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THE IMPORTANCE OF QUALITY IN CUSTOMER SERVICE ON THE EXAMPLE OF THE BANKING SECTOR

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Abstract

Competitive counts the provider that rendered by the customer service better than the other and through the quality strategy overcomes the competitors and reaches a commercial success. In view of the particular attention should be paid to the quality of the service which significantly affect the customer loyalty. The aim of this study was to investigate the importance of quality in customer service individual commercial banks. For this purpose a SERVQUAL using the questionnaire especially by which was calculated difference between expectations and insight from the consumers on the areas being audited quality customer service.

Research background: Cooperative Bank in Kalisz Pomorski (Pomeranian province), Bank of Environmental Protection in Bydgoszcz (Kujawsko - Pomorskie), and a third bank, who reserved to publish their data in research.

Purpose of the article: The aim of this study was to investigate the importance of quality in customer service individual commercial banks.

Methodology/methods: The method used in the work to analyze the results of the survey method was SERVQL.

Findings & Value added: Each subject area of service quality in the assessment of customers' needs some improvements, because in each of them there is a discrepancy between expectations and insights. Banks as service companies must be aware that the quality of service, appropriate communication with the client, contributes not only to improve their image, but primarily becomes a factor distinguishing them from competitors.

Introduction

In a market economy quality it is one of the most important determinants of corporate success - both manufacturing and service. The level of quality of services in the enterprise depends on the level of customer satisfaction. Therefore, any company providing services should recognize the consumer as the central entity of its activities. Customer care, concern for its satisfaction contributes to maintaining long-term relationships, and thus becomes an important factor in the success of companies.

In the banking services sector in Poland awareness of the importance of quality in the competitive struggle on the market is growing. The quality of banking services is best described by customers. They, according to their experiences, preferences, and needs, decide the services of which bank they will use and who does not meet their expectations. Banks as service companies must be aware that the quality of service, communication with the client, can not only help create positive opinion, but most of all gives the opportunity to stand out among the competition.

Research Methodology

The study was conducted with the application of the SERVQUAL method using a questionnaire that allowed to evaluate the difference between expectations and perceptions of customers regarding the quality of service provided. The aim of this study was to investigate the importance of quality in customer service individual commercial banks. Selection of respondents in the sample had a non-sampling nature, random. The study was conducted from 1 May to 30 June 2016 among people who use the services of commercial banks.

The study used materials provided by three commercial banks containing a list of customer service quality standards. Another source of data were also individual interviews conducted with representatives of banks, as well as objections regarding the handling of customers in the bank, which were indicated during individual interviews. The work also benefited from secondary sources, including literature and articles from newspapers.

On the basis of information provided by the banks, 6 main standards of individual customer service quality was identified, to which the banks place the greatest emphasis in their materials, they are:

1. The quality of direct service.
2. The appearance of the facility.
3. Appearance of employee.
4. Telephone support.
5. Handling of correspondence.
6. Staff attitude.

The method used in the work to analyze the results of the survey method was SERVQL. It involves "measuring the difference between the level of satisfaction of expectations and perceptions of services by the client" (Karaszewski, 2009, p.280). The concept is implemented by measuring the expectations of the client first, and then perceived services. The quality of the service is expressed in the difference between the expected and the received services. This method therefore allows for the identification of the so-called vulnerabilities, where the quality of services differs from the customer's expectations (Xian-ying & Qin-hai, 2007, p.1110). The general logic of the SERVQUAL method is illustrated by Fig. 2. It presents five situations in which the quality of services may decrease. They include (Lipowski, 2003, p.43):

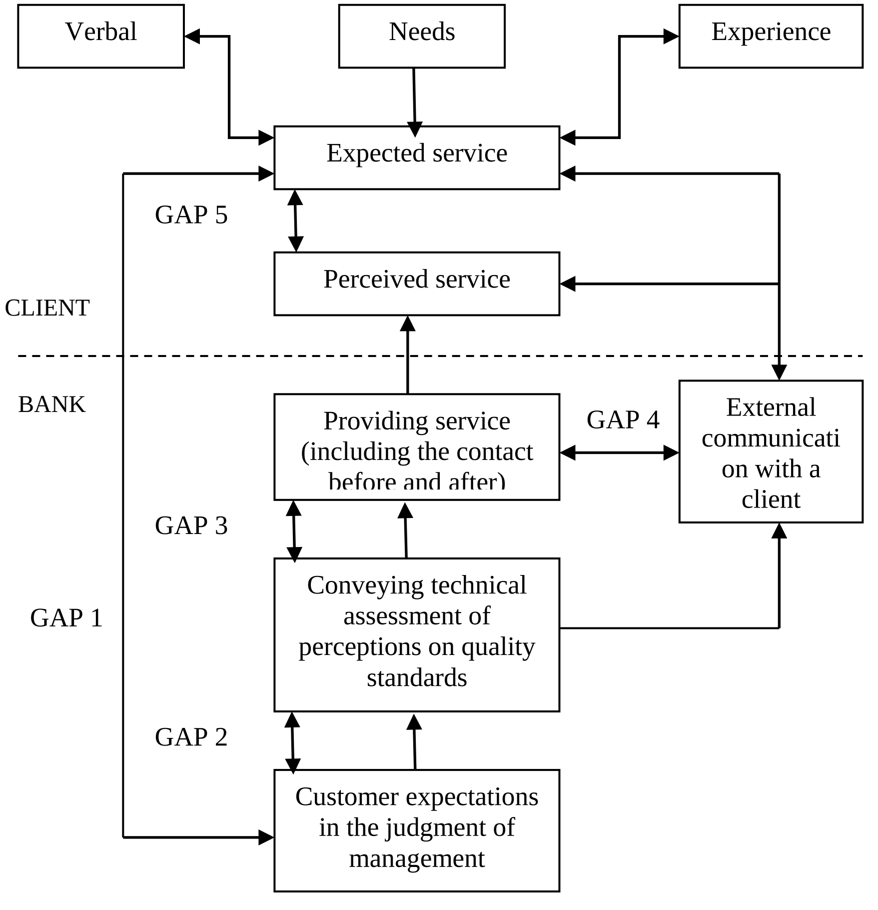
- 1 gap - the difference between customer expectations and perceptions of expectations by managers of the company;
- gap 2 - illustrates the difference between perception of customer expectations by management of the company and the set standard of quality of service;
- gap 3 - is the difference between the applicable standards of service and the actual performance of services;
- gap 4 - represents the difference between the performance of the service and external communication with customers;
- gap of 5 - illustrates the difference between the expected service and the service received.

The study focuses on gap 5 which shows the difference in the provided service and service expected by the customer (Wolniak & Skotnicka-Zasadzien, 2012, p. 1242). To assess the magnitude of differences within the gap, the study was based on a research tool - questionnaire. It consisted of five statements concerning the expectations and perceptions of individual customers of commercial banks regarding quality of service. These statements have been divided into five standards, i.e. .:

1. The appearance of the employee - the test area: the appearance of bank employees.

2. Handling o correspondence - the test area: diligence in drawing up the documentation.
3. Staff attitude - the test area: the waiting time for service.
4. The quality of direct service - the test area: ensuring privacy when making a transaction.
5. Appearance of the facility - the test area: the location of the bank.

Figure 2. Service quality model (gap model)



Source: M. Lipowski (2003), *Bank Marketing. Management of the demand and supply of services*, Publishing House Lublin: The M. Sklodowska - Curie University, p.1.

The essence of customer service

One of the basic objectives of the enterprise that wants to achieve success is marketing activity and focus on the potential client. The consumer should be here seen as a central link, the driving force, which meet the needs of the main goal of the company. Because it depends on the customer how long the company will remain on the market. This emphasizes Ph. Kotler, claiming that the company, which focuses on the customer may find it easier to succeed (Kotler, 1994, p.32). However, wanting to achieve this objective, the company must not only produce and deliver products of higher and higher quality, but above all, still seek the favor and recognition among new and existing customers (Guo, 2015, p. 178).

Referring to the issue of customer service we mean "the whole range of needs, which the customer at the time did not identify and did not specify" (Biesaga-Słomczewska & Iwińska-Knop, 2000, p.7). The task of the company is, however, to recognize these needs and, if possible a quick response. Thus, the level of customer service consists of many factors, such as (Leland & Bailey, 1999, p.25):

- "Knowledge of not only the needs but also the desires and expectations of customers, knowledge based on experience,
- product knowledge and conveying its features into benefits
- commitment of the trader.

The way to success is the ability to create a distinctive and unprecedented way of meeting needs by offering a unique product that entails many benefits. But simply acquiring a customer is not enough, you must keep it. In the concept known as relationship marketing, it is noted that the success of the company consists of not only the ease of acquiring a growing number of customers, but above all, the ability to maintain a solid and loyal customer base (Wilmańska-Sosnowska, 2011, pp.11-12).

In every enterprise customer service it is just as important as the customer itself, because as says J. Rewers "the client co-creates support and service creates a clientele, and the client and the service must equate" (Rewers, 1997, p.55). This relationship stems from the fact that the way to treat customers when direct contact is essential to re-purchase by the customer in the company.

Therefore, proper customer service, having regard to its care and satisfaction, which makes it possible to maintain relationships with customers, is becoming an important factor in the success of companies in the economy, which is characterized by increasing competition. Indeed, according to K. Zięba the positive experience of a single client creates a good image of the company (Rudawska & Soboń, 2009, p.342).

Quality Policy in polish banks

Banking services play an increasingly important role in the Polish economy, which is highly competitive. Currently, this sector is characterized by very strong competition and difficulty in obtaining and maintaining existing customers. The banks to attract new customers and win against competitors must provide their services at ever higher levels of quality (Paul et all, 2016, p.618).

Understanding customer needs, as well as an indication of what the benefits of use of the service offered is a starting point for shaping the appropriate quality of service. The problem is, therefore, appropriate definition of the concept of "quality". W.E. Deming defines quality in relation to interactions occurring between the product or service provider and consumer (Deming, 1986, p.7). It is presented in Figure 1.

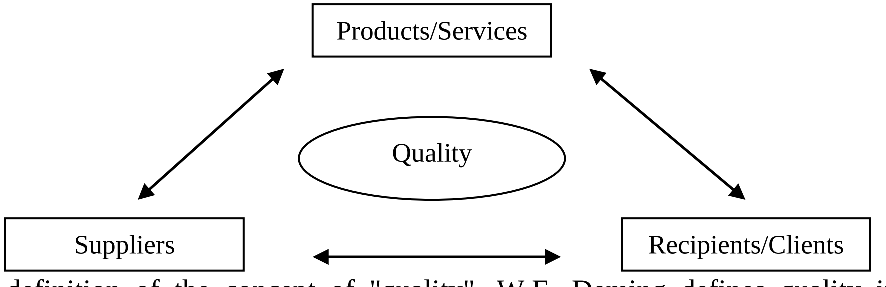


Figure 1. Service quality model

Source: S. Smyczek (1997) *Quality Policy in Polish banks,* "Marketing and Market", No. 1997-1911, p.1.

Due to the complexity and comprehensiveness, which are characterized by banking services, testing of the quality is difficult. This requires an evaluation of services in relation to multiple dimensions (Smyczek, 1997, p.15):

1. "tangibility: physical existence,
2. reliability: good exercise of duties for the first time,
3. attitude: willingness to provide services,
4. communication skills: information for a customer in an understandable language,
5. trust: honesty and openness,
6. security: physical security and discretion.

7. competencies: knowledge of procedures and proficiency in their application,
8. politeness: respect and friendly attitude.
9. professionalism: knowledge of procedures and understanding the customer,
10. availability: ease of contact ".

However, not all of the above dimensions of quality are equally important for each customer and for each bank. Therefore, it is necessary to develop by the individual bank its own quality policy. ISO 8402 defines the quality policy as "general plans and courses of action concerning the quality, as determined by management of the entity" (ISO 8402, 1996). The main premise of the standard is also the fact that in each bank should be developed appropriate quality policy, which is consistent with other lines of action, as well as understood by the banking staff. Therefore, quality issues, definitions and targets should be formulated in a clear and understandable way for everyone. The main tasks of the quality policy developed in banking services is (Smyczek, 1997, p.16):

- characterizing the features relating to the operation of services,
- proper selection of traits and determining their levels
- standardization and indication of the differences in services
- choice of operating systems of the services.

In order to better satisfy newer needs of potential customers, the bank from the point of view of the market, must introduce new utility traits of services to make the offer became more favorable and encouraging for the buyer (Tseng, 2016, p. 210).

Proper planning of the quality policy of the bank becomes a key task for the board. The development of effective quality policy is necessary due to the fact that many of the problems faced by banks today is the result of an earlier lack of plan for specific actions (Monferrer-Tirado at all, 2016, p. 240). In contrast, the correct planning of the activities results from the fact of the substance of quality policy, which is (Kleniewski, 1994, p.23):

- "a guideline for directions and methods of management in terms of quality,
- the basis for the creation of operational plans,
- signpost for the directions of action, formally implemented in the quality manual and procedures,
- means of communication between employees,
- part of the company's marketing,
- guideline when making a decision,
- the basis for building quality assurance systems in the bank ".

In the Polish banking sector should increase awareness of the importance of the highest quality in the creation of a competitive market position.

Examination of the importance of quality in customer service on the example of the banking sector

The aim of this study was to investigate the importance of quality in customer service individual commercial banks. Selection of respondents in the sample had a non-sampling nature, random.

In this study were investigated service quality standards for individual clients in three commercial banks: Cooperative Bank in Kalisz Pomorski (Pomeranian province), Bank of Environmental Protection in Bydgoszcz (Kujawsko - Pomorskie), and a third bank, who reserved to publish their data in research. The study was conducted with the application of the SERVQUAL method using a questionnaire that allowed to evaluate the difference between expectations and perceptions of customers regarding the quality of service provided. The study was conducted from 1 May to 30 June 2016 among people who use the services of commercial banks.

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1. The quality of direct service.
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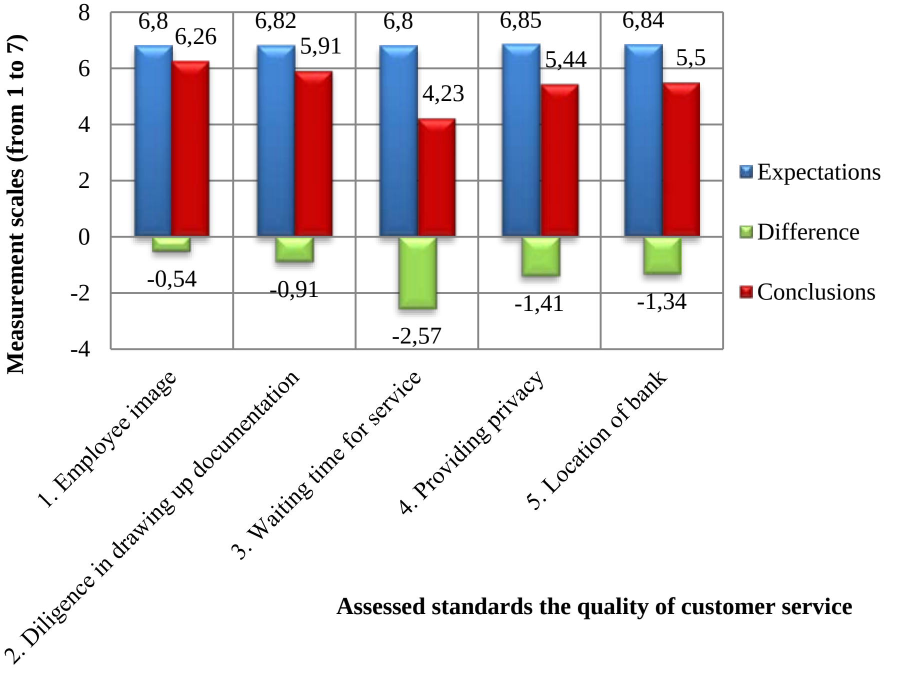
3. Appearance of employee.
4. Telephone support.
5. Handling of correspondence.
6. Staff attitude.

The first stage of the analysis of the results of the research was to identify areas where customer expectations regarding quality of service in commercial banks are not fully satisfied by the service provider, i.e. it pointed out the differences between expectations and perceptions of customers. This is achieved by calculating the average scores, and then were calculated the differences between the perceptions and expectations of the client. The above analyzes are shown in chart 1.

As chart 1 shows, the greatest difference can be observed between the average value of perceptions and expectations about the value of waiting time for service. The difference between the observations (4.23) of customers and their expectations (6.8) has the value "-2.57". This indicates that the waiting time for service is the area most unsatisfied by bank employees. However, regarding the appearance of a worker the difference between the average expected value (6.8) and the value of the observations (6.26) is the smallest, and is "-0.54". This indicates that the expectations about the appearance of the operating personnel is mostly satisfied by bank employees. Ensuring privacy during service is another area poorly satisfied by bank employees. The difference between the observations (5.44) and the expectations (6.85) in this field is set to "1.41." At a similar level ranks the difference in the area of bank location. Here, the difference between observations (5.5) and expectations (6.84) of a client is "-1.34", which testifies to the fact that customers' expectations as to the location of the bank are relatively satisfied.

The results show that each area is beyond negative. This in turn indicates negative gaps in each of the areas analyzed. Customer expectations regarding service quality is thus significantly outweighed by the facts. Customers increasingly require high quality of service in every respect, so that their needs are becoming more demanding and difficult to achieve by banks.

Chart 1. The results of the measurement of expectations (O) and observations (S) of clients and the difference S-O (N = 100)

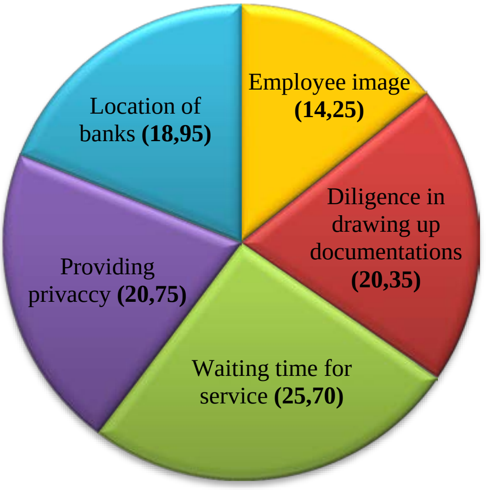


Source: own study based on studies.

The next stage of the research was to assess which areas of service quality are most important for individual clients of commercial banks. The results were presented in chart 2.

Chart 2 shows that for the customer area the most significant while service is waiting time for service, which scored 25,70 points. In turn, the area of the least significance for the respondents is the appearance of employees with only 14.25 points. The location of the bank is the second largest area of least importance to the client (18.95 value). Slightly higher ranks got the diligence in drawing up the documentation, with 20.35 points. In second place in terms of importance to the customer's area was ensuring privacy (20.75 value). Looking at individual areas in terms of importance for the customer it can be seen that the value of the weights of all these areas ranks at a similar level and none of them goes beyond the level of 50 points. One can conclude each service area is significant for respondents, and this in turn proves the extensive requirements for banks. Customers expect "clarified" service in every respect.

Chart 2. The importance of the considered areas in the assessment of the quality of clients (N = 100)



Source: own study based on the research.

The study shows that subjective customer expectations for quality of service in banks outweigh the assessed facts. Respondents who use banking services expect that they will be provided at the highest level. This applies to all dimensions of quality, both material dimension, reliability, response to customer expectations, professionalism and trust as well as empathy. This represents a difficulty for the bank, because the requirements for the provision of services - customer service - are becoming increasingly prohibitive. Thus, to better meet customer needs, one must first know its expectations.

The study shows that the importance of individual areas, in the opinion of customers is as follows (from the most important):

1. The waiting time for service.
2. Ensuring privacy.
3. Diligence in drawing up documentation.
4. Location of the bank.
5. Appearance of employee.

Conclusions

After analyzing the results it can be inferred that each subject area of service quality in the assessment of customers' needs some improvements, because in each of them there is a discrepancy between expectations and insights. Banks as service companies must be aware that the quality of service, appropriate communication with the client, contributes not only to improve their image, but primarily becomes a factor distinguishing them from competitors. The customer of the bank as a consumer should be here seen as a central link, the driving force, which meet the needs of the main goal of the company. Because it depends on the customer how long the company will remain on the market.

The Bank using the highest quality strategy, will become a noticeable and appreciated by customers. Because nowadays the client is looking for a service provider providing a service of the highest quality. On the other hand, the study's findings indicate that the examined banks in many respects do not meet fully the requirements posed to them by customers. As a reason for this phenomenon one can point to the current situation on the banking market. Banking services are one of the fastest growing sectors of the Polish economy and bank managers strive to be able to stand out from the competition, which set goals or make promises that they are not able to realize. As a result, the services expected and actually provided vary considerably.

The research shows that customers expect from the bank above all fast service and as much as possible to ensure privacy when making a transaction. Thus the bank as a service company in this segment should make the biggest steps. To focus on those aspects that are relevant to the customer. Neat and well-groomed appearance of employee does not overshadow customer dissatisfaction arising from long waits for service. In order to achieve a strong market position the company should constantly monitor the needs and expectations of customers and constantly strive to meet them.

Nowadays, customer is looking for a service provider providing the service at the highest level. Therefore, the success of the banks consists in the adjustment of their operations in order to meet customer needs in such a way that it felt satisfaction and contentment. A useful tool here are customer service quality standards applied by commercial banks. From the point of view of the bank, they are a useful tool for enhancing turnover, but from the perspective of the customer they provide the high level services. The bank can focus its attention on areas that are less important to the customer, which cannot see the actual needs and expectations of consumers.

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