

**AN ASSESSMENT OF THE FACTORS THAT DETERMINE  
CUSTOMER SATISFACTION IN A THRIFT BANK**



**A Thesis  
Presented to  
The Faculty of the Graduate Studies of Business  
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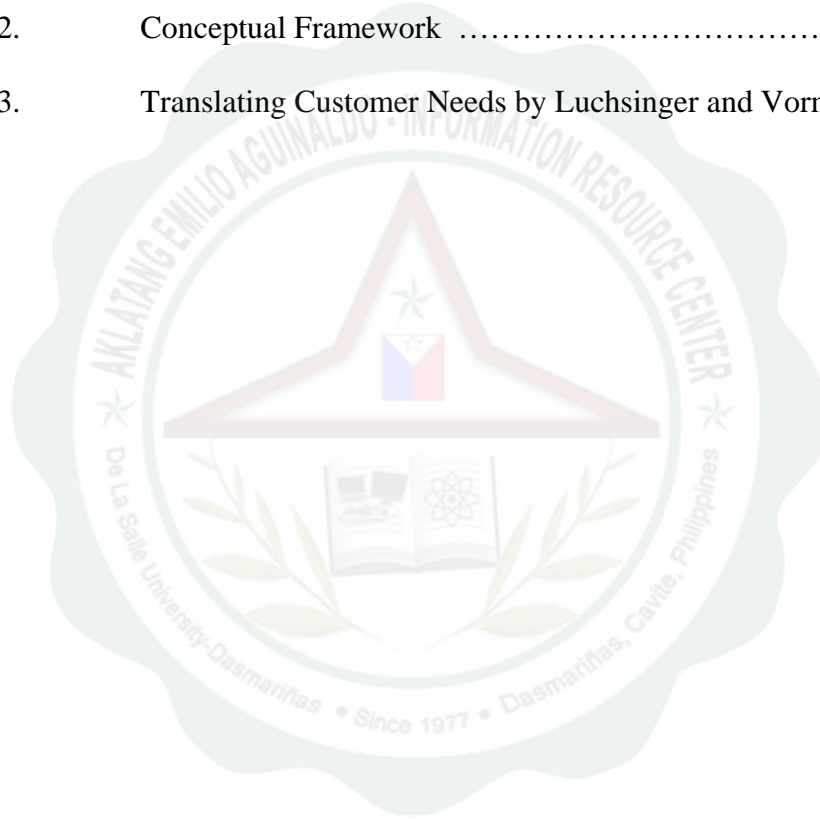
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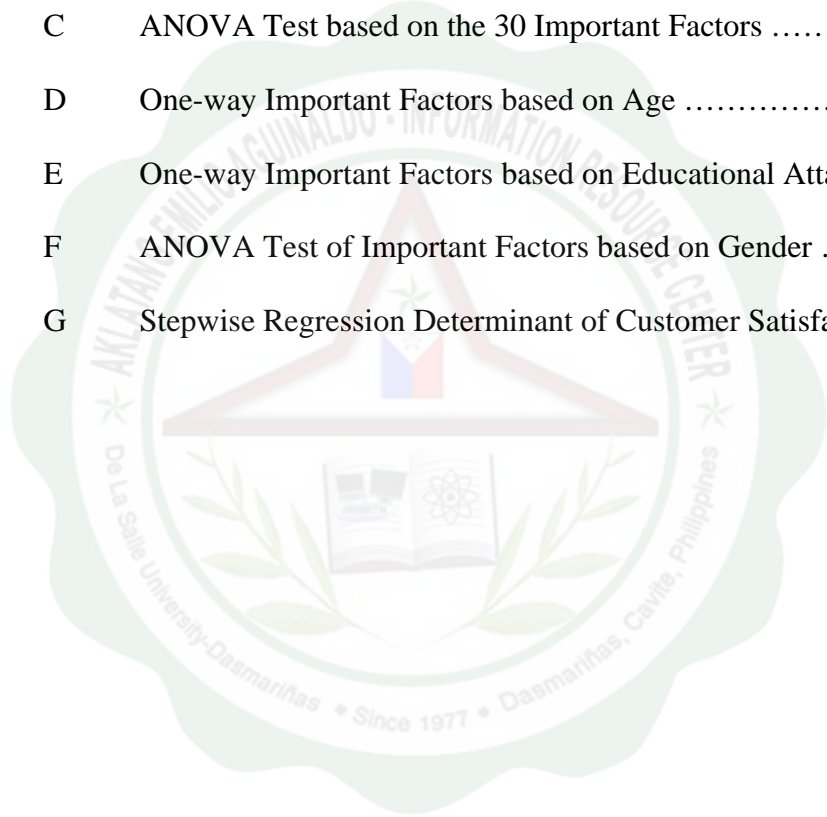
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## ABSTRACT

Title: An Assessment of the Factors that Determine Customer Satisfaction in a Thrift Bank

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### Summary:

The study assessed the important factors that affect customer satisfaction in a thrift bank. The researcher proposed the theoretical framework called the European Performance Satisfaction Index (EPSI) Model on customer satisfaction based on service delivery, product quality, image and expectations in a business environment. An improvement of the EPSI Model was used in this research where service quality and product features are the foci in determining customer satisfaction in the banking industry. These two factors were proven to be useful in gauging satisfaction as perceived by bank customers in previous studies. To answer the problems posed, the research used descriptive design and quantitative method to determine the importance of service quality dimensions namely, assurance, reliability, empathy, tangibles and responsiveness, and



product features, together with their respective factors or attributes, to customer satisfaction.

The results of this study showed that: a) the clients' socio-demographic background is relevant to how they perceive the most important factors in their banking needs. Older people give more importance to the reliability and assurance factors of bank. As compared to the less educated segment, the more educated group demands superior banking services in all areas especially when it comes to reliability and empathy. Females give more importance to all the dimensions and product features than the males. b) All the service quality dimensions and product features are important to customer satisfaction. However, some factors are deemed very important by the customers and they usually give more value to human skills of the employees than the other quality dimensions of the bank. c) There are significant differences in the satisfaction level of customers of the Thrift Bank among the variables when grouped according to service quality and product features. Customers of the Thrift Bank have the most satisfaction on the empathy factors of the bank but scored the lowest when it comes to reliability. d) Products features and reliability of service were found to be the key determinants of customer satisfaction. It is in these areas where the bank can attract new customers and maintain their loyalty.

Recommendations were made to improve product features and reliability. By giving priority to improve these areas, the Thrift Bank can expect

to gain and maintain new customers thereby increasing revenues and strengthening its financial stability.

