CUSTOMER SATISFACTION WITH SERVICE QUALITY IN IRAQI CONVENTIONAL BANKS: THE CASE OF SALAH AL DIN BANKS

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ABSTRACT

The purpose of this paper is to evaluate the customer satisfaction of the banks sector in Iraq, and in particular Salah Al Din, based on customer perception regarding service quality. This is an empirical study using mainly primary data collected through a well-structured questionnaire. The questionnaire has been personally administered on a sample size of 149 bank customers, chosen who were based on a convenient sampling from five Iraqi banks; Rafidain Bank, Rasheed Bank, Agricultural Bank, Estate Bank and Mosul Bank. This paper makes a useful contribution as there are only a few studies dealing with the assessment of service quality in conventional banking sector of Iraq. The results indicate that all of the four hypotheses tested are supported. There is a positive impact and significant relationship between the customer satisfaction and four dimensions of service quality. The highest satisfaction according to customer’s perception is in the empathy area and lowest in the tangibles area. The positive and significant relationships confirm the effect of service quality on customer satisfaction of the conventional banks in Iraq.
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In the name of Allah the most Benevolent and most Merciful, All praises to Allah, the Lord of the universe and peace be upon His Messenger.

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SERVQUAL  Service Quality
CHAPTER ONE
INTRODUCTION

1.1 Background of the Study

Across all service industries, the issue of service quality remains a critical one as businesses strive to maintain a comparative advantage in the marketplace. Because financial services, particularly banks, compete in the marketplace with generally undifferentiated products, service quality becomes a primary competitive weapon (Stafford, 1996). A banking organization can get a lot of customer by providing high quality services. Structural changes have resulted in banks being allowed a greater range of activities, enabling them to become more competitive with non-bank financial institutions (Angur et al., 1999).

Technological advancements are causing banks to revise their strategies for services offered to both individual and commercial customers. Furthermore, banks that excel in quality services can have distinct marketing edge since improved levels of service quality are related to higher revenue, higher customer retention, higher cross-sell ratios (Bennett & Higgins, 1988). In addition, the banks understand that customers will be loyal if they can produce greater value than their competitors (Dawes & Swailes, 1999).
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REFERENCES


