Customer Satisfaction Towards Banking Service, Thailand

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Abstract

The purpose of this study was to study about the factors that influence customer satisfaction towards the Siam Commercial Bank, Thailand. In this research, the dependent variable is the customer satisfaction, while the independent variables are perceived service quality in terms of tangible, reliability, assurance and empathy, perceived value and trust. These variables were developed as four hypotheses to identify the influencing factor. The data was collected by distributing a questionnaire to 300 respondents who have the experienced with the Siam Commercial Bank at Mega Bangna branch. The sampling procedure that applied in this study are purposive (judgment) sampling and convenience sampling.

Moreover, all the data was analyzed by using Multiple Regression Line to test each hypothesis. The descriptive statistics was used to identify mean and demographic percentage. Base on the result from Regression Coefficient, the researchers found that perceived service quality in terms of tangible, reliability and empathy were influenced on perceived value which the highest influence was empathy at the beta (β) .339. For the perceived service quality in term of assurance was not influence on perceived value at sig.052>.05. Moreover, the perceived service quality in terms of tangible, reliability, assurance and empathy were influenced on customer satisfaction which the highest influence was reliability at the beta (β) .369. In addition, the perceived service quality in terms of reliability, assurance an empathy were influenced on trust which empathy was the highest influence at beta (β) .315. However, the perceived service quality in term of tangible was not influence on trust at sig .200>.05. Additionally, both perceived value and trust were influence on customer satisfaction which the beta (β) were .439 and .507, respectively. It means that trust was highest influenced on customer satisfaction.

Keywords: Banking service, Customer satisfaction, Customer perceive quality

Introduction

Customer satisfaction is one of the important factors in the service business sector which is has a relationship with the service quality (Bolton and Drew, 1991; Cronin and Taylor, 1992; Taylor and Baker, 1994; Spreng and MacKoy, 1996). Moreover, customer satisfaction is an opinion of customer to compare before and after purchasing products and services. There are many companies that emphasize on customer service and customer satisfaction in order to compete with their competitors (Reichheld and Sasser, 1990; Schlesinger and Heskett, 1991). In addition, Harrison and Ansell (2002) studied that the customer satisfaction is the key factor to increase profit for banking in Kuwait. It defined that to keeping existing customers for long term is lower expense than attracting new customers. The customer satisfaction with high quality of service can lead customer to be re-purchase and be loyalty (Hallowell, 1996). Moreover, service quality is one basic factor of the customer satisfaction (Parasuraman et al., 1994). In addition, perceived value was defined as the comparison between what the customer receive and what the customer loss (Monroe, 1990). Moreover, trust in service industry is one of important factor because it supports the customer's experience and the service quality acceptance (Zeithaml, 1991), as well as the quality of service and the customer satisfaction (Lewis and Craven 1995; Tikkanen et al., 2000). Moreover, customer perceived quality, perceived value and satisfaction are most important factor for the company to compete the competitors (Zeithaml et al., 1996; Parasuraman et al., 1988; McDougall and Levesque, 2000). Therefore, bank can increase competitive strategy in order to maintain existing customers and attract new customers. The purpose of this study is how each factor influence on customer satisfaction which are; perceived service quality (tangible, reliability, assurance, empathy), perceived value and trust. In this study, the researchers will collect the data from the existing customers who have experience with the Siam Commercial Bank (SCB).

Literature review

Customer Satisfaction

Customer satisfaction is defined as the number or percentage of total customers, who reported their experiences to a company or service, its products, or its services (ratings) exceeds specified satisfaction goals (Farris et al, 2010). According to Reichheld and Sasser (1990); Schlesinger and Heskett (1991) defined that is the customer evaluation after their purchasing the product or services. Additionally, there is the studied about Islamic banking that the customer satisfaction related to and affect to the banking performance such as