Measuring the Relationship Between Service Quality Delivery and Customer Satisfaction of Rural Banks in India: A Factor-Specific Approach

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Abstract

The connection between service quality and customer satisfaction has acknowledged considerable theoretical and research attention over the years. But the nature of the precise relationship between service quality and customer satisfaction is still concealed with ambiguity. The present research article aims to examine the level of customers' satisfaction on the delivery of bank services and to measure the relationship between customers' satisfaction and services offered by rural banks in India. The study has considered 63 branches out of 94 branches of Meghalaya rural bank and a total of 400 customers who are directly associated with the banks i.e., at least having one account with the banks using the purposive sampling method. The opinion of the respondents on the selected variables indicating satisfaction/dissatisfaction level was measured on a Likert scale. The data have been analysed through statistical techniques such as descriptive statistics, correlations analysis and regression analysis using Statistical Package for Social Sciences (SPSS), Version 21. The analysis indicates that there is an inter-relationship between the influencing factors namely intangible infrastructure, reliability, assurance, responsiveness and empathy, and also verifies that the variables displayed a linear relationship relating to the constructs to each other. The analysis also reveals that tangible infrastructure, reliability and empathy are significant predictors of the level of customer satisfaction while assurance and responsiveness are not appropriate predictors of customer satisfaction levels. The paper recommended that the bank should ensure its commitment towards assurance and responsiveness to build the trust of the customers towards the banks. It is expected that the study will enable the bank management to get a comprehensive choice of empowering their strategies effectively to reach out to the customers.

Keywords: service quality, dimensions, rural bank, SERVQUAL, customer satisfaction

1. Introduction

The customer satisfaction is an intensive approach for many banking and non-banking organisation for increasing revenue and retaining customer loyalty. The bank is a customer-oriented service industry and hence, it is essential to realize the needs of the customers to render an effective and efficient banking service (Reddy et al., 2000). The customer service is becoming a dominant factor for the banking business (Ambashta, 2000). The customers' assessment of the quality of service provided by banks is essential for building perceptions. The perception is a lively concept that necessitated the continuous assessment of customers' acuities (Zeithaml & Bitner, 2003). The tactic of a bank can either be innovation-oriented or simulation oriented. The innovation-oriented banks position themselves in the first phase of the life cycle of a financial product, whereas simulation-oriented banks position themselves in successive phases of the life cycle (Franke, 1998). The innovative services of banks are the key to the survival of banks in a contemporary banking environment. Right from the beginning of financial modernization, innovations have been playing a pertinent role in curtailing financial exclusions and in improving banking services to satisfy the customer's needs (Malik, 2014). Therefore, the relationship between service quality and customer satisfaction has received considerable

academic attention in recent years (Safi & Alagha, 2020). The studies have stimulated customer satisfaction by using single-item as well as multiple-item scales (Sureshchandar et al., 2002). But the nature of the exact relationship between service quality and customer satisfaction is still shrouded with uncertainty (Prakash, 2019).

In the present era, banks face their toughest competition, and the adoption of new innovative strategies will give them a better chance of outperforming the competition (Gaonkar, 2020). The Indian banking scene has changed irrevocably and with the entry of new private sector banks, the customer now expects world-class services which have been introduced by these private sector banks. These technological conveniences offered by the private sector banks have created a paradigm shift in the Indian banking sector (Gupta & Aggarwal, 2014). The rapid development of information technology has resulted in the transformation of banks and banking services. The experience of the past decades shows that the orientation of banks has transformed from being product-oriented to providing customer-oriented services (Franke, 1998). All these innovations have become crucial fragments in the banking sector and have brought many improvements in the financial environment (Kuruppu et al., 2018). Keeping in view these in mind, the paper is an attempt to measure the relationship between customer satisfaction and service quality using the SERVQUAL model with special reference to Meghalaya Rural Bank, India.

1.1 Exploration of the Problem

The banks need to formulate marketing strategies to pursue their customers towards them to continue in this competitive environment. Due to increased alertness and consciousness, customers have become more educated about the risks and returns associated with various financial services. Hence, customer satisfaction is becoming one of the major objectives before the banks to supplement their market share (Hennayake, 2017). The Narasimham Committee (1991) also stressed continuous assessment and improvement in the level of customer satisfaction. Indian banking has been growing at a very fast pace and technology has transformed the face of banking in India. The goal of banking focuses on sustaining competitive advantage through the blending of technology and traditional services (Malik, 2014). At present, the Indian banking sector is adopting technology at a faster rate to keep pace with the changing environment. The various electronic delivery channels are gradually used for delivering products and services for the accessibility of customers (George & Kumar, 2013). The rural banks have also been adopting technology and innovative strategies to render better services to rural masses i.e., the customers. It has embraced numerous services to its customers. With the current changes in the functional orientation of rural banking, the key driver of these banks' success and survival is changing customer needs and expectations (Kumar et al, 2018). This has prompted the researcher to examine and measure the services rendered by the bank to its customers.

1.2 Literature Visited

1.2.1 Service Quality and Customer Satisfaction

The improved service quality has become a robust competitive advantage in the modern

customer-centric market, particularly for organisations, the business of which encompasses merely the delivery of services. The services are activities that organizations accomplish for their customers, and they enjoy such characteristics as immateriality, inseparability, heterogeneity, and perishability (Huang et al., 2019). The quality of service is associated with customers' experiences received from the services (NerdyTom, 2022). Researchers repeatedly define service quality as the consumers' evaluation of the services they obtain (Liu et al., 2016). Another widely used definition of service quality characterizes this concept as '*the gap between customer's expected and perceived quality of service*' (Huang et al., 2019). It implies that customers always have certain expectations regarding the services that they are going to receive, and they compare their experiences after being provided services to those prior expectations. Hence, service quality is high when it surpasses clients' expectations and low if it flops to meet them. In past studies, several researchers have explored the issue of service quality and customer satisfaction are the same thing (Oliva et al., 1992; Dabholkar, 1993; Spreng & Singh, 1993) and others theorized them as two different constructs (Oliver, 1993; Bitner & Hubbert, 1994; Iacobucci et al., 1994; Taylor & Baker, 1994).

The code that customer satisfaction depends on the perception and cognizance about service quality which has been studied and accepted in the service marketing literature (Anderson et al., 1994; Cronin & Taylor, 1994; Rust & Oliver, 1994; Brady et al., 2002; Jain & Gupta, 2004; Yavas et al., 2004; Bei & Chiao, 2006; Kassim & Souiden, 2007; Ladhari et al., 2011). East (1997) opined that customer satisfaction is a major outcome of marketing activity as it serves as a link between the different stages of consumer buying behaviour. Krishnan et al. (1999) revealed that satisfaction with product offerings is a primary driver of overall customer satisfaction and the quality of customer service regarding financial services delivered through different channels, such as IT-enabled call centers and traditional branch offices is also an unavoidable part of overall customer satisfaction. Parasuraman et al. (1985) defined service quality as '*the overall evaluation or attitude of the overall services excellence' and proposed a scale called SERVQUAL which is a generic measurement tool that has been widely used to assess service quality in a wide variety of service parameters. The scale contains 22 items to assess both consumers*' perception and expectation of service quality and has grouped them into five broad dimensions. In this line, Ozatac et al. (2015) assessed the determinants of customer satisfaction related to better service quality in the North Cyprus Banking Sector and analysed customer perception related to the determinants of service quality using the SERVQUAL model. The study found that customer satisfaction depends on a strong relationship between banker-customer and the North Cyprus Banking Sector creates trust between customers and bank employees. Felix (2017) found a significant and positive relationship between service quality and customer satisfaction, comparing dimensions such as customer loyalty with reliability, responsiveness, and assurance. The higher the service quality, the higher the customer satisfaction. On the other hand, a comparison with service quality sub-variables such as reliability, assurance, tangibility, empathy, and responsiveness showed that there was no significant relationship between the variables.

1.2.2 Relationship Between Service Quality and Customer Satisfaction

The empirical literature advocates that service quality and customer satisfaction are heartily

interconnected, and service quality is one of the aspects that affect customer satisfaction, along with price and personal recognition (Liu et al., 2016). However, service quality is more momentous than price since skimpy quality has been proven to scare away customers more frequently than high prices (Basari & Shamsudin, 2020). The service quality is therefore, considered a forerunner of customer satisfaction (Liu et al., 2016). It implies that a business delivers the services of some quality and then the customer judges the perceived value of the service which ultimately leads to customer satisfaction. Several studies have confirmed the positive relationship between service quality and customer satisfaction (Ahmed & Sultana, 2022; Kattara et al., 2008). Kattara et al. (2008) explored the relationship between positive and negative employee behaviours, customers' perception of service quality, and overall customer satisfaction. The study found that employees' behaviours are highly correlated with overall consumer satisfaction. Sureshchandar et al. (2002) in a factor-specific approach considered customer satisfaction as a multi-dimensional construct just like service quality and argued that customer satisfaction is operationalized with the same factors on which the service quality is operationalized. The dimensions of service quality affect customer satisfaction in banking services. Besides, customers satisfaction and service quality are the most significant factors that contribute to the long-term relationship with the customers to keep them satisfied. The relationship between service quality and customer satisfaction was investigated and proved that the aforesaid two constructs are truly independent implying that the increasing one is likely to increase the other. Liu et al. (2016) studied the impact of service quality on customer loyalty by means of customer satisfaction of food fast industry in Taiwan considering 197 respondents. The study demonstrated that service quality had a positive impact on satisfaction, which, in its turn, had a considerable positive effect on customer loyalty. The research conducted by Bhatt and Bhanawat (2016) using the SERVQUAL model for assessing the customer satisfaction level in retail units in India and confirms that the SERVQUAL model is appropriate and convenient for evaluating customer satisfaction. Using SERVQUEL model, Huang et al. (2019) in another study determined the relationship between service quality and customer satisfaction in the B2B segment technology service industry in Taiwan. The research findings were consistent with those of the previous study as it was found out tall five constituents of service quality positively influence the customer satisfaction. Safi and Alagha (2020) examined the relationship between service quality and customer satisfaction in the private telecom sector in India based on primary and secondary data on a total of 310 customers of the private telecom sector companies were surveyed by applying a structured questionnaire. The statistical techniques like cronbach's alpha coefficient, descriptive statistical analysis, and correlation analysis are employed to assess the relationship between the dependent variable and the independent variable. The results revealed that there is a significant relationship between the identified constructs of service quality and customer satisfaction.

1.2.3 Service Quality Related Studies in Banking Sector

Talwar Committee (1975) believed that customer service is a dynamic concept and recommended that banks should evaluate and re-evaluate customers' perceptions of services. Goiporia Committee (1991) also stressed on responsive banker-customer relationships to be

heightened for the satisfaction of customers. Kansal and Singh (2007) studied customers' orientation towards banking services in urban areas of Punjab, particularly the innovative services to the customers of some private banks and the Bank of Punjab. The study observed that most of the services offered by private banks have remained unutilized by urban customers. Jham and Khan (2008) studied the customers' satisfaction in the Indian banking sector and inferred that the satisfaction of customers with the services of Indian banks is linked with the performance of banks. Ahmed (2002) established some key antecedents of customers' satisfaction in retail banking in the competitive world of business and opined that the satisfied customers in day-to-day operations remain with the same banks for their services provided. Dutta and Dutta (2009) examined consumer expectations and perceptions across the three categories of banks in India (viz., public sector banks, private sector banks and foreign banks) by describing the factors influencing the perception of customer quality in the banking sector and relating this perception to banks' financial performance and found that foreign banks are providing better quality services followed by the private sector and public sector banks. With increasing competition among banks, the results serve as a strategic tool to achieve competitive advantage and customer satisfaction, examining the gap between customers' expectation and their perception of the quality of service provided. While measuring customer satisfaction through service quality delivery in the Malaysian banking sector, Munusamy, Chelliah and Mun (2010) used quantitative research to explore the relationship between dimensions of service quality and customer satisfaction. It has been found that there exists a positive relationship between reliability and customer satisfaction and other attributes such as assurance, tangibles, empathy, and responsiveness. George and Kumar (2013) carried out a study using the technology acceptance model (TAM) to investigate the effect of TAM variables on customer satisfaction. The study considered 406 internet bank users from the state of Kerala and found that the constructs of perceived ease of use and perceived usefulness have a positive effect on customer satisfaction and perceived risk has a negative effect on customer satisfaction. Sanjeepan (2017) found that the length of the customer relationship is one of the factors that contribute significantly to profitability and proper online banking services can push a bank to adopt a customer-centric strategy to keep their customer in the future. Molem et al. (2018) highlighted the impact of changing technology on service quality and customer satisfaction. It has been found that maintaining high quality is important to ensure customer satisfaction and loyalty in this severe competition spectrum. Khan et al. (2021) observed that to ensure sustainable growth in mobile banking activities, there is an immense need to guarantee superior service quality for the customer to gain inclusive satisfaction.

1.2.4 Understanding the SERVQUAL Model

The SERVQUAL instrument has been extensively applied in a variety of service industries (Yoo & Park, 2007). Parasuraman et al. (1988) constructed a 22-item instrument called SERVQUAL for measuring consumer perceptions of service quality. SERVQUAL addresses many elements of service quality divided into the dimensions of tangibility, reliability, responsiveness, assurance and empathy. According to the SERVQUAL model, service quality can be measured by identifying the gaps between customers' expectations of the service to be rendered and their perceptions of the actual performance of service (Barsky,

1992). The researchers have applied the SERVQUAL model to measure service quality in different industry settings with modified constructs to suit specific situations (Bhatt & Bhanawat, 2016; Saleh & Ryan, 1992). SERVQUAL model is based on five dimensions of service:

1) *Tangibility*: Tangibility refers to the physical characteristics associated with the service encounter. The physical surroundings are represented by objects (for example, interior design) and subjects (for example, the appearance of employees) (Mohsin & Ryan, 2005).

2) *Reliability*: Reliability indicates the service provider's ability to provide accurate and dependable services; consistently perform the service right etc.

3) *Responsiveness*: A firm's willingness to assist its customers by providing fast and efficient service performances; the willingness that employees exhibit to promptly and efficiently solve customer requests and problems etc.

4) *Assurance*: Diverse features that provide confidence to customers such as the firm's specific service knowledge, and polite and trustworthy behaviour from employees.

5) *Empathy*: The service firm's readiness to provide each customer with personal service (Nadiri & Hussain, 2005).

One of the criticisms mentioned in the literature is the applicability of the five SERVQUAL dimensions to different service settings and replication studies done by other investigators failed to support the five-dimensional factor structure as was obtained by Parasuraman et.al (1988) in their development of SERVQUAL model (Roshnee & Fowdar, 2007). It has been argued that expectation is self-motivated and that it can therefore change according to customers' experiences and consumption situations. (Nadiri & Hussain, 2005). However, the SERVQUAL model is generally considered a robust measure of service quality. Hence, the dimensions of this model with some modifications have been considered for identifying 28 items of research variables for this study

1.2.5 Research Breach

The reviewed literature shows that service quality is the prototype of customer satisfaction and has a significant positive influence on it. The reviewed studies also confirm that the SERVQUAL model is appropriate for measuring service quality and satisfaction of customers. Therefore, sketching the reviews related to the previous literature and identifying the gaps in the existing studies relating to the direction and orientation of empirical studies, there is a need to have a research investigation on customer satisfaction based on services provided by the rural banks, as attempted in this study particularly in Meghalaya Rural Bank considering the SERVQUAL model.

1.3 About the Bank Under Study: An Indication

Meghalaya Rural Bank (MRB) is a scheduled bank under the Reserve Bank of India Act of 1934. The MRB has the authority of the Regional Rural Banks Act of 1976 to encompass credit and other banking services for the progress of the rural areas. The MRB has a network

of 94 branches as on 31st March 2021. The bank is the second largest among other banks operating in Meghalaya and is a provider of credit to the priority sector in the State. The bank affords funding to Government-sponsored schemes and provides crop loans to small and marginal farmers, nurtures self-help groups, joint liability groups, and farmers' clubs, and renders liberal magnanimous finance to education, transportation, housing, and small and medium industries. The total business of the bank as of 31st March 2015 was Rs 1,808.43 crores and it recorded a business growth of more than Rs.1,980.39 crores during the year 2019–2020 (RBI, 2021). The credit deposit ratio (C/D ratio) has improved significantly. The business per branch amounted to Rs 36.39 crores and the business per employee registered at Rs 8.18 crores during the year 2020–2021 (Annual Reports of MRB). The aforesaid brief profile indicates that the performance of MRB in respect of the C/D ratio and business growth has increased indicating a very good prospect for the bank in the area of its operation. Hence, there is a necessity to measure the service quality provided by the MRB to satisfy the customers.

2. Objectives of the Paper

The objective of the study is to examine customers' satisfaction with the services offered by rural banks. The study sets the following specific objectives

1) To quantify the level of customer satisfaction with the services provided by Meghalaya Rural Bank.

2) To measure the relationship between the different factors influencing the satisfaction of bank customers and the service quality of banks.

3. Research Methodology and Sampling Techniques

3.1 Sampling Procedure

The study has considered 63 branches out of 94 branches of Meghalaya Rural Bank to measure the level of customer satisfaction on service quality and their relationship. A total of 400 customers from the selected bank branches who are directly associated with the banks i.e., at least having one account with the banks and operating the same regularly were selected for the study.

3.2 Sampling Method

For the selection of customers, initially, using multi-stage random sampling techniques, the respondents were divided into three geographic regions viz., Garo Hills, Jaintia Hills, and Khasi Hills. Subsequently, with the help of the purposive sampling technique, each district having a maximum number of branches has been selected. In order to maintain a proportionate representative of respondents from each selected district, the convenience sampling method was used to select 400 respondents for the study.

3.3 Sample Distribution

The 400 hundred sample respondents were considered in such a way that equal representation of customers from rural-urban as well as professional groups wise is pinched to arrive at an

appropriate research proposition. The details of district-wise sample distribution are presented in Table 1.

Table 1. Sample distribution

Districts Considered	Branches covered	Rural-Urban wise			Profession Group-wise				Grand Total
		Rural	Urban	Total	Serviceman	Businessman	General	Total	
East Khasi Hills	39(39x5=195 +1= 96)	98	98	196	65	65	66	196	196
Jaintia Hills	19 (19x6=114)	57	57	114	38	38	38	114	114
West Garo Hills	5 (5x18=90)	45	45	90	30	30	30	90	90
Total	63	200	200	400	133	133	134	400	400

Sources: Computed from the primary data.

3.4 Variables Selected

Based on the literature review and SRVQUAL model, the opinion of the respondents on the 28 selected items indicating satisfaction/dissatisfaction level was measured on a Likert scale. The aforesaid 28 measuring parameters probe into five dimensions; the tangible infrastructure dimension comprising 6 items, the reliability of bank dimension consisting of 7 items, the assurance provided by the bank with 5 items, the responsiveness of banks towards bank customers comprising 6 items and the final dimension viz., empathy shown by the bank comprising 4 item parameters considered to measure the satisfaction level of customers on service quality paradigms and their relationships.

3.5 Technique Adopted

The data analysis has been done using Statistical Package for Social Sciences (SPSS) Version 21. To analyse the customer perception of the services provided by the bank and to measure the relationship between service quality constructs and customer satisfaction of sample respondents, various statistical techniques such as descriptive statistics, correlations matrix analysis and regression analysis have been applied.

4. Analysis and Interpretation

4.1 Demographic Contour of Respondents

The study governs the level of customer satisfaction based on various services provided and the relationship between customer satisfaction and service quality of Meghalaya Rural Bank particularly for an in-depth understanding of the customer taste and preference factors which can enrich the top management in their decision-making process. In this research investigation, the demographic characteristics such as age, gender, marital status, education, occupation, and income of the respondents are considered primary variables that influence customer perceptions. Table 2 depicts the demographic attributes of the sample respondents.

Table 2. Demographic characteristics of sample respondents

Demographic Features	Category/Status	Frequency	Percent	Valid Percent	Cumulative Percent
Age (years)	Below–20	9	2.3	2.3	2.3
	21–30	73	18.3	18.3	20.5
	31–50	270	67.5	67.5	88.0
	51–Above	48	12.0	12.0	100.0
Gender	Male	170	42.5	42.5	42.5
	Female	230	57.5	57.5	100.0
Marital status	Single	187	46.8	46.8	46.8
	Married	145	36.3	36.3	83.0
	Divorcee	45	11.3	11.3	94.3
	Widow	23	5.8	5.8	100.0
Education	Primary	4	1.0	1.0	1.0
	High School	157	39.3	39.3	40.3
	Secondary	23	5.8	5.8	46.0
	Graduate	104	26.0	26.0	72.0
	Postgraduate	95	23.8	23.8	95.8
	Others	17	4.3	4.3	100.0
Occupation	Cultivator	92	23.0	23.0	23.0
	Service	214	53.5	53.5	76.5
	Business	56	14.0	14.0	90.5
	Home Maker	28	7.0	7.0	97.5
	Others	10	2.5	2.5	100.0
Annual Family Income (Rs.)	Below–200,000	66	16.5	16.5	16.5
	200,000–400,000	50	12.5	12.5	29.0
	400,000–600,000	140	35.0	35.0	64.0
	600,000–800,000	35	8.8	8.8	72.8
	800,000–Above	109	27.3	27.3	100.0

Source: Computed from primary data.

The analysis of the demographic sketch confirms the research participants' characteristics. It is observed that out of the total respondents, 67.5 percent are under the age group of 31–50, followed by 18.3 percent in the age group of 21–30 and 12 percent in the age group of 51–above. It is also revealed that only 2.3 percent of the total respondents are under the below–20 age group. Most respondents are found female comprising 57.5 percent and the remaining 42.5 percent are under the male category. The marital status of the respondents reveals that unmarried respondents representing 46.8 percent followed by 36.3 percent are married. Furthermore, it shows that 11.3 percent are in the divorcee category and only 23 respondents comprising 5.8 percent are widowed. The education-wise distribution of the respondents indicates that 39.3 percent of the total respondents are at a high school level followed by 26.0 percent at a graduate level, 23.8 percent at the postgraduate level and 5.8

percent of respondents at the secondary level. The occupation-wise distribution reveals that 53.5 percent of the respondents are engaged in the service sector followed by cultivators comprising 23.0 percent, homemakers i.e., 14 percent, business i.e.,7.0 percent and others ie., 2.5 percent. The income-wise distribution of respondents shows that 35.0 percent earn between Rs 400,000-Rs.600,000 annual incomes, followed by 27.3 percent whose annual income is between Rs 800,000 and above, 16.5 percent belongs to Rs.200,000 and below group, 12.5 percent comes under the bracket of Rs.200,000–Rs.400,000. The analysis of these demographic characteristics leads to a true representation of research participants and indicates that respondents have been drawn from the required group to persuade suitable research inferences.

4.2 Level of Bank Customer Satisfaction on Service Quality Constructs

4.2.1 Tangible Infrastructure

This section focuses to determine the customer agreement level on 6 items based on the tangible infrastructure dimension considering the point scale of very adequate to very inadequate. The results of the mean, standard deviation, frequency, and percentage of satisfaction level of customers of Meghalaya Rural Bank based on tangible infrastructure are presented in Table 3.

Table 3. Customer perception based on bank's tangible infrastructure

Items	Mean	Std. Devi	Point Scale					Level
	(μ)	(σ)	VA	A	MA	IA	VIA	
1. Computerized Banking	2.9950	0.8116	134 (33.5)	177 (44.25)	89 (22.25)	0.00	0.00	Adequate
2. Friendly and Courteous Employees	2.1275	0.6613	65 (16.3)	219 (54.8)	116 (29.0)	0.00	0.00	Adequate
3. Pleasant and Attractive Décor	2.3200	0.7609	53 (13.3)	185 (46.3)	143 (35.8)	19 (4.8)	0.00	Adequate
4. Comfortable Seating Lounge	2.6321	0.9378	27 (6.8)	167 (41.8)	160 (40.0)	28 (7.0)	18 (4.5)	Adequate
5. Internet Facility	2.7050	0.9514	27 (6.8)	150 (37.5)	163 (40.8)	34 (8.5)	26 (6.5)	Moderately Adequate
6. Convenient Branch Location	2.1125	0.7491	76 (19.0)	219 (54.8)	89 (22.3)	16 (4.0)	0.00	Adequate

Note. VA: Very adequate, A: Adequate, MA: Moderately adequate, IA: inadequate, VIA: Very inadequate

(Figures in the parentheses indicate the percentage of frequencies to the response against each variable)

Source: Self-calculation by the present researchers.

The analysis shows that the agreement level with the 6 items of the satisfaction creation influences the bank customers. The result indicates the customer agreement level of 5 items was adequate namely computerized banking (μ = 2.995, σ = 0.81), friendly and courteous

employees (μ = 2.1275, σ = 0.66), pleasant and attractive décor (μ = 2.3200, σ = 0.76), comfortable seating lounge (μ = 2.6321, σ = 0.94), and convenient branch location (μ = 2.1125, σ = 0.75) and only one item viz., internet facility (μ = 2.7050, σ = 0.95) was found moderately adequate by the customers. Hence, it may be interpreted that bank customers are satisfied with the tangible infrastructure-related service quality delivered to them.

4.2.2 Reliability of Bank

The bank employees have built their working reputation by exposing reliable services in respect of consistency in their performance and prioritizing safe and secure transactions. In this respect, altogether 7 reliability based items that influence customers' satisfaction levels as indicated in Table 4 from the point scale of very highly reliable to very low reliable were considered.

Table 4. Customer satisfaction based on reliability of bank services

Items	Mean (μ)	Std. Devi (σ)	Point Scale					Level
			VHR	HR	MR	LR	VLR	
1. Delivery of service on time	2.0450	0.5863	60 (15.0)	262 (65.5)	78 (19.5)	0.00	0.00	Highly Reliable
2. Sincere Employees	2.1025	0.6879	76 (19.0)	207 (51.8)	117 (29.3)	0.00	0.00	Highly Reliable
3. Safe and Secure Transactions	2.0650	0.6978	85 (21.3)	204 (51.0)	111 (27.8)	0.00	0.00	Highly Reliable
4. Consistency in Performance	2.0172	0.7269	95 (23.8)	210 (52.5)	88 (22.0)	7 (1.8)	0.00	Highly Reliable
5. Banks' Advertisements & messages reflect reality	2.9975	0.9135	12 (3.0)	101 (25.3)	193 (48.3)	64 (16.0)	30 (7.5)	Moderately Reliable
6. Accuracy and Safety of Records	2.0150	0.7558	104 (26.0)	193 (48.3)	96 (24.0)	7 (1.8)	0.00	Highly Reliable
7. Employees resolve customers' problems swiftly	2.0950	0.7858	85 (21.3)	206 (51.5)	102 (25.5)	7 (1.8)	0.00	Highly Reliable

Note. VHR: Very highly reliable, HR: Highly reliable, MR: Moderately reliable, LR: Low reliable, VLR: Very low reliable

(Figures in the parentheses indicate the percentage of frequencies to the response against each variable)

Source: Self-calculation by the present researchers.

The analysis found that customers are highly satisfied with six reliable services provided by banks. These services are delivery of service on time (μ = 2.0450, σ = 0.59), sincere employees (μ = 2.1025, σ = 0.69), safe and secure transactions (μ = 2.0650, σ = 0.70), consistency in performance (μ = 2.0172, σ = 0.73), accuracy and safety of records (μ = 2.0150, σ = 0.76) and employees resolve customer's problems swiftly (μ = 2.0950, σ = 0.79).

The moderately reliable service is observed against only one item viz., the bank's advertisement and messages reflect reality ($\mu = 2.9975$, $\sigma = 0.91$). This indicates the bank's commitment towards providing reliable services to its customers.

4.2.3 Bank Assurance Offered

This segment has demonstrated to understand the customer base on the assurance provided by the bank. Altogether 5 items that influence the customer perception using a five-point Likert scale from very high assurance to very low assurance were considered. The analysis results of mean, standard deviation and percentage of satisfaction are presented in Table 5.

Table 5. Customer satisfaction based on assurance provided by the bank

Items	Mean	Std. Devi	Point Scale					Level
	(μ)	(σ)	VHA	HA	MA	LA	VLA	
1. Fast and efficient delivery of service to the customers	2.2350	0.6639	45 (11.3)	223 (55.8)	125 (31.3)	7 (1.8)	0.00	High Assurance
2. Politeness of the Employees	2.3250	0.8343	51 (12.8)	205 (51.3)	114 (28.5)	23 (5.8)	5 (1.3)	High Assurance
3. Customers can trust the employees of the bank	2.0625	0.9196	120 (30.0)	165 (41.3)	92 (23.0)	16 (4.0)	6 (1.5)	High Assurance
4. Employees inform the customers exactly the time required to perform the duty	2.2053	0.9435	98 (24.5)	161 (40.3)	110 (27.5)	23 (5.8)	8 (2.0)	High Assurance
5. Expert financial advice	2.6950	1.1728	69 (17.3)	100 (25.0)	162 (40.5)	22 (5.5)	47 (11.8)	Moderate Assurance

Note. VHA: Very high assurance, HA: High assurance, MA: Moderate assurance, LA: Low assurance, VLA: Very low assurance

(Figures in the parentheses indicate the percentage of frequencies to the response against each variable)

Source: Self-calculation by the present researchers.

The customers claim that there are four items which ensure high assurance service namely fast and efficient delivery of service to the customers ($\mu = 2.2350$, $\sigma = 0.66$), politeness of the employees ($\mu = 2.2350$, $\sigma = 0.83$), customers can trust the employees of the bank ($\mu = 2.0635$, $\sigma = 0.92$) and employees inform the customers exactly the time required to perform the duty ($\mu = 2.2053$, $\sigma = 0.94$). There is only one item namely expert financial advice ($\mu = 2.6950$, $\sigma = 1.17$) that ensures moderate assurance by the bank as stated by its customers.

4.2.4 Responsiveness of the Bank Towards Customers

An attempt is made to understand the customer satisfaction level focusing on bank responsiveness towards the customers. The customer agreement level was checked on 6 items considered using a five-point Likert scale of very highly responsive to very low responsive. The analysis results mainly focus on the perceptions of customers on the responsiveness of

banks towards the customers and are presented in Table 6.

Table 6. Customer satisfaction based on responsiveness of bank towards customers

Items	Mean (μ)	Std. Devi (σ)	Point Scale					Level
			VHR	HR	MR	LR	VLR	
1. Employees' willingness to help customers	2.0025	0.6882	94 (23.5)	211 (52.8)	95 (23.8)	0.00	0.00	Highly Responsive
2. Providing Swift Service to the customers	2.1225	0.8500	91 (22.8)	195 (48.8)	95 (23.8)	12 (3.0)	7 (1.8)	Highly Responsive
3. Providing a correct response to the customers	2.1325	0.7858	89 (23.3)	174 (43.5)	132 (33.0)	5 (1.3)	0.00	Highly Responsive
4. Providing special care to special customers	2.2471	0.8141	69 (17.3)	182 (45.5)	137 (34.3)	5 (1.3)	7 (1.8)	Highly Responsive
5. Providing financial advice	2.6950	1.0171	50 (12.5)	112 (28.0)	172 (43.0)	42 (10.5)	24 (6.0)	Moderately Responsive
6. Employees' response to customer request	2.5900	0.8910	50 (12.5)	118 (46.0)	184 (46.0)	42 (10.5)	6 (1.5)	Moderately Responsive

Note. VHR: Very high responsive, HR: High responsive, MR: Moderate responsive, LR: Low responsive, VLR: Very low responsive

(Figures in the parentheses indicate the percentage of frequencies to the response against each variable)

Source: Self-calculation by the present researchers.

The analysis indicates that there are four items where the responsiveness of banks rated by customers are highly responsive such as employee's willingness to help customers (μ = 2.0025, σ = 0.689), providing swift service to the customers (μ = 2.122, σ = 0.85), providing a correct response to the customers (μ = 2.1325, σ = 0.79), providing special care to special customers (μ = 2.2471, σ = 0.81). Further, the customers rated two items as moderately responsive namely providing financial advice (μ = 2.6950, σ = 1.02) and employees' response to customer requests (μ = 2.5900, σ = 0.89). Hence, it may be inferred that the rural banks under consideration are very much responsible for fulfilling the needs and expectations of their customers.

4.2.5 Empathy Towards Customers

The bank offers to provide attention to the customer by making a convenient operating system. The elements of empathy include convenient working hours, bank understanding of customer needs, individual attention to customers and customer complaints resolved quickly. An attempt is made in this section to assess the customer perception of the above-mentioned 4 items of empathy dimension of SERVQUAL. The analysis results are presented in Table 7.

Table 7. Customer satisfaction based on empathy shown by the bank towards customers

Items	Mean (μ)	Std. Devi (σ)	Point Scale					Level
			VHE	HE	ME	LE	VLE	
1. Convenient working hours	2.2975	0.8674	28 (7.0)	249 (62.3)	123 (30.8)	0.00	0.00	High Empathy
2. Banks understand customer needs	2.3950	0.7717	55 (13.8)	141 (37.0)	181 (45.3)	16 (4.0)	0.00	Moderate Empathy
3. Individual attention to customers	2.2875	0.8118	54 (13.5)	167 (41.8)	149 (37.3)	30 (7.5)	0.00	High Empathy
4. Customer complaints are resolved quickly	2.6302	0.9723	37 (9.3)	155 (38.8)	151 (37.8)	33 (8.3)	24 (6.0)	High Empathy

Note. VHE: Very high empathy, HE: High empathy, ME: Moderate empathy, VLE: Very low empathy, LE: Low empathy

(Figures in the parentheses indicate the percentage of frequencies to the response against each variable)

Source: Self-calculation by the present researchers.

The analysis reveals that there are 4 items that influence customer behaviour which is measured based on the responses provided by the respondents scaling from very high empathy to very low empathy. The study found that 3 items namely convenient working hours (μ = 2.2975, σ = 0.87), individual attention to customers (μ = 2.2875, σ = 0.81) and customer complaints resolved quickly (μ = 2.2630, σ = 0.97) wherein customers claim to have high empathy shown by the banks. There is only one item viz., banks understand customer needs (μ = 2.3950, σ = 0.77) where the customers are moderately influenced.

The analysis of items relating to various dimensions of services indicates that the customers are satisfied with banking services as the majority of respondents have graded the selected items as either high or moderate service brackets in almost all the dimensions. This scenario of satisfaction level has been further confirmed with their respective mean and standard deviation values. In the line of this investigation, it is essential to measure the perception of bank customers on satisfaction-qualified items.

4.2.6 Customer Satisfaction Measures

In this section, the customers' level of satisfaction based on the services provided by the bank is measured on the 8 parameters that influence the perception of customers from the point scale of very satisfied to very dissatisfied. The parameters in this respect include rate of service charges, fast transactions, convenient operating hours, speed of depositing money, bank's innovativeness in introducing services, the attitude of staff towards customers, and efficiency of the staff and management of the bank. The analysis results of mean, standard deviation and percentage of satisfaction are presented in Table 8.

Table 8. Customers perception of selected satisfaction measures

Parameters	Mean (μ)	Std. Dev (σ)	VS (%)	S (%)	N (%)	DS (%)	VDS (%)	Level
1. Rate of service charges	1.9450	0.6842	89 (22.3)	260 (65.0)	35 (8.8)	16 (4.0)	0.00	Satisfied
2. Fast transactions	2.0450	0.7742	95 (23.8)	208 (52.0)	81 (20.3)	16 (4.0)	0.00	Satisfied
3. Convenient operating hours	2.1900	0.8158	51 (12.8)	266 (66.5)	46 (11.5)	30 (7.5)	7 (1.8)	Satisfied
4. Speed of depositing money	2.2675	0.7729	50 (12.5)	223 (55.8)	97 (24.3)	30 (7.5)	0.00	Satisfied
5. Bank's innovativeness in introducing services	2.2925	0.7703	53 (13.3)	201 (50.3)	122 (30.5)	24 (6.0)	0.00	Satisfied
6. The attitude of staff towards customers	2.0125	0.7270	103 (25.8)	189 (47.3)	108 (27.0)	0.00	0.00	Satisfied
7. Efficiencies of the staff	2.1075	0.6907	63 (15.8)	244 (61.0)	80 (20.0)	13 (3.3)	0.00	Satisfied
8. Management of bank	2.3200	0.9081	57 (14.3)	214 (53.5)	81 (20.3)	40 (10.0)	8 (2.0)	Satisfied

Note. VS: Very satisfied, S: Satisfied, N: Neutral, DS: Dis-satisfied, VDS: Very Dis-satisfied

(Figures in the parentheses indicate the percentage of frequencies to the response against each variable)

Source: Self-calculation by the researchers.

Based on the analysis results, it is found that the customers of Meghalaya Rural Bank are satisfied with all the services provided by the bank; the services viz., rate of service charges (μ=1.9450, σ=0.684), fast transactions (μ =2.0450, σ=0.774), convenient operating hours (μ=2.1900, σ=0.816), speed of depositing money (μ=2.2675, σ=0.773), bank's innovativeness in introducing services (μ =2.2925, σ=0.770), efficiencies of the staff (μ=2.0125, σ=0.691), and management of bank (μ=2.3200, σ=0.908). This signifies that customers of rural banks are well aware of the various services offered by banks and they are satisfied with the bank services. In order to have a more in-depth study, it is essential to experiment with the interrelationship among the aforesaid factor variables.

4.3 Relationship of Factors Influencing Customer Satisfaction on Service Quality

4.3.1 Reliability Analysis

It is crucial to pledge the scales included in the questionnaire are consistent. In order to determine data consistency, a data reliability test was conducted based on the performance score of the items of each construct with Cronbach's alpha coefficient values to verify the data integrity. Normally, Cronbach's alpha coefficient value of a scale should be 0.7 or higher (Pallant, 2010). The analysis results are presented in Table 9.

Table 9. Reliability test for constructs

Components	Cronbach's Alpha	Number of items
Tangible Infrastructure (TI)	0.848	6
Reliability (RL)	0.786	7
Assurance (AR)	0.812	5
Responsiveness (RP)	0.819	6
Empathy (EM)	0.734	4
Customer Satisfaction (CS)	0.821	8

Source: Computed from primary data.

The values of Cronbach's alpha coefficients of the constructs are more than 0.7 which confirms an acceptable and satisfactory range of the reliability scales, indicating the items that make up the scale are consistent and appropriately measure the underlying constructs.

4.3.2 KMO and Bartlett's test

Kaiser-Meyer-Olkin (KMO) test is used to determine the sampling adequacy of data that are to be used for factor analysis. KMO values closer to 1.0 are considered ideal while values less than 0.5 are unacceptable (Tabachnick et al, 2001). Bartlett's Test of Sphericity verifies for checking the factorability of data. Essentially, it checks to perceive if there is a certain redundancy between the variables that we can summarize with a few number of factors. It is essential to achieve a significant p-value (less than 0.05) for Bartlett's Test of Sphericity (Snedecor and Cochran, 1983). The value of KMO is found 0.827 and the significance probability level of Bartlett's test is p= 0.000 fell within the acceptable range determining that component analysis would be suitable for these variables (Table 10).

Table 10. KMO and Barlett's test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.827
Barlett's Test of Sphericity	Approx. Chi-Square	12010.181
	Sig.	0.000

4.3.3 Principal Component Analysis

In order to summarise the information gathered from a set of data, the principal component analysis was performed. It can be perceived that from the rotated component matrix 36 items have been derived and all the details are considered to be significant as they accomplished to load with a value higher than 0.50 as any loading above this value is measured to be practically considerable by Hair et al. (2009). Table 11 presents the item-wise results of the rotated component matrix.

Table 11. Rotated component matrix

Items/Constructs	Components					
	1	2	3	4	5	6
Tangible Infrastructure (TI)						
1. Computerized banking	.808					
2. Friendly and courteous employees	.805					
3. Pleasant and attractive décor	.761					
4. Comfortable seating lounge	.721					
5. Internet facility	.656					
6. Convenient branch location	.583					
Reliability (RL)						
1. Delivery of service on time		.731				
2. Sincere employees		.715				
3. Safe and secure transactions		.703				
4. Consistency in performance		.657				
5. Banks' advertisements & messages reflect reality		.574				
6. Accuracy and safety of records		.545				
7. Employees resolve customers' problems swiftly		.537				
Bank Assurance (AR)						
1. Fast and efficient delivery of service to the customers			.694			
2. Politeness of the employees			.667			
3. Customers can trust the employees of the bank			.592			
4. Employees inform the customers exactly the time required to perform the duty			.585			
5. Expert financial advice			.564			
Responsiveness (RM)						
1. Employees' willingness to help customers				.849		
2. Providing Swift Service to the customers				.703		
3. Providing a correct response to the customers				.672		
4. Providing special care to special customers				.618		
5. Providing financial advice		.		.605		
6. Employees' response to customer request				.750		
Empathy (EM)						
1. Convenient working hours					.645	
2. Banks understand customer needs					.667	
3. Individual attention to customers					.986	
4. Customer complaints are resolved quickly					.856	
Customer Satisfaction (CS)						
1. Rate of service charges						.756
2. Fast transactions						.654
3. Convenient operating hours						.768
4. Speed of depositing money						.876
5. Bank's innovativeness in introducing services						.921
6. The attitude of staff toward customers						.784
7. Efficiencies of the staff						.697
8. Management of the bank						.843

Extraction Method: Principal Component Analysis, Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 10 iterations.

4.3.4 Correlation Matrix Analysis

The correlation coefficient analysis was conducted to determine the inter-relationship between the factors that are concerned with the degree of customer satisfaction on the service

quality constructs namely tangible infrastructure, reliability, assurance, responsiveness and empathy, and customer satisfaction considered for the study. The results of the descriptive statistics and the cross-correlation between factors are presented in Table 12. The analysis indicates the interrelationship between the factors viz., tangible infrastructure, reliability, assurance, responsiveness and empathy based on customer satisfaction towards bank services. The analysis shows that there is a positive but insignificant interrelationship between assurance and reliability factors (r = 0.069) indicating the customers are not fully convinced of a fast and efficient delivery of service offered by the bank. The study also found that the responsiveness factor has a positive but not statistically significant correlation (0.116) with the reliability factor. This shows that the financial advice and employees' willingness to help do not significantly influence the bank customers.

Table 12. Correlation matrix analysis

Variables/ Constructs	Mean (μ)	Std. Deviation (σ)	Correlations (r)					
			1 TI	2 RL	3 AR	4 RP	5 EM	6 CS
1 Tangible Infrastructure (TI)	3.884	0.4705	1.00					
2 Reliability (RL)	4.146	0.4905	0.389**	1.00				
3 Assurance (AR)	1.600	1.2334	0.298**	0.069	1.00			
4 Responsiveness (RP)	2.753	0.7515	0.342**	0.116	0.324**	1.00		
5 Empathy (EM)	4.146	1.3589	0.253**	0.306**	0.261**	0.278**	1.00	
6 Customer Satisfaction (CS)	3.547	0.9860	0.287**	0.234**	0.341**	0.236**	0.286*	1.00

Note. * Correlation is significant at the 0.05 level (2-tailed); ** Correlation is significant at the 0.01 level (2-tailed).

Source: Self-calculation by the present researchers.

The analysis further shows the moderately positive and significant inter-relationship of responsiveness with tangible infrastructure (r = 0.342, p = 0.000), and with assurance (r = 0.324, P = 0.000) exist indicating a fair service delivery of banks. The analysis also found that there is a positive and significant inter-relationship among the factors such as tangible infrastructure, reliability, assurance and responsiveness. These indicate that fast transactions, speed of depositing money, politeness of the employees, employees willing to help employees, providing special care to special customers, and providing financial advisory services provided by the bank toward customers are significantly influenced and potential to create a degree of customer satisfaction. A positive and insignificant inter-relationship between empathy and reliability (r = 0.306, p = 0.055) implies that delivery of services on time, sincerity of employees, safe and secure transactions, consistency in performance, and employees resolve customers' problems swiftly services provided by the bank have a skinny influence on the level of customer satisfaction.

Furthermore, analysis results indicate a moderately positive and significant correlation

between empathy and assurance (r = 0.261, p = 0.000), empathy and responsiveness (r = 0.278, p = 0.000) and empathy and tangible infrastructure (r = 0.253, p = 0.000), signifies the rate of services charges, fast transactions, speed of depositing money, and efficient delivery of service to the customers, politeness of the employees and employees inform the customers exactly the time required to perform the duty; and employees willing to help employees, providing special care to special customers, and delivery of service on time, consistency in performance, etc services provided by the bank have the judicious implication of level of customers perceptions.

The positive correlation coefficient values of customer satisfaction with all the service quality constructs are statistically significant which indicated a close association between these variables. The operationalization of service quality delivery certainly affects the effectiveness of customer satisfaction in the banking sector, particularly in the rural banking context.

4.3.5 Regression Analysis

Having analysed the correlation coefficient, an attempt is made to run the multiple regression analysis to determine the relationship between the dependent variables i.e., customer satisfaction and independent variables i.e., service quality constructs such as tangible infrastructure, reliability, assurance, responsiveness, and empathy. The following regression model was used for predicting the impact of independent variables on the dependent variable.

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5$$

where,

Y = Customers satisfaction (dependent variable)

α = constant

β_1 to β_5 = Represents coefficients for the representative variables

X_1 = Tangible Infrastructure

X_2 = Reliability

X_3 = Assurance

X_4 = Responsiveness

X^5 = Empathy

The following Table 13 presents the regression model summary. Based on the analysis, it is found the R-value of 0.672 is a high degree of relationship, which also represents the simple correlation between the dependent variable and independent variables. The R square value 0.65 signifies that the customers' satisfaction can be explained by independent variables and shows that 65 percent variation is explained by the predictors, which indicates high predictions.

Table 13. Model summary [b]

Model	R	R Square	Adjusted R Square	Standard error of the Estimate
1	0.672[a]	0.650	0.673	645.09528

Note. a. Predictors (Constant), Tangible Infrastructure, Reliability, Assurance, Responsiveness and Empathy; b. Dependent Variable: Customer Satisfaction.

Table 14 determines whether the regression equation fits the given data i.e., the independent variables viz tangible infrastructure, reliability, assurance, responsiveness and empathy have the potential to predict the dependent variable (satisfaction level of customers). The analysis indicates that the regression model is significant as the p-value is found to be 0.000 which is less than 0.05. Therefore, considering the analysis results from the regression model, the overall performance of the constructs is statistically significant and predicts the outcome of the variables. Hence, this model is found to be suitable for the analysis.

Table 14. ANOVA[a]

Model	Sum of Square	df	Measure Square	F	Sig.
Regression	31595284.30	1	31695484.27	47.310	.000[b]
Residual	15698424.63	24	649424.526		
Total	48011412.98	25			

Note. a. Dependent Variable: Customer Satisfaction; b. Predictors (Constant), tangible infrastructure, reliability, assurance, responsiveness and empathy.

Table 15 shows the results of multiple regression analysis to confirm whether the independent variables such as tangible infrastructure, reliability, assurance, responsiveness, and empathy factors are significant predictors of the level of customer satisfaction.

Table 15. Regression coefficients[a]

Model	Unstandardized Coefficient		Standardized Coefficient	t	Sig.
	β	Std. Error	Beta		
Constant	40.392	23.384	-	173.235	.000
Tangible Infrastructure	0.123	0.102	0.101	2.975	.003
Reliability	0.141	0.060	-0.122	2.2338	.020
Assurance	0.061	0.055	0.060	1.119	.264
Responsiveness	0.098	0.056	0.092	1.699	.090
Empathy	0.162	0.057	-0.143	2.830	.005

Note. a. Dependent Variable: Customer Satisfaction.

Source: Self-calculation by the present researchers.

The analysis results determine that the level of customer satisfaction has the potential to influence the independent variables, which is reflected in the calculated value of 65 percent (R square is found at 0.650). Based on the stepwise regression analysis for dependent and independents variables, their relationship equation can be represented as

$Y = 38.874 + 0.123$ (tangible infrastructure) - 0.141 (Reliability) + 0.061 (Assurance) + 0.098 (responsiveness) - 0.162 (empathy)

At the alpha (α) = 0.05 level of significance, the p-value of tangible infrastructure (X_1), reliability (X_2), and empathy (X_5), are found less than 0.05. Hence, the regression analysis results show that reliability, tangible infrastructure, and empathy are significant predictors on the level of customer satisfaction. The remaining two factors such as assurance (X_3), and responsiveness (X_4) whose p-value are found more than 0.05 viz, 0.264 and 0.090 respectively. Therefore, the calculated value adequately confirmed to conclude that these factors are not useful predictors of customer satisfaction levels. Hence, it may be inferred that the variables relating to tangibility, reliability and empathy dimension of the selected SERVQUAL model are the major factor variables in determining customer satisfaction.

5. Results and Implications

The study on the level of satisfaction of customers is aimed at helping customers to understand banking services and the operating system as there is a common criticism of the approach of banks towards customers with limited tangible infrastructure and mild responsiveness in the present scenario. The analysis of various items relating to various dimensions of services indicates that the customers are satisfied with the banking services as the majority of sample respondents have graded the selected items as either high or moderate service brackets. This scenario of satisfaction level has been further confirmed with their respective mean and standard deviation values on selected parameters. The correlation analysis result indicates that there is an inter-relationship between the inducing factors namely intangible infrastructure, reliability, assurance, responsiveness and empathy, and determines that the variables exhibited a linear relationship relating to the factors to each other. The regression analysis also determines that the level of customer satisfaction has the potential to influence the independent variables. The regression analysis clearly reveals sufficient evidence to conclude that tangible infrastructure, reliability, and empathy are significant predictors of the level of customer satisfaction and the other two factors ie, assurance and responsiveness are not appropriate predictors of customer satisfaction level. Hence, an urgent step is warranted to ensure the banks' commitment towards assurance and responsiveness factors by means of giving appropriate financial advice, responding to customers' requests, and building the trust of the customers towards the banks. The study will be enabled the bank management to get a comprehensive range of understanding and empower their strategies effectively to reach out to the customers. It will also enable them to implement various promotions, expansion, and growth to attract customers effectively and retain them.

5.1 Directions for Future Research

The customers of only one regional rural bank viz., Meghalaya Rural Banks have been considered to examine the level and relationship of customer satisfaction on service quality. The comparative studies may be undertaken considering customers of other regional rural banks to gain further insights into the subject. The bank employees' perceptions may also be studied to find out the gap between customer satisfaction and employee perceptions to develop better approaches to customer services.

Acknowledgments

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