THE PERCEPTION OF MANAGERS ON SATISFACTION OF RETAIL CUSTOMERS AT THE KENYA COMMERCIAL BANK

BY

ERICK MAINA MUGITA

A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF MASTER OF BUSINESS ADMINISTRATION DEGREE, SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI

OCTOBER, 2012

Declaration

This management research project is my original work and has not been presented for a degree in this or any other university or institution of learning.

Signature-------------------------   Date--08/11/2012-----

Erick Maina Mugita

D61/63782/2011

This research project has been submitted for examination with my approval as the university supervisor.

Signature-------------------------   Date--8/11/2012-----

Dr.J.M. Munyoki

Acknowledgement

I would like to thank the Almighty God for the sustenance and strength He accorded me to carry out this study. My sincere thanks and appreciation goes to my supervisor, Dr. J.M Munyoki. His energy, insights and guidance helped me bring this project to fruition and for that I am grateful.

To my friends and colleagues both at work and the University, I say thank you for your unfailing support and encouragement beyond my wildest dream. To all those who filled in the questionnaires and provided information which have made this research a success. A am also grateful to my employer KCB for financial support and for providing a conducive environment for learning. Finally to my family, for their love and support who through their commitment and constant encouragement gave me the motivation to keep going, my heartfelt gratitude.

Dedication

This study is dedicated to my family members who are very special and great supporters of my work and believed in me and where it all started.

Abstract

Customer satisfaction is an important element of banking strategy in today's increasingly competitive environment. Bank management must identify and improve upon factors that can increase the level of customer satisfaction hence limit customer defection. These include employee performance in terms as to how they treat the customers, accessibility and simplicity of the banks' services, products and technology, reliability of the services and turnaround tome amongst other factors. Furthermore customer satisfaction can be increased through adjustment of bank charges on various products and services. This study sought to identify the factors that influence level of customer satisfaction with the bank as perceived by managers. Descriptive survey was used for the study. A sample size of 50 managers was selected a issued with questionnaires. A response of 41 out of 50 was attained. Descriptive statistics was used to analyze the data. The findings indicate that most managers perceive that the most important factors influencing customer satisfaction to access to services and products, length of queues and time that customers' have to wait before they are served. The study also identified areas that need to be improved on with the main one being the turnaround time. If the bank were to improve on this factor then level of customer satisfaction will improve.

TABLE OF CONTENTS

CHAPTER ONE: INTRODUCTION

1.1 Background of the study

Liberalization has brought about great changes in the way businesses carry out their operations both globally and locally. The world has become a global village where a change in one corner drives changes in all parts of the village. Liberalization, a phenomenon associated with globalization has brought about changes in many industries.

Liberalization is the concept whereby government is reducing or selling their shareholding in government run businesses and also generally introducing competition in many sectors of the economy to hopefully spur development and hence bring prosperity to its people both in terms of uplifting their peoples welfare as well as the infrastructure of their towns. After a survey of experiences of financial sector reform in nine Asian countries, Tseng and Corker concluded that overall financial liberalization and monetary policy reform have contributed to more efficient financial systems and have enhanced the effectiveness and flexibility of monetary policy.

In the banking industry, liberalization has brought about intense competition which has resulted in many banks operating in the industry. The banking sector was liberalized in 1995 and exchange controls lifted (PWC report, 2009). Banks raise funds by taking in deposits from businesses and consumers and lending out money by giving out loans to customers and businesses. They also buy corporate and government bonds and trade in the foreign exchange market. Customer satisfaction has therefore become an important factor for many banks. The banks seek to keep customers highly satisfied as a way of

customer retention and avoid them from switching to other banks. The impact of competition has led to reduced market shares, customer loyalty and loss of profits for some banks. Customer satisfaction and expectation are taken from the type of the services offered and how they are delivered. Banks have become more innovative and are coming up with new products and services distinct from their competitors' in order to gain a competitive advantage and satisfy their customers needs and wants. Also banks have become more responsive to customer complaints by setting up customer care centers where customers can air any grievances or complaints that they have. Kotler (1986) argues that the best way to get and keep customers is to constantly figure out how to give them more for less. He also goes on to say that it is no longer enough to satisfy customers, but you must also delight them.

According to Reichheld and Sasser (1990) the cost of gaining a new customer is about five times greater than the cost of retaining a current customer through the use of relationship marketing. Newman and Cowling (1996) noted that, "for United Kingdom financial institutions, it is estimated that an increase of 5 percent in customer retention is potentially worth 100 million pounds a year. Realizations such as these have attracted the attention of managers of retail banks to measuring their service quality and customer satisfaction and initiating major service quality change programs". Understanding customer expectations in order to achieve service quality and satisfaction has become a widespread objective.

1.1.1 The Concept of Customer Satisfaction

Kotler (1986) defines satisfaction as a person's feelings of pleasure or disappointment resulting from comparing products perceived outcome in relation to his or her expectation of the utility he desires. Satisfaction is a function of perceived performance expectation. Short of expectations, the customer is dissatisfied. If performance matches the Expectations, the customer is highly satisfied or delighted. Satisfaction equals perception minus expectations. If you expect a certain level of service and perceive this service received to be higher; you will be a satisfied customer. If you Perceive the same level where you had expected a higher one, you will be disappointed and therefore, a dissatisfied customer (Mercer, 1997).

Many companies are aiming for high satisfaction because customers who are just satisfied still find it easy to switch when a better service comes along. Those who are highly satisfied are much less ready to switch. Also customer satisfaction is necessary for the company as it determines its profitability. If the customers are not satisfied then the company suffers huge losses. "High satisfaction or delight creates an emotional bond with the brand, not just a rational preference. The result is high customer loyalty/ liking satisfaction" (Kotler, 1986). Bitner and Zeithaml (2003) define customer satisfaction as the customer's evaluation of a product or service in terms of whether that product or service has met their needs and expectations. Failure to do so results in dissatisfaction. Furthermore there is a strong link between dissatisfaction and disloyalty. This ultimately results in customer defection to the competition hence the loss of business profits for the company.

Customer satisfaction is an ambiguous and abstract concept and the actual manifestation of the state of satisfaction will vary from person to person and product /service to product/service. The state of satisfaction depends on a number of both psychological and physical variables which correlate with satisfaction. It can also vary depending on other options the customer may have and other products against which the customer can compare the organization's products. Oliver (1989) further classified the role of customer satisfaction by primary purpose; either the aim is to assist in establishing and maintaining a differentiated position in the market, encourage existing customers to stay loyal or cement the long term relationship between an organization and its customers.

1.1.2 Retail Customers

Retail customers make up the largest portfolio in any banking institution. The subject of customer experience in retail banking has never been more important, timelier and more essential to achieving and maintaining business success. Banks win by getting, keeping and growing customers. How to get more customers, how to keep them longer and how to increase the value of each individual customer; that is the critical challenge that banks face in order to grow their businesses (Peppers & Rodgers Group, 2010). Overcoming this challenge starts with the realization that the quality of customers' experience is key. Services offered include savings and transactional accounts, mortgages, personal loans, debit cards and credit cards.

Retail banking customers expect clarity and fairness. They want transparency into the fees they pay and especially want to know in advance when fee structures are changing. Retail customers also want easy access to their account information and their funds. This

include access to physical banks, Automatic Teller Machines (ATMs), online and mobile banking channels, but essentially there is an expectation for multiple, flexible banking options with innovative features. Customers expect their loyalty to be rewarded. Therefore banks are evaluated by incentives and customer services. (The Bank Administrative Institute, 2011)

Managing and monitoring the quality of customers' experience and satisfaction with a bank continues to grow in value. Given the intangible nature of services, the evaluation of service quality before consumption is quite difficult as the production of service is undertaken simultaneously with consumption. This makes service providers to adopt measures that will make the service tangible and therefore add dimensions of quality. This is mostly achieved by the physical facilities and service provider personnel appearance. As the customers have to come to the service provider premises or interact with the personnel to get the service (Zeithaml et. al, 1996). With each given day financial savviness of customers increases, their choices for banking products and services proliferate and their tolerance for inferior experiences diminishes. In this environment therefore, to be successful a bank must deliver exceptional customer experience so as to maintain a high customer satisfaction standards. In this way a bank will improve getting, keeping and growing customers.

1.1.3 Perception of Managers on Customer Satisfaction

It is important for managers to understand the importance of customer satisfaction to their organizations. Customer satisfaction contributes to customer retention which many organization desire. This is because it is more economical to keep customers than acquire

new ones. The costs of acquiring customers to replace those who have been lost are high. This is because the expense of acquiring customers is incurred only in the beginning stages of the commercial relationship (Reichheld and Kenny, 1990).

Managers are also concerned with customer satisfaction as satisfied customers generate positive word of mouth promotion for the company. Additionally long term customers also take less of the company's time and are less sensitive to price changes (Healy, 1999). Therefore it is important for managers to ensure they maintain a high customer satisfaction level as a way of maintaining a competitive advantage.

1.1.4 The Banking Industry in Kenya

The banking industry in Kenya is governed by the Company's Act, the Banking Act, the Central Bank of Kenya Act and the various prudential guidelines issued by the Central Bank of Kenya (CBK). According to a PWC 2009 report, as at December 2008 there were forty six banking and non-bank institutions, fifteen micro finance institutions and one hundred and nine foreign exchange bureaus.

The banking industry plays a very important role in the Kenyan economy. The industry provides financial services for citizens and businesses in the country. The industry has also created employment opportunities for a large number of people and also indirectly supports thousands of others. It has also contributed to an environment where individuals and businesses can borrow money or obtain other financial services with an aim of improving their status or investing in available opportunities. The industry also supports small scale businesses like Agency banking through the mobile banking platform.

6

The banks in Kenya have come together under the Kenya Bankers Association (KBA) which serves as a lobby for the banking sector interests. The KBA serves as a forum for addressing issues affecting members. Over the last few years, the banking sector in Kenya has continued to grow in assets, deposits, profitability and products offering. The growth has been mainly underpinned by an industry wide branch network expansion strategy both in Kenya and in the East African community region and also the automation of a large number of services and a move towards emphasis on the complex customer needs rather than traditional 'off the shelf' banking products. (Source; www.centralbank.go.ke)

1.1.5 Kenya Commercial Bank

KCB started its operations in 1895 on the island of Zanzibar as the National Bank of India. A year later, the Bank opened a branch in Kenya, on Mombasa Island, later growing to become one of Kenya's and East Africa's largest commercial Banks. Upon independence in 1963, the government of Kenya acquired 60% shareholding in National and Grindlays Bank in an effort to bring Banking closer to the majority of Kenyans. In 1970, the government acquired 100% of the shares to take full control of National and Grindlays Bank therefore renaming it Kenya Commercial Bank (KCB). The bank has over two billion authorized shares held among Kenyan, East African and foreign investors.

The government has since reduced its shareholding to 23.6% during the 2004 rights issue exercise. This was further reduced to 23.1% following the rights issue exercise in 2008. With the most recent rights issue of 2010 the Government's shareholding is 17.75%.

7

KCB is a fully fledged commercial Bank offering savings and lending services to individuals, entrepreneurs and companies of all sizes. It has the largest branch network in the East Africa and enjoys dominance as the Bank with largest balance sheet and capital base, respectively, in the region. KCB is a publicly quoted company with its shares trading at the Nairobi Securities Exchange (NSE), Uganda Securities Exchange, Dar-es-Salaam Stock Exchange and Rwanda over the Counter Market.

Challenges facing KCB are competition from other players in the industry who are offering similar services at competitive rates. Their innovations have become a challenge to the bank in the sense that they are not easy to understand by the customers who might not notice any difference. Government and CBK regulations for example taxes and monetary policies are very high making their services to be expensive as they pass this on to the customer. KCB is facing a challenge of continuously coming up with new services to meet their increasing customer needs. The bank has set up a contact center which deals with customer queries and complaints. The center uses latest technologies like the internet through twitter and facebook as an avenue for collecting customer complaints. The information obtained is used to improve the services offered by the bank so as to meet customer expectations. (Source; www.kcbbankgroup.com/ke and KCB intranet)

1.2 Research problem

Customer satisfaction in the banking industry plays an important role in determining whether the banks retain or lose customers. Recent changes in the banking industry where banks are required to be more open has enhanced customer knowledge and the same customers can gauge whether they are receiving quality or poor services. High customer

satisfaction levels can contribute to increased income generation leading to increased profitability. The focus on customer profitability revealed that the effective management of satisfied and faithful customers gains the company an improvement of economic and competitive situation (Yang & Peterson, 2004). Thus the delivering of superior customer value has become vital for a company to maintain long-term relationships with their customers.

KCB has experienced a challenge in enhancing customer satisfaction due to the rapid expansion of its branch network. The bank has launched programs and campaigns to enlist more customers so as to increase its customer base. This can contribute to lower customer satisfaction levels as the bank concentrates its efforts on the mass market and not individual customers. Therefore the management needs to pay attention to individual customers so as to limit the number of disgruntled customers who may contribute to a negative image for the bank or switch banks. In retail banking sector, switching is a progressive process by which customers allocate more of their expenses to other banks (N'Goala, 2007). Therefore managers at KCB should continuously analyze how the customer qualifies the bank offer, how customer perceptions' have changed or is likely to change and create a higher value than those offered by competitors.

Studies done in the area of customer satisfaction include Wamucii (2009) who focused on factors affecting customer satisfaction in airline industry, a case of Kenya Airways and found out most of the customers take great exception to how they are treated by the airline staff. The type of service experienced during flights will determine whether the customers will fly again with the same airline or not. On the other hand, Mutua (2010) studied the relationship between business process re-engineering on customer satisfaction

9

in Kenya Power and lighting company LTD. She found out that customer satisfaction leads to a company's increased market share. Though Kenya Power is a monopoly she stated that customers have a choice of solar panels, chloride batteries and generators and conclude that more customers won't be recruited by the power company if it offers poor services.

Mwangi (2010) focused on the influence of customer relation management practices on customer satisfaction among internet service providers in Nairobi. She found that Customer Relation Management (CRM) is becoming important as companies experience greater competition, pressure to drive down operating costs, greater complexity of products and rising customer demands. She found that there was consistency in the results with respect to the management view of the influence of CRM practices on customer satisfaction. Other studies that have been done in this area include Levesque & McDougall (1996) who confirmed that unsatisfactory customer service leads to a drop in customer satisfaction and willingness to recommend the service to a friend. This in turn leads to an increase in the rate of switching by customers. Hallowell (1996) suggest that in the retail banking sector, attainable increases in satisfaction could dramatically improve profitability.

As observed above, the studies conducted on customer satisfaction have not addressed the issue of perception of managers on factors influencing customer satisfaction in the banking industry. This research will therefore seek to determine the perception of managers on factors influencing customer satisfaction in the banking sector and especially on retail customers. This problem statement leads to the question; what factors influence satisfaction of retail customers?

1.3 Objective of the study

The objective of the study is to determine the perception of managers on factors affecting customer satisfaction in the case of Retail customers of Kenya Commercial Bank.

1.4 Value of the study

The study will be important to not only Kenya Commercial Bank but all financial institutions in improving customer satisfaction within their institutions. This is instrumental in ensuring that a company's objectives are in line with the customers' expectations. The study to be conducted is expected to be of utmost importance to various stakeholders in the in Kenya's banking industry, taking cognizance of the fact that the industry has experienced tremendous growth over the last few years.

The study will also benefit the researchers who may be interested in this topic and may find the results opening up new avenues for further research in a similar area. It will provide reference material to future researchers on banking and customer satisfaction. It will also indicate other areas of possible research like ways of improving customer satisfaction in the banking industry.

11

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter looks at customer satisfaction, its meaning and importance in the service industry. The chapter will also look at evaluation of service quality and how customers perceive it.

2.2 Customer Satisfaction

Oliver (1989) classifies the role of customer satisfaction by primary purpose; either the aim is to assist in establishing and maintaining a differentiated position in the market, encourage existing customers to stay loyal or cement the long term relationship between an organization and its customers. Zeithaml and Bitner (1996) define satisfaction as the customer fulfillment response. It is a judgment that a product or service feature or the products or service itself, provide a pleasurable level of consumption related fulfillment. Reichheld (1996) summarizes into four benefits to an organization of maintaining, developing a satisfied loyal customer base to the organization, and mostly this are linked to the firms bottom line that is increasing purchases, lower cost, free advertising through word of mouth and employee retention.

According to Kotler and Armstrong (2000), customer satisfaction refers to the product perceived performance matches buyer's expectations. Satisfaction is a function of perceived performance expectation. Short of expectations, the customer is dissatisfied. If performance matches the Expectations, the customer is highly satisfied or delighted. Satisfaction equals perception minus expectations. If you expect a certain level of service

and perceive this service received to be higher; you will be a satisfied customer. If you Perceive the same level where you had expected a higher one, you will be disappointed and therefore, a dissatisfied customer (Mercer, 1997).

Many companies are aiming for high satisfaction because customers who are just Satisfied still find it easy to switch when a better offer that is service comes along, those who are highly satisfied are much less ready to switch. High satisfaction or delight creates an Emotional bond with the brand, not just a rational preference. The result is high customer Loyalty/ liking satisfaction Kotler (1986). Organizations are in increasingly interested in retaining existing customers while targeting non customer. Measuring customer satisfaction provides an indication of how successful the organization is at providing products and /or services to the marketplace.

2.2.1 Determinants of Customer Satisfaction

Customer satisfaction is influenced by specific product or service features and by perceptions of quality. Satisfaction is also influenced by customers' emotional responses, their attributions, and then perceptions of equity (Taylor, 1978). Customer satisfaction with a product or service is influenced significantly by the customer's evaluation of product or service feature. For a bank service important features may include clarity on terms and condition, courteous customer care service, and reasonable charges for account maintenance. A company can determine customer satisfaction by determining what the important features and attributes are for their service and then measure perceptions of those features as well as overall service satisfaction.

13

Research has shown that consumers of service will make tradeoffs among different service features (Ostrom and Iacobucci, 1995). Consumer emotions can also affect their perceptions of satisfaction with products and services. These emotions can be stable, preexisting emotions for example, mood state. Specific emotions may also be induced by consumption experience itself, influencing a customer's satisfaction with the service. Positive emotions such as happiness, pleasure, elation and a sense of warm heartedness enhance customers' satisfaction. Sad emotions such as sadness, sorrow, regret and anger lead to diminished customer satisfaction (Zeinthaml et al 1996).

Attributions for service success or failure are also a determinant of customer satisfaction. The perceived causes of events- influence perceptions of satisfaction as well. When they have been surprised by an outcome, consumers tend to look for reasons and their assessment of the reasons can influence their satisfaction for example if a customer of a bank fails to get money at an ATM due to system failure, s/he will likely search for causes of that. Many service customers take at least partial responsibility for how things turn out. Even when they don't take responsibility for the outcome, customer satisfaction may be influence by other kinds of attributions. For example customers may be less dissatisfied with a bank service if they realize that system failure was caused by a power shortage affecting large parts of the city hence interfering with the system (Zeinthaml et al 196).

14

Customer satisfaction is also influenced by perceptions of equity and fairness. Customers today are more value oriented in their consumption of services because they have alternative choices (Slater, 1997; Woodruff, 1997). Customers often ask themselves if they have been fairly treated compared with other Customers, did other customers get better prices for the service? Notions of fairness are central to customers' perceptions. In addition other consumers, family members and coworkers also influence the customer satisfaction.

2.2.2 Measurement of Customer Satisfaction

Customer satisfaction can be measured in several ways. These include Customer satisfaction surveys. Responsive companies take direct measure of customer satisfaction by conducting regular surveys. They send questionnaire or make telephone call to a sample of recent customers and find out how they feel about the various aspect of the company's performance. They also survey buyer's views on competitors' performance (Kotler and Armstrong, 2000). According to Aaker (1991), regular survey of customer satisfaction is particularly useful in understanding how Customers feel and in adjusted products and services. These survey need to be timely, sensitive and comprehensive so that the firm can learn why overall satisfaction is Changing. For customer satisfaction measures to have impact they need to be integrated into day to day management. Another way to measure satisfaction is by Complaint and suggestions.

According to Kotler and Armstrong (2000), customer centered organization makes it easy for customers to make suggestions or complaints. Such systems not only help companies to act more quickly to resolve problems, they also provide companies with many good

15

ideas for improved products and services. Customer complaints are one indicator of customer satisfaction and many organizations have a number of metrics measuring such complaints. An effective complaint management system is important to an organization in order to analyze and use complaint effectively. The rationale is that managing complaints in a positive manner can enhance customer perception of an organization, increase lifetime sales and value and provide valuable market intelligence (Dale, 1990).

Another way of measuring satisfaction is attentive frontline personnel. Employees who have direct contact with customers can be an excellent source of information about customer satisfaction. They are often the first to know about both what delights customers and what disappoints them. According to Kotler and Armstrong (2000), customer satisfaction can also be measured through customer defection analysis. Companies should contact customers who have stopped buying, or those who have defected to a competitor, to learn why this happened. When IBM loses a customer, it mounts a thorough effort to learn how it failed. Kotler and Armstrong (2000) argued that Ghost Shopping can also be used to measure customer satisfaction by hiring people to pose as buyers to report their experiences in buying the company and competitors' products. The ghost shoppers can even present specific problems to test whether the company personnel handle difficult situations well.

2.3 The service industry

Service industries are quite heterogeneous. There is a general agreement that inherent differences between goods and service exist and that they result in unique or at least different management challenges for service businesses and manufacturing businesses.

16

According to Zeithaml and Bitner (1996), there are several characteristics that are generally used. For instance, intangibility, this means that service cannot be touched, seen, felt or tasted in the same manner that we can with tangible goods. This makes it difficult for the customer to even grasp mentally.

Heterogeneity means that no two services will be precisely alike because services are performances produced by humans. Employees delivering the service frequently are the service in the customers' eyes and people may differ in their performance from day to day or even hour to hour. Heterogeneity also results because no two customers are precisely alike; each will have unique demands or experience the service in a unique way. This heterogeneity connected with service is largely the result of human interaction either between or among employees and customers and all of the vacancies that accompany it. For example, a customer care employee may provide a different service experience to two different customers on the same day depending on their individual need and personalities and on whether the employee is serving them when he/she is fresh in the morning or tired at the end of a long day (Zeithaml and Bitner, 1996).

Simultaneously, unlike goods are produced first then sold and consumed later, services produced and consumed simultaneously. The quality of service and customer satisfaction will be highly dependent on what happens in "real time" including actions of employees and interactions between employees and customers. Perishability is another characteristic of service. Perishability refers to the fact that service cannot be saved, stored, resold or returned for example banking hall capacity not used cannot be retained and used at a later time. It cannot be stored in inventory or resold another day (Zeithaml and Bitner, 1996).

2.3.1 Service quality and customer perception

Service quality is determined by what the customers perceive. It means that customers play an important part in judging service quality. Very often, companies define service quality apart from what the customers perceive of the quality so that time and money are poorly invested to poor quality programs. Grönroos (2000) identified two dimensions in service quality as it is perceived by customers. These are technical quality and functional quality. The technical quality is the outcome or the end result of a service production process. The functional quality is how a customer receives the service and how he experiences the simultaneous production and consumption process. All the tangibles will create the technical quality but the intangibles will generate the functional quality. For example in a bank setting, the products offered to a customer is the technical quality of a service; while how the customer is treated and served by the teller or other staff is the functional quality.

Christopher et al (1997) acknowledge that the satisfaction of a customer with a service can be defined by comparing perception of service received with expectations of service desired. When the service exceeds expectations, service is perceived to be of exceptional quality and also to be a pleasant surprise. When expectations are not met service the quality is deemed unacceptable. When expectations are confirmed by perceived quality then the service is satisfactory. Delivery of service quality should be based around the expectations of customers, as one of the most common causes of poor service quality by service firms revolves around not knowing what the customers expectations are (Zeinthaml et al, 1996).

2.3.2 Evaluation of service quality

Service quality is an elusive and abstract contrast that is difficult to define and measure (Zeinthaml et al, 1996). Measuring service quality poses difficulties for service providers because of the unique characteristics (Bateson, 1995). Customers when purchasing goods employ many tangible cues to judge quality. In most cases, tangible evidence is limited to the service provider's physical facilities equipment and personnel. In absence of tangible cues, consumers must depend on other cues. To complete the definition of service quality we must emphasize that the measure of performance is essentially a measure of perceived performance. If a service provider knows how the customer will evaluate the service then it is possible to suggest ways on how to influence these evaluations in a desired direction (Groonoos, 1982).

Zeinthaml et al (1996) identified five broad dimensions of service quality. These are reliability, responsiveness, assurance empathy and tangibility. Reliability refers to ability to perform the promised service dependably and accurately. Reliability means that a company performs the promised service on delivery, service provision, problem resolution and pricing. Customer want to do business with companies that keep their promise especially about service outcome and core service attributes. Responsiveness is the willingness to help customers and provide prompt service. This dimension emphasizes attentiveness and promptness in dealing with customer request, questions, complaint and problems. Responsiveness is communicated to customers by the length of time they have to wait for assistance answer to question or attention to problems. It also covers the notion of flexibility and ability to customize the service to customer needs.

Assurance involves employee's knowledge and courtesy and their ability to inspire trust and confidence. This dimension is likely to be particularly important for services that the customer perceives as involving high risk and about which they feel uncertain about their ability to evaluate outcome for example insurance, banking, brokerage, medical and legal service.

Empathy is the caring, individualized attention given to customers. The essence of empathy is conveying that customers are unique and special. Customers want to feel understood by and important to firms. Tangibility means appearance of physical facilities, equipment, personnel, and written materials, communication facilities. All of these provide physical representations or image of the service that customers, especially new customers will use to evaluate quality. Service industries that emphasize tangibility in their strategies include hospitality service where the customer visits the establishment to receive the service such as restaurants, hospitals, banks and retail stores (Zeinthaml, 1996).

2.3.3 Customer Perceptions of Value

Today, customers are more value oriented in their consumption of services because they have alternative choices (Slater, 1997; Woodruff, 1997). For example, Gale and Wood (1994) explained how customers make purchase decisions between competing providers. The author stated that customers buy on value; they do not simply buy products. It was also observed that customers learn to think objectively about value in the form of preferred attributes, attribute performance, and consequences from using a product in a use situation (Woodruff, 1997). Thus, banks must be able to provide "up-close" personal

service for customers who come with high expectations. For customers who value convenience most, banks must offer the latest product such as electronic banking, touch-tone phone account access and internet banking. Clearly, customer value can be a strong driver of customer retention.

Reidenbach (1995) argued that customer value is a more viable element than customer satisfaction because it includes not only the usual benefits that most banks focus on but also a consideration of the price that the customer pays. Customer value is a dynamic that must be managed. Customer satisfaction is merely a response to the value proposition offered in specific products/markets (Reidenbach, 1995). By this view, banks must determine how customers define value in order to provide added-value services.

Through increasing the level of customer satisfaction can be linked to customer loyalty, the relationship between customer satisfaction and customer loyalty is stronger where customers are satisfied. The importance to the organization of customer loyalty is increased purchases by the customers, lowering the operating costs and free advertising through word of mouth and employee retention. Customer satisfaction will be influenced by positive product or service features, consumer emotions, attribution for service success or failure, perception of equity or fairness. The above factors can be influenced through customer perception of quality and satisfaction by the company. These can be realized by influencing perception of service delivery to enhance customer satisfaction through the following, measuring and managing customers satisfaction and service quality, aiming for customer quality and satisfaction in every service encounter and managing the evidence of service to reinforce perception (Reichheld, 1996).

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter provides a description of the procedures and methods that was used in carrying out the research. The study was guided by the research objectives laid down in chapter one.

3.2 Research design

The research used a descriptive survey design. Descriptive design describes data and characteristics about the population or phenomenon being studied. The description is used for frequencies, averages and other statistical calculations.

3.3 Population of the study

The targeted populations were managers at the Moi Avenue and Kipande House branches. Moi Avenue and Kipande House were selected because they are the flagship branches of Kenya Commercial Bank and have the highest number of customers and portfolio as compared to other branches.

The two branches are also concentrated with many managers who directly deal with customers. There are a total 316 employees in the two branches and out of theses 92 are at management level. The managers in these two branches have a duty of ensuring the two branches set a benchmark that other branches can look up to.

3.4 Sample Design

The sample size selected was 50 managers comprising 35 managers selected from Moi Avenue branch and 15 from Kipande House. More respondents were selected from Moi Avenue branch as it has a larger staff at management level. Stratified sampling was used because it reduces sampling error.

There are four management levels within the branches, that is Manager Level A (MLA), Manager Level B, Manager Level C and Manager Level D with Manager Level D being the highest level. Management level A is a junior management level while management level D is senior management level within the two branches. Individual employees were approached and asked to state their position within the branch after introductions had been done. Only those who were at management level were given questionnaires to fill which were then collected at close of business.

3.5 Data Collection Methods

Primary data was collected by use of a structured questionnaire which was administered to the managers. The questionnaire was divided into three sections: section one had questions on general information, section two has questions on factors influencing customer satisfaction while section three covered how customers are handled. The questionnaires were administered through "drop and pick Later" method.

3.6 Data Analysis

The completed questionnaires were edited for completeness and accuracy before processing. Data was analyzed using descriptive statistical techniques such as use of mean, percentages and standard deviation. Descriptive statistical techniques were preferred because they provide an efficient summary to the data collected making it easier to draw meaningful conclusions. Presentation took the form of tables and report writing.

CHAPTER FOUR: DATA ANALYSIS AND INTERPRETATION

4.1 Introduction

The section presents analysis and interpretation of the primary data collected from respondents. All completed questionnaires were edited for completion and consistency. The response rate of 82% (41 out of 50) was achieved.

4.2 Demographic profile of the respondents

Data on management level, age and period of employment were analyzed to determine the general classification of respondents. On the first factor respondents were required to indicate their management level by ticking appropriately and the results are presented in table 4.1

Table 4.1: Management Level of respondents

Management Level	Frequency	Percentage
Management Level A	24	58.5
Management Level B	11	26.8
Management Level C	4	9.8
Management Level D	2	4.9
Total	41	100

Respondents were asked to indicate their age brackets on the second factor by ticking appropriately and the results are shown in table 4.2:

Table 4.2: Age of respondents

Age	Frequency	Percentage	Cumulative Percentage
Below 35 years	25	61	61
36 to 45 years	11	26.8	87.8
Above 45 years	5	12.2	100
Total	41	100	

As shown in table 4.2, respondents aged below 35 year of age were 61% therefore comprise the majority of managers at the two branches. Respondents between 36 to 45 years were 26.8% while above 45 years was at 12.2%. It is therefore worth concluding that managers at the bank are youthful and this can be attributed to the employment criteria used by the bank.

The third factor was intended to capture the respondents' work duration with the bank. Respondents were asked to indicate their length of service in the bank. Data was analyzed and results are shown in table 4.3.

Table 4.3: Length of stay at the bank

Year	Frequency	Percentage	Cumulative Percentage
Less than 1 Year	2	4.9	4.9
1 to 4 years	14	34.1	39
4 to 7 Years	13	31.7	70.7
Above 7 Years	12	29.3	100
Total	41	100	

Results in table 4.3 show that only 4.9% of the respondents have worked in the bank for less than 1 year. 34.1% have worked for between 1 to 4 years, 31.7% between 4 to 7 years while 29.3% have worked for more than 7 years. Thus majority of the employees have not worked for more than 7 years in the bank. Most of the employees who have worked for 1 to 4 years comprise managers at MLA (11) while most managers at MLB level have worked at the bank for between 4 to 7 years (9). Managers at level C and D have worked in the bank for more than 7 years.

4.3 Customer Relations

Respondents were asked to indicate if they were in direct contact with the customers or worked in the background. It was found that 26(63.4%) of the respondents had direct contact with customers while the remaining 15 (36.6%) had no direct contact with customers. It can therefore be concluded that a majority of managers at 63.4% deal directly with customers. Out of the 26 respondents who directly deal with customers 17 are at management level A, comprising 65.4% of the respondents. None of the respondents at management level C and D deal directly with customers. It can therefore be concluded that senior managers don't have direct contact with customers.

On the factor on importance of customer satisfaction, all respondents interviewed indicated that customer satisfaction to be very important to the bank. This means that the managers value the role that customer satisfaction plays in the growth and competitiveness of the bank.

Respondents were asked to indicate how often customer satisfaction were carried out by the bank. This item was meant to find out if the bank carries out any surveys and how often it does. The findings are given in table 4.4.

Table 4.4: How often customer satisfaction is carried out

Period	Frequency	Percentage	Cumulative Percentage
Quarterly	2	4.9	4.9
Half Yearly	3	7.3	12.2
Annually	6	14.6	26.8
Never	30	73.2	100
Total	41		

Findings in the table 4.4 show that 73.2% of the respondents believe that customer satisfaction surveys are never carried out by the bank. Out of the 30 respondents who believe that surveys are never carried out, 24 are at management level A which represents a 100% response rate. 14.6% of the respondents believe that customer satisfaction surveys are carried out annually, 7.3% half yearly while 4.9% believe surveys are carried out on a quarterly basis. Managers at level D believe that surveys are carried out annually while managers at level B and C gave a response of half yearly and quarterly. It can therefore be concluded that majority of the junior managers believe that the bank never carries out any surveys to determine the level of customer satisfaction.

Respondents were asked to indicate if they have ever conducted or participated in training on customer satisfaction. All the respondents indicated that they have conducted

training on customer satisfaction. It can therefore be concluded that the bank trains its employees on ways of improving customer satisfaction levels within the bank.

4.4 Factors influencing Customer satisfaction

Respondents were asked to indicate the level which they believe each of the factors influence customer satisfaction. They were presented with a list of factors and asked to tick on a scale of 1 to 5 as appropriate. The indicators were as follows 1 – not at all, 2 – small extent, 3 – moderate extent, 4 – great extent and 5 – very great extent. A mean score of greater than 4.5 (M>4.5) implies very great extent, a mean score of > 3.5 but < 4.5 implies great extent, a mean score of >2.5 but < 3.5 implies moderate extent, a mean score of > 1.5 but < 2.5 implies small extent while a mean score of < 1.5 implies not at all. A standard variation of >1.5 implies a significant variance in the response. Data was analyzed using mean scores and standard deviation as shown in table 4.5.

Table 4.5: Indicators of factors influencing customer satisfaction

Indicator	Mean	Standard deviation
The bank's reputation in the outside world	3.73	0.9883
Trust relationship between the customer and the bank	4.17	0.7933
Easy access to the services and products	4.22	0.6444
Type of customer service experience	4.14	1.0256
Clarity on bank charges	3.51	1.062
Accuracy of statements and accounts	3.43	0.964
Satisfaction with products and services offered	3.78	0.8975

Table 4.5 Continued: Indicators of factors influencing customer satisfaction

Reliability on the services	4.05	0.9865
Appearance of the bank's facilities	2.95	1.1251
Involvement of the bank in community projects	3.56	1.1904

The findings in table 4.5 reveal that most important factors influencing customer satisfaction are easy access to services and products (mean 4.22), trust relationship between the customer and the bank (mean score 4.17), the type of customer service experience (mean 4.14) and reliability of the bank's services (mean score 4.05). All these factors had a mean score of greater than 4 therefore it can be concluded that the managers perceive that accessibility and reliability of services offered by the bank is vital in ensuring that customers are satisfied.

Other factors like satisfaction with products and services offered (mean score 3.78), the reputation of the bank (mean score 3.73) and involvement in community projects (mean score 3.56) were also felt to be important. These factors had a mean score of less than 4 but greater than 3.5. It can therefore be concluded that the bank's reputation is important as it may affect or influence customer satisfaction levels. On the other, hand respondents think that clarity on bank charges (mean score 3.51), accuracy of statements and accounts (mean score 3.43) and appearance of the bank's facilities (mean score 2.95) were felt to have a minimal influence on customer satisfaction.

From the analysis of data above, it can be concluded that most respondents believe that all the factors except accuracy of statements and accounts and appearance of the bank's facility to a great extent affects the level of customer satisfaction. The last two factors

were seen to have a moderate influence on the level of customer satisfaction. Respondents to a great extent therefore value accessibility of the bank's products and services, relationship between the bank and customers, customer service experience, service reliability, types of products and services offered, bank's reputation, community projects initiated and clarity on bank charges. If these factors are improved then the bank will have a better reputation in the market and also meet its customers' expectations.

4.5 Handling of customer contracts

Respondents were presented with a list of statements concerning how customer contracts are handled and asked to indicate (by ticking appropriately on a scale of 1 to 5) the extent to which they influence customer. The indicators were as follows 1 – not at all, 2 – small extent, 3 – moderate extent, 4 – great extent and 5 – very great extent. A mean score of greater than 4.5 (M>4.5) implies very great extent, a mean score of > 3.5 but < 4.5 implies great extent, a mean score of >2.5 but < 3.5 implies moderate extent, a mean score of > 1.5 but < 2.5 implies small extent while a mean score of < 1.5 implies not at all. A standard variation of >1.5 implies a significant variance in the response. Data was analyzed using mean scores and standard deviation as shown in table 4.6:

Table 4.6 Customer contracts

Indicator	Mean	Standard Deviation
Time customers have to wait before they are served	4.15	0.9255
Length of queues at banking facilities	4.22	0.8975
The knowledge level of employees	4.07	0.9471
Employees' courtesy	4	1.0592
Quality of feedback and how fast it is provided	3.89	1.1304
Clear understanding of customer needs	3.98	0.9997
The type of technology in use and its simplicity	3.66	1.1177
Competitive pricing of the bank's products	3.95	1.0109

The findings in table 4.6 reveal that most important factor when dealing with customers is the length of queues at banking facilities (mean score 4.22) followed by the time customers have to wait before they are served (mean score 4.15). These two factors were the most important and it shows that managers believe that customers prefer to be served faster and any delays or backlog negatively affects customer satisfaction.

Factors that were also considered to be important were knowledge level of employees (mean score 4.07), employees' courtesy (mean score 4) and a clear understanding of customer needs by the employees (mean score 3.98). These shows that customers feel more satisfied if they are handled by employees who are well informed and re-assuring. The other factors on competitive pricing of the bank's products, quality and speed of feedback and type of technology were felt to be important but to a lesser extent.

From the analysis above, all the indicators were seen to influence customer satisfaction to a great extent as they all had a mean score of >3.5 but <4.5. It can therefore be concluded that customers prefer shorter lines and shorter waiting period before they are served. They also prefer to be handled by well-informed employees who should also be courteous and should also understand their needs. The customers are believed to also require instant feedback to their requests and the technology and pricing should be simple and realistic respectively.

4.6 Ways the bank can improve customer satisfaction

Respondents were asked to indicate what they felt needed to be done to improve level of customer satisfaction. Various comments were put forward but only the top three were selected for analysis. Data was analyzed using percentages as shown in table 4.7:

Table 4.7: How the bank can improve customer satisfaction

Area	Frequency	Percentage
Improve on Turn around Time (TAT)	14	34.1
Employee Training	10	24.4
Customer Satisfaction Survey	6	14.6

The findings in table 4.7 indicate that a larger percentage (34.1) believe that the bank can improve customer satisfaction through improving on Turn around Time on customer requests. This can be attributed to the fact that customers do not like their request pending for too long. The faster requests like loan applications, card requests and account opening take the more satisfied the customers are.

24.4% of the managers perceive employee training to be an important factor in improving customer satisfaction. This will ensure employees know how to handle customers without compromising the bank's reputation. 14.6% of the managers felt that conducting customer satisfaction surveys on a regular basis will help improve on customer satisfaction. Through this the bank will be able to identify areas where it needs improvement or what it needs to change. It can therefore be concluded that management perceive that customers prefer to be seen as valued by the bank and that their loyalty is appreciated.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

The aim of this study was to establish the perception of managers on satisfaction of retail customers at the Kenya Commercial Bank. From the analysis it was established that most managers' deal directly with customers and they all perceive customer satisfaction to be very important to the bank. Despite customer satisfaction being seen as to be very important, most managers indicated that customer satisfaction surveys are never carried out by the bank. Most of the managers conduct or participate in training programs on customer satisfaction which they believe is a way of improving customer satisfaction.

Research findings indicate that most managers perceive to a great extent that easier accessibility to products and services, better trust relationship between the bank and its customers, a delightful customer experience and reliability on the bank's part helps to improve customer satisfaction. They do also agree that customers, who are satisfied with products and services offered, believe that the bank has a good reputation and involvement in community projects helps to positively influence customer satisfaction. The managers also view factors such clarity on bank charges to be important. They however view to a moderate extent importance of factors such as accuracy of statements and accounts and appearance of bank facilities. It is notable that a mean score implying very great extent, small extent or not at all was not obtained.

35

The findings show that most mangers perceive that for customers to feel more satisfied they have to be served faster and their waiting period shortened as much as possible. They therefore viewed factor such as length of queues and the amount of waiting time influencing customer satisfaction to a great extent. The managers also view the role employees play may affect customer satisfaction. Employees who are well informed, courteous and clearly understand needs of the customers influence customer satisfaction to a great extent. Factors such as pricing of the bank's products, quality of feedback whether it was useful or not and the type of technology in use were also deemed to have a great influence on level of customer satisfaction. Mean scores obtained did not depict any attribute that managers perceived the factors to influence customer satisfaction to a very great extent, moderate extent, small extent or not at all.

5.2 Conclusion

The attributes investigated in this study were all felt by respondents as factors that would influence the level of customer satisfaction with the bank. The most important attributes (by mean score) were accessibility of services and products and length of queues at banking facilities. These results show that managers believe that customers will feel more satisfied if they are served within the shortest time possible and if they have easy access to products and services that they need.

Results of this analysis have also shown that how customers are treated is an important determinant to whether they are satisfied or not. To achieve and maintain high customer satisfaction levels employees should treat customers with respect and be ready to listen and take care of customer needs. Also how employees treat customers can greatly affect

customer retention levels. Customers who feel short-changed or not valued by the bank will most likely to where they believe they will be treated much better. Therefore employees have to be at their best behavior when dealing with customers. The results also showed that the systems in place, facilities and technology can help to improve levels of customer satisfaction. Therefore bank facilities should be well maintained and the technology should simple and easy to use without compromising on security.

5.3 Recommendations

The study identified areas the bank can work on to improve customer satisfaction and come up with various recommendations some of which have a policy implication on the organization.

5.3.1 Policy implications

The study found that the managers felt that some areas needed to be improved on. These include better turnaround time, employee training and conducting customer satisfaction surveys. It is therefore recommended that the bank should frequently carry out customer satisfaction surveys to find out the opinions of its customers. Their feedback can be used to improve services and products offered.

The bank should also improve its turnaround time as this will help shorten queues and waiting time of customers. The bank should shorten the time that it takes to make decisions on customer requests. This can be done by improving the systems that are in use or through restructuring so as to get rid of what is not required.

Also employees should be constantly trained on ways of handling customers' better and also educated on the products offered by the bank. The bank can implement training programs internally or externally. This can also be done by organizing seminars for employees and regularly conduct product awareness programs.

5.3.2 Suggestions for further studies

Since the results of this study are based on managers' perceptions only, future research should investigate the congruence between consumers' and service providers' perception. This will help the industry to better understand whether consumers and banks have the same perceptions regarding issues affecting customer satisfaction. Also further studies need to be done to see whether there is a link between customer satisfaction and the extent to which the industry has to be liberalized.

Further investigations need to focus more on measuring customer expectations as well as customer experience in order to determine the service gap that exists. Researchers should also consider taking a broader view by including more factors affecting customer satisfaction in the banking industry.

REFERENCES

Aaker, D. A. (1991), *Managing brand equity*, Simon &Schuster Inc.

Aaker, D.A. (1996), *Building strong brands*, Simon &Schuster UK ltd.

American Marketing Association, (1960), A glossary of marketing terms: Committee on definitions of the American marketing association, Chicago, page 21.

Bitner, M.J., Evaluating service encounters: The effect of physical surrounding and employee response Journal of marketing, Vol 54, (April), Pages 69-82.

Dale, G. B. (1990), *Managing Quality,* 6th Edition Blackwell Publishing.

Dawkins, P. M and Reichheld, F. F. (1990), *Customer Retention as a Competitive Weapon, Directors and Boards, 14*(4).

Gale, B. T and Wood, R. C. (1994), *Managing Customer Value: Creating Quality and Services that Customers Can See. The Free Press.*

Gronroos, C. (1984), *A Service Quality Model and Its Marketing Implications*, European Journal of Marketing, *18*(4), pp. 36-44.

Healy, T. J. (1999), *Why You Should Retain Your Customers. America's Community Banker, 8*(9), September, p. 22-26.

Kibera, F.N. and Waruingi, B.C. (1988), *Fundamental of marketing an African perspective*, Kenya Literature Bureau.

Kotler, P., (1986), *Principle of marketing*, 3rd Edition, Prentice Hall.

Kotler P., (2000), *Principles of Marketing*, 8th Edition, Armstrong G. India: Prentice Hall.

Kotler, P., & Caslione, J.A. (2009), *Chaotics: the business of managing and marketing in the age of turbulence.* New York, NY: AMACOM.

Lancaster, J., (1985), *Selling and sales management*, 4th Edition, Pitman publishing.

Lovelock, C, H. (1996), *Services marketing* 3rd Edition, Prentice hall international.

Newman, K. and Cowling, A. (1996), *Service quality in retail banking: the experience of two British clearing banks*, International Journal of Bank Marketing, Vol. 14, 3-11

N'Goala, G. (2007), *Customer switching resistance (CSR). The effects of perceived equity, trust and relationship commitment. International Journal of Service Industry Management, 18,* 510–533.

Peppers & Rogers Group (2010), *Customer Experience in Retail Banking*, efma

Oliver R.L, (1989), *Processing of the satisfaction response in consumption a suggested framework and research proposition*, Journal of customer satisfaction, dissatisfaction and complaining behaviour, Vol.2 page 1-16

Olive, G. (1995), *Marketing Today*, 4th Edition, Prentice Hall Europe

Ostrom, A. and Lacobucci, D. (1995), *Consumer trade off and the evaluation of service*, Journal of Marketing Vol59, (January), Page 17-28.

Peppers & Rodger group, (2010), *Customer Experience in Retail Banking.* Retrieved from http://www.efma.com.

Reichheld, F. F. (1996), *Learning from Customer Defections*, Harvard Business Review, March/April, pp. 56-69.

Reichheld, F. F and Kenny, D. (1990), *The Hidden Advantages of Customer Retention.* Journal of Retail Banking, 7(4), pp. 19-23.

Reichheld, F.F. & Sasser, W.E. Jr (1990), "*Defections: quality comes to services*", The Harvard Business Review, pp. 106-7.

Reidenbach, R.E. (1995), *Value-Driven Bank: Strategies for Total Market Satisfaction.* Irwin Professional, U.K.

Slater, S. F. (1997), *Developing a Customer Value-Based Theory of the Firm.* Journal of the Academy of Marketing Science, 25(Spring), pp. 162-167.

Taylor, J.R., *Satisfaction /Dissatisfaction in the purchase decision process*, Journal of marketing, Vol 54, (April) page 69-82.

The Bank Administrative Institute, (2011), *What do Retail Customers Want?* Retrieved from http://blogs.sas.com/content/corneroffice.

Tseng, W. and Corker, R. *Financial Liberalization, Money Demand, and Monetary Policy in Asian Countries.* Asian Development Review, p.52.

Woodruff, R. B. (1997), *Customer Value: The Next Source of Competitive Advantage.* Journal of Academy of Marketing Science, 25(2), pp. 139-153.

www.*kcbbankgroup.co.ke*, KCB web page.

www.*centralbank*.go.ke.

Yang, Z., & Peterson, R.T. (2004), *Consumer perceived value, satisfaction and loyalty: the role of switching costs. Psychology and Marketing, 21 (10)*, 799–822.

Zeithaml, V.A and Bitner, M.J, (1996), *Service Marketing*, International edition Singapore:

APPENDIX : QUESTIONNAIRE

Please give answers in the spaces provided and tick the box that matches your response to the questions where applicable.

1. What is your Management Level

   MLA   ( )   MLB   ( )

   MLC   ( )   MLD   ( )

2. Age

   Below 35 years ( )   36 – 45 years (   )   Above 45 years   (   )

3. How long have you been in the bank

   Less than 1 year ( )   1-4 years   ( )

   4-7 years   ( )   More than 7 years   ( )

4. Do you deal directly with external customers?

   Yes   ( )   No ( )

5. How important is customer satisfaction to the bank?

   Less Important ( )   Important ( )   Very Important ( )

6. How often is customer satisfaction surveys carried out?

   Quarterly (   )   Half Yearly (   )

   Annually (   )   Never   ( )

7. To what extent do you believe customer satisfaction influences choice of bank

   Great extent   ( )   Moderate ( )

   Small extent   ( )   Not at all ( )

8. Do you conduct training on customer satisfaction?

        Yes (   )   No (   )

9. Please indicate the extent to which you think the following factors influence customer satisfaction.

Factors influencing customer satisfaction		Very great extent	Great extent	Moderate extent	Small extent	Not at all
		5	4	3	2	1
i	The bank's reputation in the outside world					
ii	Trust relationship between the customer and the bank					

Factors influencing customer satisfaction	Very great extent	Great extent	Moderate extent	Small extent	Not at all
	5	4	3	2	1
iii	Easy access to the services and products					
iv	Type of customer service experience					
v	Clarity on bank charges					
vi	Accuracy of statements and accounts					
vii	Satisfaction with products and services offered					
viii	Reliability on the services					
ix	Appearance of the bank's facilities					
x	Involvement of the bank in community projects					

10. The following questions pertain to the process by which customer contracts are handled. Please indicate to which degree you think it influences customer satisfaction.

Attributes		Very great extent	Great extent	Moderate extent	Small extent	Not at all
		5	4	3	2	1
i	Time customers have to wait before they are served					
ii	Length of queues at banking facilities					
iii	The knowledge level of employees					
iv	Employees' courtesy					
v	Quality of feedback and how fast it is provided					
vi	Clear understanding of customer needs					
vii	The type of technology in use and its simplicity					
viii	Competitive pricing of the bank's products					

11. Do you have any comments on how to improve customer satisfaction

----

Thank you for your cooperation.