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The Outcome of Perceived Service Quality Analysis on Customer Satisfaction in Retail Banking: A Case Study of Buffalo City in Eastern Cape, South Africa

Agholor Ewere Deborah[1], Ben Jordaan[1], Gordon Shaw[1] and Agholor Azikiwe Isaac[2]

[1]Department of Business Management, Faculty of Management and Commerce, University of Fort Hare, Alice, South Africa
[2]Faculty of Agriculture and Natural Sciences, Department of Agricultural Extension and Rural Resource Management, University of Mpumalanga, Private Mail Bag X11283, Mbombela, 1200 South Africa
Telephone: +27(0)786283593, E-mail: isaac.agholor@ump.ac.za

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ABSTRACT The study examined the two dimensions to service quality perception and satisfaction of bank customers' in retail banking. Random sampling was used for the selection of respondents from three major shopping complexes that had enough concentration of bank customers. A representative sample size of 182 respondents were selected for the study with a response rate of 98.9 percent. The data was analysed by applying the Statistical Package for Social Science (SPSS) software. Findings revealed a significant relationship between "tangibility" and client satisfaction *(p-value $= 0.008 < 0.05$),* and at the percent level of significance ($/t/ = 3.375$, $df = 179$, p-value $= 0.008$). The clients' "reliability" service quality mean expectations score was 3.55, and the service quality perceptions score for reliability was only 3.40. The study concluded that the use of customer satisfaction survey and the offering of genuine services will trigger optimism and prompt loyalty of customers to stay and reduce incidence of switching from one bank to another.