

Internship Report

On

“Level of Customer Satisfaction at Premier Bank and What Should Be Done”

Prepared For

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Executive Summary:

Customer satisfaction represents a modern approach for quality in enterprises and organizations and serves the development of a truly customer- focused management and culture. Measuring customer satisfaction offers an immediate, meaningful and objective feedback about client's preferences and expectations. In this way company's performance may be evaluated in relation to a set of satisfaction variables that indicate the strong and weak points of a business organization. My report topic is ***"Level of Customer Satisfaction at Premier Bank and What Should Be Done"*** and here I have explored and analyzed the satisfaction level of customers at Premier Bank. Dealing with customers is not an easy task. Financial institutions serve a wide variety of customers individually and conduct business with a variety of financial needs. It takes special skills and knowledge to handle customers successfully. As a bank's boom or bust largely depends on customer satisfaction, a unique understanding of customers needs must be developed.

In my intern period what I have noticed is most of the customers are existing customers in Premier Bank. Majority of customers are banking with Premier Bank for about 5 years. They are quiet happy with the service and the behavior of the service provider. Moreover, customers are also positive about the response of the employees. Their needs and wants are acknowledged by the service providers. There are some loop holes as well. For instance customers complain about the ATM problem, waiting time, service process and the environment of the bank.

To maximize profit they should take some marketing steps to attract the new customers. Branding should be improved as the competition is fierce in private banking arena. New deposits should be increase and loan recovery system should be improved in order to sustain in the market.

Chapter 1: “The Premier Bank Limited”- *An overview*

1.1 Profile of the organization:

To light up the spirit of 21st century, The Premier Bank Limited set off its voyage of success with a motto ‘Service First’ in 1999 to stand out from the crowd as a distinguished financial service provider. The motto reflects the Bank’s concern for customers’ satisfaction, flexibility, responsiveness and productivity. Service to The Premier Bank Limited is meant not only for clients but also for the community, not only for gain but also for governance and not only for delivery but to ensure dynamism, discipline and accountability.

The Premier Bank Limited is incorporated in Bangladesh as banking company on June 10, 1999 under Companies Act.1994. Bangladesh Bank, the central bank of Bangladesh, issued banking license on June 17, 1999 under Banking Companies Act.1991. The Premier Bank Limited launched its formal activities of banking business on 26 October, 1999 with an Authorized Capital of BDT 6000.00 Million and Paid up Capital of BDT 2242.30 Million. The Head Office of The Premier Bank Limited is located at Banani, one of the fast growing commercial and business areas of Dhaka city.

The Board of The Premier Bank Limited consists of 14 directors and Dr. H.B.M Iqbal is the honorable Chairman of the Board. The members of the Board of Directors of the Bank hold very respectable positions in the society. They are from highly successful group of business and industries in Bangladesh. Out of 14 members one is from Taiwan. Each member of the Board of Directors plays a significant role in the socio-economic domain of the country.

1.2 Vision of the Bank:

The Bank has clear vision towards its ultimate destiny - to be the best amongst the top financial institutions.

1.3 Missions of the Bank:

- ✓ To be the most caring and customer friendly provider of financial services, creating opportunities for more people in more places.
- ✓ To ensure stability and sound growth whilst enhancing the value of shareholders investments.
- ✓ To aggressively adopt technology at all levels of operations and to improve efficiency and reduce cost per transaction.
- ✓ To ensure a high level of transparency and ethical standards in all business transacted by the Bank.
- ✓ To provide congenial atmosphere which will attract competent work force who will be proud and eager to work for the Bank.
- ✓ To be socially responsible and strive to uplift the equality of life by making effective contribution to national development.

1.4 Products and services of Premier Bank:

Deposit or liability products:

- **Fixed Deposit (FDR):** FDR is meant for those investors who want to deposit a lump sum of money for a fixed time period; say for a minimum period of 30 days to 1 year and above, thereby earning a higher rate of interest in return. The prevailing rates of interest are shown below:

Amount	1=><3 Months	3=><6 Months	6=><12 Months	12 Months
For Any Amount	11.00% P.a	12.50% P.a	12.50% P.a	12.50% P.a

- **Savings Account (SB):** Premier Bank offers competitive interest rate (6.00% P.a) on Savings Account. In addition, all account holders will get VISA Debit Card and ATM facility for 24 hours banking convenience.

- **Current Account (CD):** The current account is probably the most useful bank account that the customers will ever have. It is a non-interest bearing cheque account. Current account saves the hassle of carrying around cash every month.
- **Premier Genius Account:** Intellect and perseverance will lead customer to success and saving will guide customer to an enriched future. Premier Bank Genius Account offers easy and modern banking facilities to the students who are up to 25 years old. Wherever the customer's possibility may lie, be it in the country or abroad, Premier Bank will always be beside with customer as he builds his future. Genius Account offers highest profit (7.00% P.a) on monthly minimum balance and payable on every six months. It also offers discount on VISA Debit Card and other attractive facilities.
- **Premier 50+ Account:** If the customer is above fifty years of age, he will appreciate the Bank's unique Premier 50+ Account with a number of extra benefits such as higher rate of interest (5.75% P.a) on daily closing balance, priority service and no service charge. The Account is exclusively developed for the senior citizens of the country.
- **Double Benefit Scheme:** Under this scheme, any deposit becomes double after 6 years. It accepts deposit in multiples of Tk. 10,000. A specially designed instrument shall be issued for the deposit under this scheme in the same manner as issued in case of Fixed Deposit. The instrument is not transferable and renewable. In case of premature encashment after 3 months, benefits may be allowed on the deposit amount at prevailing savings rate. Loan facility may be allowed up to 80% of deposit against lien or pledge on such instrument at Bank's prescribed rates.
- **Monthly Income Scheme:** The savings of customers are always precious. Deposit a certain amount at the opening and earn monthly profit till the tenure completes. Customers will get back principal amount on maturity.

Years	Deposit Amount	Interest per Month (Tk.)
5	50000.00 or multiples (Tk.)	500.00 or multiples (Tk.)

- **Monthly Savings Scheme:** A regular savings pays off when customers really need it. Save small amount in their account each month and let their savings grow with time through the Monthly Savings Scheme.

Installment (TK)	3 years Amount at Maturity (TK)	5 years Amount at Maturity (TK)
500.00 or it's multiple	21500.00 or it's multiple	40500.00 or it's multiple

- **Special Notice Deposit Account:** Individuals or corporate bodies can open Special Notice Deposit Account for short time period. However, 7 days notice is required to withdraw money from the account with interest.
- **Premier Esteem Savers:** "Premier Esteem Savers" is a savings account that will offer the most attractive benefits, flexibilities and other values to the top income level customers than any other savings account offered by the Premier Bank yet.
- **Premier Excel Savers:** "Premier Excel Savers" is a savings account that will offer the second most attractive benefits, flexibilities and other values to the upper mid to top income level customers than any other savings account except "Premier Esteem Savers" offered by the Premier Bank.

Loan or asset products:

- **Personal Loan:** The Personal loan of Premier Bank is any purpose loan for customers. The purpose could be anything valid from buying household appliances to emergency medical needs. Some of these could be: purchase of electronic goods, house or office renovation, marriages in the family, advance rent payments, travel expenses and payment of taxes etc. This product is best suited for salaried executives who are working as confirmed employees in established organizations.

- **Consumer Credit Scheme:** Premier Bank has introduced consumer credit scheme to extend credit facilities to limited and fixed income group to improve their standard of living. The loan is repayable in easy Equal Monthly Installments (EMI) stretching from 12 to 60 installments.
- **Housing Loan:** Realizing the importance of having one's own place to live, Premier Bank has introduced Housing Loan at a competitive interest rate. The Bank provides this loan for both residential and commercial purposes.
- **Doctor's Loan:** This scheme is designed to financially assist registered doctors and medical practitioners for availing up to 100% finance for medical equipment, motor car, ambulance etc. Loan for rental advance for chamber, office decoration are also available under this loan scheme. Registered doctors and medical practitioners, eye specialists, heart specialists, child specialists, surgeon, dentist are eligible for this loan. Also hospitals, clinics and diagnostic centers owned and operated by the registered doctors may apply for this loan.
- **SME Finance:** Bangladesh, as a developing country, has been trying for its overall economic growth. The development of small and medium enterprises would be the key element in this regard. Recognizing this fact, Premier Bank has strongly started to finance SMEs. The SME products are- project finance, working capital finance, lease finance or hire purchase, work order finance etc.
- **Women Entrepreneur Finance:** Women Entrepreneurs Finance is an asset product offered to women entrepreneurs to expand their businesses. As the name implies, this scheme is exclusively tailored for women in businesses to give them extra edge and success to meet their financial freedom through their innovative entrepreneurship. This is more than a loan, a financing solution for their businesses.
- **Student Credit Programme:** Premier Bank is proud to introduce a credit scheme which is being first of its kind whereby the meritorious students in the country shall enjoy credit

facility in each month to defray educational expenses. The loan is to be disbursed in a lump sum amount or as monthly installments basis where necessary. Parents or guardian may apply along with estimate of education expense in a prescribed form to any branches of the Bank duly recommended by the Head of the Department or Head of the Education Institution.

- **Lease Finance:** Premier Bank offers lease finance to facilitate customer's funding requirement for the procurement of assets in order to grow their business. Meet up financial need without out flowing own fund. Customers can acquire the lease assets keeping their capital intact. Thus, leasing helps to build up customer's fund raising capacity. Premier Bank offers Lease Finance for capital machinery, medical equipment or office equipment, heavy construction equipment, lifts, elevators, power generators, air conditioners, machinery for agro based industry etc.
- **Visa Credit Card:** The VISA International Credit Card of Premier Bank is accepted globally and VISA Local Credit Card is accepted at more than 3500 outlets across the country. Customers will get free credit facility up to 45 days without any interest. They can draw cash up to 50% of the credit limit of local Visa Card. Customers can also pay only 5% of their billing amount every month. A customer may apply for supplementary Cards for any person over 18 years of age. If customers lose the card, they just inform the Premier Bank Card Division without any delay and they will be protected against misuse of the Card. Rates and other facilities are highly competitive in the market.

1.8.3 Services of Premier Bank:

- **Islamic Banking Service:** Islamic Banking system has now-a-days became a reality all over the world. It is widely accepted and liked not only by the Muslims but also Non Muslims. The Premier Bank Limited has launched Islamic Banking Operation through its two branches which are Islamic Banking Branch Mohakhali, Dhaka and Islamic Banking Branch, Laldighirpar, Sylhet.

- **Evening Banking Service:** A unique service of The Premier Bank Limited for receiving cash and documents beyond transaction hours till 8 o' clock in the evening. This service is attractive for those like shopkeepers who accumulate cash as sales proceeds in the afternoon when counters of Bank Branches usually remain closed. The service is available at selective branches of the Bank.
- **Remittance Service:** Premier Bank's Remittance Payment procedure is very safe, simple and fast. The Bank has signed a good number of long term deals with a group of well-connected remittance partners across the globe such as MoneyGram, Dolex, Xpress Money Services and Western Union etc. The Bank also has agreement with GrameenPhone (1, 40,000 outlets) to use its mobile technology and wide distribution outlets around the country.
- **SME Service Centre:** In order to facilitate the investors of Small and Medium Enterprise, Premier bank has opened several SME Service Centres at different locations – Banani SME Centre, Bangla Bazar SME Centre., Kawran Bazar SME Centre, Mohammadpur SME Centre , Malibagh SME Centre.
- **Premier TC:** "Premier TC" is prepaid foreign currency card denominated in US dollar available over the counter of the branches that makes customers foreign trip totally hassle-free and convenient. Customers can load this prepaid card with foreign currency in Bangladesh which gives them a 24-hours access to their money.
- **Premier SMS:** Customers can check their account balance from anywhere by using Premier SMS service.
- **Visa Debit Card and ATM:** Premier Bank is offering Premier VISA Debit Card Service as well as own Automated Teller Machine (ATM) facility to electronically debit money from customer's account. In addition to Premier Bank's own ATM Booth, customers can also use Premier VISA Debit Card in other Bank's ATM where VISA Card is accepted.

- **Brokerage House:** Get delight from the excellence services of Premier Bank Brokerage House. Share trading, BO account opening, margin loan facilities and more.
- **International Service:** The International Division is looking after correspondent banking relationships, treasury back office and international trade settlement. In order to smooth global operation of international business Premier Bank has correspondent banking relationship with 430 foreign banks around the globe and maintain 19 Nostro accounts in 9 currencies to service the customers. Bank is providing the facility of letters of credit, handling of import bills, issue of shipping guarantees, acceptance of bills, financing of imports. Advising of export letters of credit, confirmation of letters of credit, assistance in preparation of export documents, negotiation of letters of credit, handling export bills on collections, purchase or discount of export bills, pre-shipment facilities are extended for both domestic and foreign trade. The requirement of letters of guarantee, bid bonds, performance bonds, advance payment bonds for infrastructure projects in Bangladesh, participating in tenders or any other need basis, could be channeled through the Bank for speedy delivery at competitive tariffs.
- **Call Center:** The Premier Bank Limited has setup its own “Call Center” at Head Office under the direct supervision of the Managing Director. If customers have any queries, suggestion or complain, they can talk to the Bank’s Call Center during business hour. Customers will also find complain and suggestion box at every branches for their valuable input. The Call Center is open from Sunday to Thursday to accept customer’s call in working hours from 10:00 a.m. to 6:00 p.m. except on Saturday from 10:00 p.m. to 3:00 p.m. Dialing numbers are: 02-9887581-4.

Chapter 2: Introduction

In service industry, Customer satisfaction is the center of all activities. The entire operation, success and profit generation solely depends on customer satisfaction. Satisfaction is the consumer's evaluation of a product or service in terms of their perceived needs and expectations. However, banking sector is one of the most significant sectors in service industry. The core product is delivering service effectively and efficiently. As the service production and consumption happens simultaneously every steps have to be taken carefully. Now organizations mainly banks are undertaking substantial efforts to ensure Customer satisfaction.

The term customer care is related with customer satisfaction putting the customer first, recognizing needs and problems, customizing products and services to meet needs. Moreover, pleasant behavior, employee relationships with customer and delivery operation is also important variable influencing customer satisfaction.

The main focus of this report is to determine the "level of customer satisfaction at Premier Bank". In recent years the total number private bank is 31. The commercial banks are in a fierce competition. As I have mentioned earlier that for any service industry customer satisfaction is the prime concern. So, the only factor behind success is by satisfying customer. Basically the research will highlight on the service quality of The Premier Bank (Banani Branch) and whether they truly committed to their slogan "Service First."

2.1 Statement of the problem:

Customer satisfaction is a very complicated term. It is basically a psychological state and it varies from person to person. So, it is quite difficult to measure or assess. To survive in the industry the managers of banks have to take initiative to conduct customer service surveys and collect data and assess the impact of customer satisfaction on revenue generation. Based on the research they can undertake necessary steps.

2.2 Objective of the study:

2.2.1 Broad Objective:

To measure the extent to which customers of Premier Bank are satisfied for different dimensions of service quality.

2.2.2 Specific objectives:

- ✓ To identify problems related to providing service.

- ✓ To study the impact of customer satisfaction on Premier Bank.

- ✓ To identify how the demographic variable of customers (gender, age, profession & tenor) are affecting customer satisfaction.

- ✓ To identify how employees behavior, responsiveness & competence are affecting customer satisfaction

- ✓ To discover how the environment of the bank, service process, waiting perception & other banks service perception influences customer satisfaction.

2.3 Research Design & Methodology:

2.3.1 Nature of research:

The nature of my research is descriptive. The descriptive research as the term implies, is to describe characteristics of a population. It seeks to determine the answers of who, what, when, where, and how questions. In my research I wanted to find out *What* is the level of customer satisfaction at Premier Bank (Banani Branch) and *how it can be improved*. Through this type of research I tried to find out the nature and satisfaction level of the customers. In my questionnaire I worked with both Independent and Dependent Variables. The Independent variables were customer demographic such as age, gender, occupation and customer tenor. On the other hand the dependent variables were:

- ✓ Staffs Competence
- ✓ Understanding
- ✓ Interest rate
- ✓ responsiveness
- ✓ Communication
- ✓ Environment
- ✓ Behavior of employees
- ✓ Waiting time
- ✓ Overall view
- ✓ Service process
- ✓ Comparison to other banks
- ✓ ATM problem

2.3.2 Data Collection method:

My research is based on both quantitative & qualitative data. The overall research is designed on collecting customer's opinion about the service of the bank. I worked with a "Customer Experience Evaluation Box" where customers drop cards as per their wish. There are 4 cards; "Excellent", "Good", "Average" & "Bad". I had to maintain a logbook where I note down the number of cards and comments given by the customers every day.

To get more accurate result I am conducting a questionnaire survey. Basically, I tried to break down the term Customer satisfaction into following variables:

The dependent Variable:

- Customer Satisfaction

The independent Variable

- Service quality
 - ✓ Competence
 - ✓ Credibility
 - ✓ responsiveness
 - ✓ Communication
 - ✓ Environment
 - ✓ Behavior
 - ✓ Security

Based on these elements I have designed my questionnaire. Moreover, I have also used customer demographic variables such as age, profession, gender & income level. I am planning to question 200- 300 customers. Information collected from questionnaire & "Customer Service Evaluation Box" is my primary data. Apart from these I have also conducted face to face interview with employees of Premier Bank.

Moreover, I have also collected data from secondary sources such as:

- Brochures of Premier Bank
- Annual report of Premier Bank
- Corporate website of Premier Bank
- Journals, Articles & research papers

2.3.3 Sampling plan:

The sampling type is a cross-sectional study. It is a research method that involves observation of all the population at a single point of time.

2.3.4 Sampling Technique:

The sampling technique techniques include convenience sampling or sampling by obtaining units or people who are conveniently available.

2.3.5 Sample unit:

Sampling unit consist of the respondents and mainly the customers of Banani Branch.

2.3.6 Sample size:

The sample size is quiet small in terms of the population. However, I have managed to interview 180 respondents mainly the regular customers at Banani Branch.

2.3.7 Method of Analyzing Data:

I have used SPSS (Statistical Package for the Social Sciences) software and Microsoft Excel to analysis the data of my questionnaire of the report. I have shown the output of the study through frequency count and bar chart. I have also found the mean and standard deviation table for the likert scale questions.

Chapter 3: Job description

General responsibilities:

I was mainly responsible for performing variety of duties to support the customer service, reporting pertinent information to immediate supervisor and responding to inquiries or requests for information.

Within these 3 months of internship I worked under GB and F.Ex department. There I used to perform following tasks:

- ✓ Dispatch incoming & outgoing
- ✓ Receiving cheque book request from customers, writing down the new cheque lots and delivering them to customers.
- ✓ Transfer of cheque
- ✓ Pay order
- ✓ Making solvency certificate
- ✓ Account opening

In F.Ex department:

- ✓ Filling up TM & IMP form
- ✓ Preparing LC file
- ✓ LC advising & transfer of LC

Chapter 4: Review of Literature

“Satisfaction is the consumer’s fulfillment response. It is a judgment that a product or service feature, or the product or service itself, provides a pleasurable level of consumption related fulfillment”- *Richard Oliver*; from this definition the term satisfaction can be interpreted as the customers evaluation of a product and service in terms of whether the product and service can fulfill customers need and expectations.

Moreover, customer satisfaction depends on number of variables. Berry and Brodeur(1990-1998) defined ten “ Quality Values” or “ Ten domains of satisfaction(2002)” . These are: Quality, Value, Timeliness, Ease of Access, Environment, Inter-departmental team work, Front line Service Behaviors, Commitment to the Customer and Innovation. These factors are important for improvement of customer satisfaction and close the gaps between the customer and service provider. “The Gap Model” by Zeithamal, Parasuraman & Berry (New York: The Free Press, 1990) provides a framework for understanding and improving service delivery. The model has two measures: The Customer Gap (difference between expectations and perceptions) and Provider Gap(difference between service provider and customer). Provider Gaps occur because of miscommunication between the provider and customer, poor service design and standards, inefficient performance of provider & not understanding the needs and wants of customers.

Services marketing is all about promises- promises made and kept to the customers. In a **service triangle** (developed by M.J Bitner “Building Service Relationship: It’s all about promises) where three interlinked groups; the company, the providers and the customers work together to develop, promote and deliver services. In Premier Bank they are promising their customers “Service First” and it is yet to be explored whether they are keeping their promise. The product they are offering, interest rate, loan schemes, fees and service charges, ATM’s and hours of operation are major attributes in terms of evaluation of customer satisfaction.

“Loyalty” measures the strength of a customer’s satisfaction. It also measures the degree of competition (or alternative choices, from a customer’s perspective) in the particular product marketplace. Fredrick Reichheld(1996) expanded the term loyalty beyond customers and employees. He considered the benefits of gaining loyalty of suppliers, employees, bankers, customers, distributors, shareholders and board of directors.

The Service Quality model by Kay Strobacka, Tora Strandvik and Christian Gronroos (1994) showed that customer satisfaction is first based on a recent experience of the service. This assessment depends on prior expectations of overall quality compared to the actual performance received. If the recent experience exceeds the prior expectations, customer satisfaction is likely to be high. Customer satisfaction can also be high if the customer expectations are low or if the performance provides value. On the other hand, a customer can be dissatisfied with the service encounter and still perceive the overall quality to be good (service price is very high and the transaction provides little value).

The final link in the model is the effect of customer loyalty on profitability. The main assumption of all the loyalty models is that keeping existing customers is less expensive than acquiring new ones. It is claimed by Reichheld and Sasser(1990) that a 5% improvement in customer retention can cause an increase in profitability between 25% and 85% depending upon industry.

Chapter 5: Analysis

The demographic of the respondents:

Gender of respondents:

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	134	74.4	74.4	74.4
	Female	46	25.6	25.6	100.0
	Total	180	100.0	100.0	

Frequency Table 1

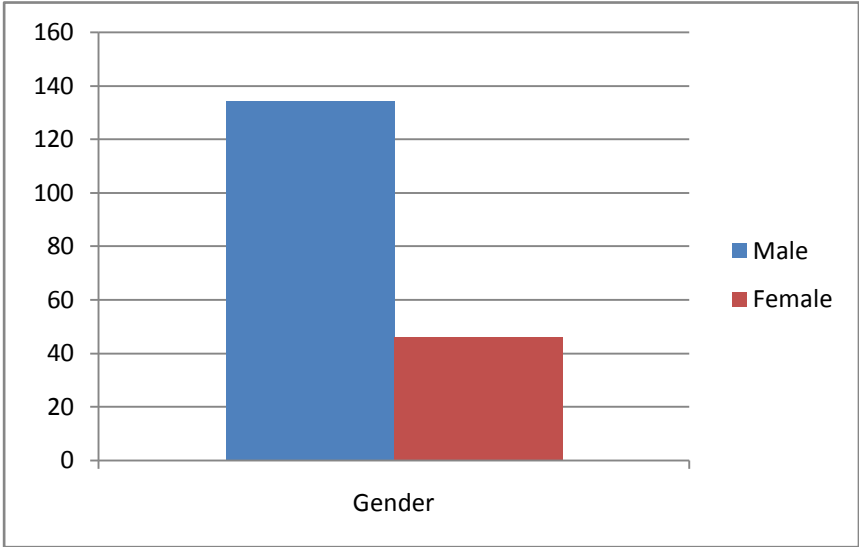


Figure-1: Gender

Interpretation:

Among 180 respondents total number of male is 134 or 74.4% where as female is 46 or 25.6%. So, majority portion of customers are male.

Age of the Customers:

		Age_Cat			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-27	35	19.4	19.4	19.4
	28-37	39	21.7	21.7	41.1
	38-47	63	35.0	35.0	76.1
	48-57	43	23.9	23.9	100.0
	Total	180	100.0	100.0	

Frequency Table 2: Age Category of Customers

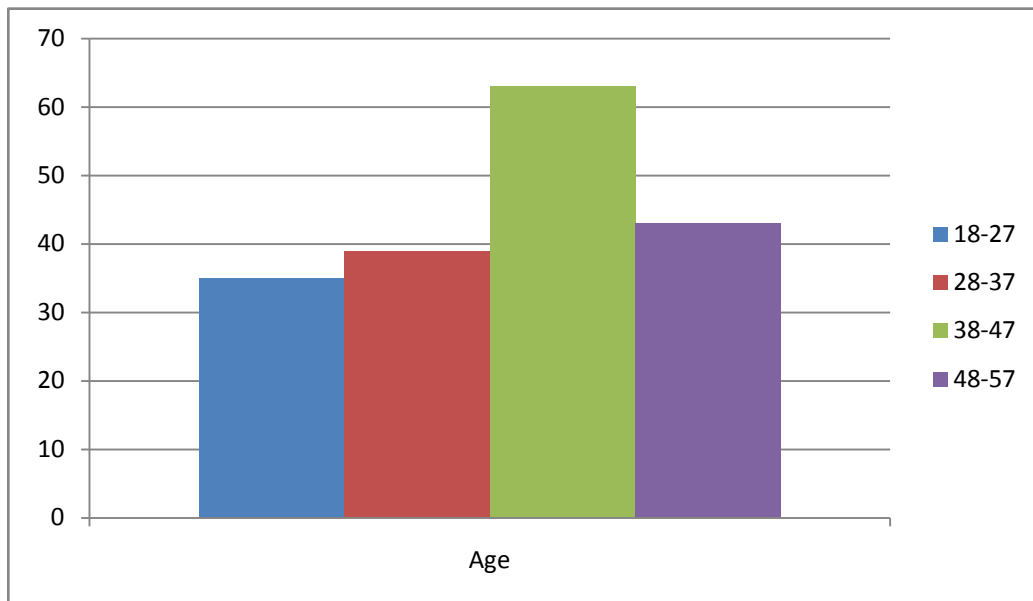


Figure 2: Age Category of Customers

Interpretation:

According to the graph and frequency table we can see that most of customers belong to category 3 or age group of 48-57.

Occupation of Customers:

		occupation_cat			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Service, Students & housewives	78	43.3	43.6	43.6
	Business	102	56.1	56.4	100.0
	Total				
Total		180	100.0		

Frequency Table 3: Occupation of Customers

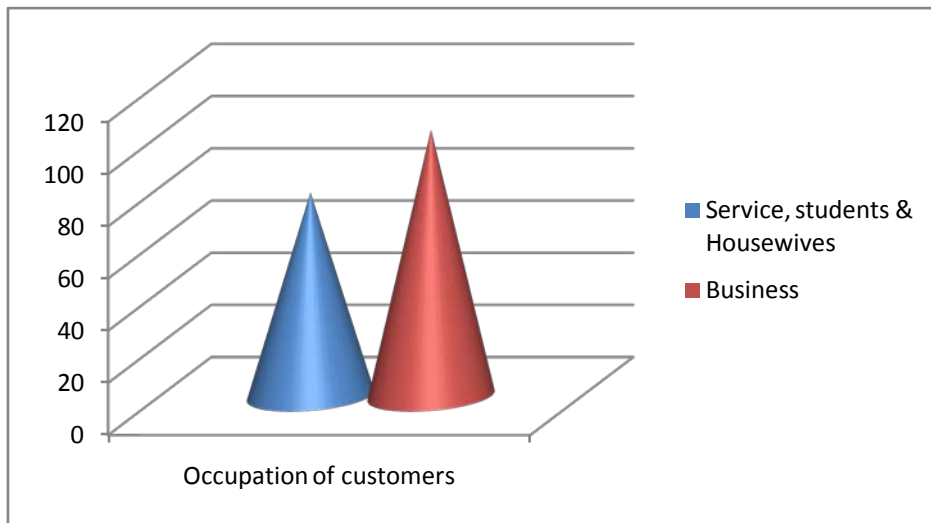


Figure 4: Occupation of customers

Interpretation:

From the above frequency table and graph we can say that among 180 respondents 101 customers are doing business and rest of them are service oriented, student and housewives.

Customer tenor:

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than a year	60	38.9	38.9	38.9
	1-5 years	69	32.8	32.8	71.7
	5-12 years	51	28.3	28.3	100.0
	Total	180	100.0	100.0	

Table 5: Customer Tenor

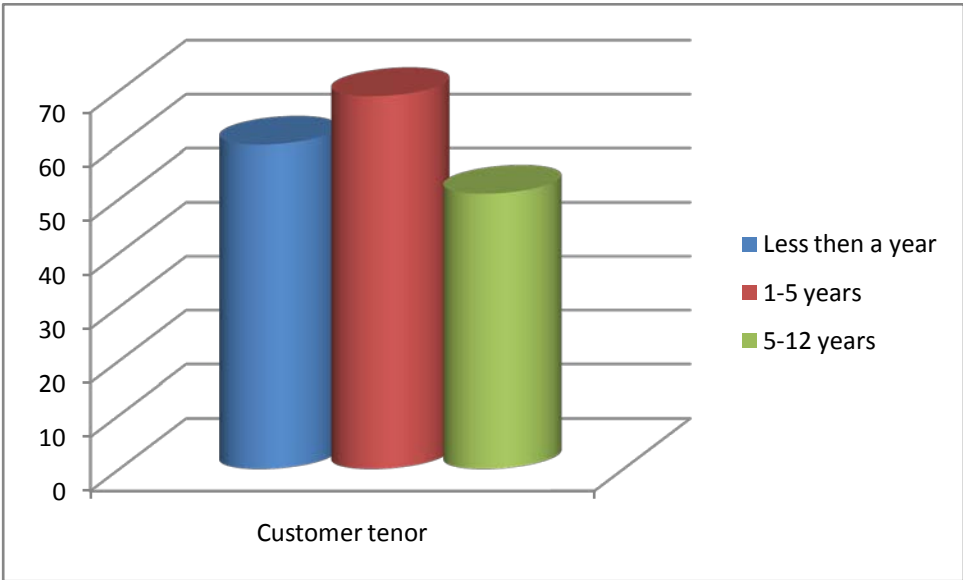


Figure 5: Customer Tenor

Interpretation:

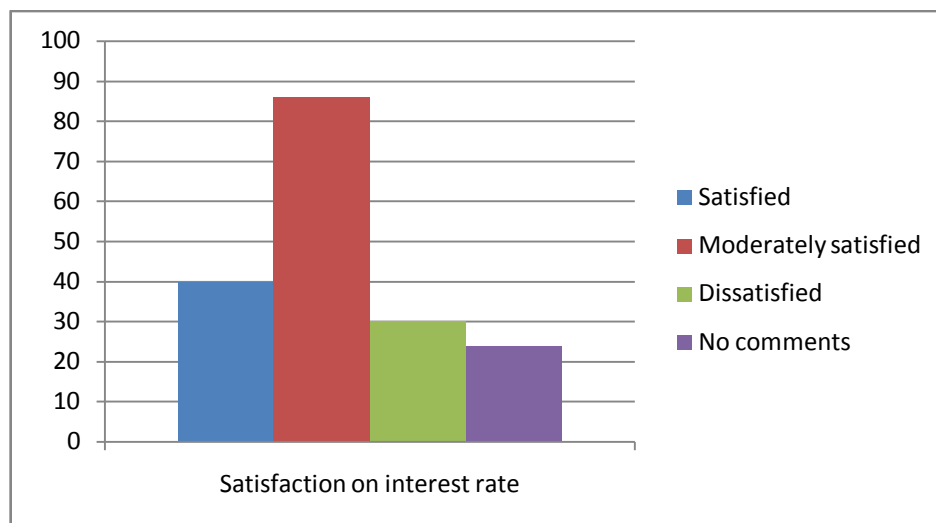
From the above frequency table and graph we can see that most of the customers belong to category 2 or they are banking with premier bank for 1-5 years.

The Factors of Customer Satisfaction:

Satisfaction Level at interest rate:

		sat_int_N			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfied	40	22.2	13.3	13.3
	Moderatrlysatisfied	86	47.8	16.7	30.0
	Dissatisfied	30	16.7	47.8	77.8
	No comments	24	13.3	22.2	100.0
	Total	180	100.0	100.0	

Frequency table 6: Satisfaction level at interest rate



Frequency Table 6: Satisfaction Interest rate

Interpretation:

The interest rates are mainly fixed by Government. So, every bank has to follow the same level of interest rates. When customers were asked about their satisfaction level regarding interest, most of them are moderately satisfied with the rate. It can also be shown from the above frequency table & graph.

Cost perception:

cost_per_N

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Fair	86	47.8	47.8	47.8
	Low	1	.6	.6	48.4
	Avg.	64	35.6	35.6	51.7
	High & irrational	15	8.3	8.3	60.0
	No comments	14	7.8	7.8	100.0
	Total	180	100.0	100.0	

Table 7: Customer’s cost perception

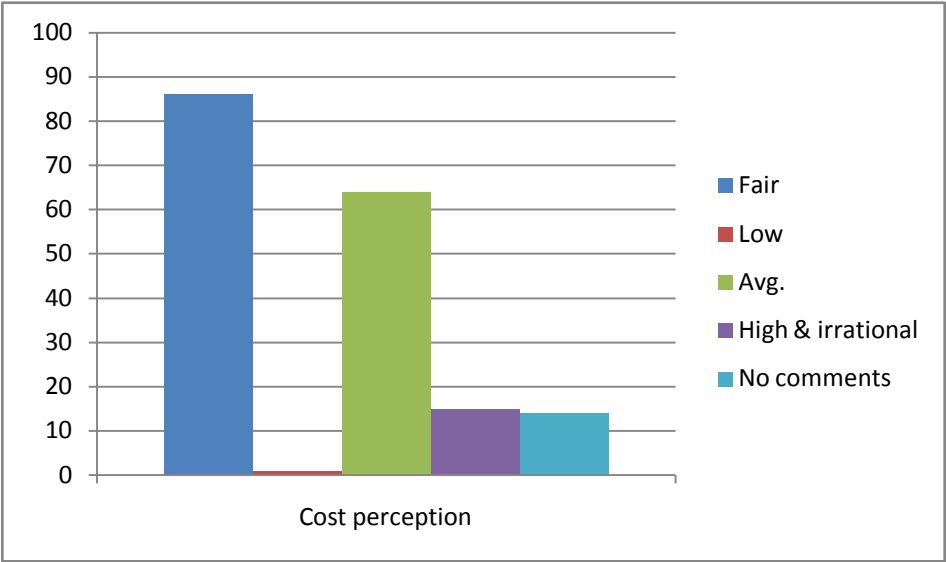


Figure 7: Cost perception

Interpretation:

From the above table and graph we can see that the overall perception about service cost is Fair according to the customers.

Customer's perception about staffs skill

skill_stf_per_N

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Perfect	112	62.2	62.2	62.2
	Good	41	22.8	22.8	85.0
	Should be improved	17		9.4	94.4
	Poor	4	2.2	2.2	96.6
	No comments	6	3.4	3.4	100.0
	Total	180	100.0	100.0	

Frequency table 8: Customers perception about staff's skill

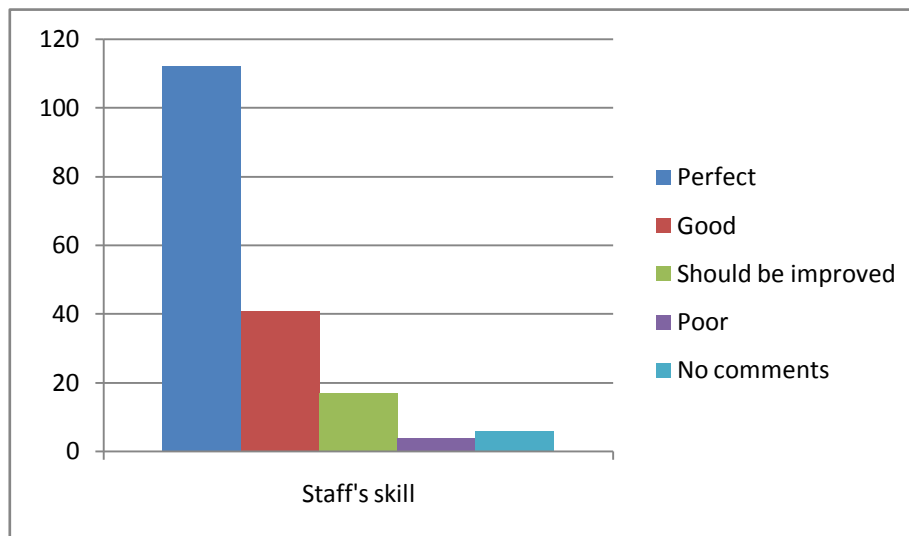


Figure 8: Customers perception about Staff's skill

Interpretation:

If we take a look at the table & figure we can see that 62.2% customers perceive staff's are quite skilled and they think their performance is good and perfect.

Responsiveness of employees:

resp_stf_per_N

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very satisfied	68	37.8	37.8	37.8
	Satisfied	53	29.4	29.4	67.8
	Moderately satisfied	38	21.1	21.1	88.9
	Dissatisfied	10	5.6	5.6	94.5
	No comments	11	6.1	6.1	100.0
	Total	180	100.0	100.0	

Frequency table 9: Responsiveness

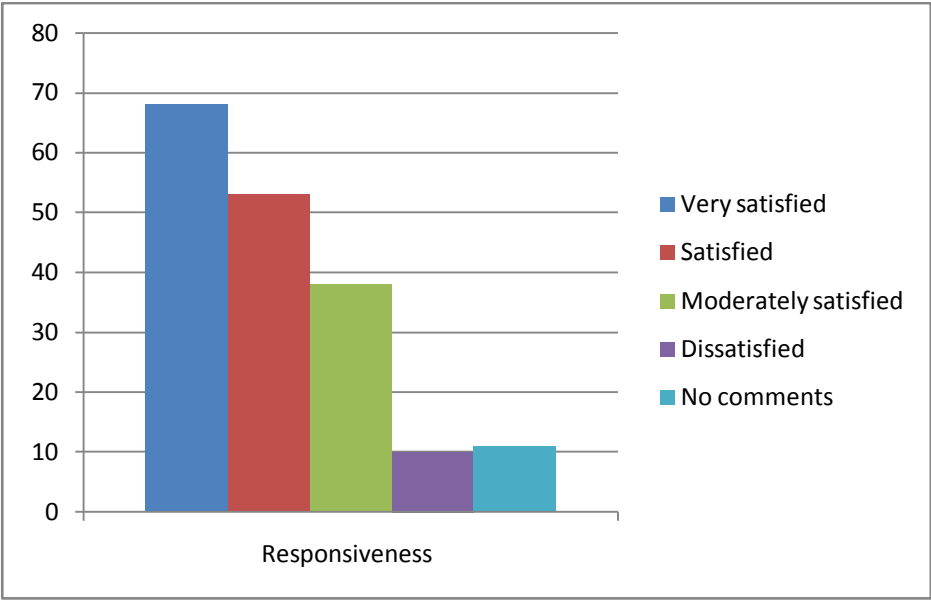


Figure 9: Responsiveness

Interpretation:

As per the table & graph we can see that customers of Banani Branch are very satisfied about the responsiveness of the employees.

Behavior of employees towards customers:

		Behv_per_N			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Friendly	50	27.8	27.8	27.8
	Friendly	86	47.8	47.8	75.6
	Typical	26	14.4	14.4	90.0
	Not at all friendly	5	2.8	2.8	92.8
	No comments	13	7.2	7.2	100.0
	Total	180	100.0	100.0	

Frequency table 10: Behavior of employees towards customers

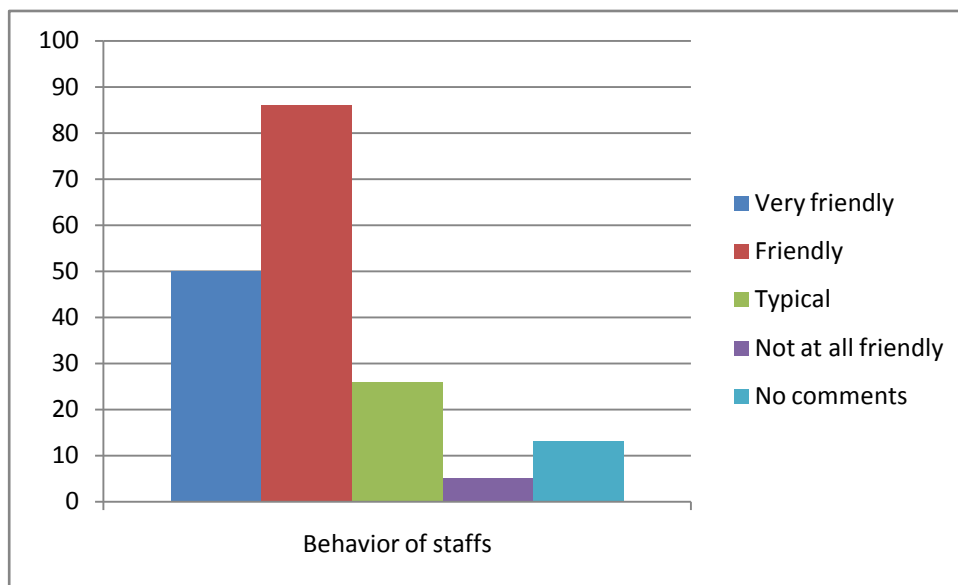


Figure 10: Behavior of employees towards customers

Interpretation:

From above frequency table & graph we can see that about 27.8% people thinks employee's are very friendly, 47.8% thinks friendly and only 2.8% thinks that behavior of employees are not at all friendly.

Employee’s ability to understand customer’s problem:

		Under_stf_n			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Always	65	35.0	35.0	35.0
	Often	69	38.3	38.3	73.3
	Sometimes	34	18.9	18.9	92.2
	Not at all	5	2.8	2.8	95.0
	No comments	9	5.0	5.0	100.0
Total		180	100.0	100.0	

Frequency table 11: Employee’s ability to understand customer’s problem

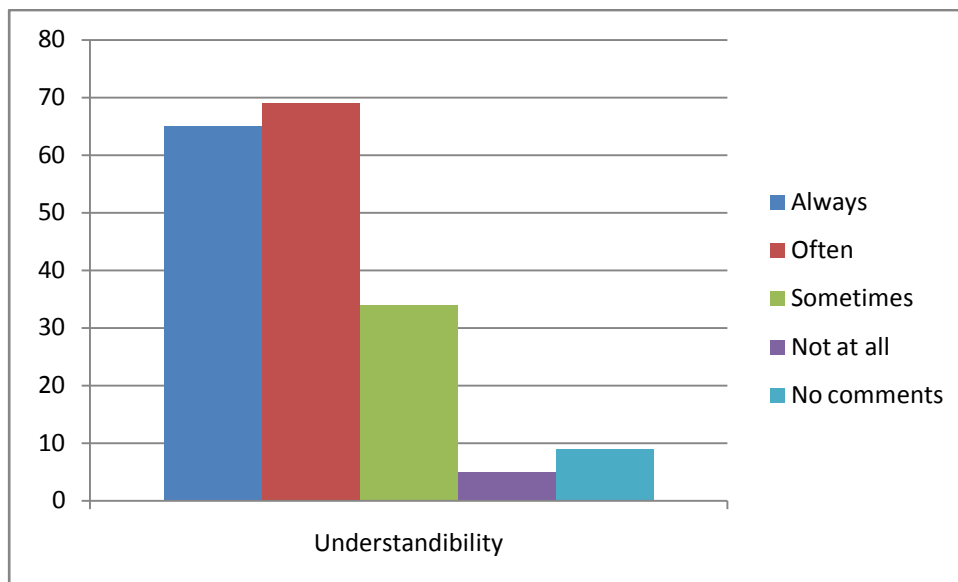


Figure 11: Employee’s ability to understand customer’s problem

Interpretation:

According to the table & graph we can state that about 73.3% customers perceive that employees of Banani branch often understand their needs and wants.

Environment of the bank:

env_bnk_N

			Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Attractive & functional		8	4.4	4.4	4.4
	Typical		28	15.6	15.6	20.0
	Should be improved		67	37.2	37.2	57.2
	Poor		56	31.1	31.1	88.3
	No comments		21	11.7	11.7	100.0
	Total		180	100.0	100.0	

Frequency table 12: Environment of the bank

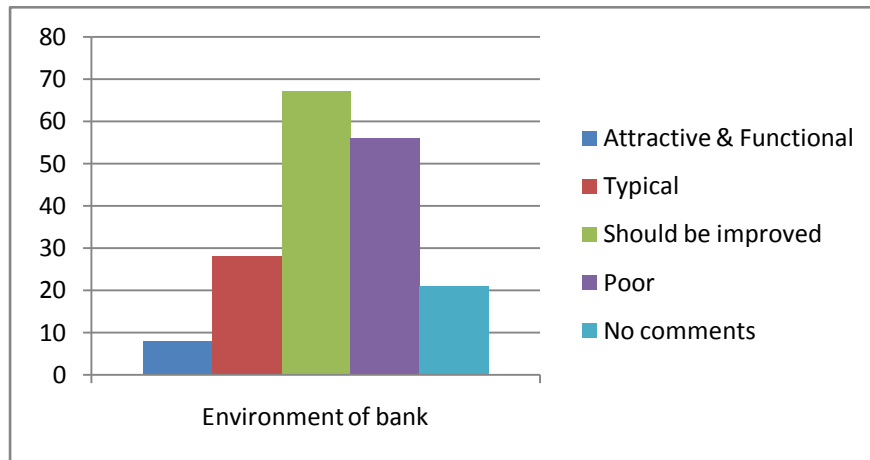


Figure 12: Environment of the bank

Interpretation:

Customers of Banani Branch feel that the facilities and environment should be improved. About 37.2% customers think that the environment should be improved.

Waiting time:

waiting_per_N

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less then 5 mins	20	11.1	11.1	11.1
	5-15 mins	54	30.0	30.0	41.1
	more then 15 mins	37	20.6	20.6	61.7
	Too late	35	19.4	19.4	81.1
	No comments	34	18.9	18.9	100.0
	Total		180	100.0	100.0

Frequency table 13: Waiting time perception

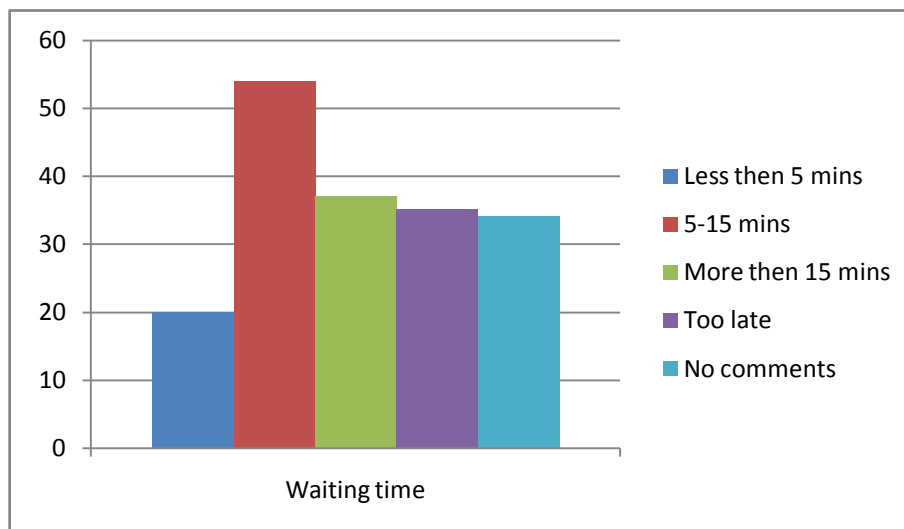


Figure 13: Waiting time perception

Interpretation:

Most of the customers told that they have to wait for their service within 5-15 minutes. About 30% customers shared this opinion.

Availability of correct information:

info_per_N

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Complete	43	23.8	23.8	23.8
	Sufficient	47	26.1	26.1	49.9
	Insufficient	45	25.0	25.0	74.9
	Should be improved	32	17.8	17.8	92.7
	No comments	13	7.3	7.3	100.0
Total		180	100.0	100.0	

Frequency table 14: Availability of correct information

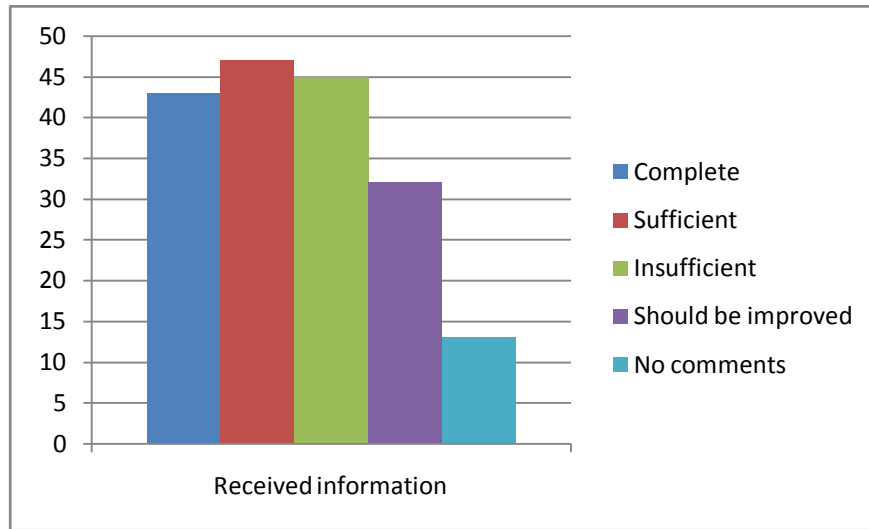


Figure 14: Availability of correct information

Interpretation:

Customers were asked about the information they receive through the service provider and about 23.8% thinks the information is complete, 26.1% said it's sufficient and 25% thinks it's insufficient.

Service Process Perception:

service_per_N

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Functional & organized	23	12.8	12.8	12.8
	Typical	25	13.9	13.9	26.7
	Bureaucratic	9	5.0	5.0	31.7
	Shouldbe improved	79	43.9	43.9	75.6
	5.00	44	24.4	24.4	100.0
	No comments	180	100.0	100.0	

Frequency table 15: Service Process Perception

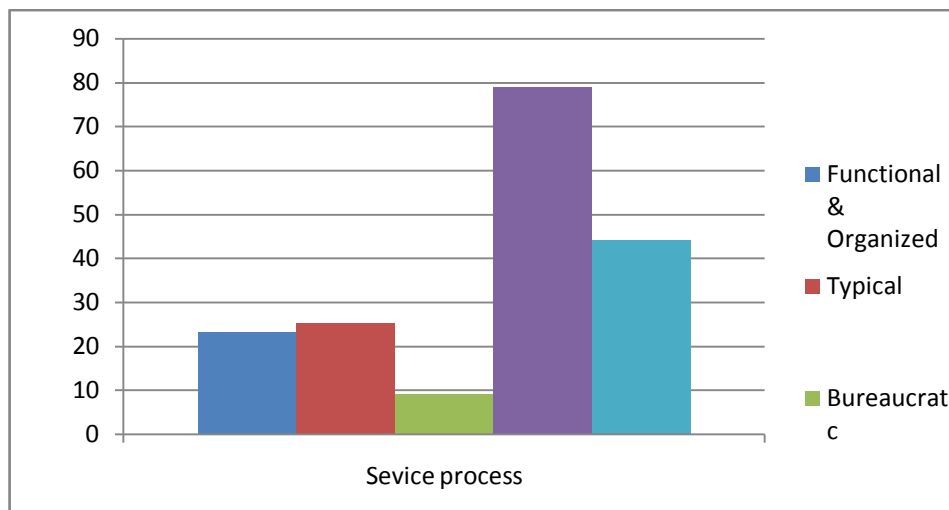


Figure 15: Service Process Perception

Interpretation:

From the above table and graph we can see that about 43.9% customers perceive that the service process should be improved.

ATM problem:

atm_prb_N

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Rarely	50	27.8	27.8	27.8
	Sometimes	73	40.6	40.6	68.4
	Often	21	11.7	11.7	80.1
	Everytime	12	6.7	6.7	86.8
	No comments	24	13.2	13.2	100.0
Total		180	100.0	100.0	

Frequency Table 16: ATM Problem

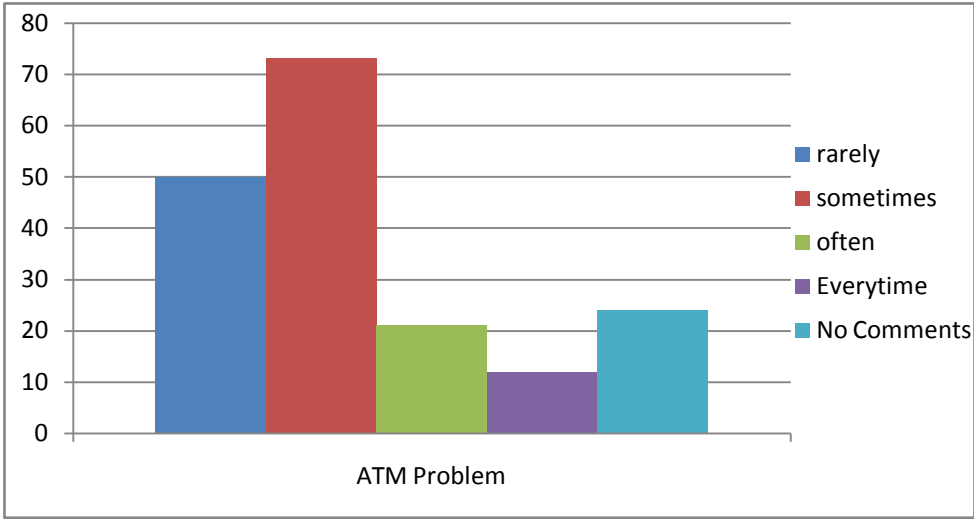


Figure 16: ATM Problem

Interpretation:

If we see the table and graph the ATM problem is quiet an issue. About 40.6% customers think that ATM causes problem sometimes.

Overall service perception:

service_overview_N

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Excellent	98	54.4	54.4	54.4
	Good	40	22.2	22.2	76.6
	Avg.	16	8.9	8.9	85.5
	Bad	11	6.1	6.1	91.6
	No comments	15	8.4	8.4	100.0
	Total	180	100.0	100.0	

Frequency table 17: Service overview

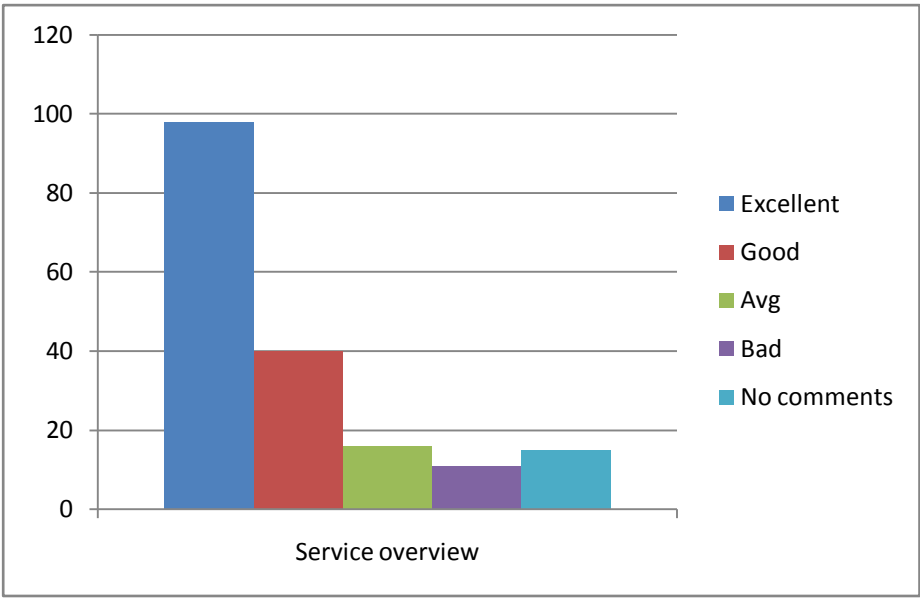


Figure 17: Service overview

Interpretation:

If you look at the graph then we can state that majority of customers about 54.4% perceives the service of Premier Bank is “Excellent”.

Comparison with other banks:

comparison_N

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Better	32	17.8	17.8	17.8
	Same	63	35.0	35.0	52.8
	Somewhat Similar	36	20.0	20.0	72.8
	Poor	12	6.7	6.7	79.5
	No comments	37	20.5	20.5	100.0
Total		180	100.0	100.0	

Frequency Table 18: Comparison with other banks

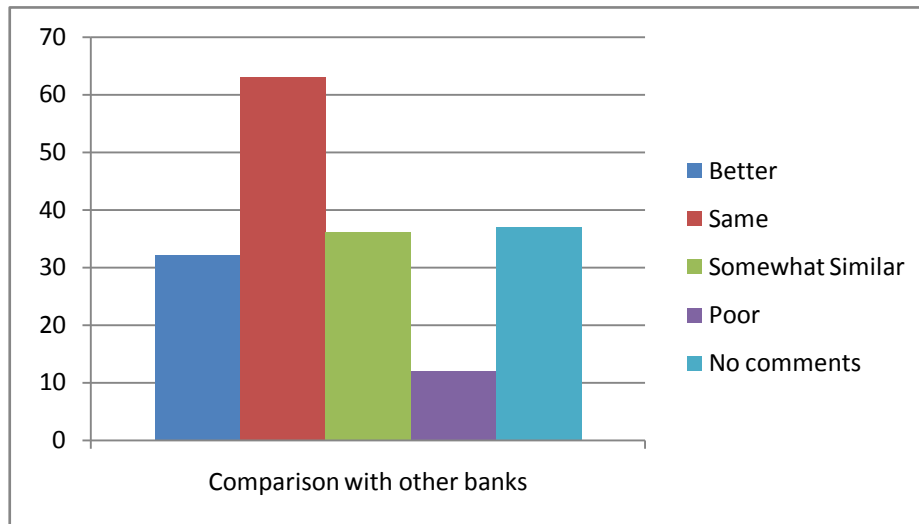


Figure 18: Comparison with other banks

Interpretation:

From the above table & figure we can see that about 35% customers perceive that the service of other banks and the service of Premier Bank is similar.

Data from Logbook:

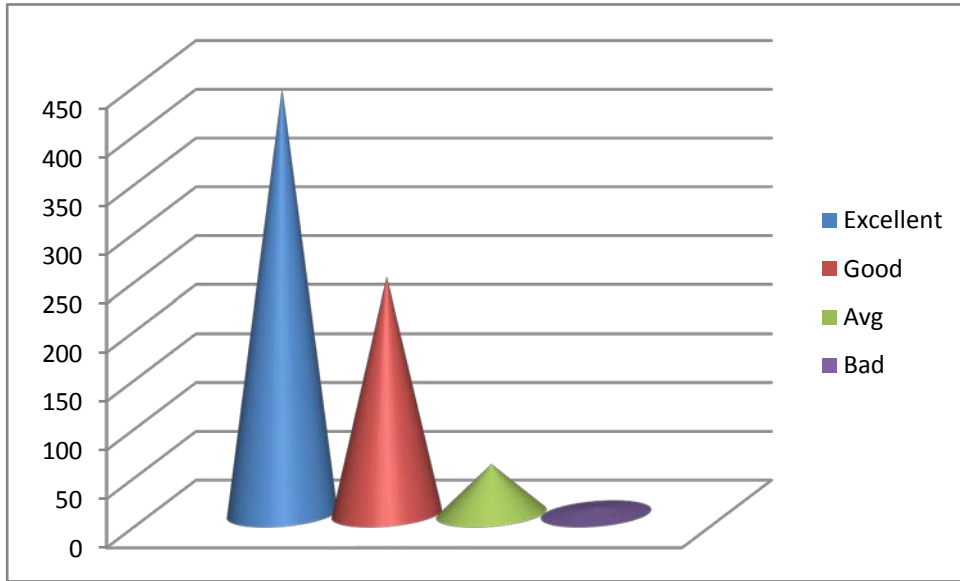


Figure 19: Logbook Data

Interpretation:

The logbook has been maintaining from 10/03/2012- 02/05/2012. Majority of customers perceives the service of Premier Bank is “Excellent”. Fewer of them thinks the service is “Bad”, the number is quiet minor.

Correlation Analysis:

From the correlation analysis we can see that waiting perception has a negative relationship (0.009%) with the opinion of the customers. Environment of bank has negative association with the responsiveness and understandability of the employees and its 0.037% and 0.035% respectively. Moreover, comparison with other banks has negative association with information they receive and the overall view about the service and which is 0.062% and 0.036% respectively.

On the other hand, comparison with other banks has positive association with opinion of customers which is 0.071%. Information has positive correlation with waiting perception. ATM problem is positively related with responsiveness, environment, waiting and received information perception. Service overview has positive association with responsiveness of the employees.

4.2 Findings From study:

I. Good response from the “ Customer Experience Evaluation Box”

The evaluation box reflects a very positive outcome regarding our service. Most of the customers prefer to drop “Excellent” token without thinking twice. The overall response is very satisfactory. At the end of each day the number of excellent token is greater than other three criterions.

II. Loyal and existing customer group:

The number of existing customer is very high and they are the loyal customer of the bank. They are a very good source of spreading positive word of mouth. Approximately, among 100 percent of customers around 70 percent is existing and loyal customers.

III. Excellent and satisfactory service:

According to my observation customers of Premier Bank is satisfied by their service. They are mainly loyal and existing customers. To elaborate I would like to quote some comments of Premier Bank customers.

Customer1: “For us Premier Bank is always good”

Customer 2:” No comments because the service is good”

Customer3: “Service is good, I am satisfied”

Customer 4:” It’s good” - Hotel Sarina

Customer 5: “So far I feel their service and performance is really good”

IV. Good comments about the employee performance:

Customers are very pleased by some of the employees. They are mostly frontline employees. When I asked customers about their opinion they were very eager to comment about the employees. Most of the comments came for Suriya Rahman (GB in charge) , Habiba and Rabbul.

Some of the comments are being cited:

Customer 1: This is to certify that Suriya Rahman gives the better service among all. Overall everyone gives good service- MD. Nasirullah, A/C: 121-00024465

Customer2: “Mr. Sharif’s (Foreign Exchange dept.) Cooperation is excellent”.

V. Comparison with other reputed bank:

Some customers compared Premier bank with other reputed bank. They switch their bank because according to them service quality of Premier Bank is much better than their previous banks. Some talked about the difficulties they had to face over there and how premier bank differs on those areas.

Customer 1: “your service is very fast and it takes less time to deposit or collect money compared to BRAC Bank. The service is excellent.

Customer 2: “At first I was a Premier bank customer but 1 year earlier I switched to DBBL. Within few days I realized the service of premier bank is much better than DBBL. So again I have returned to Premier Bank.”

In contrast to these positive responses some negative responses also given by some customers. Though the number of dissatisfied customers is fewer compare to satisfied customers but still it is threatening for the bank as dissatisfied customers involve in greater word of mouth then those of satisfied ones. Apart from customer feedback I have observed some loopholes as well. Those are as follows:

i. Unprofessional employee behavior:

Some customers complained about the bad and uncooperative behavior of the employees. These complaints were mainly for the credit and loan departments. They also complained about waiting for hours to get served.

ii. Contradiction about the slogan:

One customer raised question about the slogan of Premier Bank. According to that customer “Service First” is not appropriate.

iii. Unorganized Debit card section:

The debit card section is the most unorganized part in Banani Branch. Customers have to come several times to get their debit card and pin number. Many of them complained that they are visiting in the branch for months but still not getting the debit card or pin number.

iv. Poor servicescape:

Banani Branch is the main branch and it’s one of the busiest branches. From here many kind of services are provided which is not available in most of the branches. So, customers from

different location come here but the facility is quiet poor. The sitting arrangement for customer is also inadequate. Customers who have to wait sometimes they don't get place to sit.

v. Vague and unclear Moneygram form:

Whenever a customer comes for Moneygram they complain about the Moneygram form. The Form has been photocopied thousand times so that the sentences are very hazy.

vi. Priority based service:

Often service is provided on customer basis. So far I have observed 4 kinds of customer. However somewhere I felt service depends on the type of customer.

- ✓ Repeated customers
- ✓ Premier Bank employees
- ✓ Customers with higher official introducer or "VALUED Customers"
- ✓ Irregular Customers

In the first category constitutes of mainly businessman who comes almost every day sometimes several times in a day. They are mainly served by the frontline employees (Cash and GB). These customers depend on the bank a lot for their everyday business transactions. They are served quickly but sometimes their works get interrupted by the high profile customers.

The second category comprise of the employees of bank who work for other branches or HO or other departments. They gets pretty much attention over civil customers. Another thing is they want to get served first. But I think they should wait and let the customers get served fist.

The third category is the most prioritized customers. They are introduced by the high officials or relatives of the Chairman. These customers are termed as "VALUED CUSTOMERS". The staffs are ordered to serve them as quickly as possible, leaving other works behind.

Lastly, the irregular customers and the customers are not introduced by highly officials. They visit the branch infrequently mostly for FDR or MSS interest, encashment of FDR, deposit or receive of cash and new account opening etc.

vii. Interruption in service encounter:

Sometimes during service encounters superiors ask the staffs to give special attention to some emergency work. I'm not saying those are not important works but still it gives the customer a negative impression. Another thing should be considered is the staffs who have to handle this situation.

Chapter 6: Recommendation

What should be done to improve customer satisfaction at Premier Bank:

- ✓ The Banani Branch is one of the main & posh branches of Premier bank. Different kinds of work operate from this branch. The space is not big enough and the interior is also not that attractive. So, I think they should make more spaces.
- ✓ There are logistic scarcities in Banani branch.
- ✓ The distribution of debit card is quite unorganized. They don't maintain the debit cards and pin numbers properly. So that if a customer comes to collect debit card 1 or 2 months later they can't find it.
- ✓ The number of ATM Booth is one of the main issues. Customers have to face lot of troubles because of this small number of booths. If they use other banks booth it costs charge of TK.20. So, the number of booths should be increased.
- ✓ The IT department of Premier Bank should be advanced with modern infrastructure, equipment and expertise.
- ✓ The Islamic Banking services should be introduced in every branch of Premier Bank because some customers want to take the profit rather than the interest given by the Bank.

- ✓ Premier Bank the SME and women entrepreneur services for the customers. The Bank should make available these services in the prominent branches.
- ✓ Improve and maintain consistent customer relationship.
- ✓ In a competitive financial market products and services need to focus more on customer's needs.
- ✓ To create better client the bank should increase the amount of consumer loans in a short term basis.
- ✓ The duration of MSS should be increased.
- ✓ Front desk employees should be prompt and efficient to render services quickly. The employees should be courteous, attentive and show utmost honor. The employees are also should be routinely skilled up and empowered to respond to customers needs effectively.
- ✓ Initiatives should be taken to train every employee's in different issues. Mainly the new employees.
- ✓ The bank has to ensure employee satisfaction as well. Without satisfied employee its absurd to think of getting customer satisfaction.
- ✓ Brand awareness should be increased by doing promotional activities.

Chapter 6: Conclusion

In the fast evolving world, it is very necessary for each and every organization to build a strong presence in the market by maximizing profit margin by satisfying their customers as much possible. The Premier Bank limited has been operating in Bangladesh banking sector for 12 years. It has grown significantly in recent years. It goes without saying with its different products and services it has managed to retain its existing customers. The term “product” and “services” are involved in extricable. Products are invented for the valued customers and products are introduced to the customers more significantly and deeply only when they come in branch. So, it is urgently indispensable to keep an eye on proper customer care to have strong product knowledge in the customers mind. My experience says that quickly and on time products and services is the core point of banking business and it is also so risky that all customers are not of it and equal minded. Therefore, it varies customer to customer expectation; however there must have fair field and no favor to all customers. Overall of my investigation I can say that products and services are satisfactory and continuously meet the challenges of developing new products and services to match the specific requirements of customers.

Appendix

Questionnaire

1. What is your age group:
(a)18-27 (b) 28-37 (c) 38-47 (d)48-57 (e) 58-67
2. What is your occupation?
(a)Service (b) Business (c) Student (d) Housewife
3. Gender
(a) Male (b) Female
4. For how many years you have been banking with Premier Bank?
(a) Less than a year (b) 1-2 years (c) 2-5 years (d) 5-8 years (e) 8-12 years
5. Which is your opinion about the variety of products and services offered?
(a) Large (b) typical (c) small (e) don't know
6. Which is your satisfaction level from banks interest rate?
(a) Very satisfied5
(b) Satisfied4
(c) Moderately satisfied.....3
(d) Dissatisfied ... 2
(e) No comment1
7. What do you think about the costs and service charges?
(a) Fair5
(b) Low4
(c) Average3
(d) High & irrational2
(e) No comment1
8. What do you think about the knowledge and skills of the personnel?
(a) Perfect5
(b) Good4
(c) Should be improved3
(d) Poor2
(e) No comment1
9. What do you think about the responsiveness of the personnel?

- (a) Very Satisfied5
- (b) Satisfied4
- (c) Moderately Satisfied3
- (d) Dissatisfied2
- (e) No comment1

10. What do you think about the behavior of the personnel towards you?

- (a) Very Friendly5
- (b) Friendly4
- (c) Typical3
- (d) Not at all friendly2
- (e) No comment1

11. How often the personnel listens and understands and satisfies your need?

- (a) Always5
- (b) Often4
- (c) Sometimes3
- (d) Not at all2
- (e) No comment1

12. What do you think about the appearance and environment of the bank?

- (a) Attractive & functional5
- (b) Typical4
- (c) Should be improved3
- (d) Poor & unorganized2
- (e) No comment1

13. Total waiting time is

- (a) Less than 5 minutes5
- (b) 5-15 minutes4
- (c) More than 15 minutes3
- (d) Too late2
- (e) No comment1

14. The information you receive is

- (a) Complete5
- (b) Sufficient4
- (c) In sufficient3
- (d) should be improved2
- (e) No comment1

15. What do you think about the service process?

- (a) Functional & organized5
- (b) Typical4
- (c) Bureaucratic3
- (d) Should be improved2
- (e) No comment1

16. How often you have faced problem regarding ATM service

- (a) rarely5
- (b) Sometimes4
- (c) often3
- (d) every time2
- (e) No comment1

17. What is your overall view about the service

- (a) Excellent5
- (b) Good4
- (c) Average3
- (d) Bad2
- (e) No comment1

18. If you are banking with other banks can you compare our service with them?

- (a) Better5
- (b) Same4
- (c) Somewhat similar3
- (d) Poor2
- (e) No comment1

19. If you have any further comments regarding PBL please feel free to express:

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