95). Customer complaint is handled well as evidenced from above 4.0 score in all three banks. The point to note is that, unlike other sectors foreign banks employee staff have good knowledge base and have helping attitude (4.50 *for* ICICI) and are responsible enough to be available at counters most of the time (4.55 *for* ICICI)

Environment quality

The foreign banks in Bhubaneswar are perceived to provide service environment with cumulative score of 20.15 (see table-3). HSBC is perceived to provide highest quality (among all 9 banks) with respect to *"inside ambience and sitting facility"* (4.2). Citibank has above 4.0 rating on all service environment dimension and leads all bank in terms of its wide network of branches & ATMs situated at prime locations (4.2). The degree of computerisation is on par with the private banks studied. The inside ambience of bank branch and the sitting facility is definitely better than private sector banks operating in Bhubaneswar and Citibank has above 4.0 rating on all service environment dimensions and leads all banks in terms of its *wide network of bank branches and ATMs, situated at prime location* in Bhubaneswar(4.2). The degree of computerisation is on par with the private banks studied. The inside ambience of bank branches of bank branch and the sitting facility is definitely better than private and public sector banks(see Table –2) . Both HSBC and Standard Chartered Bank has comparable ratings with Citibank except on two parameters, i.e., *"parking space"* and *"the number of processing terminals".*On both these factors, Citibank scores above 4,0 while HSBC rate below 4.0.

In the overall Analysis, the foreign banks in Bhubaneswar are perceived to deliver superior service Quality, totalling to cumulative SQ score of 72.3 with Citibank being the best with average SQ of 4.29. Private banking comes second (69.77) although they are perceived relatively better on technical quality dimension (18.35) ; but the difference is not large. Public sector banking in Bhubaneswar was perceived to deliver lowest service quality (44.94) , far below the expected score of 54.0 (see Table-3) . Punjab National Bank has performed miserably on the service delivery front (FQ). Table-3 shows that private banks have excelled in technical quality (18.35), while foreign banks have topped in both functional (34.48) and environment quality(20.15).

Table 1. Sample Distribution

Public sector bank	SBI (70)	Canara Bank (70)	Punjab National Bank (70)
Private Sector Banks	ICICI Bank(70)	HDFC Bank (70)	Axis bank (70)
Foreign Bank	Citibank (60)	HSBC (65)	StanChart (65)

Table 2. Nature of Service Quality in The Indian Banks

St.#No.	Public Sector Banks			Private Sector Banks			Foreign Banks		
	PNB	SBI	CAN	ICICI	HDFC	AXIS	CITI	HSBC	STAN
01	2.35*	2.70	2.5	3.9	3.7	2.9	4.1 ♫	3.7	3.85
02	3.1*	3.3	3.4	3.2	3.15	3.4	3.5 ♫	3.4	3.45
03	2.9*	2.95	2.90	4.15	4.2	4.25	4.4 ♫	3.5	3.4
04	3.3	3.55	2.75*	4.25	3.7	2.1	4.45 ♫	2.5	2.1
05	2.15*	2.75	2.45	4.45	4.1	3.7	4.55♫	43.2	3.1
TQ	2.76	3.05	2.8	3.99	3.77	3.27	4.2	3.26	3.18
06	2.1*	2.3	2.4	3.7	3.6	3.5	4.2	4.15	4.25 ♫
07	1.9*	2.15	2.25	4.25	4.2	3.9	4.4 ♫	4.35	3.95
08	1.8*	2.05	2.1	4.25	4.35	3.75	4.55 ♫	4.2	4.1
09	1.5*	1.6	1.8	4.25	4.1	3.5	4.55 ♫	4.25	4.20
10	3.1*	3.4	3.7	4.7	4.8	4.7	4.85	4.9 ♫	4.45
11	1.4*	2.3	2.1	4.2	4.1	3.2	4.45 ♫	4.25	4.15
12	1.2*	1.45	2.15	4.25	4.25	4.0	4.5 ♫	4.4	4.45
13	2.5*	2.6	2.7	3.9	3.8	3.9	4.2	4.25 ♫	4.1
FQ	1.93	2.23	2.40	4.18	4.15	3.8	4.46	4.27	4.20
14	2.7	2.9	2.4*	3.9	3.7	3.1	4.2 ♫	4.0	3.9
15	1.75*	2.05	2.15	3.95	3.5	3.4	4.1	4.2 ♫	4.0
16	2.25	2.2	2.0*	3.95	3.8	3.25	4.1 ♫	3.9	3.55
17	3.9	3.8	3.5*	4.4 ♫	4.2	3.9	4.3	3.7	4.45
18	2.5	3.0	2.4*	4.2 ♫	4.1	3.95	4.0	4.15	3.9
EQ	2.62	2.79	2.49	4.08	3.86	3.52	4.14	3.99	3.96
SQ	2.35	2.61	2.53	4.09	3.96	3.57	4.29	3.91	3.85

St.No- Statement Number (See- Measures of Service Quality)

TQ-Technical quality ; FQ- Functional Quality ; EQ –Environment Quality ; SQ- Service Quality ; ∗ - Lowest Score ; ♫- Highest Score

Table 3. Service Quality in Indian Banks- The Overall Picture

Quality Dimension	No. of Items	Expected Mean Score	Actual Score			Weighted Average
			Public Banks	Private Banks	Foreign Banks	
TQ	5	15	14.35	18.35	17.7	16.68
FQ	8	24	17.44	32.32	34.48	27.28
EQ	5	15	13.15	19.1	20.15	17.13
SQ	18	54	44.94	69.77	72.33	61.13

Concluding Remarks

The study has revealed that the foreign banks operating in Bhubaneswar provide better service quality, as compared to private and public sector banks. Citibank, ICICI Bank and State Bank of India (SBI) were perceived to deliver better services in their respective banking sectors. The point to worry is that public sector banks which account for over three-fourth of banking business in the country have failed to adequately satisfy their customers. Their Cumulative SQ Score (49.94) is much below the expected score of 54.0. On the other hand, there is a close competition between the private sector banks (SQ *of* 69.77) and foreign banks (SQ *of* 72.33) for gaining the largest market share by providing excellent service. A more in-depth , comprehensive study on a larger sample can provide generalized conclusions.

Our study achieves three important objectives. First, it consolidates multiple service quality conceptualization into a single measuring framework. Secondly, it probes into the customer's perceptions of service quality in Bhubaneswar, the country's Capital City. Thirdly, the study has measured service quality in banks under three established components (TQ, FQ, EQ) of Service .These advances and analysis are particularly significant because a high level of service quality is associated with several key organizational outcomes including high market share (Buzzell and Gale , 1987) , enhanced customer loyalty(Zeithaml, Berry and Parasuraman, 1996) and improved profitability relative to competitors (Kearns and Nadler, 1992).

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