

**THE IMPORTANCE OF CUSTOMER SERVICE IN THE BANKING INDUSTRY;
THE CASE OF ECOBANK GHANA LIMITED**

BY

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CERTIFICATION

I hereby declare that this submission is my own work towards the CEMBA and that, to the best of my knowledge, it contains no material previously published by another person material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

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ABSTRACT

The aim of the research is to critically analyze the importance of customer service in the Banking Industry, a case study of Ecobank Ghana Limited, Tema. The six (6) branches selected were Tema main, Community Six, Gyau Towers, Safebond, Long Room and Tema Mail.

In conducting the research a convenience research sampling method/procedure was adopted to select the sample size from which data was obtained. Questionnaires and interviews were used to gather data on the activities of Ecobank Ghana Limited on customer service. The data gathered were coded, analyzed with the necessary conclusions, recommendations and suggestions for future research presented.

The study revealed that, Ecobank Ghana Limited provides excellent banking services to its retail and corporate customers, further more customers complaints are welcome by lodging them through their website, suggestion box, customer complaint unit, branch manager and customer service representatives.

Recommendations have been made to address and enhance customer service delivery in order to achieve excellent services.

Suggestion for future studies was given that a large number of customers may leave hence the need for Ecobank Ghana Limited to seriously step up its research into why customers keep another account at other banks and address their shortfalls as quickly as possible.

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LIST OF ACRONYMS

- ❖ Acronym 1 ATM - Automated Teller Machine
- ❖ Acronym 2 EGH - Ecobank Ghana Limited
- ❖ Acronym 3 SPSS - Statistical Package for the Social Sciences
- ❖ Acronym 4 MNC - Multinational
- ❖ Acronym 5 RC - Regional Corporation
- ❖ Acronym 6 PS - Public Sector
- ❖ Acronym 7 IO - International Organizations
- ❖ Acronym 8 FI - Financial Institutions



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CHAPTER ONE

INTRODUCTION

1.1 Chapter Summary

This Case Study focuses on how Ecobank Ghana; a subsidiary under the Ecobank group keeps its competitive edge by making sure it provides not just good, but excellent, customer service. The chapter briefly introduces the concept under study. It clearly defines the case study based on extensive reviews from numerous writers and sets the ball rolling for an insightful study. It mainly highlights the methodology applied, objectives of the subject as well as setbacks hindering the actualisation of this area under study.

1.2 Background to the Study

Undoubtedly most industries and businesses persistently endeavour to maximize customer value. Nonetheless this has globally become the hub of marketing for every organization or industry. In as much as possible for any company to probably reach this end would require the need to achieve absolute customer satisfaction through offering incomparable services to customers. Indeed Customer service is the ability to identify the needs of customers and meeting those needs beyond their expectation within the shortest possible time. In this light the focus of marketing is to address the customers' needs, wants, preference and attitudes. Arguably, marketing concepts posit that the right avenue to start the search for new products ideas are the customers' needs and wants Kotler (1991). Indeed, the success of any organization depends

largely on the extent to which that organization could integrate its knowledge about the customers' needs, wants and preference with its own creative capacity and skills. Consequently, competitive edge is secured through intelligent identification and satisfaction of customers needs better and sooner than competitors and sustenance of customer's satisfaction through better customer service tools.

According to Fornell,(1992) ; Levesque and McDaugall (1996) Customer's satisfaction holds the potential for increasing an organization's customer base, increasing the use of more volatile customer mix and increasing the organization's reputation. To achieve customer satisfaction

which is key and crucial to the survival of the organization, attention needs to be focused on the lifestyle and needs of the customer. Indeed, customer service is the provision of services to customers, before, during and after a purchase. Zeithaml and Bitner (2003) defined customer service as a series of activities designed to enhance the level of customer's satisfaction where that product or service has met customer's expectation.

Customer service varies by product, industry and customer. It however, assume important dimension in service delivery and sales of product. This is because service firms such as banks have to retain their customers and win new ones if they are to remain in the market.

Nevertheless, it is a requirement for corporation survival, profitability and growth if that service organization wants to hold its own in competition Oyeniyi and Abiodun (2008) The Ghanaian banking industry for one has witnessed significant rise in competition in recent years due to large deregulation policy of government and the advent of many credit and finance companies turning into banks.

Another complex dimension to the competitive trend in the Ghanaian banking industry is the ease and rate at which products and services are duplicated in the industry. This trend fosters a scenario of continuous fight for customers share and, an increasing need to build loyal customers through effective customer's service activities Mendzela (1999), Reicheld and Kenny (1990) put forward that loyal customers of service organizations tend to stay longer with the preferred providers and generate favourable word-of-mouth effect that may further benefit the preferred provider. Further, Gan et al. (2006) indicate that retaining a customer becomes a priority for most enterprises and there are compelling arguments for managers to carefully consider the factor that might increase customer's retention rate. In any case, the cost of creating a new customer has been estimated to be five times the cost of retaining an existing customer Reichheld (1996).

Nowadays, more companies are recognizing the importance of satisfying and retaining customers. Satisfied customers constitute the company's relationship capital. If the company were to be sold, the acquiring company would have to pay not only for the plant and equipment and the brand name but also for the delivered customer base, namely the number and value of the customers who would do business with the new firm.

This research therefore seeks to find out the importance of customer service in the banking industry, evidence from Ecobank Ghana Limited.

1.3 Problem Statement

According Petasis and Opoku-Mensah (2009) the banking industry in Ghana continue to attract, retain and maintain qualified personnel to fill their most sensitive positions to have customer confidence, credibility, and trustworthiness and be more attractive to customers. If these claims

are to hold, then it is worth investigating the importance of customer service in the Ghanaian banking industry.

1.4 Objectives of the Study

It has been recognized that effective customer service creates a niche for an organization in terms of customer satisfaction and retention amidst intense competition from others providing the same service. The researcher intends to achieve the over-arching aim of the study by examining the following specific objectives:

- To examine the nature of customer service practices of Ecobank Ghana Limited.
- To evaluate the customer attitude towards Ecobank Ghana Limited.
- To make recommendations of feasible options that can help Ecobank Ghana Limited to institute better customer service practices.
- To find out the product range Ecobank Ghana has for its customers.
- To find out whether customers are satisfied with the product available in Ecobank Ghana Limited.

1.4.1 General Objective of the Study

The ultimate goal of this study is to properly situate the importance of customer service as one of the strategic tools that can help many financial service institutions to always stay ahead of the rest.

1.5 Research Questions

The research questions this study seeks to answer are:

- What is the nature of customer service practices in the banking industry of Ghana?
- What is the nature of customer attitude to Ecobank Ghana Limited's banking services?
- What are the probable recommendation options that may be available to Ecobank Ghana Limited to institute better customer service practices?
- What are the various products ranges Ecobank Ghana Limited offer to customers?
- Are customers satisfied with products available in Ecobank Ghana Limited?

1.5.1 Hypothesis

Ho: Customer service is not an important element in the financial service industry.

Hi: Customer service is an important element in the financial service industry.

1.6 Significance of the Study

This study empirically examines the importance of customer service in the banking industry. Indeed, an efficient customer service holds the key to overcoming the stiff competition in the banking industry in Ghana. Not only this but also, customers will be galvanized to advertise the products of that bank through word-of-mouth. These could be achieved if the bottlenecks

associated with effective customer service delivery are reduced to the barest minimum if not totally eliminated.

It is against this backdrop and stiff competition that this study attempts to find out;

Firstly, the nature of customer service of Ecobank Ghana Limited, problems faced by customers anytime they come to transact business at the bank.

Secondly, to examine the needs and wants of customers and perhaps arouse the feasible options to institute better customer service practise and evaluate customer attitude in Ecobank Ghana Limited.

Furthermore, this work would contribute to knowledge in the area of product range and whether customers are satisfied with the product available at EGH. The underlying reasons for studying customers of Ecobank Ghana Limited is because the bank in recent past won the best customer service in three continues times. However, despite strive for perfection in customer service against its competitors, the stiff competition from others have taken over. This study would help establish the framework for policy direction to rake in more customers for Ecobank Ghana Limited and it's like in Ghana.

1.7 Scope and Limitation

Although there are 52 Ecobank branches in Ghana this study will focus on the Tema Safebond Branch. The proximity and time period allocated to this study would not allow for an extensive and detailed research into the topic. In spite of these limitations, it is hoped that, this work would provide very useful insights into the area of customer service and its importance in the bank.

Conscious efforts would be made to get all relevant information. To be able to consider any sources as reliable it should have the ability to measure and obtain similar scores for the same object, trait or construct across different evaluators, or across the items forming the measure. (Churchill and Brown, 2004).

1.8 Validity and Reliability

Churchill and Brown (2004) have research postulate in their book that describes the meaning of validity and reliability as “Any scales or other measurement instrument that accurately measure what it was intended to measure is said to have validity”. Validity refers to correctness whereas reliability insists on consistency.

The data for this thesis should therefore be valid and reliable. Because of this reliable data would be sorted from both primary and secondary data source.

1.9 Organization of the Study

This study will be organized into five chapters.

Chapter 1 will be ***Background and Introduction*** which will entail the background to the study, problem statement, rational, objectives, research questions and hypothesis as well as significance, scope, potential limitation, validity and reliability and organization of the study.

Chapter 2 will be ***literature Review*** which will look at review of relevant *literature* to obtain details knowledge on the topic being studied.

Chapter 3 will focus on the ***Research Methodology*** to be employed in the study. This will involve research population, the sample frame and size, research instruments used, data collection tools, constraints and limitations of the research work.

Chapter 4 will cover the ***Findings and Discussions of the result or Analysis of Data.***

Chapter 5 seeks to summarise all the findings and draw ***Conclusions, Recommendations*** and Suggestions for future studies.

The project will end with Bibliography/References, a sample Questionnaire and Appendix.



CHAPTER TWO

LITERATURE REVIEW

2.1 Chapter Summary

The researcher will review existing literatures on customer service in the banking industry of Ghana. This chapter takes a look at the various variables that may influence important customer service amid fierce competition from the perspective of some writers and researchers. It starts with profile of the bank under study through to the importance and nature of the customer practices, Customer Satisfaction, Retention and Customer Loyalty, Customer Relationship Building and its practical implications for the study.

2.2 Importance of Customer Service

Service quality has been viewed as a significant issue in the banking industry by Stafford (1994). Since banking services are generally characterized with undifferentiated products, it becomes imperative for banks to strive for improved service quality if they want to distinguish themselves from the competition. Positive relationship between high levels of service quality and improved financial performance has been established by Roth and van der Velde (1991) and, Bennet (1992).

Similarly, Bowen and Hedges (1993) documented that improvement in quality of service is related to expansion of market share. In the current marketing literature, much attention on the issue of service quality as related to customers' attitudes towards services is focused on the

relationship between customer expectations of a service and the perceptions of the quality of provision. This relationship known as perceived service quality was first introduced by Gronroos (1982). Gronroos suggested that the perceived quality of a given service is the result of an evaluation process since consumer makes comparison between the services they expect with perceptions of the services they receive. Hence, he concluded that the quality of service is dependent on two variables: expected service and perceived service. Parasuraman et. Al (1985) considered that a customer's assessment of overall service quality depends on the gap between the expected and perceived service. Thus, the key to managing perceived service quality is to minimize this gap. Zeithaml (1988) defined perceived service quality as the customers' assessment of the overall excellence of the service.

Cina (1990) posited that for a smooth implementation of customer care programmes, specific conditions must be set, done and fulfilled. These are: total staff involvement, support from top management, outlining customer requirements and obligations, adherence to set down principles and modes of measuring the set goals.

❖ Total Involvement Of Staff

The entire staff in the organization must be committed to the programme. The management needs to adopt an internal marketing approach and sell the benefits of such a programme to staff to motivate them to give off their best towards the successful implementation of the programme.

❖ Support From Top Management

Top management must be committed and support the customer care programme by ensuring its effective implementation. Management must also encourage and support training through study leaves and excuse duty to supplement the internal training being offered.

❖ Outlining Customer Requirements And Obligations

Customers differ in the sort of products or services they choose to satisfy their needs and want.

❖ Customer Orientation

A relationship of trust must be built between the customers and suppliers for the quality that exists.

❖ Adherence To Set Done Procedures

Procedures need to be strictly adhered to and administered through all management technique and monitored.

❖ Measurement

It is important to measure the service quality, since it is the only way of revealing how successful or unsuccessful the customer service programme has been.

There is also the need to ensure total quality management of customer care. This calls for combining the satisfaction of customer needs with the achievement of company objectives, thus making it possible for organizational objectives to be met through strategic operations that go to satisfy customer needs.

From the available literature, one sees a clear picture of customer service as a fundamental motivating factor behind the success of most financial institutions. At the same time, it appears those who treated customer service lightly many not reap the full benefits.. The current study is thus, well positioned to examine the extent to which the scenarios painted in the available literature are supported within the context of Ecobank Ghana Limited in Ghana.

As Cina (1990) rightly put it; for a smooth implementation of customer care programmes, specific conditions must be set, done and fulfilled. These are: total staff involvement, support from top management, outlining customer requirements and obligations, adherence to set down principles and modes of measuring the set goals. Think about it. In furtherance to these assertions, Cina (1990) asked questions such as;

- When was the last time you didn't have to wait forever in line because the cashier was busy talking to her friend or making so many mistakes that she had to re-ring the same purchase two or three times?
- When was the last time you were able to return merchandise without having to sign over your first born?
- When was the last time you were able to reach a real person on the phone when you called a company with a complaint or even just a simple question? The truth is the American buyer is absolutely starved for customer service. So what constitutes good customer service?

The answer is not that difficult. Here are some basic starting points for every business to use in refining and improving customer service. Remember that every customer base is both internal and external. As a business owner you must realize that you have a direct impact on

the service that your customers receive; even if you do not directly deal with those customers yourself. Employees are your internal customers. They will impact your company's external customers; the people that purchase your goods or services. If you, as an employer treat your employees poorly it is more than likely they will pass that treatment on to the customer. However, if you treat them fairly, with courtesy and tact that is how they will probably treat customers.

2.3 Nature of the Customer Practices

Kotler (2003) defined service as “any activity or benefit that one party can offer to another which is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product” Kotler (2003). Indeed, once services are produced, they are consumed simultaneously. It is therefore important for service providers to seek the satisfaction of their customers if they are to increase their customer base.

A service cannot be seen, touched or displayed. A customer may purchase a particular service but typically has nothing physical to display as a result of the purchase. Bowen and Schneider (2001) stated that intangibility arises because a service is essentially a process or an experience rather than a physical object which the customer can possess. Customer's satisfaction holds the potential for increase in an organization's customer base, increase the use of more unpredictable customer mix and increase the organization's reputation (Fornell, 1992, Levesque and McDaugall, 1999). One path to achieving customers' satisfaction is through effective customers' service. Customer service is the provision of service to customers, before, during and after a purchase. Zeithaml and Bitner (2003) defined customers service as a series of activities designed

to enhance the level of customer's satisfaction, that is, the feeling that a product or service has met customer's expectation.

Reicheld and Kenny (1990) make a case that loyal customers, from cost perspective tend to stay longer with the preferred providers, buy more and generate favourable word-of-mouth effect that may further benefit the preferred provider. A customer may, however, graduate from being a client; to supporter and finally an advocate. It has been proven in the literature that, there is a link between customer loyalty and organizational profitability (Reicheld, 1996). Some of the concepts that have been used to explain why customers leave or stay with an organization are customer satisfaction which hinges on customer service. All successful companies must learn how to retain customers even when the customers appeared satisfied with the service provided. According to Reicheld (1996), there are strong arguments for management to carefully consider the range of factors that increase customer encouragement and retention rates. There are a number of studies, supporting customers' encouragement and retention. However, there is little empirical research undertaken as far as can be ascertained to investigate the build-ups that explain the use of customer service as a tool for competitive edge. A number of studies focused on identifying some of the build-ups that are thought to be antecedent to customer behavioural pattern and developing a measure of customer satisfaction, customer value and customer loyalty without examining other potential build-ups

2.4 Customer Satisfaction, Retention and Customer Loyalty

Many of the research in customer retention and customer exit investigate the processes separately without linking the two processes together (Colgate and Norris, 2001). Gan et al.

(2006) argue that most banks in the financial service sector choose not to engage in price but rather make use of service as an effective competitive tool. In this light, Colgate and Varki (2001) argued that nothing can replace quality service. Quality service as perceived by the customer has an effect on the perceived value of the service rendered (Gan et al., 2006). Once customers are satisfied with the service of a particular organization, the propensity to stay and lure other potential customers is high. Customers normally set objectives in respects to measuring a desired value (Spreng et al., 1996). The customer value hierarchy suggests that desired value is composed of a preference for specific and measurable dimensions, the attribute performances, and consequences linked to goals for use situations. Desired values, in turn, guides customers when they form perceptions of how well or poorly a product has performed in the use situation (Oyeniya and Abiodun 2008). Chong et al. (1997) found that both customer satisfaction and customer perception of service quality were important predictors of attitude loyalty, but that satisfaction had the strongest relationship with the loyalty construct.

Indeed, it was found that service organization employees form particularly close relationship with customers because employees and customers often work together in the creation of many services. This is so where services are produced by employees and consumed by customers simultaneously (Lovelock, 1980). In addition, because of the intangibility of services, customers often rely on employee's behaviours in forming opinion about the service offering (Gronroos, 1984). As a result, employees actually became part of the service in the customers' eyes.

Similarly, repurchase intentions were positively influenced by satisfaction across product categories and that customer were more likely to be retained as satisfied. To achieve customer satisfaction and loyalty, Oliver (1999) maintains that all service encounters offer an opportunity to provide superior service quality and distinguish the firm from its competitors. Changing

customer preferences and spending patterns will influence consumer's behaviour, for example, it was found that banks customers transferred their account to alternative providers because of lifestyle changes, such as marriage or moving house.

In contrast, Riggall (1980) confirmed that the convenience factor is the most important for bank customers, followed by friend's suggestions and low service charges. Lewis (1991) indicated that convenience and recommendation by friends and family were the most decisive bank selection criteria.

In the face of high levels of competition among the various banks necessitate adoption of different customer service techniques to satisfy and retain the customer (Oyeniya and Abiodun 2008). Clearly, the effectiveness of the level of customer service will enhance customer retention; reduce switching between and among service providers and serve as the edge over other competitors.

In the past customer retention strategy was just one weapon to use against competitors and was downplayed because marketing professionals focused primarily on attracting new customers. However, firms that continue to acquire new customers but are unable to retain them are unlikely to see positive results and customer retention has become essential to survival. Indeed, the relationship between the customers and the banks seems to be built around two different types of factors: social bonds, namely relational components that result in direct relationships, and structural bonds, namely structural components which provide knowledge about the parties involved.

According to Patterson and Spreng, (1998) the services market is becoming ever more competitive, as price competition intensifies and the shifting of loyalty becomes an acceptable practice. Many industries have already experienced a rearrangement of marketing budgets in order to devote more resources to defensive marketing, namely customer retention. Several initiatives have been undertaken to improve retention, including value chain analysis, customer satisfaction and loyalty programmes (Gummerson, 1998).

The customer satisfaction-retention link has received more attention among marketing and management practitioners and academics. Customer satisfaction has long been regarded as a “proxy” for firm success since it is inextricably linked to customer loyalty and retention. Several authors (Bloemer and Lemmink, 1992; Bloemer and Kasper, 1995; Sharma and Patterson, 2000) highlighted, however, that the link between customer satisfaction and customer retention is reliant, to some extent, upon other factors such as the level of competition, switching barriers, proprietary technology and the features of individual customers. The relationship between these two key constructs is considered to be far more complex than it might first seem (Fournier and Mick, 1999). Satisfaction has a significant impact on customer loyalty (Sharma and Patterson, 2000) and, as a direct antecedent, leads to commitment in business relationships (Burnham et al., 2003), thus greatly influencing customer repurchase intention (Morgan and Hunt, 1994). Indeed, the impact of satisfaction on commitment and retention varies in relation to the industry, product or service, environment, etc. However, customer commitment cannot be dependent only on satisfaction (Burnham et al., 2003). Relational switching costs, which consist in personal relationship loss and brand relationship costs and involve psychological or emotional discomfort due to loss of identity and breaking of bonds (Burnham et al., 2003), have a moderating effect on

the satisfaction –commitment link (Sharma and Patterson, 2000). Since relational switching costs represent a barrier to exit from the relationship, they can be expected to increase the relationship commitment. High switching barriers may mean that customers have to stay (or perceive that they have to) with suppliers who do not care for the satisfaction created in the relationship. On the other hand, customer satisfaction is usually the key element in securing repeat patronage; this outcome may be dependent on switching barriers in the context of service provision (Jones et al., 2000). In fact, in certain conditions, a customer might be less than satisfied with a service supplier, but still continue to deal with it because the costs of leaving are perceived to be too high. Thus, the so called loyalty programmes clearly are an example of programmes designed to weaken switching barriers. Indeed, if the firm is able to manage the customer switching costs, it can still retain the customer even though the satisfaction may be lower. The longer the relationship, the more the two parties gain experience and learn to trust each other (Dwyer et al., 1987). Consequently, they may gradually increase their commitment through investments in products, processes, or people dedicated to that particular relationship. Moreover, a switch in suppliers involves set-up costs and termination costs; the former include the cost of finding another supplier who can provide the same or better performance than the current supplier or the opportunity cost of foregoing exchange with the incumbent, while the latter include the relationship specific idiosyncratic investments made by the customer that have no value outside the relationship (Dwyer et al., 1987). Since a degree of social interaction between the provider and the customer is often required for the service to be “manufactured”, the theoretical foundations for the study of switching costs in a service context can be found in social exchange theory (Emerson, 1976). In fact, service encounters can be viewed as social exchange with the interaction between service provider and customer being a crucial component of satisfaction and

providing a strong reason for continuing a relationship (Barnes, 2002). Social exchange theory attempts to account for the development, growth and even dissolution of social as well as business relationships. In other words, people (or businesses) evaluate their reward (cost) ratio when deciding whether or not to maintain a relationship. Rewards and costs have been defined in terms of interpersonal (e.g. liking, familiarity, influence), personal (gratification linked to self esteem, ego, personality) and situation factors (aspects of the psychological environment such as a relationship formed to accomplish some task).

In a services context, considering the level of interpersonal contact needed to produce services, there is a range of psychological, relational and financial considerations that might act as a disincentive for a hypothetic change of service providers. Consistently with the switching costs literature, social capital acts both as a barrier that makes it more difficult or costly (psychological, relational, economic) to change service provider (Patterson, 2004), and as an influence, created by the endogenous and contextual interactions, that is distinct ways that consumers might be influenced by their social environments.

Without a doubt, social capital has been conceptualized in many different ways (for example, Coleman 1994; Serageldin, 1999). Putman (2000) defines it as a representation of the norms of reciprocity and trustworthiness that arise from social relations, while the Organization for Economic Co-operation and Development [OECD] (2001, p. 23) perceives social capital as “the resources gained through social ties, membership of networks and sharing of norms”. Therefore, informal networks of social support, including relatives, friends and other extra household connections such as a supportive community, have value. These networks constitute a locus of access to resources; which in turn determine socio-economic outcomes (Collier, 1998).

Moreover, social capital has also been indicated as the primary factor in the success – high rates of credit repayment – enjoyed by banks and other credit institutions based on the “peer lending model” (Banerjee, 1998).

Given that most studies using the social capital framework are from poor developing countries where the ideal of “community” is prized, it is not clear whether participating in an informal network of social support will have similar effects on performance within the context of an advanced-market economy, especially in those countries like the United States, where individual advancement has a significant value. Moreover, previous research has not revealed whether certain aspects of participating in an informal network of social support are more likely to influence economic performance than others; neither has it revealed the nature of these impacts.

In addition, there are few studies specifically focused on the relationship between informal networks of social support and saving outcomes of low-income individuals and households. The satisfaction is yet another important trait which must be taken in to account when shaping the overall loyalty of the customers towards their service providers. In banks, the customers ask themselves about the level of the services and decide about the lack of importance given to them and decide about repurchase behavior after using the services. The level of satisfaction is always high when the customer gives minimum price and gets maximum of usage and profit (Jamal and Kamal, 2004). Dissatisfaction usually occurs when the pricing issues are not suiting the needs of the customers. In banking industry also, the interest rates on loans and charges on the usage of online services such as ATM machines and the processing fee is a major bone of contention between the bank and its customers. If the customer thinks that the charges are more than the needs he churns. The customer initially tries to compromise with the bank but at a certain point

he decides to defect. Nowadays, it has become too easy to open an account in any other bank so the switching cost is also minimal. These all factors help customers to switch from the current bank.

Bowen and Chen (2001) pointed out that a small increase of customer satisfaction leads customer loyalty dramatically. The current study finds that customer satisfaction has a large positive correlation with customer loyalty in the retail banking sector in Bangladesh. (Kandampully and Suhartanto 2000) supported this relationship. The strong positive correlation of customer satisfaction and customer loyalty means that the bank customers will recommend the bank to other people. As a consequence, the banks can be assured of a loyal and stable customer base, thereby reducing the cost.

According to Surprenant and Churchill, (1982) Customer Satisfaction is one of the most important outcomes in the marketing literature. It serves to link processes culminating purchase and consumption with post purchase phenomena such as attitude change, repeat purchase, and brand loyalty. This definition is supported by Jamal and Naser (2003) and Mishra (2009). As postulated Oliver (1980), the customer satisfaction model explains that when the customers compare their perceptions of actual products/services performance with the expectations, then the feelings of satisfaction have arisen. Any discrepancies between the expectations and the performance create the disconfirmation. Oliver (1980) identified three types of disconfirmation. They are:

- ❖ Positive disconfirmation occurs when Product/service performance > expectations. In this case, the customers are highly satisfied.

- ❖ Negative disconfirmation occurs when Product/service performance < expectations. In this case, the customers are highly dissatisfied.
- ❖ Zero disconfirmation occurs when Product/service performance = expectations.

Based on the above literature and definition of satisfaction, Giese and Cote (2000) identified the following components of satisfaction:

Customer satisfaction is one kind of response (cognitive or emotional) finding is contrasted with previous research by Blodgett and Wakefield (1999), but supported by Parasuraman *et al* (1991). Most of the researchers found that service quality is the antecedent of customer satisfaction (Bedi, 2010; Kassim and Abdullah, 2010; Naeem and Saif 2009; Balaji, 2009; Lee and Hwan, 2005; Parasuraman *et al* 1988). Yee *et al* (2010) found that service quality has a positive influence on customer satisfaction. On the other hand, Bitner (1990) and Bolton and Drew (1991) pointed out that customer satisfaction is the antecedent of service quality. In 2004, Beerli *et al* supported this finding. Beerli *et al* mentioned a possible explanation is that the satisfaction construct supposes an evaluative judgment of the value received by the customer. This finding is contrasted with most of the researchers.

Empathy shows the highest positive correlation with customer satisfaction in the current study. The core concept of empathy is employee-customer interactions. Therefore, managers would be well advised to emphasize the employee training programmes so that they can offer personalized service. The main aim should be to develop a long-term relationship with the customers. The current study demonstrates that there is a large positive correlation between customer satisfaction and customer loyalty. That means that if the customers are satisfied then they will become loyal. Jones and Sasser (1995) argue that there is a huge banking sector in Bangladesh?" Reichheld

(2006) put forward that companies with the highest customer loyalty typically grew revenues at more than twice the rate of their competitors.

Chaudhuri and Halbrook, (2002) proposed the concept of customer loyalty has received much consideration and attention from both academics and practitioners in different industries. In increasingly competitive markets, being able to build consumer loyalty is seen as the key factor in winning market share and developing a sustainable competitive advantage. Banking industry is no exception as it has high interaction with the customers, so managers must understand the factors which influence the loyalty of the customers towards their respective banks. It is always costly to attract new customers, so the managers always try to find ways to retain their current customers and concentrate on different factors which enhances the customer loyalty among the customers of the organizations. During the past decade, the financial service sector has undergone drastic changes, resulting in a market place which is characterized by intense competition, little growth in primary demand and increased deregulation. In order to increase customer loyalty, many banks have introduced innovative products and services (Alam and Khokhar, 2006). Marketing success product and service attributes which increase loyalty and share of wallet.

According to (Beerli et al., 2004) the factors which have influenced the customer loyalty in banking industry have been selected which are perceived quality, satisfaction and switching cost. Banks begin to realize that no bank can offer all products and be the best/leading bank for all customers. They are forced to find a new basis for competition and they have to improve the quality of their own products/services (Zineldin, 1996; Olsen, 1992). A bank has to create the customer relationship that delivers value beyond the provided by the core product. This involves

added tangible and intangible elements to the core products, hence creating and enhancing the "product surrounding".

As defined by Jones et al. (2002), a switching barrier is any factor that makes it difficult or costly for customers to change providers. Another brand loyalty determinant is known as switching costs, which can be defined as the technical, financial or psychological factors which make it difficult or expensive for a customer to change brand (Shergill and Bing, 2006). For this reason, a switching cost can be seen as a cost that deters customers from demanding a rival firm's brand (Aydin and Ozer, 2005). It can be defined as the technical, financial or psychological factors which make it difficult or expensive for a customer to change brand (Selnes, 2007).

When the costs of switching brand are high for the customer, there is a greater probability that the customer will remain loyal in terms of repeat purchase behavior, because of the risk or expense involved in switching and because of the accompanying decrease in the appeal of other alternatives (Kon, 2004).

Singh and Sirdeshmukh (2000) suggested the customer loyalty as "the market place currency of the twenty-first century". Ndubisi (2005) and Pfeifer (2005) suggest that the cost of serving a loyal customer is five or six times less than a new customer. This statement shows the importance of customer loyalty. Walsh *et al.* (2005) mentioned that it is better to look after the existing customer before acquiring new customers. Gee *et al.* (2008) stated the advantages of customer loyalty are as:

- ❖ The service cost of a loyal customer is less than new customers
- ❖ They will pay higher costs for a set of products; and
- ❖ For a company, a loyal customer will act as a word-of-mouth marketing agent

Foss and Stone (2001), postulate that customer loyalty relates to what customers think and do (or try to do). Most customer loyalty experts would agree that loyalty is best defined as a state of mind, a set of attitudes, beliefs, desires etc. Loyalty is developed by approaches which reinforce and develop a positive state of mind and the associated behaviours. The exchange of information is one of the keys of loyalty, and provides a critical bridge between state of mind and behaviour. Loyal customers are more likely to give information to the service provider (because they trust the service provider and expect from the service provider to use the information with discretion and to their benefits). Managing loyalty is important because it means not only managing behaviour but also managing a state of mind. Dick and Basu (1994) and Bloemer *et al* (1998) stated that most research on customer loyalty has focused on brand loyalty; on the other hand, a limited number of researches on customer loyalty have focused on service loyalty.

Bloemer *et al* (1998) argued that the findings in the field of brand loyalty did not generalize to service loyalty for the following reasons:

- Service loyalty is dependent on the development of interpersonal relationships as opposed to loyalty with tangible products.
- In case of services, the influence of perceived risk is greater.
- Value is created by satisfied, loyal and productive employees
- Employees' satisfaction, in turn, results primarily from high quality support services and policies that enable employees to deliver results to customers.

Heskett *et al* (1997) put forward that in service settings, the relationships were self reinforcing.

That is, satisfied customers contributed to employee satisfaction, and vice versa.

The satisfaction is not an essential requirement for loyalty, so satisfied customers do not have to be loyal but there is a correlation between the satisfied customers and loyal customers. Sometimes unsatisfied customers are also loyal due to attachment and commitment with the supplier. And satisfied customers, if lack the trust commitment and attachment with the suppliers products and services will always deflect once they find a competitor with better quality of products and services. This type of loyalty is sometimes called False Loyalty in which unsatisfied customers remain loyal to their suppliers. The reason for this false loyalty is the factors due to which the customer feels hurdles and obstacles in his/her way, which stops him/her from switching or choosing another supplier. These hurdles are called switching costs. In today's technologically advanced world and due to arrival of internet, it's much more difficult to retain a customer.

A concept which is very closely related with satisfaction and loyalty is perceived quality, and the differences between these have not always been very clearly defined. They have been used on occasion in an indistinct manner. In an attempt to clarify the distinction between satisfaction and perceived quality, Anderson and Sullivan (1993) consider that satisfaction requires previous consumption experience and depends on price, whereas quality can be perceived without previous consumption experience and does not normally depend on price.

In the modern customer centric competitive arena, satisfaction, quality and loyalty prove to be key factors reciprocally interrelated in a causal, cyclical relationship. The higher the (perceived) service quality, the more satisfied and loyal are the customers. In particular, financial institutions (i.e. banks) realized the strategic importance of customer value and seem to be continuously seeking innovative ways to enhance customer relationships. In fact, as the offers of many

financial services are very similar and slightly differentiable, loyal customers have a huge value, since they are likely to spend and buy more, spread positive word-of mouth, resist competitors' offers, wait for a product to become available and recommend the service provider to other potential customers. In modern competitive environments services are gaining increasingly more importance in the competitive formula of both firms and countries. Globalised competition has stressed the strategic importance of satisfaction, quality and consequently loyalty, in the battle for winning consumer preferences and maintaining sustainable competitive advantages. In the service economy especially, these prove to be key factors reciprocally interrelated in a causal, cyclical relationship. As a result, the higher the (perceived) service quality, the more satisfied and loyal the customers (Petruzzellis, D'Uggento and Romanazzi, 2006).

Financial services in Italy have experienced several changes over the last decades with a growing attention to customer needs. Financial institutions (i.e. banks) realized the strategic importance of customer value and seem to be continuously seeking innovative ways to enhance customer relationships. During the 1980s marketing research became aware of the potential of relationship marketing and shifted focus to the development and maintenance of long term marketing relationships. Therefore, the traditional product-oriented bank became more and more customer-oriented, focusing on protecting and retaining actual customers' loyalty as the main source of competitive advantage. Traditional financial services providers have to work even harder to retain customers that they once took for granted. This is because customers have more choice and more control, long lasting and strong relationships with them are critical to achieve and maintain competitive advantages and, as a consequence, earnings. However, due to the similarity of the offers of many financial services, loyal customers have a huge value, since they are likely

to spend and buy more, spread positive word-of-mouth, resist competitors' offers, wait for a product to become available and recommend the service provider to other potential customers.

Furthermore, the increasingly competitive environment prevailing in the global market and rapid advances in customer intelligence technologies have led retail banks to look for new business and marketing models for realizing intelligence-driven customer transactions and experiences. Nowadays great attention is paid to all the bank-customer touch-points, aiming to optimize the interaction, towards affecting specific customer behaviour variables (satisfaction, loyalty, etc.).

The bank recognizes that customers' expectation/requirement/grievances can be better appreciated through personal interaction with customers by bank staff. Structured customer meetings (say once in a quarter) will give a message to the customers that the bank cares for them and values their suggestions for improvement in the customer service. Many of the complaints arise on account of lack of awareness among customers about bank services and such interaction will help the customers appreciate banking services better. As for the bank, the suggestion from customers would be a valuable input for revising its product and services to meet customer requirements.

Several researchers attempt to find the interrelationships between service quality, customer satisfaction and customer loyalty in the retail banking sector. Researchers argue that service quality and customer satisfaction are the predictors of customer loyalty (Tariq and Moussaoui, 2009; Han *et al.*, 2008; Ehigie, 2006). Veloutsou *et al.* (2004) found the positive relationship among service quality, customer satisfaction and customer loyalty in the banking sector in Greece. Caruana (2000) proposed a meditational model that links the service quality to the

service loyalty via customer satisfaction. Whereas Srinivasan (2007) says that these are two main categories of loyal customers. The first category is of loyal customers. Within the loyal category there are satisfied and un-satisfied customers.

2.5 Customer Relationship Building

We all know that building a relationship with our customers is an essential part of building a successful business. Some bigger companies bend over backwards to make sure their customers are happy, as they know making a customer feel at home with you will mean they often buy more. Making your customer trust you and feel a personal connection with you will mean they'll most likely choose you over a competitor they don't have a relationship with when it comes to them needing the service you offer. Grönroos (1991) defined the term of relationship marketing as “establishing relationships with customers and other parties at a profit, by mutual exchange and fulfillment of promises”. Gummesson (1994a) put forward that relationship marketing emphasizes a long-term interactive relationship between the provider and the customer, as well as long term profitability. Morgan and Hunt (1994) studied internal marketing and proposed the following: “Relationship marketing refers to all marketing activities directed toward establishing, developing, and maintaining successful relational exchanges” (p. 22). Buttle (1996) proposed that relationship marketing is concerned with the development and maintenance of mutually beneficial relationships with strategically significant markets. However, according Harker, the “best” in terms of the underlying conceptualizations of relationship marketing is Grönroos (1994). Woodruff (1997) argues that the concept of customer value suggests a strong link to customer satisfaction. Siles et al. (1994) argued that customers will be driven away by impersonal and unfriendly service. In other words, potential customers of the banks will not be

willing to be part of any bank whose staff adopts unfriendly posture. The relationship building approach should be a two-way dialogue between an organization and its customers. This should be characterized by efforts to find out and understand customers needs and expectations and how to satisfy them rather than an attempt to persuade and manipulate them (Oyeniya and Abiodun 2008). This view is supported by Mattson (1997) pointing out that relationship marketing involves interaction and mutual interdependence between the parties overtime. To build and maintain long-term business relationship involves making promises by both the marketing organization and the customer and it is imperative that these promises are kept to the end in order to ensure profitable business relations (Gronroos, 1989).

Customer friendly attitude is critical in building the two-way relationship that exists between the provider of the service and the customer. According to Tumi-Dei (2005), any effective customer service delivery depends on the relationship that exists between the service provider and the customer, especially after the interaction process. He argues that once one creates a positive image through body language, tone of voice, eye contact and hand gestures, customers are always encouraged and retained. Siles et al. (1994) argued that though customers have always been reluctant to switch banks, impersonal and unfriendly service will still drive them away. Customers are the most important resources for commercial banks. It is therefore crucial to develop customer-focused strategy and build up loyal customer relationships. Through a thorough understanding of customer needs and wants, customised products and services can be delivered. Customer relationship management (CRM) is a management concept developed according to the special needs of modern service industries.

Modern communication technologies affect the operational and business mode of commercial banks in a great deal of aspects. The wide use of the internet breaks up the limitations of different markets and requires banks to provide 24/7 financial services. The combination of electronic and traditional services provides a much wider platform. Banks are currently suffering from both economic recession and severe competition.

Selnes (1998) and Berry and Parasuraman (1991) identified trust as an essential element in maintaining and enhancing relationship between a buyer and a seller. Trust can be established through exchange of information, proactive resolution of complaints and conflicts, integrity and reliability. Indeed, relationship marketing seeks to establish and strengthen interaction between an organization and its customers by building everlasting bond with them. The overall objective is to increase long-term sales even though it also facilitates product or service repositioning, snatch customers from competition and assist in launching new products or services. The paramount purpose of relationship marketing is to establish, maintain and enhance relationship with customers that are profitable (Gronroos, 1993). Thus, it is important for relationship managers to scrutinize the best relationship which is worth the effort but how to detect the best relationship is the crux of the matter. Understanding the nature of the service one provides to customers allows for an appreciation of how the services provided are seen by the customers. According to Tumi (2005), in any customer service interaction, the perception of customers is crucial to one's ability to ensure that they are satisfied beyond expectation. This helps to give customers not what is obvious but also fulfil a multitude of less obvious customer needs (Tumi 2005).

Tumi (2005) further went on to propose four steps to determine the characteristics of service standards:

- Set service standards that are clear, concise, observable and realistic.
- Establish a target towards which all employees can focus their effort and strive for.
- Communicate expectations depicting what an excellent service is all about as this helps to eliminate any form of doubt about what one expects.
- Create a valuable management tool for recruiting profile, job descriptions and appointing decisions.

KNUST



CHAPTER THREE

METHODOLOGY

3.1 Chapter Summary

This chapter covers the research design, sampling procedures and techniques, study bank, population size, data collection and tools and data presentation. In order to do this, a questionnaire was designed and validated, then based on the data which was gained from the 60 respondents' answers to the designed questionnaire, the analysis was done and the results and the relations among the factors are explained. According to Saunders et al., (2010) response rates in business surveys are usually as low as 15 - 20% for postal surveys and also response rate of between 50 - 92% for questionnaire surveys and of 73 - 99% for telephone interviews. Therefore researcher asked the customer in the sample population of 70 to administer the questionnaires. Those who didn't want to participate mentioned the lack of time was the reason. The response rate in this research performing the above method of data gathering was calculated as 86 percent and this is because the questionnaires were given to respondents by the researcher by hand.

3.2 Profile of Ecobank Ghana Limited.

Ecobank Ghana Limited (EGH) is a subsidiary of Ecobank Transnational Incorporated (ETI). ETI is one of the leading regional banking Groups in Africa operating subsidiaries in more than 31 countries across West, Central, Southern and Eastern Africa.

Ecobank Ghana Limited (EGH) was licensed by the Bank of Ghana to operate in Ghana in 1989 as a merchant bank. The bank obtained a Universal Banking license in 2003 making it one of the few players to provide both Commercial and Investment banking services on one platform. The

mission of the bank is to provide our retail and wholesale customers with convenient, accessible and reliable financial products and service. Ecobank`s vision is to build a world-class pan-African bank and contribute to the economic development and financial integration of Africa. Operating for the past 20 years, Ecobank Ghana Limited (EGH) has undergone a lot of strategic transformations to become more competitive in its chosen markets.

Main shareholders include:



<u>Shareholder</u>	<u>% Shares</u>
Ecobank Transnational Incorporated (ETI)	87.47%
Ghana Reinsurance Company Limited	3.38%
Other institutional and individuals investors	9.15%

(EGH Files 2010).

Ecobank assists its customers with domestic and foreign-related services, emanating from exporters, importers, manufacturers, intermediaries, investors through-to private individuals. By means of its close working relationship with its principal foreign and local shareholders, the bank provides a bridge between the business community in Ghana and the rest of the world especially across the continent of Africa.

Majority of **EGH**'s customer services is provided to Small and Medium sized Enterprises, the corporate segment, the middle-class individual as well as selected group of institutions (banks

and non banks). **EGH** concentrates its managerial efforts and financial resources on growing and expanding its core functions.

3.2.1 Bank Products and Business Activities

Since its establishment the bank has continuously introduced bespoke products and services to meet the needs of its customers. **EGH** was the first to introduce Automated Teller Machine (ATM's) to provide 24-hour banking services to its customers in the Ghanaian Banking Industry.

Indeed, all the 52 existing outlets of the bank are networked, offering its customers the kind of online real time banking service, which enable customers to transact business conveniently at any branch. The Ecobank products also includes current account, it is a value added account that opens the door to a whole range of banking products and services. It is available in both local and foreign currencies. Others include savings, personal loan, mortgage loans, etc

Available literature reveals Ecobank Ghana Limited has vigorously pursued the ambition of becoming a preferred specialist bank providing excellent quality customer service to its target customers. **EGH** focus its efforts and resources on developing and maintaining partnerships with Corporate entities, Domestic, Commercial, Retail and Institutional customers, invigorating its selling proposition and growing a niche market to have competitive edge over competitors. By focusing on its core strengths and opportunities, **EGH** continue to develop its business by investing in human capital, growth opportunities and partnerships to achieve improved returns over time.

With the implementation of its new operational structure the bank now operates along four main customer affinity groups with the view to providing its valued customers with tailor-made

financial products and services to meet their individual/group needs. This customer focus operation is driven by a cross-border commercial strategy in serving our active local and International customers in Ghana (**EGH** Files 2010).

EGH's core activities are structured along the following businesses:

(1) Information Technology and Operational Department – The unit provides operational guidelines and procedures and is responsible for operational project implementation as well as approving systems access request to enable audit grant users access into the systems. To also see to the effective utilization of the Bank core banking application, the Unit carries out training of staff on the platform to enhance their capabilities on the platform from time to time and as and when the need arises. (**EGH** Files 2010).

(2) As a Corporate Banker, **EGH** is organized into six (6) unit namely: multinational (MNC), regional corporation (RC), public sector (PS), international organizations (IOs), financial institutions (FI) and corporate products (Transaction Banking). The corporate bank organization recognizes the need for a centralized sales process, product development and delivery with client segmentation to take account of difference in customer needs, but relationship responsibility is allocated from the center to address the needs of Top-Tier clients (highest revenue generation and potential). (EGH files 2010).

(3) The Eco-capital Unit. The unit includes treasury, Ecobank Development Corporation and venture capital. These units are responsible for the management of the bank's asset and liabilities in order to ensure the right balance between liquidity and profitability. The department manages three main types of risk assets: interest risk, liquidity risk and foreign exchange risk.

(4) The main focus of the Domestic Banking team is to identify the retail banking needs of the customers of the bank and fashion out innovative solutions in a way that makes sense to the customers. We have in place several customer-friendly outlets manned by multi-talented professionals to guarantee the customers first class personalized banking solutions at all times. With the distribution channel of 52 networked outlets, covering the main population areas of Ghana, **EGH** offers an easy accessible “proximity banking” services (**EGH** Files 2010).

As at March 2011, the bank’s strength nationwide stands in excess of 900 employees with 52 networked branches and with customers over 419,000.

3.3 Research Design

Research design is a set of advanced decisions that make up the master plan specifying the methods and procedures for collecting and analyzing the needed information hence by knowing which research design is needed to solve a problem, help researcher to predetermine certain procedures that would likely be needed in the study. . Significant of using research design includes;

1. Although every problem and research objective may be unique there are enough similarities that allow us to make some decisions in advance about the best plan to resolve the problem.
2. There are basic marketing research designs that can be successfully matched to a given problems and research objectives, and they serve the researcher much like the blueprint serves the builder.

There are several types of research design namely; *Exploratory*, *Descriptive* and *Causal* but for the purpose of this study, the researcher used descriptive design. Descriptive research is undertaken to describe answers to questions of who, what, where, when, and how. It is desirable when researcher wish to project a study's findings to a larger population, if the study's sample is representative.

3.4 Sampling Procedure and Technique

This is the method or practice that the researcher used to extract information from persons or groups to whom the research was intended for to generalize researcher's findings. In order to investigate the importance of customer service in the Ecobank's portfolio (products and services) a questionnaire was submitted to a convenient sample of bank customers, and interviewed by researcher in the environs of Ecobank branches in Tema. The data were collected in one week during the time in which people usually go to banks (from 8;30 a.m. to 4 p.m.).

3.4.1 Selection of Study Bank:

The research was conducted in six branches of Ecobank Ghana Limited in Greater Accra Region (Tema). Respondents were purposively selected for this research. The choice of Ecobank Ghana Limited was influenced by the accessibility of information to the researcher.

3.4.2 Population and Sample

Sample size of 100 (30 internal customer –staff and 70 external customer-customers)determination were guided by cost and time consideration, the population size is Ecobank Ghana Limited. Given the nature of the clientele of the bank, a convenient sample of 70 respondents was selected for the study however the response rate was 85%. This research applied a convenience research sampling method as it appears most suitable considering the characteristics of the study population. Random sampling was further used to select the respondents. Respondents were contacted and they were willing and available to participate in the study hence the use of convenience method was apparent.

3.5 Data collection Techniques/Tools

Two types of data was collected for the study – primary and secondary data. In the collection of primary data, a semi-structured questionnaire was used to collect information from the respondents. This was done by the researcher within a week period. Secondary data was obtained through extensive review of written documents, which included but not limited to articles in newspapers, textbooks, articles on the internet and publications.

3.5.1 Secondary data

These are data which have already been collected by some other agency and which have already been processed and used to satisfy its own need but it is being used by another under reference for an entirely different reason. Brochures, business magazine, journals, internet, newspapers,

relevant articles and other long essays, which cover the area of study, were used. This can also be said to be information gathered for the purposes other than the completion of a research project and also used to gain mutual insight into the research problem. Secondary data source is a term used in a number of disciplines to describe sources materials that is close to the person, information, period or idea being studied.

3.5.2 Primary data

Primary data are freshly collected data otherwise known as raw data that you use first to test the working hypothesis and then as evidence to support your claim. In the collection of primary data, a semi-structured questionnaire was used to collect information from the respondents. Also, face - to - face interviews were conducted with key customer service staff of Ecobank Ghana Limited to solicit their views on the process of banking, products developed for customers, how these products are delivered and monitored.

The questionnaires were administered to elicit balanced information from customers of the bank on the importance of customer service in the financial services organizations in terms of attracting and maintaining customers.

3.6 Data Analysis/Presentation Procedures

The questionnaire administered by respondents was recorded and coded. The Statistical Package for the Social Science (SPSS) as well as Microsoft Excel were used to analyze the data to obtain

descriptive statistics mainly in the form of frequencies and percentages. For the statistical analysis, cross tabulations were used.

Qualitative data from in-depth interviews were also analyzed and the information generated used to further support the information from the questionnaires. For the purpose of discussion of results, tables and graphs were used to present the data. The analysis was made with a 99% level of confidence i.e., $p = 0.01$.



CHAPTER FOUR

RESULTS AND DISCUSSIONS

4.1 Chapter Summary

This chapter presents an analysis of the data collected from the field. It starts with critical analysis of the importance of customer service through evaluation of customer attitude towards products of Ecobank Ghana Limited and ends on policy recommendations on customer service.

4.2 Bio-data of Respondents

The profile of the respondents in terms of sex, branch and the number of years the customer has been with the bank.

4.2.1 Sex

Sex was included because it was the assumption of the researcher that there should be a balance between both sexes who patronize the products of Ecobank Ghana Limited. According to the survey, two-thirds (63.3%) of respondents are females while the males make up 36.7%. This result shows a high percentage of females patronizing the products of Ecobank Ghana Limited. The study explore further to find out the age range of the customers of Ecobank Ghana Limited and the results show that the modal age of customers of the bank is 29 years. Clearly, Ecobank Ghana Limited has a significant number of its customers being in their youthful stage therefore there is the need to protect this niche for future prospects of the bank. Again, one important implication of this large number of females is that the perception and taste of the female may be different from that of the male. Therefore in designing products for customers, Ecobank Ghana

Limited should distinguish between what is the desire of this large number of females in comparison to the male.

Table 4.1.1 illustrates the results of the sex dimension of customers.

Table 4.1.1 Sex of Respondents

Sex	Frequency	Percent
Male	11	36.7
Female	19	63.3
Total	30	100.0

Source: *Fieldwork 2011*

4.2.2 Branch and Number of Years of Customers Accounts

The number of years spent with a particular bank to some extent shows the level of loyalty of customers. A test item was designed to find out how long customers have stayed with Ecobank Ghana Limited and this was cross-tabulated with the branch at which each has his/her account. The result is illustrated in table 4.2.2. From the results the Tema main branch of Ecobank Ghana Limited appears to enjoy a lot of patronage. This comes against the backdrop that out of those who have saved with Ecobank Ghana Limited for three years, Tema main took 71.4% of the customers followed by Tema community 6 and Tema mail with 14.3% each respectively. The dominance of Tema main might have been influenced by the ambience and the large number of people who transacts business in the environs close to the bank or the staff there delivers good quality service for which more customers are attracted to the place.

Again, for those who have kept their accounts with Ecobank Ghana Limited for four years, Tema main again took an overwhelming 83.3% of customers while Tema mail took the rest 16.7%. On customers who kept their accounts with Ecobank Ghana Limited for five years or more, Tema main's percentage point stands at 62.5 while Tema community 6 and Tema mail have 25% and 12.5% respectively. For customers who have kept their accounts with Ecobank Ghana Limited for two years the result is evenly distributed amongst Tema (14.3%), Safebond (14.3%), Tema Motorway (57.1%) and Tema long room (14.3%). The nature of the results confirms one of the issues that cropped up during the in-depth interview discussion with senior staff that the branches were not established at the same time hence there is variation in the number of years a customer will service with a particular branch.

Indeed, among the various types of accounts kept with Ecobank Ghana Limited, savings and current accounts are the commonest with a few people keeping fixed account. The implications of the dominance of Tema main points to the need to motivate the staff of this branch to be able to deliver more quality service and keep this large number of customers.

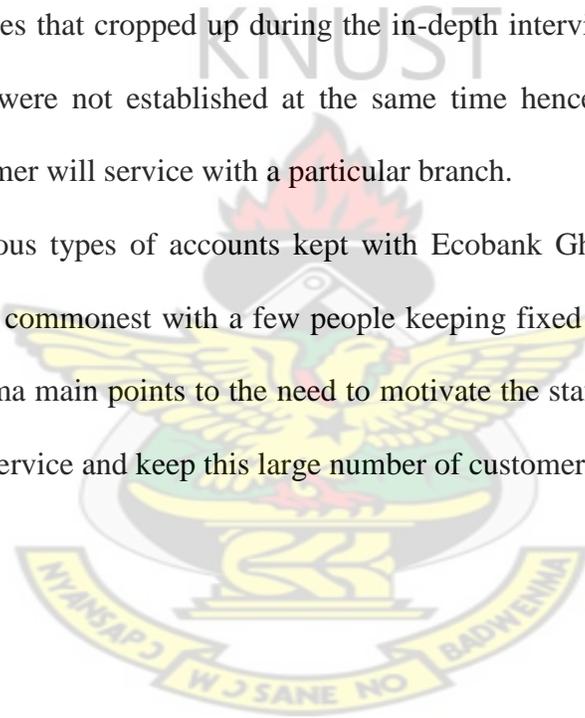


Table 4.1.2. Branch and Number of Years.

Source: *Fieldwork 2011*

Branch and Number of Years	Which branch of ECOBANK is your account located							Total
	Tema main	Tema community 6	Tema mail	Tema	Safebond	Tema Motorway	Tema long room	
One year	-	1 50.0%	1 50.0%	-	-	-	-	2 100.0%
Two years	-	-	-	1 14.3%	1 14.3%	4 57.1%	1 14.3%	7 100.0%
Three years	5 71.4%	1 14.3%	1 14.3%	-	-	-	-	7 100.0%
Four years	5 83.3%	-	1 16.7%	-	-	-	-	6 100.0%
Five years or more	5 62.5%	2 25.0%	1 12.5%	-	-	-	-	8 100.0%
Total	15 50.0%	4 13.3%	4 13.3%	1 3.3%	1 3.3%	4 13.3%	1 3.3%	30 100.0%

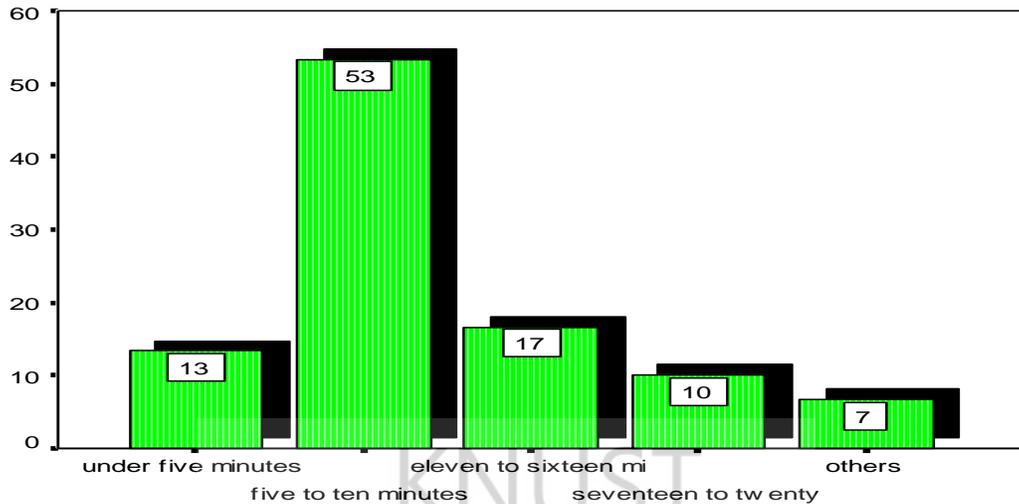
4.3. Nature of Customer Service Practices and Attitude of Customers

Respondents were asked why they have chosen a particular branch of Ecobank Ghana Limited to always transact their businesses. The survey revealed that half (50%) of respondents have chosen Tema main because of its strategic location which makes it easier for accessibility for most

customers while Tema mail and Tema Motorway followed with 16.7% each. These set of customers adduce speed and efficiency of service as the magnetic forces that attract them to transact their business at these branches. A small percentage of 3.3 posit that politeness and friendliness of staff of Ecobank Ghana Limited are the factors that made them to choose Safebond branch. It is clear that customers have identified at least one particular customer service as a factor propelling them to transact their business with a particular branch.

The study explore further to find out the number of minutes customers spend whenever they enter the banking halls of Ecobank Ghana Limited. The results shows that on the average 51.7% of respondents spend between 5 – 10 minutes in transacting their businesses while 20.7% of respondents spend 11-16 minutes before getting served in the banking hall. Those who spend under 5 minutes and 17 – 23 minutes accounted for 13.8% and 13.7% respectively. When the time customers spend at Ecobank Ghana Limited before getting served is juxtaposed with what pertains in other banks, it is not a surprise that the bank was adjudged the overall best bank in customer service in 2001, 2003, 2004, 2005, and 2006. On whether customers like the appearance of the staff of Ecobank Ghana Limited, all respondents concur in the affirmative way with the reason that the staff looks professional with cheerful disposition. Figure 4.3.1 depicts the results of the number of minutes customers spend before getting served at Ecobank Ghana Limited.

Figure 4.3.1. Time Spent Before Being Served



Source: *Fieldwork 2011*

Various proxy variables were used to measure customer perception of the type of customer service offered by the staff of Ecobank Ghana Limited. The overall attitude of customers towards the ability of the staff of Ecobank Ghana Limited to understand their needs and requirements is solidly positive as 30 i.e. 33.3% of respondents hold excellent and very good opinions respectively of the ability of the staff to understand their needs. However, 6.7% each hold very bad and bad opinions of the ability of the staff to understand their needs and requirements. 23% of respondents were however, indifferent to this test item. The implication here is that there is the need to motivate the staff of Ecobank Ghana Limited to maintain this high level of delivering customer service and if possible do more. In addition, more than half (56.7%) of the respondents either hold excellent or very good opinion that the staff of Ecobank Ghana Limited has the ability to sell the banks products and services to customers. Beyond this, 30% of the respondents hold a neutral opinion of this ability while 13.3% hold either very bad or bad opinion of the staff towards the sale of the banks products and services.

Two-thirds of the respondents feel either excellent or very good about the quick attention and response displayed by the staff to their complaints and enquiries. 13.3 % however feel very bad and bad about how the staff attend to their complaints and enquiries. Similarly, 66.7% also thought the staff of Ecobank Ghana Limited was either excellent or very good in terms of professionalism when dealing with clients either on individual or corporate basis. However 6.6% feel the staffs were very bad and bad in terms of professionalism when dealing with customers.

Only 6% describes the proactiveness of the staff as very bad and bad in terms of their banking needs. This clearly demonstrates that a large number of respondents cherished the proactiveness of the staff towards their banking needs. A follow up test item to sought to find out if respondents have an account with any other bank. The response was overwhelming as 90% responded in the affirmative while 10% said they have no other account apart from the one at Ecobank Ghana Limited. The implication of this finding is in two fold. First, there is a high probability that this large percentage of respondents could leave the bank for the other banks. Secondly, given that this large number may leave, there is the need for Ecobank Ghana Limited to seriously step up its research into why customers should keep another account at other banks and address the shortfalls as quickly as possible.

The survey further probed to find out how customers compare Ecobank Ghana Limited's total service package with other banks' service. 57.7% of respondents were undecided about the test item while 30% and 3.3% rate the total service delivery of the bank as very good and excellent respectively. On the other hand, 10% of respondents rated Ecobank Ghana Limited's total service package as either very bad or bad. The implication of this large number of undecided

respondents may mean that they are not interested in comparing the services Ecobank Ghana Limited with other banks,

The nature of the environment within which banking business is conducted plays an important part in the safety of transactions. Respondents were asked to state how they feel about the friendliness and safety of their bank transactions. A slightly higher percentage 13.3% claimed they do not feel safe within the banking environment while a significant percentage (20%) were neutral about the safety of the environment. However, a large number of respondents (66.7%) asserted that they feel safe when transacting business within the banking environment. This may imply that Ecobank Ghana Limited might have beefed up its security outfit to ensure that customers are safe while transacting business in the premises of the bank. Indeed, the issue of trust also plays an important part in the banking industry in terms of banking confidentiality. Respondents were implored to rate Ecobank Ghana Limited in terms of banking confidentiality and trust. The survey shows that an overwhelming 83.3% are sure of the confidentiality of Ecobank Ghana Limited. They rated the bank as either excellent or very good in trust and confidentiality for the protection of customers' accounts while 6.3% rated the safety and confidentiality of the bank as bad.

The nature of banking in Ghana has made it such that customers and service providers always interact face-to-face on daily basis. The results on the attitude of the staff of Ecobank Ghana Limited towards customers present an interesting scenario. Majority of the respondents 36.7% remain neutral to this test item while 26.7% each rated the attitude of Ecobank Ghana Limited staff as very good and excellent respectively. A measly 10% saw things differently. For this

group of respondents, the attitude of the staff of Ecobank Ghana Limited is bad. This is significant, clearly demonstrating that sometime is wrong with the attitude of some of staff of Ecobank Ghana Limited.

There appears to be a good relationship between managers and the customers. 53.4% of the respondents rated the performance of their relationship managers either as very good or excellent. However, a whopping 40% remain undecided on this test item. On the other hand, 6.7% rated the performance of their relationship managers as very bad. Relationship managers might not have performed to the satisfaction of category of respondents. The large number of respondents who were undecided on their relationship managers implies that something is missing which needs further investigation by Ecobank Ghana Limited.

Use of innovative marketing drive by the bank was very prominent. An overwhelming 86.7% of the respondents described Ecobank Ghana Limited as marketing oriented and innovative while 13.3% disagreed with this assertion. The dominant reason for the innovativeness of the bank is the extra effort expended by the bank in reaching out to its customers in terms of dissemination of information on every single product.

On the overall level of satisfaction with Ecobank Ghana Limited's service offer, 66.7% of respondents were either very satisfied or satisfied with the bank's service offer. However, 10% of the respondents expressed dissatisfaction with the service offer of the bank. Undecided respondents for this test item accounted for 23.3%. In a clearly associated finding, almost all the respondents (93.3%) said they will recommend Ecobank Ghana Limited to friends and relatives

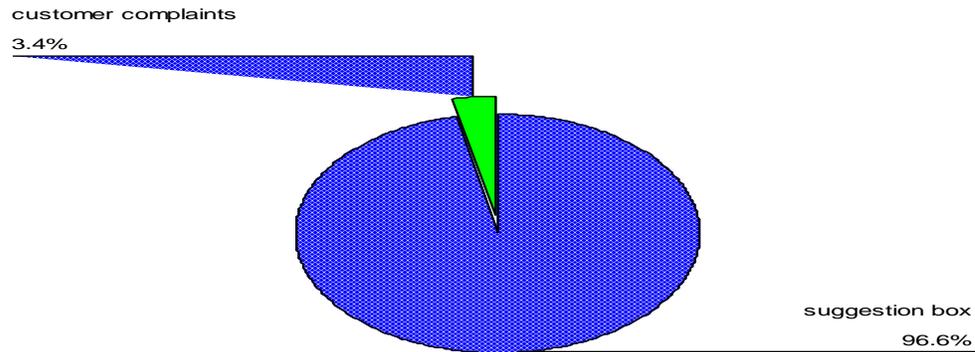
to do business with while 6.7% said they would not. This response is important to the operations and corporate image of Ecobank Ghana Limited because if 93% of your customer base can generate a word of mouth about your positive image, the domino effect would be colossal. The main driving force behind this strong positive image of the bank is its efficiency and confidentiality.

4.4. Employee Perception of the Bank's Operations

To present a fairly balanced position as far as the perceptions of the customers of the operations of Ecobank Ghana Limited are concerned a second set of questionnaire was designed for the staff of Ecobank Ghana Limited. The survey revealed that Ecobank Ghana Limited has been in operation for the past twenty (20) years in Ghana with fifty two (52) networked branches spread across the country. The bank has 12 different products targeted at their retail and corporate clientele.

To substantiate the claim by customers that their turnaround time at the banking hall is 5 – 10 minutes, a test item was designed to this effect. The survey revealed that 76.7% of the staff of the bank affirmed the earlier finding that customers spent between 5 – 10 minutes on the average in transacting business. In a related finding, all the 30 employees of the bank interviewed posit that the bank is always open to complaints from their customers. The study further found out channels used in welcoming such complaints. According to the information elicited from the staff of the bank, 96.4% of respondents said suggestion box is the most patronized channel of lodging complaints while 3.6% reported that customer complaint unit is also used to lodge complaints. Figure 4.4.1 depicts the modes of channeling complaints to the bank.

Figure 4.4.1 Channels of Complaints



Source: *Fieldwork 2011*

The study again tried to gauge the feeling of the customers towards resolving customer complaints. Results gathered by the study indicate that 66.6% of respondents feel either satisfied or very satisfied towards responsiveness of customer complaints by bank officials. In fact, this finding affirms the earlier position of customers that said the staffs of the bank give prompt attention to their complaints.

On professionalism to service delivery, Ecobank Ghana Limited considers professionalism as vital to customer service delivery. This position is supported by 96.7% of the customers of the bank. In a related development, 33.3% of the customers of the bank feel good about the congenial atmosphere created by the bank for its customers to transact business while 13.3% feel very good about the atmosphere at the banking premises. This perception of the staff of the bank about themselves falls below the rating given them their customers. However, 50% of customers are indifferent to this test item while 3.3% of the staff feels bad about the atmosphere.

Most of the customers feel at ease with the security arrangements of the Bank, however, when this was asked at the staff level the results revealed that 40% of the bank customers feel very good about the security to customers while a whopping 60% of customers were undecided on the provision of security to customers. Related to security is the privacy to customers. 66.7% of the customers feel very good about the adequacy of privacy for customers while again, 33.3% of customers shown indifference to this test item.

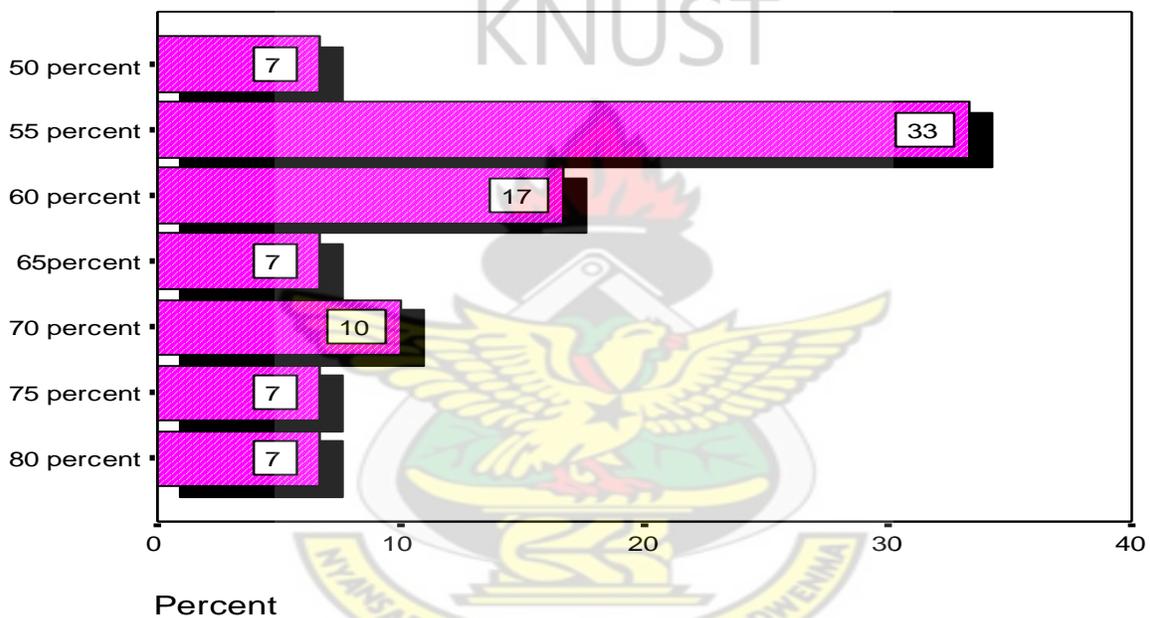
Training and orientation of customers of financial institutions on customer service has been the cog in delivering quality customer service. The study tried to probe this and the results from customers indicate that all of them were given adequate training and orientation on how to deliver quality service. It is no wonder that loyal customers enjoy special quality service from Ecobank Ghana Limited.

It also came to light during the interview with customers of the bank that mechanisms are put in place to reward staffs that have exceeded customer expectation. Indeed, 80% of customers have in one way or the other enjoyed these rewards. This clearly demonstrates the seriousness attached to customer service by Ecobank Ghana Limited. In fact, this passion to customer service is given expression to by the bank rewarding branches that customers have identified to be customer friendly. Indeed, all the customers agreed that there is a desk that is solely dedicated to ensuring the best in customer service.

It appears that the growth of the customer base of the bank has been attributable to its drive for the best customer service. The study also sought to find out if the growth of the bank has any link

with customer service. The results indicate that 38.5% of the customers said 55% of the growth of the bank is due to customer service while 19.2% of customers reported that 60% of the yearly growth of the bank could be attributed to customer service. Indeed, 11.5% of the customers on the hand said about 70% of the bank’s annual growth is due to its vigorous customer service drive. The results are illustrated in figure 4.4.2

Fig.4.4.2 Customer Care & Growth

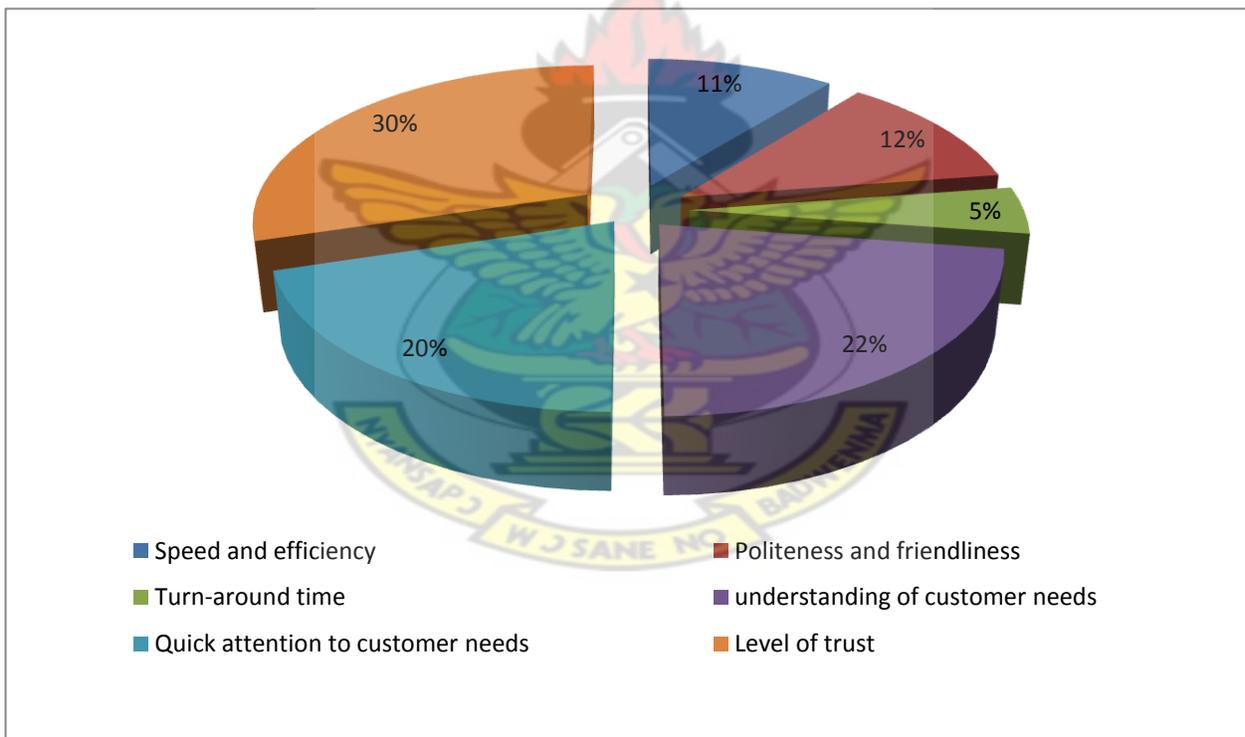


Source: *Fieldwork 2011*

The high level of importance of customer service is again demonstrated in the kind of personnel that mans the customer care unit. From the results, it came to light that 96.7% of the customers reported that such a personnel is normally from the middle level management while 3.3% of the customers said such a person sometimes comes from top management.

The researcher further selected a few proxy variables which measured the level of customers' satisfaction. The results show that the level of trust ranks first with 30% while understanding of customer needs ranked second with 20%. Politeness, quick attention to customer needs, speed and efficiency and turnaround time followed with percentage points of 12, 20, 11, and 5 respectively. These findings indicate that Ecobank Ghana Limited should give top priority to the trust reposed in it by customers and ensure the safety of customers' funds. Again, understanding of customer needs and quick to enquiries of customers should also be closely looked given attention.

Figure.4.4.3 Use of Proxy Variables.



Source: *Fieldwork 2011*

4.5 Correlations

The Pearson and Spearman correlations were used in an effort to identify relationships between some of the variables. Few significant correlations were found as a result of this procedure, and those which were determined to be significant were relatively high.

Table 4.5.1(a) Pearson Correlation Results

		Ecobank's understanding of customer needs	Overall level of satisfaction with Ecobank 's service offer
the ability of Ecobank staff to understand customer needs	Pearson Correlation	1	.686(**)
	Sig. (2-tailed)	.	.000
	N	30	30
Overall level of satisfaction with Ecobank 's service offer	Pearson Correlation	.686(**)	1
	Sig. (2-tailed)	.000	.
	N	30	30

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

Table 4.5.1(b) Spearman's Correlation Results

			Ecobank's understanding of needs	Overall level of satisfaction with Ecobank 's service offer
Spearman's rho	Ecobank's understanding of customer needs	Correlation Coefficient	1.000	.565(**)
		Sig. (2-tailed)	.	.001
		N	30	30
Overall level of satisfaction with Ecobank 's service offer	Overall level of satisfaction with Ecobank 's service offer	Correlation Coefficient	.565(**)	1.000
		Sig. (2-tailed)	.001	.
		N	30	30

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

The correlation coefficient of 0.69 for Pearson and 0.57 for Spearman respectively confirm that there is a relationship between the two variables. In fact, this relationship is positive and the relatively high value of 0.7 for Pearson shows the good strength of association between provision of customer needs and the level of satisfaction that it generates among customers. As expected, the two test results are statistically significant at 1% level of significance, which implies that the correlation coefficients are reliable. This therefore confirms that when banks demonstrate high level of understanding of customer needs and provide them, the level of satisfaction will also increase thereby inducing loyalty and retention among customers. There is ample evidence to reject the null hypothesis in favour of the alternative hypothesis. That is customer service is important.

Table 4.5.2(a) Pearson Correlation Results

		quick response and attention to complaints	Overall level of satisfaction with Ecobank 's service offer
quick response and attention to your complaints and enquiries	Pearson Correlation	1	.724(**)
	Sig. (2-tailed)	.	.000
	N	30	30
what is your overall level of satisfaction with Ecobank 's service offer	Pearson Correlation	.724(**)	1
	Sig. (2-tailed)	.000	.
	N	30	30

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

Source: *Fieldwork 2011*

Table 4.5.2(b) Spearman's Correlation Results

			quick response and attention to complaints	overall level of satisfaction with Ecobank 's service offer
Spearman's rho	quick response and attention to complaints	Correlation Coefficient Sig. (2-tailed) N	1.000 . 30	.595(**) .001 30
	what is you overall level of satisfaction with Ecobank 's service offer	Correlation Coefficient Sig. (2-tailed) N	.595(**) .001 30	1.000 . 30

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

Source: *Fieldwork 2011*

Another proxy variable that measures effective customer service is quick response and attention to customer complaints. This variable was juxtaposed on level of satisfaction and the results are shown in tables 4.5.2(a) and (b). It is again clear that the correlation coefficient of 0.72 for Pearson and 0.59 for Spearman once again confirm there is a positive correlation between quick response and attention to customer complaints and the level satisfaction. This demonstrates that customers are satisfied with the service offer of Ecobank Ghana Limited. Therein lies the importance of customer service.

4.6 Limitations of Study

Major constraints encountered in the course of conducting the research was finance. The cost involved in printing all the relevant documents and the transportation for gathering the needed data was enormous. However, the researchers were able to get the needed finance for the completion of this work.

Time was also a limiting factor since more time was needed to go round in administering questionnaires and conducting interviews and at the same time writing our final examinations. Despite the time constraint, the researcher stuck to the time frame allocated for each stage of the dissertation hence completing the work on time.

The study is limited only to Ecobank Ghana Ltd in the Tema for the sake of time and cost constraints. However, the implications of the study will generally hold for all banks in Ghana and the developing world.

Due to the fact that the researcher works in the banking industry the study was a bit tinted.



CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions

This chapter summarizes the study and identifies researcher's conclusions, recommendations and limitations on the research and give suggestive measure for further studies.

The liberalization of financial industry has opened the floodgates for the influx of many banks into Ghana. This has generated intense competition amongst the banks. Indeed, one tool that has been used by many of the banks in the competitive market has been customer service.

To find out how important this tool is to Ecobank Ghana Limited the study revealed that ECOBANK has been in operations for the past 20 years with all 52 branches networked. It provides excellent banking services to its retail and corporate target customers. Majority of the bank's customers are the youth between the age group of 24-34 years. This implies that, the bank has a youthful clientele which is a long term secured niche for the bank.

Indeed, the study revealed that the turnaround time for ECOBANK customers fall between 5-10 minutes. And what is more where the staff always welcome customer complaints most of which is reported through suggestion box.

The study also revealed that as a way to motivate or boost the morale of employees the bank rewards staff for exceeding customer expectation and also reward branches that customers recommend as best customer oriented.

The importance Ecobank Ghana Limited attaches to customer service is given expression by the devotion of one complete unit manned by personnel from senior management. This has yielded positive results towards the growth of the bank are due to effective customer service.

To ascertain the importance of customer service, categorical response questionnaires were designed and administered to customers of Ecobank Ghana Limited. Related literature was reviewed and the data analysed for conclusion and recommendations.

5.2 Recommendations

The information gathered by this study pointed to how important customer service can help a financial institution like the banks grow, especially when the needed attention is given to customer complaints. Indeed, the importance attached to customer service by Ecobank Ghana Limited has seen it grow to take a prominent place in the comity of banks in Ghana. To give expression to the hypothesis this study sought to test, by the use of proxy variables, the study confirmed that effective customer service leads to customer satisfaction which in turn makes many customers to become loyal and patronize the products and services the bank. Again, this satisfaction leads many loyal customers to generate word-of-mouth advertisements for the bank thereby more customers to fold on to the bank.

Evidence gathered by the researcher from the field points to the important place occupied by customer service in the operations of Ecobank Ghana Limited. The researcher would therefore like to make the following recommendations:

To start with, there is the need for Ecobank Ghana Limited to reduce their operational procedures to ease the long queue in the banking hall. There is also the need to open more branches especially in the northern and central region to capture the large swathe of potential customers in these areas who would also like to enjoy the good customer services of Ecobank Ghana Limited.

Secondly, for Ecobank Ghana Limited to always stay ahead of the other banks there is the need to constantly carry out research on the taste of customers in order to develop corresponding products to suit these tastes. This comes against the backdrop of the intense competition for customers by many of the financial institutions.

Again, there is the need for in-service training and refresher courses for the staff of Ecobank Ghana Limited because of the negative responses given by some of the customers about a few of the staff of the bank in terms of relationship building. These trainings and courses will always position the staff of the bank to be ready for the needs of the customers anytime.

To further capture more customers Ecobank Ghana Limited should also consider the idea of replacing old Automated Teller Machines that account to the numerous complaints in the bank and cite Automated Teller Machines at vantage points in the cities outside the bank premises. This is because; few of the areas that have had their Automated Teller Machines changed have had positive results for the growth of bank.

There is the need for Ecobank Ghana Limited to consider seriously on improving their electronic products to operate as promised customers. The researcher believes this will ease the pressure of customers joining long queues in the banking halls before transacting business i.e. withdrawing, balance enquires or depositing. Thus, the bank can serve their customers at home or their offices through internet banking service.

5.3 Suggestions for Further Studies

Future researchers on the topic could concentrate on what various efforts are needed by financial institutions in our competitive environment to gain and retain customer.

Secondly, given that large number of customers may leave, there is the need for Ecobank Ghana Limited to seriously step up its research into why customers should keep another account at other banks and address the shortfalls as quickly as possible.

Another issue that could also be considered for future research is under what circumstance one can argue that customer service has improved performance of the financial institutions.



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APPENDIX I

KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY

COMMONWEALTH EXECUTIVE MASTERS IN BUSINESS ADMINISTRATION (CEMBA)

PROJECT QUESTIONNAIRE

IMPORTANCE OF CUSTOMER SERVICE IN THE BANKING INDUSTRY

Please answer the following Questions Correctly and Tick (x) the Appropriate Boxes Where Applicable

TARGET RESPONDENTS (CUSTOMERS)

1. Are all ECOBANK branches networked?
Yes No
2. Does ECOBANK welcome customer complaints?
Yes No
3. If yes, what are the means of lodging complaints?
 - a. Suggestion box
 - b. Customer complaint unit
 - c. Branch manager
 - d. Other(s) please specify.....
4. Does ECOBANK consider professionalism as vital to customer service delivery?
Yes No
5. Does ECOBANK provide adequate training to staff to provide excellent customer service?
Yes No
6. Does ECOBANK gives special attention to loyal customers?
Yes No
7. ECOBANK reward branches that customers recommend as best customer oriented branch?
Yes No
8. What percentage of the banks yearly growth is / can be attributed to good customer service?
.....
9. How responsive is management to customer complaint?
Responsive More responsive Highly responsive
10. How long have you been doing business with ECOBANK?
1 year 2 years 3 years 4 years 5 years or more
11. What type of account do you have with ECOBANK?
Please state
12. Which branch of ECOBANK is your account located?
Please state.....
13. Why do you prefer this branch?
 - a) Speed and efficiency of service delivery
 - b) Convenient location of the branch
 - c) Politeness and friendliness of branch staff
 - d) Environment within which the transaction takes place
 - e) Others, please specify
14. How long do you normally stay in the banking hall before getting served
 - a) Under 5 minutes
 - b) 5 – 10 minutes
 - c) 11 – 16 minutes
 - d) 17 – 23 minutes

e) Other, please specify

Please rate ECOBANK on the scale of lowest and highest.

15. Ability of ECOBANK staff to understand your needs or requirement?
Lowest lower high higher highest

16. Ability of ECOBANK staff to market to you the bank's products and services?
Lowest lower high higher highest

17. Professionalism of staff when dealing with you/your company?
Lowest lower high higher highest

18. How do you compare ECOBANK's total service package with other bank's service?
Lowest lower high higher highest

19. How would you rate the attitudes of ECOBANK staff?
Lowest lower high higher highest

20. How would you rate the performance of your relationship manager?
Lowest lower high higher highest

21. What is your overall level of satisfaction with ECOBANK's service offer?
Lowest lower higher highest

22. Would you recommend ECOBANK to a friend or relation?
Yes No

Please give reason(s)

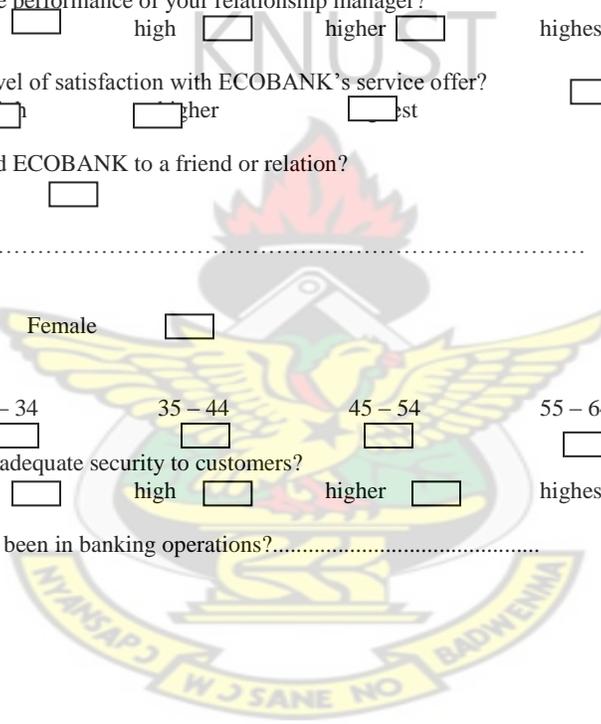
23. What is your sex?
Male Female

24. What is your age?
Under 24 24 - 34 35 - 44 45 - 54 55 - 64 65+

25. Does Ecobank provide adequate security to customers?
Lowest lower high higher highest

26. How long has Ecobank been in banking operations?.....

Thank you.



APPENDIX II

KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY

COMMONWEALTH EXECUTIVE MASTERS IN BUSINESS ADMINISTRATION (CEMBA)

PROJECT QUESTIONNAIRE

IMPORTANCE OF CUSTOMER SERVICE IN THE BANKING INDUSTRY

Please answer the following Questions Correctly and Tick (x) the Appropriate Boxes Where Applicable

TARGET RESPONDENTS (EMPLOYEES)

1. How long has ECOBANK been in banking operations?.....
2. How many branches does ECOBANK have?.....
3. Are all ECOBANK branches networked?
Yes No
4. How many products/services are available to both ECOBANK's retail and corporate target customers?.....
5. What is ECOBANK's turnaround time for customers at the banking hall?
(a) Under 5 minutes
(b) 5 – 10 minutes
(c) 11 – 16 minutes
(d) 17 – 23 minutes
(e) 24 + minutes
6. Does ECOBANK welcome customer complaints?
Yes No
7. If yes, what are the means of lodging complaints?
(a) Suggestion box
(b) Customer complaint unit
(c) Branch manager
(d) Other(s) please specify.....

Please rate ECOBANK on the scale of 1 – 5, one (1) being the lowest and five (5) being the highest.

8. ECOBANK's responsiveness to customer complaints?
1 2 3 4
9. ECOBANK considers professionalism as vital to customer service delivery?
Yes No
10. ECOBANK provides conducive environment for customer business transaction?
1 2 3 4 5
11. ECOBANK provide adequate security to customers?
1 2 3 4 5
12. ECOBANK provide adequate privacy to customers at the banking halls?
1 2 3 4 5
13. ECOBANK provide adequate training to staff to provide excellent customer service?
Yes No

14. ECOBANK gives special attention to loyal customers?
 Yes No
15. ECOBANK reward staff for exceeding customer's expectation?
 Yes No
16. ECOBANK reward branches that customers recommend as best customer oriented branch?
 Yes No
17. ECOBANK have dedicated desk to handle customer service issues?
 Yes No
18. What percentage of the banks yearly growth is / can be attributed to customer service?
 Yes No
19. Who is responsible for customer complaints?

.....
 20. At what level of management is such a person?

Lower level

Middle level

Top level

Thank you.

