

A Study on Impact of Service Quality Factors Customer retention through Commercial Banks in Virudhunagar District

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Abstract: *Some of the research work conducted in this area is led to undertake an aspect that has not been much identified. The research literature reviewed so far shows that the customer retention is a very interesting and important topic in the service industry especially in banking industry. Service quality is usually understood as a measure of how well the level of the delivered services matches customer's expectations (Santos, 2003). Most of the Indian Banks perform the same function & therefore customers place service quality on the top in their priority list while choosing a particular bank. Therefore, banks prosper or decline majorly depend on the quality service offered to the customer and due to this reason majority of the banks in India have placed service quality at the top of the list of business strategy. For this study the researcher have chosen six commercial banks out of 10 public sector banks and 04 private banks working in the Virudhunagar district (Tamilnadu) India. The customers of these banks are considered as respondents of the study. It is descriptive because descriptive data were collected through detailed customer survey and interviews. It is also explanatory since it tried to explain the relationship between the service quality in banking and customer retention, also realized that for better understanding of the relationship between service quality and customer retention. The researcher have used a judgmental sampling method to select samples for the study. In this research the researcher have selected 120 respondents to obtain required primary data. Service quality is commonly noted as a critical prerequisite for establishing and sustaining relationship with valued customers. Several studies have shown that a high level of customer service quality can exert a positive influence on customer satisfaction and retention. Therefore, customer retention is considered here as dependent variable and it depends upon service quality of commercial banks.*

Keywords: Customer Retention, Service Quality, Commercial Banks

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