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**The Impact of Service Quality
Dimensions on Customer Satisfaction
Case study of B.E.A BENI SAF**

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Dedication:

It has been 17 years of studying, 17 years of peacefulness and struggle, happiness and sadness. Firstly, I would like to praise Allah for all the blessings I had, had and will have in my life.

This work is dedicated to my dear parents and amazing brothers, thanks for your support, for your love and patience.

I would like to thank my true friend, the one who stayed till the end, who never judged me or made me feel like a stranger.

My friend Nouhaila Razi

I would like to thank Bangtan Sonyeondan for showing me that I have a reason to love myself and that I deserve the world, my source of happiness and strength.

Last but not least I would like to thank the strongest person I ever knew. I want to thank ME
For hard work; commitment and existence.

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Before going into the details of this dissertation, I would like to thank all the people who have helped me in one way or another to complete this work.

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Table of Content

<i>Dedications</i>	<i>II</i>
<i>Acknowledgements</i>	<i>III</i>
<i>Table of Content</i>	<i>IV</i>
<i>List of Tables</i>	<i>V</i>
<i>List of Figures</i>	<i>VI</i>
<i>Abbreviations</i>	<i>VII</i>
<i>General Introduction</i>	<i>1</i>
<i>Chapter One: Theoretical Background of Service Quality</i>	<i>9</i>
<i>Section One: Service Quality</i>	<i>10</i>
<i>Section Two: Service Quality Measurements</i>	<i>23</i>
<i>Section Three: Service Quality in the Banking Sector</i>	<i>29</i>
<i>Chapter Two: An Overview of Customer Satisfaction</i>	<i>35</i>
<i>Section One: Customer Satisfaction Definitions</i>	<i>36</i>
<i>Section Two: Customer Satisfaction Measurements</i>	<i>45</i>
<i>Section Three: Customer Satisfaction and Service Quality</i>	<i>52</i>
<i>Chapter Three: The Empirical Study of the External Bank of Algeria</i>	<i>57</i>
<i>Section One: Presentation of the External Bank of Algeria</i>	<i>58</i>
<i>Section Two: Research Methodology</i>	<i>60</i>
<i>Section Three: Data Analysis and Interpretations</i>	<i>61</i>
<i>General Conclusion</i>	<i>73</i>
<i>References</i>	<i>76</i>
<i>Appendix</i>	
<i>Abstract</i>	

List of Tables

<i>Table</i>	<i>Title</i>	<i>Page</i>
<i>Table 1</i>	Some Definitions of Quality (Campbell et al., 2002; Chandrupatla, 2009)	19
<i>Table 2</i>	Definitions of Service Quality	20
<i>Table 3</i>	Service Quality Dimensions	22
<i>Table 4</i>	Servqual Dimensions	24
<i>Table 5</i>	Definitions of Customer Satisfaction (Yi, 1991)	43
<i>Table 6</i>	The Score Gap Between Expectations and Perceptions	63
<i>Table7</i>	T Test Results	68

List of Figures

<i>Figure</i>	<i>Title</i>	<i>Page</i>
Figure 1	The Flower of Service: Core product Surrounded By A Cluster of Supplementary Services.	14
Figure2	Service Quality Model	26
Figure 3	The Nordic Model By Grönroos (1984)	29
Figure 4	The Servuction Model	39
Figure 5	Variant of Satisfaction	41
Figure 6	The Expectancy Disconfirmation Model of Satisfaction.	44
Figure 7	An Overview of The CSM process.	45
Figure 8	Expectation Disconfirmation Model	47
Figure 9	Kano Model of Customer Satisfaction.	49
Figure 10	Customer Satisfaction Score (CSAT)	50
Figure 11	CES Survey	50
Figure 12	NPS Survey	51
Figure 13	The Relation between Customer Satisfaction and Service Quality.	53
Figure 14	The Factors Affecting Customer Satisfaction	54
Figure 15	Logo of BEA	59
Figure 16	Research Variable	60
Figure 17	Demographic Profile (Gender) Done by SPSS Version 26	62
Figure 18	Demographic Profile (Age) Done by SPSS Version 26	62
Figure 19	Demographic Profile (Duration of Use) Done by SPSS Version 26	63
Figure 20	the gap score between expectations and perceptions	67

Abbreviations

RATER: Reliability, Assurance, Tangible, Empathy, Responsiveness.

B.E.A: External Bank of Algeria

CSM: Customer Satisfaction Measurements

CSAT: Customer Satisfaction.

CES: Customer Effort Score.

NPS: Net Promoter Score

SPSS: Statistical Package for Social Sciences

General Introduction

General introduction

A service is a: ‘willing and/or ready to help you’ attitude by the employees of an organization. It is attributed to employees' behavior that is why it is called ‘service quality’. The particular reason for this is that the employees themselves are the producers of the service where the outcome of this process will influence favorably or unfavorably customers’ attitude known as ‘customer satisfaction’.

Service quality and Customer satisfaction are the main components of each organization's system; they determine its competitiveness in the market. The intent to manage customer’s relationships has led organizations to focus on the development and implementation of service standards. As a consequence, service-based companies such as banks are compelled to provide high quality service to their customers in order to have sustainable competitive advantage, especially under the current trend of trade liberalization and globalization. The high patronage of the service depends on the customer's satisfaction with the service. Sales growth is directly related to customer satisfaction.

A study given by Parasuraman et al. (1988) is a pioneer in the field of service quality research. The SERVQUAL study proposed a model to measure service quality using five different dimensions, namely, tangibility, reliability, responsiveness, assurance and empathy. It's considered to be one of most widely used instruments in measuring service quality and detecting what dimension is affecting customer’s satisfaction.

✓ **Research Questions:**

1. What are the service quality dimensions and how do they affect customer satisfaction?
2. How can the relative importance of the service quality dimensions be described in relation with the satisfaction?

✓ **The Study Problem:**

The problem of the study is to identify the impact of banking service’s quality on customer satisfaction, as banks provide multiple services in an environment characterized by change and instability, the reason why banks have to measure the quality of services provided is to maintain their competitive position through the adoption of appropriate methodology to measure services’ quality as well as the adoption of the appropriate model.

Based on these thoughts we proposed the following study problem:

“Do service quality dimensions have a significant impact on customer satisfaction in the External Bank of Algeria BENI SAF’s agency?”

✓ **The Study Hypothesis:**

H0: service quality dimensions have no significant impact on customer satisfaction the External Bank of Algeria BENI SAF’s agency.

General introduction

H1: service quality dimensions have a significant impact on customer satisfaction at the External Bank of Algeria BENI SAF's agency.

✓ **Objectives of The Study:**

The study seeks to achieve the following objectives:

1. Identify the impact of banking services' quality dimensions on customer's satisfaction level.
2. Identify the dimensions of the service quality measurement instruments.
3. To determine customer's perceived service quality.
4. To find out the quality gap between expectations and perceptions.

✓ **The Importance of The Study:**

The importance of the study can be resumed in the following considerations:

1. The importance of the study can be seen through its addressing's level of customer satisfaction with the quality of services provided.
2. The need to adopt a measurement tool to help in understanding the quality of banking services.
3. This study extracts its importance from the environmental variables where the banks need to conduct continuous studies on its situations to increase the quality of services provided.

✓ **Methodology:**

The study has two main parts: the first includes two chapters which represents a theoretical overview of service quality and customer satisfaction, while the second is about empirical study process and results discussion whereby the data has been collected using a structured SERVQUAL questionnaire with a standard 22 item twice, this survey was developed by Parasuraman et al.(1988); it was used to measure the service quality levels offered by the bank in order to know what RATER dimensions influence customers satisfaction , the results was analyzed using SPSS version 26.

✓ **The Study Structure:**

In order to reach our predetermined goals we structured the content of our dissertation as the following:

- Chapter One: The first chapter in this dissertation introduces the theoretical background of service quality concept. Where it will be followed by a discussion that will help readers to understand the insight of service quality meaning. We are also

General introduction

going to present the SERVQUAL model as one of the main tools to measure service quality as well as other known service quality instruments.

- Chapter Two: In this chapter we will introduce the concepts and the measurements of customer satisfaction, and analyze the relationship between service quality and customer satisfaction.
- Chapter Three: Third chapter which is going to be about a study case. This part will present a detailed idea about how the research was conducted including, research model, sample plan, questionnaire structure, data collection, and results discussion.

✓ Previous Studies:

Here is the literature review of the studies we made in order to establish this research:

1. **(Vencataya Lomendra,Pudaruth Sharmila,Juwaheer Roubina TD,Dipral Ganess,Sumodhee Nabeelah Meh Zabeen 2019)** study entitled “assessing the impact of service quality dimensions on customer satisfaction in commercial banks of Mauritius” , the study explored the impact of servqual dimensions namely reliability , assurance, empathy , responsiveness, tangible assets on customers satisfaction .where a sample of 200 customer randomly selected , they used SPSS 22 version and regression analysis in order to interpret the results . The study found that the 5 dimensions had a positive significant influence on customer’s satisfaction.
2. **(Yogesh U Gaikwad, Hema P Gwalani 2019)** study entitled “assessment of service quality in public sector banks in Nashik city with reference to servqual model “ the study aimed to examine the service quality perceptions of customers in public sector of Nashik city The sample size of this study is 150 bank customers, including 95 men and 45 women. The survey was distributed exclusively to all interviewees of six public sector banks in Nasik City. Findings indicated that there are gaps between expectations and perceptions among customers which mean a lack in service quality that should be addressed.
3. **(Kavitha Nachimuthu, D.Muthukrishnaveni 2019)** study entitled “SERVICE QUALITY AND CUSTOMER SATISFACTION OF THE PUBLIC AND PRIVATE SECTOR BANKS IN SELECTED CITIES OF TAMILNADU, INDIA" , This study aimed to evaluate the service quality and customer satisfaction of public and private sector banks. A banking-related SERVQUAL model has been established with a sample of 521 respondents, and the SMARTPLS 3 version of the structural equation model has been used to identify variables related to banking performance. Findings

General introduction

were that reliability, responsiveness, empathy, assurance; tangible are the dimensions that impact customer satisfaction positively.

4. **(Jovana Savić , Nevena Veselinović2019)** study entitled “MEASURING CLIENTS’ ATTITUDES ABOUT BANKING SERVICES QUALITY USING THE SERVQUAL MODEL” the study aimed to determine the impact of bank service quality Using improved SERVQUAL model to evaluate the dimensions of customer satisfaction and loyalty .therefor research question was to know which dimensions of banking services quality have an effect on the satisfaction and loyalty of Clients and what is the nature and the intensity of this impact The survey method ; questionnaire was applied and the obtained results were analyzed using SPSS software . The questionnaire was distributed to customers of banks operating in Kragujevac, Central Serbia .The results in this article showed that the strongest influence on client’s satisfaction is the variable empathy and the weakest is the variable tangibility, while variable reliability has no influence. On the other hand, clients’ loyalty is most strongly influenced by variable responsiveness while the weakest influence, as well as on satisfaction, is variable tangibility.
5. **(Hussain A. S. A. A, Sivathmajasarma. J, Abeysekara A. M. K, Hansani H. L. U, S. Thelijjagoda, & W. D. N. Madhavika 2020)** study entitled “service quality and customer satisfaction in banking sector during covid19 , an empirical analysis of Sri Lanka” , after using SPSS and multiple regression as analytical tool and technique respectively to analyze the data collected from self-administrated questionnaire that was giving to 400 customer from both private and public sector (cluster sampling technique), the results indicated that the 5 dimensions of servqual had a positive impact on customer satisfaction whereby reliability and empathy are the most dimension that influenced the customer’s satisfaction during covid19 the survey results showed that customers had been keener on intangibility , time and the service quality itself rather than the physical appearance and tangible assets of the bank which is reasonable during covid 19.
6. **(Bashir Ahmad Fida , Umar Ahmed, Yousuf Al-Balushi, Dharmendra Singh 2020)** entitled study “Impact of Service Quality on Customer Loyalty and Customer Satisfaction in Islamic Banks in the Sultanate of Oman” , The study data were analyzed using SPSS, and the reliability coefficient (Cronbach’s alpha). The correlation analysis examined important relationships among the study variables. The impact of service quality dimensions on customer satisfaction was captured through

General introduction

regression analysis. The correlation results depicted a significant relationship between: service quality, customer satisfaction, and customer loyalty. Similarly, regression results demonstrated that empathy and responsiveness dimensions have a significant impact on customer satisfaction. It is, therefore, recommended that banks should focus more on empathy and responsiveness. However, banks should not neglect the importance of other variables such as reliability, assurance, and tangibles that are revealed as important by responses of the participants for the bank's provisions.

Author/ Date	Topic/ Question	Methodology Design	Instruments	Context/ Sample	Findings	Gaps/Limitations / Further Researches
(Kakouris & Finos, 2016)	Applying SERVQUAL to The Bank Industry.	Quantitative	-Survey. -Cronbach's alpha. Coefficient -Gap model.	-Leading bank in Serbian market. -251 interviews were accepted from 287 interview distributed (it was given to the client's advisor of each bank selected)	-all 5 dimensions revealed a gap between the perceptions and expectations of customers about service quality of the bank.	
(S. & Devesh, 2017)	Service Quality Dimensions and Customer Satisfaction : Empirical Evidence From Retail Banking Sector in Oman	Quantitative	-The Snowball sample method. -Survey. -Descriptive statistics.	-11 banks in Oman. -1073 questionnaires were sent via online link and 152 respondents were obtained.	-The retail banking sector in Oman is not able to meet its service delivery with its customer expectation.	-This study examined service quality only from the retail banking sector in Oman -The sample size and the time frame were limited. -future research should focus on a larger sample. -The study can be used as a reference in comparison between different types of banks.
(Oskooii & Albonsaiemi, 2017)	Measuring Customer Satisfaction Based on SERVQUAL Model (Case Study :	Quantitative	-Survey. -Descriptive statistics.	-Sample size is 400.	-Reliability , assurance, responsiveness Have more impact on customer's	

General introduction

	Mellat Bank In Tehran City)				satisfaction.	
(Velida, 2018)	Examination of Satisfaction Level of Bank Service Customers' Using SERVQUAL Model.	Quantitative	-Questionnaire -Frequency. -Percentage. -Standard Deviation.	-800 surveys distributed in 5 cities in Serbia. -Belgrade (530 examinees), Novi Sad (104), Niš (80), Kragujevac (56) and Novi Pazar (32)	-The degree of customer's satisfaction is acceptable.	
(Ujakpa, 2017)	Customer Satisfaction Assessment Using The SERVQUAL Model.	Quantitative	-Simple random sampling Method. -Survey -Interviews. -Observation.	-Three branches of Ecobank Ghana Limited in Takoradi. -from 1600 distributed questionnaire , 150 respondents were obtained.as follows: 10 corporate bankers, 75 SME bankers and 65 individual banking Customers	-The expectations of Customers exceeded their perceptions. This means that customers are not satisfied with the quality of service provided by Ecobank.	-The three branches of Ecobank are all in one township. -Future research should take into consideration the countryside so the results conducted would be more generalized.
(Kacem, 2018)	Evaluation of Banking Service Quality in Algerian Banks Using The Gap Model.	Quantitative	-Survey - The mean -standard deviation -Test t -LIKERT scale -SPSS	-Blida's commercial banks. -450 questionnaires were distributed, 350 questionnaires were recovered and validated.	The perceptions surpassed the Expectations which created a negative gap	
(Lachache & Abdelhafid, 2019)	The Role of Banking Service Quality in Achieving Customers' Satisfaction: Evidence From the	Quantitative	-Random stratified sample. -Survey -Frequency -Distribution -Percentages -Mean -Standard	-150 questionnaires were distributed to the customers of the banks under study (four banks), 134 were	Responsiveness, empathy and safety exert a positive effect on the satisfaction of customers.	

General introduction

	Banks Located in Algeria.		deviation -Coefficient of correlation. -Alpha Cronbach coefficient.	recovered, and 119 were accepted.		
(Mohammed & Mohammed, 2020)	An Applied Study To Measure The Quality of Banking Services and Customer Loyalty “Case Study of The Banks of The City of SAIDA”.	Quantitative	-Survey -SPSS version 23. -SmartPLS 3. -Descriptive statistics.	-160 respondents.	-tangibles, reliability and empathy had a significant positive effect on customer loyalty while the effects of responsiveness and assurance on customer loyalty were positive but not significant.	

Chapter One: Theoretical Background of Service Quality

Chapter One: Theoretical Background of Service Quality

Unlike tangible products we cannot measure service quality directly because of its immaterial nature which defines characteristic of intangibility; it is usually not possible to find out how well a service has been performed after it has been consumed. Services are often intangible, and so cannot be touched in order to observe their quality. Unlike other products, services cannot be returned or exchanged after purchase, so it is not easy to judge whether they meet the buyer's requirements or expectations. In this chapter we are going to discuss what service quality is and how to measure it.

Section 01: Service Quality

In order to know what service quality is, it is a necessity to define services and quality as separated concepts and then see what the outcome of their combination is.

1.1.1. Aspects of Services:

Services are everywhere, whether it's going to a foreign tourist destination, Going to the doctor, a trip to the bank, attending a meeting with insurances agency, having our favorite meal at our favorite restaurant or spending a day at school¹ services are widely defined as: "doing something beneficial for someone more humorously", service has also been described as "something that can be bought and sold, but cannot be thrown away"

The common points between all services are three main aspects: intangibility, heterogeneity, and inseparability suggested by Parasuraman et al. (1985) that influence the understanding and measurement of service quality as well:

- ❖ **Intangibility:** A delineate characteristic of a service is intangibility. It cannot be seen, touched, held, or stored, they have no physical manifestation. Purchasing a service does not result in anything that may be packaged and put in a bag to take home. Rather, because of their intangibility, pure services are essentially considered as in time experiences² and this is one of the reasons why firms may find it difficult to understand how consumers perceive their services and evaluate service quality (Zeithaml 1981). *"Most services are intangible (Bateson 1977, Berry 1980, Lovelock 1981, Shostak 1977). Because they are performances rather than objects, precise manufacturing specifications concerning uniform quality can rarely be set. Most*

¹ K. Hoffman, and John E. G. Bateson, *Services Marketing: Concepts, Strategies, & Cases*, 4th ed, Mason, OH, South-Western Cengage Learning, 2008, P3.

² B. Schneider, and S. S. White, *Service Quality: Research Perspectives*, 1st ed, California, SAGE Publications, 2004, P4.

Chapter One: Theoretical Background of Service Quality

services cannot be counted, measured, inventoried, tested, and verified in advance of sale to assure quality."³.

- ❖ **Heterogeneity:** *“services, especially those with high labor content, are heterogeneous: their performance often varies from producer to producer, from customer to customer, and from day to day. Consistency of behavior from service personnel (i.e., uniform quality) is difficult to assure (Booms and Bitner 1981) because what the firm intends to deliver may be entirely different from what the consumer receives”*⁴, services are relatively more heterogeneous than goods in their production and their delivery. Services production and delivery frequently involve the interaction between service personnel and customers, the human element in this production and delivery process can result in two different services for the same type of offered service. As far as this or until now distinct customers might have different needs to be met, or distinct service personnel may meet the same customer needs however his demands are in different ways at different points in time⁵.
- ❖ **Inseparability:** Production and consumption of many services are inseparable (Carmen and Langeard 1980, Gronroos 1978, Regan 1963, Upah 1980).⁶ This means that services which are composed of delivery experience are produced and consumed at the same time⁷ by the same token, services cannot be produced then stored for later use, like BTS concerts or theater plays and other examples of pure services are produced by the organization and consumed by customers at the same time.
- ❖ **Perishability** Given the intangible nature of services, they cannot be inventoried, stored, warehoused re-used or returned if the customer is unhappy. For example a lawyer cannot store parts of his or her knowledge for others to use while the lawyer is in court or on holiday. Thus the availability of enough opportunities for service delivery at relevant times is important for service managers, An airline that offers the seats on a given flight, cannot sell those seats after the plane has left. Similarly, a hotel that offers rooms at a scheduled date, cannot sell them after that. Thus, the

³ A.Parasuraman, et al, “A Conceptual Model of Service Quality and Its Implications for Future Research.”, *Journal of Marketing*, vol. 49, 1985, pp. 41–50, P43.

⁴ A.Parasuraman, et al, *op cit.*, P43

⁵ B. Schneider, S. S.White, *op cit.*, P8

⁶ A.Parasuraman, et al, *op cit.*, P43

⁷ B. Schneider, Susan S.White, *op cit.*, P8.

Chapter One: Theoretical Background of Service Quality

perishability of services results in a greater attention paid to the demand forecasting and capacity utilization.⁸

At the extremes, there are pure services that have no tangible component and pure goods that have no intangible component. However, most fall between the two extremes of the intangibility continuum, which means that many products are made up of both tangible and intangible dimensions, service based companies have to understand these aspects and identify their service product .

1.1.2. Service Life Cycle:

The service life cycle consists of the same four phases in the product life cycle: introduction, growth, maturity, and decline.

The characteristics of each stage are the same. The only difference is the strategy that can be used.

- ❖ **Introduction:** New services or new forms of existing services are said to be in the introduction stage when they are first offered. Like products, many new services will never be accepted by customers, and will never exceed the first stage of the service life cycle. One advantage of services over goods is that many new services can be introduced on a small scale and expanded when acceptance increases. This small-scale introduction reduces the financial risks associated with the introduction, thereby reducing the cost of failure.
- ❖ **Growth:** this stage is considered to be one of the most important stages since it reflects the strategies adopted by the company, during this phase most service providers are seeing a positive cash flow and a growth in revenue.
- ❖ **Maturity:** Industry sales tend to level off; Competition has become fierce, because the only way for companies to gain market share or increase sales is to take them away from competitors. The result of this increased competition is the decline in profits for the entire industry. The weaker companies will be eliminated from the industry. At this stage of the service life cycle, consumers hardly see the distinguishing characteristics between different companies in the service industry⁹.

⁸ A. Gilmore, *Services, Marketing and Management*, 1st ed, London, SAGE Publications, 2003, P11.

⁹ ب. سفيان ، التحكم في جودة الخدمة البنكية دراسة نوعية-كمية في البنك الوطني الجزائري *BNA* (تلمسان) ،،مذكرة دكتوراه ، جامعة ابو بكر بلقايد ،2015، ص22.

Chapter One: Theoretical Background of Service Quality

- ❖ **Decline:** company's sales decrease, the main reason is often due to a new technology that has been developed as well as the appearance of new services, this stage is characterized by a diminish of profits¹⁰.

1.1.3. Services' Marketing Mix:

Understanding the traditional and extended marketing mix that is applied in services is one of the most fundamental steps to continue the discussion about services. So we are going to talk briefly about the marketing mix of services as the following:

- I. Product:** Like products, marketing managers in service companies must both identify and select the characteristics of the basic service (service product) and the whole additional associated services, in accordance with the benefits expected by customers and the positioning of the service in relation to the competition¹¹.

The service product is composed of three components that help to design the right service from different dimensions that enhance the customer's experience which simply are (Lovelock and Wirtz, 2016):

- 1. Core product:** it is what the customer is basically buying.
- 2. Supplementary services:** the delivery of the core product is accompanied by other services and activities that facilitate and enhance the value of the core product described as the following "flower of services":

The Flower of Services: it consists of the core service and a variety of supplementary services that helps the service provider in facilitating and enhancing their services.

The eight petals surrounding the flower represent the eight clusters that identify the facilitating supplementary services which are required in service delivery or in core service value, and the enhancing supplementary service that adds extra value to the customer.

- **Information:** in order to obtain full value from products and or services, customers need relevant and useful information¹².
- **Order taking :** Once customers are ready to buy, one of the key supplementary elements is the order-taking it includes : order-entry (on site order , mail , phone call

¹⁰ *Ibid.*, P23.

¹¹ C.Lovelock, et al, *Marketing Des Services*, 7th ed , Montreuil, Pearson France, 2014, P32.

¹² C.Lovelock, and J.Wirtz, *Services Marketing: People, Technology, Strategy*, 8th ed , New Jersey, World Scientific, 2016, P95.

Chapter One: Theoretical Background of Service Quality

...),reservations and check-ins (restaurants , professional appointments ..) and applications .¹³

- **Billing:** Billing is common to almost all services. Timely billing encourages people to make faster payments.
- **Payment:** a bill requires the customer to pay either by self-service, direct to payee, intermediary or automatic deduction from financial deposits¹⁴.
- **Consulting:** consists of advice from a knowledgeable service person in response to the request: “What do you suggest?” It requires a full understanding of the customer’s current situation in order to suggest a suitable action for them.
- **Hospitality:** it is about showing pleasure and creating a welcoming atmosphere at meeting new customers and also at greeting the old ones when they return.
- **Counseling:** represents a more subtle approach to consultation because it involves helping customers in such a way so they can come up with their “own” solutions to better understand their situations¹⁵.
- **Safekeeping:** When customers are visiting a service site, they want their personal possessions to be looked after. Some customers may not visit a certain service provider since it does not offer safekeeping services¹⁶ .

Figure 1: The Flower of Service: Core product surrounded by cluster of supplementary services.

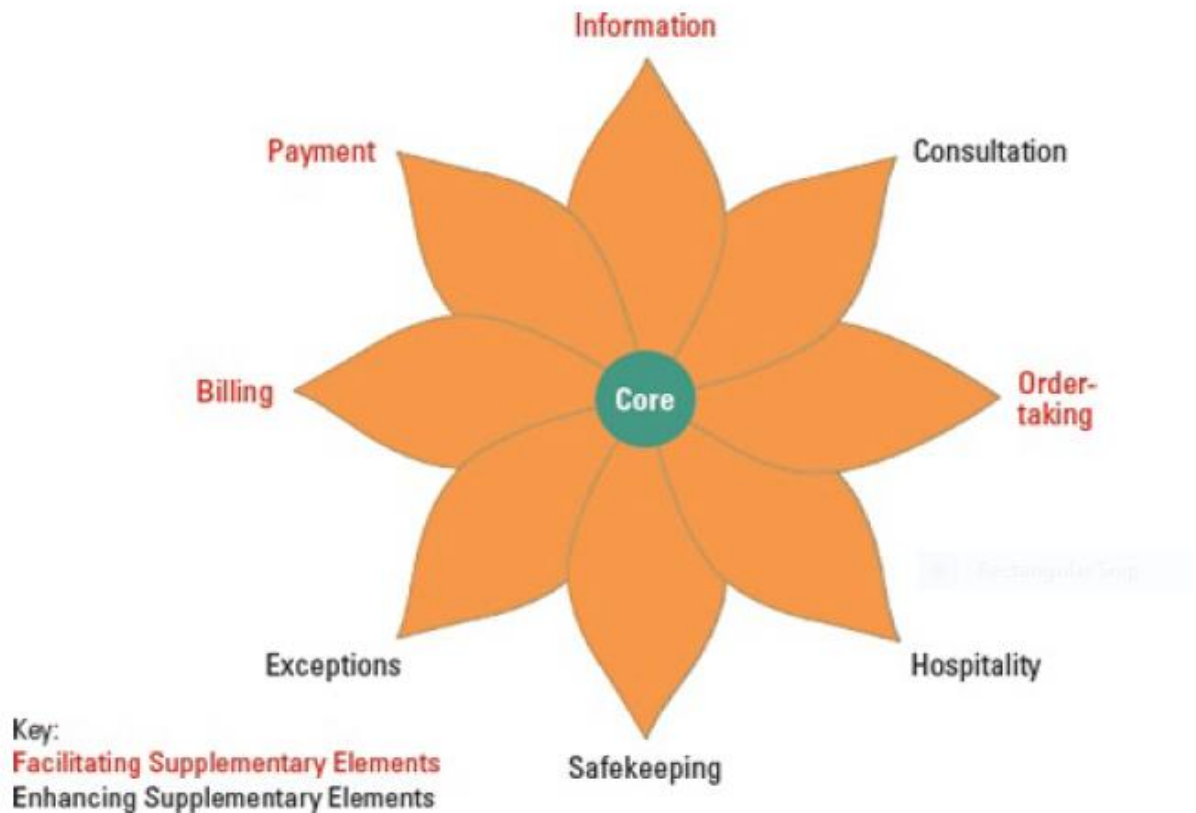
¹³ J.Wirtz and C. Lovelock, *Essential of Services Marketing*, 3rd ed, England, Pearson Education, 2018, P97.

¹⁴ J.Wirtz and C. Lovelock, *op cit.*, P98.

¹⁵ “Flower of Service”, *DOCPUB*, idoc.pub/documents/flower-of-service-134w6r5r6wn7. Accessed 7 June 2021.

¹⁶ *ibid.*

Chapter One: Theoretical Background of Service Quality



Source: Lovelock, Christopher, and Jochen Wirtz. *Services Marketing: People, Technology, Strategy*, 8th ed., New Jersey, World Scientific Publishing Co, 2016, P 203.

3. Delivery process: this component refers to the design of the service concepts that includes the core product and the supplementary services and addresses all the issues that may happen during the service delivery.

The difficulty when it comes to the first P of services' marketing mix is located on several levels. First of all, it is necessary to take into account the difficulty in services to agree on what to offer, as the intangibility is strong and the need to test is essential. The second difficulty consists in defining the standards which guarantee the repeatability of the service, whatever the place and the conditions of delivery. Finally, it concerns the importance of the provision process service to deliver performance both internally (productivity) and external (can the customer do what the company asks them to do?).

II. Place: in the case of services the place is where the service product is going to be located and/or how it is going to be delivered¹⁷. The delivery of service elements to clients involves decisions about where and when to deliver, as well as the method and

¹⁷ C. Lovelock, et al, *op cit.*, P32.

Chapter One: Theoretical Background of Service Quality

means used. Delivery may require physical or electronic means of distribution or both¹⁸, depending on the nature of the service offered or both. The use of courier and Internet services allows services to be carried out in a cyberspace of the customer's choice. The company may deliver the service directly, or use an intermediary (such as a representative) who receives a premium or percentage of the sale price. The speed of delivery and the convenience of where and when the customer can receive the service become a key to the design of the offer. The choice of distribution channels is now a key decision for service companies, especially as many are practicing cross-channel, the best method of meshing distribution networks without necessarily making them selective.

- III. **Promotion:** No marketing program can succeed without effective communication, which plays three key roles: providing the necessary information and advice to customers, convincing potential customers of the benefits of the product and encouraging them to buy it at the right time. Communication is convincing new customers to buy¹⁹. Companies must inform their customers of benefits of the service (attributes), where to have it, when to get it, and how to participate in service processes. This communication can be done by people (such as representatives or salespeople) or with the help of media such as television, radio, newspapers, magazines, posters, brochures and websites.
- IV. **Pricing:** The managers of service companies do not only decide the selling price, margins and financial conditions; they also seek to minimize the costs associated with the customer's act of buying and using the service. Generally service pricing involves taking into consideration labor, material cost and overhead costs²⁰.
- V. **People:** Although more and more services are being delivered remotely, many still cannot be delivered without the use of specialized and expert contact staff, The nature, intensity, timing, tone, rhythm of the direct interaction, voice, intensity, sequence, gestures and attitude of these contact staff strongly influence the perception of customers and condition the quality of the service provided, whatever the outcome.

¹⁸ J.Wirtz and C. Lovelock, *op cit.*, P18.

¹⁹ ح. عبد الكريم. "تأثير المزيج التسويقي على ولاء الزبائن في قطاع الاتصالات- من وجهة نظر زبائن شركة جيزي بأم البواقي"، مجلة الدراسات المالية والمحاسبية والإدارية، 2019، المجلد 6، ص 84-105 ، ص 89.

²⁰ C.Lovelock, et al, *op cit.*, P33.

Chapter One: Theoretical Background of Service Quality

This is why a service company that delivers services using contact staff must make considerable efforts in recruiting, training and motivating employees or risk being turned away by its customers because of the performance and attractiveness of staff.

VI. Process: Delivering a service requires the implementation of dedicated processes, Service process is the way in which a service is delivered to the end customer, the company defines exactly what should be the process of the service product reaching the end customer is²¹.

The difficulty of designing processes for accessing services is the ignorance of the people in charge of defining these processes, the behavior of end-users (customers) and staff in contact, as well as technical issues.

VII. Physical Evidence: The physical evidence includes all the tangible offerings surrounding the service such as building design, business cards...(Bhargav, 2017)²², The intangibility of the service has a negative impact on increasing the perceived risk of the customer's choice and 'consumption/destruction' of the service. Thus, "everything in the services will speak to the customer", who will try by all means to reassure himself and validate his choice. They will therefore pay particular attention to the appearance of the buildings, the landscape, vehicles, furnishings, the equipment personnel, documentation and other printed material, and any other visible elements. If it is not possible to find out ex ante about the quality and level of performance of the services provided by a service provider, the client constructs his or her expectations and perceptions on all the material elements to which they have access²³. Hence the need to pay more attention to the physical environment whether the equipment will be used by the customers or not , because often the staff, as well as managers and top management direction , cannot see what the customers always see or know their reaction regarding the place .

1.2. Quality as a Necessary Dimension of Services:

Another multidimensional concept which is associated with service quality is the quality itself.

1.2.1. Quality Definition:

²¹ M. Johann, *Services Marketing*, 1st ed, Polska, Szkoła Główna Handlowa w Warszawie (SGH), 2015, P16.

²² ر.هنا و ع.عواج، "أثر الابتكار في عناصر المزيج التسويقي المستحدثة (الإضافية) على جودة الخدمات الفندقية - دراسة تحليلية لآراء عينة من زبائن فندق الشيراتون عنابة -" *مجلة الاستراتيجية والتنمية*، 2020، المجلد 10، ص 82-100، ص 85.

²³ C.Lovelock, et al, *op cit.*, P33.

Chapter One: Theoretical Background of Service Quality

Quality is another concept that cannot be easily either defined or measured because of its multidimensionality and ubiquity. Quality is closely related to everything around us, with function, characteristics, and parameters of a particular entity that we considered, or judgments in terms of features. Therefore, we often discuss quality in different domains and phases from different types of raw materials, production/manufacturing process to the final outcome's (product or/and service) features and performances. ...etc.

As described below, there are a various definitions of quality according to different approaches and according to different authors:

- ❖ **Philosophical Approach:** First, there is a philosophical approach to quality (Kasper et al., 1999; Oliver, 1997). According to This perspective quality is synonymous with innate excellence. Under this approach, people know quality when they see it, but they cannot define quality further, this view can define quality but it is useless from either a research or practice perspective to consider quality as unknowable and immeasurable²⁴.
- ❖ **Technical Approach:** The second approach to define quality is in complete contrast to the first, whereby it considers quality from an objective and absolute perspective. Also called manufacturing-based quality (objective quality, or conformance quality) this perspective of quality is concerned with the extent to which a product conforms to technical standards (Kasper et al., 1999; Oliver, 1997)²⁵.

In this approach, quality is usually measured objectively based on the degree of deviations from predetermined standards or according to the number of defects (e.g, a “zero-defect” policy). In this case, quality is so focused on the objective and the readily measurable, which is very suitable for standardized products Mass production.

- ❖ **User-Based Approach: -which we will focus on- :** It is defined by Juran as ‘fitness for use’. Here, the user determines the level of quality. Products and services that meet his requirements are of higher quality. In this approach, the producer or service provider must know how the customer intends to use the product–service and act according to that purpose²⁶.

²⁴ B.Schneider, S.S.White, *op cit.*, P10.

²⁵ *ibid.*

²⁶ “What Does ‘Product Quality’ Really Mean?” *MT Sloan Management Review*, sloanreview.mit.edu/article/what-does-product-quality-really-mean/#:~:text=Five%20major%20approach%20to%20the%20definition%20of%20quality,manufacturing-based%20and%20%285%29%20value-based%20 approaches%20of%20operations%20management. Accessed 8 June 2021.

Chapter One: Theoretical Background of Service Quality

The level of customer satisfaction reflects the level of quality. This approach is most suitable for modern competitive markets. Whereby in this perspective we need to identify the target market and its requirements, and then design, develop and deliver the appropriate product–service to the customers. This approach emphasizes a better brand image and increased market share. This approach may require the producer or service provider to establish quality consciousness among the customers about the wide variety of benefits that may arise from the use of the product–service. This will help the customer to know about the potentials of the product–service and therefore help him develop a better idea of the versatility and quality of the product–service²⁷.

Additionally to these approaches here are some definitions of quality from quality management author’s perspective:

Table 1: Some Definitions of Quality (Campbell et al., 2002; Chandrupatla, 2009)

Author	Definition
W. Edwards Deming	Aimed at meeting the needs of the consumer, present and future
Joseph Juran	Fitness for use (fitness for use refers to product features that meet customer needs or freedom from deficiencies).
Philip Crosby	Conformance to requirements (quality is not “elegance” or “goodness”).
Armand Feigenbaum	Based upon a customer’s actual experience with a product/ Service measured against his/her requirements.
Drucker	What the customer gets out of product/service and is willing to pay for.
Robert Peach	The totality of characteristics of an entity that bear on its ability to satisfy stated and implied needs.
ISO 9000	The degree to which a set of inherent characteristics fulfills Requirements (requirements are needs or expectations).
American Society for Quality (ASQ)	Excellence in goods and services, especially to the degree they conform to requirements and satisfy customers.

²⁷S. P. Mukherjee, *Quality Domains and Dimensions*. 1st ed , Singapore, Springer, 2019, P8.

Chapter One: Theoretical Background of Service Quality

Source: Grigoroudis, Evangelos, and Yannis Siskos. *Customer Satisfaction Evaluation: Methods for Measuring and Implementing Service Quality*. 1st ed, Boston, Springer, 2010, P53.

1.3 Service Quality Definitions :

Service quality is a concept which has no ultimate definition and it is a result of the hard description of the word service and the word quality themselves, since the characteristics of each vary according to the industry where these concepts are being used. Whereby several debates resolve around two competing perspectives The Nordic School defines service quality using overall categorical terms that include the aspects of technical- and functional quality. The American school on the other hand, uses descriptive terms and includes inter alia the five dimensions of reliability, responsiveness, assurance, empathy, and tangibles (Brady & Cronin, 2001)²⁸. It still seems from the literature that there is no consensus that these definitions fully capture the essence of the construct. Therefore, it is important to review a few Different perspectives, both old and new, and from several different concepts and perspectives.

below various definitions from different authors are provided :

Table 2: Definition of Service Quality

Author	Definitions of Service Quality
Grönroos (1982)	Service quality is evaluated based on the extent to which customer's expectations are met by the service provided
Lehtinen and Lehtinen's (1982)	Service quality is produced in the interaction between a customer and elements in the service organization.
Lewis and Booms (1983)	Service quality is a measure of how well the service level delivered matches customer expectations. Delivering quality service means conforming to customer expectations on a consistent basis.
Parasuraman et al., (1985,	Service Quality is determined by the differences between expectations of services provider's performance and their evaluation of the services they Received.

²⁸ Kang, Gi-Du, and Jeffrey James, "Service Quality Dimensions: An Examination of Grönroos Service Quality Model. », *Emerald Insight*, vol. 14, 2004, pp. 266–77, P266.

Chapter One: Theoretical Background of Service Quality

1988)	
Asubonteng et al. (1996)	Service quality is the difference between customers' expectations for service performance prior to the service encounter and their perceptions of the service received.
Gefan (2002)	Service quality is the subjective comparison that customers make between the quality of the service that they want to receive and what they actually get.

Source: Table made by the author.

We can say that the quality of service is usually viewed as the service's delivery system output. In addition; service quality is also related to the perception of customers which is influenced by several factors.

1.3.1 Determinants of Service Quality:

The 10 determinants of service quality were identified according to Parasuraman et al as the following²⁹:

- ❖ **Reliability:** it is connected with the consistency of performance and dependability.
- ❖ **Responsiveness:** it concerns whether the employees are prepared to provide service.
- ❖ **Competence:** Competence is connected to skills and knowledge that the contact personnel acquire (which are needed for delivering the service).
- ❖ **Access:** This factor is connected to the approachability and the ease of access to the service.
- ❖ **Courtesy:** it involves politeness, respect, consideration, friendliness of contact personnel (receptionists, telephone operators...).
- ❖ **Communication:** This is about keeping the customer updated in a language they can understand and also listening to the customer.
- ❖ **Credibility:** trustworthiness, believability and honesty are included.
- ❖ **Security:** It includes all the materials and security strategies to keep the data as well as the customer's needs risk-free.
- ❖ **Understanding the customer:** This is about making an effort to understand the customer and using all the requirements to make the service delivery suitable for the customer

²⁹ A.Parasuraman et al, "A Conceptual Model of Service Quality and Its Implications for Future Research", *Journal of Marketing*, vol. 49, 1985, pp. 41–50, P47.

Chapter One: Theoretical Background of Service Quality

❖ **Tangibles:** they include physical aspects of the service.

L. Berry, Zeithaml, and A. Parasuraman have conducted intensive research on service quality and identified 10 determinants used by consumers in evaluating service quality. In another related research, they found out that there was a high degree of correlation between several of these determinants and consolidated them into five as it is presented³⁰ :

- **Tangibles:** appearance of physical assets.
- **Reliability:** accurate and dependable performance.
- **Responsiveness :** helpfulness and promptness.
- **Assurance:** courtesy, competence, credibility, and security.
- **Empathy:** customer understanding, good communications, and easy access.

Table 3: Service Quality Dimensions

<i>Dimensions</i>	<i>Service Quality</i>	<i>Authors</i>
Reliability		Parasuraman et al, (1985); Zeithaml et al, (1988); Zeithaml et al, (2002); Yang & Fang (2004); Liu & Arnett (2000); Riel et Al,(2001)
Responsiveness		Parasuraman et al, (1985); Zeithaml et al. (1988);
Competence		Parasuraman et al, (1985);
Accessibility		Parasuraman e t al, (1985); Kaynama a and Black (2000); Joseph et al, (1999)
Courtesy		Parasuraman et al, (1985);
Communication		Parasuraman et al, (1985);
Credibility		Parasuraman et al, (1985);
Security		Parasuraman et al, (1985);

³⁰M, Bouhafs, and Filali B. “Mesurer La Qualité Perçue En Utilisant L’instrument SERVQUAL: Le Cas D’une Banque Algérienne.” *Revue Administration et Développement Pour Les Recherches et Les Etudes*, vol. 7, 2015, pp. 19–33, P19.

Chapter One: Theoretical Background of Service Quality

Understanding the Customer		Parasuraman et al, (1985);
Tangibles		Parasuraman et al, (1985) Zeithaml et al. (1985)And Black(2000)
Accuracy		Doll et al, (1994);Joseph et al. (1999) Ease of Use Doll et al.(1994); Yang & Fang(2004) Timeliness Doll et al.(1994)
Empathy		Zeithaml e t al,(1988) Delone and Mclean (2003); Liu & Arnett(2000);Riel et
Assurance		Zeithaml et al,(1988); Delone and Mclean(2003); Liu & Arnett(2000);Riel et

Source: Henderson, Roxana. "Service Quality: A Critical Literature Review." *Global Journal of Management and Business Research Marketing*, vol. 13, no. 8, 2013, pp. 1–6, P3.

Section 02: Measurements of Service Quality:

In order to evaluate service quality and make the right decisions, it is an obligation to know what the most used measurement tools are.

2.1. SERVQUAL Model:

In the early 1980's, separating goods from services became an importance and a necessity especially for researchers and their studies. However, there was no dedicated program to define the determinants and the measurements of service quality until Parasuraman, Zeithaml, and Berry (1985, 1988) started their research program by asking "What's the best way to define service quality?" and "What's the best way to measure it?".

The results of this program were the development of a new model and accompanying measure of service quality called SERVQUAL (Parasuraman, Zeithaml, & Berry, 1985, 1988). Whereby they defined it as the following: "*SERVQUAL is a concise multiple-item scale with good reliability and validity that retailers can use to better understand the service expectations and perceptions of consumers and, as a result, improve services. The instrument has been designed to be applicable across a broad spectrum of services.as such; it provides a basic skeleton through its expectations/perceptions format encompassing statements for each of the five service quality dimensions. The skeleton, when necessary, can be adapted and*

Chapter One: Theoretical Background of Service Quality

supplemented to fit the characteristics or specific research of needs of a particular organization³¹”

SERVQUAL involves perceived quality which is the consumer’s judgments about an entity’s overall excellence and superiority (Zeithaml, 1987); it is a form of attitude, related but not equivalent to satisfaction³². Parasuraman identified ten dimensions that were reduced due to the purification of the scale to five dimensions introduced as the following:

Table 4: SERVQUAL Dimensions

Dimension	Definition
<i>Tangible</i>	<i>Physical facilities, equipment, appearance of personnel, printed and visual communication material.</i>
<i>Reliability</i>	<i>The organization’s ability to perform dependably and accurately the promised service.</i>
<i>Responsiveness</i>	<i>Willingness to provide appropriate service and, more precisely, to help customers and provide prompt service.</i>
<i>Assurance</i>	<i>Required knowledge and skill as also courtesy employees and their ability to inspire trust and Confidence.</i>
<i>Empathy</i>	<i>Caring, individual attention that is provided to customers.</i>

Source: Table made by the author.

The last two dimensions contain a combination of Competence, Courtesy, Credibility, and Security for assurance and another combination of items Access, Communication, and Understanding the Customer , those items represent the reduced dimensions of the model .

SERVQUAL was created to measure the quality of services; it is based on the crucial customer's assessment of service quality in terms of the relationship between expectations and results/outcome. In other words, SERVQUAL is the basis for measuring customer

³¹ A.Parasuraman et al, “SERVQUAL: A Multiple-Item Scale for Measuring Consumer Perceptions of Service Quality.”, *Journal of Retailing*, vol. 64, 1988, pp. 12–40, P30.

³²A. Parasuraman et al. *op cit.* , P15.

Chapter One: Theoretical Background of Service Quality

satisfaction based on the following aspects: The relationship between expectation (E) and outcome (O); if the result (O) meets the expectations (E), the customer is satisfied. If expected (E) exceeded the outcome (O), the customer is not satisfied. In case, the result (O) exceeds expectations (E), the customer is “delighted”. The satisfaction is calculated from the difference between expectations and perceptions of the customer; where their survey’s answers are at first about the expectation and later on about the perception of the prompt service quality .Parasuraman et al. (1988) established Mismatch between expectations and perceptions of performance can lead to dissatisfaction or "performance gap", this result where obtained after analyzing emerged patterns from the executive interviews

Another key result was established as the following: *‘A set of key discrepancies or gaps exists regarding executive perceptions of service quality and the tasks associated with service delivery to consumers. These gaps can be major hurdles in attempting to deliver a service which consumers would perceive as being of high quality.’*³³

The performance gap consists of five gaps that contribute to perceived service delivery. These gaps include³⁴:

❖ **Gap1 “Consumer expectation / management perception”**: any differences in management concepts and customer expectations. (The Knowledge Gap).

If a knowledge gap exists, it may mean that organizations are trying to meet a wrong or a non-existing consumer needs. It is important to understand what the consumer is looking for in service. In order to close this gap it is required to do comprehensive market research.

❖ **Gap2 “Management perception / service quality specification”**: differences between management concepts and established service specifications. (The Policy Gap).

In order to close this gap it's really important to translate the service policy into rules and guidelines for employees correctly. This gap may make consumers look for a similar service with a better version elsewhere.

❖ **Gap3 “Service quality specifications / service delivery”**: differences between service quality specifications and service delivery.(The Delivery Gap).

This gap is a result of the weakness in employee's performance. Organizations with a Delivery Gap should make sure that the employees are well equipped to manage consumer’s needs.

³³ A.Parasuraman, et al, *op cit.*, P45.

³⁴ E.K.Yarimoglu, “A Review on Dimensions of Service Quality Models.” *Journal of Marketing Management*, vol. 2, 2014, pp. 79–93, P82.

Chapter One: Theoretical Background of Service Quality

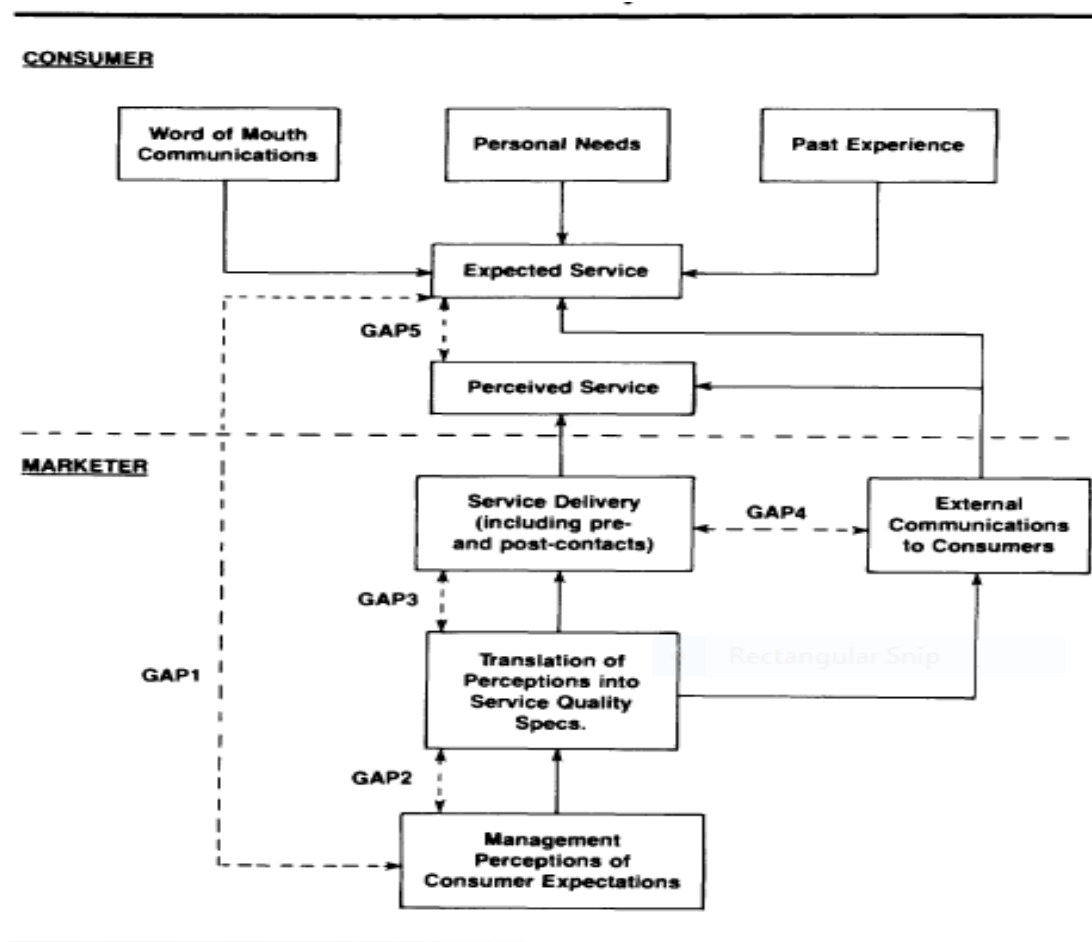
- ❖ **Gap4 “Service delivery / external communications gap”:** The difference between service delivery and external communication Expectations of customers.(The Communications Gap).

A communication gap is created when the advertisement of a service does not match the actual service delivery. Consumers are disappointed since the promised service does not match their high expectations .To close this gap the companies should be real and intelligent while making their marketing strategy.

- ❖ **Gap 5 “Expected service / perceived service”:** and the overall difference between perceptions of customer and customer expectations. (The Service Quality Gap).

The most important gap is this gap. In ideal thinking, customer expectations are approximately the same as customers’ perceptions. So providing high-quality services should be based on a clear understanding of customer’s needs ; understanding customer expectations may be the best way to close the gap.

Figure2: Service Quality Model



Chapter One: Theoretical Background of Service Quality

Source: Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). "A Conceptual Model of Service Quality and Its Implications for Future Research". *Journal of Marketing*, 49(4), 41.

All in all, SERVQUAL does not seem to be universally applicable to all situations without any modification. This measure is designed to be comprehensive and applicable to various service industries, so they are always aware that the survey may need to be modified or supplemented. For some service industries, the dimensions of reliability, tangible assets, responsiveness, assurance and empathy may be too broad, while for other service industries it is too narrow. A process similar to the development of SERVQUAL can be used to determine the suitability of SERVQUAL for a specific organization or industry and the process that may need to be modified³⁵.

2.2. SERVPERF Model:

SERVPERF is known to be one of the best alternative to SERVQUAL instrument (Cronin & Taylor, 1992) it focuses on trying to overcome the 'perceptions-expectations' measurement focus of SERVQUAL³⁶. In other words, measuring service quality does not necessarily require measuring customers' expectations separately from measuring customers' perceptions , They stated that service quality is better identified by perceptions of promised service delivery only and not as the difference between perceptions and expectations as suggested by Parasuraman et al. (1988) and put forward Performance-based service quality instruments called "SERVPERF" shows that the quality of service is a Consumer attitude. They think SERVPERF is enhancing the means of measuring service quality structure. Their research was later copied and discovered There is little theoretical or empirical evidence Support E-P = the relevance of the quality gap³⁷.

2.3. Grönroos Model:

Grönroos believes that quality exists in multiple dimensions. According to him, customers' quality experience and quality are mainly measured by two dimensions of perceived quality: technical outcome (what consumers receive) and functional outcome or process-related (how consumers receive the service).

Christian Grönroos (1984) said that:

³⁵ B.Schneider, S.S.White, *op cit.*, P33.

³⁶ A. Gilmore, *op cit.*, P43.

³⁷ M. Adil et al, "SERVQUAL and SERVPERF: A Review of Measures in Services Marketing Research.", *Global Journal of Management and Business Research Marketing*, vol. 13, no. 6, 2013, pp. 65–76, P67.

Chapter One: Theoretical Background of Service Quality

*“This quality dimension can be called functional quality. Functional quality corresponds to the expressive performance of a service. Hence, we have two quality dimensions, which are quite different in nature: technical quality which answers the question of what the customer gets, and functional quality which, on the other hand, answers the question of how he gets it. Obviously, the functional quality dimension cannot be evaluated as objectively as the technical dimension. As a matter of fact, the functional dimension is perceived in a very subjective way.”*³⁸

Another dimension of Nordic model is the organization’s image which is build up by technical and functional quality and impact of other factors such as:(marketing communication, word of mouth, tradition, ideology, customer needs and pricing)³⁹ .A good image and a good marketing strategy will give the impression that the technical and/or the functional quality of the service are much better than they actually really are, and as result it will increase the customer's expectation level⁴⁰ . However, If the perceived service remains on the same level as before (the promoted image is not like the actual delivered service), the gap between the expected service and the perceived service will increase, which may create conflict and make the firm’s customers disappointed .as a result, disappointed customers may cause the image to deteriorate.⁴¹

Figure 3: The Nordic model by Grönroos (1984)

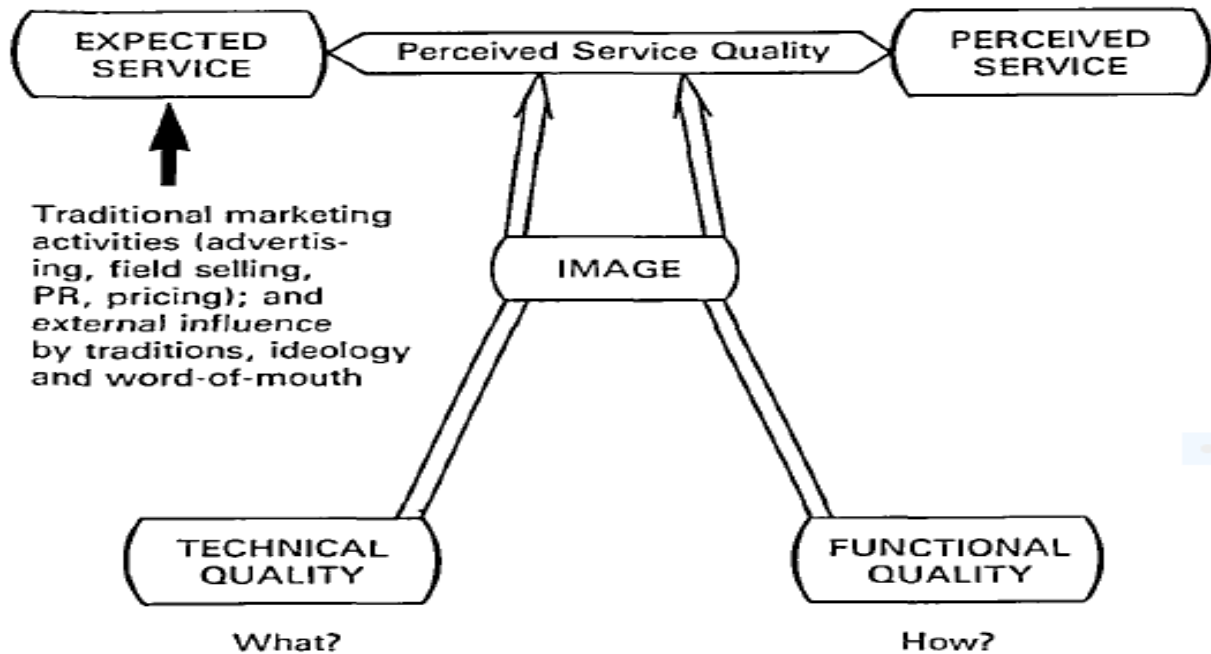
³⁸ C. Grönroos, “A Service Quality Model and Its Marketing Implications.”, *European Journal of Marketing*, vol. 18, 1984, pp. 36–44,P39.

³⁹ C. Grönroos, *op cit.*, P40.

⁴⁰ E.K.Yarimoglu, “A Review on Dimensions of Service Quality Models.”, *Journal of Marketing Management*, vol. 2, 2014, pp. 79–93, 81.

⁴¹ C. Grönroos, *op cit.*, P40.

Chapter One: Theoretical Background of Service Quality



Source: C. Grönroos, “A Service Quality Model and Its Marketing Implications”, *European Journal of Marketing*, vol. 18, 1984, pp. 36–44, P40.

In addition, Grönroos also defined six dimensions for perceived quality⁴²:

- ❖ **Professionalism and Skills:** ability of the firm’s employees and operational systems to solve customers’ problems in a professional way.
- ❖ **Attitudes and Behaviors:** Ability of services employees (contact personal) to create a friendly atmosphere and show a willingness to solve customers’ problems.
- ❖ **Accessibility and Flexibility:** the service provider (it can be the location, operating hours, employees, operational systems, ...) should be designed/trained to give customers easy access to the service and it should be flexible to adjusted to the demands and wishes of the customer
- ❖ **Reliability and Trustworthiness:** customers know that they can rely on the service provider, its employees, and its systems.
- ❖ **Recovery:** the service provider will immediately take steps whenever something goes wrong or something unpredictable happens and keep the customer in control and find an acceptable new solution.
- ❖ **Reputation and Credibility:** the provided service is adequate to the purchased money by customers as well as the shared performance and values between service provider and customer himself.

Section 03: Service Quality in the Banking Sector:

⁴² B.Schneider, S.S.White, *op cit.*,P34.

Chapter One: Theoretical Background of Service Quality

The banking sector is considered to be one of the largest service provider's, where service quality plays an important role in a world full of competitiveness.

3.1. Definition of Banking Services:

Banks are financial institutions authorized to accept deposits and provide loans. Banks can also provide financial services such as asset management, currency exchange and safe deposit boxes. There are several types of banks, including retail banks, commercial or corporate banks, and investment banks. In most countries/regions, banks are regulated by the national government or central bank.⁴³ All these activities represent the bank's services.

3.2. Banking Services and Service Quality:

Service quality is often referred to as the degree to which a service as received by the client meets customer's requirements. As it was mentioned before, it's a complex idea; Johansson (1997) said that the intangibility of service is usually assumed to create consumer's evaluations of quality harder than for tangible products. This view is predicated on the natural hesitation of individuals to judge things they cannot touch. The intangibility of services makes them a far more subjective product. Quality could be a matter of however we tend to feel and of our explicit taste. This dependence on subjective feelings suggests that what's perceived as top quality service might dissipate between individuals. In today's competitive environment, banks have to plan their strategies in order to differentiate them from another. A competitive advantage can be achieved through the delivery of high service quality.

Service quality in banks consists of two parts: technological service quality and service quality.

- ❖ ***The Technological Service Quality:*** The banking service requires a computer system and machines to operate their services (ATMs, telephone banking, mobile banking, Short Message Service (SMS) banking, internet banking, online payment)⁴⁴. Both the public and private sectors are providing more technological services to attract customers, which will ensure a positive perception of the bank's image.
- ❖ ***Service Quality:*** Difference between the customer assumption of service and his awareness of the actual service achievement.

⁴³ B, Adam, "Bank", *Investopedia*, www.investopedia.com/terms/b/bank.asp. Accessed 22 May 2021.

⁴⁴ A. S. A. A, Hussaien, et al. "Service Quality and Customer Satisfaction in Banking Sector During COVID-19– an Empirical Analysis of Sri Lanka." *Global Journal of Management and Business Research: B Economics and Commerce*, vol. 20, no. 11, 2020, pp. 23–29, P24.

Chapter One: Theoretical Background of Service Quality

3.3. Service Quality Dimensions in the Banking Context:

Like all kinds of service providers' customers, bank customers expect and compare the service quality. Parasuraman gave a clear comparison between expectations and perceptions that can be used in this context where perception is the actual service achievement meanwhile expectation in service quality literature refers to what a service provider should offer and not what he would offer. In other words, customer's wants and desires. This difference leads to perceived quality attitudes made by the firm's customer which is the degree of discrepancy between expectation and perception.

Therefore, dimensions are defined as the following:

- ❖ **Reliability:** It means consistent performance, proper service delivery that should be better than the previous delivery, it means as well that the bank honors its promises to its customers, and this includes⁴⁵:
 - Accuracy of accounts, files and the absence of errors.
 - Delivering banking services properly.
 - Providing the service on the specified dates and at the time designed for it.
 - Service performance enhancement.
- ❖ **Responsiveness:** It indicates⁴⁶:
 - The willingness and readiness of bank's employees to provide service.
 - Helping customers, and responding to their inquiries.
 - Speed in service performance.
 - Immediate response to customer requests.
- ❖ **Competence:** It means that bank's employees possess the necessary skills and knowledge to perform the service, and they should be trained to have and enhance their spirit of communication and understanding of customers.
- ❖ **Easy service access:** This means the ease of obtaining the service and it involves⁴⁷:
 - The ease of communication with customers.
 - Shortening the waiting time.
 - Convening working hours that suits the customers.

⁴⁵ J.Wirtz and C. Lovelock, *op cit.*, P57.

⁴⁶ ب. سفیان, *op cit.*, P57.

⁴⁷ C.Lovelock, J.Wirtz, *op cit.*, P138.

Chapter One: Theoretical Background of Service Quality

- ❖ **Courtesy:** It means that the bank's employees, especially those who are in direct contact with customers, should have a certain amount of Respect, good looks, and a spirit of friendship, and they can create a welcoming atmosphere for the customers.
- ❖ **Communication:** It requires providing customers with information and in a language that they understand, and providing the important, exact and necessary information about the nature, cost of the service, and the benefits of the services, and the possible alternatives⁴⁸.
- ❖ **Credibility:** the bank's reputation includes the personal behavior when they deal with customers. (Honesty, respect, good looks ...) This will lead to a mutual trust between banks and customers (banking is based on trust).
- ❖ **Security:** This reflects the freedom of risk and danger in transactions with the bank, it includes physical safety Material, financial and confidentiality understanding Customers and It includes⁴⁹ :
 - Making the effort to understand customers' needs and helping them to know their own needs.
 - Provide individualized attention to each customer.
 - Knowing the permanent customer of the bank.
 - Providing the necessary advice.
- ❖ **Physical Assets (tangible):** It includes the physical facilities used in the bank, starting with the external appearance of the bank, its configuration from the inside and the used physical equipment such as credit cards.

The more a bank is able to control these dimensions, the more it will be able to provide high quality services and achieve a competitive advantage. The quality of banking service depends on the needs and expectations of customers. If the provided service matches the needs and expectations of customers or surpasses them, the service is said to be of quality. The quality of service is considered as the difference between the customer's expectations of the service quality dimensions and the actual performance which reflects the actual availability of service quality dimensions.

⁴⁸ R. Henderson, "Service Quality: A Critical Literature Review", *Global Journal of Management and Business Research Marketing*, vol. 13, no. 8, 2013, pp. 1–6, P3.

⁴⁹ R. Henderson, *op cit.*, P3.

Chapter One: Theoretical Background of Service Quality

Continuously providing customers with the required quality of service is the most important goal of the bank; this goal can achieve Positive advantages, such as increased profits, growth, market continuity and competitiveness.

Chapter One: Theoretical Background of Service Quality

Conclusion:

In this chapter, we realized that Service quality can create a competitive advantage for organizations as one of the game changers in a competitive market where customers expect high quality services .Their expectations are influenced by several factors such as increased awareness and knowledge, competitor activity, environmental factors, services nature, and organizational internal factors. therefore, measuring service quality is an obligation which help organizations to decide what should be taken into consideration when they produce a service and how to improve it, SERVQUAL (also known by RATER) instrument provide organizations with the right information which help understanding customer's needs, perform according to those expectations and communicate effectively throughout the process.

Chapter Two: An overview of the Customer Satisfaction

Chapter Two: An overview of the Customer Satisfaction

Customer satisfaction refers to a customer's final reaction about a product or a service. Customer satisfaction varies from being happy, too neutral, or dissatisfied. Perceptions of the quality of service are subjective and vary from person to person. The concept of service quality includes: satisfying customers' needs while considering their costs (price), providing flexibility, reliability and convenience in meeting customers' requirements. The following chapter will represent what satisfaction is and how it can be measured.

Section 01: Customer Satisfaction Definitions

We produce and provide services for customers; a satisfied customer is a reason for a company to succeed.

1.1. Customer Behavior in Decision Making Process:

A customer refers to people or organizations that are the reason for an organization activity, those for whom an organization wants to create a value by its products⁵⁰.

A process-oriented approach may also provide an alternative definition of customer. According to Edosomwan (1993), the customer can be defined as the person or the group who receives the work's output. According to this particular definition, the customers may be classified based on the following categories⁵¹:

- ❖ **Self-unit customers:** All individuals are self-unit customers of themselves. Self-inspection, a disciplined attitude, and a desire for excellence should be a way of life for everyone.
- ❖ **Internal customers:** in this category internal customers of an organization are mainly its employees.
- ❖ **External customers:** This category refers to the buyers or users of the final products and services of the business organization.

The CEO of the great online retailer Jeff Bezos stated, *“If your customer base is aging with you, then eventually you are going to become obsolete or irrelevant. You need to be constantly figuring out who your new customers are and what you are doing to stay forever young.”*⁵². Today's economic and competitive environment, it is more important than ever to

⁵⁰ B. Bergman, and B. Klefsjo, *Quality From Customer Needs to Customer Satisfaction*, 3rd ed, Lund, Studentlitteratur AB, 2010, P27.

⁵¹ G. Evangelos, and Y. Siskos, *Customer Satisfaction Evaluation: Methods for Measuring and Implementing Service Quality*, 1st ed, Boston, Springer, 2010, P9.

⁵² J. Kennedy, “Manage the Customer Journey With Buyer Personas.” ,*Boston Web Designers*, www.bostonwebdesigners.net/news/managing-the-customer-journey/#:~:text=Explained%20in%20the%20words%20of%20Amazon%E2%80%99s%20Jeff%20Bezos%3A,what%20you%20are%20doing%20to%20stay%20forever%20young.%E2%80%9D. Accessed 9 June 2021.

Chapter Two: An overview of the Customer Satisfaction

understand consumers, how they choose among the alternative services offered to them, and how they evaluate these services after they receive them. Managers and marketers need to know how the decision making process made by the customers during each of the three stages of the consumer decision process: the pre-purchase choice among alternatives, the consumer's reaction during consumption, and the post-purchase evaluation of satisfaction⁵³ works so they can predict customer's behavior regarding the offered service :

❖ **Pre-purchase stage:**

- **Stimulus:** The pre-purchase stage of the consumer decision-making process refers to all consumer activities that occur before the service is obtained. This stage begins when the individual receives a stimulus that stimulates consumers to consider buying. The stimulus inspires people's thoughts, actions or motivations to consider buying. It may be a commercial cue, social cue or physical cue that incites a consumer to purchase.⁵⁴
- **Evaluation of Alternatives:** in this phase Consumers have come up with a set of alternative solutions to solve recognized problems. The possible solutions are considered in the evaluation of alternatives phase of the consumer decision process. This stage may include unsystematic Evaluate alternatives, such as the use of intuition—simply choosing an alternative by relying on a “gut-level feeling” or it may involve a systematic evaluation technique, For example, the multi-attribute selection model. Such a system model uses a set of formalized forms steps to make a decision.⁵⁵
- **Problem Awareness:** Problem awareness occurs when consumers realize that they need to do something to get back to their normal state of comfort. During the problem awareness phase of consumer decision making, the consumer examines whether there is an urgent need or want that exists for a certain service product category. Eventually , needs are unsatisfactory conditions of the consumer that oblige him or her to take actions that will improve his or her situation better .On the other hand ,wants are the desires to obtain more satisfaction than what is necessary to improve an unsatisfactory condition.

⁵³ K. D. Hoffman and John E. G. Bateson, *op cit.*, P87.

⁵⁴ *ibid.*, P89.

⁵⁵ C.Lovelock, and J. Wirtz, *op cit.*, P128.

Chapter Two: An overview of the Customer Satisfaction

Accordingly, problem awareness may be based on a shortage (a need) or on an unfulfilled desire (a want).⁵⁶

→ **Information Search:** Awareness of the problem requires an individual to provide a solution, and usually means that a potential purchase will follow. Individuals search for alternatives in the information search stage of the pre-order stage. As the name suggests, in the information search stage, consumers collect information about possible alternatives that ultimately solve consumer problems.⁵⁷

❖ *The Consumption Stage:*

→ **Choice:** At this consumption stage, Consumers can choose a store-decide to buy goods from a particular store, Or non-store choice-decide to buy from catalogs, internet or various goods Possibility of mail order. This decision is accompanied by the performance of the purchased product. If it's a commodity, then the consumer uses the product and dispose of all remaining solid waste. Purchase activity Use and disposal are grouped together and the consumption process is marked

Understanding consumers' choice or purchase alternatives is important for managerial decision making. For example, banking services traditionally were only available at a centrally-located bank. Over the years, consumers have now become accustomed to Banking electronically through ATMs or online banking or in grocery stores through convenient branch banks that are physically located within the store itself.⁵⁸

In this stage a lot of interactions and variation will happen between the client and the service provider and unlike a final product; services are produced and consumed at the same time which will bring another concept we have to discuss called servuction model:

- **Servuction Model** :in 1987 ,P. Eiglier and E.Largeard suggested that the process of a service production should be called SERVUCTION which is an abbreviation of the service production ⁵⁹,the interactions between the elements of servuction (The

⁵⁶R. H .Tsiotsou, "Consumer Behavior in a Service Context." *Research Gate*, 2012, www.researchgate.net/publication/264094236_Consumer_Behavior_in_a_Service_Context.

⁵⁷ K. Hoffman and E. G. John, Bateson, *op cit.*, P89.

⁵⁸ *ibid.*, P90.

⁵⁹ G, Khaled et H. Madjid. "Réflexion Sur La Problématique De La Qualité Dans Le Secteur Public." *Les Agrégats Des Connaissances*, vol. 2, 2016, pp. 15–23, P17.

Chapter Two: An overview of the Customer Satisfaction

Servicescape (visible), Contact personnel/service providers (visible) ,Other customers (visible) ,Organizations and systems (invisible)) influence the customer's journey.

1. The Servicescape (visible): It refers to the use of physical evidence to design a service's environment. It consists of environmental conditions, such as music, inanimate objects that help companies accomplish their work, such as furniture and commercial equipment⁶⁰.

2. Contact personnel/service providers (visible): Another important aspect of the customer's experience involves the contact personnel and service providers that interact directly with customers. Technically, contact personnel are the employees who briefly interact with the customer (front office) while the service provider can be the institution itself represented as its directors⁶¹.

3. Other customers (visible): it refers to the customers who share the same customer journey. Although many customer actions are unpredictable, service organizations can try to manage the behavior of customers so that they as a result can coexist peacefully.

4. Organizations and systems (invisible): visible elements of the servuction model cannot exist in separation from the invisible elements which connect the organization and its systems. Invisible organizations and systems elements are the rules, regulations, and processes which the organization is based on and have a very profound effect on the consumer's service⁶²

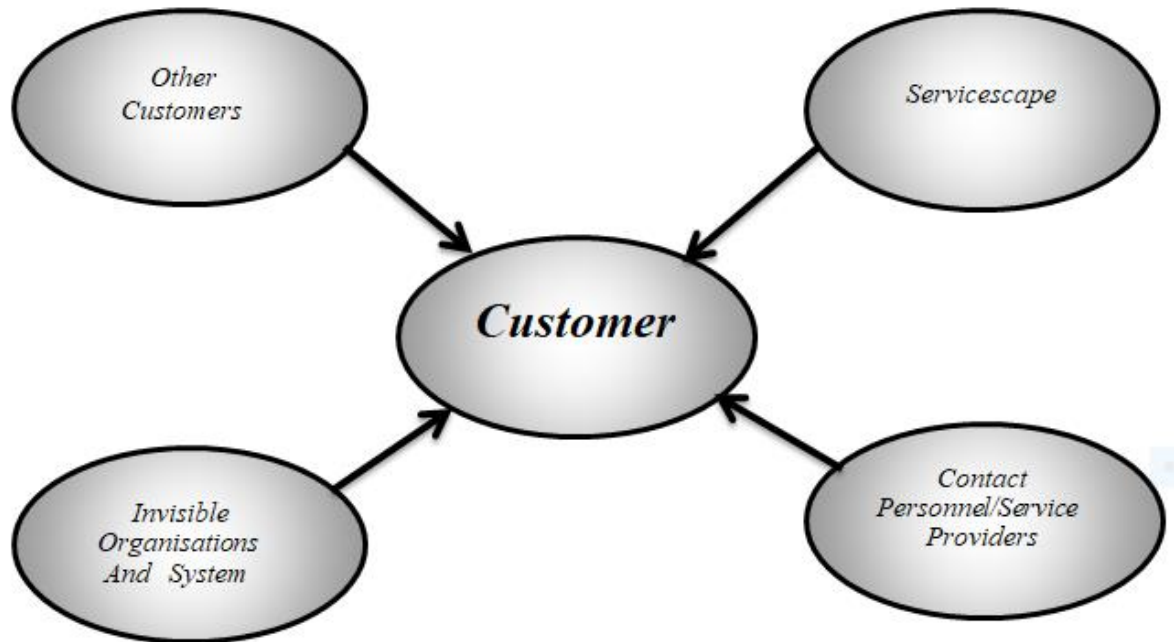
Figure 4: the servuction model

⁶⁰ "Servuction Model." *Masoba Innovation*, masobablog.wordpress.com/tag/servuction-model/#_ftn1. Accessed 6 June 2021.

⁶¹ K. D. Hoffman and E. G. John, Bateson, *op cit.*, P10.

⁶² Dhenak, Mahendra Shivaji. "The Servuction Model." *Scribd*, www.scribd.com/doc/32066617/6-the-Servuction-Model. Accessed 6 June 2021.

Chapter Two: An overview of the Customer Satisfaction



Source: Hoffman, K. Douglas, and John E. G. Bateson. *Services Marketing: Concepts, Strategies, & Cases*. 4th ed, Mason, OH, South-Western Cengage Learning, 2008. P9.

- ❖ **The Post-purchase Evaluation of Satisfaction:** This complicated process begins immediately after the customer selects the service company he or she will be using and continues throughout the consumption and post-consumption stages. Many believe that the consumer's post-choice evaluation is done both during and after the use of services rather than only afterward. In other words, consumers will evaluate the service when they are experiencing the service during the consumption stage as well as during the post-purchase stage. This evaluation is influenced by a lot of interaction of a substantial number of social, psychological, and situational variables. Service satisfaction is not only about contact personnel, inanimate environment, other customers, and internal organization systems but also it's related to the synchronization of these elements in the service production/consumption process.⁶³

1.2. Concept of Customer Satisfaction:

Satisfaction is derived from the Latin words *satis* and *facere* which mean respectively (enough) and (to do or make). Therefore, satisfying products and services that have the capacity to meet what customers want to the point of being "enough."

⁶³ K.D.Hoffman and E. G John, Bateson, *op cit.*, P91.

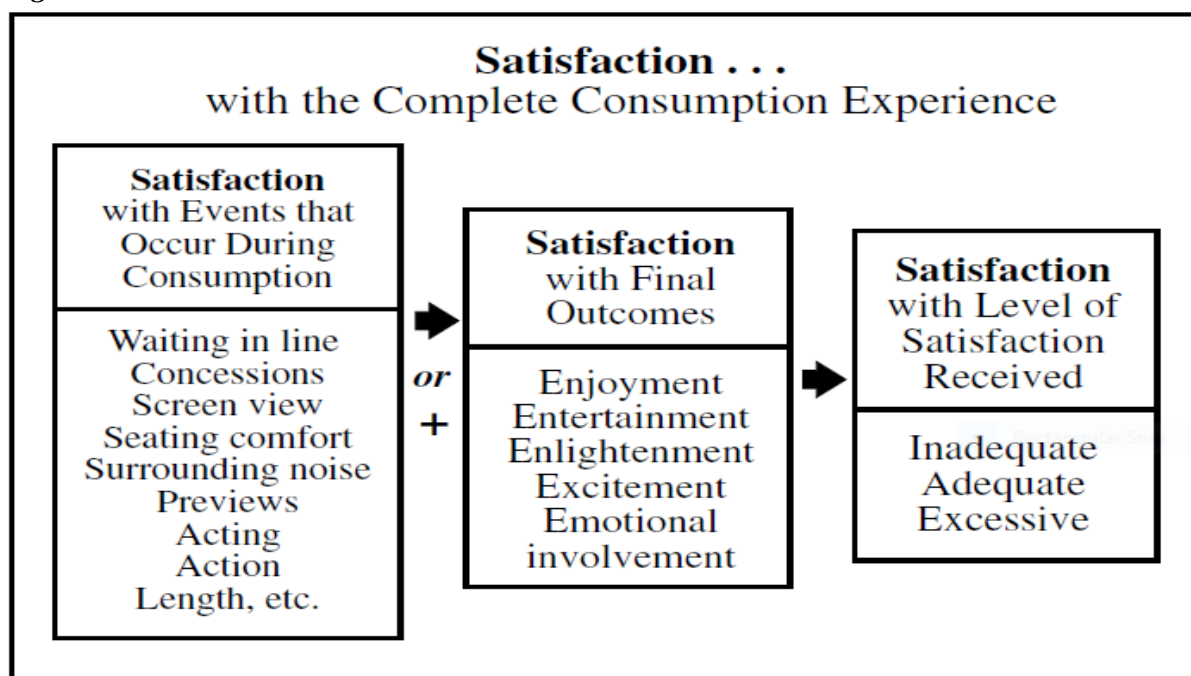
Chapter Two: An overview of the Customer Satisfaction

The different aspects of satisfaction make defining this concept difficult, since it is related to the complete consumption experience (Oliver, 1997) ⁶⁴(figure5):

- Satisfaction with events that happen during consumption.
- Satisfaction with the final outcome.
- Satisfaction with the level of satisfaction received.

Satisfaction can be seen as the individual events that lead to the outcome of consumption and the overall impression of these events. In addition, consumers may be satisfied or dissatisfied with the received satisfaction. In fact, it can be said that today's consumers want more "satisfaction", which shows that at a higher level of abstraction, current customer satisfaction may not be satisfactory. This duality of meaning is one of the fascinating aspects of satisfaction that is difficult to define. To make an analogy from the literature on emotions: "Everyone knows what [satisfaction] is until it is asked to define it. No one seems to know"⁶⁵

Figure 5: Variant of Satisfaction.



Source: R.L. Oliver, *Satisfaction: A Behavioral Perspective on the Consumer*. 2nd ed, New York, Routledge, 2010,P7.

⁶⁴ G. Evangelos, and Y. Siskos, *op cit.*, P4.

⁶⁵ Oliver, Richard L, *Satisfaction: A Behavioral Perspective on the Consumer*. 2nd ed, New York, Routledge, 2010, P7.

Chapter Two: An overview of the Customer Satisfaction

A comprehensive definition of customer satisfaction in terms of pleasurable fulfillment was given by Oliver (1997)⁶⁶:

“Satisfaction is the consumer’s fulfillment response. It is a judgment that a product/service feature, or the product or service itself, provided (or is providing) a pleasurable level of consumption-related fulfillment, including levels of under- or over fulfillment.”

Customer satisfaction is the degree to which a customer perceives that an individual, a company or organization has provided a product or a service that meets his needs, whereby a customer is already aware of the product or using service. Satisfaction is not something inherent in individuals or packaged with the product but is a socially constructed response to the relationship between a customer, the product and the product provider /maker. To the extent that a provider / maker can influence the various dimensions of the relationship, the provider can influence customer satisfaction⁶⁷.

customer satisfaction is also how a customer views an organization’s product or service according to their experiences with that organization, as well as by comparison with what they have heard or seen about other companies or organizations⁶⁸.

The concept “customer satisfaction” was defined by Zeithaml et al. (1996) as a reason to achieve continuous success of companies in the long term; the need to emphasize customer satisfaction is a key consideration. To put it another way, satisfaction cannot be met unless the performance generated by companies exceeds customer expectations. In the same context, different authors and researchers have highlighted the importance of customer satisfaction as well as dissatisfaction as related to the company’s achievement of success and the incurrence of failures in the aspect of meeting the expectations of both the customers and the company (Chidambaram & Ramachandran, 2012; Kheng et al., 2010)⁶⁹.

Customer satisfaction is the customer’s overall attitude which is based on the experience of purchasing a product or using a service (Fornell, 1992), it tends to include post-consumption service assessment (Galarza et al., 2011). Satisfaction is a comparative feeling, resulting from the difference between expectation and actual experience. Repeated

⁶⁶ G.Evangelos, and Y. Siskos, *op cit.*, P4.

⁶⁷ E. Cengiz, “MEASURING CUSTOMER SATISFACTION: MUST OR NOT?” , *Journal of Naval Science and Engineering*, vol. 6, 2010, pp. 76–88, P79.

⁶⁸ P. Szwarc, *Researching Customer Satisfaction & Loyalty: How to Find Out What People Really Think*. Illustrated, London, Kogan Page, 2005.P6.

⁶⁹ B.A. Fida, et al. “Impact of Service Quality on Customer Loyalty and Customer Satisfaction in Islamic Banks in the Sultanate of Oman”, *SAGE Open*, vol. 1, 2020, pp. 1–10, P5.

Chapter Two: An overview of the Customer Satisfaction

satisfaction creates long-term satisfaction with that product or service (Kotler and Keller, 2013)⁷⁰.

ISO 9000:2000 defines ‘customer satisfaction’ as⁷¹: *“Customer’s perception of the degree to which the customer’s requirements have been fulfilled.”*

Note 1: Customer complaints are a common indicator of low customer satisfaction but their absence does not necessarily imply high customer satisfaction.

Note 2: Even when customer requirements have been agreed with the customer and fulfilled, this does not necessarily ensure high customer satisfaction.”

ISO 9001: 2015 defines it as: *“The organization should monitor customer perceptions of the degree to which their needs and expectations have been fulfilled and must determine the methods for obtaining, monitoring, and using this information.”*

As stated in Yi's detailed review (1991), customer satisfaction may be defined basically according to two methods: The first method defines satisfaction as the final situation or final outcome (end-state) from consumer experience. And the second method emphasizes perception, evaluation and psychology. Contribute to the process of satisfaction⁷².

Table 5: Definitions of customer satisfaction (Yi, 1991)

Approach	Author	Definition
Satisfaction as an outcome	Howard and Sheth (1969)	The buyer’s cognitive state of being adequately or inadequately rewarded for the sacrifices he has undergone.
	Westbrook and Reilly (1983)	An emotional response to the experience provided by, (or associated with) particular products or services purchased, retail outlets, or even molar patterns of behavior, as well as the overall marketplace
	Churchill and Suprenant	An outcome of purchase and use resulting from the

⁷⁰ K. Boonlertvanich, “Service Quality, Satisfaction, Trust, and Loyalty: The Moderating Role of Main-Bank and Wealth Status”, *International Journal of Bank Marketing*, vol. 37, 2018, pp. 278–302, P280.

⁷¹ N.Hill et al, *Customer Satisfaction Measurement for ISO 9000:2000*, 1st ed., Woburn, MA, Butterworth-Heinemann, 2002, P17.

⁷² G.Evangelos and Y. Siskos, *op cit.*, P5.

Chapter Two: An overview of the Customer Satisfaction

	(1982)	buyer's comparison of the rewards and the costs of the purchase in relation to the anticipated consequences.
Satisfaction as a process	Hunt (1977)	An evaluation rendered that the experience was at least as good as it was supposed to be.
	Engel and Blackwell (1982)	An evaluation that the chosen alternative is consistent with prior beliefs with respect to that alternative.
	Tse and Wilton (1988)	The consumer's response to the evaluation of the perceived discrepancy between prior expectations and the actual performance of the product as perceived after its consumption.

Source: G.Evangelos, and Y. Siskos. *Customer Satisfaction Evaluation: Methods for Measuring and Implementing Service Quality*, 1st ed, Boston, Springer, 2010.p5.

During and after consumption, consumers experience service performance and compare it to their expectations. Then form satisfaction judgments based on this comparison. If the performance perception is worse than expected, it is called negative disconfirmation. And if the performance is better than expected, it is called positive disconfirmation, and if it is as expected, then it is simply called confirmation of expectations⁷³.

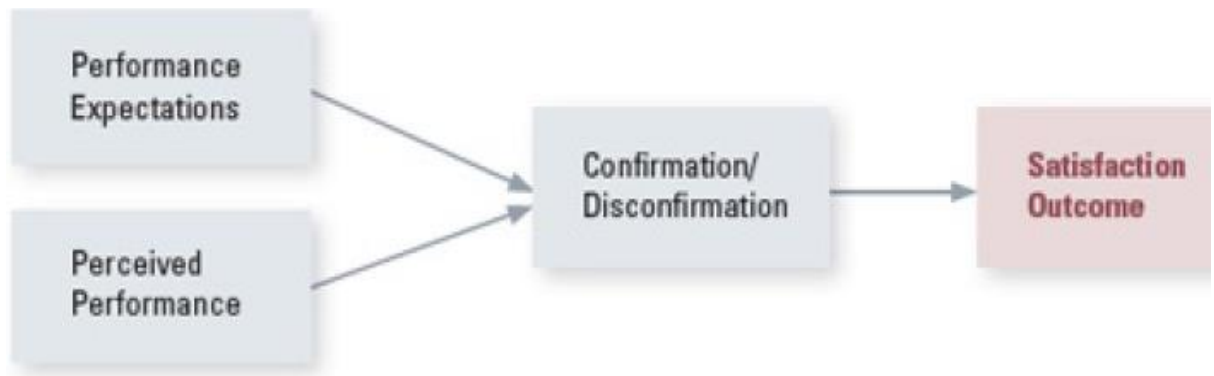
Customers will be reasonably satisfied as long as perceived performance falls within the zone of tolerance, that is, above the adequate service level. As performance perceptions approach or exceed desired levels, customers will be very pleased. Satisfied customers are more likely to make repeat purchases, remain loyal, and spread positive word-of-mouth. However, if the service experience does not meet their expectations, customers may suffer in silence, complain about poor service quality, or switch providers in the future⁷⁴.

Figure 6: The expectancy-disconfirmation model of satisfaction.

⁷³ C.Lovelock and J.Wirtz, *op cit.*, P130.

⁷⁴ *ibid.*

Chapter Two: An overview of the Customer Satisfaction



Source: Adapted from Richard L. Oliver (1997), *Satisfaction: A Behavioral Perspective on the Consumer*, (New York: McGraw-Hill) 110.cited in Lovelock, Christopher, and Jochen Wirtz. *Services Marketing: People, Technology, Strategy*. 8th ed, New Jersey, World Scientific Publishing Co, 2016, P131.

At the end, we can define Customer satisfaction as a measure of how satisfied customers are with the company's products, services, and capabilities. Customer satisfaction information, including surveys and ratings, can help companies determine how to best improve or change their products and services. The main focus of the organization must be to satisfy its customers. This applies to industrial companies, retail and wholesale companies, government agencies, service companies, non-profit organizations, and every subgroup within the organization.

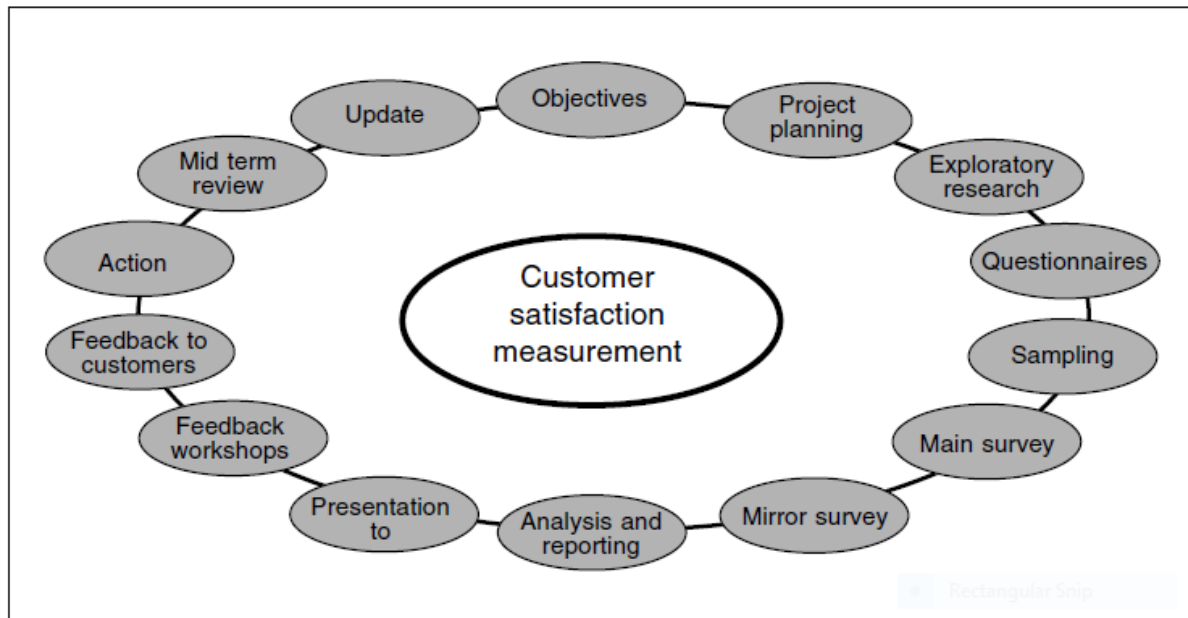
Section 02: Customer Satisfaction Measurements:

In this section we will talk about the process and measurements of customer's satisfaction:

2.1. Customer Satisfaction Process:

Figure 7: An overview of the CSM process.

Chapter Two: An overview of the Customer Satisfaction



Source : N.Hill, et al. *Customer Satisfaction Measurement for ISO 9000:2000*. 1st ed, Woburn, MA, Butterworth-Heinemann, 2002, P6.

The first step in the customer research process is to clarify and identify with customers themselves what the exact requirements are so that an appropriate questionnaire can be designed; which includes the right questions to ask, This can be done through an exploratory research using either focus groups (basically in consumer markets) or one-to-one depth interviews (the norm in business markets). It is customers' most important requirements, as stated by the customers themselves, which must form the basis for a customer satisfaction measurement questionnaire and not assumptions you make in-house about what you think might be important to customers⁷⁵.

There are two main factors that determine the exactness of a customer satisfaction measurement study. Which respectfully are: asking the right questions and asking these questions to the right people, another reason to have a correct study is choosing a sample of customers that reflects precisely the customer base; it must be representative, randomly selected and it must be large enough⁷⁶.

Once the final questionnaire is designed and the main survey is circulating. The most important decision to make here is to determine how the survey will be carried out. It could

⁷⁵ N.Hill et al, *op cit.*, P6.

⁷⁶ N.Hill et al, *op cit.*, P7.

Chapter Two: An overview of the Customer Satisfaction

be done using telephone interviews (in-message surveys or a phone call ..)⁷⁷, website surveys, personal interviews or self-completion questionnaires, and the latter can come in a number of forms including, postal, point of sale and electronic. After that the obtained results should be analyzed⁷⁸. After analyzing the data and producing a report, feedback should be provided to employees as quickly as possible. Inadequate feedback is a common reason why some organizations fail to reap the full rewards from their CSM process. Only if employees fully understand the survey results and their implications will effective action be taken. A worthwhile addition to a CSM study is a mirror survey where the same survey is administered to the employees to discover if they understand what's important to customers and how closely they are meeting customers' requirements. Mirror surveys are usually conducted using self-completed questionnaires, which usually trace the root cause of customer satisfaction problems, since because the employees have inaccurate understanding of the customer's point of view-the so-called "understanding gap"⁷⁹.

2.2. Models for Customer Satisfaction Measurement:

In this part, we will discuss the models as well as the common methods used in measuring customer satisfaction:

2.2.1. Customer satisfaction models:

Several models were developed in different contexts; the following are more commonly used:

- a) **Expectation Disconfirmation Model⁸⁰**: Consumers' pre-consumption expectations are compared with post-consumption experiences of services through measurement of an attitude of satisfaction/dissatisfaction on a scale. Expectations originate from beliefs and past experiences about the performance of service.
- b) **Figure 8: Expectation Disconfirmation Model**

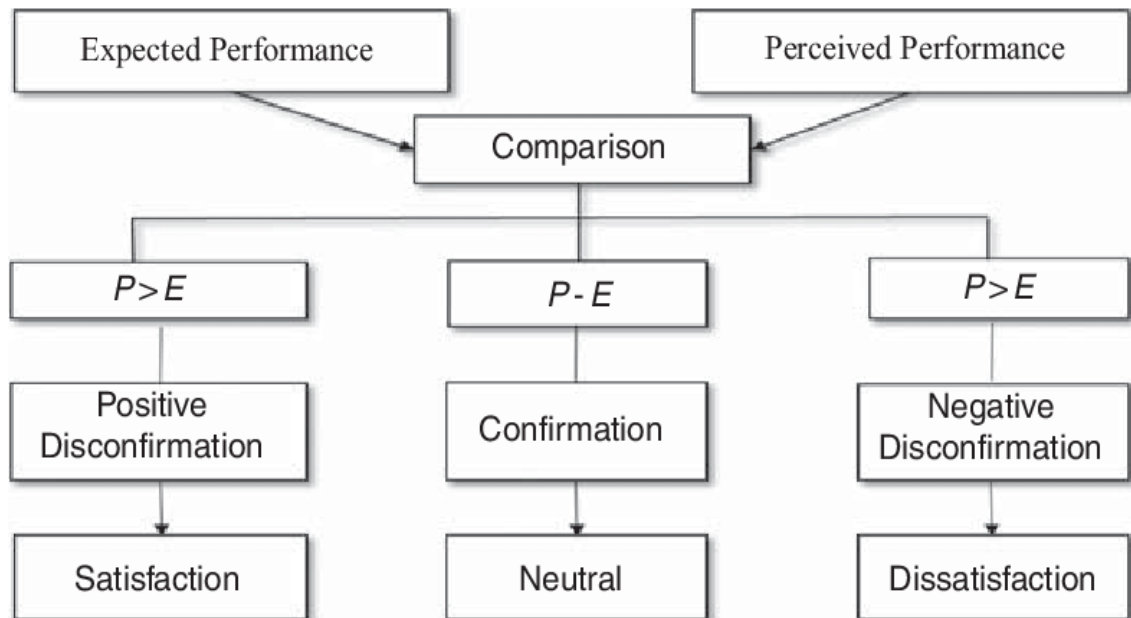
⁷⁷ K.Lucjan, "How to Implement a Customer Satisfaction Process in 2021", *Survicate*, 4 June 2021, survicate.com/customer-satisfaction/process/#:~:text=Customer%20satisfaction%20process%20steps%201%20Define%20a%20goal,conclusions%20into%20changes.%20...%206%20Survey%20again.%20 Accessed 18 June 2021.

⁷⁸ A. Birkett, "How to Measure Customer Satisfaction in 8 Simple Steps", *Hubspot*, 9 June 2021, blog.hubspot.com/service/how-to-measure-customer-satisfaction, Accessed 18 June 2021.

⁷⁹ N.Hill et al, *op cit.*, P7.

⁸⁰ S.P. Mukherjee, *op cit.*, P160.

Chapter Two: An overview of the Customer Satisfaction



Source: M. M. Ujakpa, “Customer Satisfaction Assessment Using the SERVQUAL Model.” *Science Journal of Business and Management*, vol. 5, 2017, no. 5, pp. 194,195.

- c) **Kano model:** in 1984. Dr. Noriaki Kano, a professor of quality management at the Tokyo University of Science, created the Kano Model to classify product and /or services attributes based on how they are perceived by customers and their effect on customer satisfaction⁸¹.

The model sets three types of attribute to products and/or services which are the following:

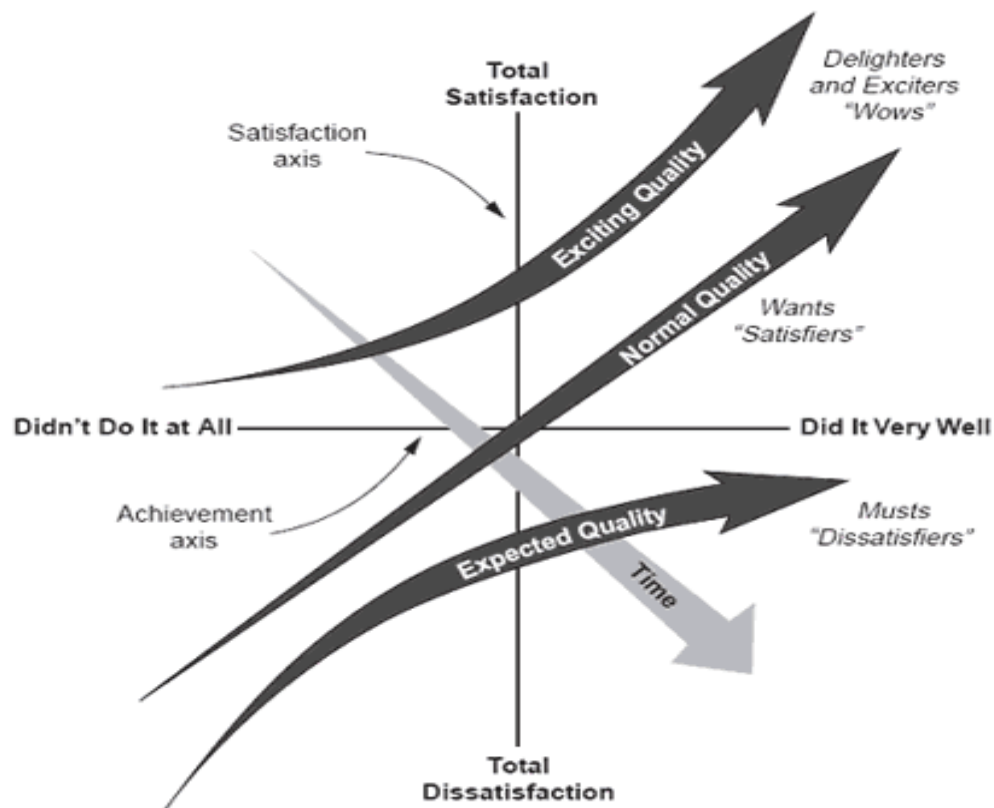
- **Basic Attributes (Expected Quality):** these are the obvious needs and features expected by customers (must have qualities) , if the basic needs are not fulfilled , customers are dissatisfied . however ; we cannot have a satisfied customer by fulfilling only the basic needs .
- **Expected Attributes (Normal Quality):** these elements are known as the next level of expectations where customers are fully aware of these needs and expect to have them fulfilled. Poor performance of these attributes diminishes customer satisfaction vice versa.
- **Excitement Attributes (Exciting Quality):** these attributes are not usually expressed by customers and are generally unexpected. The presence of these elements delights

⁸¹ Ismeadmin, “Kano Model of Customer Satisfaction and Its Importance.” *ISME: Best MBA/PGDM, BBA, BCom, PhD Colleges in Bangalore | Ranked Top 40 B Schools in India*, www.isme.in/kano-model-of-customer-satisfaction-and-its-importance. Accessed 7 Sept. 2021.

Chapter Two: An overview of the Customer Satisfaction

the customer .However, the absence of these attributes do not cause dissatisfaction. By finding such properties the organization can gain a competitive advantage and loyal customers.

Figure 9: Kano Model of Customer Satisfaction.



Source: “What Is the Kano Model? Diagram, Analysis & Tutorial | ASQ”, ASQ, asq.org/quality-resources/kano-model. Accessed 10 Sept. 2021.

2.2.2. Customer satisfaction methods:

In addition to these models we have to mention the most commonly used methods for customer satisfaction measurements:

- a) **Customer Satisfaction Score (CSAT):** is one of the most popular methods of measuring customer satisfaction. This metric tracks how satisfied customers are with their experiences with a brand, product or service. It essentially quantifies audience’s

Chapter Two: An overview of the Customer Satisfaction

satisfaction level⁸². Where we ask clients to rate the quality of the services they received from your company, e.g. by giving points from 1 to 10⁸³.

Figure 10: Customer Satisfaction Score (CSAT)



Source: A. Aspri, “What Is Customer Satisfaction Score (CSAT) and Why do You Need It?”, *E-Satisfaction.Com*.

- b) **Customer Effort Score (CES):** is a survey allowing you to find out the client's overall impression about working with you. Ask “how easy was it to solve your problem with our assistance?” and provide possible answers. CES seeks to identify the survey questions which have the strongest relationship to the general opinion question asking for a customer effort score (CES). When surveys are used to assess CES, the questions on the survey may be identical to the questions used when measuring CSAT⁸⁴.

Figure 11: CES survey

Source: “Customer Effort Score.” *Check Market*, 3 June 2021, www.checkmarket.com/customer-effort-score.

- c) **Net Promoter Score (NPS):** helps to understand how loyal a customer is. Create a survey with a question similar to “how likely is it that you will recommend our

⁸² A. Aspri, “What Is Customer Satisfaction Score (CSAT) and Why do You Need It?” *E-Satisfaction.Com*, 14 Mar. 2021, www.e-satisfaction.com/what-is-customer-satisfaction-score-csat-and-why-you-need-it/#:%7E:text=What%20is%20Customer%20Satisfaction%20Score%20%28CSAT%29%3F%20Customer%20Satisfaction,service.%20It%20essentially%20quantifies%20your%20audience%E2%80%99s%20satisfaction%20level, Accessed 18 June 2021.

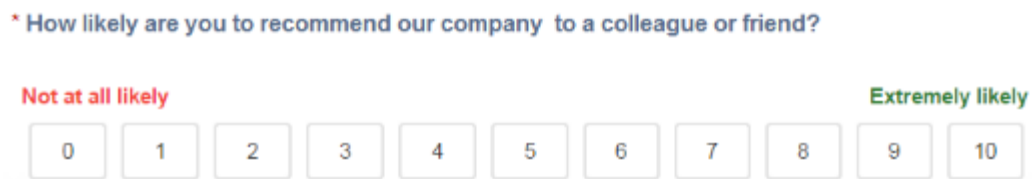
⁸³ G. Kiradoo, “Software Engineering Quality to Enhance the Customer Satisfaction Level of the Organization.”, *International Journal of Advanced Research in Engineering and Technology (IJARET)*, vol. 10, 2019, pp. 297–302, P301

⁸⁴ Bleuel, William. “CSAT or CES: Does It Matter?”, *Graziadio Business Review | Graziadio School of Business and Management | Pepperdine University*, 15 Mar. 2019, gbr.pepperdine.edu/2019/03/csat-or-ces-does-it-matter. Accessed 18 June 2021.

Chapter Two: An overview of the Customer Satisfaction

company to somebody?” This is how you will define the clients who will probably come back to you with new projects⁸⁵.

Figure 12: NPS Survey



* How likely are you to recommend our company to a colleague or friend?

Not at all likely Extremely likely

0 1 2 3 4 5 6 7 8 9 10

Source: “Net Promoter Score Calculation - CheckMarket Survey Tool.” CheckMarket, 3 June 2021, www.checkmarket.com/net-promoter-score-calculation, Accessed 18 June 2021.

2.3. The Objectives of Measuring Customer Satisfaction:

Measuring customer satisfaction is a key performance indicator in the business, usually a balanced scorecard. The main purpose of measuring customer satisfaction is to make timely decisions for customers and continuous improvement of business transactions. The basic objectives of measuring customer satisfaction can be to⁸⁶:

- ❖ Identify areas (features of products and services) of customer dissatisfaction which call for appropriate corrective action as well as the areas wherein customers are currently satisfied in order to know where efforts should be made to retain or even to enhance customer satisfaction;
- ❖ Link customer satisfaction to performance in processes carried out internally and to employee satisfaction. In fact, it has been often argued—and rightly so—that unless employees within the organization are themselves satisfied with the work environment or quality of their working life, they cannot make customers feel satisfied.
- ❖ Determine the facets perceptions and priorities of customers have regarding the product or service, viz. on-time and secure delivery, warranty provisions, justifiable cost, maintenance issues, convenient ordering and billing procedures, product recall procedures, and response to special requests or suggestions.

⁸⁵ G. Kiradoo, *op cit.*, P301.

⁸⁶ S.P. Mukherjee, *op cit.*, P 159.

Chapter Two: An overview of the Customer Satisfaction

2.4. Customer Loyalty and Satisfaction:

Customers who are highly delighted because of a service keep purchasing the same brand, provide positive word-of-mouth to others, and often become “customers for life.” In contrast, those who are less satisfied or feel neutral either switch to a competitor immediately, or wait until another marketer offers them a somewhat lower price and then switch. In addition, dissatisfied customers spread negative and often exaggerated word-of-mouth. A widely quoted study that linked levels of customer satisfaction with customer behavior identified several types of customers:

1. *The Loyalists:* they are satisfied customers who keep purchasing. Those whose experiences with the company exceeded their expectations and they provide very positive word-of-mouth about the company to others.

2. *The Defectors:* they feel neutral or merely satisfied with the company, they are likely to switch to another company that offers them a lower price. Companies must raise defectors’ satisfaction levels and turn them into loyalists.

3. *The Terrorists:* are customers who have had negative experiences with the company and spread negative word-of-mouth. Companies must take measures to get rid of terrorists.

4. *The Hostages:* are unhappy customers who stay with the company because of a monopolistic environment or low prices; they are difficult and costly to deal with because of their frequent complaints. Companies should fire hostages, possibly by denying their frequent complaints.

5. *The Mercenaries:* are very satisfied customers who have no real loyalty to the company and may defect because of a lower price elsewhere or on impulse, defying the satisfaction–loyalty rationale. Companies should study these customers and find ways to strengthen the bond between satisfaction and loyalty.

Section 3: Customer Satisfaction and Service Quality:

In this section we will discuss and determine the relationship between customer satisfaction and service quality.

3.1. The SERVQUAL and Customer Satisfaction:

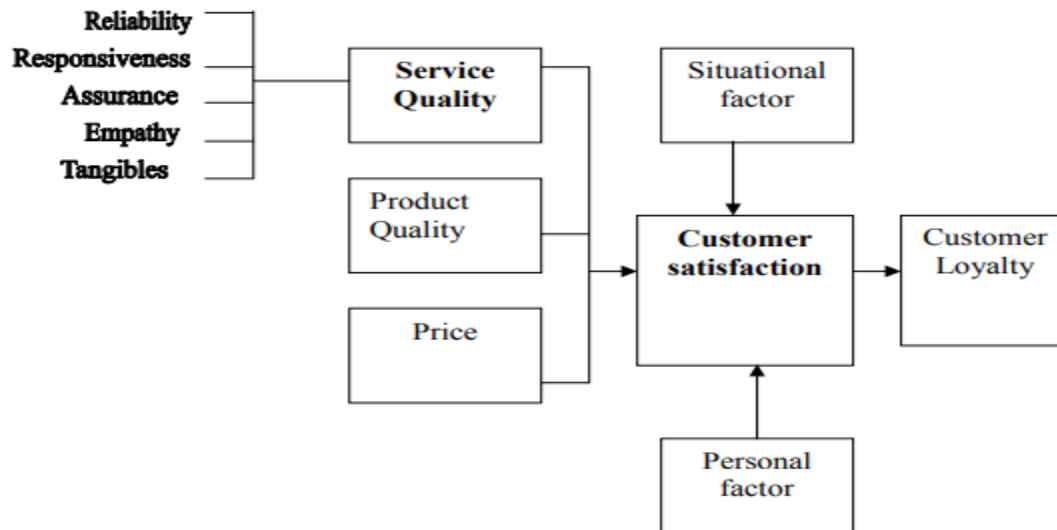
Service quality is said to be one of the major contributors of customer satisfaction and therefore it is given importance in the service sector. A lot of research has been taking place for the past decades which has thrown light on the link between customer satisfaction and service quality. Various theories and frameworks have been presented but the work by Zeithaml, Parasuraman and Berry (1988) is of prime importance. They introduced the

Chapter Two: An overview of the Customer Satisfaction

SERVQUAL model for analyzing and improving the quality for service organizations. It has been used a lot in the service sector especially in the restaurants (Parasuraman, et al., 1988).

In this context the SERVQUAL model is the multi-scale items that helps in detecting the aspects that affect customer satisfaction.

Figure 13: the relation between customer satisfaction and service quality .



Source: Customer perceptions of quality and customer satisfaction (Wilson et al., 2008).

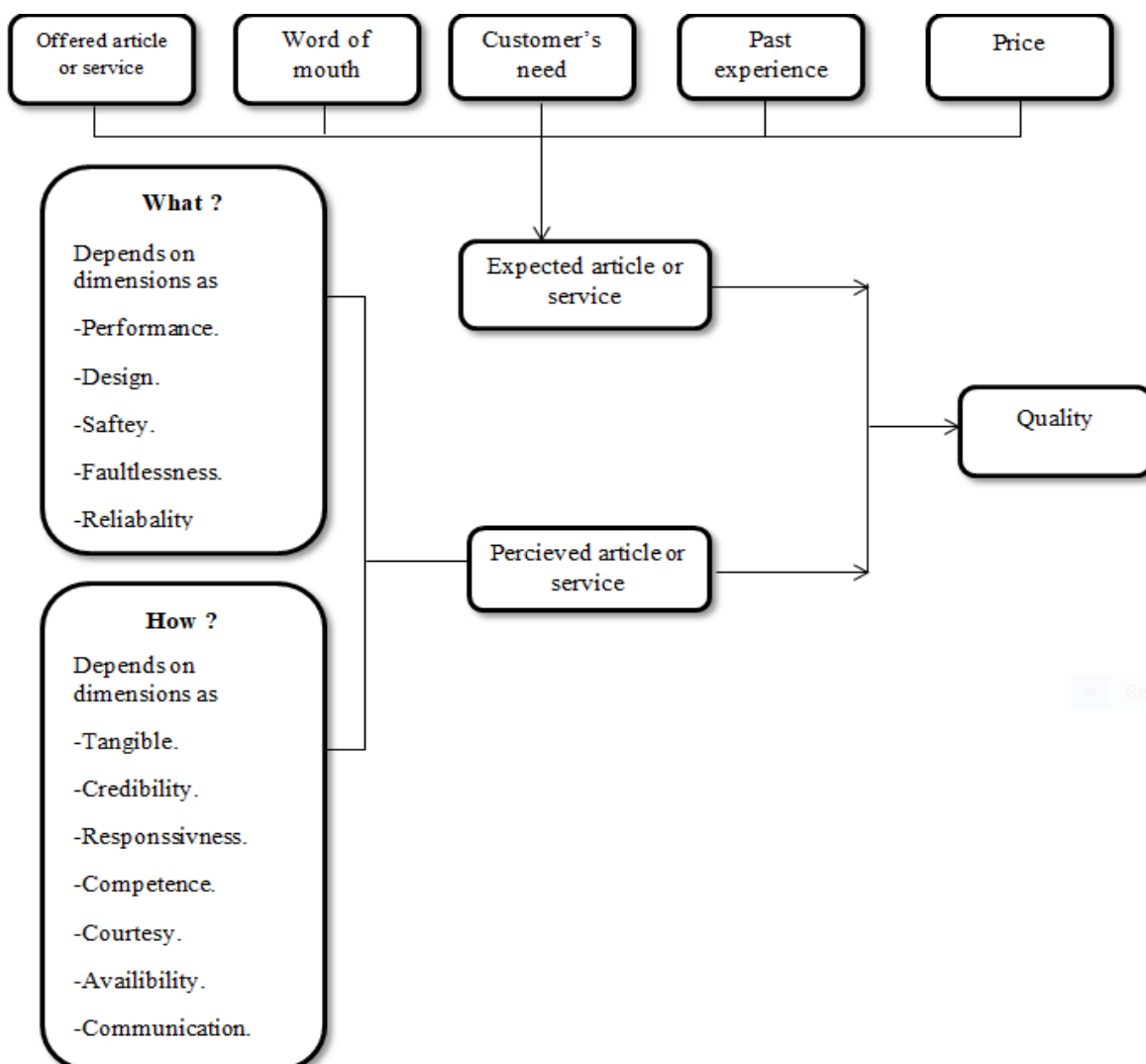
3.2. Factors Affecting Customer Satisfaction:

Customer satisfaction is related to the customer's needs and expectations, these are as well influenced by several factors (e.g.: the company's reputation, previous personal experiences, is the company offering what it promised, the price of the product/service ...etc.). For the customer ,it is not only the actual function and the quality of the product that interest him , but also everything related to purchase , operation and maintenance of the product . The quality in these functions may often be at least as important as the quality inherent in the core products .In some purchasing situations good service may be just as important as good product performance .Within the service sector it is often said that core service is supported by supporting services⁸⁷ .

⁸⁷B. Bergman, and B. Klefsjo, *op cit.*,P329-P331.

Chapter Two: An overview of the Customer Satisfaction

Figure 14: the factors that affect customer satisfaction.



Source: B. Bergman, and B. Klefsjo. *Quality from Customer Needs to Customer Satisfaction*, 3rd ed., Lund, Studentlitteratur AB, 2010.p330

3.3. Discussion:

Although there is a close relationship between customer satisfaction and service quality, researchers still disagree on what the interconnection between service quality and customer satisfaction is. Bateson believes that quality is an attitude that a customer establishes through his evaluation of the provided service and it is based on a series of past experiences, while satisfaction is the final evaluation that a customer establish after a certain exchange⁸⁸.

⁸⁸ م. عيسى وم. سيهام، "أهمية جودة الخدمة في تحقيق الرضا لدى العميل"، *مجلة الاقتصاد الصناعي*، المجلد. 12، 2017، ص 386-404، ص 395.

Chapter Two: An overview of the Customer Satisfaction

Other researchers believe that the distinction between service quality and customer satisfaction is determined by defining the meaning of expectations, so that they assure that measuring perceived service quality is done by answering the question “what should the customer expect». In the case, the expectations of customer are based on previous experiences of the service provided to him, as well as on his evaluation the quality of the service provided by other organizations providing the same service⁸⁹. Also, many studies have clarified that a higher level of service quality will lead to a higher customer satisfaction and consequently the customer will repeat the purchase from the same institution. It has also been concluded that service quality leads to customer satisfaction and not the opposite⁹⁰.

Ziehaml, Parasuraman and Berry also stated that the concept of customer satisfaction is obtained through a comparison of expected service and perceived service. And for the concept of service quality, it is produced out of comparison made by the customer himself between what he requested as a service and what he wanted to be provided (perceived)⁹¹.

⁸⁹ M. Ngo and H. Nguyen, “The Relationship between Service Quality, Customer Satisfaction and Customer Loyalty: An Investigation in Vietnamese Retail Banking Sector”, *Journal of Competitiveness*, vol. 8, no. 2, 2016, pp. 103–16.

⁹⁰ خ. محمد و م. اسماء، "العلاقة التفاعلية بين أبعاد جودة الخدمة و رضا الزبون بالمؤسسة"، مجلة الرياض لاقتصاديات الأعمال، المجلد 3، 2017، ص34.

⁹¹ م. عيسى وم. سيهام، *op cit.*, P396.

Chapter Two: An overview of the Customer Satisfaction

Conclusion:

This chapter has discussed customer satisfaction and how we can measure it in order to achieve the predetermined objectives of the organizations. It is very important to realize that customers will not complain which differs from one sector to another. In other words, we are not aware of the extent “satisfaction / dissatisfaction” as long as we do not ask, especially once is related to the service quality we provide to them .So, assessing and understanding the needs of the customer is a well-founded basis in achieving customer satisfaction which consequently contributes to extensive growth of the organization.

Chapter Three: The Empirical Study of the External Bank of Algeria

Chapter Three: The Empirical Study of the External Bank of Algeria

After giving a theoretical overview of our research and in order to answer our problem study, the third and final chapter will be divided into three sections. The first of which will be a brief presentation of the External Bank of Algeria, the second one will be about the methodology of the research conducted. The last section we will analyze and discuss the obtained data and give our suggestions and recommendations.

Section 01: Presentation of the External Bank of Algeria

In this section we will present the External Bank of Algeria

1.1. History of the External Bank of Algeria (BEA):

The External Bank of Algeria was created on October 1, 1967 by ordinance n ° 67.204. Its main purpose was to facilitate and develop Algeria's economic and financial relations with the rest of the world.

As part of the nationalization process of the Algerian banking system, the BEA successively took over the activities of foreign banks operating in Algeria; however, the bank did not have its final structure until June 1, 1968. Since 1970, the External Bank of Algeria has been entrusted with all the banking operations of the big national industrial companies.

Due to the restructuring of industrial companies and the profound changes initiated by the public authorities in the 1980s, the BEA changed its status and became, on February 5, 1989, a joint stock company (Cf. provision of Law 88.01 of January 17 1988 on the autonomy of companies) with keeping the same objectives fixed by the ordinance of October 1, 1967.

In 1991, the bank's capital increased by 600 million dinars to become 1.6 billion Da. In March 1996, the capital of the BEA rose to 5.6 billion Da. After the dissolution of the participation funds, the capital remains the property of the State. The bank's capital has grown steadily since that date (1996), going from 12 billion Da in (2000) to 24.5 billion Da in September 2001.

In 2019, the BEA increased its share capital, bringing it from 150 billion DA to 230 billion DA.

1.2. Brief Presentation B.E.A:⁹²

- Name: External Bank of Algeria.
- Legal status: Joint Stock Company (Algerian State 100% shareholder)
- Chairman and Managing Director: Mr Lazhar Latreche

⁹² BEA / Banque Extérieure d'Algérie. Accessed 18 August 2021.

Chapter Three: The Empirical Study of the External Bank of Algeria

- Capital: 230 000 000 000 DA
- Head office: 11, Boulevard Amirouche - Algiers, Algeria.
- Activity: Banking production and financing of all sectors of activity, notably hydrocarbons, steel, transport, construction materials and services.

1.3 Missions and Objectives of External Bank of Algeria:

The main objective of the BEA is to facilitate and develop Algeria's economic relations with other countries within the framework of national planning. Here is some of the missions and objectives of the External Bank of Algeria:

- The BEA participates in any credit insurance system or institution for transactions with foreign countries and may be responsible for ensuring its management and control.
- Create branches, agencies or subsidiaries abroad or take holdings in the existing company.
- Take abroad participation in companies to promote the expansion of the Algerian trade.
- Achieve decision's decentralization In order to give flexibility to reach more goals and attract new customers.
- Improving management strategies and making it more efficient in order to ease transactions.
- Improving and developing the bank's network as well as modern technologies.



Figure 15: Logo of BEA.

Source: BEA / Banque Extérieure d'Algérie ; Accessed 18 August 2021.

Chapter Three: The Empirical Study of the External Bank of Algeria

Section 02: Research Methodology

In this section we will talk about our research methodology.

2.1. Research Model

In order to accept or reject the hypothesis we already mentioned, we adopted a quantitative research design to investigate the impact of service quality dimensions on customer satisfaction. The literature review made in this research showed that the RATER dimensions (named respectively: Reliability, assurance, tangible, empathy and responsiveness) influence the quality perceived by the customer which influences immediately his satisfaction.

According to Parasuraman the physical facilities is defined as TANGIBLES , the willingness to help customers is defined as RESPONSIVENESS, the ability to perform the promised service dependably and accurately is defined as RELIABILITY, individualized attention that the firm provides for its customers is defined as EMPATHY, and finally the knowledge and courtesy of employees and their ability to inspire trust and confidence defined is as ASSURANCE. several studies suggests that all this dimensions has a significant impact on customers satisfaction such as (S. & Devesh, 2017),(Kacem 2018), (Lachache & Abdelhafid, 2019) ,(Jovana & Nevena 2019) ,(Yogesh & Hema 2019) , (Mohammed & Mohammed 2020) and other studies of the same field .

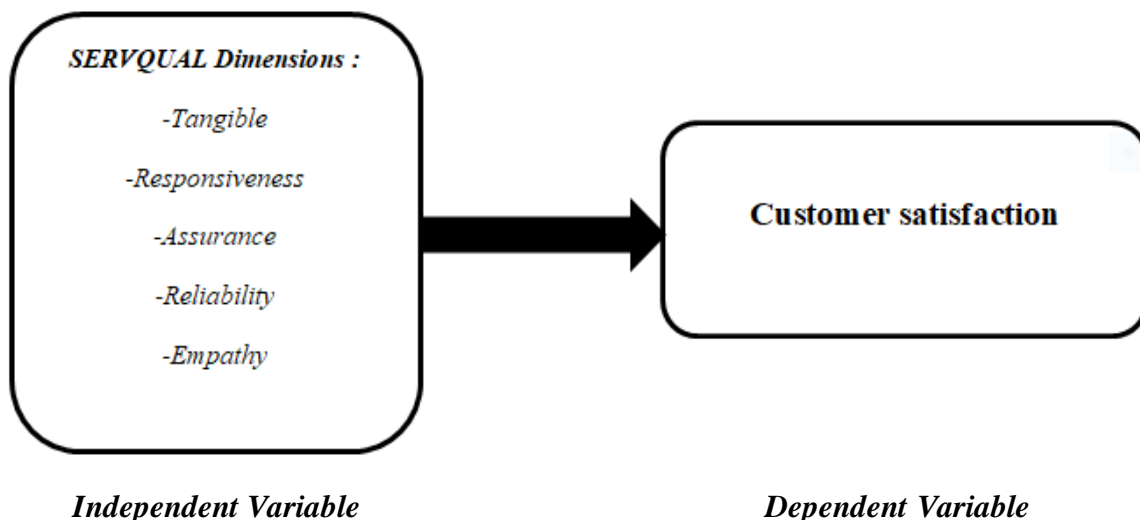


Figure 16: Research Variable

Thus why we proposed the following hypothesis:

H0: service quality dimensions have no significant impact on customer satisfaction using the SERVQUAL model.

Chapter Three: The Empirical Study of the External Bank of Algeria

H1: service quality dimensions have a significant impact on customer satisfaction using the SERVQUAL Model.

In this study, we used the disconfirmation paradigm which is based on the discrepancy theories. According to this paradigm, consumer's satisfaction judgments are the result of consumer's perceptions of the difference between their perception of performance and their expectations. Positive disconfirmation leads to increased satisfaction while negative disconfirmation leads to decreased satisfaction.

2.2. The Questionnaire Structure:

To collect the right data, a questionnaire was used which was originally given by Parasuraman et al. This survey has two parts to be answered: the expectation part with 22 questions and the perception part with 22 questions (44 in total) .These questions were translated from English to Arabic and modified to be more understandable for the customer. The answers were measured on a five-point Likert Scale (1= Totally Disagree, 2= Disagree, 3= Neutral, 4= Agree, to 5= Totally Agree). Statistical techniques were used to process the data SPSS version 26.

2.3. Sample Plan:

The target population comprises all the bank's customers selected on a random basis, with a sample size of 119 bank customers between the ages of 18 and 38 encompassing both gender males and females. In the process of data collection and due to the Covid19 the questionnaires were distributed to the respondents online via social media (Facebook, Instagram, email).

2.4. Internal Consistency of the Questionnaire:

Reinforce with Alpha Cronbach to understand the sincerity and consistency between questionnaire paragraphs and items to determine the validity of this research. We found that The Cronbach's alpha for the entire questionnaire was 0,878 which demonstrates that the questionnaire is highly reliable for researchers to carry forward their investigations. As Nunnally (1978) emphasized, the recommended minimum coefficient is 0.70, 0.60 is moderately reliable, and coefficients of 0.80 and above are considered Very reliable.

Section 03: Data Analysis and Interpretations:

In this section we will represent the data and discuss the results:

3.1. Demographic Profile of the Customers:

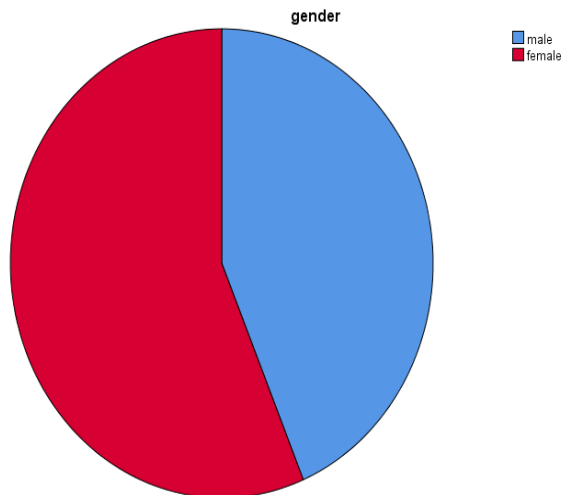


Figure 17: done by SPSS version 26

Analysis and Interpretation:

The gender's pie chart shows that we have a percentage of 43.7% male while we have 56.3% female .It means we have a female dominant percentage.

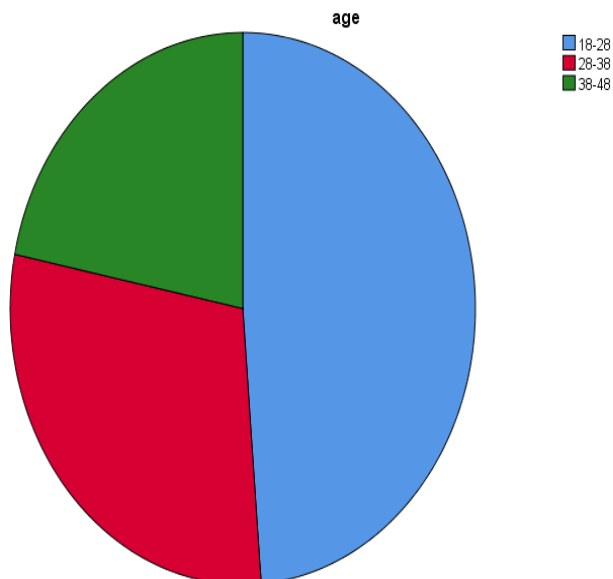


Figure 18: done by SPSS version 26

Analysis and Interpretation:

From the obtained results above, we observe that 48.7% are between [18-28], 29.4% are between [28-38] and 21.8 % are between [38-48] , and we mention as well that we have no answer regarding the option of [more than 48].

Chapter Three: The Empirical Study of the External Bank of Algeria

These results showed that the majority of the respondents are aged from [28-48]. This means young people are interested in dealing with banks when it comes to their financial transactions.

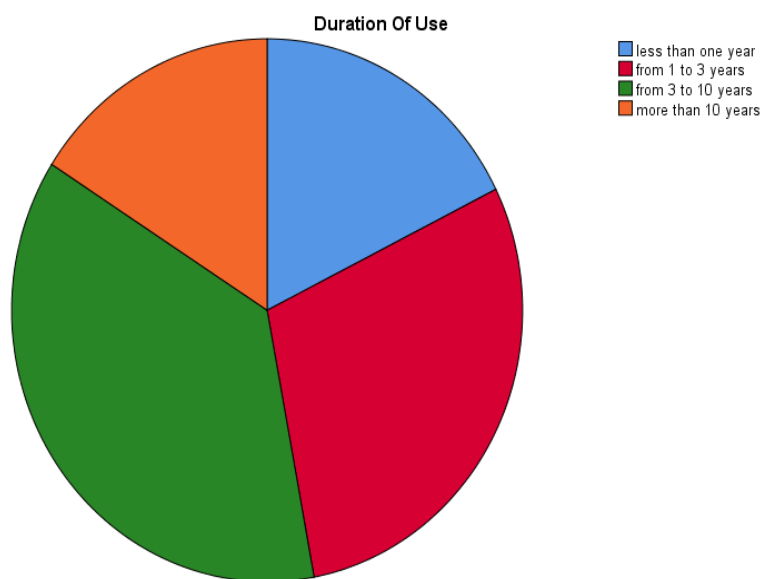


Figure 19: done by SPSS version 26

Analysis and Interpretation:

According to SPSS results, 17.6% have been bank's client for less than one year, 29.4% have been a bank's client from one year to three years, 37% have been bank's client from three to ten years and 16% have been clients for the bank for more than ten years.

These results indicate that the majority used to deal with the bank for a medium to long term.

3.2. The Gap Analysis:

Table 6: the score gap between expectations and perceptions

<i>Dimension</i>	<i>Expectation</i>	<i>Mean</i>	<i>Perception</i>	<i>Mean</i>	<i>Service quality gap</i>
<i>Tangible</i>	the bank should have up-to-date equipment	4.41	the bank has up-to-date equipment	3.71	-0.7

Chapter Three: The Empirical Study of the External Bank of Algeria

	The banks' interior design should be visually appealing.	3.72	The banks' interior design is visually appealing.	3.46	-0.26
	the bank's employees should be well dressed	4.13	the bank's employees are well dressed	3.71	-0.42
	The physical facilities of the bank should work correctly.	4.37	The physical facilities of the bank work correctly.	3.67	-0.7
Reliability	banks should provide their services at the time they promised to do so	4.72	banks provide their services at the time they promised to do so	3.47	-1.25
	When any problem occurs, the bank must show an honest willingness in order to solve it.	4.68	When any problem occurs, the bank employees show an honest willingness in order to solve it.	3.97	-0.71
	the service should be performed well and correctly from the first time	4.34	the service is performed well and correctly from the first time	3.65	-0.69
	the bank should keep the records accurately and correctly	4.07	the bank keeps the records accurately and correctly	4.15	0.08

Chapter Three: The Empirical Study of the External Bank of Algeria

	when the bank employees promise to do something by a certain time , they should do so	4.54	when the bank employees promise to do something by a certain time , they do what did they promised	4.37	-0.17
<i>Responsiveness</i>	the banks employees should tell exactly when the service will be performed	4.28	the banks employees tell exactly when the service will be performed	4.35	0.07
	the banks employees should be ready to provide help for customers	4.17	the banks employees always show readiness and willingness to provide help for customers	4.47	0.3
	the bank employees should provide the exact prompt service	4.14	the bank employees provide the exact prompt service	4.33	0.19
	the banks employees should not be busy to respond to customers' requests	3.87	the banks employees are not be busy to respond to customers' requests	4.38	0.51
<i>Assurance</i>	customers should be able to trust the bank's employees	4.27	customers trusts the bank's employees	4.28	0.01

Chapter Three: The Empirical Study of the External Bank of Algeria

	the bank's employees should know all the details about their services	4.29	the bank's employees know all the details about their services	4.19	-0.1
	the customer should feel safe in his transactions with the bank's employees	4.28	the customer feel safe in his transactions with the bank's employees	4.45	0.17
	the bank's employees should be polite	4.5	the bank's employees are polite	4.28	-0.22
<i>Empathy</i>	the bank's employees should give an individual attention to each customer	3.94	the bank's employees give an individual attention to each customer	4.61	0.67
	the bank's operating hours should be convenient to all customers	3.59	the bank's operating hours are convenient to all customers	4.17	0.58
	the bank's employees should understand customer's needs	3.98	the bank's employees understand customer's needs	4.41	0.43
	the bank's employees should have their customer's best interests in heart	3.87	the bank's employees have their customer's best interests in heart	4.39	0.52

Chapter Three: The Empirical Study of the External Bank of Algeria

	the banks employees should give customers personal attention	3.82	the banks employees give customers personal attention	4.43	0.61
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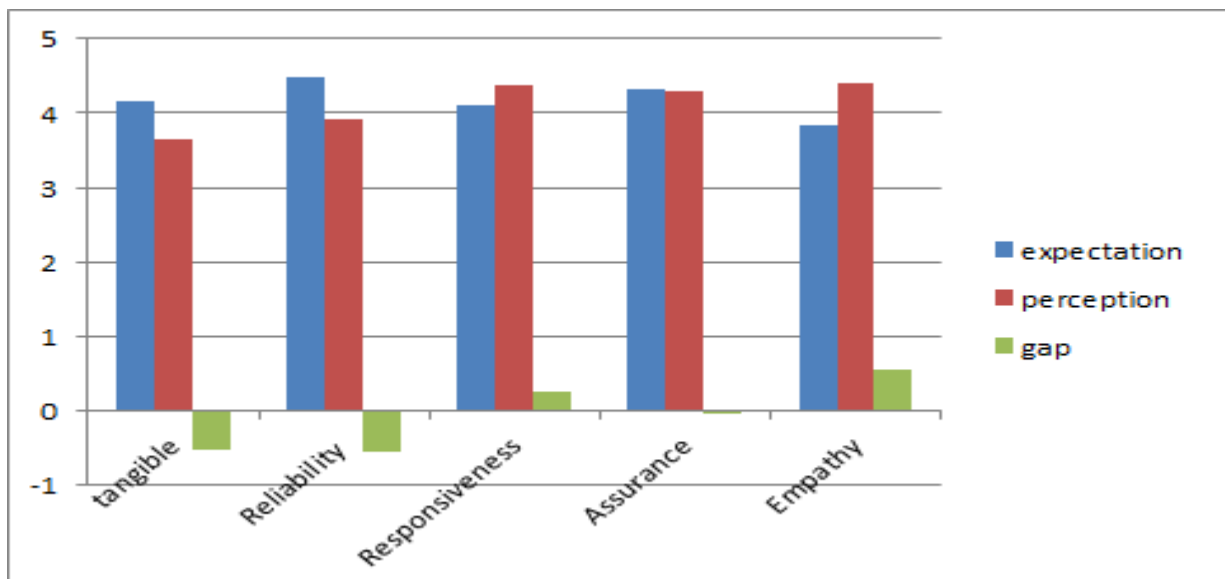
Source: made by the author using SPSS version 26.

Analysis and Interpretation:

Table 6 represents the gap score between perceptions and expectations, the 22 statements were asked twice, once to measure expectation and once to measure perception.

The obtained mean score shows that “Reliability” had the highest value in expectations with 4.47 followed by “Assurance” with 4.335 and after that “Tangible” afterward “Responsiveness” and lastly “Empathy” with the lowest score. For the perceptions section the topmost value was acquired by “Empathy” followed by “Responsiveness” and then “Assurance”, then “Reliability” and “Tangible” which means there is a difference between the opinions of customers about service quality and what do they receive as service in reality.

Figure 20: The Gap Score Between Expectations and Perceptions



Source: Made by the author based on SPSS results.

Analysis and Interpretation:

The gap analysis illustrated in figure 19 above establishes that “reliability Gap” has the topmost negative value with -0.548 and second negative gap was “tangible Gap” with -0.4475 and “Assurance Gap” had a very small score of -0.035. All other gaps have positive values with the highest being the “Empathy Gap” of 0.562 and 0.2675 for the “Responsiveness Gap”. The negative gap indicates that customers are dissatisfied in some

Chapter Three: The Empirical Study of the External Bank of Algeria

particular dimensions while the positive gap shows that the bank organization is exceeding customer expectations. It indicates that there is an effect of service quality dimensions on customer's satisfaction.

3.3. Testing Hypotheses:

One sample t test was conducted in order to test the research hypothesis:

H0: there is no significant impact of service quality dimension on customer satisfaction

H1: there is a significant impact of service quality dimensions on customer satisfaction

Table7: T Test Results

<i>One-Sample Test</i>				
<i>Test Value = 3</i>				
<i>Service Quality Dimensions</i>	<i>t</i>	<i>df</i>	<i>Sig. (2-tailed)</i>	<i>Mean Difference</i>
the bank has up-to-date equipment	11.5315	118	0	-0.706
The banks' interior design is visually appealing.	4.957	118	0	-0.261
The bank's employees are well dressed	9.131	118	0	-0.42
The physical facilities of the bank work correctly.	11.486	118	0	-0.698
Banks provide their services at the time they promised to do so	15.7305	118	0	-1.252
When any problem occurs, the bank employees show an honest willingness in order to solve it.	17.3565	118	0	-0.706
The service is performed well and correctly from the first time	12.4095	118	0	-0.698

Chapter Three: The Empirical Study of the External Bank of Algeria

The bank keeps the records accurately and correctly	13.3615	118	0	0.084
When the bank employees promise to do something by a certain time , they do what did they promised	25.098	118	0	-0.168
The banks employees tell exactly when the service will be performed	16.819	118	0	0.076
The banks employees always show readiness and willingness to provide help for customers	21.359	118	0	0.303
The bank employees provide the exact prompt service	19.7855	118	0	0.185
The banks employees are not be busy to respond to customers' requests	19.924	118	0	0.504
Customers trusts the bank's employees	18.8225	118	0	0.008
The bank's employees know all the details about their services	15.486	118	0	-0.101
The customer feel safe in his transactions with the bank's employees	22.2415	118	0	0.168
The bank's employees are polite	17.2365	118	0	-0.219
The bank's employees give an individual attention to each customer	22.8695	118	0	0.664
The bank's operating hours are convenient to all customers	9.2695	118	0	0.58
The bank's employees understand	18.1625	118	0	0.429

Chapter Three: The Empirical Study of the External Bank of Algeria

customer's needs				
The bank's employees have their customer's best interests in heart	18.0425	118	0	0.529

Source: made by the author according to SPSS.

The t value is 16.29 which gives us a *p*-value (2-tailed significance value) of .000. And .000 is smaller than .05, so we reject the null hypothesis which asserts that there is no impact of service quality dimensions on customer satisfaction using the SERVQUAL model. And we accept the one stating that there is a service quality impact on customer satisfaction using the same model.

3.4. Discussion:

We have examined the difference between customers' expectations and customers' Perceptions of service quality; We found that the respondents' overall expectation on a scale of 1 to 5 is 4.1835, we realize that customers expect a lot from the reliability dimension with a score of 4.47. BEA Bank therefore has to pay a lot of attention to the quality and the ability to perform the service dependably and accurately variety of products that they produce. This shows that this dimension is very important when measuring service quality in the bank.

The tangible, the assurance and the responsiveness dimensions also have scores of above 4. Customers are then therefore very sensitive to how assuring a bank is in providing good and quality services to them, as well as how the bank's appearance should be, how the physical facilities are functioning and they care also about the willingness of the employees to help them solve the problems occurred or even when a normal question came to their mind.

Generally, the expectations are fairly high since they are all above 3. The customers' expectations across the five dimensions are rated at 4.1835 on a scale of 1 to 5 which is an indication that customers expect very high from the bank.

Concerning customers' perception of the bank's service, we noticed that customers' expectations exceeded their perceptions in some dimensions.

Parasuraman et al., (1985) proposed that customer satisfaction increases when perceived service quality is high. He supported the fact that service quality leads to customer satisfaction. In other words customer satisfaction is based upon the level of service quality provided by the service provider. This is a good basis for asserting whether or not customers

Chapter Three: The Empirical Study of the External Bank of Algeria

are satisfied. A higher perception indicates a higher satisfaction while a higher expectation indicates dissatisfaction.

Parasuraman et al. (1985, 1988) introduced the gap score as a tool to measure service quality, although they limited their inference of satisfaction from service quality to the gap scores between perceptions and expectations.

Service quality and satisfaction are positively related⁹³ this means that dimensions with higher perception scores represent higher satisfaction on the part of customers and vice versa.

We have been able to measure the gap between perception and expectations of our sample. The expectations are higher than the perceptions for three dimensions namely tangible, reliability and assurance (negative gaps) indicating that customers expect more than what the bank actually offers to them in terms of service quality.

Customers perceived service quality of these three dimensions in the bank to be poor and lower than their expectations. Therefore; they are not satisfied. On the other hand, their perception exceeds their expectation for the empathy and responsiveness dimensions. This means that the customers are satisfied with these aspects. Both areas describe how consumers perceive service quality.

In order to determine the overall customer satisfaction, in the case of banking services Zeithaml et al (1985) proved that reliability is the most important dimension followed by assurance, tangible elements, responsiveness and empathy. According to the obtained results we can see that customers are not satisfied with the first three dimensions which mean they are generally dissatisfied with the provided service.

In summary, All the dimensions showed a gap between expected service and perceived service. therefore, it means that the bank needs to make improvements in the dimensions with a negative gap (tangible, assurance and reliability) since they have the major impact on the overall customer satisfaction and maintain the ones with positive gaps (responsiveness and empathy). This will shorten and/or close the gaps and balance the service quality equations.

⁹³ خ.محمد و م.اسماء *op cit.*, P35.

Chapter Three: The Empirical Study of the External Bank of Algeria

Conclusion:

In this chapter, we discussed the empirical study of our work using the SERVQUAL model as a customer satisfaction measurement tool, where the results of the conducted research showed that customers are not satisfied with certain aspects of quality. So, it is necessary to continuously work on improving service quality to gain a higher degree of Satisfaction. The External Bank of Algeria should make stronger efforts to identify the needs and demands of their customers in order to satisfy them properly and, if possible, surpass their expectations. Measuring service quality and customer satisfaction has become a necessity for survival and further development in today's market.

General Conclusion

General Conclusion:

Customers and consumers are always seeking banks that provide them with better financial services. Many evidence and documents indicate that in today's competitive world, exploring the needs and understanding what customers want and satisfying them before the competitor does is a basic condition for enterprises to get success.

The objective of this study was to know “if there is an impact of service quality dimensions on customer satisfaction” using the most popular and widely used measurement tool ‘SERVQUAL’, the results indicates that the research questions were answered, whereby all the common SERVQUAL dimensions (reliability, tangible, assurance, empathy and responsiveness) Had a significant influence on customer satisfaction .

This study showed that RATER’s dimensions affect customer’s experience which eventually will have an impact on his satisfaction, but further raises fundamental questions about how can a bank or any other service provider detect, correct, and improve a customer’s journey and influence his perceptions positively.

1. Limitations :

There are some limitations associated with this study that need to be discussed. Firstly, the results obtained from this study cannot be generalized to a wide range of similar situations concerning banks because of the sample size and the distribution circumstance although the methodology used in our study could be applied to these similar situations. Also, the issue of consumers’ perceptions could be questioned because of the “I don’t know” neutral answers we had. However, the above limitations are less significant compared to the importance of carrying out this type of study. This kind of study should be carried out frequently to monitor service quality and find out customers’ satisfaction levels and make necessary adjustments in case of any weaknesses or strengths.

2. Recommendations and Suggestions:

From the previous results, we concluded that there is a negative gap between what the customer expects and what he actually perceives from the bank of some service quality dimensions, and according to this, here is some recommendations and suggestions that will help closing these gaps:

- **Tangible aspects:** we recommend taking care of the visual aspects i.e :
 - Have the latest technological equipment which answers customer needs (such as ATM machines).
 - Provide indicative panels or big screens that show the basic procedures such as opening an account, or some answers for most commonly asked questions...etc.

General Conclusion:

- **Reliability:** Since reliability has a direct relation with the employees' attitude and willingness we suggest that the bank provide a training program which focuses on improving their skills as the direct service provider (everything related to banking services depending on their position). This will help them to deliver the prompt service perfectly and correctly.
- **Assurance:** Since the customer's first concern is the safety and the easy access to his money, employees (as well as their managers) should know how to create a trust atmosphere with their customers. This will benefit the bank for a long term "gaining new customers and satisfying the old ones".

3. *Further researches:*

To comprehend the impact of the findings brought in this study, additional research is required to bring optimal solutions to close the gap between perceptions and expectations. Further research can go deeper in assessing customers' satisfaction using other models or a modified servqual scale in the same sector with multiple banks agencies. Likewise, Additional studies could also be extended toward bank staff as service quality also involves employees to give the right recommendations to each specific case. Furthermore, Future research can examine the influence of service quality dimensions on other important aspects, such as customer loyalty, and customer retention.

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Thesis:

- ب. سفيان ، التحكم في جودة الخدمة البنكية دراسة نوعية-كمية في البنك الوطني الجزائري BNA (تلمسان) ،،مذكرة دكتوراه ، جامعة ابو بكر بلقايد ،2015، ص22.

Abstract :

This study explores the impact of Service Quality Dimensions on customer satisfaction. Using the SERVQUAL model, the research seeks to examine whether there is a significant impact of reliability, responsiveness, assurance, empathy and tangible aspects on customer satisfaction in the External Bank of Algeria. A sample of 119 banking customers was randomly selected and data were analyzed through SPSS version 26. The effect of service quality dimensions on customer satisfaction was estimated using descriptive statistics, one sample t-tests; Results indicated that all five service quality factors have significant influence on customer satisfaction in the External Bank of Algeria. The findings of this study will help the External Bank to establish an efficient strategy to deliver high service quality and satisfy its customers

Keywords: Service, SERVQUAL, Satisfaction, Banking, expectation, perception, Gaps.

ملخص :

تهدف هذه الدراسة إلى معرفة تأثير أبعاد جودة الخدمة المصرفية على رضا الزبون وذلك باستعمال مقياس SERVQUAL ، و الذي يعتبر من أهم وسائل القياس في هذا المجال. تم اختيار عينة من 119 عميلاً مصرفياً بشكل عشوائي وتم تحليل البيانات من خلال SPSS الإصدار 26 ، وقد خلصت النتائج إلى وجود تأثير لكل من الموثوقية والاستجابة والتأكيد والتعاطف والجوانب الملموسة على رضا العملاء في بنك الجزائر الخارجي . تم تقدير تأثير أبعاد جودة الخدمة على رضا العملاء باستخدام الإحصاء الوصفي ، TEST t ، وقد أشارت النتائج إلى أن جميع عوامل جودة الخدمة الخمسة لها تأثير كبير على رضا العملاء في بنك الجزائر الخارجي. كما ضم البحث مجموعة من التوصيات هدفها تحسين جودة الخدمة المصرفية المقدمة و التي ستساعد البنك الخارجي على التخطيط لاستراتيجية فعالة من اجل تقديم الخدمة التي تؤدي إلى رضا العملاء.

الكلمات المفتاحية: الخدمة ، SERVQUAL ، البنوك، المدركات ،التوقعات ،رضا الزبون، الفجوات .

Annexes: The Questionnaire

الجمهورية الجزائرية الديمقراطية الشعبية
REPUBLICUE ALGERIENNE DEMOCRATIQUE ET POPULAIRE

MINISTERE DE L'ENSEIGNEMENT SUPERIEUR
ET DE LA RECHERCHE SCIENTIFIQUE
ECOLE SUPERIEURE DE MANAGEMENT
TLEMCEEN



وزارة التعليم العالي والبحث العلمي
المدرسة العليا لإدارة الأعمال
تلمسان

السلام عليكم: نقوم حالياً بدراسة المكونات التي تؤثر على زبائن البنك و هذا من اجل مذكرة تخرجي، من فضلك عين درجة موافقتك أو عدم موافقتك مستعملا فقط علامة الضرب X على السلم الموجود في الجدول . شكرا لك على مساعدتك .

-الجنس : ذكر انثى

-السن : من 18 الى 25 من 25 الى 35

- من 35 الى 45 -اكثر من 45

-المستوى التعليمي: ثانوي - جامعي

دراسات عليا

-مدة التعامل مع البنك :- اقل من سنة - من سنة الى 3سنوات

- من 3الى 10سنوات - اكثر من 10سنوات

الأسئلة – التوقعات-				
بالتاكيد موافق	موافق	محايد	غير موافق	بالتاكيد غير موافق
الملموسية Tangible				
				1-على البنك الحصول على تجهيزات جديدة و عصرية .
				2-المنظر العام للبنك يجب ان يكون جميل و مريح للعين.
				3-مظهر العام للباس موظفي البنك يجب ان يكون مرتب و انيق.
				4-يجب ان يكون التصميم الداخلي للبنك مناسباً .
الاعتمادية Reliability				
				5-يجب ان يحترم البنك مواعيده التي حددها .

					6- عند حدوث أي مشكلة يجب على البنك ان يظهر اهتماما صادقا بحلها .
					7-تادية البنك للخدمة بشكل جيد من اول مرة .
					8-احتفاظ البنك بالسجلات دقيقة و صحيحة .
					9-يجب على البنك الالتزام بالوعود في موافيتها المحددة .
الاستجابة Responsiveness					
					10-على موظفي البنك توضيح الوقت المحدد لتقديم الخدمة.
					11-موظفو البنك يجب ان يكونوا دائما على استعداد لتقديم المساعدة.
					12-يجب على موظفي البنك توفير الخدمة المطلوبة .
					13-لا يجب على عمال لبنك ابدأ الانشغال عن العميل في حالة استفساره عن شيء ما .
التأكيد Assurance					
					14-يجب على موظفي البنك توفير جو من الأمان و الثقة .
					15-معرفة البنك لجميع المعلومات حول الخدمة التي تريدها .
					16-يجب على العميل ان يشعر بالأمان حين قيامه بالخدمة و جميع التبادلات .
					17-على الموظف البنك ان يكونوا مهذبين .
التعاطف Empathy					
					18-يجب على الموظفين إعطاء اهتمام فردي للعميل .
					19-ساعات عمل البنك يجب ان تكون ملائمة للعميل .
					20-على موظفي البنك معرفة احتياجات العميل .
					21-يجب تقديم مصلحة العملاء
					22-يجب توفير اهتمام خاص للعميل

بالتأكيد غير موافق	غير موافق	محايد	موافق	بالتأكيد موافق	الأسئلة –المدركات-
					في هذا الجزء من الأسئلة معرفة آرائكم حول كيف هي خدمات البنك المقدمة في الواقع (العميل تعني الزبون)
الملموسية Tangible					
					1-يوجد بالبنك تجهيزات جديدة و عصرية .
					2-المنظر العام للبنك جميل و مريح للعين.
					3-مظهر العام للباس موظفي مرتب و انيق.
					4- التصميم الداخلي للبنك مناسب.
الاعتمادية Reliability					
					5- يحترم البنك مواعيده التي حددها .
					6- عند حدوث أي مشكلة البنك ان يظهر اهتماما صادقا بحلها .
					7-البنك يؤدي الخدمة بشكل جيد من اول مرة .
					8-يحتفظ البنك بالسجلات دقيقة و صحيحة .
					9- البنك يلتزم بالوعود في موافيتها المحددة .
الاستجابة Responsiveness					
					10- موظفو البنك يقومون بتوضيح الوقت المحدد لتقديم الخدمة.
					11-موظفو البنك دائما على استعداد لتقديم المساعدة.
					12-يوفر موظفو الخدمة المطلوبة .
					13- موظفو البنك لا ينشغلون عن العميل في حالة استفساره عن شيء ما.
التأكيد Assurance					
					14- موظفو البنك يوفرون جو من الأمان و الثقة.
					15-معرفة البنك لجميع المعلومات حول الخدمة التي تريدها .
					16- يشعر العميل بالأمان حين قيامه بالخدمة و جميع التبادلات .
					17- الموظفون البنك مهذبون .

Empathy التعاطف					
					18-الموظفون يعطون اهتماما فرديا للعميل.
					19-ساعات عمل ملائمة للعميل.
					20-على موظفي البنك معرفة احتياجات العميل .
					21-تقديم مصلحة العملاء
					22-توفير اهتمام خاص للعميل

Content

Dedications	II
Acknowledgements.....	III
Table of Content	IV
List of Tables.....	V
List of Figures	VI
Abbreviations	VII
General Introduction	1
Chapter One: Theoretical Background of Service Quality.....	9
Section One: Service Quality	10
1.1. Aspects of Service	10
1.1.1. Service Life Cycle	12
1.1.2. Services Marketing Mix.....	13
1.2. Quality as a Necessary Concept.....	17
1.1.1. Quality Definitions.....	17
1.3. Service Quality Definitions.....	20
1.3.1. Service Quality Determinants.....	21
Section Two: Service Quality Measurements	23
2.1. SERVQUAL Model	23
2.2. SERVPERF Model	27
2.3. Grönroos Model	27
Section Three: Service Quality in the Banking Sector.....	29
3.1. Definitions of Banking Services.....	30
3.2. Banking Services and Service Quality.....	30
3.3. Service Quality Dimension Banking Context	31
Conclusion	34
Chapter Two: an overview of the Customer Satisfaction.....	35
Section One: Customer Satisfaction Definitions.....	36
1.1. Customer Behavior in Decision Making Process	36
1.2. Customer Satisfaction Definitions	40
Section Two: Customer Satisfaction Measurements.....	45
2.1. Customer Satisfaction Process.....	45
2.2. Models of Customer Satisfaction Measurements.....	47
2.2.1. Customer Satisfaction Models.....	47
2.2.2. Customer Satisfaction Methods.....	48
2.3. Objectives of Measuring Customer Satisfaction	51
2.4. Customer Satisfaction and Loyalty	52
Section Three: Customer Satisfaction and Service Quality	52
3.1. SERVQUAL and Customer Satisfaction	52
3.2. Factors Affecting Customer Satisfaction	53
3.3. Discussion	54
Conclusion.....	56
Chapter Three: The Empirical Study of the Impact Between Variables.....	58
Section One: Presentation of The External Bank of Algeria	58
1.1. History of the External Bank of Algeria	58
1.2. Brief Presentation of the External Bank of Algeria	58

1.2.Missions and Objectives of External Bank of Algeria	59
Section Two: Research Methodology	60
2.1.Research Model.....	60
2.2.The Questionnaire Structure	60
2.3.Sample Plan	60
2.4.Internal Consistency of the Questionnaire	60
Section Three: Data Analysis and Interpretations.....	61
3.1.Demographic Profile of the Customers	61
3.2.The Gap Analysis	63
3.3.Testing Hypothesis	68
3.4.Discussion	70
Conclusion.....	72
General Conclusion	73
1.Limitations.....	74
2.Recommendations and Suggestions.....	74
3.Further Researches.....	75
References.....	76
Appendix	
Abstract	
Content	