

Measurement of Service Quality Gaps in Indian Banking Industry

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Abstract

The paper attempts to measure service quality provided by Indian commercial banks to their customers. The measurement of gap is computed in major dimensions of service quality which are identified on the basis of responses of customers with the help of factor analysis. These major dimensions are pre-sale services, product features, office services, behavioural responses and after sale services. It is found that the gap in post sale services is highest followed by office services and in pre sale service the gap is minimum. It is very dangerous for the banks in building their brand image. It is also found that the scores of expectations and perceptions of bankers' are lower in comparison of borrowers' scores. It means bankers are not able to understand the borrowers' level of expectations and perceptions, which create other gaps in service design and even delivery.

Keywords: Banking, Service Quality Dimensions, Service Quality, Gap Model, SERVQUAL, SERVPREF.

Introduction

For surviving in current competitive banking industry, most of the banks are making efforts to create most appropriate strategy for their customers. Banks are now paying more attention to actual and potential customers. Service quality is considered as a strategic tool in this competitive era. Providing excellent service quality and customer satisfaction are the important issues and challenges in front of the current service industry. Service Quality is very important topic under discussion in both private and public sectors. Perceptions of service quality are based on multiple dimensions; there is no general argument as to the nature and content of the dimensions (Brady and Cronin, 2001). Given the importance of services to overall economies worldwide and the strategic impact of service quality perceptions, the appropriate conceptualization and measurement of the service quality construct represents an important concern for services marketers (Cronin, 1994). The concept of service quality is believed complicated to define and measure because of its intangible nature. In the past three decades, significant research has been conducted in identifying service quality measurement tools. Service quality is defined as the gap between what was expected and what is delivered has received strong support from operationalisation of SERVQUAL in terms of different scores. Although this operationalisation has been criticized for its statistical inadequacies, it remains the most popular and frequently used definition (Rajpoot et al., 2000)

Most of the empirical researchers have a little consensus about the definitions and measurement scale of service quality. Definitions and measurement scales reported in the literature supported that gap computed between perceptions and expectations remains the most used measurement tool of service quality. Service quality is a dynamic concept and universally accepted in all services sectors. Every organization wants to improve their services to meet the competition. For maintaining the standards of service quality, every organization always try something new policy to satisfy the customers.

Grönroos (1984) found that the dimension of service quality in universal terms consist of efficient and mechanical quality. Further, Grönroos (1984, 1998) identified two service lead dimensions, namely technical quality and functional quality. Technical quality focuses on interactions with the service provider in fulfilling the customer's basic needs. Functional quality relates to the process dimension, which evaluates the manner of delivery of the particular service from the service provider. In technical quality, there are five factors in focus: employees' knowledge, technical solutions, machine quality, technical ability, automated systems. Service quality dealings with how well a service is delivered compared to customer hope. Every customer has a expectation of the service they want to obtain when they go to a bank. Banks maintain a record of existing customer very effectively; this thing attracts a lot of new customers. Knowledge of the banks scheme, cost of various sources is also attract the customers for availing the services of particular bank. Service quality is a comparison of expectations with performance $SQ=P-E$. Superior service quality may attach to economic performance.

There are needs to find out most influencing dimension to service quality in banking sectors. It is apparent from the review of literature that there is a little consensus of opinion and much disagreement about how to measure service quality. Moreover, it is very important to note that without adequate information on both the quality of service expected and perceptions of service received can be highly misleading from both a policy and operational perspective. Exact information on service quality gaps can help managers to diagnose where performance improvement can best be targeted. After observing such relevant articles, it was found that many researchers examined and studied different aspects of service quality like, appearance, empathy, reliability, cost effective, policy, assurance etc. effects on consumer's response towards the service quality of banks. Therefore, it becomes vital to identify the most important dimensions of service quality from customers' perspectives and to measure the service quality provided by these banks to the customers. Therefore, the present study focuses on identifying the key dimensions of service quality and various service quality gaps and other issues related

with service quality measurement in Indian retail banking sector. Another aim is to point out how management of service improvement can become more logical and integrated with respect to the prioritized service quality dimensions and their affections on increasing/decreasing service quality gaps.

Objectives of the Study

1. To discuss traditional and modern model for measurement of service quality given by empirical researchers.
2. To measure the service quality provided by selected Indian banks through computation of service quality gaps under various identified dimensions.
3. To suggest strategies for the improvement of service quality of these banks.

Models of service quality gap

SERVQUAL Model

This model is a customer-oriented to improve the quality of services. Parasuraman, Zeitham and Berry identified five main gaps that face organizations in explore of to meet customer's expectations of the customer experience. There may be differences in this model between five aspects.

The five gaps that organization should determine manage and reduce:

- Gap 1 gap among what customers expect and what managers think.
- Gap 2 gap between organization perception and the actual requirement of the customer experience.
- Gap 3 gap from the experience requirement to the delivery of the experience.
- Gap 4 gap between the freedom of the customer experience and what is communicated to customers.
- Gap 5 gap between a customer's perception of the experience and the customer's expectation of the service.

According to this model, SERVQUAL (also called RATER model) scale has planned by Parasuraman for measuring Gap 5. Parasuraman mentioned ten factors for evaluating service quality (including tangible, accessibility, reliability, responsiveness, credibility, security, politeness, communication and understanding the customer).

These ten factors are cut down into five factors. These five dimensions are definite as follows

- Tangibles Physical facilities, equipments and appearance of personnel.

- Reliability. Ability to perform the promised service dependably and accurately.
- Responsiveness. Readiness to help customers and provide prompt service.
- Assurance. Courtesy, trustworthiness and security, Knowledge and courtesy of employees and their ability to encourage trust and self-assurance.
- Empathy access, communication, understanding the customer, Caring and attention to its customers.

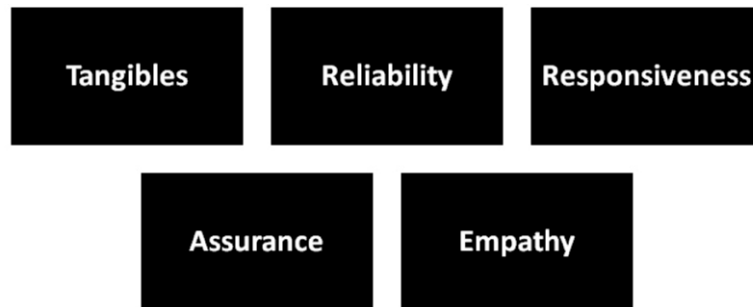


Figure-1 SERVQUAL MODEL

Gronroos Model

Gronroos (1982) assumed that if a firm wants to be successful, it is very important to understand the needs of its existing customers as well as potential customers. Service quality management means identical the perceived quality with expected quality and fill this gap as small as possible in order to obtain customers' satisfaction. Researcher suggested three dimensions of service quality. The first dimension, Technical (product) means what customers

received as a result of statement with a service firm. The other component is Functional (procedure) which means how a technical service usual by customer. The third dimension in this model is Corporate Image which is the customers' view of corporate. The customers' expectation is influenced by their vision of the firm and it is the result of how consumers perceived firm services. The main difficulty of this model was the lack of explanation for measuring technical quality and functional quality.

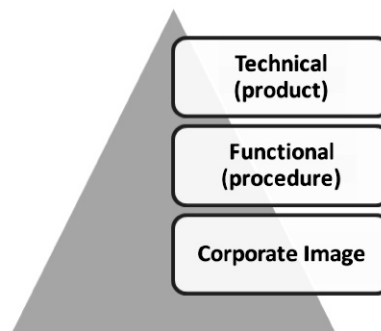


Figure-2 Gronroos Model

SERVPERF Model

SERVQUAL model is a superior measurement for many industries; researchers reported that this model is not suitable for some areas like retail store environment. They argued that service quality is consumers' approach and the performance of the service is the only measurement for service quality. They suggested a new model for service quality based on SERVQUAL with respect to the conceptualization and measurement of service quality which used performance as the only measurement for service quality model called SERVPERF. It is the improvement on SERVQUAL model. In this new model,

Cronin and Taylor (1992) processing to measuring performance with the same dimensions as reliability, awareness, assurance, tangibles, and empathy for service quality measurement instead of “expectation-perception” difference.

Hierarchical Model

SERVQUAL has the soundness by testing in dissimilar service sectors there is no adapted and valid for some sectors like retail store situation. And is the base for many other optional service quality models (Cronin & Taylor, 1992). Researchers found that there was need of superior and clear model applied in all areas and some development in the

structure of this method. Therefore some researchers suggested and tested a new model for service quality to develop dimensions and construction based on SERVQUAL and SERVPERF. For testing the model and construct strength of the model, they purposeful and analyzed the perception of consumers to avoid psychometric problems with different scores. In their optional model they introduced three stages; service quality (retail service quality), primary dimensions (physical aspects, personal interaction, problem solving, and policy), and the sub-dimensions for three dimensions are exterior and

convenience for physical feature dimension, promises and doing it correctly for reliability dimension, inspiring confidence and courteous and helpful for personal interaction dimension.

Service quality plays crucial role in the success of a business. By adopting the service quality activities a business can enhance its profit, public image and loyalty in the eyes of customers. Service quality helps to improve the performance and growth of business. So every organization adopt service quality model for success in the modern era. These dimensions are selected for study, are as follows:

Table 1 Explanation of dimension in service quality

Dimensions	Explanation
Reliability	When the store promises to do repairs, alterations etc and promises performed in effective manner. The store provides services at time. The store maintains fair and error free transaction.
Helpfulness	Prompt services to customers Quickly responds to customer 's requests Employees are courteous with customers Attention to customers Ready to help customers Friendly nature of employee
Speed of transaction	The transaction complete in few seconds Easy process of transaction
Policy	Store offers high quality of products Credit cards, parking facilities related policy
Convenience	Easy approach of finding products and services Easier for customers to move around in store
Appearance	Modern equipment and fixtures Clean, convenient, attractive physical facilities Good quality materials
Advance services	Store provides new and advance facilities to customers
Cost effective	Low interest rate, reasonable prices of products and services
Knowing your customer	Employee customer interaction cells
Problem solving	Ready and able to solve of customers problem and complaints Quickly respond to queries

Method Section

The study is exploratory cum descriptive in nature. Both primary and secondary data was used during the research. Personal interviews and observation method were also be used in the study. While secondary data was collected from the already published research studies' in the journal, books, magazines, newspapers, internet and any other relevant source for the background material for various relevant topics.

The research was conducted in Haryana. Respondents also tended to rate most dimensions as being highly important, since they were unable to distinguish between aspects that

are extremely important. In the questionnaire, a Likert-type scale with endpoints of (1) for "strongly disagree" and to (5) for "strongly agree" was used to measure the responses of consumers and bankers. A well-structured questionnaire was prepared to collect the primary data. In the first stage, questionnaire was tested through pilot study with the help of bank customers and bankers. A questionnaire was used for collection of data. Systematic random sampling was done and responses of 380 customers' were collected regarding service quality of banks. The questionnaire comprised of questions to measure the expectations and perceptions regarding service quality provided by selected Indian banks.

Statistical Analysis

On the basis of data collected through pilot study, major dimensions of service quality were extracted by applying Factor Analysis. Factor Analysis is a very useful method for reducing data complexity. The output of factor analysis was obtained by requesting principal component analysis and specifying rotation. Factor analysis converted all statement into major dimensions of service quality. The final questionnaire would contain these major service quality dimensions. Further Descriptive analysis, Reliability test are applied to assess the service quality gaps of Indian commercial banks.

Significance of the Study

This study is focused on service quality issues in India which could be a guideline for our fast growing service industry, especially retail banking sector, which includes assurance of service quality, customer perception evaluation, minimizing the customer expectations gap, social responsibilities, other gaps of service quality and other related issues. As service industry is growing very fast, they have to give careful attention regarding the discussed service quality dimensions. This study is also very useful for borrowers in selection of banks and bankers in delivering services. Moreover, the study is a qualitative work on which literature was not easily available; but, now the study will contribute to researchers in their research work. The present study would be a positive and fruitful attempt in this direction.

Limitations of the Study

The results of the study could vary if the same survey is conducted with a different set of respondents in some other branches of the same banks and/or in some other places/regions of country.

Identification of Key Dimensions of Service Quality

In the initial phase of developing the questionnaire, 60 items (divided into 5 major parts) are prepared with the help research literature/ teachers of the university / bankers, after their approval and modifications. After this, 51 items are selected and a pilot survey is conducted on 30 borrowers to ascertain the workability of these statements. The data are then tabulated and further analyzed through factor analysis. Total 51 variables are shrunk into 11 components which have covered 66.99 percent of the total variance. The information was contained in the original 51 variables but Principal Component Analysis has economize the number of variables from 51 to 11 underlying factors while we have lost only 33.01 percent of information. Out of these 11 factors, major five factors are selected for further data collection and data analysis and named as service quality dimensions. (Arora and Vashishat, 2011)

The new dimensions are almost similar to the dimensions before factor analysis. The following major service quality

dimensions are identified for further data collection and measurement of service quality:

- Pre-sale Services
- Product Features
- Office Services
- Behavioural Response
- Post-sale Services

Measurement of Service Quality Gaps

Managing the perceived quality of a service means that one has to match the expected service and the perceived service with each other so that consumer satisfaction is achieved. To keep the gap between expected and perceived service minimal, two things are critical- first the promises and secondly, managers have to understand how the technical and the functional quality of a service is influenced and how the customers perceive these quality dimensions. The value of gap measurement in customer satisfaction was introduced in studies by Parasuraman, et al. (1985, 1986), who called this new measurement device SERVQUAL. For the first time, gap measurement was utilized to determine the importance of service quality in customer satisfaction. Reinforcing the gap studies, Carman (1990) conducted empirical studies of the elements of SERVQUAL and found some of the dimensions subject to limitations on certain specific applications.

This model clearly indicated that the consumers' quality perceptions are influenced by a series of five distinct gaps occurring in organizations. These gaps which can have an effect on delivery of services, which consumers perceive to be of high quality, are:

- **Customer Gap:**
Difference between customer expectations and perceptions
- **Provider Gap 1 (The Knowledge Gap):**
Not knowing what customers expect
- **Provider Gap 2 (The Service Design & Standards Gap):**
Not having the right service designs and standards
- **Provider Gap 3 (The Service Performance Gap):**
Not delivering to service standards
- **Provider Gap 4 (The Communication Gap):**
Not matching performance to promises

First of all, the model clearly determines two different types of gaps in service marketing, namely the customer gap and the provider gap. Later is considered as internal gaps within

a service firm. This model really views the service as a structured, integrated model which connects external customers to internal services between the different functions in service organizations. In the present study somewhat different gaps are obtained from the collected data. Following gaps are proposed and computed from the collected data:

- Customer Perceptions - Customer Expectations = G1

- Banker Perceptions—Banker Expectations = G2
- Customer Expectations-- Banker Expectations = G3
- Customer Perceptions-- Banker Perceptions = G4
- Provider Gap (G5) = G2+G3+G4
- Customer Gap = G1
- Total Gap (G6) = Customer Gap+ Provider Gap

Table 2: Expectations and Perceptions of Bankers' and Borrowers'

Service Quality Dimensions	Bankers' Expectations		Borrowers' Expectations		Bankers' Perceptions		Borrowers' Perceptions	
	BE1	BE2	CE1	CE2	BP1	BP2	CP1	CP2
Pre Sale Services	BE1	20.86	CE1	23.31	BP1	20.62	CP1	24.58
Product Features	BE2	5.184	CE2	5.17	BP2	5.41	CP2	7.16
Office Services	BE3	18.03	CE3	18.77	BP3	18.25	CP3	26.03
Behavioural Response	BE4	9.56	CE4	8.94	BP4	9.81	CP4	11.78
Post Sale Services	BE5	16.31	CE5	13.33	BP5	16.33	CP5	19.08

Service quality perceptions scores are more than the scores of expectations of borrowers'. It means that borrowers' acceptance level towards perceived service quality is low in

comparison of expected service quality in banks while taking loans.

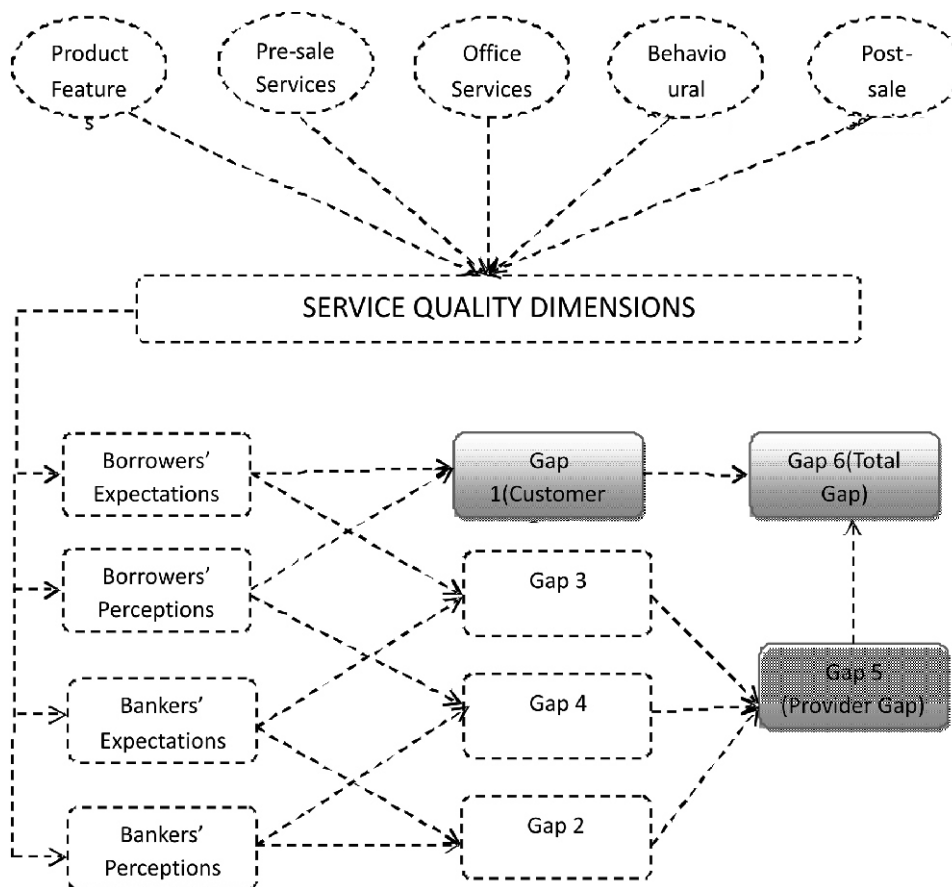


Figure 3: Proposed model of service quality gaps

Table 3: Gap Analysis under Various Service Quality Dimensions

Service Quality Dimensions	GAP1	GAP2	GAP3	GAP4	GAP5	GAP6
	CP-CE	BP-BE	CE-BE	CP-BP	G2+G3+G4	Total GAP
Pre Sale Services	1.26	-0.23	2.46	3.95	6.17	13.60
Product Features	1.99	0.23	-0.01	1.74	1.95	5.89
Office Services	7.27	0.22	0.73	7.78	8.74	24.74
Behavioural Response	2.84	0.25	-0.62	1.97	1.61	6.06
Post Sale Services	5.75	0.01	-2.98	2.75	-0.21	5.32

Further it is also confirmed through GAP analysis, which depicts the six gaps in service quality of banks (table 3). It is found that the gap in post sale services is highest followed by office services and in pre sale service the gap is minimum. Respondents (borrowers) discussed during the survey that bank staff always do various promises during pre sale service for convincing them for taking loan from their banks but after taking loan they do not even receive their phone calls. The reason behind this may be target fulfilling or earning their commission on opening account (loan). The results of this study also tell the same story. It is very harmful for the banks in building their brand image.

Furthermore, results also indicated that the scores of expectations and perceptions of bankers' are lower in comparison of borrowers' scores. It means bankers are not able to understand the borrowers' level of expectations and perceptions, which create other gaps (Gap 3 and Gap 4) in service design and even delivery. After computing borrowers' gaps and providers' gaps total gap (Gap 6) is

found. Gap 6 is highest in office services followed by pre sale services. Therefore, banks need to improve their pre sale services and office services to reduce the gap and enhance their service quality.

Reliability Testing

Reliability is tested to check the internal consistency of measurement items before applying the aforementioned statistical tools. In order to evaluate the reliability of the overall instrument, Cronbach's Alpha coefficient is computed using data on the service quality gaps. An examination of the items comprising the gaps of service quality indicates that gap1 and gap 2 have the lowest corrected item-total correlations. The Cronbach's Alpha for the overall scale is equal to 0.718. If these two items were removed from the scale, the Alpha if Item Deleted column shows the overall reliability would increase slightly. When these items are removed, the recalculated reliability coefficient would raise to 0.721. Therefore deletion of these items may be considered appropriate.

Cronbach's Alpha

Table 4: Reliability Statistics and Inter-Item Correlation Matrix

Cronbach's Alpha	Cronbach's Alpha based on Standardized Items					N of Items
.718	.721					6
	Gap 1	GAP 2	GAP 3	GAP 4	Gap 5	GAP 6
Gap 1	1.000	-.031	-.724	.335	-.357	-.049
Gap 2	-.031	1.000	.389	-.155	.507	.532
Gap 3	-.724	.389	1.000	.248	.903	.725
Gap 4	.335	-.155	.248	1.000	.545	.694
Gap 5	-.357	.507	.903	.545	1.000	.950
Gap 6	-.049	.532	.725	.694	.950	1.000

Table 5: Inter-Item Covariance Matrix

	Gap 1	GAP 2	GAP 3	GAP 4	Gap 5	GAP 6
Gap 1	.231	-.004	-.181	.053	-.132	-.034
Gap 2	-.004	.057	.049	-.012	.094	.184
Gap 3	-.181	.049	.272	.042	.363	.545
Gap 4	.053	-.012	.042	.107	.138	.328
Gap 5	-.132	.094	.363	.138	.595	1.057
Gap 6	-.034	.184	.545	.328	1.057	2.080

Table 6: Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item -Total Correlation	Cronbach's Alpha if Item Deleted
Gap 1	2.2763	8.685	-.211	.802
Gap 2	2.7259	7.642	.469	.713
Gap 3	2.7675	6.410	.619	.651
Gap 4	2.3179	7.115	.628	.682
Gap 5	2.3040	4.686	.910	.517
Gap 6	1.3769	2.080	1.000	.491

Table 7: Scale Statistics

Mean	Variance	Std. Deviation	N of Items
2.7537	8.319	2.88427	6

Implications of the study

The study is very useful for the bankers for identifying their service quality levels in important dimensions at each level of granting loans to their customers. Banks can reduce the service quality gaps and enhance service quality during granting loans to customers. Moreover, this work would guide the scholars who are working in the area of service quality measurements. The research work is also useful for the policy makers in the area of financial services. Although the study contributed to the literature of this area, several limitations and scope of future research exist. The findings of this paper are restricted to the banking sector of Haryana, thus the scope of the research may be enlarged for validity and generalization of results to other similar industries.

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Annexure
Identification of Service Quality Gaps in Indian Retail Banking Sector

BAN KERS		BORRO WERS		BAN KERS		BORRO WERS		GAP 1	GAP 2	GAP 3	GAP 4	GAP5	GAP6
E2	1.56 0526	E 2	1.74 734	P2	1.76 8421	P 2	1.66 8435	0.07 891	0.20 7895	0.18 6814	0.09 999	0.294 723	0.5105 4
E3	2.19 2105	E 3	1.48 3871	P3	1.55 7895	P 3	1.76 7196	0.28 3325	0.63 421	0.70 823	0.20 9301	1.133 14	1.9829 6
E6	1.48 9474	E 6	2.33 1579	P6	1.83 9474	P 6	1.68 3377	0.64 82	0.35	0.84 2105	0.15 61	1.036 009	1.4238 16
E7	1.63 6842	E 7	3.79 1005	P7	1.55 7895	P 7	1.79 6834	1.99 417	0.07 895	2.15 4163	0.23 8939	2.314 155	2.6341 38
E8	1.42 3684	E 8	1.49 4737	P8	1.49 2105	P 8	1.92 876	0.43 4023	0.06 8421	0.07 1053	0.43 6655	0.576 128	1.5862 8
E9	2.02 1053	E 9	1.61 3158	P9	1.91 0526	P 9	2.05 7895	0.44 4737	0.11 053	0.40 789	0.14 7368	0.371 05	0.2973 7
E11	1.70 5263	E 11	1.70 3704	P11	1.76 5789	P 11	2.32 5333	0.62 163	0.06 0526	0.00 156	0.55 9544	0.618 511	1.8586 51
E12	1.78 6842	E 12	1.68 7003	P12	1.7	P 12	2.18 4211	0.49 7208	0.08 684	0.09 984	0.48 4211	0.297 529	1.0922 66
E13	1.98 4211	E 13	1.67 8947	P13	1.81 3456	P 13	2.22 6316	0.54 7368	0.17 075	0.30 526	0.41 286	0.063 16	0.4210 53
E15	1.84 9858	E 15	1.72 3684	P15	1.92 6316	P 15	2.10 582	0.38 2136	0.07 6457	0.12 617	0.17 9504	0.129 788	0.6417 11
E16	1.49 2105	E 16	1.86 8421	P16	1.90 9348	P 16	2.34 9206	0.48 0785	0.41 7243	0.37 6316	0.43 9858	1.233 417	2.9476 19
E17	1.84 7368	E 17	2.19 1489	P17	1.77 1053	P 17	2.47 861	0.28 712	0.07 632	0.34 4121	0.70 7557	0.975 362	2.2378 45
BE1	20.8 5789	C E 1	23.3 1494	BP1	20.6 2368	C P 1	24.5 7199	1.25 7054	0.23 421	2.45 7044	3.94 8308	6.171 141	13.599 34

E21	1.70 5263	E 21	1.71 4286	P21	2	P 21	2.32 6203	0.61 1917	0.29 4737	0.00 9023	0.32 6203	0.629 963	1.8718 43
E2 5	1.986 842	E2 5	1.636 842	P2 5	1.915 789	P2 5	2.463 158	0.826 316	- 0.071 05	-0.35	0.547 368	0.126 316	1.078 947
E2 6	1.492 105	E2 6	1.818 421	P2 6	1.631 579	P2 6	2.362 434	0.544 013	0.139 474	0.326 316	0.730 855	1.196 644	2.937 302
B E2	5.184 211	C E2	5.169 549	B P2	5.410 526	C P2	7.151 795	1.982 246	0.226 316	- 0.014 66	1.741 269	1.952 923	5.888 092
E2 7	1.634 211	E2 7	1.552 632	P2 7	1.989 474	P2 7	2.177 249	0.624 617	0.355 263	- 0.081 58	0.187 775	0.461 459	1.547 536
E2 8	1.981 579	E2 8	1.763 298	P2 8	1.631 579	P2 8	2.532 258	0.768 96	-0.35	- 0.218 28	0.900 679	0.332 398	1.433 756
E2 9	1.634 211	E2 9	1.682 54	P2 9	1.381 356	P2 9	2.571 429	0.888 889	0.252 85	0.048 329	1.190 073	0.985 547	2.859 983
E3 0	1.565 789	E3 0	1.755 263	P3 0	1.707 895	P3 0	2.505 263	0.75	0.142 105	0.189 474	0.797 368	1.128 947	3.007 895
E3 1	1.771 053	E3 1	1.880 952	P3 1	1.981 579	P3 1	2.529 101	0.648 148	0.210 526	0.109 9	0.547 522	0.867 948	2.384 043
E3 2	1.771 053	E3 2	1.747 34	P3 2	1.7	P3 2	2.491 979	0.744 638	0.071 05	- 0.023 71	0.791 979	0.697 214	2.139 066
E3 3	1.634 211	E3 3	1.738 095	P3 3	1.568 421	P3 3	2.281 915	0.543 82	0.065 79	0.103 885	0.713 494	0.751 589	2.046 998
E3 4	1.563 158	E3 4	1.571 429	P3 4	1.492 105	P3 4	2.134 921	0.563 492	0.071 05	0.008 271	0.642 815	0.580 033	1.723 559
E3 5	1.494 737	E3 5	1.706 349	P3 5	1.560 526	P3 5	2.347 368	0.641 019	0.065 789	0.211 612	0.786 842	1.064 244	2.769 507
E3 6	1.421 053	E3 6	1.693 122	P3 6	1.702 632	P3 6	2.164 021	0.470 899	0.281 579	0.272 069	0.461 39	1.015 038	2.500 975
E3 7	1.560 526	E3 7	1.675 532	P3 7	1.631 579	P3 7	2.297 368	0.621 837	0.071 053	0.115 006	0.665 789	0.851 848	2.325 532
B E3	18.03 158	C E3	18.76 655	B P3	18.25 263	C P3	26.03 287	7.266 319	0.221 053	0.734 973	7.780 24	8.736 265	24.73 885
E3 8	1.634 211	E3 8	1.315 789	P3 8	1.636 842	P3 8	1.913 158	0.597 368	0.002 632	- 0.318 42	0.276 316	- 0.039 47	0.518 421
E3 9	1.578 947	E3 9	1.552 632	P3 9	1.423 684	P3 9	2.058 511	0.505 879	- 0.155 26	- 0.026 32	0.634 826	0.453 247	1.412 374
E4 0	1.710 526	E4 0	1.436 842	P4 0	1.702 632	P4 0	1.884 211	0.447 368	- 0.007 89	- 0.273 68	0.181 579	-0.1	0.247 368

E4 1	1.492 105	E4 1	1.523 81	P4 1	1.778 947	P4 1	2.021 053	0.497 243	0.286 842	0.031 704	0.242 105	0.560 652	1.618 546
E4 2	1.65	E4 2	1.592 593	P4 2	1.492 105	P4 2	1.978 947	0.386 355	0.157 89	0.057 41	0.486 842	0.271 54	0.929 435
E4 3	1.492 105	E4 3	1.518 421	P4 3	1.773 684	P4 3	1.926 316	0.407 895	0.281 579	0.026 316	0.152 632	0.460 526	1.328 947
B E4	9.557 895	C E4	8.940 086	B P4	9.807 895	C P4	11.78 219	2.842 109	0.25	- 0.617 81	1.974 3	1.606 492	6.055 092
E4 4	1.928 947	E4 4	1.645 503	P4 4	1.7	P4 4	2.195 767	0.550 265	- 0.228 95	- 0.283 44	0.495 767	- 0.016 62	0.517 015
E4 5	1.844 737	E4 5	1.502 632	P4 5	1.860 526	P4 5	2.184 697	0.682 065	0.015 789	- 0.342 11	0.324 17	- 0.002 15	0.677 774
E4 6	2.605 263	E4 6	1.576 72	P4 6	2.734 211	P4 6	2.321 9	0.745 18	0.128 947	- 1.028 54	- 0.412 31	- 1.311 91	- 1.878 63
E4 7	2.897 368	E4 7	1.692 105	P4 7	2.573 684	P4 7	2.459 103	0.766 998	- 0.323 68	- 1.205 26	- 0.114 58	- 1.643 53	- 2.520 06
E4 8	2.492 105	E4 8	1.744 737	P4 8	2.192 105	P4 8	2.430 079	0.685 342	- -0.3	- 0.747 37	- 0.237 974	- 0.809 39	- 0.933 45
E4 9	1.702 632	E4 9	1.621 693	P4 9	1.844 737	P4 9	2.445 91	0.824 217	0.142 105	- 0.080 94	0.601 173	0.662 34	2.148 898
E5 0	1.352 632	E5 0	1.786 842	P5 0	1.5	P5 0	2.517 15	0.730 308	0.147 368	0.434 211	1.017 15	1.598 729	3.927 767
E5 1	1.489 474	E5 1	1.761 905	P5 1	2.067 989	P5 1	2.525 066	0.763 161	0.578 515	0.272 431	0.457 077	1.308 023	3.379 208
B E5	16.31 316	C E5	13.33 214	B P5	16.32 632	C P5	19.07 967	5.747 536	0.013 158	- 2.981 02	2.753 356	- 0.214 51	5.318 521

Primary Data (Analyzed through SPSS)

Service Quality Dimensions on the Basis of Factor Analysis on Borrowers' Expectations

Service Quality Dimensions	Statements
1. Product Features	Adequate loan limit
	Availability of alternatives for security
	Pre-payment
	Confidentiality
	EMI facility
	Competitive interest rate
	No hidden charges
	No prepayment charges
	Remission of processing fees
	Not exceeding time
	Less loan disbursement time
	Less formalities

2. Office Services	Help you counter
	Staff appearance
	Proper drinking facility
	Proper sitting arrangement
	Error free records
	Attractive ambience
	Prime location
	Parking facility
	Convenient operating hours
	Modern looking equipments
	Security guards
3. Pre-sale Services	Helpful agents
	Bankers who pay personal attention to the customers
	Awareness campaign
4. Post-sale Services	Agents of bank:
	Visit after disbursement
	Review the financial needs
	Installments notice
	Door to door collection facility
	Compromise in repayment of loan
	Give latent information
	Complaint handling
Good methods of recovery	
5. Behavioural Response	Employees of bank:
	Are sympathetic
	Understand the needs of customers
	Give prompt service
	Liberal in sanctioning loan
	Are courteous
Respond to queries immediately	

Source: Arora and Vashishat (2011)