



“Beyond SERVQUAL: Integrating Traditional and Digital Customer Service Quality for enhanced Banking Satisfaction”

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Abstract

The banking sector is shifting fast because of technology and what customers want. This means that the banking sector has to provide service or customers will not be happy with the banking sector. The banking sector has to make sure that customers are satisfied, with the banking sector. This study examines the impact of Service Infrastructure Quality, Operational Excellence, Customer Relationship Quality and Digital Banking Quality on Banking Satisfaction in terms of the customer experiences at selected banks. By incorporating both traditional and digital aspects of service quality within one framework, the aim is to provide a comprehensive view of Banking Satisfaction in modern-day banking. A quantitative research design was used to collect primary data through a structured survey from a sample of 309 banking consumers. The KMO measure indicated a value of 0.972 and Bartlett's Test was statistically significant, confirming that the data supports the use of factor analysis. The extracted factors accounted for 71.75% of the total variance. A statistically significant positive correlation between all the study variables and the multiple regression analysis results showed that the proposed dimensions of service quality explained 67.2% of the variance in Banking Satisfaction ($R^2 = 0.672$) and that the overall regression model was statistically significant ($F = 155.416$, $p < 0.001$). The results of independent samples t-test were significant for gender differences in Banking Satisfaction but a one-

way ANOVA was not significant for age group differences. Customers believe that Customer Service Quality has multiple dimensions including both Traditional and Digital Banking Services; however Digital Banking Quality is an important part of the overall customer satisfaction. This study has also extended SERVQUAL to include digital service quality and provides important theoretical and managerial implications for increasing customer satisfaction and developing a sustainable competitive advantage for Banks.

Keywords: *Banking Satisfaction, Customer Service Quality, Digital Banking Quality, Operational Excellence, SERVQUAL*



1. Introduction

The banking industry has changed a lot over the twenty years. This is because of technology customers expecting more and more people using digital financial services. Banks are not just judged on the products they offer and their prices. The quality of customer service is now very important for customer satisfaction and for banks to do well in the run. Today customers want services that are easy to use, reliable, secure and personalized. They want this whether they are using a bank branch or a digital platform. So, banks need to keep making their services better to meet the changing needs of customers. Customer service quality is a factor in how customers see banking services. For a time, the SERVQUAL model has been used to measure service quality. This model looks at things like whether customers can see and touch things if services are reliable if banks respond quickly to customers if customers feel safe and if banks care about customers. While these things are still important for banking the fact that more people are using internet and mobile banking means that customer service is not just about physical branches. Customers now use digital channels to interact with banks. This means that the quality of services is just as important as traditional services. So, we need to look at both digital customer service to understand what customers think. Banks are becoming more digital, which brings challenges and opportunities. Customers want to be able to do things safely use mobile apps that are easy to use get help quickly and have access to banking services all the time. At the time traditional things like clean and comfortable branches, efficient services, friendly employees and personalized service are still important. So, customers are happy when all these things are good. Banks are spending a lot of money on technology training employees, managing customer relationships and becoming more digital. They are doing this to improve services make customers happier and do better as businesses. If banks know what makes customers happy, they can use their resources better make customers happier and stay competitive. This study is looking at how customer service quality affects customer satisfaction. It is using a framework that includes Service Infrastructure Quality, Operational Excellence, Customer Relationship Quality and Digital Banking Quality. This is different from studies that just use the traditional SERVQUAL dimensions. This study is looking at both digital services to get a better understanding of customer service quality in modern banking. Customers use both online channels to interact with banks. This study will help us understand customer service quality better. It will also give banks advice, on how to make customers happier and provide better services. This will help banks make decisions and provide excellent services in a changing industry.

2. Literature review

The way we think about service quality has changed a lot over time. Before, it was done using a list of things to check. Now we really try to understand how customers feel about their experiences with service quality. A while back, (Parasuraman et al., 1985) came up with the "Gap Model" which said that service quality is not about what you get but about how it compares to what you expected from service quality. This idea led to the SERVQUAL scale by (Parasuraman et al., 1988), which looked at five things: tangibles, reliability, responsiveness, assurance and empathy in service quality. They showed that how people are treated is just as important as the end result of service quality. Some people did not agree with this way of thinking about service quality. (Brady & Cronin, 2001) thought it was better to look at how something was done without worrying about what people expected from service quality. They came up with SERVPERF, which they thought was a way to understand what customers really think about service quality. As banking got more complicated researchers like (Aldlaigan & Buttle, 2002) added to our understanding of service quality with their SYSTRA-SQ model. They pointed out that it is important to get both the technical parts and the people parts in service quality. A bank needs to be good at handling money and also good at treating customers with service quality. When the internet became popular people started to think about how service quality works. (Wolfinbarger & Gilly, 2003) noticed that when people shop online, they do not deal with employees they deal with websites, which affects service quality. Their eTailQ scale showed that things like how a website looks and how well orders are filled are very important for making customers happy with service quality. (Parasuraman et al., 2005) built on this idea with E-S-QUAL which said that for online service to be good it needs to be efficient and reliable in terms of service quality. Looking at all



these ideas, it is clear that service quality is always about finding a balance between using technology and treating people well whether it is in a bank or on a website and that is what service quality is all, about.

2.1 Service Infrastructure Quality

The study of how good a service is has gone way beyond just looking at simple things like how well it works. Now it is a study of how the physical place and the people around you affect your experience as a customer. (Bitner et al., 1992) changed the way people think about this by coming up with the idea of the "servicescape". This idea shows how the physical place that people made can send messages without using words. These messages can affect how the staff and the customers feel and behave. (Wakefield & Blodgett, 1999) built on this idea and found out that in places where people go to have fun the physical things around them do more than just help them do what they need to do. They actually make people feel ways, like excited. This is a reason why customers decide to come back to a place or tell other people about it. The things around you in a place also help you figure out what a brand is like. (Baker et al., 1994) found that things like the music the design and the people around you give you clues about a store. You use these clues to decide if a store is good or not. This is especially important in places like banks, where (Lau et al., 2013) showed that things, like being reliable and responsive are not just ideas. They actually make customers happy and loyal in the long term. Finally, (Brady & Cronin, 2001) put all these ideas into a hierarchical framework. They said that how good a service depends on things, including how people interact with each other, the physical place and the result of the service. Their idea helps us understand the nature of service quality by looking at how all these things work together to affect the customers experience of the service quality. They looked at service factors as things that modify how we evaluate the smaller parts of the service quality. This gives us a theory to understand the complicated and often hard to define nature of service perceptions and service quality. Thus, in the context of Service Infrastructure Quality, the following hypothesis is proposed:

H_1 : Service Infrastructure Quality has a positive impact on overall Banking Satisfaction.

2.2 Operational Excellence

Operational excellence in the service sector is not just about making customers happy. It is about making sure that the internal systems of a company are working well with benchmarks. This idea started with (Parasuraman et al., 1988), who said that reliability and responsiveness are the important things for meeting basic performance standards. (Cronin & Taylor, 1992) came up with the SERVPERF model. They said that just looking at how a company is doing is a better way to measure operational success. They thought that measuring how efficient a company's processes are is more accurate than looking at the gaps between what customers expect and what they get. Being really excellent is not just about meeting targets. It is about making sure that things do not go wrong. (Johnston, 1995) talked about the importance of dealing with "dissatisfiers". These are problems that can make customers unhappy like when a company is not reliable. These problems often come from seated issues in the back office not just from the people who deal with customers. (Aldlaigan & Buttle, 2002) made this idea clearer with their SYSTRA-SQ model. They said that companies need to be good at two things: accuracy and functional delivery. This means that companies need to be good at getting the technical things right and also good at delivering their services in a way that works for customers. Recent research by (Wang et al., 2023) shows that these ideas are still important today. They looked at the -banking financial sector and found that reliability is still the most important thing for making sure that customers think a system is effective and satisfactory. Operational excellence in the service sector is still, about reliability and responsiveness and companies need to focus on these things to be really excellent. Thus, in the context of Operational Excellence, the following hypothesis is proposed:

H_2 : Operational Excellence has a positive impact on overall Banking Satisfaction.



2.3 Digital Banking Quality

The study of banking quality has changed over time. It used to be about checking websites but now it is about understanding how complex systems gain user trust. (Jun & Cai, 2001) were among the first to explore this area. They found that a good banking experience is not about having a working website; it also requires reliable customer support and a wide range of financial products. (Parasuraman et al., 2005) created the E-S-QUAL model which identified efficiency and order fulfilment as key factors in determining if customers see value in online services. When it comes to banking, (Al-Hawari et al., 2005) introduced the Automated Service Quality (ASQ) framework. This framework says that digital success depends on how different channels work together. These channels include the web, phones and ATMs. It also emphasizes the importance of pricing. Other researchers like (Ho & Lin, 2010) found that banks can stand out in a market by offering preferential treatment. This can include fees and real-time financial updates. Now, as we move to a first world (Palamidovska-Sterjadovska et al., 2025) combined these ideas using the S-O-R framework. They show that quality mobile services can create emotional brand attachment and deep trust. These are the drivers of long-term loyalty. Digital banking quality is crucial, for building trust with customers. The S-O-R framework helps to understand how digital banking services can create loyalty. Good digital banking services are essential for banks to succeed. Banks must focus on providing customer support and a wide range of financial products. They also need to ensure that their digital channels work smoothly together. Thus, in the context of Digital Banking Quality, the following hypothesis is proposed:

H_3 : Digital Banking Quality has a positive impact on overall Banking Satisfaction.

2.4 Customer Service Quality

The idea of customer service quality has changed. It's not about doing business deals. It's about the side of business. Research shows that to keep customers loyal businesses must build trust and show they truly care and found these two things are very important (Morgan & Hunt, 1994). In practical life, especially in banking companies need to do more than just provide basic service. They must talk to customers before problems get big and fix conflicts quickly (Ndubisi, 2007). Interestingly, the way service quality influences behaviour depends on the customer's connection to the brand; customers who just buy sometimes are happy with service. Customers who are like partners with the brand care more about trust and commitment (Garbarino & Johnson, 1999). Satisfaction still plays an important role as a mediator, serving as the link that turns high-quality service into long-term loyalty (Caruana, 2002). Customers also value relational benefits. These are things like being friends with employees and knowing the service will always work (Hennig-Thurau et al., 2002). These human things are even important online. For people who use banking things like empathy and fast responses make them attached to the brand and trust it (Palamidovska-Sterjadovska et al., 2025). All these findings mean that good service quality needs a balance. It needs to be technically good and also understand customers feelings to make relationships. Thus, in the context of Customer Service Quality, the following hypothesis is proposed:

H_4 : Customer Service Quality has a positive impact on overall Banking Satisfaction.

2.5 Banking Satisfaction

Understanding what makes a customer happy in banking has changed. It is not a feeling after a purchase. It is now an asset. (Oliver, 1980) found that this feeling is like a math problem. Customers compare what they expect with what they get. If there is a gap it is called "disconfirmation." This gap decides how satisfied they are. Getting this right is crucial. (Anderson et al., 1994) showed that satisfaction is not a nice-to-have. It predicts a bank's market share and profit. In banking how service is delivered matters. (Lau et al., 2013) highlights that in busy financial hubs, things like modern facilities and the professional look of the staff, alongside basic reliability, are what keep customers satisfied. Interestingly, they found that in these fast-paced environments, technical



competence often matters more than personal empathy. This focus on "hard" performance is mirrored in newer financial systems. (Wang et al., 2023) found that these are the drivers of customer happiness. Satisfying customers is not the end. (Caruana, 2002) explains that satisfaction is a bridge. It turns an interaction, into loyal customers. Banks that balance excellence with trust are the ones that survive. They need to get the service right. This is what keeps customers coming back. Based on the above literature review, the following is the proposed model of study:

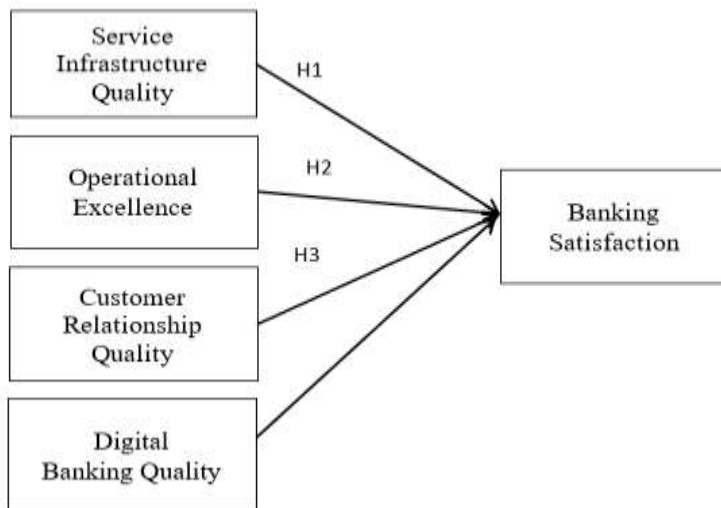


Figure 1 Proposed Model of Study

3. Research Methodology

The study employed a quantitative, descriptive and explanatory research design to ascertain the impact of various dimensions of quality on customer satisfaction in the banking sector. The data was collected through the use of a structured survey questionnaire derived from the SERVQUAL model and other literature pertaining to digital banking services. The survey included two segments; the first collected information about demographic characteristics of the respondents while second collected multiple items using a five-point Likert scale measuring the main items of this study. The study was based on a convenience sample (n=309) of customers of the selected banks. Four independent variables were included in this study: Service Infrastructure Quality, Operational Excellence, Customer Relationship Quality and Digital Banking Quality while the dependent variable was Banking Satisfaction. Cronbach's alpha was used to establish the reliability of the survey instrument; the overall value of 0.906 indicates a high degree of internal consistency among the survey items. The Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy and Bartlett's Test of Sphericity were used to assess both the appropriateness of the sample size and suitability of data to do factor analysis. The KMO value was 0.972 and the Bartlett's Test result was significant ($\chi^2 = 8456.312$, $p < 0.001$), so it was concluded that the data set was appropriate for factor analysis. Secondly, Exploratory Factor Analysis (EFA) was conducted using the Principal Component Analysis (PCA) with Varimax rotation. Factors extracted from this analysis represented 71.753% of the total variance, indicating satisfactory construct validity of the factors created from the study data collected. The data collected were analysed using SPSS applying Descriptive Statistics, EFA, Pearson Correlation Analysis, Multiple Regression Analysis, Independent samples t-test and One-way ANOVA.



4. Data Analysis & Discussions

Table 1 Demographic Composition of Sample

Demographics	Frequency	Percentage
Gender		
Male	148	47.9
Female	161	52.1
Age		
18-30	132	42.7
31-50	118	38.2
51-70	59	19.1
Type of Bank used		
Public Sector Bank	126	40.8
Private Sector Bank	151	48.9
Foreign Bank	32	10.3
Frequency of using Digital Banking Services		
Regularly	173	56
Often	96	31.1
Rarely	40	12.9
Preferred Digital Banking Platform		
Mobile Banking Application	145	26.5
Internet Banking (Web Portal)	64	20.7
UPI/Payment Banking Apps	82	46.9
Bank Branch/ATM	18	5.8
Total	309	100

Factor Analysis

Table 2 KMO and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.972
Bartlett's Test of Sphericity	Approx. Chi-Square	8456.312
	df	435
	Sig.	.000

The adequacy of data for Exploratory Factor Analysis was checked by using Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy and Bartlett's Test of Sphericity. The KMO value was 0.972 which is higher than the recommended value of 0.70 thus reflecting good sampling adequacy. The Kaiser classification considers the values higher than 0.90 as outstanding for factor analysis. The Bartlett's Test of Sphericity showed an approximate Chi-square value of 8456.312 with 435 degrees of freedom and the significance level was $p < 0.001$. The significant Bartlett's Test shows that the correlation matrix is not an identity matrix and there are enough interrelationships among the variables to extract factors.



Table 3 Total Variance Explained: Extraction Method: Principal Component Analysis

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Multiple Correlation Loadings			Rotation Sums of Squared Multiple Correlation Loadings		
	Total	% of Variance	Cumulative	Total	% of Variance	Cumulative	Total	% of Variance	Cumulative
1	17.465	58.218	58.218	17.465	58.218	58.218	6.868	22.892	22.892
2	2.315	7.717	65.936	2.315	7.717	65.936	6.625	22.083	44.975
3	.986	3.285	69.221	.986	3.285	69.221	4.105	13.684	58.659
4	.760	2.532	71.753	.760	2.532	71.753	3.928	13.094	71.753

Extraction Method: Principal Component Analysis.

By using Principal Component Analysis (PCA) and Varimax rotation to conduct Exploratory Factor Analysis (EFA), the underlying factor structure of the measurement items was examined. The four extracted factors, based on the theoretical framework, accounted for 71.753% of all variance in the evaluation items and were thus adequate representations of the variables being assessed. The initial extracted factor accounted for 58.218 of all variances prior to the rotation. Following the Varimax rotation, the variance was distributed between four factors (22.892%, 22.083%, 13.684%, and 13.094%, respectively), resulting in a substantial overall variance accounted for (>60%). Thus, it was confirmed that the four-factor solution extracted by EFA is adequate for further statistical evaluation.

Correlation Analysis

Correlations

		SIQ	OE	CRQ	DBQ	BS
SIQ	Pearson Correlation	1	.845**	.831**	.652**	.640**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	369	369	369	309	309
OE	Pearson Correlation	.845**	1	.904**	.632**	.657**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	369	369	369	309	309
CRQ	Pearson Correlation	.831**	.904**	1	.642**	.666**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	369	369	369	309	309
DBQ	Pearson Correlation	.652**	.632**	.642**	1	.792**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	309	309	309	309	309
BS	Pearson Correlation	.640**	.657**	.666**	.792**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	309	309	309	309	309

** . Correlation is significant at the 0.01 level (2-tailed).

In order to determine the strength and direction of relationship amongst Service Infrastructure Quality (SIQ), Operational Excellence (OE), Customer Relationship Quality (CRQ), Digital Banking Quality (DBQ) and Banking Satisfaction (BS) a Pearson correlation analysis was conducted. The results confirmed statistically significant positive correlations ($p < 0.01$) amongst all study variables. A positive correlation between SIQ and OE ($r = 0.845$), CRQ ($r = 0.831$), DBQ ($r = 0.652$) and BS ($r = 0.640$) was identified. Additionally, OE showed a strong positive correlation with CRQ ($r = 0.904$), DBQ ($r = 0.632$) and BS ($r = 0.657$). A strong positive



relationship ($r = 0.666$) exists between CRQ and BS. Amongst the independent variables, DBQ had the highest positive correlation ($r = 0.792$) with BS, highlighting the importance of DBQ in influencing the overall customer banking experience.

Regression Analysis

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estin	Durbin-Watson
1	.820 ^a	.672	.667	2.89868	2.113

a. Predictors: (Constant), DBQ, OE, SIQ, CRQ

b. Dependent Variable: BS

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5223.453	4	1305.863	155.416	.000 ^b
	Residual	2554.314	304	8.402		
	Total	7777.767	308			

a. Dependent Variable: BS

b. Predictors: (Constant), DBQ, OE, SIQ, CRQ

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error				Tolerance	VIF
1	(Constant)	4.081	.744		5.484	.000		
	SIQ	-.002	.094	-.001	-.017	.987	.230	4.348
	OE	.076	.051	.128	1.481	.140	.145	6.880
	CRQ	.096	.051	.159	1.871	.062	.150	6.664
	DBQ	.618	.045	.610	13.693	.000	.545	1.836

a. Dependent Variable: BS

Service Infrastructure Quality, Operational Excellence, Customer Relationship Quality, and Digital Banking Quality were examined using Multiple regression analysis to identify their effect on Banking Satisfaction. The model summary included a strong relationship between the independent (predictor) variables and Banking Satisfaction ($R = 0.820$), with an R^2 of .672, thus indicating 67.2% of the variance in Banking Satisfaction can be explained by the proposed model. The adjusted R^2 of .667 demonstrates the stability of the model, and Durbin-Watson statistic (2.113) shows the absence of autocorrelation. In addition, ANOVA results showed a statistically significant overall regression model ($F = 155.416$, $p < 0.001$), thus demonstrating that the independent variables combined have a statistically significant impact on Banking Satisfaction. Additionally, the coefficients table showed the contribution from each predictor to Banking Satisfaction.

Independent Samples t-Test

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
BS	Equal variances assumed	1.602	.207	2.170	307	.031	1.23460	.56884	.11529	2.35391
	Equal variances not assumed			2.184	305.596	.030	1.23460	.56521	.12240	2.34680



Independent samples t-test was used to see if there was a difference between male and female on banking satisfaction. Levene's Test for the Equality of Variances showed that equal variance was not significant ($F = 1.602$, $p = 0.207$), which supports the assumption of homogeneity of variances. Because of this, the results of the analysis when equal variances were assumed were used in interpretation. The analysis showed that there was a statistically significant difference between males and females in their banking satisfaction ($t = 2.170$, $df = 307$, $p = 0.031$). Males had a banking satisfaction mean score ($M = 21.91$) compared to females ($M = 20.67$) resulting in a mean difference of 1.235. The confidence interval of the mean difference did not contain zero, therefore confirming the statistical significance of the mean difference that was found

One-way ANOVA by Age

ANOVA
BS

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	46.089	2	23.045	.912	.403
Within Groups	7731.678	306	25.267		
Total	7777.767	308			

To evaluate whether there was any significant difference in Banking Satisfaction by age group, a one-way (single factor) Analysis of Variance (ANOVA) was conducted. ANOVA results revealed a between-groups sum of squares = 46.089, and within-groups sum of squares = 7731.678. The computed F-statistic = 0.912, with a significance value of $p = 0.403$, which is greater than the 0.05 significance level; therefore, the null hypothesis that all group means are equal cannot be rejected. A Tukey's HSD post hoc test was then performed to investigate potential differences further. The Tukey's HSD post hoc results indicated that none of the pairwise comparisons between the age groups were statistically significant (all p -values > 0.05), which supports the findings of ANOVA.

5. Findings & Conclusion

1. The KMO and Bartlett's Test findings verified that the gathered data were appropriate for factor analysis. The adequacy of the sample and notable intercorrelations between the variables indicate that the measurement items effectively represent the fundamental constructs of customer service quality. These results reinforce the reliability of the measurement tool and provide assurance for the following statistical analyses. In general, the findings indicate that the data possess adequate construct validity and are suitable for investigating the connections between the study variables.
2. Exploratory Factor Analysis of the items was used to measure customer service quality and banking satisfaction; it is clear that these items accurately represent the underlying components of the two constructs. In total, there were four primary factors identified that made up a total of 71.75% of the total variance, providing proof that the measurement tool used was an appropriate way to capture both constructs. In addition, the results indicate that customer service quality is a multi-dimensional construct which encompasses traditional banking services as well as digital delivery of banking services; thus, validating that customers assess the quality of banking services on multiple dimensions rather than just one. Overall, the factor analysis provides empirical evidence for the proposed conceptual framework and supports the correctness of the selected constructs for the evaluation of customer perceptions of the quality of banking services and the effect on customers' level of satisfaction with banking services.
3. The correlation analysis showed significant positive correlations across all study variables and indicated that enhancements to customer service quality led to greater levels of Banking Satisfaction. Digital Banking Quality showed the highest correlation with Banking Satisfaction of the four dimensions of service. This supports the growing importance placed on Digital Banking in shaping customers' perceptions of their banking



experience. Improvement to any of the Service Infrastructure Quality, Operational Excellence, Customer Relationship Quality and Banking Satisfaction jointly reflect the holistic evaluation by customers of their banking services, whereby the ability to increase satisfaction with one service dimension positively impacts overall customer satisfaction. This supports the theoretical premise that customer service quality is multidimensional in nature and is a substantial contributor to customer satisfaction as exhibited within the banking industry.

4. The results of the regression analysis show that all customer service quality dimensions together have a strong effect on Banking Satisfaction. In this instance the explanatory power of the model demonstrates that improving all four dimensions (Service Infrastructure Quality, Operational Excellence, Customer Relationship Quality and Digital Banking Quality) can contribute to increasing Banking Satisfaction. The results of the ANOVA test confirm the validity of the regression model as a whole and show that the proposed conceptual framework is statistically valid. Overall, these findings indicate that both traditional and digital customer service quality dimensions have an impact on customers' banking experiences and levels of satisfaction with their bank.

5. The independent samples t-test revealed a statistically significant difference concerning how satisfied male and female customers are with the respective banks that serve them. Overall, regardless of gender, both men and women provided similar ratings regarding their levels of satisfaction with bank services; however, men rated their respective banks as being slightly more satisfactory than did women. These findings imply that a customer's gender affects his/her evaluation of bank services and suggests that banks need to consider demographic differences among customers when developing customer service strategies. To provide a better banking experience for all consumers, banks should take demographic characteristics into account when developing service enhancement policies to better meet customer-specific expectations.

6. ANOVA analysis indicated no significant difference in Banking Satisfaction by the various Age groups surveyed. As a result, customers from all Age groups view the quality of Banking Services similarly. Overall, satisfaction is driven more by Service Quality than by any Age-related factors, allowing banks to employ a consistent strategy for providing customer service to all Age cohorts while also considering individual customer needs when delivering tailored products and communicating with each customer.

6. Study Implications

6.1 Theoretical Implications

This study made contributions to the customer service quality, customer satisfaction and banking lender literature by reinforcing the multi-dimensional role customer service quality plays on bank customers' overall satisfaction by applying (Parasuraman et al., 1988)'s SERVQUAL theory. The SERVQUAL dimensions of service quality have been applied extensively in banking research; however, this study has contributed to this body of knowledge by proposing a unified conceptual framework that includes both traditional and digital banking service quality dimensions of service quality. The unification of these constructs provides researchers with a more holistic understanding of service quality in the modern service-oriented banking environment where customers now engage with banks via both a physical and a digital method. A second contribution of this study is that the findings support the basis of the Expectation-Confirmation Theory (Oliver, 1980) by showing that the degree to which the level of actual service received meets or exceeds one's expectations will determine one's overall satisfaction. Furthermore, the strong correlations between the bank service quality dimensions and customer banking satisfaction suggest that customers are likely to evaluate and be satisfied with banks that deliver high levels of service. Finally, this study provides empirical evidence for the Service Quality-Customer Banking Satisfaction Paradigm because service quality acts as a precursor to customer banking satisfaction. Through merging the dimensions of traditional and digital service quality in one overall framework, this research adds to existing theoretical knowledge and provides empirical evidence showing that both technology-enhanced banking experiences and face-to-face interactions contribute to an individual's satisfaction with modern banking services. The results also create a basis for future research on the quality of banking services.



6.2 Managerial Implications

This research provides many practical applications for bank managers, policymakers and financial organizations that want to enhance their competitive position and increase customer satisfaction. The data collected from customer satisfaction surveys indicate the impact that customer service quality has on Banking Satisfaction so banks should utilize an integrated service quality approach focusing on improving traditional and digital banking services at the same time. Investing in modern branch infrastructure; implementing efficient operational processes; providing training to employees; and providing effective customer relationship management are all ways banks can enhance their level of service; however, the investment must be accompanied by continual improvements to the quality of digital banking services including mobile banking apps, internet banking platforms, transaction security and system reliability. Additionally, because the findings demonstrated that digital banking service quality was an important predictor of Banking Satisfaction, banks must focus their efforts on developing new technology solutions, creating user-friendly digital interfaces and securing their customers' online banking transactions to continue to meet their customers' expectations of service quality. In addition, management should develop processes to continually improve employees' communication, responsiveness and ability to deliver personalized customer support. Integrating operational excellence and digital transformation with a Customer-Centric Approach will allow banks to improve customer satisfaction, strengthen customer loyalty, improve organisational performance and gain sustainable competitive advantages in an increasingly competitive banking environment.

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