

# Banks and Customer Service Delivery: Attracting and Retaining Customers in the Ghanaian Banking Sector

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## Abstract

The influx of foreign banks into Ghana has increased the competition in the banking sector. This study explores issues relating to making customer service effective as one important area of competitive advantage for banks within the financial sector. The study used a structured questionnaire as the main primary data collection tool. In addition, related works in this area were also reviewed and used as secondary data to support the primary data in the analysis. The study found three main issues confronting the banks. These are: provision of quick and efficient service, ability of the staffs to resolve problems, and privacy of customers in the process. It also found out that there is effective complaint system in place with frontline staffs tracking customer complaints and the branch and customer service managers enforcing their resolutions. However, most complaints were about pathetic attitude of tellers. The notable positive development has led to customer attraction and retention. The study recommended the discontinuation of the concept of specialization in dealing with specific customers, sufficient training and periodic orientation of staffs, enhancing the privacy of customers through seclusion of one-on-one discussions from the public eye and rewarding high performing staffs to promote good attitude towards customers.

**Key Words:** Customer service; customer attraction; customer retention; customer complaint system

## 1. Introduction

The global integration of markets has resurrected the important position of a customer to an organization. It is an undeniable fact that no organization can survive without a customer base, therefore, the long-term survival of an organization depends on the level of customer satisfaction. An organization's determination to beat its competitors and stay in business is to promote a culture of customer focus with satisfied customers.

Gronroos (2007) opined that many organizations put "excellent customer service or a similar tag in their vision or mission statements, but most do not really mean what they say. Customer service is often viewed as an entry level position and the wages, attitude and experience of the staff reflects that".

Customer service is an organization's ability to supply its customers what they want and need. Customer service is achieved with effective management of customer perceptions and expectations. There is often a difference between customer perception and customer expectations. Before the service is experienced, customer expectations are formed from a company's communication, which is the information provided in commercials, word of mouth from other service consumers, their experiences of the service from other organizations, and their personal needs. Service providers have to ensure that they deliver what is promised in their marketing communication, since perceived service must equal expected service. Anything short of this would lead to an unsatisfactory service experience (Hinson, 2004).

It is common knowledge that financial institutions in Ghana today compete with each other to either attract new customers or to retain them. This situation perhaps has influenced Gronroos (2007) to believe that "customer retention in this global competition is obviously a case for customer service". To be successful, an organization must adopt a benchmark, improve processes and to implement customer service programmes to help reduce customer complaints.

According to Gronroos (2007), the common reasons for customer complaints can be split into operational and emotional reasons. Some of these reasons are products performing below customers' expectation, poor handling of telephone calls by staff, bad attitude, lack of adequate information on products by staff, unwillingness by staff to go the extra mile to assist customers, broken promises and bureaucratic procedures.

According to Ahmad and Buttle (2001) "Handling customer complaints is one of the essential pillars of customer service and customer retention". However, it is just smart business to try to understand why customers complain, so that you can prevent them. Understanding why customers complain, and addressing concerns before they happen saves time, and reduces the incidence of angry customers.

One of the most important customer service skills necessary to be developed according to Gronroos (2007) is the 'ability to understand and effectively respond to the customers' needs and concerns'. Excellent customer service delivery starts by first taking the time to get to know the customer, his situation, his vision, his frustrations and his goals (Vargo and Lusch, 2006). This therefore means that customer service discipline must promote customer service principles, share information about customer service enhancements and recognize customer service needs in order to help improve operations and deliver excellent services to customers.

### **1.1 Problem Statement**

Customer service has been cited variously as a marketing tool necessary for satisfying customers to promote a long lasting relationship and ultimately retention. However, public and media discussions persistently point out poor customer service in the financial institutions in Ghana. It is an undeniable fact that from the ongoing public debate and the advertising messages of most of the banks in Ghana, there are issues to tackle despite a lot of talk on customer service.

Customer service complaints about the performance of Ghanaian banks are overwhelming. They range from products performing below customers' expectation, longer waiting time, poor handling of telephone calls by staff, bad attitude, lack of adequate information on bank products by staff, unwillingness by staff to go the extra mile to assist customers, broken promises and bureaucratic procedures.

The over growing criticisms of quality of customer service within banks in Ghana, has led sceptics undecided on whether a bank through its customer service scheme can build everlasting relationship with their customers leading to their retention.

### **1.2 Objectives of the Study**

This study sought to:

- examine the factors that affect quality customer service delivery
- examine the nature of complaints and how they are handled
- determine the influence of effective customer service delivery on customer attraction and customer retention.

### **1.3 Review of Related Literature**

A customer is defined by Webster (2004) as "a person or organization that buys goods or services from a shop or business". Vargo and Lusch (2006) defined a customer as "an individual, groups, institutions, corporations or companies that buy goods or services of other individuals or institutions". Webster (2004) differentiates between an internal and external customer. He says a service centres exist for the purpose of serving its customers.

According to Gronroos (2007) "Customers do not buy goods or services, they buy the benefits goods and services provide them with. They buy offerings consisting of goods, services, information, personal attention and other components".

The above contribution from Gronroos means that what customers get from banks are more than the services they offer. The fact that most complaints from customers centres on personal attention and attitude towards them by bank officials gives credence to Gronroos' assertion.

When firms think of customer service they think of staff serving customers over a counter or over the phone but customer service occurs within the organization as well. How well do staffs serve their internal customers, other departments, its management, vendors and consultants? The main concern here is that whether it is believed or not, it all counts. Internal customer service refers to service directed to others within your organization. This aspect of internal marketing refers to your level of responsiveness, quality, communication, teamwork and morale (Payne, 2008).

Internal customer service is effectively serving other departments within your organization. Payne, (2008) believed “It is all about how well the firm provides other departments with service, products or information to help them do their jobs and how well it listens to and understands their concerns” This further may include, how well the firm solves problems of each department in the organization to help contribute to the success of the entire organization. If all firms were to have a lot of time and unlimited resources, this would not be an issue. But when time and resources are limited, firms have to set priorities. With a service centre, the firm exists because of the needs of the external customer. Therefore, priority has to be given to them. The rule is that never sacrifice the needs of the external customer. Work to keep harmony within the organization but never sacrifice the real customers (Harrell and Frazier, 2007).

### **1.3.1 Customer Service**

One of the simplest definitions of a service provided by Zeithaml and Bitner, (2003) is that “a service is doing something for someone for a price”. Gronross (2007) also defines a service as “an activity or series of activities of more or less intangible nature that normally, but not necessarily takes place in interactions between customer and service employees; or the physical resources or systems of the service provider which are provided as solutions to customer problems”. A service is defined by Lovelock (2007) as “economic activities offered by one party to another, most commonly employing time-based performances to bring about desired results in recipients themselves or in objects or other assets for which purchasers have responsibility”.

### **1.3.2 Influence of Customer Service on Customer and Satisfaction**

The ultimate target of a customer is to derive satisfaction from any amount spent on a commodity or service. The producer should ensure that the customer is influenced enough for a re-purchase to occur. Therefore whiles customer service is seen by Webster (2004) as the activities that are planned and executed in the interest or directed at a customer intended to make the customer satisfied for a continuous union”, customer satisfaction is seen by Harrell and Frazier (2007) as “a customer’s positive, neutral, or negative feeling about the value she/he received as a result of using a particular organization’s offering in specific use situations” Herington et al. (2006) also indicate that satisfaction is merely a step towards the goal of customer retention, and that retention effects increase with the degree of satisfaction. In all these situations there is the element of expectation, which influences both sides of the service coin.

Customer expectations are beliefs about a product or service Olson and Dover, 1979 cited in Gronroos, (2007). In the absence of any information, prior expectations of service will be completely diffused. In reality, however, customers have many sources of information that lead to expectations about upcoming service encounters with a particular company. These sources include prior exposure to the services, word of mouth, expert opinion, publicity and communications controlled by the company (advertising, personal selling and price) as well as prior exposure to competitive services (Parasuraman et al, 1991).

Customer expectations are not fixated, it changes as a result of what customers have been promised to expect by a service provider, as well as what the consumer views as reasonable and feasible on the basis of current offerings as against the actual product or service experience (Zeithaml and Bitner, 2003).

Gummesson (2000) explained that after a service has been consumed, customers compare the perceived service with the expected service. And if the perceived service meets or exceeds the expected service the customers are satisfied. This is why it is important for the first law of service which states:

Satisfaction = Perception - Expectations.

The knowledge about customer expectations is critical to service marketers. According to Gronroos (2007) “Knowing what customers expect is the first and possibly the most critical step in delivering quality service”.

The dimensions of one’s customer service helps to really know what your customer service is to achieve. The knowledge of what your customer service is really helps determine exactly what the bank should do to efficiently and cost-effectively deliver those expected quality services to its customer, in order to gain. According to Herington et al. (2006), all the things that a firm needs to build its customer service program will most likely be within the realm of the following dimensions: The customer, the service concept, the service process, the tools, the business plan and the team”. These are the dimensions that most banking institutions offer to assist them to gain competitive advantage.

Customer Service is a concept that is usually presented as a collection or patches of complementing activities done by an individual or a group of individuals. It is seldom presented as a process or a system that an

organization manages to effectively deliver solutions (product or service) to customers (Herington et al, 2006).

According to Herington et al, (2006) “The issue of effective customer service is beyond the conventional approach to teach employees to respond to customers using the telephone or handle person-to-person interaction during the banking period or situations within the period when there is a dissatisfied or complaining customer”. Most of the customer service programs are actually damage control or image protection ploys. Palmer (2005) opined that “I am also a customer for many services and most of these customer service programs are really just cheap scams or are shameful tactics to evade doing additional after-sales commitments”.

According to Ahmad (2001) “customer service is an organization's ability to supply their customers' wants and needs”. Gronroos et al (2007) saw customer service as “a management strategy that focuses on meeting customer expectations. It is based on the concept that the organization will reach its goals effectively and efficiently through satisfaction of the customer. With this orientation of identifying, understanding and focusing on customer needs, processes are designed to satisfy customer expectations”.

There are two types of expectations that customers hold, desired services and adequate service. Desired service is defined as the level of service the customer hopes to receive. It is a blend of what customer believes the services can be and should be. However in most cases customers recognize that it is not always possible to achieve the desired service. For this reason, they hold another lower level of expectation called adequate service. Adequate services represent the minimum tolerable expectation. If service drops below adequate service, customers will be frustrated and their satisfaction with the company will be undermined (Gronroos, 2007).

### **Characteristics of Services**

Zeithaml and Bitner (2003) identified five special characteristics that distinguish services from products / goods. These are the intangibility nature of services, the difficulty in separating services from the provider and the consumer, the variable nature of services, ease at which a service is perishable and ability and the right of ownership.

#### **1.3.3 Service Quality**

The determinants of service quality were provided by Parasuraman et al (1991). They believed that “service quality is influenced by factors such as responsiveness, reliability, competence, communication, credibility, understanding the customer, empathy, accessibility, security and tangibles”. However, some marketing writers had refined the model to the useful acronym RATER: Reliability, Assurance, Tangibles, Empathy, and Responsiveness (Gronroos, 2007)

SERVQUAL has its detractors and is considered overly complex, subjective and statistically unreliable. The simplified RATER model however is a simple and useful model for qualitatively exploring and assessing customers' service experiences and has been used widely by service delivery organizations. It is an efficient model in helping an organization shape up its efforts in bridging the gap between perceived and expected service. Service organizations need to have well dedicated front-line staff to deliver prompt and efficient service (Payne, 2008).

#### **1.3.4 The “Gap” Model**

Based on the intricate issue of service quality, developed the “Gap Model” of perceived service quality. Based on exploratory studies of service such as executive interviews and focus groups in four different service businesses the authors proposed a conceptual model of service quality indicating that consumers' perception toward a service quality depends on the four gaps existing in organization – consumer environments. This model has five distinct identified gaps (Parasuraman, Zeithaml and Berry, 1991).

The first gap pointed out the fact that many service companies simply do not understand what customers expect and what really matters to them. This gap can only be bridged through customer research and, more particularly, knowledge from front-line employees.

The second one contest that even where customer expectations are understood, management experiences difficulty in translating that understanding into service quality specifications. This is often the case as management most times believe that customer expectations are unreasonable or unrealistic. The actual determination of this remains elusive. Management may believe that the degree of variability inherent in service defies standardization. Ironically, reduction of variability has become a key motivator for the standardization of services. There is an absence of wholehearted management commitment to service quality. In the face of short-

term financial deadlines many service companies are reluctant to pursue customer satisfaction or quality efforts unless pushed to the wall.

The next gap considers a situation to which even when formal standards or specifications for maintaining service quality are in existence, the delivery of a quality service is by no means certain. This is caused by poor, inadequately deployed resources in terms of people, systems and technology.

The fourth is the concern that advertising and other forms of communication by a service organization can affect consumer expectations. However, the danger is that promises made are often times not kept. In Ghana, most service organizations use the brochure or glossy prospectus for communicating with potential customers. It should be a statement of what the customer will receive, not an attractive set of promises that cannot be delivered.– this gap

Finally, the fifth represents the key challenge. To ensure good quality the provider must meet or exceed customer expectations. Perceived service quality is the result of the consumer's comparison of expected service with perceived service delivery this is a major gap for service bases organizations (Mudie and Pirrie, 2006).

First of all the model clearly determines that there are two different types of gaps in service marketing, namely the customer gap and the provider gaps. The latter is considered as internal gaps within a service firm. This model really views the services as a structured, integrated model which connects external customers to internal services between the different functions in a service organization (Webster, 2004).

### **1.3.5 Service Recovery**

The goal of service recovery is to identify customers with issues and then try to address those issues to the satisfaction of the customer to promote customer retention. To Herington et al, (2006), "service recovery does not just happen. It is a systematic business process that must be designed properly and implemented in an organization". Perhaps more importantly, the organizational culture must be supportive of the idea that customers are important and their voices have value.

According to Hansemark (2004) "every company employee who is involved in customer service of his/her organization needs to think about his/her own personal experiences with service or product problems and ask questions". The questions should be "did I get a quick acknowledgement of the problem, speedy resolution of the problem, and perhaps compensation for my troubles? Sincerely, if these questions have favourable responses, would it not be more likely to buy from that company again because of the employees' confidence in the business practices of that company? This according to Gronroos (2007) is the key value to effective service recovery and complaint handling and ultimately customer retention.

Gronroos (2007) opined that "one way to think about service recovery is that it is a positive approach to complaint handling. Complaint handling has serious negative connotations; whereas, service recovery has positive connotations. Complaint handling is placating people, minimizing a negative impression. Service recovery practices are a means to achieve the potential, latent value a customer holds for a company by fostering an ongoing positive relationship.

Gronroos (2007) maintained that the success of any service programme is highly dependent on the attitudes, commitment and performance of employees. To him, success in the external market place requires success internally in motivating employees and making them committed to the pursuit of an effective customer service based organization.

### **1.3.6 Customer Service Improvement**

Successful and effective customer service will inure to the benefits of any service organization. For customer service to be effective within the banking sector, Fitzsimmons and Fitzsimmons (2006) believed that it would result in part from personal programs that stress training, standards of performances, career development and rewards. He indicates that service quality is enhanced by the attitude a company takes towards its employees. In this direction, he outlines the following:

a. Staff Training: People constitute an important dimension on the management of service as both service providers and customer service employees are the most important assets in every service organization keeping the promise that the company makes to its customers hence there is the need to carefully select, train and monitor performance of employees. Staff competencies in terms of skills must be updated in the areas of company knowledge, communication, human relations and leadership skills.

- b. Individual development: Using programmed instruction manuals, new management trainees acquire the skills and technical knowledge that are needed for the entry – level position of assistant manager. For a geographically dispersed organization, these manual ensures that job skills are taught in a consistent manner.
- c. Management training: Management personnel through the middle levels attend one management development session each year. A variety of professional management topics are addressed in 2 and 3-day seminars that are attended by lower level managers from various operating divisions.
- d. Human Resource Planning: The kind of people who will be needed to fill key company positions in the coming years must be identified and an inventory of good prospects created for future promotion. A key element of the plan should be a periodic performance review of all management personnel.
- e. Standard of Performance: Performance standard must be established and communicated to each staff. The criteria for setting standard include quality, quantity, cost and time. For example, a set of booklet can be used to instruct employees about how to conduct themselves when dealing with guests and in some cases, even in how to speak, how to make a guest feel welcome and special. The switchboard operator can be taught in detail how to speak with a guest and handle variety of specific situations. Adherence to these standards should be randomly checked.
- f. Career Progression: A job advancement program with a ladder of positions of increasing skills and responsibility gives employees the opportunity to grow with the company.
- g. Fair Treatment: Employees must be provided with a handbook of company expectations and obligations to its personnel. Formal grievance procedure must be accessed by an ombudsperson to help resolve difficulties.
- h. Profit Sharing: A profit sharing plan recognizes that employees are responsible for much of the company's success and that they deserve more than just a pay cheque for their efforts. The reward system must be established to ensure that staffs are rewarded based on competence and on merit.
- i. Opinion Survey: Trained personnel at each unit can conduct an annual rank and file opinion survey. Subsequently, the results can be discussed at a meeting. This survey can act as an early warning sign to head off the building-up of unfavourable attitudes.
- j. Employee Empowerment: Empowerment means giving employees the desire, skills, tools and authority to serve the customer. It must be noted that sometimes managers manage their employee's using thick policy and procedure manuals that severely limit employee's actions in delivering service.

## **2. Methodology**

### **2.1 Research Design**

This study is a survey research which employs both qualitative and quantitative approaches. In the writings of Saunders et al (2007), "quality is the essential characteristics or the nature of something; quantity is the amount. Quality is the 'what'; quantity is the 'how much'". The study will consider the use of charts and other statistical tools that falls within the ambit of quantitative research, hence the hybrid.

### **2.2 Sample and Sampling Procedures**

The population for this work is made up of the management and account holders of the selected banks in the Tema Metropolitan Area. Purposive and systematic simple random sampling techniques were used to sample respondents. Purposive sampling according to Wimmer and Dominick (2003) is the most effective for this study because, "a purposive sample includes subjects or elements selected for specific characteristics or qualities and eliminates those who fail to meet those criteria".

Systematic random sampling, a probability technique, was used first to select the banks used in the study, The selected banks were Ghana Commercial Bank; Agricultural Development Bank; Stanbic Bank Ghana Limited; Ecobank Ghana Limited; Fidelity Bank Ghana Limited; Zenith Bank Ghana Limited; United Bank for Africa; Societal Generale Ghana; Standard Chartered Bank.

The same technique was used to select 110 customers. The sampling frame used was generated in association with each of the selected banks. Through a throw of dice, the most occurring number "3" was applied to select any third account holder of a selected bank at the banking premises on specific working days using trained research assistants. However, the fully answered and returned questionnaires reduced the customer sample to 80. The purposive sampling technique was used to select 20 staff/management respondents based on the knowledge and association with customer service. Hence the sample size of this study is 100.

### 2.3 Data Collection and Analysis

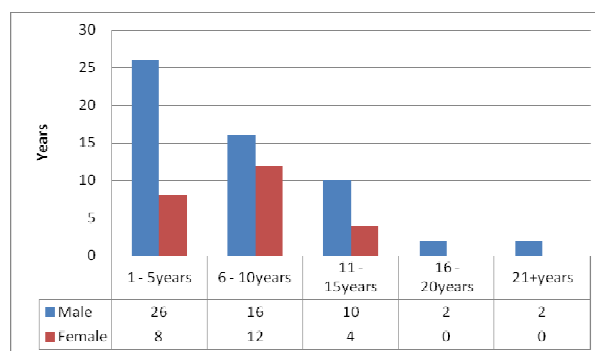
The instrument used in gathering the information for study was the questionnaire. The questionnaire was used to collect primary data while secondary data were collected from books, Ghana Banking Survey and the internet. Data was analysed using the Excel of Microsoft office 2007.

### 3. Results and Discussion

The reliability of every research finding depends a great deal on its methodology and more especially the quality of the responses retrieved from the respondents of the research. In this light, the characteristics of the respondents serve as an important yardstick in ensuring the credibility of the study.

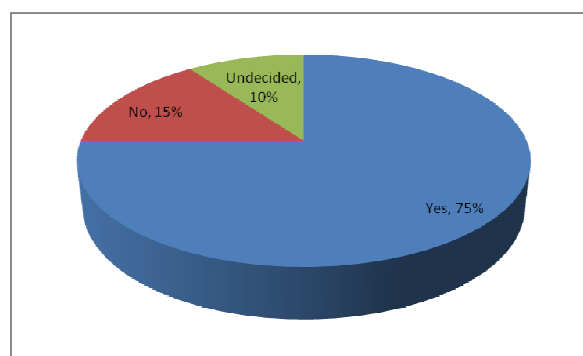
#### 3.1 Quality Service Delivery within the bank

The initial data presented is on the personal characteristics of the respondents to help justify their qualification and experience required to contribute significantly to this study.



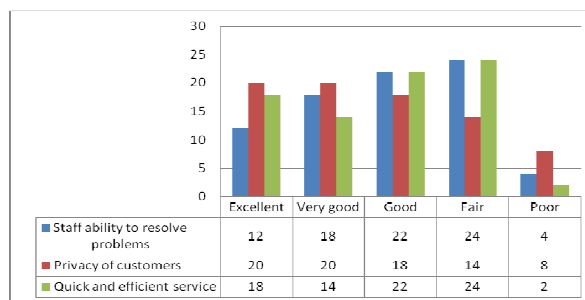
**Figure 3.1.1: Customers Period of Involvement with their Banks**

The above diagram presents the duration for which the customers have been dealing with the bank be it frequently or not. 26 males and 8 females have been dealing with their banks for a period between 1 to 5 years; 28 of them for almost 10 years and 2 above 15 years. This statistics provides a proof of the depth of experience of the staff/management respondents. In this study with qualitative orientation, the secondary data also points to the importance of complaint mechanism in service delivery. In the diagram below, customers respond to the issue of whether they have complained at one time or not.



**Figure 3.1.2: Percentage of Customers Respondents who Complained to their Banks**

From the figure 2, Almost 75% agreed to have at one time or the other complaint to their bank. A total of 15% of customers claimed they did not complain about their perception of the banks service, with 10% undecided. For a service organization like banks, the inability of customers' to complain could spell doom to their existence, simply because what they may do could more damming. This consideration is to ascertain the customer management and equity. If a service organisation fails to allow for feedback, then they would lose customers.

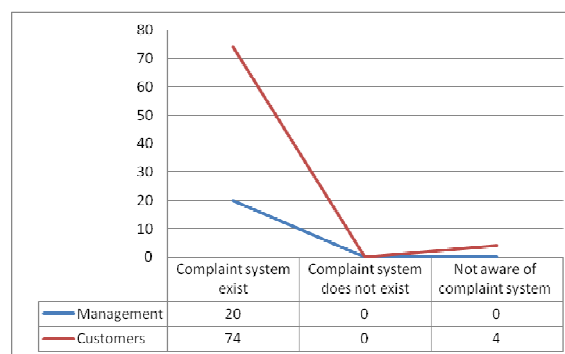


**Figure 3.1.3: Ranking three Important Factors that affect Customers**

The diagram above presents the three main factors considered to be a major determinants of service quality to the customers. In all, 15%, 25% and 22.5% rated the staffs' ability to solve problem in the course of work, privacy for customers to discuss pertinent issues, and quick and efficient service provision respectively. However, the highest number of respondents 24, 14, and 24 respectively found these factors to be handled fairly. The divide seem to be to wide but with the numbers going for very good and good being very high, it supposes that these factors are not major constraints to bank customers although the situation is not full proof.

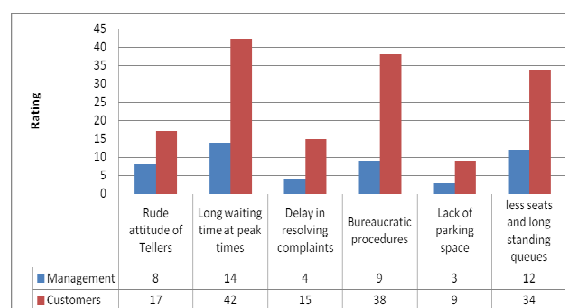
### 3.2 Handling of Complaints

The nature of complaints by customers and as received by the officials of the bank are presented in the below.



**Figure 3.2.1: Admission of Existence of Complaint Mechanism by the Banks**

This figure above indicates the admittance by both management and customer respondents to tune of 100% and 95% respectively. This clears the doubt on the availability of mechanism to seek redress in term of failure of a service, ill-treatment and/or suggestions for improvement.

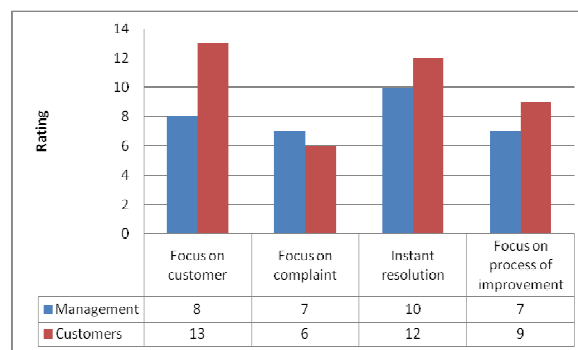


**Figure 3.2.2: Customer Complaint Types corroborated by Management**

From this diagram, 8 management against 11 customers give evidence on complaint about the rude attitude of Tellers, 10 against 32 provide evidence on longer waiting as well as inadequate seats for customers whiles

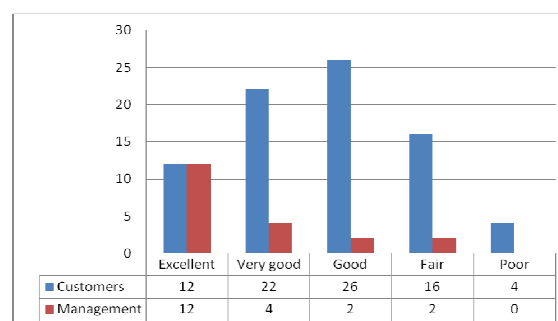


packing space attracts the lowest complaint. This evidences gives credence to the existence of customer complaint system being in place. These considerations it is obvious would reduce the mental struggle of customers in their bid to access service. Most banks in Tema are located at places without parking spaces making customers anxious as to the safety of their vehicles while the banks that even have relinquish responsibility of loss or damage to the customer who uses their car park. For the attitude for Tellers, majority appears to be doing favour to the customer than providing a service that would determine their resource base and pay package. Visits to most of the sampled banks depict few seats with majority of customers standing in a queue while the service is drags slowly and laboriously wondering how the complaints were taken or resolved.



**Figure 3.2.3: Nature of Complaints Resolution**

From the figure above, 80% and 32.5% of the respondents rated focusing on the customer as one of the mechanisms used by the bank to resolve complaints. Instant resolution also has a very high rating perhaps the most used mechanism with two others depending on the nature of the complaint. A management respondent in an open-ended question wrote that they find out about customer dissatisfaction through two mechanisms: Voice and Exit. The use of “voice” in this case represents complaints, that is, the voice of the customer. “Exit” refers to when the customer stops buying or using the services.

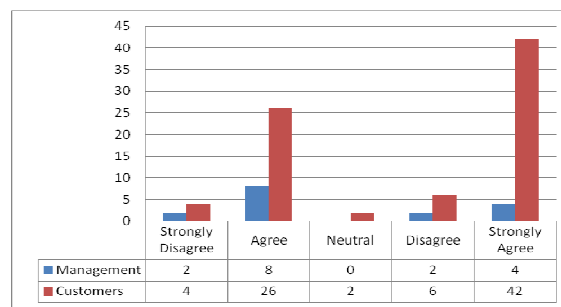


**Figure 3.2.4: Rating of Levels of Satisfaction about how Complaint were Resolved**

In this above diagram, 27.5% against 20% of the management/customers respondents respectively rate how customer complaints were resolved to be very good. Interestingly, 60% of management respondents viewed their own action in resolving problems as being excellent whereas only 7.5% of customer respondents consider it as being excellent. Since the customers are the complainants, their view in terms of satisfaction with the process is paramount and significant to this study. Management of banks in Tema would need to sit up in matters of complaint handling than to continue tinkling themselves. This result clearly indicates that complaints are not handled well or appropriately.

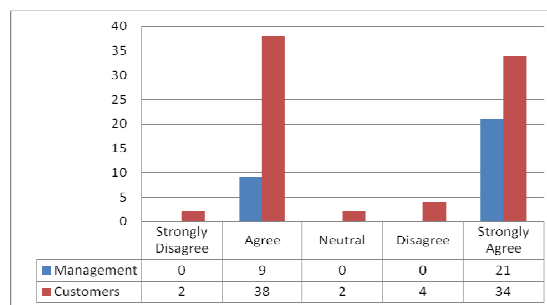
### 3.3 Customer Service’s Effect on Customer Attraction and Retention

The favourable ratings and pieces of evidence of improving customer service delivery necessitate finding out the banks' stakes on customer attraction and retention. The results are depicted below.



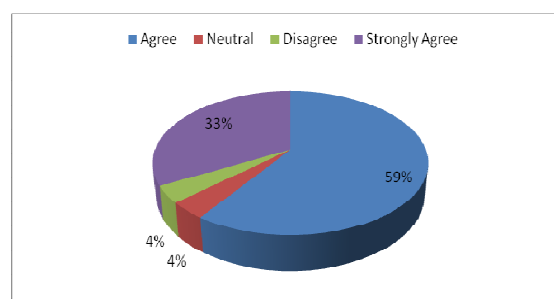
**Figure 3.3.1: The Banks' Customer Service contributes to Customer Acquisition**

The figure above contains ranking of respondent's opinion on customer attraction as a result of the customer service delivery within the banks. A total of 80% of the management respondents agreed either strongly or otherwise to the assertion of attracting new customers through provision of satisfied customer service to their existing customers. This management position was corroborated by the customer respondents among which 75% believed they lure new customers to their banks because they found their services to be effective.



**Figure 3.3.2: My Bank's Customer Service contribute to Customer Retention**

From the figure above, the entire 100% of the management respondents and 95% of the customer respondents agreed either strongly or otherwise to the statement that the banks' customer service contribute to their customer retention. In this direction both respondents unanimously responded in a positive direction. The management respondents' contribution is very critical here since they have access to information on customers. The very high rating of the customers also implied that they were satisfied and ready to stick to their banks.



**Figure 3.3.3: Customer Response on Recommending their Bank to friends**

This figure above presents respondents response on whether they would recommend their bank to other people or not. The result as depicted above shows that 92% of the customer respondents agreed in the affirmative that they are ever ready to recommend their bank to others as a result of its effective customer service. These findings go with the contribution of Payne (2008) that understanding the consumer leads to knowing the customer. It involves making the effort to understand the customer's needs. It involves learning the customer's specific requirement, providing individualized attention, and recognizing the regular customers.

#### 4. Conclusion

From the result and the analysis, for the factors that affect service, it was found out that over 60% of the customers are more concerned about the staffs' ability to solve problem in the course of work, privacy for customers to discuss pertinent issues, and quick and efficient service provision among others. One reason to explain this phenomenon may be insufficient staff and the seemingly specialization in a particular activity syndrome. The survey also clears the doubt on the availability of mechanism to seek redress in terms of failure.

The notable customer service concern of customers corroborated by management respondents was about rude attitude of tellers, followed by longer waiting as well as inadequate seats for customers whiles packing space attracts the lowest complaint. This evidence gives credence to the existence of customer complaint system and also found that customer complaints resolution was above being good. The study overwhelmingly found that their bank's new customers are attracted and retained through provision of satisfied customer service.

Based on the findings, it is recommended that the banks should provided in-service training to their staff in all aspects of the bank's work so that they can perform any function or task when a schedule officer is absent. Also, offices should be partitioned to allow customers who visit the offices to discuss their problems freely and in private.

In conclusion, it should be noted that customer service concerns are not matters of smiling and being friendly but doing what is expected at the right time. Customers who are happy with the services will spread the word (positive word-of-mouth). This helps the company to save time and money on advertising and other promotional activities to find new customers and persistently retain and establish ever-lasting relationship with its customers.

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