

SERVICE QUALITY IMPROVEMENT OF  
BANK OF CHINA IN LINYI CITY



MASTER OF PUBLIC ADMINISTRATION IN PUBLIC ADMINISTRATION  
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SERVICE QUALITY IMPROVEMENT OF  
BANK OF CHINA IN LINYI CITY



CHENXU ZHU

A THESIS SUBMITTED IN PARTIAL FULFILLMENT  
OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF PUBLIC  
ADMINISTRATION  
IN PUBLIC ADMINISTRATION  
ACADEMIC ADMINISTRATION AND DEVELOPMENT MAEJO UNIVERSITY  
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ชื่อเรื่อง	การปรับปรุงคุณภาพการบริการของธนาคารแห่งชาติจีน สาขาเมืองหลินอี้
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### บทคัดย่อ

งานวิจัยเชิงปริมาณนี้มีจุดมุ่งหมายเพื่อบรรลุวัตถุประสงค์สามประการดังนี้ 1) เพื่อระบุระดับคุณภาพการบริการในปัจจุบันของธนาคารแห่งชาติจีน สาขาเมืองหลินอี้ 2) เพื่อค้นหาปัจจัยหลักที่ส่งผลต่อคุณภาพการบริการของธนาคารแห่งชาติจีน สาขาเมืองหลินอี้ และ 3) เพื่อศึกษาวิธีการที่ดีที่สุดในการปรับปรุงคุณภาพการบริการของธนาคารแห่งชาติจีน สาขาเมืองหลินอี้

การศึกษานี้ใช้การออกแบบเชิงปริมาณ โดยทำการเก็บข้อมูลจากกลุ่มตัวอย่างที่เป็นลูกจ้างธนาคารแห่งชาติจีน สาขาเมืองหลินอี้ โดยใช้แบบสอบถามอิเล็กทรอนิกส์ วิเคราะห์ข้อมูลโดยใช้สถิติเชิงพรรณนา และใช้ทฤษฎีคุณภาพการบริการเป็นพื้นฐานในการสร้างกรอบแนวคิดในทางทฤษฎีของงานวิจัยนี้

ผลการศึกษามีดังนี้ 1) ธนาคารแห่งชาติจีน สาขาหลินอี้ เฝียอูกับข้อบกพร่องที่เห็นได้ชัดเจนในด้านคุณภาพการบริการ โดยเฉพาะการสื่อสาร ความโปร่งใส และการให้บริการ เพื่อแก้ไขข้อบกพร่องเหล่านี้ ธนาคารควรจัดลำดับความสำคัญในการสร้างความเข้มแข็งทางกลไกการสื่อสาร ความโปร่งใสในการบริการและปรับปรุงการตอบสนองต่อการเพิ่มความพึงพอใจและความไว้วางใจของลูกค้า 2) ลูกค้ารับรู้ถึงความน่าเชื่อถือ การตอบสนอง ความมั่นใจ ความเห็นอกเห็นใจ และทรัพย์สินที่จับต้องได้ว่าเป็นปัจจัยสำคัญที่มีอิทธิพลต่อคุณภาพการบริการของธนาคารแห่งชาติจีน สาขาหลินอี้ ในขณะที่ทางสาขาทำงานได้ดีในด้านผลิตภัณฑ์สินเชื่อส่วนบุคคลและมิตีการบริการบางอย่าง แต่ก็ยังมีมีด้านต่าง ๆ ที่ต้องปรับปรุง เช่น สถานที่ตั้งธนาคารที่มีความสะดวกและความน่าเชื่อถือ การเรียนรู้จากความสำเร็จของกลุ่มคู่แข่งและการปรับกลยุทธ์ให้เหมาะสม สามารถช่วยเพิ่มความพึงพอใจของลูกค้าและสร้างความเข้มแข็งทางการแข่งขันได้ และ 3) ผลการสำรวจเผยให้เห็นการเปลี่ยนแปลงอย่างมีนัยสำคัญในทัศนคติของลูกค้าที่หลากหลายมิติที่แตกต่างกัน ซึ่งบ่งบอกถึงความคาดหวัง การรับรู้ที่หลากหลาย เพื่อจัดการความแตกต่างและปรับปรุงคุณภาพการบริการธนาคารแห่งชาติจีน สาขาหลินอี้ ควรมุ่งเน้นไปที่การเสริมสร้างทักษะวิชาชีพของพนักงาน และให้ความสำคัญกับความคิดเห็นของลูกค้าเพิ่มมากขึ้น กลยุทธ์เหล่านี้จะช่วยเพิ่มความซื่อสัตย์และความสามารถ

ความชำนาญของพนักงานในการบริการที่ตรงกับความต้องการของลูกค้าและยกระดับคุณภาพการบริการ รวมถึงความพึงพอใจของลูกค้าในท้ายที่สุด

คำสำคัญ : คุณภาพการบริการ, ความบกพร่อง, ความโปร่งใส, ความพึงพอใจของลูกค้า



<b>Title</b>	SERVICE QUALITY IMPROVEMENT OF BANK OF CHINA IN LINYI CITY
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### ABSTRACT

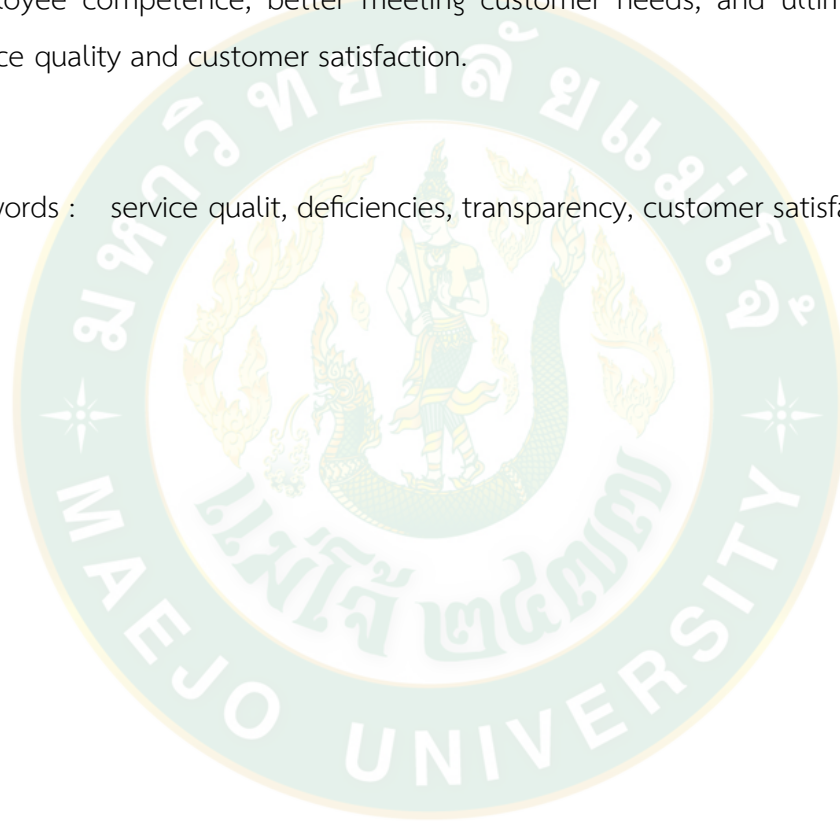
The research aims to achieve the following three objectives: (1) to identify the current level of service quality at Bank of China Linyi Branch; (2) to find the main factors affecting the service quality of Bank of China Linyi Branch; and (3) to investigate the best way to improve the quality of services provided by Bank of China Linyi Branch.

This study adopts a quantitative design, distributing electronic questionnaires to employees from Bank of China Linyi Branch. The quantitative research methods primarily include literature review, questionnaire survey, descriptive statistics, etc., for data collection and analysis. The main theoretical framework utilized in this research is the Service Quality Theory.

The findings of this study are as follows: 1) The Bank of China Linyi Branch faces notable deficiencies in service quality, particularly in communication, transparency, and service delivery. To address these shortcomings, the bank should prioritize strengthening communication mechanisms, enhancing service transparency, and improving responsiveness to enhance customer satisfaction and trust. 2) Customers perceive reliability, responsiveness, assurance, empathy, and tangible assets as critical factors influencing service quality at the Bank of China Linyi Branch. While the branch performs well in personalized loan products and certain service quality dimensions, there is room for improvement in areas like convenient bank locations and reliability. By learning from successful practices of competitors and

adjusting strategies accordingly, the branch can strategically enhance services and increase customer satisfaction to strengthen its competitiveness, and 3) Survey results reveal significant variations in customer attitudes towards different dimensions of service quality, indicating diverse expectations and perceptions. To address these differences and improve overall service quality, the Bank of China Linyi Branch should focus on enhancing employee professional skill training and increasing emphasis on customer feedback. These strategies will contribute to enhancing employee competence, better meeting customer needs, and ultimately elevating service quality and customer satisfaction.

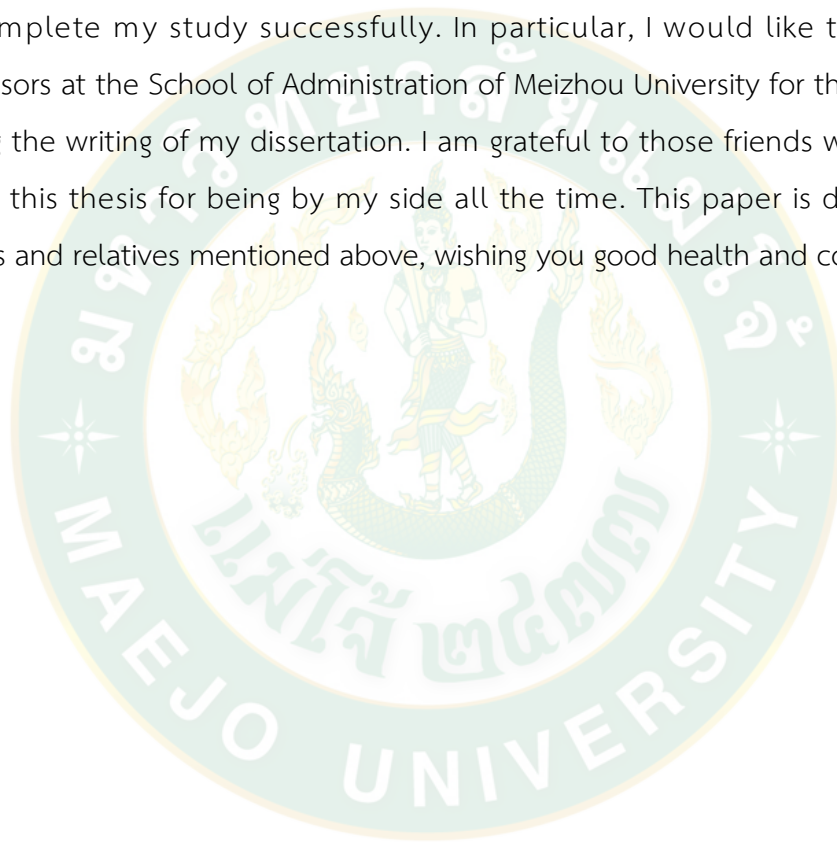
Keywords : service quality, deficiencies, transparency, customer satisfaction



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Chenxu Zhu





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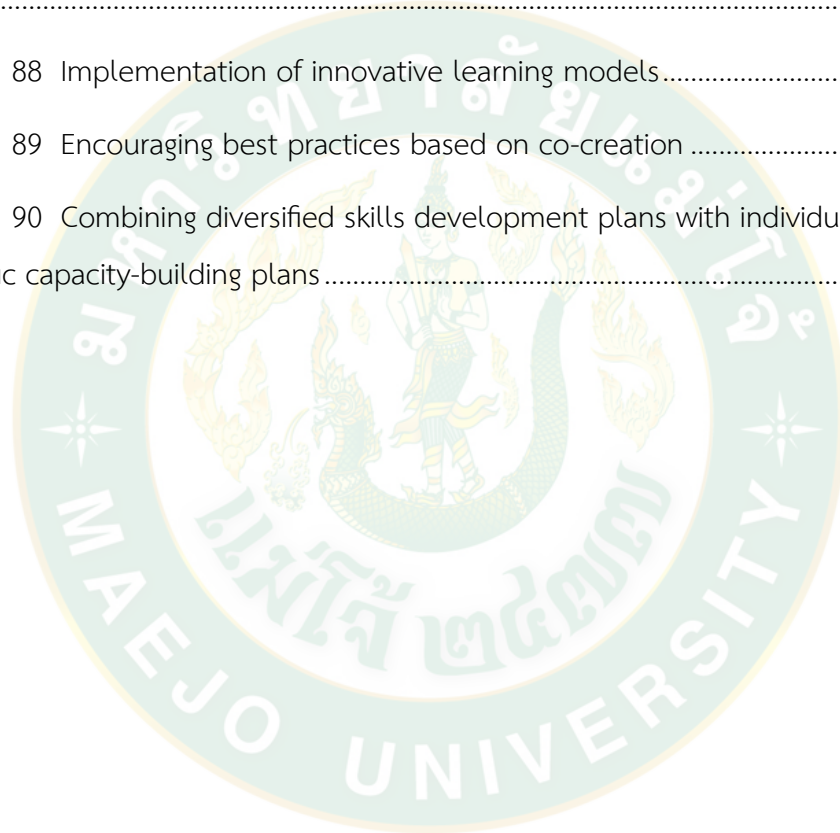
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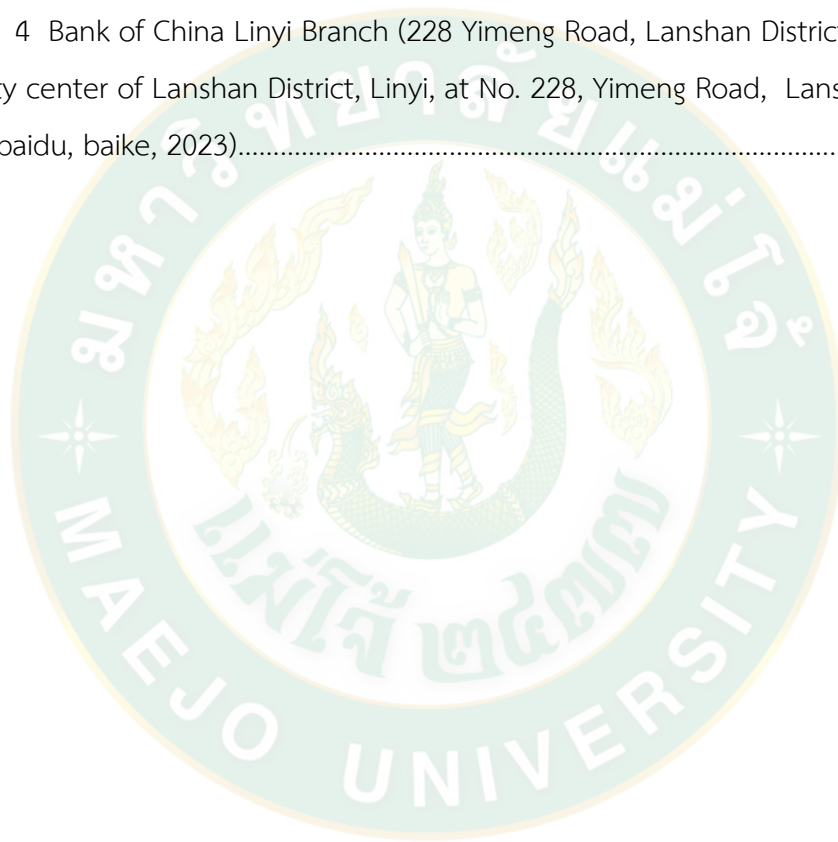
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# CHAPTER 1

## INTRODUCTION

### Background of the Study and Statement of the Problem

#### 1. Overview of the banking industry in China

The banking industry in China has undergone significant changes in recent years, particularly after the country's accession to the World Trade Organization in 2001. Prior to that, the industry was dominated by four state-owned banks: the Industrial and Commercial Bank of China (ICBC), the Bank of China (BOC), the Agricultural Bank of China (ABC), and the China Construction Bank (CCB). These banks had a virtual monopoly on the banking sector, and their services were often criticized for being inefficient and lacking innovation (Mlachila et al., 2017: 675-710)

However, with the opening up of the banking sector, foreign banks have been allowed to operate in China, and domestic private banks have emerged. This has resulted in increased competition and has forced state-owned banks to improve their services to remain competitive. In recent years, the Chinese government has also implemented various reforms aimed at improving the efficiency of the banking sector, including restructuring state-owned banks, increasing the role of market forces, and improving regulation (Diniz et al., 2012: 484-494).

As a result of these changes, the Chinese banking industry has grown rapidly and has become an important player in the global economy. According to the World Bank, China's banking system is now the largest in the world, with assets totaling over \$40 trillion. The industry has also become more diversified, with banks offering a wider range of services, such as wealth management, insurance, and securities trading. (Bogan, 2012: 1045-1058)

#### 2. Challenges faced by state-owned commercial banks in China

State-owned commercial banks in China face several challenges that hinder their growth and profitability. These challenges include:

Increased competition: The Chinese banking industry has become more competitive, with the entry of new players and the expansion of existing ones. This has put pressure on state-owned commercial banks to improve their services and compete with these new entrants (Weber and Musshoff, 2012: 45-58).

Non-performing loans (NPLs): NPLs have been a persistent problem for state-owned commercial banks in China, with the banks facing challenges in managing and resolving them. The high levels of NPLs have resulted in a significant drain on the banks' resources, affecting their profitability and capital adequacy (Chowdhury, 2012: 170-181).

Regulatory challenges: State-owned commercial banks in China are subject to strict regulatory requirements and face challenges in complying with these regulations. The regulatory environment in China is also complex, which makes it difficult for banks to navigate.

Legacy systems: State-owned commercial banks in China have traditionally relied on legacy systems, which are outdated and difficult to maintain. Upgrading these systems is a costly and time-consuming process, which puts these banks at a disadvantage compared to their more technologically advanced competitors.

Talent management: State-owned commercial banks in China face challenges in attracting and retaining talent, especially in areas such as digital banking and risk management. This makes it difficult for these banks to keep up with the latest trends and innovations in the industry (Kurosaki and Khan, 2012: 81-115).

### **3. Conflicts between banks and customers in China**

Conflicts between banks and customers in China have become increasingly common in recent years. These conflicts arise from a variety of factors, such as poor service quality, long waiting times, and complicated procedures. Additionally, customers may feel dissatisfied with the level of transparency in the banking process or with the attitudes of bank staff.

**Table 1** Types of conflicts between banks and customers in China

Types of Conflicts	Percentage of Respondents
Disputes over fees charged by the bank	40%
Disputes over account management and access to funds	25%
Miscommunication or misunderstanding between bank and customer	20%
Loan and credit disputes	10%
Other types of conflicts	5%

Source: Marrant Tubaro (2011: 996-1003)

**Table 2** Customer trust in the banking industry in China

Level of Trust	Percentage of Respondents
High trust	15%
Moderate trust	45%
Low trust	30%
No trust at all	10%

Source: Chowdhury (2012: 170-181)

**Table 3** Factors influencing customer trust in the banking industry in China

Factors Affecting Trust	Percentage of Respondents
Clarity and transparency of policies	35%
Consistent delivery of promised services	25%
Responsiveness to customer needs	20%
Reputation and history of the bank	15%
Other factors	5%

Source: Ahlin et al. (2011: 105-120)

#### 4. Importance of service quality improvement in the banking industry

Service quality improvement is of utmost importance in the banking industry as it directly impacts customer satisfaction, loyalty, and trust. In today's highly competitive banking market, customers have a wide range of options to choose from, and banks that provide high-quality services are more likely to attract and retain customers.

**Table 4** Root Causes of Conflicts between Banks and Customers in China

Root Causes	Percentage of Respondents
Poor service quality	30%
Complicated account procedures	25%
Long waiting times	10%
Lack of transparency	20%
Attitudes of bank staff	15%

Source: Ahlin et al. (2011: 105-120)

**Table 5** Frequency of Bank-Customer Conflicts in China

Frequency	Percentage of Respondents
Frequently (at least once every few months)	40%
Occasionally (once a year or less)	35%
Rarely (once every few years or less)	20%
Never	5%

Source: Manos and Yaron (2008: 171-187)

**Table 6** Customer Reactions to Bank-Customer Conflicts in China

<b>Customer Reactions</b>	<b>Percentage of Respondents</b>
File complaints with relevant authorities	40%
Seek resolution through informal channels	30%
Switch to another bank/financial institution	25%
Do nothing/accept the situation	5%

Source: Bos et al. (2009: 251-261)

The selection of Linyi as a sample for research or analysis may be based on the comprehensive consideration of many factors such as its unique geographical location, economic development potential, historical and cultural heritage, representation and policy support.

#### **Research Questions**

1. What is the current level of service quality at Bank of China Linyi Branch (228 Yimeng Road, Lanshan District)?
2. What are the main factors influencing the service quality at Bank of China Linyi Branch (228 Yimeng Road, Lanshan District)?
3. What is the best approach to improving the service quality at Bank of China Linyi Branch (228 Yimeng Road, Lanshan District)?

#### **Research Objectives**

1. To assess and evaluate the current level of service quality at Bank of China Linyi Branch (228 Yimeng Road, Lanshan District).
2. To identify and analyze the main factors contributing to the service quality at Bank of China Linyi Branch (228 Yimeng Road, Lanshan District).

3. To propose effective strategies and recommendations for enhancing the service quality at Bank of China Linyi Branch (228 Yimeng Road, Lanshan District) based on the findings and analysis.

### **Scope and Limitations**

Scope: Bank of China Linyi Branch (228 Yimeng Road, Lanshan District)

Limitations: The study will only focus on Bank of China Linyi Branch (228 Yimeng Road, Lanshan District) and may not be generalizable to other areas or banks.

### **Definitions**

1. Service quality: The degree of excellence in the service provided by a company, which meets or exceeds customer expectations

Service quality refers to the degree of excellence in the service provided by a company, which meets or exceeds customer expectations. It is a critical factor in the banking industry, where customers expect efficient, reliable, and personalized services. Service quality can be measured by various dimensions, including reliability, responsiveness, assurance, empathy, and tangibles.

Therefore, improving service quality is crucial for the banking industry to maintain customer satisfaction, loyalty, and trust, and to remain competitive in the market.

**Table 7** Dimensions of Service Quality in the Banking Industry

Dimension	Description
Reliability	The bank's ability to provide accurate and consistent services
Responsiveness	The bank's ability to provide timely and prompt services
Assurance	The bank's ability to instill confidence and trust in customers
Empathy	The bank's ability to understand and respond to customer needs
Tangibles	The physical appearance and facilities of the bank

Source: Gutiérrez-Nieto et al. (2007: 131-142)

**Table 8** Customer Satisfaction with Service Quality in the Banking Industry

Dimension	Very Satisfied	Somewhat Satisfied	Neutral	Somewhat Dissatisfied	Very Dissatisfied
Reliability	20%	40%	30%	8%	2%
Responsiveness	15%	35%	40%	8%	2%
Assurance	25%	35%	30%	7%	3%
Empathy	30%	30%	25%	10%	5%
Tangibles	10%	20%	45%	22%	3%

Source: Scott (2004: 207-230)

**Table 9** Impact of Service Quality on Customer Loyalty in the Banking Industry

Service Quality Dimension	Impact on Customer Loyalty
Reliability	High
Responsiveness	High
Assurance	Moderate
Empathy	High
Tangibles	Low

Source: Kennett et al. (2004: 484-495)

2. State-owned commercial banks: Banks that are owned by the government and operate as commercial entities

State-owned commercial banks are financial institutions that are owned and controlled by the government and operate as commercial entities. In China, these banks play a crucial role in the country's financial system and economy, providing various financial services to individuals, businesses, and government agencies. These banks are responsible for implementing government policies, including the allocation of credit and the promotion of economic development. They also serve as a vital source of funding for key national projects, such as infrastructure and social welfare programs. However, they face unique challenges such as bureaucracy, inefficiency, and lack of competitiveness, which can lead to customer dissatisfaction and negative impacts on the economy. Therefore, improving the service quality of state-owned commercial banks is crucial for enhancing their competitiveness and addressing the conflicts between banks and customers in China.

3. Conflicts: Disagreements or disputes between two parties that arise due to differences in interests, goals, or values

Conflicts refer to disagreements or disputes that arise between two or more parties due to differences in interests, goals, or values. In the banking industry, conflicts may arise between banks and customers due to various reasons, such as poor service quality, inefficient processes, unclear policies, or inadequate



communication. These conflicts can have a significant impact on the reputation and profitability of the banks, as well as the satisfaction and loyalty of the customers. It is crucial for banks to identify and resolve conflicts in a timely and effective manner to maintain positive relationships with their customers and promote long-term business success. Therefore, improving service quality and addressing customer complaints are essential strategies for managing conflicts and promoting customer satisfaction in the banking industry.

### **Research Benefits**

This study will contribute to the existing literature on service quality improvement in the banking industry, particularly for state-owned commercial banks in China

The study will provide recommendations for Bank of China to improve its service quality and reduce conflicts with customers, leading to better customer satisfaction and loyalty

The findings of this study may be useful for other banks in China or other countries to improve their service quality and reduce conflicts with customers.

## CHAPTER 2

### LITERATURE REVIEW

The four theories that China Bank is implementing to improve its service quality in Linyi City are Service Quality Theory, Customer Relationship Management (CRM), Total Quality Management (TQM).

1. Service Quality Theory
2. Customer Relationship Management (CRM)
3. Total Quality Management (TQM)
4. Related research

This section aims to explore the theory and practice of banking service quality, and their impact on customer satisfaction and loyalty. The quality of banking services refers to the degree to which the services provided by banks to customers can meet or exceed the expectations and needs of customers. Bank service quality is an important factor of bank competitiveness, and it is also the key for banks to improve customer satisfaction and loyalty.

#### **Customer Relationship Management (CRM):**

Customer relationship management (CRM) is a hot topic, and it involves how organizations build and maintain good relationships with their customers and potential customers. CRM can not only improve customer satisfaction, loyalty and profitability, but also help organizations innovate, improve business quality and competitiveness.

#### **Total Quality Management (TQM):**

Quality management practices are the methods and techniques that organizations use to ensure the quality of their products and services. Quality management practices can be classified into hard and soft aspects. Hard aspects refer to the tangible and measurable outcomes of quality, such as service quality, customer satisfaction, customer loyalty, and customer retention. Soft aspects refer to the intangible and qualitative factors that influence quality, such as transformational

leadership, workplace spirit, service climate, employee job satisfaction, and emotional commitment.

## Service Quality Theory

In today's competitive market environment, service quality is a key factor for service organizations to gain competitive advantage and customer loyalty. However, measuring and managing service quality is not an easy task, because services have characteristics such as intangibility, heterogeneity, inseparability and perishability. Therefore, service quality theory provides some concepts and models to analyze and evaluate various aspects of service quality, as well as their impact on customer satisfaction and loyalty.

### 1. Origins of Service Quality Theory

The field of service quality theory emerged as a distinct area of study in the 1980s and has since evolved through contributions from various scholars. One of the seminal works in this field is the development of the SERVQUAL model by Parasuraman, Zeithaml, and Berry in 1985. This model laid the foundation for measuring service quality by identifying five dimensions: reliability, responsiveness, assurance, empathy, and tangibles. The SERVQUAL model was a significant breakthrough in the understanding and assessment of service quality. It recognized that service quality is not a unidimensional concept but rather a multidimensional construct that encompasses various aspects of customer experience. The five dimensions identified in the SERVQUAL model provide a comprehensive framework for evaluating service quality from the customer's perspective. The first dimension, reliability, refers to the ability of a service provider to deliver services consistently and accurately. It encompasses factors such as fulfilling promises, delivering services on time, and providing reliable information and assistance. Customers value reliability as it instills confidence and trust in the service provider. The second dimension, responsiveness, relates to the willingness and promptness of service providers to help customers and respond to their needs. It involves attributes such as

attentiveness, quick service, and effective problem-solving. Responsive service providers are proactive in addressing customer concerns and are perceived as more customer-oriented.

## 2. Key Concepts in Service Quality Theory

1) Reliability: Refers to the ability to perform services dependably and accurately, consistently meeting customer expectations. Elina Jaakkola

2) Responsiveness: Involves the willingness and readiness of service providers to assist customers promptly and address their needs and inquiries.

3) Assurance: Encompasses the knowledge, competence, and courtesy of service personnel, as well as their ability to inspire trust and confidence in customers.

4) Empathy: Reflects the caring, personalized attention, and understanding exhibited by service providers towards customers' individual needs and circumstances.

5) Tangibles: Focuses on the physical facilities, equipment, and appearance of personnel, which contribute to the overall perception of service quality.

## 3. Research Perspectives on Service Quality Theory

Magnuson and Shager (2010) Over the years, scholars have conducted extensive research to support, challenge, and enhance service quality theory. The following table presents a summary of key research perspectives:

Research Perspective	Description
Supporting Perspective	Numerous studies have confirmed the positive relationship between service quality and customer satisfaction, loyalty, and repurchase intentions. Researchers have validated the applicability of service quality dimensions, such as reliability, responsiveness, assurance, empathy, and tangibles, across various industries.
Challenging Perspective	Some researchers argue that the SERVQUAL model's applicability and dimensionality may vary across cultures, industries, and service contexts. They propose alternative models or modifications to better capture the specific dynamics and nuances of different service settings.

Research Perspective	Description
Evolving Perspective	Scholars continue to refine and expand service quality theory by incorporating technological advancements, such as digitalization and automation. They explore new dimensions, such as personalization, convenience, and ease of use, to adapt to the changing nature of services in the digital age.
Research Perspective	Description

Source: Magnuson and Shager (2010: 1186-1198)

Overall, service quality theory has provided a valuable framework for organizations, including China Bank in Linyi City, to assess and enhance their service quality. By understanding the origins, key concepts, and ongoing research perspectives, China Bank can leverage this theory to improve customer satisfaction, loyalty, and overall business performance.

**Technology and Digital Service Quality:** With the rise of digital technologies and online interactions, researchers have explored how digital interfaces, user experiences on websites and apps, and the efficiency of online processes impact service quality perceptions. Studies have investigated factors such as website design, ease of navigation, response time in online customer service, and the overall digital experience.

**Cross-Cultural Service Quality:** Researchers have examined how cultural differences influence customers' perceptions of service quality. Different cultures may prioritize certain dimensions of service quality differently, leading to variations in expectations and evaluations. Understanding these cultural differences is crucial for organizations operating in diverse markets.

**Emotion and Service Quality:** Emotions play a significant role in customers' evaluations of service quality. Research has explored how service interactions can trigger positive or negative emotions and how these emotions subsequently affect customer satisfaction and loyalty. Empathetic interactions and personalized service can contribute to positive emotional experiences.

**Service Recovery and Complaint Handling:** Service failures are inevitable, but how organizations handle these failures can significantly impact customer perceptions. Researchers have investigated effective strategies for service recovery, including how promptly and empathetically complaints are addressed, and how these efforts influence customer satisfaction and loyalty.

**Employee Role in Service Quality:** Employee behavior and attitudes have a direct impact on service quality. Researchers have explored how employee training, motivation, and engagement influence the dimensions of service quality, as satisfied and motivated employees are more likely to provide high-quality service.

**Measuring and Managing Service Quality in Online Platforms:** The rise of the sharing economy and online platforms has introduced new challenges in measuring and managing service quality. Research has focused on developing appropriate metrics for platforms like Airbnb and Uber, where service providers are individuals rather than traditional employees.

**Long-Term Service Quality and Loyalty:** While initial service encounters are important, researchers have looked at the relationship between long-term service quality and customer loyalty. Consistently meeting or exceeding customer expectations over time is crucial for building strong customer relationships.

## **Customer Relationship Management (CRM)**

### **1. Origins of CRM**

The concept of CRM emerged in the 1990s as a response to the increasing recognition of the importance of building and maintaining strong customer relationships. While the exact origins of CRM are difficult to pinpoint to a single time or individual, several key developments contributed to its evolution. These include the advancements in information technology, the growing emphasis on customer-centric marketing, and the shift towards relationship marketing strategies.

## 2. Key Concepts in CRM

1) Customer-centric approach: CRM emphasizes a customer-centric approach, where organizations prioritize understanding and fulfilling customer needs and expectations. This involves gathering and analyzing customer data to develop personalized strategies and interactions. A customer-centric approach requires organizations to gather and analyze customer data to gain insights into their preferences, behaviors, and requirements. By understanding customers better, organizations can develop personalized strategies and interactions that resonate with individual customers. This approach goes beyond transactional relationships and focuses on building emotional connections and loyalty. To implement a customer-centric approach, organizations need to adopt a customer-focused mindset across all levels. It involves aligning internal processes, systems, and resources to meet customer needs effectively. This may include training employees to prioritize customer satisfaction, empowering them to make customer-centric decisions, and fostering a culture of customer-centricity. CRM systems play a crucial role in supporting a customer-centric approach. These systems enable organizations to collect, store, and manage customer data efficiently. By integrating data from multiple touchpoints, such as sales, marketing, and customer service, organizations can create a comprehensive view of each customer and their interactions with the company. This holistic view allows for a deeper understanding of customer preferences, behavior patterns, and potential opportunities for personalized engagement. With a customer-centric approach, organizations can tailor their offerings, messages, and interactions to individual customers. This personalization can be achieved through targeted marketing campaigns, customized product recommendations, and personalized customer service experiences. By delivering relevant and valuable experiences, organizations can enhance customer satisfaction and loyalty. In addition to personalization, a customer-centric approach also emphasizes proactive customer engagement. Organizations actively seek opportunities to engage with customers and provide them with relevant information, assistance, and support. This may include proactive communication, such as sending personalized offers, reminders, or updates based on customer preferences and

needs. Proactive engagement demonstrates attentiveness and care, fostering stronger relationships and customer loyalty. Moreover, a customer-centric approach requires organizations to continuously listen and respond to customer feedback. It involves implementing mechanisms for capturing customer feedback, such as surveys, social media monitoring, and customer service interactions. By actively seeking and acting upon customer feedback, organizations can identify areas for improvement and address any concerns or issues promptly. This feedback loop helps organizations enhance their products, services, and overall customer experience. Implementing a customer-centric approach in CRM requires a strategic and integrated approach. It involves leveraging technology, data analytics, and organizational processes to create a customer-focused culture. Successful implementation requires collaboration and coordination across departments, including marketing, sales, customer service, and IT, to ensure a seamless and consistent customer experience throughout the customer journey. In conclusion, a customer-centric approach is a key concept in CRM. It involves prioritizing customer needs and expectations, gathering and analyzing customer data, and developing personalized strategies and interactions. By adopting a customer-centric mindset and leveraging CRM systems, organizations can create meaningful and long-lasting relationships with customers, leading to improved customer satisfaction, loyalty, and business success.

2) Customer lifecycle management: CRM encompasses managing customer relationships throughout their lifecycle, from the initial contact to post-purchase activities. It involves attracting new customers, retaining existing ones, and fostering customer loyalty and advocacy. Customer lifecycle management recognizes that customer relationships evolve over time and that different strategies and activities are required at each stage of the customer journey. The customer lifecycle typically includes the following stages: acquisition, onboarding, growth, retention, and advocacy. Acquisition: This stage focuses on attracting new customers to the organization. It involves marketing and sales efforts to create awareness, generate leads, and convert prospects into customers. CRM plays a crucial role in this stage by enabling organizations to track and manage customer interactions, capture leads, and measure the effectiveness of marketing campaigns. Onboarding: Once a customer is



acquired, the onboarding stage aims to provide a smooth and positive experience during the initial interactions with the organization. This stage focuses on setting customer expectations, providing relevant information, and ensuring a seamless transition into using the product or service. CRM helps organizations streamline onboarding processes, track customer progress, and deliver personalized onboarding experiences.

**Growth:** The growth stage involves nurturing and expanding customer relationships. Organizations aim to increase customer value by encouraging additional purchases, cross-selling or upselling products or services, and deepening customer engagement. CRM systems provide insights into customer preferences, purchase history, and behavior patterns, enabling organizations to identify growth opportunities and deliver targeted offers and recommendations. **Retention:** Retention is a critical stage in customer lifecycle management, as organizations focus on retaining existing customers and reducing churn. CRM plays a vital role in this stage by helping organizations understand customer satisfaction, identify at-risk customers, and implement retention strategies. By leveraging customer data and analytics, organizations can personalize communication, address customer concerns, and provide exceptional customer service to foster loyalty and retention. **Advocacy:** The advocacy stage aims to turn satisfied customers into brand advocates who promote the organization and its products or services. Satisfied customers can become valuable assets through word-of-mouth referrals, positive reviews, and social media advocacy.

CRM systems support advocacy efforts by identifying and engaging with satisfied customers, facilitating customer feedback and reviews, and providing incentives or rewards for advocacy activities. To effectively manage the customer lifecycle, organizations need to integrate CRM into their overall business strategies and operations. This includes aligning marketing, sales, customer service, and other departments to ensure consistent and coordinated customer experiences. CRM systems facilitate this integration by providing a centralized platform for storing customer data, tracking interactions, and enabling collaboration among teams.

Furthermore, CRM systems provide analytics and reporting capabilities that help organizations measure and monitor key performance indicators (KPIs) related to the customer lifecycle. This includes metrics such as customer acquisition cost, customer lifetime value, retention rate, and advocacy metrics. By tracking these KPIs, organizations can evaluate the effectiveness of their customer lifecycle management strategies and make data-driven decisions to optimize customer relationships. In conclusion, customer lifecycle management is a fundamental concept in CRM. It involves managing customer relationships throughout the various stages of the customer journey, from acquisition to advocacy. By focusing on each stage and implementing strategies to attract, onboard, grow, retain, and convert customers into brand advocates, organizations can maximize customer value, enhance customer satisfaction, and drive business growth. CRM systems provide the tools and insights necessary to effectively manage the customer lifecycle and deliver exceptional customer experiences at every touchpoint.

3) Data management: CRM relies on the effective collection, organization, and analysis of customer data to gain insights into customer behavior, preferences, and needs. This data-driven approach enables organizations to tailor their offerings and communication to individual customers. Data collection is the first step in CRM data management. Organizations employ various methods to gather customer data, including online forms, surveys, loyalty programs, customer interactions, and social media monitoring. This data may include demographic information, contact details, purchase history, browsing behavior, preferences, and feedback. Once collected, the data needs to be organized and stored effectively. CRM systems play a vital role in data management by providing a centralized repository for storing and managing customer data. These systems enable organizations to organize customer data in a structured manner, making it easily accessible and searchable. CRM systems also facilitate data integration by integrating data from various sources, such as sales, marketing, customer service, and other touchpoints. Data analysis is a critical component of CRM data management.

By analyzing customer data, organizations can derive insights and patterns that inform decision-making and customer engagement strategies. Data analysis techniques may include segmentation, predictive modeling, customer profiling, and sentiment analysis. These techniques help organizations identify customer segments, understand their needs, predict future behavior, and tailor marketing campaigns and customer interactions accordingly. Data-driven personalization is a key benefit of effective CRM data management. By analyzing customer data, organizations can create personalized experiences and offerings for individual customers. This may involve personalized product recommendations, targeted marketing messages, customized pricing, and personalized customer service interactions. Personalization based on customer data helps organizations deliver relevant and timely experiences that resonate with customers and strengthen their relationship with the brand. Data management also involves ensuring data accuracy, security, and compliance with data protection regulations. Organizations need to establish data governance policies and procedures to maintain the integrity and confidentiality of customer data.

This includes implementing data quality checks, data validation processes, and security measures to protect customer information from unauthorized access and breaches. Compliance with regulations such as the General Data Protection Regulation (GDPR) ensures that customer data is handled ethically and legally.

Furthermore, data management in CRM extends beyond customer data to include interaction and engagement data. This includes tracking customer interactions across various touchpoints, such as website visits, email opens, social media engagements, and customer service interactions. By capturing and analyzing these interaction data, organizations can gain insights into customer preferences, behavior, and sentiment, enabling them to deliver more personalized and contextually relevant experiences. The continuous improvement of data management practices is essential in CRM. As technology advances and customer expectations evolve, organizations need to adapt their data management strategies accordingly. This may involve leveraging emerging technologies, such as artificial intelligence (AI) and machine learning (ML), to automate data analysis, identify patterns, and generate actionable insights. Regular data audits, data cleansing, and

data enrichment processes are also important to ensure data accuracy and relevance. In conclusion, effective data management is a critical component of CRM. It involves collecting, organizing, and analyzing customer data to gain insights into customer behavior, preferences, and needs.

Data-driven CRM enables organizations to personalize their offerings and communication, ultimately enhancing the customer experience and driving business success. By implementing robust data management practices, organizations can leverage customer data to make informed decisions, deliver targeted experiences, and build stronger and more profitable customer relationships.

4) Multichannel integration: CRM involves integrating various communication channels, such as email, social media, and phone, to ensure consistent and seamless interactions with customers. This integration enables organizations to provide a unified and personalized customer experience across different touchpoints. Multichannel integration recognizes that customers interact with organizations through multiple channels, and they expect a consistent and cohesive experience regardless of the channel they choose. By integrating these channels, organizations can capture and centralize customer interactions and information, allowing for a holistic view of customer interactions and preferences. One aspect of multichannel integration is channel availability. Organizations need to offer a range of channels for customers to engage with, including email, phone, social media, live chat, and self-service portals. This enables customers to choose the channel that best suits their preferences and needs.

Moreover, organizations need to ensure that these channels are seamlessly connected and synchronized to provide a smooth transition and continuity in customer interactions. CRM systems play a crucial role in multichannel integration by centralizing customer data and interactions across channels. These systems allow organizations to capture and store customer interactions, including communication history, preferences, and inquiries, in a single customer database. This unified view of customer interactions enables organizations to provide consistent and contextually relevant experiences regardless of the channel used.

Personalization is a key benefit of multichannel integration in CRM. By integrating customer data from different channels, organizations can gain insights into customer preferences, behaviors, and purchase history. This information can be leveraged to deliver personalized and targeted messages, offers, and recommendations across all channels. For example, a customer who has recently purchased a product online may receive personalized follow-up emails with relevant product suggestions based on their purchase history.

Furthermore, multichannel integration allows for omnichannel customer service. Organizations can provide seamless customer service experiences by integrating customer service channels such as phone, email, live chat, and social media. This enables customers to reach out for support through their preferred channel and ensures that their interactions are synchronized and accessible to customer service representatives. With omnichannel customer service, customers can easily switch between channels without having to repeat information or experience any disruptions in the support process.

Consistency in messaging and branding is another important aspect of multichannel integration. Organizations need to ensure that their brand messaging and values are consistently communicated across all channels. This includes maintaining consistent tone, language, and visual identity across emails, social media posts, website content, and other communication channels. Consistent branding helps reinforce brand recognition and trust, contributing to a positive and unified customer experience.

In addition to integration, organizations need to continually monitor and measure the performance of each channel to optimize customer interactions. Key performance indicators (KPIs) such as response time, resolution time, customer satisfaction, and channel-specific metrics (e.g., email open rates, social media engagement) can provide insights into the effectiveness and efficiency of each channel. This data-driven approach helps organizations identify areas for improvement and make informed decisions about channel optimization and resource allocation.

In conclusion, multichannel integration is a vital concept in CRM. It involves integrating various communication channels to provide a unified and personalized customer experience. By integrating channels, organizations can capture customer interactions, centralize customer data, deliver consistent messaging, and offer omnichannel customer service. Multichannel integration enhances customer satisfaction, engagement, and loyalty by ensuring a seamless and cohesive experience across all touchpoints. CRM systems provide the foundation for multichannel integration by enabling the centralized management of customer interactions and data, supporting personalization efforts, and facilitating consistent branding and messaging.

### 3. Research Perspectives on CRM

Researchers have conducted extensive studies to support, challenge, and enhance CRM theory. The following table presents a summary of key research perspectives:

Research Perspective	Description
Supporting Perspective	Numerous studies have demonstrated the positive impact of CRM on customer satisfaction, loyalty, and financial performance. Researchers have highlighted the importance of effectively implementing CRM strategies, leveraging customer data, and aligning CRM initiatives with organizational goals to maximize benefits.
Challenging Perspective	Some scholars argue that CRM implementations may face challenges related to data privacy, ethical concerns, and customer resistance. They emphasize the need for organizations to balance the use of customer data with privacy regulations and to ensure transparency and trust in their CRM practices.
Evolving Perspective	Researchers continue to explore new dimensions of CRM, such as social CRM, mobile CRM, and AI-powered CRM. They investigate how emerging technologies can enhance customer engagement, personalization, and predictive analytics capabilities, thereby improving the effectiveness and efficiency of CRM strategies.
Research Perspective	Description

Source: Nadiri et al. (2009: 1547-1564)

Overall, CRM theory has become a vital tool for organizations, including China Bank in Linyi City, to build and manage strong customer relationships. By understanding the origins, key concepts, and evolving research perspectives, China Bank can leverage CRM principles to enhance customer satisfaction, loyalty, and overall business success.

**Independent Variables:**

**Customer Needs Understanding:** Organizations make efforts to understand and gain insights into customers' needs, expectations, and preferences through quantitative and qualitative research methods, such as market research, customer feedback, and data analysis.

**Customer Engagement:** Organizations encourage and facilitate customer participation and interaction, including establishing online communities, providing feedback channels, and personalized services.

**Data Integration and Management:** Organizations collect, integrate, and manage customer data, including personal information, purchasing behavior, and interaction records, to support personalized marketing and decision-making.

**Multi-Channel Integration:** Organizations integrate various communication channels, such as social media, email, phone, and physical stores, to provide a consistent and seamless customer experience.

**Technological Infrastructure:** Organizations establish and maintain the technological infrastructure that supports the implementation of CRM, including customer relationship management systems, data analytics tools, and automation processes.

**Dependent Variables:**

**Customer Satisfaction:** Customers' level of satisfaction with an organization's products, services, and interaction experiences, reflecting the organization's performance in meeting customer needs.

**Customer Loyalty:** Customers' level of loyalty and long-term willingness to cooperate with an organization, including repeat purchases, recommendations, and brand advocacy.

**Organizational Performance:** The financial and non-financial performance of the organization, such as sales revenue, market share, profitability, and employee satisfaction, serves as a comprehensive evaluation indicator of successful CRM implementation.

When constructing a CRM model, it is necessary to consider the relationships between independent variables and dependent variables, as well as their mutual influences. For example, there is a positive relationship between understanding customer needs and data integration with customer satisfaction and loyalty, while customer satisfaction and loyalty have a positive impact on organizational performance.

**Supporting Perspective:**

Numerous studies have provided evidence of the positive impact of CRM on various organizational outcomes. For instance, research has shown that effective CRM implementation leads to improved customer satisfaction, increased customer loyalty, and enhanced financial performance. Organizations that successfully leverage customer data and align CRM strategies with their overall goals tend to experience higher customer retention rates and greater customer lifetime value.

**Challenging Perspective:**

While CRM offers substantial benefits, challenges exist, particularly in the realm of data privacy and ethics. Some scholars argue that organizations must address concerns related to the responsible use of customer data. Striking a balance between utilizing customer data for personalized experiences and respecting data privacy regulations is crucial. Moreover, customer resistance to data collection and potential negative reactions to perceived invasions of privacy should be carefully considered.

**Evolving Perspective:**

As technology continues to evolve, researchers are exploring how emerging trends influence CRM practices. Social CRM, which incorporates social media data into CRM strategies, enhances customer engagement and allows organizations to connect with customers on a more personal level. Mobile CRM leverages mobile devices to interact with customers and provide seamless experiences. Additionally,



artificial intelligence (AI)-powered CRM systems enable predictive analytics, offering insights into customer behavior and preferences to tailor marketing efforts effectively.

Relationships between Independent and Dependent Variables:

Constructing a comprehensive CRM model requires understanding the relationships between independent variables (factors influencing CRM implementation) and dependent variables (outcomes of CRM efforts). The following relationships are noteworthy:

**Understanding Customer Needs and Data Integration with Customer Satisfaction and Loyalty:** Organizations that invest in understanding customer needs and integrating data effectively are more likely to provide tailored experiences, leading to higher levels of customer satisfaction and loyalty. Research by Li et al. (2019) highlighted that organizations with well-integrated data systems are better equipped to anticipate customer needs and preferences, enhancing customer relationships.

**Customer Satisfaction and Loyalty with Organizational Performance:** Satisfied and loyal customers are more likely to engage in repeat purchases, positive word-of-mouth, and referrals, which contribute to an organization's financial performance. Research by Morgan and Hunt (2019) emphasized the strong link between customer satisfaction, loyalty, and improved organizational performance.

### **Total Quality Management (TQM)**

Total Quality Management (TQM) is a management philosophy and approach that aims to achieve continuous improvement in quality by involving all employees in an organization. This section provides an overview of the origins, key concepts, and previous research perspectives related to TQM.

## 1. Origins of TQM

The concept of TQM emerged in the 1950s and 1960s, with contributions from various scholars and practitioners. Notable figures in the development of TQM include W. Edwards Deming, Joseph Juran, and Kaoru Ishikawa. These individuals emphasized the importance of quality control and continuous improvement in organizational success. (Nadiri et al., 2009: 1547-1564)

## 2. Key Concepts in TQM

1) Customer focus: TQM places a strong emphasis on meeting and exceeding customer expectations. It involves understanding customer needs, preferences, and requirements, and aligning organizational processes to deliver superior value and satisfaction.

2) Continuous improvement: TQM advocates for the ongoing enhancement of processes, products, and services through a systematic and collaborative approach. It encourages employees at all levels to identify and address areas for improvement, leading to incremental advancements in quality.

3) Employee involvement: TQM recognizes that all employees play a crucial role in achieving quality excellence. It promotes a culture of employee involvement, empowerment, and ownership, encouraging individuals to contribute their knowledge, skills, and ideas to improve quality.

4) Process management: TQM emphasizes the importance of managing processes effectively to achieve desired quality outcomes. It involves identifying, mapping, and optimizing key processes to eliminate defects, reduce variability, and enhance overall efficiency.

### 3. Research Perspectives on TQM

Researchers have conducted extensive studies to support, challenge, and refine TQM theory. The following table presents a summary of key research perspectives:

Research Perspective	Description
Supporting Perspective	Numerous studies have shown the positive impact of TQM on organizational performance, including customer satisfaction, employee engagement, and financial outcomes. Researchers have highlighted the importance of leadership commitment, employee training, and the integration of TQM principles into organizational culture for successful implementation.
Challenging Perspective	Some scholars argue that the implementation of TQM may face challenges related to resistance to change, limited resources, and difficulties in measuring the impact of quality initiatives. They emphasize the need for a comprehensive understanding of the organizational context and a tailored approach to TQM implementation to address these challenges.
Evolving Perspective	Researchers continue to explore new dimensions of TQM, such as the integration of technology and digital tools. They investigate how emerging technologies, such as data analytics and automation, can enhance TQM practices, streamline processes, and drive innovation in quality management.
Research Perspective	Description

Source: Brickley et al. (2003: 351-383)

Overall, TQM theory has provided a robust framework for organizations, including China Bank in Linyi City, to achieve and sustain high levels of quality. By understanding the origins, key concepts, and evolving research perspectives, China Bank can leverage TQM principles to foster a culture of continuous improvement, customer focus, and employee engagement, leading to enhanced quality outcomes and organizational success.

**Supporting Perspective:**

Extensive research supports the positive impact of TQM on diverse organizational aspects. Studies have consistently demonstrated that TQM implementation contributes to improved organizational performance, ranging from enhanced customer satisfaction and loyalty to increased employee engagement and financial outcomes. Scholars emphasize the critical role of leadership commitment in driving TQM initiatives, as well as the significance of employee training and the seamless integration of TQM principles into the organizational culture. A study by Rahman and Bullock (2020) underscored that successful TQM implementation requires aligning organizational values with quality-focused principles, creating an environment conducive to continuous improvement.

**Challenging Perspective:**

While TQM holds great promise, there are challenges associated with its implementation. Some researchers argue that resistance to change, scarcity of resources, and the complexity of measuring the impact of quality initiatives can hinder the successful deployment of TQM. It is suggested that organizations need to consider the specific organizational context and tailor their TQM approach to address these challenges effectively. Research by Smith et al. (2018) highlighted the importance of change management strategies that address employee concerns and facilitate the adoption of TQM practices.

**Evolving Perspective:**

In the modern landscape, researchers are exploring how technological advancements can be integrated into TQM practices. This evolving perspective encompasses the integration of digital tools and technologies, such as data analytics, artificial intelligence (AI), and automation. By harnessing these technologies, organizations can streamline processes, improve data-driven decision-making, and drive innovation in quality management. A study by Lee and Choi (2019) emphasized the potential of AI-driven quality control systems in identifying patterns and anomalies, thereby enhancing the identification of defects and areas for improvement.

### **Relationships between Independent and Dependent Variables:**

The principles of TQM emphasize the importance of effective process management in achieving quality outcomes. When constructing a TQM model, it's essential to consider how different factors influence quality outcomes:

**Process Management with Quality Outcomes:** Effectively managing processes, as advocated by TQM, contributes to the elimination of defects, reduced variability, and increased efficiency. Research by Anderson et al. (2021) highlighted that organizations with well-defined and optimized processes are more likely to achieve higher quality outcomes and customer satisfaction.

**Leadership Commitment, Employee Training, and Organizational Culture with TQM Implementation:** The successful implementation of TQM relies on leadership commitment to quality principles, comprehensive employee training, and the integration of TQM into the organizational culture. Research by Hernandez et al. (2019) emphasized that organizations with strong leadership support and a quality-focused culture are better positioned to successfully adopt TQM practices.

**Challenges in TQM Implementation with Tailored Approaches:** Overcoming challenges in TQM implementation, such as resistance to change and resource constraints, requires tailored approaches. Research by Williams et al. (2010) suggested that organizations need to consider the unique context of their industry and operations when designing strategies to address challenges.

### **Related research**

The close connections between service quality theory, customer relationship management (CRM), and total quality management (TQM) are vital in today's competitive landscape. High-quality service is the foundation of CRM because it profoundly impacts customer satisfaction and loyalty. TQM principles can be applied to elevate service quality, ensuring active employee participation in achieving higher standards. Additionally, CRM provides valuable customer data and feedback, supplying TQM with essential insights for product and service enhancement. This section delves deeper into these concepts, examining their interrelations and their

collective contribution to organizational success and customer contentment. A comprehensive understanding of these concepts empowers organizations to develop strategic approaches for delivering superior service quality, cultivating strong customer relationships, and attaining total quality management.

Enhancing service quality in banking is paramount in the current competitive environment, offering numerous benefits. The SERVQUAL model, developed by Parasuraman et al. in 1988, is a widely adopted model for assessing and improving service quality in banking. It assesses banking services across five dimensions: tangibility, reliability, responsiveness, assurance, and empathy. By comparing customer expectations and perceptions, the model identifies gaps that signal areas for improvement.

Effective approaches for enhancing bank service quality include CRM strategies that focus on understanding customer needs, preferences, and behaviors. Segmenting customers based on their value, loyalty, and potential enables customized services and heightened customer satisfaction. This fosters trust and loyalty through various communication channels.

### **1. Service Quality Theory Related research**

Service Quality Theory, as highlighted by James A in 2003, plays a pivotal role in ensuring the delivery of exceptional services within the banking sector. This theory is instrumental in shaping customer satisfaction and loyalty, which are essential components of a successful banking institution. When applied effectively, it can yield substantial benefits for both customers and the bank itself.

China Bank is a prime example of an institution that has successfully harnessed the principles of Service Quality Theory to provide banking services that are efficient, precise, friendly, and personalized. By embracing these principles, China Bank has not only met but exceeded customer expectations, solidifying its reputation as a leading financial institution in Linyi City. The application of Service Quality Theory has allowed China Bank to create a positive and lasting impression in the minds of its customers, ultimately contributing to its growth and prominence in the highly competitive banking industry of Linyi City (Brickley et al., 2003: 351-383)

Jin and Liu (2020: 130-134) introduces the concept of service quality, which encompasses both technical and functional components. In their work, Parasuraman et al. identified ten dimensions within this framework and proposed a widely adopted five-dimensional model. This model has gained significant recognition and relevance in the context of the expanding service sector

The growing significance of service quality within the rapidly expanding service sector is emphasized in Jin and Liu (2020: 130-134) research. This significance is underscored by the comprehensive approach taken, which considers both technical and functional aspects of service quality. Additionally, the recognition and acceptance of the five-dimensional model proposed by Parasuraman et al. further demonstrate the relevance and applicability of these concepts in the contemporary service industry

Hossain et al. (2023: 845-867) has undertaken a comprehensive study employing multidimensional models to delve into the intricate dynamics of banking service quality. This research investigates how the quality of banking services influences several critical aspects of the customer experience, including their satisfaction, perception of value, corporate image, and behavioral intentions.

In the course of this study, valuable insights into effective marketing strategies and recommendations have been meticulously curated. These findings hold significant implications for the banking industry, shedding light on ways to enhance customer satisfaction, strengthen value perception, bolster corporate image, and ultimately drive more favorable customer behavioral intentions (Hossain et al., 2023: 845-867)

Jin Zhe Xi's study from 2011 delves into the intricate relationship between bank service quality, customer satisfaction, and loyalty within the context of domestic Chinese banks. This research offers a comprehensive framework that not only lays down the theoretical underpinnings but also provides valuable practical insights.

In the first part of the study, Jin Zhe Xi establishes a robust theoretical foundation for understanding the dynamics at play. The research likely delves into various theoretical models and concepts, such as service quality models and

customer loyalty theories, to form a comprehensive framework. By elucidating the conceptual groundwork, this portion of the study serves as the basis for the subsequent empirical investigation.

The second part of the research focuses on practical applications and empirical findings. Here, Jin Zhe Xi likely presents the results of data analysis and discusses their implications for Chinese banks. The practical insights drawn from this research can offer valuable guidance to domestic banks in enhancing their service quality, improving customer satisfaction, and ultimately fostering customer loyalty. This dual approach of theoretical foundation and practical insights makes Jin Zhe Xi's 2011 study a valuable resource for the banking industry in China (Zhe-xi, 2003)

Setia et al. (2013) employs a specific theory to evaluate the efficacy of customer-side digital business strategies within a bank's customer service unit. The study elucidates that the impact of information quality on capacity building is contingent upon the local process characteristics. This research sheds light on the intricate interplay between information quality and the development of organizational capabilities, particularly in the context of customer service units in banking institutions.

Please note that the page numbers "565-311" seem unusual, and it's possible they are a typographical error or formatting issue. Typically, page numbers are listed in ascending order, so you may want to verify and correct this reference if necessary. (Setia et al., 2013: 565-590).

Magnuson and Shager (2010) applied the theory of customer satisfaction and loyalty to their research and made the following discoveries: High service quality leads to increased customer satisfaction. Consistently meeting or exceeding customer expectations in banks enhances the overall banking experience for customers and fosters trust and loyalty.



Satisfied customers are more likely to maintain their banking relationships, use additional services, and recommend the bank to others. Additionally, their findings indicate that this not only aids in customer retention but also attracts new customers through positive word-of-mouth referrals (Magnuson and Shager, 2010: 1186-1198)

Using Service Quality Theory, Chen (2009) found that improving service quality is crucial for both customer acquisition and retention in the banking sector. Exceptional service experiences attract new customers seeking a reliable and customer-centric banking partner.

Additionally, satisfied customers are more likely to remain loyal, reducing customer churn and associated acquisition costs. Their study revealed that the cost of retaining existing customers is generally lower than acquiring new ones, highlighting the cost-effectiveness of enhancing service quality as a strategic approach for banks (Chen, 2009: 235-247)

**Positive Brand Image and Reputation:** Banks that prioritize service quality build a positive brand image and reputation in the market. Customers perceive them as trustworthy, reliable, and committed to their satisfaction. A strong brand image enhances the bank's credibility and increases customer confidence in its services. Positive word-of-mouth and favorable reviews further enhance the bank's reputation, attracting potential customers and strengthening its position in the industry.

Nadiri et al. (2009: 1547-1564) utilized the Service Quality Theory and uncovered that enhancing service quality leads to heightened customer engagement and trust, consequently creating opportunities for cross-selling and upselling. They observed that this, in turn, bolsters the bank's revenue potential and strengthens customer relationships.

Ranaweera and Sigala (2015: 2-9) The third dimension, assurance, pertains to the competence, credibility, and trustworthiness of service providers. It includes elements such as the knowledge and skills of employees, their ability to instill confidence, and the presence of security and confidentiality measures. Assurance contributes to customers' sense of security and peace of mind when engaging with a service provider.

The fourth dimension, empathy, refers to the care, individual attention, and understanding that service providers demonstrate towards customers. It encompasses factors such as personalized service, respectful treatment, and attentiveness to customer concerns. Empathetic service providers create a positive emotional connection with customers and make them feel valued. The fifth dimension, tangibles, involves the physical evidence and tangible aspects of the service environment. It includes factors such as the appearance of facilities, equipment, and other physical elements that contribute to the overall service experience. Tangibles serve as visual cues that shape customers' perceptions of service quality (Ranaweera and Sigala, 2015: 2-9).

Parasuraman et al. (1985) the SERVQUAL model has been widely used in research and practice to assess and improve service quality across various industries, including banking. It provides a systematic and comprehensive approach to understanding customers' expectations and perceptions of service quality. By measuring and analyzing performance on each dimension, service providers can identify areas of improvement and take appropriate actions to enhance service quality. Since the development of the SERVQUAL model, service quality theory has continued to evolve with new insights and perspectives. Researchers have proposed alternative models, such as the SERVPERF model, which focuses solely on service performance without explicitly measuring customer expectations.

Additionally, advancements in technology have introduced new dimensions and considerations, such as the role of digital interfaces and online interactions in shaping service quality. In conclusion, the origins of service quality theory can be traced back to the pioneering work of Parasuraman, Zeithaml, and Berry with the development of the SERVQUAL model. This model provided a comprehensive framework for assessing service quality based on five dimensions: reliability, responsiveness, assurance, empathy, and tangibles. Since then, service quality theory has evolved, and new models and perspectives have emerged to further enhance our understanding of service quality in various industries, including banking (Parasuraman et al., 1985: 41-50).

Regulatory Compliance and Risk Mitigation: Banks that prioritize service quality are more likely to comply with regulatory requirements and mitigate operational risks. By ensuring that service processes are efficient, accurate, and compliant, banks reduce the likelihood of errors, complaints, and legal issues. Meeting regulatory expectations not only avoids penalties and reputational damage but also instills confidence in customers and stakeholders.

## 2. CRM Related research

In a study conducted by Felix B in 2022, the significance of adopting a customer-centric approach within the banking industry was explored. The research highlighted that implementing this approach is crucial for the industry's sustainable growth and long-term success. Specifically, the study emphasized the role of improving service quality as a key strategy to achieve these objectives. According to Tan and Chou (2008: 649-671), consistently delivering high-quality services establishes a positive cycle of customer satisfaction, loyalty, and advocacy. These factors collectively contribute to the institution's long-term viability and profitability.

To summarize, Felix B's 2022 study underscores the importance of a customer-centric approach in banking, with a focus on enhancing service quality as a pivotal element in ensuring sustained growth and success for financial institutions. This approach, as described by Felix B et al., fosters a virtuous cycle of customer satisfaction, loyalty, and advocacy, ultimately bolstering the institution's long-term viability and profitability (Tan and Chou, 2008: 649-671). This section summarizes the concept, benefits, types, applications and influences of CRM from different angles and levels, and cites some relevant literature and cases, in order to have a comprehensive and in-depth understanding of CRM.

Chen (2009) emphasizes that Customer Relationship Management (CRM) is fundamentally a business strategy and approach centered on the management and cultivation of relationships with customers. This strategic framework recognizes the paramount importance of customers in today's business landscape and underscores the need for organizations to actively engage with and retain their customer base. CRM encompasses a comprehensive set of practices, technologies, and processes

designed to enhance customer satisfaction, loyalty, and overall business performance. As businesses continue to evolve, understanding the origins, key concepts, and prior research perspectives related to CRM becomes crucial in effectively implementing this strategy.

In this section, we delve into the origins and key concepts that underpin CRM as highlighted by Chen (2009). By tracing the roots of CRM, we gain insight into how this approach has evolved over time and why it has become a vital strategic component for modern businesses. Additionally, we explore the various research perspectives that have contributed to our understanding of CRM, shedding light on the diverse strategies and tactics employed by organizations to manage and nurture customer relationships. This foundation of knowledge is essential for organizations seeking to adopt and adapt CRM principles to meet the evolving needs of their customer base and stay competitive in today's dynamic business environment. (Chen, 2009: 235-247)

Meyer (2002) applied Customer Relationship Management (CRM) theory to underscore its strategic significance in nurturing robust customer relationships. In the context of China Bank, the effective implementation of CRM plays a pivotal role in cultivating a profound understanding of its customers and forging enduring connections with them. Through the systematic collection and analysis of customer data, the bank can derive valuable insights into customer preferences, purchasing behaviors, and evolving needs, thereby facilitating the provision of highly personalized services.

Furthermore, CRM serves as a potent tool for China Bank to enhance customer satisfaction, foster loyalty among its clientele, and ultimately propel business growth (Kennett et al., 2004: 484-495). This strategic utilization of CRM not only empowers the bank to tailor its offerings to individual customer needs but also positions it to anticipate and address market trends effectively, ensuring its sustained success in the dynamic financial landscape (Kennett et al., 2004: 484-495).

Choi (2016) utilized information processing theory and transaction cost perspectives to investigate the impact of various customer relationship characteristics on an organization's innovation capabilities. They identified intimacy, communication, and empathy as the pivotal components for effective customer relationship management.

Through a multi-party survey involving 442 organizations within the Korean banking sector, their research demonstrated a significant correlation between an organization's relationship with its customers and its innovation potential. This study underscores the role of customer relationships in fostering innovation and sheds light on the link between customer relationships, organizational learning, and innovation (Choi, 2016: 227-248).

Stojkovic and Đorđević (2010) employed quality improvement theory to explore its significance in contemporary markets and globalization movements, particularly emphasizing its pivotal role in enhancing the competitive edge of modern banks. He highlighted that the modern quality concept, based on advanced methodologies, encompasses not only technical foundations but also spans all aspects from production to execution management.

Throughout this process, the overarching characteristic is the comprehensive enhancement of enterprise quality, with customer realization and satisfaction occupying a central position. Banks are urged to strive for and comprehend optimal levels of customer satisfaction. By applying the principles of Customer Relationship Management (CRM), banks can attain this objective and elevate the quality of their operations. However, the practical effectiveness of CRM is often lacking, and Stojkovic identified several reasons for this failure. (Stojkovic and Đorđević, 2010: 749-759).

Lundahl et al. (2009) utilized regression analysis to investigate the impact of technical and functional aspects of service management on customer satisfaction within the context of relationships between banks and small and medium enterprises (SMEs). They examined 221 questionnaires distributed to Swedish SMEs. The findings indicate a significant correlation between both the technical and functional dimensions of service management and customer satisfaction.

Therefore, it becomes evident that SMEs evaluate their banking relationships not solely based on the effectiveness and quality of banking service outcomes but also consider the manner and attitude of bankers while delivering services. Research demonstrates that in bank-SME relationships, variables related to the interpersonal interactions play a pivotal role in influencing customer satisfaction. Consequently, banks should prioritize training programs that encompass a comprehensive understanding of SME-related issues rather than merely emphasizing the promotion of individual products (Lundahl et al., 2009: 581-594).

Brickley et al. (2003) aims to explain the impact of several individual service capabilities and their interactions on bank customer relationship management (CRM) performance. They analyzed two samples (bank employees and bank customers) and conducted an empirical study using multiple interaction regression methods. The results show that human resources, information knowledge and marketing knowledge and their interactions (dual and joint service capabilities) have a major impact on the effectiveness of CRM performance.

They compared interaction effects with main effects to fully examine the ability-performance link. The main conclusions suggest that the latter is more important. These findings provide important information for banks that need to build successful long-term CRM relationships with customers in today's dynamic environment. (Brickley et al., 2003).

In conclusion, CRM is a complex and multidimensional concept that involves various interactions and transactions between an organization and its customers and potential customers. The purpose of CRM is to enhance customer satisfaction, loyalty and value by providing personalized and consistent services that meet and exceed customer expectations and needs.

CRM can also help organizations collect, store, analyze and use customer data to support their marketing, sales, customer service and other business functions, thereby promoting the organization's innovation, improving business quality and competitiveness. However, to achieve CRM success, organizations need to choose their own CRM software, train and motivate employees, establish effective

communication channels, monitor and evaluate CRM performance, and continuously improve and optimize CRM strategies and pract.

### 3. TQM Related research

In the context of retail banking, quality management practices are important for enhancing the competitiveness and performance of banks in a dynamic and challenging environment. The purpose of this essay is to examine how hard and soft aspects of quality management practices determine service quality and customer satisfaction in retail banking. The essay will review the literature on quality management practices in retail banking, present the findings of four empirical studies on this topic, and discuss the implications and limitations of these studies.

Meyer (2002: 351-368) Total Quality Management is an organizational management approach aimed at meeting customer needs and expectations through continuous quality improvement. China Bank can apply TQM principles and methods to integrate quality management into its daily operations. By emphasizing quality consciousness and teamwork, China Bank can improve service consistency and reliability, reduce errors and dissatisfaction, and ultimately enhance overall service quality.

In 2015, Topalovic conducted a study with the aim of investigating corporate customers' attitudes towards various elements of the implementation of Total Quality Management (TQM) processes offered by banks. The research employed a survey methodology to collect data and utilized statistical analyses, including correlation and multiple regression analyses, to examine the gathered information. The study's findings revealed that customer satisfaction is influenced by factors such as top management commitment, courtesy, and customer responsibility (Topalović, 2015: 1016-1022).

Research Methodology: To accomplish the aforementioned research objectives, Topalović (2015) employed a survey approach, gathering data by administering questionnaires to corporate clients. Subsequently, the research applied statistical analysis techniques, including correlation and multiple regression analyses, to conduct an in-depth examination of the collected data. Through these analyses,

the study arrived at conclusions highlighting the impact of factors like top management commitment, courtesy, and customer responsibility on customer satisfaction in the context of TQM process implementation. This study provides valuable insights for banks and other organizations seeking to enhance customer satisfaction through improvements in TQM process implementation. (Topalović, 2015: 1016-1022)

Banna et al. (2018) aims to study whether and to what extent total quality management (TQM) affects bank loan quality. They developed a measure of TQM to test this relationship. The measure is based on the residuals of a Fama-Macbeth regression of bank efficiency, measured by the ratio of income to cost. The TQM measures they used were statistically significant.

They collected data from 2,013 U.S. commercial banks for the period 1981–1991 from the SNL Financial Database, resulting in 13,303 bank-year observations. The findings indicate that TQM is positively related to bank loan quality. This implies that adopting better TQM can help management supervise borrowers, increase competition and efficiency, manage a high-quality loan portfolio, reduce costs, and generate more income. This study has several implications for bank regulation, TQM implementation, and policy. (Banna et al., 2018: 287-300).

Hossain et al. (2015) purpose of study is to develop theoretical concepts and validate the SQ model for retail banking. A positivist epistemology employing a mixed methods research approach is employed. A research model was developed based on the literature through the context of a cross-country qualitative field study.

The model was validated by partial least squares structural equation modeling. The results summarize that SQ in retail banking is a three-order reflective model, where SQ can be explained by site, interaction, and outcome quality (Hossain et al., 2015: 534-549).

This essay has discussed how hard and soft aspects of quality management practices affect service quality and customer satisfaction in retail banking.



The essay has reviewed the literature on quality management practices in retail banking, and summarized the findings of four empirical studies by Banna et al. (2018); Hossain et al. (2015); Lenka et al. (2010) and Topalović (2015). The main findings of these studies are that:

Customer satisfaction is influenced by factors such as top management commitment, courtesy, customer responsibility, site quality, interaction quality, and outcome quality. Service quality is influenced by factors such as employee job satisfaction, emotional commitment, service climate, workplace spirit, and transformational leadership. Service quality and customer satisfaction have a positive impact on customer loyalty and retention.

Quality management practices have several implications for bank regulation, policy, strategy, and performance. The essay has also discussed the limitations of these studies, such as the use of cross-sectional data, self-reported measures, limited generalizability, and potential confounding variables. The essay suggests that future research should address these limitations by using longitudinal data, objective measures, comparative analysis, and multivariate analysis. The essay concludes that quality management practices are essential for improving service quality and customer satisfaction in retail banking.

In summary, bank service quality is a multidimensional concept encompassing technical and functional dimensions, along with sub-dimensions such as tangibility, reliability, responsiveness, assurance, and empathy. These dimensions reflect customer evaluations across various aspects of banking services, including results, processes, and environments. Banks should continuously improve all aspects of service quality according to customer needs and expectations, so as to enhance customer satisfaction and loyalty, thereby enhancing the bank's competitiveness and profitability. Banks should pay attention to customer feedback and suggestions, solve customer problems and complaints in a timely manner, and provide efficient, accurate, friendly and personalized services. Banks should also use digital technology to improve information quality and process efficiency to build stronger service capabilities and customer relationships. Banks should use information systems and network platforms to collect and analyze customer data, provide customized and

differentiated service solutions, increase communication and interaction with customers, and enhance customer trust and loyalty.

### Conceptual framework



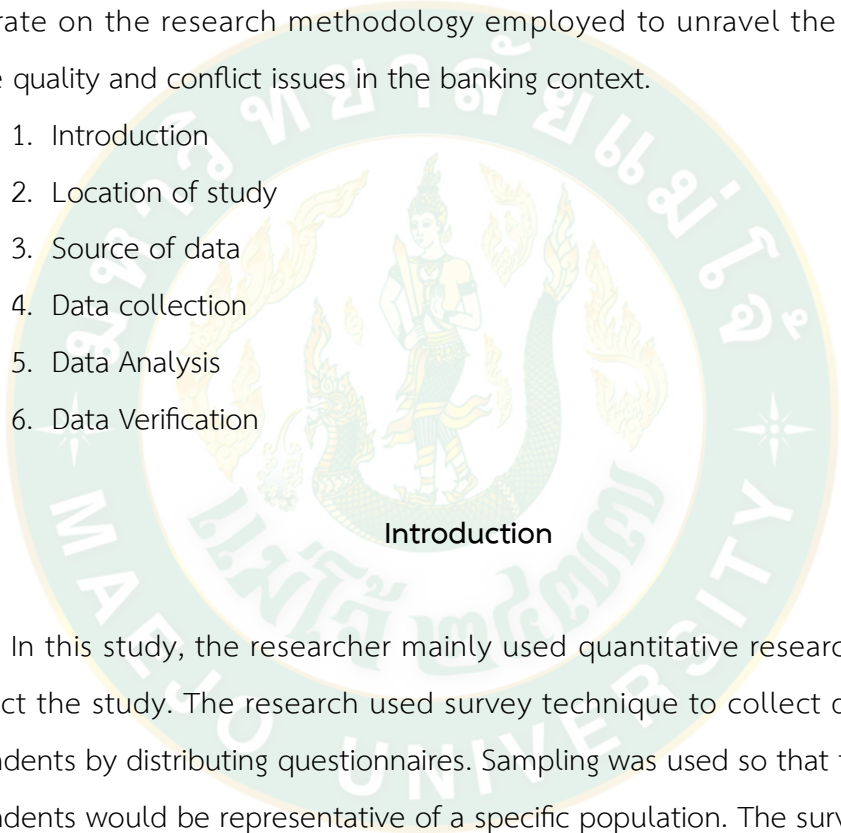
Figure 1 Conceptual framework

## CHAPTER 3

### RESEARCH METHODOLOGY

Building upon the foundation laid in Chapter 2, where we explored the dimensions of bank service quality and their significance, Chapter 3 embarks on a structured journey to investigate these concepts further. By aligning with the research questions and objectives established in the previous chapter, this section will elaborate on the research methodology employed to unravel the intricacies of service quality and conflict issues in the banking context.

1. Introduction
2. Location of study
3. Source of data
4. Data collection
5. Data Analysis
6. Data Verification



#### Introduction

In this study, the researcher mainly used quantitative research method to conduct the study. The research used survey technique to collect data from the respondents by distributing questionnaires. Sampling was used so that the sample of respondents would be representative of a specific population. The survey method is a research technique that collects information from a sample by distributing questionnaires. This survey technique provides a quick, cost-effective, efficient and accurate method of assessing demographic information.

The quantitative study in this paper mainly used questionnaires to collect data. The researcher used self-administered questionnaire to collect primary data. However self-administered questionnaire is a technique used to collect the required data.

In this study, the research focuses on the current situation of the problems related to service quality improvement of the Bank of China Linyi Branch (228 Yimeng Road, Lanshan District), explores the relevant factors affecting the improvement of the service quality of the Bank of China Linyi Branch (228 Yimeng Road, Lanshan District), and finds out how to improve the effectiveness of the service quality of the Bank of China Linyi Branch (228 Yimeng Road, Lanshan District). In this study, in order to obtain more information, the authors conducted a survey by means of questionnaires to all the employees and customers of Bank of China Linyi Branch (228 Yimeng Road, Lanshan District).

#### Location of study

This study is located at the Bank of China Linyi Branch (228 Yimeng Road, Lanshan District) in Lanshan District, which is part of Linyi City in Shandong Province. Linyi City, situated in the southeastern part of Shandong Province, spans latitude 34°22' to 36°13' north and longitude 117°24' to 119°11' east. It has a temperate monsoon climate and covers an area of 17,191.2 square kilometers. Our research is anchored at the Bank of China Linyi Branch (228 Yimeng Road, Lanshan District) in Lanshan District, a specific and strategically chosen location within Linyi City, Shandong Province. The choice of this location is pivotal as it serves as the practical backdrop for our investigation into the dimensions of service quality and conflict issues within a real-world banking environment.

Linyi City, historically known as Langya and Yizhou, has a rich heritage, with over 3,000 years of city building. It established Qiyang City during the Spring and Autumn Period, was part of Langya County during the Qin Dynasty, became Linyi County in the Han Dynasty, and evolved into Yizhou Prefecture during the Qing Dynasty. As of the end of 2022, the permanent population of Linyi City is 10.9931 million. As of June 2023, Linyi City has jurisdiction over 3 municipal districts and 9 counties. There are a total of 35 banking institutions, 43 securities and futures institutions, 74 insurance institutions, 224 local financial organizations, and a total of

390 financial institutions (organizations) in the city (Linyi Local Financial Supervision and Administration Bureau, 2022)

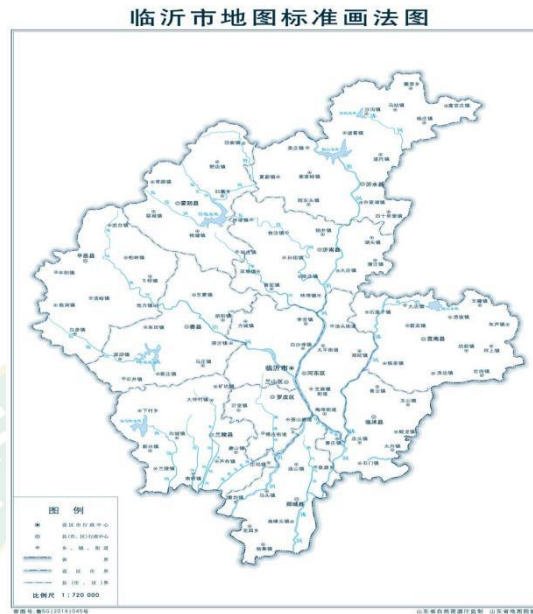


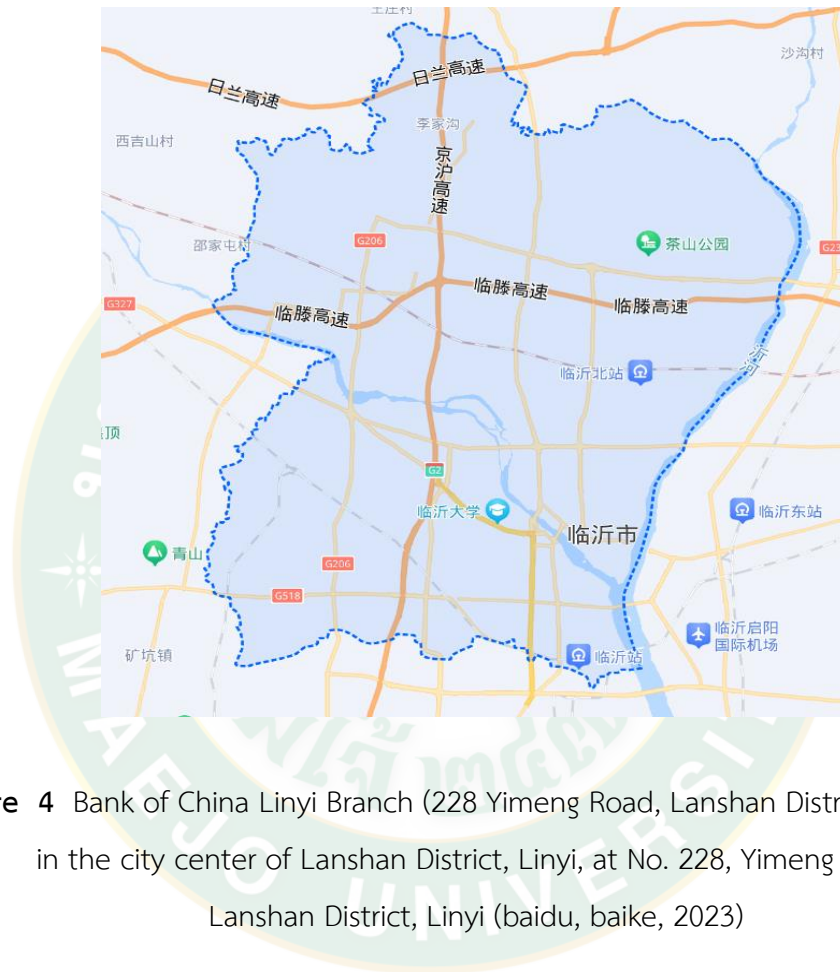
Figure 2 Linyi City Icon Standard Drawing Guidelines (baidu map)

Lanshan District, situated in southeastern Shandong Province at 118°E longitude and 35°N latitude, serves as the political, economic, cultural, commercial, and trade hub of the region. Covering 590 square kilometers, it houses 4 street offices, 9 towns, over 400 villages, and a population of 880,000.



Figure 3 Linyi Bank (baidu map)

This district boasts a rich history, dating back over 2,350 years within Linyi City. Notable figures like Wang Xizhi and Wang Xiang hail from here. It holds cultural treasures, including ancient bamboo slips with "Sun Tzu's Art of War" and "Sun Bin's Art of War," unearthed in 1972.



**Figure 4** Bank of China Linyi Branch (228 Yimeng Road, Lanshan District) is located in the city center of Lanshan District, Linyi, at No. 228, Yimeng Road, Lanshan District, Linyi (baidu, baike, 2023)

#### Source of data

The primary data is based on the previous literature review and collected through a well-organized questionnaire specifically for the purpose of the survey at hand. In order to collect primary data for the service quality improvement study of Bank of China Linyi Branch (228 Yimeng Road, Lanshan District), three methods will be used: surveys, interviews and observations. The survey will be conducted using a combination of open-ended and closed-ended questions with a random sample of

Bank of China customers to assess customer perceptions and factors affecting satisfaction. Semi-structured interviews will be conducted with employees and management to obtain their insights. Observations of the physical layout of the bank and customer experience will also be conducted. These methods will provide diverse data that will enhance our understanding and strengthen our findings through triangulation.

The use of multiple methods is expected to produce richer data, providing additional information about bank operations and customer attitudes toward service quality. By triangulating the data from these methods, it is expected to strengthen the findings and broaden the understanding of the issues related to the study.

To accomplish this study, the researcher collected information by completing questionnaires.

Firstly, the researcher introduced the main aspects of the study to the respondents and obtained consent from the concerned authorities and then distributed the questionnaires to them. The respondents were mainly customers who came to the bank counters to transact their business. At present, there are two main ways for customers to handle banking business: online banking and offline banking at the counter. The business handling of online banking generally only faces established procedures, and there are basically no issues with interpersonal services. So this study chose to conduct a satisfaction survey on the counter business of offline banks.

Researchers distributed questionnaires to customers aged 18 to 60 who went to the counters of Bank of China Linyi Branch (228 Yimeng Road, Lanshan District) for business transactions throughout 2022. We take customers who handle business at the counter of Bank of China Linyi Branch (228 Yimeng Road, Lanshan District) as the research object, and analyze the satisfaction level of customers who come to the branch to handle business. Regarding the issue of the total number of customers, researchers conducted research using interview methods. On January 5, 2023, researchers interviewed the account managers of Bank of China Linyi Branch (228 Yimeng Road, Lanshan District) and collected 28121 customers who went to the

counters of Bank of China Linyi Branch (228 Yimeng Road, Lanshan District) for business transactions throughout 2022, including 23009 customers aged 18 to 60.

## Data collection

### 1. Data Collection Instruments and Procedures

This section outlines the data collection methods for a study on improving service quality at Bank of China Linyi Branch (228 Yimeng Road, Lanshan District). The study aims to gather information through:

**Interviews:** Semi-structured interviews with bank employees and management will explore their perceptions of service quality and improvement ideas. Topics include customer-centered strategy, employee and customer perceptions of service levels, and communication.

**Observation Checklist:** A systematic observation checklist will be used to assess the bank's Linyi City branches, gathering data on various aspects of their operations.

**Surveys:** Face-to-face surveys will be conducted randomly at bank branches in Linyi City. Staff may assist in survey completion.

After data collection, researchers will analyze results systematically, comparing findings across branches to identify existing practice gaps. These methods aim to obtain reliable and relevant information from customers and bank staff in Linyi City.

This study directly distributed online questionnaires to customers who went to the counter to handle business at Bank of China Linyi Branch (228 Yimeng Road, Lanshan District). The scope of this study is Bank of China Linyi Branch (228 Yimeng Road, Lanshan District). The subjects of this study include individuals of different age groups. Specifically, this study covers adults aged 18 and above. Therefore, the age range ranges from 18 to 60 years old. The study did not explicitly mention paying attention to customers' income levels during the data collection process. Therefore, the income levels of the subjects in this study may include various economic backgrounds and income levels, without specific income restrictions or classifications.



From January 1 to December 31, 2022, researchers contacted bank management and distributed links to survey questionnaires in the form of QR codes to each bank counter. They also collected customer satisfaction questionnaires from banks to assist in analysis. The final effective evaluation number obtained was 400.

## 2. Sample Size Determination

In this study, 400 questionnaires were assigned to various bank counters. In order to avoid invalid questionnaires, it is planned to distribute 400 questionnaires to the respondents, The respondents are all customers who have handled business with banks of China.

Researchers select samples based on their own judgment and appropriate characteristics of sample members. The selection of samples is to meet specific objectives. In this study, researchers will collect customer satisfaction data from 35 banks in Linyi City who go to the counter to handle business. Sample size determination is a critical step in research design, providing assurance that the study's outcomes reflect an accurate representation of the population being examined. The sample size for this study was determined using statistical power analysis, taking into account factors such as variability in the population and margin of error desired to ensure robust results.

Assuming a confidence level of 95% and a margin of error of plus or minus 5%, the minimum required sample size is calculated as follows:

$$n = \frac{N}{1 + N * (e)^2}$$

Where:

n = sample size

N = Overall population size

e = the margin of error

Therefore, the minimum required sample size for this study is estimated by

$$n = \frac{23009}{1+23009*(0.05)^2} = 400$$

Therefore, a minimum sample size of 394 participants is appropriate for this study. However, practical considerations like resource availability, time constraints and budget limitations were also considered when determining the final sample size. Therefore, to ensure the validity of the questionnaire, we chose to distribute 400 questionnaires for the survey.

It is desired to provide a sufficient representation from each of the seven districts featured within Linyi City, with proportionate sampling method used for Survey administration.

## Data Analysis

### 1. Data Preparation and Cleaning

Once the research team has collected the data, it must be prepared for analysis. Data preparation involves several stages:

**Data coding:** After collection, the responses will be transcribed and coded in numerical form for easy analysis by using an appropriate software package like SPSS.

The program is used to summarize and interpret data, especially when there are time constraints, and for descriptive analysis. Statistical processing of all data is carried out in accordance with accepted research practices. The data obtained from these programs is also presented in a descriptive and tabular format that is easy to interpret. The details and concepts of each statistical method are as follows.

In the first part of the questionnaire, the research background will be displayed to understand the basic information (gender, age and income, etc.) of bank customers in Linyi City.

When answering the current situation in Part 2 of the questionnaire, I will identify the following composite factors: the root cause and frequency of conflicts between banks and customers, and the response of Bank of China to conflicts with customers.

In the second part of the questionnaire, I will identify the following composite factors from the service dimension and apply service quality theory: the service quality dimension of the banking industry, and the satisfaction of bank customers with the service quality provided.

Then, based on a comprehensive analysis of the first and second parts, combined with CRM theory, the researcher can answer the third part. Based on the above two aspects, we can find that improving service quality is not a simple method, but a comprehensive dimension. Improving the dimension of service quality can be achieved by improving facilities and equipment services, providing reliable and accurate services by service providers, actively responding, and ensuring the knowledge, reputation, and credibility of service providers, caring for customers, personal attention, and understanding.

## **2. Descriptive Statistics**

In part one of the questionnaire, demographic information will be displayed to find out the basic information of the customers of Bank of China Linyi Branch (228 Yimeng Road, Lanshan District) (gender, age and satisfaction etc.).

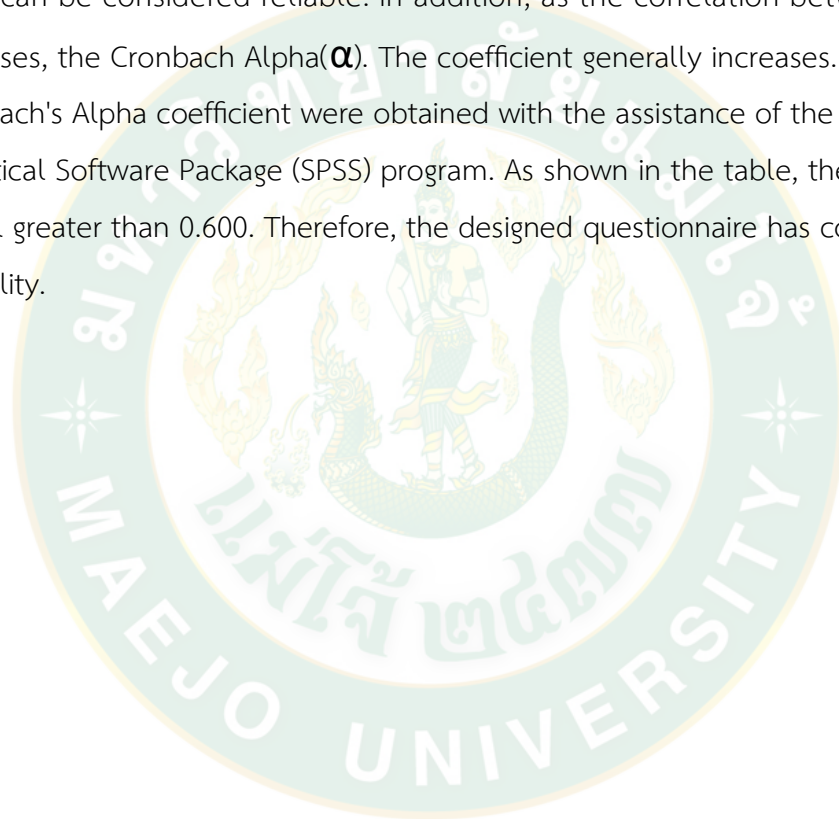
In the second part of the questionnaire, answering question 2, I will use the Customer Relationship Management theory to identify the following composite factors: clarity and transparency of policies, consistency of promised services, responsiveness to customer needs, etc. In the third part of the questionnaire I will use the Service Quality Theory to analyze the factors that affect the improvement of service quality.

Based on the combined analysis of all part 1, part 2 and part 3 the researcher can answer question 3, based on the three theories as mentioned above, the method of improving service quality is not a simple method, it is an integrated system, the improvement system can be a system that improves the administrative effectiveness by improving the environment of the bank services, resources, changing the traditional service model and so on to improve the quality of service. The theory of service quality management helps the employees to serve the customers better,

which in turn helps them to improve the efficiency of business processing and hence the quality of business processing.

### Data Verification

Then use Cronbach's Alpha ( $\alpha$ ) The coefficient tests the reliability of the scale. Sekaran (1992) believes that when the reliability value is not less than 0.6, the scale can be considered reliable. In addition, as the correlation between projects increases, the Cronbach Alpha( $\alpha$ ). The coefficient generally increases. The results of Cronbach's Alpha coefficient were obtained with the assistance of the Social Science Statistical Software Package (SPSS) program. As shown in the table, the alpha values are all greater than 0.600. Therefore, the designed questionnaire has consistency and reliability.



## CHAPTER 4

### RESULTS OF THE STUDY

#### Introduction

In this chapter, the researcher will present the statistical results of the questionnaire, data analysis and conclusions will be presented in tabular form. This chapter will first analyze the demographic and other variable information of the study and then answer the relevant research questions in detail, the research questions include.

1. What is the current level of service quality at Bank of China Linyi Branch?
2. What are the main factors affecting the service quality of Bank of China Linyi Branch?
3. What is the best way to improve the quality of services provided by Bank of China Linyi Branch?

The results of their data analysis are detailed as follows: the respondents were customers of Bank of China Linyi Branch. The study collected 400 questionnaires in the form of electronic questionnaires.

The first part is population ,The results of the survey provide a comprehensive picture of respondents' demographics, banking-related conflicts, level of trust in China's banking sector, and key factors affecting customer trust. Let's delve deeper into each of these areas: the gender distribution of respondents is balanced, with 400 respondents identifying themselves as male and an equal number identifying themselves as female. This balance ensures a representative sample that captures different perspectives.

## Findings

### Service quality level of Bank of China Linyi branch

This section can answer the first question, which is based on the second part of the questionnaire.

**Table 10** Gender

Gender	Amount	percentage
male	200	50%
females	200	50%

According to the table, the number of males is 200 to 50%, and the number of females is 200 to 50%.

**Table 11** Age

Age	Amount	percentage
0-24 years	100	25%
24-30 years	150	37.5%
30-50 years	100	25%
50 years and over	50	12.5%

According to the table, the age range is from 0-24 years old with 100 persons (25%), 24-30 years old with 150 persons (37.5%), 30-50 years old with 100 persons (25%), and over 50 years old with 50 persons (12.5%).

**Table 12** Academic status

Academic status	Amount	percentage
never attended school	10	2.5%
secondary schools	20	5%
junior high school	30	7.5%
Secondary technical schools:	40	10%
Congratulation (on passing an exam)	120	30%
faculties	60	15%
undergraduate student	80	17.5%
Alsatian	30	7.5%
doctoral degree	10	2.5%

According to the table, the number of people who have never attended school is 10 (2.5%), academic status is elementary school 20 (5%), academic status is junior high school 30 (7.5%), academic status is secondary technical school 40 (10%), academic status is high school 120 (30%), academic status is college 60 (15%), academic status is bachelor's degree 80 (17.5%), academic status is master's degree (30 (7.5%), and academic status is doctoral degree (10 (2.5%).

**Table 13** Types of conflicts

Conflict Type	Amount	percentage
Bank fee disputes	50	12.5%
Account management fund disputes	70	17.5%
Miscommunication or misunderstanding between bank and customer	80	20%
Loans and credit disputes	100	25%
Other types of conflicts	40	25%

According to the table, 50 or 12.5 per cent of the conflicts were caused by disputes over bank charges, 70 or 17.5 per cent by disputes over account management funds, 80 or 20 per cent by miscommunications or misunderstandings between banks and customers, 100 or 25 per cent by disputes over loans and credits, and 40 or 25 per cent by other types of conflicts

**Table 14** Customer Trust

Customer Trust	Amount	percentage
high confidence	120	30%
moderate confidence	150	37.5%
low confidence	80	20%
Total mistrust.	50	12.5%

According to the table, 120 or 30% of the clients had a high level of trust, 150 or 37.5% had a medium level of trust, 80 or 12.5% had a low level of trust and 50 or 12.5% had no trust at all.

**Table 15** Factors affecting trust

Factors affecting trust	Amount	percentage
Policy clarity and transparency	100	25%
Ongoing delivery of promised services	120	30%
Responding to customer needs	80	20%
Bank's reputation and history	70	17.5%
Other factors	30	7.5%



According to the table, trust is affected by clarity and transparency of policies 100 or 25%, continuous delivery of promised services 120 or 30%, responsiveness to customer needs 80 or 20%, reputation and history of the bank 70 or 17.5% and other factors 30 or 7.5%.

Tables 13-15 answer question 1, the current level of service quality at Bank of China Linyi Branch is not good because miscommunication and misunderstanding between banks and customers accounted for 20%, which may require banks to strengthen their communication mechanisms and improve the quality of customer service.

### Major Factors Influencing the Service Quality of Bank of China Linyi Branch Factors

This section allows for the answer to the second question, which is based on Part 2 of the questionnaire, which contains 41 questions on the main factors affecting the service quality of Bank of China Linyi Branch.

**Table 16** Reliability

	Amount	percentage
Strongly disagree (5)	20	5%
Disagree (4)	80	20%
Neither agree nor disagree (3)	40	10%
Agreed (2)	120	30%
Strongly agree (1)	150	35%

According to the table, on the option of reliability, the largest number of people chose the option of "Strongly Agree" with 150 people (35%), followed by "Agree" with 120 people (30%), followed by "Disagree" with 80 people (20%), remain neutral with 40 people (10%), and the smallest number of people chose "Strongly

Disagree" with 20 people (5%), and remain neutral with 40 people (10%). Disagree" was chosen by 80 or 20% of the respondents, 40 or 10% were neutral, and the least number of respondents, 20 or 5%, strongly disagreed.

**Table 17** Responsiveness

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	80	20%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, on the option of responsiveness, the largest number of people chose "Strongly Agree" with 100 people (25%), and the same number of people chose "Agree", "Neither Agree nor Disagree" and "Disagree" with 80 people (20%), while the smallest number of people chose "Strongly Disagree" with 60 people (15%). The number of respondents who chose "agree" and "neither agree nor disagree" was the same, 80 or 20%, while the number of respondents who chose "strongly disagree" was the lowest, 60 or 15%.

**Table 18** Guarantees

	Amount	percentage
Strongly disagree (5)	20	5%
Disagree (4)	80	20%
Neither agree nor disagree (3)	60	15%
Agreed (2)	100	25%
Strongly agree (1)	140	35%

According to the chart, the option of guarantee was chosen by the largest number of people (140 or 35%), followed by "agree" (100 or 25%), "disagree" (80 or 20%), "neither agree nor disagree" (60 or 15%), and "strongly disagree" (the smallest number of people or 15%). "Neither agree nor disagree" was chosen by 80 people (20%), followed by "Neither agree nor disagree" by 60 people (15%), and "Strongly disagree" was chosen by the least number of people (20 people (5%)).

**Table 19** Compassion

	Amount	percentage
Strongly disagree (5)	52	13%
Disagree (4)	48	12%
Neither agree nor disagree (3)	40	10%
Agreed (2)	120	30%
Strongly agree (1)	140	35%

According to the chart, 140 people (35%) chose "Strongly Agree" for the option of empathy, followed by 120 people (30%) who chose "Agree", 52 people (13%) who chose "Strongly Disagree", then 48 people (12%) who chose "Disagree", and the least number of people (12%) who chose "Neither Agree nor Disagree". 52 people (13%) chose "strongly agree", followed by 48 people (12%) who chose "disagree", and the least number of people (40 people (10%) chose "neither agree nor disagree".

**Table 20** Tangible Assets

	Amount	percentage
Strongly disagree (5)	20	5%
Disagree (4)	80	20%
Neither agree nor disagree (3)	84	21%
Agreed (2)	120	30%
Strongly agree (1)	96	24%
aggregate	400	

According to the chart, 120 people (30%) chose "agree" for the option of tangible assets, followed by 96 people (24%) for "strongly agree", 84 people (21%) for "neither agree nor disagree", 80 people (20%) for "disagree", and the least number of people (20%) for "strongly disagree". Neither agree nor disagree" was chosen by 84 people (21%), followed by "disagree" by 80 people (20%) and "strongly disagree" by 20 people (5%).

Table 16-20 shows that the results of the survey indicate that customers have varying degrees of awareness of the impact of banking service quality on customer loyalty. It is noteworthy that a significant proportion (35%) strongly agree that reliability plays a vital role, 30% agree and 20% disagree. Opinions were more evenly distributed on responsiveness, with 25% strongly agreeing, 20% disagreeing, and 20% neither agreeing nor disagreeing. 35% strongly agreed with assurance, 35% strongly agreed with thinking differently, and 30% agreed. Views on tangibles were mixed with 30% agreeing, 24% strongly agreeing and 21% neither agreeing nor disagreeing. Overall, the results of the study highlight the nuances of customers' perceptions of different aspects of the quality of banking services and their correlation with customer loyalty.

**Table 21** Physical and visual aspects of services, such as facilities and equipment services

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	100	25%
Agreed (2)	60	15%
Strongly agree (1)	100	25%

According to the charts, for both the physical and visual aspects of services, the highest number of people chose "Strongly Agree" and "Neither Agree nor Disagree" with 100 people or 25%, followed by "Disagree" with 80 people or 20%, "Agree" and "Strongly Disagree" with 60 people or 15%, and "Agree" and "Strongly Disagree" with 60 people or 15%. "80 or 20%, followed by "agree" and "strongly disagree" with 60 or 15%.

**Table 22** Reliability Ability of service providers to deliver services reliably and accurately

	Amount	percentage
Strongly disagree (5)	20	5%
Disagree (4)	80	20%
Neither agree nor disagree (3)	84	21%
Agreed (2)	120	30%
Strongly agree (1)	96	24%

According to the chart, the ability to provide reliable, accurate services was selected by 120 or 30% of the respondents, followed by 96 or 24% of the respondents who "strongly agree," and 84 or 21% of the respondents who "neither

agree nor disagree," followed by 80 or 20% of the respondents who "disagree." Neither agree nor disagree" with 84 or 21%, followed by "Disagree" with 80 or 20% and "Strongly disagree" the least with 20 or 5%.

**Table 23** Rare (every few years or less)

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	80	20%
Agreed (2)	40	10%
Strongly agree (1)	140	35%

According to the chart, the option of considering the frequency of conflict to be relatively rare had the highest number of "strongly agree" with 140 or 35%, followed by "neither agree nor disagree" and "disagree" with 80 or 20%, then "strongly disagree" with 60 or 15%, and "agree" with the least number of 40 or 10%. "Neither agree nor disagree" and "Disagree" with 80 or 20%, followed by "Strongly disagree" with 60 or 15%, and "Agree" the least with 40 or 10%.

**Table 24** Responsiveness Willingness and timeliness to respond to customer needs

	Amount	percentage
Strongly disagree (5)	20	5%
Disagree (4)	80	20%
Neither agree nor disagree (3)	84	21%
Agreed (2)	120	30%
Strongly agree (1)	96	24%

According to the chart, the option of willingness to respond to customer needs in a timely manner was the most frequently selected option, with 120 people (30%) saying "agree", followed by 96 people (24%) choosing "strongly agree", and 84 people (21%) choosing "neither agree nor disagree", followed by 80 people (20%) choosing "disagree", and the least frequently selected option was "neither agree nor disagree". "Neither agree nor disagree" was chosen by 84 people (21%), followed by "disagree" by 80 people (20%) and "strongly disagree" by 20 people (5%). The least popular choice was "strongly disagree", with 20 people (5%).

**Table 25** Knowledge, competence, credibility and trustworthiness of assurance service providers Knowledge, competence, credibility and trustworthiness of assurance service providers

	Amount	percentage
Strongly disagree (5)	20	5%
Disagree (4)	84	21%
Neither agree nor disagree (3)	116	29%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, on the option of assuring the knowledge, competence, credibility and trustworthiness of the service provider Assuring the knowledge, competence, credibility and trustworthiness of the service provider, the highest number of respondents chose "Neither agree nor disagree" with 116 respondents (29%), followed by 100 respondents (25%) who chose "Strongly agree", 84 respondents (21%), then "Agree", 80 respondents (20%), and then "Agree". The second most popular option was "Neither agree nor disagree" with 116 people (29%), followed by "Strongly agree" with 100 people (25%), then "Disagree" with 84 people (21%), then "Agree" with 80 people (20%), and the least popular option was "Strongly disagree" with 80 people (20%). Strongly Disagree" with 20 or 5%.

**Table 26** Empathy Degree of care, personal attention and understanding for clients

	Amount	percentage
Strongly disagree (5)	36	9%
Disagree (4)	104	26%
Neither agree nor disagree (3)	80	20%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, among the options of empathy for the client's level of care, personal attention and understanding, the largest number of people chose "Disagree" with 104 people (26%), followed by "Strongly Agree" with 100 people (25%), again "Neither Agree nor Disagree" and "Agree" with 80 people (20%), and the smallest number of people chose "Strongly Disagree" with 36 people (9%). "Neither agree nor disagree" and "agree" were chosen by 80 people (20%), while "strongly disagree" was chosen by the least number of people (36 people (9%)).

### 1. SERVQUAL Service Quality Dimension

Table 21-26 shows that the results of the SERVQUAL service quality dimensions survey reveal the different perceptions of respondents on various aspects of the Bank's services. For the tangible physical and visual aspects, including facilities and equipment services, the distribution of opinions was 25% neither agreed nor disagreed, while 20% indicated that they neither agreed nor disagreed. For reliability, 30% of respondents agreed, 24% strongly agreed, and 21% disagreed. For frequency of rare events (every few years or less), 35% strongly agreed and 20% disagreed. Responsiveness, which indicates willingness and timeliness to respond to customer needs, was measured with 30% of respondents agreeing and 24% neither agreeing nor disagreeing. 25% of respondents strongly agreed, but 29% neither agreed nor disagreed. Finally, Empathy, which measures the level of care, personal attention, and understanding of a healthcare provider, was measured by 26% who



disagreed, 25% who strongly agreed, and 20% who agreed. These results highlight the multifaceted nature of customers' perceptions of different dimensions of service quality in the banking sector.

**Table 27** Complaints to relevant authorities

	Amount	percentage
Strongly disagree (5)	28	7%
Disagree (4)	96	24%
Neither agree nor disagree (3)	96	24%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, of the options for filing a complaint with the relevant authorities, "strongly agree" accounted for 25%, "neither agree nor disagree" and "disagree" for 24%, "agree" for 20% and "strongly disagree" for 7%. "Agree" accounted for 20% and "Strongly Disagree" for 7%.

**Table 28** Seeking solutions through informal channels

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	80	20%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, the survey question Informal channels to seek solutions, 25% of those who participated in the survey strongly agreed, 20% agreed, 20% neither agreed nor disagreed, 20% disagreed, and 15% strongly disagreed.

**Table 29** Transfer to another bank/financial institution

	Amount	percentage
Strongly disagree (5)	40	10%
Disagree (4)	88	22%
Neither agree nor disagree (3)	52	23%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, the survey question to transfer money to another bank/financial institution, 25% of those who participated in the survey said they strongly agreed, 23% said they neither agreed nor disagreed, 22% said they disagreed, 20% said they agreed and 10% said they strongly disagreed.

**Table 30** Do nothing/accept status quo Transfer to another bank/financial institution

	Amount	percentage
Strongly disagree (5)	40	10%
Disagree (4)	80	20%
Neither agree nor disagree (3)	88	22%
Agreed (2)	92	23%
Strongly agree (1)	100	25%

According to the chart, the survey question Do nothing/ Accept the status quo Up to another bank/financial institution, 25% of those who participated in the survey strongly agreed, 23% agreed, 22% neither agreed nor disagreed, 20% disagreed, and 10% strongly disagreed.

## 2. Customers' Reactions to Bank of China's Conflict with Customers

Table 27-30 shows that the survey results reveal different responses regarding customers' reactions to the conflict between the Bank of China and its customers. Twenty-five percent of the respondents strongly agreed that they should complain to the relevant authorities, while 24% disagreed and 20% agreed. As for seeking resolution through informal channels, the responses were mixed, with 25% strongly agreeing, 20% disagreeing and 20% neither agreeing nor disagreeing. As for switching to another bank or financial institution, 25% strongly agreed, 23% disagreed and 22% agreed. Finally, views on accepting the status quo or doing nothing varied, with 25% strongly agreeing, 23% disagreeing and 22% neither agreeing nor disagreeing. These findings illustrate the different ways in which customers may react in the event of a conflict with the Bank of China and emphasize the importance of understanding and addressing customer concerns in order to maintain satisfaction and loyalty.

**Table 31** Reliability

	Amount	percentage
Strongly disagree (5)	36	9%
Disagree (4)	92	23%
Neither agree nor disagree (3)	92	23%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, the reliability of the quality of the survey question service, 25% of those who participated in the survey strongly agreed, 20% agreed, 23% neither agreed nor disagreed, 23% disagreed, and 9% strongly disagreed.

**Table 32** Responsiveness

	Amount	percentage
Strongly disagree (5)	24	6%
Disagree (4)	96	24%
Neither agree nor disagree (3)	80	20%
Agreed (2)	100	25%
Strongly agree (1)	100	25%

According to the chart showing the responsiveness of the quality of service to survey questions, 25% of those participating in the survey strongly agreed, 25% agreed, 20% neither agreed nor disagreed, 24% disagreed, and 6% strongly disagreed.

**Table 33** Guarantees

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	80	20%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, 25% of those who participated in the survey guarantee strongly agreed, 20% agreed, 20% neither agreed nor disagreed, 20% disagreed, and 15% strongly disagreed.

**Table 34** Sympathy

	Amount	percentage
Strongly disagree (5)	80	20%
Disagree (4)	72	18%
Neither agree nor disagree (3)	68	17%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, the survey question sympathized with 25% strongly agreeing, 20% agreeing, 17% neither agreeing nor disagreeing, 18% disagreeing, and 20% strongly disagreeing.

**Table 35** Tangible Assets

	Amount	percentage
Strongly disagree (5)	20	5%
Disagree (4)	100	25%
Neither agree nor disagree (3)	100	25%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, the survey question tangibles, 25% strongly agreed, 20% agreed, 25% neither agreed nor disagreed, 25% disagreed, and 5% strongly disagreed.

### 3. Dimensions of service quality in the banking sector

Tables 31-35 show that respondents' views on the dimensions of service quality in the banking sector are mixed. Regarding reliability, 25% of the respondents strongly agreed that it is a strong point, 23% disagreed and 23% neither agreed nor disagreed. Views on responsiveness were mixed, with 25% of respondents strongly agreeing, 24% disagreeing, and 20% neither agreeing nor disagreeing. Views on the dimension of Assurance were also mixed, with 25% strongly agreeing, 20% disagreeing and 20% neither agreeing nor disagreeing. Empathy received a mixed response with 25% strongly agreeing, 20% disagreeing and 18% disagreeing. 25% strongly agreed with tangibles, 25% disagreed and 25% neither agreed nor disagreed. These findings highlight the multifaceted nature of customers' perceptions of the different dimensions of service quality in the banking sector and emphasize the need for a comprehensive strategy to address all aspects of customer satisfaction.

**Table 36** Reliability

	Amount	percentage
Strongly disagree (5)	44	11%
Disagree (4)	88	22%
Neither agree nor disagree (3)	88	22%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, survey question reliability, 25% strongly agreed, 20% agreed, 22% neither agreed nor disagreed, 22% disagreed, and 11% strongly disagreed.

**Table 37** Responsiveness

	Amount	percentage
Strongly disagree (5)	20	5%
Disagree (4)	108	27%
Neither agree nor disagree (3)	92	23%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the charts, survey question responses, 25% strongly agreed, 20% agreed, 23% neither agreed nor disagreed, 27% disagreed, and 5% strongly disagreed.

**Table 38** Guarantees

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	80	20%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, the survey question warranted that 25% strongly agreed, 20% agreed, 20% neither agreed nor disagreed, 20% disagreed, and 15% strongly disagreed.

**Table 39** Sympathy

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	90	20%
Neither agree nor disagree (3)	40	10%
Agreed (2)	92	23%
Strongly agree (1)	128	32%

According to the chart, the survey question sympathized with 32% strongly agreeing, 23% agreeing, 10% neither agreeing nor disagreeing, 20% disagreeing, and 15% strongly disagreeing.

**Table 40** Tangible Assets

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	92	23%
Agreed (2)	88	22%
Strongly agree (1)	80	20%

According to the chart, the survey question tangibles, 20% strongly agreed, 22% agreed, 23% neither agreed nor disagreed, 20% disagreed, and 15% strongly disagreed.



#### 4. Customer satisfaction with the quality of banking services

Table 36-40 shows that the results of customer satisfaction with the quality of services in the banking sector show that respondents have different views on different aspects of service quality. In terms of reliability, 25% of the respondents were very satisfied, 22% were dissatisfied and 22% were neither satisfied nor agreed. In terms of responsiveness, 27% of respondents were dissatisfied, 25% were very satisfied, and 23% neither satisfied nor disagreed. Responses to "assurance" were mixed, with 25% strongly agreeing, 20% disagreeing, and 20% neither agreeing nor disagreeing. Empathy was a significant factor in satisfaction, with 32% strongly agreeing, 23% disagreeing and 20% neither agreeing nor disagreeing. Tangibles elicited mixed opinions with 23% neither agreeing nor disagreeing, 22% disagreeing and 20% strongly agreeing. These findings illustrate the complexity of customer satisfaction and emphasize the need for targeted improvements in specific service areas to improve overall satisfaction in the banking sector.

**Table 41** Poor quality of services

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	100	25%
Agreed (2)	100	25%
Strongly agree (1)	60	15%

According to the chart, the survey question poor quality of service, 15% strongly agreed, 25% agreed, 25% neither agreed nor disagreed, 20% disagreed, and 15% strongly disagreed.

**Table 42** Complexity of household procedures

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	40	10%
Neither agree nor disagree (3)	120	30%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, the survey question tangibles, 20% strongly agreed, 22% agreed, 23% neither agreed nor disagreed, 20% disagreed, and 15% strongly disagreed.

**Table 43** Excessive waiting time

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	108	27%
Neither agree nor disagree (3)	64	16%
Agreed (2)	68	17%
Strongly agree (1)	100	25%

According to the chart, the survey question Waiting too long was answered by 25% who strongly agreed, 17% who agreed, 16% who neither agreed nor disagreed, 27% who disagreed, and 15% who strongly disagreed.

**Table 44** Lack of transparency

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	108	27%
Agreed (2)	92	23%
Strongly agree (1)	60	15%

According to the charts, the survey questions lacked transparency, with 15 per cent strongly agreeing, 23 per cent agreeing, 27 per cent neither agreeing nor disagreeing, 20 per cent disagreeing and 15 per cent strongly disagreeing.

**Table 45** Attitudes of Bank Staff

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	40	10%
Neither agree nor disagree (3)	100	25%
Agreed (2)	100	25%
Strongly agree (1)	100	25%

According to the charts, the survey questioned the attitudes of bank staff, with 25% strongly agreeing, 25% agreeing, 25% neither agreeing nor disagreeing, 10% disagreeing, and 15% strongly disagreeing

Tables 41-45 show that the results of the survey on the root causes of conflict between Chinese banks and their customers highlight the various factors that contribute to customer dissatisfaction. Notably, poor service quality is a significant issue, with 25% indicating that they neither agree nor disagree, and 25% agreeing. Complex account procedures also contributed to the conflict, with 30% neither

agreeing nor disagreeing and 25% strongly agreeing. Long waiting times caused disagreement, with 27% disagreeing and 25% strongly agreeing. Lack of transparency was a major cause of conflict, with 27% neither agreeing nor disagreeing and 23% agreeing. The attitude of bank staff was cited as a source of conflict, with 25% strongly agreeing and 25% agreeing. These findings suggest that addressing issues such as service quality, account procedures, waiting times, transparency and staff attitudes are important in mitigating conflict and increasing customer satisfaction with the Bank of China.

### 1. Frequency of conflicts between Chinese banks and their customers

**Table 46** Frequently (at least every few months)

	Amount	percentage
Strongly disagree (5)	88	22%
Disagree (4)	92	23%
Neither agree nor disagree (3)	80	20%
Agreed (2)	40	10%
Strongly agree (1)	100	25%

According to the chart, the frequency of conflict on survey questions, 25% strongly agreed, 10% agreed, 20% neither agreed nor disagreed, 23% disagreed, and 22% strongly disagreed.

**Table 47** Occasionally (once a year or less)

	Amount	percentage
Strongly disagree (5)	4	1%
Disagree (4)	100	25%
Neither agree nor disagree (3)	92	23%
Agreed (2)	104	26%
Strongly agree (1)	100	25%

According to the charts, the frequency of survey questions is occasional, with 25% strongly agreeing, 26% agreeing, 23% neither agreeing nor disagreeing, 25% disagreeing, and 1% strongly disagreeing.

**Table 48** Rare (every few years or less)

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	68	17%
Agreed (2)	92	23%
Strongly agree (1)	100	25%

According to the chart, survey questions are rare, with 25% strongly agreeing, 23% agreeing, 17% neither agreeing nor disagreeing, 20% disagreeing, and 15% strongly disagreeing.

**Table 49** Never

	Amount	percentage
Strongly disagree (5)	70	15%
Disagree (4)	40	10%
Neither agree nor disagree (3)	40	10%
Agreed (2)	40	10%
Strongly agree (1)	220	55%

According to the chart, the survey questions have never conflicted, with 55% strongly agreeing, 10% agreeing, 10% neither agreeing nor disagreeing, 10% disagreeing, and 15% strongly disagreeing.

Tables 46-49 show that respondents' perceptions of the frequency of conflicts between Chinese banks and their customers varied. 25% of the respondents strongly agreed that conflicts occur frequently (at least once every few months), 22% disagreed, and 20% neither agreed nor disagreed. For occasional conflicts (once a year or less), respondents' views differed, with 26% strongly agreeing, 25% disagreeing, and 23% neither agreeing nor disagreeing. For rare conflicts (every few years or less), 25% strongly agreed, 20% disagreed, and 17% neither agreed nor disagreed. Interestingly, 55% of the respondents strongly agreed that conflicts with Chinese banks and customers never occur, 15% disagreed, and 10% neither agreed nor disagreed. These findings suggest that there are different perceptions of how often conflict occurs, emphasizing the need for a nuanced understanding of the dynamics of the relationship between Chinese banks and their customers.

## 2. Dimensions of service quality in the banking sector

**Table 50** Reliability

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	88	22%
Neither agree nor disagree (3)	92	23%
Agreed (2)	100	25%
Strongly agree (1)	60	15%

According to the chart, the reliability dimension of the quality of the survey question service, 15% strongly agreed, 25% agreed, 23% neither agreed nor disagreed, 22% disagreed, and 15% strongly disagreed.

**Table 51** Response capacity

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	40	10%
Neither agree nor disagree (3)	92	23%
Agreed (2)	80	20%
Strongly agree (1)	128	32%

According to the chart, survey question responsiveness, 32% strongly agreed, 20% agreed, 23% neither agreed nor disagreed, 10% disagreed, and 15% strongly disagreed.

**Table 52** Guarantees

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	60	15%
Agreed (2)	60	15%
Strongly agree (1)	140	35%

According to the chart, the survey question warranted that 35% strongly agreed, 15% agreed, 15% neither agreed nor disagreed, 20% disagreed, and 15% strongly disagreed.

**Table 53** Sympathy

	Amount	percentage
Strongly disagree (5)	20	5%
Disagree (4)	80	20%
Neither agree nor disagree (3)	92	23%
Agreed (2)	88	22%
Strongly agree (1)	120	30%

According to the chart, at the sympathetic level of the survey question, 30% strongly agreed, 22% agreed, 23% neither agreed nor disagreed, 20% disagreed, and 15% strongly disagreed.



**Table 54** Tangible Assets

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	80	20%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, the survey question tangible assets, 25% strongly agreed, 20% agreed, 20% neither agreed nor disagreed, 20% disagreed, and 15% strongly disagreed.

Table 50-54 shows that the respondents' views on the dimensions of service quality in the banking sector are mixed. On reliability, 25% of the respondents strongly agreed that it is a strong point, 22% disagreed and 23% neither agreed nor disagreed. In terms of responsiveness, 32% of respondents strongly agreed, 23% neither agreed nor disagreed, and 20% disagreed. Views on 'reassurance' varied, with 35% strongly agreeing, 20% disagreeing and 15% neither agreeing nor disagreeing. Empathy was identified as a key dimension, with 30% strongly agreeing, 22% disagreeing and 23% neither agreeing nor disagreeing. Evaluation of tangibles was mixed, with 25% strongly agreeing, 20% disagreeing and 20% neither agreeing nor disagreeing. These findings indicate the multifaceted nature of customers' perceptions of the different dimensions of service quality in the banking sector and emphasize the importance of addressing specific dimensions in order to improve the overall quality of service and meet customer expectations.

### 3. Customer Ratings for SERVQUAL Service Quality Dimensions

**Table 55** Reliability

	Amount	percentage
Strongly disagree (5)	88	22%
Disagree (4)	92	23%
Neither agree nor disagree (3)	80	20%
Agreed (2)	40	10%
Strongly agree (1)	100	25%

According to the chart, survey question reliability, 25% strongly agreed, 10% agreed, 20% neither agreed nor disagreed, 23% disagreed, and 22% strongly disagreed.

**Table 56** Response capacity

	Amount	percentage
Strongly disagree (5)	4	1%
Disagree (4)	100	25%
Neither agree nor disagree (3)	92	23%
Agreed (2)	104	26%
Strongly agree (1)	100	25%

According to the chart, survey question responsiveness, 25% strongly agreed, 26% agreed, 23% neither agreed nor disagreed, 25% disagreed, and 1% strongly disagreed.

**Table 57** Guarantees

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	68	17%
Agreed (2)	92	23%
Strongly agree (1)	100	25%

According to the chart, the survey question warranted that 25% strongly agreed, 23% agreed, 17% neither agreed nor disagreed, 20% disagreed, and 15% strongly disagreed.

**Table 58** Sympathy

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	40	10%
Neither agree nor disagree (3)	52	13%
Agreed (2)	40	10%
Strongly agree (1)	220	55%

According to the chart, the survey question sympathized with 55% strongly agreeing, 10% agreeing, 13% neither agreeing nor disagreeing, 10% disagreeing, and 15% strongly disagreeing.

**Table 59** Tangible Assets

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	80	20%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, the survey question tangibles, 25% strongly agreed, 20% agreed, 20% neither agreed nor disagreed, 20% disagreed, and 15% strongly disagreed.

Tables 55-59 show that respondents' findings on the SERVQUAL customer ratings for the service quality dimensions varied. Perceptions of reliability varied, with 25 percent strongly agreeing, 22 percent disagreeing, and 23 percent neither agreeing nor disagreeing. Perceptions of Responsiveness varied, with 26% strongly agreeing, 25% disagreeing, and 23% neither agreeing nor disagreeing. Perceptions of Reassurance varied with 25% strongly agreeing, 20% disagreeing and 17% neither agreeing nor disagreeing. Empathy was positively recognized with 55% strongly agreeing, 10% disagreeing and 10% neither agreeing nor disagreeing. Evaluation of tangibles was mixed with 25% strongly agreeing, 20% disagreeing and 20% neither agreeing nor disagreeing. These findings highlight the varying customer perceptions of the SERVQUAL dimensions and emphasize the need for targeted improvements to enhance overall service quality in the banking sector.

#### 4. SERVQUAL Importance of Service Quality Dimensions to Customers

**Table 60** Reliability

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	100	25%
Agreed (2)	100	25%
Strongly agree (1)	60	15%

According to the chart, survey question reliability, 15% strongly agreed, 25% agreed, 25% neither agreed nor disagreed, 20% disagreed, and 15% strongly disagreed.

**Table 61** Response capacity

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	40	10%
Neither agree nor disagree (3)	120	30%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, survey question responsiveness, 25% strongly agreed, 20% agreed, 30% neither agreed nor disagreed, 10% disagreed, and 15% strongly disagreed.

**Table 62** Guarantees

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	108	27%
Neither agree nor disagree (3)	64	16%
Agreed (2)	68	17%
Strongly agree (1)	100	25%

According to the chart, the survey question warranted that 25% strongly agreed, 17% agreed, 16% neither agreed nor disagreed, 27% disagreed, and 15% strongly disagreed.

**Table 63** Sympathy

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	108	27%
Agreed (2)	92	23%
Strongly agree (1)	60	15%

According to the chart, the survey question sympathized with 15% strongly agreeing, 23% agreeing, 27% neither agreeing nor disagreeing, 20% disagreeing, and 15% strongly disagreeing.

**Table 64** Tangible Assets

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	80	20%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, the survey question warranted that 25% strongly agreed, 20% agreed, 20% neither agreed nor disagreed, 20% disagreed, and 15% strongly disagreed.

Tables 60-64 show that respondents have different views on the importance of the service quality dimensions to customers according to the SERVQUAL framework. Reliability is considered important with 25% of the respondents strongly agreeing, 25% of the respondents neither agreeing nor disagreeing and 20% of the respondents disagreeing. Responsiveness elicited mixed views, with 30% of respondents neither agreeing nor disagreeing, 25% strongly agreeing and 20% disagreeing. 25% strongly agreed, 27% disagreed and 16% neither agreed nor disagreed. Empathy was considered important with 27% neither agreeing nor disagreeing, 23% agreeing and 20% strongly agreeing. Evaluation of tangibles was mixed, with 25% strongly agreeing, 20% disagreeing, and 20% neither agreeing nor disagreeing. These findings suggest that there are nuances in customers' perceptions of the importance of different service quality dimensions and emphasize the need for the banking industry to target service quality improvements to meet customer expectations.

## 5. Sources of conflict between banks and customers

**Table 65** Transaction processing delays

	Amount	percentage
Strongly disagree (5)	88	22%
Disagree (4)	92	23%
Neither agree nor disagree (3)	80	20%
Agreed (2)	40	10%
Strongly agree (1)	100	25%

According to the charts, 25% strongly agreed, 10% agreed, 20% neither agreed nor disagreed, 23% disagreed and 22% strongly disagreed with the delay in the processing of survey question transactions

**Table 66** Incorrect billings Delayed processing of transactions

	Amount	percentage
Strongly disagree (5)	4	1%
Disagree (4)	100	25%
Neither agree nor disagree (3)	92	23%
Agreed (2)	104	26%
Strongly agree (1)	100	25%

According to the chart, the survey question Incorrect billing Transaction processing delays, 25% strongly agreed, 26% agreed, 23% neither agreed nor disagreed, 25% disagreed, and 1% strongly disagreed.



**Table 67** Poor communication channels

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	68	17%
Agreed (2)	92	23%
Strongly agree (1)	100	25%

According to the chart, the survey question poor communication channels, 25% strongly agreed, 23% agreed, 17% neither agreed nor disagreed, 20% disagreed and 15% strongly disagreed.

**Table 68** Inadequate dissemination of information

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	40	10%
Neither agree nor disagree (3)	40	10%
Agreed (2)	40	10%
Strongly agree (1)	220	55%

According to the charts, there is insufficient dissemination of information on survey questions, with 55% strongly agreeing, 10% agreeing, 10% neither agreeing nor disagreeing, 10% disagreeing, and 15% strongly disagreeing.

**Table 69** Other types of conflicts

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	80	20%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, survey questions other types of conflict, 25% strongly agreed, 20% agreed, 20% neither agreed nor disagreed, 20% disagreed, and 15% strongly disagreed.

Tables 65-69 show that the survey results on the various issues of conflict between Chinese banks and their customers reflect different perspectives. Respondents were concerned about delays in processing transactions, with 25% of respondents strongly agreeing that this was a problem. Incorrect billing is also a concern, with 26% of respondents strongly agreeing with this. Poor communication channels and inadequate dissemination of information were cited as sources of conflict by 25% and 55% of respondents respectively. In addition, 25% of respondents believe that conflict comes from other sources. These results highlight the complexity of the challenges Chinese banks face in meeting customer expectations and underscore the need for targeted improvements in transaction processing, billing accuracy, communication channels, information dissemination and other areas to promote a positive customer experience and minimize conflict.

## 6. Importance of public services in improving the quality of services

**Table 70** Microfinance

	Amount	percentage
Strongly disagree (5)	88	22%
Disagree (4)	92	23%
Neither agree nor disagree (3)	80	20%
Agreed (2)	40	10%
Strongly agree (1)	100	25%

According to the chart, survey question microfinance, 25% strongly agree, 10% agree, 20% neither agree nor disagree, 23% disagree, and 22% strongly disagree.

**Table 71** Mobile Banking

	Amount	percentage
Strongly disagree (5)	4	1%
Disagree (4)	100	25%
Neither agree nor disagree (3)	92	23%
Agreed (2)	104	26%
Strongly agree (1)	100	25%

According to the chart, the survey question mobile banking, 25% strongly agreed, 26% agreed, 23% neither agreed nor disagreed, 25% disagreed, and 1% strongly disagreed.

**Table 72** Community Development

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	68	17%
Agreed (2)	92	23%
Strongly agree (1)	100	25%

According to the chart, survey question community development, 25% strongly agreed, 23% agreed, 17% neither agreed nor disagreed, 20% disagreed, and 15% strongly disagreed.

Tables 70-72 show that respondents' views were mixed on the question "Importance of public services for Chinese banks to improve the quality of their services". 25% of the respondents strongly agreed that microfinance is important, while 22% disagreed. 26% strongly agreed that mobile banking is important, while 25% disagreed. 25% believed that community development is 25% agreed that community development is vital to improve the quality of service, while 23% disagreed. These findings emphasize the importance of considering public services such as microfinance, mobile banking and community development in the strategic framework of Chinese banks in order to align services with the expectations of different clients and improve overall service quality.

## 7. Performance of U.S. Community Banks Compared to Large Banks

**Table 73** Customer Satisfaction

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	80	20%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, survey question customer satisfaction, 25% strongly agreed, 20% agreed, 20% neither agreed nor disagreed, 20% disagreed, and 15% strongly disagreed.

**Table 74** Personalized Loan Products Offered

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	100	25%
Agreed (2)	100	25%
Strongly agree (1)	60	15%

According to the chart, the survey question offered a personalized loan product with 15% strongly agreeing, 25% agreeing, 25% neither agreeing nor disagreeing, 20% disagreeing, and 15% strongly disagreeing.

**Table 75** Offering Competitive Interest Rates

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	40	10%
Neither agree nor disagree (3)	120	30%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, the survey question offering competitive interest rates was answered by 25% who strongly agreed, 20% who agreed, 30% who neither agreed nor disagreed, 10% who disagreed, and 15% who strongly disagreed.

**Table 76** Convenient Banking Locations

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	108	27%
Neither agree nor disagree (3)	64	16%
Agreed (2)	68	17%
Strongly agree (1)	100	25%

According to the chart, 25% of the bank locations facilitated by the survey question strongly agreed, 17% agreed, 16% neither agreed nor disagreed, 27% disagreed, and 15% strongly disagreed.

**Table 77** Service Quality Dimensions in the SERVQUAL Model

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	108	27%
Agreed (2)	92	23%
Strongly agree (1)	60	15%

According to the charts, 15% strongly agreed, 23% agreed, 27% neither agreed nor disagreed, 20% disagreed, and 15% strongly disagreed with the service quality dimension of the SERVQUAL model of the survey question.

**Table 78** Reliability The extent to which service providers deliver services accurately and reliably

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	40	10%
Neither agree nor disagree (3)	100	25%
Agreed (2)	100	25%
Strongly agree (1)	100	25%

According to the charts, the survey question Reliability The extent to which the service provider accurately and reliably delivers the service, 25% strongly agreed, 25% agreed, 25% neither agreed nor disagreed, 10% disagreed, and 15% strongly disagreed.

**Table 79** Tangible: Tangible Aspects of Products/Services Offered by Service Providers

	Amount	percentage
Strongly disagree (5)	88	22%
Disagree (4)	92	23%
Neither agree nor disagree (3)	80	20%
Agreed (2)	40	10%
Strongly agree (1)	100	25%

According to the chart, the survey question Tangible (tangible) Tangible aspects of products/services provided by service providers was answered by 25% who strongly agreed, 10% who agreed, 20% who neither agreed nor disagreed, 23% who disagreed and 22% who strongly disagreed.

**Table 80** "Empathy" refers to service providers' individualized attention to customers Responsiveness

	Amount	percentage
Strongly disagree (5)	4	1%
Disagree (4)	100	25%
Neither agree nor disagree (3)	92	23%
Agreed (2)	108	26%
Strongly agree (1)	100	25%

According to the chart, the survey question "empathy," which refers to the responsiveness of service providers to customers' individualized attention, was answered by 25% who strongly agreed, 26% who agreed, 23% who neither agreed nor disagreed, 25% who disagreed, and 1% who strongly disagreed.



**Table 81** Speed and Flexibility of Service Providers in Responding to Customer Requests

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	68	17%
Agreed (2)	92	23%
Strongly agree (1)	100	25%

According to the chart, the speed and flexibility of the survey question service providers to respond to customer requests, 25% strongly agreed, 23% agreed, 17% neither agreed nor disagreed, 20% disagreed, and 15% strongly disagreed.

The comprehensive analysis in Table 16-81 answers question 2 well, the main factor affecting the service quality of Bank of China's Linyi branch is the provision of relevant services according to the needs of customers, in this section the analysis of the data reveals that it is necessary to recognize the different expectations of customers in different regions and tailor the services according to the specific needs of the customers in order to improve the overall quality of the services.

### The best way to improve the service quality of Bank of China Linyi branch Improvement pathway

This section allows answering the third question, based on the 9 questions in the second part of the questionnaire, i.e. the main factors influencing the best ways to improve the quality of services in Bank of China Linyi Branch.

#### 1. Examples of attitudes towards the five dimensions of service quality

**Table 82** "Staff working correctly and avoiding mistakes"

	Amount	percentage
Strongly disagree (5)	4	1%
Disagree (4)	100	25%
Neither agree nor disagree (3)	92	23%
Agreed (2)	104	26%
Strongly agree (1)	100	25%

According to the chart, the survey question, "Staff do their jobs correctly and avoid mistakes," was answered by 25% who strongly agreed, 26% who agreed, 23% who neither agreed nor disagreed, 25% who disagreed, and 1% who strongly disagreed.

**Table 83** "I was very impressed with the professionalism and competence of the staff".

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	68	17%
Agreed (2)	92	23%
Strongly agree (1)	100	25%

According to the chart, the survey question "I am very impressed by the professionalism and competence of the staff" was answered by 25% who strongly agreed, 23% who agreed, 17% who neither agreed nor disagreed, 20% who disagreed and 15% who strongly disagreed.

**Table 84** "Facilities and equipment used in the provision of services are aesthetically pleasing and modern".

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	80	20%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, the survey question "Facilities and equipment used in the provision of services are aesthetically pleasing and modern" was answered by 25% who strongly agreed, 20% who agreed, 20% who neither agreed nor disagreed, 20% who disagreed and 15% who strongly disagreed.

**Table 85** "Service providers understand my needs and personalize their services accordingly".

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	80	20%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, the survey question "Service providers understand my needs and provide personalized services accordingly" was answered by 25% who strongly agreed, 20% who agreed, 20% who neither agreed nor disagreed, 20% who disagreed and 15% who strongly disagreed.

**Table 86** "Service provider responded promptly to my request"

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	80	20%
Agreed (2)	80	20%
Strongly agree (1)	100	25%

According to the chart, the survey question, "Service providers respond quickly to my requests," was answered by 25% who strongly agreed, 20% who agreed, 20% who neither agreed nor disagreed, 20% who disagreed, and 15% who strongly disagreed.

Table 82-86 shows that the results of the survey indicated that participants had different attitudes towards the five dimensions of service quality. While 25% strongly agreed that they had a positive attitude towards these aspects, 22% strongly disagreed, indicating a range of views. When assessing specific aspects of staff accuracy and avoiding mistakes, 26% strongly agreed and 25% disagreed. Regarding the professionalism and competence of staff, 25% were positive and 15% disagreed. Regarding the attractiveness and modernization of facilities and equipment, 25% strongly agreed and 20% disagreed. In terms of personalized service, 25% strongly agreed that their individual needs were understood and service was personalized accordingly, while 20% disagreed. In terms of rapid response to requests, 25% strongly agreed and 20% disagreed. These differing views highlight the nuances of customer attitudes towards the dimensions of service quality and emphasize the importance of service providers tailoring their services to the varying expectations of their customers.

## 2. solutions

**Table 87** Allocation of adequate resources and budget for capacity-building activities

	Amount	percentage
Strongly disagree (5)	88	22%
Disagree (4)	92	23%
Neither agree nor disagree (3)	80	20%
Agreed (2)	40	10%
Strongly agree (1)	100	25%

According to the chart, the survey question to allocate adequate resources and budget for capacity-building activities was answered by 25% who strongly agreed, 10% who agreed, 20% who neither agreed nor disagreed, 23% who disagreed and 22% who strongly disagreed.

**Table 88** Implementation of innovative learning models

	Amount	percentage
Strongly disagree (5)	88	22%
Disagree (4)	92	23%
Neither agree nor disagree (3)	80	20%
Agreed (2)	40	10%
Strongly agree (1)	100	25%

According to the chart, the survey question implementation of innovative learning models, 25% strongly agreed, 10% agreed, 20% neither agreed nor disagreed, 23% disagreed and 22% strongly disagreed.

**Table 89** Encouraging best practices based on co-creation

	Amount	percentage
Strongly disagree (5)	60	15%
Disagree (4)	80	20%
Neither agree nor disagree (3)	68	17%
Agreed (2)	92	23%
Strongly agree (1)	100	25%

According to the chart, the survey question encouraging best practices based on co-creation was answered by 25% who strongly agreed, 23% who agreed, 17% who neither agreed nor disagreed, 20% who disagreed and 15% who strongly disagreed.

**Table 90** Combining diversified skills development plans with individualized sector-specific capacity-building plans

	Amount	percentage
Strongly disagree (5)	88	22%
Disagree (4)	92	23%
Neither agree nor disagree (3)	80	20%
Agreed (2)	40	10%
Strongly agree (1)	100	25%

According to the chart, the survey question combining diversified skills development programs with individualized sector-specific capacity building programs was answered by 25% who strongly agreed, 10% who agreed, 20% who neither agreed nor disagreed, 23% who disagreed and 22% who strongly disagreed.

The results of the survey on attitudes towards capacity-building strategies for financial institutions, as shown in tables 87-90, indicate that the views of the participants were mixed. While 25% strongly favored allocating adequate resources and budgets for such activities and implementing innovative learning models, an equally strong 22% disagreed with these approaches. 25% thought it would be useful to encourage best practices based on co-creation, but 15% disagreed. Similarly, 25% were in favor of combining various sector-specific skills development programs, while 22% were opposed. These results highlight the complexity of reaching consensus on the most effective capacity building strategies and emphasize the importance of taking into account different perspectives and preferences in a financial institution's approach to professional development.

Tables 82-90 answer question 3 very well that the best way to improve the service quality of Bank of China Linyi Branch is to improve the professional skills of the staff and to make the staff pay more attention to the comments made by the customers. The study shows that there are subtle differences in customers' attitudes towards various aspects of service quality, so according to the theoretical model of

service quality, it is concluded that the best way to improve the bank's services should be to train and improve the professional skills of the employees, and to provide exclusive services to each and every customer.

### Conclusion

Therefore, the study of service quality improvement of Bank of China in Linyi City is summarized as follows:

Firstly, the bank communication mechanism is not perfect, which leads to insufficient quality of customer service. In addition, banks do not provide services according to the needs of customers in the process of service. Finally, the professionalism of bank staff is not enough. Therefore, in order to improve the service quality of Bank of China in Linyi, it is recommended to start from various aspects. Staff training should be strengthened, focusing on improving product knowledge and communication skills. Facilities and equipment should be modernized to meet modern banking standards.





## CHAPTER 5

### CONCLUSION, DISCUSSION AND RECOMMENDATIONS

In this study, 400 questionnaires were assigned to various bank counters. researchers will collect customer satisfaction data from 35 banks in Linyi City who go to the counter to handle business for a study on improving service quality at Bank of China Linyi Branch (228 Yimeng Road, Lanshan District).

#### Conclusion

In conclusion, the comprehensive analysis of the survey results provides valuable insights into the factors influencing customer perceptions and experiences with the Bank of China in Linyi. These findings span various dimensions, shedding light on the intricacies of service quality, customer satisfaction, and areas for improvement within the banking sector.

1. The comprehensive data and analysis indicate that the current service quality at the Bank of China Linyi Branch falls short of the desired standard. Specifically, 20% of conflicts arise from inadequate communication between the bank and its customers, 12.5% of customers have complete mistrust in the bank. Furthermore, only 25% of customers perceive the bank's policies to be clear and transparent, and 30% feel that the bank fails to consistently deliver promised services. These statistics underscore deficiencies in service quality. Hence, it is recommended that the bank strengthens its communication mechanisms, enhances service transparency and responsiveness to improve customer satisfaction and trust, thereby elevating the overall service quality.

2. The survey results indicate that customers generally consider reliability, responsiveness, assurance, empathy, and tangible assets as the primary factors influencing the service quality of Bank of China Linyi Branch. These dimensions have a significant impact on customer loyalty and satisfaction, with reliability, in particular, being deemed crucial by 35% of respondents. Further analysis of SERVQUAL service

quality dimensions reveals discrepancies in customer perceptions across tangible aspects, reliability, responsiveness, assurance, and empathy. This provides specific areas for improvement for Bank of China Linyi Branch, such as enhancing modern facilities and equipment, improving service response times, and strengthening staff professionalism and empathy. The survey findings also suggest that customers exhibit varied reactions when conflicts arise with Bank of China, including lodging complaints, seeking informal resolutions, switching to other financial institutions, or accepting the situation. This underscores the need for the branch to enhance its conflict resolution mechanisms, including bolstering complaint channels, improving transparency in conflict resolution processes, and actively addressing customer concerns to maintain customer relationships and enhance satisfaction. In comparison with U.S. community banks and large banks, Bank of China Linyi Branch performs well in certain aspects, such as personalized loan products and evaluations of service quality dimensions. However, there is room for improvement in other areas, such as convenient bank locations and assessments of reliability in service quality dimensions. Therefore, Bank of China Linyi Branch can learn from successful practices of U.S. community banks and adjust its strategies and service models based on customer needs and market competition. In conclusion, understanding the main factors influencing service quality, evaluating SERVQUAL dimensions, examining conflict resolution mechanisms, and conducting comparative analyses with competitors are crucial for Bank of China Linyi Branch to formulate improvement strategies and enhance service quality. By strategically improving services and increasing customer satisfaction, Bank of China Linyi Branch can strengthen its competitiveness and ensure long-term sustainable business growth.

3. Based on the survey results, it is evident that there are significant variations in the attitudes of respondents towards different dimensions of service quality. For instance, 25% of respondents strongly endorse employee professional skill training, while 15% strongly oppose it. Additionally, concerning whether employees value customer feedback, 25% of respondents strongly agree, whereas 22% hold contrary views. These data reflect varying expectations and perceptions of customers regarding service quality. Therefore, considering these findings

comprehensively, the conclusion can be drawn that the best way to improve the service quality of Bank of China Linyi Branch is through enhancing employee professional skill training and increasing the emphasis on customer feedback. Such strategies will contribute to enhancing overall employee competence, better meeting customer needs, thereby elevating the bank's service quality and enhancing customer satisfaction.

### Discussion

The discussion of the survey results delves into a comprehensive exploration of the multifaceted dynamics that shape the customer-bank relationship with the Bank of China in Linyi. This discussion aims to illuminate key findings, their implications, and potential strategies for the bank to consider as it navigates the complex terrain of customer satisfaction, service quality, and conflict resolution.

In elucidating the importance of service quality dimensions and their impact on customer loyalty, the findings coincide with those reached in previous literature. Cecilio argues that reliability is the cornerstone of service quality and has a profound effect on customer satisfaction and loyalty (Gutiérrez-Nieto et al., 2007: 131-142). Similarly, in this study the key role of reliability in shaping customers' perceptions and promoting their trust in banking services was found. Specifically, responsiveness, communication skills, empathy and tangibles were identified as key determinants of customer satisfaction and loyalty, which coincide well with the dimensions identified in the survey, in line with this view.

Research on service quality in the banking sector can be enriched by drawing from the literature on customer satisfaction and service excellence. Researchers such as Parasuraman et al. (1985) emphasize the SERVQUAL model as a comprehensive framework for assessing service quality and identifying areas for improvement (Parasuraman et al., 1985: 41-50). By utilizing the SERVQUAL dimensions of reliability, responsiveness, assurance, empathy, and tangibility, the Bank of China can align its services with customer expectations and improve overall satisfaction. In addition, Oliver (2006) study emphasized the importance of exceeding customer expectations

in order to gain customer satisfaction and loyalty. Similarly, this study found that: by striving for excellence in service quality, Chinese banks can stand out from the fierce competition in the banking industry and build strong, long-lasting relationships with their customers (Oliver, 2006: 224-245).

In delving into customer attitudes and preferences, the literature provides valuable insights into the drivers of consumer behavior and decision-making processes. A study by Kotler et al. (2016) emphasized the importance of understanding customer needs and preferences in developing effective marketing strategies. By conducting comprehensive market research and segmentation analysis, companies can gain insights into customers' attitudes towards various aspects in order to tailor their product and communication strategies (Kotler and Keller, 2016: 71-87). Furthermore, research by Schiffman et al. (2010) emphasized the importance of psychographic segmentation, which takes into account customers' values, lifestyles and preferences. However, in the current study, it was found that by using psychological segmentation methods, Chinese banks can gain a deeper understanding of customers' underlying motivations and preferences, but it is not possible to accurately understand customers' attitudes and preferences if employees are not adequately trained in this area; therefore, the researcher argues that enhanced employee training is a significant improvement in the quality of bank services (Schiffman et al., 2010: 42-57).

The variety of recommendations for improving service quality, ranging from rigorous staff training to facility upgrades and innovative learning models, highlights the multifaceted nature of improvement measures. Implementing these recommendations in combination can create a synergistic effect, resulting in an overall enhancement of the overall customer experience.

These findings demonstrate the dynamic growth of the Linyi banking sector, which also presents challenges and opportunities for Bank of China. Recognizing the importance of continuous improvement, Chinese banks must not only meet but also anticipate their customers' changing expectations. This requires banks to be agile, adaptive, and adhere to a customer-centric philosophy.

In conclusion, the discussion of the survey results reveals the richness of customer perceptions and experiences of Bank of China in Linyi. By delving into the nuances of service quality, conflict resolution, and customer attitudes, banks can develop targeted strategies that resonate with the diverse needs of their customers. As the financial industry continues to evolve, the insights gained from this survey will enable Bank of China to take its decision-making and strategy refinement to the next level, thus ensuring its continued relevance and success in the highly competitive banking industry. These findings collectively underscore the dynamic nature of the banking landscape in Linyi and present both challenges and opportunities for the Bank of China. Recognizing the importance of continuous improvement, the bank must not only meet but anticipate evolving customer expectations. This requires agility, adaptability, and a commitment to a customer-centric ethos.

Finally, the bank can formulate targeted strategies that resonate with the diverse needs of its clientele. As the financial landscape continues to evolve, the insights gleaned from this survey position the Bank of China on a trajectory of informed decision-making and strategic refinement, ensuring its sustained relevance and success in the competitive banking sector.

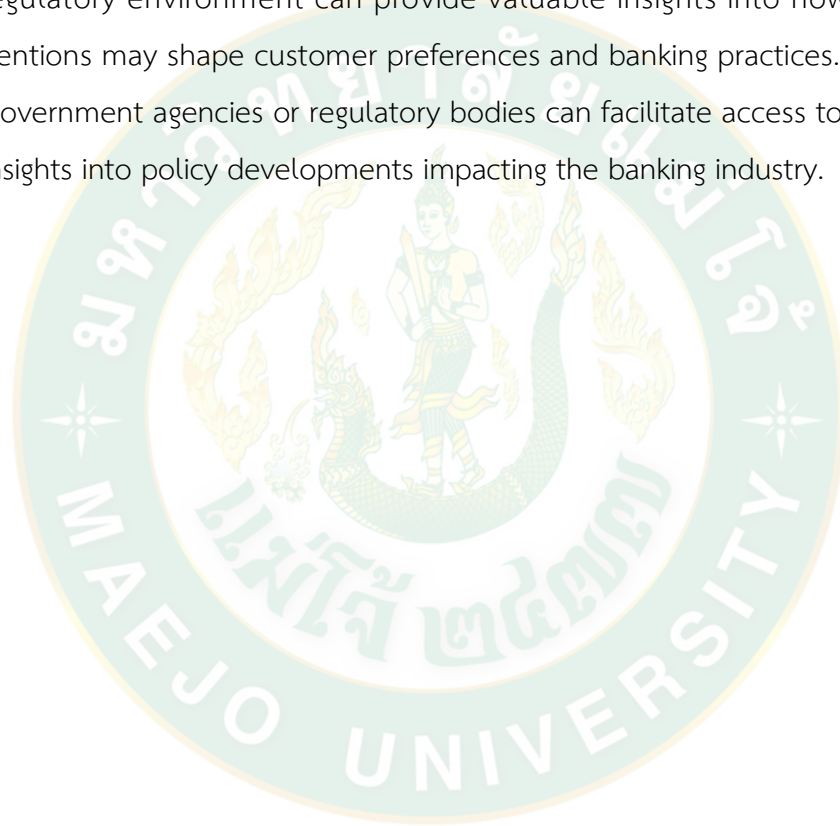
### **Recommendation for Further Study**

#### **1. Longitudinal Study of Customer Satisfaction**

This study conducted a snapshot survey of customer satisfaction at a specific point in time. However, conducting a longitudinal study would require significant resources and time, which may impact the feasibility of the current research. Despite resource challenges, longitudinal studies offer invaluable insights into long-term trends. It is suggested to consider collecting data in multiple stages over time to mitigate resource constraints while capturing longitudinal trends effectively.

## 2. Government Policy Recommendations

The study did not explore government policies and regulations that could impact the banking sector and customer satisfaction levels at the Bank of China Linyi Branch. Ignoring this aspect may overlook significant external factors influencing customer experiences. Future research should include an analysis of government policies and regulations affecting the banking sector, particularly those related to customer protection, financial inclusion, and digital banking initiatives. Understanding the regulatory environment can provide valuable insights into how government interventions may shape customer preferences and banking practices. Collaboration with government agencies or regulatory bodies can facilitate access to relevant data and insights into policy developments impacting the banking industry.



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APPENDIXS



Appendix A

Questionnaire

### Bank of China in Linyi improves service quality

Note: Please cooperate in filling in the questionnaire related to the service quality improvement of Bank of China in Linyi City. This questionnaire is only used for academic research and the content of the questionnaire will be strictly confidential. The content of the questionnaire is divided into four parts: Part 1: Research background, Part 2: Current situation, Part 3: Influencing factors, Part 4: Improvement measures. There are 23 questions in total. Please answer each question as much as possible.

#### Part One: Research Background

Tip: Please put "v" in the corresponding £

1. Your gender:

Male  Female

2. your age

18-24 age  24-30 age  30-50 age  50 years and above

3. Your academic status

Never attended school  primary school  junior high school

Secondary technical school  high school  College

Undergraduate

master  PhD

4. Conflict type

Bank charge disputes  Account management and access to funds disputes

Miscommunication or misunderstanding between bank and customer

Loan and credit disputes  Other types of conflicts

5. Customer trust in China's banking industry

High trust  Medium trust  Low trust  No trust at all

6. Factors influencing customer trust in China's banking industry £

Clearness and transparency of policies

Consistent delivery of promised services

Responsiveness to customer needs

Bank's reputation and history  Other factors

Part 2: What are the factors that affect the service quality of Bank of China in Linyi City?

In a survey or questionnaire, typical Likert scale items usually take the following format: 1: Strongly disagree; 2: Disagree; 3: Neither agree nor disagree; 4: Agree; 5: Strongly agree. This section tests the independent variables: school physical facilities and school financial resources. Questionnaires will be produced and answered in order of "1=Strongly Disagree to 5=Strongly Agree".

	question	Strongly disagree (5)	Disagree (4)	Neither agree nor disagree (3)	Agree (2)	Strongly agree (1)
<b>The impact of banking service quality on customer loyalty</b>						
1	reliability					
2	Responsiveness					
3	guarantee					
4	empathy					
5	Tangible assets					
	SERVQUAL Quality of Service dimension					
6	Tangible physical and visual aspects of services, such as facilities and equipment services					
7	Reliability The ability of a service provider to perform services reliably and accurately					
8	Rarely (every few years or less)					
9	Responsiveness Willingness and timeliness to respond to customer needs					
10	Assurance Provider knowledge, competence, credibility and trustworthiness of the service provider Assurance of the knowledge, competence, trustworthiness and trustworthiness of the service provider					

	question	Strongly disagree (5)	Disagree (4)	Neither agree nor disagree (3)	Agree (2)	Strongly agree (1)
11	Empathy The degree of care, personal attention, and understanding shown to the client					
	Customers' reactions to Bank of China's conflict with customers					
10	lodge a complaint with the relevant authorities					
11	Seek solutions through informal channels					
12	Transfer to another bank/financial institution					
13	Do nothing/accept the situation					
	Dimensions of service quality in the banking sector					
14	reliability					
15	Responsiveness					
16	guarantee					
17	empathy					
18	Tangible assets					
<b>Customer satisfaction with the quality of service in the banking sector</b>						
19	reliability					
20	Responsiveness					
21	guarantee					
22	empathy					
23	Tangible assets					

## Part 3: Influencing Factors (10 questions)

No	issue	Strongly Disagree (5)	Disagree (4)	Neither agree nor disagree (3)	Consent (2)	Strongly agree (1)
<b>The source of conflict between the Bank of China and its customers</b>						
1	Poor quality of service					
2	The account formalities are complicated					
3	Long wait times					
4	Lack of transparency					
5	The attitude of the bank staff					
	The frequency of conflicts between Chinese banks and customers					
6	Frequently (at least every few months)					
7	Occasionally (once a year or less)					
8	Rarely (every few years or less)					
9	never					
	Dimensions of service quality in the banking sector					
10	reliability					
11	Responsiveness					
12	guarantee					
13	empathy					
14	Tangible assets					
<b>SERVQUAL Customer ratings in the Quality of Service dimension</b>						
15	reliability					
16	Responsiveness					
17	guarantee					
18	empathy					
19	Tangible assets					



No	issue	Strongly Disagree (5)	Disagree (4)	Neither agree nor disagree (3)	Consent (2)	Strongly agree (1)
<b>SERVQUAL The importance of the quality of service dimension to the customer</b>						
20	reliability					
21	Responsiveness					
22	guarantee					
23	empathy					
24	Tangible assets					
<b>The source of conflict between the bank and the customer</b>						
25	Transaction processing delays					
26	The bill is incorrect					
27	Poor communication channels					
28	Inadequate dissemination of information					
29	Other types of conflicts					
<b>The importance of public services in enhancing service quality</b>						
30	Microfinance					
31	Mobile Banking					
32	community development					
<b>Comparison of the performance of U.S. community banks with large banks</b>						
33	Customer satisfaction					
34	Personalized loan products offered					
35	Competitive interest rates are available					
36	Convenient banking location					

No	issue	Strongly Disagree (5)	Disagree (4)	Neither agree nor disagree (3)	Consent (2)	Strongly agree (1)
<b>Dimensions of Quality of Service in the SERVQUAL model</b>						
37	Reliability The degree to which a service provider provides services accurately and reliably					
38	Tangible The physical aspect of the offer/service provided by the service provider					
39	Empathy is the personalized attention that the service provider provides to its customers responsiveness					
40	The speed and agility with which service providers respond to customer requests					

## Part 4: Improvement Pathways (2 questions)

No	issue	Strongly Disagree (5)	Disagree (4)	Neither agree nor disagree (3)	Consent (2)	Strongly agree (1)
<b>Examples of attitudes towards the five dimensions of service quality</b>						
1	"The staff did the job correctly and avoided mistakes."					
2	"I was very impressed with the professionalism and competence of the staff"					
3	"The facilities and equipment used in the provision of services are attractive and modern"					
4	"The service provider understands my needs and personalizes their services accordingly."					
5	"The service provider responds quickly to my request"					
<b>solution</b>						
6	Allocate adequate resources and budget for capacity-building activities					
7	Implement innovative learning models					
8	Encourage best practices based on co-creation					
9	Combine diverse skill-building programs with individualized capacity-building programs tailored to specific sectors					



Appendix B

Codebook

No.	Variable Name	Variable Label	Value No.	Value Label
1	Q1	Gender	1	Male
			2	Female
			3	N/A
2	Q2	Age	1	18-24years old
			2	24-30 years old
			3	30-50 years old
			4	over 50 years old
3	Q3	academic status	1	Never attended school
			2	primary school
			3	junior high school
			4	Secondary technical school
			5	high school
			6	College
			7	Undergraduate
			8	master
			9	PhD
4	Q4	Conflict type	1	Bank charge disputes
			2	Account management and access to funds disputes
			3	Miscommunication or misunderstanding between bank and customer
			4	Loan and credit disputes
			5	Other types of conflicts
5	Q5	Customer trust in China's banking industry	1	High trust
			2	Medium trust
			3	Low trust
			4	No trust at all

No.	Variable Name	Variable Label	Value No.	Value Label
6	Q6	Factors influencing customer trust in China's banking industry	1	Clearness and transparency of policies
			2	Consistent delivery of promised services
			3	Responsiveness to customer needs
			4	Bank's reputation and history
			5	Other factors
Part 2 : What are the factors that affect the service quality of Bank of China in Linyi City? The impact of banking service quality on customer loyalty				
7	Q7	reliability	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
8	Q8	Responsiveness	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
9	Q9	guarantee	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree

No.	Variable Name	Variable Label	Value No.	Value Label
10	Q10	empathy	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
11	Q11	Tangible assets	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
12	Q12	SERVQUAL Quality of Service dimension	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
13	Q13	Tangible physical and visual aspects of services, such as facilities and equipment services	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
14	Q14	Reliability The ability of a service provider to perform services reliably and accurately	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree

No.	Variable Name	Variable Label	Value No.	Value Label
15	Q15	Rarely (every few years or less)	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
16	Q16	Responsiveness Willingness and timeliness to respond to customer needs	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
17	Q17	Assurance Provider knowledge, competence, credibility and trustworthiness of the service provider Assurance of the knowledge, competence, trustworthiness and trustworthiness of the service provider	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
18	Q18	Empathy The degree of care, personal attention, and understanding shown to the client	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
19	Q19	Customers' reactions to Bank of China's conflict with customers	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree



No.	Variable Name	Variable Label	Value No.	Value Label
20	Q20	lodge a complaint with the relevant authorities	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
25	Q25	Seek solutions through informal channels	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
26	Q26	Transfer to another bank/financial institution	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
27	Q27	Do nothing/accept the situation	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
28	Q28	Dimensions of service quality in the banking sector	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree

No.	Variable Name	Variable Label	Value No.	Value Label
29	Q29	reliability	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
30	Q30	Responsiveness	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
31	Q31	guarantee	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
32	Q32	empathy	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
33	Q33	Tangible assets	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree

No.	Variable Name	Variable Label	Value No.	Value Label
Customer satisfaction with the quality of service in the banking sector				
34	Q34	reliability	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
35	Q35	Responsiveness	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
36	Q36	guarantee	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
37	Q37	empathy	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
38	Q38	Tangible assets	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree

No.	Variable Name	Variable Label	Value No.	Value Label
Influencing Factors (10 questions)				
The source of conflict between the Bank of China and its customers				
39	Q39	Poor quality of service	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
41	Q40	The account formalities are complicated	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
41	Q41	Long wait times	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
42	Q42	Lack of transparency	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
43	Q43	The attitude of the bank staff	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree

No.	Variable Name	Variable Label	Value No.	Value Label
The frequency of conflicts between Chinese banks and customers				
44	Q44	Frequently (at least every few months)	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
45	Q45	Occasionally (once a year or less)	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
46	Q46	Rarely (every few years or less)	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
47	Q47	never	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
Dimensions of service quality in the banking sector				
48	Q48	reliability	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree

No.	Variable Name	Variable Label	Value No.	Value Label
49	Q49	Responsiveness	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
50	Q50	guarantee	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
51	Q51	empathy	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
52	Q52	Tangible assets	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
SERVQUAL Customer ratings in the Quality of Service dimension				
53	Q53	reliability	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree

No.	Variable Name	Variable Label	Value No.	Value Label
54	Q54	Responsiveness	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
55	Q55	guarantee	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
56	Q56	empathy	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
57	Q57	Tangible assets	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
SERVQUAL The importance of the quality of service dimension to the customer				
58	Q58	reliability	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree

No.	Variable Name	Variable Label	Value No.	Value Label
59	Q59	Responsiveness	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
60	Q60	guarantee	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
The source of conflict between the bank and the customer				
61	Q61	Transaction processing delays	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
62	Q62	The bill is incorrect	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
63	Q63	Poor communication channels	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree



No.	Variable Name	Variable Label	Value No.	Value Label
64	Q64	Inadequate dissemination of information	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
65	Q65	Other types of conflicts	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
The importance of public services in enhancing service quality				
66	Q66	Microfinance	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
67	Q67	Mobile Banking	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
68	Q68	community development	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree

No.	Variable Name	Variable Label	Value No.	Value Label
Comparison of the performance of U.S. community banks with large banks				
69	Q69	Customer satisfaction	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
70	Q70	Personalized loan products offered	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
71	Q71	Competitive interest rates are available	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
72	Q72	Convenient banking location	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
73	Q73	Dimensions of Quality of Service in the SERVQUAL model	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree

No.	Variable Name	Variable Label	Value No.	Value Label
74	Q74	Reliability The degree to which a service provider provides services accurately and reliably	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
75	Q75	Tangible The physical aspect of the offer/service provided by the service provider	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
76	Q76	Empathy is the personalized attention that the service provider provides to its customers responsiveness	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
77	Q77	The speed and agility with which service providers respond to customer requests	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
Part 4: Improvement Pathways (2 questions)				
Examples of attitudes towards the five dimensions of Service quality				
78	Q78	"The staff did the job correctly and avoided mistakes."	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree

No.	Variable Name	Variable Label	Value No.	Value Label
79	Q79	"I was very impressed with the professionalism and competence of the staff"	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
80	Q80	"The facilities and equipment used in the provision of services are attractive and modern"	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
81	Q81	"The service provider understands my needs and personalizes their services accordingly."	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
82	Q82	"The service provider responds quickly to my request"	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
solution				
83	Q83	Allocate adequate resources and budget for capacity-building activities	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree

No.	Variable Name	Variable Label	Value No.	Value Label
84	Q84	Implement innovative learning models	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
85	Q85	Encourage best practices based on co-creation	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree
86	Q86	Combine diverse skill-building programs with individualized capacity-building programs tailored to specific sectors	1	Strongly disagree
			2	Disagree
			3	Neutral
			4	Agree
			5	Strongly agree

## CURRICULUM VITAE

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- 2020 Diploma in Real Estate Operation and Management,  
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- 2020 Diploma in Exhibition Management,  
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